

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

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

For the Year Ended June 30, 2022

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

Mr. Matthew Walker
Mr. Mitch Morrison
Mr. Jay Powell
Mr. Randall Riggs
Mr. Andrew Corkrean
Mr. Eric Vincent
Mr. Bob Tebay
Mrs. Teresa Murray

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

Robert Petrovsky, 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
Joe Henthorn, Mayor
Bill Rice, Mayor
Bobbi Moore, Mayor
Tom Joyce, Mayor
Steve Kastigar, Mayor
Paul Jordan, Mayor
Dale Baumgartner, 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. Matt Freeland
Dr. Chris Gilmer
Mr. Rickie Yeager
Ms. Jill Parsons
Mr. Mark Whitley
Sheila Burch
Roy Schleicher
Stephen Whited
Mike Fleak
Mr. Rick Anderson

Pleasants County Development
Ritchie County Economic Development
Roane County Development
Tyler County Development
Wood County Development
Wesbanco
WV Laborers Local 1085
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 Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements 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 and for the year ended June 30, 2022, 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.

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, 2022, 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.

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 the Mid-Ohio Valley Regional Planning and Development Council 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 Mid-Ohio Valley Regional Planning and Development Council'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 and *Government 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 and *Government 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 Mid-Ohio Valley Regional Planning and Development Council'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 Mid-Ohio Valley Regional Planning and Development Council'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 on pages 7-10 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 Mid-Ohio Valley Regional Planning and Development Council's basic financial statements. The Combing by Program Statement of Revenues, Expenses, and Changes in Program Balance - Mid-Ohio Valley Regional Planning and Development Council; Combing by Program Statement of Revenues, Expenses, and Changes in Program Balance - Mid-Ohio Valley Development Corporation; Schedule of Functional Expense for Programs with Different Reporting Fiscal Periods other than June 30, 2022; Comparative Schedule of Budget to Actual Functional Expense of Indirect Costs Charged to Programs; and, 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*, on pages 25-31 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, Combing by Program Statement of Revenues, Expenses, and Changes in Program Balance - Mid-Ohio Valley Regional Planning and Development Council; Combing by Program Statement of Revenues, Expenses, and Changes in Program Balance - Mid-Ohio Valley

Development Corporation; Schedule of Functional Expense for Programs with Different Reporting Fiscal Periods other than June 30, 2022; Comparative Schedule of Budget to Actual Functional Expense of Indirect Costs Charged to Programs; and, 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 November 2, 2022, on our consideration of the 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 Mid-Ohio Valley Regional Planning and Development Council’s internal control over financial reporting and compliance.



Stephen P. Glaser, CPA
St. Albans, West Virginia
November 2, 2022

**Mid-Ohio Valley Regional Planning and Development Council
Management Discussion and Analysis
Fiscal Year Ending June 30, 2022**

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, 2022. We encourage readers to consider this information in conjunction with the Council's financial statements which follow.

2022 Financial Highlights

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

85 Foster Grandparents serving 82,533 hours supporting 318 children.

352 Retired Senior Volunteers serving 54,890 hours.

92 Senior Companions serving 82,660 hours and 128 clients.

29 loans closed for \$3,787,820, 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 Governmental and Business Type Activities and a **Statement of Cash Flows** for the Business Type Activities. The governmental activities are the MOVRC programs for community and economic development, transportation, senior program and business

programs. The business type activities are the MOVADC 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 Position and Statement of Activities present the Council’s net position. Over time, increases or decreases in the Council’s net position 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>FY2022</u>	<u>FY2021</u>	<u>Change</u>	<u>FY2022</u>	<u>FY2021</u>	<u>Change</u>
REVENUES						
Total revenue	\$ 4,068,765	\$ 5,789,154	\$ (1,720,389)	\$ 369,526	\$ 214,692	\$ 154,834
EXPENDITURES						
Total expenditures	<u>2,884,966</u>	<u>3,088,290</u>	<u>(203,324)</u>	<u>142,616</u>	<u>125,888</u>	<u>16,728</u>
Operating Income	1,183,798	2,700,864	<u>\$ (1,517,066)</u>	226,910	88,804	<u>\$ 138,106</u>
Net Position balances at beginning of year	<u>8,236,257</u>	<u>5,535,393</u>		<u>3,495,617</u>	<u>3,406,812</u>	
Net Position balances at end of year	<u>\$ 9,420,055</u>	<u>\$ 8,236,257</u>		<u>\$ 3,722,527</u>	<u>\$ 3,495,616</u>	

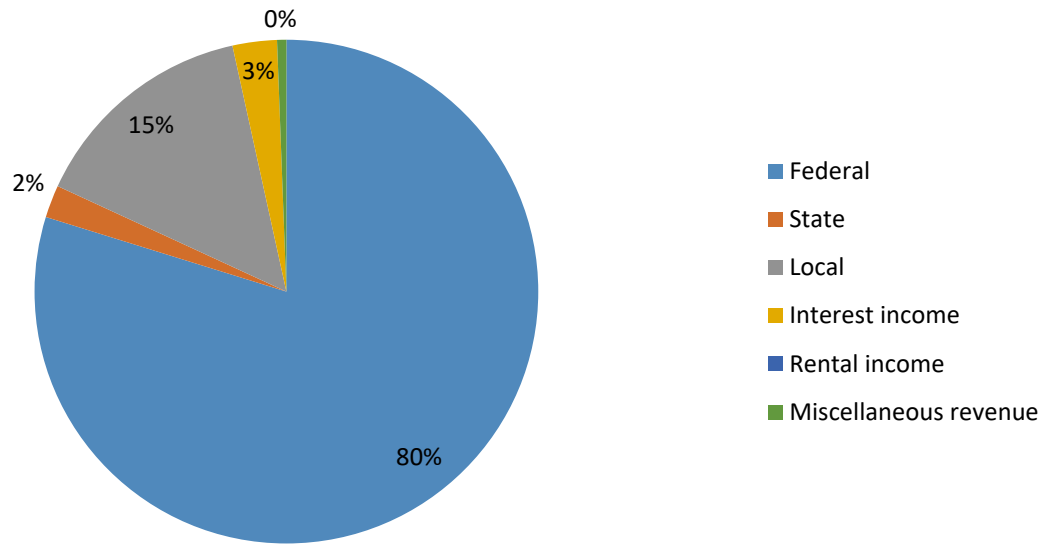
Comparing MOVRC Revenue in FY22 of \$4,068,765 and FY21 of \$5,789,154, Governmental Special Revenue decreased \$1,720,389 partly due to not receiving any Covid-19 grant awards. Comparing the expenditures for the MOVRC for FY22 indicates a decrease in expenditures of \$203,324 from FY21. The decrease in expenditures was mostly due to receiving less grant revenue during the fiscal year. Compare by program revenue and a decrease activity would be the cause for expenditures thus reimbursement revenue and loan program less funding from Government such as EDA CARES is about 2 million less in FY22 to FY21.

The MOVADC Activities saw an increase in revenues for FY22 of \$154,834 from FY21, largely due to an increase in interest income from loan programs.

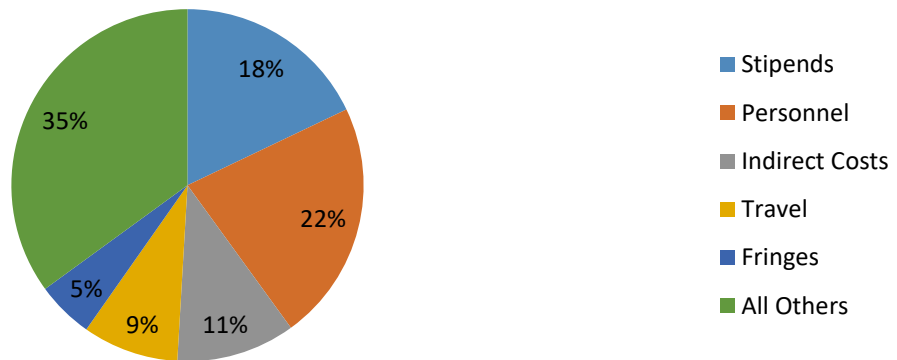
The MOVADC expenditures were higher in FY22 by \$16,728 primarily due to an increase of income from loan programs during the fiscal year.

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

MOVRC Revenues By Source



MOVRC Major Expenditure by Type



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 FY22 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 FY22 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, 2022

	<u>MOVRC</u>	<u>MOVADC</u>	<u>Total</u>
ASSETS:			
Cash and cash equivalents	112,222	457,513	569,735
Restricted cash	1,585,906	1,337,501	2,923,407
Receivables, federal and state	90,138	-	90,138
Receivable loan proceeds	-	234,000	234,000
Receivables, local, interest, and other	229,295	10,619	239,913
Due (to) General Fund from other funds	3	(3)	-
Notes receivable , net of allowances	7,980,366	3,600,686	11,581,053
Prepaid assets	9,834	-	9,834
Capital assets not being depreciated	-	296,697	296,697
Capital assets being depreciated, net	-	1,006,048	1,006,048
Total assets	<u>10,007,763</u>	<u>6,943,061</u>	<u>16,950,825</u>
DEFERRED OUTFLOWS OF RESOURCES:			
	-	-	-
LIABILITIES:			
Accounts & program payable	118,058	10,876	128,934
Compensated Absences	26,248	-	26,248
Accrued Expenses	50,460	5,475	55,935
Unearned Revenue	392,941	-	392,941
Noncurrent liabilities:			
Notes payable due within one year	-	165,656	165,656
Notes payable due in more than one year	-	3,038,527	3,038,527
Total liabilities	<u>587,708</u>	<u>3,220,534</u>	<u>3,808,242</u>
DEFERRED INFLOWS OF RESOURCES:			
	-	-	-
NET POSITION:			
Invested in capital assets, net of related debt	-	910,645	910,645
Restricted for loan programs	5,700,258	2,136,723	7,836,981
Committed	3,719,797	675,159	4,394,956
Unrestricted	-	-	-
Total net position	<u>\$ 9,420,055</u>	<u>\$ 3,722,527</u>	<u>\$ 13,142,583</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, 2022

	<u>MOVRC</u>	<u>MOVADC</u>	<u>Total</u>
REVENUES:			
Federal	\$ 3,240,248	\$ -	\$ 3,240,248
State	84,840	-	84,840
Local	603,982	187,500	791,482
Interest income	115,557	40,236	155,793
Rental income		141,790	141,790
Miscellaneous revenue	24,138	-	24,138
Total revenues	<u>4,068,765</u>	<u>369,526</u>	<u>4,438,291</u>
EXPENDITURES:			
Advertising and marketing	10,398	-	10,398
Loan administrative expense	(11,064)	11,064	-
Contract services	170,184	5,475	175,659
Dues, fees and memberships	6,988	-	6,988
Equipment rental and repair	-	9,282	9,282
Indirect costs	314,839	448	315,287
Insurance	5,537	12,406	17,943
Interest	-	24,576	24,576
Consumables, postage and printing	62,621	-	62,621
Other and in-kind	420,584	5,070	425,654
Personnel	637,363	845	638,209
Personnel benefits	151,230	208	151,438
Provision for loan losses	268,155	22,332	290,487
Stipends	516,887	-	516,887
Training/conference/workshops	76,852	-	76,852
Travel	254,391	-	254,391
Depreciation	-	50,911	50,911
Total expenditures	<u>2,884,966</u>	<u>142,616</u>	<u>3,027,583</u>
Operating income	1,183,798	226,910	1,410,708
Net Position beginning of year	<u>8,236,257</u>	<u>3,495,617</u>	<u>11,731,874</u>
Net Position at end of year	<u>\$ 9,420,055</u>	<u>\$ 3,722,527</u>	<u>\$ 13,142,582</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, 2022

	Enterprise Funds		
	MOVRC	MOVADC	Total
Cash flows from operating activities:			
Cash from (or out to) customers and users	\$ 2,622,885	\$ (22,352)	\$ 2,600,533
Cash (paid) to suppliers and employees	(2,891,271)	(191,204)	(3,082,475)
Net cash used by operating activities	(268,385)	(213,556)	(481,942)
Cash flows from financing activities:			
Unearned revenue (decrease) increase	(49,711)	(187,500)	(237,211)
Incurred long-term debt	-	585,698	585,698
Net cash provided by investing activities	(49,711)	398,198	348,487
Cash flows from investing activities			
Proceeds from sale of capital assets	-	101,823	101,823
Increase in cash and cash equivalents	(318,096)	286,465	(31,631)
Cash and cash equivalents, beginning of year	2,016,224	1,508,549	3,524,773
Cash and cash equivalents, end of year	<u>\$ 1,698,127</u>	<u>\$1,795,014</u>	<u>\$ 3,493,141</u>
Cash and cash equivalents consists of:			
Unrestricted cash	\$ 112,222	\$ 457,513	\$ 569,735
Restricted cash	1,585,907	1,337,501	2,923,408
Cash and cash equivalents total	<u>\$ 1,698,129</u>	<u>\$1,795,014</u>	<u>\$ 3,493,142</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating Gain (loss)	\$ 1,183,798	226,910	1,410,708
Depreciation and amortization	-	(50,911)	(50,911)
Changes in operating assets and liabilities:			
(Increase) decrease in receivables	240,605	(216,928)	23,677
(Increase) decrease in due from other funds	286	(286)	-
(Increase) decrease in notes receivable	(1,678,952)	(174,665)	(1,853,617)
(Increase) decrease in other assets	(7,818)	-	(7,818)
Increase (decrease) accrued expense	6,639	-	6,639
Increase (decrease) compensated absence	(3,444)	-	(3,444)
Increase (decrease) in accounts payable	(9,499)	(3,151)	(12,650)
Net cash used by operating activities	<u>\$ (268,385)</u>	<u>\$ (219,031)</u>	<u>\$ (487,417)</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, 2022

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 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 Equivalent

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, 2022, is \$26,248 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, 2022</u>
<u>\$29,691.79</u>	<u>\$ -</u>	<u>\$3,443.72</u>	<u>\$26,248.07</u>

H. Unearned Revenue

Grant revenue resulting from exchange transactions is recognized when the 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 agreements. The grants funds are typically received in advance due to scheduled funding per the grant awards. The amounts are a combination of federal, state, and local funds. As of June 30, 2022, our unearned

revenue balance was \$392,941. The majority of which was attributable to the; ARC Grant \$24,144 non-federal; Foster Grandparent Program \$67,259; Senior Companion Program \$45,859; WWW program \$140,347 and RSVP Program \$107,106.

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 \$268,155 and for MOVADC increased by \$22,332 as of June 30, 2022.

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, 2022, MOVRC’s and MOVADC’s unrestricted cash and cash equivalents and restricted cash were as follows:

Unrestricted cash and cash equivalents:

	<u>Carrying Value</u>	<u>Bank Balance</u>
Unrestricted cash:		
MOVRC	\$ 112,222	\$ 126,410
MOVADC	<u>457,513</u>	<u>458,046</u>
Total unrestricted cash and cash equivalents	<u>\$ 569,735</u>	<u>\$ 584,456</u>
Restricted cash:		
MOVRC federal grant and loan programs	\$ 1,585,907	\$ 1,589,868
MOVADC loan programs	<u>1,337,501</u>	<u>1,411,823</u>
Total restricted cash and cash equivalents	<u>\$ 2,923,408</u>	<u>\$ 3,001,691</u>

At June 30, 2022, MOVRC’s and MOVADC’s unrestricted cash and restricted cash were deposited in financial institutions and insured by federal depository insurance and collateralized obligations. However, the collateralized value was deficient to the amount required to cover the unrestricted cash.

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 at June 30, 2022, was as follows:

	<u>EDA CARES</u>	<u>ARC</u>	<u>Foundation</u>	<u>MLF</u>	<u>McDonough</u>
Notes receivable balance	\$ 2,990,747	\$ 2,249,694	\$ 186,027	\$ 249,433	\$ 22,389
Less allowance for bad debt	-	(307,479)	-	(69,748)	-
Net notes receivable balance	<u>\$ 2,990,747</u>	<u>\$ 1,942,215</u>	<u>\$ 186,027</u>	<u>\$ 179,685</u>	<u>\$ 22,389</u>

	<u>RBEG</u>	<u>RDBG</u>	<u>Region VI RBEG</u>	<u>EDA</u>	<u>Total</u>
Notes receivable balance	\$ 65,783	\$ 12,143	\$ 87,560	\$ 2,567,917	\$ 8,431,692
Less allowance for bad debt	-	-	-	(74,100)	(451,326)
Net notes receivable balance	<u>\$ 65,783</u>	<u>\$ 12,143</u>	<u>\$ 87,560</u>	<u>\$ 2,493,817</u>	<u>\$ 7,980,366</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, 2022, was as follows:

	<u>SSBCI</u>	<u>IRP</u>	<u>Total</u>
Notes receivable balance	\$ 636,972	\$ 3,151,278	\$ 3,788,250
Less allowance for bad debt	-	(187,564)	(187,564)
Net notes receivable balance	<u>\$ 636,972</u>	<u>\$ 2,963,714</u>	<u>\$ 3,600,686</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 shown above.

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, 2022, was as follows:

	<u>June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2022</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>7,773</u>	<u>-</u>
Total capital assets being depreciated:	1,831,664	-	-	1,823,891
Less accumulated depreciation for:				
Buildings and Furnishing	766,931	43,138	-	810,070
Office Equipment	<u>7,773</u>	<u>7,773</u>	<u>-</u>	<u>7,773</u>
Total accumulated depreciation	<u>774,704</u>	<u>50,911</u>	<u>-</u>	<u>817,843</u>
Total net capital assets being depreciated	<u>1,056,960</u>	<u>(50,911)</u>	<u>-</u>	<u>1,006,048</u>
Total capital assets, net of depreciation	<u>\$ 1,353,657</u>	<u>\$ (50,911)</u>	<u>\$ -</u>	<u>\$ 1,302,745</u>

NOTE 6. LONG-TERM DEBT

MOVADC's long-term debt at June 30, 2022, was as follows:

Note payable to U.S. Department of Agriculture, RBA,
payable in annual installments of \$31,838 including

interest at 1%, final payment due January 25, 2031, secured by all proceeds and products of the Intermediary Relending Program.	266,661
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.	468,486
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.	625,854
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.	701,082
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, 2052, secured by all proceeds and products of the Intermediary Relending Program.	750,000
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.	<u>392,100</u>
	<u>\$3,204,183</u>

MOVADC's long-term debt activity for the year ended June 30, 2022, was as follows:

	Balance			Balance	Due Within
	<u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2022</u>	<u>One Year</u>
709 Market Street SSBCI	\$ 450,728	\$ -	58,628	\$ 392,100	\$ 62,490
USDA D 06	295,544	-	28,883	266,661	29,233
USDA D 07	495,370	-	26,884	468,486	27,153
USDA D 09	651,180	-	25,326	625,854	25,582
USDA D 10	725,663	-	24,580	701,082	24,827
USDA D 11	-	750,000	-	750,000	24,338
Total Notes Payable	<u>\$ 2,618,485</u>	<u>\$ -</u>	<u>\$ 164,301</u>	<u>\$ 3,204,183</u>	<u>\$ 193,623</u>

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

<u>30-Jun</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 193,623	\$ 35,963	\$ 229,586
2024	194,935	33,402	228,337
2025	196,260	30,827	227,087
2026	197,598	28,240	225,838
2027	198,949	25,639	224,588
2028-2032	743,502	95,246	838,748
2033-2037	574,179	62,596	636,775
2038-2042	474,068	35,235	509,304
2043-2047	368,451	13,305	381,756
2048-2049	62,618	940	63,558
Totals	<u>\$ 3,204,183</u>	<u>\$ 361,394</u>	<u>\$ 3,565,577</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, 2022, 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, 2022, 2021 and 2020, MOVRC contributed \$45,057, \$76,458 and \$69,143, 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 2023: ARC grant approved to 12/31/2022, EDA grant approved to 3/31/2023, EDA CARES ACT grant extension approved to 9/31/2022, FGP grant approved to 6/30/2023, RSVP grant approved to 6/30/2023 and SCP grant approved to 6/30/2023.

NOTE 11. STATE OF WV GRANTS

MOVRC is the recipient of two WV state grants 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	7/1/21-6/30/22	\$ 23,739
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		7/1/21-6/30/22	\$ 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 COVID19-recovery. These funds were used during the FY21 and FY22 fiscal years to issue loans to small businesses.

Non-recognized events:

None

SUPPLEMENTARY INFORMATION

Mid-Ohio Valley Regional Planning and Development Council
Combing by Program Statement of Revenues, Expenses, and Changes in Net Position
Fiscal Year Ending June 30, 2022

	Appalachian Regional Commission (ARC)	ARC- Inspire Grant	EDA Cares	Economic Dev. Admin. (EDA)	Fee For Service	Foster Grandparents	ARC - Revolving Loan Fund	EDA- Revolving Loan Fund	EDA-CARES Revolving Loan Fund
REVENUES:									
Federal	\$ 84,526	\$ 100,222	\$ 186,707	\$ 63,642	\$ -	\$ 508,356	\$ 608,006	\$ -	\$ 733,415
State	45,758	-	-	-	-	-	-	-	-
Local	-	111,099	-	15,680	244,409	30,700	-	-	-
Interest	24	-	-	9	-	33	16,657	31,413	57,679
Other	-	-	-	-	-	-	-	-	-
Total revenues	130,308	211,321	186,707	79,330	244,409	539,089	624,663	31,413	791,094
EXPENDITURES:									
Advertising and marketing	2,745	-	-	745	3,729	-	-	-	-
Loan administrative expense	-	-	-	-	-	-	3,225	6,292	54,339
Contract services	-	27,832	-	-	8,000	275	-	-	-
Dues, fees and memberships	-	-	-	-	-	-	-	-	-
Equipment rental and repair	-	-	-	-	-	-	-	-	-
Indirect costs	35,056	-	30,985	20,923	65,812	30,210	-	-	-
Insurance	-	-	-	-	-	1,079	-	-	-
Consumables, postage and printing	1,438	-	30,380	1,896	127	3,367	-	1,294	-
Other and in-kind	890	105,915	91,776	-	629	72,694	1,411	-	426
Personnel	62,247	15,000	25,924	37,691	124,173	91,043	-	-	-
Personnel benefits	15,504	5,184	-	11,645	31,893	18,714	-	-	-
Provision for loan losses	-	-	-	-	-	-	172,649	74,100	-
Stipends	-	-	-	-	-	247,622	-	-	-
Training/conference/workshops	361	57,390	-	-	-	-	-	-	-
Travel	12,067	-	7,643	6,431	10,046	74,086	-	-	-
Total expenditures	130,308	211,321	186,707	79,330	244,409	539,089	177,285	81,686	54,765
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-	447,378	(50,273)	736,329
Net Position at beginning of year	-	-	-	-	728	-	1,644,793	3,089,739	2,437,771
Net Position at end of year	\$ -	\$ -	\$ -	\$ -	\$ 728	\$ -	\$ 2,092,171	\$ 3,039,466	\$ 3,174,100

Mid-Ohio Valley Regional Planning and Development Council
Combing by Program Statement of Revenues, Expenses, and Changes in Net Position
Fiscal Year Ending June 30, 2022 (continued)

	Ross Foundation Loan Fund	McDonough Foundation Loan Fund	Micro loan RLF	RBDG	Region VI RBEG	Loan Pool Admin.	Launchpad	Local
REVENUES:								
Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-	-	-	-	-
Local	-	-	-	-	-	-	-	105,874
Interest	3,498	237	3,135	509	1,098	-	-	190
Other	-	-	-	-	-	-	-	24,138
Total revenues	3,498	237	3,135	509	1,098	-	-	130,202
EXPENDITURES:								
Advertising and marketing	-	-	-	-	-	-	-	-
Loan administrative expense	-	-	510	-	-	(75,429)	-	-
Contract services	-	-	-	-	-	998	-	-
Dues, fees and memberships	-	-	-	-	-	-	-	6,988
Equipment rental and repair	-	-	-	-	-	-	-	-
Indirect costs	-	-	-	-	-	18,485	-	82
Insurance	-	-	-	-	-	1,561	-	-
Consumables, postage and printing	-	-	-	-	-	9,595	-	2
Other and in-kind	54	-	150	-	-	-	6,343	46,546
Personnel	-	-	-	-	-	34,877	-	154
Personnel benefits	-	-	-	-	-	8,397	-	38
Provision for loan losses	-	-	21,406	-	-	-	-	-
Stipends	-	-	-	-	-	-	-	-
Training/conference/workshops	-	-	-	-	-	195	-	-
Travel	-	-	-	-	-	1,322	-	-
Total expenditures	54	-	22,066	-	-	-	6,343	53,810
Excess (deficiency) of revenues over (under) expenditures	3,444	237	(18,931)	509	1,098	-	(6,343)	76,392
Net Position at beginning of year	218,513	51,522	313,836	31,608	104,722	-	6,343	226,875
Net Position at end of year	\$ 221,957	\$ 51,759	\$ 294,905	\$ 32,117	\$ 105,820	\$ -	\$ -	\$ 303,267

Mid-Ohio Valley Regional Planning and Development Council
Combing by Program Statement of Revenues, Expenses, and Changes in Net Position
Fiscal Year Ending June 30, 2022 (continued)

	Retired		Senior	WV Assoc.		WWW		Combined
	Senior	Ritchie	Companion	Reg. Plan &	Mobility	Interstate	WV AMPO	Total Special
	Volunteer	RBEG	Program	Dev.	Manager	Planning		Revenue
	Program					Commission		
REVENUES:								
Federal	\$ 96,470	\$ -	\$ 567,629	\$ -	\$ 7,721	\$ 283,554	\$ -	\$ 3,240,248
State	-	-	-	-	-	39,082	-	84,840
Local	16,322	-	11,627	11,000	1,355	33,026	22,890	603,982
Interest	51	937	33	15	-	39	-	115,557
Other	-	-	-	-	-	-	-	24,138
Total revenues	112,843	937	579,289	11,015	9,075	355,701	22,890	4,068,765
EXPENDITURES:								
Advertising and marketing	-	-	-	-	-	3,179	-	10,398
Loan administrative expense	-	-	-	-	-	-	-	(11,064)
Contract services	300	-	375	20,892	175	111,334	-	170,184
Dues, fees and memberships	-	-	-	-	-	-	-	6,988
Equipment rental and repair	-	-	-	-	-	-	-	-
Indirect costs	17,490	-	27,560	-	-	68,237	-	314,839
Insurance	1,933	-	965	-	-	-	-	5,537
Consumables, postage and printing	595	-	3,930	-	-	9,998	-	62,621
Other and in-kind	37,341	46	54,285	2,079	-	-	-	420,584
Personnel	39,837	-	72,996	-	7,045	126,375	-	637,363
Personnel benefits	8,340	-	15,130	-	1,856	34,530	-	151,230
Provision for loan losses	-	-	-	-	-	-	-	268,155
Stipends	-	-	269,265	-	-	-	-	516,887
Training/conference/workshops	-	-	-	-	-	1,042	17,864	76,852
Travel	7,008	-	134,783	-	-	1,006	-	254,391
Total expenditures	112,843	46	579,289	22,971	9,075	355,701	17,864	2,884,966
Excess (deficiency) of revenues over (under) expenditures	-	891	-	(11,957)	-	-	5,026	1,183,800
Net Position at beginning of year	-	72,149	-	27,893	-	-	9,766	8,236,258
Net Position at end of year	\$ -	\$ 73,040	\$ -	\$ 15,936	\$ -	\$ -	\$ 14,792	\$ 9,420,058

Mid-Ohio Valley Development Corporation
Combing by Program Statement of Revenues, Expenses, and Changes in Net Position
Fiscal Year Ending June 30, 2022

	Intermediary Relending Program	State Small Business Initiative	Economic Development and Administrative Facility Rental	Totals
REVENUES:				
Local Revenue	\$ 187,500	\$ -	\$ -	\$ 187,500
Interest	32,661	7,130	445	40,236
Rental income	-	-	141,790	141,790
Total revenues	<u>220,161</u>	<u>7,130</u>	<u>142,235</u>	<u>369,526</u>
EXPENDITURES:				
Personnel	-	-	\$845.24	845
Personnel benefits	-	-	208	208
Repairs and Maintenance	-	-	9,282	9,282
Utilities	-	-	79	79
Insurance	-	-	12,406	12,406
Interest	22,452	-	2,124	24,576
Indirect costs	-	-	448	448
Contract services	1,314	493	3,668	5,475
Loan administrative expense	9,504	1,560	-	11,064
Other	3,160	60	1,770	4,990
Provision for loan losses	22,332	-	-	22,332
Depreciation	-	-	50,911	50,911
Total expenditures	<u>58,761</u>	<u>2,113</u>	<u>81,742</u>	<u>142,616</u>
Changes in net position	161,400	5,017	60,493	226,910
Net Position at beginning of year	<u>1,125,999</u>	<u>1,109,676</u>	<u>1,259,942</u>	<u>3,495,617</u>
Net Position at end of year	<u>\$ 1,287,399</u>	<u>\$ 1,114,693</u>	<u>\$ 1,320,435</u>	<u>\$ 3,722,527</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, 2022

	Appalachian Regional Commission		Economic Development Administration	
	Six Months Ended	Six Months Ended	Nine Months Ended	Three Months Ended
	12/31/21	6/30/22	3/31/22	6/30/22
REVENUES:				
Federal	\$ 35,542	\$48,984	\$ 52,791	\$10,851
State	22,631	23,127	-	-
Local	-	-	17,500	(1,820)
Interest	7	17	4	5
Other	-	-	-	-
Total revenues	<u>58,180</u>	<u>72,128</u>	<u>70,295</u>	<u>9,035</u>
EXPENDITURES:				
Advertising and marketing	18	2,727	1,040	(295)
Indirect costs	15,584	19,472	17,393	3,530
Consumables, postage and printi	755	683	1,293	603
Other and in-kind	-	890	-	-
Personnel	29,402	32,845	32,411	5,280
Personnel benefits	8,228	7,276	9,922	1,723
Training, conference and worksh	-	361	-	-
Travel	4,193	7,874	8,236	(1,805)
Total expenditures	<u>58,180</u>	<u>72,128</u>	<u>70,295</u>	<u>9,035</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2022**

	<u>Indirect Costs</u>		Variance
	<u>Budget</u>	<u>Actual</u>	<u>Inc. (Dec.)</u>
Indirect costs:			
Salaries and personnel	\$ 135,558	\$133,226	\$ (2,332)
Personnel benefits	29,284	33,453	4,169
Audit costs	9,500	9,500	-
Meals and meeting costs	3,000	1,441	(1,559)
Consultants	2,000	431	(1,570)
Dues	2,000	1,537	(463)
Service and miscellaneous	5,000	4,543	(457)
Parking	5,500	5,380	(120)
Travel	8,000	6,070	(1,930)
Insurance	8,955	8,955	-
Office rental	63,010	63,010	-
Computer expense	29,000	27,763	(1,237)
Consumable supplies and printing	14,985	14,855	(130)
Postage expense	4,000	3,686	(314)
Telephone expense	15,000	14,421	(579)
Trash expense	1,500	1,119	(381)
Cleaning and janitorial	7,600	7,062	(538)
Advertising	500	-	(500)
Utilities	18,000	17,171	(829)
Board of directors	1,000	256	(744)
Training and education	4,000	2,464	(1,536)
Total indirect before income offsets	<u>367,392</u>	<u>356,341</u>	<u>(11,051)</u>
Less:			
Contractual income	(33,500)	(41,013)	(7,513)
MOVADC indirect	(415)	(448)	(33)
Interest income	-	(41)	(41)
Total income offsets	<u>(33,915)</u>	<u>(41,501)</u>	<u>(7,586)</u>
Total indirect costs	<u>\$ 333,477</u>	<u>\$ 314,839</u>	<u>\$ (18,638)</u>

Mid-Ohio Valley Regional Planning and Development Council
Schedule of Expenditures of Federal Awards
Fiscal Year Ending June 30, 2022

Federal Grantor Pass-through Grantor <u>Program Title</u>	CFDA <u>Number</u>	Pass-through Grantor's <u>Number</u>	Grant <u>Period</u>	Total Grant <u>Award</u>	Total Federal <u>Expenditures</u>
Corporation for National and Community Services					
Pass-through the WV Office of Economic Opportunity (OEO)					
Foster Grandparent/Senior Companion Cluster					
Senior Companion Program	94.016	19SCSWV001	7/1/2021-6/30/2022	\$ 601,609	\$ 567,629
Foster Grandparent	94.011	19SFSWV002	7/1/2021-6/30/2022	\$ 612,858	508,356
Total Foster Grandparent/Senior Companion Cluster					1,075,985
Retired Senior Volunteer Program	94.002	19SRSWV003	7/1/2021-6/30/2022	\$ 154,317	96,470
Total Corporation for National and Community Services					1,172,455
Appalachian Regional Commission					
Revolving Loan Fund	23.011	01-39-02806			2,503,603
Appalachian -Substance Abuse Inspire Grant	23.009	IS-20254-21	4/1/2021-3/31/2024	\$ 400,000	100,222
Appalachian Local Development District Assistance	23.009	WV-2284-C46-21	1/1/2021-12/31/2021	\$ 77,715	35,542
Appalachian Local Development District Assistance	23.009	WV-2284-C49-22	1/1/2022-12/31/2022	\$ 100,386	48,984
Total Appalachian Regional Commission					2,688,351
U.S. Department of Commerce, Economic					
Development Administration					
Revolving Loan Fund -CARES	11.307	01-79-14975 WV	7/1/2020-6/30/2022		3,220,850
Support for Planning Organizations	11.302	ED19PHI3020026	4/1/2021-3/31/2022	\$ 70,000	10,851
Support for Planning Organizations	11.302	ED19PHI3020026	4/1/2022-3/31/2023	\$ 70,000	52,791
Economic Adjustment Assistance for Disaster Economic	11.307	ED20PHI3070012	6/1/2020-11/30/2022	\$ 400,000	186,707
Total U.S. Department of Commerce, Economic Development Administration					3,471,199
U.S. Department of Agriculture, Rural Business					
Cooperative Service					
Intermediary Relending Program	10.767				1,660,731
Total U.S. Department of Agriculture, Rural Business Cooperative Service					1,660,731
U. S. Department of Transportation					
Highway Planning and Construction Cluster DOT					
Highway Planning and Construction					
Passed through West Virginia DOT	20.205	WV AU-180-G	7/1/2021-6/30/2022	\$ 271,351	190,406
Passed through Ohio DOT	20.205	DOTC35892-1	7/1/2021-6/30/2022	\$ 82,389	93,148
Total Highway Planning and Construction Cluster					283,554
Regional Mobility Manager	20.513	WV-16-X055	7/1/2021-6/30/2023	\$ 50,028	7,721
Total U. S. Department of Transportation					291,274
Total Expenditures of Federal Awards					\$ 9,284,011

**Mid-Ohio Valley Regional Planning and Development Council
Notes to Schedule of Expenditures of Federal Awards
Fiscal Year Ending June 30, 2022**

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 minimus indirect rate. We used an US-Economic Development Agency approved rate of .53 of direct labor.

NOTE 3.

LOANS RECEIVABLE OUTSTANDING

MOVRC had the following balances of loans receivable outstanding at June 30, 2022, under federal loan programs

<u>Program Title:</u>	<u>CFDA</u>	
USEDA Revolving Loan Fund Cares Act	11.307	\$ 2,990,747
Appalachian Regional Commission-RLF	23.011	1,942,215
Intermediary Relending Program	10.767	2,963,714
Total		<u>\$ 7,896,677</u>

NOTE 4.

Calculated Federal Expenditures

	<u>EDA CARES</u>	<u>IRP</u>
Balance of outstanding loans at 6/30/2022 [current year]	\$ 2,990,747.5	\$ 2,963,714.2
Cash and investment balance at 6/30/22 [current year]	175,337.4	859,448.2
Administrative expenses paid FY22 [current year]	54,765.3	13,977.6
Unpaid principal of loans written off	-	<u>22,331.7</u>
Total	3,220,850.1	3,859,471.7
Federal Participation Rate	100%	0.4303
Calculated Federal Expenditures	<u>\$ 3,220,850</u>	<u>\$ 1,660,731</u>

	<u>ARC</u>
Balance of outstanding loans at 6/30/2022	\$ 1,392,638
Loan Disbursements during FY22	1,106,329
Admin Expenses FY2022	4,636
Calculated Federal Expenditures	<u>\$ 2,503,603</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, 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, 2022, and the related notes to the financial statements, which collectively comprise Mid-Ohio Valley Regional Planning and Development Council's basic financial statements and have issued our report thereon dated November 2, 2022.

Report on Internal Control over Financial Reporting

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

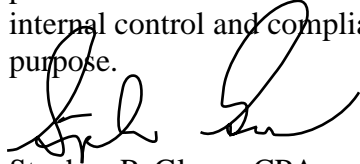
not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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 did not disclose an instance 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.



Stephen P. Glaser, CPA
Saint Albans, West Virginia
November 2, 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

Opinion on Each Major Federal Program

We have audited Mid-Ohio Valley Regional Planning and Development Council'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 Mid-Ohio Valley Regional Planning and Development Council's major federal programs for the year ended June 30, 2022. 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.

In our opinion, 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, 2022.

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 Mid-Ohio Valley Regional Planning and Development Council 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 Mid-Ohio Valley Regional Planning and Development Council'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 Mid-Ohio Valley Regional Planning and Development Council'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 Mid-Ohio Valley Regional Planning and Development Council'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 for 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 Mid-Ohio Valley Regional Planning and Development Council'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 Mid-Ohio Valley Regional Planning and Development Council'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 Mid-Ohio Valley Regional Planning and Development Council'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 Mid-Ohio Valley Regional Planning and Development Council'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 the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

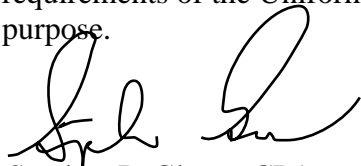
Report on Internal Control over Compliance

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 might 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 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.



Stephen P. Glaser, CPA
Saint Albans, West Virginia
November 2, 2022

MID-OHIO VALLEY REGIONAL PLANNING AND DEVELOPMENT COUNCIL
Schedule of Findings and Questioned Costs
Fiscal Year Ending June 30, 2022

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

Appalachian Regional Commission
 Revolving Loan Fund 23.011

U. S. Department of Transportation
 Highway Planning and Construction Cluster DOT
 Highway Planning and Construction 20.205

Dollar threshold used to distinguish between Type A and Type B Program: \$ 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, 2022

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 of no questioned costs.

Section V – Summary Schedule of Prior Audit Findings

There are no prior year findings or questioned costs reported.