

EAST MISSOURI ACTION AGENCY, INC.  
CONSOLIDATED FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION AND  
INDEPENDENT AUDITOR'S REPORTS

SEPTEMBER 30, 2020

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## INDEPENDENT AUDITOR'S REPORT

June 17, 2021

To the Board of Directors  
East Missouri Action Agency, Inc.

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of East Missouri Action Agency, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of September 30, 2020, and the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

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

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

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

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



**Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of East Missouri Action Agency, Inc. as of September 30, 2020 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Supplemental Information identified in the Table of Contents are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated 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 June 17, 2021, on our consideration of East Missouri Action Agency, Inc.'s internal control over consolidated 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 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 East Missouri Action Agency, Inc.'s internal control over financial reporting and compliance.



Boyer & Associates, PC  
Certified Public Accountants  
Park Hills, Missouri

EAST MISSOURI ACTION AGENCY, INC.  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
September 30, 2020

ASSETS

Current Assets:	
Cash and Cash Equivalents	\$ 886,363
Prepaid Expenses	178,984
Accounts Receivable	116,561
Grants Receivable	1,356,224
Note Receivable - Current Portion	87,174
Total Current Portion	<u>2,625,306</u>
Restricted Assets:	
Employee Benefit Reserves	84,910
Housing Project Reserves	892,604
Loan Fund Cash	206,531
Loan Fund Notes Receivable	99,473
Total Restricted Assets	<u>1,283,518</u>
Property and Equipment:	
Land	232,501
Equipment	671,483
Buildings	6,174,218
Land Improvements	141,070
Less Accumulated Depreciation	( 2,311,329 )
Total Property and Equipment	<u>4,907,943</u>
Other Assets:	
Investment in Limited Partnerships	312,217
Investment in Real Estate	67,457
Note Receivable - Less Current Portion	22,720
Total Other Assets	<u>402,394</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 9,219,161</u></b>
<u>LIABILITIES AND NET ASSETS</u>	
Current Liabilities:	
Accounts Payable	322,381
Accrued Salaries	413,338
Accrued Earned Time Off	357,864
Security Deposits	49,850
Deferred Revenue	288,003
Note Payable - Current Portion	93,741
Total Current Liabilities	<u>1,525,177</u>
Long-Term Liabilities:	
Note Payable - Less Current Portion	2,455,922
Total Long-Term Liabilities	<u>2,455,922</u>
Net Assets:	
Net Assets Without Donor Restrictions	720,095
Net Assets With Donor Restrictions	4,517,967
Total Net Assets	<u>5,238,062</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 9,219,161</u></b>

The accompanying notes are an integral part of these consolidated financial statements.

EAST MISSOURI ACTION AGENCY, INC.  
CONSOLIDATED STATEMENT OF ACTIVITIES  
 Year Ended September 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES</b>			
Grant Revenue	\$ 11,118,717	\$ 394,451	\$ 11,513,168
In-Kind Contributions	1,327,606	-	1,327,606
Other Income	55,699	17,807	73,506
Fee for Services	176,310	8,055	184,365
Contributions	46,562	-	46,562
Fundraising	29,447	-	29,447
Rent Income	58,296	447,934	506,230
Interest Income	20,655	1,515	22,170
Covid 19 Income	700,980	-	700,980
PPP Loan Forgiveness	114,940	5,939	120,879
Release of Restrictions	798,936	( 798,936 )	-
	<u>14,448,148</u>	<u>76,765</u>	<u>14,524,913</u>
<b>EXPENSES</b>			
Housing	3,332,738	-	3,332,738
Women's Wellness	334,836	-	334,836
Head Start	6,210,120	-	6,210,120
Community Services	3,222,269	-	3,222,269
Financial Services	101,517	-	101,517
	<u>13,201,480</u>	<u>-</u>	<u>13,201,480</u>
Total Program Expense			
Management and General	1,233,882	-	1,233,882
Fundraising	13,368	-	13,368
	<u>1,247,250</u>	<u>-</u>	<u>1,247,250</u>
Total Support Services			
Total Expenses	<u>14,448,730</u>	<u>-</u>	<u>14,448,730</u>
CHANGE IN NET ASSETS	<u>( 582 )</u>	<u>76,765</u>	<u>76,183</u>
NET ASSETS, BEGINNING OF YEAR	<u>720,677</u>	<u>4,441,202</u>	<u>5,161,879</u>
NET ASSETS, END OF YEAR	<u>\$ 720,095</u>	<u>\$ 4,517,967</u>	<u>\$ 5,238,062</u>

The accompanying notes are an integral part of these consolidated financial statements.

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EAST MISSOURI ACTION AGENCY, INC.  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
Year Ended September 30, 2020

	Program Services						Support Services			Total Expenses
	Housing	Women's Wellness	Head Start	Community Services	Financial Services	Total Program	Management and General	Fund Raising	Total Support Services	
Salaries and fringe benefits	\$ 1,413,245	\$ 210,429	\$ 3,714,450	\$ 857,477	\$ 73,897	\$ 6,269,498	\$ 640,402	\$ -	\$ 640,402	\$ 6,909,900
Travel	33,141	733	37,206	23,553	510	97,143	22,642	29	22,671	119,814
Training	2,686	245	43,835	1,065	746	48,577	14,587	-	14,587	63,164
Maintenance and repairs	166,810	11,313	49,003	16,703	680	244,509	13,432	-	13,432	257,941
Supplies	127,296	26,873	200,699	53,949	1,431	410,248	97,708	891	98,599	508,847
Professional Services	110,343	2,278	13,641	54,660	4,350	185,272	127,410	-	127,410	312,682
Insurance	104,805	10,399	31,172	7,295	4,431	158,102	18,740	-	18,740	176,842
Depreciation	166,603	-	-	-	-	166,603	31,374	-	31,374	197,977
Rent	59,505	30,003	351,655	79,261	1,100	521,524	56,745	-	56,745	578,269
Fundraising Expense	-	-	-	-	-	-	-	12,271	12,271	12,271
Covid 19 Expense	28,191	487	23,224	5,789	-	57,691	134,505	-	134,505	192,196
Utilities	142,929	16,507	157,749	71,165	9,046	397,396	49,711	-	49,711	447,107
Other expenses	27,812	24,030	-	3,839	5,115	60,796	22,890	177	23,067	83,863
In-kind expenses	-	188	1,327,417	-	-	1,327,605	-	-	-	1,327,605
Client support	838,264	1,351	260,069	2,045,513	-	3,145,197	3,700	-	3,700	3,148,897
Bad Debt	385	-	-	-	-	385	-	-	-	385
Taxes	5,586	-	-	-	-	5,586	-	-	-	5,586
Return of Residual Receipts	1,672	-	-	-	-	1,672	-	-	-	1,672
Interest expense	103,465	-	-	-	211	103,676	36	-	36	103,712
<b>Total Expenses</b>	<b>\$ 3,332,738</b>	<b>\$ 334,836</b>	<b>\$ 6,210,120</b>	<b>\$ 3,222,269</b>	<b>\$ 101,517</b>	<b>\$ 13,201,480</b>	<b>\$ 1,233,882</b>	<b>\$ 13,368</b>	<b>\$ 1,247,250</b>	<b>\$ 14,448,730</b>

EAST MISSOURI ACTION AGENCY, INC.  
CONSOLIDATED STATEMENT OF CASH FLOWS  
Year Ended September 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in Net Assets	\$ 76,183
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	197,977
Gain on Sale of Fixed Assets	( 16,118 )
Loan Loss	( 4,654 )
(Increase) Decrease in:	
Grants Receivable	( 709,978 )
Accounts Receivable	( 34,950 )
Prepaid Expenses	30,798
Increase (Decrease) in:	
Accounts Payable	28,221
Accrued Expenses	141,475
Deferred Revenue	176,891
Net Cash Provided (Used) by Operating Activities	<u>( 114,155 )</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Notes Receivable Collected	58,866
Notes Receivable Disbursed	( 30,019 )
Purchase of Property and Equipment	( 45,384 )
Proceeds from Sales of Real Estate	37,605
Purchase of Investment Property	<u>( 67,457 )</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>( 46,389 )</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Payment of Principal on Note Payable	<u>( 89,690 )</u>
NET CASH USED BY FINANCING ACTIVITIES	<u>( 89,690 )</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	( 250,234 )
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,320,642</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 2,070,408</u></u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION	
Interest Paid	<u><u>\$ 103,712</u></u>

EAST MISSOURI ACTION AGENCY, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
September 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

East Missouri Action Agency, Inc. (the “Corporation”) is a not-for-profit corporation. The Corporation’s main offices are located in Park Hills, Missouri. The Agency provides housing assistance, nutrition services, early childhood education and other related services to low-income individuals. The majority of funding for these programs is provided through federal and state grants. In addition, the Agency serves as the administrative agent for the St. Francois County Public Housing Agency and Southeast Missouri Facilities, Inc.

In December 2006, Southeast Missouri Housing Development Corporation (“Housing Development Corporation”) was established to participate in the construction and management of housing projects. The Corporation has a controlling interest in the Housing Development Corporation and the Housing Development Corporation is considered a wholly owned subsidiary of the Corporation. During the year ended September 30, 2020, the Housing Development Corporation had no financial activity. If the Housing Development Corporation has any financial transactions, the activity will be consolidated with that of the parent company and all significant inter-company accounts and transactions would be eliminated.

Southeast Missouri Economic Development Fund, Inc. (SEED\$), was organized in 2013 under the laws of the State of Missouri. SEED\$ provides business consulting and lending services to businesses to help stimulate economic development in service area of East Missouri Action Agency, Inc., (EMAA). SEED\$ is a nonprofit 501(c) (3) corporation. The majority of its board members are also board members of EMAA.

EMAA Park Hills Associates, LLC, was organized on July 2, 2015 under the laws of the State of Missouri. On February 29, 2016 EMAA Park Hills Associates, LLC was assigned 100% of the limited partnership interest in Park Hills Associates II, L.P. giving them the complete interest in the Park Hills Apartments.

Madison County Senior Housing, Inc. (MCSH) is a nonprofit that was formed under the laws of the State of Missouri. MCSH operated Oaks Terrace Apartments in Fredericktown, Missouri. Beginning in May of 2018, the board of MSCH is 100% made up of board members from EMAA. The assets, liabilities, net assets, revenue and expenses for MSCH were included in the consolidated financial statements of EMAA.

Principles of Consolidation – The consolidated financial statements include the accounts of EMAA, SEED\$, Park Hills Apartments and Madison County Senior Housing, Inc. Significant intra-entity accounts and transactions have been eliminated in consolidation.

Financial Statement Presentation

The Corporation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. Donor-restricted contributions, whose restrictions are met within the reporting period, have been reported as unrestricted support. Accordingly, net assets of the Corporation are classified as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions.

Net Assets With Donor Restrictions – Net assets that are restricted until used for specific purposes or the time of the restriction has expired.

The specific restricted net assets are shown in Note 13.

EAST MISSOURI ACTION AGENCY, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
September 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

The accounts of the Corporation are maintained, and the accompanying consolidated financial statements have been prepared, on the accrual basis of accounting.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, cash and cash equivalents includes cash on hand, cash in banks and all highly-liquid debt instruments with maturities of three (3) months or less at the time of purchase.

Revenue Recognition

Resources from grant awards are recognized as revenue when the related costs are incurred or units of service are provided, as applicable. A grant receivable is established for grant funds expended (units of service provided) which have not yet been reimbursed by the funding agency. Deferred revenue consists of grant funds received which have not yet been earned by the Corporation.

Property and Equipment

Property and equipment are stated at cost less accumulated amortization and depreciation. Depreciation is provided using straight-line and accelerated depreciation methods over class lives of 5 to 40 years. Depreciation is allocated to programs based upon specific identification. Depreciation which cannot be identified to specific programs is allocated based on total property and equipment. Depreciation expense for the year ended September 30, 2020 amounted to \$197,977.

The Corporation maintains a capitalization threshold of \$5,000 and a useful life of more than one year for financial reporting.

Estimates

Preparation of these consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Corporation is classified as 501(c)(3) organization exempt from both Federal and State income tax as provided under Section 501(a) of the Internal Revenue Code. The Corporation is not classified as a private foundation.

Indirect Costs

The Corporation incurs certain indirect administrative costs which are allocated to the various programs based upon a predetermined rate as approved by the funding source.

Donated Space and Services

Terms of the Head Start grant require that contributed funds be obtained, at percentages specified in the award, to supplement federal funds. Such contributed funds include noncash “in-kind” contributions as well as cash contributions.

EAST MISSOURI ACTION AGENCY, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
September 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Space and Services

The Corporation received donated space from many of the centers. Approximately 209,948 square feet of donated space has been reflected in the consolidated financial statements at the estimated fair value. These costs are allowable under guidelines for allowable costs of federal awards.

The Corporation also received donated services in the form of volunteer hours at the various centers. Volunteer hours were approximately 10,138 and had an estimated value of \$138,596. Generally accepted accounting principles, however, state that for the value of donated services to be recognized in the consolidated financial statements, the services must either (a) create or enhance a non-financial asset or (b) be specialized skills, provided by entities or persons possessing those skills, that would be purchased if they were not donated, therefore these consolidated financial statements do not include the value of donated services.

NOTE 2 – CONCENTRATIONS

The corporation is supported primarily by Federal funding sources. Listed below are the three major Federal funding sources for the year ended September 30, 2020:

U.S. Department of Health and Human Services	83%
U.S. Department of Housing and Urban Development	6%
U.S. Department of Agriculture	6%

Also, the major grant receivable at September 30, 2020 was the U.S. Department of Health and Human Services at 67% of the total grant's receivable.

NOTE 3 – CONCENTRATION OF CREDIT RISK

The Corporation requires that amounts on deposit of financial institutions in excess of Federal Deposit Insurance Corporation ("FDIC") coverage be secured by a collateral security agreement. At September 30, 2020, the Agency's deposits were secured by FDIC Insurance or collateral held by the institution's agent in the Agency's name except for the interest bearing accounts of SEEDS that were under collateralized by \$186,813.

NOTE 4 – ACCRUED COMPENSATED ABSENCES

Employees of the Agency are entitled to earned time off (ETO), depending on length of service and other factors. The employees have the option of selling back a portion of their earned time off in September of each year. Upon termination of employment, the employee is compensated for earned time off up to a maximum of 120 hours based on the number of hours accrued. Effective September 1, 2000, in the event of the death of an employee, their family will be paid 100% of the employee's accrued earned time off. At September 30, 2020 accrued benefits for earned time off was approximately \$357,864.



EAST MISSOURI ACTION AGENCY, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
 September 30, 2020

NOTE 5 – NOTE PAYABLE

Note payable at September 30, 2020 consists of the following:

Note payable to USDA interest at 2%, due in monthly installments of \$82.75 (including principal and interest) with principal and interest due April 28, 2035. \$ 9,749

Note payable to USDA interest at 6.75%, due in monthly installments of \$4,062.02 (including principal, interest and \$2,583 subsidy) with principal and interest due November 1, 2048. The note is secured by a deed of trust on real estate located in Park Hills, Missouri. 613,079

Note payable to USDA interest at 7.25%, due in monthly installments of \$4,743 (including principal and interest) with principal and interest due September 30, 2046. The note is secured by a deed of trust on real estate located in Potosi, Missouri. 657,024

Note payable to MHDC, secured by apartment complex, payable in monthly installments of \$4,804.03 including interest at 1% matures on January 1, 2036. 819,311

Note payable to MHDC, secured by apartment complex, payable in monthly installments of \$2,524.51 including interest at 1% matures on August 1, 2036. 445,596

Less Current Portion 2,544,759  
 Long Term Notes Payable ( 93,741)  
\$2,451,018

Maturities of long-term debt for the year ended September 30, 2020 are as follows:

Year Ending 30-Sep	Principal	Interest	Total
2021	\$ 93,741	\$ 100,857	\$ 194,598
2022	95,663	98,935	194,598
2023	97,786	96,812	194,598
2024	100,015	94,583	194,598
2025	102,356	92,242	194,598
2026 - 2030	551,408	421,586	972,994
2031 - 2035	627,771	341,190	968,961
2036 - 2040	331,466	243,857	575,323
2041 - 2044	404,333	123,983	528,316
Thereafter	140,220	14,988	155,208
Totals	<u>\$2,544,759</u>	<u>\$1,629,033</u>	<u>\$4,173,792</u>

EAST MISSOURI ACTION AGENCY, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
September 30, 2020

NOTE 6 – MANAGEMENT OF LIQUID RESOURCES

EMAA is primarily funded from federal funds from several federal and state agencies with the two largest programs being an energy assistance program and a Head Start early childhood program. EMAA also operates weatherization programs, manages housing developments, and many other programs. Most of these programs are cost reimbursement type grants, therefore the expenses must be incurred and paid prior to submitting a reimbursement request. Most of the funding requests are processed once a month. The energy assistance program provides advance funding for its program and the Head Start program allows the Agency to drawdowns funds up to three days prior to the funds being spent.

The Agency also is always looking for opportunity to raise unrestricted funds from fund raisers, housing development fees and social enterprises. These funds are used to strengthen the Agency's financial solvency.

EMAA has unrestricted cash balances of approximately \$1,000,000 in operating cash that can be used to pay for expenses prior to their reimbursement. The Agency has a current ratio of approximately 1.7:1. It is EMAA's policy to structure its financial assets to be available as general expenditures and liabilities become due. Due to the unknown from year-to-year, the Agency chooses to keep excess cash balances as liquid as possible.

EMAA also maintains an open line of credit with New Era Bank. These funds may be utilized to cover deficits in cash on an as needed basis, and repaid as funds become available to do so. On March 24, 2021, EMAA increased its available line of credit from \$200,000 to \$400,000.

NOTE 7 – PENSION PLAN

The Corporation has adopted a 403(b) plan covering all employees who have completed one year of service. Employer contributions are 2% of earnings for employees who have met the service requirements. During the year ended September 30, 2020, the Corporation provided for approximately \$80,231 in contributions to the plan. Beginning January 1, 2020, the Corporation began funding a new 457 plan for key employees. During the year ended September 30, 2020, the Corporation provided \$47,250 in contributions to the plan.

NOTE 8 – ACTIVITIES ASSOCIATED WITH PHA

As discussed in Note 1, the Corporation provides services as the administrative agent for the St. Francois County Public Housing Agency ("PHA"). The Department of Housing and Urban Development ("HUD") requires that consolidated financial statements for the PHA be prepared and issued separately. As administrative agent the Corporation is reimbursed for all expenses of the PHA and it also charges an administrative fee at a rate of 14.8% of personnel costs.

EAST MISSOURI ACTION AGENCY, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
September 30, 2020

NOTE 9 – LEASES

The Corporation leases building space for its offices and outreach centers under month-to-month and one year operating leases. In addition, the Corporation leases several facilities for more than a year. Total rent expense under these operating leases approximated \$577,641 for the year ended September 30, 2020. Future minimum rental payments are as follows:

<u>Year Ending September 30,</u>	<u>Total</u>
2021	\$ 634,796
2022	468,278
2023	198,115
2024	183,600
2025	183,600
2026 - 2029	<u>504,600</u>
	<u>\$2,172,989</u>

NOTE 10 – COMMITMENTS AND CONTINGENCIES

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude the pandemic will have on East Missouri Action Agency, Inc.’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation of its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, of East Missouri Action Agency, Inc. is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity going forward.

The adverse economic effects of the COVID-19 outbreak may lead to East Missouri Action Agency, Inc. not achieving its revenue goals in fiscal 2021 and its overall liquidity.

Other programs at this time have not been significantly adjusted although changes may occur that could result in layoffs and reduced services based on mandated changes from government funding agencies. Please refer to Note 6 for discussion concerning liquidity to provide continuing services to the disabled and disadvantaged individuals within the service area.

The Corporation provides short-term disability coverage under an unfunded self-insured plan. The plan provides for benefits of \$150 to \$250 per week, based upon annual salary. The employee is eligible for coverage after a minimum of ten (10) working days and will continue up to a maximum of (10) weeks.

East Missouri Action Agency, Inc. is the General Partner in several limited partnerships relating to the construction and management of housing projects. Investments in the limited partnerships are reported at an amount equal to the corporation’s equity in the net assets of the partnerships as reflected at the end of each partnership’s respective fiscal year end.

East Missouri Action Agency, Inc. is the owner of five housing projects that are financed by MHDC and USDA. Each project has unique restrictive use covenants, rental assistance agreements, and interest rate subsidies. See footnote 5 for debt disclosures related to these properties.

EAST MISSOURI ACTION AGENCY, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
September 30, 2020

NOTE 11 – NOTE RECEIVABLE

Southeast Missouri Housing Development Corporation

On October 3, 2006 East Missouri Action Agency, Inc. loaned \$200,000 in a non-interest bearing note to Southeast Missouri Housing Development Corporation. The money was used in a project that will result in the historic renovation of the former Presbyterian Children’s Home into rental apartments for senior citizens. These funds were used for site acquisition costs for the project. The note is secured by a 2<sup>nd</sup> Deed of Trust and is due on October 1, 2028. Payments began on March 15, 2011 in the amount of \$13,333.33. This note has been discounted to its present value at an imputed interest rate of 3.875% resulting in a net present value of \$59,568.

SEED\$ Business Notes Receivable

SEED\$ makes loans to businesses to stimulate economic development. The repayment terms of these notes vary based upon each individual situation. The organization had six loans to businesses that were outstanding at year end. The balance of the notes receivable as of September 30, 2020 was \$134,983. A loan loss reserve 10% of the balance of the notes was recorded at year end. The amount of the reserve was \$13,983. In addition, a new SEED\$ program was initiated to provide local businesses with funding for employee loans subject to payroll withholding for debt services at reasonable interest rates compared to other pay day loan alternatives. EMAA initiated the program resulting in \$28,315 of employee loans as of September 30, 2020.

NOTE 12 – DATE OF MANAGEMENT’S REVIEW

Subsequent events were evaluated through June 17, 2021 which is the date the consolidated financial statements were available to be issued. On January 22, 2021 East Missouri Action Agency, Inc. granted ownership of Heritage Manor to Cape Heritage Manor Apartments, LLC, a Missouri limited liability company, and Salem Villa Apartments was granted to Salem Apartments, LLC.

NOTE 13 – NET ASSETS WITH DONOR RESTRICTIONS

East Missouri Action Agency, Inc. has the following net assets with donor restrictions as of September 30, 2020:

**Net Assets With Donor Restrictions:**

**Restricted for Certain Housing Programs**

Cliffview Apartments	\$ 312,269
Cheryl Estates I	713,000
Cheryl Estates II	740,000
Heritage Manor	269,999
Salem Villa	49,771
Brettwood Apartments	191,576
Park Hills Apartments	( 81,186)
Oaks Terrace	1,915,000
Title X	<u>41,966</u>
	4,152,395

**Restricted for Certain Locations**

Washington County Revolving Loan Funds	250,000
Iron County Revolving Loan Funds	56,004
Funds to be used in Farmington, MO	<u>59,568</u>

Total Net Assets With Donor Restrictions \$ 4,517,967

FEDERAL AWARDS

EAST MISSOURI ACTION AGENCY, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 Year Ended September 30, 2020

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass - Through Identification Number</u>	<u>Expenditures</u>
<u>U.S. Department of Agriculture:</u>			
Direct:			
Rural Housing Preservation Grants	10.433	N/A	102,357
Rural Rental Housing Loan	10.415	N/A	1,308,444
Rural Rental Housing Assistance	10.427	N/A	194,967
Passed through Missouri Department of Health:			
Child and Adult Care Food Program	10.558	N/A	234,209
Summer Food Service Program for Children	10.559	N/A	71,228
Passed through Missouri Community Action Network			
Supplemental Nutrition Assistance Program	10.551	N/A	<u>19,513</u>
Total U.S. Department of Agriculture			<u>1,930,718</u>
 <u>U.S. Department of Housing and Urban Development:</u>			
Direct:			
Supportive Housing for Elderly Section 202	14.157	N/A	2,025,702
Passed through Missouri Housing Development Commission:			
Shelter Plus Care	14.238	N/A	277,925
COVID Relief Fund	14.238	N/A	20,757
Home Investment Partnerships Program	14.239	N/A	<u>2,529,937</u>
Total U.S. Department of Housing & Urban Development			<u>4,854,321</u>
 <u>U.S. Department of Energy:</u>			
Passed through Missouri Department of Natural Resources:			
Weatherization Assistance for Low Income Persons	81.042	N/A	<u>160,443</u>
Total US. Department of Energy			<u>160,443</u>
 <u>U.S. Department of Homeland Security</u>			
Direct:			
EFSP	97.024	N/A	67,260
EFSP Cares Act	97.024	N/A	<u>27,016</u>
			<u>94,276</u>

EAST MISSOURI ACTION AGENCY, INC.  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended September 30, 2020

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass - Through Identification Number</u>	<u>Expenditures</u>
<u>U.S. Department of Health and Human Services:</u>			
Direct:			
Head Start	93.600	N/A	5,007,981
Summer Head Start/COVID	93.600	N/A	176,134
Passed through Missouri Department of Social Services:			
Community Services Block Grant	93.569	N/A	968,705
Low-Income Home Energy Assistance	93.568	N/A	2,143,960
Passed through Missouri Community Action Network:			
Temporary Assistance for Needy Families	93.558	N/A	69,107
Passed through Missouri Family Health Council:			
Family Planning Services - Title X	93.217	N/A	239,694
Passed through Missouri Department of Health:			
Family Planning - Show me Healthy Women	93.919	N/A	2,574
Passed through Missouri Department of Economic Development:			
Low-Income Home Energy Assistance	93.568	N/A	328,952
CARES Act Nonprofit Relief & Recovery	93.568	N/A	16,955
Total U.S. Department of Health and Human Services			<u>8,954,062</u>
TOTAL FEDERAL AWARDS			<u>\$ 15,993,820</u>

Notes to the Schedule of Expenditures of Federal Awards for the Year Ended September 30, 2020.

Note A - Basis of Presentation

The accompanying schedule of federal awards (the Schedule) includes the federal award activity of East Missouri Action Agency, Inc. under programs of the federal government for the year ended September 30, 2020. 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 East Missouri Action Agency, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of East Missouri Action Agency, Inc.

Note B - Summary of Significant Accounting Policies

(1) 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.

(2) Pass-through entity identifying number are presented where applicable.

Note C - Non-Cash Assistance

No USDA donated foods were received during the year ended September 30, 2020.

## Boyer & Associates, PC

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

June 17, 2021

To the Board of Directors of  
East Missouri Action Agency, Inc.

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 consolidated financial statements of East Missouri Action Agency, Inc. (a non-profit organization), which comprise the consolidated statement of financial position as of September 30, 2020, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated June 17, 2021.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered East Missouri Action Agency, Inc.'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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of East Missouri Action Agency, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of East Missouri Action Agency, Inc.'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 consolidated 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 East Missouri Action Agency, Inc.'s consolidated 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 determination of consolidated 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*.

## **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 on 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.



Boyer & Associates, PC  
Certified Public Accountants  
Park Hills, Missouri

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### INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

June 17, 2021

To the Board of Directors  
East Missouri Action Agency, Inc.

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

We have audited East Missouri Action Agency, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of East Missouri Action Agency, Inc.'s major federal programs for the year ended September 30, 2020. East Missouri Action Agency, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### **Management's Responsibility**

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

#### **Auditor's Responsibility**

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of East Missouri Action Agency, Inc.'s compliance.

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

In our opinion, East Missouri Action Agency, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2020.

## Report on Internal Control Over Compliance

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in a 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 combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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



Boyer & Associates, PC  
Certified Public Accountants  
Park Hills, Missouri

EAST MISSOURI ACTION AGENCY, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended September 30, 2020

I. SUMMARY OF AUDITORS' RESULTS

*Consolidated Financial Statements*

- An unmodified report was issued on the consolidated financial statements of the East Missouri Action Agency, Inc.

Internal control over financial reporting:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies) identified?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies)?  yes  none reported

- An unmodified report was issued on compliance for major programs.

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 2002516(2)?  yes  no

Identification of major programs:

<u>CDFA#</u>	<u>PROGRAM</u>
14.239	Home Investment Partnership Program
93.600	Head Start

EAST MISSOURI ACTION AGENCY, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended September 30, 2020

Dollar threshold to distinguish between type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

x  yes      no

II. CONSOLIDATED FINANCIAL STATEMENT FINDINGS

- There were no findings.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

- There were no findings

SUPPLEMENTARY INFORMATION

**EAST MISSOURI ACTION AGENCY, INC.**  
**WEATHERIZATION ASSISTANCE FOR LOW INCOME PERSONS**  
**SUBGRANT NO: G19-14-0258-4-03**  
**RECONCILIATION OF REVENUES AND EXPENSES**  
 For the Period of November 1, 2018 to October 31, 2019

<b>ENERGY CENTER</b>		<b><u>SUBGRANTEE</u></b>	
Beginning Fund Balance	\$ -	Beginning Fund Balance	\$ -
<b><u>Revenue</u></b>		<b><u>Revenue</u></b>	
Grant Income	\$ 78,156	Grant Income	\$ 78,156
Carry Over Funds	\$ -	Carry Over Funds	\$ -
Program Income	\$ -	Program Income	\$ -
<b>Total Revenue</b>	<b>\$ 78,156</b>	<b>Total Revenue</b>	<b>\$ 78,156</b>
<b><u>Expenditures</u></b>		<b><u>Expenditures</u></b>	
Administration	\$ 3,520	Administration	\$ 3,520
Program Operations	\$ 74,436	Program Operations	\$ 74,436
Insurance	\$ 200	Insurance	\$ 200
T&TA	\$ -	T&TA	\$ -
Other	\$ -	Other	\$ -
<b>Total Expenditures</b>	<b>\$ 78,156</b>	<b>Total Expenditures</b>	<b>\$ 78,156</b>
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>Ending Fund Balance</b>	<b>\$ -</b>

**Note: Recipient and Energy Center fund balance must be in agreement. If not the difference must be corrected before the audit is acceptable.**

<b>BEGINNING AGENCY FUND BALANCE</b>	\$ -
<b>(CARRY-OVER) (As of November 1)</b>	\$ -
<b>GRANT REVENUE</b>	\$ 78,156
<b>(Funds Received November 1 through October 31)</b>	\$ 78,156
<b>PROGRAM INCOME</b>	\$ -
<b>LESS EXPENDITURES</b>	\$ 78,156
<b>(November 1 through October 31)</b>	\$ 78,156
<b>AGENCY ENDING FUND BALANCE</b>	\$ -
<b>Ending Cash on Hand</b>	\$ -
<b>Ending Inventory</b>	\$ -

**EAST MISSOURI ACTION AGENCY, INC.**  
**WEATHERIZATION ASSISTANCE FOR LOW INCOME PERSONS**  
**SUBGRANT NO: G19-10-0363-8-03**  
**RECONCILIATION OF REVENUES AND EXPENSES**  
For the Period of November 1, 2018 to October 31, 2019

<b>ENERGY CENTER</b>		<b><u>SUBGRANTEE</u></b>	
Beginning Fund Balance	\$ -	Beginning Fund Balance	\$ -
<b><u>Revenue</u></b>		<b><u>Revenue</u></b>	
Grant Income	\$ 37,964	Grant Income	\$ 37,964
Carry Over Funds	\$ -	Carry Over Funds	\$ -
Program Income	\$ -	Program Income	\$ -
<b>Total Revenue</b>	<b>\$ 37,964</b>	<b>Total Revenue</b>	<b>\$ 37,964</b>
<b><u>Expenditures</u></b>		<b><u>Expenditures</u></b>	
Administration	\$ 1,901	Administration	\$ 1,901
Program Operations	\$ 35,863	Program Operations	\$ 35,863
Insurance	\$ 200	Insurance	\$ 200
T&TA	\$ -	T&TA	\$ -
Other	\$ -	Other	\$ -
<b>Total Expenditures</b>	<b>\$ 37,964</b>	<b>Total Expenditures</b>	<b>\$ 37,964</b>
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>Ending Fund Balance</b>	<b>\$ -</b>

**Note: Recipient and Energy Center fund balance must be in agreement. If not the difference must be corrected before the audit is acceptable.**

<b>BEGINNING AGENCY FUND BALANCE</b>	\$ -
<b>(CARRY-OVER) (As of November 1)</b>	<u>\$ -</u>
<b>GRANT REVENUE</b>	\$ 37,964
<b>(Funds Received November 1 through October 31)</b>	<u>\$ 37,964</u>
<b>PROGRAM INCOME</b>	\$ -
	<u>\$ -</u>
<b>LESS EXPENDITURES</b>	\$ 37,964
<b>(November 1 through October 31)</b>	<u>\$ 37,964</u>
<b>AGENCY ENDING FUND BALANCE</b>	\$ -
	<u>\$ -</u>
<b>Ending Cash on Hand</b>	\$ -
	<u>\$ -</u>
<b>Ending Inventory</b>	\$ -
	<u>\$ -</u>

See accompanying independent auditor's report.



**EAST MISSOURI ACTION AGENCY, INC.**  
**WEATHERIZATION ASSISTANCE FOR LOW INCOME PERSONS**  
**SUBGRANT NO: G19-17-0215-03**  
**RECONCILIATION OF REVENUES AND EXPENSES**  
For the Period of November 1, 2018 to October 31, 2019

<u>ENERGY CENTER</u>		<u>SUBGRANTEE</u>	
Beginning Fund Balance	\$ -	Beginning Fund Balance	\$ -
<b><u>Revenue</u></b>			
Grant Income	\$ 16,354	Grant Income	\$ 16,354
Carry Over Funds	\$ -	Carry Over Funds	\$ -
Program Income	\$ -	Program Income	\$ -
<b>Total Revenue</b>	<b>\$ 16,354</b>	<b>Total Revenue</b>	<b>\$ 16,354</b>
<b><u>Expenditures</u></b>			
Administration	\$ 671	Administration	\$ 671
Program Operations	\$ 15,653	Program Operations	\$ 15,653
Insurance	\$ 30	Insurance	\$ 30
T&TA	\$ -	T&TA	\$ -
Other	\$ -	Other	\$ -
<b>Total Expenditures</b>	<b>\$ 16,354</b>	<b>Total Expenditures</b>	<b>\$ 16,354</b>
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>Ending Fund Balance</b>	<b>\$ -</b>

**Note: Recipient and Energy Center fund balance must be in agreement. If not the difference must be corrected before the audit is acceptable.**

**Adjustments were made after reporting period ended.**

<b>BEGINNING AGENCY FUND BALANCE</b>	
<b>(CARRY-OVER) (As of November 1)</b>	\$ -
<b>GRANT REVENUE</b>	
<b>(Funds Received November 1 through October 31)</b>	<b>\$ 16,354</b>
<b>PROGRAM INCOME</b>	\$ -
<b>LESS EXPENDITURES</b>	
<b>(November 1 through October 31)</b>	<b>\$ 16,354</b>
<b>AGENCY ENDING FUND BALANCE</b>	\$ -
<b>Ending Cash on Hand</b>	\$ -
<b>Ending Inventory</b>	\$ -

**EAST MISSOURI ACTION AGENCY, INC.**  
**WEATHERIZATION ASSISTANCE FOR LOW INCOME PERSONS**  
**SUBGRANT NO: G19-18-0013-03**  
**RECONCILIATION OF REVENUES AND EXPENSES**  
For the Period of November 1, 2018 to October 31, 2019

<b>ENERGY CENTER</b>		<b><u>SUBGRANTEE</u></b>	
Beginning Fund Balance	\$ -	Beginning Fund Balance	\$ -
<b><u>Revenue</u></b>		<b><u>Revenue</u></b>	
Grant Income	\$ 5,435	Grant Income	\$ 5,435
Carry Over Funds	\$ -	Carry Over Funds	\$ -
Program Income	\$ -	Program Income	\$ -
<b>Total Revenue</b>	<b>\$ 5,435</b>	<b>Total Revenue</b>	<b>\$ 5,435</b>
<b><u>Expenditures</u></b>		<b><u>Expenditures</u></b>	
Administration	\$ 317	Administration	\$ 317
Program Operations	\$ 5,099	Program Operations	\$ 5,099
Insurance	\$ 19	Insurance	\$ 19
T&TA	\$ -	T&TA	\$ -
Other	\$ -	Other	\$ -
<b>Total Expenditures</b>	<b>\$ 5,435</b>	<b>Total Expenditures</b>	<b>\$ 5,435</b>
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>Ending Fund Balance</b>	<b>\$ -</b>

**Note: Recipient and Energy Center fund balance must be in agreement. If not the difference must be corrected before the audit is acceptable.**

<b>BEGINNING AGENCY FUND BALANCE</b>		
(CARRY-OVER) (As of November 1)		\$ -
<b>GRANT REVENUE</b>		
(Funds Received November 1 through October 31)		\$ 5,435
<b>PROGRAM INCOME</b>		\$ -
<b>LESS EXPENDITURES</b>		
(November 1 through October 31)		\$ 5,435
<b>AGENCY ENDING FUND BALANCE</b>		\$ -
<b>Ending Cash on Hand</b>		\$ -
<b>Ending Inventory</b>		\$ -

See accompanying independent auditor's report.

**EAST MISSOURI ACTION AGENCY, INC.**  
**WEATHERIZATION ASSISTANCE FOR LOW INCOME PERSONS**  
**SUBGRANT NO: G-19-EE0007930-3-03**  
**RECONCILIATION OF REVENUES AND EXPENSES**  
For the Period of July 1, 2019 to June 30, 2020

<b>ENERGY CENTER</b>		<b><u>SUBGRANTEE</u></b>	
Beginning Fund Balance	\$ -	Beginning Fund Balance	\$ -
<b><u>Revenue</u></b>		<b><u>Revenue</u></b>	
Grant Income	\$ 246,168	Grant Income	\$ 246,168
Carry Over Funds	\$ -	Carry Over Funds	\$ -
Program Income	\$ -	Program Income	\$ -
<b>Total Revenue</b>	<b>\$ 246,168</b>	<b>Total Revenue</b>	<b>\$ 246,168</b>
<b><u>Expenditures</u></b>		<b><u>Expenditures</u></b>	
Administration	\$ 13,844	Administration	\$ 13,844
Program Operations	\$ 223,735	Program Operations	\$ 223,735
Insurance	\$ 6,257	Insurance	\$ 6,257
T&TA	\$ 2,332	T&TA	\$ 2,332
Other	\$ -	Other	\$ -
<b>Total Expenditures</b>	<b>\$ 246,168</b>	<b>Total Expenditures</b>	<b>\$ 246,168</b>
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>Ending Fund Balance</b>	<b>\$ -</b>

Note: Recipient and Energy Center fund balance must be in agreement. If not the difference must be corrected before the audit is acceptable.

<b>BEGINNING AGENCY FUND BALANCE</b>		
(CARRY-OVER) (As of November 1)		\$ -
<b>GRANT REVENUE</b>		
(Funds Received November 1 through October 31)		<b>\$ 246,168</b>
<b>PROGRAM INCOME</b>		\$ -
<b>LESS EXPENDITURES</b>		
(November 1 through October 31)		<b>\$ 246,168</b>
<b>AGENCY ENDING FUND BALANCE</b>		\$ -
<b>Ending Cash on Hand</b>		\$ -
<b>Ending Inventory</b>		\$ -

**EAST MISSOURI ACTION AGENCY, INC.**  
**WEATHERIZATION ASSISTANCE FOR LOW INCOME PERSONS**  
**SUBGRANT NO: G-19-LIHEAP-20-03**  
**RECONCILIATION OF REVENUES AND EXPENSES**  
 For the Period of October 1, 2019 to September 30, 2020

<b>ENERGY CENTER</b>		<b><u>SUBGRANTEE</u></b>	
Beginning Fund Balance	\$ -	Beginning Fund Balance	\$ -
<b><u>Revenue</u></b>		<b><u>Revenue</u></b>	
Grant Income	\$ 328,952	Grant Income	\$ 328,952
Carry Over Funds	\$ -	Carry Over Funds	\$ -
Program Income	\$ -	Program Income	\$ -
<b>Total Revenue</b>	<b>\$ 328,952</b>	<b>Total Revenue</b>	<b>\$ 328,952</b>
<b><u>Expenditures</u></b>		<b><u>Expenditures</u></b>	
Administration	\$ 17,348	Administration	\$ 17,348
Program Operations	\$ 301,986	Program Operations	\$ 302,268
Insurance	\$ 5,916	Insurance	\$ 5,916
T&TA	\$ 3,702	T&TA	\$ 3,420
Other	\$ -	Other	\$ -
<b>Total Expenditures</b>	<b>\$ 328,952</b>	<b>Total Expenditures</b>	<b>\$ 328,952</b>
<b>Ending Fund Balance</b>	<b>\$ -</b>	<b>Ending Fund Balance</b>	<b>\$ -</b>

**Note: Recipient and Energy Center fund balance must be in agreement. If not the difference must be corrected before the audit is acceptable.**

<b>BEGINNING AGENCY FUND BALANCE</b>	
<b>(CARRY-OVER) (As of October 1)</b>	\$ -
<b>GRANT REVENUE</b>	
<b>(Funds Received October 1 through November 30)</b>	<b>\$ 328,952</b>
<b>PROGRAM INCOME</b>	\$ -
<b>LESS EXPENDITURES</b>	
<b>(October 1 through November 30)</b>	<b>\$ 328,952</b>
<b>AGENCY ENDING FUND BALANCE</b>	\$ -
<b>Ending Cash on Hand</b>	\$ -
<b>Ending Inventory</b>	\$ -

EAST MISSOURI ACTION AGENCY, INC.  
SUPPLEMENTAL CSBG PROGRAM SCHEDULE  
 For the Program Year Ended September 30, 2020

REVENUES	Budget	Actual	Over (Under) Budget
2020 Base Contract Amount	\$ 865,692	\$ 720,628	( \$ 145,064 )
FFY 2019 Allocation Carry-Over Funds FFY 2019	26,991	26,991	-
FFY 2020 Additional Allocation	221,086	221,086	-
Other Income FY 2018 Discretionary Fund	<u>-</u>	<u>2,126</u>	<u>2,126</u>
Total Revenue	1,113,769	970,831	( 142,938 )
<b>EXPENSES (2019 Carry-Over)</b>			
Salaries and Wages	17,641	17,641	-
Fringe Benefits	4,974	4,974	-
Travel	287	287	-
Supplies	18	18	-
Other	226	226	-
Indirect Costs	<u>3,845</u>	<u>3,845</u>	<u>-</u>
Total Expenses (2019 Carry-Over)	<u>\$ 26,991</u>	<u>\$ 26,991</u>	<u>\$ -</u>
<b>EXPENSES (2020 Base Contract)</b>			
Salaries and Wages	438,898	386,410	( 52,488 )
Fringe Benefits	143,843	108,484	( 35,359 )
Travel	16,000	13,584	( 2,416 )
Equipment	9,081	4,956	( 4,125 )
Supplies	14,000	10,968	( 3,032 )
Consultants and Contract Services	10,000	9,626	( 374 )
Other	<u>147,100</u>	<u>117,220</u>	<u>( 29,880 )</u>
Total Direct Costs	<u>778,922</u>	<u>651,248</u>	<u>( 127,674 )</u>
Indirect Costs	<u>86,770</u>	<u>69,380</u>	<u>( 17,390 )</u>
Total Expenses (2020 Base Contract)	<u>\$ 865,692</u>	<u>\$ 720,628</u>	<u>( \$ 145,064 )</u>
<b>EXPENSES (2020 Discretionary Fund)</b>			
Salaries and Wages	105,358	105,358	-
Fringe Benefits	30,381	30,381	-
Travel	8,795	8,795	-
Equipment	2,171	2,171	-
Supplies	12,297	12,297	-
Consultants and Contract Services	1,750	1,750	-
Other	<u>40,122</u>	<u>40,122</u>	<u>-</u>
Total Direct Costs	<u>200,874</u>	<u>200,874</u>	<u>-</u>
Indirect Costs	<u>20,212</u>	<u>20,212</u>	<u>-</u>
Total Expenses (2020 Discretionary Fund)	<u>\$ 221,086</u>	<u>\$ 221,086</u>	<u>\$ -</u>
<b>EXPENSES (Other Income)</b>			
Other	<u>-</u>	<u>2,126</u>	<u>2,126</u>
Total Direct Costs	<u>-</u>	<u>2,126</u>	<u>2,126</u>
Indirect Costs	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses (Other Income)	<u>\$ -</u>	<u>\$ 2,126</u>	<u>\$ 2,126</u>
Total Expenses	<u>\$ 1,113,769</u>	<u>\$ 970,831</u>	<u>( \$ 142,938 )</u>
Revenue Over (Under) Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EAST MISSOURI ACTION AGENCY, INC.  
HEAD START PROGRAM  
SCHEDULE OF GRANT REVENUES AND ALLOWABLE  
EXPENSES - BUDGET AND ACTUAL  
 For The Program Year Ended December 31, 2020

	<b>Budget</b>	<b>Actual</b>	<b>Over (Under)</b> <b>Budget</b>
<b>REVENUES</b>			
Grant - PA22	\$ 5,162,092	\$ 4,854,130	(\$ 307,962 )
Grant - PA20	55,656	55,656	-
In-Kind	1,207,967	1,426,906	218,939
Summer - Covid	<u>476,314</u>	<u>301,874</u>	<u>( 174,440 )</u>
Total Revenue	<u>\$ 6,902,029</u>	<u>\$ 6,638,566</u>	<u>( \$ 263,463 )</u>
<b>EXPENSES (PA 20)</b>			
Salaries and Wages	\$ -	\$ 11,482	\$ 11,482
Fringe Benefits	-	3,519	3,519
Travel	13,291	( 80 )	( 13,371 )
Supplies	4,415	( 6 )	( 4,421 )
Other	<u>37,950</u>	<u>38,507</u>	<u>557</u>
	<u>55,656</u>	<u>53,422</u>	<u>( 2,234 )</u>
Indirect Costs	<u>-</u>	<u>2,234</u>	<u>2,234</u>
In-Kind	<u>-</u>	<u>-</u>	<u>( - )</u>
Total Expenses (PA 20)	<u>\$ 55,656</u>	<u>\$ 55,656</u>	<u>( \$ - )</u>
<b>DIRECT COSTS (PA 22)</b>			
Salaries and Wages	2,742,156	2,636,820	( 105,335 )
Fringe Benefits	818,506	780,793	( 37,713 )
Travel	36,950	25,704	( 11,246 )
Equipment	176,000	120,879	( 55,121 )
Supplies	233,385	140,448	( 92,938 )
Consultants and Contract Services	13,405	16,926	3,521
Other	<u>624,079</u>	<u>623,678</u>	<u>( 401 )</u>
Total Direct Costs	<u>4,644,481</u>	<u>4,345,248</u>	<u>( 299,233 )</u>
Indirect Costs	<u>517,611</u>	<u>508,882</u>	<u>( 8,729 )</u>
In-Kind	<u>1,207,967</u>	<u>1,426,906</u>	<u>218,939</u>
Total Expenses (PA22)	<u>\$ 6,370,059</u>	<u>\$ 6,281,036</u>	<u>( \$ 89,023 )</u>
<b>SUMMER - COVID</b>			
Salaries and Wages	\$ 212,506	\$ 159,722	( \$ 52,784 )
Fringe Benefits	88,070	82,657	( 5,413 )
Covid	<u>130,982</u>	<u>23,405</u>	<u>( 107,577 )</u>
Total Direct Costs	<u>431,558</u>	<u>265,784</u>	<u>( 165,774 )</u>
Indirect Costs	<u>44,756</u>	<u>36,090</u>	<u>( 8,666 )</u>
Total Expense Covid	<u>\$ 476,314</u>	<u>\$ 301,874</u>	<u>( \$ 174,440 )</u>
Total Expenses	<u>\$ 6,902,029</u>	<u>\$ 6,638,566</u>	<u>( \$ 263,463 )</u>
Revenue Over (Under) Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditor's report.

EAST MISSOURI ACTION AGENCY, INC.  
INDIRECT COST POOL  
STATEMENT OF REVENUES AND EXPENSES  
For the Program Year Ended September 30, 2020

<b>REVENUES</b>	<u>\$ 915,603</u>
<b>EXPENSES</b>	
Salaries and Fringe Benefits	590,003
Travel	21,732
Training	11,546
Supplies	70,836
Consultants & Contract Services	120,288
Insurance	8,015
Rent and Occupancy	72,378
Other Expenses	<u>20,805</u>
<b>Total Expenses</b>	<u>915,603</u>
<b>EXCESS OF REVENUES (UNDER) EXPENSES</b>	<u>( \$ - )</u>

EAST MISSOURI ACTION AGENCY, INC.  
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM  
STATEMENT OF REVENUES AND EXPENSES  
 For The Program Year Ended September 30, 2020

<b>REVENUES</b>	<b>Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
Contract Amount	\$ 2,730,152	\$ 2,121,895	( \$ 608,257 )
Transfer Revenue	<u>22,065</u>	<u>22,065</u>	<u>-</u>
<b>TOTAL REVENUE</b>	<u>2,752,217</u>	<u>2,143,960</u>	<u>( 608,257 )</u>
 <b>EXPENSES</b>			
Administrative/Program Service:			
Salaries & Fringe Benefits	187,218	187,218	-
Indirect	27,877	27,877	-
Contracting	4,447	4,447	-
Travel and Training	1,121	1,121	-
Rent/Space	32,215	32,215	-
Utilities	20,353	20,353	-
Insurance	3,277	3,277	-
Supplies	-	-	-
Equipment	-	-	-
Background check	-	-	-
Document Destruction	-	-	-
Communications Services	14,380	14,380	-
Repair and Maintenance	-	-	-
Other	<u>613</u>	<u>613</u>	<u>-</u>
<b>TOTAL ADMINISTRATIVE/PROGRAM SERVICES</b>	291,501	291,501	-
 <b>DIRECT SERVICES</b>			
Winter	1,355,613	1,012,771	( 342,842 )
Summer	<u>1,105,104</u>	<u>839,688</u>	<u>( 265,416 )</u>
<b>TOTAL DIRECT SERVICES</b>	2,460,717	1,852,459	( 608,258 )
 <b>OUTREACH &amp; EDUCATION</b>			
Personnel	-	-	-
Travel	-	-	-
Supplies	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL OUTREACH AND EDUCATION</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL EXPENSES</b>	<u>2,752,218</u>	<u>2,143,960</u>	<u>( 608,258 )</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENSE</b>	<u>( \$ 1 )</u>	<u>\$ -</u>	<u>( \$ 1 )</u>

See accompanying independent auditor's report.



EAST MISSOURI ACTION AGENCY, INC.  
BRETTWOOD ELDERLY APARTMENTS  
STATEMENT OF FINANCIAL POSITION  
September 30, 2020

ASSETS

Current Assets:

Cash and Cash Equivalents	\$	776
Security Deposits		12,349
Escrow Deposits		3,896
Reserve		<u>367,997</u>
Total Current Portion		<u>385,018</u>

Property and Equipment:

Land		83,630
Buildings		587,242
Less Accumulated Depreciation	(	<u>177,416</u> )
Total Property and Equipment		<u>493,456</u>

TOTAL ASSETS \$ 878,474

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts Payable	\$	13,650
Accounts Interest		3,970
Security Deposits		11,520
Deferred Revenue		627
Note Payable - Current Portion		<u>9,600</u>
Total Current Liabilities		<u>39,367</u>

Long-Term Liabilities:

Note Payable - Less Current Portion		<u>647,424</u>
Total Long-Term Liabilities		<u>647,424</u>

Net Assets:

Net Assets With Donor Restrictions		<u>191,683</u>
Total Net Assets		<u>191,683</u>

TOTAL LIABILITIES AND NET ASSETS \$ 878,474

EAST MISSOURI ACTION AGENCY, INC.  
BRETTWOOD ELDERLY APARTMENTS  
STATEMENT OF REVENUES AND EXPENSES  
For The Program Year Ended September 30, 2020

REVENUES:	
Rental Income	\$ 51,112
Interest Subsidy	37,476
USDA Rental Assistance	85,755
Interest Income	370
Other Income	4,778
Payment Protection Program	<u>5,939</u>
Total Revenues	<u>185,430</u>
EXPENSES:	
Maintenance and Repairs	51,975
Utilities	14,957
Other Supplies	868
Insurance	14,073
Management Fees	14,993
Interest Expense	47,936
Depreciation Expense	15,906
Salaries & Fringe	38,398
Other Expense	<u>657</u>
Total Expenses	<u>199,763</u>
EXCESS OF REVENUES OVER (UNDER) EXPENSES	<u>( \$ 14,333 )</u>

EAST MISSOURI ACTION AGENCY, INC.  
PARK HILLS APARTMENTS II, LP  
STATEMENT OF FINANCIAL POSITION  
September 30, 2020

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 7,561
Accounts Receivable-Tenants	517
Security Deposit	7,366
Reserve	78,986
Insurance	11,715
Prepaid Insurance	6,763
Total Current Portion	<u>112,908</u>

Property and Equipment:

Land	40,000
Buildings	474,308
Less Accumulated Depreciation	( 55,336 )
Total Property and Equipment	<u>458,972</u>

TOTAL ASSETS \$ 571,880

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts Payable	27,149
Accrued Management Fees	686
Accrued Interest	865
Accrued Real Estate Taxes	3,727
Security Deposits	7,560
Note Payable - Current Portion	7,593
Total Current Liabilities	<u>47,580</u>

Long-Term Liabilities:

Note Payable - Less Current Portion	<u>605,486</u>
Total Long-Term Liabilities	<u>605,486</u>

Net Assets:

Net Assets With Donor Restrictions	( 81,186 )
Total Net Assets	<u>( 81,186 )</u>

TOTAL LIABILITIES AND NET ASSETS \$ 571,880

See accompanying independent auditor's report.

EAST MISSOURI ACTION AGENCY, INC.  
PARK HILLS APARTMENTS II, LP  
STATEMENT OF REVENUES AND EXPENSES  
For The Program Year Ended September 30, 2020

REVENUES:	
Rental Income	\$ 20,016
Interest Subsidy	31,000
USDA Rental Assistance	77,980
Interest Income	3
Other Income	<u>4,966</u>
 Total Revenues	 <u>133,965</u>
 EXPENSES:	
Maintenance and Repairs	25,910
Utilities	13,338
Other Supplies	2,174
Insurance	13,200
Management Fees	8,232
Interest Expense	42,501
Depreciation Expense	12,846
Salaries & Fringe	12,651
Consultants	2,615
Travel	366
Real Estate Taxes	<u>4,970</u>
 Total Expenses	 <u>138,803</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENSES	 <u><u>(\$ 4,838 )</u></u>

See accompanying independent auditor's report.