

FLORIDA GOVERNMENT FINANCE  
OFFICERS ASSOCIATION, INC.

FINANCIAL STATEMENTS

JUNE 30, 2011 AND 2010

Florida Government Finance Officers Association, Inc.  
Financial Statements  
June 30, 2011 and 2010

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November 15, 2011

Independent Auditors' Report

To the Board of Directors of the  
Florida Government Finance  
Officers Association, Inc.:

We have audited the accompanying statements of financial position of the Florida Government Finance Officers Association, Inc. (Association) (a nonprofit organization) as of June 30, 2011 and 2010 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Florida Government Finance Officers Association, Inc. as of June 30, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Shorstein + Shorstein, P.A.*

Florida Government Finance Officers Association, Inc.  
 STATEMENTS OF FINANCIAL POSITION  
June 30, 2011 and 2010

ASSETS

	2011	2010
<u>Current Assets</u>		
Cash and Cash Equivalents	\$ 519,944	\$ 65,208
Investments	50,475	232,038
Accounts Receivable - Florida League of Cities, Inc.	10,135	-
Accounts Receivable - Other	29,601	62,761
Prepaid Expenses and Other Current Assets	7,316	8,848
Total Current Assets	617,471	368,855
 <u>Equipment</u>		
Computer and Equipment	9,433	9,433
Less: Accumulated Depreciation	(8,746)	(8,398)
Net Equipment	687	1,035
 <u>Other Assets</u>		
Deposits	4,000	6,500
Total Assets	\$ 622,158	\$ 376,390

LIABILITIES AND NET ASSETS

<u>Current Liabilities</u>		
Accounts Payable	\$ 342,816	\$ 88,744
Deferred Revenues	11,340	11,725
Total Current Liabilities	354,156	100,469
<u>Unrestricted Net Assets</u>	268,002	275,921
Total Liabilities and Unrestricted Net Assets	\$ 622,158	\$ 376,390

The accompanying notes are an integral part of these financial statements.

Florida Government Finance Officers Association, Inc.  
**STATEMENTS OF ACTIVITIES**  
For the Years Ended June 30, 2011 and 2010

	<u>Year Ended June 30, 2011</u>	<u>Year Ended June 30, 2010</u>
<u>Revenues</u>		
Membership Dues	\$ 68,565	\$ 70,115
Conference Revenue	374,717	386,405
Career Development Seminars	14,780	28,915
School of Governmental Finance	63,888	75,340
Investment Income	2,744	5,794
CGFO Fees	18,725	26,100
Miscellaneous Income	358	2,640
Total Revenues	543,777	595,309
 <u>Expenses</u>		
Conference Expenses	330,264	353,803
Career Development Seminars	15,597	26,819
School of Governmental Finance	73,904	78,679
Other Programs	61,290	55,273
General and Administrative	70,641	67,497
Total Expenses	551,696	582,071
 <u>(Decrease) Increase in Unrestricted Net Assets</u>	(7,919)	13,238
 <u>Unrestricted Net Assets, Beginning of Period</u>	275,921	262,683
 <u>Unrestricted Net Assets, End of Period</u>	\$ 268,002	\$ 275,921

The accompanying notes are an integral part of these financial statements.

Florida Government Finance Officers Association, Inc.  
 STATEMENTS OF CASH FLOWS  
For the Years Ended June 30, 2011 and 2010

	Year Ended June 30, 2011	Year Ended June 30, 2010
	<u>                    </u>	<u>                    </u>
<u>Cash Flows from Operating Activities</u>		
Receipts from Members and Associates	\$      361,592	\$      400,890
Receipts from Exhibitors and Hotel Sites	202,115	145,070
Interest and Dividends	2,710	6,678
Fees Paid to Florida League of Cities, Inc.	(116,654)	(113,592)
Payments to Vendors	<u>(176,590)</u>	<u>(726,442)</u>
 Net Cash Provided/(Used) by Operating Activities	 <u>273,173</u>	 <u>(287,396)</u>
 <u>Cash Flows from Investing Activities</u>		
Proceeds from Redemption of Certificates of Deposit	234,234	104,072
Investment in Certificates of Deposit	<u>(52,671)</u>	<u>(131,581)</u>
 Net Cash Provided/(Used) by Investing Activities	 <u>181,563</u>	 <u>(27,509)</u>
 <u>Net Increase/(Decrease) in Cash and Cash Equivalents</u>	 454,736	 (314,905)
 <u>Cash and Cash Equivalents, Beginning of Period</u>	 <u>65,208</u>	 <u>380,113</u>
 <u>Cash and Cash Equivalents, End of Period</u>	 <u>\$      519,944</u>	 <u>\$      65,208</u>

The accompanying notes are an integral part of these financial statements.

Florida Government Finance Officers Association, Inc.  
 STATEMENTS OF CASH FLOWS  
For the Years Ended June 30, 2011 and 2010

	Year Ended June 30, 2011	Year Ended June 30, 2010
<u>Reconciliation of (Decrease)/Increase in Net Assets to Net Cash Provided/(Used) by Operating Activities</u>		
(Decrease)/Increase in Net Assets	\$ (7,919)	\$ 13,238
Adjustments to Reconcile (Decrease)/Increase in Net Assets to Net Cash Provided/(Used) by Operating Activities:		
Depreciation	348	555
Decrease/(Increase) in Accounts Receivable	23,025	(51,359)
Decrease/(Increase) in Prepaid Expenses and Other Current Assets	1,532	(3,267)
Decrease in Deposits	2,500	1,150
Increase/(Decrease) in Accounts Payable	254,072	(248,098)
(Decrease)/Increase in Deferred Revenue	(385)	385
Net Cash Provided/(Used) by Operating Activities	\$ 273,173	\$ (287,396)

The accompanying notes are an integral part of these financial statements.

Florida Government Finance Officers Association, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2011 and 2010

Note 1 - Organization and Significant Accounting Policies

- A. The Florida Government Finance Officers Association, Inc. (Association) is an organization whose purpose is to promote the improvement of government financial administration in Florida.
- B. Revenues and expenses are recorded on the accrual basis.
- C. The Association is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code.
- D. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
- E. The Association considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.
- F. The Association maintains a portion of its cash and cash equivalents in bank deposit accounts which, at times, may exceed federally insured limits. The amount on deposit at June 30, 2011 did not exceed these limits. Additionally, approximately \$280,000 and \$30,000 were invested in a money market account at June 30, 2011 and 2010, respectively, which is not insured. The Association has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk with respect to cash and cash equivalents.
- G. Equipment is recorded at cost. Depreciation is provided on the straight-line method over the estimated useful lives.
- H. The Association reports donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted program revenue.
- I. Management has evaluated subsequent events through November 15, 2011, the date the financial statements were available to be issued.



Florida Government Finance Officers Association, Inc.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2011 and 2010

Note 2 - Investments

The Association held one certificate of deposit bearing interest at the rate of 1.24% as of June 30, 2011 and two certificates of deposit bearing interest at rates of 2.23% and 1.49% as of June 30, 2010. The certificate held at June 30, 2011 matures September 10, 2011.

Investment income is summarized as follows:

	<u>2011</u>	<u>2010</u>
Interest Income	\$ 2,705	\$ 5,697
Dividend Income	<u>39</u>	<u>97</u>
Total	<u>\$ 2,744</u>	<u>\$ 5,794</u>

Note 3 - Administrative Fees

Pursuant to an agreement effective through June 30, 2012, the Association engages the Florida League of Cities, Inc. (FLC) to provide administrative services for an annual fee plus reimbursement of certain out-of-pocket expenses. Administrative fees of \$80,522 and \$78,177 were incurred during the years ended June 30, 2011 and 2010, respectively. The agreement is cancelable by either party with 120 days written notice.

Accounts payable at June 30, 2011 and 2010 included \$76,672 and \$77,648, respectively, in fees and expense reimbursements due to FLC.

Note 4 - Meeting Management Fees

Under an agreement effective through July 31, 2012, the Association engaged FLC to provide meeting management services for the Association's Annual Conference and School of Governmental Finance for fees based on the number of registrants. The contract also provides for reimbursement to FLC for certain out-of-pocket expenses. The agreement is cancelable by either party with 120 days written notice.

Meeting management fees of \$33,160 and \$33,075 were incurred under the contracts during the years ended June 30, 2011 and 2010, respectively.