



# BRPC

Berkshire Regional Planning Commission

JOHN DUVAL, Chair  
MALCOLM FICK, Vice-Chair  
SHEILA IRVIN, Clerk  
BUCK DONOVAN, Treasurer  
THOMAS MATUSZKO, A.I.C.P.  
Executive Director

## MEETING NOTICE

There will be a  
meeting of the

### FINANCE COMMITTEE

of the

BERKSHIRE REGIONAL PLANNING COMMISSION

on Thursday, December 9, 2021 at **4:30** p.m.

This will be a **Virtual Meeting** as allowed by Massachusetts Governor Charlie Baker's Executive Order dated March 12, 2020 suspending certain provision of the Open Meeting Law, G.L. c.30 sec.20.

Information to join the meeting is:

<https://us02web.zoom.us/j/2490902351>

**Meeting Material:** All written materials for the meeting are posted on BRPC's website: [www.berkshireplanning.org](http://www.berkshireplanning.org). Click on the meeting name on the calendar of events to see link to materials.

## AGENDA

- I. Call to Order & Open Meeting Law Statement
- II. Approval of Minutes of the Finance Committee Meeting of May 6, 2021
- III. FY2021 BRPC Audit
- IV. Recommend FY23 Assessments to the Commission
- V. State Retirement Update (Employer Portion)
- VI. Trust Balance
- VII. Bank Update
- VIII. Other Business
- IX. Adjournment

**City and Town Clerks: Please post this notice pursuant to M.G.L. Chapter 39, Section 23B**

### Please Note:

For information regarding postponements or cancellations on the day of a scheduled meeting, please call Berkshire Regional Planning Commission at (413) 442-1521 x5



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## **DRAFT MINUTES OF THE FINANCE COMMITTEE MEETING**

Monday May 6, 2021

**Virtual Meeting** as allowed by Massachusetts Governor Charlie Baker's Executive Order dated July 16, 2020, suspending certain provision of the Open Meeting Law, G.L. c.30 sec.20.

### **I. Call to Order**

**The meeting was called to order at 5:22 p.m.**

Chair, Malcolm Fick started the meeting by reading a statement regarding the Open Meeting Law. BRPC records all meetings. Others may record the meeting after informing the chair. Any documents presented must be left with the Chair of the meeting.

**Roll Call** - Malcolm Fick, Kyle Hanlon, Sheila Irvin, Sam Haupt, John Duval, Fred Schubert, Marianne Snizek, Tom Matuszko Kate Hill-Tapia

### **II. Approval of Minutes of the Finance Committee meeting of March 29, 2021**

Malcolm asked for a motion.

Kyle Hanlon moved to approve the minutes of the March 29, 2021 meeting which was seconded by Sam Haupt. It was unanimously approved by roll call vote from Sam Haupt, John Duval, Malcolm Fick, Sheila Irvin, and Kyle Hanlon.

### **III. FY2022 Budget Review and Recommend**

Tom gave an overview BRPC's FY 2022 Budget projected revenues and expenditures that is \$1 million higher than FY 2021.

Malcolm asked if there were any questions regarding the proposed budget.

Tom explained the EDA Covid-19 Regional Recovery Project for FY22 totaling \$527,885 is for technical assistance for municipalities and businesses. There is no direct money from this project for the communities. Recently 1Berkshire conducted a technical needs survey. This project will identify where municipalities and businesses can get assistance from the American Rescue Plan Act or other grants due to the results of the COVID-19 pandemic.

Marianne also explained Berkshire United Way provided funding to the EDA project, some of those funds will be used for the Berkshire Benchmark website and the indicators.

Marianne explained the difference in the footnotes. Footnote 3 is for contracts were BRPC has received award notices, but the contracts has not been received. Footnote 2 is for contracts BRPC receives each year but are not under contract yet.

Malcolm asked for a motion.

Kyle Hanlon moved recommend the FY2022 BRPC Budget to the Full commission which was seconded by Sheila Irvin. It was unanimously approved by roll call vote from John Duval, Malcolm Fick, Sheila Irvin, and Kyle Hanlon.

**IV. Trust Balance**

The balance of \$894,129.48 as of 3/31/2021 offsets the unfunded liability of \$1,198,909.

BRPC has done well in funding the liability.

**V. Other Business** - None

**VI. Next Meeting** - The next meeting will be as needed

**VII. Adjournment**

The meeting was adjourned at 5:38 pm by a motion made by Kyle Hanlon and seconded by Sheila Irvin.

Attachments:

- Unapproved Minutes of Finance Committee Meeting of March 29, 2021
- Proposed FY2022 Budget memo
- FY2022 Projected Revenues 5.6.2021
- FY2022 Projected Expenditures 5.6.2021
- ICMARC Trust Balance 3/31/2021

**BERKSHIRE REGIONAL PLANNING COMMISSION**

**Financial Statements and  
Supplementary Information**

**June 30, 2021**

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**BERKSHIRE REGIONAL PLANNING COMMISSION**

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Draft

12/6/2021

## INDEPENDENT AUDITORS' REPORT

To the Commission Members of the  
**BERKSHIRE REGIONAL PLANNING COMMISSION**  
1 Fenn Street, Suite 201  
Pittsfield, MA 01201

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities of Berkshire Regional Planning Commission as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Berkshire Regional Planning Commission's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditors' Responsibility*

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

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

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

#### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of Berkshire Regional Planning Commission as of June 30, 2021, and the respective changes in financial position, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on page 5, budgetary comparison information on page 9, the Schedule of Changes in Net Other Postemployment Benefits (OPEB) Liability and Related Ratios and the Schedule of OPEB Contributions on pages 21 and 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Berkshire Regional Planning Commission's basic financial statements. The supplementary information starting on page 23 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2021 on our consideration of Berkshire Regional Planning Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Berkshire Regional Planning 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 Berkshire Regional Planning Commission's internal control over financial reporting and compliance.

ADELSON & COMPANY PC

November 22, 2021

## BERKSHIRE REGIONAL PLANNING COMMISSION

### MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2021

As management (fiscal department) of the Berkshire Regional Planning Commission (the "Commission") we offer readers of the Commission's financial statements this narrative overview and analysis of the financial activities of the Commission for the fiscal year ended June 30, 2021. Readers should consider, as a whole, the information presented here along with the Commission's basic financial statements that follow this section.

#### Using This Report

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

#### Government-Wide Financial Statements

The *government-wide financial statements*, which consists of the Statement of Net Position and the Statement of Activities on pages 6 and 7, are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private-sector business.

One of the most important questions asked about the Commission's finances is "Is the Commission, as a whole, better off or worse as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Commission and about its activities in a way that helps answer this question.

The *Statement of Net Position* presents information on all of the Commission's assets and liabilities with the difference between the two reported as net position. You can think of the Commission's net position, the difference between assets, what the Commission owns, and liabilities, what the Commission owes, as one way to measure the Commission's financial health, or financial position. Over time, increases or decreases in the Commission's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as continuing state, federal and local government support, to assess the overall health of the Commission.

The *Statement of Activities* presents information showing how the Commission's net position changed during the current fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e., uncollected revenue and earned but unused leave benefits).

#### Fund Financial Statements

The Commission maintains two major funds; the General Fund and the Brownfields Loan Fund. These major funds are reported in a separate fund financial statement called the Statement of Revenue, Expenditures, and Changes in Fund Balances and is shown on page 8. The Commission maintains this fund financial statement on the full accrual basis of accounting (GASB 34 basis).

The *General Fund* is the primary operating fund which accounts for all the financial resources and regional planning activities of the Commission.

The *Brownfields Loan Fund* provides funding, in the form of loans, to a qualified recipient to carry out cleanup activities at brownfield sites. When loans are repaid, the loan amount is returned into the fund and re-lent to other borrowers, providing an ongoing source of capital within the region. The Brownfields Loan Fund is originally funded with grants from the U.S. Environmental Protection Agency.

## Notes to the Financial Statements and Supplementary Information

The notes to the financial statements and supplementary information provide additional information that is essential to a full understanding of the data provided in the governmental-wide and fund financial statements. The notes to the financial statements can be found as listed in the Table of Contents.

### The Commission as a Whole

The Commission's total net position decreased by \$(295,909) from a year ago, from an accumulated net position of \$64,864 at the end of fiscal year 2020 to an accumulated net (deficit) position of \$(231,045) at the end of fiscal year 2021. This net position decrease of \$(295,909) consisted of an increase in the General Fund of \$79,467 and a decrease in the Brownfields Loan Fund of \$(375,376).

A primary factor impacting the increase in net position of the General Fund is the recording of our Other Postemployment Benefits Liability (OPEB) for retirees (see Note 4.E.), which required the Commission to record a recovery in fiscal year 2021 of \$50,346, decreasing the OPEB liability to \$1,148,563. Absent the adjustment for this estimated long-term liability, the Commission would have shown an increase in net position in its General Fund of \$29,121. The Commission is required to measure and report this long-term projected benefit obligation earned by employees for services rendered to date, as opposed to when the benefit is actually paid. As a result, the recognition of this long-term estimated obligation has a significant impact on the Commission's net position. It is important to note that the change in this estimated long-term liability from one year to the next is non-reimbursable at this time.

A summary of the Commission's net position and change in net position is as follows:

**BERKSHIRE REGIONAL PLANNING COMMISSION**  
**Summary Net Position on June 30,**

	2021	2020	Change
Current assets	\$ 2,132,043	\$ 1,365,946	\$ 766,097
Capital assets	27,439	55,465	(28,026)
Brownfields notes receivable	429,861	805,236	(375,375)
Total Assets	<u>2,589,343</u>	<u>2,226,647</u>	<u>362,696</u>
Current liabilities	1,541,850	850,181	691,669
Long-term liabilities	129,975	112,693	17,282
Postemployment benefits other than pensions	1,148,563	1,198,909	(50,346)
Total Liabilities	<u>2,820,388</u>	<u>2,161,783</u>	<u>658,605</u>
Net position:			
Invested in capital assets, net of related debt	27,439	55,465	(28,026)
Restricted Brownfields Loan Fund	704,861	1,080,237	(375,376)
Unrestricted (deficit)	(963,345)	(1,070,838)	107,493
Total Net Position	<u>\$ (231,045)</u>	<u>\$ 64,864</u>	<u>\$ (295,909)</u>

**BERKSHIRE REGIONAL PLANNING COMMISSION**  
**Summary Change in Net Position**  
**For the Year Ended June 30,**

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Revenue			
Charges for services	\$ 5,068,379	\$ 3,927,162	\$ 1,141,217
State pension assistance	641,583	583,654	57,929
Brownfields loan program	-	14,705	(14,705)
Community assessments	104,551	104,551	-
Interest income	<u>20,022</u>	<u>20,080</u>	<u>(58)</u>
Total Revenue	5,834,535	4,650,152	1,184,383
Expenses			
Regional planning activities	(5,735,068)	(4,681,434)	(1,053,634)
Allowance for potential uncollectible accounts			
Brownfields Revolving Loan Fund	<u>(395,376)</u>	<u>-</u>	<u>(395,376)</u>
<b>Change in net position</b>	(295,909)	(31,282)	(264,627)
Effects on Commission for GASB adjustment			
Add back OPEB expense (recovery) not funded	<u>(50,346)</u>	<u>70,179</u>	<u>(120,525)</u>
Change in net position, excluding the GASB adjustment for OPEB	(346,255)	38,897	(385,152)
<b>Brownfields Fund surplus (deficit)</b>	<u>(375,376)</u>	<u>34,760</u>	<u>(410,136)</u>
<b>General Fund surplus (deficit)</b>	<u>\$ 29,121</u>	<u>\$ 4,137</u>	<u>\$ 24,984</u>

The Commission's total net position decreased by \$(295,909) over the course of fiscal year 2021. Absent the long-term liability for potential future retiree post-employment benefits and the Brownfields Loan Fund, we had a surplus of \$29,121 in the General Fund. Cash and equivalents increased by \$265,725 during fiscal year 2021. Project receivables increased by \$498,050, due to increase project volume, and a large outstanding receivable from a municipality, which was paid after year-end. Prepaid expenses increased by \$2,323 during fiscal year 2021. The Brownfields Loan Fund notes receivable decreased by \$375,375 primarily from recording an allowance for potentially uncollectible accounts of \$395,376. The net result, including capital assets factored in, is that total assets increased by \$362,696.

Total current liabilities increased by \$691,669 in fiscal year 2021. The major factors in the increase were an increase in the accounts payable of \$270,325, an increase in accrued payroll and related payables of \$31,933, and an increase in advance grant revenue of \$389,411.

Overall, our current financial position (current assets, including the current portion of the Brownfields note receivable of \$165,156, less current liabilities) decreased during fiscal year 2021 with a decrease of \$141,791 from the previous year. Current assets, excluding the Brownfields note receivable of \$165,156, exceed current liabilities by \$590,193 (a ratio of 1.38), which decreased by (0.23) from the previous year. For fiscal year 2021, this indicates that the Commission, on average, had \$1.38 in current assets to meet every \$1 in current liabilities.

There was no outstanding balance on our line of credit at June 30, 2021. Overall, we have been able to provide stability in our underlying base financial position and to maintain a reasonable fund balance during the year.

Due to a requirement by MassDOT that we use an overhead rate as established in the prior year's audit, we continue to have an amount due to Grantors. However, the amounts due or owed are not paid back until MassDOT performs a final program audit, which often takes several years. This affects our cash position but will not have any meaningful impact on our balance sheet.

A continued significant impact on our net position is due to the requirement to show Postemployment Benefits Other than Pensions. This amount is substantial at \$1,148,563. This is an estimated long-term liability and the amount is subject to substantial change over the years.

Individual programs/projects are being worked on each year by the Commission. These programs/projects are mostly funded on a cost reimbursement basis by federal, state and local grants and contacts. Therefore, individual programs usually do not provide a surplus or deficit. A deficit may occur if there are disallowed costs, costs overruns or a Commission local share requirement. A task-based contract may provide a surplus.

The Massachusetts Department of Transportation individual project fund continues to be a major contract for the Commission, representing about 11.2% of total project revenue. Other significant state and federal programs during fiscal year 2021 include the DPH COVID-19 Assistance (about 5%).

Other program revenues (primarily projects contracted by localities, often utilizing state or federal funds) have become a significant source of revenues to the Commission (about 53%). This continued diversity in major funding sources has enhanced our long-term financial stability. There are small amounts of growth in several program areas (data and information services, community planning, emergency preparedness, economic planning, and public health). There has been an increase in transportation planning (due to the State's Complete Streets Program and pavement conditions projects). Also, we work with localities on municipal brownfield projects. Regional service (heavily driven by active discussions about the future structure of public education in the county) was again a key focus. Environmental planning programs saw a slight increase with renewable energy and hazard mitigation planning. We continue to seek new and repeat funding opportunities and have been very successful at taking advantage of them. The State has shown a commitment to funding several initiatives at the local level which has helped us achieve success working with our local governments helping them meet project objectives, particularly in municipal planning.

### **Budget versus Actuals**

An analysis of significant budget variances (budget versus actual results) for the General Fund, including reasons for those variances that may affect future services or liquidity is as follows:

Program revenues budgeted (excluding community assessments of \$104, 551) were \$3,329,521. The year-end actual program revenues were \$5,068,379 (152% of budget), resulting in a favorable variance of \$1,738,858. State and federal program revenues were higher than budget expectations by \$333,588, with several contributing factors including additional revenue for public health services due to the pandemic and public health shared services, economic recovery and planning, transportation planning, regional energy assistance and education, revolving loan fund, opioid abuse prevention work, and promotion of mountain biking trails. Local and other program revenues were higher than budget expectation by \$1,398,783, with several contributing factors including outdoor recreation economic development, funding for new housing rehabilitation work in Cheshire, New Marlborough, Sheffield, Stockbridge, Becket, Dalton, and Otis, a downtown circulation plan in North Adams, housing needs assessments, comprehensive planning services to several municipalities, a regional adaptation and resilience project related to climate change with the Town of Adams, municipal vulnerability and hazard mitigation planning projects in several communities, Brownfields assessments and cleanup projects, and revenue to redevelop the Berkshire Benchmarks website.

The expenditures budgeted were \$3,434,072. The year-end actual was \$5,143,831 (149% of budget), resulting in an unfavorable variance of \$(1,709,759). This variance is attributable to the increase in the amount of service provided, as evidenced in the increase in revenues above.

Direct salaries of \$995,284 exceeded the budget by \$(99,591). Indirect salaries of \$427,723 exceeded the budget by \$(38,213). Indirect costs, which is the combination of indirect salaries, fringe benefits and administrative expenses totaled \$1,393,399, which was a \$68,081 (5%) increase over the prior year's amount of \$1,325,318. Additional information on the indirect costs and the indirect cost allocation can be found on page 27 of this report.

### **Capital Assets and Debt Activity**

A summary of significant capital asset and debt activity with a discussion of commitments and limitations that may affect future financing of planned facilities or services is as follows:

The Commission did not incur any costs for additions of furniture and fixtures or leasehold improvements in 2021, and recorded disposals of furniture and fixtures of \$8,473. We do not have any infrastructure assets. The detail of the capital asset activity is disclosed in Note D on page 16. The Commission does not have any long-term debt. Although the Commission did borrow on a short-term basis on its line of credit in fiscal year 2021, the balance was repaid and it did not owe anything on its line of credit on June 30, 2021. The Commission does not have any commitments to acquire significant capital assets or commitments for long-term debt.

### **Economic Factors**

A description of facts, conditions, or decisions which management was aware, on or before the audit report date, that is expected to have a significant effect on financial position or results of operations after the reporting date are discussed below:

Since fiscal year 2010, the Commission has had to show potential future retiree health care costs. With the inclusion of this item, our total net position has fluctuated over the years. From a negative net position of \$(1,144,000) at the end of fiscal year 2017 our position improved to a positive net position of \$351,851 at the end of fiscal year 2018. In fiscal year 2019 our position changed significantly again from a positive position of \$351,851 to \$96,146, a decrease of \$(255,705). From 2019 to 2020, net position decreased an additional \$(31,282) to \$64,864. This change is primarily due to a net increase in the net OPEB liability from \$1,128,730 to \$1,198,909, an increase of \$70,179. In 2021, the Commission's net OPEB liability decreased by \$50,346 to \$1,148,563. The Commission recorded contributions of \$129,576 into the OPEB Trust. While our total net OPEB liability will likely fluctuate as staff continue to change, we continue to fund a Qualified OPEB Trust with a fair market value of \$995,374 at the end of fiscal year 2021. Absent the recording of this potential long-term liability, the Commission would have shown an increase in its unrestricted net assets of \$29,121 in fiscal year 2021.

### *General Services and Operations*

The Commission's Local Assessments (\$104,551) from our communities allowed the Commission to provide service to our communities not covered by funding sources from Federal, State, Local, Organizations or Non-Profits. The Commission provided educational training through the Citizen Planner Training Collaborative (CPTC) modules. Staff reviewed Massachusetts Environmental Policy Act (MEPA) submissions and prepared advisory comments for the Secretary of Energy and Environmental Affairs and local permitting boards/commissions. Staff provided technical assistance to Berkshire municipalities, regional organizations, state officials, local business, investors, individuals, and others. Staff provided technical assistance to local municipalities, nonprofit organization, and institutions to prepare, write and administer grant applications to a wide range of public or private funding sources. Staff also provided maps and support to the Western Mass Historical Commission Coalition.

We continued to see a shift in areas of emphasis for projects and programs during fiscal year 2021. The Berkshire Regional Planning Commission staff was deeply involved in response to the COVID-19 crisis. On the public health front, our staff served as the liaison between the state and local Boards of Health on initially preventing the spread of the virus through contact tracing and then through vaccinations. The Commission was also deeply involved with assisting businesses and non-profits survive the economic fallout from the COVID-19 crisis. There were several new State programs dealing with the COVID-19 pandemic, economic development planning, and education planning. Climate change and adaptation and energy conservation programs remained strong. CDBG programs, mainly for housing rehabilitation remained strong. We assisted several of our municipalities with a variety of local plans including ADA self-evaluation and transition plans. We received funding for key initiatives for COVID Economic Response & Recovery and COVID Public Health Response & Recovery. Emergency preparedness planning remained strong. We continue to build our staff capacity and expertise to take advantage of changing opportunities.

We were able to continue to control significant losses on all projects during the year, which is very important in maintaining a positive operational budget. We also were able to exercise tight control over our General Fund expenses and managed to have a - surplus of revenues over expenses in that department, which is our only ongoing potential resource to build our cash reserves. We were able to manage cash flow successfully to prevent the use of the line of credit and to maximize use of our money market fund.

The Overhead Rate met the target of 140%. We also used variable amount payments into the Qualified OPEB Trust to keep the Overhead Rate consistent throughout the year. This allowed a greater certainty in budgeting of staff hours for specific projects and eliminated the need to adjust total project expenditures for projects that ended before the end of the fiscal year. For fiscal year 2022, we again set the target Overhead rate at 140% to continue to be able to fund the OPEB Trust and mitigate against unforeseen administrative expenses.

### **Request for Information**

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

**BERKSHIRE REGIONAL PLANNING COMMISSION**

**STATEMENT OF NET POSITION**

**June 30, 2021**

	Primary Government Governmental Activities	
	2021	Comparative 2020
<b>Assets</b>		
Current assets:		
Cash and equivalents	\$ 411,783	\$ 146,058
Restricted cash and equivalents - Brownfields fund	275,000	275,001
Project receivables	1,432,350	934,300
Prepaid expenses	12,910	10,587
Brownfields notes receivable, net due within one year	165,156	381,375
Total current assets	2,297,199	1,747,321
Noncurrent assets:		
Brownfields notes receivable, less current portion	264,705	423,861
Capital assets, net	27,439	55,465
Total assets	2,589,343	2,226,647
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	523,880	253,555
Payroll and related payables	98,806	66,873
Due to grantors	54,361	54,361
Advanced grant revenue	864,803	475,392
Total current liabilities	1,541,850	850,181
Noncurrent liabilities:		
Contingency fund	9,000	9,000
Accrued leave	120,975	103,693
Postemployment benefits other than pensions	1,148,563	1,198,909
Total liabilities	2,820,388	2,161,783
<b>Net position</b>		
Invested in capital assets, net of related debt	27,439	55,465
Restricted Brownfields Loan Fund	704,861	1,080,237
Unrestricted (deficit)	(963,345)	(1,070,838)
Total net position	\$ (231,045)	\$ 64,864

See notes to financial statements.

**BERKSHIRE REGIONAL PLANNING COMMISSION**

**STATEMENT OF ACTIVITIES**

**For the Year Ended June 30, 2021**

		<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Grants and Contributions</u>	<u>Primary Government Governmental Activities</u>
Governmental activities				
Regional planning activities	\$ 5,735,068	\$ 5,068,379	\$ 641,583	\$ (25,106)
Brownfields Loan Fund	-	20,000	-	20,000
Total governmental activities	<u>\$ 5,735,068</u>	<u>\$ 5,088,379</u>	<u>\$ 641,583</u>	<u>(5,106)</u>
General revenues				
Community assessments				104,551
Interest income				22
Total general revenues				<u>104,573</u>
Brownfields Loan Fund				
Allowance for potential uncollectible accounts				<u>(395,376)</u>
Change in net position				(295,909)
Net position, beginning				<u>64,864</u>
Net position, ending				<u>\$ (231,045)</u>

See notes to financial statements.

**BERKSHIRE REGIONAL PLANNING COMMISSION**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**GOVERNMENTAL FUNDS**

**For the Year Ended June 30, 2021**

	General Fund	Brownfields Loan Fund	Total 2021	Comparative Total 2020
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues</b>				
State and federal programs	\$ 1,948,403	\$ -	\$ 1,948,403	\$ 1,860,690
Local and other programs	3,113,414	-	3,113,414	2,055,391
Special programs	6,562	-	6,562	11,081
State pension assistance	641,583	-	641,583	583,654
Community assessments	104,551	-	104,551	104,551
Brownfields loan program funds	-	-	-	14,705
Interest income	22	20,000	20,022	20,080
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total revenues	5,814,535	20,000	5,834,535	4,650,152
<b>Expenditures</b>				
General services	35,656	-	35,656	218,368
Community development and housing	1,091,205	-	1,091,205	893,639
Community planning	179,816	-	179,816	501,820
Data and information services	20,032	-	20,032	106,658
Economic development	540,713	-	540,713	-
Emergency preparedness	263,577	-	263,577	397,134
Environmental and energy	986,554	-	986,554	530,189
Public health program	1,358,313	-	1,358,313	1,036,206
Regional initiatives and services	531,819	-	531,819	326,846
Transportation planning	727,383	-	727,383	670,574
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total expenditures	5,735,068	-	5,735,068	4,681,434
Excess (deficiency) of revenues over expenditures	79,467	20,000	99,467	(31,282)
<b>Other item</b>				
Allowance for potential uncollectible accounts	-	(395,376)	(395,376)	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Net change in fund balances	79,467	(375,376)	(295,909)	(31,282)
Fund balance (deficit), beginning	(1,015,373)	1,080,237	64,864	96,146
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Fund balance (deficit), ending	\$ (935,906)	\$ 704,861	\$ (231,045)	\$ 64,864

See notes to financial statements.

**BERKSHIRE REGIONAL PLANNING COMMISSION**

**STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL - GENERAL FUND**

**For the Year Ended June 30, 2021**

	Budget		Actual Budgetary Basis	Variance Positive (Negative)
	Original	Final		
<b>Revenues</b>				
State and federal programs	\$ 1,614,815	\$ 1,614,815	\$ 1,948,403	\$ 333,588
Local and other programs	1,714,631	1,714,631	3,113,414	1,398,783
Special programs	75	75	6,562	6,487
Community assessments	104,551	104,551	104,551	-
Interest income	-	-	22	22
Total revenues	3,434,072	3,434,072	5,172,952	1,738,880
<b>Expenditures</b>				
General services	21,351	21,351	31,980	(10,629)
Community development and housing	653,397	653,397	978,711	(325,314)
Community planning	107,671	107,671	161,279	(53,608)
Data and information services	11,995	11,995	17,967	(5,972)
Economic development	323,771	323,771	484,970	(161,199)
Emergency preparedness	157,826	157,826	236,405	(78,579)
Environmental and energy	590,733	590,733	884,849	(294,116)
Public health program	813,337	813,337	1,218,282	(404,945)
Regional initiatives and services	318,445	318,445	476,992	(158,547)
Transportation planning	435,546	435,546	652,396	(216,850)
Total expenditures	3,434,072	3,434,072	5,143,831	(1,709,759)
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ 29,121	\$ 29,121

See notes to financial statements.

## BERKSHIRE REGIONAL PLANNING COMMISSION

### NOTES TO FINANCIAL STATEMENTS

June 30, 2021

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### A. Reporting Entity

The Berkshire Regional Planning Commission (Commission) is established as the area-wide planning agency for Berkshire County, Massachusetts as permitted by Chapter 40B, the Regional Planning Law, of the Massachusetts General Laws. The Commission provides regional planning services within its jurisdiction, local planning services to its member municipalities, and planning services for other public, non-profit and private organizations in the region. It performs reviews of significant projects under the Massachusetts Environmental Policy Act and the National Environmental Policy Act. It provides staff support to the Metropolitan Planning Organization for Berkshire County which is responsible for transportation planning activities in the region.

Accounting principles generally accepted in the United States of America require that the reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided by the Government Accounting Standards Board has been considered and, as a result, the Commission does not have any component units.

##### B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information about the reporting government as a whole. The Commission maintains only two funds, the General Fund and the Brownfields Loan Fund.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Community assessments and other items not properly included among program revenues are reported instead as general revenues.

A separate governmental fund financial statement is provided for the General Fund and Brownfields Loan Fund activities and is reported in the Statement of Revenues, Expenditures and Changes in Fund Balance. The Commission maintains its basic financial statements (governmental fund financial statement) on the full accrual basis of accounting (GASB 34 basis). The Commission does not prepare a separate fund balance sheet, but rather prepares a Statement of Net Position.

##### Cost Allocation

An indirect cost allocation plan is utilized under which all costs that are not chargeable directly to a program are allocated to each program on the basis of the staff salaries, excluding interns, charged directly to each program.

##### Subsequent Events

Management has evaluated subsequent events through November 22, 2021, the date that the financial statements were available for issue, and has determined that there are no additional adjustments or disclosures required.

### **Summarized Financial Information**

Certain financial information for the year ended June 30, 2020 is presented for comparative purposes and is not intended to be a complete financial statement presentation. Certain items in the comparative prior year totals may have been reclassified to conform to the current year presentation.

### **Accounting Estimates**

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

### **C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue when expenses eligible for reimbursement under the terms of the grants are incurred. Project receivables are evaluated by management and were deemed collectible. Accordingly, no allowance for uncollectible accounts was considered necessary.

Community assessments are levied on member communities in February of each year for the fiscal year beginning the following July 1. The assessments are based on census figures and computed at the rate of \$0.80 cents per resident for the years ended June 30, 2021 and 2020. Revenue from community assessments is recorded in the year in which it is due. The community assessment receivable is recorded as of July 1, the start of the fiscal year, with the revenue recognized over twelve months.

Governmental fund financial statements are reported under the same basis of accounting as the government-wide financial statements as noted above.

### **The Commission reports the following major governmental funds:**

The *General Fund* is the Commission's primary operating fund. It accounts for all financial resources of the Commission, except those required to be accounted for in another fund.

The *Brownfields Loan Fund* provides funding, in the form of loans, to a qualified recipient to carry out cleanup activities at brownfield sites. When loans are repaid, the loan amount is returned into the fund and re-lent to other borrowers, providing an ongoing source of capital within the region. The Brownfields Loan Fund is funded with grants from the U.S. Environmental Protection Agency.

### **D. Assets, Liabilities, and Net Position**

#### **Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in government-wide financial statements.

#### **Capital Assets**

Capital assets, which include property and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Commission as assets with an individual cost of more than \$1,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the lives are not capitalized.

Property and equipment of the Commission are depreciated using the straight line method over the estimated useful lives. The Commission follows guidelines under its federal programs which consider depreciation an allowable expense for federal grants. This same principle is applied to state and all public and private grants and contracts, and accordingly, depreciation is charged to programs under an indirect cost allocation plan.

### **Advance Revenues**

The Commission reports unearned revenue in the Statement of Net Position for advanced grants. Advance grant revenue arises when potential revenue does not meet the criteria for recognition in the current period. In general, grant contract revenue received in advance is recognized when the eligible expenditures for reimbursement have occurred.

### **Accrued Leave**

The Commission's accrued leave policy allows employees to accumulate earned but unused leave up to a maximum of 35 hours of compensatory time, 230 hours of sick leave, and 140 hours of vacation leave which may be increased to 175 hours with the approval of the Director.

### **Government-wide Net Position**

Net position is the difference between assets and liabilities in the Statement of Net Position and are composed of following:

#### *Invested in Capital Assets, Net of Related Debt (Non-spendable)*

Consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those costs. The Commission does not have any other non-spendable fund balances.

#### *Restricted*

Amounts that can be spent only for specific purposes because of state laws, or externally imposed conditions by grantors or creditors. The Commission has a restricted Brownfields Loan Fund, which provides funding, in the form of loans, to qualified recipients to carry out cleanup activities at brownfield sites. Repaid loan funds are required to be returned to the Brownfields Loan Fund and re-lent to other qualified borrowers.

#### *Unrestricted*

All other amounts are reported in this category. The Commission does not have any committed or assigned fund balances in its unrestricted net position.

## **NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

### **A. Budgetary Information**

The Commission's management submits to the Finance Committee a proposed annual budget for the respective accounts of the General Fund in March or April. This budget includes proposed expenditures and the means of financing them. After review and recommendation from the Finance Committee, the budget is presented to the Commission for approval at its regular meeting in May.

The budget is used as a financial planning and monitoring tool, but amounts may vary from those approved in the budget without approval of the Commission. During the course of the year, if significant variances are found that may have a negative effect on the Commission's finances, steps are taken to control costs or increase revenues to bring the expected revenues and expenditures into balance.

General Fund unencumbered appropriations lapse at year-end. Expenditures that are encumbered but not incurred, carry forward into the next budget year.

The Commission does not budget for the State’s contribution to the pension system on its behalf or for the accounting adjustment to record the change in the other postemployment benefit liability, as these are not reimbursable costs.

A reconciliation of the General Fund operations presented in the Governmental Funds, which are maintained on the accrual basis of accounting, to the budgetary basis statement is as follows:

	<u>Fund</u>
Governmental funds - net change in fund balances	\$ 79,467
Adjustments:	
State pension assistance - revenue	(641,583)
State pension assistance - expense	641,583
Change in other postemployment benefit liability	<u>(50,346)</u>
Excess (deficiency) of revenues over expenditures - budgetary basis	<u>\$ 29,121</u>

**NOTE 3 - DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

State and local statutes place certain limitations on the nature of deposits and investments available to the Commission. Deposits (including demand deposits, term deposits and certificates of deposit) in any one financial institution may not exceed certain levels without collateralization by the financial institutions involved. Investments can also be made in securities issued by or unconditionally guaranteed by the U.S. Government or Agencies that have a maturity of less than one year from the date of purchase, repurchase agreements guaranteed by such securities with maturity dates of no more than 90 days from the date of purchase and units in the Massachusetts Municipal Depository Trust.

**Custodial Credit Risk Related to Deposits**

Custodial credit risk is the risk that in the event of bank failure, the Commission’s deposits may not be returned. The Commission carries deposits that are fully insured by FDIC insurance or collateralized. The Commission also carries, at times, deposits that are not collateralized and are uninsured. Bank deposits as of June 30, 2021 were \$805,008, of which \$250,000 is insured, and \$555,008 is uninsured.

**Cash and Equivalents**

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

## B. Project Receivables

Project receivables consisted of the following at June 30:

	2021	Comparative 2020
<b>State and federal project receivables:</b>		
MassDOT	\$ 75,451	\$ 97,223
MA Department of Elementary and Secondary Education	20,691	87,086
MA Department of Energy Resources	44,950	5,976
MA Department of Environmental Protection	10,250	3,718
MA Department of Public Health	-	12,438
MA Executive Office of Energy and Environmental Affairs	48,955	5,531
MA Department of Housing and Community Development	56,239	-
U.S. Department of Agriculture	9,978	40,880
U.S. Environmental Protection Agency	3,243	27,268
U.S. Food and Drug Administration	2,235	1,883
U.S. Health Resources and Services Administration	15,953	-
U.S. Executive Office of Health and Human Services	17,816	-
U.S. Economic Development Administration	29,448	-
Franklin County Sheriff's Department	5,481	4,949
Franklin Regional Council of Governments	7,556	11,445
Total state and federal project receivables	348,246	298,397
Local and other project receivables	1,084,104	635,903
Total project receivables	\$ 1,432,350	\$ 934,300

## C. Restricted Brownfields Loan Fund - Notes Receivable

The Brownfields Revolving Loan Fund was established by the Commission through grants from the U.S. Environmental Protection Agency (EPA) to lend funds to qualified participants (public, private, and non-profit entities) for brownfield site cleanup activities. As required by the EPA grants, proceeds from the loan repayments are restricted for future brownfield site projects, and are to be re-lent to future qualified borrowers. An allowance for potential uncollectible notes receivable is determined based upon management's analysis of the accounts.

The Brownfields Loan Fund notes receivable consisted of the following at June 30:

	2021	Comparative 2020
\$150,000 loan receivable dated December 28, 2017, from Greylock Works, LLC (Loan 1) at 0% interest, lump sum payment due the earlier of December 2027 or the date which all or substantially all of the borrowers' premises as defined in the agreement is sold, collateralized by security interest in the borrower's assets.	\$ 150,000	\$ 150,000

(Continued)

	<u>2021</u>	<u>Comparative 2020</u>
\$100,000 loan receivable dated December 28, 2017, from Greylock Works, LLC (Loan 2) at 0% interest, lump sum payment due the earlier of December 2027 or the date which all or substantially all of the borrowers' premises as defined in the agreement is sold, collateralized by security interest in the borrower's assets.	100,000	100,000
\$150,000 loan receivable dated April 25, 2019, from Greylock Works, LLC (Loan 3) at 0% interest, lump sum payment due the earlier of April 2029 or the date which all or substantially all of the borrowers' premises as defined in the agreement is sold, collateralized by security interest in the borrower's assets.	14,705	14,705
\$180,000 loan receivable dated April 25, 2019, from Greylock Works, LLC (Loan 4) at 0% interest, lump sum payment due the earlier of April 2029 or the date which all or substantially all of the borrowers' premises as defined in the agreement is sold, collateralized by security interest in the borrower's assets. As of June 30, 2021, no funds have been disbursed under this note.	-	-
\$350,000 loan receivable dated April 2018 from Powerhouse Square I, LLC (Loan 1) at 4.00% interest per annum, lump sum payment was due the earlier of April 2021 or project stabilization as defined in the agreement, collateralized by security interest in the borrower's assets, accrued interest of \$45,375 at June 30, 2021. This note has not been repaid as of the date of the financial statements and is included in the allowance for potential uncollectible accounts.	395,376	381,375
\$150,000 loan receivable dated December 2018 from Powerhouse Square I, LLC (Loan 2) at 4.00% interest per annum, lump sum payment due the earlier of December 2021 or project stabilization as defined in the agreement, collateralized by security interest in the borrower's assets, accrued interest of \$15,156 at June 30, 2021.	<u>165,156</u>	<u>159,156</u>
Total notes receivable	825,237	805,236
Allowance for potential uncollectible accounts	<u>(395,376)</u>	-
Total notes receivable, net	429,861	805,236
Amount due within one year	<u>165,156</u>	<u>381,375</u>
Amount due after one year	<u>\$ 264,705</u>	<u>\$ 423,861</u>

## D. Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital assets, being depreciated:				
Furniture and fixtures	\$ 114,201	\$ -	\$ (8,473)	\$ 105,728
Leasehold improvements	102,048	-	-	102,048
Total capital assets, being depreciated	<u>216,249</u>	<u>-</u>	<u>(8,473)</u>	<u>207,776</u>
Less accumulated depreciation for:				
Furniture and fixtures	72,635	18,023	(7,920)	82,738
Leasehold improvements	88,149	9,450	-	97,599
Total accumulated depreciation	<u>160,784</u>	<u>27,473</u>	<u>(7,920)</u>	<u>180,337</u>
Total capital assets, being depreciated, net	<u>55,465</u>	<u>(27,473)</u>	<u>(553)</u>	<u>27,439</u>
Governmental activities capital assets, net	<u>\$ 55,465</u>	<u>\$ (27,473)</u>	<u>\$ (553)</u>	<u>\$ 27,439</u>

## E. Note Payable

The Commission has a \$230,000 line of credit from a bank, due on demand and bearing a variable interest rate equal to the Wall Street Journal prime rate plus 1.00%, which was 4.25% at June 30, 2021, and collateralized by all assets. The outstanding loan balance as of June 30, 2021 and 2020 was \$-0-

## NOTE 4 - OTHER INFORMATION

### A. Risk Management and Contingent Liabilities

#### Risks Transferred to Third Parties

The Commission is exposed to various risks of loss relating to torts; theft or damage of, and destruction of assets; errors and omissions; injuries; and natural disasters. The Commission has obtained a variety of commercial liability insurance policies, which pass the risks of loss listed above to independent third parties. Settlement claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

#### Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by the grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. As of the date of the financial statements, the Commission is not aware of any expenditure that may be disallowed by a grantor.

## B. Operating Leases

The Commission leases office space in Pittsfield, Massachusetts, which expires on September 30, 2021. The Commission is responsible for its proportionate share of utilities. Lease expense was \$53,700 and \$52,242 for the years ending June 30, 2021 and 2020, respectively. Subsequent to fiscal year end, the Commission entered into new facility lease agreements for the same and additional office space, which expire on November 30, 2026.

The Commission leases software from Berkshires Tomorrow, Inc., a nonprofit with common board members. Payments for the software lease totaled \$7,200 and \$8,590 for the years ended June 30, 2021 and 2020, respectively.

Approximate future lease commitments payable during the years ended June 30 are as follows:

	Facility Rent	Software	Total
2022	\$ 61,518	\$ 14,400	\$ 75,918
2023	102,377	-	102,377
2024	105,445	-	105,445
2025	108,609	-	108,609
2026	111,869	-	111,869
Thereafter	47,185	-	47,185
Total	<u>\$ 537,003</u>	<u>\$ 14,400</u>	<u>\$ 551,403</u>

## C. Fiscal Year 2022 Budget

For fiscal year 2022, the Commission has approved an operating budget of \$4,493,869. This budget includes grant matching expenditures which the Commission is required to meet as its share of federal and state programs.

## D. Retirement Plan

Effective for fiscal year 2007, legislation was passed and approved which moved the Commission's employees into the Massachusetts State Retirement System with no cost to the Commission. The Commission, as part of the system, which is a cost sharing multiple employer defined benefit pension plan, requires all regular and full time employees to participate. The Commission does not contribute to this plan. The employees contribute 9% of gross wages (earlier hire dates contribute 8%), plus an additional 2% if their annual income exceeds \$30,000. The employee's share is set-aside in an account and can be refunded or transferred to another qualifying retirement program upon termination of employment. Temporary employees are not eligible to participate in the retirement plan. Instead, temporary employees must participate in Social Security. Temporary employees are eligible to "buy-back" service time if the position is converted to a regular position.

The Commonwealth is a non-employer contributor and is required by statute to make all actuarially determined contributions on behalf of the Commission. Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a non-employer contributing entity in the plan. Since the Commission does not contribute directly to the plan, there is no pension liability to recognize for the Commission. However, the notes to the financial statements must disclose the portion of the non-employer contributing entities' share of the collective net pension liability that is associated with the Commission. In addition, the Commission must recognize its portion of the collective pension expense as both revenue and pension expense.

The Commission's portion of the collective pension expense for fiscal year 2021 was \$641,583, which is reported as state pension assistance and pension expense in accordance with the governmental accounting standards. The Commission's proportionate share of the system's net pension liability is \$4,297,733 or 0.025% of the collective net pension liability of \$17,157,700,000.

## **E. Other Postemployment Benefits**

Effective July 1, 2017, the Commission adopted the GASB statements on *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (OPEB). This statement established new financial reporting requirements for government entities that provide other postemployment benefits to its employees and retirees and requires the Commission to record the net OPEB liability measured as the total actuarially accrued liability.

### **Plan Description and Benefits**

The Berkshire Regional Planning Commission's Retiree Post Employment Benefit Plan is a single-employer defined benefit plan which provides for medical, prescription drug, dental insurance and vision benefits to eligible retirees and their spouses. Employees become eligible to retire under this plan upon attainment of age 55 as an active member and completion of 10 years of service. Retired employees are eligible to continue their existing level benefits (single or family plan) if they have met all the requirements for retirement, were enrolled in the Commission's program at the time of retirement, and elected to continue uninterrupted coverage until self-termination. A retiree who is enrolled in a family plan at the time of retirement may remain in a family plan or enroll in a single plan. At any point after retirement, the retiree or their surviving spouse may convert coverage to a single plan.

The Commission will pay a percentage of contribution toward the plan premium equivalent to the active employees' contribution rate if the length of employment with the Commission, irrespective of years of service credited by the public employee retirement system, is 10 years or more. If the active employee contribution rate is modified in the future, the contribution rate for retirees would be changed accordingly.

When a retiree and/or their spouse are eligible for Medicare, they must enroll in both Medicare Parts A and B as their primary carrier, and any medical/dental coverage provided by the Commission will be a secondary carrier.

The Commission's Retiree Post Employment Benefit Plan does not issue separate financial statements. In accordance with the governmental accounting standards, the Commission has performed an actuarial calculation for its other post-employment benefit obligation using the Alternative Measurement Method.

The following actuarial information was derived from the plans valuation as of June 30, 2021.

### **Funding Policy**

Retirees, who retired after June 30, 2002, contribute 25% of the cost of the health plans. The Commission contributes the remainder of the health plan costs on a pay-as-you-go basis.

### **Accounting Policy**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

## Plan Membership

The following employees were covered by the benefit terms for the plan year ending June 30, 2021:

Active employees	26
Inactive employees or beneficiaries currently receiving benefits	<u>4</u>
Total	<u>30</u>

## Contributions

The Commission has established a Qualified OPEB Trust (the Trust) for the benefit of the Commission with the intention that it qualifies as a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Internal Revenue Code and Regulations issued thereunder and as a trust for OPEB in accordance with MGL Chapter 32B, Section 20.

The Trust was created for the sole purpose of providing funding for the Plan, as determined by the Commission, or by any general or special law providing for such benefits, for the exclusive benefit of the retired employees and their eligible dependents and for defraying the reasonable administrative, legal, actuarial and other expenses of the Trust. The assets held in the Trust shall not be used for or diverted to any other purpose, except as described in the Trust. The Trust is irrevocable and no trust funds shall revert to the Commission until all benefits owed to the retired employees have been satisfied or released. In addition, the assets are legally protected from creditors of the Commission and the Plan administrator.

The Commission shall have no obligation to make contributions to the Trust to fund OPEB, and the size of the Trust may not be sufficient at any one time to meet the OPEB liabilities. The fair market value of the Trust assets as of June 30, 2021 is \$995,374.

## Actuarial Methods and Assumptions

Results of the Plan for the fiscal year ended on June 30, 2021 are based on liabilities developed in an actuarial valuation performed with a measurement date of June 30, 2021.

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

### Actuarial Assumptions

Actuarial cost method	Individual Entry Age Normal
Salary increases	1.20% annually and for future periods
Discount rate	2.99% per annum
Municipal bond rate	2.15%
Pre- and post-retirement mortality	Mortality rates were based upon the Pub-2010 Public Retirement Plans Mortality Tables with mortality improvement projected for 10 years.
Healthcare trend rate	Assumed 4.90% increase in healthcare costs
Participation rate	Assumed that 97% of employees eligible to receive retirement benefits would enroll in the Plan

## Payable to the OPEB Plan

At June 30, 2021, the Commission reported a payable of \$78,008 for outstanding contributions to the Plan.

## Changes in net OPEB liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2020	\$ 1,853,907	\$ 654,998	\$ 1,198,909
Changes for the year:			
Service cost	243,425	-	243,425
Interest	46,550	-	46,550
Changes in benefit terms	-	-	-
Changes in assumptions	149,180	-	149,180
Differences between actual and expected experience	(124,037)	-	(124,037)
Net investment income	-	203,666	(203,666)
Employer contributions to trust	-	137,484	(137,484)
Benefit payments withdrawn from trust	-	-	-
Benefit payments including implicit cost	(25,088)	-	(25,088)
Administrative expense	-	(774)	774
Net changes	<u>290,030</u>	<u>340,376</u>	<u>(50,346)</u>
Balances at June 30, 2021	<u>\$ 2,143,937</u>	<u>\$ 995,374</u>	<u>\$ 1,148,563</u>

## Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount and healthcare cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rates:

	Discount Rate		
	1% Decrease (1.99%)	Current (2.99%)	1% Increase (3.99%)
Net OPEB liability as of June 30, 2021	\$ 1,536,524	\$ 1,148,563	\$ 840,164
	Healthcare Cost Trend Rate		
	1% Decrease (3.90%)	Current (4.90%)	1% Increase (5.90%)
Net OPEB liability as of June 30, 2021	\$ 799,261	\$ 1,148,563	\$ 1,593,749

## OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2021, the Commission recognized OPEB recovery of \$50,346. There were no deferred outflows or inflows of resources related to OPEB for the year ended June 30, 2021.

**BERKSHIRE REGIONAL PLANNING COMMISSION**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN NET OPEB**  
**LIABILITY AND RELATED RATIOS**

**June 30,**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB liability</b>				
Service cost	\$ 243,425	\$ 165,540	\$ 146,738	\$ 154,838
Interest	46,550	47,741	32,591	36,342
Changes of benefit terms	-	-	-	-
Changes of assumptions	149,180	92,027	73,090	(874,171)
Differences between actual and expected experience	(124,037)	(128,407)	263,394	-
Benefit payments including implicit cost	(25,088)	-	-	-
Net change in total OPEB liability	290,030	176,901	515,813	(682,991)
Total OPEB liability, beginning	<u>1,853,907</u>	<u>1,677,006</u>	<u>1,161,193</u>	<u>1,844,184</u>
<b>Total OPEB liability, ending (a)</b>	<u>\$ 2,143,937</u>	<u>\$ 1,853,907</u>	<u>\$ 1,677,006</u>	<u>\$ 1,161,193</u>
<b>Plan fiduciary net position</b>				
Employer contributions	\$ 137,484	\$ 87,258	\$ 63,522	\$ 83,750
Net investment income	203,666	20,050	28,125	27,838
Benefit payments	-	-	-	-
Administrative expense	(774)	(586)	(416)	-
Net change in plan fiduciary net position	340,376	106,722	91,231	111,588
Plan fiduciary net position, beginning	<u>654,998</u>	<u>548,276</u>	<u>457,045</u>	<u>345,457</u>
<b>Plan fiduciary net position, ending (b)</b>	<u>\$ 995,374</u>	<u>\$ 654,998</u>	<u>\$ 548,276</u>	<u>\$ 457,045</u>
<b>Net OPEB liability (a) - (b)</b>	<u>\$ 1,148,563</u>	<u>\$ 1,198,909</u>	<u>\$ 1,128,730</u>	<u>\$ 704,148</u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	46.43%	35.33%	32.69%	39.36%
<b>Covered employee payroll</b>	\$ 2,039,033	\$ 1,753,987	\$ 1,396,349	\$ 1,289,111
<b>Net OPEB liability as a percentage of covered employee payroll</b>	56.33%	68.35%	80.83%	54.62%

**Notes to Schedule:**

Benefit changes for OPEB Plan: None

Changes of assumptions for OPEB Plan:

The discount rate changed from 3.44% to 2.99%

The municipal bond rate changed from 3.10% to 2.15%

The healthcare trend rate changed from 4.60% to 4.90%

Last 10 years: Only plan years 2018 to 2021 available

See independent auditors' report.

**BERKSHIRE REGIONAL PLANNING COMMISSION**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF OPEB CONTRIBUTIONS**

**June 30,**

	2021	2020	2019	2018
Actuarially determined contribution	\$ 137,484	\$ 87,258	\$ 63,522	\$ 83,750
Contributions in relation to the actuarially determined contribution	<u>137,484</u>	<u>87,258</u>	<u>63,522</u>	<u>83,750</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 2,039,033	\$ 1,753,987	\$ 1,396,349	\$ 1,289,111
Contribution as a percentage of covered employee payroll	6.74%	4.97%	4.55%	6.50%

**Notes to Schedule**

*OPEB Valuation date:*

Actuarially determined contribution rates were calculated as of June 30, 2021 with a measurement date of June 30, 2021.

*Methods and assumptions used to determine contribution rates:*

Actuarial cost method:	Individual entry age normal
Municipal bond rate:	2.15%
Discount rate:	2.99% per annum
Salary increases:	1.20% annually and for future periods
Pre- and post-retirement mortality:	Mortality rates were based upon the Pub-2010 Public Retirement Plans Mortality Tables with mortality improvement projected for 10 years.

*Changes in assumptions:*

Discount rate changed from 3.44% to 2.99%  
Municipal bond rate changed from 3.10% to 2.15%  
Healthcare trend rate changed from 4.60% to 4.90%

Last 10 years: Only plan years 2018 to 2021 available

See independent auditors' report.

**BERKSHIRE REGIONAL PLANNING COMMISSION**

**SUPPLEMENTARY INFORMATION  
SCHEDULE OF PROGRAM REVENUES**

**For the Year Ended June 30,**

	2021			Comparative 2020		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
State and federal program revenue						
MASSDOT #95407 - Transportation Planning	\$ 627,000	\$ 567,084	\$ (59,916)	\$ 668,931	\$ 545,817	\$ (123,114)
MASSDOT/EOT 13 #MA-80-013	-	-	-	41,773	8,863	(32,910)
MASSDOT/BERKFLYER	-	-	-	-	11,746	11,746
MASS SEC/Complete Count Census	-	-	-	-	55,000	55,000
EOEEA/North Adams Zoning	35,000	1,805	(33,195)	50,000	19,328	(30,672)
EOEEA/Stormwater	10,000	17,004	7,004	26,181	8,579	(17,602)
EOEEA/Dalton Planning	40,000	48,452	8,452	-	5,531	5,531
DEP/319 REG Coordinator	53,400	21,376	(32,024)	-	4,131	4,131
DESE/BRLI21	-	51,456	51,456	-	-	-
DESE/Regional 21	-	40,482	40,482	-	-	-
DESE/BCETF20	-	-	-	-	50,000	50,000
DESE/Berkshire County School District Regionalization	-	-	-	-	100,000	100,000
DOER/META6	-	-	-	40,000	-	(40,000)
DOER/AARC - Affordable Access to Regional Planning	58,000	44,203	(13,797)	52,000	5,578	(46,422)
DOER/REPA - Regional Energy Plan Assistance	30,000	18,347	(11,653)	-	-	-
DPH/BOAPC19 & DPH/BOAPC20	-	-	-	100,000	100,000	-
DPH/BOAPC21	106,365	100,000	(6,365)	-	-	-
DPH/Mass Municipal Public Health Shared Services	30,600	47,836	17,236	-	24,194	24,194
DPH/Regional Public Nursing	-	10,449	10,449	-	39,551	39,551
DPH/Shared Services	-	551	551	-	-	-
DPH/COVID Reimbursements	-	271,471	271,471	-	137,130	137,130
EDA/COVID-19 Regional Recovery Project	-	60,605	60,605	-	-	-
HRSA/HIV	35,833	47,809	11,976	-	29,477	29,477
NEATC/Community Research Initiative	-	20,000	20,000	-	-	-
BCSO/OPIOD21	100,000	25,000	(75,000)	-	-	-
DHCD/DLTA 19	-	-	-	-	113,375	113,375
DHCD/DLTA20	-	63,911	63,911	200,000	134,674	(65,326)
DHCD/DLTA21	97,107	32,495	(64,612)	-	-	-
DHCD/Local Rapid Recovery Program	-	54,433	54,433	-	-	-
DHCD/Local Rapid Recovery Program SME	-	1,806	1,806	-	-	-
FDA/AFDO-FDA/TRN	-	-	-	1,000	930	(70)
FDA/AFDO/ASSESS19-1 Retail Standards	-	-	-	2,250	302	(1,948)
FDA/AFDO/ASSESS19-2 Self Assessments	-	-	-	1,750	764	(986)
FDA/AFDO-FDA/Standard 3	-	5,342	5,342	-	7,329	7,329
FDA/AFDO-FDA/BerkAssess20-2	827	481	(346)	-	-	-
FDA/AFDO-FDA/BerkAssess20-3	827	163	(664)	-	-	-
FDA/FOOD20	-	14,686	14,686	69,800	57,389	(12,411)
FDA/FOOD21	70,000	29,405	(40,595)	-	-	-
EPA/ASSESS17 & EPA/ASSESS18	20,000	21,987	1,987	132,426	66,239	(66,187)
EPA/Brownfields	6,000	21,639	15,639	5,600	7,698	2,098
USDA/Farmers Market Promotion Program	4,200	33,631	29,431	113,353	54,434	(58,919)
USDA/Forest Services/Mohawk Trail Woodlands	-	21,652	21,652	-	-	-
HRSA/RCOR	-	-	-	106,386	86,344	(20,042)
FRCOG/EPP19	150,908	150,909	1	150,908	150,909	1
FRCOG/MTWP Trails Map	33,000	14,494	(18,506)	-	14,816	14,816
FRCOG/MASSTRAIL	-	1,732	1,732	-	-	-
BMC/PTSFA	52,874	41,800	(11,074)	-	-	-
FCSD/OJJDP	-	-	-	45,000	15,613	(29,387)
FCSD/OJJDP	52,874	43,907	(8,967)	-	4,949	4,949
Total state and federal program revenue	1,614,815	1,948,403	333,588	1,807,358	1,860,690	53,332
Local and other program revenue	1,714,631	3,113,414	1,398,783	947,524	2,055,391	1,107,867
Special program revenue	75	6,562	6,487	-	11,081	11,081
Total program revenue	\$ 3,329,521	\$ 5,068,379	\$ 1,738,858	\$ 2,754,882	\$ 3,927,162	\$ 1,172,280

See independent auditors' report.

**BERKSHIRE REGIONAL PLANNING COMMISSION**

**SUPPLEMENTARY INFORMATION  
SCHEDULE OF EXPENDITURES**

**For the Year Ended June 30,**

	2021			Comparative 2020		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
Expenditures						
Direct salaries	\$ 895,693	\$ 995,284	\$ (99,591)	\$ 880,740	\$ 946,653	\$ (65,913)
Outsource planner and offsite salaries	338,660	376,315	(37,655)	173,660	186,694	(13,034)
Indirect salaries	389,510	427,723	(38,213)	332,200	349,667	(17,467)
Direct intern salaries	1,479	27,996	(26,517)	1,157	37,160	(36,003)
Indirect intern salaries	-	957	(957)	8,486	17,968	(9,482)
Fringe benefits	651,139	793,483	(142,344)	606,738	731,244	(124,506)
Administrative expenses						
Administrative	188,824	171,236	17,588	206,173	226,439	(20,266)
Outsource planner and offsite costs	92,424	83,815	8,609	45,562	50,041	(4,479)
Other program expenditures	118,141	316,563	(198,422)	85,620	461,517	(375,897)
Consultants	757,102	1,948,262	(1,191,160)	517,782	1,020,058	(502,276)
Unreimbursed costs	600	397	203	600	160	440
Interest expense	500	1,800	(1,300)	790	-	790
Subtotal	<u>3,434,072</u>	<u>5,143,831</u>	<u>(1,709,759)</u>	<u>2,859,508</u>	<u>4,027,601</u>	<u>(1,168,093)</u>
Change in other postemployment benefits liability	-	(50,346)	50,346	-	70,179	(70,179)
State pension assistance	-	641,583	(641,583)	-	583,654	(583,654)
Total expenditures	<u>\$ 3,434,072</u>	<u>\$ 5,735,068</u>	<u>\$ (2,300,996)</u>	<u>\$ 2,859,508</u>	<u>\$ 4,681,434</u>	<u>\$ (1,821,926)</u>

See independent auditors' report.

**BERKSHIRE REGIONAL PLANNING COMMISSION**

**SUPPLEMENTARY INFORMATION  
SCHEDULE OF FRINGE BENEFITS**

**For the Year Ended June 30,**

	2021			Comparative 2020		
	Final	Actual	Variance	Final	Actual	Variance
	Budget		Positive (Negative)	Budget		Positive (Negative)
Fringe benefits						
Sick and vacation leave	\$ 165,386	\$ 174,645	\$ (9,259)	\$ 127,157	\$ 169,439	\$ (42,282)
Holiday and personal leave	61,431	70,137	(8,706)	51,661	69,330	(17,669)
Postemployment benefits funded	45,000	129,576	(84,576)	45,000	112,442	(67,442)
Group insurance	343,346	365,984	(22,638)	352,945	330,214	22,731
Payroll taxes	35,976	53,141	(17,165)	29,975	49,819	(19,844)
Total fringe benefits	<u>\$ 651,139</u>	<u>\$ 793,483</u>	<u>\$ (142,344)</u>	<u>\$ 606,738</u>	<u>\$ 731,244</u>	<u>\$ (124,506)</u>

**SCHEDULE OF ADMINISTRATIVE EXPENSES**

**For the Year Ended June 30,**

	2021			Comparative 2020		
	Final	Actual	Variance	Final	Actual	Variance
	Budget		Positive (Negative)	Budget		Positive (Negative)
Administrative expenses						
Accounting services	\$ 3,800	\$ 3,585	\$ 215	\$ 3,800	\$ 4,575	\$ (775)
Advertising	2,000	4,428	(2,428)	2,000	2,454	(454)
Audit	20,300	20,300	-	19,700	19,700	-
Computer and equipment	37,315	48,446	(11,131)	26,649	53,933	(27,284)
Copying	14,500	4,008	10,492	16,250	11,258	4,992
Depreciation	25,953	27,473	(1,520)	15,057	25,851	(10,794)
Dues and subscriptions	14,949	21,308	(6,359)	11,500	13,508	(2,008)
Flex plan administration	1,200	872	328	1,222	1,053	169
Insurance	7,943	7,874	69	7,520	7,188	332
Janitor	5,000	4,300	700	3,120	2,700	420
Meetings	2,600	-	2,600	2,600	2,107	493
Miscellaneous	15,569	2,064	13,505	16,250	20,349	(4,099)
Payroll service	3,200	2,979	221	3,125	3,166	(41)
Postage	3,800	2,581	1,219	3,800	1,230	2,570
Printing	100	1,006	(906)	100	150	(50)
Professional fees	1,100	1,494	(394)	1,100	7,040	(5,940)
Publications	700	325	375	200	834	(634)
Rent and utilities	71,692	66,435	5,257	69,742	62,575	7,167
Staff development	11,000	6,504	4,496	11,000	5,712	5,288
Supplies	11,500	8,614	2,886	11,500	9,704	1,796
Telephone and internet	10,552	11,028	(476)	8,760	9,026	(266)
Travel and meals	3,200	1,387	1,813	3,200	2,864	336
Water and recycling	1,865	1,331	534	3,100	1,314	1,786
Website	11,410	6,709	4,701	10,440	8,189	2,251
Total administrative expenses	<u>\$ 281,248</u>	<u>\$ 255,051</u>	<u>\$ 26,197</u>	<u>\$ 251,735</u>	<u>\$ 276,480</u>	<u>\$ (24,745)</u>

See independent auditors' report.

**BERKSHIRE REGIONAL PLANNING COMMISSION**

**SUPPLEMENTARY INFORMATION  
SCHEDULE OF OTHER PROGRAM EXPENSES**

**For the Year Ended June 30,**

	2021			Comparative 2020		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
Other program expenses						
Communication	\$ 3,000	\$ 21,957	\$ (18,957)	\$ 1,944	\$ 10,949	\$ (9,005)
Equipment and software	2,242	16,534	(14,292)	2,242	21,733	(19,491)
Meetings	10,000	5,206	4,794	14,517	17,677	(3,160)
Postage	1,050	1,282	(232)	1,045	2,564	(1,519)
Printing	13,210	29,192	(15,982)	3,898	18,717	(14,819)
Professional fees	1,270	102,633	(101,363)	1,270	169,130	(167,860)
Supplies	41,309	65,435	(24,126)	2,091	27,562	(25,471)
Travel and meals	13,000	14,386	(1,386)	34,051	22,569	11,482
Other expenses	33,060	59,938	(26,878)	24,562	170,616	(146,054)
Total other program expenses	<u>\$ 118,141</u>	<u>\$ 316,563</u>	<u>\$ (198,422)</u>	<u>\$ 85,620</u>	<u>\$ 461,517</u>	<u>\$ (375,897)</u>

Draft  
12/6/2021

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**BERKSHIRE REGIONAL PLANNING COMMISSION**

**COST ALLOCATION METHOD**

Indirect costs were distributed to the projects and activities pursuant to an indirect cost allocation plan as allowed under the U.S. Office of Management and Budget’s *Uniform Administrative Requirements, Cost Principles and Audit Requirements*, also known as the Uniform Guidance.

The Commission combines its indirect program expenses (central service support costs) into one pool consisting of the following elements, all of which are allocated to each program in proportion to the direct salaries of the staff members who work on each program. The indirect cost rate for the year ended June 30, 2021 was calculated as follows:

	<u>Amount</u>	<u>Percentage of Direct Salaries</u>
<b>Indirect costs and fringe benefits</b>		
Salaries	\$ 427,723	42.97%
Intern salaries	957	0.10%
Fringe benefits - program	554,608	55.72%
Fringe benefits - administrative	238,875	24.00%
Administrative expenses	<u>171,236</u>	17.20%
<b>Total indirect costs and fringe benefits</b>	<u>\$ 1,393,399</u>	140.00%

**Indirect cost rate**

Total fringe and indirect costs	\$ 1,393,399	=	140.00%
Direct salaries	<u>\$ 995,284</u>		

**BERKSHIRE REGIONAL PLANNING COMMISSION**  
**SUPPLEMENTARY INFORMATION**  
**Schedule of Revenue and Expenditures by Grant / Contract Activity (Page 1 of 4)**  
**Year Ended June 30, 2021**

Department number	166.09	349.06	400.04	400.05	440.03	440.04	440.05	481.01	490.01	516.01
Grantor agency	EPA	DPH	FDA	FDA	MassDOT	MassDOT	MassDOT	EPA	USDA	FRCOG
Program name	Revolving Loan Fund	BOAPC21	Food Safety Permitting and Inspection	Food Safety Permitting and Inspection	Transportation Planning	Transportation Planning	Transportation Planning	Brownfields Assessment 2017	Farmers Market	Emergency Preparedness
<b>Revenues</b>										
State and federal programs	\$ 21,639	\$ 100,000	\$ 14,687	\$ 29,405	\$ 5,525	\$ 157,308	\$ 404,250	\$ 21,987	\$ 33,631	\$ 150,909
Local and other programs	-	-	-	-	-	-	-	2,172	-	-
Special programs	-	-	-	-	-	-	-	-	-	-
Community assessment	-	-	-	-	-	-	-	-	-	-
Interest	20,000	-	-	-	-	-	-	-	-	-
<b>Total program revenue</b>	<b>41,639</b>	<b>100,000</b>	<b>14,687</b>	<b>29,405</b>	<b>5,525</b>	<b>157,308</b>	<b>404,250</b>	<b>24,159</b>	<b>33,631</b>	<b>150,909</b>
<b>Expenditures</b>										
Direct salaries	3,996	41,424	1,289	3,080	2,303	60,387	168,005	2,658	5,325	59,398
Direct costs	12,049	589	3,929	1,316	-	12,379	1,038	17,780	20,851	-
Outsource salaries	-	-	6,532	18,206	-	-	-	-	-	7,528
Outsource administrative costs	-	-	1,132	2,491	-	-	-	-	-	829
Indirect costs	5,594	57,993	1,805	4,312	3,223	84,542	235,207	1,549	7,455	83,157
Unreimbursed indirect cost	-	-	-	-	-	-	-	2,172	-	-
Unreimbursed direct cost	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>21,639</b>	<b>100,006</b>	<b>14,687</b>	<b>29,405</b>	<b>5,526</b>	<b>157,308</b>	<b>404,250</b>	<b>24,159</b>	<b>33,631</b>	<b>150,912</b>
Excess (deficiency) of revenues over expenditures	\$ 20,000	\$ (6)	\$ -	\$ -	\$ (1)	\$ -	\$ -	\$ -	\$ -	\$ (3)

See independent auditors' report.

**BERKSHIRE REGIONAL PLANNING COMMISSION**  
**SUPPLEMENTARY INFORMATION**  
**Schedule of Revenue and Expenditures by Grant / Contract Activity (Page 2 of 4)**  
**Year Ended June 30, 2021**

Department number	526.02	533.01	533.02	545.01	545.02	547	548	550	569	571
Grantor agency	BCSO	FCSD	FCSD	DHCD	DHCD	EOEEA	EOEEA	DOER	DOER	HHS
Program name	Opioid 2021	Opioid Affected Youth Program	Opioid Affected Youth Program	District Local Technical Assistance 2021	District Local Technical Assistance 2021	Adams Stormwater	North Adams Zoning	Affordable Access to Regional Coordination	Regional Energy Plan	HIV Capacity Development & Planning
<b>Revenues</b>										
State and federal programs	\$ 25,000	\$ 16,605	\$ 27,302	\$ 63,911	\$ 32,495	\$ 17,004	\$ 1,805	\$ 44,203	\$ 18,347	\$ 47,809
Local and other programs	-	-	-	-	-	-	-	-	-	-
Special programs	-	-	-	-	-	-	-	-	-	-
Community assessment	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
<b>Total program revenue</b>	<b>25,000</b>	<b>16,605</b>	<b>27,302</b>	<b>63,911</b>	<b>32,495</b>	<b>17,004</b>	<b>1,805</b>	<b>44,203</b>	<b>18,347</b>	<b>47,809</b>
<b>Expenditures</b>										
Direct salaries	379	6,919	10,139	25,011	10,510	1,853	-	18,418	6,551	11,496
Direct costs	24,077	-	2,969	3,206	101	12,556	-	-	1,528	14,923
Outsource salaries	-	-	-	566	6,419	-	1,644	-	915	4,771
Outsource administrative costs	-	-	-	112	750	-	161	-	182	525
Indirect costs	530	9,686	14,194	35,016	14,715	2,595	-	25,785	9,171	16,094
Unreimbursed indirect cost	-	-	-	-	-	-	-	-	-	-
Unreimbursed direct cost	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>24,986</b>	<b>16,605</b>	<b>27,302</b>	<b>63,911</b>	<b>32,495</b>	<b>17,004</b>	<b>1,805</b>	<b>44,203</b>	<b>18,347</b>	<b>47,809</b>
Excess (deficiency) of revenues over expenditures	\$ 14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See independent auditors' report.

**BERKSHIRE REGIONAL PLANNING COMMISSION**  
**SUPPLEMENTARY INFORMATION**  
**Schedule of Revenue and Expenditures by Grant / Contract Activity (Page 3 of 4)**  
**Year Ended June 30, 2021**

Department number	576	578	579	580	591	592	599	601	602	606
Grantor agency	FDA	FDA	FDA	EOEEA	DPH	DEP	FRCOG	DPH	DPH	NIH / BMC
Program name	Food Safety Program Standard	Food Safety Program Assessment	Food Safety Program Assessment	Dalton Planning Assistance	MA Municipal Public Health Shared Service	319 Regional Coordinator	MTWP Recreational Tourism Inventory	COVID-19 Public Health Nursing	COVID-19	Healing Communities
<b>Revenues</b>										
State and federal programs	\$ 5,342	\$ 481	\$ 163	\$ 48,452	\$ 47,836	\$ 21,376	\$ 14,494	\$ 10,449	\$ 271,471	\$ 41,800
Local and other programs	-	-	-	-	-	-	-	-	-	-
Special programs	-	-	-	-	-	-	-	-	-	-
Community assessment	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Total program revenue	<u>5,342</u>	<u>481</u>	<u>163</u>	<u>48,452</u>	<u>47,836</u>	<u>21,376</u>	<u>14,494</u>	<u>10,449</u>	<u>271,471</u>	<u>41,800</u>
<b>Expenditures</b>										
Direct salaries	43	-	-	9,850	5,267	7,029	5,955	386	40,853	17,417
Direct costs	-	-	-	24,811	1,011	4,506	201	9,048	160,443	-
Outsource salaries	4,719	433	147	-	26,608	-	-	433	11,545	-
Outsource administrative costs	520	48	16	-	7,576	-	-	48	1,437	-
Indirect costs	60	-	-	13,791	7,373	9,841	8,338	540	57,193	24,383
Unreimbursed indirect cost	-	-	-	-	-	-	-	-	-	-
Unreimbursed direct cost	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>5,342</u>	<u>481</u>	<u>163</u>	<u>48,452</u>	<u>47,835</u>	<u>21,376</u>	<u>14,494</u>	<u>10,455</u>	<u>271,471</u>	<u>41,800</u>
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ -	\$ (6)	\$ -	\$ -

See independent auditors' report.

**BERKSHIRE REGIONAL PLANNING COMMISSION**  
**SUPPLEMENTARY INFORMATION**  
**Schedule of Revenue and Expenditures by Grant / Contract Activity (Page 4 of 4)**  
**Year Ended June 30, 2021**

Department number	622	628	635	636	637	638	640	643	650		
Grantor agency	USDA	FRCOG	DESE	DHCD	EDA	DESE	NEATC	DHCD	DPH		
Program name	Forest Services	Mass Trails	Berkshire Remote Learning Initiative 2021	Local Rapid Recovery Program	COVID-19 Rapid Response Program	BCETF Region 2021	Community Research Initiative of New England	Local Rapid Reovery Program	Public Health Excellence	Other Programs	Totals
<b>Revenues</b>											
State and federal programs	\$ 21,652	\$ 1,732	\$ 51,456	\$ 54,433	\$ 60,605	\$ 40,482	\$ 20,000	\$ 1,806	\$ 551	\$ -	\$ 1,948,403
Local and other programs	-	-	-	-	-	-	-	-	-	3,111,242	3,113,414
Special programs	-	-	-	-	-	-	-	-	-	6,562	6,562
Community assessment	-	-	-	-	-	-	-	-	-	104,551	104,551
Interest	-	-	-	-	-	-	-	-	-	22	20,022
Total program revenue	<u>21,652</u>	<u>1,732</u>	<u>51,456</u>	<u>54,433</u>	<u>60,605</u>	<u>40,482</u>	<u>20,000</u>	<u>1,806</u>	<u>551</u>	<u>3,222,377</u>	<u>5,192,952</u>
<b>Expenditures</b>											
Direct salaries	4,001	707	-	20,967	12,445	-	4,584	753	-	425,886	995,284
Direct costs	12,051	36	14,310	4,111	30,738	22,821	9,000	-	118	1,872,125	2,294,621
Outsource salaries	-	-	32,382	-	-	15,370	-	-	390	237,707	376,315
Outsource administrative costs	-	-	4,764	-	-	2,291	-	-	43	60,890	83,815
Indirect costs	5,600	989	-	29,355	17,422	-	6,417	1,053	-	596,249	1,391,227
Unreimbursed indirect cost	-	-	-	-	-	-	-	-	-	-	2,172
Unreimbursed direct cost	-	-	-	-	-	-	-	-	-	397	397
Total expenditures	<u>21,652</u>	<u>1,732</u>	<u>51,456</u>	<u>54,433</u>	<u>60,605</u>	<u>40,482</u>	<u>20,001</u>	<u>1,806</u>	<u>551</u>	<u>3,193,254</u>	<u>5,143,831</u>
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1)	\$ -	\$ -	\$ 29,123	\$ 49,121

See independent auditors' report.

**INDEPENDENT AUDITORS' 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 Commission Members of the  
**BERKSHIRE REGIONAL PLANNING COMMISSION**  
1 Fenn Street, Suite 201  
Pittsfield, MA 01201

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 Berkshire Regional Planning Commission, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Berkshire Regional Planning Commission's basic financial statements, and have issued our report thereon dated November 22, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Berkshire Regional Planning Commission'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Berkshire Regional Planning Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of Berkshire Regional Planning Commission's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

ADELSON & COMPANY PC

November 22, 2021

Draft

12/6/2021

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

To the Commission Members of the  
**BERKSHIRE REGIONAL PLANNING COMMISSION**  
1 Fenn Street, Suite 201  
Pittsfield, MA 01201

**Report on Compliance for Each Major Federal Program**

We have audited Berkshire Regional Planning 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 Berkshire Regional Planning Commission's major federal programs for the year ended June 30, 2021. Berkshire Regional Planning Commission's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Berkshire Regional Planning Commission's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Berkshire Regional Planning Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Berkshire Regional Planning Commission's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, Berkshire Regional Planning Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

### **Report on Internal Control Over Compliance**

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

ADELSON & COMPANY PC

November 22, 2021

**BERKSHIRE REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**June 30, 2021**

**Section I – Summary of Auditors’ Results**

**Financial Statements**

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? yes no
- Significant deficiencies identified? yes none reported

Noncompliance material to financial statements noted? yes no

**Federal Awards**

Internal Control over major programs:

- Material weaknesses identified? yes no
- Significant deficiencies identified? yes none reported

Type of auditors’ report issued on compliance for major federal programs: Unmodified opinion on all major programs

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

Identification of major federal programs:

<u>Assistance Listing Number</u>	<u>Federal Grantor</u>
20.505	Department of Transportation/Metropolitan Transportation Planning

See detail on Schedule of Expenditures of Federal Awards

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

Auditee qualified as low-risk auditee? yes no

**Section II – Financial Statement Findings**

There were no findings for the year ended June 30, 2021.

**Section III – Federal Award Findings and Questioned Costs**

There were no findings or questioned costs for the year ended June 30, 2021.

**Status of Prior Year Audit Findings and Questioned Costs**

There were no findings or questioned costs for the prior year ended June 30, 2020.

**BERKSHIRE REGIONAL PLANNING COMMISSION**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2021**

Federal Grantor/ Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying or Contract Number	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Transportation</b>				
<b>Federal Transit Administration</b>				
Passed through MA Department of Transportation				
Metropolitan Transportation Planning	20.505	95407	\$ 5,525	\$ -
Metropolitan Transportation Planning	20.505	105053	157,308	-
Metropolitan Transportation Planning	20.505	112300	404,250	-
Total			<u>567,083</u>	<u>-</u>
Passed through Franklin Regional Council of Governments				
Recreational Trails Program	20.219	N/A	1,732	-
<b>Total U.S. Department of Transportation</b>			<u>568,815</u>	<u>-</u>
<b>U.S. Department of Health and Human Services</b>				
Food and Drug Administration				
Food Safety Permitting and Inspection	93.103		44,092	-
Passed through Association of Food and Drug Officials				
Retail Standards Grant Program	93.103	GT-1810-077724	5,986	-
Total			<u>50,078</u>	<u>-</u>
Health Resources and Services Administration				
Ryan White Title III HIV Capacity Development	93.918		47,809	-
Passed through Franklin Regional Council of Governments				
Emergency Preparedness	93.069	N/A	150,909	-
Total			<u>198,718</u>	<u>-</u>
Substance Abuse and Mental Health Administration				
Passed through MA Executive Office of Health and Human Service - DPH				
Substance Abuse Prevention	93.959	INTF235MO4301822068	100,000	-
National Institutes of Health				
Passed through Boston Medical Center Corporation				
Drug Abuse and Addiction Research Programs	93.279	7786	41,800	-
<b>Total U.S. Department of Health and Human Services</b>			<u>390,596</u>	<u>-</u>
<b>U.S. Environmental Protection Agency</b>				
Brownfields Assessment and Cleanup Agreements	66.818		21,639	10,799
Brownfields Assessment FY17	66.818		21,987	-
<b>Total U.S. Environmental Protection Agency</b>			<u>43,626</u>	<u>10,799</u>
<b>U.S. Department of Agriculture</b>				
Farmers' Market and Local Food Promotion Program	10.168		33,631	12,175
Forest Stewardship Program	10.678		21,652	-
<b>Total U.S. Department of Agriculture</b>			<u>55,283</u>	<u>12,175</u>
<b>Department of Housing and Urban Development</b>				
Passed through Franklin County Sheriff's Department				
Opioid Affected Youth Program	16.842	N/A	43,907	-
<b>Economic Development Administration</b>				
COVID-19 - Economic Adjustment Assistance	11.307		60,605	26,867
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 1,162,832</u>	<u>\$ 49,841</u>

See accompanying notes to schedule of expenditures of federal awards.

**BERKSHIRE REGIONAL PLANNING COMMISSION**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**June 30, 2021**

**NOTE 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Berkshire Regional Planning Commission under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of Berkshire Regional Planning 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.

Berkshire Regional Planning Commission has not elected to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

**BERKSHIRE REGIONAL PLANNING COMMISSION**

**Audit Report Distribution**

**June 30, 2021**

**ONE COPY OF REPORT**

Single Audit Clearinghouse  
United States Census Bureau  
Electronically filed with  
OMB Data Collection Form

Business Manager  
DPH Emergency Preparedness Bureau  
250 Washington St. 1<sup>st</sup> Floor  
Boston, MA 02108

**TWO COPIES OF REPORT**

Manager of MPO Activities, MassDOT  
Office of Transportation Planning, Suite 4150  
Ten Park Plaza  
Boston, MA 02116

Draft  
12/6/2021

**BERKSHIRE REGIONAL PLANNING COMMISSION**

**Management Letter**

**June 30, 2021**

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November 22, 2021

To the Commission Members of the  
**BERKSHIRE REGIONAL PLANNING COMMISSION**  
1 Fenn Street, Suite 201  
Pittsfield, MA 01201

Dear Commission Members,

In connection with our audit of the financial statements of Berkshire Regional Planning Commission as of June 30, 2021, we have made a review of the Organization's accounting, financial, and administrative policies and procedures. While the primary objective of such a review is to afford us a basis of determining the scope of our audit procedures, it nevertheless presents us with an opportunity to submit, for your consideration, suggestions for changes in procedures, which in our opinion, would strengthen internal control or contribute to the improvement of operating efficiency.

The review was not designed for the purpose of expressing an opinion on internal accounting control, and it would not necessarily disclose all weaknesses in the system.

The Commission has maintained good fiscal management of its operations. We did not have any comments to report for the current year's audit examination.

We would like to express our thanks and appreciation to Berkshire Regional Planning Commission and its personnel for the cooperation given us during the course of our audit.

Sincerely,

ADELSON & COMPANY PC

## **Comments and Recommendations**

There are no comments and recommendations for the year ended June 30, 2021.

## **Status of Prior Year Recommendations**

1. As recommended, the Commission is keeping in regular contact with each entity that has borrowed from the Brownfields Revolving Loan Fund. The Commission is sending the borrowers quarterly account statements as well as requesting updates on the status of the projects, including such items that may impact the maturity date of the loans.

Draft

12/6/2021



# Adelson & Company PC

CERTIFIED PUBLIC ACCOUNTANTS

Established 1938

AUDIT | TAX | ADVISORY

Gary J. Moynihan, CPA  
Carol J. Leibinger-Healey, CPA  
David M. Irwin, Jr., CPA  
Allison L. Bedard, CPA  
Of Counsel:  
Richard F. LaFleche, CPA  
Vincent T. Viscuso, CPA

November 22, 2021

To the Executive and Finance Committee  
**BERKSHIRE REGIONAL PLANNING COMMISSION**

We have audited the financial statements of the governmental activities of Berkshire Regional Planning Commission for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated June 30, 2021. Professional standards also require that we communicate to you the following information related to our audit.

## Significant Audit Matters

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Berkshire Regional Planning Commission are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021. We noted no transactions entered into by Commission during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

- **Management's estimate for depreciation expense on fixed assets**, which is based upon straight line depreciation calculated over the estimated useful life. We evaluated the key factors and assumptions used to develop this estimate and determined that it is reasonable in relation to the financial statements taken as a whole.
- **Management's estimate for the allowance for uncollectible accounts**, which is based upon an analysis of the individual receivable accounts. We evaluated the key factors and assumptions used to develop this estimate and determined that it is reasonable in relation to the financial statements taken as a whole.
- **Management's accrual for Other Post-Employment Benefits (OPEB liability)**, which is based upon an actuarial valuation of its OPEB plan. We evaluated the key factors and assumptions used to develop this estimate and determined that it is reasonable in relation to the financial statements taken as a whole.

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

### *Difficulties Encountered in Performing the Audit*

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

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We proposed an adjustment to record an allowance for potentially uncollectible accounts against the Brownfields Revolving Loan Fund notes receivable in the amount of \$395,376. Management posted this adjustment in its financial statements.

### *Disagreements with Management*

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

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated November 22, 2021.

### *Management Consultations with Other Independent Accountants*

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

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Commission's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention. There were no audit findings for the year ended June 30, 2021.

### Other Matters

We applied certain limited procedures to the Schedule of Changes in Net OPEB Liabilities and Related Ratios and Schedule of OPEB Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on supplementary information, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restrictions on Use

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

Very truly yours,

ADELSON & COMPANY PC

Draft

12/6/2021

BRPC FY23 Assessment Recommendation Options

12/9/2021

Note: Actual census Population for 2020 used

					Option A	Option A	Option B	Option B	Option C	Option C
					No increase in total assessment over FY22	No Change from FY22 to FY23	1% increase over FY22 Total	Change from FY22 to FY23 with 1% increase	2.5% increase over FY22 Total	Change from FY22 to FY23 with 2.5% increase
					0.00810	0.00	0.0082	0.0001	0.0083	0.00020
Resident Population for Minor Civil Divisions in Massachusetts: April 1, 2010 to April 1, 2020					\$ 104,551.32	\$ 101,937.54	\$ 105,596.83	\$ 1,045.51	\$ 107,165.10	\$ 2,613.78
Municipality	April 1, 2010	4/1/2020 Population	Change in Population	% of change						
Adams	8,485	8166	(319)	-3.8%	\$ 6,617.01	\$ (143.54)	\$ 6,683.18	\$ (77.37)	\$ 6,782.43	\$ 21.88
Alford	494	486	(8)	-1.6%	\$ 393.81	\$ 0.20	\$ 397.75	\$ 4.14	\$ 403.66	\$ 10.05
Becket	1,779	1931	152	8.5%	\$ 1,564.71	\$ 147.26	\$ 1,580.36	\$ 162.91	\$ 1,603.83	\$ 186.38
Cheshire	3,235	3258	23	0.7%	\$ 2,640.00	\$ 62.45	\$ 2,666.40	\$ 88.85	\$ 2,706.00	\$ 128.45
Clarksburg	1,702	1657	(45)	-2.6%	\$ 1,342.69	\$ (13.42)	\$ 1,356.11	\$ -	\$ 1,376.25	\$ 20.14
Dalton	6,756	6330	(426)	-6.3%	\$ 5,129.28	\$ (253.70)	\$ 5,180.57	\$ (202.41)	\$ 5,257.51	\$ (125.47)
Egremont	1,225	1372	147	12.0%	\$ 1,111.75	\$ 135.69	\$ 1,122.87	\$ 146.81	\$ 1,139.54	\$ 163.48
Florida	752	694	(58)	-7.7%	\$ 562.36	\$ (36.81)	\$ 567.98	\$ (31.19)	\$ 576.42	\$ (22.75)
Great Barrington	7,104	7172	68	1.0%	\$ 5,811.56	\$ 151.30	\$ 5,869.67	\$ 209.41	\$ 5,956.85	\$ 296.59
Hancock	717	757	40	5.6%	\$ 613.41	\$ 42.14	\$ 619.54	\$ 48.27	\$ 628.74	\$ 57.47
Hinsdale	2,032	1919	(113)	-5.6%	\$ 1,554.99	\$ (64.05)	\$ 1,570.54	\$ (48.50)	\$ 1,593.86	\$ (25.18)
Lanesborough	3,091	3038	(53)	-1.7%	\$ 2,461.73	\$ (1.08)	\$ 2,486.35	\$ 23.54	\$ 2,523.27	\$ 60.46
Lee	5,943	5788	(155)	-2.6%	\$ 4,690.09	\$ (45.12)	\$ 4,736.99	\$ 1.78	\$ 4,807.34	\$ 72.13
Lenox	5,025	5095	70	1.4%	\$ 4,128.54	\$ 124.77	\$ 4,169.83	\$ 166.06	\$ 4,231.75	\$ 227.98
Monterey	961	1095	134	13.9%	\$ 887.29	\$ 121.59	\$ 896.16	\$ 130.46	\$ 909.47	\$ 143.77
Mount Washington	167	160	(7)	-4.2%	\$ 129.65	\$ (3.42)	\$ 130.95	\$ (2.12)	\$ 132.89	\$ (0.18)
New Ashford	228	250	22	9.6%	\$ 202.58	\$ 20.93	\$ 204.60	\$ 22.95	\$ 207.64	\$ 25.99
New Marlborough	1,509	1528	19	1.3%	\$ 1,238.16	\$ 35.83	\$ 1,250.54	\$ 48.21	\$ 1,269.11	\$ 66.78
North Adams	13,708	12961	(747)	-5.4%	\$ 10,502.45	\$ (419.67)	\$ 10,607.48	\$ (314.64)	\$ 10,765.02	\$ (157.10)
Otis	1,612	1634	22	1.4%	\$ 1,324.05	\$ 39.65	\$ 1,337.29	\$ 52.89	\$ 1,357.15	\$ 72.75
Peru	847	814	(33)	-3.9%	\$ 659.59	\$ (15.27)	\$ 666.19	\$ (8.67)	\$ 676.08	\$ 1.22
Pittsfield	44,737	43927	(810)	-1.8%	\$ 35,594.58	\$ (50.51)	\$ 35,950.52	\$ 305.43	\$ 36,484.44	\$ 839.35
Richmond	1,475	1407	(68)	-4.6%	\$ 1,140.11	\$ (35.13)	\$ 1,151.51	\$ (23.73)	\$ 1,168.61	\$ (6.63)
Sandisfield	915	989	74	8.1%	\$ 801.40	\$ 72.36	\$ 809.41	\$ 80.37	\$ 821.43	\$ 92.39
Savoy	692	645	(47)	-6.8%	\$ 522.65	\$ (28.72)	\$ 527.88	\$ (23.49)	\$ 535.72	\$ (15.65)
Sheffield	3,257	3327	70	2.1%	\$ 2,695.91	\$ 100.84	\$ 2,722.87	\$ 127.80	\$ 2,763.31	\$ 168.24
Stockbridge	1,947	2018	71	3.6%	\$ 1,635.21	\$ 83.90	\$ 1,651.56	\$ 100.25	\$ 1,676.09	\$ 124.78
Tyringham	327	427	100	30.6%	\$ 346.00	\$ 85.46	\$ 349.46	\$ 88.92	\$ 354.65	\$ 94.11
Washington	538	494	(44)	-8.2%	\$ 400.29	\$ (28.37)	\$ 404.30	\$ (24.36)	\$ 410.30	\$ (18.36)
West Stockbridge	1,306	1343	37	2.8%	\$ 1,088.25	\$ 47.67	\$ 1,099.13	\$ 58.55	\$ 1,115.46	\$ 74.88
Williamstown	7,754	7513	(241)	-3.1%	\$ 6,087.87	\$ (90.29)	\$ 6,148.75	\$ (29.41)	\$ 6,240.07	\$ 61.91
Windsor	899	831	(68)	-7.6%	\$ 673.37	\$ (42.92)	\$ 680.10	\$ (36.19)	\$ 690.20	\$ (26.09)
Berkshire County	131,219	129026	(2,193)	-1.7%	\$ 104,551.32	\$ 0.00	\$ 105,596.84	\$ 1,045.52	\$ 107,165.09	\$ 2,613.77
Massachusetts	6,547,629	7029917	482,288	7.4%						

# EZLink Plan Summary

<b>Plan</b>	BERKSHIRE REGION PLAN COMM (EIP)	<b>Plan Number</b>	803222
<b>City/State</b>	PITTSFIELD, MA	<b>Account Type</b>	RHS
<b>Setup Date</b>	01/06/2011	<b>Payment Method</b>	ACH Debit
<b>Address</b>	1 FENN STREET SUITE 201 PITTSFIELD, MA01201		
<b>Phone</b>	413442151521		

### RETIREMENT PLAN SPECIALISTS

No information was found regarding Retirement Plan Specialist Contacts for the plan currently selected.

### CONTACT INFORMATION

Function	Contact	Number
PRIMARY	THOMAS MATUSZKO tmatuszko@berkshireplanning.org	413442151521
CONTRIBUTION	MARIANNE SNIEZEK msniezek@berkshireplanning.org	413-442-1521 EXT 13
DISBURSEMENTS	MARIANNE SNIEZEK msniezek@berkshireplanning.org	413-442-1521 EXT 13
RHS Trustee	JOHN DUVAL jduval@berkshireplanning.org	413-442-1521

### CONTRIBUTION SUMMARY (as of 12/03/2021)

<b>Inception To Date</b>	\$717,520.65	<b>Year To Date</b>	\$129,575.68
<b>Total Balance</b>	\$1,092,718.48		

### BALANCE INFORMATION (as of 12/03/2021)

Fund Name	Balance	% Total
<b>MSQ II Model Port Agg S10</b>	\$541,825.83	49.6%
<b>MSQ II Model Port Con S10</b>	\$176,258.04	16.1%
<b>MSQ II Model Port Mod S10</b>	\$374,634.61	34.3%
<b>Total -</b>	\$1,092,718.48	100.0%

\* Due to rounding, percentages may not add up to 100.0%