

**MID-MISSOURI REGIONAL
PLANNING COMMISSION**

**BASIC FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

JUNE 30, 2023

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MID-MISSOURI REGIONAL PLANNING COMMISSION
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING JUNE 30, 2023

The following is the Management Discussion and Analysis for the Mid-Missouri Regional Planning Commission (Mid-MO RPC) for the fiscal year ending June 30, 2023. The responsibility for the accuracy of data and the fairness of this presentation (including disclosures) rests with management. To the best of our knowledge and belief, the data herein is accurate in all material aspects. All disclosures necessary to enable the reader to gain an accurate understanding of the Mid-MO RPC's financial activities have been included.

The responsibility for establishing an accounting and internal control structure is the responsibility of the Executive Director and Fiscal Officer. The control structure is designed to ensure that physical, data, informational, intellectual, and human resource assets of the agency are protected from loss, theft, and misuse, and to ensure the adequate accounting information is maintained and reported in accordance with general accepted accounting principles (GAAP).

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements herein include activities of the Mid-MO RPC using accepted *Governmental Auditing Standards*, issued by the Comptroller General of the United States. These standards require the audit to be performed at a level to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Mid-MO RPC's basic financial statements consist of government-wide financial statements, statement of activities, fund financial statements, and notes to financial statements.

The Government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private sector business. These include the statement of net assets and the statement of activities. The statement of assets presents all information on all assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating. Total net assets for the agency for the period ending June 30, 2023 is \$1,436,995.

The statement of activities presents information showing how Mid-MO RPC's net assets changed during the most recent fiscal year. For FY2023 the change in net position was \$905,837. All changes in net assets are reported as soon as the underlying event causing the change to occur, regardless of the timing of related cash flows.

The fund financial statements are a grouping of related accounts used to maintain control over resources that have been (segregated) for identified activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Government Funds Government funds are used to account for many of the same functions as the Government Funds Statement of Activities but focus on near term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year.

Notes to the financial statements provide additional information that is essential to understand the data provided in the government-wide and fund financial statements.

FINANCIAL HIGHLIGHTS

- At the close of the 2023 fiscal year, the organization had a total net position of \$1,436,995.
- The Commission is a member of the Missouri Local Government Employees Retirement System (LAGERS). For the fiscal year ending June 30, 2023, the Commission contributed 5.1% of eligible employee wages. As of June 30, 2023, the plan was fully funded. Pension expense during the year was \$8,919.
- Mid-MO Regional Planning Commission made ten small business loans through our revolving loan fund in FY2023 totaling \$894,495.60.

Requests for Information

This financial report is designed to provide a general overview of the Mid-Missouri Regional Planning Commission's finances for all of those with an interest in its financial position. Questions concerning any of the information provided in the report or requests for additional information should be addressed to the Executive Director, 206 E. Broadway, PO Box 140, Ashland, MO 65010.



KenneyD Hales, CPA, PC

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Mid-Missouri Regional Planning Commission
Ashland, Missouri

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities and each major fund of the Mid-Missouri Regional Planning Commission as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Mid-Missouri Regional Planning Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I 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.

INDEPENDENT AUDITOR'S REPORT – CONTINUED

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion the financial statements referred to above present fairly, in all material aspects, the respective financial position of the governmental activities and each major fund of the Mid-Missouri Regional Planning Commission as of June 30, 2023, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion & Analysis and budgetary comparison information 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. The Commission has omitted the Management's Discussion & Analysis as of and for the period ended June 30, 2023. Therefore, I was unable to perform audit procedures and therefore express no opinion on it. This does not affect the opinions on the basic financial statements. I have applied certain limited procedures to the budgetary comparison 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 responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Mid-Missouri Regional Planning Commission's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U. S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were 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

INDEPENDENT AUDITOR'S REPORT – CONTINUED

financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated December 15, 2023, on my consideration of the Mid-Missouri Regional Planning Commission's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements. The purpose of this 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 Mid-Missouri Regional Planning Commission's internal control over financial reporting and compliance.

Kenney D. Hales, CPA

Kenney D. Hales, CPA, PC
Liberty, Missouri
December 15, 2023

**MID-MISSOURI REGIONAL PLANNING COMMISSION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 307,380
Grants receivable	24,711
Loans receivable	1,106,003
Capital assets, net	<u>2,751</u>
Total assets	<u><u>\$ 1,440,845</u></u>
LIABILITIES	
Accounts payable	-
Accrued payroll	<u>3,850</u>
Total liabilities	<u>3,850</u>
NET POSITION	
Investment in capital assets	2,751
Unrestricted	<u>1,434,244</u>
Total net position	<u><u>\$ 1,436,995</u></u>

The accompanying notes are an integral part of these financial statements

**MID-MISSOURI REGIONAL PLANNING COMMISSION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

Functions/Programs	<u>Expenditures</u>	<u>Program Revenues</u>		<u>Net Revenues and Change in Net Assets Governmental Activities</u>
		<u>Dues Revenue</u>	<u>Grants & Contributions</u>	
Primary government				
Governmental activities:				
Planning and development services	\$ 799,447	\$ 88,463	\$ 1,626,708	\$ 915,724
General government and administration	<u>92,250</u>	<u>-</u>	<u>54,345</u>	<u>(37,905)</u>
Total primary government	<u>\$ 891,697</u>	<u>\$ 88,463</u>	<u>\$ 1,681,053</u>	<u>877,819</u>
General revenues:				
Interest income				<u>28,018</u>
Total general revenues				<u>28,018</u>
Change in net position				<u>905,837</u>
Net position - beginning				<u>531,158</u>
Net position - ending				<u>\$ 1,436,995</u>

The accompanying notes are an integral part of these financial statements

**MID-MISSOURI REGIONAL PLANNING COMMISSION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023**

	<u>Total Governmental Funds</u>
ASSETS	
Cash and cash equivalents	\$ 307,380
Grants receivable	24,711
Loans receivable	<u>1,106,003</u>
Total assets	<u><u>1,438,094</u></u>
 LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	-
Accrued payroll	<u>3,850</u>
Total liabilities	<u>3,850</u>
Fund balance, general fund	<u><u>\$ 1,434,244</u></u>
 Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. (See Note 4)	<u>2,751</u>
Net assets of governmental activities	<u><u>\$ 1,436,995</u></u>

The accompanying notes are an integral part of these financial statements

**MID-MISSOURI REGIONAL PLANNING COMMISSION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Total Governmental Funds</u>
Revenues:	
Grants	
Federal	\$ 1,597,200
State grants and appropriations	83,853
Dues	88,463
Interest	28,018
Total revenues	<u>1,797,534</u>
Expenditures:	
Grants	500,437
Salaries	289,437
Payroll taxes	21,471
Professional fees	12,096
Retirement benefits	8,919
Utilities	8,565
Occupancy	10,800
Computer services	6,948
Travel	5,469
Postage and printing	6,365
Insurance	3,322
Office supplies	2,525
Professional development	5,924
Conferences/meetings	5,350
Depreciation	1,315
Advertising	895
Miscellaneous	1,578
Total expenditures	<u>891,416</u>
Excess of revenue over expenditures	906,118
Fund balances - beginning	<u>528,126</u>
Fund balances - ending	<u><u>\$ 1,434,244</u></u>

The accompanying notes are an integral part of these financial statements

**MID-MISSOURI REGIONAL PLANNING COMMISSION
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

Net change in fund balances - total governmental funds \$ 906,118

Amounts reported for governmental activities in the
Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while
governmental activities report depreciation expense to allocate
those expenditures over the life of the assets:

Purchase of capital assets	1,034
Depreciation expense	<u>(1,315)</u>

Change in net assets of governmental activities	<u><u>\$ 905,837</u></u>
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The accompanying notes are an integral part of these financial statements

MID-MISSOURI REGIONAL PLANNING COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

1. Summary of Significant Accounting Policies

The Mid-Missouri Regional Planning Commission (the Commission) was organized as a political subdivision pursuant to the State and Regional Planning and Community Development Act of 1966 (Chapter 251, RSMo). The Commission provides assistance in the planning and development for six mid-Missouri counties (Boone, Callaway, Cole, Cooper, Howard, and Moniteau) and twenty-eight cities within these counties. The Mid-Missouri Regional Planning Commission, Economic Development Council promotes sustainable regional cooperation in community and economic development marketing efforts and attempts to increase the number of new “quality” jobs created in specific targeted growth industries. The targeted industries identified are: life sciences/biotechnology, agribusiness, information technology and financial services.

The Commission was reactivated in 1999 to increase communication, cooperation, and coordination between the member governments in the planning and development of policies and activities for the orderly development of the mid-Missouri region. The goals for the Commission are as follows:

1. To promote community and economic development
2. To serve as an advocate for the region
3. To serve as a resource for member governments
4. To provide a forum for local officials to discuss regional issues and concerns
5. To provide a professional staff to assist member governments

The governing board of the Commission is composed of elected officials from the member municipalities and elected officials from the six participating counties. The Commission complies with generally accepted accounting principles (GAAP) which includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The Commission has adopted GASB Statement No. 34.

For financial statement purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying criteria set forth in GAAP. The basic, but not only, criterion for including a potential component unit within the reporting entity is the governing body’s ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion in the reporting entity is the existence of special financing relationships, regardless of whether the Commission is able to exercise oversight responsibilities. Based upon the application of these criteria, the Board has determined that no other entity meets the criteria and, therefore, no other entity has been included as a component unit in the Commission’s financial statements.

**MID-MISSOURI REGIONAL PLANNING COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

The following is a summary of the Board's more significant accounting policies.

A. Basic Financial Statements – Government-Wide Statements

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through intergovernmental revenues, charges for services, grants, and other non-exchange revenues. The Commission reports only governmental activities as it has no business-type activities.

The program revenues of the Commission consist of charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by activities of the Commission. Also, grants and contributions which are restricted to meeting the operational or capital requirements of a particular function are another segment. Membership dues are assessed to municipalities within the six member counties based on a rate of \$0.30 per citizen.

B. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Commission are reported by major fund in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues, and expenditures. The various funds are reported by generic classification within the financial statements. An emphasis is placed on major funds within the governmental category.

A fund is considered major if it is the primary operating fund of Commission or meets the following criteria:

Total assets, liabilities, revenues, or expenditures of that individual governmental fund are at least ten percent of the corresponding total of all funds of that category type and;

Total assets, liabilities, revenues, or expenditures of the individual governmental fund are at least five percent of the corresponding total for all governmental funds combined.

**MID-MISSOURI REGIONAL PLANNING COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

Summary of Significant Accounting Policies - continued

The following funds are used by Commission:

Governmental Funds:

The focus of the government funds' measurement is based upon determination of financial position and changes in financial position rather than upon net income. The following is a description of the governmental funds of Commission:

General Fund - The General Fund is the main operating fund of Commission. It is used to account for all financial resources except those required to be accounted for in another fund. Only current assets and current liabilities are included in the balance sheet. The operating statement presents sources and uses of available, expendable resources during the period.

C. Basis of Accounting

In the Government-wide Statement of Net Assets and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenditures, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund statements, governmental funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when measurable and available. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. Expenditures, including capital outlays, are recorded when the related fund liability is incurred.

D. Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenditures during the reporting period. Actual results may vary from these estimates.

**MID-MISSOURI REGIONAL PLANNING COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

Summary of Significant Accounting Policies - continued

E. Cost Allocation

Expenditures incurred in relation to specific grants or contracts are charged directly to grants or contracts. All other expenditures are charged to the general fund and allocated to active grants or contracts on the basis of direct salary charges to total direct salaries, plus allocated fringe benefits. This policy is consistent with principles of the Governmental Accounting Standards Board.

F. Current Assets

Cash and Investments – For the purpose of the Statement of Net Position, cash and cash equivalents include all demand, savings accounts, and certificates of deposits of the Commission.

Interfund Receivables and Payables – During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and service- type transactions are classified as “due to and from other funds.” Short-term interfund loans are reported as “interfund receivables and payables.” Interfund receivables and payables between funds with governmental activities are eliminated in the Statement of Net Assets.

Receivables – In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include billings for services and grants.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as billings for services and grants which are usually both measurable and available. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

No allowance for uncollectible amounts has been provided since it is believed that the amount of such an allowance would be immaterial.

**MID-MISSOURI REGIONAL PLANNING COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

E. Capital Assets

Government-wide

All property, plant, and equipment are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated property, plant and equipment are valued at their estimated fair value on the date donated.

Prior to January 1, 1981, governmental fund assets were not capitalized. These assets have been valued at appraised cost. Items purchased after January 1, 1981 are recorded at cost.

Depreciation of capital assets is recorded as an expenditure in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Software	3 years
Equipment	5 years
Furniture	7 years

Fund Financial Statements

In the fund financial statement, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund option acquisition.

2. Custodial Credit Risk - Deposits

The Commission complies with various restrictions on deposits and investments which are imposed by state statute. All deposits with financial institutions must be collateralized in an amount at least equal to uninsured deposits. The Commission may invest in bonds of the State of Missouri or any wholly owned corporation of the United States or in other short-term obligations of the United States of America.

Custodial credit risk is the risk that in the event of a bank failure, the Commission deposits may not be returned to it. The Commission follows an unofficial deposit policy of maintaining deposit account balances below \$250,000, the normal Federal Deposit Insurance Corporation coverage, by utilizing several different financial institutions.

**MID-MISSOURI REGIONAL PLANNING COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

3. Grants Receivable

Grants receivable at June 30, 2023 consists of the following:

Federal grants	\$	16,665
State and local grants		<u>8,046</u>
Total		<u>\$ 24,711</u>

4. Loans Receivable

The loan restrictions require local funds to be part of the total loans as follows:

<u>Local Recipient</u>	<u>Term</u>	<u>Rate</u>	<u>Total Loan</u>	<u>Local Funds</u>	<u>EDA Funds</u>
Adore	20 yr	4.00%	\$ 32,981	\$ 1,649	\$ 31,332
Boonville Chiropractic	10 yr	4.26%	37,028	1,851	35,177
Callaway Printing LLC	6 yr	4.50%	19,017	951	18,066
Framed LLC	10 yr	4.25%	24,156	1,208	22,948
Global NRG Solar LLC	20 yr	4.25%	107,937	5,397	102,540
MK Machining LLC	10 yr	4.25%	144,938	7,247	137,691
Pasta La Fata	10 yr	4.00%	112,488	5,624	106,864
Rock Bridge LLC	10 yr	4.25%	33,473	1,674	31,799
Simple Cravings LLC	15 yr	3.45%	241,415	12,071	229,344
Six Branch Custom LLC	10 yr	5.09%	74,047	3,702	70,345
Tiny Town Play Café	10 yr	4.50%	52,768	2,638	50,130
Turn the Page LLC	10 yr	4.25%	48,944	2,447	46,497
Yummy Yo's LLC	10 yr	4.25%	90,765	4,538	86,227
24/7 Grit Fitness LLC	10 yr	4.50%	<u>86,046</u>	<u>4,302</u>	<u>81,744</u>
Total			<u>\$ 1,106,003</u>	<u>\$ 55,299</u>	<u>\$ 1,050,704</u>

There is no provision for uncollectible loans as management believes based on past payment history and knowledge of problems of the payers that all loans are collectible.

**MID-MISSOURI REGIONAL PLANNING COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

5. Capital Assets

Depreciation of \$1,315 was recorded for the fiscal year. Capital assets and the related accumulated depreciation as of June 30, 2023, are as follows:

Office furniture and equipment	\$ 16,146
Less accumulated depreciation	<u>(13,395)</u>
Net capital assets	<u>\$ 2,751</u>

6. Liabilities

Accounts payable in the general and major governmental funds are all payable to vendors. Deferred revenue consists of membership dues received for the subsequent period. All accounts payable, payroll and payroll tax liabilities were paid in the subsequent period. All deferred revenue was recorded as membership income in the 2023-22 fiscal year.

7. Contingencies

The Commission receives grant monies which are audited in accordance with *Government Auditing Standards*. These programs are also subject to financial and compliance audits. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time, although the Commission expects this amount, if any, to be immaterial to the financial statements as a whole.

8. Compensated Absences

Annual leave is accrued based on years of service and the number of hours an employee is in the pay status for the month. Full-time employees with less than ten years of employment earn ten hours per month; employees with eleven to fourteen years of service earn twelve hours per month; and employees with fifteen or more years of service earn fourteen hours per month. 240 hours is the maximum amount of annual leave an employee may accumulate.

Sick leave is accrued at a maximum of ten hours per month. The number of hours earned per month is based on the number of hours worked and the pay status. The maximum amount of sick leave time which may be accrued per employee is 240 hours.

Upon termination, the employee will be paid for each hour of annual leave and one hour for every four hours of sick leave. The Commission recorded the value of this earned time as a liability at the end of the fiscal year which totaled \$3,850 at June 30, 2023.

**MID-MISSOURI REGIONAL PLANNING COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

9. Office Lease

The Commission leases office space on a month-to-month basis. The Commission pays for the lease along with utilities, insurance (property, liability, and casualty) and maintenance cost of the leased space. The Commission is not responsible for the property taxes.

10. Retirement Plan

The Commission joined the Missouri Local Government Employees Retirement Systems (LAGERS). This is a qualified retirement plan. Under the plan, each eligible employee must contribute 4% of their gross salary. The employer contribution rate is adjusted automatically each year in order to reflect the changes in composition of the employees and assumptions of the system. For the fiscal year ended June 30, 2023, the Commission contributed 5.7% of eligible employee wages. As of June 30, 2023, the plan was fully funded and pension expense during the year was \$8,919.

REQUIRED SUPPLEMENTARY INFORMATION

**MID-MISSOURI REGIONAL PLANNING COMMISSION
BUDGETARY COMPARISON
FOR THE YEAR ENDED JUNE 30, 2023**

	Initial & Final Budget	Actual	Variances Favorable (Unfavorable)
Revenues			
General Operations	\$ 111,521	\$ 113,104	\$ 1,583
Economic and community development	174,875	133,608	(41,267)
Transportation	99,334	58,950	(40,384)
Emergency management	480,740	381,913	(98,827)
Pass through funding	1,450,000	1,626,708	176,708
Interest	3,000	28,018	25,018
Total Revenues	<u>2,319,470</u>	<u>2,342,301</u>	<u>22,831</u>
Expenditures			
Grants	550,000	500,437	49,563
Salaries	295,000	289,437	5,563
Payroll taxes	22,000	21,471	529
Retirement benefits	13,000	8,919	4,081
Rent	10,800	10,800	-
Professional development	6,000	5,924	76
Travel	5,500	5,469	31
Computer services	7,000	6,948	52
Utilities	11,500	8,565	2,935
Conferences/meetings	6,000	5,350	650
Professional fees	12,500	12,096	404
Postage and printing	6,500	6,365	135
Insurance	3,400	3,322	78
Supplies	3,250	2,525	725
Advertising	1,000	895	105
Other	1,750	1,578	172
Total Expenditures	<u>955,200</u>	<u>890,101</u>	<u>65,099</u>
Change in Fund Balances	<u>\$ 1,364,270</u>	<u>\$ 1,452,200</u>	<u>\$ 87,930</u>

**MID-MISSOURI REGIONAL PLANNING COMMISSION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

Budget

The Commission annually adopts a budget at the beginning of each fiscal year. Budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds with the exception of capital asset expenditures, depreciation and medical emergency funds which are not budgeted. The legal level of budgetary control as defined as the level at which expenditures may not legally exceed appropriations, is the fund level. The Commission made no supplementary appropriations during the fiscal year.

UNIFORM GUIDANCE INFORMATION

**MID-MISSOURI REGIONAL PLANNING COMMISSION
MID-MISSOURI REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

<u>Federal Program and CFDA Number</u>	<u>Disbursements</u>
United States Department of Commerce, Economic Development Administration, RLF grants – 11.307 Note (1,106,003+104,171+12,345+0)*100%	1,222,519
United States Office of Homeland Security, Missouri Department of Public Safety, Hazard Mitigation Grant – 97.039	<u>250,540</u>
Total	<u>\$ 1,473,059</u>

Note 1. Basis of Presentation

The accompany schedule of expenditures of Federal awards includes the Federal award activity of the Mid-Missouri Regional Planning Commission, under programs of the federal government for the year ended June 30, 2023 in accordance with the Requirements of Title 2 U. S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selection portion of the operations of the entity, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the entity.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The entity has not elected to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

**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**



KenneyD Hales, CPA, PC

Board of Directors
Mid-Missouri Regional Planning Commission
Ashland, Missouri

I 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 statement of the governmental activities and each major fund, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Mid-Missouri Regional Planning Commission's basic financial statements, and have issued our report thereon dated December 15, 2023.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Mid-Missouri Regional Planning Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Mid-Missouri Regional Planning Commission's internal control. Accordingly, I do not express an opinion on the effectiveness of the Mid-Missouri Regional Planning Commission'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 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.

My consideration of internal control was for the limited purpose described in the first paragraph in 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 my audit I did not identify any deficiencies in internal control that I 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 Mid-Missouri Regional Planning Commission's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 on internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Kenney D Hales CPA

Kenney D. Hales, CPA, PC
Liberty, Missouri
December 15, 2023

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE**



KenneyDHales, CPA, PC

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Directors
Mid-Missouri Regional Planning Commission
Ashland, Missouri

Report on Compliance for Each Major Federal Program

I have audited the Mid-Missouri Regional Planning Commission's compliance with the types of compliance requirements described in *OMB Compliance Supplement* that could have a direct and material effect on the Mid-Missouri Regional Planning Commission's major federal programs for the year ended June 30, 2023. The Mid-Missouri Regional Planning Commission'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

My responsibility is to express an opinion on compliance of the Mid-Missouri Regional Planning Commission's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my 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 Title 2 U. S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*. Those standards and Uniform Guidance require that I 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 Mid-Missouri Regional Planning Commission's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for the major federal program. However, my audit does not provide a legal determination of the Mid-Missouri Regional Planning Commission's compliance.

Opinion on Each Major Federal Program

In my opinion, the Mid-Missouri Regional Planning Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2023.

Report on Internal Control Over Compliance

Management of the Mid-Missouri Regional Planning Commission is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the Mid-Missouri Regional Planning Commission's internal control over compliance with the types of requirement that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its 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, I do not express an opinion on the effectiveness of the Mid-Missouri Regional Planning Commission'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 federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My 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. I 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 my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

I have audited the financial statements of the Mid-Missouri Regional Planning Commission as of and for the year ended June 30, 2023, which contained an unmodified opinion on those financial statements. My audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and

other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements taken as a whole.

Kennedy D. Hales, CPA

Kennedy D. Hales, CPA, PC
Liberty, Missouri
December 15, 2023

**MID-MISSOURI REGIONAL PLANNING COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

1. Summary of Auditor's Results

Financial Statements

An unmodified opinion was issued on the financial statements Yes No
 Internal control over financial reporting:
 Material weakness(es) identified? Yes No
 Significant deficiency(ies) identified that are not
 considered to be material weaknesses? Yes None reported

Federal Awards

Internal control over major programs:
 Material weakness(es) identified? Yes No
 Significant deficiency(ies) identified that are not
 considered to be material weaknesses? Yes None reported

An unmodified opinion was issued on compliance for major programs

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR Section 200.510(a)? Yes No

Major Programs:

 Dept. of Commerce EDA/RLF grants (CFDA #11.307)
 Hazard Mitigation Grants (CFDA #97.039)
 Federal awards expenses that exceeded \$750,000 were considered type A programs
 Auditee does not qualify as a low-risk auditee

2. Findings Related to Financial Statements Yes None reported
 3. Findings and Questioned Costs for Federal Awards Yes None reported
 4. Summary of Prior Year Findings Yes None reported

Current Year Findings:

None Reported