

LINCOLN COUNTY RESOURCE BOARD

AUDIT REPORT

YEAR ENDED DECEMBER 31, 2023

CHARLES E. MONTGOMERY
Certified Public Accountant

**LINCOLN COUNTY RESOURCE BOARD
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FOR YEAR ENDING DECEMBER 31, 2023**

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Lincoln County Resource Board
Troy, Missouri 63379

I have audited the accompanying basic financial statements of the Lincoln County Resource Board as of and for the year ended December 31, 2023, as listed in the table of contents. These financial statements are the responsibility of the Lincoln County Resource Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Lincoln County Resource Board as of December 31, 2023 and the results of its operations and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management has elected to omit the Management's Discussion and Analysis which is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in The United States of America.



Charles E. Montgomery
Certified Public Accountant

September 28, 2024

**LINCOLN COUNTY RESOURCE BOARD
STATEMENT OF NET ASSETS
DECEMBER 31, 2023**

CURRENT ASSETS	
Cash and Cash Equivalents	\$1,103,486
Sales Tax Receivable	155,877
Prepaid Expenses	10,000
Prepaid Matching Funds	<u>-0-</u>
Total Current Assets	\$1,269,363
 NON CURRENT ASSETS	
Capital Assets Net of Accumulated Depreciation	<u>-0-</u>
Total Assets	\$1,269,363 =====
 LIABILITIES	
Accounts Payable	\$1,283,763
Accrued Expenses	<u>2,124</u>
Total Liabilities	\$1,285,887
 NET ASSETS	 \$ (16,524) =====

THE ACCOMPANYING NOTES ARE AN
INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**LINCOLN COUNTY RESOURCE BOARD
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

Governmental Activities

REVENUES

Sales Tax	\$ 1,755,560
Interest Income	18,269
Contributions	2,022
Other Income	<u>214,740</u>
Total Revenues	1,990,591

EXPENSES

Grant Expenses	<u>2,139,539</u>
Total Grant Expenses	2,139,539

Administrative Expenses

Salaries	82,663
Payroll Tax Expense	4,653
Employee Benefits	14,016
Supplies and Office Expense	33,808
Other Expense	156
Professional Services	59,318
Travel and Meetings	1,691
Insurance	1,949
Telephone	1,938
Advertising	5,917
Rent	4,020
Depreciation	-0-
Program Expenses	<u>3,989</u>
Total Administrative Expenses	<u>214,118</u>

Total Expenses	<u>2,353,657</u>
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Increase in Net Assets	(363,066)
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Net Assets, beginning of year	<u>346,542</u>
Net Assets, end of year	<u><u>\$ (16,524)</u></u>

THE ACCOMPANYING NOTES ARE AN
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**LINCOLN COUNTY RESOURCE BOARD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from sales tax	\$1,737,593
Cash received from grants and other	235,031
Cash paid for grants	(1,910,061)
Cash paid to vendors	(112,506)
Cash paid for wages, benefits and taxes	<u>(101,241)</u>
Net cash provided (used) by operating activities	(151,184)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of fixed assets	<u>-0-</u>
Net cash used by investing and capital activities	-0-
CASH FLOWS FROM FINANCING ACTIVITIES	
Net cash provided by financing activities	\$ <u>-0-</u>
Total Cash Provided (used)	\$(151,184)
CASH BALANCES	
December 31, 2023	\$ 1,103,486
December 31, 2022	<u>1,254,670</u>
Net decrease in cash	<u>\$(151,184)</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income (loss)	\$ (363,066)
Adjustments to reconcile net income to cash provided by operating activities:	
Depreciation	-0-
Change in assets and liabilities:	
Accounts receivable increase	(18,687)
Prepaid expense decrease	1,000
Accounts payable increase	229,478
Accrued expenses increase	<u>91</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$(151,184)</u>

THE ACCOMPANYING NOTES ARE AN
INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**LINCOLN COUNTY RESOURCE BOARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 DESCRIPTION OF OPERATIONS

The Lincoln County Resource Board (“LCRB”) was formed in May of 2003 by the Lincoln County Commissioners. The purpose of the LCRB is to oversee the establishment, operation and maintenance of mental health services for children, youth and their families in Lincoln County. The LCRB also provides leadership in the development and implementation of early intervention, prevention and life skills programs. The current funding is provided through a ¼ of 1 cent Lincoln County, Missouri sales tax that went into effect in November of 2006. The LCRB contracts with a number of organizations to provide the related services.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

For financial reporting purposes, LCRB has included all funds and organizations. LCRB has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with LCRB are such that exclusion would cause LCRB’s financial statements to be misleading or incomplete. LCRB has no component units.

Basis Financial Statements Government-Wide/Fund Financial Statements

LCRB’s financial statements include both government-wide (reporting LCRB as a whole) and fund financial statements (reporting LCRB’s major funds), both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. However, LCRB has no business-type activities. LCRB is a single program entity and thus, has only one general fund to account for all activity.

Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Modified Accrual

The general fund is presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, both measurable and available. “Available” means collectable within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

**LINCOLN COUNTY RESOURCE BOARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Revenue Recognition

Sales taxes are recognized as revenue when they become measurable and available. A receivable is established for sales tax collections not yet remitted to the LCRB from the Missouri Department of Revenue.

Sales Taxes Receivable

LCRB considers the entire sales taxes receivable collectable. Because of this, no allowances for doubtful accounts have been established.

Capital Assets

LCRB buildings, improvements, furniture, equipment and vehicles with useful lives of more than one year are stated at historical cost. Donated fixed assets are recorded at their estimated fair value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance is expensed as incurred. Depreciation on capital assets are calculated on the straight-line basis over the following estimated useful lives:

	Useful Life	Capitalization Threshold
Office Equipment	7-10 years	\$250

Estimates

The preparation of 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.

NOTE 3 CASH AND TEMPORARY INVESTMENTS

As required by law, the depository institutions are to pledge securities, in addition to Federal Deposit Insurance Corporation insurance, equal to the amount of deposit at all times. At December 31, 2023, the carrying amount of the LCRB's deposits was \$1,103,486 and the bank balance was \$1,103,486. The entire bank balance was covered by Federal Depository Insurance or by collateral pledged by the bank in LCRB's name and held by Midwest Independent Bank in Jefferson City, Missouri.

**LINCOLN COUNTY RESOURCE BOARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 PREPAID MATCHING FUNDS

LCRB has a contract with Compass Health, Inc. (CHI) to provide funds that runs from July 1 to June 30 each year. To maximize the receipt of Federal funding for CHI the grant funds are paid to the Missouri Department of Mental Health (DMH) who reimburses CHI as bills are received. At the end of each contract year on June 30 DMH refunds any used funds not requested by CHI to the LCRB. As of December 31, 2023, DMH was holding \$0 of LCRB funds.

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year end December 31, 2023 was as follows:

	Balance at January 1	Additions	Deductions	Balance at December 31
Equipment and furnishings	\$2,491	\$ -0-	\$ -0-	\$ 2,491
Less accumulated depreciation for Equipment and furnishing	2,491	-0-	-0-	2,491
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Capital assets net	\$ -0-	\$ -0-	\$ -0-	\$ -0-
	=====	=====	=====	=====

NOTE 6 LEASE COMMITMENTS

The LCRB leases office space in Troy, Missouri. Current lease payments total \$4,020 annually.

NOTE 7 RISK MANAGEMENT

Commercial insurance coverage has been obtained for the various risks to which LCRB has determined they are exposed. Settlement amounts have not exceeded coverage for the past three year.

NOTE 8 SUBSEQUENT EVENTS

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through September 28, 2024, the date the financial statements were available to be issued.