

BERKSHIRE REGIONAL PLANNING COMMISSION

**Financial Statements and
Supplementary Information**

June 30, 2022

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BERKSHIRE REGIONAL PLANNING COMMISSION

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12/12/2022



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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinion

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, 2022, 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.

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, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Berkshire Regional Planning Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Berkshire Regional Planning Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Berkshire Regional Planning Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Berkshire Regional Planning Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on page 6, and the Schedule of Changes in Net Other Postemployment Benefits (OPEB) Liability and Related Ratios and Schedule of OPEB Contributions on pages 23 and 24, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Berkshire Regional Planning Commission's basic financial statements. The supplementary information starting on page 25 and schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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.

Emphasis of Matter

As described in Note 3.E. to the financial statements, Berkshire Regional Planning Commission adopted the provisions of GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2022, 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 25, 2022

BERKSHIRE REGIONAL PLANNING COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

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, 2022. 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 7 and 8, 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.

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 for environmental site assessments and site specific cleanup projects. The program also provides funding, in the form of revolving loans and grants, 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.

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 increased by \$552,272 from a year ago, from an accumulated net position (deficit) of \$(231,045) at the end of fiscal year 2021 to an accumulated net position of \$321,227 at the end of fiscal year 2022. This net position increase of \$552,272 consisted of an increase in the General Fund of \$190,023 and an increase in the Brownfields Loan Fund of \$362,249.

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 2022 of \$225,039, decreasing the OPEB liability to \$923,524. Absent the adjustment for this estimated long-term liability, the Commission would have shown a decrease in net position in its General Fund of \$35,016. 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,

	2022	2021	Change
Current assets	\$ 2,910,642	\$ 2,132,043	\$ 778,599
Capital assets, net	16,974	27,439	(10,465)
Brownfields notes receivable	580,000	429,861	150,139
Lease related assets, net	730,455	-	730,455
Total Assets	<u>4,238,071</u>	<u>2,589,343</u>	<u>1,648,728</u>
Current liabilities	2,199,086	1,541,850	657,236
Long-term liabilities	128,321	129,975	(1,654)
Postemployment benefits other than pensions	923,524	1,148,563	(225,039)
Lease related obligations	665,913	-	665,913
Total Liabilities	<u>3,916,844</u>	<u>2,820,388</u>	<u>1,096,456</u>
Net position:			
Invested in capital assets, net of related debt	16,974	27,439	(10,465)
Restricted Brownfields Loan Fund	1,067,110	704,861	362,249
Unrestricted (deficit)	(762,857)	(963,345)	200,488
Total Net Position	<u>\$ 321,227</u>	<u>\$ (231,045)</u>	<u>\$ 552,272</u>

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

	<u>2022</u>	<u>2021</u>	<u>Change</u>
Revenue			
Charges for services	\$ 5,994,293	\$ 5,068,379	\$ 925,914
State pension assistance	172,787	641,583	(468,796)
Community assessments	104,551	104,551	-
Interest income	<u>11,528</u>	<u>20,022</u>	<u>(8,494)</u>
Total Revenue	6,283,159	5,834,535	448,624
Expenses			
Regional planning activities	(5,766,326)	(5,735,068)	(31,258)
Allowance for potential uncollectible accounts			
Brownfields Revolving Loan Fund	<u>35,439</u>	<u>(395,376)</u>	<u>430,815</u>
Change in net position	552,272	(295,909)	848,181
Effects on Commission for GASB adjustment			
Add back OPEB expense (recovery) not funded	<u>(225,039)</u>	<u>(50,346)</u>	<u>(174,693)</u>
Change in net position, excluding the GASB adjustment for OPEB	327,233	(346,255)	673,488
Brownfields Fund surplus (deficit)	<u>362,249</u>	<u>(375,376)</u>	<u>737,625</u>
General Fund surplus (deficit)	<u>\$ (35,016)</u>	<u>\$ 29,121</u>	<u>\$ (64,137)</u>

The Commission's total net position increased by \$552,272 over the course of fiscal year 2022. Absent the long-term liability for potential future retiree post-employment benefits and the Brownfields Loan Fund, we had a deficit of \$35,016 in the General Fund. Cash and equivalents increased by \$413,900 during fiscal year 2022. Project receivables increased by \$363,536, due to increase project volume. Prepaid expenses increased by \$1,163 during fiscal year 2022. The Brownfields Loan Fund notes receivable increased by a net amount of \$150,139 primarily due to repayment of one loan and disbursements on existing notes receivable. In addition, during fiscal year 2022, the Commission adopted the provisions of GASB Statement No. 87, *Leases*, and recorded right-to-use lease assets in the amount of \$730,455 and related lease obligations in the amount of \$740,022.

Total current liabilities increased by \$657,236 in fiscal year 2022. The major factors in the increase were a decrease in the accounts payable of \$259,487, an increase in accrued payroll and related payables of \$8,790, and an increase in advance grant revenue of \$222,456. Also, during fiscal year 2022, the Berkshire County Board of Health Association transmitted certain funds to the Commission to be used for activities undertaken by the Berkshire Public Health Alliance (Alliance) including public Covid-19 clinics, annual flu clinics for public health nurse-contracted municipalities and Covid booster and pediatric clinics. The total amount of these funds on hand as of June 30, 2022 was \$611,368, which is reported as restricted cash and Berkshire Public Health Alliance liability on the statement of net position.

Current assets exceed current liabilities by \$711,556 (a ratio of 1.32), which decreased by (0.17) from the previous year. For fiscal year 2022, this indicates that the Commission, on average, had \$1.32 in current assets to meet every \$1 in current liabilities.

There was no outstanding balance on our line of credit at June 30, 2022. 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 \$923,524. 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 10% of total project revenue. Other significant state and federal programs during fiscal year 2022 include the EDA COVID-19 Regional Recovery project (about 8%) and DPH Shared Services (about 6.5%).

Other program revenues (primarily projects contracted by localities, often utilizing state or federal funds) are a significant source of revenues to the Commission (about 44.8%). This continued diversity in major funding sources has enhanced our long-term financial stability. There are amounts of growth in several program areas (community planning, emergency preparedness, economic planning, public health, and regional initiatives and services). There has been an increase in community planning (master plans, open space and recreation plans, housing needs assessments, zoning). 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. The Public Health program is the largest program area, and it grew this year, primarily in reaction to the state's initiatives to improve the delivery of public health services in response to the COVID-19 pandemic. 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 \$4,389,319. The year-end actual program revenues, excluding community assessments, were \$5,609,879 (128% of budget), resulting in a favorable variance of \$1,220,560. State and federal program revenues were higher than budget expectations by \$413,688, 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, substance abuse prevention work, and promotion of downtown shopping and dining, outdoor recreation, and cultural districts. Local and other program revenues were higher than budget expectation by \$791,847, with several contributing factors including economic planning services to several communities, funding for public health shared services for nursing and inspectional services, contact tracing related to the pandemic and substance abuse prevention, housing needs assessments, comprehensive planning and procurement services for several municipalities, , municipal vulnerability and hazard mitigation planning projects, green community assistance in several communities, water quality management planning, energy efficiency programs and complete streets and pavement projects.

The expenditures budgeted were \$4,493,870. The year-end actual was \$5,749,446 (128% of budget), resulting in an unfavorable variance of \$(1,255,576). This variance is attributable to the increase in the amount of service provided, as evidenced in the increase in revenues above.

Direct salaries of \$1,063,548 exceeded the budget by \$23,046. Indirect salaries of \$460,183 exceeded the budget by \$30,193. Indirect costs, which is the combination of indirect salaries, fringe benefits and administrative expenses totaled \$1,488,999, which was a \$95,600 (7%) increase over the prior year's amount of \$1,393,399. Additional information on the indirect costs and the indirect cost allocation can be found on page 29 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 incurred costs of \$6,081 for leasehold improvements in 2022, and recorded no disposals of furniture and fixtures or leasehold improvements. We do not have any infrastructure assets. The detail of the capital asset activity is disclosed in Note 3.D. on page 17. The Commission does not have any long-term debt. The Commission did not borrow on a short-term basis on its line of credit in fiscal year 2022, and the balance was \$0- on June 30, 2022. 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. The Commission's net OPEB liability decreased by \$225,039 during 2022 to \$923,524. The Commission recorded contributions of \$138,008 into the OPEB Trust in 2022. 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 \$1,008,843 at the end of fiscal year 2022.

General Services and Operations

The Commission's Local Assessments (\$104,551) from our communities allowed the Commission to provide services 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.

The Berkshire Regional Planning Commission staff continued to remain 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.

We assisted several of our municipalities with a variety of local plans including Master Plans and Housing Needs Assessments.

We did incur a loss in our General Fund and overall Fund Balance in fiscal 2022 of \$25,448. Even though we exercise tight control over our General Fund expenses, a few items impacted the loss this fiscal year; the recording of the Other Postemployment Benefits Liability (OPEB) for retirees in the amount of \$225,039 and an adjustment for the new GASB 87 Lease Liability in the amount of \$9,567. The other item was the impact of the CDBG Housing Rehab program needing to use the general fund for staff labor to complete housing rehabilitation projects in several communities in an amount of \$59,759. This program has become increasingly difficult to administer and finding contractors to do the work was difficult. The general fund would have had a surplus without these items in fiscal 2022 of approximately \$34,300. The general fund is our only ongoing potential resource to build our cash reverses. 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.

Draft
12/12/2022

BERKSHIRE REGIONAL PLANNING COMMISSION

STATEMENT OF NET POSITION

June 30, 2022

	Primary Government Governmental Activities	
	2022	Comparative 2021
Assets		
Current assets:		
Cash and equivalents	\$ 350,581	\$ 411,783
Restricted cash and equivalents		
Brownfields Fund	138,734	275,000
Berkshire Public Health Alliance	611,368	-
Project receivables	1,795,886	1,432,350
Prepaid expenses	14,073	12,910
Brownfields notes receivable, net due within one year	-	165,156
Total current assets	2,910,642	2,297,199
Noncurrent assets:		
Brownfields notes receivable, less current portion	580,000	264,705
Capital assets, net	16,974	27,439
Lease related assets, net	730,455	-
Total assets	4,238,071	2,589,343
Liabilities		
Current liabilities:		
Accounts payable	264,393	523,880
Payroll and related payables	107,596	98,806
Due to grantors	54,361	54,361
Berkshire Public Health Alliance liability	611,368	-
Lease related obligation, due within one year	74,109	-
Advanced grant revenue	1,087,259	864,803
Total current liabilities	2,199,086	1,541,850
Noncurrent liabilities:		
Contingency fund	9,000	9,000
Accrued leave	119,321	120,975
Lease related obligations	665,913	-
Postemployment benefits other than pensions	923,524	1,148,563
Total liabilities	3,916,844	2,820,388
Net position		
Invested in capital assets, net of related debt	16,974	27,439
Restricted Brownfields Loan Fund	1,067,110	704,861
Unrestricted (deficit)	(762,857)	(963,345)
Total net position	\$ 321,227	\$ (231,045)

See notes to financial statements.

BERKSHIRE REGIONAL PLANNING COMMISSION

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2022

		<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	\$ 5,697,194	\$ 5,609,866	\$ 172,787	\$ 85,459
Brownfields Loan Fund	<u>69,132</u>	<u>11,515</u>	<u>384,427</u>	<u>326,810</u>
Total governmental activities	<u>\$ 5,766,326</u>	<u>\$ 5,621,381</u>	<u>\$ 557,214</u>	<u>412,269</u>
General revenues				
Community assessments				104,551
Interest income				<u>13</u>
Total general revenues				<u>104,564</u>
Brownfields Loan Fund				
Decrease in allowance for uncollectible accounts				<u>35,439</u>
Change in net position				552,272
Net position, beginning				<u>(231,045)</u>
Net position, ending				<u>\$ 321,227</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, 2022

	General Fund	Brownfields Loan Fund	Total 2022	Comparative Total 2021
Revenues				
State and federal programs	\$ 2,952,841	\$ 384,427	\$ 3,337,268	\$ 1,948,403
Local and other programs	2,636,013	-	2,636,013	3,113,414
Special programs	21,012	-	21,012	6,562
State pension assistance	172,787	-	172,787	641,583
Community assessments	104,551	-	104,551	104,551
Interest income	13	11,515	11,528	20,022
Total revenues	<u>5,887,217</u>	<u>395,942</u>	<u>6,283,159</u>	<u>5,834,535</u>
Expenditures				
General services	149,973	-	149,973	35,656
Community development and housing	928,988	-	928,988	1,091,205
Community planning	393,595	-	393,595	179,816
Data and information services	18,092	-	18,092	20,032
Economic development	743,429	-	743,429	540,713
Emergency preparedness	385,219	-	385,219	263,577
Environmental and energy	375,957	69,132	445,089	986,554
Public health program	1,403,693	-	1,403,693	1,358,313
Regional initiatives and services	725,495	-	725,495	531,819
Transportation planning	572,753	-	572,753	727,383
Total expenditures	<u>5,697,194</u>	<u>69,132</u>	<u>5,766,326</u>	<u>5,735,068</u>
Excess (deficiency) of revenues over expenditures	190,023	326,810	516,833	99,467
Other item				
(Increase) decrease in allowance for uncollectible accounts	<u>-</u>	<u>35,439</u>	<u>35,439</u>	<u>(395,376)</u>
Net change in fund balances	190,023	362,249	552,272	(295,909)
Fund balance (deficit), beginning	<u>(935,906)</u>	<u>704,861</u>	<u>(231,045)</u>	<u>64,864</u>
Fund balance (deficit), ending	<u>\$ (745,883)</u>	<u>\$ 1,067,110</u>	<u>\$ 321,227</u>	<u>\$ (231,045)</u>

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, 2022

	Budget		Actual Budgetary Basis	Variance Positive (Negative)
	Original	Final		
Revenues				
State and federal programs	\$ 2,539,153	\$ 2,539,153	\$ 2,952,841	\$ 413,688
Local and other programs	1,844,166	1,844,166	2,636,013	791,847
Special programs	6,000	6,000	21,012	15,012
Community assessments	104,551	104,551	104,551	-
Interest income	-	-	13	13
Total revenues	<u>4,493,870</u>	<u>4,493,870</u>	<u>5,714,430</u>	<u>1,220,560</u>
Expenditures				
General services	110,819	110,819	151,261	(40,442)
Community development and housing	686,452	686,452	936,969	(250,517)
Community planning	290,838	290,838	396,976	(106,138)
Data and information services	13,369	13,369	18,248	(4,879)
Economic development	549,339	549,339	749,816	(200,477)
Emergency preparedness	284,648	284,648	388,528	(103,880)
Environmental and energy	561,868	561,868	382,490	179,378
Public health program	1,037,226	1,037,226	1,415,755	(378,529)
Regional initiatives and services	536,088	536,088	731,729	(195,641)
Transportation planning	<u>423,223</u>	<u>423,223</u>	<u>577,674</u>	<u>(154,451)</u>
Total expenditures	<u>4,493,870</u>	<u>4,493,870</u>	<u>5,749,446</u>	<u>(1,255,576)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (35,016)</u>	<u>\$ (35,016)</u>

See notes to financial statements.

BERKSHIRE REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

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 charged directly to each program.

Subsequent Events

Management has evaluated subsequent events through November 25, 2022, 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, 2021 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, 2022 and 2021. 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 for environmental site assessments and site specific cleanup projects. The program also provides funding, in the form of revolving loans and grants, 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 \$2,500 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.

Lease Related Assets and Obligations

The Commission accounts for leases in accordance with GASB Statement No. 87, *Leases*, by recognizing a right-to-use intangible lease asset and a lease liability at the beginning of a lease, unless it is a short-term lease or transfers ownership of the underlying asset. The lease liability is measured at the present value of payments to be made over the lease term. The lease asset is measured at the amount of the initial measurement of the lease liability plus any payments made to the lessor at or before the beginning of the lease and certain indirect costs.

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 revenue 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 for environmental site assessments, site specific cleanup projects, and revolving loans.

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>General Fund</u>
Governmental funds - net change in fund balances	\$ 190,023
Adjustments:	
State pension assistance - revenue	(172,787)
State pension assistance - expense	172,787
Change in other postemployment benefit liability	<u>(225,039)</u>
Excess (deficiency) of revenues over expenditures - budgetary basis	<u>\$ (35,016)</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, 2022 were \$1,782,365 of which \$250,000 is insured, and \$1,532,365 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:

	2022	Comparative 2021
State and federal project receivables:		
MassDOT	\$ 91,827	\$ 75,451
MA Department of Elementary and Secondary Education	374	20,691
MA Department of Energy Resources	43,151	44,950
MA Department of Environmental Protection	9,916	10,250
MA Department of Public Health	55,356	-
MA Clean Energy Technology Center	1,165	-
MA Office of Travel and Tourism	60,316	-
MA Executive Office of Energy and Environmental Affairs	-	48,955
MA Department of Housing and Community Development	-	56,239
U.S. Department of Agriculture	12,592	9,978
U.S. Environmental Protection Agency	369,117	3,243
U.S. Food and Drug Administration	-	2,235
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	46,106	29,448
Boston Medical Center	7,233	-
Berkshire County Sherriff's Department	6,250	-
City of Northampton	7,673	-
Community Research Initiative	24,207	-
Franklin County Sheriff's Department	-	5,481
Franklin Regional Council of Governments	3,117	7,556
Total state and federal project receivables	738,400	348,246
Local and other project receivables	1,057,486	1,084,104
Total project receivables	<u>\$ 1,795,886</u>	<u>\$ 1,432,350</u>

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 and future grant awards. 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:

	2022	Comparative 2021
\$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

	2022	Comparative 2021
\$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.	150,000	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, 2022, no funds have been disbursed under this note.	180,000	-
\$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. During fiscal year 2022, the due date of the note was extended to December 31, 2022. The note is collateralized by security interest in the borrower's assets. Accrued interest is \$50,891 at June 30, 2022. A partial payment of \$212,110 was received during fiscal year 2022. This note is included in the allowance for potential uncollectible accounts.	188,781	395,376
\$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. During fiscal year 2022, the due date of the note was extended to December 31, 2022. The note is collateralized by security interest in the borrower's assets. Accrued interest is \$21,156 at June 30, 2022. This note is included in the allowance for potential uncollectible accounts.	171,156	165,156
Total notes receivable	939,937	825,237
Allowance for potential uncollectible accounts	(359,937)	(395,376)
Total notes receivable, net	580,000	429,861
Amount due within one year	-	165,156
Amount due after one year	\$ 580,000	\$ 264,705

D. Capital Assets

Capital asset activity for the year ended June 30, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, being depreciated:				
Furniture and fixtures	\$ 105,728	\$ -	\$ -	\$ 105,728
Leasehold improvements	102,048	6,081	-	108,129
Total capital assets, being depreciated	<u>207,776</u>	<u>6,081</u>	<u>-</u>	<u>213,857</u>
Less accumulated depreciation for:				
Furniture and fixtures	82,738	12,973	-	95,711
Leasehold improvements	97,599	3,573	-	101,172
Total accumulated depreciation	<u>180,337</u>	<u>16,546</u>	<u>-</u>	<u>196,883</u>
Governmental activities capital assets, net	<u>\$ 27,439</u>	<u>\$ (10,465)</u>	<u>\$ -</u>	<u>\$ 16,974</u>

E. Lease Related Assets and Obligations

The Commission, as a lessee, has entered into various leases for facility space with lease terms expiring in 2032.

In accordance with GASB 87, a lease is a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. The Commission determines whether a contract conveys control of the right to use the underlying asset by assessing both of the following:

- The right to obtain the present service capacity from use of the underlying asset as specified in the contract, and
- The right to determine the nature and manner of use of the underlying asset as specified in the contract.

The lease term is determined as follows:

- The period during which the Commission has a non-cancellable right to use an underlying asset, plus
- Periods covered by the Commission's option to extend and/or terminate the lease if it is reasonably certain that it will exercise those options, plus
- Periods covered by the lessor's option to extend and/or terminate the lease if it is reasonably certain that it will exercise those options

Lease recognition and measurement

The Commission accounts for a lease by recognizing a lease liability and a right-to-use intangible lease asset at the beginning of a lease unless it is a short-term lease or transfers ownership of the underlying asset. The lease liability is measured at the present value of payments to be made over the lease term.

The leased asset is measured at the amount of the initial measurement of the lease liability plus any payments made to the lessor at or before the beginning of the lease and certain indirect costs. The lease liability is reduced as payments are made and an outflow of resources for interest on the liability is recognized.

The Commission amortizes the lease asset in a straight line method over the term of the agreement. The lease payments are discounted using the interest rate identified in the contract. If an interest rate is not explicitly disclosed, then the Commission's incremental borrowing rate is used as an estimate of the lease rate.

Lease arrangements consist of the following:

Facility Rent, Suite 201

The Commission entered into a new lease agreement in December 2021 to lease office space in Pittsfield, Massachusetts, which expires on November 30, 2026. There is a renewal option for an additional five years, extending the lease to November 30, 2031, which has been included in the measurement of the lease asset and related obligation. The Commission is responsible for its proportionate share of utilities. During fiscal year 2022, monthly rent was \$5,468, increasing 3% each December.

Facility Rent, Suite 202

The Commission entered into a new lease agreement in December 2021 to lease office space in Pittsfield, Massachusetts, which expires on November 30, 2026. There is a renewal option for an additional five years, extending the lease to November 30, 2031. The renewal option has not been included in the measurement of the lease asset and related obligation as it was not reasonably certain to be exercised. The Commission is responsible for its proportionate share of utilities. During fiscal year 2022, monthly rent was \$2,917, increasing 3% each December.

The right-to-use lease related assets consist of the following at June 30, 2022:

Right-to-use leased asset		
Leased office space - Suite 201	\$	630,899
Leased office space - Suite 202		152,375
Total		783,274
Less accumulated amortization		(52,819)
Right-to-use leased asset, net	\$	<u>730,455</u>

The lease related obligations consist of the following at June 30, 2022:

Lease liability - Suite 201	\$	588,923
Lease liability - Suite 202		151,099
Total	\$	<u>740,022</u>

Minimum future lease payments, through 2032 are as follows:

Fiscal Year Ending June 30,	Suite 201		Suite 202		Total Payments
	Principal Payments	Interest Payments	Principal Payments	Interest Payments	
2023	\$ 43,998	\$ 22,766	\$ 30,111	\$ 5,501	\$ 102,376
2024	47,830	20,936	32,426	4,255	105,447
2025	51,879	18,950	34,868	2,913	108,610
2026	56,157	16,797	37,443	1,472	111,869
2027	60,674	14,469	16,251	163	91,557
2028 - 2032	328,385	31,086	-	-	359,471
Total	\$ 588,923	\$ 125,004	\$ 151,099	\$ 14,304	\$ 879,330

F. Line of Credit

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 5.75% at June 30, 2022, and collateralized by all assets. The outstanding loan balance as of June 30, 2022 and 2021 was \$-0-.

G. Berkshire Public Health Alliance Liability

The Berkshire County Board of Health Association has transmitted certain funds to the Commission to be used for activities undertaken by the Berkshire Public Health Alliance (Alliance) including public Covid-19 clinics, annual flu clinics for public health nurse-contracted municipalities and Covid booster and pediatric clinics. The Commission serves as the Host Agency for the Alliance as specified in the Berkshire Public Health Alliance Inter-Municipal Agreement (IMA). The funds were transmitted to the Commission with the condition that the money be used by the Alliance in accordance with the IMA. The Alliance's governing board oversees and approves all expenditures. The total amount of funds on hand as of June 30, 2022 was \$611,368, which is reported as restricted cash and Berkshire Public Health Alliance liability on the statement of net position.

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. Fiscal Year 2023 Budget

For fiscal year 2023, the Commission has approved an operating budget of \$5,379,584. This budget includes grant matching expenditures which the Commission is required to meet as its share of federal and state programs.

C. 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 2022 was \$172,787, 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 \$2,829,125 or 0.027% of the collective net pension liability of \$10,436,529,000.

D. Other Postemployment Benefits

The Commission has adopted the GASB statements on *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (OPEB), which 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, 2022.

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, 2022:

Active employees	29
Inactive employees or beneficiaries currently receiving benefits	<u>4</u>
Total	<u><u>33</u></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, 2022 is \$1,008,843.

Actuarial Methods and Assumptions

Results of the Plan for the fiscal year ended on June 30, 2022 are based on liabilities developed in an actuarial valuation performed with a measurement date of June 30, 2022.

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	3.63% per annum
Municipal bond rate	3.37%
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 4.70% increase in healthcare costs
Participation rate	Assumed that 100% of employees eligible to receive retirement benefits would enroll in the Plan

Payable to the OPEB Plan

At June 30, 2022, the Commission reported a payable of \$46,644 for outstanding contributions to the Plan.

Changes in net OPEB liability

	Increase (Decrease) (Plan year end June 30, 2022)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2021	\$ 2,143,937	\$ 995,374	\$ 1,148,563
Changes for the year:			
Service cost	215,028	-	215,028
Interest	51,084	-	51,084
Changes in benefit terms	-	-	-
Changes in assumptions	(500,796)	-	(500,796)
Differences between actual and expected experience	45,926	-	45,926
Net investment income	-	(123,495)	123,495
Employer contributions to trust	-	138,008	(138,008)
Benefit payments withdrawn from trust	-	-	-
Benefit payments including implicit cost	(22,812)	-	(22,812)
Administrative expense	-	(1,044)	1,044
Net changes	(211,570)	13,469	(225,039)
Balances at June 30, 2022	\$ 1,932,367	\$ 1,008,843	\$ 923,524

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 (2.63%)	Current (3.63%)	1% Increase (4.63%)
Net OPEB liability as of June 30, 2022	\$ 1,243,259	\$ 923,524	\$ 665,540

	Healthcare Cost Trend Rate		
	1% Decrease (3.70%)	Current (4.70%)	1% Increase (5.70%)
Net OPEB liability as of June 30, 2021	\$ 632,397	\$ 923,524	\$ 1,287,496

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

For the year ended June 30, 2022, the Commission recognized OPEB recovery of \$225,039. There were no deferred outflows or inflows of resources related to OPEB for the year ended June 30, 2022.

BERKSHIRE REGIONAL PLANNING COMMISSION

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF CHANGES IN NET OPEB
LIABILITY AND RELATED RATIOS**

June 30,

	2022	2021	2020	2019	2018
Total OPEB liability					
Service cost	\$ 215,028	\$ 243,425	\$ 165,540	\$ 146,738	\$ 154,838
Interest	51,084	46,550	47,741	32,591	36,342
Changes of benefit terms	-	-	-	-	-
Changes of assumptions	(500,796)	149,180	92,027	73,090	(874,171)
Differences between actual and expected experience	45,926	(124,037)	(128,407)	263,394	-
Benefit payments including implicit cost	(22,812)	(25,088)	-	-	-
Net change in total OPEB liability	(211,570)	290,030	176,901	515,813	(682,991)
Total OPEB liability, beginning	2,143,937	1,853,907	1,677,006	1,161,193	1,844,184
Total OPEB liability, ending (a)	\$ 1,932,367	\$ 2,143,937	\$ 1,853,907	\$ 1,677,006	\$ 1,161,193
Plan fiduciary net position					
Employer contributions	\$ 138,008	\$ 137,484	\$ 87,258	\$ 63,522	\$ 83,750
Net investment income	(123,495)	203,666	20,050	28,125	27,838
Benefit payments	-	-	-	-	-
Administrative expense	(1,044)	(774)	(586)	(416)	-
Net change in plan fiduciary net position	13,469	340,376	106,722	91,231	111,588
Plan fiduciary net position, beginning	995,374	654,998	548,276	457,045	345,457
Plan fiduciary net position, ending (b)	\$ 1,008,843	\$ 995,374	\$ 654,998	\$ 548,276	\$ 457,045
Net OPEB liability (a) - (b)	\$ 923,524	\$ 1,148,563	\$ 1,198,909	\$ 1,128,730	\$ 704,148
Plan fiduciary net position as a percentage of the total OPEB liability	52.21%	35.33%	35.33%	32.69%	39.36%
Covered employee payroll	\$ 2,446,623	\$ 2,039,033	\$ 1,753,987	\$ 1,396,349	\$ 1,289,111
Net OPEB liability as a percentage of covered employee payroll	37.75%	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 2.99% to 3.63%

The municipal bond rate changed from 2.15% to 3.37%

The healthcare trend rate changed from 4.90% to 4.70%

Last 10 years: Only plan years 2018 to 2022 available

See independent auditors' report.

BERKSHIRE REGIONAL PLANNING COMMISSION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OPEB CONTRIBUTIONS

June 30,

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 138,008	\$ 137,484	\$ 87,258	\$ 63,522	\$ 83,750
Contributions in relation to the actuarially determined contribution	<u>138,008</u>	<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>	<u>\$ -</u>
Covered employee payroll	\$ 2,446,623	\$ 2,039,033	\$ 1,753,987	\$ 1,396,349	\$ 1,289,111
Contribution as a percentage of covered employee payroll	5.64%	6.74%	4.97%	4.55%	6.50%

Notes to Schedule

OPEB Valuation date:

Actuarially determined contribution rates were calculated as of June 30, 2022 with a measurement date of June 30, 2022.

Methods and assumptions used to determine contribution rates:

Actuarial cost method:	Individual entry age normal
Municipal bond rate:	3.37%
Discount rate:	3.63% 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:

The discount rate changed from 2.99% to 3.63%
The municipal bond rate changed from 2.15% to 3.37%
The healthcare trend rate changed from 4.90% to 4.70%

Last 10 years: Only plan years 2018 to 2022 available

See independent auditors' report.

BERKSHIRE REGIONAL PLANNING COMMISSION

**SUPPLEMENTARY INFORMATION
SCHEDULE OF PROGRAM REVENUES**

For the Year Ended June 30,

	2022			Comparative 2021		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
State and federal program revenue						
MASSDOT #95407 - Transportation Planning	\$ 677,844	\$ 565,351	\$ (112,493)	\$ 627,000	\$ 567,084	\$ (59,916)
MassCEC/CBP	-	1,165	1,165	-	-	-
EOEEA/North Adams Zoning	-	-	-	35,000	1,805	(33,195)
EOEEA/Stormwater	-	-	-	10,000	17,004	7,004
EOEEA/Dalton Planning	-	-	-	40,000	48,452	8,452
DEP/319 REG Coordinator	53,909	41,968	(11,941)	53,400	21,376	(32,024)
DESE/BRLI21	155,462	148,474	(6,988)	-	51,456	51,456
DESE/Regional 21	126,979	159,518	32,539	-	40,482	40,482
DOER/AARC - Affordable Access to Regional Planning	57,107	53,468	(3,639)	58,000	44,203	(13,797)
DOER/REPA - Regional Energy Plan Assistance	-	12,497	12,497	30,000	18,347	(11,653)
DPH/BOAPC21	-	-	-	106,365	100,000	(6,365)
DPH/Mass Municipal Public Health Shared Services	-	-	-	30,600	47,836	17,236
DPH/Regional Public Nursing	-	-	-	-	10,449	10,449
DPH/Shared Services	-	380,109	380,109	-	551	551
DPH/SORPEC	-	61,353	61,353	-	-	-
DPH/LHSCT	-	149,001	149,001	-	-	-
DPH/COVID Reimbursements	-	-	-	-	271,471	271,471
DPH/MASS CALL 3	40,000	21,249	(18,751)	-	-	-
EDA/COVID-19 Regional Recovery Project	527,885	474,944	(52,941)	-	60,605	60,605
EDA/CEDS23	-	13,302	13,302	-	-	-
HRSA/HIV	-	-	-	35,833	47,809	11,976
NEATC/Community Research Initiative	20,000	26,000	6,000	-	20,000	20,000
BCSO/OPIOD21	25,000	16,358	(8,642)	100,000	25,000	(75,000)
DHCD/DLTA20	-	-	-	-	63,911	63,911
DHCD/DLTA21	107,107	181,719	74,612	97,107	32,495	(64,612)
DHCD/DLTA22	107,107	104,123	(2,984)	-	-	-
DHCD/Local Rapid Recovery Program	180,572	43,129	(137,443)	-	54,433	54,433
DHCD/Local Rapid Recovery Program SME	62,150	6,378	(55,772)	-	1,806	1,806
FDA/AFDO-FDA/Standard 3	7,323	6,785	(538)	-	5,342	5,342
FDA/AFDO-FDA/BerkAssess20-2	2,519	-	(2,519)	827	481	(346)
FDA/AFDO-FDA/BerkAssess20-3	2,837	-	(2,837)	827	163	(664)
FDA/FOOD20	-	-	-	-	14,686	14,686
FDA/FOOD21	23,804	28,951	5,147	70,000	29,405	(40,595)
EPA/ASSESS17 & EPA/ASSESS18	-	-	-	20,000	21,987	1,987
EPA/Brownfields	17,000	384,427	367,427	6,000	21,639	15,639
EPA/HC	-	10,924	10,924	-	-	-
USDA/Farmers Market Promotion Program	-	-	-	4,200	33,631	29,431
USDA/Forest Services/Mohawk Trail Woodlands	40,013	45,193	5,180	-	21,652	21,652
FRCOG/EPP19	150,908	150,909	1	150,908	150,909	1
FRCOG/MTWP Trails Map	-	-	-	33,000	14,494	(18,506)
FRCOG/MASSTRAIL	25,558	15,484	(10,074)	-	1,732	1,732
BMC/PTSFA	-	-	-	52,874	41,800	(11,074)
BMC/PTSFA YR2	55,594	23,845	(31,749)	-	-	-
BMC/PTSFA YR3	-	5,343	5,343	-	-	-
NHD/COSSAP	15,000	15,000	-	-	-	-
NHD/COSSAP22	15,000	8,236	(6,764)	-	-	-
FCSD/OJDP	42,475	40,594	(1,881)	52,874	43,907	(8,967)
PHIWM/RECB	-	5,307	5,307	-	-	-
DCR/OUTRECWEB	-	3,048	3,048	-	-	-
BCC/BERK22	-	2,800	2,800	-	-	-
MOTT/BCCC	-	130,316	130,316	-	-	-
Total state and federal program revenue	2,539,153	3,337,268	798,115	1,614,815	1,948,403	333,588
Local and other program revenue	1,844,166	2,636,013	791,847	1,714,631	3,113,414	1,398,783
Special program revenue	6,000	21,012	15,012	75	6,562	6,487
Total program revenue	\$ 4,389,319	\$ 5,994,293	\$ 1,604,974	\$ 3,329,521	\$ 5,068,379	\$ 1,738,858

See independent auditors' report.

BERKSHIRE REGIONAL PLANNING COMMISSION

**SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENDITURES**

For the Year Ended June 30,

	2022			Comparative 2021		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
Expenditures						
Direct salaries	\$ 1,040,502	\$ 1,063,548	\$ (23,046)	\$ 895,693	\$ 995,284	\$ (99,591)
Outsource planner and offsite salaries	586,822	599,819	(12,997)	338,660	376,315	(37,655)
Indirect salaries	490,376	460,183	30,193	389,510	427,723	(38,213)
Direct intern salaries	4,098	12,080	(7,982)	1,479	27,996	(26,517)
Indirect intern salaries	-	216	(216)	-	957	(957)
Fringe benefits	833,370	910,641	(77,271)	651,139	793,483	(142,344)
Administrative expenses						
Administrative	129,073	117,959	11,114	188,824	171,236	17,588
Outsource planner and offsite costs	164,275	155,357	8,918	92,424	83,815	8,609
Other program expenditures	107,901	242,705	(134,804)	118,141	316,563	(198,422)
Consultants	1,135,833	2,256,033	(1,120,200)	757,102	1,948,262	(1,191,160)
Unreimbursed costs	600	37	563	600	397	203
Interest expense	1,020	-	1,020	500	1,800	(1,300)
Subtotal	4,493,870	5,818,578	(1,324,708)	3,434,072	5,143,831	(1,709,759)
Change in other postemployment benefits liability	-	(225,039)	225,039	-	(50,346)	50,346
State pension assistance	-	172,787	(172,787)	-	641,583	(641,583)
Total expenditures	<u>\$ 4,493,870</u>	<u>\$ 5,766,326</u>	<u>\$ (1,272,456)</u>	<u>\$ 3,434,072</u>	<u>\$ 5,735,068</u>	<u>\$ (2,300,996)</u>

See independent auditors' report.

BERKSHIRE REGIONAL PLANNING COMMISSION

**SUPPLEMENTARY INFORMATION
SCHEDULE OF FRINGE BENEFITS**

For the Year Ended June 30,

	2022			Comparative 2021		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
Fringe benefits						
Sick and vacation leave	\$ 173,253	\$ 223,251	\$ (49,998)	\$ 165,386	\$ 174,645	\$ (9,259)
Holiday and personal leave	63,129	93,753	(30,624)	61,431	70,137	(8,706)
Postemployment benefits funded	45,000	106,644	(61,644)	45,000	129,576	(84,576)
Group insurance	498,544	426,642	71,902	343,346	365,984	(22,638)
Payroll taxes	53,444	60,351	(6,907)	35,976	53,141	(17,165)
Total fringe benefits	<u>\$ 833,370</u>	<u>\$ 910,641</u>	<u>\$ (77,271)</u>	<u>\$ 651,139</u>	<u>\$ 793,483</u>	<u>\$ (142,344)</u>

SCHEDULE OF ADMINISTRATIVE EXPENSES

For the Year Ended June 30,

	2022			Comparative 2021		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
Administrative expenses						
Accounting services	\$ 4,525	\$ 2,775	\$ 1,750	\$ 3,800	\$ 3,585	\$ 215
Advertising	3,490	1,613	1,877	2,000	4,428	(2,428)
Audit	20,600	20,900	(300)	20,300	20,300	-
Computer and equipment	46,778	66,440	(19,662)	37,315	48,446	(11,131)
Copying	14,500	5,911	8,589	14,500	4,008	10,492
Depreciation	31,750	16,546	15,204	25,953	27,473	(1,520)
Dues and subscriptions	21,032	15,406	5,626	14,949	21,308	(6,359)
Flex plan administration	1,200	1,667	(467)	1,200	872	328
Insurance	9,083	8,902	181	7,943	7,874	69
Janitor	4,600	7,490	(2,890)	5,000	4,300	700
Meetings	2,000	644	1,356	2,600	-	2,600
Miscellaneous	1,652	9,340	(7,688)	15,569	2,064	13,505
Payroll service	3,300	3,781	(481)	3,200	2,979	221
Postage	3,800	655	3,145	3,800	2,581	1,219
Printing	100	90	10	100	1,006	(906)
Professional fees	1,100	3,741	(2,641)	1,100	1,494	(394)
Publications	700	92	608	700	325	375
Rent and utilities	75,335	79,641	(4,306)	71,692	66,435	5,257
Staff development	15,000	2,134	12,866	11,000	6,504	4,496
Supplies	13,350	9,699	3,651	11,500	8,614	2,886
Telephone and internet	14,574	12,316	2,258	10,552	11,028	(476)
Travel and meals	2,000	-	2,000	3,200	1,387	1,813
Water and recycling	1,369	2,255	(886)	1,865	1,331	534
Website	1,510	1,278	232	11,410	6,709	4,701
Total administrative expenses	<u>\$ 293,348</u>	<u>\$ 273,316</u>	<u>\$ 20,032</u>	<u>\$ 281,248</u>	<u>\$ 255,051</u>	<u>\$ 26,197</u>

See independent auditors' report.

BERKSHIRE REGIONAL PLANNING COMMISSION

**SUPPLEMENTARY INFORMATION
SCHEDULE OF OTHER PROGRAM EXPENSES**

For the Year Ended June 30,

	2022			Comparative 2021		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
Other program expenses						
Communication	\$ 1,950	\$ 12,063	\$ (10,113)	\$ 3,000	\$ 21,957	\$ (18,957)
Equipment and software	2,225	43,265	(41,040)	2,242	16,534	(14,292)
Meetings	16,739	18,633	(1,894)	10,000	5,206	4,794
Postage	1,050	17,115	(16,065)	1,050	1,282	(232)
Printing	3,000	3,779	(779)	13,210	29,192	(15,982)
Professional fees	2,000	30,358	(28,358)	1,270	102,633	(101,363)
Supplies	32,000	40,289	(8,289)	41,309	65,435	(24,126)
Travel and meals	14,000	20,607	(6,607)	13,000	14,386	(1,386)
Other expenses	34,937	56,596	(21,659)	33,060	59,938	(26,878)
Total other program expenses	<u>\$ 107,901</u>	<u>\$ 242,705</u>	<u>\$ (134,804)</u>	<u>\$ 118,141</u>	<u>\$ 316,563</u>	<u>\$ (198,422)</u>

Draft
12/12/2022

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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, 2022 was calculated as follows:

	<u>Amount</u>	<u>Percentage of Direct Salaries</u>
Indirect costs and fringe benefits		
Salaries	\$ 460,183	43.27%
Intern salaries	216	0.02%
Fringe benefits - program	582,259	54.75%
Fringe benefits - administrative	328,382	30.88%
Administrative expenses	<u>117,959</u>	11.09%
Total indirect costs and fringe benefits	<u>\$ 1,488,999</u>	140.00%

Indirect cost rate		
Total fringe and indirect costs	<u>\$ 1,488,999</u>	=
Direct salaries	<u>\$ 1,063,548</u>	140.00%

Direct salaries of \$1,063,548 above are paid for with federal and non-federal funds as follows:

Direct salaries	
Federal funded salaries	\$ 432,680
Non-federal funded salaries	<u>630,868</u>
Total direct salaries	<u>\$ 1,063,548</u>

BERKSHIRE REGIONAL PLANNING COMMISSION
SUPPLEMENTARY INFORMATION
Schedule of Revenue and Expenditures by Grant / Contract Activity (Page 1 of 4)
Year Ended June 30, 2022

Department number	166.09	400.05	440.05	440.06	516.03	526.03	533.02	545.02	545.03	550
Grantor agency	EPA	FDA	MassDOT	MassDOT	FRCOG	BCSO	FCSD	DHCD	DHCD	DOER
Program name	Brownfields Loan Fund	Food Safety Permitting and Inspection	Transportation Planning	Food Safety Permitting and Inspection	Emergency Preparedness	Opioid 2022	Opioid Affected Youth Program	District Local Technical Assistance 2021	District Local Technical Assistance 2022	Affordable Access to Regional Coordination
Revenues										
State and federal programs	\$ 384,427	\$ 28,951	\$ 127,642	\$ 437,710	\$ 150,909	\$ 16,358	\$ 40,594	\$ 181,719	\$ 104,123	\$ 53,468
Local and other programs	-	-	-	-	-	-	-	-	-	-
Special programs	-	-	-	-	-	-	-	-	-	-
Community assessment	-	-	-	-	-	-	-	-	-	-
Interest	11,515	-	-	-	-	-	-	-	-	-
Total program revenue	<u>395,942</u>	<u>28,951</u>	<u>127,642</u>	<u>437,710</u>	<u>150,909</u>	<u>16,358</u>	<u>40,594</u>	<u>181,719</u>	<u>104,123</u>	<u>53,468</u>
Expenditures										
Direct salaries	7,143	2,242	49,534	181,973	49,352	5,019	14,495	54,836	33,936	22,278
Direct costs	51,989	13,900	8,760	975	304	4,314	5,807	8,990	4,754	-
Outsource salaries	-	8,731	-	-	29,086	-	-	35,819	15,890	-
Outsource administrative costs	-	940	-	-	3,131	-	-	5,304	2,032	-
Indirect costs	10,000	3,138	69,348	254,762	69,093	7,027	20,293	76,770	47,511	31,189
Unreimbursed direct cost	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>69,132</u>	<u>28,951</u>	<u>127,642</u>	<u>437,710</u>	<u>150,966</u>	<u>16,360</u>	<u>40,595</u>	<u>181,719</u>	<u>104,123</u>	<u>53,467</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 326,810</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (57)</u>	<u>\$ (2)</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>
Brownfields note receivable to Greylock Works LLC	<u>\$ 315,295</u>									

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, 2022

Department number	569	576	592	606.01	606.02	622	628	632	632.01	635
Grantor agency	DOER	FDA	DEP	NIH / BMC	NIH / BMC	USDA	FRCOG	NHD	NHD	DESE
Program name	Regional Energy Plan	Food Safety Program Standard	319 Regional Coordinator	Healing Communities Year 2	Healing Communities Year 3	Forest Services	Mass Trails	Opioid, Stimulant, and Substance Abuse	Opioid, Stimulant, and Substance Abuse	Berkshire Remote Learning Initiative 2021
Revenues										
State and federal programs	\$ 12,497	\$ 6,785	\$ 41,968	\$ 23,845	\$ 5,343	\$ 45,193	\$ 15,484	\$ 15,000	\$ 8,236	\$ 148,474
Local and other programs	-	-	-	-	-	-	-	-	-	-
Special programs	-	-	-	-	-	-	-	-	-	-
Community assessment	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Total program revenue	<u>12,497</u>	<u>6,785</u>	<u>41,968</u>	<u>23,845</u>	<u>5,343</u>	<u>45,193</u>	<u>15,484</u>	<u>15,000</u>	<u>8,236</u>	<u>148,474</u>
Expenditures										
Direct salaries	5,207	-	14,604	9,936	2,158	3,599	6,383	4,731	932	-
Direct costs	-	-	6,918	6	164	36,556	165	3,650	6,000	121,624
Outsource salaries	-	6,127	-	-	-	-	-	-	-	23,363
Outsource administrative costs	-	659	-	-	-	-	-	-	-	3,487
Indirect costs	7,290	-	20,446	13,910	3,021	5,038	8,936	6,624	1,304	-
Unreimbursed direct cost	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>12,497</u>	<u>6,786</u>	<u>41,968</u>	<u>23,852</u>	<u>5,343</u>	<u>45,193</u>	<u>15,484</u>	<u>15,005</u>	<u>8,236</u>	<u>148,474</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ (7)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5)</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2022

Department number	636	637	638	640	643	646	650	652	657	659
Grantor agency	DHCD	EDA	DESE	NEATC	DHCD	DPH	DPH	DPH	EPA	DPH
Program name	Local Rapid Recovery Program	COVID-19 Rapid Response Program	BCETF Region 2021	Community Research Initiative of New England	Local Rapid Reovery Program	Substance Misuse Prevention	Public Health for Shared Services	Early Childhood Community Circle	Healthy Communities	COVID-19 Contact Tracing
Revenues										
State and federal programs	\$ 43,129	\$ 459,943	\$ 159,518	\$ 26,000	\$ 6,378	\$ 21,249	\$ 380,109	\$ 61,353	\$ 10,924	\$ 149,001
Local and other programs	-	15,000	-	-	-	-	-	-	-	-
Special programs	-	-	-	-	-	-	-	-	-	-
Community assessment	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Total program revenue	<u>43,129</u>	<u>474,943</u>	<u>159,518</u>	<u>26,000</u>	<u>6,378</u>	<u>21,249</u>	<u>380,109</u>	<u>61,353</u>	<u>10,924</u>	<u>149,001</u>
Expenditures										
Direct salaries	17,936	83,034	-	2,547	2,629	8,763	12,162	11,813	4,552	32,569
Direct costs	82	270,112	129,866	19,888	68	218	94,915	33,002	-	27,617
Outsource salaries	-	4,845	25,802	-	-	-	196,260	-	-	37,607
Outsource administrative costs	-	704	3,850	-	-	-	59,743	-	-	5,609
Indirect costs	25,111	116,248	-	3,565	3,681	12,268	17,029	16,538	6,372	45,599
Unreimbursed direct cost	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>43,129</u>	<u>474,943</u>	<u>159,518</u>	<u>26,000</u>	<u>6,378</u>	<u>21,249</u>	<u>380,109</u>	<u>61,353</u>	<u>10,924</u>	<u>149,001</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2022

Department number	667	668	690	692	693	695			
Grantor agency	MASSCEC	PHIWM	DCR	BCC	MOTT	EDA			
Program name	EMPower Innovation and Capacity Building	Women of Color Health Equity Collaborative	Outdoor Recreation Website	Berkshire Education Resources	Berkshire County Collaborative Campaign	Common Education Data Standards	Other Programs	Totals	
Revenues									
State and federal programs	\$ 1,166	\$ 5,306	\$ 3,047	\$ 2,800	\$ 130,316	\$ 13,303	\$ 15,000	\$ 3,337,268	
Local and other programs	-	-	-	-	-	-	2,621,013	2,636,013	
Special programs	-	-	-	-	-	-	21,012	21,012	
Community assessment	-	-	-	-	-	-	104,551	104,551	
Interest	-	-	-	-	-	-	13	11,528	
Total program revenue	<u>1,166</u>	<u>5,306</u>	<u>3,047</u>	<u>2,800</u>	<u>130,316</u>	<u>13,303</u>	<u>2,761,589</u>	<u>6,110,372</u>	
Expenditures									
Direct salaries	486	2,061	970	1,155	1,714	2,824	409,975	1,063,548	
Direct costs	-	360	498	-	126,326	6,525	1,526,465	2,510,818	
Outsource salaries	-	-	188	-	16	-	216,085	599,819	
Outsource administrative costs	-	-	33	-	20	-	69,845	155,357	
Indirect costs	680	2,885	1,358	1,617	2,398	3,954	573,996	1,488,999	
Unreimbursed direct cost	-	-	-	-	(158)	-	195	37	
Total expenditures	<u>1,166</u>	<u>5,306</u>	<u>3,047</u>	<u>2,772</u>	<u>130,316</u>	<u>13,303</u>	<u>2,796,561</u>	<u>5,818,578</u>	
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (34,972)</u>	<u>\$ 291,794</u>	

See independent auditors' report.



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Established 1938

AUDIT | TAX | ADVISORY

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

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, 2022, 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 25, 2022.

Report on 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 or significant deficiencies may exist that have not been identified.

Report on 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 25, 2022

Draft

12/12/2022



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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

Opinion on Each Major Federal Program

We have audited Berkshire Regional Planning Commission's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Berkshire Regional Planning Commission's major federal programs for the year ended June 30, 2022. Berkshire Regional Planning Commission's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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, 2022.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Berkshire Regional Planning Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Berkshire Regional Planning Commission's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

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MEMBERS: AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS, MASSACHUSETTS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Berkshire Regional Planning Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Berkshire Regional Planning Commission's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Berkshire Regional Planning Commission's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Berkshire Regional Planning Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Berkshire Regional Planning Commission's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

ADELSON & COMPANY PC

November 25, 2022

Draft

12/12/2022

BERKSHIRE REGIONAL PLANNING COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2022

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:

Assistance Listing Number

Federal Grantor

11.307

Economic Development Administration/Economic Adjustment Assistance

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, 2022.

Section III – Federal Award Findings and Questioned Costs

There were no findings or questioned costs for the year ended June 30, 2022.

Status of Prior Year Audit Findings and Questioned Costs

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

BERKSHIRE REGIONAL PLANNING COMMISSION
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

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
U.S. Department of Transportation				
Federal Transit Administration				
Passed through MA Department of Transportation				
Highway Planning and Construction Cluster				
Highway Planning and Construction	20.205	114668	\$ 437,710	\$ -
Metropolitan Transportation Planning	20.505	95407	-	-
Metropolitan Transportation Planning	20.505	105053	-	-
Metropolitan Transportation Planning	20.505	112300	127,642	-
Total			<u>127,642</u>	<u>-</u>
Passed through Franklin Regional Council of Governments				
Recreational Trails Program	20.219	N/A	15,484	-
Total U.S. Department of Transportation			<u>580,836</u>	<u>-</u>
U.S. Department of Health and Human Services				
Food and Drug Administration				
Food Safety Permitting and Inspection				
Food Safety Permitting and Inspection	93.103		28,951	-
Passed through Association of Food and Drug Officials				
Retail Standards Grant Program	93.103	GT-1810-077724	6,785	-
Total			<u>35,736</u>	<u>-</u>
Health Resources and Services Administration				
Passed through Franklin Regional Council of Governments				
Emergency Preparedness	93.069	N/A	150,909	-
Total			<u>150,909</u>	<u>-</u>
Substance Abuse and Mental Health Administration				
Passed through MA Executive Office of Health and Human Service - DPH				
Prevention in Early Childhood	93.788	INTF2354M78214022181	61,353	-
Substance Abuse Prevention	93.959	INTF235MO4301822068	-	-
Total			<u>61,353</u>	<u>-</u>
Total U.S. Department of Health and Human Services			<u>247,998</u>	<u>-</u>
U.S. Environmental Protection Agency				
Brownfields Assessment and Cleanup Agreements	66.818		384,427	364,449
Brownfields Assessment FY17	66.818		-	-
Healthy Communities	66.110		10,924	-
Passed through MA Department of Environmental Protection				
319 Berkshire County Nonpoint Source Coordinator	66.605	BERKSHIREREGP2004319	41,968	-
Total U.S. Environmental Protection Agency			<u>437,319</u>	<u>364,449</u>
Department of Housing and Urban Development				
Passed through Northampton Health Department				
Opioid, stimulant, and substance abuse	16.838	N/A	15,000	-
Passed through Franklin County Sheriff's Department				
Opioid Affected Youth Program	16.842	N/A	40,594	-
Total Department of Housing and Urban Development			<u>55,594</u>	<u>-</u>
Economic Development Administration				
COVID-19 - Economic Adjustment Assistance				
COVID-19 - Economic Adjustment Assistance	11.307		474,943	-
Common Education Data Standards	11.303		13,302	-
Total Economic Development Administration			<u>488,245</u>	<u>-</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,809,992</u>	<u>\$ 364,449</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, 2022

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, 2022. 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, 2022

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Electronically filed with
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DPH Emergency Preparedness Bureau
250 Washington St. 1st Floor
Boston, MA 02108

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Office of Transportation Planning, Suite 4150
Ten Park Plaza
Boston, MA 02116

Draft
12/12/2022