

October 9, 2024

Board of Commissioners  
Tri-County Regional Planning Commission  
456 Fulton St., Suite 401  
Peoria, Illinois 61602

We have audited the financial statements of the Tri-County Regional Planning Commission (the Commission) for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in an email to the Ways and Means Committee dated August 19, 2024. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant Audit Matters**

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Commission are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Commission during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were (1) the allowance for uncollectible receivables and (2) the amount of direct and indirect expenses eligible for reimbursement under the Commission's state and federal operating grants.

Management's estimate of the allowance for uncollectible receivables is based on past payment history with the state or federal agencies or private clients from which accounts receivable are due at June 30, 2024.

Management's estimate of the eligible expenses, including indirect cost allocations, for the grants was based on all available guidance from the Illinois Department of Transportation, the U.S. Department of Transportation, the Illinois Emergency Management Agency, and the U.S. Department of Homeland Security.

We evaluated the methods, assumptions, and data used to develop the estimates noted above in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management.

- Management may choose not to correct certain misstatements due to qualitative and quantitative factors, such as materiality. If applicable, these uncorrected misstatements are summarized on the attached Audit Difference Evaluation Form. Management has determined that their effects are immaterial, both individually and in the aggregate to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.
- The attached Adjusting, Eliminating, and/or Reclassifying Journal Entry Reports, as applicable, summarize misstatements that were corrected by management. These entries were either (1) provided by management, or (2) identified during the performance of audit procedures and proposed to, discussed with, and approved by management.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the Management Representation Letter dated October 9, 2024.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Commission's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Commission's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

**Other Matters**

We applied certain limited procedures to the Management's Discussion and Analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary schedules (Schedules 1 through 4), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

**Restriction on Use**

This information is intended solely for the use of the Board of Commissioners and management of the Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

MH CPA PLLC

MH CPA PLLC

Tri-County Regional Planning Commission

Year End: June 30, 2024

Adjusting Journal Entries

Date: 7/1/2023 To 6/30/2024

TB-02

Preparer	In-Charge	Manager
	MJP 8/30/2024	GAK 9/26/2024
Director	Tech Review	
GJD 10/7/2024		

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
1	6/30/2024	Computer Equipment	17100	PBC		2,856.00			
1	6/30/2024	Accum. Deprec. - Computers	17101	PBC			79.00		
1	6/30/2024	Accrued Vacation/Personal Time	22200	PBC			187.00		
1	6/30/2024	Computer Hardware and Supplies	61010	PBC			2,856.00		
1	6/30/2024	Depreciation	62000	PBC		79.00			
1	6/30/2024	Salaries and Wages	66000	PBC		187.00			
Post trial balance entry provided by Rebecca Eisele, Accountant, on 8/20/24.									
						3,122.00	3,122.00		

Net Income (Loss) 268,416.00

**Tri-County Regional Planning Commission**

Year End: June 30, 2024

Reclassifying Journal Entries

Date: 7/1/2023 To 6/30/2024

**TB-03**

<b>Preparer</b>	<b>In-Charge</b>	<b>Manager</b>
	MJP 8/30/2024	GAK 9/26/2024
<b>Director</b>	<b>Tech Review</b>	
GJD 10/7/2024		

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
2	6/30/2024	Federal Grants and Awards	41000	R-01			25,598.00		
2	6/30/2024	State Grants and Awards	42000	R-01		25,598.00			
To reclassify Kickapoo Creek grant recorded as state grant revenue. Discussed with and approved by Rebecca Eisele, Accountant, on 10/7/24.									
						<b>25,598.00</b>	<b>25,598.00</b>		
<b>Net Income (Loss)</b>			<b>268,416.00</b>						

Index

**ALG-CX-12.2: Audit Difference Evaluation Form**

Governmental Unit:

Financial Statement Date:

Completed by:

Date:

Opinion Unit:

A Listing of Known Audit Differences Over: \$

Description (Nature) of Audit Difference (AD)	Factual (F), Judgmental (J), or Projected (P)	Cause	W/P Ref.	Financial Statement Effect—Amount of Over- (Under-) statement of:						
				Total Assets	Total Liabilities	Working Cap.	Net Position	Revenues	Expen.	Change in Net Position
None noted										
Total				0	0	0	0	0	0	0
Less audit adjustments subsequently booked										
Net unadjusted AD—current year (iron curtain method)				0	0	0	0	0	0	0
Effect of unadjusted AD—prior years								25,000	25,000	0
Combined current year and prior year AD (rollover method)				0	0	0	0	25,000	25,000	0
Financial statement caption totals				1,861,665	297,491	1,544,867	1,564,174	2,359,655	2,091,239	268,416
Current year AD as % of F/S captions (iron curtain method)				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Current and prior year AD as % of F/S captions (rollover method)				0.00%	0.00%	0.00%	0.00%	1.06%	1.20%	0.00%