

STRAFFORD REGIONAL PLANNING COMMISSION

**INDEPENDENT AUDITORS' REPORTS REQUIRED BY *GOVERNMENT AUDITING
STANDARDS*, AND TITLE 2 U.S. CODE OF FEDERAL REGULATIONS (CFR), PART 200,
*UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT
REQUIREMENTS FOR FEDERAL AWARDS* (UNIFORM GUIDANCE)**

FOR THE YEAR ENDED JUNE 30, 2024

STRAFFORD REGIONAL PLANNING COMMISSION

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**Independent Auditors' Report on the Audit of the Schedule of
Expenditures of Federal Awards**

To the Board of Commissioners
Strafford Regional Planning Commission

Report on the Audit of the Schedule of Expenditures of Federal Awards

Opinion

We have audited the schedule of expenditures of federal awards of the Strafford Regional Planning Commission (the "Commission") for the year ended June 30, 2024, and the related notes ("the schedule").

In our opinion, the accompanying schedule of expenditures of federal awards presents fairly, in all material respects, the expenditures of federal awards of the Commission for the year ended June 30, 2024, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of the Schedule section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Schedule

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

Auditors' Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always

detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the schedule.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the schedule, whether due to fraud, or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the schedule.

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

CBIZ CPAs P.C.

Merrimack, NH
March 4, 2025

**Independent Auditors' Report on Compliance for Each Major Federal Program
and Report on Internal Control Over Compliance Required by the Uniform Guidance**

To the Board of Commissioners
Strafford Regional Planning Commission

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Strafford Regional Planning Commission (the "Commission")'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Commission's major federal programs for the year ended June 30, 2024. The Commission's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the "Auditors' Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified.

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

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

CBIZ CPAs P.C.

Merrimack, NH
March 4, 2025

STRAFFORD REGIONAL PLANNING COMMISSION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2024

<i>Federal Agency</i>	Federal	Pass-Through	Federal
Cluster	Assistance	Identifying	Expenditures
Pass-Through Agency	Listing	Number	
Program Title	Number		
<i>U.S. Department of Agriculture</i>			
Direct Program			
Community Facilities Loans and Grants	10.766	N/A	\$ 1,816
Total U.S. Department of Agriculture			<u>1,816</u>
<i>U.S. Department of Commerce</i>			
Direct Federal Program			
Economic Development Support for Planning Organizations	11.302	N/A	64,644
Passed Through State of New Hampshire Department of Environmental Services			
Coastal Zone Management Administration Awards	11.419	22-306-20	3,718
Coastal Zone Management Administration Awards	11.419	23-306-09	15,000
Coastal Zone Management Administration Awards	11.419	psm 21-2	<u>1,765</u>
Total U.S. Department of Commerce			<u>85,127</u>
<i>U.S. Department of Housing and Urban Development</i>			
Direct Federal Program			
Economic Development Initiative, Community Project Funding and Miscellaneous Grants	14.251	N/A	37,166
Passed Through State of New Hampshire Community Development Finance Authority			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	23-218-CDPF	<u>10,169</u>
Total U.S. Department of Housing and Urban Development			<u>47,335</u>
<i>U.S. Department of Transportation</i>			
Passed Through the New Hampshire Department of Transportation Highway Planning and Construction	20.205	Proj #44378	533,934
Federal Transit Cluster			
Passed Through the New Hampshire Department of Transportation Federal Transit Formula Grants	20.507	NH-2020-002-00	<u>4,227</u>
Total Federal Transit Cluster			<u>4,227</u>
Total U.S. Department of Transportation			<u>538,161</u>
<i>Environmental Protection Agency</i>			
Direct Federal Program			
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818	N/A	35,212
Passed Through New Hampshire Department of Environmental Services Drinking Water State Revolving Fund	66.468	N/A	<u>18,224</u>
Total Environmental Protection Agency			<u>53,436</u>
<i>Northern Borders Regional Commission</i>			
Direct Federal Program			
Northern Border Regional Development	90.601	N/A	<u>4,374</u>
Total Northern Borders Regional Commission			<u>4,374</u>
<i>U.S. Department of Homeland Security</i>			
Passed Through State of New Hampshire Department of Safety			
BRIC: Building Resilient Infrastructure and Communities	97.047	EMB-2021-BR-075	15,300
BRIC: Building Resilient Infrastructure and Communities	97.047	23BRIC20 4393	17,993
BRIC: Building Resilient Infrastructure and Communities	97.047	EMB-2020-PC-0005	<u>669</u>
Total U.S. Department of Homeland Security			<u>33,962</u>
Total Federal Expenditures			<u>\$ 764,211</u>

See notes to schedule of expenditures of federal awards.

STRAFFORD REGIONAL PLANNING COMMISSION

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the Strafford Regional Planning Commission (the “Commission”) under programs of the federal government for the year ended June 30, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) 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 the Commission, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Commission.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement.

NOTE 3 - DE MINIMIS COST RATE

The Commission has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4 - SUBRECIPIENTS

The Commission did not provide federal awards to subrecipients.

STRAFFORD REGIONAL PLANNING COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2024

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS (INFORMATION OBTAINED FROM SEPARATE REPORT AUDITED BY OTHER AUDITORS)

Type of auditors’ report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Non-compliance material to financial statements noted?

☐ Yes ☒ No

FEDERAL AWARDS

Internal control over major federal programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Type of auditors’ report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

☐ Yes ☒ No

Identification of major federal programs:

NAME OF FEDERAL PROGRAM OR CLUSTER

ASSISTANCE LISTING NUMBER(S)

Highway Planning and Construction

20.205

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

\$750,000

Auditee qualified as low-risk auditee?

☐ Yes ☒ No

STRAFFORD REGIONAL PLANNING COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2024

SECTION II – FINANCIAL STATEMENT AND NONCOMPLIANCE FINDINGS

See separate report audited by other auditors.

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

SECTION IV - SCHEDULE OF PRIOR YEAR FINDINGS

Financial Statement Findings:

See separate report audited by other auditors.

Federal Award Findings and Questioned Costs:

None.

STRAFFORD REGIONAL PLANNING COMMISSION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024



STRAFFORD
Regional Planning Commission

STRAFFORD REGIONAL PLANNING COMMISSION

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Strafford Regional Planning Commission

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund of Strafford Regional Planning Commission (the Commission), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Strafford Regional Planning Commission, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2024 on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

Marcum LLP

Merrimack, NH
December 26, 2024

STRAFFORD REGIONAL PLANNING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Strafford Regional Planning Commission (the Commission), we offer readers this narrative overview and analysis of the financial activities of the Commission for the fiscal year ended June 30, 2024.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also contains required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether financial position is improving or deteriorating.

The Statement of Activities presents information showing how the Commission's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The accounts of the Commission are reported as governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Commission's near-term financing requirements.

STRAFFORD REGIONAL PLANNING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Commission's near-term financing decisions. Reconciliations to facilitate this comparison between governmental funds and governmental activities are provided.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Financial Highlights

- As of the close of the current fiscal year, total assets of the governmental activities exceeded liabilities and deferred inflows by \$137,077 (i.e., net position), a change of \$(30,690) in comparison to the prior fiscal year.
- As of the close of the current fiscal year, governmental funds reported an ending fund balance of \$167,564, a change of \$(26,735) in comparison to the prior fiscal year.
- As of the close of the current fiscal year, unassigned fund balance for the General Fund was \$157,521, a change of \$(29,574) in comparison to the prior fiscal year.

Government-Wide Financial Analysis

The following is a summary of condensed government-wide financial data for the current and prior fiscal year.

Net Position

Assets	2024	2023
Current assets	\$ 398,270	\$ 275,867
Capital assets	49,394	81,175
Total Assets	447,664	357,042
Liabilities		
Other liabilities	230,706	81,568
Long-term liabilities	79,881	107,707
Total Liabilities	310,587	189,275
Net Position		
Net investment in capital assets	17,526	16,233
Unrestricted	119,551	151,534
Total Net Position	\$ 137,077	\$ 167,767

STRAFFORD REGIONAL PLANNING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of financial position. At the close of the most recent fiscal year, total net position was \$137,077, a change of \$(30,690) from the prior fiscal year.

A portion of net position, \$17,526, reflects our investment in capital assets (e.g., equipment, vehicles, and right-to-use leased office space), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services; consequently, these assets are not available for future spending. The remaining balance of unrestricted net position of \$119,551 may be used to meet the Commission's ongoing obligations.

Change in net position of the Commission's governmental activities for the current and prior fiscal year is as follows:

	2024	2023
Revenues		
Program revenues:		
Charges for services	\$ 491,125	\$ 214,179
Operating grants and contributions	962,901	1,044,254
General revenues:		
Local dues	138,822	130,390
Investment income	155	200
Total Revenues	1,593,003	1,389,023
Expenses		
Depreciation and amortization	37,501	33,838
Dues and subscriptions	5,258	5,025
Employee benefits and taxes	257,957	196,091
Equipment, rentals, maintenance, and support	25,474	36,632
Insurance	7,890	6,709
Meetings	3,378	4,823
Miscellaneous	5,558	5,814
Office expense	2,585	11,552
Rent	1,600	2,542

STRAFFORD REGIONAL PLANNING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Change in Net Position (Continued)

Expenses (continued)		
Salaries and wages	1,005,383	869,633
Supplies	5,538	2,839
Technical and professional services	247,208	198,704
Telephone and internet	5,835	5,265
Training	3,257	7,649
Travel	<u>9,271</u>	<u>10,159</u>
Total Expenses	<u>1,623,693</u>	<u>1,397,275</u>
Change in Net Position	(30,690)	(8,252)
Net Position - Beginning of Year	<u>167,767</u>	<u>176,019</u>
Net Position - End of Year	<u><u>\$ 137,077</u></u>	<u><u>\$ 167,767</u></u>

Governmental activities for the year resulted in a change in net position of \$(30,690). Major causes of this change include 16% increase in expenses, mainly due to increased personnel costs from cost-of-living adjustments and promotions during the fiscal year. Additional factors include an increase in charges for services revenues from new service agreements with Farmington and Newmarket and a decrease in operating grants and contributions as the grants enter their final year of funding.

Financial Analysis of the Commission's Funds

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, fund balance may serve as a useful measure of the Commission's net resources available for spending at the end of the fiscal year.

STRAFFORD REGIONAL PLANNING COMMISSION

MANAGEMENT'S DISCUSSION AND ANALYSIS

General Fund

The General Fund is the chief operating fund. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$157,521, while total fund balance was \$167,564. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to General Fund expenditures. Refer to the table below.

General Fund	6/30/24	6/30/23	Change	Percentage of General Fund Expenditures
Unassigned fund balance	\$ 157,521	\$ 187,095	\$ (29,574)	9.73%
Total fund balance	\$ 167,564	\$ 194,299	\$ (26,735)	10.35%

Capital Assets and Debt Administration

Capital Assets

Total investment in capital assets for governmental activities at fiscal year-end amounted to \$49,394 (net of accumulated depreciation/amortization). This investment in capital assets includes equipment, vehicles, and right-to-use leased office space.

Additional information on capital assets can be found in the Notes to Financial Statements.

Long-Term Debt

At the end of the current fiscal year the Commission had one year remaining on its lease liability.

Additional information on long-term debt can be found in the Notes to Financial Statements.

Requests for Information

This financial report is designed to provide a general overview of Strafford Regional Planning Commission's finances for all those with an interest in the Commission's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Strafford Regional Planning Commission
150 Wakefield Street, Suite 12
Rochester, New Hampshire 03867

STRAFFORD REGIONAL PLANNING COMMISSION

STATEMENT OF NET POSITION

JUNE 30, 2024

Assets

Current Assets

Cash and short-term investments	\$ 44,271
Accounts receivable	343,956
Prepaid expenses	10,043

Total Current Assets	398,270
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Noncurrent Assets

Right-to-use leased assets, net of accumulated amortization	30,445
Other capital assets, net of accumulated depreciation	18,949

Total Noncurrent Assets	49,394
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Total Assets	447,664
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Liabilities

Current Liabilities

Accounts payable	1,728
Accrued expenses	36,697
Unearned revenues	192,281
Current portion of long-term liabilities:	
Lease liability	31,868

Total Current Liabilities	262,574
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Noncurrent Liabilities

Compensated absences liability	48,013
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Total Noncurrent Liabilities	48,013
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Total Liabilities	310,587
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Net Position

Net investment in capital assets	17,526
Unrestricted	119,551

Total Net Position	\$ 137,077
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The accompanying notes are an integral part of these financial statements.

STRAFFORD REGIONAL PLANNING COMMISSION

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

		Program Revenues		Net (Expenses)
		Charges for	Operating	Revenues and
	Expenses	Services	Grants and	Change in
			Contributions	Net Position
Governmental Activities				
Planning services	\$ 1,623,693	\$ 491,125	\$ 962,901	\$ (169,667)
Total Governmental Activities	<u>\$ 1,623,693</u>	<u>\$ 491,125</u>	<u>\$ 962,901</u>	(169,667)
		General Revenues		
		Local dues		138,822
		Investment income		<u>155</u>
		Total General Revenues		<u>138,977</u>
		Change in Net Position		(30,690)
		Net Position		
		Beginning of year		<u>167,767</u>
		End of year		<u>\$ 137,077</u>

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

STRAFFORD REGIONAL PLANNING COMMISSION

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2024

	General Fund
Assets	
Cash and short-term investments	\$ 44,271
Accounts receivable	343,956
Prepaid expenses	<u>10,043</u>
Total Assets	<u><u>\$ 398,270</u></u>
Liabilities	
Accounts payable	\$ 1,728
Accrued expenses	36,697
Unearned revenue	<u>192,281</u>
Total Liabilities	<u>230,706</u>
Fund Balances	
Nonspendable for prepaid expenses	10,043
Unassigned	<u>157,521</u>
Total Fund Balances	<u>167,564</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u><u>\$ 398,270</u></u>

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

STRAFFORD REGIONAL PLANNING COMMISSION

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

JUNE 30, 2024

<i>Total Governmental Fund Balances</i>	\$ 167,564
Right-to-use leased assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	30,445
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	18,949
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds:	
Lease liability	(31,868)
Compensated absences liability	<u>(48,013)</u>
<i>Net Position of Governmental Activities</i>	<u><u>\$ 137,077</u></u>

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

STRAFFORD REGIONAL PLANNING COMMISSION

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	General Fund
Revenues	
Intergovernmental revenue	\$ 962,901
Charges for services	491,125
Local dues	138,822
Investment income	155
Total Revenues	<u>1,593,003</u>
Expenditures	
Dues and subscriptions	5,258
Employee benefits and taxes	257,957
Equipment, rentals, maintenance, and support	31,437
Insurance	7,890
Meetings	3,378
Miscellaneous	5,558
Office expense	2,585
Rent	29,702
Salaries and wages	1,005,383
Supplies	5,019
Technical and professional services	247,208
Telephone and internet	5,835
Training	3,257
Travel	9,271
Total Expenditures	<u>1,619,738</u>
Change in Fund Balance	(26,735)
Fund Balance, Beginning of Year	<u>194,299</u>
Fund Balance, End of Year	<u><u>\$ 167,564</u></u>

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

STRAFFORD REGIONAL PLANNING COMMISSION

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

Change in Fund Balance - Governmental Funds \$ (26,735)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense:

Capital outlay	5,721
Right-to-use leased asset amortization	(28,102)
Depreciation expense	(9,400)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position:

Repayments of loan	4,674
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Payments on lease	28,400
Change in compensated absences liability	<u>(5,248)</u>

Change in Net Position - Governmental Activities \$ (30,690)

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

STRAFFORD REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Strafford Regional Planning Commission (the Commission) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental and financial reporting principles. The following is a summary of significant accounting policies of the Commission:

REPORTING ENTITY

Strafford Regional Planning Commission is a special-purpose public agency, established pursuant to New Hampshire RSA 36:45-53, governed by a member elected Board of Commissioners. Its purpose is (1) to provide regional planning services in order to prepare and maintain a coordinated plan for development of the region (taking into account present and future needs) with a view toward encouraging the most appropriate use of land, and (2) to provide technical planning assistance to local governments.

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

As required by GAAP, these financial statements present the Commission and applicable component units for which the Commission is considered to be financially accountable. In fiscal year 2024, no entities met the component unit requirements of GASB Statement 14 (as amended).

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the Commission.

The Statement of Net Position presents information on all assets, liabilities, and deferred outflows and inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

STRAFFORD REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

Government-Wide Financial Statements (Continued)

The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Local dues and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Separate financial statements are provided for governmental funds. The Commission has one governmental fund, the General Fund.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all the eligibility requirements imposed by the provider have been met. Amounts reported as program revenues include (1) charges to customers for goods, services, or privileges provided and (2) operating grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues and include local dues.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period up to 60 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, certain expenditures, such as debt service, claims and judgments, and compensated absences, are recorded only when payment is due.

STRAFFORD REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH

Cash balances are invested to the extent available, and interest earnings are recognized in the General Fund. Deposits with financial institutions consist of checking and savings accounts.

CAPITAL ASSETS

Capital assets, which include equipment and vehicles, are reported in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend assets' lives are not capitalized. Capital assets are depreciated using the straight-line method over the estimated useful lives of the respective assets ranging from 5 to 20 years.

LEASES

At the commencement of a lease, the Commission initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the leased asset is amortized on a straight-line basis over its useful life. The following assumptions are made:

- The Commission uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease, including renewal terms reasonably certain to be exercised. Lease payments included in the measurement of the lease liability are comprised of fixed payments and purchase option price, if the Commission is reasonably certain that it will be exercised.

The Commission monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the leased asset and lease liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Leased assets are separately reported from capital assets as right-to-use assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

STRAFFORD REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

COMPENSATED ABSENCES

It is the Commission's policy to permit employees to accumulate earned but unused vacation benefits. All vested vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignation and retirement.

LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position.

FUND EQUITY

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net position".

Fund Balance

Generally, fund balance represents the difference between current assets/deferred outflows and current liabilities/deferred inflows. The Commission reserves those portions of fund balance that are legally segregated for a specific future use or which do not represent available, spendable resources and, therefore, are not available for appropriation or expenditure. Unassigned fund balance indicates that portion of fund balance that is available for appropriation in future periods.

The Commission's fund balance classifications are as follows:

- *Nonspendable funds* – Represents amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.
- *Restricted funds* – Represents amounts that are restricted to specific purposes by constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.
- *Committed funds* – Represents amounts that can be used for specific purposes pursuant to constraints imposed by formal action of the Commission's highest level of decision-making authority (i.e., the Board of Commissioners).

STRAFFORD REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND EQUITY (CONTINUED)

Fund Balance (Continued)

- *Assigned funds* – Represents amounts that are constrained by the Commission's intent to use these resources for a specific purpose.
- *Unassigned funds* – Represents amounts that are available to be spent in future periods.

When an expenditure is incurred that would qualify for payment from multiple fund balance types, the Commission uses the following order to liquidate liabilities: restricted, committed, assigned, and unassigned.

Net Position

Net position represents the difference between assets/deferred outflows and liabilities/deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on use either through enabling legislation adopted by the Commission or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The remaining net position is reported as unrestricted.

USE OF ESTIMATES

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

STRAFFORD REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 2 - DEPOSITS

CUSTODIAL CREDIT RISK

Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned. The Commission does not have formal deposit policies related to the custodial credit risk of deposits.

As of June 30, 2024, none of the Commission's bank balance was exposed to custodial credit risk as uninsured or uncollateralized.

NOTE 3 - ACCOUNTS RECEIVABLE

Receivables are comprised of amounts due from federal, state, and local governments for grants and contractual services. No provision for an allowance has been recorded as management believes receivables to be fully collectable.

NOTE 4 - CAPITAL ASSETS AND RIGHT-TO-USE LEASED ASSETS

Activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated/amortized:				
Equipment	\$ 33,115	\$ 5,721	\$ --	\$ 38,836
Vehicles	22,944	--	--	22,944
Right-to-use leased office space	112,410	--	--	112,410
Total capital assets being depreciated/amortized	168,469	5,721	--	174,190
Less accumulated depreciation/amortization for:				
Equipment	(15,745)	(4,142)	--	(19,887)
Vehicles	(17,686)	(5,258)	--	(22,944)
Right-to-use leased office space	(53,863)	(28,102)	--	(81,965)
Total accumulated depreciation/amortization	(87,294)	(37,502)	--	(124,796)
Governmental activities capital assets, net	\$ 81,175	\$ (31,781)	\$ --	\$ 49,394

STRAFFORD REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 5 - ACCRUED EXPENSES

Accrued expenses consist of accrued wages and contractual expenses incurred in fiscal year 2024 to be paid in fiscal year 2025.

NOTE 6 – UNEARNED REVENUE

As of June 30, 2024, unearned revenues of \$64,904 represents dues collected in advance from member towns for the next fiscal year, and \$127,377 represents contracts from other governments for use in subsequent fiscal years when contract performance requirements have been met.

NOTE 7 - LEASE LIABILITY

The Commission is the lessee of office space under a lease expiring in fiscal year 2025. Future principal and interest lease payments as of June 30, 2024 were as follows:

Fiscal year ending June 30,	Principal	Interest	Total
2025	\$ 31,868	\$ 634	\$ 32,502

NOTE 8 - LONG-TERM DEBT

CHANGES IN LONG-TERM LIABILITIES

During the year ended June 30, 2024, the following changes occurred in long-term liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Less Current Portion	Equals Long-term Portion
Lease liability	\$ 60,268	\$ --	\$ (28,400)	\$ 31,868	\$ (31,868)	\$ --
Loans payable (direct borrowings)	4,674	--	(4,674)	--	--	--
Compensated absences liability	42,765	5,248	--	48,013	--	48,013
	<u>\$ 107,707</u>	<u>\$ 5,248</u>	<u>\$ (33,074)</u>	<u>\$ 79,881</u>	<u>\$ (31,868)</u>	<u>\$ 48,013</u>

STRAFFORD REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 9 - LINE OF CREDIT

The Commission has a \$100,000 line of credit available, secured by all assets. This line is payable upon demand and requires monthly interest payments on the outstanding balance at a variable rate of the New York Prime Rate as published in the Wall Street Journal plus 1%, with an initial rate of 4.25% per annum to adjust daily. This line is renewable annually, and there is a requirement that for 30 days during the year, the line must be \$0. As of June 30, 2024, the Commission had no outstanding balance on the line of credit and did not draw on the line during fiscal year 2024.

NOTE 10 - RETIREMENT PLAN

All employees earning more than \$5,000 in the calendar year shall be eligible to participate in the Commission's retirement plan. The retirement plan is a Simple IRA as defined and regulated by the Internal Revenue Service. Participation in the Simple IRA Plan is voluntary. Under this plan, an employee may make salary reduction contributions, not to exceed a statutorily limited percentage. The Commission matches the employee's contribution subject to a maximum of three percent (3%) of the employee's gross compensation. The Commission funds placed in the Simple IRA are in addition to the employee's contribution, are considered an employer contribution, and are not taxable to the employee unless withdrawn prematurely from the Simple IRA. The Commission's matching contribution for the year ended June 30, 2024 was \$27,323.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

GRANTS

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures, which may be disallowed by the grantor, cannot be determined at this time, although the Commission expects such amounts, if any, to be immaterial.

NOTE 12 - CONCENTRATION OF RISK

A material part of the Commission's revenue is dependent upon government sources, the loss of which would have a materially adverse effect on the Commission. During the year ended June 30, 2024, funding from the State of New Hampshire accounted for 60.5% of total revenue. During the year ended June 30, 2024, funding from the New Hampshire Department of Transportation accounted for 37.24% of total revenue.

STRAFFORD REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

NOTE 13 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 26, 2024, which is the date the financial statements were available to be issued. No events were identified requiring recognition or disclosure in the financial statements.

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

To the Board of Commissioners

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and the major fund of the Strafford Regional Planning Commission (the Commission) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated December 26, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Marcum LLP

Merrimack, NH
December 26, 2024