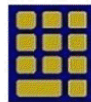


MERAMEC REGIONAL PLANNING COMMISSION

Audited Financial Statements and Supplementary Information

June 30, 2024 and 2023



SCHULTZ, WOOD & RAPP, P.C.

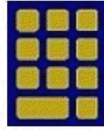
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MERAMEC REGIONAL PLANNING COMMISSION

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June 30, 2024 and 2023

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SCHULTZ, WOOD & RAPP, P.C.

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INDEPENDENT AUDITOR'S REPORT

October 4, 2024

The Commissioners
Meramec Regional Planning Commission
St. James, MO 65559

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and aggregate discretely presented component units of the Meramec Regional Planning Commission (the Commission) as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and aggregate discretely presented component units, of the Commission as of June 30, 2024 and 2023, and the respective changes in financial position, and cash flows thereof for the years ended in accordance with principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Meramec Regional Planning Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Meramec Regional Planning Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Meramec Regional Planning Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Meramec Regional Planning Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Meramec Regional Planning Commission's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 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*, we have also issued our report dated October 4, 2024, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

Schultz, Wood & Rapp, P.C.
Springfield, MO

MERAMEC REGIONAL PLANNING COMMISSION
Management's Discussion and Analysis (MD&A)
Years Ended June 30, 2024 and 2023

As management of the Meramec Regional Planning Commission (the Commission), we offer readers of the Commission's financial statements this narrative overview and analysis of the financial activities of the Commission for the fiscal years ending June 30, 2024 and 2023. We encourage readers to consider the information presented here along with the Commission's financial statements, including the footnotes that follow this Management's Discussion and Analysis (MD&A).

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the Commission's basic financial statements.

These basic financial statements are presented using the proprietary fund (enterprise fund) accounting that uses the same basis of accounting as private sector business enterprises. The Commission is operated under one enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities.

Three separate organizations are considered component units of the Commission – MRB Corporation (MRB), the Revolving Loan Fund (RLF), and the Intermediary Relending Program (IRP).

MRB's purpose is to lease its building space, vehicles, office furniture, equipment, and computers to the Commission. The Commission determines the membership of the MRB's Board of Directors and has ultimate responsibility for the MRB's management.

RLF's purpose is to service and manage loans generated by a grant with the Economic Development Administration (EDA). The grant monies were loaned to eligible businesses, and as principal payments are received, the funds are used to make new loans. The grant contract with the EDA was signed with the Commission so all RLF activity is reported as a component unit.

IRP's purpose is to provide loans to eligible businesses from a loan from the United States Department of Agriculture (USDA) to the Commission. Since the Commission is obligated to repay the debt to the USDA, all IRP activity is reported as a component unit.

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

Supplemental information. This MD&A represents additional financial information. Such information provides users of this report with data that supplements the basic financial statements and notes to financial statements.

Net Position (including component units)

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Current assets	\$ 2,240,538	1,904,036	2,171,981
Capital assets, net of accumulated depreciation	256,900	264,058	236,346
Noncurrent assets	<u>1,252,036</u>	<u>1,548,972</u>	<u>1,453,769</u>
Total assets	<u>3,749,474</u>	<u>3,717,066</u>	<u>3,862,096</u>
Deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	<u>\$ 3,749,474</u>	<u>3,717,066</u>	<u>3,862,096</u>
Current liabilities	\$ 809,566	631,291	688,235
Long-term liabilities	382,615	415,577	448,117
Total liabilities	<u>1,192,181</u>	<u>1,046,868</u>	<u>1,136,352</u>
Deferred inflows of resources – deferred revenue	<u>64,819</u>	<u>93,866</u>	<u>155,274</u>
Total liabilities and deferred inflows of resources	<u>1,257,000</u>	<u>1,140,734</u>	<u>1,291,626</u>
Net position:			
Invested in capital assets, net of related debt	222,234	221,355	178,276
Unrestricted	<u>2,270,240</u>	<u>2,354,977</u>	<u>2,392,194</u>
Total net position	<u>2,492,474</u>	<u>2,576,332</u>	<u>2,570,470</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 3,749,474</u>	<u>3,717,066</u>	<u>3,862,096</u>

MERAMEC REGIONAL PLANNING COMMISSION
Management's Discussion and Analysis (MD&A)
Years Ended June 30, 2024 and 2023

Changes in Net Position (including component units)

	Year Ended June 30		
	2024	2023	2022
Operating Revenues			
Revenue from grants and services	\$ 3,197,112	3,569,639	3,267,351
Operating Expenses			
Operating expenses excluding depreciation	3,225,782	3,521,249	3,209,263
Depreciation	62,501	53,385	51,200
Total operating expenses	3,288,283	3,574,634	3,260,463
Operating income (loss)	(91,171)	(4,995)	6,888
Nonoperating Revenues (Expenses)			
Investment income	3,256	1,622	3,629
Investment expense	(5,322)	(5,798)	(6,264)
Gain on sale of assets	9,379	15,034	1,300
Transfer to other entity	-	-	(40,834)
Total nonoperating revenues (expenses)	7,313	10,858	(42,169)
Change in Net Position	(83,858)	5,863	(35,281)
Net position, beginning of year	2,576,332	2,570,469	2,605,750
Net position, end of year	\$ 2,492,474	2,576,332	2,570,469

Financial Highlights (including component units)

- The Commission ended the year June 30, 2024 with a deficit of \$83,858, down \$89,721 from last year. The surplus resulted in a net fund balance of \$2,492,474 of which \$222,234 represented the amount invested in capital assets net of related debt, and \$2,270,240 was unrestricted. The funding in this fiscal year was sufficient to hire the required staff to complete projects in a timely manner and with a high level of quality.
- The Commission took all necessary steps to minimize operating expenses and increase revenues as much as possible. The budget is adhered to and used as a management tool in day-to-day operations.
- The Commission ended the year June 30, 2024 with restricted and unrestricted cash and cash equivalents of \$909,958, a 22.64% increase from last year. Accounts receivable balance on June 30, 2024 was \$506,551.
- The statement of cash flows identifies the sources and uses of cash activities for the fiscal year. During the fiscal year ended June 30, 2024, the Commission's cash increased \$167,973. This increase is primarily due to the timing of accounts receivable collections between the two periods and the conscious effort of management to not replace fully depreciated capital assets. Additionally, it is reflective of the continued diligence of the Commission to minimize operating expenses and increase revenues as much as possible.
- The Commission ended the year June 30, 2024 with notes receivable for both the IRP and the RLF programs of \$1,209,334. This was another non-typical year for the loan department. No new RLF loans were made during the fiscal year. Two borrowers paid their RLF loan obligation in full and ahead of schedule.. No new IRP loans were made this fiscal year. Total principal repaid in fiscal year 2023-2024 for both loan programs was \$289,136.

MERAMEC REGIONAL PLANNING COMMISSION
Management's Discussion and Analysis (MD&A)
Years Ended June 30, 2024 and 2023

- Principal on outstanding debt decreased by \$24,678. The Commission has fully drawn down the first and second USDA IRP funds totaling \$500,000 and \$175,000, respectively, to recapitalize our revolving loan fund program. As of June 30, 2024 and 2023, there were \$261,582 and \$282,031, respectively, in revolved IRP funds available for relending.
- The Commission received \$780,000 in 2020 from an EDA CARES RLF Grant to address small businesses impacted by the pandemic. The CARES RLF allowed flexibility in minimum and maximum loan amounts, lower interest rates, lower fees and a more streamlined packaging/closing process. MRPC successfully obligated all funds during 2021 and closed on the final loan at the beginning of 2022 fiscal year.
- The Commission received \$375,000 in 2011 from an EDA RLF Disaster Grant to recapitalize its existing RLF program. The CDBG Microenterprise Grant totaling \$125,000 was used to match the new RLF Disaster funds for a total fund of \$500,000. As of June 30, 2024 and 2023, there were \$581,933 and \$296,841, respectively, in revolved funds available for relending.
- Similar to previous years, wages and benefits comprise the largest portion of operating expenses for the Commission. This is common in regional planning commissions as the provision of service is extremely labor intensive. Additionally, due to the inherent makeup of MRB, depreciation continues to be a large operating expense. Unlike the other expenses listed, depreciation is not a cash expense. The Commission has and continues to pursue ways to reduce costs without affecting service. The Commission continues to take such measures as bidding and contracting with new vendors to ensure that the Commission obtains competitive pricing.
- As federal and state budgets are tightening, the Commission has an opportunity to offer its services to those agencies bringing local grass roots input as well as keeping costs at minimum to the federal and state agencies it serves. The Commission will be actively seeking these opportunities in the upcoming fiscal years.

CAPITAL ASSETS

The Commission has invested \$256,900 at June 30, 2024 in a broad range of capital assets, net of depreciation, including land, buildings and improvements, furniture and equipment, vehicles and computers. This amount represents the increase for the current fiscal year (including additions and disposals) of \$17,417. The Commission's capital assets, net of accumulated depreciation, consisted of:

	June 30		
	2024	2023	2022
Land	\$ 18,700	18,700	18,700
Building and improvements	110,618	123,662	140,203
Furniture and equipment	2,424	3,605	3,729
Automobiles	63,167	50,439	10,130
Computers and copiers	61,991	67,652	63,584
Total capital assets, net of accumulated depreciation	<u>\$ 256,900</u>	<u>264,058</u>	<u>236,346</u>

Additional information on the Commission's capital assets can be found in Note 4 in the notes to the financial statements.

LONG-TERM DEBT

The Commission's long-term debt not including loans between MRPC and its component units consisted of:

	June 30		
	2024	2023	2022
Loans from USDA	<u>\$ 372,874</u>	<u>397,552</u>	<u>421,986</u>

Additional information on the Commission's long-term debt can be found in Note 7 in the notes to financial statements.

MERAMEC REGIONAL PLANNING COMMISSION
Management's Discussion and Analysis (continued)
Years Ended June 30, 2024 and 2023

REQUESTS FOR INFORMATION

This financial statement report is designed to provide a general overview of the Commission's finances for all those with an interest in the Commission's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Fiscal Officer or Executive Director:

Meramec Regional Planning Commission
4 Industrial Drive
St. James, MO 65559

MERAMEC REGIONAL PLANNING COMMISSION

Statements of Net Position

June 30, 2024

	Business-type Activities MRPC	Component Unit MRB	Component Unit RLF	Component Unit IRP	Total
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>					
Current Assets:					
Cash and cash equivalent	\$ 71,616	14,315	372,333	232,602	690,866
Cash - capacity building fund	219,092	-	-	-	219,092
Accounts receivable	505,478	-	1,073	-	506,551
Due from related organization and employees	296,987	-	-	-	296,987
Prepaid expenses and deposits	7,194	3,227	438	438	11,297
Due from others	55,552	168,193	215,000	77,000	515,745
Total current assets	<u>1,155,919</u>	<u>185,735</u>	<u>588,844</u>	<u>310,040</u>	<u>2,240,538</u>
Non-current assets:					
Loan receivable	42,702	-	-	-	42,702
Notes receivable	-	-	1,091,479	117,855	1,209,334
Capital assets:					
Non-depreciable	-	18,700	-	-	18,700
Depreciable	-	898,833	-	-	898,833
	-	917,533	-	-	917,533
Less accumulated depreciation	-	660,633	-	-	660,633
Net capital assets	-	256,900	-	-	256,900
Total non-current assets	<u>42,702</u>	<u>256,900</u>	<u>1,091,479</u>	<u>117,855</u>	<u>1,508,936</u>
Total assets	<u>1,198,621</u>	<u>442,635</u>	<u>1,680,323</u>	<u>427,895</u>	<u>3,749,474</u>
Deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 1,198,621</u>	<u>442,635</u>	<u>1,680,323</u>	<u>427,895</u>	<u>3,749,474</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u>					
Current liabilities:					
Accounts payable	\$ 86,179	31,777	575	991	119,522
Due to others	460,193	50,335	5,756	-	516,284
Due to related organizations	43,038	-	-	-	43,038
Accrued vacation and compensatory time	97,761	-	-	-	97,761
Current portion of long-term debt	-	8,036	-	24,925	32,961
Total current liabilities	<u>687,171</u>	<u>90,148</u>	<u>6,331</u>	<u>25,916</u>	<u>809,566</u>
Non-current liabilities:					
Loan payable - MRPC	-	34,666	-	-	34,666
Notes payable - USDA	-	-	-	347,949	347,949
Total non-current liabilities	<u>-</u>	<u>34,666</u>	<u>-</u>	<u>347,949</u>	<u>382,615</u>
Total liabilities	<u>687,171</u>	<u>124,814</u>	<u>6,331</u>	<u>373,865</u>	<u>1,192,181</u>
Deferred inflows of resources: Deferred revenue	64,678	-	141	-	64,819
Total liabilities and deferred inflows of resources	<u>751,849</u>	<u>124,814</u>	<u>6,472</u>	<u>373,865</u>	<u>1,257,000</u>
Net position:					
Invested in capital assets, net of related debt	-	222,234	-	-	222,234
Unrestricted	446,772	95,587	1,673,851	54,030	2,270,240
Total net position	<u>446,772</u>	<u>317,821</u>	<u>1,673,851</u>	<u>54,030</u>	<u>2,492,474</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 1,198,621</u>	<u>442,635</u>	<u>1,680,323</u>	<u>427,895</u>	<u>3,749,474</u>

See accompanying notes to the financial statements.

MERAMEC REGIONAL PLANNING COMMISSION

Statements of Net Position

June 30, 2023

	Business-type Activities MRPC	Component Unit MRB	Component Unit RLF	Component Unit IRP	Total
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>					
Current Assets:					
Cash and cash equivalent	\$ 86,752	31,893	167,553	254,694	540,892
Cash - capacity building fund	201,093	-	-	-	201,093
Accounts receivable	591,695	500	2,530	1,230	595,955
Due from related organization and employees	168,380	-	-	-	168,380
Prepaid expenses and deposits	17,683	907	399	399	19,388
Due from others	32,223	120,647	148,458	77,000	378,328
Total current assets	<u>1,097,826</u>	<u>153,947</u>	<u>318,940</u>	<u>333,323</u>	<u>1,904,036</u>
Non-current assets:					
Loan receivable	50,502	-	-	-	50,502
Notes receivable	-	-	1,376,566	121,904	1,498,470
Capital assets:					
Non-depreciable	-	18,700	-	-	18,700
Depreciable	-	881,416	-	-	881,416
	-	900,116	-	-	900,116
Less accumulated depreciation	-	636,058	-	-	636,058
Net capital assets	-	264,058	-	-	264,058
Total non-current assets	<u>50,502</u>	<u>264,058</u>	<u>1,376,566</u>	<u>121,904</u>	<u>1,813,030</u>
Total assets	<u>1,148,328</u>	<u>418,005</u>	<u>1,695,506</u>	<u>455,227</u>	<u>3,717,066</u>
Deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 1,148,328</u>	<u>418,005</u>	<u>1,695,506</u>	<u>455,227</u>	<u>3,717,066</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u>					
Current liabilities:					
Accounts payable	\$ 59,663	33,131	3,000	920	96,714
Due to others	346,105	24,024	8,071	128	378,328
Due to related organizations	16,091	-	-	-	16,091
Accrued vacation and compensatory time	107,681	-	-	-	107,681
Current portion of long-term debt	-	7,799	-	24,678	32,477
Total current liabilities	<u>529,540</u>	<u>64,954</u>	<u>11,071</u>	<u>25,726</u>	<u>631,291</u>
Non-current liabilities:					
Loan payable - MRPC	-	42,703	-	-	42,703
Notes payable - USDA	-	-	-	372,874	372,874
Total non-current liabilities	<u>-</u>	<u>42,703</u>	<u>-</u>	<u>372,874</u>	<u>415,577</u>
Total liabilities	<u>529,540</u>	<u>107,657</u>	<u>11,071</u>	<u>398,600</u>	<u>1,046,868</u>
Deferred inflows of resources: Deferred revenue	82,174	-	10,629	1,063	93,866
Total liabilities and deferred inflows of resources	<u>611,714</u>	<u>107,657</u>	<u>21,700</u>	<u>399,663</u>	<u>1,140,734</u>
Net position:					
Invested in capital assets, net of related debt	-	221,355	-	-	221,355
Unrestricted	536,614	88,993	1,673,806	55,564	2,354,977
Total net position	<u>536,614</u>	<u>310,348</u>	<u>1,673,806</u>	<u>55,564</u>	<u>2,576,332</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 1,148,328</u>	<u>418,005</u>	<u>1,695,506</u>	<u>455,227</u>	<u>3,717,066</u>

See accompanying notes to the financial statements.

MERAMEC REGIONAL PLANNING COMMISSION
 Statements of Revenues, Expenses and Changes in Net Position
 Year Ended June 30, 2024

	Business-type Activities MRPC	Component Unit MRB	Component Unit RLF	Component Unit IRP	Total
<u>OPERATING REVENUES</u>					
Planning and project development income	\$ 1,449,753	-	-	-	1,449,753
Administrative revenue - SBA/RLF loans	86,902	-	-	-	86,902
Environmental	489,808	-	-	-	489,808
Housing assistance administration	605,560	-	-	-	605,560
Rental Income	-	329,615	-	-	329,615
Interest earned on loans	-	-	43,391	8,705	52,096
Service income - MRB	144,141	-	-	-	144,141
Dues	22,958	-	-	-	22,958
Other	12,883	-	3,396	-	16,279
Total operating revenues	<u>2,812,005</u>	<u>329,615</u>	<u>46,787</u>	<u>8,705</u>	<u>3,197,112</u>
<u>OPERATING EXPENSES</u>					
Advertising	4,235	-	-	-	4,235
Annual audit	10,500	-	1,500	1,500	13,500
Annual dinner	9,685	-	-	-	9,685
Auto lease	40,673	-	-	-	40,673
Bad debt expense	-	-	-	1,230	1,230
Building lease	151,217	122,412	-	-	273,629
Computer lease	77,074	40,239	-	-	117,313
Contract services	445,903	-	-	-	445,903
Copy Lease	38,087	18,069	-	-	56,156
Depreciation	-	62,501	-	-	62,501
Equipment rental	425	-	-	-	425
Furniture and equipment expenses	7,012	-	-	-	7,012
Furniture and equipment lease	22,526	8,944	-	-	31,470
Graphics and outside printing	6,826	-	-	-	6,826
Grant expenses	24,673	-	-	-	24,673
Indirect/general and administrative costs	329,400	62,004	46,290	4,638	442,332
In-kind match	2,015	-	-	-	2,015
Insurance	2,103	-	579	579	3,261
Legal fees	575	-	-	-	575
Licenses and miscellaneous fees	10,586	-	-	-	10,586
Meetings attended (registration)	1,170	-	-	-	1,170
Memberships	8,782	-	-	-	8,782
Other miscellaneous expense	8,780	-	-	-	8,780
Outside services	5,344	-	-	-	5,344
Personnel - salaries	1,204,071	-	-	-	1,204,071
Personnel - fringe	374,846	-	-	-	374,846
Phone	8,064	-	-	-	8,064
Postage	10,140	-	-	-	10,140
Recording fees	1,177	-	-	-	1,177
Repairs, parts, materials	204	-	-	-	204
Scholarships	25,000	-	-	-	25,000
Staff and board development	15,657	-	-	-	15,657
Subscriptions and publications	782	-	-	-	782
Supplies	35,942	-	-	-	35,942
Transportation equipment	-	15,946	-	-	15,946
Travel	18,378	-	-	-	18,378
Total operating expenses	<u>2,901,852</u>	<u>330,115</u>	<u>48,369</u>	<u>7,947</u>	<u>3,288,283</u>
Operating Income (Loss)	<u>(89,847)</u>	<u>(500)</u>	<u>(1,582)</u>	<u>758</u>	<u>(91,171)</u>
<u>NONOPERATING REVENUES (EXPENSES)</u>					
Gain on sale of assets	-	9,379	-	-	9,379
Net investment income	5	2	1,627	1,622	3,256
Interest expense	-	(1,408)	-	(3,914)	(5,322)
Total Nonoperating revenues (expenses)	<u>5</u>	<u>7,973</u>	<u>1,627</u>	<u>(2,292)</u>	<u>7,313</u>
Revenues over (under) expenditures	<u>(89,842)</u>	<u>7,473</u>	<u>45</u>	<u>(1,534)</u>	<u>(83,858)</u>
Fund balance, beginning of year	<u>536,614</u>	<u>310,348</u>	<u>1,673,806</u>	<u>55,564</u>	<u>2,576,332</u>
Fund balance, end of year	<u>\$ 446,772</u>	<u>317,821</u>	<u>1,673,851</u>	<u>54,030</u>	<u>2,492,474</u>

See accompanying notes to the financial statements.

MERAMEC REGIONAL PLANNING COMMISSION
 Statements of Revenues, Expenses and Changes in Net Position
 Year Ended June 30, 2023

	Business-type Activities MRPC	Component Unit MRB	Component Unit RLF	Component Unit IRP	Component Unit Total
<u>OPERATING REVENUES</u>					
Planning and project development income	\$ 1,639,311	-	-	-	1,639,311
Administrative revenue - SBA/RLF loans	94,754	-	-	-	94,754
Environmental	692,882	-	-	-	692,882
Housing assistance administration	602,442	-	-	-	602,442
Rental Income	-	295,974	-	-	295,974
Interest earned on loans	-	-	48,003	8,988	56,991
Service income - MRB	118,199	-	-	-	118,199
Dues	55,460	-	-	-	55,460
Other	9,689	376	3,561	-	13,626
Total operating revenues	<u>3,212,737</u>	<u>296,350</u>	<u>51,564</u>	<u>8,988</u>	<u>3,569,639</u>
<u>OPERATING EXPENSES</u>					
Advertising	5,558	-	-	-	5,558
Annual audit	19,100	-	7,577	3,103	29,780
Annual dinner	5,712	-	-	-	5,712
Auto lease	43,126	-	-	-	43,126
Bad debt expense	-	-	-	24	24
Building lease	122,316	92,645	-	-	214,961
Cash match	2,136	-	-	-	2,136
Computer lease	69,827	34,307	-	-	104,134
Contract services	521,012	-	-	-	521,012
Copy Lease	42,204	19,931	-	-	62,135
Depreciation	-	53,385	-	-	53,385
Equipment rental	3,946	-	-	-	3,946
Furniture and equipment expenses	43,439	-	-	-	43,439
Furniture and equipment lease	26,116	11,888	-	-	38,004
Graphics and outside printing	8,361	-	-	-	8,361
Grant expenses	14,351	-	-	-	14,351
Indirect/general and administrative costs	360,370	65,646	43,528	1,809	471,353
In-kind match	18,155	-	-	-	18,155
Insurance	1,752	-	541	541	2,834
Legal fees	200	-	-	-	200
Licenses and miscellaneous fees	11,252	-	-	-	11,252
Meetings attended (registration)	1,338	-	-	-	1,338
Memberships	8,201	-	-	-	8,201
Other miscellaneous expense	7,929	-	-	-	7,929
Outside services	6,314	-	-	-	6,314
Personnel - salaries	1,305,379	-	-	-	1,305,379
Personnel - fringe	450,388	-	-	-	450,388
Phone	7,942	-	-	-	7,942
Postage	10,089	-	-	-	10,089
Recording fees	891	-	-	-	891
Repairs, parts, materials	281	-	-	-	281
Staff and board development	18,611	-	-	-	18,611
Subscriptions and publications	1,322	-	-	-	1,322
Supplies	58,726	-	-	-	58,726
Transportation equipment	-	18,548	-	-	18,548
Travel	24,817	-	-	-	24,817
Total operating expenses	<u>3,221,161</u>	<u>296,350</u>	<u>51,646</u>	<u>5,477</u>	<u>3,574,634</u>
Operating Income (Loss)	<u>(8,424)</u>	<u>-</u>	<u>(82)</u>	<u>3,511</u>	<u>(4,995)</u>
<u>NONOPERATING REVENUES (EXPENSES)</u>					
Gain on sale of assets	-	15,034	-	-	15,034
Net investment income	327	5	608	682	1,622
Interest expense	-	(1,639)	-	(4,159)	(5,798)
Total Nonoperating revenues (expenses)	<u>327</u>	<u>13,400</u>	<u>608</u>	<u>(3,477)</u>	<u>10,858</u>
Revenues over (under) expenditures	<u>(8,097)</u>	<u>13,400</u>	<u>526</u>	<u>34</u>	<u>5,863</u>
Fund balance, beginning of year	544,711	296,948	1,673,280	55,530	2,570,469
Fund balance, end of year	<u>\$ 536,614</u>	<u>310,348</u>	<u>1,673,806</u>	<u>55,564</u>	<u>2,576,332</u>

See accompanying notes to the financial statements.

MERAMEC REGIONAL PLANNING COMMISSION

Statements of Cash Flows
Year Ended June 30, 2024

	Business-type Activities MRPC	Component Unit MRB	Component Unit RLF	Component Unit IRP	Total
Cash Flows from Operating Activities					
Cash received from grants and for services provided	\$ 2,880,726	-	400,843	12,921	3,294,490
Cash payments to suppliers	(956,530)	(271,288)	(4,543)	(3,277)	(1,235,638)
Cash received from disposal of asset					-
Cash disbursed as loans to eligible businesses	-	-	(78,000)	-	(78,000)
Cash payments to employees	(1,588,837)	-	-	-	(1,588,837)
Cash received (paid) from (to) other funds	(340,301)	308,880	(115,147)	(4,766)	(151,334)
Net cash provided by (used in) operating activities	<u>(4,942)</u>	<u>37,592</u>	<u>203,153</u>	<u>4,878</u>	<u>240,681</u>
Cash Flows from Capital and Related Financing Activities					
Purchase of capital assets	-	(55,421)	-	-	(55,421)
Proceeds from sale of capital assets	-	9,457	-	-	9,457
Principal paid on debt	-	(7,800)	-	(24,678)	(32,478)
Interest paid on debt	-	(1,408)	-	(3,914)	(5,322)
Net cash provided by investing activities	<u>-</u>	<u>(55,172)</u>	<u>-</u>	<u>(28,592)</u>	<u>(83,764)</u>
Cash Flows from Investing Activities					
Proceeds from interest earnings	5	2	1,627	1,622	3,256
Proceeds from MRB loan receivable	7,800	-	-	-	7,800
Net cash provided by investing activities	<u>7,805</u>	<u>2</u>	<u>1,627</u>	<u>1,622</u>	<u>11,056</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,863	(17,578)	204,780	(22,092)	167,973
Cash and cash equivalents, beginning of year	287,845	31,893	167,553	254,694	741,985
Cash and cash equivalents, end of year	<u>\$ 290,708</u>	<u>14,315</u>	<u>372,333</u>	<u>232,602</u>	<u>909,958</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating income (loss)	\$ (89,847)	(500)	(1,582)	758	(91,171)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	-	62,501	-	-	62,501
(Increase) decrease in:					
Accounts receivable	86,217	500	1,457	1,230	89,404
Due from related organizations	(128,607)	-	-	-	(128,607)
Prepaid expenses and deposits	10,489	(2,320)	(39)	(39)	8,091
Due from others	(23,329)	(47,546)	(66,542)	-	(137,417)
Notes receivable	-	-	285,087	4,049	289,136
Increase (decrease) in:					
Accounts payable	26,516	(1,354)	(2,425)	71	22,808
Due to others	114,088	26,311	(2,315)	(128)	137,956
Due to related organizations	26,947	-	-	-	26,947
Accrued vacation and compensatory time	(9,920)	-	-	-	(9,920)
Deferred revenue	(17,496)	-	(10,488)	(1,063)	(29,047)
Total Adjustments	<u>84,905</u>	<u>38,092</u>	<u>204,735</u>	<u>4,120</u>	<u>331,852</u>
Net cash provided by (used in) operating activities	<u>\$ (4,942)</u>	<u>37,592</u>	<u>203,153</u>	<u>4,878</u>	<u>240,681</u>

See accompanying notes to the financial statements.

MERAMEC REGIONAL PLANNING COMMISSION

Statements of Cash Flows
Year Ended June 30, 2023

	Business-type Activities MRPC	Component Unit MRB	Component Unit RLF	Component Unit IRP	Total
Cash Flows from Operating Activities					
Cash received from grants and for services provided	\$ 3,376,012	-	241,271	13,842	3,631,125
Cash payments to suppliers	(1,165,121)	(216,278)	(9,511)	(2,770)	(1,393,680)
Cash disbursed as loans to eligible businesses	-	-	(208,375)	-	(208,375)
Cash payments to employees	(1,749,025)	-	-	-	(1,749,025)
Cash received (paid) from (to) other funds	(375,722)	320,826	(168,314)	72,321	(150,889)
Net cash provided by (used in) operating activities	<u>86,144</u>	<u>104,548</u>	<u>(144,929)</u>	<u>83,393</u>	<u>129,156</u>
Cash Flows from Capital and Related Financing Activities					
Purchase of capital assets	-	(81,097)	-	-	(81,097)
Proceeds from sale of capital assets	-	15,034	-	-	15,034
Principal paid on debt	-	(7,569)	-	(24,434)	(32,003)
Interest paid on debt	-	(1,638)	-	(4,159)	(5,797)
Net cash provided by investing activities	<u>-</u>	<u>(75,270)</u>	<u>-</u>	<u>(28,593)</u>	<u>(103,863)</u>
Cash Flows from Investing Activities					
Proceeds from interest earnings	327	5	608	682	1,622
Proceeds from MRB loan receivable	7,569	-	-	-	7,569
Net cash provided by investing activities	<u>7,896</u>	<u>5</u>	<u>608</u>	<u>682</u>	<u>9,191</u>
Net Increase (Decrease) in Cash and Cash Equivalents	94,040	29,283	(144,321)	55,482	34,484
Cash and cash equivalents, beginning of year	193,805	2,610	311,874	199,212	707,501
Cash and cash equivalents, end of year	<u>\$ 287,845</u>	<u>31,893</u>	<u>167,553</u>	<u>254,694</u>	<u>741,985</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating income (loss)	\$ (8,424)	-	(82)	3,511	(4,995)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	-	53,385	-	-	53,385
(Increase) decrease in:					
Accounts receivable	236,456	-	77,385	23	313,864
Due from related organizations	(30,867)	-	-	-	(30,867)
Prepaid expenses and deposits	(10,873)	1,523	(22)	(22)	(9,394)
Due from others	26,418	25,773	(98,366)	75,000	28,825
Notes receivable	-	-	(106,540)	3,768	(102,772)
Increase (decrease) in:					
Accounts payable	(49,224)	25,164	(1,371)	920	(24,511)
Due to others	(2,407)	(109)	(26,420)	(870)	(29,806)
Due to related organizations	(8,719)	(1,188)	-	-	(9,907)
Accrued vacation and compensatory time	6,742	-	-	-	6,742
Deferred revenue	(72,958)	-	10,487	1,063	(61,408)
Total Adjustments	<u>94,568</u>	<u>104,548</u>	<u>(144,847)</u>	<u>79,882</u>	<u>134,151</u>
Net cash provided by (used in) operating activities	<u>\$ 86,144</u>	<u>104,548</u>	<u>(144,929)</u>	<u>83,393</u>	<u>129,156</u>

See accompanying notes to the financial statements.

MERAMEC REGIONAL PLANNING COMMISSION

Notes to Financial Statements

June 30, 2024 and 2023

Note 1: Summary of Significant Accounting Policies

The Governor of Missouri authorized the creation of Meramec Regional Planning Commission (the Commission) on January 23, 1969. The boundaries of the Commission's authority coincide with the boundaries of Crawford, Dent, Gasconade, Maries, Osage, Phelps, Washington, and Pulaski counties.

The Commission's purpose is to promote human resources, educational opportunities, and economic development in order to enhance the quality of life for the region's inhabitants. The Commission strives to accomplish these objectives by:

- Providing professional staff assistance to local governments and organizations in the region.
- Serving as an advocate for the Meramec Region before federal, state and local governmental agencies and other organizations that influence or affect public policy.
- Promoting the economic development of the region.
- Providing a forum for the discussion and resolution of common problems and issues affecting the Meramec region.
- Servicing and managing the Economic Development Administration (EDA) grant that established a Revolving Loan Fund (RLF).
- Servicing and managing a loan from the United States Department of Agriculture (USDA) through the Intermediary Relending Program (IRP).

The Commission provides technical assistance and various other services to local governments within the region, and it grants credit to these governments in the ordinary course of operations.

The Commission's accounting policies conform with accounting principles generally accepted in the United States of America for local governmental units of this type.

The more significant accounting policies consistently applied by the Commission in the preparation of the accompanying financial statements are summarized below:

A. Reporting Entity

The Commission has developed criteria to determine whether related organizations with activities, which benefit the counties of the area, should be included within its financial reporting entity. The criteria includes, but is not limited to, whether the Commission exercises oversight responsibility (which includes financial interdependence, selection of governing authority, designation of management, ability to significantly influence operation and accountability for fiscal matters), scope of service, and special financial relationships.

The Commission has accountability for MRB Corporation (MRB) since the Commission determines the membership of the Corporation's Board of Directors and has ultimate responsibility for the Corporation's management.

The EDA contracts with the Commission to service and manage loans generated by a grant establishing an RLF. The grant money received was loaned to eligible businesses. As principal payments are received, the funds are used to make new loans. Since the original contract is with the Commission, all RLF activity is reported as a component unit.

The Commission obtained a loan from USDA to service and manage loans through the Intermediary Relending Program (IRP). The financing was used to provide loans to eligible businesses and principal payments received will be used to repay the loan as it matures. Since the Commission is obligated to repay this debt, all IRP activity is reported as a component unit.

The Commission has determined that no other organizations, except MRB, RLF, and IRP, meet the above criteria and, therefore, no other organizations have been included as component units reported with the Commission's financial statements. In addition, the Commission is not aware of any organizations which would exercise such oversight that would result in the Commission being considered a component unit of the Commission.

MERAMEC REGIONAL PLANNING COMMISSION

Notes to Financial Statements (continued)

June 30, 2024 and 2023

Note 1: Summary of Significant Accounting Policies (continued)

B. Financial Statements

The Commission's financial statements are presented in an enterprise fund. Enterprise funds are proprietary funds used to account for business-type activities provided to the general public or other entities and a periodic determination of revenue earned, expenses incurred, and/or change in net position is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. These activities are financed primarily by user charges and grant revenue, and the measurement of financial activity focuses on net income measurement similar to the private sector.

The Commission uses the proprietary fund type to account for the activities of the Commission, MRB, RLF and IRP.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe how transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied.

Proprietary funds utilize the "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, change in net position, financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

All proprietary funds utilize 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.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Commission are charges to customers for services and grant revenue. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash Equivalents

For the purposes of the statements of cash flows, the Commission considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

E. Accounts Receivable

Customer accounts receivable consist of balances owed for services billed. No allowance for doubtful accounts was recorded because the Commission expected to fully collect all receivables as of June 30, 2024.

F. Notes Receivable

The purpose of IRP and RLF is to provide loans to eligible businesses within the region. Agreements are maintained on each loan to establish the terms of the loan. No allowance have been recorded.

G. Capital Assets

Capital assets, which include land, building and improvements, furniture and equipment, automobiles, and computers and copiers are reported in the financial statements. Capital assets are defined by the Commission as assets within an initial, individual cost of more than \$500 for equipment and \$1,000 for all other capital assets and an estimated useful life greater than one year.

All capital assets are valued at historical cost, except for donated capital assets which are recorded at their estimated acquisition value at date of donation.

MERAMEC REGIONAL PLANNING COMMISSION

Notes to Financial Statements (continued)

June 30, 2024 and 2023

Note 1: Summary of Significant Accounting Policies (continued)

G. Capital Assets (continued)

Depreciation is computed on the straight-line method, using asset lives as follows:

<u>Assets</u>	<u>Years</u>
Building	30
Building improvements	3 – 20
Furniture and equipment	5 – 10
Automobiles	5 – 6
Computers and copiers	3 – 10

H. Accrued Vacation and Compensatory Time

The Commission permits employees to accumulate earned but unused vacation and compensatory time. Vacation and compensatory pay are accrued when earned and reported as a liability. All accrued vacation and compensatory time are payable if any employee leaves the Commission, so it is considered a current liability.

I. Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2: Cash

Deposits – Custodial credit risk for deposits is the risk that in the event of a bank failure, the Commissions' deposits may not be returned or the Commission will not be able to recover collateral securities in the possession of an outside party. The Commission's bank deposits are required by state law to be secured by the deposit of certain securities specified RSMo 30.270 with the Commission or trustee institution. The value of the securities must amount to the total of the Commission's cash not insured by the Federal Deposit Insurance Corporation (FDIC).

As of June 30, 2024, the Commission's bank balances were entirely secured or collateralized with securities held by the Commission or by its agent in the Commission's name.

As of June 30, 2024, the discretely presented component units' bank balances were entirely insured or collateralized with securities by the discretely presented component units' or by their agents in the discretely presented component units' name.

Note 3: Meramec Regional Community Foundation (MRCF) Capacity Building Fund

During 2010, the Commission transferred \$250,000 to the Meramec Regional Community Foundation (MRCF) to establish the MRCF Capacity Building Fund, an unrestricted interest-bearing account with the Community Foundation of the Ozarks (CFO). The CFO agreed to invest the assets of the Fund to its discretion as long as the funds are FDIC insured or secured by pledged securities in accordance with the Commission's investment policy and Missouri State statutes. Principal and interest can be distributed from the fund at the Commission's discretion. As of June 30, 2024 and 2023, the fund earned approximately \$32,417 and \$35,980, respectively, in investment income since 2010. In 2012, \$122,500 of the MRCF Capacity Building Fund was loaned to MRB with principal to be returned to the Building Fund. See Notes 6 and 10.

MERAMEC REGIONAL PLANNING COMMISSION

Notes to Financial Statements (continued)

June 30, 2024 and 2023

Note 4: Capital Assets

A summary of changes in MRB's capital assets for the year ended June 30, 2024 follows:

	Balance June 30, 2022	Additions	Deletions	Balances June 30, 2023	Additions	Deletions	Balances June 30, 2024
Land	\$ 18,700	-	-	18,700	-	-	18,700
Building and improvements	434,175	-	-	434,175	3,360	-	437,535
Furniture and equipment	135,549	974	10,108	126,414	-	-	126,414
Automobiles	110,909	49,895	28,007	132,797	28,959	17,968	143,788
Computers and copiers	157,802	30,228	-	188,030	23,102	20,036	191,096
	<u>857,135</u>	<u>81,097</u>	<u>38,115</u>	<u>900,116</u>	<u>55,421</u>	<u>38,004</u>	<u>917,534</u>

A summary of changes in MRB's accumulated depreciation for the year ended June 30, 2024 follows:

	Balance June 30, 2022	Additions	Deletions	Balances June 30, 2023	Additions	Deletions	Balances June 30, 2024
Building and improvements	293,972	16,541	-	310,513	16,404	-	326,917
Furniture and equipment	131,820	1,098	10,108	122,809	1,182	-	123,991
Automobiles	100,779	9,586	28,007	82,358	16,231	17,968	80,621
Computer and copiers	94,219	26,159	-	120,378	28,684	19,957	129,105
	<u>620,790</u>	<u>53,385</u>	<u>38,115</u>	<u>636,058</u>	<u>62,501</u>	<u>37,925</u>	<u>660,633</u>

Depreciation by asset:

	2024	2023
Building and improvements	16,404	16,541
Furniture and equipment	1,182	1,098
Automobiles	16,231	9,586
Computer and copiers	28,684	26,160
	<u>62,501</u>	<u>53,385</u>

Note 5: Due to/from Others

Balance due to/from others as of June 30, 2024 are as follows:

Receivable	Payable	June 30, 2024	June 30, 2023
IRP	MRPC	\$ 77,000	77,000
MRB	MRPC	168,193	120,647
MRPC	MRB	50,335	24,024
MRPC	IRP	133	128
MRPC	RLF	5,084	8,071
RLF	MRPC	215,000	148,458
		<u>\$ 515,745</u>	<u>378,328</u>

These balances result from the time lag between the dates that: 1) goods and services are provided or reimbursable expenses occur, 2) transactions are recorded in the accounting system, and 3) payments between entities are made.

MERAMEC REGIONAL PLANNING COMMISSION

Notes to Financial Statements (continued)

June 30, 2024 and 2023

Note 6: Commission's Loan to MRB

In 2012, MRB borrowed \$122,500 from the Commission to refinance the previous loan from the USDA. The interest rate is 3% and the loan is for 17 years with monthly payments of \$767. Long-term obligation activity is as follows:

	Loan Receivable
Balance, June 30, 2022	\$ 58,070
Repayments	<u>(7,568)</u>
Balance, June 30, 2023	50,502
Repayments	<u>(7,800)</u>
Balance, June 30, 2024	<u><u>\$ 42,702</u></u>

Principal and interest is due on the loan for the following amounts:

Fiscal Year Ending June 30	Loan Receivable from MRB		
	Principal	Interest	Total
2025	\$ 8,037	1,171	9,208
2026	8,281	927	9,208
2027	8,533	675	9,208
2028	8,793	415	9,208
2029	9,058	147	9,205
	<u><u>\$ 42,702</u></u>	<u><u>3,335</u></u>	<u><u>46,037</u></u>

Note 7: USDA Loans to IRP

In February 2007, IRP obtained a loan from USDA. The Commission was allowed to borrow up to \$500,000 at an interest rate of 1%.

In June 2013, IRP obtained another loan from USDA. The Commission was allowed to borrow up to \$175,000 at an interest rate of 1%.

As of June 30, 2024, the principal balance on these loans were \$257,478 and \$115,396, respectively. Payments are made annually, with the first three payments to be interest only. These loans are for thirty years beginning at the time of closing. Interest expense on the loans for the year ended June 30, 2024 was \$3,914.

A summary of changes in long-term debt is as follows:

	USDA Loan #9	USDA Loan #11	Total
Balance, June 30, 2022	\$ 294,229	127,757	421,986
Principal payments	<u>(18,285)</u>	<u>(6,149)</u>	<u>(24,434)</u>
Balance, June 30, 2023	275,944	121,608	397,552
Principal payments	<u>(18,466)</u>	<u>(6,212)</u>	<u>(24,678)</u>
Balance, June 30, 2024	<u><u>\$ 257,478</u></u>	<u><u>115,396</u></u>	<u><u>372,874</u></u>

The annual requirements to amortize long-term debt obligations as of June 30, 2024, including interest payments are as follows:

Fiscal Year Ending June 30	USDA Loan # 9		USDA Loan #11		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 18,650	2,575	6,275	1,154	24,925	3,729
2026	18,837	2,388	6,338	1,091	25,175	3,479
2027	19,025	2,200	6,401	1,028	25,426	3,228
2028	19,215	2,010	6,465	964	25,680	2,974
2029	19,407	1,818	6,530	899	25,937	2,717
2030-2034	99,988	6,137	33,642	3,503	133,630	9,640
2035-2039	62,356	1,319	35,358	1,787	97,714	3,106
2040-2041	-	-	14,387	215	14,387	215
	<u><u>\$ 257,478</u></u>	<u><u>18,447</u></u>	<u><u>115,396</u></u>	<u><u>10,641</u></u>	<u><u>372,874</u></u>	<u><u>29,088</u></u>

MERAMEC REGIONAL PLANNING COMMISSION

Notes to Financial Statements (continued)

June 30, 2024 and 2023

Note 8: Homeland Security Grant Expenses

The Commission was the recipient of a grant totaling \$97,810, \$101,105 and \$104,984 for fiscal years 2024, 2023 and 2022, respectively, from the U.S. Department of Homeland Security, which is to be used to procure equipment and provide training for local emergency management teams. The majority of these funds were spent on equipment, which is included in furniture and equipment expenses on the statement of revenue, expenditures, and changes in net position.

Note 9: Transactions Between the Commission and MRB

The Commission leases building space, vehicles, office furnishings, equipment, and computers from MRB on an annual basis. MRB provides insurance, maintenance, and utilities for these capital assets, and the Commission is obligated to pay any uninsured or uninsurable loss. The Commission also pays fees to MRB for using photocopying equipment based on a fee per copy.

MRB pays the Commission fees for maintenance services and executive and general administration. For the year ended June 30, 2024 and 2023, these transactions consisted of the following amounts:

	<u>2024</u>	<u>2023</u>
The Commission's revenues included as MRB expenditures:		
Building maintenance and administrative services	<u>\$ 144,141</u>	<u>118,199</u>
MRB revenues also included as the Commission's expenditures:		
Building, vehicles, furniture, and equipment lease	<u>\$ 329,616</u>	<u>295,974</u>

Note 10: Related Organizations

The Commission serves as the administrator for the Phelps County Public Housing Agency (PHA), Meramec Regional Development Corporation (MRDC), Meramec Community Enhancement Corporation (MCEC), Ozark Rivers Solid Waste Management District (ORSWMD) and Meramec Local Emergency Planning District (MLEPD). These organizations reimburse the Commission for various expenses incurred on their behalf including personnel costs, rent, travel, and other direct and indirect costs. The reimbursements are included in operating revenues and classified for organizational purposes.

The Commission also performs some technical assistance services for two other related organizations, the Gasconade County IDA and the Gasconade Valley Enterprise Zone (GVEZ).

At June 30, 2024, the organizations owed the Commission for these services as follows:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
MRDC SBA	\$ 96,330	43,821
MLEPD	15,720	5,169
MCEC	87,284	42,482
ORSWMD	86,670	24,920
Gasconade County IDA	1,374	623
PHA	5,719	48,110
GVEZ	3,656	3,032
Employees	234	223
	<u>\$ 296,987</u>	<u>168,380</u>

In addition, at June 30, 2024, the Commission recognized revenue from these organizations as follows:

	<u>Year Ended</u>	
	<u>June 30, 2024</u>	<u>June 30, 2023</u>
PHA	\$ 605,560	602,442
MRDC SBA	35,865	49,435
ORSWMD	275,384	266,922
Gasconade County IDA	751	581
GVEZ	10,944	10,220
MCEC	64,404	28,298
MLEPD	21,779	28,797
	<u>\$ 1,014,687</u>	<u>986,695</u>

MERAMEC REGIONAL PLANNING COMMISSION

Notes to Financial Statements (continued)

June 30, 2024 and 2023

Note 10: Related Organizations (continued)

MRCF was formed during 2010. The Commission provides management services for this entity as needed. The Commission has an agreement with MRCF's parent organization, CFO, to receive 50% of all administrative fees collected by CFO for funds held in the MRCF. The Commission received \$22,451 and \$19,316 from CFO for administrative fees for the year ended June 30, 2024 and 2023, respectively. MRCF remitted \$- and \$750 in contributions of its Capacity Building Fund to the Commission for fiscal years 2024 and 2023, respectively. The contributions offset its administration, marketing, and outreach expenses incurred on behalf of the Foundation in fiscal years that have a shortfall.

Note 11: Money Purchase Pension Plan

The Commission sponsors a defined contribution money purchase plan covering substantially all employees meeting minimum age and service requirements who are not covered by collective bargaining agreements. The restated plan was adopted effective July 1, 2015. Benefits under the plan depend solely on amounts contributed to the plan plus investment earnings and forfeitures of other participants' benefits that may be allocated to such participant's account. All plan assets are pooled for investment purposes, and a plan fiduciary is responsible for selecting investments.

The Commission's contribution for each employee and interest allocated to the employee's account are fully vested after five years' continuous service. Contributions are based on percentage of each eligible employee's compensation at approximately 10% of each covered employee's salary. All employees who have attained the age of 18 and who have completed twelve months of service are eligible to participate. The Commission's contributions to the plan totaled \$129,890 and \$137,984 for the year ended June 30, 2024 and 2023, respectively.

Note 12: Risk Assessment

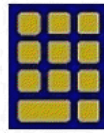
The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission purchases commercial insurance for other risks of loss, general liability, property and casualty, and workers' compensation benefits. Health insurance is provided by a third-party insurance company. Settled claims have exceeded commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage from the prior year.

Note 13: Deferred Compensation Plan

A deferred compensation plan under Internal Revenue Code Section 457(b) was established in December 2003, to be funded solely by voluntary employee contributions.

Note 14: Subsequent Events

Subsequent events have been evaluated through October 4, 2024, which is the audit report date.



SCHULTZ, WOOD & RAPP, P.C.

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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**

October 4, 2024

The Commissioners
Meramec Regional Planning Commission
St. James, MO

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and aggregate discretely presented component units of Meramec Regional Planning Commission as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Meramec Regional Planning Commission's basic financial statements and have issued our report thereon dated October 4, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Meramec Regional Planning Commission's internal control over financial reporting (internal control) as a basis of designing 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 Meramec Regional Planning Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of Meramec 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Commission'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 in internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses.

Report on Compliance and Other Matters

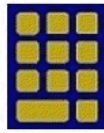
As part of obtaining reasonable assurance about whether Meramec Regional Planning Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with these 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 Commission'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 communication is not suitable for any other purpose.

Schultz, Wood & Rapp, P.C.

Springfield, MO



SCHULTZ, WOOD & RAPP, P.C.

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

October 4, 2024

The Commissioners
Meramec Regional Planning Commission
St. James, MO

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Meramec Regional Planning Commission's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Meramec Regional Planning Commission's major federal programs for the year ended June 30, 2024. Meramec 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.

In our opinion, Meramec 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 each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Meramec Regional Planning Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Meramec Regional Planning Commission's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Meramec Regional Planning Commission's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Meramec Regional Planning Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists.

The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Meramec Regional Planning Commission's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Meramec Regional Planning Commission's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Meramec Regional Planning Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Meramec Regional Planning Commission's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of an audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that will be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of Meramec Regional Planning Commission's internal control over compliance. Accordingly, no such opinion is expressed.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Schultz, Wood & Rapp, P.C.

Springfield, MO

MERAMEC REGIONAL PLANNING COMMISSION

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor Program Title	Assistance Listing Number	Federal Award identification Number	Federal Expenditures
<u>U.S. Department of Commerce:</u>			
Pass-through programs from:			
Missouri Department of Economic Development (MO DED) – State Digital Equity Planning and capacity Grant Program	11.032	29-20-B275	\$ 13,158
Total Pass-through program from MO DED			<u>13,158</u>
Economic Development Support for Planning Organizations	11.302	ED22DEN3020019	<u>70,429</u>
Economic Adjustment Assistance:			
Pulaski County Sports Complex Feasibility Study	11.307	06-79-06265	76,950
Revolving Loan Fund – Disaster	11.307	05-79-04934	360,226
COVID-19: Revolving Loan Fund	11.307	05-79-04934	<u>797,176</u>
Total Economic Adjustment Assistance			<u>1,234,352</u>
Total U.S. Department of Commerce			<u>1,317,939</u>
<u>U.S. Department of Defense:</u>			
Pass-through programs from:			
Office of Local Defense Community Cooperation – Community Economic Adjustment Assistance for Responding to Threats to the Resilience of a Military Installation	12.003	MIR1974-24-01	<u>14,678</u>
Total U.S. Department of Defense			<u>14,678</u>
<u>U.S. Department of Justice:</u>			
Opioid Affected Youth Initiative	16.842	2019-YB-FX-K008	<u>85,631</u>
Total U.S. Department of Justice			<u>85,631</u>
<u>U.S. Department of Transportation:</u>			
Pass-through programs from:			
Missouri Department of Transportation (MO DOT) – Highway Planning and Construction	20.205	MODOT-SPR24275	<u>79,760</u>
State and Community Highway Safety	20.600	24BGPE-16-003	32,917
State and Community Highway Safety	20.600	23-PS-02-003	<u>6,461</u>
Total State and Community Highway Safety			<u>39,378</u>
National Priority Safety Programs	20.616	24-CP-09-018	<u>26,090</u>
Total pass-through programs from MO DOT			<u>145,228</u>
Safe Streets and Roads for All	20.939	693JJ32440244	<u>8,446</u>
Total U.S. Department of Transportation			<u>153,674</u>
<u>Federal Communications Commission:</u>			
Affordable Connectivity Outreach Grant Program	32.011	ACOGP2340218	<u>27,995</u>
Total Federal Communications Commission			<u>27,995</u>
<u>U.S. Environmental Protection Agency:</u>			
Pass-through programs from:			
Missouri Department of Natural Resources (MO DNR) – Climate Pollution Reduction Grants	66.046	SA967024-01	<u>10,000</u>
Total Pass-through program from MO DNR and U.S. Environmental Protection Agency			<u>10,000</u>
<u>Delta Regional Authority:</u>			
Delta Local Development District Assistance	90.202	-	<u>30,526</u>
Total Delta Regional Authority			<u>30,526</u>

(continued)

MERAMEC REGIONAL PLANNING COMMISSION
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor Program Title	Assistance Listing Number	Federal Award identification Number	Federal Expenditures
<u>U.S. Department of Health and Human Services:</u>			
Pass-through programs from:			
The Curators of the University of Missouri – Outreach Programs to Reduce the Prevalence of Obesity in High Risk Rural Areas	93.319	C00083213-2	\$ 2,125
Total Pass-through program from the Curators of the University of Missouri			<u>2,125</u>
Health Resources and Services Administration – Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	93.912	1 GA1RH42909-01-00	437,694
Total Pass-through program from Health Resources and Services Administration			<u>437,694</u>
Total U.S. Department of Health and Human Services			<u>439,819</u>
<u>U.S. Department of Homeland Security:</u>			
Pass-through programs from:			
Missouri Department of Public Safety (MO DPS) – Homeland Security Grant Program	97.067	2020-SS-00051-10-00	450
Homeland Security Grant Program	97.067	2021-SS-00038-10-04	5,384
Homeland Security Grant Program	97.067	2021-SS-00038-10-08	1,860
Homeland Security Grant Program	97.067	2021-SS-00038-10-03	10,218
Homeland Security Grant Program	97.067	2022-SS-00094-09-01	1,227
Homeland Security Grant Program	97.067	2022-SS-00094-09-02	10,167
Homeland Security Grant Program	97.067	2023-SS-00085-09-02	12,791
Total U.S. Department of Homeland Security			<u>42,097</u>
<u>U.S. Federal Emergency Management Agency, sub-tier of the U.S. Department of Homeland Security:</u>			
Pass-through programs from:			
Missouri Department of Public Safety (MO DPS) – Hazard Mitigation Grant	97.039	FEMA-DR-4490-003 PFMC-PJ-07-MO-	11,500
BRIC: Building Resilient Infrastructure and Communities	97.047	2019-011	5,750
Total U.S. Federal Emergency Management Agency, sub-tier of the U.S. Department of Homeland Security			<u>17,250</u>
Total Expenditures of Federal Awards			<u>\$ 2,139,609</u>

(continued)

MERAMEC REGIONAL PLANNING COMMISSION
Schedule of Expenditures of Federal Awards (continued)
June 30, 2024

Notes to the Schedule of Expenditures of Federal Awards:

Note 1 – Basis of Presentation – The schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Commission under programs of the federal government. The information in this Schedule is presented 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 selected portion of the operations of the Commission, it is not intended to and does not present the financial position or changes in net assets of the Commission.

The accompanying schedule of expenditures of federal awards present the activity of all federal award programs of Meramec Regional Planning Commission for the fiscal year ended June 30, 2024. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies (or Region I Jurisdictions), are included on the schedule.

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 allowable 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, if any.

Note 3 – Indirect Cost Rate – The Commission has not elected to use the 10% de minimis indirect cost rate allowed under Uniform Guidance. The Commission negotiates an indirect cost rate agreement annually with its cognizant agency, the U.S. Department of Commerce. The Commission charges all programs (federal, state, and local) actual indirect costs not to exceed its negotiated indirect costs rate. The methodology for allocable indirect costs is reasonable and in accordance with Uniform Guidance regarding applicable federal agencies.

Note 4 – Subrecipients – Grants of \$5,834 were passed-through to various Region I Jurisdictions as subrecipients during the year ended June 30, 2024.

Note 5 – Outstanding Loans – The balances of the RLF loans receivable are included in the Economic Adjustment Assistance federal expenditure in the amount of \$1,234,352 stated above. The loan balances as of June 30, 2024 were \$1,091,479.

MERAMEC REGIONAL PLANNING COMMISSION

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

Section I – Summary of Auditor's Results

Financial Statements

Type of Auditor's report issued:		<u>Unmodified</u>
Internal control over financial reporting:		
Material weakness(es) identified	Yes _____	None Reported <u> X </u>
Significant deficiency(ies) identified	Yes _____	None Reported <u> X </u>
Control deficiencies identified not considered to be significant deficiency(ies)	Yes _____	None Reported <u> X </u>
Noncompliance material to financial statements noted	Yes _____	None Reported <u> X </u>

Federal Awards

Internal control over major programs:		
Material weakness(es) identified	Yes _____	None Reported <u> X </u>
Significant deficiency(ies) identified	Yes _____	None Reported <u> X </u>
Control deficiencies identified not considered to be significant deficiency(ies)	Yes _____	None Reported <u> X </u>

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance	Yes _____	None Reported <u> X </u>
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Identification of major programs:

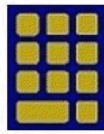
<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
11.307	U.S. Department of Commerce, Economic Adjustment Assistance

Dollar Threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as a low risk auditee?	Yes <u> X </u>	No _____
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Summary Schedule of Prior Audit Findings

There are no prior year Federal Award Findings or Questioned Costs



SCHULTZ, WOOD & RAPP, P.C.

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**INDEPENDENT AUDITOR'S COMMUNICATION
WITH THOSE CHARGED WITH GOVERNANCE**

October 4, 2024

The Commissioners
Meramec Regional Planning Commission
St. James, MO

We have audited the financial statements of the business-type activities and aggregate discretely presented component units of the Meramec Regional Planning Commission for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, if applicable, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 1, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Meramec Regional Planning Commission are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2024. We noted no transactions entered by Meramec Regional Planning Commission during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no sensitive disclosures in your financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 4, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Meramec Regional Planning Commission's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Meramec Regional Planning Commission's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management discussion and analysis, which is a requirement supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Meramec Regional Planning Commission's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Restriction of Use

This information is intended solely for the information and use of Board of Commissioners and management of Meramec Regional Planning Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

Schultz, Wood & Rapp, P.C.

Springfield, MO