

Audited Financial Statements
And Other Financial Information

**Upper Valley Lake Sunapee Regional
Planning Commission**

June 30, 2021



Proven Expertise & Integrity

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

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JUNE 30, 2021

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Upper Valley Lake Sunapee Regional Planning Commission
Lebanon, New Hampshire

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 10 and 31 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Upper Valley Lake Sunapee Regional Planning Commission's basic financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund, Combining Condensed Statement of Net Position and Combining Condensed Statement of Revenues, Expenses and Changes in Net Position are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund, Combining Condensed Statement of Net Position and Combining Condensed Statement of Revenues, Expenses and Changes in Net Position is the responsibility of management and was derived from and related directly

to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund, Combining Condensed Statement of Net Position and Combining Condensed Statement of Revenues, Expenses and Changes in Net Position is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2021, on our consideration of Upper Valley Lake Sunapee Regional Planning Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Upper Valley Lake Sunapee Regional Planning Commission's internal control over financial reporting and compliance.

RHR Smith & Company

Buxton, Maine
December 7, 2021

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

(UNAUDITED)

The following management's discussion and analysis of the Upper Valley Lake Sunapee Regional Planning Commission's financial performance provides an overview of the Commission's financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the Commission's financial statements.

Financial Statement Overview

The Upper Valley Lake Sunapee Regional Planning Commission's basic financial statements include the following components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also includes required supplementary information which consists of the general fund budgetary comparison schedule and other supplementary information which includes combining and other schedules.

Basic Financial Statements

The basic financial statements include financial information in two differing views: the government-wide financial statements and the fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad view of the Commission's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regards to the Commission's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position - this statement presents *all* of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

The Statement of Activities - this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

The type of activity presented for the Upper Valley Lake Sunapee Regional Planning Commission are:

- *Governmental activities* - The activities in this section are mostly supported by intergovernmental revenues (federal and state grants and contracts) and charges for services. All of the Commission's services are reported in governmental activities, which include regional planning and other programs.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Upper Valley Lake Sunapee Regional Planning Commission, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the Upper Valley Lake Sunapee Regional Planning Commission are categorized as one fund type: governmental funds.

Governmental funds: All of the basic services provided by the Commission are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported in governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balance of spendable resources available at the end of the fiscal year. Such information will be useful in evaluating the government's near-term financing requirements. This approach is known as the current financial resources measurement focus and the modified accrual basis of accounting. Under this approach, revenues are recorded when cash is received or when susceptible to accrual. Expenditures are recorded when liabilities are incurred and due. These statements provide a detailed short-term view of the Commission's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the Commission.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

Upper Valley Lake Sunapee Regional Planning Commission presents one column in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The Commission's major governmental fund is the general fund.

The general fund is the only fund for which the Commission legally adopted a budget. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund.

Other Supplementary Information

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regards to other detailed budgetary information for the general fund.

Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the Commission's governmental activities. The Commission's total net position decreased by \$14,718 from \$109,031 to \$94,313.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - decreased by \$11,375 from \$78,202 to a balance of \$66,827 at the end of this year.

Table 1
Upper Valley Lake Sunapee Regional Planning Commission
Net Position
June 30,

	2021	2020
Assets:		
Current Assets	\$ 176,581	\$ 154,181
Noncurrent Assets - Capital Assets	27,486	30,829
Total Assets	\$ 204,067	\$ 185,010
Liabilities:		
Current Liabilities	\$ 78,947	\$ 56,048
Noncurrent Liabilities	26,042	19,931
Total Liabilities	\$ 104,989	\$ 75,979
Deferred Inflows of Resources:		
Deferred Revenue	\$ 4,661	\$ -
Total Deferred Inflows of Resources	\$ 4,661	\$ -
Net Position:		
Net Investment in Capital Assets	\$ 27,486	\$ 30,829
Unrestricted	66,931	78,202
Total Net Position	\$ 94,417	\$ 109,031

Table 2
Upper Valley Lake Sunapee Regional Planning Commission
Changes in Net Position
For the Years Ended June 30,

	<u>2021</u>	<u>2020</u>
Revenues		
Program revenues:		
Operating grants and contracts	\$ 853,954	\$ 779,700
Charges for services	2,051	-
General revenues:		
Municipal dues	114,940	113,780
Contributions	2,350	-
Miscellaneous	60	3,717
Total revenues	<u>973,355</u>	<u>897,197</u>
Expenses		
Personnel services	493,528	544,579
Occupancy expenses	48,922	48,971
Professional services	26,477	12,495
Consultants and contract services	325,670	187,363
Travel	7,964	17,121
Office expenses	36,946	47,414
Fixed assets	-	7,102
Program expenses	10,000	-
Other expenses	38,462	19,365
Total expenses	<u>987,969</u>	<u>884,410</u>
Change in Net Position	(14,614)	12,787
Net Position - July 1	<u>109,031</u>	<u>96,244</u>
Net Position - June 30	<u>\$ 94,417</u>	<u>\$ 109,031</u>

Revenues and Expenses

Revenues for the Commission's governmental activities increased by 8.49%, while total expenses increased by 11.71%. The increases in revenues are from operating and grants income, charges for services, contributions and municipal dues. The increases in expenses are from professional services, consultants and contract services, program expenses and other expenses.

Financial Analysis of the Commission's Fund Statements

Governmental funds: The financial reporting focus of the Commission's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information may be useful in assessing the

Commission's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's financial position at the end of the year and the net resources available for spending.

Table 3
Upper Valley Lake Sunapee Regional Planning Commission
Fund Balances - Governmental Funds
June 30,

	2021	2020	Increase/ Decrease
General Fund:			
Nonspendable	\$ 286	\$ 287	\$ (1)
Committed	104	20,994	(20,890)
Unassigned	92,583	76,852	15,731
Total General Fund	\$ 92,973	\$ 98,133	\$ (5,160)

The general fund total fund balance decreased by \$5,160 from the prior fiscal year due to the regular activity of operations.

Budgetary Highlights

There was no difference between the original and final budget for the general fund.

The general fund actual revenues were in excess of budgeted amounts by \$163,993. This was mainly the result of municipal dues, Connecticut River Joint Commission admin, EPA Brownfields, household hazardous waste collection, Newport RSMS, Northern Borders - Sunapee Livery, regional housing needs assessment, USDA, Wilmont Circuit Rider, Hanover culverts, Hazard mitigation, expected non-profits, RSA book sales, and other miscellaneous grant and contract income.

The general fund actual expenditures were under budget by \$25,252. Consultants and other expenses were overspent while all other expense categories were under budget.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2021, the net book value of capital assets recorded by the Commission decreased by \$3,343 from the prior year. This decrease is the result of \$3,243 additions, less \$6,586 of current year depreciation.

Table 4
Upper Valley Lake Sunapee Regional Planning Commission
Capital Assets (Net of Depreciation)
June 30,

	2021	2020
Furniture and equipment	\$ 27,486	\$ 30,829
Total	\$ 27,486	\$ 30,829

Debt

At June 30, 2021, the Commission had no outstanding bonds or notes. The Commission had a line of credit of \$25,000 which had a balance of \$0 as of June 30, 2021.

Currently Known Facts, Decisions or Conditions

The outbreak of COVID-19 has been declared a pandemic and led to a national state of emergency in the United States. Refer to Note 1 of Notes to Financial Statements for more detailed information.

At present it is not possible, with any degree of certainty, to estimate the impact of COVID-19 on the revenues, expenditures, budget or overall financial position of the Commission. No assurance can be given regarding future events or impacts because these actions and events are unpredictable or unknowable at this time and are outside the control of the Commission.

Economic Factors and Next Year's Budgets and Rates

The Commission's unassigned fund balance is at a level to sustain government operations for a period of about one month. The Commission's fund balance policy requires the Commission to maintain a fund balance of six months' worth of operating expenses.

Contacting the Commission's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Commission's Office at 10 Water Street, Suite 225, Lebanon, New Hampshire 03766.

STATEMENT A
UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 61,395
Accounts receivable (net of allowance for uncollectibles):	
Trade	112,400
Other	2,500
Prepaid items	286
Total current assets	176,581
Noncurrent assets:	
Capital assets:	
Buildings and equipment, net of accumulated depreciation	27,486
Total noncurrent assets	27,486
TOTAL ASSETS	\$ 204,067
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 61,151
Accrued expenses	17,796
Total current liabilities	78,947
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Accrued compensated absences	26,042
Total noncurrent liabilities	26,042
TOTAL LIABILITIES	104,989
DEFERRED INFLOWS OF RESOURCES	
Unearned revenue	4,661
TOTAL DEFERRED INFLOWS OF RESOURCES	4,661
NET POSITION	
Net investment in capital assets	27,486
Unrestricted	66,931
TOTAL NET POSITION	94,417
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 204,067

See accompanying independent auditors' report and notes to financial statements.

STATEMENT B

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Contracts and Contributions	Total Governmental Activities
Governmental activities:				
Personnel services	\$ 493,528	\$ 2,051	\$ 853,954	\$ 362,477
Occupany expenses	48,922	-	-	(48,922)
Professional services	26,477	-	-	(26,477)
Consultants and contract services	325,670	-	-	(325,670)
Travel	7,964	-	-	(7,964)
Office expenses	36,946	-	-	(36,946)
Program expenses	10,000	-	2,350	(7,650)
Other expenses	38,462	-	-	(38,462)
Total government	<u>\$ 987,969</u>	<u>\$ 2,051</u>	<u>\$ 856,304</u>	<u>\$ (129,614)</u>
Changes in net position:				
Net (expense) revenue				<u>(129,614)</u>
General revenue:				
Municipal dues				114,940
Miscellaneous income				60
Total general revenue				<u>115,000</u>
Change in net position				(14,614)
NET POSITION - JULY 1				<u>109,031</u>
NET POSITION - JUNE 30				<u>\$ 94,417</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT C

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	Total Governmental Funds
ASSETS		
Cash and cash equivalents	\$ 61,395	\$ 61,395
Accounts receivable (net of allowance for uncollectibles):		
Trade	112,400	112,400
Other	2,500	2,500
Prepaid items	286	286
TOTAL ASSETS	\$ 176,581	\$ 176,581
LIABILITIES		
Accounts payable	\$ 61,151	\$ 61,151
Accrued expenses	17,796	17,796
TOTAL LIABILITIES	78,947	78,947
DEFERRED INFLOWS OF RESOURCES		
Unearned revenue	4,661	4,661
TOTAL DEFERRED INFLOWS OF RESOURCES	4,661	4,661
FUND BALANCES		
Nonspendable	286	286
Restricted	-	-
Committed	104	104
Assigned	-	-
Unassigned	92,583	92,583
TOTAL FUND BALANCES	92,973	92,973
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 176,581	\$ 176,581

See accompanying independent auditors' report and notes to financial statements.

STATEMENT D

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

	<u>Total Governmental Funds</u>
Total Fund Balances	\$ 92,973
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	27,486
Long-term obligations are not due and payable in the current period and therefore are not reported in the funds:	
Accrued compensated absences	<u>(26,042)</u>
Net position of governmental activities	<u><u>\$ 94,417</u></u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT E

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Total Governmental Funds
REVENUES		
Municipal dues	\$ 114,940	\$ 114,940
Grant and contract income	853,954	853,954
Fee Income	2,051	2,051
Contributions	2,350	2,350
Miscellaneous income	60	60
TOTAL REVENUES	973,355	973,355
EXPENDITURES		
Current:		
Personnel services	487,417	487,417
Occupany expenses	48,922	48,922
Professional services	26,477	26,477
Consultants and contract services	325,670	325,670
Travel	7,964	7,964
Office expenses	36,946	36,946
Program services	10,000	10,000
Other expenses	35,119	35,119
TOTAL EXPENDITURES	978,515	978,515
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(5,160)	(5,160)
NET CHANGE IN FUND BALANCES	(5,160)	(5,160)
FUND BALANCE - JULY 1	98,133	98,133
FUND BALANCE - JUNE 30	\$ 92,973	\$ 92,973

See accompanying independent auditors' report and notes to financial statements.

STATEMENT F

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Net change in fund balances - total governmental funds (Statement E) \$ (5,160)

Amounts reported for governmental activities in the Statement of
Activities (Statement B) are different because:

Governmental funds report capital outlays as expenditures while
governmental activities report depreciation expense allocated to
those expenditures over the life of the assets:

Capital asset acquisitions	3,243
Depreciation expense	<u>(6,586)</u>
	<u>(3,343)</u>

Some expenses reported in the Statement of Activities do not require
the use of current financial resources and therefore are not reported
as expenditures in governmental funds:

Accrued compensated absences	<u>(6,111)</u>
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Change in net position of governmental activities (Statement B) \$ (14,614)

See accompanying independent auditors' report and notes to financial statements.

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Upper Valley Lake Sunapee Regional Planning Commission is a special purpose public agency, established pursuant to New Hampshire RSA 36:45-53, governed by a member-elected Board of Commissioners.

The Commission's purpose is (1) to provide regional planning services in order to prepare and maintain a coordinated plan for development of the region (taking into account present and future needs) with a view toward encouraging the most appropriate use of land and (2) to provide technical planning assistance to local governments.

On May 30, 2000, the State of New Hampshire enacted Chapter Law 200:1 (codified in RSA 36) entitled "Regional Planning Commissions" with an effective date of July 29, 2000. The new law specifically re-enacts the status of Regional Planning Commissions as "political subdivisions" of the State of New Hampshire. The new law also: amends the purpose therein (RSA 36:45); amends the formation and representative of its members (RSA 36:46); and specifically defined its finances (RSA 36:49).

The Commission's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The Commission's combined financial statements include all accounts and all operations of the Commission. We have determined that the Commission has one component unit as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61. The Commission is the majority member of the Upper Valley Lake Sunapee Regional Planning Foundation which was created as a non-profit for the express purpose of applying for loans for the Commission. The individual financial statement for Upper Valley Lake Sunapee Planning Foundation can be obtained from the Commission at 10 Water Street, Suite 225, Lebanon, New Hampshire 03766.

COVID-19 Outbreak

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been declared a pandemic by the World Health Organization and led to a national state of emergency in the United States. The State of New Hampshire, along with other state and local governments, declared states of emergency and issued multiple public health emergency orders that severely restrict movement and limit businesses and activities to essential functions. These actions and effects of COVID-19

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

have disrupted economic activity at all levels and impacted the processes and procedures for almost all businesses, including municipal and quasi-municipal entities.

In response to the health crisis created by COVID-19 since early March of 2020, the Governor of New Hampshire issued multiple executive orders and declarations to protect the public health in an effort to reduce community spread of the virus and protect citizens. These measures have included, among others, closing or restricting access to certain business and activities, issuing a “stay at home” directive for most citizens, restricting nonessential travel and limiting movement of all persons in New Hampshire to those necessary to obtain or provide essential services or activities. The state of emergency expired on June 11, 2021.

Impact on and Results of Operations

In accordance with Emergency Order 17, issued by the Governor of New Hampshire on March 27, 2020, the Commission’s facilities were temporarily closed to the public and all nonessential services to its inhabitants were suspended from March 2020 and continued through the April 30, 2021. The Upper Valley Lake Sunapee Regional Planning Commission implemented flexible schedules and changed staff positions to include remote working but has returned to in-office operations. The Commission continues to follow State of New Hampshire and CDC guidelines and recommendations for office staff.

Impact on Finances

The Commission does not currently anticipate any additional FY 2021 expenditures due to COVID-19 that would not be covered by existing resources including authorized Coronavirus Aid Relief and Economic Security (“CARES”) Act, American Rescue Plan Act (“ARPA”) funding and applicable Federal and/or State programs.

Expected Federal/State Support

The Commission may have to take action to meet certain requirements to receive any additional Federal or State funding for budgetary or economic relief related to the challenges presented by COVID-19. However, the Commission expects that if those actions are necessary, that the Commission would qualify and satisfy the various conditions required to receive applicable Federal or State funds.

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Conclusion

The ongoing effects of COVID-19, including the financial impact to the Commission and its clients, may change significantly as events and circumstances evolve locally, nationally and worldwide. At present it is not possible, with any degree of certainty, to estimate the impact of COVID-19 on the revenues, expenditures, budget or overall financial position of the Commission. No assurance can be given regarding future events or impacts because these actions and events are unpredictable or unknowable at this time and are outside the control of the Commission.

Implementation of New Accounting Standards

During the year ended June 30, 2021, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 84 "Fiduciary Activities". This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval or condition is required to be taken or met by the beneficiary to release the assets. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 90 "Majority Equity Interests". This Statement defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit and the government or fund that holds the equity interest should

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit. Management has determined the impact of this Statement is not material to the financial statements.

Statement No 93 "Replacement of Interbank Offered Rates (paragraphs 4-11a)." The primary objectives of paragraphs 4-11a concern hedging derivative instruments (specifically exceptions to termination of hedge accounting, modifications to hedged items, probability of expected transactions and appropriate benchmark interest rates). The objective of this Statement is to address the accounting and financial reporting effects that result from the replacement of IBORs with other reference rates in order to preserve the reliability, relevance, consistency, and comparability of reported information. Management has determined the impact of this Statement is not material to the financial statements.

Government-Wide and Fund Financial Statements

The Commission's basic financial statements include both government-wide (reporting the Commission as a whole) and fund financial statements (reporting the Commission's major funds).

Both the government-wide and fund financial statements categorize primary activities as governmental. The Commission categorizes all activities of the Commission as governmental.

In the government-wide Statement of Net Position, the governmental activities column is (a) presented on a consolidated basis by column and (b) is reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Commission's net position is reported in three parts - net investment in capital assets; restricted net position and unrestricted net position. The Commission first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Commission's functions (regional planning and other programs) excluding fiduciary activities. The functions are also supported by general government revenues (certain intergovernmental revenues, charges for services, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

directly associated with the function. Operating grants include operating-specific and discretionary (either operating) grants.

The net costs (by function) are normally covered by general revenue (certain intergovernmental revenues and charges for services, etc.).

The Commission does not allocate indirect costs. All costs are charged directly to the corresponding department.

The government-wide focus is more on the sustainability of the Commission as an entity and the change in the Commission's net position resulting from the current year's activities.

Measurement Focus - Basic Financial Statements and Fund Financial Statements

The financial transactions of the Commission are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the Commission:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Commission:

Major Fund:

- a. The General Fund is the general operating fund of the Commission. It is used to account for all financial resources of the Commission.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Accrual

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Budget

The Commission's policy is to adopt an annual budget for operations. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles.

The following procedures are followed in establishing budgetary data reflected in the financial statements:

1. Early in the second half of the year the Commission prepares a budget for the fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Commission was called for the purpose of adopting the proposed budget after public notice of the meeting was given.
3. The budget was adopted subsequent to passage by the Commission.

Deposits and Investments

The Commission's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

It is the Commission's policy to value investments at fair value. None of the Commission's investments are reported at amortized cost. For purposes of the

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be a cash equivalent.

Receivables

Receivables include amounts due from governmental agencies or employees. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be \$815 as of June 30, 2021. Accounts receivable netted with allowances for uncollectible accounts were \$114,900 for the year ended June 30, 2021.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated capital assets are reported at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Estimated useful lives are as follows:

Furniture and equipment	5-15 years
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Long-term Obligations

The accounting treatment of long-term obligations depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

All long-term obligations to be repaid from governmental resources are reported as liabilities in government-wide statements. The long-term obligations consist of accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the Commission or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Commission is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components - nonspendable, restricted, committed, assigned and unassigned.

Nonspendable - This includes amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted - This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.

Committed - This includes amounts that can be used only for specific purposes determined by a formal action of Board of Commissioners. The Board of Commissioners are the highest level of decision-making authority for the Commission. Commitments may be established, modified or rescinded only through a Board of Commissioners vote.

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assigned - This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The authority for assigning fund balance is expressed by the Board of Commissioners.

Unassigned - This includes all other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Commission considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Commission considers amounts to have been spent first out of assigned funds and then unassigned funds, as needed.

The Commission adopted a set of financial policies to guide the financial operation of the Commission. Included in the policies are guidelines for accumulating and maintaining an operating position in certain budgeted governmental funds such that annual expenditures shall not exceed annual resources, including fund balances. Other funds shall be fully self-supporting to the extent that the fund balance of each fund shall be zero or greater.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Commission currently has no deferred outflows of resources.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Commission has one type of this item, unearned revenues, which arises in both the statements of net position and the governmental funds balance sheet. All items in this category are deferred and recognized as inflows of resources in the period that the amounts become available.

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program Revenues

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services or privileges provided, operating or capital grants and contributions, including special assessments).

Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The Commission does not utilize encumbrance accounting for its general fund.

Use of Estimates

During the preparation of the Commission's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

The Commission invests cash and investments according to policies established by the Commission. These investment policies apply to all Commission funds.

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Commission will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The Commission did not have any balances as of June 30, 2021 that were exposed to custodial credit risk.

At June 30, 2021, the Commission's cash and cash equivalents balances of \$61,395 were comprised of bank deposits of \$91,418 which were all insured by federal depository insurance and consequently were not exposed to custodial credit risk. Bank deposits and cash equivalents are adjusted primarily by outstanding checks and deposits in transit to reconcile to the Commission's cash and cash equivalents balance.

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Cash and cash equivalents as of June 30, 2021 consisted of the following:

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 73,045
Money market accounts	18,373
	<u>\$ 91,418</u>

NOTE 3 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2021:

	<u>Balance 7/1/20</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance 6/30/21</u>
Depreciated assets:				
Furniture and equipment	118,762	3,243	-	122,005
	<u>118,762</u>	<u>3,243</u>	<u>-</u>	<u>122,005</u>
Less: accumulated depreciation				
Furniture and equipment	(87,933)	(6,586)	-	(94,519)
	<u>(87,933)</u>	<u>(6,586)</u>	<u>-</u>	<u>(94,519)</u>
Net capital assets	<u>\$ 30,829</u>	<u>\$ (3,343)</u>	<u>\$ -</u>	<u>\$ 27,486</u>

NOTE 4 - LINE OF CREDIT

The Commission has established a \$25,000 revolving line of credit with the Bar Harbor Bank & Trust which is due on demand by the bank. Interest is chargeable at 5.25% above the Wall Street Journal Prime Rate index. There were no borrowings during the year ended June 30, 2021.

NOTE 5 - OPERATING LEASES

The Commission rents office space under a five-year lease agreement that ends on September 30, 2025. Rent is adjusted annually by the Consumer Price Index. In addition to the base rent, the Commission is required to pay their proportionate share of the landlord's operating cost, expenses and utilities. Annual lease payments for fiscal years ended June 30, 2021 and 2020, totaled \$48,922 and \$48,971, respectively.

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 - OPERATING LEASES (CONTINUED)

On March 8, 2019, the Commission entered into a three-year lease agreement with Toyota Lease Trust for a vehicle. Monthly payments of \$324 are required with a maturity date of March 7, 2022.

Year Ending June 30:	
2022	\$ 53,534
2023	50,939
2024	50,939
2025	<u>12,735</u>
Total minimum lease payment	<u>180,882</u>
Present value of future minimum lease payments	<u>\$ 180,882</u>

NOTE 6 - LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2021:

	Balance 7/1/20	Additions	Reductions	Balance 6/30/21	Current Portion
Accrued compensated absences	<u>\$ 19,931</u>	<u>\$ 6,111</u>	<u>\$ -</u>	<u>\$ 26,042</u>	<u>\$ -</u>

Please see Note 7 for detailed information on the long-term obligation.

NOTE 7 - ACCRUED COMPENSATED ABSENCES

The Commission's policies regarding vacation and sick time do permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded as long-term obligations in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2021, the Commission's liability for compensated absences is \$26,042.

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 - NONSPENDABLE FUND BALANCE

At June 30, 2021, the general fund nonspendable fund balance was made up of the following balance:

Prepaid items	<u>\$</u> <u>286</u>
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NOTE 9 - PENSION PLAN

The Commission offers a 457(b) plan to eligible employees and matches up to a maximum of 6% of the employee's gross compensation. The Commission funds placed in a 457(b) plan are in addition to the employee's salary, are considered an employer contribution and are not taxed to the employee unless withdrawn prematurely from the 457(b) plan. The Commission's match charged to expense during the years ended June 30, 2021 and 2020 was \$19,529 and \$24,042, respectively.

NOTE 10 - RELATIONSHIP WITH CONNECTICUT RIVER JOINT COMMISSION

The Connecticut River Joint Commissions (CRJC) is a separate organization with no association financially or structurally with the Commission. Since July 2011, under a contractual relationship, the Commission has provided CRJC with administrative assistance including maintaining financial records and providing staffing support to their Board of Directors, Executive Committee and Local River Subcommittees. The CRJC Board of Directors makes all decisions regarding CRJC's policies, budgeting, expenditures of funds, contacts and other governance items. The current contract with CRJC ended on June 30, 2021. At June 30, 2021 and 2020, CRJC owed the Commission \$2,623 and \$9,623, respectively. Subsequent to year end, CRJC contracted with the Commission on substantially the same terms as in prior years to provide accounting and administrative services to CRJC for the period of July 1, 2021 to June 30, 2022.

NOTE 11 - CONCENTRATION OF RISK

A material part of the Commission's revenue is dependent upon government sources, the loss of which would have a materially adverse effect on the Commission. During the year ended June 30, 2021, funding from the New Hampshire Department of Transportation and the United States Department of Environmental Protection Agency accounted for 22% and 19%, respectively, of total revenue.

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 12 - RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the Commission carries commercial insurance covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Commission.

Based on the coverage provided by the insurance purchased, the Commission feels it is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2021. There were no significant reductions in insurance coverage from that of the prior year and amounts of settlements have not exceeded insurance coverage in the past three years.

NOTE 13 - CONTINGENCIES

The Commission participates in various intergovernmental grant programs which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, the Commission's compliance with applicable grant requirement may be established at some future date. The amount, if any, of any liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund

SCHEDULE 1

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 98,133	\$ 98,133	\$ 98,133	\$ -
Resources (Inflows):				
Municipal dues	114,918	114,918	114,940	22
Claremont Streams	1,600	1,600	-	(1,600)
Claremont GIS - PW	5,800	5,800	480	(5,320)
Claremont GIS - technical assistance	11,500	11,500	9,205	(2,295)
Connecticut River Joint Commissions Admin	35,000	35,000	39,195	4,195
EPA Brownfields	111,447	111,447	198,941	87,494
Geodata portal (GIS)	5,900	5,900	4,525	(1,375)
Household hazardous waste collections	70,500	70,500	93,412	22,912
New London Circuit Rider	50,000	50,000	33,061	(16,939)
Newport RSMS	6,000	6,000	6,010	10
NH DOT unified planning work program	229,480	229,480	228,820	(660)
Northern Border - Enfield Remove	5,350	5,350	-	(5,350)
Northern Border - Turning Point	5,500	5,500	1,268	(4,232)
Northern Border - Meriden Village	7,760	7,760	890	(6,870)
Northern Border - Dartmouth Regional Technology Center	6,500	6,500	-	(6,500)
Northern Border - Twin States Makers Space	5,648	5,648	1,749	(3,899)
Northern Border - Sunapee Livery	-	-	1,947	1,947
Northern Border - Mapping	2,650	2,650	-	(2,650)
Orford Circuit Rider	7,200	7,200	2,184	(5,016)
OSI targeted block grant	11,111	11,111	11,111	-
Regional housing needs assessment	24,000	24,000	37,843	13,843
Springfield Circuit Rider	2,160	2,160	-	(2,160)
USDA	64,728	64,728	81,406	16,678
Vital Communities - new homes	3,000	3,000	2,580	(420)
Wilmot Circuit Rider	7,200	7,200	7,380	180
Hanover culverts	-	-	1,413	1,413
Hazard mitigation	-	-	16,650	16,650
Expected non-profit	-	-	2,043	2,043
Misc grant/contract income	-	-	61,841	61,841
RSA book sales	2,000	2,000	2,051	51
Miscellaneous grant/contract income	-	-	60	60
Amounts Available for Appropriation	<u>895,085</u>	<u>895,085</u>	<u>1,059,138</u>	<u>163,993</u>
Charges to Appropriations (Outflows):				
Current:				
Personnel Services	560,363	560,363	487,417	72,946
Occupancy Expenses	49,508	49,508	48,922	586
Professional Services	47,500	47,500	26,477	21,023
Consultants	236,500	236,500	323,627	(87,127)
Travel	19,500	19,500	7,964	11,536
Office expenses	60,750	60,750	36,743	24,007
Fixed assets	5,000	5,000	-	5,000
Other expenses	12,400	12,400	35,119	(22,719)
Total Charges to Appropriations	<u>991,521</u>	<u>991,521</u>	<u>966,269</u>	<u>25,252</u>
Budgetary Fund Balance, June 30	<u>\$ (96,436)</u>	<u>\$ (96,436)</u>	<u>\$ 92,869</u>	<u>\$ 189,245</u>
Utilization of unassigned fund balance	<u>\$ 194,569</u>	<u>\$ 194,569</u>	<u>\$ -</u>	<u>\$ (194,569)</u>

See accompanying independent auditors' report and notes to financial statements.

Other Supplementary Information

Other supplementary information includes financial statements not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
- Combining Condensed Statement of Net Position
- Combining Condensed Statement of Revenues, Expenditures and Changes in Net Position

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
Revenues			
Municipal dues	\$ 114,918	\$ 114,940	\$ 22
Grant and contract income:			
Claremont Streams	1,600	-	(1,600)
Claremont GIS - PW	5,800	480	(5,320)
Claremont GIS - technical assistance	11,500	9,205	(2,295)
Connecticut River Joint Commissions Admin	35,000	39,195	4,195
EPA Brownfields	111,447	198,941	87,494
Geodata portal (GIS)	5,900	4,525	(1,375)
Household hazardous waste collections	70,500	93,412	22,912
New London Circuit Rider	50,000	33,061	(16,939)
Newport RSMS	6,000	6,010	10
NH DOT unified planning work program	229,480	228,820	(660)
Northern Border - Enfield Remove	5,350	-	(5,350)
Northern Border - Turning Point	5,500	1,268	(4,232)
Northern Border - Meriden Village	7,760	890	(6,870)
Northern Border - Dartmouth Regional Technology Center	6,500	-	(6,500)
Northern Border - Twin States Makers Space	5,648	1,749	(3,899)
Northern Border - Sunapee Livery	-	1,947	1,947
Northern Border - Mapping	2,650	-	(2,650)
Orford Circuit Rider	7,200	2,184	(5,016)
OSI targeted block grant	11,111	11,111	-
Regional housing needs assessment	24,000	37,843	13,843
Springfield Circuit Rider	2,160	-	(2,160)
USDA	64,728	81,406	16,678
Vital Communities - new homes	3,000	2,580	(420)
Wilmot Circuit Rider	7,200	7,380	180
Hanover culverts	-	1,413	1,413
Hazard mitigation	-	16,650	16,650
Expected non-profit	-	2,043	2,043
Miscellaneous grant/contract income	-	61,841	61,841
Total grant and contract income	<u>680,034</u>	<u>843,954</u>	<u>163,920</u>
Fee income:			
RSA book sales	2,000	2,051	51
Total fee income	<u>2,000</u>	<u>2,051</u>	<u>51</u>
Miscellaneous income:			
Interest	-	9	9
Miscellaneous	-	51	51
Total miscellaneous income	<u>-</u>	<u>60</u>	<u>60</u>
Total revenues	<u>\$ 796,952</u>	<u>\$ 961,005</u>	<u>\$ 164,053</u>

SCHEDULE A (CONTINUED)
UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
Expenditures			
Personnel services:			
Salaries and wages	\$ 435,000	\$ 382,890	\$ 52,110
Payroll taxes	33,275	28,819	4,456
Workmen's comp and unemployment	1,688	1,322	366
Health and dental insurance	65,000	51,271	13,729
Life/STD/LTD insurance	4,400	3,586	814
Retirement fund	21,000	19,529	1,471
Total personnel services	<u>560,363</u>	<u>487,417</u>	<u>72,946</u>
Occupancy expenses			
Rent	49,508	48,922	586
Total occupancy expenses	<u>49,508</u>	<u>48,922</u>	<u>586</u>
Professional services:			
Legal services	1,500	-	1,500
IT consultant	5,000	1,377	3,623
Website consultant	500	-	500
Financial consultant	30,000	15,225	14,775
Auditing services	10,000	8,600	1,400
Misc professional consultant	500	1,275	(775)
Total professional services	<u>47,500</u>	<u>26,477</u>	<u>21,023</u>
Consultants:			
Brownfield consulting	125,000	193,951	(68,951)
Household hazardous waste hauler	61,500	93,412	(31,912)
NH DOT	-	9,437	(9,437)
UPWP	-	5,306	(5,306)
Regional housing	-	3,338	(3,338)
CRJC subcommittee	-	2,513	(2,513)
On-call engineer	15,000	-	15,000
USDA	35,000	14,666	20,334
Misc consultants	-	1,004	(1,004)
Total consultants	<u>236,500</u>	<u>323,627</u>	<u>(87,127)</u>
Travel:			
Travel/rooms and meals	11,000	3,455	7,545
Vehicle expenses	8,500	4,509	3,991
Total travel	<u>19,500</u>	<u>7,964</u>	<u>11,536</u>

SCHEDULE A (CONTINUED)
UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
Office expenses:			
General supplies	\$ 11,000	\$ 7,803	\$ 3,197
Printing	6,000	4,522	1,478
Advertising	2,000	996	1,004
Publications	2,000	-	2,000
Subscriptions	1,250	72	1,178
Postage	3,500	654	2,846
Telephone	5,000	4,206	794
Professional development	6,500	1,826	4,674
Non-profit administration	1,500	-	1,500
Annual meeting/special events	4,500	-	4,500
Planning/land use law books	2,000	1,907	93
Software/data services	15,500	14,728	772
Other office expenses	-	29	(29)
Total office expenses	60,750	36,743	24,007
Fixed assets:			
Computers/printers	1,000	-	1,000
Office furniture	1,250	-	1,250
Plotter machine	350	-	350
Traffic count supplies	2,400	-	2,400
Total office equipment	5,000	-	5,000
Other expenses:			
Dues/memberships	6,300	4,614	1,686
Misc equipment maintenance	250	250	-
Property and liability insurance	5,850	6,048	(198)
Match NH DOT unified plan	-	22,882	(22,882)
Misc expense	-	1,325	(1,325)
Total other expenses	12,400	35,119	(22,719)
Total expenditures	991,521	966,269	25,252
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ (194,569)	(5,264)	\$ 189,305
FUND BALANCE - JULY 1, 2020		98,133	
FUND BALANCE - JUNE 30, 2021		\$ 92,869	

See accompanying independent auditors' report and notes to financial statements.

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

COMBINING CONDENSED STATEMENT OF NET POSITION
JUNE 30, 2021

	UVLSRPC	UVLSRPC Foundation	Total
ASSETS			
Cash and cash equivalents	\$ 58,766	\$ 2,629	\$ 61,395
Accounts receivable (net of allowance for uncollectibles):			
Trade	112,400	-	112,400
Other	2,500	-	2,500
Prepaid items	286	-	286
TOTAL ASSETS	<u>\$ 173,952</u>	<u>\$ 2,629</u>	<u>\$ 176,581</u>
LIABILITIES			
Accounts payable	\$ 58,626	\$ 2,525	\$ 61,151
Accrued expenses	17,796	-	17,796
TOTAL LIABILITIES	<u>76,422</u>	<u>2,525</u>	<u>78,947</u>
DEFERRED INFLOWS OF RESOURCES			
Unearned revenue	4,661	-	4,661
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>4,661</u>	<u>-</u>	<u>4,661</u>
FUND BALANCES			
Nonspendable	286	-	286
Restricted	-	-	-
Committed	-	104	104
Assigned	-	-	-
Unassigned	92,583	-	92,583
TOTAL FUND BALANCES	<u>92,869</u>	<u>104</u>	<u>92,973</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 173,952</u>	<u>\$ 2,629</u>	<u>\$ 176,581</u>

See accompanying independent auditors' report and notes to financial statements.

UPPER VALLEY LAKE SUNAPEE REGIONAL PLANNING COMMISSION

COMBINING CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

	UVLSRPC	UVLSRPC Foundation	Total
REVENUES			
Municipal dues	\$ 114,940	\$ -	\$ 114,940
Grant and contract income	843,954	10,000	853,954
Fee Income	2,051	-	2,051
Contributions	-	2,350	2,350
Miscellaneous income	60	-	60
TOTAL REVENUES	<u>961,005</u>	<u>12,350</u>	<u>973,355</u>
EXPENDITURES			
Current:			
Personnel services	487,417	-	487,417
Occupany expenses	48,922	-	48,922
Professional services	26,477	-	26,477
Consultants and contract services	323,627	2,043	325,670
Travel	7,964	-	7,964
Office expenses	36,743	203	36,946
Program services	-	10,000	10,000
Other expenses	35,119	-	35,119
TOTAL EXPENDITURES	<u>966,269</u>	<u>12,246</u>	<u>978,515</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(5,264)</u>	<u>104</u>	<u>(5,160)</u>
NET CHANGE IN FUND BALANCES	(5,264)	104	(5,160)
FUND BALANCE - JULY 1	<u>98,133</u>	<u>-</u>	<u>98,133</u>
FUND BALANCE - JUNE 30	<u>\$ 92,869</u>	<u>\$ 104</u>	<u>\$ 92,973</u>

See accompanying independent auditors' report and notes to financial statements.



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

Board of Commissioners
Upper Valley Lake Sunapee Regional Planning Commission
Lebanon, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States the financial statements of the governmental activities and each major fund of Upper Valley Lake Sunapee Regional Planning Commission as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise Upper Valley Lake Sunapee Regional Planning Commission's basic financial statements and have issued our report thereon dated November 29, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Upper Valley Lake Sunapee Regional Planning Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Upper Valley Lake Sunapee Regional Planning Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Upper Valley Lake Sunapee 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Upper Valley Lake Sunapee Regional Planning Commission's financial statements are free of 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 determination of financial statement amounts. 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*. We noted certain other matters that we reported to management of Upper Valley Lake Sunapee Regional Planning Commission in a separate letter dated November 15, 2021.

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 organization's internal control or compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "RHR Smith & Company".

Buxton, Maine
December 7, 2021