ITEM #2R

Blueprint Intergovernmental Agency
Board of Directors
Agenda Item

TITLE: Acceptance of FY 2016 Comprehensive Annual Financial Report (CAFR) and Appropriation of FY 2016 Operating Fund Balance

Date: June 13, 2017

Requested By: Blueprint Staff

Contact: Blueprint

Type of Item: Consent

STATEMENT OF ISSUE:

This item presents to the Intergovernmental Agency Board, Blueprint's Comprehensive Annual Financial Report (CAFR) for the year ended September 30, 2016, and the appropriation of Fiscal Year (FY) 2016 unexpended operating budget funds.

SUPPLEMENTAL INFORMATION:

The Blueprint Intergovernmental Agency FY 2016 CAFR has been completed. In addition to the financial statements, the CAFR includes the opinion of the external auditors, their management letter, and the auditor's reports on compliance and internal controls. It should be noted, as in previous years, the annual audit is nearing completion and the Agency expects to receive an unmodified opinion from the external auditors, Thomas, Howell, Ferguson and Law, Redd, Crona, and Munroe, P.A.s.

At the end of FY 2016, $1,636,950 remained unexpended and is available for transfer to the Capital Projects Fund. Staff is requesting the Board approve an increase in the FY 2017 adopted budget of $1,636,950 for transfer to the Capital Projects Fund as shown below. This is consistent with previous Board actions regarding unexpended funds. This recommendation will allow the Board to expend these funds in the current or future fiscal years on the approved capital projects.

$32,440,086	Approved FY 2017 Operating Budget
0	FY 2016 Carryover for Encumbrances
$1,636,950	FY 2016 Unexpended Balance transfer to the Capital Projects Fund
$34,077,036	Total FY 2017 Amended Budget

Capital Cascades Crossing and Trail and Capital Circle Northwest Southwest Project Allocations

It is requested that out of the $1,636,950 available for transfer to the Capital Projects Fund, $50,000 be allocated to the Capital Cascades Crossing project and $250,000 be allocated to the Capital Circle Northwest Southwest project.

Capital Cascades Crossing and Trail
Capital Cascades Crossing and Trail was officially opened to the public on October 17, 2016. Since that time, staff has worked with the contractor, the City of Tallahassee (maintaining agency) and others to close-out the project. The original construction contract time for the Capital Cascades Crossing and Trail was 270 days (approximately 9 months). However, due to weather conditions (84 days), Holidays (23 days) and some minor modifications during construction (83 days), the contract time was extended by 190 days for a total of 460 days (15+ months). Blueprint's contract for construction engineering inspection (CEI) services was for 14 months, which did not cover the total contract time and closeout period. As a result, the CEI contract needed to be extended and we need fund the additional expense. Blueprint requests an additional $50,000 to allow for the funding of the CEI services.

Capital Circle Northwest Southwest
With the anticipated project end date of June 2017, Blueprint is requesting to replenish the project contingency funds in the amount of $250,000 to complete the project. These additional funds would be used to address any unquantified but expected overruns of contract pay items or adjustments. Project overruns are related to pavement and limerock composite pay factors and other costs/expenses associated with project close-out. Blueprint requests an additional $250,000 to replenish the project contingency funds.

Action by TCC and CAC: This item was not presented to the TCC or CAC.

OPTIONS:

Option 1: Accept the FY 2016 CAFR and approve additional appropriation to the FY 2017 Budget of $1,636,950 for transfer to the Capital Projects Fund. In addition, out of $1,636,950 available for transfer to the Capital Projects Fund, $50,000 be allocated to the Capital Cascades Crossing project and $250,000 be allocated to the Capital Circle Northwest Southwest project.

Option 2: Board direction.

RECOMMENDED ACTION:

Option 1: Accept the FY 2016 CAFR and approve additional appropriation to the FY 2017 Budget of $1,636,950 for transfer to the Capital Projects Fund. In addition, out of $1,636,950 available for transfer to the Capital Projects Fund, $50,000 be allocated to the Capital Cascades Crossing project and $250,000 be allocated to the Capital Circle Northwest Southwest project.

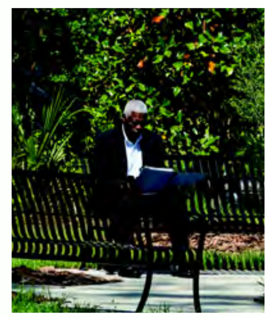
Attachments:

1. Management Letter (to be provided at June 13, 2017 Board meeting)
2. FY 2016 CAFR document (to be provided at June 13, 2017 Board meeting)

2016

COMPREHENSIVE ANNUAL FINANCIAL REPORT






BLUEPRINT
INTERGOVERNMENTAL AGENCY

PLACE
PLANNING, LAND MANAGEMENT and COMMUNITY ENHANCEMENT

OFFICE OF ECONOMIC VITALITY

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

Comprehensive Annual Financial Report

Blueprint Intergovernmental Agency

For The Fiscal Year Ended September 30, 2016

Prepared by:
Administrative and Professional Services
Accounting Services Division
City of Tallahassee, Florida

BLUEPRINT INTERGOVERNMENTAL AGENCY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2016

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ORGANIZATIONAL CHART

LIST OF DIRECTORS AND MANAGERS

LIST OF ACCOUNTING SERVICES DIVISION STAFF

BLUEPRINT
INTERGOVERNMENTAL AGENCY

June 5, 2017

To the Chairman and Members of the Board of the Blueprint Intergovernmental Agency

The Comprehensive Annual Financial Report of the Blueprint Intergovernmental Agency (the Agency) for the fiscal year ended September 30, 2016, is hereby submitted pursuant to Florida Statutes, Chapter 11, Section 45, and Chapters 10.550 Rules of the Auditor General of the State of Florida.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The certified public accounting firms of Thomas Howell Ferguson, P.A. and Law, Redd, Crona, and Munroe, P.A. have issued an unmodified opinion on the Agency's financial statements for the year ended September 30, 2016. The independent auditors' report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD &A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD &A and should be read in conjunction with it.

PROFILE OF THE AGENCY

On October 27, 2000, pursuant to Section 163.01 (7), Florida Statutes, Leon County, Florida, and the City of Tallahassee, Florida, created the Blueprint 2000 Intergovernmental Agency to govern the project management structure for the project planning and the construction of the Blueprint 2000 projects. These projects were to be funded from a 15 year discretionary one cent sales tax extension approved by a voting majority of Leon County voters on November 7, 2000. The Board of County Commissioners and the City Commission constitute the Board of Directors (the Board) for the Agency. On December 9, 2015, the Board elected to change the name of the Agency to Blueprint Intergovernmental Agency. The County Administrator and the City Manager approve staffing for the Agency. Various committees provide professional advice and serve in advisory capacities.

Tallahassee, the capital city of Florida, was incorporated in 1825, twenty years before Florida was admitted to the Union. The City is governed by a Mayor and four Commissioners elected at-large. The City Commission appoints the City Manager, the City Treasurer-Clerk, the City Auditor, and the City Attorney. Collectively the appointed officials are responsible for all administrative aspects of the government, with most falling under the purview of the City Manager.

The Leon County Board of Commissioners consists of seven members, five of whom are elected within districts, with the remaining two elected at-large. Each Commissioner is elected to a four year term with the position of Chairperson selected annually on a rotating basis. A County Administrator administers all county offices not governed by elected County officials.

In 1989 the voters of Leon County approved an additional one-cent sales tax, increasing the sales tax total to seven and one half cents. The additional penny tax, levied through the year 2004, was used for capital projects in the areas of transportation and law enforcement.

In November 7, 2000, voters approved a 15 year extension of the penny sales tax, with 80% of the proceeds to be used for a variety of transportation, stormwater, and environmental projects identified in Blueprint 2000, a study produced by a citizens group representing business and environmental interests, to help guide the community's future growth. The funds collected under this extension are the funds the Agency uses for projects.

On November 4, 2014, a majority of Leon County voters approved another extension of the penny sales tax through December 31, 2039. The tax collected will be used for projects designed to improve roads, reduce traffic congestion, protect lakes and water quality, reduce flooding, expand and operate parks and recreational areas, invest in economic development and other uses authorized under Florida law; and to seek matching funds for these purposes.

The Agency is required to adopt a final budget prior to the close of the fiscal year. This annual budget serves as the foundation for the Agency's financial planning DQd control. The annual budget process involves input and collaboration between the Blueprint Executive Director, members of the Intergovernmental Agency, and input and review from the various committees.

FACTORS AFFECTING FINANCIAL CONDITION

The economy of Leon County is strongly oriented toward governmental and educational activities. The presence of the State Capital and two major universities help to shape Leon County's population as UHODWLYHO\ young, well educated, and affluent.

Leon County is a racially diverse community. Minorities account for 37.6% of the population with African-Americans comprising 31.6%.

Leon county residents have attained a very high level of education. Forty five percent of area residents aged 25 or older have completed at least four years of college.

The 2011-2015 American Community Survey 5-year estimates report median family income in Leon County is $46,745, which is comparable to the national median. Of the workers in Leon County, 58.4% are in management or professional occupations compared to 40% nationally.

The level of governmental employment has a stabilizing effect on the economy and helps to minimize XQHPployment. In December 2016 XQHmployment was 4.5% in Leon County. The state's XQHPSOR\PHQ was 4.7% in the same month. The percentage of employees employed by local, state, and federal government is approximately 37.9% of the workforce. The unemployment rate is one of many economic indicators utilized to evaluate the condition of the economy.

Population growth trends are presented in the following table:

Year	Tallahassee	Unincorporated	Leon
1950	27,237	24,353	51,590
1960	48,174	26,051	74,225
1970	71,897	31,150	103,047
1980	81,548	67,107	148,655
1990	124,773	67,720	192,493
2000	150,624	88,828	239,452
2010	181,376	94,111	275,487
2016 estimated	189,675	97,966	287,641
2020 projected	202,200	99,300	301,500
2030 projected	224,900	104,000	328,900
	242,600	107,600	350,200

As previously indicated, the Agency is primarily funded via a penny sales tax collection which is predicated on retail sales; the following chart indicates the trend in retail sales (in thousands) for Leon County:

Year	Amount
2005	6,594,799
2006	7,154,823
2007	7,358,014
2008	7,265,784
2009	6,385,468
2010	6,357,986
2011	6,518,559
2012	6,681,858
2013	7,071,265
2014	7,686,804
2015	7,510,613
2016	7,751,449

CONSTRUCTION TRENDS

Residential Construction

Another factor that is a strong indicator of the local economy and influences the City and County's financial condition, is the issuance of building permits for residential construction. Single-family residential building permits in Leon County were up 5% in fiscal year 2016, following a marginal decrease of 1% in fiscal year 2015.

Permits for multi-family units were up 69% in fiscal year 2016 (following an 18% increase in fiscal year 2015). There were three multi-family apartment communities (50 units or more) permitted in fiscal year 2016 (Evergreen at Southwood, The Domain and Apalachee Point Villas) and two assisted living facilities (Kenwood Place and Mulligan Park).

Commercial Construction

In fiscal year 2016, approximately $72 million of new commercial construction was permitted in Leon County, an 8% increase compared with $65 million permitted in fiscal year 2015. Larger commercial permits in fiscal year 2016 include a $12.4 million, six-story, 60,000 SF Class A downtown office building, a 29,000 SF Care Point community Health & Wellness Center and a 25,000 SF office building in Summit East for the Florida Sheriffs Risk Management Fund.

LONG-TERM FINANCIAL PLANNING

The Agency has prepared a Master Plan of the Blueprint 2000 projects that is reviewed and updated three times per year. Financing for these projects is continually evaluated in terms of pay-as-you-go financing (either sales tax collections or grants, when available) or long-term financing. The current state of the economy and the future outlook of sales tax collections have compelled the Agency to scrutinize the Master Plan and reduce long range projects accordingly.

ACKNOWLEDGEMENTS

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the staff of the City of Tallahassee's Accounting Services Division, who FRPpiled this report. We would also like to thank the members of the City and County Commissions for their interest and support in planning and conducting the financial operations of the Agency in a responsible and progressive manner.

Respectfully submitted,

Ben Pingree
Director of P.L.A.C.E.
Blueprint Intergovernmental Agency

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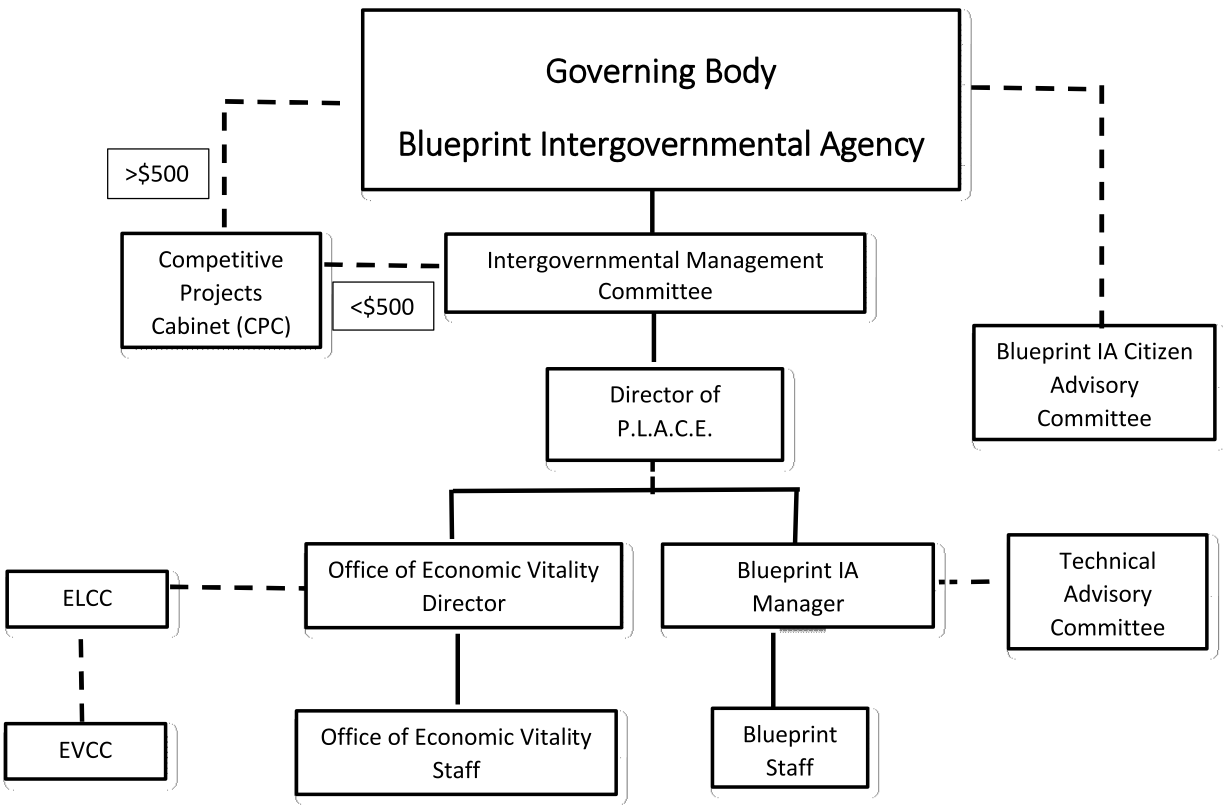
BLUEPRINT
INTERGOVERNMENTAL AGENCY

BLUEPRINT INTERGOVERNMENTAL AGENCY

ORGANIZATION CHART



BLUEPRINT
INTERGOVERNMENTAL AGENCY

BOARD OF DIRECTORS

Gil Ziffer, Chairman

John E. Dailey
Bryan Desloge
Kristen Dozier
Andrew Gillum
Nick Maddox

Mary Ann Lindley, Vice-Chairman

Scott Maddox
Nancy Miller
Bill Proctor
Curtis Richardson
Jane Sauls

INTERGOVERNMENTAL MANAGEMENT COMMITTEE

Vincent S. Long, Leon County Administrator
Ricardo Fernandez, City Manager

DIRECTOR OF PLANNING, LAND MANAGEMENT AND COMMUNITY ENHANCEMENT

Benjamin Pingree

The Comprehensive Annual Financial Report for Blueprint Intergovernmental Agency was produced by the combined efforts of the Accounting Services Division of The Financial Services Department. The following staff had primary responsibility for preparing and assuring the accuracy of this report:

Assistant City Manager for Administrative and Professional Services
Raoul A. Lavin

Financial Services Department
Patrick Twyman, Director

Financial and Systems Analyst
Rita Stevens, CPA

Taylor Buckley	**Mazie Crumbie**	**Latrenda Johnson**
Kereen Jones	**Vernessa McMillon**	**Julie Paniucki**
Lajja Patel	**George Robbins, CPA**	**Angela Roberts**
Reginald Rodney	**Keith Srinivasan**	**EmersonThompson**
Rosie Tu		

Financial and Systems Analyst Fixed Assets

Robert Bechtol, CPA

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS

BASIC FINANCIAL STATEMENTS

REQUIRED SUPPLEMENTARY INFORMATION

Thomas Howell Ferguson P.A. CERTIFIED PUBLIC ACCOUNTANTS Law, Redd, Crona & Munroe, P.A.

INDEPENDENT AUDITORS' REPORT

Honorable Members of the Board
Blueprint Intergovernmental Agency

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Blueprint Intergovernmental Agency (the Agency) as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Agency'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.

Auditors' Responsibility

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

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

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

Honorable Members of the Board
Blueprint Intergovernmental Agency
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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Blueprint Intergovernmental Agency, as of September 30, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 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 Blueprint Intergovernmental Agency's basic financial statements. The introductory section 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 state financial assistance is presented for purposes of additional analysis as required by Chapter 10.550, *Rules of the Auditor General* and is also not a required part of the basic financial statements.

The schedule of state financial assistance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 schedule of state financial assistance is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Honorable Members of the Board
Blueprint Intergovernmental Agency
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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 June 5, 2017, on our consideration of the Blueprint Intergovernmental Agency'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 Blueprint Intergovernmental Agency's internal control over financial reporting and compliance.

Thomas Howell Ferguson P.A.

THOMAS HOWELL FERGUSON, P.A.
Tallahassee, Florida
June 5, 2017

Law, Redd, Crona, & Munroe, P.A.

LAW, REDD, CRONA AND MUNROE, P.A.
Tallahassee, Florida

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BLUEPRINT
INTERGOVERNMENTAL AGENCY

MANAGEMENT DISCUSSION AND ANALYSIS

This section of Blueprint Intergovernmental Agency's annual financial report is designed to provide the reader with a better understanding of the financial activity for the fiscal year that ended September 30, 2016. It should be read in conjunction with the Transmittal Letter at the front of this report and the financial statements, which follow this section. Notes mentioned below are Notes to the Financial Statements, which follow the statements.

FINANCIAL HIGHLIGHTS

- Assets at September 30, 2016 totaled $373.1 million, representing an increase of $13.3 million from the prior year. This increase is primarily due to the increase in construction in progress from substantial costs incurred in construction on the CCNW/SW US 90 to Orange Avenue and Cascade Trail Connector Bridge projects in the current year.
- Liabilities at September 30, 2016 totaled $66.9 million, representing a decrease of $12.6 million. This decrease is primarily due to the net effects of principal reductions on the debt oustanding of $17.1 million and increases in securities lending obligations of $730,000, due to other governments of $1.3 million, and accounts and retainage payable of $2.2 million due to the timing of project expenses.
- Total net position increased $26.0 million during the fiscal year ended September 30, 2016 as a result of current year operations.
- Revenues decreased by $1.3 million due to various changes from the prior year. Capital grants and contributions decreased $2.4 million due to a reduction in grant billable construction. Also contributing to the decrease in revenues was the reduction in the current year of $777,000 in right of way advance repayments. Offsetting these reductions in the current year, the agency received operating contributions of $649,000 related to the start up of the Office of Economic Vitality (OEV) and sales tax revenues increased $1.1 million consistent with an uptick in the economy.
- Expenses increased $4.9 million from the prior year primarily due to an increase of $586,000 in economic development expenses incurred with the opening of the Office of Economic Vitality coupled with an increase in expenses incurred on transportation related operating projects.

AN OVERVIEW OF THE FINANCIAL STATEMENTS

The Agency's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

The focus of the financial statements is on both Blueprint's overall financial status and the major individual funds. The following briefly describes the component parts.

GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements are designed to report information about the Agency as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position combines all of Blueprint's current financial resources with capital assets and long-term obligations. Net position, the difference between Blueprint's assets, deferred outflows of resources, liabilities and deferred inflows of resources, is one way to measure its financial health.

Blueprint is considered a single-function government with all activities classified as governmental rather than business-type. Consequently, the government-wide financial statements include only governmental activities. These are services that are financed primarily from shared revenues.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of Blueprint's funds are considered to be Governmental funds. Blueprint maintains three individual funds - a general fund, a special revenue fund and a debt service fund; all of which are considered major funds. The following chart describes the fund requirements.

- **Scope** - Includes Blueprint's revenues from bond sales, shared revenues, investment income, operational expenditures, and approved community projects
- **Required financial statements** - Balance Sheet; Statement of Revenues, Expenditures and Changes in Fund Balances
- **Accounting basis and measurement focus** - modified accrual accounting and current financial resources focus
- **Type of asset/liability information** - Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets are included
- **Type of inflow/outflow information** - Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter. Activity consist of pension related deferred inflows/outflows and deferred gain on refunding of debt.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The following table reflects the condensed Statement of Net Position compared to the prior year. As indicated in the table, Blueprint's net position increased by $26.0 million in fiscal year 2016. Total assets increased by $13.3 million primarily due to increased construction in progress for current year activity on the CCNW/SW US 90 to Orange Avenue and Cascade Trail Connector Bridge projects. Total liabilities decreased by $12.7 million primarily due to a reduction of $17.1 million in bonds payable and loans payable and related accounts netted with an increase in securities lending obligations of $730,000, and increase in amounts owed to other governments of $1.3 million resulting from the start up of the OEV, and an increase of $2.2 million in accounts and retainage payable due to the timing of project billings.

Table 1
Statement of Net Position
As of September 30
Governmental Activities
(in thousands)

	2016	2015	$ Change
Assets and Deferred Outflows of Resources			
Current Assets	$ 72,057	$ 74,406	$ (2,349)
Noncurrent Assets	300,624	285,303	15,321
Deferred Outflow of Resources	430	104	326
Total Assets and Deferred Outflows of Resources	373,111	359,813	13,298
Liabilities and Deferred Inflows of Resources			
Current Liabilities	24,676	21,847	2,829
Noncurrent Liabilities	42,250	57,681	(15,431)
Deferred Inflows of Resources	413	535	(122)
Total Liabilities and Deferred Inflows of Resources	67,339	80,063	(12,724)
Net Position			
Invested in Capital Assets, net of related debt	243,743	210,872	32,871
Restricted	8,247	68,878	(60,631)
Unrestricted	53,782	-	53,782
Total Net Position	305,772	279,750	26,022
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 373,111	$ 359,813	$ 13,298

CHANGES IN NET POSITION

Blueprint's total revenues were $36.9 million in fiscal year 2016, comprised primarily of shared revenues of $33.6 million, grants and contributions of $2.0 million, investment earnings of $1.3 million and miscellaneous revenues of $27,000 representing a decrease of $1.3 million compared to 2015. The decrease was due primarily to a decrease of $2.4 million in grant billable construction resulting in decreased grant revenues from the Federal Highway Administration combined with a decrease of $777,000 in right of way advance repayments offset by an increase of $649,000 in operating contributions received for the opening of the OEV and increased sales tax revenues of $1.1 million. Expenses were $10.9 million during that same period representing an increase of $4.9 million from the prior year. This increase is primarily due to the opening of the OEV in the current fiscal year and increased expenses on transportation related operating projects in the current year.

The following table shows revenues and expenses by sources and programs and the resulting change in net position.

Table 2
Changes in Net Position
Governmental Activities
(in thousands)

	2016	2015	$ Change
Program revenue			
Operating Grants and Contributions	$ 649	$ -	$ 649
Capital Grants and Contributions	1,345	3,751	(2,406)
General revenues			
Shared Revenues	33,570	32,491	1,079
Net Investment Revenue	1,287	1,077	210
Advance Repayment	-	777	(777)
Miscellaneous	27	113	(86)
Total Revenues	36,878	38,209	(1,331)
Expenses			
Transportation	8,642	3,464	5,178
Economic Development	586	-	586
Interest on long-term debt	1,601	2,498	(897)
Depreciation	27	28	(1)
Total Expenses	10,856	5,990	4,866
Increase (Decrease) in Net Position	$ 26,022	$ 32,219	$ (6,197)

GOVERNMENTAL ACTIVITIES

All activities are classified as governmental because expenditures are funded by shared revenues, grants, and income on invested funds. The cost of all activities in fiscal year 2016 was $10.9 million while revenues were $36.9 million resulting in an increase in net position of $26.0 million.

Revenue Impacts:

- Collection of shared revenues during fiscal year 2016 were $1.1 million greater than fiscal year 2015, reflecting a slight improvement consistent with current economic conditions.

- Operating and capital grants and contributions during fiscal year 2016 were $1.8 million less than fiscal year 2015. This is primarily due to the reduction of grant billable construction on the Capital Circle NW/SW U.S 90 to Orange Avenue and the Cascade Trail connector bridge projects which resulted in a decrease of $2.4 million in grant revenues from the Federal Highway Administration and the State of Florida. This reduction was offset by an increase in operating contributions of $649,000 from the City of Tallahassee and Leon County for the start up of the Office of Economic Vitality.

Expense Impacts:

- Expenses in fiscal year 2016 include interest on bonds and loans, personnel and operating costs of administering the Blueprint program, and contractual and professional services and other expenses related to approved Blueprint projects, which do not meet the definition of a capital asset.

The following table summarizes the change in fund balance for the governmental funds:

Table 3
Financial Analysis of the Agency's Governmental Funds
(In thousands)

Fund	Fund Balances 9/30/2015	Sources	Uses	Sources Over (Under) Uses	Fund Balances 9/30/2016
General Fund	$ 5,239	$ 34,436	$ 35,996	$ (1,560)	$ 3,679
Special Revenue	58,398	16,863	21,757	(4,894)	53,504
Debt Service	7,786	19,348	18,815	533	8,319
Total Fund Balances	$ 71,423	$ 70,647	$ 76,568	$ (5,921)	$ 65,502

As of September 30, 2016, Blueprint reported combined ending fund balances of $65.5 million, which is $5.9 million less than last year. Of this amount, $57.2 million is restricted for infrastructure and $8.3 million is restricted for future debt service.

GENERAL FUND BUDGETARY HIGHLIGHTS

As indicated on the schedule comparing the original budget in the General Fund to the final budget, which is included in the required supplementary information to the financial statements, there was one amendment to the budget for $2.1 million to reflect the 2015 carry forward of the unexpended balance. Relative to the differences between final budgets and actual results, shared revenues were $1.1 million above estimate due to a conservative budget based on a slow state economic recovery. Actual collections are reflective of an uptick in the economy.

CAPITAL ASSETS

Blueprint's capital assets, consisting primarily of construction in progress on road projects, were $300.6 million as of September 30, 2016. This represents a increase of $15.3 million from last year. Please see Note I.D.3 and III.B for more information about the Agency's capital assets.

Major capital acquisitions and improvements during the year included the following:

- Construction work continued on Capital Cascades Trail. Land and construction in progress related to this project as of the close of the fiscal year was $38 million.
- Construction work continued on the Cascade Trail Connector Bridge. Land and construction in progress related to this project as of the close of the fiscal year was $7.5 million
- Construction work continued on Capital Circle NW/SW U.S. 90 to Orange Avenue. Land and construction in progress related to this project as of the close of the fiscal year was $109 million.

LONG-TERM DEBT

At September 30, 2016, Blueprint had $56.7 million in general long-term debt outstanding. Of this amount, $39.9 million represents tax-exempt bonds secured by sales tax collections, $13.4 million represents loans from the State Infrastructure Bank maintained by the Florida Department of Transportation, $3.3 million represents unamortized bond premiums, and $137,000 represents compensated absences payable. During the year, Blueprint's total debt decreased by a net amount of $17.1 million, due to bond and loan principal reduction and amortization of deferred gain on refunding. For more information about Blueprint's Long-Term Debt, see the Notes to the Financial Statements, Note III.D.

ECONOMIC AND OTHER FACTORS THAT MAY IMPACT BLUEPRINT'S FINANCIAL POSITION

Blueprint's funding from the local option one-cent sales tax is impacted by the local economy. A number of initiatives have begun that will have a positive impact on Tallahassee and Leon County's economy. These include the creation of a Community Redevelopment Agency, revising regulations to encourage more redevelopment, obtaining federal and state funds to assist in redevelopment and affordable housing, and making needed transportation and stormwater improvements.

On November 4, 2014, a majority of voters in Leon County voted to extend the local option sales tax another 20 years until 2039. In response to the passage of the this extention, the Agency also opened the Office of Economic Vitality whose purpose is to invest in and cultivate the evolving economic development landscape. The goal is to align the resources of supporting organizations, partners, community stakeholder and planning bodies to better optimize what the area affords and to provide opportunity for all. This investment in the community is expected to increase sales tax collections.

FISCAL YEAR 2017 BUDGET

Blueprint 2000's General Fund Budget for fiscal year 2017 totals $32.4 million, consisting of $2.4 million for administration, a $18.6 million transfer to the Debt Service Fund, and a $11.4 million transfer to the Construction Fund for projects. Funding for the budget is based upon $32.4 million of shared revenues.

FINANCIAL CONTACT

This financial report is designed to provide residents, taxpayers, customers, and creditors with a general overview of the Blueprint 2000's finances and to demonstrate the Agency's accountability for the money it receives. If you have questions about the report or need additional financial information, contact the Financial Services Director at Mailbox A-29, 300 South Adams Street, Tallahassee, Florida 32301-1731 or via the web at Patrick.Twyman@talgov.com.

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BLUEPRINT
INTERGOVERNMENTAL AGENCY

BASIC FINANCIAL STATEMENTS

These basic financial statements provide a summary overview of the financial position as well as the operating results of the Blueprint Intergovernmental Agency. They also serve as an introduction to the more detailed statements and schedules that follow in subsequent sections:

GOVERNMENT-WIDE FINANCIAL STATEMENTS

FUND FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

BLUEPRINT INTERGOVERNMENTAL AGENCY
STATEMENT OF NET POSITION
September 30, 2016
(in thousands)

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
ASSETS		
Due From Other Governments	$	6,198
Cash and Cash Equivalents - Restricted		55,554
Investments - Restricted		8,319
Securities Lending Collateral - Restricted		730
Accrued Interest - Restricted		106
Due From Other Governments - Restricted		1,150
Capital Assets:		
Land and Construction in Progress		300,268
Other, Net of Accumulated Depreciation		356
Total Assets		372,681
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Deferred Outflows		430
Total Deferred Outflows of Resources		430
Total Assets and Deferred Outflows of Resources	$	373,111
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
LIABILITIES		
Accounts and Retainage Payable	$	1,670
Compensated Absences		96
Accounts and Retainage Payable - Restricted		5,866
Obligations Under Securities Lending - Restricted		730
Bonds and Loans Payable		16,314
Due to Other Governments		1,349
Compensated Absences-Noncurrent		41
Net OPEB Obligation		67
Net Pension Liability		496
Bonds & Loans Payable - Noncurrent		40,297
Total Liabilities		66,926
DEFERRED INFLOWS OF RESOURCES		
Deferred Gain (Loss) on Refunding		271
Pension Related Deferred Inflows		142
Total Deferred Inflows of Resources		413
Total Liabilities and Deferred Inflows of Resources		67,339
NET POSITION		
Net Investment in Capital Assets		243,743
Restricted for Debt Service		8,247
Unrestricted		53,782
Total Net Position		305,772
Total Liabilities, Deferred Inflows of Resources and Net Position	$	373,111

The notes to the financial statements are an integral part of these financial statements.

BLUEPRINT INTERGOVERNMENTAL AGENCY
STATEMENT OF ACTIVITIES
For the fiscal year endedSeptember 30, 2016
(in thousands)

		Program Revenue		Net (Expense) Revenue and Changes in Net Position
	Expenses	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTION/PROGRAMS				
PRIMARY GOVERNMENT:				
Transportation	$ 8,642	$ -	$ 1,345	$ (7,297)
Economic Development	586	649	-	63
Unallocated Depreciation on Infrastructure	27	-	-	(27)
Interest on Long-Term Debt	1,601	-	-	(1,601)
Total Primary Government	$ 10,856	$ 649	$ 1,345	(8,862)

General Revenues:	
Shared Revenues	33,570
Net Securities Lending Income	1
Net Investment Income	1,136
Change in Fair Value of Investments	150
Miscellaneous	27
Total General Revenues	34,884
Change in Net Position	26,022
Net position - October 1	279,750
Net position - September 30	$ 305,772

The notes to the financial statements are an integral part of these financial statements.

BLUEPRINT INTERGOVERNMENTAL AGENCY
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2016
(in thousands)

	General	Special Revenue	Debt Service	Total Governmental Funds
ASSETS				
Due From Other Governments	$ 6,198	$ -	$ -	$ 6,198
Cash and Cash Equivalents - Restricted	-	55,554	-	55,554
Investments - Restricted	-	-	8,319	8,319
Securities Lending Collateral - Restricted	-	730	-	730
Accrued Interest - Restricted	-	106	-	106
Due From Other Governments - Restricted	-	1,150	-	1,150
Total Assets	$ 6,198	$ 57,540	$ 8,319	$ 72,057
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 1,670	$ -	$ -	$ 1,670
Accounts Payable-Restricted	-	2,806	-	2,806
Obligations Under Securities Lending - Restricted	-	730	-	730
Due To Other Governments	849	500	-	1,349
Total Liabilities	2,519	4,036	-	6,555
FUND BALANCES				
Restricted:				
Infrastructure	3,679	53,504	-	57,183
Future Debt Service	-	-	8,319	8,319
Total Fund Balances	3,679	53,504	8,319	65,502
Total Liabilities and Fund Balances	$ 6,198	$ 57,540	$ 8,319	$ 72,057

The notes to the financial statements are an integral part of these financial statements.

BLUEPRINT INTERGOVERNMENTAL AGENCY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2016
(in thousands)

Total Fund Balances per the Governmental Fund Financial Statements	$	65,502
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Bonds payable are not due and payable in the current period and therefore are not reported in the funds.		(39,905)
Bond premiums are not due and payable in the current period and therefore are not reported in the funds.		(3,321)
Deferred gain on refunding is not due and payable in the current period and therefore not reported in the funds.		(271)
State infrastructure bank loans are not due and payable in the current period and therefore are not reported in the funds.		(13,385)
Annual leave liability is not due and payable in the current period and therefore is not reported in the funds.		(137)
Net Other Post Employment Benefit Obligations are not due and payable in the current period and therefore are not reported in the funds		(67)
Retainage on long term contracts is not due and payable in the current period and therefore are not reported in the funds.		(3,059)
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		300,624
Certain amounts related to the net pension liability are deferred and amortized over time and are not reported in the funds.		(209)
Total Net Position per the Government-wide Statement of Net Position	$	305,772

The notes to the financial statements are an integral part of these financial statements.

BLUEPRINT INTERGOVERNMENTAL AGENCY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2016
(in thousands)

	General	Special Revenue	Debt Service	Total
REVENUES				
Intergovernmental	$ 34,219	$ 1,345	$ -	$ 35,564
Net Investment Revenue	188	824	125	1,137
Securities Lending Income	-	2	-	2
Miscellaneous	29	-	-	29
Increase in Fair Value of Investments	-	77	73	150
Total Revenues	34,436	2,248	198	36,882
EXPENDITURES				
Current:				
Transportation	1,704	21,756	-	23,460
Economic Environment	527	-	-	527
Interest	-	1	-	1
Debt Service:				
Principal	-	-	16,129	16,129
Interest	-	-	2,686	2,686
Total Expenditures	2,231	21,757	18,815	42,803
Excess (Deficiency) of Revenues Over (Under) Expenditures	32,205	(19,509)	(18,617)	(5,921)
Other Financing Sources (Uses)				
Transfers In From General Fund	-	14,615	19,150	33,765
Transfers To Special Revenue Fund	(14,615)	-	-	(14,615)
Transfers To Debt Service Fund	(19,150)	-	-	(19,150)
Total Other Financing Sources (Uses)	(33,765)	14,615	19,150	-
Net Change in Fund Balances	(1,560)	(4,894)	533	(5,921)
Fund Balances - October 1	5,239	58,398	7,786	71,423
Fund Balances - September 30	$ 3,679	$ 53,504	$ 8,319	$ 65,502

The notes to the financial statements are an integral part of these financial statements.

**BLUEPRINT INTERGOVERNMENTAL AGENCY
RECONCILIATION OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2016
(in thousands)**

Net Changes in Fund Balances per the Governmental Fund Financial Statements	$	(5,921)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		14,979
The change in compensated absences which is reported in the Statement of Activities does not require the use of current financial resources and therefore is not reported as an expenditure in governmental funds.		(82)
Repayment of bond and loan principal is reported as an expenditure in governmental funds. Principal payments reduce the liability in the Statement of Net Position and does not result in an expense in the Statement of Activities.		16,129
Amortization of bond premiums are not current financial resources and therefore are not reported in the funds.		1,002
The change in the unfunded Net OPEB Obligation which is included in the Statement of Activities does not require the use of current financial resources and therefore is not reported as an expenditure in the funds.		(7)
Amortization of deferred gain on bond issue are not current financial resources and therefore are not reported in the funds.		82
Pension related items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as an expenditure in governmental funds.		(160)
Total Change in Net Position per the Government-wide Statement of Net Position	$	26,022

The notes to the financial statements are an integral part of these financial statements.

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BLUEPRINT
INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

NOTE III - DETAILED NOTES (ALL FUNDS)

NOTE IV - OTHER INFORMATION

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This Summary of Significant Accounting Policies is presented to assist the reader in interpreting the financial statements. The policies are considered essential and should be read in conjunction with the accompanying financial statements. The accounting policies of the Agency conform to generally accepted accounting principles (GAAP) as applicable to governmental units. This report, the accounting systems and classification of accounts conform to standards of the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

In October 2000, the Agency was created through an inter-local agreement between the City of Tallahassee (City) and Leon County, Florida (County) as authorized by Section 163.01(07) Florida Statutes. It was created to provide project management for the planning and construction of various specified projects included in the inter-local agreement. The City Commission and the Board of County Commissioners constitute the Agency's Board of Directors and jointly govern the organization. It is not a component unit of the County, the City, or any other entity. In addition, the Agency has not identified any other entities for which the Agency has operational or financial relationships that would require them to be included as component units of the Agency.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements report information on all of the activities of the Agency. The effect of interfund activity has been removed from the government-wide statements. These statements include the Statement of Net Position and the Statement of Activities.

Separate fund financial statements are also provided for the individual governmental funds of the Agency. The Agency has no other types of funds. All funds are treated as major funds and are therefore presented in separate columns in the fund financial statements. The fund financial statements include the Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance.

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 are revenues that derive from the program itself or from parties outside the reporting government's taxpayers or citizenry. Program revenues reduce the net cost of the function to be financed from the governmental revenues. Program revenues in the current year consisted primarily of grant revenues from the Federal Department of Transportation. These funds were used for land purchases and the construction of projects.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

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.

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

When an expense or expenditure is incurred for purposes for which both restricted and unrestricted net position is available, it is the Agency's policy to use restricted resources first, and then unrestricted resources as they are needed.

Investment revenues associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available by the Agency.

The Agency reports the following major governmental funds:

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

- **Special Revenue Fund** - accounts for bond proceeds, loan proceeds, and various grant revenues expended for Agency projects.

- **Debt Service Fund** - is used for the accumulation of resources for the payment of interest and principal on the bonds, State Infrastructure Bank loans and amortization of deferred gain/loss associated with refunding of debt.

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION

1. CASH AND CASH EQUIVALENTS/INVESTMENTS

The Agency considers cash on hand and demand deposits with an original maturity of 90 days or less to be cash and cash equivalents/investments. The Agency's investments are stated at fair value. Fair value is based on quoted market prices as of the valuation date.

2. RESTRICTED ASSETS

Certain proceeds of the Agency's revenue bonds, certain resources set aside for their repayment, and certain other amounts, are classified as restricted assets on the Statement of Net Position because their use is limited by applicable bond covenants or otherwise restricted for use by the Agency.

3. CAPITAL ASSETS

Capital assets, which include land, equipment, and infrastructure assets. Infrastructure assets are defined as public domain assets and include items such as roads, bridges curbs and gutters, streets and sidewalks, and drainage systems that are immovable and of value only to the government. Capital assets, other than infrastructure assets, are defined as assets with a cost of $1,000 or more and an estimated useful life greater than one year; infrastructure assets are capitalized when they have an expected cost of at least $100,000. Capital assets are

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION

3. **CAPITAL ASSETS**

recorded at cost when purchased. Donated capital assets, which generally consist of land and easements, are recorded at the estimated fair market value at the date of donation based on appraisals or donor's cost. Equipment is depreciated using the straight-line method over an estimated useful life of 5 to 10 years. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Included within the Agency's construction in progress is the construction and/or acquisition of infrastructure assets for the City, the County, and the State of Florida. The Agency accumulates these costs while it manages the particular project. Upon completion of the project, the assets (e.g., land, right-of-way, facilities, etc) are transferred from the Agency to the appropriate government and such government is thereafter responsible for maintaining the transferred assets. At September 30, 2016, management is in the process of evaluating and transferring approximately $176 million of capital assets to the appropriate governments.

4. **COMPENSATED ABSENCES**

Employees earn vacation and sick leave starting with the first day of employment. Vacation leave is earned based on creditable service hours worked as follows:

Executive		Senior Management		General	
Creditable Service Hours	Leave earned per hour	Creditable Service Hours	Leave earned per hour	Creditable Service Hours	Leave earned per hour
0 - 2,079	0.057693	0 - 2,079	0.057693	0 - 10,400	0.057693
2,080 - 10,400	0.080770	2,080 - 10,400	0.069231	10,401 - 20,800	0.069231
10,401 - 20,800	0.923080	10,401 - 20,800	0.080770	20,801 - 41,600	0.080770
over 20,800	0.103847	20,801 - 41,600	0.092308	over 41,600	0.092308
		over 41,600	0.103847		

A maximum of 344 hours of vacation leave time may be carried over from one calendar year to the next for executive employees and a maximum of 264 hours for senior management and general employees. An employee who terminates employment with the Agency is paid for any unused vacation leave accumulated to the time of termination.

Sick leave is earned at the rate of .023077 hours for each hour of service with no maximum limit on the number of hours which may be accumulated.

An employee who terminates from the Agency for any reason other than termination for cause will be paid one-half of the total amount of sick leave (without regard to catastrophic illness leave) accumulated by the employee on the effective date of termination. If the employee dies, the sick leave amount will be paid to the employee's beneficiary or estate. Retiring employees can elect the option of using the accumulated sick leave amount to purchase single coverage health insurance in lieu of receiving payment for such accumulated sick leave.

Accumulated current and long-term vacation and sick leave amounts are accrued when earned in the government-wide financial statements. A liability of the accumulated vacation and sick leave is reported in the governmental funds only if it is expected to be paid as a result of employee resignation or retirement as of September 30, 2016.

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. ASSETS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION

5. **Bond Premiums**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums are deferred and amortized over the life of the bonds at the rate at which principal payments are made which approximates the effective interest method.

6. **Net Position and Fund Balance**

In the government-wide financial statements, net position represents net investment in capital assets, amounts restricted for debt service payments, and amounts restricted for capital projects as required by enabling legislation. For governmental fund financial statements, the Governmental Accounting Standards Board (GASB) issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This statement defines the different types of fund balances that a governmental entity must use for fund financial reporting purposes. GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

1) **Nonspendable,** such as fund balance associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned),

2) **Restricted** fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation,

3) **Committed** fund balance classification included amounts that can be used only for the specific purposes determined by a formal action of the Agency Board (the Agency's highest level of decision-making authority),

4) **Assigned** fund balance classification is intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and

5) **Unassigned** fund balances is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

The Agency was created through an interlocal agreement authorized by Section 163.01(7) Florida Statutes and all money collected by the Agency is restricted in its use to funding the projects agreed to in the interlocal agreement, therefore all fund balances of the Agency are classified as restricted.

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Annual budgets are adopted on a budgetary basis for the general fund. The difference between budgetary revenues and expenditures and modified accrual basis revenues and expenditures as reported in the fund financial statements are explained in the budgetary comparison schedule notes in the Required Supplementary Information of this report. The Board of Directors must approve any revision that alters the total expenditures of the Agency's operating budget. At year-end, unencumbered appropriations are carried forward for use in future years.

Encumbrance accounting, under which requisitions, purchase orders, contracts, and other commitments for the expenditures of resources are recorded to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year-end are reported as assigned fund balance, and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

B. COMPLIANCE WITH FINANCE - RELATED LEGAL AND CONTRACTUAL PROVISIONS

The Agency had no material violations of finance-related legal or contractual provisions.

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE III. DETAILED NOTES - ALL FUNDS

A. DEPOSITS, INVESTMENTS AND SECURITIES LENDING TRANSACTIONS

The Agency has adopted the City's investment policy and participates in the City of Tallahassee's cash and investment pool. Each fund's portion of this pool is reported in "Cash and Cash Equivalents/Investments". Interest earned by this pool is distributed to each fund monthly based on average daily balances.

1. **DEPOSITS**

The difference between the book balance and bank balance is due to outstanding checks and deposits. The bank balance is insured by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Depository (the Act). Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses, in excess of federal depository insurance and proceeds from the sale of the securities pledged by the defaulting depository, are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis.

2.**INVESTMENTS**

In addition to the Agency's share of the City's investment pool at September 30, 2016, the Agency had a direct investment of $8,220,000 in the Florida Department of Treasury Special Purpose Investment Account. The market value of this investment was $8,319,000. This investment account has an A+f rating from Standard & Poor's. Total accrued interest for the Agency at September 30, 2016 was $106,000. The unaudited fair value factor for September 30, 2016 was 1.0121. The effective duration of the SPIA Pool as of September 30, 2016 was 2.65 years. As discussed above, the Agency participates in the City's investment pool, therefore, the investment policies used by the Agency are the investment policies of the City. The City's policy specifies the investments that are authorized for purchase for the Core Portfolio.

The City's investment guidelines, as defined by the City Charter and its written investment policies, are approved by the City Commission. The City has approved the Non-Pension Investment Policy, which covers the investment of all non-pension monies of the City, including the previously referenced cash and investment pool. The Non-Pension Investment Policy provides for a Core Portfolio, governing the investment of all monies held or controlled by the City, not otherwise classified as Specialized or Pension monies. The Policy specifies the investments that are authorized for purchase for the Core Portfolio. The Policy further provides for certain portfolios to be designated as Specialized Portfolios, with the governing criteria unique to that portfolio, including authorized investments, to be approved on a case-by-case basis by the Investment Advisory Committee. According to the City Charter, the City Treasurer-Clerk is designated to invest all monies belonging to the City pursuant to the policies approved by the City Commission.

Under the policies approved by the City Commission, the day-to-day investment of all monies is managed by the City Treasurer-Clerk.

In addition to authorizing investment instruments, the City's policies also identify various portfolio parameters addressing issuer diversification, term to maturity and liquidity, and requirement of "purchase versus delivery" perfection for securities held by a third party on behalf of and in the name of the City.

The non-pension Core Portfolio includes investments administered internally by the City of Tallahassee and the external portfolio administered by Galliard Asset Management (Galliard).

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE III. DETAILED NOTES - ALL FUNDS

A. DEPOSITS, INVESTMENTS AND SECURITIES LENDING TRANSACTIONS

2.**INVESTMENTS**

Credit Risk: The structure of the City's non-pension portfolio is designed to minimize credit risk. To limit the City's risk against possible credit losses, a maximum of 5% of the total portfolio may be held at any one time in all securities of any corporate entity, inclusive of commercial paper, medium term notes, or corporate notes and bonds. No corporate entity represented more than 5% of the portfolio at September 30, 2016. The City's Investment Policy provides that the structure of the non-pension portfolio is designed to minimize credit risk, with the majority of the securities held to be those of the highest available credit quality ratings. The non-pension portfolio's credit quality is measured using the Standard & Poor's rating scale.

As of September 30, 2016, the City had the following non-pension investments subject to credit risk in the internal and Galliard portion of the portfolio:

Quality Breakdown	Portfolio Percentage
US Treasury	9.49 %
US Agency	27.70
AAA	10.05
AA	27.24
A	24.44
BBB	0.89
Other	0.19
Total	100.00 %

Interest Rate Risk: In accordance with the City's non-pension investment policy, the City has established maturity limitations for each authorized investment category. The maximum duration of the various investments within the internally managed portion of the non-pension portfolio ranges from 60 days to 3.5 years. The maximum duration for externally managed investments ranges from 3.0 years to 6.0 years. The option adjusted duration of the non-pension portfolio as of September 30, 2016 was 1.45 years.

As of September 30, 2016, the City's non-pension portfolio that encompasses the internal portion as well as those assets under the management of Galliard, had the following investments on a time-segmented basis (in thousands):

Investment Type	Fair Value	Less than 1 Year	1-5 Years	6-10 Years	Over 10 Years
US Treasury	$ 39,856	$ 20,082	$ 19,774	$ -	$ -
US Agency	53,819	10,373	43,446	-	-
Asset Backed	132,131	1,573	20,852	19,440	90,266
Corporate Bonds	133,565	66,868	66,246	451	-
Municipal	54,404	14,079	39,220	533	572
Other	6,207	6,207	-	-	-
Total	$ 419,982	$ 119,182	$ 189,538	$ 20,424	$ 90,838

As of September 30, 2016, the Agency's portion of the above investments is $55,554,000

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE III. DETAILED NOTES - ALL FUNDS

A. DEPOSITS, INVESTMENTS AND SECURITIES LENDING TRANSACTIONS

2.**INVESTMENTS**

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3.**FAIR VALUE MEASUREMENTS OF INVESTMENTS**

The Agency categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets. The Agency does not have any non-pension investments classified as Level 1 investments. Investments classified in Level 2 of the fair value hierarchy are based upon observable, market-based inputs for similar, but not identical, investments. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Debt securities of the operating fund are mostly classified at this Level. Investments classified in Level 3 of the fair value hierarchy are based upon extrapolated data, proprietary pricing models and indicative quotes for similar securities. The Agency has relatively few investments that are classified as Level 3 for securities that are not traded frequently. The Agency's investments are classified as Level 1, 2 and 3 of the fair value hierarchy as follows (in thousands):

:

Operating Portfolio Investments by Fair Value Level	As of September 30, 2016	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Total Internally Managed	$ 45,783	$ -	$ 45,122	$ 661
Total Galliard Capital Management	9,771	-	9,771	-
Total Investments by Fair Value Level	$ 55,554	$ -	$ 54,893	$ 661

4.**SECURITIES LENDING TRANSACTIONS**

The Agency participates in securities lending transactions through its participation in the City's cash and investment pool. In accordance with Section 51 of the City Charter, the City Treasurer-Clerk or his designee may authorize investment transactions that he considers prudent. Accordingly, the City participates in securities lending transactions via a Securities Lending Agreement with The Northern Trust Company ("Northern") that authorizes the banking institution to lend the City's securities to approved broker-dealers and banks in order to generate additional income. Gross income from securities lending transactions and the fees paid to Northern are reported in the City's statements. Assets and liabilities include the value of the collateral held.

During the fiscal year ended September 30, 2016, the Northern loaned, at the direction of the City's Treasurer-Clerk, securities and received cash, securities issued or guaranteed by the United States government, and irrevocable bank letters of credit as collateral. Northern does not have the ability to pledge or sell collateral securities delivered absent a borrower default. Borrowers were required to deliver cash collateral for each loan equal to at least 102% of the initial market value of the loaned securities or if the borrowed securities and the collateral were denominated in different currencies, equal to 105% of the market value of the securities.

There are no restrictions on the amount of securities that may be loaned. The Agreement requires Northern to indemnify the City for losses attributable to violations by Northern of the Standard of Care set out in the Agreement. There were no such violations during the fiscal year ended September 30, 2016. Moreover, there were no losses during the fiscal year ended September 30, 2016 resulting from a default of any borrower.

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE III. DETAILED NOTES - ALL FUNDS

3. SECURITIES LENDING TRANSACTIONS

During the fiscal year ended September 30, 2016, the City and each borrower maintained the right to terminate all securities lending transactions on demand. For the pension fund, the cash collateral received on each loan of securities together with the cash collateral of other qualified plan lenders were invested in a collective investment pool with Northern. The cash collateral for the non-pension funds lending activity was invested in a liquid assets portfolio institutional account. Because the loans are terminable at will, their duration did not generally match the duration of the investments made with the cash collateral. For the pension fund, the average term of the loan was approximately 35 days, while the average duration of the investment pool as of September 30, 2016 was 32 days. For the non-pension funds, the average term of the loan was approximately 24 days, while the average duration of the investment pool as of September 30, 2016 was 55 days. On September 30, 2016, the City had no credit risk exposure to borrowers.

As of September 30, 2016, for the City's non-pension funds, the collateral held and the market value of securities on loan were $7,636,000 and $8,208,000 respectively all of which were invested in Corporate Bonds.

B. CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2016 was as follows (in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Non-Depreciable Assets:				
Land	$ 50,315	$ 739	$ -	$ 51,054
Construction in Progress	234,604	19,186	(4,577)	249,213
Total Non-Depreciable Assets	284,919	19,925	(4,577)	300,267
Depreciable Assets:				
Equipment	70	-	(21)	49
Vehicles	35	-	-	35
Infrastructure	375	-	-	375
Total Depreciable Assets	480	-	(21)	459
Less accumulated depreciation for:				
Equipment	(56)	(6)	21	(41)
Vehicles	(15)	(2)	-	(17)
Infrastructure	(25)	(19)	-	(44)
Total Accumulated Depreciation	(96)	(27)	21	(102)
Capital Assets, net	$ 285,303	$ 19,898	$ (4,577)	$ 300,624

Depreciation expense of $27,000 was charged to the transportation function of the Agency during the year ended September 30, 2016.

C. LEASE COMMITMENTS

On September 4, 2015, the Agency entered into a new ten year operating lease for their office facility with two additional consecutive renewal terms of five years. They also entered into a tenant's improvements lease with the same party for ten years. Total rental expense for the fiscal year ended September 30, 2016 was $181,604. The future minimum lease obligations of these leases are as follows (in thousands):

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE III. DETAILED NOTES - ALL FUNDS

C. LEASE COMMITMENTS

Year ending September 30	
2017	$ 164
2018	167
2019	169
2020	171
2021	174
2022	176
2023	179
2024	182
2025	184
2026	46
Total	$ 1,612

D. LONG-TERM DEBT

The following is a summary of the changes in Long-Term Debt for the year ended September 30, 2016 (in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
2007 Sales Tax Revenue Bonds	$ 29,900	$ -	$ 6,910	$ 22,990	$ 7,275
2011 Sales Tax Revenue Bonds	22,030	-	5,115	16,915	5,365
State Infrastructure Bank Loan #1	7,384	-	1,589	5,795	1,621
State Infrastructure Bank Loan #2	9,603	-	2,013	7,590	2,053
State Infrastructure Bank Loan #3	502	-	502	-	-
Total Bonds and Loans	69,419	-	16,129	53,290	16,314
Unamortized Premiums/Gains on Refunding	4,323	-	1,002	3,321	-
Total Bonds, Loans, and Related Balances	73,742	-	17,131	56,611	16,314
Compensated Absences	55	96	14	137	96
Total Long-Term Debt	$ 73,797	$ 96	$ 17,145	$ 56,748	$ 16,410

Compensated absences are generally liquidated by the general fund.

The following is the schedule of debt service requirements as of September 30, 2016 (in thousands):

Fiscal Year	Principal	Interest	Total Debt Service
2017	$ 16,314	$ 2,317	$ 18,631
2018	17,038	1,594	18,632
2019	17,797	835	18,632
2020	2,141	43	2,184
Total	$ 53,290	$ 4,789	$ 58,079

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE III. DETAILED NOTES - ALL FUNDS

D. LONG-TERM DEBT

SUMMARY OF INDIVIDUAL BOND ISSUES AND LOANS

SALES TAX REVENUE BONDS, SERIES 2007 - $75,285,000 issued on September 18, 2007 due in annual installments of $7,275,000 to $8,060,000 from October 1, 2016 to October 1, 2019, with interest rates ranging from 4% to 5.25% depending upon maturity date. The bonds are limited obligations of the Agency and are paid exclusively from pledged revenues consisting of sales tax revenues (80% of the 1% local government infrastructure surtax revenues), monies on deposit in the funds and accounts established by the Bond Resolution, and investment earnings.

SALES TAX REVENUE BONDS, SERIES 2011 - $35,945,000 issued on November 22, 2011, due in annual installments of $5,365,000 to $5,915,000 from October 1, 2016 to October 1, 2019, interest rate 5%. The bonds are limited obligations of the Agency and are paid exclusively from pledged revenues consisting of sales tax revenues (80% of the 1% local government infrastructure surtax revenues), monies on deposit in the funds and accounts established by the Bond Resolution, and investment earnings but excluding monies on deposit in the Rebate Fund and the Costs of Issuance Account.

STATE INFRASTRUCTURE BANK LOAN #1 - On October 20, 2004, the Agency obtained a loan from the State Infrastructure Bank maintained by the Florida Department of Transportation (FDOT) pursuant to Section 339.55, Florida Statutes. The loan amount was for $22,605,003. In 2005, the Agency and the FDOT entered into a Joint Project Agreement amending the original loan terms. Under the new terms, the FDOT would complete and pay for the construction work approved under this loan. As the work was completed, the Agency recognized the expenditures to the extent of the costs incurred by FDOT and recorded a loan payable to reflect the amount to be repaid to the FDOT. Work related to this loan was completed during fiscal year ended September 30, 2009. The loan accrues interest at 2%. Repayments are due in annual installments (principal and interest) of $1,736,685 from October 15, 2014 to October 15, 2018, with a final payment (principal and interest) of $851,607 due on October 15, 2019.

STATE INFRASTRUCTURE BANK LOAN #2 - On November 8, 2005, the Agency obtained a loan from the State Infrastructure Bank maintained by the Florida Department of Transportation (FDOT) pursuant to Section 339.55, Florida Statutes. The loan amount was for a maximum of $26,692,338. Work related to this loan was completed during the fiscal year ended September 30, 2009. The loan accrues interest at 2%. Repayments are due in annual installments (principal and interest) of $2,205,000 from October 15, 2014 to October 15, 2018, with a final payment (principal and interest) of $1,332,370 due on October 15, 2019.

E. INTERFUND TRANSFERS

At September 30, 2016, interfund transfers were as follows (in thousands):

Transfer in from General Fund	$ 33,765
Transfer to Special Revenue Fund for project costs	(14,615)
Transfer to Debt Service Fund for required bond payments	(19,150)
Net Transfers	$ -

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE III. DETAILED NOTES - ALL FUNDS

F. NET POSITION

Net position invested in capital assets (net of related debt) is intended to reflect the portion of net position which is associated with non-liquid, capital assets less outstanding capital asset related debt. Related debt includes the outstanding balance of sales tax revenue bonds and other borrowings attributable to the acquisition of capital assets.

At September 30, 2016, net position invested in capital assets (net of related debt) is as follows (in thousands):

Capital assets, net	$ 300,624
Capital assets related debt, net	(56,881)
Net investment in capital assets	$ 243,743

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

A. RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; automobile liability; forgery and alteration; and fraud for which the Agency carries commercial insurance. The primary coverage limits include bodily injury and property damage of $1,000,000 per occurrence, no aggregate; Employee Benefits Liability of $1,000,000 per occurrence, no aggregate; Public Officials Liability of $1,000,000; $1,000,000 aggregate; Employee Related Practices of $1,000,000; $1,000,000 aggregate; and Auto Liability of $1,000,000.

Liabilities for losses would be recorded when a loss occurs and the amount can be reasonably estimated. There are no such losses as of September 30, 2016 . Since the inception of the Agency, there have been no claims.

B. PENSION PLAN OBLIGATIONS

1. RETIREMENT PLANS - Employees of the Agency have the option of participating in either the City of Tallahassee or the Leon County benefits program. Employees electing to participate in the Leon County program are eligible to participate in the Florida Retirement System. Employees electing to participate in the City of Tallahassee (the City) program are eligible to participate in the City's General Employees Pension Plan. Details concerning each program are below.

FLORIDA STATE RETIREMENT SYSTEM (FRS) - The FRS is a cost-sharing, multiple-employer, defined benefit plan administered by the State of Florida, Department of Administration, Division of Retirement. The FRS provides retirement, in-line-of-duty or regular disability and survivors benefits. Chapter 121, Florida Statutes, establishes the authority for benefit provisions and contribution requirements. Changes to the law can only occur through an act of the Florida Legislature. The System issues financial statements and required supplementary information for the System, which may be obtained by writing to:

Department of Management Services
Division of Retirement
Bureau of Research and Member Communications
P.O.Box 9000
Tallahassee, Florida 32315-900
850-488-4706 or toll free at 877-377-1737

In addition, a copy of the System’s CAFR as of June 30, 2016 is available online at
http://www.dms.myflorida.com/workforce_operations/retirement/publications/annual_reports.

Currently, there are three active participants for the Agency in the FRS defined benefit plan out of a total of 515,916 active FRS participants in the defined benefit plan. Active employees are required to contribute 3% of their gross compensation to the retirement plan. The Agency is required to contribute at an actuarially determined rate. Agency participants who were members as of June 30, 2011 in the System are members of the Regular Class with a normal retirement benefit at age 62 or at least 30 years of service; the benefit accumulates at 1.60% times average compensation (5 highest years) times years of creditable service; vesting occurs after 6 years of creditable service. Agency participants who joined the System after June 30, 2011 are members of the Regular Class with a normal retirement benefit at age 65 or at least 33 years of service; the benefit accumulates at 1.60% times average compensation (8 highest years) times years of creditable service; vesting occurs after 8 years of creditable service. Employer contribution rates effective July 1, 2015 was 7.26%, and July 1, 2016 was 7.52%. As of September 30, 2016, there were three employees in the System.

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

B. PENSION PLAN OBLIGATIONS

The Agency also participates in the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing, multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes. The benefit is a monthly cash payment to assist retirees of state-administered retirement systems in paying their health insurance costs.

The HIS Program is funded by required contributions from FRS participating employers as set by the State Legislature. Employer contributions are a percentage of gross compensation for all active FRS employees. Employees are not required to contribute. For the fiscal year ended September 30, 2016, the contribution rate was 1.66% of payroll pursuant to Section 112.363, Florida Statutes.

In addition to the above benefits, the FRS administers a Deferred Retirement Option Program (“DROP”). This program allows eligible employees to defer receipt of monthly retirement benefit payments while continuing employment with a Florida Retirement System employer for a period not to exceed 60 months after electing to participate. DROP benefits are held in the FRS Trust Fund and accrue interest.

Net Pension Liability – At September 30, 2016, the Agency reported for its share of the FRS and HIS plans the amount of the net pension liability as shown below:

	FRS	HIS	Total
June 30, 2016	$ 245,079	$ 75,958	$ 321,036
June 30, 2015	$ 23,628	$ 13,419	$ 37,047

The net pension liability for each plan was determined by the plans’ actuary and reported in the plans’ valuations dated July 1, 2016 and July 1, 2015 for the net pension liability as of June 30, 2016 and 2015, respectively.

The Agency represents 0.227% of Leon County’s proportionate share of the FRS net pension liability. At September 30, 2016, the Agency’s and Leon County’s proportionate share of the employer portion of the FRS and HIS net pension liability are shown below:

	Agency		Leon County	
	FRS	HIS	FRS	HIS
June 30, 2016	0.000970657%	0.000642869%	0.426742954%	0.282648096%
June 30, 2015	0.000182930%	0.000131579%	0.381103706%	0.274123595%
Increase in share for 2016	0.000787727%	0.000511290%	0.045639248%	0.008524501%

The Agency’s and Leon County proportionate share of the net pension liability was based on the County’s 2015-16 fiscal year contributions relative to the 2014-2015 fiscal year contributions of all participating members of FRS.

Actuarial Methods and Assumptions – Actuarial Assumptions for both defined benefit plans are reviewed by the Florida Retirement System Actuarial Assumptions Conference on an annual basis. The FRS Pension Plan has an annual valuation in accordance with 121.031(3), Florida Statutes while the Health Insurance Subsidy HIS program is valued biennially and updated for GASB reporting in the year a valuation is not performed. An experience study for the FRS Pension Plan was completed in 2014 for the period July 1, 2008 through June 20, 2013. The HIS program is funded on a pay as you go basis and thus no experience study has been completed for this program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

B. PENSION PLAN OBLIGATIONS

The total pension liability for each of the defined benefit plans was determined by an actuarial valuation as of July 1, 2016, using the entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.60%. Payroll growth for both plans is assumed at 3.25%.

The plan's fiduciary net position was projected as available for all projected future benefit payments of current active and inactive employees. The discount rate for calculating the total pension liability is equal to the long term expected rate of return. Both the discount rate and the long term expected rate of return on investments used by System was reduced from 7.65% to 7.60% for the Defined Benefit Pension Plan. The HIS Program uses a pay-as-you-go funding structure, thus it utilized a municipal bond rate of 2.85% for its discount rate to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). The 2.85% was a reduction from 3.80% used in 2015. Mortality assumptions for both plans were based on the Generational RP-2000 with Projection Scale BB Tables.

The actuarial assumptions that determined the total pension liability as of June 30, 2016 were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2013 and are shown below.

Valuation Date	July 1, 2015	July 1, 2016
Measurement Date	June 30, 2015	June 30, 2016
Payroll Growth	0.65%	0.65%
Inflation	2.60%	2.60%
Salary Increases including inflation	3.25%	3.25%
Rate of Return	7.65%	7.60%
HIS Municipal Rate	3.80%	2.85%
Mortality	Generational RP-2000 with Projection Scale BB	Generational RP-2000 with Projection Scale BB
Actuarial Cost Method	Entry Age Normal	Entry Age Normal

Investments - To develop an analytical basis for the selection of the long-term expected rate of return assumption, in October 2016 the FRS Actuarial Assumptions conference reviewed long-term assumptions developed by capital market assumptions team from both Milliman, the System's actuary, and Aon Hewitt Investment Consulting, investment consultant to the Florida State Board of Administration. The table below shows the assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation (1)	Annual Arithmetic Rate of Return
Cash	1%	3.2%
Fixed Income	18%	4.8%
Global Equity	53%	8.5%
Real Estate	10%	6.8%
Private Equity	6%	11.9%
Strategic Investments	12%	6.7%
Total	100%	

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

B. PENSION PLAN OBLIGATIONS
Assumed Inflation – Mean 2.6%

1) As in the FRS Pension Plan's investment policy

Sensitivity Analysis – the tables below represent the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the proportionate share of the net FRS pension liability of the Agency if the discount rate shows as 1.00% higher or 1.00% lower than the current discounted rate at June 30, 2016:

Blueprint Net Pension Liability

1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
$451,206	$245,079	$73,505

The sensitivity analysis shows the proportionate share of the net HIS liability of the Agency if the discount rate shows as 1.00% higher or 1.00% lower than the current discounted rate at June 30, 2016:

Blueprint 2000 Net HIS Liability

1% Decrease 1.85%	Current Discount Rate 2.85%	1% Increase 3.85%
$85,955	$75,958	$65,769

Pension Expense and Deferred Outflows/(Inflows) of Resources – In accordance with GASB 68, paragraphs 54 and 71, changes in the net pension liability are recognized as pension expense in the current measurement period, except as shown below. For each of the following, a portion is recognized in pension expense in the current measurement period, and the balance is amortized as deferred outflows or inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors which are amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan, both active and inactive.
- Changes of assumptions or other inputs which are amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan, both active and inactive.
- Changes in proportion and differences between contributions and proportionate share of contributions which are amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan, both active and inactive.
- Differences between expected and actual earnings on pension plan investments are amortized over five years.

The average expected remaining service life of all employees provided with pensions through the pension plans at June 30, 2016 was 6.4 years for FRS and 7.2 for HIS. The components of collective pension expense reported in the pension allocation schedules for the year ended June 30, 2016 are presented for each plan.

The components of the collective pension expense reported in the pension allocation schedules by the FRS for the year ended June 30, 2016 are presented below and are used to calculate the Agency's share of the pension plan for 2016, which is 0.0009706057%.

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

B. PENSION PLAN OBLIGATIONS

FRS Defined Benefit Pension Plan

	Total	Expense	Deferred Outflows	Deferred Inflows	Amortization Period
Beginning Net Position	$12,916,341,186	$-	$-	$-	
Service Cost	2,132,905,650	2,132,905,650	-	-	
Interest on total Pension Liability	12,109,113,805	12,109,113,805	-	-	
Plan Changes	32,310,000	32,310,000			
Experience	980,191,881	339,193,825	1,933,340,218	(235,095,289)	6.4 Years
Assumptions	1,030,667,368	360,414,073	1,527,554,171	-	6.4 Years
Employer Contributions	(2,438,659,458)	-	-	-	
Projected Investment Earnings	(11,075,395,463)	(11,075,395,463)	-	-	
Member	(710,716,815)	(710,716,815)	-	-	
Contributions					
(Gain)/Loss on investments	10,254,813,091	643,769,480	6,526,837,479	-	5.0 Years
Administrative Expense	18,507,240	18,507,240	-	-	
Net Pension Liability	$25,250,078,485	$3,850,101,795	$9,987,731,868	$(235,095,289)	

The components of the collective pension expense reported in the HIS allocation schedules by the FRS for the year ended June 30, 2016 are presented below and are used to calculate the Agency's share of the pension plan for 2016, which is 0.0006428691%.

FRS Health Insurance Subsidy Plan

	Total	Expense	Deferred Outflows	Deferred Inflows	Amortization Period
Beginning Net Position	$10,198,426,975	$-	$-	$-	
Service Cost	256,710,220	256,710,220	-	-	
Interest on total Pension Liability	390,757,053	390,757,053	-	-	
Experience	(30,826,289)	(4,281,429)	-	(26,544,860)	7.2 Years
Assumptions	1,352,459,162	325,908,378	1,828,900,798	-	7.2 Years
Employer Contributions	(512,563,741)	-	-	-	
Projected Investment Earnings	(3,106,220)	(3,106,220)	-	-	
(Gain)/Loss on	2,541,015	2,168,899	5,892,810	-	5.0 Years
investments					
Administrative Expense	187,571	187,571	-	-	
Net Pension Liability	$11,654,585,746	$968,344,472	$1,834,793,608	$(26,544,860)	

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

B. PENSION PLAN OBLIGATIONS

For the fiscal year ended September 30, 2016, the Agency recognized pension expense of $39,215 and $6,540 for the FRS plan and HIS plan, respectively. In addition, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

Description	Deferred Outflows of Resources for the FRS Plan	Deferred Inflows of Resources for the FRS Plan	Deferred Outflows of Resources for the HIS Plan	Deferred Inflows of Resources for the HIS Plan
Difference between expected and actual experience	$18,765	($2,282)	$0	$(173)
Change of Assumptions	14,827	-	11,920	-
Net difference between projected and actual earnings on FRS Plan investments	63,350	-	38	-
Changes in proportion and differences between Agency FRS & HIS Plan contributions and proportionate share of contributions	19,371	(8,071)	3,046	(3,341)
Agency FRS Plan contributions subsequent of the measurement date	5,923	-	773	-
Total	$122,236	($10,353)	$15,777	$(3,514)

Deferred outflows of resources related to the FRS plan of $5,923 and to the HIS plan of $773 and resulting from Agency contributions to the plan paid subsequent to the measurement date and prior to the employer's fiscal year, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the FRS's pension expense will be recognized as follows for the Agency:

Reporting Period Ending June 30	FRS Expense	HIS Expense
2016	$13,039	$2,110
2017	13,039	2110
2018	37,737	2,103
2019	25,827	2,099
2020	3,799	1,816
Thereafter	1,220	1,546
Totals	$94,661	$11,784

CITY OF TALLAHASSEE GENERAL EMPLOYEES PENSION PLAN (PLAN) - The Plan is a cost sharing multiple- employer plan established by Chapter 14 of the City Code of Ordinances. Changes to the Plan can only occur through a change in the law by the City Commission. The Plan is administered by the City of Tallahassee Treasurer- Clerk's Office, under guidance from the Plan's Board of Trustees, which is composed of the members of the City Commission and one City police officer or firefighter. The Plan includes defined benefit and defined contribution provisions.

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

B. PENSION PLAN OBLIGATIONS

1) Defined Benefit Provision

The Plan is established in Chapter 14 of the Municipal Code, through Parts A, B, C and D in Article II. Parts A, B and C are closed to new participants, while part D provides coverage to all new employees. All current members of the Plan are covered by Part B, C or D, depending upon their employment date. These parts provide a detailed description of the various defined benefit provisions and the types of employees covered. The Plan provides normal retirement, early retirement, in-line-of-duty or regular disability benefits, and pre-retirement death benefits. There are also post retirement cost-of-living adjustments (COLA) and health care supplements. The employment dates for Plans A through D are shown below.

Plan	Beginning Date	Ending Date
A	January 1, 1941	September 30, 1973
B	October 1, 1973	September 30, 1987
C	October 1, 1987	March 31, 2013
D	April 1, 2013	

For the defined benefit portion of the Plan, active employees are required to contribute 3.75% of their gross compensation to the Plan. The Agency is required to contribute at an actuarially determined rate. For the fiscal year ended September 30, 2016, the Agency contributed 13.07% of payroll to the Plan for defined benefit contributions.

Normal retirement benefit

Eligibility

A member may retire on the first day coincident with or next following the earliest of:

Part B Participants

1) Age 60 and 7 years of Credited Service

Part C Participants:

1) Age 62 and 5 years of Credited Service; or
2) 30 years of Credited Service, regardless of age

Part D Participants:

1) Age 65 and 5 years of Credited Service; or
2) 33 years of Credited Service, regardless of age

Benefit

Part B Participants

1) Benefit accrual rate of:
   a) 1.5% for each year of service through age 34, plus
   b) 2.0% for each year of service from age 35 through age 49, plus
   c) 2.5% for each year of service for age 50 and over
   d)The maximum benefit accrual rate is 75%.
2) Average Final Compensation (AFC)
   The higher of a. or b. below
   a) Final 3 years of service
   b) Any consecutive 3 year period, escalated from the end of that period to the point of retirement by 3%

The benefit payment is equal to the benefit accrual rate multiplied by the AFC.

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

B. PENSION PLAN OBLIGATIONS

Part C Participants:
1)Benefit accrual rate of:
a) 2.25% per year of credited service
b) The maximum benefit accrual rate is 81%
2)Average Final Compensation (AFC)
The highest of a., b. or c. below
a) Final 3 years of service
b) Any consecutive 3 year period from January 1987 through December 2005, and escalated by 3% from the end of that period to December 2005
c) Any consecutive 3 years during the period January 1987 to the point of retirement.
The benefit payment is equal to the benefit accrual rate multiplied by the AFC.

Part D Participants:
1)Benefit accrual rate of:
a)2.25% per year of credited service
b) The maximum benefit accrual rate is 81%
2) Average Final Compensation (AFC)
a) Highest five consecutive years of credited service
The benefit payment is equal to the benefit accrual rate multiplied by the AFC.

Early retirement benefit
Eligibility
A member may retire on the first day coincident with or next following the earliest of:

Part B Participants
1) Age 57 and 7 years of Credited Service

Part C Participants:
1) Age 55 and 5 years of Credited Service; or
2) 25 years of Credited Service, regardless of age

Part D Participants:
1) Age 58 and 5 years of Credited Service; or
2) 28 years of Credited Service, regardless of age

Benefit Reduction
Part B Participants
1) The full retirement benefit is reduced by 2.4% per year for each year preceding the requirements for receiving a normal retirement benefit

Part C and D Participants
1) If the member is retiring under the age and service eligibility requirements, the full retirement benefit is reduced by 4.8% per year for each year preceding the age requirements for receiving a normal retirement benefit.
2) If the member is retiring under the service eligibility requirement, the full retirement benefit is reduced by 5.0% per year for each year preceding the age requirements for receiving a normal retirement benefit.

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

B. PENSION PLAN OBLIGATIONS

Disability benefit
Eligibility
Part B Participants
1) No Credited Service required for an accidental injury
2) One year of Credited Service required for an illness

Part C and D Participants
1) Five years of Credited Service required for a non-service connected disability
2) No Credited Service required for an in-line-of-service disability.

Benefit
Part B, C and D Participants
The greater of 1) or 2)
1) The member's accrued benefit to date of disability
2) The member's benefit with service projected to normal retirement date not to exceed 50% of AFC in effect on the date of disability

Pre-retirement death benefit
Eligibility
Part B, C and D Participants
1) No Service Credit required

Benefit
Part B Participants
1) Benefit shall be their actual pension accrual percentage projected to Normal Retirement Date times their base salary. The maximum amount of such benefit shall not exceed $400,000 for any participant.
2) If a deceased participant had retirement eligibility at the time of his death, and his spouse is listed solely as his primary beneficiary, his spouse may elect the benefit defined above, or may elect the participant's accrued retirement benefit under the joint and contingent monthly life income-full benefit option.

Part C and D Participants
In the event of a pre-Retirement death, the participant's beneficiaries are eligible to receive:
a) Benefit 1 and Benefit 2a and 2b (if eligible), or
b) Benefit 1 and Benefit 2c (if eligible); or
c) Benefit 3; or
d) Benefit 4.

Benefit 1
The higher of (i) 50 percent of participant's annual base salary at the time of his death; (ii) $50,000 or (iii) the amount of the participant's accumulated contributions and earnings.

If the death of any part C participant is as a result of a job-related occurrence at any time after the commencement of his employment, or as a result of any occurrence on or after the fifth anniversary of the commencement of his employment, the participant is eligible for Benefit 2:

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

B. PENSION PLAN OBLIGATIONS

Benefit 2

1) A monthly annuity of 25 percent of said participant's monthly base salary shall be disbursed to his legal spouse.
2) A monthly annuity of the following percentages of said participant's monthly base salary shall be disbursed to the spouse on behalf of each of his legally dependent children:
    a) If there are one to five legally dependent children, ten percent.
    b) If there are six or more legally dependent children, 50 percent divided by the total number of legally dependent children.
3) In the event there is no legal spouse, a monthly annuity of the following percentages of said participant's monthly base salary shall be disbursed to the legal guardian of each of his legally dependent children on their behalf:
    a) If there is one legally dependent child, 35 percent.
    b) If there are two legally dependent children, 22.5 percent.
    c) If there are three legally dependent children, 18.33 percent.
    d) If there are four legally dependent children, 16.25 percent.
    e) If there are five legally dependent children, 15 percent.
    f) If there are six or more legally dependent children, 75 percent divided by the total number of legally dependent children.

Benefit 3

If a deceased participant had retirement eligibility at the time of his death, his spouse may elect the benefit defined above, or may elect the participant's accrued retirement benefit under the joint and contingent monthly life income—full benefit option.

Benefit 4

In the event death occurs while in the line of duty, the participant's spouse will have the option of receiving the pre-retirement death benefits as outlined above or a monthly lifetime benefit to begin the month immediately following death that is equal to 50 percent of the participant's base monthly salary at the time of death.

COLA benefit

Eligibility and Benefit

Each retiree will receive a 3% increase in benefits on each October 1st starting:

Plan B Participants
    At the later of normal retirement date or age 60

Plan C Participants
    If retiring under age and service eligibility, at the later of the retiree’s retirement date or age 55
    If retiring under service eligibility, at the later of the retiree’s retirement date or age 50

Plan D Participants
    At the later of normal retirement date or age 65

Disability Retirees
    After the disability retirement date

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

B. PENSION PLAN OBLIGATIONS

Health insurance supplement

Eligibility

Part B, C and D Participants
Any retired or vested member, beginning after the first full month of retirement

Disability Retirees
After the disability retirement date

Benefit

Part B, C and D Participants
Upon actual retirement date or earliest unreduced retirement date:

1) Monthly health care supplement of $5.00 per month for every year of pension participation with the City, up to a maximum of $150 per month.

Disability Retirees

1) Monthly health care supplement of $5.00 per month for every year of pension participation with the City, up to a maximum of $150 per month.

At September 30, 2016, The Agency had six employees participating in Part C and two employees participating in Part D.

2) DEFINED CONTRIBUTION PROVISION

The Plan's defined contribution provisions are described in Article V. All employees may elect to contribute a portion of their salary to the defined contribution plan, also known as the Matched Annuity Plan (MAP). Employees can contribute up to, but not exceed, the maximum amount allowed by the Internal Revenue Service. The Agency contributes 5% to each employee's MAP account. Upon reaching normal retirement age or retiring, a participant shall be paid his contributions, together with accrued earnings. If an employee uses the contributions and accrued earnings to purchase an annuity contract, the Plan will increase the amount of funds (only on the Agency's 5%, employee flex matched contribution and employees' contribution up to the 5%) used by the participant by a factor of 50 percent. Employee and the employer's 5% contribution, plus accrued earnings thereon, are 100% refundable to the employee if the employee elects to terminate his vesting rights or is not vested at the date of employment termination.

Employer contributions required to support the benefits under Article V (MAP Program) are actuarially determined. Contributions are based on rates of covered payroll of 7.14% (5% employer contribution and 2.14% actuarial contribution) for the Agency.

The Defined Benefit and Defined Contribution provisions are combined and reported as one plan in the City of Tallahassee's financial statements. The City does not issue a stand-alone financial report on the Plan. The City's financial statements may be obtained by writing to Accounting Services Division, 300 South Adams Street, Tallahassee, Florida 32301. The annual financial statements and required supplemental information of the Plan may also be obtained at www.talgov.com/dma/dma-accounting-annualrprts.aspx.

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

B. PENSION PLAN OBLIGATIONS
2. PENSION PLAN INFORMATION

Membership Statistical Information	FRS (System)	City of Tallahassee (Plan)
Retirees and beneficiaries of deceased retirees currently receiving benefits	1	-
Terminated employees entitled to benefits but not yet receiving benefits	-	1
Active Employees	3	8

3. NET PENSION LIABILITY

The components of the net pension liability of the participating employers in the Plan as of September 30, 2016 were as follows (in thousands):

Total pension liability	$1,009,166
Plan fiduciary net position	983,771
Employers' net pension liability	$ 25,395

Plan fiduciary net position as a percentage of the total pension liability as of September 30, 2016 was 97.48 %.

Actuarial Assumptions and Methods

Blueprint's proportionate share of the General Employees Pension Plan is based on the covered pensionable payroll, since that was the basis for determining employer contributions. Blueprint's portion of the net pension liability (asset) of the Plan as of September 30, 2016 was $130,000. Blueprint's proportionate share of the Plan's net pension liability was 0.51% as of September 30, 2016, slightly higher than the 0.43% as it was measured as of September 30, 2015.

The total pension liability was determined by an actuarial valuation as of October 1, 2014, using a measurement date of September 30, 2016. The net pension liability was also determined using a measurement date of September 30, 2016. The significant actuarial assumptions used to compute the actuarially determined contribution requirements include (a) an interest rate of 7.75% per annum compounded annually, (b) projected salary increases for inflation and merit of 3.5% per annum, compounded annually. Mortality rates were based on the RP-2000 Combined Mortality Table with 40%/60% blend of white/blue collar rates for males and females, with mortality improvements projected using Scale AA for 15 years from the valuation date (to October 1, 2029).

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

B. PENSION PLAN OBLIGATIONS

The actuarially determined contribution rates are calculated as of September 30, two years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the most recent contribution rate:

Valuation Date:	October 1, 2014
Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level percentage, closed
Remaining Amortization Period:	13 years
Asset Valuation Method:	20% of the difference between expected actuarial value (based on assumed return) and market value is recognized each year with 20% corridor around market value
Inflation Rate:	3.00%
Salary Increase:	3.50%
Investment Rate of Return:	7.75%

Changes in the Net Pension Liability

The changes in the net pension liability of the participating employers in the Plan for fiscal year 2016 are presented below (in thousands):

	Total Pension Liability (a) Increase (Decrease)	Plan Fiduciary Net Position (b) Increase (Decrease)	Net Pension Liability (Asset) (a)-(b)
Balances at 9/30/15	$970,975	$930,582	$40,393
Changes for the year:			
Service Costs	14,964	-	14,964
Interest	74,426	-	74,426
Differences between expected and actual experience	-	-	-
Current-period Benefit Changes	-	-	-
Assumption Changes	-	-	-
Employer Contributions	-	14,591	(14,591)
Employee Contributions	-	4,523	(4,523)
Other Contributions	-	-	-
Net Investment Income	-	85,979	(85,979)
Benefit Payments	(50,887)	(50,887)	-
Contribution Refunds	(312)	(312)	-
Administrative Expense	-	(705)	705
Other Changes	-	-	-
Net Changes	38,191	53,189	(14,998)
Balances at 09/30/16	$1,009,166	$983,771	$25,395

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

B. PENSION PLAN OBLIGATIONS
4. INVESTMENTS

Plan assets are managed in accordance with the Pension Investment Policy. For the year ended September 30, 2016, the annual money-weighted rate of return on pension plan investments, net of investment expense, was 9.04%. The money-weighted rate of return takes into account cash flows into and from the various investments of the Plan.

The long-term expected rate of return on pension plan investment is based upon an asset allocation study that was conducted for the Plan by its investment consultant toward the end of fiscal year 2013. The study was prepared by the Pension Plan's investment consultant, and went through numerous iterations before a final asset allocation was established. The study looked at expected rates of return for twenty-one (21) different asset classes, as well as examining expected standard deviations and correlations among these various asset classes. The target allocation and the expected average rate of return is summarized in the following table.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	40%	6.4%
International Equity	10%	6.9%
Emerging Markets Equity	5%	9.2%
Fixed Income	20%	1.4%
Real Estate	15%	4.2%
Private Equity	5%	11.5%
Timber	5%	5.2%
Total	100%	

5. DISCOUNT RATES

A single discount rate 7.75% was used to measure the total pension liability for the Plan. This single discount rate was based on the expected rate of return on pension plan investments of 7.75%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (7.75%) was applied to all periods of projected benefits payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 7.75%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher. Blueprint’s proportionate share of the Plan’s net pension liability is shown below.

Sensitivity of the Net Pension Liability (Asset) to the Single Discount Rate Assumption

1% Decrease – 6.75%	Current Single Discount Rate Assumption – 7.75%	1% Increase – 8.75%
$718,000	$175,000	($277,000)

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

B. PENSION PLAN OBLIGATIONS

For the year ended September 30, 2016, Blueprint recognized pension expense of $59,000 for its proportionate share of the Plan.

At September 30, 2016, Blueprint reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	$-	($69,000)	($69,000)
Changes in assumptions	-	-	-
Net difference between projected and actual earnings on pension plan investments	217,000	(59,000)	158,000
Fiscal year 2015 contributions	-	-	-
Total	$217,000	($128,000)	$89,000

Net Amounts Reported as Deferred Outflows and Inflows of Resources Related to Pensions To be Recognized in Future Pension Expenses

Year Ending September 30,	
2017	$17,000
2018	17,000
2019	15,000
2020	40,000
Total	$89,000

At September 30, 2016, the Agency reported deferred outflows of resources from fiscal year contributions of $75,000.

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

C. OTHER POST EMPLOYMENT BENEFITS (OPEB)

1. Plan Description

As discussed in Note IV.B., employees of the Agency have the option of participating in either the County's or the City's benefit programs. The Agency, through the City, provides health insurance and prescription drug coverage to its active and retired employees (the "OPEB Plan"). Pursuant to Section 112.0801, Florida Statutes, the Agency is required to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. In addition, the Agency, via its participation in the City's program, has elected to provide a partial subsidy to its retirees to offset the cost of such health insurance. As of September 30, 2016, there were two retired employees of the Agency receiving benefits under the OPEB Plan.

2. Annual OPEB Cost and Net OPEB Obligation

The contribution required to support the OPEB Plan is calculated based on the Annual Required Contribution (ARC), an amount determined in accordance with GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year, calculated using the entry age actuarial cost method, and to amortize the unfunded actuarial liability over a period not to exceed thirty years.

The following table shows the components of the Agency's share of the annual OPEB cost for the year, the amount actually contributed, and the change in the Agency's net OPEB obligation:

Annual required contribution	$ 55,000
Interest on net OPEB obligation	2,000
Adjustment to annual required contribution	(2,000)
Annual OPEB cost	55,000
Contributions made	(48,000)
Change in net OPEB obligation	7,000
Net OPEB Obligation - October 1	60,000
Net OPEB obligation - September 30	$ 67,000

The Agency's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation as of September 30 is as follows:

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	$ 41,000	41.50 %	$ 24,000
2015	53,000	32.08	60,000
2016	55,000	87.27 %	67,000

The City of Tallahassee Other Post Employment Benefit Plan is described in more detail in the City's Comprehensive Annual Financial Report along with the Schedule of Funding Progress. That report may be obtained by writing to Accounting Services Division, 300 South Adams Street, Tallahassee, Florida 32301 or by calling 850-891-8520.

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

D. COMMITMENTS AND CONTINGENCIES

1. COMMITMENTS

OUTSTANDING CONTRACTS - The Agency has outstanding commitments on various contracts for design and construction of Agency projects. As of September 30, 2016, these commitments totaled $13,621,000 and are scheduled for completion between October 2015 and June 2017. Eighty-seven percent of the outstanding commitments relate to outstanding design build contracts for Capital Circle NW/SW US90 to Orange Avenue. The Agency expects this contract to be completed by 2018.

FLORIDA DEPARTMENT OF TRANSPORTATION LOCAL AGENCY PROGRAM (L.A.P.) AGREEMENT - On December 21, 2011, the Agency entered into a Local Agency Program Agreement with the Florida Department of Transportation, whereby the Department will participate in the cost of the multi-lane reconstruction of S.R. 263 (Capital Circle) from north of S.R. 371 (Orange Avenue) to south of S.R. 10 (U.S. 90) up to $17,389,091 provided the Agency meets certain requirements. On September 18, 2012, this L.A.P. was increased by $5,560,544 to $22,949,635 and subsequently, various smaller L.A.P.s totaling $2,918,150 were executed with the Florida Department of Transportation also for use on the same roadway project. Most of the money for this agreement was awarded to the State of Florida Department of Transportation from the Federal Highway Administration and constitutes federal funds subject to Single Audit requirements. As of September 30, 2016, $25,780,450 of reimbursable expenses had been incurred under this agreement. As of September 30, 2016, the outstanding commitment related to this agreement represented $11,880,000 or eighty-seven percent of the total commitments. The additional funding for this commitment came from Agency funds.

2. CONTINGENCIES

FEDERAL AND STATE GRANTS - Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor, cannot be determined at this time although the Agency expects such amounts to not be significant.

ENVIRONMENTAL POLLUTION REMEDIATION - The City of Tallahassee (City) excavated approximately 85,000 tons of contaminated soil from the Cascades Park site in 2005-2006 pursuant to the requirements of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA or Superfund). Additionally, Blueprint 2000 conducted subsequent excavations as part of park construction activities. Despite these efforts, residual groundwater and soil contamination remained at the site. As a result, in December 2011, the City as the CERCLA "responsible party" and the U.S. Environmental Protection Agency (EPA) entered into an "Administrative Settlement Agreement and Order on Consent for Remedial Investigation / Feasibility Study." This Settlement Agreement, which is still in effect, requires the City to determine the most appropriate remedial technology to address the subsurface contamination and make recommendations to the EPA on how to move forward. In accordance with the Settlement Agreement, a field-scale pilot injection study was completed in February 2013. After a year of groundwater monitoring following the pilot study, and additional negotiations with the EPA, the City finalized its recommendations which were formally submitted in the form of a Draft Feasibility Study Report to the EPA in February 2014. The City has monitored the site annually while EPA had the Draft Feasibility Study Report under review. In February 2017, the City and EPA met to discuss the results of the annual monitoring and the need for EPA to finalize review of the Draft Feasibility Study Report and provide a defined path forward. EPA is still in the process of determining exactly how to provide regulatory closure to the Cascades Park site. Following EPA internal discussions, and agreement by the parties, a new Record of Decision will be executed, requiring the City to implement EPA's required actions. In

BLUEPRINT INTERGOVERNMENTAL AGENCY

NOTES TO FINANCIAL STATEMENTS
September 30, 2016

NOTE IV. OTHER INFORMATION

D. COMMITMENTS AND CONTINGENCIES

2.**CONTINGENCIES**
addition to the ongoing costs associated with developing the recommendations, and the future costs associated with implementing the yet-to-be-determined path forward, the City must also reimburse EPA annually for all direct and indirect costs incurred by EPA, its contractors, and the U.S. Department of Justice, including associated EPA markups for contractor oversight.

OTHER - Blueprint is subject to various claims, arising from the normal course of operations. The outcome of these claims is not presently determinable.

E. RELATED PARTY TRANSACTIONS

Related party transactions during the year ended September 30, 2016 included the following:

On June 22, 2011, the Agency and the City of Tallahassee (the City) entered into a Joint Project Agreement (JPA) whereby the Agency will provide "right of way" services to the City for the City's FAMU Way Road Project. For the year ended September 30, 2016, the Agency received fees from the City for this project totaling $28,036.

On March 27, 2015, the Agency and the City entered into a Landscape Funding Agreement whereby the City agreed to reimburse the Agency up to $90,000 for expenses related to a project where the Agency provided landscaping services at a property managed by the State of Florida located at 605 Suwanee Street. Under this agreement, the City paid $90,000 to the Agency.

During the year, the following transactions occurred between the Agency, the City and Leon County related to the Office of Economic Vitality (OEV) setup and operation:

- The City paid the OEV an economic development contribution of $174,500.
- Leon County paid the OEV an economic development contribution of $174,500.
- The City loaned the OEV $500,000 for Business Research Incentive Funds.
- The City gave the OEV $300,000 for a disparity study that the OEV will be obtaining.

F. EVALUATION OF SUBSEQUENT EVENTS

The Agency has evaluated subsequent events through June 5, 2017, the date the financial statements were available to be issued. No events have occurred that would require subsequent disclosure.

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INTERGOVERNMENTAL AGENCY

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE-GENERAL FUND

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS - CITY OF TALLAHASSEE GENERAL EMPLOYEES PENSION PLAN

SCHEDULE OF NET PENSION LIABILITY BY EMPLOYER - GENERAL EMPLOYEES

SCHEDULE OF CONTRIBUTIONS AND NOTES TO SCHEDULE OF CONTRIBUTIONS

PROPORTIONATE SHARE OF NET PENSION LIABILITY - FLORIDA RETIREMENT SYSTEM

PROPORTIONATE SHARE OF NET PENSION LIABILITY - HEALTH INSURANCE SUBSIDY PROGRAM

SCHEDULE OF CONTRIBUTIONS - FLORIDA RETIREMENT SYSTEM

SCHEDULE OF CONTRIBUTIONS - HEALTH INSURANCE SUBSIDY PROGRAM

BLUEPRINT INTERGOVERNMENTAL AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended September 30, 2016
(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive
	Original	Final	(Budgetary Basis)	(Negative)
Budgetary Fund Balance - October 1	$ 123	$ 2,191	$ 2,152	$ (39)
Resources				
Taxes	32,440	32,440	33,570	1,130
Interest Earned	-	-	186	186
Miscellaneous	-	-	29	29
Amounts Available for Appropriations	32,563	34,631	35,937	1,306
Charges to Appropriations				
Transportation	2,057	2,057	1,727	330
Transfers to Other Funds	30,506	32,574	32,574	-
Total Charges to Appropriations	32,563	34,631	34,301	330
Budgetary fund balance, September 30	$ -	$ -	$ 1,636	$ 1,636

See Independent Auditors' Report

BLUEPRINT INTERGOVERNMENTAL AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
Note to Required Supplementary Information
General Fund
For the Year Ended September 30, 2016
(in thousands)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues/Transfers In and Expenditures/Transfers Out

Inflows of Resources	
Actual amounts (budgetary basis) available for appropriation from the budgetary comparison schedule.	$ 35,937
Differences - budget to GAAP	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(2,152)
The revenues of the Office of Economic Vitality are current year revenues for reporting purposes but are not considered budgetary inflows.	651
Total Revenues/Transfers In as reported on the statement of revenues, expenditures, and changes in fund balances.	$ 34,436
Outflows of Resources	
Actual amounts (budgetary basis) total charges to appropriations from the budgetary comparison schedule.	$ 34,301
Difference - budget to GAAP	
The change in compensated absences which is reported in the Statement of Activities does not require the use of current financial resources and therefore is not reported as an expenditure in the governmental funds.	(23)
The expenditures of the Office of Economic Vitality are current year expenditures for reporting purposes but are not considered budgetary outflows.	527
Miscellaneous items treated as expenditures for financial reporting purposes but not as budgetary outflows.	1,191
Total Expenditures as reported on the statement of revenues, expenditures, and changes in fund balances.	$ 35,996

See Independent Auditors' Report

BLUEPRINT INTERGOVERNMENTAL AGENCY
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
GENERAL EMPLOYEES PENSION PLAN
(BASED ON MEASUREMENT PERIOD ENDING SEPTEMBER 30, 2016)
(in thousands)
Fiscal Year Ending September 30

	2016	2015	2014
Total Pension Liability			
Service Cost	$ 14,964	$ 14,592	$ 16,333
Interest	74,426	71,570	70,460
Difference between actual & expected experience	-	(24,196)	-
Benefit Payments	(50,887)	(47,928)	(44,510)
Refunds	(312)	(241)	(385)
Net Change in Total Pension Liability	38,191	13,797	41,898
Total Pension Liability - Beginning	970,975	957,178	915,280
Total Pension Liability - Ending (a)	$ 1,009,166	$ 970,975	$ 957,178
Plan Fiduciary Net Position			
Contributions - Employer	$ 14,591	$ 16,537	$ 16,110
Contributions - Other	-	23	92
Contributions - Member	4,523	4,719	4,607
Net Investment Income	85,979	9,640	89,958
Benefit Payments	(50,887)	(47,928)	(44,510)
Refunds	(312)	(241)	(385)
Administrative Expense	(705)	(637)	(668)
Net Change in Plan Fiduciary Net Position	53,189	(17,887)	65,204
Plan Fiduciary Net Position - Beginning	930,582	948,469	883,265
Plan Fiduciary Net Position - Ending (b)	983,771	930,582	948,469
Net Pension Liability - Ending (a) - (b)	$ 25,395	$ 40,393	$ 8,709
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	97.48%	95.84%	99.09%
Covered Employee Payroll	$ 111,638	$ 108,866	$ 106,057
Net Pension Liability as a Percentage of Covered Employee Payroll	22.75%	37.10%	8.21%

Note: Schedule is intended to show information for 10 years. Additional Years will be displayed as the information becomes available.

See Independent Auditors' Report

BLUEPRINT INTERGOVERNMENTAL AGENCY
SCHEDULE OF NET PENSION LIABILITY BY EMPLOYER - GENERAL EMPLOYEES
(BASED ON MEASUREMENT PERIOD ENDING SEPTEMBER 30, 2016)
(in thousands)

Measurement year ending September 30, 2016	**BLUEPRINT**	**CRTPA**	**CDA**	**CITY OF TALLAHASSEE**	**GENERAL EMPLOYEES TOTAL**
Total Pension Liability - Beginning	$ 4,192	$ 2,292	$ 29,531	$ 934,960	$ 970,975
Total Pension Liability - Ending (a)	5,162	2,658	31,648	969,698	1,009,166
Plan Fiduciary Net Position - Beginning	4,018	2,197	28,302	896,065	930,582
Plan Fiduciary Net Position - Ending (b)	5,032	2,591	30,851	945,297	983,771
Net Pension Liability - Ending (a) - (b)	130	67	797	24,401	25,395
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	97.48%	97.48%	97.48%	97.48%	97.48%
Employer's proportion of the Net Pension Liability	0.51%	0.26%	3.14%	96.09%	100.00%
Covered Employee Payroll	$ 571	$ 294	$ 3,501	$ 107,272	$ 111,638
Net Pension Liability as a Percentage of Covered Employee Payroll	22.77%	22.79%	22.76%	22.75%	22.75%

Note:The Total Pension Liability, the Plan Fiduciary Net Position, the Net Pension Liability, and the Pension Expense are allocated by department based on the covered pensionable payroll for each department, since that was the basis of determining employer contributions.

See Independent Auditors' Report

BLUEPRINT INTERGOVERNMENTAL AGENCY
SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years
(in thousands)

Fiscal Year Ending September 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2007	$ 41	$ 41	$ -	$ 445	9.21%
2008	49	49	-	523	9.37%
2009	49	49	-	542	9.04%
2010	50	50	-	526	9.51%
2011	47	47	-	415	11.33%
2012	42	42	-	390	10.77%
2013	64	64	-	478	13.39%
2014	84	84	-	546	15.38%
2015	87	87	-	655	13.28%
2016	87	87	-	957	9.09%

NOTES TO SCHEDULE OF CONTRIBUTIONS - GENERAL EMPLOYEES

Valuation Date:	October 1, 2014
Measurement Date:	September 30, 2016

Notes: Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay (with 1.99% payroll growth assumption), Closed
Remaining Amortization Period	13 years
Asset Valuation Method	20% of the difference between expected actuarial value (based on assumed return) and market value is recognized each year with 20% corridor around market value
Inflation	3%
Salary Increases	3.5%, including inflation
Investment Rate of Return	7.75%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2000 Combined Mortality Table with 40%/60% blend of white/blue collar rates for males and females with mortality improvement projected using Scale AA for 15 years from the valuation date (to October 1, 2029)

See Independent Auditors' Report

BLUEPRINT INTERGOVERNMENTAL AGENCY
PROPORTIONATE SHARE OF NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM
Last Ten Fiscal Years*

	2016	2015
Blueprint's proportion of the net pension liability	0.0009706057%	0.000182930%
Blueprint's proportionate share of the net pension liability	$245,079	$23,628
Blueprint's covered employee payroll	$957,000	$655,000
Blueprint's proportionate share of the net pension liability as percentage of its covered employee payroll	25.61%	3.61%
Plan fiduciary net position as a percentage of the total pension liability	84.88%	92%

**The amounts for each fiscal year were determined as of June 30, 2016 except for the covered payroll determined as of September 30, 2016. The schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.*

See Independent Auditors' Report

BLUEPRINT INTERGOVERNMENTAL AGENCY
PROPORTIONATE SHARE OF NET PENSION LIABILITY
HEALTH INSURANCE SUBSIDY PROGRAM
Last Ten Fiscal Years*

	2016	2015
%OXHSULQW¶V proportion of the net pension liability	0.0006428691%	0.000131579%
Blueprint’s proportionate share of the net pension liability	$ 75,958	$ 13,419
Blueprint’s covered employee payroll	$957,000	$655,000
Blueprint’s proportionate share of the net pension liability as percentage of its covered employee payroll	7.94%	2.05%
Plan fiduciary net position as a percentage of the total pension liability	.97%	.50%

**The amounts for each fiscal year were determined as of June 30, 2016 except for the covered payroll determined as of September 30, 2016. The schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.*

See Independent Auditors' Report

BLUEPRINT INTERGOVERNMENTAL AGENCY
SCHEDULE OF CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM
Last Ten Fiscal Years*

	2016	2015
Contractually required contribution	$23,623	$4,460
Contribution in relation to the contractually required contribution	(23,623)	(4,460)
Contribution deficiency (excess)	$-	$-
Blueprint's covered employee payroll	$957,000	$655,000
Contributions as a percentage of covered employee payroll	2.47%	.68%

**The amounts for each fiscal year were determined as of June 30, 2016 except for the covered payroll determined as of September 30, 2016. The schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.*

See Independent Auditors' Report

BLUEPRINT INTERGOVERNMENTAL AGENCY
SCHEDULE OF CONTRIBUTIONS
HEALTH INSURANCE SUBSIDY PROGRAM
Last Ten Fiscal Years*

	2016	2015
Contractually required contribution	$3,334	$503
Contribution in relation to the contractually required contribution	(3,334)	(503)
Contribution deficiency (excess)	$-	$-
Blueprint's covered employee payroll	$957,000	$655,000
Contributions as a percentage of covered employee payroll	0.35%	0.08%

**The amounts for each fiscal year were determined as of June 30, 2016 except for the covered payroll determined as of September 30, 2016. The schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.*

See Independent Auditors' Report

STATISTICAL SECTION

NET POSITION BY COMPONENT

CHANGES IN NET POSITION

FUND BALANCES

CHANGES IN FUND BALANCES

RETAIL SALES AND TAX COLLECTION HISTORY

RATIOS OF OUTSTANDING DEBT BY TYPE

LEON COUNTY DEMOGRAPHIC STATISTICS

FULL-TIME EQUIVALENT AGENCY EMPLOYEES

PLEDGED REVENUE COVERAGE

CAPITAL ASSETS BY FUNCTION

BLUEPRINT INTERGOVERNMENTAL AGENCY
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)
(in thousands)

	2016	2015	2014	2013	2012	2011	2010 as restated	2009 as restated	2008 as restated	2007 as restated
Governmental activities										
Invested in capital assets, net of related debt	$ 243,743	$ 210,872	$ 168,789	$ 111,032	$ 85,199	$ 71,667	$ 50,123	$ 2,951	$ 56,183	$ 23,160
Restricted	8,247	68,878	78,848	101,632	88,387	85,248	78,164	80,904	54,053	45,615
Unrestricted	53,782	-	-	-	-	-	-	-	-	-
Total governmental activities net position	$ 305,772	$ 279,750	$ 247,637	$ 212,664	$ 173,586	$ 156,915	$ 128,287	$ 83,855	$ 110,236	$ 68,775

CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(in thousands)

	2016	2015	2014	2013	2012	2011	2010 as restated	2009 as restated	2008 as restated	2007 as restated
Expenses										
Transportation	$ 8,642	$ 3,464	$ 5,176	$ 11,588	$ 24,316	$ 4,341	$ 3,944	$ 77,579	$ 2,906	$ 3,119
Economic Development	586	-	-	-	-	-	-	-	-	-
Amortization of Bond Issue Costs	-	-	-	129	128	122	116	112	99	55
Donation to City	-	-	-	-	-	-	-	-	443	-
Depreciation Expense	27	28	16	5	4	6	6	10	2	10
Interest on Long-Term Debt	1,601	2,498	3,179	3,835	5,059	5,261	5,663	6,291	6,783	3,351
Total expenses	10,856	5,990	8,371	15,557	29,507	9,730	9,729	83,992	10,233	6,535

BLUEPRINT INTERGOVERNMENTAL AGENCY
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(in thousands)

	2016	2015	2014	2013	2012	2011	2010 as restated	2009 as restated	2008 as restated	2007 as restated
Revenues										
Program Revenues:										
Operating Grants and Contributions	649	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	1,345	3,751	7,807	19,869	11,662	5,512	16,689	23,023	15,173	7,755
Total Governmental Activities Program Revenues	1,994	3,751	7,807	19,869	11,662	5,512	16,689	23,023	15,173	7,755
General Revenues										
Shared Revenues	33,570	32,491	31,044	29,574	28,232	27,554	27,126	27,828	29,593	30,989
Investment Income	1,137	1,121	991	1,261	2,360	2,296	2,203	3,140	7,941	1,786
Repayment on Advances	-	777	3,000	5,000	3,000	3,000	7,509	1,762	-	-
Net Increase (Decrease) in Fair Value of										
Investments	150	(44)	72	(1,473)	(3)	(3)	550	1,858	(1,013)	271
Miscellaneous	27	113	435	1,327	1	1	84	-	-	193
Total Revenues	36,878	38,209	43,349	55,558	45,252	38,360	54,161	57,611	51,694	40,994
Changes in Net Position	$ 26,022	$ 32,219	$ 34,978	$ 40,001	$ 15,745	$ 28,630	$ 44,432	$ (26,381)	$ 41,461	$ 34,459

BLUEPRINT INTERGOVERNMENTAL AGENCY
FUND BALANCES
Last Ten Fiscal Years
(modified accrual basis of accounting)
(in thousands)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Fund										
Reserved	$ -	$ -	$ -	$ -	$ -	$ -	$ 26	$ 54	$ 49	$ 32
Unreserved	-	-	-	-	-	-	59,593	51,643	43,866	37,773
Restricted for Infrastructure	3,679	5,239	75,750	86,993	10,130	9,548	-	-	-	-
Special Revenue Fund										
Reserved	-	-	-	-	-	-	51,292	56,611	63,679	72,446
Unreserved	-	-	-	-	-	-	-	-	-	-
Infrastructure	53,504	58,398	-	-	87,972	96,447	-	-	-	-
Debt Service Fund										
Reserved	-	-	-	-	-	-	7,441	16,328	10,228	7,870
Restricted for Future Debt Service	8,319	7,786	7,600	7,881	7,447	7,358	-	-	-	-
Total Fund Balances	$ 65,502	$ 71,423	$ 83,350	$ 94,874	$ 105,549	$ 113,353	$ 118,352	$ 124,636	$ 117,822	$ 118,121

BLUEPRINT INTERGOVERNMENTAL AGENCY
CHANGES IN FUND BALANCES
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Revenues:										
Intergovernmental Revenues	$ 35,564	$ 36,242	$ 38,851	$ 49,443	$ 39,894	$ 33,066	$ 43,815	$ 50,851	$ 44,766	$ 37,753
Donations	-	-	-	-	-	-	-	-	-	991
Administrative Fees	-	-	-	-	-	-	-	-	-	160
Investment Income	1,139	1,121	997	1,279	1,808	2,315	2,219	3,243	9,610	2,452
Advance Repayments	-	777	3,000	5,000	3,000	3,000	7,509	1,762	-	-
Net Inc (Dec) in the Fair Value of Investments	150	(44)	72	(1,474)	106	(3)	550	1,858	(1,013)	271
Miscellaneous Revenues	29	111	435	1,327	818	1	84	-	-	33
Total Revenues	36,882	38,207	43,355	55,575	45,626	38,379	54,177	57,714	53,363	41,660
Expenditures:										
Transportation	23,460	30,933	35,180	47,523	34,097	23,845	34,026	41,689	42,699	36,872
Economic Environment	527	-	-	-	-	-	-	-	-	-
Securities Lending Expense:										
Interest	1	-	4	15	34	16	14	69	1,602	662
Agent Fees	-	-	2	2	3	3	2	34	67	4
Debt Service:										
Principal Retired	16,129	15,666	15,034	14,432	14,237	13,706	22,341	3,805	8,475	10,803
Interest and Fiscal Charges	2,686	3,534	4,658	4,278	5,059	5,822	6,199	6,804	7,267	3,588
Bond Issuance Costs	-	-	-	-	-	-	-	-	-	797
Total Expenditures	42,803	50,133	54,878	66,250	53,430	43,392	62,582	52,401	60,110	52,726
Other Financing Sources (Uses):										
Issuance of Debt	-	-	-	-	-	14	2,121	1,501	6,448	19,849
Bonds Issued	-	-	-	-	-	-	-	-	-	75,285
Bond Premium	-	-	-	-	-	-	-	-	-	3,411
Proceeds from Loans from Other Funds	-	-	-	-	-	-	-	-	-	-
Payments to Refunded Bond Escrow Agent	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	14	2,121	1,501	6,448	98,545
Net Change in Fund Balances	$ (5,921)	$ (11,926)	$ (11,523)	$ (10,675)	$ (7,804)	$ (4,999)	$ (6,284)	$ 6,814	$ (299)	$ 87,479
Debt Services as a Percentage of Noncapital Expenditures	236 %	449 %	361 %	396 %	561 %	444 %	714 %	179 %	316 %	315 %

BLUEPRINT INTERGOVERNMENTAL AGENCY
RETAIL SALES AND TAX COLLECTION HISTORY
Last Ten Fiscal Years

Fiscal Year	Retail Sales[1]	Infrastructure Sales Tax Revenue collected[1] (000's)	Agency's Share of Sales Tax Revenue (80% of revenues collected)
2007	$ 7,390,000	$ 38,736	$ 30,989
2008	7,266,000	36,991	29,593
2009	6,385,000	34,785	27,828
2010	6,358,000	33,908	27,126
2011	6,519,000	34,443	27,554
2012	6,682,000	35,290	28,232
2013	7,071,000	36,968	29,574
2014	7,686,000	38,805	31,044
2015	7,511,000	40,614	32,491
2016	7,751,000	41,963	33,570

[1] Florida Department of Revenue - Leon County Gross and Taxable Sales

Note: The Agency received 80% of the sales tax collected in Leon County under the 15 year 1% Infrastructure Sales Surtax which began on December 1, 2004. The sale tax is collected on all retail sales of tangible personal property subject to certain exceptions and exemptions and certain dealer allowances.

BLUEPRINT INTERGOVERNMENTAL AGENCY
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year Ended Sept. 30,	Sales Tax Revenue Bonds	State Infrastructure Bank Loans	Total Debt Outstanding	Leon County Population[1]	Percentage of Personal Income	Per Capita As Restated
2007	$ 134,565	$ 35,129	$ 169,694	273,000	1.9 %	621.59
2008	126,090	41,577	167,667	275,000	1.7 %	609.70
2009	126,090	39,273	165,363	275,000	1.7 %	601.32
2010	107,675	37,469	145,144	275,000	1.4 %	527.79
2011	97,840	33,612	131,452	276,000	1.2 %	476.27
2012	84,849	29,702	114,551	278,000	1.1 %	412.05
2013	74,410	25,709	100,119	278,000	- %	360.14
2014	63,445	21,640	85,085	281,000	-	302.79
2015	51,930	17,489	69,419	284,000	-	244.43
2016	39,905	13,385	53,290	288,000	-	185.03

BLUEPRINT INTERGOVERNMENTAL AGENCY
LEON COUNTY, FLORIDA
DEMOGRAPHIC STATISTICS
Last Ten Fiscal Years

Year	Estimated[1] Population	Retail Sales[2] (000's)	Personal Income [1] (000's)	Per Capita Income [1]	School Enrollment	Unemployment Rate %[4] Leon County	Florida	United States
2007	272,896	7,358,014	9,064,514	33,216	37,525	2.9	3.8	4.6
2008	274,892	7,265,784	9,868,623	35,900	32,395	5.2	7.3	6.5
2009	274,803	6,385,468	9,933,579	36,148	32,459	7.9	11.5	9.4
2010	275,487	6,357,986	10,307,795	37,338	32,693	8.3	11.6	9.1
2011	277,969	6,518,559	10,976,399	39,441	33,252	7.6	9.9	8.5
2012	277,670	6,681,858	11,301,598	39,827	34,157	7.1	8.6	7.8
2013	278,377	7,071,265	10,674,366	38,345	33,327	5.3	6.4	7.0
2014	281,292	7,686,804	N/A	N/A	34,955	4.7	5.4	5.6
2015	284,443	7,510,613	N/A	N/A	34,797	4.6	5.0	5.1
2016	287,671	7,751,449	N/A	N/A	33,300	4.5	4.7	4.9

[1]University of Florida Bureau of Economic and Demographic Research

[2]Florida Department of Revenue - Leon County Gross and Taxable Sales

[3]Leon County Public School Board

[4]U.S. Bureau of Labor Statistics

N/A = Data not available

BLUEPRINT INTERGOVERNMENTAL AGENCY
FULL-TIME EQUIVALENT AGENCY EMPLOYEES
Last Ten Fiscal Years

	Full Time Equalivalent Employees as of September30									
Function	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Transportation	10	7	7	7	4	5	7	7	7	7
Economic Development	7	-	-	-	-	-	-	-	-	-
Total	17	7	7	7	4	5	7	7	7	7

All of the Agency's employees work in the single Agency function, Transportation

BLUEPRINT INTERGOVERNMENTAL AGENCY
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years
(in thousands)

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Sales Tax Revenues (80% of existing Infrastructure Sales Tax)	33,570	32,491	31,044	29,574	28,232	27,554	27,126	27,828	29,593	30,989
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Annual Debt Service on Sales Tax Revenue Bonds	14,696	14,696	14,696	14,694	14,691	14,794	14,984	14,984	14,989	14,985
Actual Coverage on Sales Tax Revenue Bonds	2.28	2.21	2.11	2.01	1.92	1.86	1.81	1.86	1.97	2.07
Annual Debt Service on Sales Tax Revenue Bonds and State Infrastructure Bank Loans	19,072	19,072	19,279	19,278	19,275	19,378	19,567	19,568	20,266	15,742
Actual Coverage on Sales Tax Revenue Bonds and State Infrastructure Bank Loans	1.76	1.69	1.61	1.53	1.46	1.41	1.39	1.37	1.88	2.15

BLUEPRINT INTERGOVERNMENTAL AGENCY
CAPITAL ASSETS BY FUNCTION
Last Ten Fiscal Years
(in thousands)

Function	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Transportation	300,624	285,303	259,586	228,843	189,196	179,438	159,973	129,936	165,792	126,426

Project Costs are recorded as Construction in Progress while roads are being worked on. When the work is complete, the roads will be transferred to the Governmental unit that will fund the future road maintenance.

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BLUEPRINT
INTERGOVERNMENTAL AGENCY

SINGLE AUDIT

Additional Elements Required by the *Rules of the Auditor General*

For the Entity

Independent Auditors' 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*

For the State Financial Assistance Programs

Independent Auditors' Report on Compliance for each Major Program and on Internal Control Over Compliance Required by Chapter 10.550, Rules of the Auditor General

Schedule of Expenditures of State Financial Assistance

Schedule of Findings and Questioned Costs ±State Financial Assistance

Summary Schedule of Prior Audit Findings

Other

Independent Accountants' Report on Compliance with Section 218.415, Florida Statutes, Local Government Investment Policies

Management Letter

Thomas Howell Ferguson P.A. CERTIFIED PUBLIC ACCOUNTANTS Law, Redd, Crona & Munroe, P.A.

Independent Auditors' 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*

Honorable Members of the Board
Blueprint Intergovernmental Agency
Tallahassee, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Blueprint Intergovernmental Agency (the Agency), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated June 5, 2017.

Internal Control Over Financial Reporting

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

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

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

Board of Directors
Blueprint Intergovernmental Agency
Page Two

Compliance and Other Matters

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

Purpose of this Report

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

Thomas Howell Ferguson P.A.

Law, Redd, Crona & Munroe, P.A.

THOMAS HOWELL FERGUSON, P.A.
LAW, REDD, CRONA AND MUNROE, P.A.

Tallahassee, Florida
June 5, 2017

Thomas Howell Ferguson P.A. — CERTIFIED PUBLIC ACCOUNTANTS — Law, Redd, Crona & Munroe, P.A.

Independent Auditors' Report on Compliance For Each Major State Project and on Internal Control Over Compliance Required By Chapter 10.550, *Rules of the Auditor General*

Honorable Members of the Board
Blueprint Intergovernmental Agency
Tallahassee, Florida

Report on Compliance for Each Major State Project

We have audited the Blueprint Intergovernmental Agency's (the Agency) compliance with the types of compliance requirements described in the *Florida Department of Financial Service's State Projects Compliance Supplement*, that could have a direct and material effect on each of the Agency's major state projects for the year ended September 30, 2016. The Agency's major state projects are identified in the Summary of Auditors' 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 state projects.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Agency's major state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of Chapter 10.550, *Rules of the Auditor General*. Chapter 10.550, *Rules of the Auditor General* 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 project occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state project. However, our audit does not provide a legal determination of the Agency's compliance.

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Blueprint Intergovernmental Agency
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Opinion on Each Major State Project

In our opinion, the Agency 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 projects for the year ended September 30, 2016.

Report on Internal Control Over Compliance

Management of the Agency 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 the Agency's internal control over compliance with the types of requirements that could have a direct and material effect on each major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state project and to test and report on internal control over compliance in accordance with Chapter 10.550, *Rules of the Auditor General*, 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 the Agency's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the 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.

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

Thomas Howell Ferguson P.A.

Law, Redd, Crona, & Munroe, P.A.

THOMAS HOWELL FERGUSON, P.A.
Tallahassee, Florida
June 5, 2017

LAW, REDD, CRONA AND MUNROE, P.A.

Blueprint Intergovernmental Agency
Schedule of Expenditures of State Financial Assistance
For the Year Ended September 30, 2016

State Agency State Project	CSFA Number	Grant Contract Number	Expenditures
STATE FINANCIAL ASSISTANCE			
Florida Department of Transportation			
Direct Projects			
State Highway Project Reimbursement Program	55.023	415782-7-58-01 / AQJ62	$ 716,074
State Highway Project Reimbursement Program	55.023	415782-8-58-01 / AQJ62	256,288
Total Expenditures of State Financial Assistance			$ 972,362

NOTES:
(1) The Schedule of Expenditures of State Financial Assistance was prepared on the accrual basis of accounting.
(2) There were no transfers to subrecipients during the fiscal year.
(3) No state funds were expended in non-cash assistance.

See independent auditors' report

Blueprint Intergovernmental Agency
Schedule of Findings and Questioned Costs
For the Year ended September 30, 2016

Schedule of Findings and Questioned Costs Related to State Financial Assistance

Section I -- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	None
Noncompliance material to financial statements noted?	No

State Financial Assistance

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	None
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 *Rules of the Auditor General* , Chapter 10.554(1)(l)(4)?	No
Findings required to be reported in a management letter pursuant to *Rules of the Auditor General* , Chapter 10.554(1)(i)?	Yes

Identification of major state projects:	CFDA Number	Name of Federal Program
		Florida Department of Transportation
		Direct Project
	55.023	State Highway Project Reimbursement

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

Section II -- Financial Statement Findings

We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Section III -- State Financial Assistance Findings and Questioned Costs

We noted no matters involving noncompliance that are required to be reported in accordance with*Rules of the Auditor General* , Chapter 10.554(1)(l)(4).

See independent auditors' report.

Blueprint Intergovernmental Agency
Summary Schedule of Prior Audit Findings
For the Year Ended September 30, 2016

Prior Year Findings and Questioned Costs – Major Federal Programs

None.

Prior Year Findings and Questioned Costs – Major State Projects

None.

Thomas Howell Ferguson P.A. CERTIFIED PUBLIC ACCOUNTANTS Law, Redd, Crona & Munroe, P.A.

Independent Accountants' Report on Compliance with Section 218.415, *Florida Statutes,* Local Government Investment Policies

Honorable Members of the Board
Blueprint Intergovernmental Agency

We have examined the Blueprint Intergovernmental Agency's (the Agency) compliance with local government investment policies provided in Chapter 218.415, *Florida Statutes*, during the year ended September 30, 2016. Management is responsible for the Agency's compliance with those requirements. Our responsibility is to express an opinion on the Agency's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the Agency complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

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

Thomas Howell Ferguson P.A. — Law, Redd, Crona & Munroe, P.A.

Thomas Howell Ferguson P.A.
Tallahassee, Florida
June 5, 2017

Law, Redd, Crona & Munroe, P.A.
Tallahassee, Florida

Thomas Howell Ferguson P.A. CERTIFIED PUBLIC ACCOUNTANTS Law, Redd, Crona & Munroe, P.A.

Management Letter

Honorable Members of the Board
Blueprint Intergovernmental Agency

Report on the Financial Statements

We have audited the financial statements of the Blueprint Intergovernmental Agency (the Agency), as of and for the fiscal year ended September 30, 2016 and have issued our report thereon dated June 5, 2017.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Auditor General.

Other Reports and Schedule

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditors' Report on Compliance for Each Major State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 5, 2017, should be considered in conjunction with this management letter.

Current Year September 30, 2016 Recommendations

2016-001 Accounting Staff

Since 2003 the Agency has grown from $60 million to over $370 million in assets with an operating budget of approximately $34 million. The Agency's funding is anticipated to dramatically increase in the year 2019 when the collection of a new sales tax begins and new projects are initiated. In addition, the Office of Economic Vitality has been incorporated into the operations of the Agency. Currently, the accounting function for the Agency is performed by the City's accounting staff. With the increasing complexity of governmental accounting and grant management, the Agency has required more attention from the City's accounting staff than originally anticipated. The Agency should consider hiring a certified public accountant to handle the accounting function within the next year. With the increased activity anticipated from the influx of funding, it is important that the Agency's accountant has the experience, knowledge and time required to perform this critical function.

Honorable Members of the Board
Blueprint Intergovernmental Agency
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Management Response:

> *We concur with the recommendation. Management will recommend that an additional qualified accountant be hired to handle the accounting function for Blueprint. Hiring the accountant as soon as possible will allow for training before the fiscal year end 2017 closeout process begins.*

2016-002 Policy for Transferring Assets

The purpose of the Agency is to provide project management for the planning and construction of various specified projects included within the Interlocal Agreement between the City of Tallahassee and Leon County, Florida. The Agency accumulates the costs of the construction and/or acquisition of infrastructure assets as construction-in-progress on the Statement of Net Position while managing the project. Once the project is complete, the assets are transferred from the Agency to the appropriate government. We recommend the Agency develop policies and procedures for transferring these assets. Elements to consider include: timing of the transfer once the project has been completed, execution of legal documents, communication of cost information to the receiving government and recording the disposition of the asset in the Agency's financial records.

Management Response:

> *We concur with the recommendation. Management will develop policies and procedures for the transferring of assets to include timing of the transfers, the recording of the transfers in Blueprint's financial records, communications with the receiving entities, and any legal matters related to these transfers.*

Prior Audit Findings

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

Honorable Members of the Board
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Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General,* requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The name or official title and legal authority for the Agency is disclosed in Note 1 of the Notes to Financial Statements. The Agency has no component units.

Financial Condition

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

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

Annual Financial Report

Section 10.554(1)(i)5.b. and 10.556(7), *Rules of the Auditor General,* require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for the Agency for the fiscal year ended September 30, 2016, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2016. Management has drafted the annual financial report, which is in agreement with the annual financial audit report for the year ended September 30, 2016. The final report will be submitted to the Florida Department of Financial Services upon approval of the annual financial audit report by the Agency's Board of Directors.

Other Matters

Section 10.554(1)(i)2., *Rules of the Auditor General,* requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we noted the matters discussed in the Current Year September 30, 2016 Recommendations section of this letter.

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

Purpose of this Letter

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

Thomas Howell Ferguson P.A. Law, Redd, Crona & Munroe, P.A.

THOMAS HOWELL FERGUSON, P.A. **LAW, REDD, CRONA AND MUNROE, P.A**
Tallahassee, Florida
June 5, 2017