

*South Central Illinois Regional
Planning and Development Commission
Salem, Illinois*
Annual Financial Report
and
Federal Financial Compliance
For the Year Ended September 30, 2023

**South Central Illinois Regional Planning
and Development Commission
Financial Statements
September 30, 2023**

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Independent Auditor's Report

To The Board of Commissioners
South Central Illinois Regional
Planning and Development Commission
Salem, Illinois

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the business-type activities of the **South Central Illinois Regional Planning and Development Commission**, Marion County, Illinois, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the South Central Illinois Regional Planning and Development Commission, as of September 30, 2023, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the South Central Illinois Regional Planning and Development Commission, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management 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, and the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the 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 South Central Illinois Regional Planning and Development Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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*, I:

- 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 South Central Illinois Regional Planning and Development Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the South Central Illinois Regional Planning and Development Commission's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, 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. I have applied certain limited procedures to the required supplemental 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the South Central Illinois Regional Planning and Development Commission's basic financial statements. The accompanying individual program statements, schedules of outstanding loan balances, and the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from the relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic 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 my opinion, the individual program statements, schedules of outstanding loan balances, and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

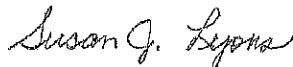
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedule of SBA loan balances and statement of revenues and expenses compared to agency-wide budget. My opinions on the basic financial statements do not cover the other information, and I do not express an opinion or any form of assurance thereon.

In connection with my audit of the basic financial statements, my responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, I conclude that an uncorrected material misstatement of the other information exists, I am required to describe it in my report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated February 20, 2024, on my consideration of the South Central Illinois Regional Planning and Development Commission's internal control over financial reporting and on my 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 my 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 South Central Illinois Regional Planning and Development Commission'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 South Central Illinois Regional Planning and Development Commission's internal control over financial reporting and compliance.



Odin, Illinois
February 20, 2024

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To The Board of Commissioners
South Central Illinois Regional
Planning and Development Commission
Salem, Illinois

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the **South Central Illinois Regional Planning and Development Commission** as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements and have issued my report thereon dated February 20, 2024.

Internal Control Over Financial Reporting

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

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. I did identify a certain deficiency in internal control, described as finding 2023-001 in the accompanying schedule of findings and questioned costs that I consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the South Central Illinois Regional Planning and Development Commission's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Commission's Response to Findings

South Central Illinois Regional Planning and Development Commission's response to the finding identified in my audit is described in the accompanying schedule of findings and questioned costs located in the federal awards section of this report. The Commission's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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.



Odin, Illinois
February 20, 2024

Required Supplemental Information
Management Discussion and Analysis

**South Central Illinois Regional
Planning and Development Commission
Management's Discussion and Analysis
September 30, 2023**

Our discussion and analysis of South Central Illinois Regional Planning and Development Commission's financial performance provides the reader of our audit report with an overview of the Commissions' financial activities for the fiscal year ended September 30, 2023. The discussion and analysis is intended to be read in conjunction with the Commission's financial statements which follow.

FINANCIAL HIGHLIGHTS

The Commission's total assets increased \$133,625 or 4.96% and total liabilities increased \$88,632 or 23.57% for the year. Cash and investments increased \$57,312 or 4.17% and Notes receivable increased \$76,127 or 4.11% due to more loans made than principal payments received in 2023. Notes payable to Rural Development decreased \$131,677 or 46.00%.

USING THIS ANNUAL REPORT

The financial statements are prepared in accordance with generally accepted accounting principles (GAAP), and follow the guidelines of the Governmental Accounting Standards Board (GASB). In 1999, GASB adopted Statement Number 34, "*Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments.*" This standard requires full accrual accounting, including the reporting of all capital assets net of depreciation. The Commission has traditionally used full accrual accounting so changes resulting from the implementation of GASB 34 were primarily limited to financial statement presentation.

REPORT COMPONENTS

The major components of the financial statements are the overall statement of net position and the overall statement of revenues, expenses and changes in net position. The statement of net position shows the amount that total Commission assets exceeded total liabilities, which may be considered the current value or the net worth for the Commission. The statement of revenues, expenses and changes in net position reflects the overall operations of the Commission for the past year. This demonstrates how effectively the Commission operates on a business level model. In simple terms, it shows how the Commission would fare as a business, without the support of auxiliary revenues.

THE STATEMENT OF NET POSITION AND THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

One of the most important questions asked about the Commission's finances is, "*Is the Commission as a whole better off or worse off as a result of the year's activities?*" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Fund Net Position report information about the Commission as a whole and about its activities in a way that helps answer this question. These statements include all the Commission's assets and liabilities resulting from the use of the accrual basis of accounting.

The two statements report the Commission's net position and any changes in them. You can think of the Commission's net position (the difference between assets and liabilities) as one way to measure the Commission's financial health or financial position. Over time, increases or decreases in the Commission's net position provide one indicator of whether its financial health is improving or deteriorating. However, the reader is encouraged to consider other non-financial factors, such as the quality of services provided and changes in the Commission's client base, to assess the overall health of the Commission.

Under the GASB 34 standards, the government-wide financial statements are classified into two components: governmental activities, which are operations primarily supported by tax revenues, and business-type activities, which are those operations intended to be self-supportive. The Commission receives no tax revenues and therefore, all its operations are considered to be business-type activities.

REPORTING THE COMMISSION'S MOST SIGNIFICANT FUNDS

The Fund Financial Statements

The proprietary fund is the only fund that the Commission maintains. Proprietary funds are accounted for on the flow of economic resources measurement focus, and use the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred. The Commission accounts for operating expenses by both project activity and cost category. Indirect expenses are allocated to projects based on a percentage of actual benefit received by the project or program or upon the level of direct payroll charged. Proprietary funds include the following fund type:

Enterprise Fund - are used to account for those operations that are financed and operated in a manner similar to private business, or where the Board of Commissioners has decided that the intent is that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

A FINANCIAL ANALYSIS OF THE COMMISSION AS A WHOLE

Net Position-Accrual Basis

The Commission's net position was \$2,931,355 at September 30, 2023. Of this amount \$339,365 was unrestricted. Restricted net position of \$2,525,979 is reported separately to show the amount that the Commission has set aside for future revolving loans, acquisition of capital assets, and payment of accrued leave, which limits the Commission's ability to use those assets for day-to-day operations. The remaining net position of \$66,011 is the amount that is invested in capital assets such as land, buildings, and equipment. Our analysis below focuses on the net position and change in net position of the Commission's enterprise activities.

	September 30, 2023 and 2022	
	<u>2023</u>	<u>2022</u>
Current Assets	\$ 1,287,405	\$ 1,316,775
Capital Assets	66,011	74,032
Other Noncurrent Assets	<u>2,042,571</u>	<u>1,871,555</u>
Total Assets	<u>3,395,987</u>	<u>3,262,362</u>
Current Liabilities	381,213	191,609
Noncurrent Liabilities	<u>83,419</u>	<u>184,391</u>
Total Liabilities	<u>464,632</u>	<u>376,000</u>
Net Position	<u>\$ 2,931,355</u>	<u>\$ 2,886,362</u>
Net Investment in Capital Assets	\$ 66,011	\$ 74,032
Restricted	2,525,979	2,483,995
Unrestricted	<u>339,365</u>	<u>328,335</u>
Total Net Position	<u>\$ 2,931,355</u>	<u>\$ 2,886,362</u>

Changes in Net Position-Accrual Basis

For the fiscal years ended September 30, 2023 and 2022, net position changed as follows:

Revenues	<u>2023</u>	<u>2022</u>
Program Revenue		
Interest Received on Loans	\$ 51,703	\$ 50,320
Services Provided Local Govts.	144,646	97,598
Local, State and Federal Grants	349,894	331,675
Local Funds	33,904	30,092
Loan Application and Servicing Fees	6,580	9,690
Miscellaneous	1,893	1,057
Nonoperating Revenue	<u>32,377</u>	<u>20,467</u>
Total Revenues	<u>620,997</u>	<u>540,899</u>
Expenses		
Direct	417,664	443,725
Indirect	109,101	101,114
Other Nonoperating Expense	<u>49,239</u>	<u>-</u>
Total Expenses	<u>576,004</u>	<u>544,839</u>
Change in Net Position	44,993	(3,940)
Net Position - Beginning of Year	<u>2,886,362</u>	<u>2,890,302</u>
Net Position - End of Year	<u>\$ 2,931,355</u>	<u>\$ 2,886,362</u>

GENERAL FUND BUDGETARY HIGHLIGHTS

The Commission operated within its budget for the year ended September 30, 2023.

CAPITAL ASSET AND DEBT ADMINISTRATION

At September 30, 2023 the Commission had \$66,011 invested in capital assets, net of depreciation. This represents a net decrease of \$8,021, or 10.83%, over last year. The decrease is due to the current year depreciation expense exceeding assets purchased for the year. The Commission had no outstanding debt associated with its capital assets.

	<u>2023</u>	<u>2022</u>
Nondepreciable-Land	\$ 13,603	\$ 13,603
Building and Improvements	39,322	42,187
Equipment	1,463	1,970
Automobiles	<u>11,623</u>	<u>16,272</u>
Totals	<u>\$ 66,011</u>	<u>\$ 74,032</u>

At September 30, 2023, the Commission had \$154,543 in long term debt as compared to \$286,220 in 2022. The debt consists of notes payable to USDA Rural Development for funds borrowed to implement revolving loan programs known as the Rural Business Initiative and Community Development Initiative programs.

Economic Factors and the Commission's FY-2024 Operations

In FY-2023 South Central Illinois Regional Planning & Development Commission experienced a \$1,383 increase in principal and interest received on loans due to the loan portfolio stabilizing due to rising Wall Street Journal Prime Interest Rates. Services provided to local governments increased by \$47,048 (mostly grant writing and management efforts) due to local governments utilizing new grant programs. The planning efforts in FY-24 are expected to remain stable with the possibility of one new regional plan, a Hazard Mitigation Plan, and one new Comprehensive Plan Update. Total revenue was up \$80,098 and total expenses were up \$31,165. With this net increase in revenue, the Commission was able to comfortably operate within its budget in FY-2023. FY-2024 is developing into another busy year with the Commission revenue remaining stable.

While the Executive Director continues to be content with the level of the loan portfolio, the key is keeping prospect activity at an acceptable level. In the past year, loan activity has remained stable, with a couple of items aiding the commission's loan portfolio but degrading the economy as increased inflation and rising interest rates. The inconsistency of the stock market's volatility, prices of goods, and finding additional employees for expansions continues to be a detriment to our five-county local governments. Loan promotion efforts for loan programs have remained stable. The Federal Reserve interest rates have stabilized over the last several months, but still remain at decade long high. SCIRPDC will continue to utilize a Wall Street Journal Prime Interest Rate -1% point on its lending programs. The Commission closed one loan in FY-2023.

Grant writing and management activity from traditional sources (DCEO, EDA, USDA-RD, and IDOT) continues to be stable in FY-2024. All avenues of grant funding are utilized when our local government presents the Commission with a project. Also, the Commission will continue to offer expanded planning services in FY-2024 continuing to employ two EDA Planners. These planning services that will continue to be offered are Enterprise Zones, TIF Districts, Comprehensive Planning, and Hazard Mitigation Planning many others offered. These planning activities are expected to be stable in FY-2024.

The Commission continues to be watchful of grant opportunities that will directly assist its member local governments and Commission's operation as well. The FY-2023-2025 EDA 301 (b) District Planning grant and will be one of the most important assets as it pays for the Economic Development Planner positions along and a percentage of the Executive Directors and Administrative Assistants salaries and fringe benefits. Programs of this nature are directly related to the primary planning elements that are the basis of the Commission's existence. Studies, planning documents, grant writing, forms of technical assistance, and service provision broaden the options for covering costs associated with the Commission's activities at a more affordable cost to the regional, and local governments.

The Commission's service provision contract for the Human Service Transportation Planning/Mobility Management program was awarded for an additional two years, beginning in July of 2023- June of 2025 with a 20% increase in funds. This significant increase in funding allowed the Commission house an additional HSTP Employee, specifically an Assistant HSTP Coordinator. Unlike the EDA District Planning Grant, this IDOT agreement requires no matching funds and is a self-sufficient program provided in the southernmost 39 counties of the state.

The Commission will continue to maintain its presence and will continue public relations and service provisions to local governments throughout its five-county region. The Commission can expect stable revenues in FY-2024 with several Grants and planning contracts and will continue to be conservative with its expenditures which will ensure a stable FY-2024.

Contacting the Commission's Management

This report is designed to provide the Commission's governing body, constituents, state and federal funding sources, and creditors with a general overview of the agency's finances and demonstrate the regional organization's accountability for the money it receives. If you have questions about the report or need additional information, contact the Commission's Executive Director, Luke J. L. Eastin at 120 Delmar Avenue, Suite A, Salem, Illinois 62881-2000, or by telephone at (618) 548-4234.

Basic Financial Statements

**South Central Illinois Regional
Planning and Development Commission
Statement of Net Position
September 30, 2023**

	Business - Type Activities
Assets	
Current Assets:	
Cash and Cash Equivalents	\$ 858,489
Investments	280,750
Accounts Receivable	58,495
Notes Receivable-Current Portion	179,680
Allowance for Doubtful Accounts	(90,009)
Total Current Assets	1,287,405
Noncurrent Assets:	
Investments	291,813
Notes Receivable	1,750,758
Land, Building and Equipment-Net of Depreciation	66,011
Total Noncurrent Assets	2,108,582
Total Assets	3,395,987
Liabilities	
Current Liabilities:	
Refundable Advance-ERC	216,790
Accrued Leave-Current Portion	20,401
Accrued Interest	739
Notes Payable - Current Portion	102,283
Deferred Revenue	41,000
Total Current Liabilities	381,213
Noncurrent Liabilities:	
Accrued Leave	31,159
Notes Payable	52,260
Total Noncurrent Liabilities	83,419
Total Liabilities	464,632
Net Position	
Net Investment in Capital Assets	66,011
Restricted For Revolving Loans	2,454,082
Restricted For Payment of Accrued Leave	12,688
Restricted For Acquisition of Capital Assets	59,209
Unrestricted	339,365
Total Net Position	\$ 2,931,355

See accompanying notes.

**South Central Illinois Regional
Planning and Development Commission
Statement of Revenues, Expenses, and Changes in Fund Net Position
For The Year Ended September 30, 2023**

	Business - Type Activities
Operating Revenues	
Local Funds	\$ 33,904
Charges for Services Provided Local Govts.	144,646
Federal Grant - EDA 301(b)	87,622
Federal Grant - IDOT HSTP	130,477
Federal Grant - EDA Supplemental	115,794
State Grant - Solid Waste	16,001
Loan Application and Servicing Fees	6,580
Interest Received on Loans	51,703
Miscellaneous Income	1,893
	588,620
Operating Expenses	
Salaries and Fringe Benefits	342,442
Indirect Costs	109,101
Travel and Meetings	8,240
Insurance	3,979
Telephone and Utilities	7,400
Maintenance	14,319
Postage and Supplies	3,363
Reproduction Costs and Printing	3,647
Professional Fees	6,205
Interest Paid	2,048
Depreciation	6,976
Miscellaneous	19,045
	526,765
Operating Income (Loss)	61,855
Nonoperating Revenues/ Expenses	
Interest on Investments	17,677
Rental Income	14,700
Professional Fee Related to ERC	(49,239)
	(16,862)
Change in Net Position	44,993
Net Position - Beginning of Year	2,886,362
Net Position - End of Year	\$ 2,931,355

See accompanying notes.

**South Central Illinois Regional
Planning and Development Commission
Statement of Cash Flows
For The Year Ended September 30, 2023**

	Business - Type Activities
Cash Flows From Operating Activities	
Program Receipts	\$ 592,207
Other Receipts	216,790
Payments to Suppliers	(149,094)
Payments to Employees - Salaries and Benefits	(424,302)
Interest Paid on Program Debt	(2,862)
Program Loans Made	(250,000)
Principal Received on Program Loans	173,873
Principal Paid on Program Debt	(131,676)
	24,936
Net Cash Provided (Used) by Operating Activities	24,936
Cash Flows From Capital and Related Financing Activities	
Purchases of Fixed Assets	-
Proceeds from Sale of Fixed Assets	-
	-
Net Cash Used by Capital and Related Financing Activities	-
Cash Flows From Investing Activities	
Proceeds From Investment Maturities	-
Purchase of Investments	(14,017)
Interest Income Received	17,677
Rental Income Received	14,700
	18,360
Net Cash Provided (Used) by Investing Activities	18,360
Net Increase (Decrease) in Cash and Cash Equivalents	43,296
Cash and Cash Equivalents, Beginning	815,193
Cash and Cash Equivalents, Ending	\$ 858,489
Reconciliation of Operating Income To Net Cash Provided (Used) By Operating Activities	
Operating Income (Loss)	\$ 61,855
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:	
Depreciation Expense	8,021
Increase in Bad Debt Reserve	6,017
Increase in Deferred Revenue	11,794
Increase in Accounts Receivable	(14,224)
Decrease in Accounts Payable	(2,239)
Increase in Refundable Advance-ERC	216,790
Professional Fee Related to ERC	(49,239)
Decrease in Accrued Leave	(5,222)
Increase in Notes Receivable	(76,127)
Decrease in Notes Payable	(131,676)
Decrease in Accrued Interest	(814)
	24,936
Net Cash Provided (Used) by Operating Activities	\$ 24,936

See accompanying notes.

Notes to the Financial Statements

**South Central Illinois Regional
Planning and Development Commission
Notes to Financial Statements
September 30, 2023**

Note 1 - Summary of Significant Accounting Policies

Nature of Operations

The South Central Illinois Regional Planning and Development Commission (the Commission) is a non-profit corporation which functions in accordance with the provisions of the Illinois Planning Act to provide planning and technical assistance, grant writing and management services, business development financing services, and the sponsorship and administration of regional-level programs of benefit to its constituents within the Illinois counties of Clay, Effingham, Fayette, Jasper, and Marion.

Reporting Entity

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The accompanying financial statements present all Commission operations. The criteria for including organizations within the Commission's reporting entity, as set forth in GASB No. 14, "The Financial Reporting Entity", is financial accountability. Financial accountability is defined as appointment of a voting majority of the component unit's board and either the ability to impose will by the primary government or the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

The Commission has developed criteria to determine whether outside organizations should be included in the financial reporting entity. The criteria include, but are not limited to, oversight responsibility, scope of public service, and special financing relationships. The oversight responsibilities include financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters.

The Commission has determined that no outside organization meets the above criteria and, therefore, no other agency has been included as a component unit in the Commission's financial statements. In addition, the Commission is not aware of any entity which would exercise such oversight as to result in the Commission being considered a component unit of the entity.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The financial statements (i.e., the statements of net position, revenues, expenses and changes in fund net position, and cash flows) report information on all the activities of the Commission. The accounts of the Commission are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose, and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The Commission utilized a single proprietary fund (enterprise fund) to account for its activity.

Proprietary funds are accounted for on the flow of economic resources measurement focus, and use the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred. The Commission accounts for operating expenses by both project activity and cost category. Indirect expenses are allocated to projects based on a percentage of actual benefit received by the project or program or upon the level of direct payroll.

**South Central Illinois Regional
Planning and Development Commission
Notes to Financial Statements
September 30, 2023**

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Proprietary funds include the following fund type:

Enterprise Funds are used to account for those operations that are financed and operated in a manner similar to private business, or where the Board has decided that the intent is that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

On October 1, 2003, the Commission adopted the provisions of Governmental Accounting Standards Board Statement Number 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, Statement Number 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus*, and Statement Number 38, *Certain Financial Statement Note Disclosures*. These statements establish standards for external financial reporting for all state and local governmental entities, which includes a statement of net position, a statement of changes in net position, and a statement of cash flows. It requires classification of net position into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position as the unspent proceeds.

Restricted - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted - This component of net position consists of net position that do not meet the definition of restricted or net investment in capital assets.

Use of Estimates

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

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Commission considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents consists of checking accounts and money market accounts.

**South Central Illinois Regional
Planning and Development Commission
Notes to Financial Statements
September 30, 2023**

Federal and State Agency Grant Revenues

Project funds authorized under federal and state agency grants are requisitioned from such agencies, either on an advance basis, or for reimbursement of eligible costs incurred, up to maximum amounts established under each grant. Revenues are generally recognized as eligible costs are incurred. A local matching contribution is required for many federal and state grants. The Commission requests, and has been successful in the past, in obtaining contributions from local government agencies as well as state grants to provide for the local matching portion of the grants. Such contributions are generally recognized as revenue when received. Grants receivable represent amounts earned under grant agreements but not yet received. Deferred grant revenue represents grant advances received for which eligible costs have not yet been incurred. The balances in grants receivable and deferred grant revenue were \$39,997 and \$41,000 respectively, at September 30, 2023.

Accounts Receivable

Accounts receivable which represents amounts due from other local governments in the form of an annual contribution or as payment for services, totaled \$15,238 at September 30, 2023. Accounts receivable are stated at the amount billed to the customer. The Commission does not charge interest or late fees on amounts past due. Accounts past due over 90 days at September 30, 2023 were not significant. The Commission has determined that an allowance for doubtful accounts is not necessary at September 30, 2023, based on management's evaluation of the aged accounts receivable. This evaluation of the collectibles of accounts receivable is based on past experience, known and inherent risks in the accounts, adverse situations that may affect the borrower's ability to repay, and current economic conditions. Accounts deemed uncollectible are charged to expense.

Capital Assets

Capital assets, which consist of land, building, office equipment, furniture and fixtures, and automobiles, are reported in the government-wide financial statements. Capital assets are capitalized at cost. Major additions are capitalized, while replacements, maintenance and repairs which do not improve or extend the lives of the respective assets are expensed in the period incurred. Depreciation has been provided on the straight-line method over the estimated useful lives of the assets, as follows:

Furniture, Fixtures and Office Equipment	5-10 years
Building	5-31 ½ years
Automobile	3-5 years

Direct and Indirect Costs

The costs of providing various programs and other activities that can be specifically identified with such, are charged directly to that program or activity. Most costs which cannot be specifically identified are allocated to the various programs and activities based on an allocation rate calculated using eligible costs divided by chargeable salaries and benefits. A projected rate is calculated at the beginning of the fiscal year for budget purposes. Rates and allocated cost amounts are adjusted to actual monthly. Therefore, no adjustment is required at year end. The calculation of an actual rate at September 30, 2023 is as follows:

	Budget		Actual
Indirect Costs	\$ 133,342	\$	105,088
Direct Chargeable Salaries	427,877		330,836
Allocation Rate	31.16		31.76

**South Central Illinois Regional
Planning and Development Commission
Notes to Financial Statements
September 30, 2023**

Risk Management

The Commission is exposed to various risks of loss related to torts; theft of; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission purchases commercial insurance to satisfy these risks of loss. Settled claims have not exceeded insurance coverage amounts in any of the past three fiscal years. During the year ended September 30, 2023, there were no significant reductions in insurance coverage. The Commission is insured under a retrospectively-rated policy for workers' compensation coverage. Whereas, the initial premium may be adjusted based on actual experience. Adjustments in premiums are recorded when paid or received. During the year September 30, 2023, there were no significant adjustments in premiums based on actual experience.

Accrued Leave

The Commission accrues for vested and accumulated unused sick leave, vacation time, and personal leave. Sick leave is earned at a rate of ¼ day per month. There is a limit of 120 days of sick leave that can be accrued. Upon termination, an employee is not paid for any unused sick leave. Vacation is earned by full-time employees at a rate of 10 days per year for the first six years, 15 days per year for the next seven years, and 20 days per year after fourteen years. Up to 40 days of unused vacation can be carried forward and paid at termination. Personal leave is earned by employees at a rate of three days per year. Up to six days can be carried forward and paid at termination. The accrued leave components were as follows as of September 30, 2023:

Vacation	\$14,917
Personal	3,065
Sick Leave	<u>33,578</u>
	<u>\$51,560</u>

Budget

The Executive Director presents an annual operating budget, first to the Operations and Budget Committee, and later to the full Board of Commissioners. The Board approves the budget prior to the beginning of the fiscal year. The budget can only be amended at the Board of Commissioners level. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. The Commission's fiscal year 2023 agency wide budget, adopted on September 22, 2022, was not amended.

Note 2 - Cash and Investments

Custodial Credit Risk - Deposits:

Custodial credit risk is the risk that, in the event of bank failure, the Commission's deposits may not be returned to it. The Commission does have a deposit policy for custodial credit risk. As of September 30, 2023, the carrying amount of the Commission's deposits was \$1,430,852, which excludes a petty cash fund of \$200 held at the Commission. As of September 30, 2023, the Commission's bank balances (checking, money markets, and certificates of deposit) were \$1,436,962. Of this amount, \$1,052,142 was insured by FDIC insurance and \$384,820 was covered by securities pledged in the Commission's name.

**South Central Illinois Regional
Planning and Development Commission
Notes to Financial Statements
September 30, 2023**

Note 3 - Capital Assets

Capital asset activity for the year ended September 30, 2023 follows:

	Balance Oct. 1, 2022	Additions	Deletion	Balance Sept. 30, 2023
Nondepreciable-Land	\$ 13,603	\$ -	\$ -	\$ 13,603
Building & Improvements	261,491	-	-	261,491
Equipment	54,813	-	1,630	53,183
Automobiles	23,246	-	-	23,246
Total	\$ 353,153	\$ -	\$ 1,630	\$ 351,523

Accumulated Depreciation activity for the year ended September 30, 2023 follows:

	Balance Oct. 1, 2022	Additions	Deletion	Balance Sept. 30, 2023
Building & Improvements	\$ 219,304	\$ 2,865	\$ -	\$ 222,169
Equipment	52,843	507	1,630	51,720
Automobiles	6,974	4,649	-	11,623
Total	\$ 279,121	\$ 8,021	\$ 1,630	\$ 285,512

Note 4 - Pension Plan

On January 28, 1992, the Board approved a defined contribution deferred compensation plan qualifying for tax deferred treatment under Internal Revenue Code Section 457. Under the plan, employees are entitled to fund their retirement program through a payroll deduction which is not currently taxable. When the employee incurs severance of employment they can elect from four methods of distribution of their account. The Commission contributes 7.5% of annual salaries to the plan. The assets are in trust accounts with Nationwide Retirement Solutions (plan administrator), for the exclusive benefit of the participants and their beneficiaries, and are not considered assets of the Commission. Employer contributions for the year ending September 30, 2023, were \$25,956.

Note 5 - Contingencies

The Commission has received financial assistance from federal and state agencies. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements, and may be subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Commission. The Commission is not aware of any disallowed claims.

Note 6 - Small Business Administration

The Commission is a Certified Development Company (CDC) that arranges, closes, and services 504 loans on behalf of SBA. The underlying loan assets are funded not by the CDC, but by capital market investors. The related liabilities are ultimately those of SBA, which provides a 100% full faith and credit guaranty to the capital market investors funding these loans. The liquidity of the SBA's guaranty is the market driver supporting the 504 loan program. All interest and principal payments from the small businesses are made directly to the Wells Fargo Corporate Trust Services, which is operating as the Central Fiscal Agent (CFA) for SBA. Upon receipt of payments from the small businesses, the CFA forwards the payment to The Bank of New York Mellon for 504 payments and the Commission receives a monthly servicing fee to cover administrative servicing costs. A list of the SBA guaranteed loans outstanding at September 30, 2023, is included in the Other Information section. These loans are not a receivable or liability of the Commission.

**South Central Illinois Regional
Planning and Development Commission
Notes to Financial Statements
September 30, 2023**

Note 7 - Revolving Loan Programs

On September 4, 1992, the USDA Rural Development (RD) accepted for approval the Commission's \$750,000 application to establish an area-wide revolving loan program. Under the agreement, the RD provides an Intermediary Relending Program loan at a fixed rate of 1% repayable over a thirty year period. These funds are used to provide loans in the Counties served by the Commission under a program known as the "Rural Business Initiative Loan Program" administered by the Commission. On December 15, 1993, the Commission entered into an additional agreement with the RD for \$1,200,000 under the same terms and conditions and also a provision to allow loans to governmental units and not-for-profit agencies under a Community Development Initiative program. On August 23, 1995, the Commission received an additional agreement for \$1,250,000 in revolving loan funds under the Intermediary Relending Program. The Commission has drawn down all of the \$3,200,000 in loan funds and has a note payable to Rural Development for \$154,543 as of September 30, 2023. The RBI loans bear interest of 3.25% and 5% with a debt servicing fee of one-half of one percent. The CDI loans bear interest of 2.5% to 3% and a debt servicing fee of one-half of one percent. Funds repaid to the Commission from these loans are designated such that (1) all principal repayment is to be reloaned, (2) the service fees are to establish a bad debt reserve, and (3) interest is used first to provide debt service payments to RD and the balance for operations. As of September 30, 2023, outstanding loans totaled \$1,451,631. A list of loans outstanding at September 30, 2023, is included in the Supplemental Information section of this report.

In August, 1995 the Commission received a Rural Business Enterprise Grant from the RD of \$95,000. These funds were also to be used to establish a revolving loan fund, but did not require repayment to the RD. On February 22, 1995, the funds were loaned to a local industry at six percent plus one-half percent debt service payable in monthly installments over three years. The funds received through loan repayment and liquidation have been added to the RBI Fund per the direction of RD.

In April, 1994, the Commission received an Economic Development Administration (EDA) Title IX RLF grant under the Economic Adjustment Assistance program totaling \$300,000. The Commission has drawn down and loaned all of these funds. The normal 25% matching requirement was waived by the EDA. In December, 1996, the Commission received a second Economic Development Administration (EDA) Title IX RLF grant under the Economic Adjustment Assistance program totaling \$300,000. This grant required a \$100,000 local match which has been more than met. The Commission has drawn down and loaned all of these funds.

In February, 1999, the Commission received a third EDA Title IX RLF Grant under the Economic Adjustment Assistance program totaling \$ 300,000. This grant required a \$ 100,000 local match which has been more than met. As of September 30, 2023, the Commission has drawn down and loaned all of these funds. During the year ended September 30, 2018, the Commission was required to return excess funds of \$511,375 to EDA and to transfer the commission pro rata matching share of \$113,625 out of the revolving loan program to local cash.

During the year ended September 30, 2018, the Commission changed its Title IX lending policy for the first time since 2003. The Commission will continue to include the commercial and service applicants as well as industrial borrowers in its portfolio. Importantly, in the 2018 policy change, the lending ceiling was raised to \$300,000 with a maximum repayment period on real estate to a 20-year term. The loan interest rate has moved from 3.5 and 4 percent plus .5 for debt service to an interest rate reflecting Wall Street Journal Prime interest rate minus 1 percentage point. The purpose of this decision is not to have to change the interest rate in an economic environment where interest rates are fluctuating rapidly and to keep the Commission competitive.

As of September 30, 2023, outstanding loans totaled \$478,807. A list of loans outstanding at September 30, 2023, is included in the Supplemental Information section of this report.

**South Central Illinois Regional
Planning and Development Commission
Notes to Financial Statements
September 30, 2023**

Note 8 - Notes Payable - USDA Rural Development

	<u>Balance</u> <u>Oct. 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>Sept. 30, 2023</u>	<u>Due in</u> <u>One Year</u>
USDA Rural Development	\$ 286,220	\$ -0-	\$ 131,677	\$ 154,543	\$ 102,283

Notes with Rural Development dated December 8, 1992, December 15, 1993, and June 6, 1995, provide for annual payments, which includes interest at 1% as noted below. (See Note 7.) The loan dated 1992 was paid in full in fiscal year 2023.

At September 30, 2023, the annual cash flow requirements of loan payments were as follows:

<u>Year Ending September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 102,283	\$ 1,547	\$ 103,830
2025	<u>52,260</u>	<u>523</u>	<u>52,783</u>
	\$ 154,543	\$ 2,070	\$ 156,613

Note 9 - Long Term Right-to-Use Leases

The Commission did not implement the guidance of GASBS 87, *Leases*. It is the Commission's policy to allocate the monthly lease payment among its contracts on an indirect basis in accordance with the cost allocation policy in the annual budget. The Commission had one lease in fiscal year 2023.

Lease agreement for a copier dated September 15, 2022, provides for monthly payments of \$164 for five years to Great America Financial Services. The Commission paid \$1,963 during fiscal year 2023.

At September 30, 2023, the future minimum annual rentals under the leases are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Payments</u>
2024	\$ 1,963
2025	1,963
2026	1,963
2027	<u>1,799</u>
	\$ 7,688

**South Central Illinois Regional
Planning and Development Commission
Notes to Financial Statements
September 30, 2023**

Note 10 - Subsequent Events

The Commission evaluates events and transactions that occur subsequent to year-end for potential recognition or disclosure in the financial statements through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

The CARES Act provides an employee retention credit (ERC), which is a refundable credit against certain employment taxes with limits for eligible employers. During fiscal year 2023, the Commission was contacted by a company that had an attorney that would file to obtain the ERC on behalf of the Commission. The attorney filed amended federal payroll tax returns for the quarters ending June 30, September 30, and December 31, 2020 and March 31, and June 30, and September 30, 2021. The Commission received \$216,790 of ERC and interest on the refund during fiscal year 2023. In August 2023, and then in December 2023, the Commission received correspondence from the Internal Revenue Service (IRS) that they were not eligible to receive the credit. The Commission returned \$26,735 of the amount received for the June 30, 2020 quarter in December, 2023. The remaining amount received of \$190,055 has not been returned yet. The attorney is reviewing the IRS correspondence at the time of the issuance of the audit report. Based on the correspondence received from the IRS the \$216,790 has been recorded as a Refundable Advance-ERC (liability) in the Statement of Net Position (Page 10). The Commission paid the attorney \$49,239 for the preparation of the amended payroll tax returns. This amount is reflected as a nonoperating expense in the Statement of Revenues, Expenses, and Changes in Fund Net Position (Page 11).

Supplemental Information

Federal Awards

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Certified Public Accountant

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Independent Auditor's Report on Compliance For Each Major Program and On Internal Control Over Compliance Required By the Uniform Guidance

To The Board of Commissioners
South Central Illinois Regional
Planning and Development Commission
Salem, Illinois

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

I have audited South Central Illinois Regional Planning and Development Commission'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 its major federal programs for the year ended September 30, 2023. South Central Illinois Regional Planning and Development Commission's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In my opinion, South Central Illinois Regional Planning and Development Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program

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

I am required to be independent of South Central Illinois Regional Planning and Development Commission and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major program. My audit does not provide a legal determination of South Central Illinois Regional Planning and Development Commission's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

My objective is 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 South Central Illinois Regional Planning and Development Commission's compliance based on my 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 on 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 South Central Illinois Regional Planning and Development Commission's compliance with the requirements of each major federal program as a whole.

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

- 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 South Central Illinois Regional Planning and Development Commission's compliance with the compliance requirements referred to above and performing such other procedures as I considered necessary in the circumstances.
- Obtain an understanding of South Central Illinois Regional Planning and Development Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the South Central Illinois Regional Planning and Development Commission's internal control over compliance. Accordingly, no such opinion is expressed.

I am 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 I identified during the audit.

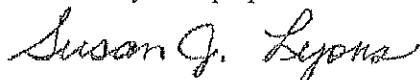
Report on Internal Control Over Compliance

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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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



**South Central Illinois Regional
Planning and Development Commission
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2023**

	<u>Assistance Listing Number</u>	<u>Expenditures</u>
Small Business Administration		
504 Certified Development Company Loans	59.041	\$ <u>7,218</u>
U.S. Department of Agriculture		
Rural Development		
Rural Business Initiative Loans- Intermediary Relending Program	10.767	1,598,172
U.S. Department of Commerce		
Economic Development Administration		
Economic Adjustment Assistance Program - LTED		
Revolving Loan Fund	11.307	559,102
Economic Adjustment Assistance Program		
Supplemental - CARES Act #ED20CHI3070086	11.307	<u>115,794</u>
		<u>674,896</u>
Partnership Planning Grant		
#ED17CHI3020015	11.302	65,706
#ED20CHI3020020	11.302	<u>21,916</u>
Total Partnership Planning Grant		<u>87,622</u>
Total U.S. Department of Commerce		<u>762,518</u>
U.S. Department of Transportation		
Federal Transit Administration		
Passed through Illinois Department of Transportation		
HSTP Contract		
Formula Grants to Rural Areas		
Grant Period 7-1-21 to 6-30-23	20.509	93,480
Grant Period 7-1-23 to 6-30-24	20.509	<u>39,997</u>
Total U.S. Department of Transportation		<u>130,477</u>
Total Federal Awards		\$ <u>2,498,385</u>

The outstanding loan balances at September 30, 2023 were as follows:

USDA Rural Development	\$ <u>1,451,631</u>
EDA - Title IX Loans	\$ <u>478,807</u>

See accompanying notes.

**South Central Illinois Regional
Planning and Development Commission
Notes to Schedule of Expenditures of Federal Awards
September 30, 2023**

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the South Central Illinois Regional Planning and Development Commission under programs of the federal government for the year ended September 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the South Central Illinois Regional Planning and Development Commission, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Commission.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The South Central Illinois Regional Planning and Development Commission did not elect to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

Note 3 - Subrecipients, Non-Cash Assistance, and Federal Insurance

Of the federal expenditures presented in the schedule, the Commission provided no federal awards to sub-recipients and received no non-cash assistance or federal insurance.

Note 4 - Economic Development Administration Revolving Loan Fund

The calculation of the federal expenditure amount included in the SEFA consists of:

Balance of loans outstanding at September 30, 2023	\$ 478,807
Cash and investment balance at September 30, 2023	191,324
Admin expenses paid out of RLF income for year	<u>13,236</u>
	\$ 683,367
Federal share of RLF (\$388,625/\$475,000)	<u>x 81.81579%</u>
Federal expenditures for SEFA	<u>\$ 559,102</u>

Note 5 - Rural Business Initiative Loan Fund

The calculation of the federal expenditure amount included in the SEFA consists of:

Beginning balance of loans outstanding at October 1, 2022	\$ 1,348,172
New loans for fiscal year 2023	<u>250,000</u>
Federal expenditures for SEFA	<u>\$ 1,598,172</u>

**South Central Illinois Regional
Planning and Development Commission
Schedule of Findings and Questioned Costs
September 30, 2023**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? Yes

Significant Deficiency(s) identified that are not considered to be material weaknesses? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weaknesses identified? No

Significant deficiency(s) identified that are not considered to be material weaknesses? None reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516a)? No

Identification of major programs:

- CFDA# 10.767 U.S. Dept. of Agriculture - Rural Development - Rural Business Initiative Loans
- CFDA# 11.307 U.S. Dept. of Commerce - Economic Development Administration - Economic Adjustment Assistance Program - Revolving Loan Fund
- CFDA# 11.307 U.S. Dept. of Commerce - Economic Development Administration - Economic Adjustment Assistance Program - Supplemental (CARES)

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? No

**South Central Illinois Regional
Planning and Development Commission
Schedule of Findings and Questioned Costs
September 30, 2023**

Section II - Financial Statement Findings

Finding No.:	2023-001
Criteria:	Management of the Commission is responsible for establishing and maintaining adequate internal control over financial reporting, which includes recording accruals and adjustments prior to the audit and preparing the financial statements and notes to the financial statements.
Condition:	The auditor prepared the financial statements and notes from the Commission's records after proposing audit adjustments.
Questioned Cost:	There are no questioned costs related to this finding.
Effect:	The Commission's internal control over financial reporting does not provide an assurance that the financial statements are prepared in accordance with generally accepted accounting principles in the U.S. of America.
Cause:	Employees and management lack the qualifications and training to apply accounting principles in the preparation of the financial statements and related notes
Recommendation:	Because the current staff lacks the qualifications and training, the Commission would have to hire additional staff or contract with someone outside the Commission, other than the auditor, to prepare the financial statements and related notes.
Management's View and Corrective Action:	At the present time, the additional costs to the Commission of hiring and training additional staff or contracting the service outweigh the benefits. The Commission will review, approve, and accept responsibility for any proposed audit adjustments and the financial statements and related notes.

Section III - Federal Award Findings and Questioned Costs

No findings reported.

**South Central Illinois Regional
Planning and Development Commission
Summary Schedule of Prior Audit Findings
September 30, 2023**

Finding No.:	2022-001
Condition:	The finding was a material weakness. The auditor prepared the financial statements and notes from the Commission's records after proposing audit adjustments.
Recommendation:	Because the current staff lacks the qualifications and training, the Commission would have to hire additional staff or contract with someone outside the Commission, other than the auditor, to prepare the financial statements and related notes.
Current Status:	At the present time, the additional costs to the Commission of hiring and training additional staff or contracting the service outweigh the benefits. The Commission will review, approve, and accept responsibility for any proposed audit adjustments and the financial statements and related notes.

**South Central Illinois Regional
Planning and Development Commission**

Corrective Action Plan

September 30, 2023

Finding No.: 2023-001

Condition: The finding is a material weakness. The auditor prepared the financial statements and notes from the Commission's records after proposing audit adjustments.

**Plan and Management
Response:**

At the present time, the additional costs to the Commission of hiring and training additional staff or contracting the service outweigh the benefits. The Commission will review, approve, and accept responsibility for any proposed audit adjustments and the financial statements and related notes.

Anticipated Date of Completion - Unknown

Name of Contact Person – Luke Eastin, Executive Director

Individual Program Statements

**South Central Illinois Regional
Planning and Development Commission
Individual Program Statements of Net Position
September 30, 2023 and 2022**

	Small Business Administration		Local Cash		Grant Management		Grant Writing		IDOT HSTP		EDA Supplemental	
	9-30-23	9-30-22	9-30-23	9-30-22	9-30-23	9-30-22	9-30-23	9-30-22	9-30-23	9-30-22	9-30-23	9-30-22
Assets												
Cash and Investments	\$ 22,376	\$ 22,618	\$ 232,279	\$ 79,738	\$ 234,224	\$ 189,642	\$ 50,135	\$ 28,591	\$ -	\$ -	\$ -	\$ 21,656
Accounts Receivable	-	-	2,218	-	7,438	10,000	7,500	-	39,997	34,271	-	-
Total Assets	<u>22,376</u>	<u>22,618</u>	<u>234,497</u>	<u>79,738</u>	<u>241,662</u>	<u>199,642</u>	<u>57,635</u>	<u>28,591</u>	<u>39,997</u>	<u>34,271</u>	<u>-</u>	<u>21,656</u>
Liabilities												
Cash Overdrafts	-	-	-	-	-	-	-	-	39,997	34,271	-	11,862
Accounts Payable	-	-	-	2,239	-	-	-	-	-	-	-	-
Refundable Advance-ERC	-	-	216,790	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-	-	-	-	-	9,794
Total Liabilities	<u>-</u>	<u>-</u>	<u>216,790</u>	<u>2,239</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,997</u>	<u>34,271</u>	<u>-</u>	<u>21,656</u>
Net Position												
Net Position	<u>22,376</u>	<u>22,618</u>	<u>17,707</u>	<u>77,499</u>	<u>241,662</u>	<u>199,642</u>	<u>57,635</u>	<u>28,591</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Net Position	<u>\$ 22,376</u>	<u>\$ 22,618</u>	<u>\$ 17,707</u>	<u>\$ 77,499</u>	<u>\$ 241,662</u>	<u>\$ 199,642</u>	<u>\$ 57,635</u>	<u>\$ 28,591</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**South Central Illinois Regional
Planning and Development Commission
Individual Program Statements of Revenues, Expenses, and Changes in Fund Net Position
For the Years Ended September 30, 2023 and 2022**

	Small Business Administration		Local Cash		Grant Management		Grant Writing		IDOT HSTP		EDA Supplemental	
	9-30-23	9-30-22	9-30-23	9-30-22	9-30-23	9-30-22	9-30-23	9-30-22	9-30-23	9-30-22	9-30-23	9-30-22
Revenues:												
Local Funds	\$ -	\$ -	\$ 42,594	\$ 35,502	\$ 91,956	\$ 61,688	\$ 44,000	\$ 30,500	\$ -	\$ -	\$ -	\$ -
Debt Service, Processing, & Packaging Fees	5,010	8,120	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	14,700	15,000	-	-	-	-	-	-	-	-
PPP Loan Forgiveness	1,966	8	831	679	-	-	-	-	-	-	-	-
Interest Income	-	84	1,346	2,889	547	-	-	-	130,477	133,680	115,794	137,172
Total Revenues	6,976	8,212	59,471	54,070	92,503	61,688	44,000	30,500	130,477	133,680	115,794	137,172
Expenses:												
Salaries and Fringe Benefits	4,883	4,628	2,555	1,982	34,880	57,924	9,528	10,550	87,942	96,197	77,677	101,385
Indirect Costs	1,603	1,184	4,352	501	11,789	15,113	3,055	2,753	24,084	26,665	23,659	26,432
Travel and Meetings	-	-	151	63	165	454	342	167	4,797	4,630	263	2,026
Contractual Services	500	52	49,502	113	-	-	-	-	-	-	1,500	1,500
Insurance	37	27	358	302	525	917	383	310	811	526	456	465
Other	-	-	2,184	3,102	507	310	284	-	1,651	226	4,943	1,718
Dues and Subscriptions	-	-	-	-	-	-	-	-	-	-	53	97
Telephone and Utilities	75	77	200	54	820	1,159	99	136	1,968	2,023	1,888	2,171
Maintenance	39	39	131	23	185	313	56	67	1,771	743	538	581
Postage and Supplies	52	182	-	138	121	443	28	-	1,401	1,486	736	36
Reproduction Costs and Printing	2	78	64	255	424	318	170	21	1,640	857	274	357
Depreciation	27	17	1,433	1,723	1,067	1,923	1,011	707	911	327	331	404
Capital Outlay	-	-	-	-	-	-	-	-	3,501	-	-	-
Local Match Funds	-	-	58,333	70,000	-	-	-	-	-	-	-	-
Total Expenses	7,218	6,284	119,263	78,256	50,483	78,874	14,956	14,711	130,477	133,680	115,794	137,172
Excess (Deficiency) of Revenue Over Expenses Before Operating Transfers	(242)	1,928	(59,792)	(24,186)	42,020	(17,186)	29,044	15,789	-	-	-	-
Operating Transfers In (Out)	-	-	-	-	-	-	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenses After Operating Transfers	(242)	1,928	(59,792)	(24,186)	42,020	(17,186)	29,044	15,789	-	-	-	-
Net Position-Beginning of Year	22,618	20,690	77,499	101,685	199,642	216,828	28,591	12,802	-	-	-	-
Net Position-End of Year	\$ 22,376	\$ 22,618	\$ 17,707	\$ 77,499	\$ 241,662	\$ 199,642	\$ 57,635	\$ 28,591	\$ -	\$ -	\$ -	\$ -

**South Central Illinois Regional
Planning and Development Commission
Individual Program Statements of Net Position
September 30, 2023 and 2022**

	RBI/CDI		RBI/CDI		Title IX		EDA 301 (B)		Solid Waste	
	Revolving Loan Funds	Operating Funds	Operating Funds	Revolving Loan Funds	Revolving Loan Funds	Contract	9-30-23	9-30-22	9-30-23	9-30-22
	9-30-23	9-30-22	9-30-23	9-30-22	9-30-23	9-30-22	9-30-23	9-30-22	9-30-23	9-30-22
Assets										
Cash and Investments	\$ 550,658	\$ 759,517	\$ 25,611	\$ 17,549	\$ 191,324	\$ 163,406	\$ 33,219	\$ 30,931	\$ 8,999	\$ -
Accounts Receivable	1,342	-	-	-	-	-	-	-	-	-
Receivable From RBI	-	-	7,140	6,232	-	-	-	-	-	-
Notes Receivable	1,451,631	1,348,172	-	-	478,807	506,139	-	-	-	-
Allowance for Doubtful Accounts	(90,009)	(83,992)	-	-	-	-	-	-	-	-
Total Assets	<u>1,913,622</u>	<u>2,023,697</u>	<u>32,751</u>	<u>23,781</u>	<u>670,131</u>	<u>669,545</u>	<u>33,219</u>	<u>30,931</u>	<u>8,999</u>	<u>-</u>
Liabilities										
Cash Overdraft	-	-	-	-	-	-	1,233	11,535	-	-
Accounts Payable	-	-	-	-	-	-	-	-	-	-
Accrued Interest	739	1,553	-	-	-	-	-	-	-	-
Payable to RBI	7,140	6,232	-	-	-	-	-	-	-	-
Notes Payable	154,543	286,220	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	32,001	19,411	8,999	-
Total Liabilities	<u>162,422</u>	<u>294,005</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,234</u>	<u>30,946</u>	<u>8,999</u>	<u>-</u>
Net Position										
Net Position	<u>1,751,200</u>	<u>1,729,692</u>	<u>32,751</u>	<u>23,781</u>	<u>670,131</u>	<u>669,545</u>	<u>(15)</u>	<u>(15)</u>	<u>-</u>	<u>-</u>
Total Net Position	<u>\$ 1,751,200</u>	<u>\$ 1,729,692</u>	<u>\$ 32,751</u>	<u>\$ 23,781</u>	<u>\$ 670,131</u>	<u>\$ 669,545</u>	<u>\$ (15)</u>	<u>\$ (15)</u>	<u>\$ -</u>	<u>\$ -</u>

**South Central Illinois Regional
Planning and Development Commission
Individual Program Statements of Revenues, Expenses, and Changes in Fund Net Position
For the Years Ended September 30, 2023 and 2022**

	RBI/CDI Revolving Loan Funds		RBI/CDI Operating Funds		Title IX Revolving Loan Funds		EDA 301 (B)		Solid Waste Contract	
	9-30-23	9-30-22	9-30-23	9-30-22	9-30-23	9-30-22	9-30-23	9-30-22	9-30-23	9-30-22
Revenues:										
Grant Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,622	\$ 60,823	\$ 16,001	\$ -
Interest and Debt Service	52,602	39,881	30,616	27,003	13,822	14,950	-	-	-	-
Local Funds	-	-	-	-	-	-	101,622	60,822	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total Revenues	<u>52,602</u>	<u>39,881</u>	<u>30,616</u>	<u>27,003</u>	<u>13,822</u>	<u>14,950</u>	<u>189,244</u>	<u>121,645</u>	<u>16,001</u>	<u>-</u>
Expenses:										
Salaries and Fringe Benefits	-	-	15,480	15,585	9,771	10,350	92,933	88,731	11,606	-
Indirect Costs	-	-	4,976	4,061	3,139	2,728	28,431	23,283	4,013	-
Travel and Meetings	-	-	124	149	-	8	2,398	2,404	-	-
Postage and Supplies	-	-	16	23	-	30	1,007	93	2	-
Reproduction Costs and Printing	-	-	244	110	5	824	824	1,295	-	-
Maintenance	-	-	101	272	67	75	9,273	545	85	-
Dues and Subscriptions	-	-	-	-	-	-	120	-	-	-
Insurance	-	-	180	330	67	54	1,082	864	80	-
Telephone and Utilities	-	-	202	236	139	157	1,850	1,639	159	-
Professional Fees	-	-	-	-	-	-	3,942	950	-	-
Depreciation	-	-	302	698	48	34	1,790	1,439	56	-
Interest	2,048	3,391	-	-	-	-	-	-	-	-
Capital Outlay	-	66	-	-	-	-	38,568	-	-	-
Other	-	25,433	21	-	-	-	7,026	402	-	-
Administration Fees	29,046	-	-	-	-	-	-	-	-	-
Total Expenses	<u>31,094</u>	<u>28,890</u>	<u>21,646</u>	<u>21,464</u>	<u>13,236</u>	<u>13,436</u>	<u>189,244</u>	<u>121,645</u>	<u>16,001</u>	<u>-</u>
Excess (Deficiency) of Revenue Over Expenses Before Operating Transfers	21,508	10,991	8,970	5,539	586	1,514	-	-	-	-
Operating Transfers In (Out)	-	-	-	-	-	-	-	-	-	-
Excess (Deficiency) of Revenue Over Expenses After Operating Transfers	21,508	10,991	8,970	5,539	586	1,514	-	-	-	-
Net Position-Beginning of Year	1,729,692	1,718,701	23,781	18,242	669,545	668,031	(15)	(15)	-	-
Net Position-End of Year	<u>\$ 1,751,200</u>	<u>\$ 1,729,692</u>	<u>\$ 32,751</u>	<u>\$ 23,781</u>	<u>\$ 670,131</u>	<u>\$ 669,545</u>	<u>\$ (15)</u>	<u>\$ (15)</u>	<u>\$ -</u>	<u>\$ -</u>

**South Central Illinois Regional
 Planning and Development Commission
 Trust Fund - Accumulated Leave
 Statements of Net Position
 September 30, 2023 and 2022**

	<u>9-30-23</u>	<u>9-30-22</u>
Assets		
Cash and Investments	\$ <u>64,248</u>	\$ <u>64,498</u>
Total Assets	<u>64,248</u>	<u>64,498</u>
 Liabilities		
Accrued Leave - General	<u>51,560</u>	<u>56,782</u>
Total Liabilities	<u>51,560</u>	<u>56,782</u>
 Net Position		
Net Position	<u>12,688</u>	<u>7,716</u>
Total Net Position	<u>\$ 12,688</u>	<u>\$ 7,716</u>

**South Central Illinois Regional
 Planning and Development Commission
 Trust Fund - Accumulated Leave
 Statements of Revenue, Expenses, and Changes in Fund Net Position
 For the Years Ended September 30, 2023 and 2022**

	<u>9-30-23</u>	<u>9-30-22</u>
Revenue:		
Funded Leave Payments from General Funds	\$ 59,274	\$ 58,252
Interest Earned	<u>159</u>	<u>269</u>
Total Revenue	<u>59,433</u>	<u>58,521</u>
 Expenses:		
Employee Leave Expense	54,461	56,714
Miscellaneous	<u>-</u>	<u>-</u>
Total Expenses	<u>54,461</u>	<u>56,714</u>
Excess of Revenue Over (Under) Expenses	4,972	1,807
Net Position-Beginning of Year	<u>7,716</u>	<u>5,909</u>
Net Position-End of Year	<u>\$ 12,688</u>	<u>\$ 7,716</u>

**South Central Illinois Regional
 Planning and Development Commission
 Plant Fund
 Statements of Net Position
 September 30, 2023 and 2022**

	<u>9-30-23</u>	<u>9-30-22</u>
Assets		
Cash and Investments	\$ 59,209	\$ 53,261
Plant Assets:		
Land & Improvements	13,603	13,603
Buildings	261,491	261,491
Furniture and Equipment	53,183	54,813
IDOT Assets	-	-
Automobile	<u>23,246</u>	<u>23,246</u>
	351,523	353,153
Accumulated Depreciation	<u>(285,512)</u>	<u>(279,121)</u>
Total Plant Assets	<u>66,011</u>	<u>74,032</u>
Total Assets	<u>125,220</u>	<u>127,293</u>
 Liabilities		
Accounts Payable	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>
 Net Position		
Net Position	<u>125,220</u>	<u>127,293</u>
Total Net Position	<u>\$ 125,220</u>	<u>\$ 127,293</u>

**South Central Illinois Regional
Planning and Development Commission
Plant Fund
Statements of Revenue, Expenses, and Changes in Fund Net Position
For the Years Ended September 30, 2023 and 2022**

	<u>9-30-23</u>	<u>9-30-22</u>
Revenue:		
Funded Depreciation Payments from General Funds	\$ <u>8,021</u>	\$ <u>7,662</u>
Total Revenue	<u>8,021</u>	<u>7,662</u>
 Expenses:		
Building and Equipment Maintenance	2,073	136
Depreciation of Capital Assets	<u>8,021</u>	<u>7,662</u>
Total Expenses	<u>10,094</u>	<u>7,798</u>
Excess of Revenue Over (Under) Expenses	(2,073)	(136)
 Nonoperating Revenue/Expenses:		
Loss of Retirement of Fixed Assets	-	-
Net Position-Beginning of Year	<u>127,293</u>	<u>127,429</u>
Net Position-End of Year	<u>\$ 125,220</u>	<u>\$ 127,293</u>

Schedules of Outstanding Loan Balances

**South Central Illinois Regional
Planning and Development Commission
RBI/CDI Outstanding Loans
September 30, 2023**

City of Altamont Date of Maturity: November 1, 2026	\$ 53,000
RCW Endeavor, Inc. Date of Maturity: January 23, 2033	108,380
Rayco, Inc. Date of Maturity: May 7, 2028	128,330
S & S Commercial Realty, LLC Date of Maturity: July 20, 2033	8,541
TPS Enterprises, Inc. Date of Maturity: September 10, 2026	99,845
Watley Properties, LLC. Date of Maturity: December 30, 2034	199,987
Cash Equipment, LLC. Date of Maturity: January 1, 2031	210,021
Village of Central City Date of Maturity: January 1, 2031	165,000
Brumleve Properties, LLC Date of Maturity: June 30, 2032	236,600
Arizona Realty, LLC Date of Maturity: February 15, 2038	<u>241,927</u>
	<u>\$ 1,451,631</u>

**South Central Illinois Regional
Planning and Development Commission
Title IX Outstanding Loans
September 30, 2023**

RCW Endeavor, Inc. Date of Maturity: October 23, 2032	\$ 44,984
Yardley Automotive, LLC Date of Maturity: June 8, 2028	18,024
S & S Commercial Realty, LLC Date of Maturity: July 20, 2038	149,783
Cash Equipment, LLC. Date of Maturity: January 1, 2031	<u>266,016</u>
	<u>\$ 478,807</u>

Other Information

**South Central Illinois Regional
Planning and Development Commission
Small Business Administration 504 Outstanding Loans
September 30, 2023**

TDL Group, Inc.	
Date of Maturity: January 1, 2032	\$ <u>824,984</u>

**South Central Illinois Regional
Planning and Development Commission
Statement of Revenues and Expenses
Compared to Agency-Wide Budget
For The Year Ended September 30, 2023**

	<u>Actual</u>	<u>Budget</u>	Variance Favorable (Unfavorable)
Revenue:			
State, Federal, and Regional Contracts	\$ 349,894	\$ 295,231	\$ 54,663
Local Service Contracts	144,646	198,711	(54,065)
Internal Resources	<u>300,330</u>	<u>532,430</u>	<u>(232,100)</u>
Total Revenue	<u>794,870</u>	<u>1,026,372</u>	<u>(231,502)</u>
Expenses:			
Salaries and Fringe Benefits	419,079	471,782	52,703
Travel and Meetings	16,338	20,300	3,962
Insurance	7,630	7,335	(295)
Telephone and Utilities	10,679	11,750	1,071
Maintenance	17,315	9,000	(8,315)
Postage and Supplies	6,592	8,205	1,613
Reproduction Costs and Printing	4,457	5,801	1,344
Professional Fees	61,250	15,465	(45,785)
Interest Paid	2,048	2,048	-
Depreciation	8,021	7,225	(796)
Miscellaneous	22,595	13,800	(8,795)
Interest, Debt Reduction, and Other	<u>137,692</u>	<u>352,111</u>	<u>214,419</u>
Total Expenses	<u>713,696</u>	<u>924,822</u>	<u>211,126</u>
Excess of Revenue Over (Under) Expenses	<u>\$ 81,174</u>	<u>\$ 101,550</u>	<u>\$ (20,376)</u>

The expenses reflected in this schedule include capital additions, debt principal reduction and other costs which are not considered to be operating costs as reflected in the operating statements in this report. This information is presented for budget purposes only and does not reflect results of operations.