

EAST MISSOURI ACTION AGENCY, INC.
CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION AND
INDEPENDENT AUDITOR'S REPORTS
SEPTEMBER 30, 2019

TABLE OF CONTENTS

Independent Auditor's Report	1 - 2
Financial Statements:	
Consolidated Statement of Financial Position	3
Consolidated Statement of Activities	4
Consolidated Statement of Functional Expenses	5
Consolidated Statement of Cash Flows	6
Notes to Financial Statements	7 - 13
Federal Awards:	
Schedule of Expenditures of Federal Awards	14 - 15
Independent Auditor's Report on Internal Control Over Financial Reporting and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	16 - 17
Independent Auditor's Report on Compliance for Each Major Program and Internal Control Over Compliance Required By The Uniform Guidance	18 - 19
Schedule of Findings and Questioned Costs	20 - 22
Supplementary Information:	
Weatherization Assistance for Low Income Persons Subgrant No: G-18-14-0258-3-03	23
Weatherization Assistance for Low Income Persons Subgrant No: G-18-10-0363-7-03	24
Weatherization Assistance for Low Income Persons Subgrant No: G-18-10-0171-7-03	25
Weatherization Assistance for Low Income Persons Subgrant No: G-18-14-0152-3-03	26
Weatherization Assistance for Low Income Persons Subgrant No: G-18-EE0007930-2-03	27
Weatherization Assistance for Low Income Persons Subgrant No: G-19-LIHEAP-19-03	28

TABLE OF CONTENTS
(Continued)

Supplemental CSBG Program Schedule	29
Head Start Program – Schedule of Grant Revenues and Allowable Expenses – Budget and Actual	30
Indirect Cost Pool – Statement of Revenues and Expenses	31
Low Income Home Energy Assistance Program – Statement of Revenues and Expenses	32
Low Income Home Energy Assistance Program – Statement of Revenues and Expenses - Kansas City	33
Brettwood Elderly Apartments – Statement of Financial Position	34
Brettwood Elderly Apartments – Statement of Revenues and Expenses	35
Park Hills Apartments II, LP – Statement of Financial Position	36
Park Hills Apartments II, LP – Statement of Revenues and Expenses	37

Boyer & Associates, PC

Certified Public Accountants

(573) 431-6145 (573) 431-7500

Fax (573) 431-0677

P.O. Box 98 – 905 E. Main Street

Park Hills, MO 63601

INDEPENDENT AUDITOR'S REPORT

March 23, 2020

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, 2019, 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, 2019 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 March 23, 2020, 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

-3-
EAST MISSOURI ACTION AGENCY, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
September 30, 2019

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 1,023,226
Prepaid Expenses	209,782
Accounts Receivable	81,611
Grants Receivable	646,246
Note Receivable - Current Portion	33,961
Total Current Portion	1,994,826

Restricted Assets:

Employee Benefit Reserves	128,550
Housing Project Reserves	976,724
Loan Fund Cash	192,142
Loan Fund Notes Receivable	113,862
Total Restricted Assets	1,411,278

Property and Equipment:

Land	235,001
Equipment	713,897
Buildings	6,197,227
Land Improvements	141,070
Less Accumulated Depreciation	(2,205,174)
Total Property and Equipment	5,082,021

Other Assets:

Investment in Limited Partnerships	312,217
Note Receivable - Less Current Portion	85,737
Total Other Assets	397,954

TOTAL ASSETS	\$ 8,886,079
--------------	--------------

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts Payable	\$ 299,809
Accrued Salaries	301,070
Accrued Earned Time Off	328,657
Security Deposits	46,703
Deferred Revenue	111,112
Note Payable - Current Portion	91,806
Total Current Liabilities	1,179,157

Long-Term Liabilities:

Note Payable - Less Current Portion	2,545,042
Total Long-Term Liabilities	2,545,042

Net Assets:

Net Assets Without Donor Restrictions	720,677
Net Assets With Donor Restrictions	4,441,202
Total Net Assets	5,161,879

TOTAL LIABILITIES AND NET ASSETS	\$ 8,886,079
----------------------------------	--------------

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, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Grant Revenue	\$ 11,295,381	\$ 323,647	\$ 11,619,028
In-Kind Contributions	1,108,680	-	1,108,680
Other Income	34,629	6,553	41,182
Fee for Services	258,660	6,353	265,013
Contributions	66,031	-	66,031
Rent Income	104,709	398,445	503,154
Interest Income	11,364	-	11,364
Release of Restrictions	722,906	(722,906)	-
	<u>13,602,360</u>	<u>12,092</u>	<u>13,614,452</u>
EXPENSES			
Housing	3,347,907	-	3,347,907
Women's Wellness	280,414	-	280,414
Head Start	5,740,844	-	5,740,844
Community Services	3,171,013	-	3,171,013
Economic Development	95,867	-	95,867
	<u>12,636,045</u>	<u>-</u>	<u>12,636,045</u>
Total Program Expense			
Management and General	958,643	-	958,643
Fundraising	2,776	-	2,776
	<u>961,419</u>	<u>-</u>	<u>961,419</u>
Total Support Services			
Total Expenses	<u>13,597,464</u>	<u>-</u>	<u>13,597,464</u>
CHANGE IN NET ASSETS	<u>4,896</u>	<u>12,092</u>	<u>16,988</u>
NET ASSETS, BEGINNING OF YEAR, as previously reported	599,033	4,545,858	5,144,891
Reclassification of fixed assets without donor restrictions	116,748	(116,748)	-
NET ASSETS, BEGINNING OF YEAR, as reclassified	<u>715,781</u>	<u>4,429,110</u>	<u>5,144,891</u>
NET ASSETS, END OF YEAR	<u>\$ 720,677</u>	<u>\$ 4,441,202</u>	<u>\$ 5,161,879</u>

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

EAST MISSOURI ACTION AGENCY, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
 Year Ended September 30, 2019

	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	\$ 1,314,690	\$ 187,981	\$ 3,404,819	\$ 901,389	\$ 74,021	\$ 5,882,900	\$ 530,485	\$ 2,500	\$ 532,985	\$ 6,415,885
Travel	39,082	2,117	57,359	20,395	900	119,853	25,372	84	25,456	145,309
Training	9,031	979	44,625	36,257	3,060	93,952	23,705	16	23,721	117,673
Maintenance and repairs	167,832	10,817	59,422	16,753	3,405	258,229	33,815	-	33,815	292,044
Supplies	100,542	13,750	171,283	64,579	1,650	351,804	94,639	176	94,815	446,619
Professional Services	97,910	2,038	13,247	41,135	4,320	158,650	114,227	-	114,227	272,877
Insurance	81,239	7,225	46,698	9,744	1,389	146,295	9,553	-	9,553	155,848
Depreciation	162,343	-	-	-	-	162,343	36,846	-	36,846	199,189
Rent	57,588	30,336	357,905	79,646	-	525,475	52,166	-	52,166	577,641
Utilities	135,583	16,643	142,759	47,640	7,000	349,625	35,418	-	35,418	385,043
Other expenses	19,301	15	24	3,052	-	22,392	2,417	-	2,417	24,809
In-kind expenses	-	1,626	1,095,296	-	-	1,096,922	-	-	-	1,096,922
Client support	1,046,711	6,887	347,407	1,950,423	-	3,351,428	-	-	-	3,351,428
Bad Debt	1,900	-	-	-	-	1,900	-	-	-	1,900
Taxes	5,537	-	-	-	-	5,537	-	-	-	5,537
Return of Residual Receipts	4,170	-	-	-	-	4,170	-	-	-	4,170
Interest expense	104,448	-	-	-	122	104,570	-	-	-	104,570
Total Expenses	\$ 3,347,907	\$ 280,414	\$ 5,740,844	\$ 3,171,013	\$ 95,867	\$ 12,636,045	\$ 958,643	\$ 2,776	\$ 961,419	\$ 13,597,464

EAST MISSOURI ACTION AGENCY, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended September 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in Net Assets	\$ 16,988
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	199,189
Loss on Investment	(980)
Loan Loss	-
(Increase) Decrease in:	
Grants Receivable	104,682
Accounts Receivable	104,968
Prepaid Expenses	(85,614)
Increase (Decrease) in:	
Accounts Payable	74,312
Accrued Expenses	28,615
Deferred Revenue	(38,286)
Net Cash Provided (Used) by Operating Activities	<u>403,874</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Notes Receivable Collected	75,666
Notes Receivable Disbursed	(50,000)
Purchase of Property and Equipment	(26,805)
NET CASH USED IN INVESTING ACTIVITIES	(1,139)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Payment of Principal on Note Payable	(90,509)
NET CASH USED BY FINANCING ACTIVITIES	(90,509)
INCREASE IN CASH AND CASH EQUIVALENTS	312,226
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,008,416</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$2,320,642</u></u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION	
Interest Paid	<u>\$ 104,570</u>

EAST MISSOURI ACTION AGENCY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2019

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, 2019, 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 EMMA 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 EMMA. The assets, liabilities, net assets, revenue and expenses for MSCH were included in the consolidated financial statements of EMMA.

Principles of Consolidation – The consolidated financial statements include the accounts of EMMA, 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, 2019

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.

Accounting Principles and Financial Statement Presentation

On August 18, 2016, FASB issued ASU 2016-14, Not-For-Profit Entities (Topic 958)-Presentation of Financial Statements of Not-For-Profit Entities. The update addresses the complexity of net assets classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Project has adjusted the presentation of these statements accordingly.

In this year of implementation, fixed assets that were not restricted by a specific time or use restriction and previously reported as temporarily restricted net assets were reclassified as net assets without donor restrictions, effective at the beginning of the current reporting period. The reclassification resulted in additional net assets without donor restrictions of \$116,748.

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, 2019 amounted to \$199,190.

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.

EAST MISSOURI ACTION AGENCY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 18,114 and had an estimated value of \$227,400. 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, 2019:

U.S. Department of Health and Human Services	62%
U.S. Department of Housing and Urban Development	5%
U.S. Department of Agriculture	5%

Also, the major grant receivable at September 30, 2019 was the U.S. Department of Health and Human Services at 46% of the total grants 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, 2019, 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 Brettwood Apartments and Cheryl Estates that were under collateralized by \$324,672.

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, 2019 accrued benefits for earned time off was approximately \$328,657.

EAST MISSOURI ACTION AGENCY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 September 30, 2019

NOTE 5 – NOTE PAYABLE

Note payable at September 30, 2019 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. \$ 10,914

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. 620,187

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. 665,953

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. 868,499

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. 471,295

Less Current Portion (91,806)
 Long Term Notes Payable \$ 2,545,042

Maturities of long-term debt for the year ended September 30, 2019 are as follows:

Year Ending 30-Sep	Principal	Interest	Total
2020	\$ 91,806	\$ 102,792	\$ 194,598
2021	93,631	100,967	194,598
2022	95,656	98,942	194,598
2023	97,779	96,819	194,598
2024	100,007	94,591	194,598
2025 - 2029	537,681	439,031	976,712
2030 - 2034	611,375	359,048	970,423
2035 - 2039	399,168	264,090	663,258
2040 - 2044	376,917	151,399	528,316
Thereafter	232,828	28,045	260,873
Totals	<u>\$2,636,848</u>	<u>\$1,735,724</u>	<u>\$4,372,572</u>

EAST MISSOURI ACTION AGENCY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2019

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 1.6:1. 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 in the amount of \$200,000. These funds may be utilized to cover deficits in cash on an as needed basis, and repaid as funds become available to do so. As of March 23, 2020, EMAA has \$200,000 available to borrow from this line of credit. EMAA is looking to raise the line of credit 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, 2019, the Corporation provided for approximately \$89,841 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, 2019

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, 2019. Future minimum rental payments are as follows:

<u>Year Ending September 30,</u>	<u>Total</u>
2020	\$ 621,027
2021	145,776
2022	104,539
2023	25,200
2024	25,200
2025 - 2027	<u>54,600</u>
	<u>\$ 976,342</u>

NOTE 10 – COMMITMENTS AND CONTINGENCIES

East Missouri Action Agency has evaluated the possible impact of the COVID 19 virus on the operations of the Agency. The Agency's largest program, Head Start, was closed along with the local public schools. Head Start funding is to be continued to prevent the layoff of personnel. The children's food program is continuing on an ongoing basis by providing "take-out" lunches. The Agency has been assured that funding will support the cost of services provided.

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, 2019

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 2nd 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 \$70,182.

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 seven loans to businesses that were outstanding at year end. The balance of the notes receivable as of September 30, 2019 was \$163,378. A loan loss reserve 10% of the balance of the notes was recorded at year end. The amount of the reserve was \$18,153.

NOTE 12 – DATE OF MANAGEMENT’S REVIEW

Subsequent events were evaluated through March 23, 2020 which is the date the consolidated financial statements were available to be issued.

NOTE 13 – NET ASSETS WITH DONOR RESTRICTIONS

East Missouri Action Agency, Inc. has the following net assets with donor restrictions as of September 30, 2019:

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	223,766
Salem Villa	31,423
Brettwood Apartments	205,905
Park Hills Apartments	(76,347)
Oaks Terrace	<u>1,915,000</u>
	4,065,016

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>70,182</u>

Total Net Assets With Donor Restrictions \$4,441,202

EAST MISSOURI ACTION AGENCY, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended September 30, 2019

<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	\$ 105,511
Rural Rental Housing Loan	10.415	N/A	1,323,616
Rural Rental Housing Assistance	10.427	N/A	184,954
Passed through Missouri Department of Health:			
Child and Adult Care Food Program	10.558	N/A	400,297
Summer Food Service Program for Children	10.559	N/A	<u>44,500</u>
Total U.S. Department of Agriculture			<u>2,058,878</u>
<u>U.S. Department of Housing and Urban Development:</u>			
Direct:			
Supportive Housing for Elderly Section 202	14.157	N/A	2,016,359
Passed through Missouri Housing Development Commission:			
Shelter Plus Care	14.238	N/A	206,100
Home Investment Partnerships Program	14.239	N/A	<u>2,712,947</u>
Total U.S. Department of Housing & Urban Development			<u>4,935,406</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>210,846</u>
Total US. Department of Energy			<u>210,846</u>

EAST MISSOURI ACTION AGENCY, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended September 30, 2019

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass - Through Identification Number</u>	<u>Expenditures</u>
<u>U.S. Department of Homeland Security</u>			
Direct:			
EFSP	97.024	N/A	8,493
			<u>8,493</u>
<u>U.S. Department of Health and Human Services:</u>			
Direct:			
Head Start	93.600	N/A	4,731,072
Passed through Missouri Department of Social Services:			
Community Services Block Grant	93.569	N/A	882,129
Low-Income Home Energy Assistance	93.568	N/A	2,205,436
Passed through Missouri Community Action Network:			
Temporary Assistance for Needy Families	93.558	N/A	124,938
Passed through Missouri Family Health Council:			
Family Planning Services - Title X	93.217	N/A	189,485
Passed through Missouri Department of Health:			
Family Planning - Show me Healthy Women	93.919	N/A	1,299
Passed through Missouri Department of Economic Development:			
Low-Income Home Energy Assistance	93.568	N/A	313,205
Total U.S. Department of Health and Human Services			<u>8,447,564</u>
TOTAL FEDERAL AWARDS			<u>\$ 15,661,187</u>

Notes to the Schedule of Expenditures of Federal Awards for the Year Ended September 30, 2019.

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, 2019. 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, 2019.

FEDERAL AWARDS

Boyer & Associates, PC

Certified Public Accountants

(573) 431-6145 (573) 431-7500

Fax (573) 431-0677

P.O. Box 98 – 905 E. Main Street

Park Hills, MO 63601

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*

March 23, 2020

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, 2019, 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 March 23, 2020.

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

Boyer & Associates, PC

Certified Public Accountants

(573) 431-6145 (573) 431-7500

Fax (573) 431-0677

P.O. Box 98 – 905 E. Main Street

Park Hills, MO 63601

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

March 23, 2020

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, 2019. 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, 2019.

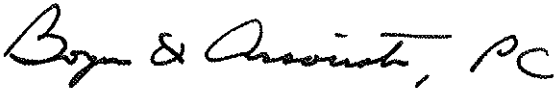
Report on Internal Control Over Compliance

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, 2019

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 ___x no
- Significant deficiency(ies) identified? ___yes ___x none reported

Noncompliance material to financial statements noted? ___yes ___x no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ___yes ___x no
- Significant deficiency(ies)? ___yes ___x 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 ___x no

Identification of major programs:

<u>CDFA#</u>	<u>PROGRAM</u>
93.568	Low-Income Home Energy Assistance
93.569	Community Services Block Grant

EAST MISSOURI ACTION AGENCY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2019

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

EAST MISSOURI ACTION AGENCY, INC.
SCHEDULE OF THE STATUS OF PRIOR YEAR FINDINGS, QUESTIONED COSTS
AND RECOMMENDATIONS
For the Year Ended September 30, 2019

2018-1 - The Replacement Reserve Deficiency was funded to the specified amount, \$14,400, per the revised rental agreement. The amount was funded on February 27, 2019 after sufficient funds were received from HUD. **Closed.**

2018-2 – The security deposit was funded by March 31, 2019. **Closed.**

SUPPLEMENTARY INFORMATION

EAST MISSOURI ACTION AGENCY, INC.
WEATHERIZATION ASSISTANCE FOR LOW INCOME PERSONS
SUBGRANT NO: G-18-14-0258-3-03
RECONCILIATION OF REVENUES AND EXPENSES
 For the Period of November 1, 2017 to October 31, 2018

<u>ENERGY CENTER</u>		<u>SUBGRANTEE</u>	
Beginning Fund Balance	\$ -	Beginning Fund Balance	\$ -
<u>Revenue</u>		<u>Revenue</u>	
Grant Income	\$ 83,795	Grant Income	\$ 83,795
Carry Over Funds	\$ -	Carry Over Funds	\$ -
Program Income	\$ -	Program Income	\$ -
Total Revenue	\$ 83,795	Total Revenue	\$ 83,795
<u>Expenditures</u>		<u>Expenditures</u>	
Administration	\$ 1,985	Administration	\$ 1,985
Program Operations	\$ 81,360	Program Operations	\$ 81,360
Insurance	\$ 450	Insurance	\$ 450
T&TA	\$ -	T&TA	\$ -
Other	\$ -	Other	\$ -
Total Expenditures	\$ 83,795	Total Expenditures	\$ 83,795
Ending Fund Balance	\$ -	Ending Fund Balance	\$ -

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

BEGINNING AGENCY FUND BALANCE			
(CARRY-OVER) (As of November 1)			\$ -
GRANT REVENUE			
(Funds Received November 1 through October 31)			\$ 83,795
PROGRAM INCOME			\$ -
LESS EXPENDITURES			
(November 1 through October 31)			\$ 83,795
AGENCY ENDING FUND BALANCE			\$ -
Ending Cash on Hand			\$ -
Ending Inventory			\$ -

EAST MISSOURI ACTION AGENCY, INC.
 WEATHERIZATION ASSISTANCE FOR LOW INCOME PERSONS
 SUBGRANT NO: G-18-10-0363-7-03
RECONCILIATION OF REVENUES AND EXPENSES
 For the Period of November 1, 2017 to October 31, 2018

<u>ENERGY CENTER</u>		<u>SUBGRANTEE</u>	
Beginning Fund Balance	\$ -	Beginning Fund Balance	\$ -
<u>Revenue</u>		<u>Revenue</u>	
Grant Income	\$ 34,617	Grant Income	\$ 34,617
Carry Over Funds	\$ -	Carry Over Funds	\$ -
Program Income	\$ -	Program Income	\$ -
Total Revenue	\$ 34,617	Total Revenue	\$ 34,617
<u>Expenditures</u>		<u>Expenditures</u>	
Administration	\$ 1,770	Administration	\$ 1,770
Program Operations	\$ 32,847	Program Operations	\$ 32,847
Insurance	\$ -	Insurance	\$ -
T&TA	\$ -	T&TA	\$ -
Other	\$ -	Other	\$ -
Total Expenditures	\$ 34,617	Total Expenditures	\$ 34,617
Ending Fund Balance	\$ -	Ending Fund Balance	\$ -

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

BEGINNING AGENCY FUND BALANCE		
(CARRY-OVER) (As of November 1)		\$ -
GRANT REVENUE		
(Funds Received November 1 through October 31)		\$ 34,617
PROGRAM INCOME		\$ -
LESS EXPENDITURES		
(November 1 through October 31)		\$ 34,617
AGENCY ENDING FUND BALANCE		\$ -
Ending Cash on Hand		\$ -
Ending Inventory		\$ -

See accompanying independent auditor's report.

EAST MISSOURI ACTION AGENCY, INC.
WEATHERIZATION ASSISTANCE FOR LOW INCOME PERSONS
SUBGRANT NO: G-18-10-0171-7-03
RECONCILIATION OF REVENUES AND EXPENSES
 For the Period of November 1, 2017 to October 31, 2018

<u>ENERGY CENTER</u>		<u>SUBGRANTEE</u>	
Beginning Fund Balance	\$ -	Beginning Fund Balance	\$ -
<u>Revenue</u>		<u>Revenue</u>	
Grant Income	\$ 33,179	Grant Income	\$ 33,179
Carry Over Funds	\$ -	Carry Over Funds	\$ -
Program Income	\$ -	Program Income	\$ -
Total Revenue	\$ 33,179	Total Revenue	\$ 33,179
<u>Expenditures</u>		<u>Expenditures</u>	
Administration	\$ 1,715	Administration	\$ 1,715
Program Operations	\$ 30,997	Program Operations	\$ 30,997
Insurance	\$ 467	Insurance	\$ 467
T&TA	\$ -	T&TA	\$ -
Other	\$ -	Other	\$ -
Total Expenditures	\$ 33,179	Total Expenditures	\$ 33,179
Ending Fund Balance	\$ -	Ending Fund Balance	\$ -

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.

BEGINNING AGENCY FUND BALANCE (CARRY-OVER) (As of November 1)	\$ -
GRANT REVENUE (Funds Received November 1 through October 31)	\$ 33,179
PROGRAM INCOME	\$ -
LESS EXPENDITURES (November 1 through October 31)	\$ 33,179
AGENCY ENDING FUND BALANCE	\$ -
Ending Cash on Hand	\$ -
Ending Inventory	\$ -

EAST MISSOURI ACTION AGENCY, INC.
 WEATHERIZATION ASSISTANCE FOR LOW INCOME PERSONS
 SUBGRANT NO: G-18-14-0152-3-03
RECONCILIATION OF REVENUES AND EXPENSES
 For the Period of November 1, 2017 to October 31, 2018

<u>ENERGY CENTER</u>		<u>SUBGRANTEE</u>	
Beginning Fund Balance	\$ -	Beginning Fund Balance	\$ -
<u>Revenue</u>		<u>Revenue</u>	
Grant Income	\$ 18,726	Grant Income	\$ 18,726
Carry Over Funds	\$ -	Carry Over Funds	\$ -
Program Income	\$ -	Program Income	\$ -
Total Revenue	\$ 18,726	Total Revenue	\$ 18,726
<u>Expenditures</u>		<u>Expenditures</u>	
Administration	\$ 666	Administration	\$ 666
Program Operations	\$ 17,752	Program Operations	\$ 17,752
Insurance	\$ 308	Insurance	\$ 308
T&TA	\$ -	T&TA	\$ -
Other	\$ -	Other	\$ -
Total Expenditures	\$ 18,726	Total Expenditures	\$ 18,726
Ending Fund Balance	\$ -	Ending Fund Balance	\$ -

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

BEGINNING AGENCY FUND BALANCE (CARRY-OVER) (As of November 1)	\$ -
GRANT REVENUE (Funds Received November 1 through October 31)	\$ 18,726
PROGRAM INCOME	\$ -
LESS EXPENDITURES (November 1 through October 31)	\$ 18,726
AGENCY ENDING FUND BALANCE	\$ -
Ending Cash on Hand	\$ -
Ending Inventory	\$ -

EAST MISSOURI ACTION AGENCY, INC.
 WEATHERIZATION ASSISTANCE FOR LOW INCOME PERSONS
 SUBGRANT NO: G-18-EE0007930-2-03
RECONCILIATION OF REVENUES AND EXPENSES
 For the Period of July 1, 2018 to June 30, 2019

<u>ENERGY CENTER</u>	<u>SUBGRANTEE</u>
Beginning Fund Balance	\$ -
<u>Revenue</u>	<u>Revenue</u>
Grant Income	\$ 251,354
Carry Over Funds	\$ -
Program Income	\$ -
Total Revenue	\$ 251,354
<u>Expenditures</u>	<u>Expenditures</u>
Administration	\$ 11,735
Program Operations	\$ 226,197
Insurance	\$ 6,118
T&TA	\$ 7,304
Other	\$ -
Total Expenditures	\$ 251,354
Ending Fund Balance	\$ -

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

BEGINNING AGENCY FUND BALANCE	\$ -
(CARRY-OVER) (As of November 1)	\$ -
GRANT REVENUE	\$ 251,354
(Funds Received November 1 through October 31)	\$ -
PROGRAM INCOME	\$ -
LESS EXPENDITURES	\$ 251,354
(November 1 through October 31)	\$ -
AGENCY ENDING FUND BALANCE	\$ -
Ending Cash on Hand	\$ -
Ending Inventory	\$ -

See accompanying independent auditor's report.

EAST MISSOURI ACTION AGENCY, INC.
 WEATHERIZATION ASSISTANCE FOR LOW INCOME PERSONS
 SUBGRANT NO: G-19-LIHEAP-19-03
RECONCILIATION OF REVENUES AND EXPENSES
 For the Period of October 1, 2018 to September 30, 2019

<u>ENERGY CENTER</u>		<u>SUBGRANTEE</u>	
Beginning Fund Balance	\$ -	Beginning Fund Balance	\$ -
<u>Revenue</u>		<u>Revenue</u>	
Grant Income	\$ 313,205	Grant Income	\$ 313,205
Carry Over Funds	\$ -	Carry Over Funds	\$ -
Program Income	\$ -	Program Income	\$ -
Total Revenue	\$ 313,205	Total Revenue	\$ 313,205
<u>Expenditures</u>		<u>Expenditures</u>	
Administration	\$ 14,720	Administration	\$ 14,720
Program Operations	\$ 288,379	Program Operations	\$ 288,379
Insurance	\$ 4,678	Insurance	\$ 4,678
T&TA	\$ 5,428	T&TA	\$ 5,428
Other	\$ -	Other	\$ -
Total Expenditures	\$ 313,205	Total Expenditures	\$ 313,205
Ending Fund Balance	\$ -	Ending Fund Balance	\$ -

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

BEGINNING AGENCY FUND BALANCE		
(CARRY-OVER) (As of October 1)		\$ -
GRANT REVENUE		
(Funds Received October 1 through November 30)		\$ 313,205
PROGRAM INCOME		\$ -
LESS EXPENDITURES		
(October 1 through November 30)		\$ 313,205
AGENCY ENDING FUND BALANCE		\$ -
Ending Cash on Hand		\$ -
Ending Inventory		\$ -

EAST MISSOURI ACTION AGENCY, INC.
SUPPLEMENTAL CSBG PROGRAM SCHEDULE
 For the Program Year Ended September 30, 2019

REVENUES	Budget	Actual	Over (Under) Budget
2019 Base Contract Amount	\$ 823,042	\$ 796,583	(\$ 26,459)
FFY 2018 Allocation Carry-Over Funds FFY 2019	32,285	32,285	-
FFY 2018 Additional Allocation	34,788	34,788	-
Other Income FY 2018 Discretionary Fund	<u>23,848</u>	<u>18,473</u>	<u>(5,375)</u>
TOTAL REVENUES	913,963	882,129	(31,834)
 EXPENSES			
Administrative/Program Service:			
Salaries & Fringe Benefits	566,966	582,060	15,094
Indirect Costs	83,911	85,237	1,326
Contracting	5,500	5,959	459
Direct Client Service	3,000	397	(2,603)
Program Expenses	11,500	6,224	(5,276)
Travel	10,000	11,826	1,826
Training	53,848	34,585	(19,263)
Rent/Space	48,000	45,308	(2,692)
Utilities	17,500	14,034	(3,466)
Insurance	12,000	9,445	(2,555)
Supplies	37,188	21,268	(15,920)
Communications Services	29,000	37,715	8,715
Vehicle Repairs & Maintenance	3,500	2,181	(1,319)
Other	<u>23,750</u>	<u>24,122</u>	<u>372</u>
TOTAL EXPENSES	905,663	880,361	(25,302)
 TRANSFERS			
Summer Food	5,000	-	(5,000)
Dollar More	150	944	794
Round Up	2,000	-	(2,000)
Emergency Food & Shelter	1,000	-	(1,000)
Dollar Help	<u>150</u>	<u>824</u>	<u>674</u>
TOTAL TRANSFERS	<u>8,300</u>	<u>1,768</u>	<u>(6,532)</u>
TOTAL EXPENSES AND TRANSFERS	<u>913,963</u>	<u>882,129</u>	<u>(31,834)</u>
EXCESS OF REVENUE OVER (UNDER) EXPENSES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditor's report.

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, 2018

REVENUES	Budget	Actual	Over (Under) Budget
Grant - PA22	\$ 4,633,991	\$ 4,633,991	\$ -
Grant - PA20	55,656	55,656	-
In-Kind	1,141,664	1,364,017	222,353
Other Income	-	746	746
	<u>5,831,311</u>	<u>6,054,410</u>	<u>223,099</u>
EXPENSES (PA 20)			
Salaries and Wages	\$ -	\$ -	\$ -
Fringe Benefits	-	-	-
Travel	681	10,827	10,146
Supplies	-	6,567	6,567
Other	54,975	38,262	(16,713)
	<u>55,656</u>	<u>55,656</u>	-
Indirect Costs	-	-	-
In-Kind	12,524	-	(12,524)
	<u>68,180</u>	<u>55,656</u>	<u>(12,524)</u>
DIRECT COSTS (PA 22)			
Salaries and Wages	2,464,379	2,433,365	(31,014)
Fringe Benefits	810,456	771,053	(39,403)
Travel	35,000	44,437	9,437
Equipment	-	-	-
Supplies	142,173	144,998	2,825
Consultants and Contract Services	19,800	28,094	8,294
Other	697,649	708,228	10,579
	<u>4,169,457</u>	<u>4,130,175</u>	<u>(39,282)</u>
Total Direct Costs	<u>4,169,457</u>	<u>4,130,175</u>	<u>(39,282)</u>
Indirect Costs	464,534	504,562	40,028
In-Kind	1,129,140	1,364,017	234,877
	<u>5,763,131</u>	<u>5,998,754</u>	<u>235,623</u>
Total Expenses (PA22)	<u>5,763,131</u>	<u>5,998,754</u>	<u>235,623</u>
Total Expenses	<u>5,831,311</u>	<u>6,054,410</u>	<u>223,099</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, 2019

REVENUES	<u>\$ 852,333</u>
EXPENSES	
Salaries and Fringe Benefits	531,853
Travel	24,806
Training	8,784
Supplies	52,885
Consultants & Contract Services	107,858
Insurance	7,027
Rent and Occupancy	54,616
Other Expenses	<u>64,569</u>
Total Expenses	<u>852,398</u>
EXCESS OF REVENUES (UNDER) EXPENSES	<u>(\$ 65)</u>

EAST MISSOURI ACTION AGENCY, INC.
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM
STATEMENT OF REVENUES AND EXPENSES
 For The Program Year Ended September 30, 2019

REVENUES	Budget	Actual	Over (Under) Budget
Contract Amount	\$ 2,103,297	\$ 2,080,492	(22,805)
Transfer Revenue	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUE	<u>2,103,297</u>	<u>2,080,492</u>	<u>(22,805)</u>
EXPENSES			
Administrative/Program Service:			
Salaries & Fringe Benefits	198,284	196,825	(1,459)
Indirect	29,347	29,011	(336)
Contracting	1,320	677	(643)
Travel and Training	390	315	(75)
Rent/Space	22,900	22,708	(192)
Utilities	7,271	6,855	(416)
Insurance	1,625	1,623	(2)
Supplies	4,029	4,036	7
Equipment	4,352	4,352	-
Background check	45	-	(45)
Document Destruction	25	-	(25)
Communications Services	24,765	24,803	38
Repair and Maintenance	2,620	2,787	167
Other	<u>420</u>	<u>490</u>	<u>70</u>
TOTAL ADMINISTRATIVE/PROGRAM SERVICES	297,393	294,482	(2,911)
DIRECT SERVICES			
Winter	1,273,879	1,273,693	(186)
Summer	<u>532,025</u>	<u>512,317</u>	<u>(19,708)</u>
TOTAL DIRECT SERVICES	1,805,904	1,786,010	(19,894)
OUTREACH & EDUCATION			
Personnel	-	-	-
Travel	-	-	-
Supplies	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OUTREACH AND EDUCATION	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENSES	<u>2,103,297</u>	<u>2,080,492</u>	<u>(22,805)</u>
EXCESS OF REVENUE OVER (UNDER) EXPENSES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditor's report.

EAST MISSOURI ACTION AGENCY, INC.
KANSAS CITY
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM
STATEMENT OF REVENUES AND EXPENSES
 For The Program Year Ended September 30, 2019

REVENUES	Budget	Actual	Over (Under) Budget
Contract Amount	\$ 55,000	\$ 140,386	\$ 85,386
Transfer Revenue	<u>-</u>	<u>(15,541)</u>	<u>(15,541)</u>
TOTAL REVENUE	<u>55,000</u>	<u>124,845</u>	<u>69,845</u>
 EXPENSES			
Administrative/Program Service:			
Salaries & Fringe Benefits	15,000	11,620	(3,380)
Indirect	-	1,720	1,720
Contracting	-	-	-
Travel and Training	-	-	-
Rent/Space	-	-	-
Utilities	-	-	-
Insurance	-	-	-
Supplies	-	432	432
Equipment	-	-	-
Background check	-	-	-
Document Destruction	-	-	-
Communications Services	-	470	470
Repair and Maintenance	-	-	-
Other	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ADMINISTRATIVE/PROGRAM SERVICES	15,000	14,242	(758)
 DIRECT SERVICES			
Winter	40,000	110,603	70,603
Summer	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL DIRECT SERVICES	40,000	110,603	70,603
 OUTREACH & EDUCATION			
Personnel	-	-	-
Travel	-	-	-
Supplies	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OUTREACH AND EDUCATION	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENSES	<u>55,000</u>	<u>124,845</u>	<u>69,845</u>
EXCESS OF REVENUE OVER (UNDER) EXPENSES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditor's report.

EAST MISSOURI ACTION AGENCY, INC.
BRETTWOOD ELDERLY APARTMENTS
STATEMENT OF FINANCIAL POSITION
September 30, 2019

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 872
Security Deposits	12,347
Escrow Deposits	11,194
Reserve	366,514
Accounts Receivable	-
Total Current Portion	<u>390,927</u>

Property and Equipment:

Land	83,630
Buildings	587,242
Less Accumulated Depreciation	(161,509)
Total Property and Equipment	<u>509,363</u>

TOTAL ASSETS \$ 900,290

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts Payable	\$ 13,560
Accounts Interest	4,023
Security Deposits	11,410
Deferred Revenue	(672)
Note Payable - Current Portion	8,308
Total Current Liabilities	<u>36,629</u>

Long-Term Liabilities:

Note Payable - Less Current Portion	<u>657,645</u>
Total Long-Term Liabilities	<u>657,645</u>

Net Assets:

Net Assets With Donor Restrictions	<u>206,016</u>
Total Net Assets	<u>206,016</u>

TOTAL LIABILITIES AND NET ASSETS \$ 900,290

EAST MISSOURI ACTION AGENCY, INC.
BRETTWOOD ELDERLY APARTMENTS
STATEMENT OF REVENUES AND EXPENSES
For The Program Year Ended September 30, 2019

REVENUES:	
Rental Income	\$ 52,623
Interest Subsidy	37,476
USDA Rental Assistance	84,313
Interest Income	398
Other Income	<u>9,123</u>
 Total Revenues	 <u>183,933</u>
EXPENSES:	
Maintenance and Repairs	11,474
Utilities	14,124
Other Supplies	2,314
Insurance	10,278
Management Fees	14,437
Interest Expense	48,562
Depreciation Expense	15,906
Salaries & Fringe	30,015
Other Expense	<u>2,690</u>
 Total Expenses	 <u>149,800</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENSES	 <u>\$ 34,133</u>

EAST MISSOURI ACTION AGENCY, INC.
PARK HILLS APARTMENTS II, LP
STATEMENT OF FINANCIAL POSITION
September 30, 2019

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 6,257
Accounts Receivable-Tenants	316
Security Deposit	7,076
Reserve	85,282
Insurance	11,239
Prepaid Insurance	6,438
Total Current Portion	<u>116,608</u>

Property and Equipment:

Land	40,000
Buildings	474,308
Less Accumulated Depreciation	(42,490)
Total Property and Equipment	<u>471,818</u>

TOTAL ASSETS

\$ 588,426

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts Payable	\$ 26,731
Accrued Management Fees	7,154
Accrued Real Estate Taxes	3,727
Security Deposits	6,975
Note Payable - Current Portion	6,637
Total Current Liabilities	<u>51,224</u>

Long-Term Liabilities:

Note Payable - Less Current Portion	<u>613,550</u>
Total Long-Term Liabilities	<u>613,550</u>

Net Assets:

Net Assets With Donor Restrictions	(76,348)
Total Net Assets	<u>(76,348)</u>

TOTAL LIABILITIES AND NET ASSETS

\$ 588,426

EAST MISSOURI ACTION AGENCY, INC.
PARK HILLS APARTMENTS II, LP
STATEMENT OF REVENUES AND EXPENSES
For The Program Year Ended September 30, 2019

REVENUES:	
Rental Income	\$ 23,398
Interest Subsidy	31,000
USDA Rental Assistance	68,713
Interest Income	-
Other Income	1,935
	<hr/>
Total Revenues	125,046
	<hr/>
EXPENSES:	
Maintenance and Repairs	37,479
Utilities	13,273
Other Supplies	2,809
Insurance	12,607
Management Fees	7,154
Interest Expense	42,116
Depreciation Expense	11,858
Salaries & Fringe	16,936
Other Expenses	4,948
Consultants	1,095
Travel	256
Real Estate Taxes	5,537
Training	-
	<hr/>
Total Expenses	156,068
	<hr/>
EXCESS OF REVENUES OVER (UNDER) EXPENSES	<u>(\$ 31,022)</u>

See accompanying independent auditor's report.