

**Independent Auditor's Report
and Related Financial Statements**

**MID-OHIO VALLEY REGIONAL PLANNING AND
DEVELOPMENT COUNCIL**

For the Year Ended June 30, 2021

MID-OHIO VALLEY REGIONAL PLANNING AND DEVELOPMENT COUNCIL
Table of Contents
For the Year Ended June 30, 2021

	<u>Page</u>
Responsible Individuals / Boards	1
Independent Auditor's Report	3
Management Discussion & Analysis	6
Basic Financial Statements:	
Statement of Net Position – Proprietary-Funds	10
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary-Funds	11
Statement of Cash Flows - Proprietary-Funds	12
Notes to the Financial Statements	13
Other Supplementary Information	24
Combing by Program Statement of Revenues, Expenses, and Changes in Program Balance - Mid-Ohio Valley Regional Planning and Development Council	25
Combing by Program Statement of Revenues, Expenses, and Changes in Program Balance - Mid-Ohio Valley Development Corporation	28
Schedule of Functional Expense for Programs with Different Reporting Fiscal Periods other than June 30, 2021,	29
Comparative Schedule of Budget to Actual Functional Expense of Indirect Costs Charged to Programs	30
Schedule of Expenditures of Federal Awards	31
Notes to Schedule of Expenditures of Federal Awards	32
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>	33
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by Uniform Guidance	35
Schedule of Findings and Questioned Costs	37

**BOARD MEMBERS
MID-OHIO VALLEY REGIONAL PLANNING AND DEVELOPMENT COUNCIL**

Mr. Chip Westfall
Mr. Mitch Morrison
Mr. Jay Powell
Mr. Randall Riggs
Mr. Andrew Corkrean
Mr. Eric Vincent
Mr. Bob Tebay
Mr. Robert Gunnoe

Calhoun County Commission
Jackson County Commission
Pleasants County Commission
Ritchie County Commission
Roane County Commission
Tyler County Commission
Wood County Commission
Wirt County Commission

Ron Blankenship, Mayor
Carolyn Rader, Mayor
Tim Barnes, Mayor
Josh Miller, Mayor
L. Paul Ingram, Mayor
Steve Lewis, Mayor
Robert E. Lawther, Mayor
Robert Riggs, Mayor
Gary Haugh, Mayor
Terry Williams, Mayor
Alan Haught, Mayor
Sharlene Dodd, Mayor
Chris Phillips, Mayor
Stephen Seago, Mayor
Darla Steele, Mayor
Bill Rice, Mayor
Bobbi Moore, Mayor
Tom Joyce, Mayor
Clyde Hochstrasser, Mayor
Paul Jordan, Mayor
Greg Burd, Mayor
Randy Rapp, Mayor

Town of Grantsville
City of Ripley
City of Belmont
Town of Ravenswood
City of St. Marys
Town of Ellenboro
Town of Auburn
City of Pennsboro
Town of Cairo
City of Spencer
Town of Harrisville
Town of Pullman
Town of Reedy
Town of Middlebourne
Town of Friendly
City of Sistersville
Town of Elizabeth
City of Parkersburg
City of Paden City
City of Williamstown
Town of North Hills
City of Vienna

BOARD MEMBERS
MID-OHIO VALLEY REGIONAL AREA DEVELOPMENT CORPORATION
Part of
MID-OHIO VALLEY REGIONAL PLANNING AND DEVELOPMENT COUNCIL

Diane Braun, Director
Steve Parks, Director
Mark Whitley, Director
J. Eric Peters, Director
Lindsey Kerr Piersol, Director
Eric Vincent
Mr. Ross McPherson
Dr. Chris Gilmer
Mr. Rickie Yeager
Ms. Jill Parsons
Mr. Rick Anderson
Sheila Burch
Roy Schleicher
Stephen Whited
Mike Fleak
Diane Ludwig

Pleasants County Development MOVRC
Ritchie County Economic Development MOVRC
Roane County Development MOVRC
Tyler County Development MOVRC
Wood County Development MOVRC
Wesbanco
WV Labor Training Trust Fund
WVU Parkersburg
Development Director, City of Parkersburg
MOV Chamber of Commerce
Jackson County Development Authority
Little Kanawha Area Development Corporation
Retired Economic Developer
Minnie Hamilton Health Care
Premier Bank, VP Comm/Small Business Dev.
Private Sector

Stephen P. Glaser CPA
1021 7th Avenue
St. Albans, WV 25177

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Mid-Ohio Valley Regional Planning and Development Council
Parkersburg, West Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mid-Ohio Valley Regional Planning and Development Council as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Mid-Ohio Valley Regional Planning and Development Council's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Mid-Ohio Valley Regional Planning and Development Council, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 6-9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

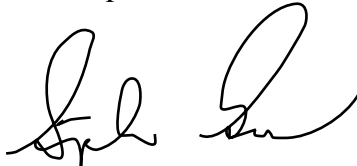
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Mid-Ohio Valley Regional Planning and Development Council's basic financial statements. The combining statement by program of revenue, expense, and changes in net position; schedule of functional expenditures for programs with different reporting fiscal periods other than June 30, 2021; and the comparative schedule of budget to actual functional expense of indirect costs charged to programs for the purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining statement by program of revenue, expense, and changes in net position; schedule of functional expenditures for programs with different reporting fiscal periods other than June 30, 2021; and the comparative schedule of budget to actual functional expense of indirect costs charged to programs and, the schedule of expenditures of federal awards and notes are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic 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 combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2022, on our consideration of Mid-Ohio Valley Regional Planning and Development Council'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Mid-Ohio Valley Regional Planning and Development Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Mid-Ohio Valley Regional Planning and Development Council's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read 'Sp. Glaser', written in a cursive style.

Stephen P. Glaser, CPA
St. Albans, West Virginia
January 14, 2022

**Mid-Ohio Valley Regional Planning and Development Council
Management Discussion and Analysis
Fiscal Year Ending June 30, 2021**

Mid-Ohio Valley Regional Planning and Development Council (MOVRC) provides this Management Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2021. We encourage readers to consider this information in conjunction with the Council's financial statements which follow.

2021 Financial Highlights

31 Fee-For- Services Projects under administration in various stages of construction, planning and final wrap up.

87 Foster Grandparents serving 89,811 hours benefitting 52 children, this is a decrease due to COVID-19 school closures.

215 Retired Senior Volunteers serving 1600 hours this is a decrease due to COVID-19 shutting down volunteer station sites

92 Senior Companions serving 98,226 hours and 177 clients

27 loans closed for \$3,828,501, 192 jobs created/retained

Using this Annual Report

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Agency's financial activities.

The Basic Financial Statements consist of a **Statement of Net Assets** and a **Statement of Activities** for both the funds activities and a **Statement of Cash Flows** for the funds. The fund for MOVRC are programs for community and economic development, transportation, senior program and business programs. The fund for MOVADC are operations of rentals and two loan programs.

Notes to the Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information further explains and supports the financial statements with a comparison of the Agency's budget for the year.

Other Supplementary Information for both Government and Business type programs and grants further explains and supports the financial statements which consist of:

- A combining by program statements of revenues, expenses, and change in net position for MOVRC and MOVADC detailing each by program.

- A schedule of functional expense for programs with difference reporting periods to the grantor. The MOVRC has several grant programs that operate on a different grant cycle than the agency’s fiscal year, so those grant periods are reported in a separate schedule.
- A comparison schedule of the budgeted to actual functional expenses for MOVRC’s indirect cost charged to the programs, and
- A Schedule of Expenditures of Federal Awards and notes that provides details of the various federal programs managed through the agency.

Reporting the Council’s Financial Activities

The Statement of Net Assets and Statement of Activities present the Council’s net assets. Over time, increases or decreases in the Council’s net assets may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating.

The Statement of Net Position and Statement of Activities are divided into two kinds of activities:

MOVRC Activities include social services (senior programs), community and economic development, transportation, and business programs.

MOVADC Activities include commercial rentals and loan programs.

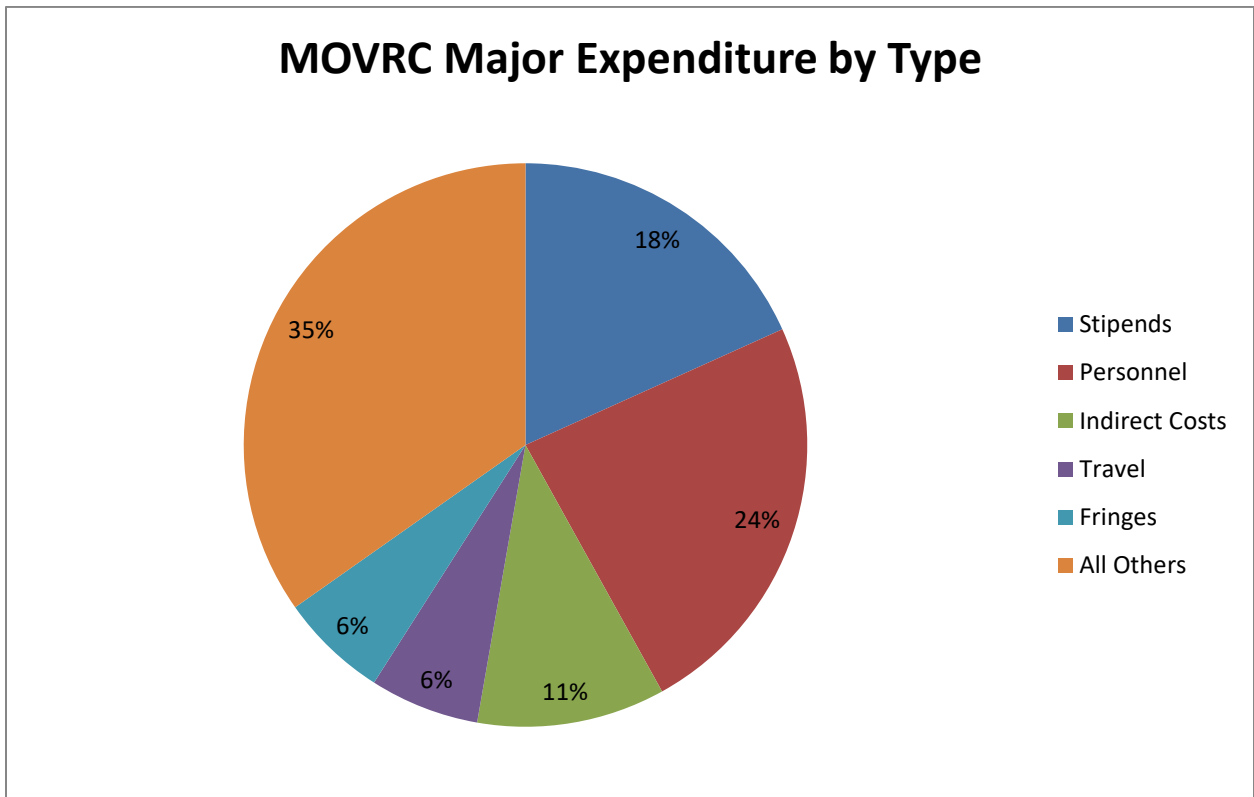
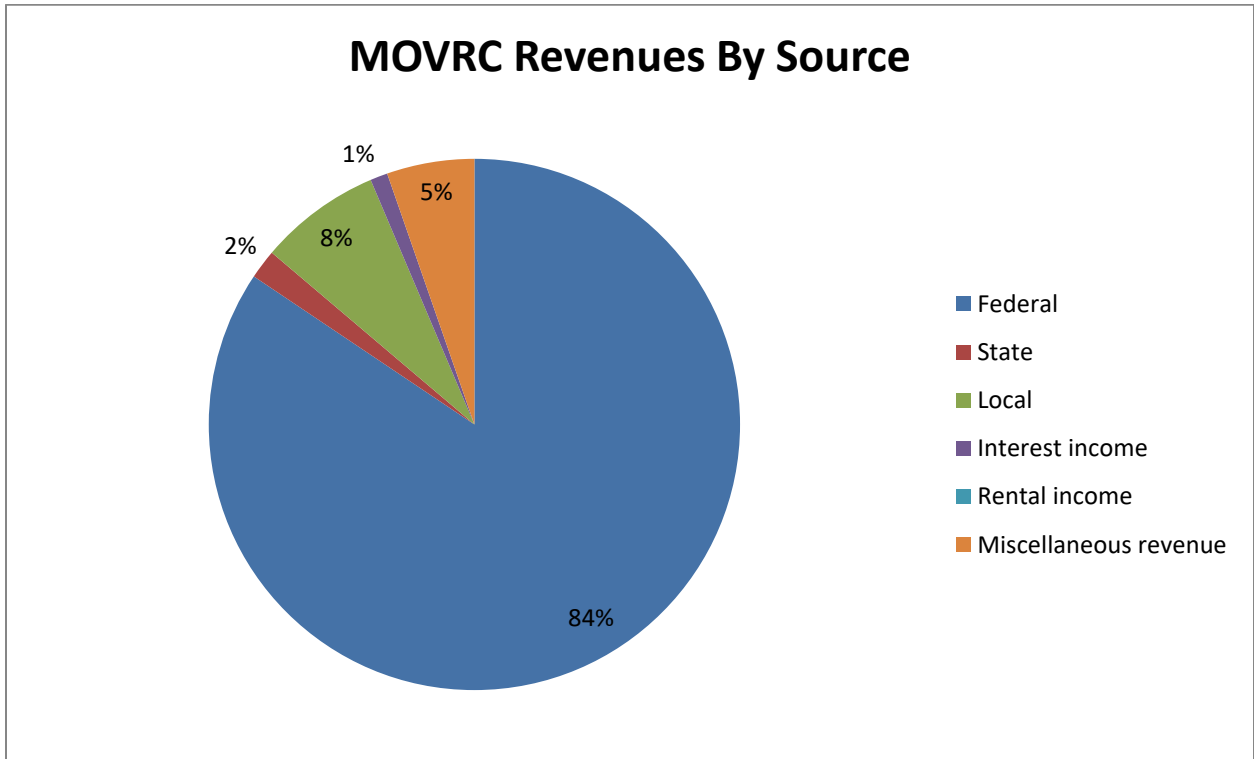
	MOVRC			MOVADC		
	<u>FY2021</u>	<u>FY2020</u>	<u>Change</u>	<u>FY2021</u>	<u>FY2020</u>	<u>Change</u>
REVENUES						
Total revenue	\$ 5,789,154	\$ 2,062,338	\$ 3,726,816	\$ 214,692	\$ 244,482	\$ (29,790)
EXPENDITURES						
Total expenditures	<u>3,088,290</u>	<u>2,027,907</u>	<u>1,060,383</u>	<u>125,888</u>	<u>158,874</u>	<u>(32,986)</u>
Operating Income	2,700,864	34,431	2,666,433	88,805	85,608	3,197
Net Position balances at beginning of year	<u>5,535,393</u>	<u>5,500,962</u>	<u>34,431</u>	<u>3,406,812</u>	<u>3,321,204</u>	<u>85,608</u>
Net Position balances at end of year	<u>\$ 8,236,257</u>	<u>\$ 5,535,393</u>	<u>\$ 2,700,864</u>	<u>\$ 3,495,617</u>	<u>\$ 3,406,812</u>	<u>\$ 88,805</u>

Comparing MOVRC Revenue in FY21 of \$5,789,154 and FY20 of \$2,062,338, Governmental Special Revenue increased \$3,726,816 largely due to the new Covid-19 grant awards \$2,663,581, pass through funds from City of Vienna and Parkersburg for COVID small business relief programs \$253,154 and a Long-Range Transportation Plan grant \$444,197. Comparing the expenditures for the MOVRC for FY21 indicates an increase in expenditures of \$1,060,383 from FY20. The increase in expenditures was mostly due to the increase in staff to handle the new Covid-19 grants; for City of Parkersburg and Vienna Small Business Relief \$253,154, legal fees due to the termination of the Workforce agreement and update to personnel policies \$48,599 and contractual costs for the Long-Range Transportation Plan of \$444,197.

The MOVADC Activities saw a decrease in revenues for FY21 of \$29,790 from FY20, largely due to reductions in interest income from loan programs due to COVID-19.

The MOVADC expenditures were lower in FY21 by \$30,330 primarily due to lower interest expense of \$3,478 ; lower repairs of \$11,935 and lower loan administration costs of \$13,444.

The pie charts on the following page show, in percentages, MOVRC's receipts by source and MOVRC's expenditures by function.



Individual Major Governmental Fund Analysis

The remaining grant funded programs were performing in line with the stated objectives and were renewed without issue for the FY21 program year.

Economic Factors and Budget Impact

Many factors impact the Agency's budget as the revenues are largely derived from direct and sub-grantee grant awards. Loan volume has historically been volatile, but our loan pools have performed very well. The requests for loans from businesses for expansion have been trending higher than even with the COVID19 impact to small business. The Fee for Service (FFS) projects are directly tied to the availability of funding from state, federal and local sources for infrastructure development. The FY21 budget was modified once throughout the year for changes in grant activities as grants are awarded throughout the year under various federal agencies funding cycles

Contacting the Agency's Financial Management

This financial report is designed to provide our grantors, creditors, member government and citizens with a general overview of the Agency's finances and to show the Agency's accountability for the money it receives and manages. If you have any questions regarding this report or need additional financial information contact: Executive Director, PO Box 247, Parkersburg, WV 26102.

Mid-Ohio Valley Regional Planning and Development Council
Statement of Net Position - Proprietary-Funds
Fiscal Year Ending June 30, 2021

	<u>MOVRC</u>	<u>MOVADC</u>	<u>Total</u>
ASSETS:			
Cash and cash equivalents	\$ 93,056	\$ 403,175	\$ 496,230
Restricted cash	1,923,167	1,105,373	3,028,541
Receivables, federal and state	297,599	-	297,599
Receivables, local, interest, and other	262,438	27,691	290,129
Due (to) General Fund from other funds	289	(289)	-
Notes receivable , net of allowance for loan losses	6,301,414	3,426,021	9,727,435
Other assets	2,016	-	2,016
Capital assets not being depreciated	-	296,697	296,697
Capital assets being depreciated, net	-	1,056,959	1,056,959
Total assets	<u>8,879,979</u>	<u>6,315,628</u>	<u>15,195,607</u>
DEFERRED OUTFLOWS OF RESOURCES:			
	-	-	-
LIABILITIES:			
Accounts payable and accrued expenses	127,557	14,028	141,585
Compensated Absences	29,692		29,692
Accrued Payroll Expenses	43,822		43,822
Unearned Revenue	442,652	187,500	630,152
Noncurrent liabilities:			
Due within one year	-	158,775	158,775
Due in more than one year	-	2,459,709	2,459,709
Total liabilities	<u>643,723</u>	<u>2,820,012</u>	<u>3,463,735</u>
DEFERRED INFLOWS OF RESOURCES:			
	-	-	-
NET POSITION:			
Invested in capital assets, net of related debt	-	902,928	902,928
Restricted for loan programs	5,318,402	2,391,330	7,709,732
Committed	2,917,854	201,358	3,119,212
Unrestricted	-	-	-
Total net position	<u>\$ 8,236,256</u>	<u>\$ 3,495,617</u>	<u>\$ 11,731,872</u>

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

Mid-Ohio Valley Regional Planning and Development Council
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary-Funds
Fiscal Year Ending June 30, 2021

	<u>MOVRC</u>	<u>MOVADC</u>	<u>Total</u>
REVENUES:			
Federal	\$ 4,886,457	\$ -	\$ 4,886,457
State	103,347	-	103,347
Local	429,613	-	429,613
Interest income	61,347	72,181	133,528
Rental income	-	142,511	142,511
Miscellaneous revenue	<u>308,390</u>	<u>-</u>	<u>308,390</u>
Total revenues	5,789,154	214,692	6,003,846
EXPENDITURES:			
Advertising and marketing	11,847	-	11,847
Contract services	486,136	4,875	491,011
Dues, fees and memberships	11,125	-	11,125
Equipment rental and repair	-	5,712	5,712
Indirect costs	333,647	54	333,702
Insurance	5,647	11,904	17,551
Interest	-	31,063	31,063
Consumables, postage and printing	42,686	-	42,686
Other and in-kind	491,025	9,565	500,589
Personnel	731,462	103	731,565
Personnel benefits	191,408	25	191,433
Provision for loan losses	20,900	11,677	32,577
Stipends	563,920	-	563,920
Training/conference/workshops	4,375	-	4,375
Travel	194,113	-	194,113
Depreciation	<u>-</u>	<u>50,911</u>	<u>50,911</u>
Total expenditures	<u>3,088,290</u>	<u>125,888</u>	<u>3,214,178</u>
Operating income	2,700,864	88,805	2,789,669
Net Position balances			
at beginning of year	<u>5,535,393</u>	<u>3,406,813</u>	<u>8,942,206</u>
Net Position balances at end of year	<u>\$ 8,236,257</u>	<u>\$ 3,495,618</u>	<u>\$ 11,731,875</u>

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

Mid-Ohio Valley Regional Planning and Development Council
Statement of Cash Flows - Proprietary-Funds
Fiscal Year Ending June 30, 2021

	<u>MOVRC</u>	<u>MOVADC</u>	<u>Total</u>
Cash flows from operating activities:			
Cash from (or out to) customer and users	\$ 3,009,531	\$ 489,167	\$ 3,498,698
Cash (paid) to suppliers and employees	<u>(3,054,211)</u>	<u>(108,435)</u>	<u>(3,162,646)</u>
Net cash used by operating activities	(44,680)	380,732	336,052
Cash flows from financing activities:			
Repayment on long -term debt	-	(151,077)	(151,077)
Unearned revenue (Decrease)increase	<u>79,937</u>	<u>187,500</u>	<u>267,437</u>
Net cash provided by financing activities	79,937	36,423	116,360
Cash flows from investing activities:	-	-	-
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>-</u>
Increase in cash and cash equivalents	35,257	417,155	452,412
Cash and cash equivalents, beginning of year	<u>1,980,966</u>	<u>1,091,393</u>	<u>3,072,359</u>
Cash and cash equivalents, end of year	<u>\$ 2,016,223</u>	<u>\$ 1,508,548</u>	<u>\$ 3,524,771</u>
Cash and cash equivalents consists of:			
Unrestricted Cash	93,056	403,175	496,230
Restricted cash	<u>1,923,167</u>	<u>1,105,373</u>	<u>3,028,541</u>
Cash and cash equivalents, end of year	<u>\$ 2,016,223</u>	<u>\$ 1,508,548</u>	<u>\$ 3,524,771</u>
<u>Reconciliation of operating income to net cash</u>			
<u>provided by operating activities:</u>			
Operating (loss)	\$ 2,700,864	\$ 88,805	\$ 2,789,669
Depreciation and amortization	-	50,911	50,911
Changes in operating assets and liabilities:			
(Increase) decrease in grant receivables	(243,140)	1,825	(241,315)
(Increase) decrease in due from other fu	33,771	-	33,771
(Increase) decrease in notes receivable	(2,570,030)	239,663	(2,330,367)
(Increase) decrease in other assets	(223)	-	(223)
Increase (decrease) in accrued expense:	(38,193)	-	(38,193)
Increase (decrease) in compensated asb	(2,709)	-	(2,709)
Increase (decrease) in accounts payable	<u>74,980</u>	<u>(472)</u>	<u>74,508</u>
Net cash used by operating activities	<u>\$ (44,680)</u>	<u>\$ 380,732</u>	<u>\$ 336,052</u>

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

Mid-Ohio Valley Regional Planning and Development Council
Notes to the Financial Statements - For the Year Ended June 30, 2021

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Mid-Ohio Valley Regional Planning and Development Council (MOVRC) was established in 1971 as a political subdivision of the State of West Virginia under Chapter 8, Article 25, of the Code of West Virginia, to promote regional planning and economic development in Region V, which consists of Calhoun, Jackson, Pleasants, Ritchie, Roane, Tyler, Wirt and Wood Counties in the State of West Virginia.

On July 1, 1981, Mid-Ohio Valley Area Development Corporation (MOVADC) was incorporated as a 501(c)4 exempt organization and an affiliate of MOVRC. MOVADC owns property currently rented for economic development purposes in Region V. MOVADC shares offices, facilities, and support staff with MOVRC. Shared indirect costs are allocated between the entities based on direct labor plus benefit costs or negotiated amounts for specific services.

A. Basis of Presentation

MOVRC prepares its financial statements in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies of the MOVRC described below.

MOVRC's funds are enterprise funds. Enterprise funds are proprietary funds used to account for business-like activities provided to the general public. These activities are financed primary by Federal sources; also, with State and local support.; loan interest, and rental income with the measurement of financial activity focuses on net income measurement similar to the private sector.

MOVRC accounts for the operation activities in two separate segments and are presented combined in the basic financial statements, MOVRC activities include social services (senior programs), community and economic development, transportation planning, and business loan programs from both Government and private sources. MOVADC activities include commercial rentals and the loan programs of Intermediary Relending and State Small Business Credit Initiative and is in direct control of the financial resources.

The financial statements report information on all the net fiduciary activities of MOVRC. The Statement of Revenue Expense and Change in Net Position demonstrates the degree to which the direct expenses of a given function are offset by direct program revenues.

B. Measurement focus, basis of accounting, and financial statement presentation

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

The Proprietary funds utilize an “Economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), 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 with 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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

C. Fiscal Agent

MOVRC serves as the fiscal agent for the Mid-Ohio Valley Workforce Investment Corporation, an independently governed non-profit organization. All costs incurred in performing these duties are reimbursed back to the MOVRC by the MOVWIC. This long-term agreement ended June 30, 2021, when the MOVWIC entered into a fiscal agent agreement with another entity. MOVRC entered into a short-term agreement with MOVWIC to dissolve the MOVWIC and wrap up the final accounting necessary for that dissolution.

MOVRC also serves as loan fund administrative office for the Little Kanawha Area Development Corporation Microloan Fund and the City of Spencer RBEG Fund. All expenses incurred for the administration of these two funds are reimbursed back to the MOVRC.

D. Cash and Cash Equivalents

Cash and cash equivalents include deposits with original maturities of less than three months and consist of interest and non-interest earning deposits with local financial institutions.

E. Loans Receivable and Allowance for Loan Losses

Interest income on loans is accrued based on the principal amount outstanding. The accrual of interest on loans is discontinued when, in the opinion of management, there is an indication that the borrower may be unable to meet payments as they become due. Any interest previously accrued on a loan placed on nonaccrual status is reversed and charged against current earnings. Interest on such loans is thereafter included in earnings to the extent received.

MOVADC uses the allowance method to provide for loan losses. The provision for loan losses charged to operating expense is based on loan loss experience and other factors which, in management's judgment, deserve current recognition in estimating possible losses.

Other factors considered by management include specific loan evaluations, growth and composition of the loan portfolio, the relationship of the allowance for loan losses to outstanding loans, trends in delinquencies, and economic conditions. Assets acquired in loan foreclosure

transactions are recorded at the lower of cost or estimated net realizable value, with any write-downs charged to the allowance for loan losses.

F. Capital Assets

Capital assets are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the lives of individual assets are not capitalized.

Capital assets of the government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	31.5 or 40
Office equipment	3 or 5

G. Compensated Absences

Employees earn paid time off (PTO) based on years of service which, up to specific limits, is fully vested when earned. An employee, upon termination of employment from MOVRC or MOVADC, is paid for any unused PTO. PTO balances can be carried over for one year up to 70 hours. The liability associated with accrued and vested PTO has been reported in the accompanying financial statements.

Compensated Absence balance for June 30, 2021, is \$69,692 and change in the balance is summarized as follows.

<u>Balance</u>	<u>Compensated Absence</u>		<u>Balance</u>
<u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2021</u>
<u>\$ 32,399</u>	<u>\$ -</u>	<u>\$ 2,707</u>	<u>\$ 29,692</u>

H. Unearned Revenue

Grant revenue and other program funds resulting from exchange transactions is recognized when related costs are incurred. Unearned Revenue consist of funds that MOVRC has received but for which it has not incurred related expenses and/or satisfied the requirements of the grant or program agreements. Funds are sometimes received in advance due to scheduled funding per the grant or program awards. The amounts are a combination of federal, state, and local funds and as of June 30, 2021, MOVRC fund unearned revenue balance was \$442,652 and MOVADC fund was \$187,500. MOVADC representing funds received from Benedum Foundation to match USDA IRP funds of \$750,000. The USDA funds have been awarded but not yet drawn down/received, they have been drawn down in FY2022.

MOVRC fund unearned revenue balance by program is as follows:

Appalachian Regional Commission	\$ 27,236
Foster Grandparent Program	89,395
Senior Companion Program	28,755
WWW Interstate Planning Commission	131,809
Retired Senior Volunteer Program	100,910
MOVWIC Indirect	21,863
Other programs	<u>42,684</u>
	<u>\$ 442,652</u>

I. Use of Estimates

The preparation of basic financial statements in conformance with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

A significant estimate that is particularly susceptible to change in the near term is the determination of the allowance (Provision) for loan losses. The estimated provision for loan loss for MOVRC increased by \$20,000 and for MOVADC increased by \$11,677 as of June 30, 2021.

J. Income Taxes

MOVRC operates as a governmental agency and is exempt from federal and state income taxes.

MOVADC is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)4.

NOTE 2. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

At June 30, 2021, MOVRC's and MOVADC's unrestricted cash and cash equivalents and restricted cash were as follows:

	<u>Carrying Value</u>	<u>Bank Balance</u>
Unrestricted cash:		
MOVRC	\$ 93,056	\$ 106,214
MOVADC	<u>403,175</u>	<u>403,600</u>
Total unrestricted cash and cash equivalents	<u>\$ 496,230</u>	<u>\$ 509,814</u>
Restricted cash:		
MOVRC federal grant and loan programs	\$ 1,923,168	\$ 1,995,958
MOVADC loan programs	<u>1,105,373</u>	<u>1,105,373</u>
Total restricted cash and cash equivalents	<u>\$ 3,028,541</u>	<u>\$ 3,101,331</u>

June 30, 2021, MOVRC's and MOVADC's unrestricted cash and cash equivalents and restricted cash were deposited in financial institutions and insured by federal depository insurance and collateralized obligations. In accordance with individual grant agreements, each grant program maintains a separate account with a financial institution.

NOTE 3. NOTES RECEIVABLE

MOVRC and MOVADC administer loan programs for Federal and State agencies.

MOVRC's notes receivable consists of receivables for loans made under the following agencies loan programs: United States Department of Commerce, Economic Development Administration Revolving Loan Fund Program (EDA-RLF) which had been de-federalized, United States Department of Commerce, Economic Development Administration Revolving Loan Fund-CARES Program (EDA CARES-RLF) , United States Department of Agriculture Rural Development Programs (RBEG and RBDG), and the Appalachian Regional Commission Revolving Loan Fund (ARC-RLF). Plus, three loan funds operating with funding from other sources; Foundation, McDonough Foundation, and the Micro Loan Program (MLF).

MOVRC's notes receivable by loan program on June 30, 2021, was as follows:

	<u>EDA CARES</u>	<u>ARC</u>	<u>Foundation</u>	<u>MLF</u>	<u>McDonough</u>	<u>RBEG</u>	<u>RDBG</u>	<u>Region VI RBEG</u>	<u>EDA</u>	<u>Total</u>
Notes receivable balance	\$ 2,423,068	\$ 1,527,468	\$ 143,607	\$ 346,441	\$ 26,604	\$ 5,958	\$ 14,919	\$ 94,566	\$ 1,911,051	\$ 6,493,682
Less allowance for bad debt	-	(134,830)	-	(57,438)	-	-	-	-	-	(192,268)
Net notes receivable balance	<u>\$ 2,423,068</u>	<u>\$ 1,392,638</u>	<u>\$ 143,607</u>	<u>\$ 289,003</u>	<u>\$ 26,604</u>	<u>\$ 5,958</u>	<u>\$ 14,919</u>	<u>\$ 94,566</u>	<u>\$ 1,911,051</u>	<u>\$ 6,301,414</u>

MOVADC's notes receivable consists of receivables for loans made under the United States Department of Agriculture, Rural Business Cooperative Service Intermediary Relending Program (IRP) and the State Small Business Credit Initiative (SSBCI). MOVADC's notes receivable at June 30, 2021, was as follows:

	<u>SSBCI</u>	<u>IRP</u>	<u>ADC</u>	<u>Total</u>
Notes receivable balance	\$ 1,059,571	\$ 2,526,926	\$ 4,756	\$ 3,591,253
Less allowance for bad debt	<u>-</u>	<u>(165,232)</u>	<u>-</u>	<u>(165,232)</u>
Net notes receivable balance	<u>\$ 1,059,571</u>	<u>\$ 2,361,694</u>	<u>\$ 4,756</u>	<u>\$ 3,426,021</u>

The allowances for loan losses reflects the adjustments made by management regarding their estimate of the allowance for loan losses based on a historical experience rate as a percentage of total loans receivable and expected losses based on loan status and collateral position. The allowances for loan losses for the various loan programs are as follows:

<u>ARC-RLF</u>	<u>MLF</u>	<u>IRP</u>	<u>TOTAL</u>
\$ 134,830	\$ 57,438	\$ 165,232	\$357,500

NOTE 4. CREDIT RISK

Financial instruments which potentially expose the financial reporting entity to significant concentrations of credit risk consist principally of cash and cash equivalents and loans receivable under the U.S. Department of Agriculture, Rural Business - Cooperative Service Intermediary Relending Program, the U.S. Department of Commerce, Economic Development Administration Revolving Loan Fund, Appalachian Regional Commission Revolving Loan Fund, State Small Business Credit Initiative and the Micro Loan Program. MOVRC and MOVADC make IRP, EDA-RLF, ARC-RLF, SSBCI and MLF loans to qualified businesses in the west central part of West Virginia known as Region V. Collateral is required, and on-going credit evaluations and account monitoring activities are utilized to minimize the risk of loss.

NOTE 5. CAPITAL ASSETS

MOVADC owns land it purchased for \$4,300,000 in 2003 which is not included on the Statement of Net Assets. The land was purchased with grant funds and leased for \$1 per year to the Polymer Alliance Zone who assumed responsibility for creating an Electronic Recycling Center which was the purpose of the grant. The grant agreement stipulates MOVADC is to retain title to the land until the bonds sold to raise the money for the project are repaid. MOVADC and the Polymer Alliance Zone decided to account for the lease on the books of the Polymer Alliance Zone.

MOVADC's capital asset activity for the year ended June 30, 2021, was as follows:

	<u>June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2021</u>
Capital Assets not being depreciated:				
Land	\$ 296,697	\$ -	\$ -	\$ 296,697
Capital Assets being depreciated:				
Buildings	1,823,891	-	-	1,823,891
Office Equipment	<u>7,773</u>	<u>-</u>	<u>-</u>	<u>7,773</u>
Total capital assets being depreciated:	1,831,664	-	-	1,831,664
Less accumulated depreciation for:	716,020	50,911	-	766,931
Buildings	7,773	-	-	7,773
Office Equipment	<u>723,793</u>	<u>50,911</u>	<u>-</u>	<u>774,704</u>
Total accumulated depreciation	<u>1,107,871</u>	<u>(50,911)</u>	<u>-</u>	<u>1,056,960</u>
Total net capital assets being depreciated	<u>723,793</u>	<u>(50,911)</u>	<u>-</u>	<u>774,704</u>
Total capital assets, net of depreciation	<u>\$ 1,404,568</u>	<u>\$ (50,911)</u>	<u>\$ -</u>	<u>\$ 1,353,657</u>

NOTE 6. LONG-TERM DEBT

MOVADC's long-term debt at June 30, 2021, was as follows:

Note payable to U.S. Department of Agriculture, RBA, payable in annual installments of \$31,900 including interest at 1%, final payment due January 25, 2031, secured by all proceeds and products of the Intermediary Relending Program. 295,543

Note Payable to U.S. Department of Agriculture, RBA, payable in 27 annual installments of \$31,838 including interest at 1%, interest only due the first three years, final payment due June 18, 2039, secured by all proceeds and products of the Intermediary Relending Program. 495,370

Note Payable to U.S. Department of Agriculture, RBA, payable in 27 annual installments of \$31,838 including interest at 1%, interest only due the first three years, final payment due September 15, 2043, secured by all proceeds and products of the Intermediary Relending Program. 651,180

Note Payable to U.S. Department of Agriculture, RBA, payable in 27 annual installments of \$31,838 including interest at 1%, interest only due the first three years, final payment due February 13, 2047, secured by all proceeds and products of the Intermediary Relending Program. 7250,662

Note Payable to MOVADC-SSBCI loan program, payable in monthly installments of \$31,838, including interest at .5%, interest only due the first two years, final payment due June 15, 2028, secured by Deed of Trust to 709 Market Street, Parkersburg WV.

450,728

\$ 2,618,484

MOVADC's long-term debt activity for the year ended June 30, 2021, was as follows:

	Balance			Balance	Due Within
	July 1, 2020	Additions	Reductions	June 30, 2021	One Year
709 Market Street SSBCI	\$ 497,178	\$ -	\$ 46,450	\$ 450,728	\$ 53,101
USDA 2031	324,140	-	28,597	295,543	28,883
USDA 2038	521,988	-	26,618	495,370	26,884
USDA 2041	676,255	-	25,074	651,181	25,326
USDA 2047	750,000	-	24,338	725,662	24,581
Total Notes Payable	<u>\$ 2,769,561</u>	<u>\$ -</u>	<u>\$ 151,077</u>	<u>\$ 2,618,484</u>	<u>\$ 158,775</u>

Maturities of notes payable for each of the next five years and thereafter are as follows:

30-Jun	Principal	Interest	Total
2022	\$ 158,775	\$ 23,810	\$ 182,585
2023	160,097	22,487	182,584
2024	161,432	21,152	182,584
2025	162,779	19,805	182,584
2026	164,138	18,446	182,584
2027-2031	742,453	71,781	814,234
2032-2036	432,692	44,873	477,565
2037-2041	358,169	23,763	381,932
2042-2046	246,529	8,367	254,897
2047	31,419	314	31,733
Totals	<u>\$ 2,618,484</u>	<u>\$ 254,798</u>	<u>\$ 2,873,282</u>

NOTE 7. LEASES

MOVRC leases its administrative office space from MOVADC under a lease agreement subject to annual renewal. Total rent and lease expense for the year ended June 30, 2021, was \$63,010.

NOTE 8. RETIREMENT PLAN

MOVRC has a defined contribution plan which provides retirement benefits for all eligible employees. During the year ended June 30, 2021, 2020 and 2019, MOVRC contributed \$76,458,

\$69,143 and \$63,013, respectively, to the plan which is equal to five and one-half percent of eligible employees' qualified compensation.

NOTE 9. RISK MANAGEMENT

MOVRC is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; employee health and life coverage; and natural disasters. Policies have been obtained with Travelers and Cincinnati Insurance, the Public Employees Insurance Agency (PEIA), and Brickstreet Mutual Insurance Company (BI).

PEIA is a public entity risk pool that provides coverage for employee and dependent health, life and prescription drug insurance. BI provides coverage for work related accidents and is considered an insurance enterprise fund.

Through its participation in the PEIA and BI, MOVRC has obtained health coverage and coverage for job related injuries for its employees. In exchange for payment of premiums to PEIA MOVRC has transferred its risks related to health coverage and job-related injuries of employees.

NOTE 10. RELIANCE ON FEDERAL GRANTS

MOVRC derived 84% of its revenue from federal grants. During the federal budget process in 2021 several proposals have been presented for elimination of many grant funded programs. The MOVRC is the recipient of several grants from these programs facing cuts. This is normal for the federal budget progress to have proposals to cut and increase programs.

MOVRC has renewed several federal grants extending into 2022: ARC grant approved to 12/31/2021, EDA grant approved to 3/31/2022, EDA CARES ACT grant approved to 5/31/2022, FGP grant approved to 6/30/2022, RSVP grant approved to 6/30/2022 and SCP grant approved to 6/30/2022.

NOTE 11. STATE OF WV GRANTS

MOVRC is the recipient of two state grants both have been funded to provide match for federal grants.

	<u>Awarded Amount</u>	<u>Grant Id</u>	<u>Grant Period</u>	<u>Funds Expended</u>
State of WV Department of Transportation				
For WWW Metropolitan Planning Organization				
		Agreement#3220		
Match for Federal Highway Administration -Federal Transit Administration Fund	\$ 63,361	UG-108-G	7/1/20-6/30/21	\$51,670
State of WV Department of Commerce				
WV Development Office Support for Regional Planning and Development Councils				
Match for Appalachian Regional Commission Grant-ARC	\$ 35,000		7/1/20-6/30/21	\$35,000

NOTE 12. SUBSEQUENT EVENTS

Certain events that occur between the date of the financial statements and the date they are issued must be disclosed. There are two ways that subsequent events may affect the financial statements and they are:

- Recognized events are those that existed at the date of the financial statement and provide additional information available prior to the issuance of the financial statements.
- Non-recognized events are those that provide additional information prior to the issuance of the financial statements but did not exist at the date of the financial statement.

Recognized Event:

On May 28, 2020, US Department of Commerce Economic Development Administration awarded \$400,000 under the Economic Adjustment Assistance Cares Act funding to the MOVRC to be used for regional resiliency and expansion of the GIS program. This funding is awarded for June 1, 2020, to May 31, 2022. This funding enabled MOVRC to hire an additional two full time staff members and purchase additional computer and technical equipment.

On June 17, 2020, Appalachian Regional Commission notified MOVRC of \$1,000,000 grant to be used for the Revolving Loan Fund to assist with small business lending for the COVID-19 recovery. This funding has been used in FY21 and FY22 to issue loans to small businesses.

On July 27, 2020, US Department of Commerce Economic Development Administration awarded \$3,213,600 under the Economic Adjustment Assistance Cares Act funding to the MOVRC to be used for a CARES Act Revolving Loan Fund to assist with small business lending for the COVID-19-recovery. These funds were used during the FY21 and FY22 fiscal years to issue loans to small businesses.

On June 25, 2021, the US Department of Commerce Economic Development Administration issued an agreement to release the EDA Federal Interest in the MOVRC Revolving Loan Fund Award of \$3,142,834.56 under the Reinvigorating Lending for the Future Act (Publ. L. 116-192). The funds will continue to be operated as a MOVRC revolving loan fund without the need to comply with the OBM regulations, EDA regulations or the EDA RLF Specific regulations, however the MOVRC will use the funds in accordance with federal, state and local law and 602 of PWEDA.

On June 30, 2021, the Mid-Ohio Valley Workforce Investment Corporation (MOVVIC) ended the fiscal agent agreement with MOVRC. The Board of MOVVIC has decided to dissolve the MOVVIC and the MOVRC has entered into a short-term agreement to assist with that dissolution into FY22. The effect of this termination of services to MOVVIC will reduce the future indirect cost pool expenditures and related reimbursement from MOVVIC for costs. The net effect to the ongoing MOVRC financial status is negligible.

Non-recognized events - None

OTHER SUPPLEMENTARY INFORMATION

**Mid-Ohio Valley Regional Planning and Development Council
 Combing by Program Statement of Revenues, Expenses, and Changes in Program Balance
 Fiscal Year Ending June 30, 2021**

	Appalachian Regional Commission	ARC-Inspire Grant	EDA Cares	Economic Dev. Admin.	Fee For Service	Foster Grandparents	ARC - Revolving Loan Fund	EDA- Revolving Loan Fund
REVENUES:								
Federal	\$ 78,195	\$ 4,211	\$ 177,625	\$ 70,000	\$ -	\$ 564,073	\$ 250,000	\$ -
State	12,369	-	-	-	-	-	-	-
Local	-	-	-	14,852	287,339	-	-	-
Interest	16	-	-	12	-	29	16,713	28,846
Other	-	12,918	-	-	-	8,212	-	-
Total revenues	<u>90,579</u>	<u>17,129</u>	<u>177,625</u>	<u>84,864</u>	<u>287,339</u>	<u>572,313</u>	<u>266,713</u>	<u>28,846</u>
EXPENDITURES:								
Advertising and marketing	1,772	-	144	780	6,252	-	-	-
Allocation to Component Unit	-	-	-	-	-	-	-	-
Contract services	-	431	-	-	-	250	271	223
Dues, fees and memberships	-	-	-	-	-	-	-	-
Equipment rental and repair	-	-	-	-	-	-	-	-
Indirect costs	22,484	-	34,144	22,925	77,252	30,210	-	-
Insurance	-	-	-	-	-	1,099	-	-
Consumables, postage and printing	9,340	-	10,288	2,649	8,734	1,268	-	-
Other and in-kind	875	12,918	-	-	-	68,930	-	-
Personnel	44,130	-	98,739	43,863	148,567	91,172	-	-
Personnel benefits	10,455	-	32,165	13,392	40,258	18,682	-	-
Provision for loan losses	-	-	-	-	-	-	16,555	-
Stipends	-	-	-	-	-	269,243	-	-
Training/conference/workshops	(80)	3,780	-	-	-	-	-	-
Travel	1,604	-	2,146	1,256	6,275	91,458	-	-
Total expenditures	<u>90,579</u>	<u>17,129</u>	<u>177,625</u>	<u>84,864</u>	<u>287,339</u>	<u>572,313</u>	<u>16,826</u>	<u>223</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	249,887	28,623
Program balances at beginning of year	-	-	-	-	728	-	1,394,906	3,061,116
Program balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 728</u>	<u>\$ -</u>	<u>\$ 1,644,793</u>	<u>\$ 3,089,739</u>

**Mid-Ohio Valley Regional Planning and Development Council
 Combing by Program Statement of Revenues, Expenses, and Changes in Program Balance
 Fiscal Year Ending June 30, 2021 (continued)**

	EDA-CARES Revolving Loan Fund	Ross Foundation Loan Fund	McDonough Foundation Loan Fund	Micro loan - Revolving Loan Fund	RBDG	Region VI RBEG	Loan Pool Admin.	Launchpad
REVENUES:								
Federal	\$ 2,480,185	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-	-	-	-	-
Local	-	-	-	-	-	-	-	-
Interest	5,771	1,681	297	3,800	630	2,879	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	<u>2,485,956</u>	<u>1,681</u>	<u>297</u>	<u>3,800</u>	<u>630</u>	<u>2,879</u>	<u>-</u>	<u>-</u>
EXPENDITURES:								
Advertising and marketing	-	-	-	-	-	-	900	-
Allocation to Component Unit	47,752	-	-	-	-	-	(65,075)	-
Contract services	-	-	-	365	-	-	993	-
Dues, fees and memberships	-	-	-	-	-	-	-	-
Equipment rental and repair	-	-	-	-	-	-	-	-
Indirect costs	-	-	-	-	-	-	13,754	-
Insurance	-	-	-	-	-	-	1,579	-
Consumables, postage and printing	-	-	-	-	-	-	199	-
Other and in-kind	433	-	-	-	-	-	14,312	-
Personnel	-	-	-	-	-	-	25,952	-
Personnel benefits	-	-	-	-	-	-	6,421	-
Provision for loan losses	-	-	-	4,345	-	-	-	-
Stipends	-	-	-	-	-	-	-	-
Training/conference/workshops	-	-	-	-	-	-	300	-
Travel	-	-	-	-	-	-	665	-
Total expenditures	<u>48,185</u>	<u>-</u>	<u>-</u>	<u>4,710</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	2,437,771	1,681	297	(910)	630	2,879	-	-
Program balances at beginning of year	-	216,832	51,225	314,746	30,978	101,843	-	6,343
Program balances at end of year	<u>\$ 2,437,771</u>	<u>\$ 218,513</u>	<u>\$ 51,522</u>	<u>\$ 313,836</u>	<u>\$ 31,608</u>	<u>\$ 104,722</u>	<u>\$ -</u>	<u>\$ 6,343</u>

Mid-Ohio Valley Regional Planning and Development Council
Combing by Program Statement of Revenues, Expenses, and Changes in Program Balance
Fiscal Year Ending June 30, 2021 (continued)

	Retired Senior		Ritchie RBEG	Senior	WV Assoc.	WWW		Combined
	Local	Volunteer Program		Companion Program	Reg. Plan & Dev.	Interstate Planning Commission	WV AMPO	
REVENUES:								
Federal	\$ -	\$ 84,933	\$ -	\$ 567,031	\$ -	\$ 610,206	\$ -	\$ 4,886,457
State	-	-	-	-	-	90,978	-	103,347
Local	65,741	-	-	-	-	61,681	-	429,613
Interest	246	47	316	-	21	44	-	61,347
Other	273,154	1,107	-	400	11,000	-	1,600	308,390
Total revenues	<u>339,141</u>	<u>86,087</u>	<u>316</u>	<u>567,431</u>	<u>11,021</u>	<u>762,908</u>	<u>1,600</u>	<u>5,789,154</u>
EXPENDITURES:								
Advertising and marketing	-	-	-	-	-	1,999	-	11,847
Allocation to Component Unit	-	-	17,323	-	-	-	-	0
Contract services	19,303	225	-	375	19,458	444,242	-	486,136
Dues, fees and memberships	11,125	-	-	-	-	-	-	11,125
Equipment rental and repair	-	-	-	-	-	-	-	-
Indirect costs	-	17,490	-	23,850	-	91,537	-	333,647
Insurance	-	1,977	-	992	-	-	-	5,647
Consumables, postage and printing	15	2,149	-	2,906	-	5,138	-	42,686
Other and in-kind	292,035	8,180	9,016	80,530	3,795	-	-	491,025
Personnel	-	39,224	-	67,383	-	172,431	-	731,462
Personnel benefits	-	8,353	-	14,497	-	47,186	-	191,408
Provision for loan losses	-	-	-	-	-	-	-	20,900
Stipends	-	-	-	294,677	-	-	-	563,920
Training/conference/workshops	-	-	-	-	-	375	-	4,375
Travel	-	8,489	-	82,220	-	-	-	194,113
Total expenditures	<u>322,479</u>	<u>86,087</u>	<u>26,339</u>	<u>567,431</u>	<u>23,253</u>	<u>762,908</u>	<u>-</u>	<u>3,088,290</u>
Excess (deficiency) of revenues over (under) expenditures	16,662	-	(26,023)	-	(12,232)	-	1,600	2,700,864
Program balances at beginning of year	210,213	-	98,172	-	40,125	-	8,166	5,535,393
Program balances at end of year	<u>\$ 226,875</u>	<u>\$ -</u>	<u>\$ 72,149</u>	<u>\$ -</u>	<u>\$ 27,893</u>	<u>\$ -</u>	<u>\$ 9,766</u>	<u>\$ 8,236,257</u>

Mid-Ohio Valley Development Corporation
Combing by Program Statement of Revenues, Expenses, and Changes in Program Balance
Fiscal Year Ending June 30, 2021

	Intermediary Relending Program	State Small Business Initiative	Economic Development and Administrative Rental	Totals
REVENUES:				
Interest	\$ 50,912	\$ 20,746	\$ 524	\$ 72,181
Rental income	-	-	142,511	142,511
Total revenues	50,912	20,746	143,035	214,692
EXPENDITURES:				
Personnel	-	-	103	103
Personnel benefits	-	-	25	25
Repairs and Maintenance	-	-	5,712	5,712
Utilities	-	-	91	91
Insurance	-	-	11,904	11,904
Interest	22,250	-	8,812	31,063
Indirect costs	-	-	54	54
Contract services	1,170	440	3,265	4,875
Other	1,222	31	8,221	9,473
Provision for loan losses	11,677	-	-	11,677
Depreciation	-	-	50,911	50,911
Total expenditures	36,318	471	89,098	125,888
Excess (deficiency) of revenues over (under) expenditures	14,594	20,275	53,936	88,805
Program balances at beginning of year	1,111,405	1,089,401	1,206,006	3,406,812
Program balances at end of year	<u>\$ 1,125,999</u>	<u>\$ 1,109,676</u>	<u>\$ 1,259,942</u>	<u>\$ 3,495,617</u>

Mid-Ohio Valley Regional Planning and Development Council
Schedule of Functional Expense for Programs with Different Reporting Fiscal Periods
other than Fiscal Year Ending June 30, 2021

	<u>Appalachian Regional Commission</u>		<u>Economic Development Administration</u>	
	<u>Six Months</u> <u>Ended 12/31/20</u>	<u>Six Months</u> <u>Ended 6/30/21</u>	<u>Nine Months</u> <u>Ended 3/31/21</u>	<u>Three Months</u> <u>Ended 6/30/21</u>
REVENUES:				
Federal	\$ 36,022	\$ 42,173	\$ 52,791	\$ 17,209
State	-	12,369	-	-
Local	-	-	14,852	-
Interest	2	14	6	6
Other	-	-	-	-
Total revenues	<u>36,024</u>	<u>54,555</u>	<u>67,649</u>	<u>17,215</u>
EXPENDITURES:				
Advertising and marketing	369	1,403	1,075	(295)
Indirect costs	9,096	13,388	17,195	5,730
Consumables, postage and printing	755	8,585	2,649	-
Other and in-kind	-	875	-	-
Personnel	17,161	26,969	32,038	11,825
Personnel benefits	4,780	5,675	10,175	3,217
Training, conference and workshops	-	(80)	-	-
Travel	3,863	(2,259)	7,143	(5,887)
Total expenditures	<u>36,024</u>	<u>54,555</u>	<u>70,275</u>	<u>14,589</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,625)</u>	<u>\$ 2,625</u>

**Mid-Ohio Valley Regional Planning and Development Council
Comparative Schedule Budget to Actual Functional Expense
of Indirect Costs Charged to Programs
Fiscal Year Ending June 30, 2021**

	Indirect Costs		Variance
	Budget	Actual	Inc. (Dec.)
Indirect costs:			
Salaries and personnel	\$ 147,828	\$ 138,166	\$ (9,662)
Personnel benefits	32,436	27,516	(4,920)
Audit costs	17,000	14,885	(2,115)
Meals and meeting costs	7,800	4,442	(3,358)
Consultants	16,000	69,514	53,514
Dues	2,000	1,200	(800)
Service and miscellaneous	1,000	1,223	223
Parking	7,000	5,725	(1,275)
Travel	6,000	957	(5,043)
Insurance	8,303	8,303	(0)
Office rental	63,010	63,010	(0)
Computer expense	27,000	23,152	(3,848)
Consumable supplies and printing	31,368	21,375	(9,993)
Postage expense	6,000	4,505	(1,495)
Telephone expense	12,000	13,839	1,839
Trash expense	1,500	1,030	(470)
Cleaning and janitorial	8,000	5,992	(2,008)
Advertising	25,000	18,043	(6,957)
Utilities	18,000	17,433	(567)
Board of directors	1,000	255	(745)
Training and education	8,000	956	(7,044)
Total indirect before income offsets	<u>446,245</u>	<u>441,520</u>	<u>(4,725)</u>
Less:			
Contractual income	(5,000)	(5,000)	-
M&A collected from MOVVIC	(110,123)	(102,769)	7,354
MOVADC indirect	(406)	(54)	352
Interest income	-	(50)	(50)
Total income offsets	<u>(115,529)</u>	<u>(107,873)</u>	<u>7,656</u>
Total indirect costs	<u>\$ 330,716</u>	<u>\$ 333,647</u>	<u>\$ 2,931</u>

**Mid-Ohio Valley Regional Planning and Development Council
Schedule of Expenditures of Federal Awards
Fiscal Year Ending June 30, 2021**

Federal Grantor Pass-through Grantor Program Title	CFDA Number	Pass-through Grantor's Number	Grant Period	Total Grant Award	Total Federal Expenditures
Corporation for National and Community Services					
Pass-through the Office of Economic Opportunity (OEO)					
Senior Companion Program	94.016	19SCSWV001	7/1/2020-6/30/2021	\$ 649,930	\$ 567,031
ACTION: Foster Grandparent	94.011	19SFSWV002	7/1/2020-6/30/2021	632,702	564,073
Retired Senior Volunteer Program	94.002	19SRSWV003	7/1/2020-6/30/2021	<u>148,110</u>	<u>84,933</u>
Total Corporation for National and Community Services				1,430,742	1,216,036
Appalachian Regional Commission					
Revolving Loan Fund	23.011	01-39-02806		N/A	1,712,811
Appalachian Local Development District Assistance	23.009	WV-2284-C47-20	1/1/2020-12/31/2020	77,715	42,173
Appalachian Local Development District Assistance	23.009	WV-2284-C46-21	1/1/2021-12/31/2021	<u>77,715</u>	<u>36,022</u>
Total Appalachian Regional Commission				155,430	1,791,006
U.S. Department of Commerce,					
Economic Development Administration					
Economic Development Cluster					
Revolving Loan Fund - CARES	11.307	01-79-14975 WV	7/1/2020-6/30/2022	3,213,600	2,484,143
Economic Adjustment Assistance for Disaster Economic Recovery	11.307	ED20PHI3070012	6/1/2020-5/31/2022	<u>400,000</u>	<u>177,625</u>
Economic Development Administration cluster total					2,661,768
Support for Planning Organizations	11.302	ED19PHI3020026	4/1/2020-3/31/2021	70,000	17,209
Support for Planning Organizations	11.302	ED19PHI3020026	4/1/2021-3/31/2022	70,000	52,791
Total U.S. Department of Commerce, Economic Development Administration				3,753,600	2,731,768
U.S. Department of Agriculture, Rural Business					
Cooperative Service					
Intermediary Relending Program	10.767			N/A	<u>953,158</u>
Total U.S. Department of Agriculture, Rural Business Cooperative Service					953,158
U. S. Department of Transportation					
Passed through West Virginia DOT	20.205	WV AU-180-G	7/1/2020-6/30/2021	506,890	413,370
Passed through Ohio DOT	20.205	DOTC32974-3	7/1/2020-6/30/2021	146,726	117,623
Passed through Ohio DOT	20.205	DOTC32974-2	7/1/2020-6/30/2021	<u>79,212</u>	<u>79,212</u>
Total U. S. Department of Transportation				732,828	<u>610,205</u>
Total Expenditures of Federal Awards					<u>\$ 7,302,172</u>

**Mid-Ohio Valley Regional Planning and Development Council
Notes to Schedule of Expenditures of Federal Awards
Fiscal Year Ending June 30, 2021**

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Mid-Ohio Valley Regional Planning and Development Council and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of 2 CFR Part 200 (OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.)

NOTE 2. INDIRECT COST

MOVRC has elected not to use the 10% de minimis indirect rate. We used an US-Economic Development Agency approved rate of \$0.53 of direct labor.

NOTE 3. LOANS RECEIVABLE OUTSTANDING

MOVRC had the following balances of loans receivable outstanding at June 30, 2021, under federal loan programs subject to OBM reporting regulations.

<u>Program Title:</u>	<u>CFDA</u>		
USEDA Revolving Loan Fund (RLF) - .Cares Act	11.307	\$	2,423,068
Appalachian Regional Commission-RLF	23.011		1,527,468
Intermediary Relending Program	10.767		<u>2,526,926</u>
Total			<u>\$ 6,477,463</u>

NOTE 4. Calculated Federal Expenditures

	<u>EDA CARES RLF</u>	<u>IRP</u>	
Unpaid principal for loan written off 6/30/2021	\$ -	\$ 2,822,635	Balance of outstanding loans at 6/30/2020
Cash and investment balance at 6/30/20	12,890	1,055,909	Cash and investment balance at 6/30/20
Administrative expenses paid FY21	48,185	2,391	Administrative expenses paid FY21
Balance of outstanding loans at 6/30/2021	<u>2,423,068</u>	<u>-</u>	Balance of outstanding loans at 6/30/2021
Total	2,484,143	3,880,935	Total
Federal Participation Rate	<u>1.0000</u>	<u>0.2456</u>	Federal Participation Rate
Calculated Federal Expenditures	<u>\$ 2,484,143</u>	<u>\$ 953,158</u>	Calculated Federal Expenditures

	<u>ARC</u>
Balance of outstanding loans at 6/30/2020	\$ 1,357,540
Loan Disbursements during FY21	355,000
Admin Expenses FY2021	<u>271</u>
	<u>\$ 1,712,811</u>

Stephen P. Glaser CPA

1021 7th Avenue
St. Albans, WV 25177

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*

Board of Directors
Mid-Ohio Valley Regional Planning and Development Council
Parkersburg, West Virginia

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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mid-Ohio Valley Regional Planning and Development Council, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Mid-Ohio Valley Regional Planning and Development Council's basic financial statements, and have issued our report thereon dated January 14, 2022

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Mid-Ohio Valley Regional Planning and Development Council's internal control over financial reporting (internal control) as a basis for 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 the Mid-Ohio Valley Regional Planning and Development Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Mid-Ohio Valley Regional Planning and Development Council's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Mid-Ohio Valley Regional Planning and Development Council'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 those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read 'S. P. Glaser', written in a cursive style.

Stephen P. Glaser, CPA
Saint Albans, West Virginia
January 14, 2022

Stephen P. Glaser CPA

1021 7th Avenue
St. Albans, WV 25177

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

Board of Directors
Mid-Ohio Valley Regional Planning and Development Council
Parkersburg, West Virginia

Report on Compliance for Each Major Federal Program

We have audited the Mid-Ohio Valley Regional Planning and Development Council's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Mid-Ohio Valley Regional Planning and Development Council's major federal programs for the year ended June 30, 2021. Mid-Ohio Valley Regional Planning and Development Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Mid-Ohio Valley Regional Planning and Development Council's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Mid-Ohio Valley Regional Planning and Development Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Mid-Ohio Valley Regional Planning and Development Council's compliance.

Opinion on Each Major Federal Program

In our opinion, the Mid-Ohio Valley Regional Planning and Development Council, 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, 2021.

Report on Internal Control over Compliance

Management of the Mid-Ohio Valley Regional Planning and Development Council is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Mid-Ohio Valley Regional Planning and Development Council's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Mid-Ohio Valley Regional Planning and Development Council's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



Stephen P. Glaser, CPA
Saint Albans, West Virginia
January 14, 2022

MID-OHIO VALLEY REGIONAL PLANNING AND DEVELOPMENT COUNCIL
Schedule of Findings and Questioned Costs
Fiscal Year Ending June 30, 2021

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued; - Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ Yes No

Non-compliance material to the financial statements noted? _____ Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ Yes None Reported

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 requirements of Uniform Guidance _____ Yes No

Identification of major programs: CFDA Number

**U.S. Department of Commerce,
Economic Development Administration**

Economic Development Cluster	
Revolving Loan Fund .- CARES	11.307
Economic Adjustment Assistance for Disaster Economic Recovery	11.307
Support for Planning Organizations	11.302
Support for Planning Organizations	11.302

Dollar threshold used to distinguish between Type A and Type B Program:

Awards before 12/26/2014	\$ 300,000
Awards on or after 12/26/2014	\$ 750,000

Auditee qualified as a low risk auditee. _____ Yes _____ No

MID-OHIO VALLEY REGIONAL PLANNING AND DEVELOPMENT COUNCIL
Schedule of Findings and Questioned Costs (continued)
Fiscal Year Ending June 30, 2021

Section II – Financial Statement Findings

There are no findings reported.

Section III – Federal Award Findings and Questioned Costs

There are no findings or questioned costs reported.

Section IV – Corrective Action Plan

A corrective action plan is not required because there is no questioned costs.

Section V – Summary Schedule of Prior Audit Findings

There are no prior year findings or questioned costs reported.