

MERAMEC REGIONAL PLANNING COMMISSION

Audited Financial Statements and Supplementary Information

June 30, 2025 and 2024



SCHULTZ, WOOD & RAPP, P.C.

CERTIFIED PUBLIC ACCOUNTANTS · BUSINESS CONSULTANTS
MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

3126 SOUTH PICKWICK PLACE · SPRINGFIELD, MO 65804-3741 · TEL: 417-865-4333 · FAX: 417-865-4563
1004 WEST BROADWAY P.O. BOX 377 · WEST PLAINS, MO 65775 · TEL: 417-256-6191 · FAX: 417-256-0357

MERAMEC REGIONAL PLANNING COMMISSION

Table of Contents
June 30, 2025 and 2024

	<u>Page</u>
FINANCIAL SECTION:	
Independent Auditor's Report	1 – 2
Management's Discussion and Analysis	3 – 6
BASIC FINANCIAL STATEMENTS:	
Statements of Net Position	7 – 8
Statements of Revenues, Expenses and Changes in Net Position	9 – 10
Statements of Cash Flows	11 – 12
Notes to Financial Statements	13 – 19
FEDERAL COMPLIANCE AND INTERNAL CONTROL SECTION:	
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 <i>Government Auditing Standards</i>	20 – 21
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	22 – 23
Schedule of Expenditures of Federal Awards and Accompanying Notes	24 – 26
Schedule of Findings and Questioned Costs	27
CORRESPONDENCE SECTION:	
Independent Auditor's Communication with Those Charged with Governance	28 – 29



SCHULTZ, WOOD & RAPP, P.C.

CERTIFIED PUBLIC ACCOUNTANTS · BUSINESS CONSULTANTS
MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

October 3, 2025

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, 2025 and 2024, 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, 2025 and 2024, 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:

- 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2025, 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, 2025 and 2024

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, 2025 and 2024. 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, 2025</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Current assets	\$ 2,079,414	2,240,538	1,904,036
Capital assets, net of accumulated depreciation	274,847	256,900	264,058
Noncurrent assets	1,008,610	1,252,036	1,548,972
Total assets	<u>3,362,871</u>	<u>3,749,474</u>	<u>3,717,066</u>
Deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	<u>\$ 3,362,871</u>	<u>3,749,474</u>	<u>3,717,066</u>
Current liabilities	\$ 780,022	809,566	631,291
Long-term liabilities	26,385	382,615	415,577
Total liabilities	<u>806,407</u>	<u>1,192,181</u>	<u>1,046,868</u>
Deferred inflows of resources – deferred revenue	102,292	64,819	93,866
Total liabilities and deferred inflows of resources	<u>908,699</u>	<u>1,257,000</u>	<u>1,140,734</u>
Net position:			
Invested in capital assets, net of related debt	240,181	214,198	213,556
Unrestricted	2,213,991	2,278,276	2,362,776
Total net position	<u>2,454,172</u>	<u>2,492,474</u>	<u>2,576,332</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 3,362,871</u>	<u>3,749,474</u>	<u>3,717,066</u>

MERAMEC REGIONAL PLANNING COMMISSION
Management's Discussion and Analysis (MD&A)
Years Ended June 30, 2025 and 2024

Changes in Net Position (including component units)

	Year Ended June 30		
	2025	2024	2023
Operating Revenues			
Revenue from grants and services	\$3,055,379	3,197,112	3,569,639
Operating Expenses			
Operating expenses excluding depreciation	3,023,974	3,225,782	3,521,249
Depreciation	62,206	62,501	53,385
Total operating expenses	3,086,180	3,288,283	3,574,634
Operating income (loss)	(30,801)	(91,171)	(4,995)
Nonoperating Revenues (Expenses)			
Investment income	3,427	3,256	1,622
Investment expense	(4,225)	(5,322)	(5,798)
Gain on sale of assets	19,500	9,379	15,034
Transfer to other entity	-	-	-
Total nonoperating revenues (expenses)	18,702	7,313	10,858
Change in Net Position	(12,099)	(83,858)	5,863
Fund transfer (out) to Meramec Regional Development Corporation at liquidation	(26,203)	-	-
Net position, beginning of year	2,492,474	2,576,332	2,570,469
Net position, end of year	\$2,454,172	2,492,474	2,576,332

Financial Highlights (including component units)

- The Commission ended the year June 30, 2025 with a deficit of \$12,099 compared to a deficit of \$83,858 for the year ended June 30, 2024. As of June 30, 2025, the Commission's net fund balance was \$2,454,172 of which \$240,181 represented the amount invested in capital assets net of related debt, and \$2,213,991 was unrestricted. The funding in this fiscal year was sufficient to hire the required staff to complete projects in a timely manner 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, 2025 with restricted and unrestricted cash and cash equivalents of \$740,061, a 18.67% decrease from last year. Accounts receivable balance on June 30, 2025 was \$643,758.
- The statement of cash flows identifies the sources and uses of cash activities for the fiscal year. During the fiscal year ended June 30, 2025, the Commission's cash decreased \$169,897. This decrease 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, 2025 with notes receivable for both the IRP and the RLF programs of \$973,944. This was another non-typical year for the loan department. One loan, totaling \$71,083 was written off as uncollectible. No new RLF loans were made during the fiscal year. Three 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 2024-2025 for both loan programs was \$164,306.

MERAMEC REGIONAL PLANNING COMMISSION
Management's Discussion and Analysis (MD&A)
Years Ended June 30, 2025 and 2024

- Principal on outstanding debt decreased by \$372,874. 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. The Commission used revolving loan funds to pay off the USDA-IRP loans #9 and #11 and transferred the remaining loan receivables and proceeds to the RLF fund. As of June 30, 2025 and 2024, there were \$- and \$261,582, 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, 2025 and 2024, there were \$662,872 and \$581,933, respectively, in revolved funds available for relending from all EDA RLF sources, both federalized and defederalized.
- 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 \$274,847 at June 30, 2025 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 \$17,947. The Commission's capital assets, net of accumulated depreciation, consisted of:

	June 30		
	2025	2024	2023
Land	\$ 18,700	18,700	18,700
Building and improvements	94,476	110,618	123,662
Furniture and equipment	2,450	2,424	3,605
Automobiles	104,889	63,167	50,439
Computers and copiers	54,332	61,991	67,652
Total capital assets, net of accumulated depreciation	<u>\$ 274,847</u>	<u>256,900</u>	<u>264,058</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		
	2025	2024	2023
Loans from USDA	<u>\$ -</u>	<u>372,874</u>	<u>397,552</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, 2025 and 2024

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, 2025

	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	\$ 111,454	33,025	436,720	-	581,199
Cash - capacity building fund	158,862	-	-	-	158,862
Accounts receivable	639,920	673	3,165	-	643,758
Due from related organization and employees	123,731	-	-	-	123,731
Prepaid expenses and deposits	4,169	3,989	1,444	-	9,602
Due from others	134,117	90,820	337,325	-	562,262
Total current assets	<u>1,172,253</u>	<u>128,507</u>	<u>778,654</u>	<u>-</u>	<u>2,079,414</u>
Non-current assets:					
Loan receivable	34,666	-	-	-	34,666
Notes receivable	-	-	973,944	-	973,944
Capital assets:					
Non-depreciable	-	18,700	-	-	18,700
Depreciable	-	931,448	-	-	931,448
	-	950,148	-	-	950,148
Less accumulated depreciation	-	675,301	-	-	675,301
Net capital assets	-	274,847	-	-	274,847
Total non-current assets	<u>34,666</u>	<u>274,847</u>	<u>973,944</u>	<u>-</u>	<u>1,283,457</u>
Total assets	<u>1,206,919</u>	<u>403,354</u>	<u>1,752,598</u>	<u>-</u>	<u>3,362,871</u>
Deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 1,206,919</u>	<u>403,354</u>	<u>1,752,598</u>	<u>-</u>	<u>3,362,871</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u>					
Current liabilities:					
Accounts payable	\$ 116,491	11,982	1,041	-	129,514
Due to others	428,145	20,962	113,156	-	562,263
Due to related organizations	2,066	-	-	-	2,066
Accrued vacation and compensatory time	77,898	-	-	-	77,898
Current portion of long-term debt	-	8,281	-	-	8,281
Total current liabilities	<u>624,600</u>	<u>41,225</u>	<u>114,197</u>	<u>-</u>	<u>780,022</u>
Non-current liabilities:					
Loan payable - MRPC	-	26,385	-	-	26,385
Total non-current liabilities	<u>-</u>	<u>26,385</u>	<u>-</u>	<u>-</u>	<u>26,385</u>
Total liabilities	<u>624,600</u>	<u>67,610</u>	<u>114,197</u>	<u>-</u>	<u>806,407</u>
Deferred inflows of resources: Deferred revenue	102,151	-	141	-	102,292
Total liabilities and deferred inflows of resources	<u>726,751</u>	<u>67,610</u>	<u>114,338</u>	<u>-</u>	<u>908,699</u>
Net position:					
Invested in capital assets, net of related debt	-	240,181	-	-	240,181
Unrestricted	480,168	95,563	1,638,260	-	2,213,991
Total net position	<u>480,168</u>	<u>335,744</u>	<u>1,638,260</u>	<u>-</u>	<u>2,454,172</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 1,206,919</u>	<u>403,354</u>	<u>1,752,598</u>	<u>-</u>	<u>3,362,871</u>

See accompanying notes to the financial statements.

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	-	34,666	-	347,949	382,615
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	-	214,198	-	-	214,198
Unrestricted	446,772	103,623	1,673,851	54,030	2,278,276
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 Revenues, Expenses and Changes in Net Position
 Year Ended June 30, 2025

	Business-type Activities MRPC	Component Unit MRB	Component Unit RLF	Component Unit IRP	Component Unit IRP	Component Unit IRP	Total
<u>OPERATING REVENUES</u>							
Planning and project development income	\$ 1,364,737	-	-	-	-	-	1,364,737
Administrative revenue - SBA/RLF loans	107,481	-	-	-	-	-	107,481
Environmental	441,584	-	-	-	-	-	441,584
Housing assistance administration	621,219	-	-	-	-	-	621,219
Rental Income	-	304,432	-	-	-	-	304,432
Interest earned on loans	-	-	53,579	-	6,331	-	59,910
Service income - MRB	123,006	-	-	-	-	-	123,006
Dues	11,838	-	-	-	-	-	11,838
Other	15,255	4,986	931	-	-	-	21,172
Total operating revenues	<u>2,685,120</u>	<u>309,418</u>	<u>54,510</u>	<u>6,331</u>	<u>6,331</u>	<u>6,331</u>	<u>3,055,379</u>
<u>OPERATING EXPENSES</u>							
Advertising	2,841	-	-	-	-	-	2,841
Annual audit	11,150	-	1,000	1,000	-	-	13,150
Annual dinner	5,004	-	-	-	-	-	5,004
Auto lease	32,197	-	-	-	-	-	32,197
Credit losses	-	-	71,556	-	-	-	71,556
Building lease	127,399	98,303	-	-	-	-	225,702
Computer lease	74,791	37,978	-	-	-	-	112,769
Contract services	399,979	-	-	-	-	-	399,979
Copy Lease	22,860	16,066	-	-	-	-	38,926
Depreciation	-	62,206	-	-	-	-	62,206
Equipment rental	3,900	-	-	-	-	-	3,900
Film, pictures, and slides	11	-	-	-	-	-	11
Furniture and equipment expenses	49,159	-	-	-	-	-	49,159
Furniture and equipment lease	24,285	10,470	-	-	-	-	34,755
Graphics and outside printing	2,954	-	-	-	-	-	2,954
Grant expenses	16,491	-	-	-	-	-	16,491
Indirect/general and administrative costs	303,408	64,774	48,331	1,203	-	-	417,716
In-kind match	828	-	-	-	-	-	828
Insurance	2,619	-	1,033	438	-	-	4,090
Legal fees	1,200	-	-	-	-	-	1,200
Licenses and miscellaneous fees	11,150	-	-	-	-	-	11,150
Memberships	8,615	-	-	-	-	-	8,615
Other miscellaneous expense	4,528	-	-	-	-	-	4,528
Outside services	28,478	-	-	-	-	-	28,478
Personnel - salaries	1,114,003	-	-	-	-	-	1,114,003
Personnel - fringe	288,244	-	-	-	-	-	288,244
Phone	8,799	-	-	-	-	-	8,799
Postage	9,150	-	-	-	-	-	9,150
Recording fees	1,226	-	-	-	-	-	1,226
Repairs, parts, materials	30	-	-	-	-	-	30
Scholarships	30,469	-	-	-	-	-	30,469
Staff and board development	12,694	-	-	-	-	-	12,694
Subscriptions and publications	719	-	-	-	-	-	719
Supplies	37,021	-	-	-	-	-	37,021
Transportation equipment	-	20,093	-	-	-	-	20,093
Travel	15,527	-	-	-	-	-	15,527
Total operating expenses	<u>2,651,729</u>	<u>309,890</u>	<u>121,920</u>	<u>2,641</u>	<u>2,641</u>	<u>2,641</u>	<u>3,086,180</u>
Operating Income (Loss)	<u>33,391</u>	<u>(472)</u>	<u>(67,410)</u>	<u>3,690</u>	<u>3,690</u>	<u>3,690</u>	<u>(30,801)</u>
<u>NONOPERATING REVENUES (EXPENSES)</u>							
Gain on sale of assets	-	19,500	-	-	-	-	19,500
Net investment income	5	66	2,121	1,235	-	-	3,427
Interest expense	-	(1,171)	-	(3,054)	-	-	(4,225)
Total Nonoperating revenues (expenses)	<u>5</u>	<u>18,395</u>	<u>2,121</u>	<u>(1,819)</u>	<u>(1,819)</u>	<u>(1,819)</u>	<u>18,702</u>
Revenues over (under) expenditures	33,396	17,923	(65,289)	1,871	-	-	(12,099)
Transfers in (out)	-	-	55,901	(55,901)	-	-	-
Fund transfer (out) to Meramec Regional Development Corporation at liquidation	-	-	(26,203)	-	-	-	(26,203)
Fund balance, beginning of year	446,772	317,821	1,673,851	54,030	-	-	2,492,474
Fund balance, end of year	<u>\$ 480,168</u>	<u>335,744</u>	<u>1,638,260</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,454,172</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 Component Component Component				Total
	Activities MRPC	Unit MRB	Unit RLF	Unit IRP	
<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	21,708	-	-	-	21,708
Other	14,133	-	3,396	-	17,529
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
Credit losses	-	-	-	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	536,614	310,348	1,673,806	55,564	2,576,332
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 Cash Flows

Year Ended June 30, 2025

	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	\$ 2,588,151	-	169,953	124,186	2,882,290
Cash payments to suppliers	(912,737)	(268,241)	(74,129)	(1,991)	(1,257,098)
Cash payments to employees	(1,422,110)	-	-	-	(1,422,110)
Cash received (paid) from (to) other funds	(281,737)	356,745	(7,355)	19,896	87,549
Net cash provided by (used in) operating activities	<u>(28,433)</u>	<u>88,504</u>	<u>88,469</u>	<u>142,091</u>	<u>290,631</u>
Cash Flows from Capital and Related Financing Activities					
Purchase of capital assets	-	(80,153)	-	-	(80,153)
Proceeds from sale of capital assets	-	19,500	-	-	19,500
Fund transfer (out) to Meramec Regional Development Corporation at liquidation	-	-	(26,203)	-	(26,203)
Principal paid on debt	-	(8,036)	-	(372,874)	(380,910)
Interest paid on debt	-	(1,171)	-	(3,054)	(4,225)
Net cash provided by investing activities	<u>-</u>	<u>(69,860)</u>	<u>(26,203)</u>	<u>(375,928)</u>	<u>(471,991)</u>
Cash Flows from Investing Activities					
Proceeds from interest earnings	5	66	2,121	1,235	3,427
Proceeds from MRB loan receivable	8,036	-	-	-	8,036
Net cash provided by investing activities	<u>8,041</u>	<u>66</u>	<u>2,121</u>	<u>1,235</u>	<u>11,463</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(20,392)	18,710	64,387	(232,602)	(169,897)
Cash and cash equivalents, beginning of year	<u>290,708</u>	<u>14,315</u>	<u>372,333</u>	<u>232,602</u>	<u>909,958</u>
Cash and cash equivalents, end of year	<u>\$ 270,316</u>	<u>33,025</u>	<u>436,720</u>	<u>-</u>	<u>740,061</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating income (loss)	\$ 33,391	(472)	(67,410)	3,690	(30,801)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	-	62,206	-	-	62,206
Close out IRP to RLF	-	-	55,901	(55,901)	-
(Increase) decrease in:					
Accounts receivable	(134,442)	(673)	(2,092)	-	(137,207)
Due from related organizations	173,256	-	-	-	173,256
Prepaid expenses and deposits	3,025	(762)	(1,006)	438	1,695
Due from others	(78,565)	77,373	(122,325)	77,000	(46,517)
Notes receivable	-	-	117,535	117,855	235,390
Increase (decrease) in:					
Accounts payable	30,312	(19,795)	466	(991)	9,992
Due to others	(32,048)	(29,373)	107,400	-	45,979
Due to related organizations	(40,972)	-	-	-	(40,972)
Accrued vacation and compensatory time	(19,863)	-	-	-	(19,863)
Deferred revenue	37,473	-	-	-	37,473
Total Adjustments	<u>(61,824)</u>	<u>88,976</u>	<u>155,879</u>	<u>138,401</u>	<u>321,432</u>
Net cash provided by (used in) operating activities	\$ (28,433)	88,504	88,469	142,091	290,631

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	-	400,844	12,921	3,294,491
Cash payments to suppliers	(956,530)	(271,288)	(4,543)	(3,277)	(1,235,639)
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)	(151,335)
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

Notes to Financial Statements

June 30, 2025 and 2024

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, 2025 and 2024

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 consists of balances owed for services billed. No allowance for credit losses were recorded because the Commission expected to fully collect all receivables as of June 30, 2025.

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 has 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, 2025 and 2024

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:

Assets	Years
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, 2025, the Commission's bank balances were entirely secured by bank letters of credit and collateralized with securities held by the Commission or by its agent in the Commission's name.

As of June 30, 2025, 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, 2025, the fund earned approximately \$18,528 in investment income since 2010, net of investments fees. 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. In 2024, the Commission withdrew \$75,000 to increase cash flow. The asset as of June 30, 2025 is \$158,862.

MERAMEC REGIONAL PLANNING COMMISSION

Notes to Financial Statements (continued)

June 30, 2025 and 2024

Note 4: Capital Assets

A summary of changes in MRB's capital assets for the year ended June 30, 2025 follows:

	Balance June 30, 2023	Additions	Deletions	Balances June 30, 2024	Additions	Deletions	Balances June 30, 2025
Land	\$ 18,700	-	-	18,700	-	-	18,700
Building and improvements	434,175	3,360	-	437,535	-	-	437,535
Furniture and equipment	126,414	-	-	126,414	859	-	127,273
Automobiles	132,797	28,959	17,968	143,788	58,622	41,007	161,403
Computers and copiers	188,030	23,102	20,036	191,096	20,672	6,531	205,237
	<u>\$ 900,116</u>	<u>55,421</u>	<u>38,004</u>	<u>917,533</u>	<u>80,153</u>	<u>47,538</u>	<u>950,148</u>

A summary of changes in MRB's accumulated depreciation for the year ended June 30, 2025 follows:

	Balance June 30, 2023	Additions	Deletions	Balances June 30, 2024	Additions	Deletions	Balances June 30, 2025
Building and improvements	\$ 310,513	16,404	-	326,917	16,142	-	343,059
Furniture and equipment	122,809	1,182	-	123,991	833	-	124,823
Automobiles	82,358	16,231	17,968	80,621	16,900	41,007	56,514
Computer and copiers	120,378	28,684	19,957	129,105	28,331	6,531	150,905
	<u>\$ 636,058</u>	<u>62,501</u>	<u>37,925</u>	<u>660,633</u>	<u>62,206</u>	<u>47,538</u>	<u>675,301</u>

Depreciation by asset:

	2025	2024
Building and improvements	\$ 16,142	16,404
Furniture and equipment	833	1,182
Automobiles	16,900	16,231
Computer and copiers	28,331	28,684
	<u>\$ 62,206</u>	<u>62,501</u>

Note 5: Due to/from Others

Balance due to/from others as of June 30, 2025 are as follows:

Receivable	Payable	June 30, 2025	June 30, 2024
IRP	MRPC	\$ -	77,000
MRB	MRPC	90,820	168,193
MRPC	MRB	20,962	50,335
MRPC	IRP	-	133
MRPC	RLF	113,155	5,084
RLF	MRPC	337,325	215,000
		<u>\$ 562,262</u>	<u>515,745</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, 2025 and 2024

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, 2023	\$ 50,502
Repayments	<u>(7,800)</u>
Balance, June 30, 2024	42,702
Repayments	<u>(8,036)</u>
Balance, June 30, 2025	<u><u>\$ 34,666</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
2026	\$ 8,282	927	9,209
2027	8,533	675	9,208
2028	8,793	415	9,208
2029	9,058	147	9,205
	<u><u>\$ 34,666</u></u>	<u><u>2,164</u></u>	<u><u>36,830</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, 2025, the principal balance on these loans were \$- and \$-, 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, 2025 was \$3,054. As of June 30, 2025, both loans were paid in full.

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

	USDA Loan #9	USDA Loan #11	Total
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	257,478	115,396	372,874
Principal payments	<u>(257,478)</u>	<u>(115,396)</u>	<u>(372,874)</u>
Balance, June 30, 2025	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

MERAMEC REGIONAL PLANNING COMMISSION

Notes to Financial Statements (continued)

June 30, 2025 and 2024

Note 8: Homeland Security Grant Expenses

The Commission was the recipient of grants 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, 2025 and 2024, these transactions consisted of the following amounts:

	<u>2025</u>	<u>2024</u>
The Commission's revenues included as MRB expenditures:		
Building maintenance and administrative services	\$ 123,006	144,141
MRB revenues also included as the Commission's expenditures:		
Building, vehicles, furniture, and equipment lease	\$ 304,432	329,615

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, 2025, the organizations owed the Commission for these services as follows:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
MRDC SBA	\$ -	96,330
MLEPD	4,097	15,720
MCEC	-	87,284
ORSWMD	61,342	86,670
Gasconade County IDA	748	1,374
PHA	53,227	5,719
GVEZ	4,175	3,656
Employees	142	234
	<u>\$ 123,731</u>	<u>296,987</u>

In addition, at June 30, 2025, the Commission recognized revenue from these organizations as follows:

	<u>Year Ended</u>	
	<u>June 30, 2025</u>	<u>June 30, 2024</u>
PHA	\$ 621,219	605,560
MRDC SBA	57,386	35,865
ORSWMD	283,889	275,384
Gasconade County IDA	1,237	751
GVEZ	12,119	10,944
MCEC	21,935	64,404
MLEPD	24,745	21,779
	<u>\$ 1,022,530</u>	<u>1,014,687</u>

MERAMEC REGIONAL PLANNING COMMISSION

Notes to Financial Statements (continued)

June 30, 2025 and 2024

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 \$23,644 and \$22,451 from CFO for administrative fees for the year ended June 30, 2025 and 2024, respectively. MRCF remitted \$750 and \$750 in contributions of its Capacity Building Fund to the Commission for fiscal years 2025 and 2024, 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 \$124,648 and \$129,890 for the years ended June 30, 2025 and 2024, 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 3, 2025, which is the audit report date.



SCHULTZ, WOOD & RAPP, P.C.

CERTIFIED PUBLIC ACCOUNTANTS · BUSINESS CONSULTANTS
MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

**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 3, 2025

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, 2025, 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 3, 2025.

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

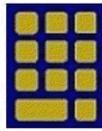
As part of obtaining reasonable assurance about whether Meramec Regional Planning Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have 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.

CERTIFIED PUBLIC ACCOUNTANTS · BUSINESS CONSULTANTS
MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

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

October 3, 2025

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, 2025. 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, 2025.

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, 2025

Federal Grantor/Pass-Through Grantor Program Title	Assistance Listing Number	Federal Award identification Number	Federal Expenditures
<u>U.S. Department of Commerce:</u>			
Economic Development Support for Planning Organizations	11.302	ED22DEN3020019	\$ 52,500
Economic Development Support for Planning Organizations	11.302	ED25DEN0G0201	14,389
Total Economic Development Support for Planning Organizations			<u>66,889</u>
Economic Adjustment Assistance:			
Revolving Loan Fund – Disaster	11.307	05-79-04934	354,963
COVID-19: Revolving Loan Fund	11.307	05-79-06021	811,197
Total Economic Adjustment Assistance			<u>1,166,160</u>
Total U.S. Department of Commerce			<u>1,233,049</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	336,536
Total U.S. Department of Defense			<u>336,536</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-SPR2527S	96,260
State and Community Highway Safety	20.600	24-BGPE-16-003	4,852
State and Community Highway Safety	20.600	24-BGPE-16-004	33,016
Total State and Community Highway Safety			<u>37,868</u>
National Priority Safety Programs	20.616	24-CP-09-018	1,410
National Priority Safety Programs	20.616	25-CP-09-012	19,092
Total National Priority Safety Programs			<u>20,502</u>
Total Pass-through programs from MO DOT			<u>154,630</u>
Direct: Safe Streets and Roads for All	20.939	693JJ32440244	47,180
Total U.S. Department of Transportation			<u>201,810</u>
<u>Delta Regional Authority:</u>			
Delta Local Development District Assistance	90.202		8,000
Delta Local Development District Assistance	90.202	MO-10723	23,185
Total Delta Regional Authority			<u>31,185</u>
<u>U.S. Department of Health and Human Services:</u>			
Health Resources and Services Administration – Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	93.912	1GA1RH442909-01-00	\$ 187,487

(continued)

MERAMEC REGIONAL PLANNING COMMISSION
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2025

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 (continued):</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	\$ 37,374
Total Pass-through program from the Curators of the University of Missouri			37,374
Missouri Department of Health and Senior Services (MO DHSS)			
Preventive Health and Health Services Block Grant	93.991	KQ250056667	8,150
Total Pass-through programs from MO DHSS			8,150
Total U.S. Department of Health and Human Services			233,011
<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	2021-SS-00038-10-06	15,133
Homeland Security Grant Program	97.067	2021-SS-00038-10-07	14,599
Homeland Security Grant Program	97.067	2022-SS-00094-09-01	1,386
Homeland Security Grant Program	97.067	2022-SS-00094-09-03	1,065
Homeland Security Grant Program	97.067	2022-SS-00094-09-05	8,220
Homeland Security Grant Program	97.067	2022-SS-00094-09-06	10,493
Homeland Security Grant Program	97.067	2023-SS-00085-09-01	3,805
Homeland Security Grant Program	97.067	2023-SS-00085-09-02	12,158
Homeland Security Grant Program	97.067	2024-SS-05013-09-01	1,178
Homeland Security Grant Program	97.067	2024-SS-05013-09-02	18,556
Homeland Security Grant Program	97.067	2024-SS-05013-09-03	6,859
Total passthrough program from MO DPS and U.S. Department of Homeland Security			93,452
Total Expenditures of Federal Awards			\$ 2,129,043

(continued)

MERAMEC REGIONAL PLANNING COMMISSION
Schedule of Expenditures of Federal Awards (continued)
June 30, 2025

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, 2025. 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 \$48,444 were passed-through to various Region I Jurisdictions as subrecipients during the year ended June 30, 2025.

Note 5 – Outstanding Loans – The balances of the RLF loans receivable are included in the Economic Adjustment Assistance federal expenditure in the amount of \$1,166,160 stated above. The loan balances as of June 30, 2025 were \$973,944.



SCHULTZ, WOOD & RAPP, P.C.

CERTIFIED PUBLIC ACCOUNTANTS · BUSINESS CONSULTANTS
MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

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

October 3, 2025

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, 2025. 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 June 30, 2025. 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 2025. 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 3, 2025.

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