CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

ANNUAL FINANCIAL REPORT AND
INDEPENDENT AUDITOR'S REPORT

For the Year Ended
June 30, 2014

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CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

The Honorable Chairman and Board Members
Chicago Metropolitan Agency for Planning
233 South Wacker, Suite 800
Chicago, Illinois 60606

We have audited the accompanying basic financial statements of the Chicago Metropolitan Agency for Planning, Chicago, Illinois (the Agency) as of and for the year ended June 30, 2014, and the related notes to financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency'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 Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Chicago Metropolitan Agency for Planning, Chicago, Illinois as of June 30, 2014, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and is also not a required part of the basic financial statements. The supplementary information and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2014 on our consideration of the Chicago Metropolitan Agency for Planning, Chicago, Illinois' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
October 10, 2014

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

Background

The Chicago Metropolitan Agency for Planning (CMAP) was created in 2005 as the comprehensive regional planning organization for the northeastern Illinois counties of Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will. Through the Regional Planning Act (Public Act 094-510) in 2005, there was a merger of the Northeastern Illinois Planning Commission (NIPC) and the Chicago Area Transportation Study (CATS) to create the new Regional Planning Board, which was renamed as CMAP in 2006. The merger was completed at the end of fiscal year 2007.

By state and federal law, CMAP is responsible for producing the region's official, integrated plan for land use and transportation. The agency projects that metropolitan Chicago will gain 2.8 million new residents and 1.8 million jobs in the next three decades. CMAP developed and now leads the implementation of *GO TO 2040*, metropolitan Chicago's first comprehensive regional plan in more than 100 years. To address the anticipated population growth, *GO TO 2040* was adopted on October 13, 2010 to establish coordinated strategies that help the region's 284 communities address transportation, housing, economic development, open space, the environment, and other quality-of-life issues. See www.cmap.illinois.gov and www.goto2040.org for more information.

CMAP has published an annual report highlighting the accomplishments for fiscal year 2014. A copy of the CMAP annual report can be obtained at www.cmap.illinois.gov.

Management's Discussion and Analysis

This section of CMAP's financial statements presents management's discussion and analysis (MD&A) of the financial activities of CMAP during the fiscal year ended June 30, 2014. Please read it in conjunction with the basic financial statements, including the accompanying notes to financial statements, which follow this section.

Financial Highlights

The fiscal year 2014 expenses focused on facilitating the aggressive implementation of GO TO 2040. The agency partnered with stakeholder organizations and individuals on a wide range of planning strategies set forth in the region's new comprehensive plan. In addition, this year the special grants ended for CMAP Local Technical Assistance (LTA) program funded by the U.S. Department of Housing and Urban Development (HUD), and the Energy Impact Illinois (EI2) alliance for building retrofits with funding from the U.S. Department of Energy (DOE).

Government-wide Financial Statements

The two main components to the government-wide financial statements are: (1) the statement of net position and (2) the statement of revenues, expenses and changes in net position. These are the two major statements that are analyzed in terms of obtaining a broad overview of the finances, value and annual operations of CMAP.

Generally, government-wide statements can present two different components: governmental activities, which are operations primarily supported by tax revenues, and business-type activities, which are those activities that are self-funded. All the operations of CMAP are considered to be business-type activities.

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. CMAP uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. CMAP is unique to many governments since it is an entity with only one fund, proprietary in nature.

Notes to the financial statements

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

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information.

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of the entity's financial position. The following tables highlight the increase in net position of the entity from $2,993,416 for June 30, 2013 to $3,185,016 as of June 30, 2014 (an increase of $191,600 or 6%).

Table 1
Condensed Statement of Net Position
(in thousands)

	Business-type Activities 2013	2014
Current and other assets	$6,991	$5,699
Long-Term assets	1,155	1,235
Total assets	$8,146	$6,934
Current liabilities	$4,026	$2,792
Long-Term liabilities	$1,127	$957
Total liabilities	$5,153	$3,749
Net position		
Invested in capital assets	$1,096	$1,146
Restricted for grant projects	472	367
Unrestricted	1,425	1,672
Total net position	$2,993	$3,185

The statement of net position is a snapshot as of the end of the fiscal year, reporting information on all of CMAP's assets and liabilities, with the difference between the two reported as net position. The net position may serve over time as a useful indicator of whether the financial position of an organization is improving or deteriorating. The assets of CMAP exceeded liabilities by $3,185,016 as of June 30, 2014, as compared to net position of $2,993,416 as of June 30, 2013 an increase of $191,600 or 6%. The largest component of net position reflects CMAP's unrestricted funds. Restricted net position represent those grant projects that have provided advance funds for restricted purposes.

NIPC entered into a new office lease in the fiscal year ended June 30, 2006. As an incentive to enter into the lease, NIPC was granted rent abatements for certain months throughout the term of the lease, including the first twelve months of the lease, two months in FY 08, three months in FY 09, and three months in FY 10. The benefit of these abatements is being recognized evenly over the life of the lease. Consequently, a liability is reported ("rent abatement") for the portion of the abatements received since the beginning of the lease that will be recognized over the remaining lease term. As part of the enabling legislation, CMAP assumed all of NIPC obligations and is now responsible for the office lease.

The largest component of the assets is cash and accounts receivable, which account for 80% of the total assets.

The largest components of the total liabilities are accounts payable, which had a balance of $2,966,250 and $1,647,595 at June 30, 2013 and 2014, respectively, and the value of the rent abatement of $1,127,214 and $956,480 on June 30, 2013 and 2014, respectively.

Table 2
Changes in Net Position
(in thousands)

	2013	***% of Total***	***2014***	***% of Total***
Operating revenues				
Grant revenue				
Federal	$18,521	74%	$18,693	78%
State	2,802	12%	3,340	14%
Other	3,217	13%	1,617	7%
Contributions	353	1%	126	1%
Miscellaneous	73	0%	51	0%
Total Operating revenues	$24.966	100%	$23,827	100%
Operating expenses				
Personnel services	$10,564	43%	10,319	44%
Operating expenses	1,765	7%	1,954	8%
Commodities	423	2%	533	2%
In-kind expenses	3,047	13%	1,550	7%
Contractual services	7,563	31%	8,817	37%
Subcontractor expense	704	3%	113	1%
Depreciation expense	355	1%	349	1%
Total operating expenses	$24,424	100%	$23,635	100%
Non-operating income				
Interest	$2	100%	$0	100%
Total Non-operating income	$2	100%	$0	100%
Increase (decrease) in net position	$544		$192	

The largest component of operating revenues is federal grants. For its core operating activities, federal grants are passed to CMAP through the appropriate state agency—primarily Illinois Department of Transportation and Illinois Environmental Protection Agency. In FY 14, CMAP also received federal funding for the special grant programs for the LTA program directly from the U.S. Department of Housing and Urban Development and for the EI2 alliance directly from the U.S. Department of Energy. The federal and state grants of $21,323,296 and $22,032,533 at June 30, 2013 and 2014, respectively, increased by $709,237, or 3%.

In 2007, the Regional Planning Act was amended and included the creation of the Comprehensive Regional Planning Fund (CRPF), of which $3.5 million is allocated to CMAP. The CRPF was used for matching grant funds and other comprehensive regional planning purposes before it was eliminated in FY 12. Since that time the Illinois state budget has annually provided up to $3.5 million in state transportation funds in lieu of funding for the CRPF.

The operating expenses of $24,424,407 and $23,635,260 at June 30, 2013and 2014, respectively, decreased by $789,147or 3%.

Capital Assets

The capital assets are the furniture, office equipment, leasehold improvements and software owned by CMAP. The capital assets of $1,096,377 and $1,146,390 at June 30, 2013 and 2014, respectively, increased by $50,013, or 5%. Further capital asset information can be found in Note 3 of the notes to the financial statements.

Summary and Future Considerations

In 2007, CMAP initiated the development of the Regional Comprehensive Plan, now known as the *GO TO 2040* plan. The plan will guide growth and investment for Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will Counties for the rest of this century. In addition to land use and transportation, *GO TO 2040* also addresses the full range of quality-of-life issues, including the natural environment, economic development, housing, and human services such as education, health care and other social services. The *GO TO 2040* Plan was adopted on October 13, 2010. After the adoption of the Plan, CMAP has focused on implementing the Plan recommendations.

Requests for Information

The financial report is designed to provide a general overview of the financial operations of the Chicago Metropolitan Agency for Planning. Questions concerning any of the information in this report or requests for additional information should be sent to the Deputy Executive Director for Finance and Administration, Chicago Metropolitan Agency for Planning, 233 South Wacker Drive, 8th Floor, Chicago, Illinois 60606.

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

STATEMENT OF NET POSITION

June 30, 2014

CURRENT ASSETS	
Cash and cash equivalents	$ 2,857,076
Receivables	2,692,261
Prepaid expenses	149,762
Total current assets	5,699,099
LONG-TERM ASSETS	
Net other postemployment benefit asset	88,411
Capital assets, net of accumulated depreciation	1,146,390
Total long-term assets	1,234,801
Total assets	6,933,900
CURRENT LIABILITIES	
Accounts payable	1,647,595
Accrued payroll	334,918
Compensated absences	442,937
Unearned revenue	366,954
Total current liabilities	2,792,404
LONG-TERM LIABILITIES	
Rent abatement	956,480
Total long-term current liabilities	956,480
Total liabilities	3,748,884
NET POSITION	
Net investment in capital assets	1,146,390
Restricted for grant projects	366,954
Unrestricted	1,671,672
TOTAL NET POSITION	$ 3,185,016

See accompanying notes to financial statements.

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION

For the Year Ended June 30, 2014

OPERATING REVENUES	
Grant revenue	
Federal	$ 18,692,882
State	3,339,651
Other	1,617,076
Contributions	126,276
Miscellaneous	50,675
Total operating revenues	23,826,560
OPERATING EXPENSES	
Personnel services	10,319,577
Operating expenses	1,954,164
Commodities	533,045
In-kind expenses	1,549,598
Contractual services	8,816,781
Subcontractor expense	113,500
Depreciation expense	348,595
Total operating expenses	23,635,260
OPERATING INCOME	191,300
NON-OPERATING REVENUES	
Investment income	300
CHANGE IN NET POSITION	191,600
NET POSITION, BEGINNING OF YEAR	2,993,416
NET POSITION, END OF YEAR	$ 3,185,016

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2014

CASH FLOWS FROM OPERATING ACTIVITIES	
Received from other local governments	$ 221,175
Received from operating grants	23,823,247
Paid to suppliers for goods and services	(12,887,975)
Paid to employees for services	(10,308,090)
Net cash from operating activities	848,357
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
None	-
Net cash from noncapital financing activities	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(398,609)
Net cash from capital and related financing activities	(398,609)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	300
Net cash from investing activities	300
NET INCREASE IN CASH AND CASH EQUIVALENTS	450,048
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	2,407,028
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 2,857,076
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income	$ 191,300
Adjustments to reconcile operating income to net cash from operating activities	
Noncash activity	
Depreciation expense	348,595
Deferred rent credit	(170,734)
Changes in	
Receivables	1,723,236
Prepaid expenses	18,903
Accounts payable	(1,318,654)
Accrued payroll	17,669
Compensated absences payable	23,622
Unearned revenue	44,224
Net other postemployment benefit asset	(29,804)
Total adjustments	657,057
NET CASH FROM OPERATING ACTIVITIES	$ 848,357
NONCASH TRANSACTIONS	
Contribution of subcontractor services	$ 1,549,598

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

On August 8, 2005, the Illinois state legislature approved the Regional Planning Act (the Act) to create a Regional Planning Board, also known as the Chicago Metropolitan Agency for Planning (the Agency). The Act called for the merger of the functions of the Chicago Area Transportation Study (CATS), the region's federally designated metropolitan planning organization, and the Northeastern Illinois Planning Commission (NIPC). Effective July 1, 2007, these entities were merged to form the Agency. These financial statements for the Agency reflect this broadened organization. No assets, liabilities, and net position from CATS were acquired or combined as a result of the merger. Before the merger, CATS was supported entirely by the Illinois Department of Transportation. All assets, liabilities, and net assets from NIPC were assumed by the Agency during the merger. The Agency is a unit of local government incorporated under the Illinois State Statutes as a "special agency" form of government. The Agency is the comprehensive regional planning organization and is responsible for producing the integrated plan for land use and transportation for the northeastern Illinois counties of Cook, DuPage, Kane, Kendall, Lake, McHenry, and Will.

The financial statements of the Agency have been prepared in accordance with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Agency's accounting policies are described below.

a. Reporting Entity

The Agency is considered to be a primary government pursuant to GASB Statement No. 61 since it is legally separate and fiscally independent. These financial statements include all functions, programs, and activities under the control of the Board of Directors of the Agency.

b. Fund Accounting

Governmental resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. Fund accounting segregates funds according to their intended purpose, and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Agency utilizes a single proprietary fund (enterprise fund) to account for its operations.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Enterprise Fund

The Enterprise Fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the Agency is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the Agency has decided that periodic determination of revenues earned, expenses incurred, and net income or loss is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

c. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of these funds are included on the balance sheet. Proprietary fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in total net position. Operating revenues/expenses include all revenues/expenses directly related to providing proprietary fund services. Incidental revenues/expenses are reported as non-operating.

The accrual basis of accounting is utilized by proprietary funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

d. Accounting Estimates

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 these estimates.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Budgets

The Executive Director presents an annual operating budget, first to the Finance Committee, and later to the full Board of Directors. The Board approves the budget prior to the beginning of the fiscal year. The Executive Committee serves as the audit and finance committee for the Board and approves revisions to the annual budget. At a minimum, the Executive Committee considers revisions when reviewing the six month financial report. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America, except that the Agency budgets for capital outlay expenses and does not budget for depreciation and amortization. The various funding sources have different beginning and ending dates funding the activities. The budget was approved on June 12, 2013.

f. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Agency considers all highly liquid investments, including bank money market accounts and Illinois Funds accounts, to be cash equivalents.

g. Investments

Investments, if any, with a maturity date greater than one year from the date of purchase are recorded at fair value.

h. Accounts Receivable

Accounts receivable, which primarily represent amounts due from other federal, state and local governments in the form of grant payments, totaled $2,692,261 at June 30, 2014. Accounts receivable are stated at the amount billed to the grantor or government. The Agency has determined that an allowance for doubtful accounts is not necessary at June 30, 2014, based on management’s evaluation of the aged accounts receivable. This evaluation of the collectability of accounts receivable is based on prior experience, known and inherent risks in the accounts, adverse situations that may affect the grantor’s or government’s ability to pay, and current economic conditions. Amounts deemed uncollectible are charged to expense.

i. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid expenses, if any.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Capital Assets

Capital assets consist of furniture and fixtures, office equipment, leasehold improvements and software with an initial, individual cost of more than $3,000 and an estimated useful life in excess of one year. Capital assets are capitalized at cost when purchased or constructed and at an estimated fair market value when donated. Major additions are capitalized, while replacements, maintenance, and repairs which do not improve or extend the lives of the respective assets are expensed in the period incurred. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed. Depreciation is computed over their estimated useful lives and is charged as an expense against operations. Depreciation is computed on a straight-line basis and accumulated depreciation is reported as a deduction from asset cost in the balance sheet. Estimated useful lives used by the Agency are as follows:

Furniture and fixtures	5 - 15 years
Office equipment	3 - 6 years
Software	3 years

Leasehold improvements had been amortized using the straight-line method over the term of the related leases.

k. Compensated Absences Payable

The Agency accrues for vesting and accumulated unused sick leave and vacation time. Sick leave is earned at a rate of one day per month for full-time employees, and a pro-rated amount for regular part-time staff based on the percentage of time worked. There is no limit on the overall amount of sick leave that can be accrued. Upon termination, the sick leave accrued balance will be credited towards pension service, in accordance with the guidelines of the Illinois Municipal Retirement Fund (IMRF) and the State Employees' Retirement System. Vacation is earned by full-time employees at a rate of one day per month for the first three years, 1.33 days per month for the next three years, and 1.66 days per month thereafter. Up to 30 days of unused vacation can be carried forward. Vacation must be used within 18 months of when it is earned, unless approved by the Executive Director. Compensated absences payable at June 30, 2014 were $442,937.

l. Unearned Rent Credit

The Agency has recognized a liability for the rent abatements received in the current year under the office lease, and will recognize the benefit of the current and future rent abatement over the life of the lease.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Net Position

Net position is classified into three components: Net investment in capital assets; restricted; and unrestricted. Net investment in capital assets represents the book value of capital assets less any long-term debt principal outstanding issued to construct or acquire capital assets. Restricted net position is legally restricted by outside parties for a specific purpose. Unrestricted net position does not meet the definition of restricted or invested in capital assets.

n. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

o. Federal and State Agency Grant Revenues

Project funds authorized under federal and state agency grants are requisitioned from such agencies, either on an advance basis, or for reimbursement of eligible costs incurred, up to maximum amounts established under each grant. Revenues are generally recognized as eligible costs are incurred or requirements have been met. A local matching contribution is required for many federal and state grants. The Agency requests, and has been successful in the past in obtaining, contributions from local government agencies to provide for the local matching portions of the grants. Such contributions are generally recognized as revenue when received. Grants receivable represents amounts earned under grant agreements but not yet received. The balance in accounts receivable at June 30, 2014 includes $2,689,790 of grants receivable.

2. DEPOSITS AND INVESTMENTS

Permitted Deposits and Investments - The Agency's investment policy authorizes the Agency to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government, or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds, and Illinois Metropolitan Investment Fund.

2. DEPOSITS AND INVESTMENTS (Continued)

It is the policy of the Agency to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Agency and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy is safety of principal, liquidity, maximum rate of return, and public trust.

Interest Rate Risk

The Agency limits its exposure to interest rate risk by remaining sufficiently liquid to meet all operating costs, which may be reasonably anticipated. The investment policy does not limit the maximum maturity length of investments. The Agency held no investments at June 30, 2014.

Concentration of Credit Risk

The Agency places no limit on the amount that may be invested in any one issuer. The Agency held no investments at June 30, 2014.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Agency's deposits may not be returned to it. The Agency's investment policy strives to limit it custodial credit risk by not maintaining amounts in excess of Federal Deposit Insurance Corporation limits.

3. CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balances July 1	Additions	Retirements	Balances June 30
Capital assets being depreciated				
Furniture	$ 904,269	$ -	$ -	$ 904,269
Office equipment	1,718,648	204,724	-	1,923,372
Leasehold improvements	595,218	168,113	-	763,331
Software	415,289	25,772	-	441,061
Total capital assets being depreciated	3,633,424	398,609	-	4,032,033

3. CAPITAL ASSETS (Continued)

A summary of changes in capital assets follows:

	Balances July 1	Additions	Retirements	Balances June 30
Less accumulated depreciation for				
Furniture	$ 745,598	$ 22,668	$ -	$ 768,266
Office equipment	1,239,404	241,871	-	1,481,275
Leasehold improvements	181,531	67,927	-	249,458
Software	370,514	16,130	-	386,644
Total accumulated depreciation	2,537,047	348,596	-	2,885,643
Total capital assets being depreciated, net	1,096,377	50,013	-	1,146,390
CAPITAL ASSETS, NET	$ 1,096,377	$ 50,013	$ -	$ 1,146,390

4. RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illness of employees; and natural disasters. Those risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

5. INDIRECT COSTS

To facilitate equitable distribution of common purpose costs that benefit more than one direct cost objective, the Agency has established an agency-wide indirect cost allocation plan. Rates are based on a percentage of direct wages.

6. CONTINGENCIES

The Agency has received significant financial assistance from federal and state agencies. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements, and may be subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Agency. The Agency is not aware of any disallowed claims.

7. ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)

The Agency's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments, and death benefits to plan members and beneficiaries. IMRF is an agent multi-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole but not by individual employer. That report may be obtained at www.imrf.org/pubs/pubs_homepage.htm or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees participating in IMRF are required to contribute 4.5% of their annual covered salary. The member rate is established by state statute. The Agency is required to contribute at an actuarially determined rate. The employer rate for calendar year 2013 was 15.74% of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open, ten-year basis.

For June 30, 2014, the Agency's annual pension cost of $918,325 was equal to the Agency's required and actual contributions. The required contribution was determined as part of the December 31, 2011 actuarial valuation using the entry-age actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return (net of administrative expenses), (b) projected salary increases of 4% a year attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor.

7. ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF) (Continued)

Employer annual pension costs (APC), actual contributions, and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	Fiscal Year	Illinois Municipal Retirement
Annual pension cost (APC)	2012	$ 1,029,570
	2013	981,969
	2014	918,325
Actual contributions	2012	$ 1,029,570
	2013	981,969
	2014	918,325
Percentage of APC contributed	2012	100.00%
	2013	100.00%
	2014	100.00%
NPO	2012	$ -
	2013	-
	2014	-

Funded Status and Funding Progress

The funded status and funding progress of the plan as of December 31, 2013 was as follows:

Actuarial accrued liability (AAL)	$	8,318,379
Actuarial value of plan assets		7,214,317
Unfunded actuarial accrued liability (UAAL)		1,104,062
Funded ratio (actuarial value of plan assets/AAL)		86.73%
Covered payroll (active plan members)	$	5,969,948
UAAL as a percentage of covered payroll		18.49%

The schedule of funding progress, presented in the required supplementary information following the notes to financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

8. STATE EMPLOYEES' RETIREMENT SYSTEM (SERS)

As of September 2008, employees who were eligible to participate in the State Employees' Retirement System (SERS) under Chicago Area Transportation Study (CATS) were allowed to participate in SERS, a pension trust fund in the State of Illinois reporting entity. CATS merged with the Northeastern Illinois Planning Commission (NIPC) to create the current Chicago Metropolitan Agency for Planning (the Agency). SERS is a single-employer defined benefit Public Employee Retirement System (PERS) in which state employees, except those covered by the State Universities, Teachers', General Assembly, and Judges' Retirement Systems, participate. The financial position and results of operations of SERS for fiscal year 2013 are included in the State of Illinois' Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2014. SERS issues a separate CAFR that may be obtained by writing to SERS, 2101 South Veterans Parkway, Springfield, Illinois 62794-9255.

A summary of SERS benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established are included as an integral part of SERS CAFR. Also included is a discussion of employer and employee obligations to contribute and the authority under which those obligations are established.

Employees participating in SERS are required to contribute 4% of their annual salary. The member rate is established by state statute. The Agency pays employer retirement contributions based upon an actuarial determined percentage of their payroll. For fiscal year 2014, the employer contribution rate was 40.312%. Effective for pay periods beginning after December 31, 1991, the State opted to pay the employee portion of retirement or most state agencies (including the Agency) with employees covered by the State Employees' and Teachers' Retirement Systems. However, effective with the fiscal year 2004 budget, the State opted to stop paying the portion of the retirement for any state agencies (including the Agency) for certain classes of employees covered by the State Employees' and Teachers' Retirement Systems. The pickup, when applicable, is subject to sufficient annual appropriations and those employees covered may vary across employee groups and state agencies. For the year ended June 30, 2014, salaries totaling $1,118,007 were paid that required employer contributions of $450,694, which was equal to the Agency's actual contributions.

9. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Agency provides other postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions, and employer contributions are governed by the Agency and can be amended by the Agency through its personnel manual. Certain benefits are controlled by state laws and can only be changed by the Illinois legislature. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report.

b. Benefits Provided

The Agency provides pre and post-Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under the Agency's IMRF retirement plan. The retirees pay 100% of the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Agency's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

c. Membership

At June 30, 2012, (the most recent information available) membership consisted of:

Retirees and beneficiaries currently receiving benefits	6
Terminated employees entitled to benefits but not yet receiving them	-
Active vested plan members	4
Active nonvested plan members	79
TOTAL	89
Participating employers	1

d. Funding Policy

The Agency is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the Plan until retirement.

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation

The Agency's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation (asset) was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
June 30, 2012	$ 23,492	$ 52,630	224.03%	$ (29,138)
June 30, 2013	23,161	52,630	227.24%	(58,607)
June 30, 2014	22,826	52,630	227.24%	(88,411)

The net OPEB obligation (asset) as of June 30, 2014 was calculated as follows:

Annual required contribution	$ 23,492
Interest on net OPEB obligation	(2,344)
Adjustment to annual required contribution	1,678
Annual OPEB cost	22,826
Contributions made	52,630
Increase in net OPEB obligation (asset)	(29,804)
Net OPEB obligation (asset), beginning of year	(58,607)
NET OPEB OBLIGATION (ASSET), END OF YEAR	$ (88,411)

Funded Status and Funding Progress: The funded status of the Plan as of June 30, 2012 (the most recent information available) was as follows:

Actuarial accrued liability (AAL)	$ 209,308
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	209,308
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	$ 5,403,686
UAAL as a percentage of covered payroll	3.87%

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial methods and assumptions - projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2012 actuarial valuation (the most recent information available), the projected unit credit actuarial cost method was used. The actuarial assumptions included as investment rate of return of 4% and an initial healthcare cost trend rate of 7.9% to 8.6% with an ultimate healthcare inflation rate of 5%. The actuarial value of assets was not determined as the Agency has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized on the level dollar method on an open, 30-year basis.

10. OPERATING LEASE COMMITMENTS

The Agency conducts its operations in facilities rented under a noncancelable operating lease entered into September 1, 2005. The lease period extends through August 31, 2020. Under the Agency agreement with the landlord, the rent was abated for the first 12 months of the term of the lease as well as months 23, 24, 37, 38, 39, 49, 50, and 51. The Agency will recognize the benefit of the rent abatements over the life of the lease. The following schedule reflects the Agency's gross commitment for the future minimum annual rental payments. The schedule below does not reflect the proportionate share of any increase in expenses or taxes for those years.

10. OPERATING LEASE COMMITMENTS (Continued)

Year Ending June 30,	Agency Payments
2015	$ 1,501,614
2016	1,527,578
2017	1,553,543
2018	1,579,507
2019	1,605,472
2020 - 2021	1,904,063
TOTAL	$ 9,671,777

REQUIRED SUPPLEMENTARY INFORMATION

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

June 30, 2014

Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2008	$ 793,972	$ 4,821,010	16.47%	$ 4,027,038	$ 4,326,589	93.08%
2009	1,824,462	5,686,918	32.08%	3,862,456	4,908,407	78.69%
2010	2,966,575	6,330,158	46.86%	3,363,583	4,659,256	72.19%
2011	3,432,917	6,388,604	53.74%	2,955,687	5,403,686	54.70%
2012	4,861,145	7,179,546	67.71%	2,318,401	5,826,229	39.79%
2013	7,214,317	8,318,379	86.73%	1,104,062	5,969,948	18.49%

(See independent auditor's report.)

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

June 30, 2014

Actuarial Valuation Date June 30	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age Normal	(3) Funded Ratio (1) / (2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	(5) Active Members Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2012	$ -	$ 209,308	0.00%	$ 209,308	$ 5,403,686	3.87%
2013	N/A	N/A	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A	N/A

The Agency implemented GASB Statement No. 45 for the fiscal year ended June 30, 2012. Information for prior years is not available.

N/A - Actuarial valuation not performed

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

June 30, 2014

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2009	$ 734,105	$ 734,105	100.00%
2010	636,129	636,129	100.00%
2011	949,090	949,090	100.00%
2012	1,029,570	1,029,570	100.00%
2013	981,969	981,969	100.00%
2014	918,325	918,325	100.00%

(See independent auditor's report.)

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN

June 30, 2014

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2012	$ 52,630	$ 23,492	224.03%
2013	52,630	23,492	224.03%
2014	52,630	23,492	224.03%

The Agency implemented GASB Statement No. 45 for the fiscal year ended June 30, 2012. Information for prior years is not available.

SUPPLEMENTARY INFORMATION

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended June 30, 2014

	Original and Final Budget	Actual
REVENUES		
Grants	$ 25,742,987	$ 22,100,010
Contributions	42,670	126,276
Product sales, fees, and interest income	18,700	16,492
In-kind contributions	1,780,867	1,549,598
Miscellaneous	8,000	34,484
Total revenues	27,593,224	23,826,860
EXPENSES		
Personnel services	10,424,477	10,319,577
Operating expenses	521,750	525,376
Commodities	518,700	533,045
Occupancy expense	1,630,828	1,599,522
Contractual services	11,835,561	8,816,781
Capital outlay	500,000	398,609
In-kind services	1,780,867	1,549,598
Pass through grants	381,041	113,500
Total expenses	27,593,224	23,856,008
CHANGE IN BUDGETARY NET POSITION	$ -	(29,148)
NET POSITION, BEGINNING OF YEAR		2,993,416
BUDGETARY NET POSITION, END OF YEAR		2,964,268
Budget to GAAP reconciliation		
Depreciation and amortization		(348,595)
Amortization - rent abatement		170,734
Capital outlay		398,609
Net increase in net position, budget to GAAP		220,748
NET POSITION, END OF YEAR		$ 3,185,016

(See independent auditor's report.)

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

SCHEDULE OF GRANT RECEIPTS, EXPENSES, AND BALANCES

For the Year Ended June 30, 2014

						Grant Receipts					Expenses			
Grant. No.	Grantor	Grant Period From	Grant Period To	Total Project Amount	Grant Amount	Prior FY 14 Receipts	FY 14 Receipts	Receivable 6/30/2014	Refund	Remaining Grant 6/30/2014	Prior FY 14 Expenditures	FY 14 Expenditure	Grant Balance 6/30/2014	Status
S721	DOE	5/19/2010	9/30/2013	$ 25,000,000	$ 25,000,000	$ 20,831,687	$ 3,399,419	$ 170,275	$ -	$ 598,619	$ 22,153,809	$ 2,247,571	$ 598,620	
S722	IDOT	5/6/2010	6/30/2014	600,000	480,000	394,659	85,335	-	-	6	427,688	52,306	6	Closed
S726	IDOT	7/1/2010	6/30/2014	1,594,920	1,457,420	1,075,005	380,540	-	-	1,875	1,164,911	290,635	1,874	Closed
S732	HUD	1/15/2011	1/14/2014	8,730,850	4,250,000	3,160,490	1,089,509	-	-	1	3,358,685	891,315	-	Closed
S736	IDOT	7/11/2011	6/30/2016	4,038,750	4,038,750	1,073,512	1,220,935	111,733	-	1,632,570	1,449,990	956,190	1,632,570	
S737	IDOT	8/24/2011	8/23/2013	893,543	893,543	893,543	-	-	-	-	744,501	149,042	-	Closed
S740	IDOT	7/1/2011	6/30/2014	200,000	160,000	93,982	50,234	15,784	-	-	125,291	34,709	-	Closed/Revenue in FY14
S742	IEPA	5/15/2012	8/1/2014	250,000	250,000	106,775	139,461	3,764	-	-	130,138	119,862	-	Closed/Revenue in FY15
S743	Cook County	9/15/2012	3/4/2014	52,019	52,019	27,354	9,562	-	-	15,103	35,482	1,434	15,103	Closed
S745	IDOT	7/1/2012	6/30/2013	15,938,805	15,129,624	12,177,525	2,440,205	-	-	511,894	14,305,151	312,579	511,894	Closed
S746	IDOT	7/1/2012	6/30/2017	3,452,282	2,761,826	591,059	704,068	114,948	-	1,351,751	730,037	680,037	1,351,752	
S747	IDOT	10/6/2012	10/5/2014	334,960	334,960	334,960	-	-	-	-	12,230	322,730	-	Closed
S749	IEPA	1/2/2013	12/31/2014	365,000	365,000	55,822	209,359	22,896	-	76,923	87,054	201,023	76,923	
S750	IEPA	9/4/2013	12/31/2015	244,000	244,000	-	55,500	11,714	-	176,786	-	67,213	176,787	
S751	ILAG	1/1/2014	12/31/2016	596,213	448,448	-	149,483	-	-	298,965	-	89,792	358,656	
S752	DOC	10/1/2013	9/30/2015	400,000	200,000	-	37,074	6,026	-	156,900	-	43,100	156,900	
S753	CCT	10/3/2013	6/30/2015	150,000	150,000	-	112,500		-	37,500	-	27,523	122,477	
S754	IDNR	4/1/2014	3/31/2016	250,000	250,000	-	250,000		-	-	-	27,713	222,287	
S755	IDOT	7/1/2013	6/30/2014	17,175,039	16,280,770	-	13,202,296	2,189,849	-	888,625	-	15,392,145	888,625	
S756	IDOT	7/1/2013	6/30/2018	4,079,730	3,263,784	-	219,020	17,414	-	3,027,350	-	236,434	3,027,350	
S757	IDOT	11/25/2013	11/24/2015	404,987	404,987	-	44,819	3,085	-	357,083	-	47,904	357,083	
S759	IDNR	4/19/2014	10/18/2015	150,000	75,000	-	-	-	-	75,000	-	-	75,000	

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

COMPUTATION OF FRINGE BENEFITS RATE
AND STATEMENT OF FRINGE BENEFITS

For the Year Ended June 30, 2014

Computation of fringe benefits rate:		
Total fringe benefits	$ 2,989,121	40.38%
Total salaries	7,402,016	
Statement of fringe benefits:		
Medicare	102,418	
FICA	422,193	
IMRF	918,325	
SERS	450,694	
Life insurance	45,985	
Medical/dental/vision	901,654	
Workers' compensation	23,213	
Unemployment compensation	34,283	
Other benefits	90,356	
	$ 2,989,121	

(See independent auditor's report.)

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

COMPUTATION OF INDIRECT COST RATE

For the Year Ended June 30, 2014

Total indirect costs:		
Management and administrative salaries and leave	$ 1,515,781	
Other indirect costs	1,942,297	
	$ 3,458,078	
Total base costs:		
Direct salaries, leave, and fringe benefits	$ 8,875,357	
Indirect cost rate:		
Total indirect costs	$ 3,458,078	38.96%
Total base costs	8,875,357	

(See independent auditor's report.)

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

SCHEDULE OF OTHER INDIRECT COSTS

For the Year Ended June 30, 2014

Breakroom supplies	$	21,762
Software - small value		950
Equipment - small value		1,594
Office supplies		14,426
Copy room supplies		16,385
Audit services		35,200
Office equipment leases		1,413
Software maintenance/licenses		1,260
Fiscal management maintenance/licenses		38,782
Professional services		14,358
Consulting services		14,441
Office equipment maintenance		103,221
Staff association memberships		160
CMAP association memberships		195
Postage/postal services		21,533
Storage		5,366
Miscellaneous		522
Meeting expenses		527
Recruitment expenses		2,715
General insurance		35,238
Legal services		8,933
Bank services fees		3,266
Conference registrations		820
Training and education reimbursement		20,632
Travel expenses		3,196
Cell phone expenses		1,890
Office maintenance		13,563
Rent		1,451,609
Telecommunications		45,715
Utilities		56,745
Sears Tower parking		5,880
TOTAL	$	1,942,297

(See independent auditor's report.)

DESCRIPTION OF GRANTS

For the Year Ended June 30, 2014

CMAP No.	Pass-Through Agency	Grant Number	Description
Illinois Attorney General			
S-751		13-003	Housing Counseling & Community Revitalization
Illinois Department of Transportation			
S-737		MPO CMAP 3-C	Continuous, Coordinated, and Comprehensive
		Core FY12 12BOB52 (3-C)	Transportation planning activities
S-747		MPO CMAP 13BOB74	Community Planning Program Policy Analysis and Development GO to 2040
United States Department of Energy			
S-721		DE-EE0003561	Chicago Region Retrofit Ramp-Up (CR3)
United States Environmental Protection Agency			
S-742	IEPA	604104	Watershed Planning and Management
S-749	IEPA	604121	Water Quality Management Planning
S-750	IEPA	604131	Boone Creek Watershed-Based Plan
United States Department of Housing and Urban Development			
S-732	HUD	ILRIP00013-10	Sustainable Communities
Department of Commerce			
S-752		06-79-05857	Economic Development Local Technical Assistance
S-759	IDNR	14-032-N13-15	Local Technical Assistance Sustainable Coastal Planning

DESCRIPTION OF GRANTS (Continued)

For the Year Ended June 30, 2014

CMAP No.	Pass-Through Agency	Grant Number	Description
United States Department of Transportation			
S-722	IDOT	MPO-CMAP Cook	Cook/DuPage Technical Studies Grant
S-726	IDOT	MPO CMAP 3C 11BOB19	FY2011 Unified Work Program Contracts
S-736	IDOT	MPO CMAP 3C 12BOB33	FY2012 Unified Work Program Contracts
S-740	IDOT	MPO CMAP Will Co. 12BOB15	FY2012 Unified Work Program Contracts Will County
S-745	IDOT	MPO CMAP RCOM 13T0011 (13BOB23) 13BOB34 Amend1	FY2013 Unified Work Program Contracts
S-746	IDOT	MPO CMAP 3-C Core FY13 13BOB24	FY2013 Unified Work Program Contracts
S-755	IDOT	MPO CMAP 3-C Core 14BOB08	FY2014 Unified Work Program Contracts
S-756	IDOT	MPO CMAP Competitive	FY2014 Unified Work Program Contracts
S-757	IDOT	MPO-CMAP 14BOB26	Community Planning and Policy Development
The Chicago Community Trust			
S-753		C2013-00695	Sustainable Development
Cook County			
S-743		12-90-278	Develop land use data
Illinois Department of Natural Resources			
S-754			Regional Water Supply Planning

SINGLE AUDIT INFORMATION

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Chairman and Board Members
Chicago Metropolitan Agency for Planning
223 South Wacker, Suite 800
Chicago, Illinois 60606

We have audited, in accordance with auditing standards 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 basic financial statements of the Chicago Metropolitan Agency for Planning, Chicago, Illinois (the Agency) as of and for the year ended June 30, 2014, and the related notes to financial statements, and have issued our report thereon dated October 10, 2014.

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 over financial reporting was for 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's basic financial statements are free of 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 Agency'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.

Sikich LLP

Naperville, Illinois
October 10, 2014

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

The Honorable Chairman and Board Members
Chicago Metropolitan Agency for Planning
223 South Wacker, Suite 800
Chicago, Illinois 60606

Report on Compliance for Each Major Federal Program

We have audited the Chicago Metropolitan Agency for Planning, Chicago, Illinois' (the Agency) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, *Compliance Supplement,* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Agency's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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 federal program. However, our audit does not provide a legal determination on the Agency's compliance.

Opinion on Each Major Federal Program

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 federal programs for the year ended June 30, 2014.

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 federal program to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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 requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonably possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Sikich LLP

Naperville, Illinois
October 10, 2014

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2014

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Agency or Pass-Through Number	Federal Expenditure
MAJOR PROGRAMS			
U.S. Department of Transportation			
Pass-through programs from:			
Illinois Department of Transportation:			
Highway Planning and Construction - Council of Mayors	20.205	MPO CMAP Core 3-C 14BOB08	$ 1,371,020
Highway Planning and Construction - Unified Work Program for Planning and Programming Transportation Planning Activities	20.205	MPO CMAP Core 3-C 14BOB08	185,174
Highway Planning and Construction - Unified Work Program for Planning and Programming Transportation Planning Activities	20.205	MPO CMAP Core 3-C 14BOB08	10,279,488
Highway Planning and Construction - Unified Work Program Consulting Services	20.205	MPO CMAP 3C 11BOB19	203,387
Highway Planning and Construction - Unified Work Program Consulting Services	20.205	MPO-CMAP Competitive 3-C FY 12	764,952
Total U.S. Department of Transportation			12,804,021
Total major programs			12,804,021
NONMAJOR PROGRAMS			
U.S. Environmental Protection Agency			
Pass-through programs from:			
Illinois Environmental Protection Agency:			
Watershed-Based Plan & TMDL Implementation Planning	66.454	604104 (604(b))	119,863
Water Quality Management Planning	66.454	604121 ((604(b))	201,023
Boone Creek Watershed-Based Plan	66.454	604131 ((604(b))	67,213
Total U.S. Environmental Protection Agency			388,099
U.S. Department of Energy			
Direct Programs:			
Energy Retrofit Ramp-Up (CR3)	81.128	DE-EE0003561/000	2,247,571
Total U.S. Department of Energy			2,247,571
U.S. Department of Housing and Urban Development			
Direct Programs:			
Sustainable Communities Regional Planning Grant Program	14.703	ILRIP00013-10	891,315
Total U.S. Department of Housing and Urban Development			891,315

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

For the Year Ended June 30, 2014

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Agency or Pass-Through Number	Federal Expenditure
NONMAJOR PROGRAMS (Continued)			
U.S. Department of Commerce			
Direct Programs:			
Economic Development Local Technical Assistance Program	11.307	06-79-05857	$ 43,100
Total U.S. Department of Commerce			43,100
U.S. Department of Transportation			
Pass-through programs from:			
Illinois Department of Transportation:			
Unified Work Program for Planning and Programming Transportation Planning Activities	20.505	MPO-CMAP Core 3-C 14BOB08	1,011,173
Unified Work Program for Planning and Programming Transportation Planning Activities - Other Agencies	20.505	MPO-CMAP Core 3C FY 13	312,579
Unified Work Program Consulting Services - Other Agencies	20.505	MPO-CMAP Competitive 3-C 14BOB22	12,114
Unified Work Program Consulting Services -	20.505	MPO-CMAP Competitive 3-C 14BOB22	179,456
Unified Work Program Consulting Services - Other Agencies	20.505	MPO-CMAP Core 3C FY 13	680,037
Unified Work Program Consulting Services - Other Agencies	20.505	MPO-CMAP Competitive 3-C FY 12	36,401
Technical Studies Grant	20.505	Cook/DuPage Corridor Study	52,306
Unified Work Program Consulting Services	20.505	MPO-CMAP Competitive & Will Co 3-C FY 12	34,709
Total U.S. Department of Transportation			2,318,775
Total nonmajor programs			5,888,860
Total expenditures of federal awards			$ 18,692,881

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2014

Note A - Significant Accounting Policies

The accompanying schedules of expenditures of federal awards have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB). It is a summary of the activity of the Chicago Metropolitan Agency for Planning's (the Agency) federal awards program prepared on the accrual basis of accounting. Accordingly, expenditures are recognized when the fund liability has been incurred and revenues are recognized when the qualifying expenditure has been incurred.

Note B - Subrecipients

For the year ended June 30, 2014, the Agency provided federal awards to subrecipients as follows:

Program Title	Federal CFDA Number	Amount Provided to Subrecipients
Highway Planning and Construction:		
Council of Mayors	20.205	$ 1,371,020
Unified Work Program for Planning and Programming Transportation Planning Activities	20.205	185,174
Unified Work Program Consulting Services	20.205	36,401
Metropolitan Transportation Planning:		
Unified Work Program Consulting Services	20.505	34,709
Unified Work Program Consulting Services - Other Agencies	20.505	680,037
Technical Studies Grant	20.505	52,306
Unified Work Program for Planning and Programming Transportation Planning Activities - Other Agencies	20.505	312,579
Unified Work Program for Planning and Programming Transportation Planning Activities - Other Agencies	20.505	1,011,173
Unified Work Program Consulting Services - Other Agencies	20.505	12,114

Note C - Nonmonetary Assistance

The Agency neither received nor disbursed federal awards in the form of nonmonetary assistance during the fiscal year ended June 30, 2014.

Note D - Insurance and Loans or Loan Guarantees

During the year ended June 30, 2014, the Agency received no insurance, loans, loan guarantees, or other federal assistance for the purposes of administering federal programs.

Note E - Oversight Agency

The U.S. Environmental Protection Agency has been designated as the Agency's oversight agency for the single audit.

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2014

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?	_____ yes __x__ no
Significant deficiency(ies) identified?	_____ yes __x__ no
Noncompliance material to financial statements noted?	_____ yes __x__ no

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	_____ yes __x__ no
Significant deficiency(ies) identified	_____ yes __x__ no
Type of auditor's report issued on compliance for major programs:	*unmodified opinion on* Highway Planning and Construction
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)?	_____ yes __x__ no

CHICAGO METROPOLITAN AGENCY FOR PLANNING
CHICAGO, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the Year Ended June 30, 2014

Section I - Summary of Auditor's Results (Continued)

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs:	$ 560,786
Auditee qualified as low-risk auditee?	__x__ yes _____ no

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Section IV - Prior Year Award Findings and Questioned Costs

None