

MID-AMERICA REGIONAL COUNCIL

ANNUAL COMPREHENSIVE FINANCIAL REPORT For the year ended December 31, 2023

Chair and Officers of Mid-America Regional Council

As of Reporting Date

Chair	Carson Ross, Mayor Blue Springs, Missouri
1 st Vice Chair	Janeé Hanzlick, Commissioner Johnson County, Kansas
2 nd Vice Chair	Beto Lopez, Mayor Pro Tem Lee's Summit, Missouri
Treasurer	Damien Boley, Mayor Smithville, Missouri
Secretary	Holly Grummert, Councilmember Overland Park, Kansas
Executive Director	David A. Warm

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INTRODUCTORY SECTION

DRAFT

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June 25, 2024

Board of Directors of the Mid-America Regional Council & City
and County Governments in the bistate Kansas City region:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the Mid-America Regional Council (MARC) for the fiscal year ended December 31, 2023. The report is issued pursuant to MARC's Articles of Agreement. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with MARC. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of MARC's various funds. All disclosures necessary to enable the reader to gain an understanding of MARC's financial activities are included in the report.

Management's Discussion and Analysis

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. MARC's management discussion and analysis can be found immediately following the independent auditors' report.

Independent Audit

MARC's financial statements have been audited by RubinBrown LLP, a firm of licensed certified public accountants. The independent auditor concluded that MARC's financial statements for the fiscal year ended December 31, 2023, are fairly presented in all material respects, in conformity with generally accepted accounting principles. The independent auditors' report is presented as the first component of the financial section of this report.

Single Audit

MARC is required to undergo an annual single audit in conformity with the provisions of the U.S. Office of Management and Budget (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Information related to this single audit includes the schedule of expenditures of federal awards, schedule of findings and questioned costs, and auditors' reports on compliance and internal control. The schedules and reports are included in a separate document.

Chair
Carson Ross
Mayor
Blue Springs,
Missouri

1st Vice Chair
Janeé Hanzlick
Commissioner
Johnson County,
Kansas

2nd Vice Chair
Beto Lopez
Mayor Pro Tem
Lee's Summit,
Missouri

Treasurer
Damien Boley
Mayor
Smithville,
Missouri

Secretary
Holly Grummert
Councilmember
Overland Park,
Kansas

Executive Director
David A. Warm

Internal Controls

MARC's management team has established a comprehensive internal control framework that is designed to compile sufficient and reliable information for the preparation of financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, MARC's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements.

Budgeting Controls

MARC's annual budget is a management tool to help users analyze projected financial activity for the fiscal year ending December 31. Although the annual budget is reviewed and approved by the Board of Directors, it should not be considered a legally adopted budget.

The approved annual budget is used as a control device for MARC's General and Proprietary Funds. The individual grant budgets are used as the control device within the Special Revenue Fund.

The Reporting Entity and its Services

The Mid-America Regional Council was formed on January 1, 1972, as the result of the merger of Mid-America Council of Governments and the Metropolitan Planning Commission. MARC is a nonprofit corporation, organized and existing pursuant to Kansas law, specifically Section 12-716 *et seq.* (now repealed) and 12-2901 *et seq.* of the Kansas Statutes, as well as Missouri law, specifically Article VI, Section 16 of the Missouri Constitution and Sections 70.210 *et seq.* of the Revised Statutes of Missouri.

MARC was formed as a voluntary coalition of local governments in response to the increasing demand for regional cooperation. With input from federal, state, and local governments, citizens' groups and the private sector, MARC serves as a forum for the discussion of various issues, including transportation, the environment, public safety and emergency services, early learning, aging services, public health, and community development issues. MARC also provides seminars and training opportunities for local governments and serves as an advocate for the region in the state and federal legislative arenas.

MARC's services have expanded over the years and continue to evolve to meet the changing needs of the region. MARC promotes regional cooperation and develops innovative solutions through leadership, planning and action.

MARC services are funded by a variety of sources, including contributions by member governments; formula and discretionary grants from Missouri, Kansas, and the federal government; and contributions for specific programs from private foundations and civic organizations.

The MARC Board of Directors (the Board) consists of 31 members, including the chief elected officials from the nine member counties (Wyandotte, Leavenworth, Miami and Johnson counties in Kansas, and Jackson, Cass, Clay, Platte, and Ray counties in Missouri) and six member cities (Overland Park, Kansas; Kansas City, Kansas; Olathe, Kansas; Kansas City, Missouri; Lee's Summit, Missouri; and Independence, Missouri), and other representatives of the cities and counties in the region. Of these 31 members, 16 are from Missouri and 15 are from Kansas. Five officers, including a chair, first vice chair, second vice chair, secretary, and treasurer, are elected from the Board annually. The Board directs all policy decisions for MARC and meets monthly to discuss issues and act on programs.

The Board provides direction for more than 50 committees and subcommittees working on a wide variety of topics. Committee members include elected officials of the region, local government officials, MARC staff, technical experts, representatives from private business and citizens.

The Board and committee activities are supported by a professional staff headed by an executive director who is appointed by the Board. Staff members are trained in a variety of disciplines, including public administration, economics, urban planning, accounting, social services, and public affairs. The staff works in seven departments: local government services, finance and administration, community development, research services, transportation and environment, early learning, and aging and adult services.

Minority and female involvement in MARC activities, committees and staff is ensured through comprehensive and initiative-taking diversity, equity and inclusion efforts, and a sound equal opportunity plan.

MARC encourages direct citizen participation in all of its activities and members of the public are welcome to attend all MARC meetings. Public hearings are frequently conducted on proposed programs. Consideration is given to groups with special needs in all planning processes and efforts are made to include a wide variety of audiences.

The Mid-America Regional Council Community Services Corporation (MARC CSC) is an approved 501(c)3 organization. This nonprofit corporation allows MARC to apply for and receive grants that are awarded only to 501(c)3 organizations. MARC CSC grants are contracted or passed through to MARC for management. The members of MARC's Budget and Personnel Committee form the Board of Directors of MARC CSC. MARC staff members manage and process all program and activities for MARC CSC, which is treated as a major governmental fund.

While MARC does not issue separate financial statements for MARC CSC, it does so for the Mid-America Regional Council Solid Waste Management District (SWMD). The SWMD was formed in 1991 by Cass, Clay, Jackson, Platte, and Ray counties in Missouri. Authority for forming the District was based on Senate Bill 530, passed in 1990. SB 530 established a procedure allowing counties to form regional solid waste management districts to promote waste reduction and recycling. The District's activities and programs are managed by MARC and accounted for in a custodial fund.

Economic Condition and Outlook

The 2023 budget was based on a stable financial outlook, new strategic opportunities, a commitment to building MARC's organizational capacity and increased technical capabilities. Efforts in these areas will continue to benefit Greater Kansas City by addressing critical needs and priorities. MARC has and will continue to address change in economic conditions with proven financial strategies that include new business models, growing capacities, strong partnerships, and diversified funding streams. The fiscal environment is monitored closely for impacts of inflation, policy, and other factors.

Refer to the Economic Conditions and Next Year's Programs section in the management discussion and analysis section for more information on the significant increase in MARC's expenditure budget from \$100,312,598 in 2023 (revised budget) to \$133,015,121 for 2024.

The 2024 budget:

- Continues key programs and services to local governments and the regional community with the focus on technological updates and expansion.
- Projects a 32% increase in total revenues, and a 33% increase in expenditures as compared to the 2023 Budget (revised).
- Focuses on applying for federal grants to support climate resiliency planning and communication.
- Develops workforce which includes the reallocation of staff and the restructure of some positions to bring new skills and capacity to research, data analysis and data visualization.
- Expands workforce data and analytics through the Workforce Data Hub.
- Continues the agency's financial policies contributing to long-term fiscal stability, including contributing to a long-term contingency fund and evaluating and updating financial practices to ensure sound fiscal management.

Relevant Financial Policies

Contingency Reserve – The MARC Board of Directors approved a long-term process of building a contingency reserve for the agency to:

- Facilitate cash flow, as almost all of MARC's grants are on a reimbursement basis.
- Take advantage of new opportunities for programs and services and respond to requests for assistance as they arise.
- Provide a safety net to protect the agency from vulnerabilities, e.g., legislation affecting grant programs, cutbacks in state matching funds, delays in grant awards.
- Allow MARC to make significant internal investments such as equipment purchases, technological upgrades, and system enhancements.

MARC's Budget and Personnel Committee established a goal to increase the long-term contingency fund to an amount equal to 12 percent of annual direct salaries, fringe benefits, indirect costs and rent. Over time, the long-term contingency fund balance has increased steadily to a balance of \$1,797,906 on December 31, 2023, which equates to 9.7 percent, and represents approximately 79.7% of the goal.

Overhead – One measure of the agency's financial status is the extent to which administrative overhead costs are kept within reasonable proportion to the size and scope of the agency's programs and services. Federal grant guidelines stipulate specific methods for calculating indirect cost and other overhead charges, which are used in MARC's actual accounting systems. MARC's indirect cost and fringe benefit rates are negotiated each year with the U.S. Department of Health and Human Services (HHS), MARC's cognizant agency.

Health and Human Services (HHS) will use the actual results from fiscal year 2023 to determine the negotiated rates for 2025, and the fiscal year 2024 actual results to determine the rates for 2026. As such, any surplus or deficiency will roll over into subsequent years in an even/odd rotation. Staff closely monitors how actual indirect and fringe benefit costs compare with the amounts allocated using the fixed rates from year to year. Significant growth or retraction of grant programs may create fluctuations in the rate. Because the fiscal year 2023 rate was based on fiscal year 2021 actuals, which were still being impacted by the pandemic, MARC again negotiated a higher, more normalized rate than what the numbers calculated. This rate proved to be on target and will be budgeted in 2024 to capture anticipated indirect and fringe benefit costs.

Major Work Objectives

In 2024, MARC will continue its current array of ongoing programs, along with several new efforts to serve member local governments and the regional community such as a 14-county comprehensive update to the regional freight strategic plan, a regional preventative street maintenance project, and carbon pollution reduction funding. MARC's major work objectives include efficient transportation, healthy environment, competitive economy, effective local government, safe and secure communities, thriving older adults, quality early learning and exemplary core capacities. These are outlined in the 2024 Budget and Work Plan of the Mid-America Regional Council online at <https://www.marc.org/about-marc/financial-information>.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to MARC for its annual comprehensive financial report for the fiscal year ended December 31, 2022. This was the 40th consecutive year that MARC has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current report continues to conform to the Certificate of Achievement program's requirements, and we will submit it to GFOA to determine its eligibility for certification.

Acknowledgments

The timely preparation of this report could not have been accomplished without the cooperation and dedicated services of the staff of MARC's Finance and Administration Department, and RubinBrown LLP, the independent auditor. We would like to express sincere appreciation to all those who assisted and contributed to its preparation.

Appreciation is also extended to the MARC officers and Board of Directors for their diligence and support in planning and conducting the financial operations of MARC in a responsible and progressive manner.

Respectfully submitted,

Carol Gonzales
Carol Gonzales
Director of Finance and Administration

Andrew Molloy
Andrew Molloy
Finance Director

Darlene Pickett
Darlene Pickett
Accountant III

Lisa Santa Maria
Lisa Santa Maria
Accountant III



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

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Presented to

**Mid-America Regional Council
Missouri**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO

Mid-America Regional Council Board and Committee Organization Chart

Board of Directors

MARC is formed by a formal agreement among these member governments. Other cities in the Kansas City region are represented through their counties and through joint appointments.

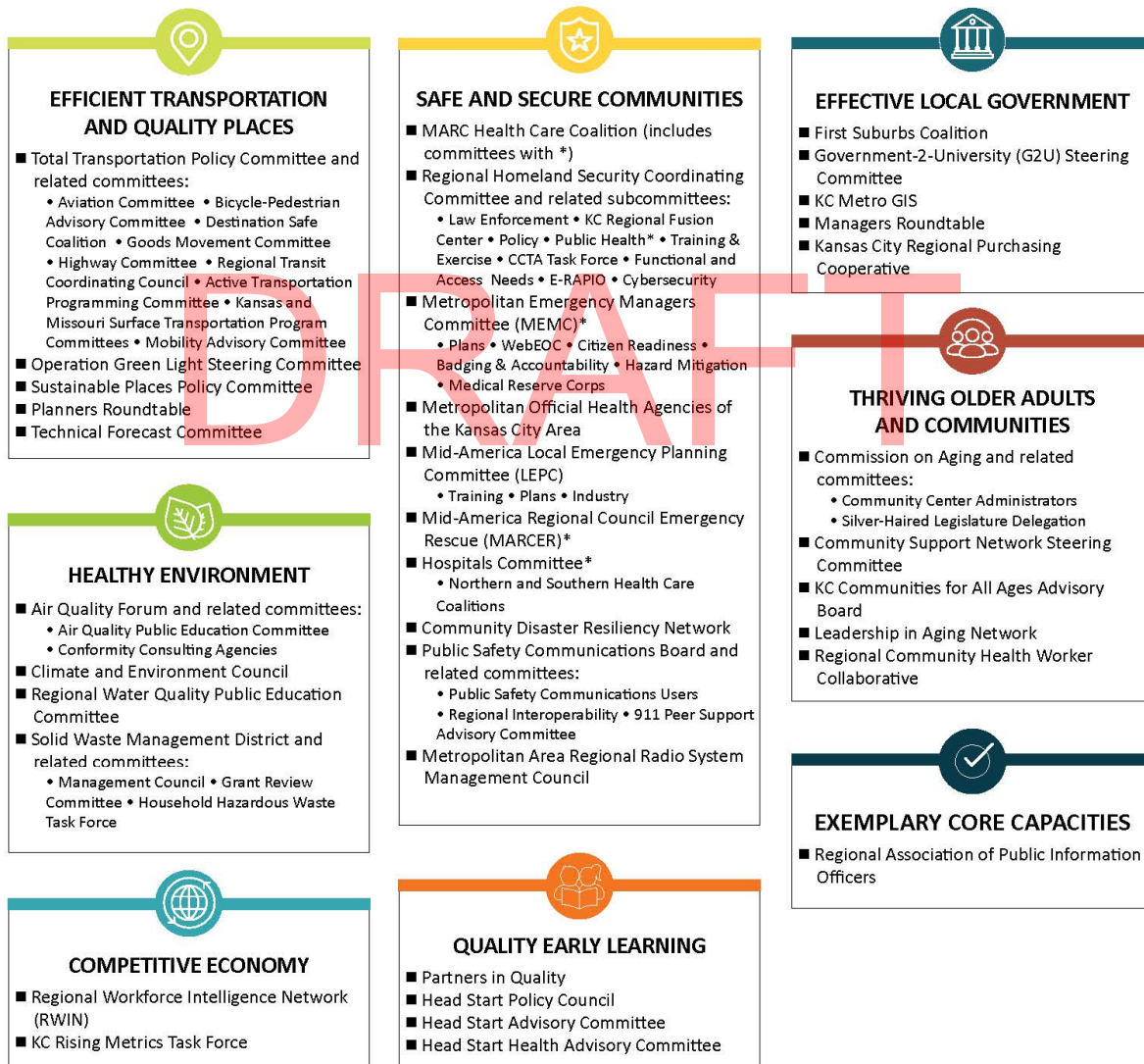
MISSOURI

Cass County
Clay County
Jackson County
Platte County
Ray County
City of Independence
City of Kansas City
City of Lee's Summit

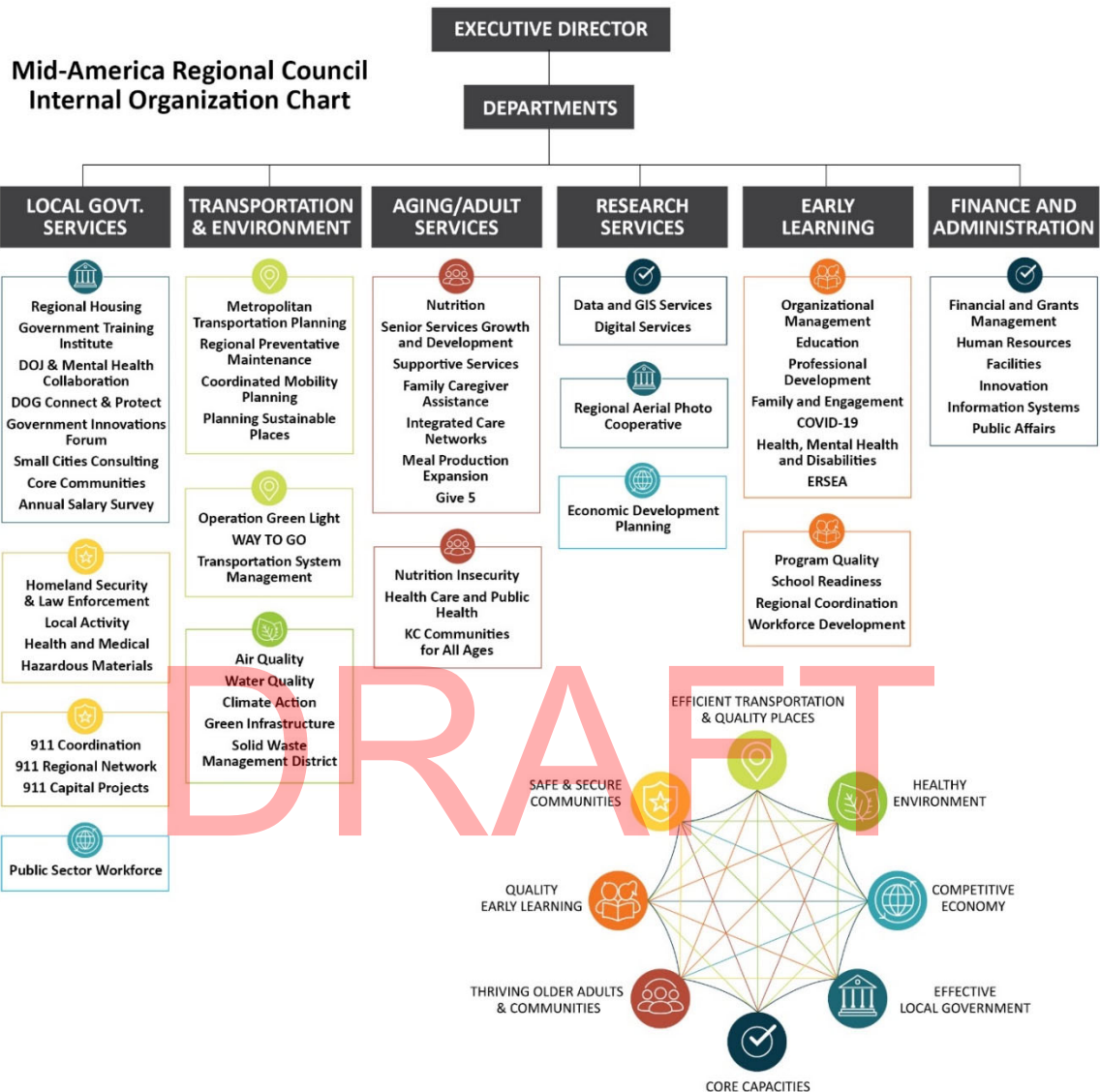
KANSAS

Johnson County
Leavenworth County
Miami County
Unified Government of Wyandotte Co./KCK
City of Olathe
City of Overland Park

Committees



December 2023



MARC is administratively organized into seven departments. Each department director oversees programs that align with the eight policy goals shown in the diagram above, although much of this work is interconnected across departmental and program lines, and the agency's core capacities (research, finance, human resources, information technology and public affairs) support all programs.

LIST OF OFFICERS AND BOARD OF DIRECTORS

As of December 31, 2023

OFFICERS

Carson Ross
Chair

Janeé Hanzlick
1st Vice Chair

Beto Lopez
2nd Vice Chair

Damien Boley
Treasurer

Holly Grummert
Secretary

David A. Warm
Executive Director

BOARD OF DIRECTORS

Member

Director

Alternate Director

Cass County, Missouri

Bob Huston
Presiding Commissioner

Ryan Johnson
Commissioner

Represents municipalities in
Cass County

Kristofer Turnbow
Mayor, Raymore, Missouri

Clay County, Missouri

Jerry Nolte
Presiding Commissioner

Victor Hurlbert
Auditor

Represents municipalities
other than KCMO in Clay
County

Damien Boley
Mayor, Smithville, Missouri

Randy Pogue
Mayor, Kearney,
Missouri

Jackson County, Missouri

Frank White Jr.
County Executive

DaRon McGee
Member, County Legislature

Jalen Anderson
Member, County
Legislature
Megan Marshall
Member, County
Legislature
Mike McDonough
Mayor, Raytown,
Missouri

Represents municipalities
other than KCMO, Lee's
Summit, and Independence
in Jackson County

Carson Ross
Mayor, Blue Springs, Missouri

Platte County, Missouri

Scott Fricker
Presiding Commissioner

Dagmar Wood
Commissioner

Ray County, Missouri

Billy Gaines
Presiding Commissioner

Kansas City, Missouri

Quinton Lucas
Mayor

Eric Bunch
Councilmember

Johnathan Duncan
Councilmember

Nathan Willett
Councilmember

Continued

LIST OF OFFICERS AND BOARD OF DIRECTORS

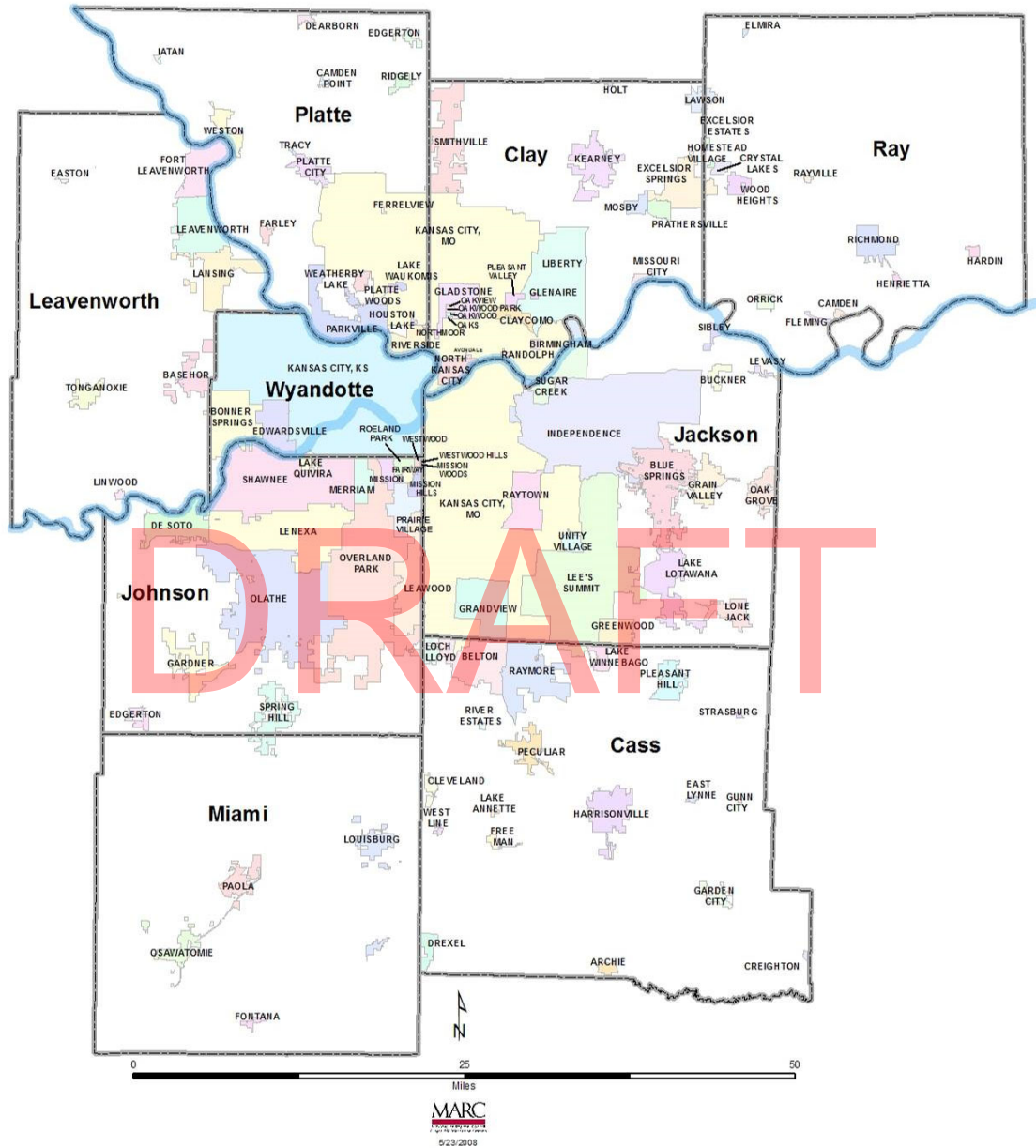
As of December 31, 2023

Continued

BOARD OF DIRECTORS		
<i>Member</i>	<i>Director</i>	<i>Alternate Director</i>
Independence, Missouri	Rory Rowland Mayor	Bridget McCandless Councilmember
	Dan Hobart Councilmember	
Lee's Summit, Missouri	Bill Baird Mayor	Beto Lopez Mayor Pro Tem
Johnson County, Kansas	Mike Kelly Commission Chairman Janeé Hanzlick Commissioner	Becky Fast Commissioner
Represents municipalities other than Overland Park and Olathe in Johnson County	Erik Mikkelson Mayor, Prairie Village, Kansas	David Dickey Mayor, Mission Hills, Kansas
	Michael Boehm Mayor, Lenexa, Kansas	Rick Walker Mayor, De Soto, Kansas
Leavenworth County, Kansas	Doug Smith Commissioner Jeff Culbertson Commissioner	Vernon Fields Councilmember, Basehor, Kansas
Miami County, Kansas	Rob Roberts Commissioner	Tyler Vaughan Commissioner
Unified Government of Wyandotte County/Kansas City, Kansas	Tyrone Garner Mayor, CEO	Mike Kane Commissioner
	Vacant Commissioner	Vacant Commissioner
	Vacant Commissioner	
Represents municipalities other than KCK in Wyandotte County	VACANT	Carolyn Caiharr Mayor, Edwardsville, Kansas
Overland Park, Kansas	Curt Skoog Mayor Holly Grummert Councilmember	Logan Heley Councilmember
Olathe, Kansas	John Bacon Mayor	Marge Vogt Councilmember

MID-AMERICA REGIONAL COUNCIL

Kansas City Metropolitan Area



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FINANCIAL SECTION

Independent Auditors' Report

Board of Directors
Mid-America Regional Council
Kansas City, Missouri

Report On The Audit Of The Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Mid-America Regional Council, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise Mid-America Regional Council's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Mid-America Regional Council as of December 31, 2023, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

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. 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 Mid-America Regional Council 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.

Emphasis Of Matter

As discussed in Note (1)B to the financial statements, MARC implemented the provisions of Governmental Accounting Standards Board Statement Number 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

Emphasis Of Matter Relating To Prior Period Adjustment

As discussed in Note (1)B to the financial statements, fund balance and net position at January 1, 2023 has been restated to properly reduce amounts originally reported as unearned revenue. Our opinion is not modified with respect to this matter.

Responsibilities Of Management For The Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, 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 Mid-America Regional Council'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 Mid-America Regional Council'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 Mid-America Regional Council'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 the Management's Discussion and Analysis on pages 16 through 26 and the Schedule of Changes in Total OPEB Liability and Related Ratios on page 62 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 sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Mid-America Regional Council's basic financial statements. The combining and individual fund financial statements and schedules are presented for the purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 25, 2024 on our consideration of Mid-America Regional Council's internal control over financial reporting and 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 the 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 Mid-America Regional Council's internal control over financial reporting and compliance.

June 25, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of Mid-America Regional Council (MARC) offers this discussion and analysis of the financial performance for the year ended December 31, 2023. Readers should review the information contained here, as well as the information contained in the letter of transmittal, notes to the basic financial statements and financial statements to enhance their understanding of MARC's performance. The intent of this discussion and analysis is to summarize MARC's financial performance.

Financial Highlights

- MARC restated beginning net position and fund balance at January 1, 2023, to correct an accounting error. The error correction affected the General, Special Revenue, CSC and Capital Projects funds. The total amount of the correction was \$9,119,949. For further information refer to footnote (1)B .
- MARC implemented Governmental Accounting Standards (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* in 2023. The implementation of this Statement required restatement to beginning balances or capital assets and related long-term liabilities in the amount of \$4,716,782.
- The total assets and deferred outflows of resources of MARC governmental activities exceeded its liabilities and deferred inflows of resources as of December 31, 2023, by \$19,513,838 (net position). Of this amount, \$14,432,208 represents MARC's unrestricted net position. MARC's net investment in capital assets is \$5,081,630.
- In fiscal year 2023, MARC's operating grant revenues increased by \$8,529,887, or 12% from \$68,858,034 in 2022 to \$77,387,921 in 2023. This increase is primarily due to an increase in operating grant revenue across MARC's special revenue fund programs. The operating grant revenues of the business-type activities decreased by \$24,203, or 4.4% from \$545,185 in 2022 to \$520,982 in 2023 which is primarily due to fluctuations in private funds from the Managed Services Network and Other Local Funds.
- MARC's total net position increased \$3,084,307 or 16% due in part to the restatement of the prior year beginning balance and a significant increase in the unrestricted net position of MARC's governmental activities.
- Transportation Project Fees were reclassified from general revenues to governmental activities fees for services in 2023. The total amount reclassified was \$1,373,327. These fees are assessed in even-numbered years when project award decisions for local government transportation projects are made. These fees are billed during the subsequent odd-numbered years as the transportation projects are underway.

- Cash and investments increased by \$2,091,074, or 17% from \$12,385,406 in 2022 to \$14,476,480 in 2023 due to timing and program expansion.
- Total liabilities decreased \$445,062, or 2% from \$22,845,993 in 2022 to \$22,400,931 in 2023. The implementation of GASB Statement No. 96 and the change in the treatment of unearned revenue account for a portion of the change in the balance.
- The fringe benefit/indirect costs allocation pool increased \$76,459, from \$122,727 in 2022, to \$199,186 in 2023. The total amount of indirect costs and fringe benefits is allocated between programs and reviewed annually to ensure accuracy. Fluctuations from year to year arise when the actual quantity used of the allocation differs.

Overview of the Financial Statements

MARC's basic financial statements include three components:

1. The Government-Wide Financial Statements – These statements provide both long-term and short-term information about MARC's overall financial status. The government -wide financial statements are designed to provide readers with a broad overview of MARC's finances.
2. The Fund Financial Statements – These statements focus on individual parts of MARC, reporting MARC's operations in more detail than the government-wide 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.
3. Notes to the Basic Financial Statements – The notes explain some of the information in the financial statements and provide more detail that is essential for the reader's understanding of the financial statements.

Additionally, required, and other supplementary information are included in this report to provide additional information to the reader.

Government-wide Financial Statements

The government-wide financial statements have been prepared using the accrual basis of accounting. The focus of these statements is MARC's long-term financial picture, and present readers with the overview of MARC's governmental and business-type activities in a manner similar to a private-sector business.

The two government-wide statements report MARC's net position and how it changed. Net position is one way to measure MARC's financial health.

MID-AMERICA REGIONAL COUNCIL

MANAGEMENT'S DISCUSSION AND ANALYSIS *(Continued)*

The Statement of Net Position - reports all of MARC's assets, deferred outflows, liabilities, deferred inflows and net position. Over time, the increases and decreases in net position can be monitored to determine whether MARC's financial position is improving or deteriorating.

The Statement of Activities - shows how MARC's net position changed during the fiscal year. This statement shows the revenues and expenses related to specific programs and how much program support came from MARC's local government appropriations. Since this statement is prepared on the accrual basis of accounting, all revenues and expenses are reported as the underlying event occurs, regardless of when cash is actually received.

The governmental activities reflect MARC's core services including early learning, community development, emergency services, environmental planning, transportation, aging and adult services. These governmental activities are principally supported by grants, and 155 grants were active during 2023.

The business-type activities reflect private sector-type operations including the Government Training Institute, CORE 4, Educare program, Managed Services Network, Veterans Directed Home and Community-Based Services, Government Innovations Forum, small cities consulting program, aerial photography program, and the cooperative purchasing program.

Fund Financial Statements

MARC uses three types of funds to manage its resources: governmental, proprietary, and fiduciary. A fund is a grouping of related accounts separated for the purpose of carrying on specific activities or attaining certain objectives in accordance with regulations, restrictions, or limitations.

Governmental funds – All of MARC's basic services are reported in governmental funds, which are prepared on the modified accrual basis. Under the modified accrual basis, revenues are recognized when they become measurable and available, while expenditures are recognized when the related fund liability is incurred. The exception is long-term debt and other similar items which are recorded when due. The focus of these reports is on the short-term financial resources available to operations reported, rather than MARC as a whole. The information reported in these statements can be compared to the governmental activities information in the government-wide statements. The reconciliation at the end of the governmental fund financial statements details the relationship between the two types of financial statements.

MARC maintains four governmental funds (General Fund, two Special Revenue Funds, and a Capital Projects Fund), all of which are major funds. Information is presented for each in the *Balance Sheet — Governmental Funds* and in the *Statement of Revenues, Expenditures and Changes in Fund Balances — Governmental Funds*.

MID-AMERICA REGIONAL COUNCIL

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Proprietary funds - Financial statements are prepared on the accrual basis of accounting wherein revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. MARC follows the cost of services or "economic resources" measurement focus, under which all assets and all liabilities associated with the activity of providing training and consulting services are included within the fund. MARC only uses one type of proprietary fund, Enterprise funds, which are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail.

Fiduciary funds - Resources held by MARC for the benefit of a third party are reported in fiduciary funds. Because these resources are not available for MARC's operation, they are not presented in the government-wide financial statements. MARC's fiduciary funds include the Private-Purpose Trust Fund and Custodial Funds shown on the fiduciary fund statements. Additional schedules for the Custodial Funds can be found in the supplementary information following the notes to the financial statements.

Notes to the Basic Financial Statements

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

Required Supplementary Information

In addition to the basic financial statements and notes described above, required supplementary information regarding MARC's funding for postemployment benefits other than pensions have been included.

Other Supplementary Information

Other supplementary information presents combined and individual statements for non-major funds. The statistical section also includes schedules reporting financial activity for the last 10 years, and other miscellaneous data.

Government-wide Financial Analysis

As noted earlier, and discussed in footnote (1)B, beginning net position was restated as of January 1, 2023, to correct an error in accounting for revenue recognition of certain programs. Net position may serve over time as a useful indicator of a government's financial position. MARC's governmental activities assets and deferred outflows exceeded liabilities and deferred inflows by \$19,513,838 as of December 31, 2023. Of this amount \$5,081,630 reflects the investment in capital assets used to operate and provide services; consequently, these assets are *not* available for future implementation. The unrestricted net position has a balance of \$14,432,208 which is available for future needs of the organization.

MID-AMERICA REGIONAL COUNCIL

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The Proprietary Fund is reported as business-type activities on the *Statement of Net Position*, which shows a balance of \$2,493,621 cumulative net position as of December 31, 2023.

The following table reflects the condensed Statement of Net Position compared to the prior year.

Mid-America Regional Council Statement of Net Position						
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Cash and investments	\$ 14,476,480	\$ 12,385,406	\$ —	\$ —	\$ 14,476,480	\$ 12,385,406
Accounts receivable	17,674,529	14,397,686	1,033,501	853,305	18,708,030	15,250,991
Prepaid items	528,360	555,542	—	—	528,360	555,542
Internal balances	(1,460,120)	(1,228,976)	1,460,120	1,228,976	—	—
Capital and right to use assets, net	10,730,311	13,059,095	—	—	10,730,311	13,059,095
Total assets	41,949,560	39,168,753	2,493,621	2,082,281	44,443,181	41,251,034
Deferred Outflows of Resources						
Deferred outflows related to OPEB	129,108	120,702	—	—	129,108	120,702
Liabilities						
Other liabilities and unearned revenue	15,209,478	13,127,042	—	—	15,209,478	13,127,042
Long-term liabilities:						
Lease and subscription liabilities	5,648,681	8,277,543	—	—	5,648,681	8,277,543
Other postemployment benefits	262,165	209,840	—	—	262,165	209,840
Accrued vacation and sick leave	1,280,607	1,231,568	—	—	1,280,607	1,231,568
Total liabilities	22,400,931	22,845,993	—	—	22,400,931	22,845,993
Deferred Inflows of Resources						
Deferred inflows related to OPEB	163,899	184,262	—	—	163,899	184,262
Net Position						
Net investment in capital assets	5,081,630	4,781,552	—	—	5,081,630	4,781,552
Unrestricted	14,432,208	11,477,648	2,493,621	2,082,281	16,925,829	13,559,929
Total net position	\$ 19,513,838	\$ 16,259,200	\$ 2,493,621	\$ 2,082,281	\$ 22,007,459	\$ 18,341,481

MID-AMERICA REGIONAL COUNCIL

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The following table reflects the condensed Statement of Activities for the years ended December 31, 2023 and 2022.

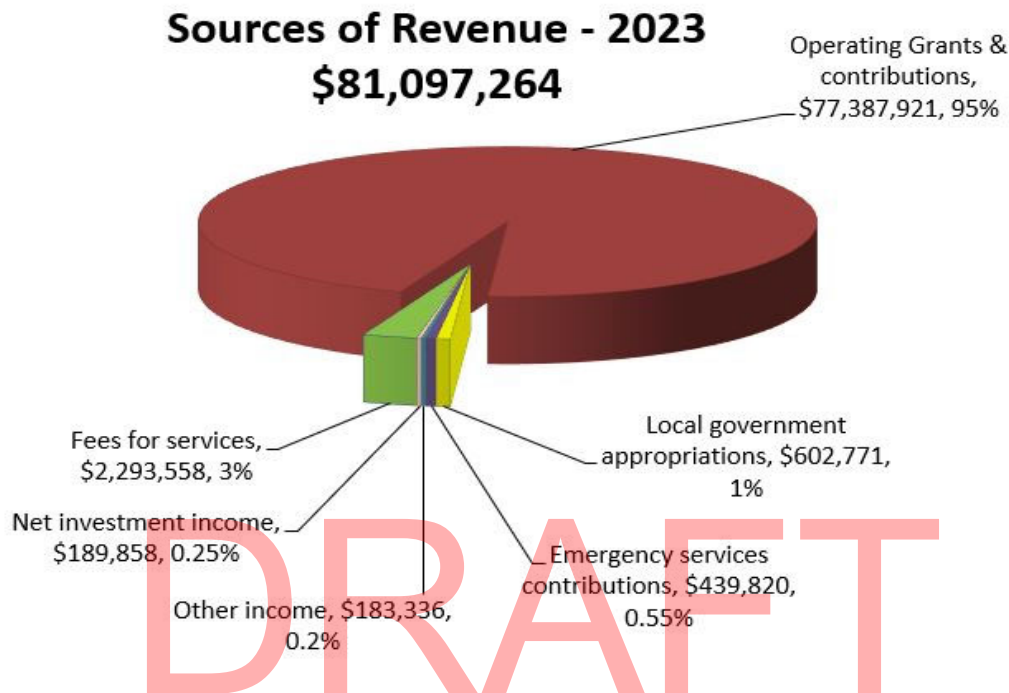
Mid-America Regional Council Statement of Activities						
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Program revenues:						
Fees for services	\$ 2,293,558	\$ 554,730	\$ 1,828,373	\$ 2,448,432	\$ 4,121,931	\$ 3,003,162
Operating grants	77,387,921	68,858,034	520,982	545,185	77,908,903	69,403,219
General revenues:						
Local government						
appropriations	602,771	650,892	—	—	602,771	650,892
Emergency services						
contributions	439,820	399,825	—	—	439,820	399,825
Investment earnings	189,858	92,505	—	—	189,858	92,505
Miscellaneous income	183,336	1,082,617	—	—	183,336	1,082,617
Total revenues	81,097,264	71,638,603	2,349,355	2,993,617	83,446,619	74,632,220
Expenses:						
General government	2,130,956	1,386,096	—	—	2,130,956	1,386,096
Special programs	76,273,841	70,214,033	—	—	76,273,841	70,214,033
Governmental training and consulting services	—	—	1,957,515	2,565,309	1,957,515	2,565,309
Total expenses	78,404,797	71,600,129	1,957,515	2,565,309	80,362,312	74,165,438
Increase (decrease) in net position before transfers	2,692,467	38,474	391,840	428,308	3,084,307	466,782
Transfers	(19,500)	(19,500)	19,500	19,500	—	—
Change in net position	2,672,967	18,974	411,340	447,808	3,084,307	466,782
Net Position - beginning, restated	16,840,871	16,240,226	2,082,281	1,634,473	18,923,152	17,874,699
Net Position - ending	\$ 19,513,838	\$ 16,259,200	\$ 2,493,621	\$ 2,082,281	\$ 22,007,459	\$ 18,341,481

Total operating grant increased in 2023 by \$8,529,887, or 12%. The increase is largely attributable to an increase in volume of operating grants and due to the correction of an accounting error related to the recognition of revenue of certain programs which is discussed in footnote (1)B.

Governmental Activities

Governmental activities include the General Fund, two Special Revenue funds, and a Capital Projects fund. Overall, revenues (not including transfers) increased \$9,458,660, or 13% from 2022, due primarily to an increase in operating grants and contributions.

As illustrated by the following graph, 95% of MARC's revenues are from operating grants and contributions.



Local government appropriations include dues from the 14 member governments and voluntary dues from cities within the metropolitan area. The statistical section includes a schedule showing the local government appropriations for the last 10 years.

MARC allocates its fringe benefits and indirect costs to its programs and activities based upon rates negotiated with the U.S. Department of Health and Human Services (HHS). Fringe benefit/indirect costs allocation are recategorized from an expense to a revenue. The amounts that are allocated vary from actual costs, resulting in a surplus or a deficit. A surplus of \$122,727 was incurred in 2022 and a surplus of \$199,186 was incurred in 2023. The surpluses/deficits are rolled over to future years in an even/odd year cycle when the rates are negotiated with HHS.

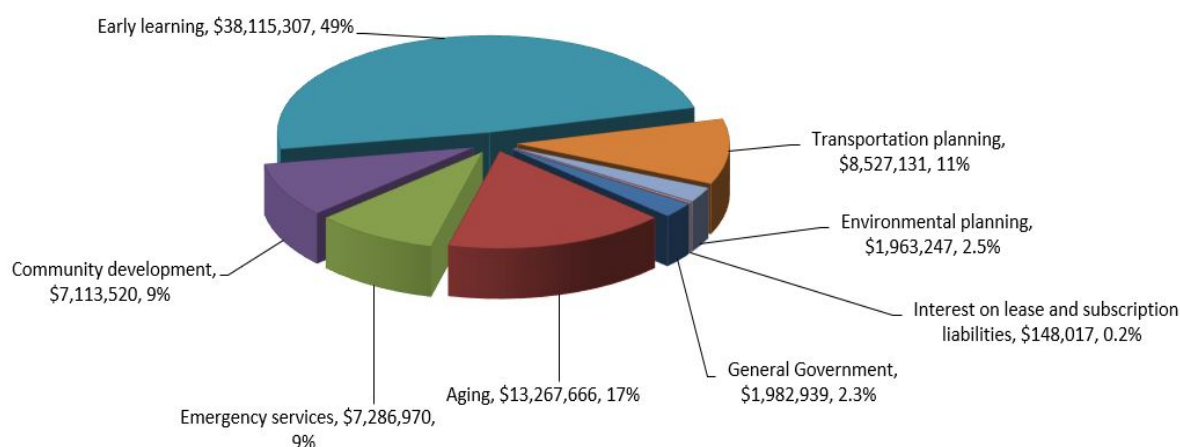
MID-AMERICA REGIONAL COUNCIL

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The net cost of each program is an important indicator of the financial burden placed on revenues.

Expenses by Function - 2023

\$78,404,797



Additional information about program and general revenues may be found on the Statement of Activities located on page 28.

The expenditures in governmental activities were incurred for supporting the salaries of program and administrative personnel in addition to other efforts related to regional issues. Capital outlay is also included. Total governmental activity expenditures increased by \$6,804,668 or 9.5% in fiscal year 2023, due largely to increased activity in Early Learning, Transportation Planning and Environmental Planning.

	Total Cost of Services			Net Cost of Services		
	2023	2022	% Change	2023	2022	% Change
General Government	\$ 1,982,939	\$ 1,297,123	52.9%	\$ (1,939,775)	\$ (1,269,778)	52.8%
Aging	13,267,666	12,479,455	6.3%	(317,913)	(442,429)	-28.1%
Emergency services	7,286,970	5,964,165	22.2%	1,965,644	(831,290)	-336.5%
Community development	7,113,520	7,599,392	-6.4%	159,747	768,808	-79.2%
Early learning	38,115,307	36,447,200	4.6%	263,104	(5,809)	-4629.2%
Transportation planning	8,527,131	6,952,675	22.6%	1,308,538	(13,070)	-10111.8%
Environmental planning	1,963,247	771,146	154.6%	(14,646)	(319,824)	-95.4%
Interest on lease liability	148,017	88,973	0.0%	(148,017)	(88,973)	0.0%
	<u>\$ 78,404,797</u>	<u>\$ 71,600,129</u>	<u>9.5%</u>	<u>\$ 1,276,682</u>	<u>\$ (2,202,365)</u>	<u>-158.0%</u>

The MARC Board established a transportation planning reserve that is funded by 10 percent of the local dues. Additionally, transportation project fees are collected, which are half of a percent of project awards. Fees are assessed in odd years as projects are awarded to local governments and

MID-AMERICA REGIONAL COUNCIL

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

organizations in the region. Because funds are programmed every two years, significant fluctuations in the reserve balance can occur from year to year. The administrative fee was adjusted from 0.05% to 0.10% in 2021. The reserve balance is projected to increase to \$1,509,823 at the end of 2024.

A funding strategy is in place to raise local funds to supplement federal, state, and existing local funds to sustain the region's emergency services and homeland security core capacities. The funding received in 2022 and 2023 totaled \$399,825 and \$439,820, respectively. The funds are used to cover expenses in the Special Revenue Fund not funded by federal homeland security and emergency grants.

The MARC Board established a goal to increase the unassigned fund balance to an amount equal to 12 percent of annual direct salaries, fringe benefits, indirect costs and rent, excluding pass-through programs. The 12 percent goal, based upon the 2023 budget, is \$2,324,936. The actual long-term contingency ending balance as of December 31, 2023, is \$1,797,906, or 77%.

Analysis of the Fund Financial Statements

General Fund. Fund balance increased 13% or \$591,798 driven by timing of amounts due to other funds. Additional information regarding the fund balance may be found on the Statement of Revenues, Expenditures and Changes in Fund Balances starting on page 30.

Special Revenue Fund. The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, such as transportation planning, homeland security, environmental planning, or meals for the elderly. Grants receivables are recorded only to the extent that allowable reimbursement expenditures have been incurred. The fund balance increased 46% or \$1,122,600 in 2023.

Additional information on Expenditures by program area, as reported on the *Schedule of Revenues, Expenditure, and Changes in Fund Balance — Final Budget to Actual Budget Basis — Special Revenue Fund* (schedule 2), can be found on page 64.

Proprietary Fund. MARC has several activities where users are charged fees for services and are accounted for in the proprietary fund. The net position in the proprietary fund increased \$411,340, or 20% from \$2,082,281 in 2022 to \$2,493,621 in 2023. A positive net position indicates that the financial position has improved and that the cost of the services has been covered. Additional information about the proprietary fund may be found on the Statement of Revenues, Expenses, and Changes in Net Position starting on page 33.

Capital Projects Fund. MARC's Capital Projects Fund accounts for major infrastructure improvement projects. The fund balance increased \$731,086, or 11% from 2022. The underlying reason for the change in fund balance was an increase in grant revenue and a decrease in capital outlay.

Budget to Actual

The Board adopted the 2023 Budget and Workplan in December of 2022. The following schedules detail changes from the final budget to actual and are located on pages 63-65

Schedule 1 - Revenues, Expenditures, and Changes in Fund Balance – Final Budget to Actual
Budget Basis - **General Fund**

Schedule 2 - Revenues, Expenditures, and Changes in Fund Balance – Final Budget to Actual
Budget Basis – **Special Revenue Fund**

Schedule 3 - Revenues, Expenditures, and Changes in Fund Balance – Final Budget to Actual
Budget Basis – **Proprietary Fund**

Capital Assets

MARC's capital assets, net of depreciation, total was restated as of December 31, 2022, to \$13,059,095 due to the January 1, 2023, implementation of GASB Statement No. 96. The change resulted in a \$4,716,782 increase in the beginning balance. The net change from 2022 to 2023 was a decrease of \$2,328,784 or 18% under 2022. The fluctuation is due in part to activity in the Emergency Communication System programs, and the effects of GASB Statement No. 96. Additional information on MARC's capital assets can be found in note (3)C.

Long-Term Debt Activity

As of December 31, 2023, MARC had \$5,648,681 in long-term debt related to a lease and subscription obligations which represents a long-term contractual agreement. \$2,596,869 is due within one year while \$3,051,812 is due in more than one year.

Economic Condition and Next Year's Programs

The Greater Kansas City region, of which MARC is a part of, continues to have a robust economy with strong communities and successful, engaged and happy people. The influx of new grants and the increases to existing grants has resulted in strong future revenue projections and growth of the MARC workforce. MARC's programs and activities are funded by a wide variety of grants from federal, state, and local governments and contributions from foundations and civic organizations. The 2024 budget projects a \$32,702,523, or 33% increase in expenditures over the revised 2023 budget. The Special Revenue fund makes up about 96% of the overall increase and reflects the increase in anticipated grant activity.

Requests for Information

This financial report is designed to provide a general overview of MARC's financial activity. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance and Administration, Mid-America Regional Council, 600 Broadway, Suite 200, Kansas City, Missouri 64105-1659.

DRAFT

MID-AMERICA REGIONAL COUNCIL

STATEMENT OF NET POSITION December 31, 2023

Exhibit A

	Primary Government		
	Governmental	Nonmajor	
	Activities	Business-Type	Total
		Activities	
Assets			
Cash	\$ 10,035,543	\$ —	\$ 10,035,543
Investments	4,440,937	—	4,440,937
Accounts receivable:			
Customers and users	—	1,033,501	1,033,501
Granting agencies	15,985,138	—	15,985,138
Due from 911 participating counties	918,471	—	918,471
Other	753,710	—	753,710
Advances to contractors	17,210	—	17,210
Prepaid items	528,360	—	528,360
Internal balances	(1,460,120)	1,460,120	—
Capital assets, non-depreciable:			
Construction in progress:			
911 call-taking equipment	7,300	—	7,300
Capital and right to use assets, net:			
Office furniture and equipment	208,181	—	208,181
Right to use assets - building, improvements and SBITA	5,608,432	—	5,608,432
Buildings - Head Start program	772,083	—	772,083
911 call-taking equipment	2,842,462	—	2,842,462
911 RAMBIS equipment	73,452	—	73,452
Leasehold improvements	979,561	—	979,561
Traffic signal program vehicles	238,840	—	238,840
Total assets	41,949,560	2,493,621	44,443,181
Deferred Outflows of Resources			
Deferred outflows related to OPEB	129,108	—	129,108
Liabilities			
Accounts payable	8,236,245	—	8,236,245
Accrued payroll, payroll taxes and fringe benefits	582,986	—	582,986
Unearned revenue	6,390,247	—	6,390,247
Lease and subscription liabilities:			
Due within one year	2,596,869	—	2,596,869
Due in more than one year	3,051,812	—	3,051,812
Other post employment benefits:			
Due in more than one year	262,165	—	262,165
Accrued vacation and sick leave:			
Due within one year	920,737	—	920,737
Due in more than one year	359,870	—	359,870
Total liabilities	22,400,931	—	22,400,931
Deferred Inflows of Resources			
Deferred inflows related to OPEB	163,899	—	163,899
Net Position			
Net investment in capital assets	5,081,630	—	5,081,630
Unrestricted	14,432,208	2,493,621	16,925,829
Total net position	\$ 19,513,838	\$ 2,493,621	\$ 22,007,459

The notes to the basic financial statements are an integral part of this statement.

MID-AMERICA REGIONAL COUNCIL

STATEMENT OF ACTIVITIES For The Year Ended December 31, 2023

Exhibit B

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Fees for Services	Operating Grants and Contributions	Primary Government		
				Governmental Activities	Nonmajor Business-Type Activities	Total
Governmental Activities:						
General Government	\$ 1,982,939	\$ 43,164	\$ —	\$ (1,939,775)	\$ —	\$ (1,939,775)
Aging	13,267,666	737,203	12,212,550	(317,913)	—	(317,913)
Emergency services	7,286,970	26,358	9,226,256	1,965,644	—	1,965,644
Community development	7,113,520	56,028	7,217,239	159,747	—	159,747
Early learning	38,115,307	53,021	38,325,390	263,104	—	263,104
Transportation planning	8,527,131	1,373,327	8,462,342	1,308,538	—	1,308,538
Environmental planning	1,963,247	4,457	1,944,144	(14,646)	—	(14,646)
Interest on lease and subscription liabilities	148,017	—	—	(148,017)	—	(148,017)
Total governmental activities	78,404,797	2,293,558	77,387,921	1,276,682	—	1,276,682
Business-type activities:						
Governmental training and consulting services	1,957,515	1,828,373	520,982	—	391,840	391,840
Total primary government	<u>\$ 80,362,312</u>	<u>\$ 4,121,931</u>	<u>\$ 77,908,903</u>			
General revenues:						
Local government appropriations				602,771	—	602,771
Emergency services contributions				439,820	—	439,820
Miscellaneous income				183,336	—	183,336
Investment earnings				189,858	—	189,858
Transfers				(19,500)	19,500	—
Total general revenues and transfers				1,396,285	19,500	1,415,785
Change in net position				2,672,967	411,340	3,084,307
Net position, beginning of year, as restated				16,840,871	2,082,281	18,923,152
Net position, end of year				\$ 19,513,838	\$ 2,493,621	\$ 22,007,459

The notes to the basic financial statements are an integral part of this statement.

MID-AMERICA REGIONAL COUNCIL

BALANCE SHEET - GOVERNMENTAL FUNDS

December 31, 2023

					Exhibit C
	General	Special Revenue	MARC CSC	Capital Projects	Total
Assets					
Cash	\$ 10,020,378	\$ —	\$ 15,165	\$ —	\$ 10,035,543
Investments	4,440,937	—	—	—	4,440,937
Accounts receivable - granting agencies	—	15,981,173	3,965	—	15,985,138
Accounts receivable - 911 participating counties	414,817	352,387	—	151,267	918,471
Accounts receivable - other	753,710	—	—	—	753,710
Accounts receivable - advances to contractors	15,165	2,045	—	—	17,210
Due from other funds	—	—	—	7,215,317	7,215,317
Prepaid items	491,324	—	—	37,036	528,360
Total assets	<u>\$ 16,136,331</u>	<u>\$ 16,335,605</u>	<u>\$ 19,130</u>	<u>\$ 7,403,620</u>	<u>\$ 39,894,686</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 8,236,245	\$ —	\$ —	\$ —	\$ 8,236,245
Accrued payroll, payroll taxes and fringe benefits	582,986	—	—	—	582,986
Due to other funds	2,142,644	6,532,793	—	—	8,675,437
Unearned revenue - granting agencies	—	6,257,662	—	—	6,257,662
Unearned revenue - other	132,585	—	—	—	132,585
Total liabilities	<u>11,094,460</u>	<u>12,790,455</u>	<u>—</u>	<u>—</u>	<u>23,884,915</u>
Fund Balances:					
Nonspendable:					
Prepaid items	491,324	—	—	37,036	528,360
Committed:					
Accrued vacation and sick leave	1,280,607	—	—	—	1,280,607
Assigned:					
Aging	—	641,517	—	—	641,517
Operation green light	—	300,000	—	—	300,000
Community development	—	—	19,130	—	19,130
911 Operations	—	2,603,633	—	7,366,584	9,970,217
Unassigned					
General fund	3,269,940	—	—	—	3,269,940
Total fund balances	<u>5,041,871</u>	<u>3,545,150</u>	<u>19,130</u>	<u>7,403,620</u>	<u>16,009,771</u>
Total liabilities and fund balances	<u>\$ 16,136,331</u>	<u>\$ 16,335,605</u>	<u>\$ 19,130</u>	<u>\$ 7,403,620</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital and right to use assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	10,730,311
Lease and subscription liabilities	(5,648,681)
Other post employment benefits	(262,165)
Deferred outflows related to OPEB	129,108
Deferred inflows related to OPEB	(163,899)
Long-term liabilities, including accrued vacation and sick leave, are not due and payable in the current period and therefore are not reported in the funds.	<u>(1,280,607)</u>
Net position of governmental activities	<u>\$ 19,513,838</u>

The notes to the basic financial statements are an integral part of this statement.

MID-AMERICA REGIONAL COUNCIL

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS For The Year Ended December 31, 2023

					Exhibit D
	General	Special Revenue	MARC CSC	Capital Projects	Total
Revenues:					
Grants	\$ —	\$ 63,781,689	\$ 4,604,333	\$ 2,168,147	\$ 70,554,169
Contributed services – third party	—	6,662,399	—	—	6,662,399
Local government appropriations	602,771	—	—	—	602,771
Transportation project fees	1,320,506	—	—	—	1,320,506
Emergency services contributions	439,820	—	—	—	439,820
Net investment income	180,432	9,246	180	—	189,858
Program income	—	301,449	12,522	—	313,971
Fees for services/events	43,164	560,251	27,833	—	631,248
Settlement of vacation and sick leave	49,039	—	—	—	49,039
Other income	7,438	126,859	—	—	134,297
Fringe benefit/indirect costs allocation	199,186	—	—	—	199,186
Total revenues	<u>2,842,356</u>	<u>71,441,893</u>	<u>4,644,868</u>	<u>2,168,147</u>	<u>81,097,264</u>
Expenditures:					
Current programs:					
Aging	—	13,153,753	33,257	—	13,187,010
Emergency services	—	5,024,066	—	—	5,024,066
Community development	—	2,562,793	4,543,394	—	7,106,187
Early learning	—	37,946,959	40,386	—	37,987,345
Transportation planning	—	8,509,022	—	—	8,509,022
Environmental planning	—	1,935,416	27,831	—	1,963,247
MARC local activity	586,872	—	—	—	586,872
Debt service:					
Principal	744,826	1,884,035	—	—	2,628,861
Interest	50,529	97,488	—	—	148,017
Capital outlay	54,592	—	—	1,437,061	1,491,653
Total expenditures	<u>1,436,819</u>	<u>71,113,532</u>	<u>4,644,868</u>	<u>1,437,061</u>	<u>78,632,280</u>
Excess of revenues over (under) expenditures	<u>1,405,537</u>	<u>328,361</u>	<u>—</u>	<u>731,086</u>	<u>2,464,984</u>
Other financing sources (uses):					
Transfers (out)/in	(813,739)	794,239	—	—	(19,500)
Total other financing sources (uses)	<u>(813,739)</u>	<u>794,239</u>	<u>—</u>	<u>—</u>	<u>(19,500)</u>
Change in fund balance	591,798	1,122,600	—	731,086	2,445,484
Fund balance, beginning of year, as restated	4,450,073	2,422,550	19,130	6,672,534	13,564,287
Fund balance, end of year	<u>\$ 5,041,871</u>	<u>\$ 3,545,150</u>	<u>\$ 19,130</u>	<u>\$ 7,403,620</u>	<u>\$ 16,009,771</u>

The notes to the basic financial statements are an integral part of this statement.

MID-AMERICA REGIONAL COUNCIL

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENT FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2023

Exhibit E

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balance - total governmental funds	\$ 2,445,484
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 expense.	
Depreciation and amortization	(3,564,646)
Capital outlays	1,235,862
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.	
Principal payments on lease liability	2,628,861
Increase in OPEB Obligation	(52,325)
Increase in deferred outflows for OPEB	8,406
Decrease in deferred inflows for OPEB	20,364
Settlement of vacation and sick leave	(49,039)
Change in net position of governmental activities	<u>\$ 2,672,967</u>

The notes to the basic financial statements are an integral part of this statement.

MID-AMERICA REGIONAL COUNCIL

STATEMENT OF NET POSITION - PROPRIETARY FUND (NONMAJOR)

December 31, 2023

Exhibit F

Assets:

Current Assets:

Accounts receivable - customers

\$ 1,033,501

Due from other funds

1,460,120

Total assets

2,493,621

Net Position:

Net Position:

Unrestricted

\$ 2,493,621

DRAFT

The notes to the basic financial statements are an integral part of this statement.

MID-AMERICA REGIONAL COUNCIL

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUND (NONMAJOR) For The Year Ended December 31, 2023

Exhibit G

Operating Revenues:

Fees for services/events	\$ 1,828,373
Other federal and local funds	218,277
Local dues and fees	281,969
Private funds	<u>20,736</u>
Total operating revenues	<u>2,349,355</u>

Operating Expenses:

Contractual services	747,292
Fringe benefits allocated	230,746
Indirect costs allocated	211,443
Meals for the elderly	9,767
Meetings/travel	81,712
Memberships/periodicals	6,622
Other	86,835
Postage	166
Printing/reproduction	2,123
Rent/utilities/maintenance	29,932
Salaries	467,084
Supplies	76,838
Training	<u>6,955</u>
Total operating expenses	<u>1,957,515</u>

Operating income 391,840

Transfers in 19,500

Change in net position 411,340

Net position, beginning of year 2,082,281

Net position, end of year \$ 2,493,621

The notes to the basic financial statements are an integral part of this statement.

MID-AMERICA REGIONAL COUNCIL

STATEMENT OF CASH FLOWS - PROPRIETARY FUND (NONMAJOR) For The Year Ended December 31, 2023

Exhibit H

Cash flows from operating activities:

Receipts from customers and users	\$ 1,938,015
Payments to suppliers and contractors	<u>(1,957,515)</u>
Net cash used by operating activities	<u>(19,500)</u>

**Cash flows from noncapital
financing activities:**

Transfer from other funds	<u>19,500</u>
Net cash provided by noncapital and related financing activities	<u>19,500</u>

Net change in cash and cash equivalents —

Cash and cash equivalents at beginning of year —

Cash and cash equivalents at end of year \$ —

**Reconciliation of operating income to net cash
used by operating activities:**

Operating income	\$ 391,840
Adjustments to reconcile operating income to net cash used by operating activities:	
Change in operating assets and liabilities:	
Accounts receivable - customers	(180,196)
Due to/from other funds	<u>(231,144)</u>

Net cash used by operating activities \$ (19,500)

The notes to the basic financial statements are an integral part of this statement.

MID-AMERICA REGIONAL COUNCIL

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS December 31, 2023

Exhibit I

Assets	Private-purpose Trust	Custodial Funds
	Child Care Scholarship	
Cash	\$ —	\$ 1,099,169
Investments - government securities	39,372	25,963
Total assets	<u>\$ 39,372</u>	<u>\$ 1,125,132</u>
Net Position		
Restricted for		
Individuals, organizations, and other governments	<u>\$ 39,372</u>	<u>\$ 1,125,132</u>

The notes to the basic financial statements are an integral part of this statement.

MID-AMERICA REGIONAL COUNCIL

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS For The Year Ended December 31, 2023

Exhibit J

	Private- purpose Trust	Custodial Funds
Additions:		
Contributions:		
Grants	\$ —	\$ 2,042,599
Fees for services/events		22,137
Investment income:		
Net appreciation in fair value of investments	415	6,005
Total additions	415	2,070,741
Deductions:		
Administrative services	—	555,736
Audit	—	1,650
Contractual services	—	1,408,251
Fees for handling pass-through grants		500
Insurance	—	2,400
Meetings/travel	—	26,528
Memberships/periodicals	—	5,358
Other	—	34,035
Supplies	—	6,467
Total deductions	—	2,040,925
Change in net position	415	29,816
Net position, beginning of year	38,957	1,095,316
Net position, end of year	\$ 39,372	\$ 1,125,132

The notes to the basic financial statements are an integral part of this statement.

MID-AMERICA REGIONAL COUNCIL

NOTES TO BASIC FINANCIAL STATEMENTS

(1) Reporting Entity and Significant Accounting Policies

A. The Reporting Entity

Mid-America Regional Council (MARC) was formed in 1972 as a voluntary coalition of local governments in response to the need for regional cooperation in Greater Kansas City. MARC is a governmental nonprofit corporation, organized and existing pursuant to Section 12-716 et. seq. and 12-2901 et. seq. of the Kansas Statutes Annotated, and Article VI, Section 9 of the Missouri Constitution and Sections 70.210 et. seq. of the Revised Statutes of Missouri. Membership of the MARC Board of Directors consists of representatives from each of the nine member counties and the six largest cities in the region, as well as representatives from the smaller cities by county. In addition to serving as a forum for regional collaboration, MARC also provides technical assistance to local governments, implements state and federal programs in the region, conducts short-term and long-term planning, and serves as a central resource for regional demographic and economic information.

MARC's basic financial statements include the accounts of all MARC functions and activities. The criteria used to determine whether component units (separate governmental units, agencies or nonprofit corporations associated with MARC) should be disclosed in the basic financial statements of MARC include appointment of a voting majority, imposition of will, imposition of financial benefit to or burden on MARC, and fiscal dependency.

In November 2004, the MARC Board of Directors formed a nonprofit corporation, Mid-America Regional Council Community Services Corporation (MARC CSC), which was approved by the Internal Revenue Service for operation as a 501(c)3 organization. The nonprofit essentially allows MARC to apply for and receive grants that otherwise are awarded only to 501(c)3 organizations. All MARC CSC grants are contracted or passed-through to MARC for management. The members of the MARC Board of Directors' Budget & Personnel Committee form the Board of Directors of MARC CSC. MARC staff manages and processes all programs and activities for MARC CSC. Since MARC holds corporate powers for MARC CSC, the financial activity of MARC CSC falls within the definition of a component unit and is presented as a blended component unit that is reported as a major governmental fund in this report.

B. Significant Accounting Policies

The accounting policies of MARC conform to accounting principles generally accepted in the United States as applicable to governmental entities.

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 governmental activities (funds) of MARC; fiduciary activities (funds) are excluded because the funds are not available for general governmental activities. The effect of interfund activity has been removed from these statements except where interfund services were provided and used.

The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Indirect expenses* are allocated on a monthly basis to functions and programs based upon the actual incurred worked salaries and fringe benefits. The formula is negotiated and approved by MARC's federal cognizant agency, U.S. Department of Health and Human Services. *Program revenues* include: (1) charges to or contributions from individuals or organizations who purchase, use or directly benefit from the goods, services or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Local government appropriations and other items not properly included among program revenues are reported instead as *general revenues*.

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

MARC's funds are grouped into three broad fund categories for financial statement presentation purposes. Governmental funds include the General, Special Revenue, and Capital Projects Funds. Proprietary Funds include the Enterprise Fund. Fiduciary Funds include the Private-Purpose Trust and Custodial Funds. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds. See exhibits C through J in the basic financial statements section.

MID-AMERICA REGIONAL COUNCIL

NOTES TO BASIC FINANCIAL STATEMENTS *(Continued)*

MARC reports the following major governmental funds:

The *General Fund* is MARC's primary operating fund. It accounts for all financial resources of MARC, except those required to be accounted for in another fund.

The *Special Revenue Fund* is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. MARC receives a variety of grants from multiple sources, including formula and discretionary grants from Missouri, Kansas and the federal government and contributions for specific programs from private foundations and civic organizations.

The *Mid-America Regional Council Community Services Corporation* (MARC CSC) is a 501(c)3 corporation that was formed in 2004 to allow MARC to receive grants from certain corporations and private foundations that only donate to agencies with nonprofit status. The activity of MARC CSC is accounted for in a Special Revenue Fund.

The *Capital Projects Fund* is used to account for the funds used to upgrade the 911 call-taking equipment in the region. The upgrade project is funded by the participating county governments in accordance with an interlocal coordinating agreement.

The *Proprietary Fund*, more specifically an Enterprise Fund, accounts for those activities that operate much like those in the private sector, such as MARC's Government Training Institute, which charges fees to its customers or users for classes, conferences or consulting services. The determination of net income is necessary or useful to sound financial administration.

Additionally, MARC reports the following fiduciary fund types:

The *Private-Purpose Trust Fund* is used to account for donations from foundations and others for the purpose of awarding scholarships and grants to those involved in child care and early learning programs.

The *Custodial Fund* is used to report resources held by MARC in a purely custodial capacity using the economic resources measurement focus. The custodial fund includes funds held for: (1) the Kansas and Missouri Metropolitan Culture District (Bi-State Commission), which supports Union Station; (2) the Mid-America Regional Council Solid Waste Management District (SWMD), a governmental organization; (3) the Metropolitan Official Health Agencies of the Kansas City Area (MOHAKCA), a 501(c)3 nonprofit organization; (4) Aim4Peace, a youth violence prevention program and (5) Climate Action KC, a 501(c)3 nonprofit organization.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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 eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement* 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. For this purpose, MARC considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Prepaid items are accounted for using the allocation method.

Grant revenue and interest income associated with the current fiscal period are considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when MARC receives cash.

MARC has negotiated fringe benefit and indirect cost allocation rates with the U.S. Department of Health and Human Services. Indirect costs are allocated to each function based upon the actual direct salaries and fringe benefits incurred during the month. There may be surpluses or deficits of the actual incurred costs compared to the allocated costs. The 2023 surpluses or deficits will be carried forward into the 2024 rate negotiations.

The Proprietary Fund employs the accrual basis of accounting wherein revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. MARC follows the cost of services or “economic resources” measurement focus, under which all assets and all liabilities associated with the activity of providing training and consulting services are included within the fund. Operating revenues and expenses for Proprietary Funds are those that result from providing training and consulting services. All other revenues and expenses are considered non-operating.

Fiduciary fund 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.

Assets, Liabilities and Net Position

Cash and Cash Equivalents — Interest bearing deposit accounts are reported at cost plus accrued interest. MARC considers demand deposits and investments purchased with an original maturity of three months or less to be cash and cash equivalents.

Investments — MARC reports its investments at fair value, which is determined by quoted market prices. Investment income, including changes in the fair value of investments, is recognized as revenue in the financial statements.

Accounts Receivable and Unearned Revenue — Granting Agencies — MARC's programs and activities are funded by a variety of sources including contributions by member governments; formula and discretionary grants from Missouri, Kansas and the federal government; and contributions for specific programs from private foundations and civic organizations. Grant revenue is earned as expenditures are incurred and all eligibility requirements imposed by the provider have been met. The cash inflow from the granting agencies varies from the expenditures resulting in receivable or unearned revenue balances, which are calculated on a grant-by-grant basis.

Inventories and Prepaid Items — MARC deems that inventory of materials and supplies are immaterial to the financial statements. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. MARC uses the consumption method for all prepaid items. All prepaid items are recognized as assets when purchased and expenditures are recognized when actually used.

Capital Assets — Capital assets, which include office furniture and equipment, vehicles, 911 call-taking equipment, traffic signal equipment and leasehold improvements that exceed \$5,000 and have an estimated useful life of greater than one year are recorded at cost and are accounted for on the government-wide financial statements, rather than in governmental funds. Donated capital assets, works of art, and similar items received in a service concession arrangement are reported at acquisition value. Capital assets are depreciated over the estimated useful life using the straight-line method.

MARC estimates the useful life as follows:

Office furniture and equipment	7 years
Radios, computer, and non-office equipment	3 years
Vehicles	5 years
911 call-taking equipment	5 years
911 RAMBIS equipment	5 years
Traffic signal equipment	3 years
Buildings	25 years
Leasehold improvements	Over the remainder of lease at time of improvement

Deferred Outflows and Inflows of Resources — In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Vacation and Sick Leave — It is MARC's policy to allow employees to accumulate unused vacation and sick leave benefits. Certain maximum amounts for compensated absences not taken are payable in the event of termination. These accrued employee vacation and sick leave benefits are recorded on the *Statement of Net Position*.

Other Postemployment Benefits (OPEB) — For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of MARC's Other Postemployment Benefit Plan (the Plan) administered by Midwest Public Risk and additions to and deductions from the Plan fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The Plan is not funded, therefore the Plan has no fiduciary net position to report.

Leasing Arrangements - For arrangements where MARC is a lessee, a lease liability and a right to use (RTU) intangible asset are recognized at the commencement of the lease term. RTU assets represent MARC's right to use underlying assets for the lease term and lease liabilities represent MARC's obligation to make lease payments arising from the lease. RTU

assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term.

For fund statements, an expenditure and other financing source will be reported in the period the lease is initially recognized. The expenditure and other financing source should be measured as noted in the previous paragraph. Subsequent governmental fund lease payments are accounted for consistent with the principles for debt service payments on long-term debt.

MARC uses a rate that represents what would be available to them in the current market environment to calculate the present value of lease payments when the rate implicit in the lease is not known. MARC includes lease extension and termination options in the lease term, if after considering relevant economic factors, it is reasonably certain MARC will exercise the option. MARC has elected to combine lease and non-lease components for all lease contracts and also has not recognized RTU assets and lease liabilities for lease terms for 12 months or less.

Subscription-Based Information Technology Arrangements (SBITA) - During 2023, MARC implemented Governmental Accounting Standards (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement establishes uniform accounting and financial reporting requirement for SBITAs where the government contracts for the right to use another party's software. This Statement requires SBITAs, previously classified as an expense, be recognized as intangible right-to-use subscription assets with corresponding subscription liabilities. The implementation of this Statement had no impact on MARC's beginning of year net position. At the beginning of the year, MARC's right of use assets and subscription liabilities were restated for governmental activities in the amount of \$4,716,782.

Due to/Due From Other Funds — During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. These are classified as "due to other funds" and "due from other funds." These receivables and payables between governmental funds are eliminated in the *Statement of Net Position*.

Interfund Transfers — Permanent reallocations of resources between funds of MARC are classified as interfund transfers. For the purposes of the *Statement of Activities*, all interfund transfers between individual governmental funds have been eliminated.

Equity Classifications — In the government-wide financial statements, equity is classified as net position and is displayed in two components:

- a. Net investment in capital assets — consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any debt or lease liabilities that are attributable to the acquisition of those assets.
- b. Unrestricted — is the balance of net position that does not meet the definition of “restricted” or “net investment in capital assets.” Restricted net position consists of net positions with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. MARC does not have any restricted assets as of December 31, 2023.

Fund Balances — Governmental funds report fund balances in classifications that are based primarily on the extent to which MARC is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. When an expenditure is incurred for purposes for which amounts in either the committed or unassigned resources may be used, the committed resources are used before unassigned resources. As of December 31, 2023, fund balances for government funds are made up of the following:

- a. Nonspendable Fund Balance — includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. MARC’s prepaid items are considered nonspendable fund balance.
- b. Restricted Fund Balance — amounts that are required by external parties to be used for a specific purpose. Constraints are externally imposed by creditors, grantors, contributors or laws, regulations or enabling legislation.
- c. Committed Fund Balance — includes amounts that can only be used for the specific purposes determined by the highest level of formal action through an approved resolution of MARC’s highest level of decision-making authority, the MARC Board of Directors. Commitments may be changed or lifted only by the MARC Board taking the same formal action that imposed the constraint originally. In January 2012, the MARC Board approved a resolution to commit a portion of the fund balance for employee accumulated vacation and sick leave benefits. This value is updated as of December 31st for each fiscal year.
- d. Assigned Fund Balance — amounts intended to be used for specific purposes. This is determined by the governing body, the budget and finance committee or a delegated MARC official. MARC has certain programs with reserves which are classified as assigned fund balance.

MID-AMERICA REGIONAL COUNCIL

NOTES TO BASIC FINANCIAL STATEMENTS *(Continued)*

- e. Unassigned Fund Balance — is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

Prior Period Adjustment – Correction of Error — MARC has restated beginning net position and fund balance at January 1, 2023 to correct an error in accounting for revenue recognition in programs that generate revenues in excess of expenditures. This restatement primarily relates to amounts billed to and received from participating cities and counties in the regional 911 system that were originally recorded as unearned revenue instead of revenue in the year received. The impact of the correction of error is as follows at January 1, 2023:

Financial Statement Line Item	January 1, 2023		January 1, 2023
	As Originally Stated	Error Correction	As Restated
Fund Balance - General Fund	\$ 4,376,290	\$ 73,783	\$ 4,450,073
Fund Balance - Special Revenue Fund	—	2,422,550	2,422,550
Fund Balance - MARC CSC Fund	—	19,130	19,130
Fund Balance - Capital Projects Fund	68,048	6,604,486	6,672,534
	\$ 4,444,338	\$ 9,119,949	\$ 13,564,287
Net Position - Governmental Activities	\$ 7,720,922	\$ 9,119,949	\$ 16,840,871

Use of Estimates — The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

(2) Stewardship, Compliance and Accountability

Although the annual budget is reviewed and approved by the Board of Directors, it should not be considered a legally adopted budget. The MARC annual budget is a management tool that assists its users in analyzing financial activity for its fiscal year ending December 31. MARC's primary funding source is federal, state, and local grants, which have grant periods that may or may not coincide with the fiscal year. These grants commonly are for a 12-month period; however, they can be awarded for periods shorter or longer than 12 months.

Because of MARC's dependency on federal, state and local budgetary decisions, revenue estimates are based on the best available information as to potential sources of funding. The MARC annual budget differs from that of a local government in two respects: (1) the uncertain nature of grant awards from other entities, and (2) conversion of grant budgets to a fiscal year basis.

The resultant annual budget is subject to constant change due to:

- Increases/decreases in actual grant awards from estimated awards.
- Changes in grant periods.
- Unanticipated grant awards not included in the budget.
- Expected grant awards that fail to materialize.

The Board of Directors formally approves the annual budget but greater emphasis is placed on complying with the grant budget, terms and conditions on a grant-by-grant basis. These terms and conditions usually specify the period during which costs may be incurred and outline budget restrictions or allowances.

MARC follows these procedures in establishing the budgetary data reflected in the fund financial schedules:

- In November, the Executive Director submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The budget document also includes a proposed revised budget for the current year. The operating budgets include proposed expenditures and the means of financing them.
- Prior to January 1, the Board of Directors formally approves the budget document.
- The approved annual budget is used as a control device for the General Fund, 911 Equipment Capital Project Fund and the Proprietary Fund. The individual grant period budgets are used as the control device within the Special Revenue Fund.

(3) Detailed Notes on All Funds**A. Cash and Investments**

The articles of agreement and bylaws of MARC contain no provisions regarding deposits and the types of investments that may be purchased. MARC's Board-approved investment policy allows investments in the following:

1. U.S. Treasury securities.
2. Securities issued by agencies of the U.S. Government.
3. Repurchase agreements.
4. Collateralized public deposits (certificates of deposits).
5. Banker's acceptances.
6. Commercial paper.

MARC maintains various deposit accounts to handle the cash receipts, disbursements and idle cash balance.

The carrying value of deposits and investments are summarized as follows:

	Governmental Activities	Fiduciary Funds	Total
Deposits	\$ 10,035,543	\$ 1,099,169	\$ 11,134,712
Certificates of deposit	—	—	—
Investments			
U.S. government agency securities	4,440,937	65,335	4,506,272
Total cash and investments	<u>\$ 14,476,480</u>	<u>\$ 1,164,504</u>	<u>\$ 15,640,984</u>

Custodial Credit Risk — Custodial credit risk represents the risk that, in the event of the failure of a depository financial institution, MARC will not be able to recover deposits and investments or will not be able to recover collateral securities that are in the possession of an outside party. MARC's policy is to collateralize bank deposits and repurchase agreements sufficient to provide a level of security such that the market value of collateral should be at least 100 percent of the fair value of deposits and investments.

MARC's policies do not require investments to be collateralized. MARC's investments in U.S. government agency securities are considered to be exposed to custodial credit risk, as they are uninsured, unregistered securities held by the counterparty or its agent, but not in MARC's name.

MID-AMERICA REGIONAL COUNCIL

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

Interest Rate Risk — To manage this risk, MARC's policy requires that investments in bankers acceptances and commercial paper have an original maturity of no more than 180 days, that all other investments mature no more than five years from the date of purchase and that the weighted average maturity of all outstanding investments not exceed three years from the date of purchase.

The following table summarizes the maturities of investments at December 31, 2023:

	Fair Value December 31, 2023	Investment Maturities (in Years)	
		Less Than 1	1 - 5
U.S. government agency securities	\$ 4,506,272	\$ 247,622	\$ 4,258,650

Credit Risk and Concentration of Credit Risk — MARC's investment policy does not restrict investments by rating, but does require diversification by security type and issuer as follows:

Investment Type	Maximum % of Portfolio
U.S. treasury securities	100 %
Collateralized time and demand deposits	100
U.S. government agency securities	100
Collateralized repurchase agreements	50
Callable U.S. government agency securities	30
Commercial paper	10
Bankers' acceptances	10

MARC's investments in U.S. government agency securities include Freddie Mac (22%) and Federal Home Loan Bank (72%) securities. All of the securities are rated AAA by Standard and Poors and Aaa by Moody's Investor Service.

MARC categorized its fair value measurements applicable for reporting its investments within the fair value hierarchy. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. MARC's U.S. government agency securities are valued using quoted market prices (Level 1 inputs).

MID-AMERICA REGIONAL COUNCIL**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)****B. Grants Receivable and Unearned Revenue**

Grants receivable and unearned revenue are calculated on a grant-by-grant basis and are summarized by program below:

	Accounts Receivable – Granting Agencies	Unearned Revenue
Support for Exhibit C – Balance Sheet – Governmental Funds		
MARC		
Special Revenue Fund:		
Aging	\$ 1,966,336	\$ 2,926,327
Emergency services	918,359	307,537
Community development	443,142	1,739,211
Early learning	9,813,214	383,987
Transportation planning	2,565,376	356,917
Environmental planning	274,746	543,683
Total Special Revenue Fund	15,981,173	6,257,662
MARC CSC		
Community development	3,965	—
Total Governmental Funds	<u>\$ 15,985,138</u>	<u>\$ 6,257,662</u>

The special revenue grants of MARC CSC, SWMD, Bi-State and MOHAKCA are passed through to MARC for grant management purposes, which often results in grant receivables and/or unearned revenues recorded in the organizations for the same grants. To avoid duplication of the grant receivable and unearned revenues in the above summary prepared on a grant-by-grant basis, the grant receivables and unearned revenues have been eliminated from the MARC grant receivable and unearned revenue balances and are shown instead in MARC CSC, SWMD, Bi-State and MOHAKCA.

MID-AMERICA REGIONAL COUNCIL

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

C. Capital Assets

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

	Balance January 1, 2023 Restated	Increases	Decreases	Balance December 31, 2023
Governmental activities:				
Capital assets not being depreciated:				
Construction in progress:				
Emergency communication system	\$ 1,837,528	\$ 7,300	(\$ 1,837,528)	\$ 7,300
Capital assets, depreciable:				
Office furniture and equipment	2,277,051	112,351	(65,639)	2,323,763
Vehicles	88,877	—	—	88,877
911 call-taking equipment	9,482,223	1,804,976	(13,296)	11,273,903
911 RAMBIS equipment	6,128,662	53,329	(2,446)	6,179,545
Traffic signal communications equipment	214,132	—	—	214,132
Traffic signal program vehicles	341,264	45,384	—	386,648
Buildings - Head Start program	2,725,000	—	—	2,725,000
Leasehold improvements	995,365	1,050,050	—	2,045,415
Capital assets at historical cost	22,252,574	3,066,090	(81,381)	25,237,283
Less accumulated depreciation for:				
Office furniture and equipment	2,102,286	78,935	(65,639)	2,115,582
Vehicles	85,191	3,686	—	88,877
911 call-taking equipment	7,871,956	572,781	(13,296)	8,431,441
911 RAMBIS equipment	6,076,012	32,527	(2,446)	6,106,093
Traffic signal communications equipment	207,338	6,794	—	214,132
Traffic signal program vehicles	76,897	70,911	—	147,808
Buildings - Head Start program	1,843,917	109,000	—	1,952,917
Leasehold improvements	995,365	70,489	—	1,065,854
Total accumulated depreciation	19,258,962	945,123	(81,381)	20,122,704
Capital assets, depreciable, net	2,993,612	2,120,967	—	5,114,579
Right to use assets - leases				
Building and improvements	4,491,035	—	—	4,491,035
Less: accumulated amortization	979,862	979,862	—	1,959,724
Total right to use assets - leases, net	3,511,173	(979,862)	—	2,531,311
Right to use assets - SBITA				
SBITA	4,716,782	—	—	4,716,782
Less: accumulated amortization	—	1,639,661	—	1,639,661
Total right to use assets - SBITA, net	4,716,782	(1,639,661)	—	3,077,121
Governmental activities capital and right to use assets, net	\$ 13,059,095	(\$ 491,256)	(\$ 1,837,528)	\$ 10,730,311

MID-AMERICA REGIONAL COUNCIL

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

Depreciation and amortization expense was charged to MARC's functions/programs as follows:

Governmental Activities	
Aging	\$ 80,656
Emergency services	2,262,904
Community development	7,333
Early learning	127,962
Transportation planning	18,109
MARC local	<u>1,067,682</u>
Total depreciation and amortization expense - governmental activities	<u>\$ 3,564,646</u>

D. Interfund Receivables, Payable and Transfers

The composition of interfund balances as of December 31, 2023, is as follows:

	Due From Other Funds	Due to Other Funds
Major governmental funds:		
General fund	\$ —	\$ 2,142,644
Special revenue fund	—	6,532,793
Capital projects fund	7,215,317	—
MARC CSC	—	—
Proprietary fund	<u>1,460,120</u>	<u>—</u>
	<u>\$ 8,675,437</u>	<u>\$ 8,675,437</u>

The cash receipts and disbursements for all of the funds shown above, except MARC CSC, are processed through the General Fund. MARC uses the "due to other funds" and "due from other funds" accounts to properly record the amounts transferred among the funds.

Some of the grants that MARC receives for its programs require matching funds. Often, the grants are matched by donated services or funds from area governments and organizations involved in the programs. In addition, MARC often matches grants by using the local appropriation funds recorded in the General Fund. MARC also transfers funds to the Proprietary Funds to support those activities. As match funds are needed, transfers are made to move the funds from the General Fund to the Special Revenue and Proprietary Funds. These transfers will not be repaid.

MID-AMERICA REGIONAL COUNCIL

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

	<u>Transfers</u>
Special Revenue Fund	\$ 794,239
General Fund	(813,739)
Proprietary Fund	<u>19,500</u>
Net transfers	<u>\$ —</u>

E. Child Care Scholarship Fund

The Child Care Scholarship Fund was established in 1991 with initial contributions of \$10,000. The fund balance has grown to \$39,372 as of December 31, 2023. This fund is used to account for contributions and investment income revenue and the scholarships and grant awards. Many of the contributions are reserved, such that only the investment income may be used for scholarship awards. Other contributions are designated specifically for an annual awards program. The Metropolitan Council on Early Learning, a MARC committee, determines each year the amount and recipients of the scholarships and grant awards. During fiscal year 2023, the net appreciation in fair value of investments was \$415, which is available for expenditure. The council awarded \$9,722 in scholarships or grants in 2012. No scholarships were awarded from 2013 to 2023. The fund is reported as a private-purpose trust and is not included in the government-wide financial statements but is included on the *Statement of Fiduciary Net Position* and the *Statement of Changes in Fiduciary Net Position*.

F. Leases and Subscriptions

MARC has entered into a lease arrangement for a building, which contains no material variable lease payments. The lease contract expires in 2026. The right to use assets are intangible assets and are recorded as a right to use asset on the Statement of Net Position. During 2023, MARC paid \$1,038,297 in lease payments. The following represents the future minimum lease payments for governmental activities required under the lease arrangements as of December 31:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 986,339	\$ 51,958	\$ 1,038,297
2025	1,010,562	27,735	1,038,297
2026	<u>600,848</u>	<u>4,826</u>	<u>605,674</u>
	<u>\$ 2,597,749</u>	<u>\$ 84,519</u>	<u>\$ 2,682,268</u>

MARC also rents certain equipment on a month-to-month basis. Automobile and equipment rental expenses of \$68,369 for 2023 were charged to the General Fund, Special Revenue Fund and Proprietary Fund.

MID-AMERICA REGIONAL COUNCIL

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

MARC entered into various SBITA contracts that extend through 2028 for various types of software and technology contracts. The right to use subscription assets are intangible assets and are recorded as a right to use asset on the Statement of Net Position. The beginning balances in Note 3(C) were restated for the governmental activities for the right to use subscription asset in the amount of \$4,716,782. During 2023, MARC paid \$1,738,581 in lease payments. The following represents the future minimum lease payments for governmental activities required under the lease arrangements as of December 31:

Fiscal Year	Principal	Interest	Total
2024	\$ 1,610,530	\$ 72,929	\$ 1,683,459
2025	716,014	42,094	758,108
2026	680,096	40,380	720,476
2027	23,109	2,139	25,248
2028	21,183	1,961	23,144
	<u>\$ 3,050,932</u>	<u>\$ 159,503</u>	<u>\$ 3,210,435</u>

G. 911 Equipment Fund

MARC collects funds from the nine counties participating in the regional 911 system to build resources to replace 911 call-taking equipment and implement the Next Generation 911 system technology. All 42 public safety answering points have been connected to one of three host sites. All three host sites have transitioned to updated equipment and have been placed in service and all answering points have been upgraded to the new technology and equipment. In 2020, MARC began a new four-year upgrade schedule in which all answer points are upgraded every four years.

In 2023, \$7,366,584 has accumulated in the Capital Projects Fund; this amount is included in assigned fund balance on the Balance Sheet — Governmental Funds (Exhibit C).

	Balance January 1, 2023	Additions	Purchases	Balance December 31, 2023
Capital Project Fund Reserves	<u>\$ 6,604,486</u>	<u>\$ 2,168,145</u>	<u>\$ 1,406,047</u>	<u>\$ 7,366,584</u>

As work begins on each answer point, the costs are accumulated in capital assets — construction in progress until the answer point is completed. As of December 31, 2023, the upgrade to Next Generation 911 system technology is completed at all 42 answering points.

MID-AMERICA REGIONAL COUNCIL

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

H. Accrued Vacation and Sick Leave

Accrued employee vacation and sick leave benefits are included on the *Statement of Net Position* and are typically liquidated in the General Fund. The following is a summary of changes in accrued employee vacation and sick leave benefits:

	<u>Balance January 1, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31, 2023</u>	<u>Due Within One Year</u>	<u>Due within more than one year</u>
Vacation	\$ 730,386	\$ 885,838	\$ 848,853	\$ 767,371	\$ 767,371	\$ —
Sick leave	<u>501,182</u>	<u>161,818</u>	<u>149,764</u>	<u>513,236</u>	<u>153,366</u>	<u>359,870</u>
	<u>\$1,231,568</u>	<u>\$1,047,656</u>	<u>\$ 998,617</u>	<u>\$ 1,280,607</u>	<u>\$ 920,737</u>	<u>\$ 359,870</u>

(4) Other Information

A. Risk Management

MARC is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

MARC is a member of Midwest Public Risk of Missouri (MPR), a nonprofit corporation consisting of local governments and political subdivisions. MPR was formed as a public entity risk retention pool, operating as a common risk management and insurance program to cover health and dental, workers compensation, and property and casualty claims for its members. Midwest Public Risk of Missouri (MPR) and Midwest Public Risk of Kansas (MPR of Kansas) signed risk-sharing agreements and contracted with Midwest Public Risk (MPR — Administrative) to provide administrative services to both pools.

MPR was established as an assessable pool and accounting records are maintained for each line of coverage on a policy year (July to June) basis. MARC pays annual premiums to MPR for all coverages. The agreement with MPR provides that MPR will be self-sustaining through member premiums. MPR has the authority to assess members for any deficiencies of revenues under expenses for any single plan year. Likewise, MPR has the authority to declare refunds to members for the excess of revenues over expenses relating to any single plan year. MPR has distributed multiple refunds of contributions for the property, liability and workers compensation programs in fiscal years 2007 through 2023.

MID-AMERICA REGIONAL COUNCIL

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

MARC has the following types of insurance coverage and deductibles through MPR for the period July 1, 2023 through June 30, 2024:

<u>Coverage</u>	<u>Deductible</u>
General liability	\$ 5,000
Public officials liability	5,000
Crime and fidelity	5,000
Workers compensation	Not applicable
Auto physical damage	500
Property	2,500

B. Contingent Liabilities

Use of federal, state, and local grant funds is subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grant. To the extent such disallowances involve expenditures under the subcontracted arrangements, MARC generally has the right of recovery from such third parties. Based on prior experience, management believes MARC will not incur significant losses on possible grant disallowances.

C. Employee Retirement Plans

Defined Contribution Retirement Plan — MARC provides retirement benefits for all regular employees (excluding interns and seasonal employees) through a defined contribution retirement plan (Mid-America Regional Council Retirement Plan). MARC is the sole participating employer of this plan, which currently includes 145 active and 23 inactive participants. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Qualified employees are eligible to participate after six months of continuous service. This retirement plan was authorized by the MARC Board of Directors in March 1982 and is amended from time to time by the board's Budget and Personnel Committee. MARC is the plan administrator but contracts with the Principal Financial Group for investment management and record-keeping services. Since MARC is not holding assets or resources for the plan, the plan is not included as a pension trust fund in the basic financial statements.

MARC contributes 7.25 percent of monthly employee earnings to the retirement plan. Employees are vested at 20, 40, 60, 80 and 100 percent after two, three, four, five, and six years of continuous service, respectively. MARC's contributions for, and interest forfeited by, employees who cease employment before becoming fully vested are used to reduce MARC's current period contribution. Employees may make voluntary contributions to the plan and these contributions are fully vested immediately.

MARC's total payroll in fiscal year 2023 was \$13,357,123. Base salaries totaling \$11,441,637 were used to calculate the required employer contribution of \$829,519, representing 7.25 percent of such salaries. This employer contribution was reduced by forfeitures of \$68,595 and the net was paid in 2023. Total retirement expense was \$760,924 in 2023. Employees voluntarily contributed an additional \$19,608 to the plan.

The retirement plan provides a menu of 35 investment options. The funds are invested according to directions made by the participants for both the employer and the employee contributions.

401k Savings Plan — MARC offers its employees a savings plan (Mid-America Regional Council Savings Plan) created in accordance with Internal Revenue Code Section 401(k). The plan, available to all qualified MARC employees, permits them to defer a portion of their salary until future years. In 2008, the plan was modified to also allow qualified MARC employees to contribute to a Roth 401(k) account instead of, or in addition, to the regular 401(k) account in accordance with applicable IRS rules and regulations. MARC is the plan administrator but contracts with the Principal Financial Group for investment management and record-keeping services. Since MARC is not holding assets or resources for the plan, the plan is not included as a pension trust fund in the basic financial statements.

Participation in the plan is voluntary. Withdrawal from the savings plan is not allowed until age 59½, termination, retirement, death or unforeseeable emergency. MARC provides an employer matching contribution equal to 50 percent of the employee (401(k) and/or Roth 401(k)), contribution up to a maximum of 2 percent of participant's compensation. Matching contributions by the employer are 100 percent vested immediately to the employee. The amounts of employer and employee contributions made in 2023 were \$254,153 and \$1,013,257, respectively. The savings plan provides a menu of 35 investment options. The funds are invested according to directions made by the participants for both the employer and the employee contributions.

D. Third-party Contractual Services and Contributed Services

A significant portion of the grant funds received by MARC is passed through to third-party subcontractors via contractual agreements between MARC and the subcontractors. The costs incurred by the subcontractors are accumulated through submitted claims for reimbursements and are recorded as contractual services expenditures.

Many of the subcontractors provide donated goods and services as match for various grants. These donated goods and services are called contributed services and are reflected as revenue and expenditures in accordance with the guidance of the individual grants. The amounts of such services are recorded in the accompanying basic financial statements at their estimated fair value at date of receipt.

MID-AMERICA REGIONAL COUNCIL

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

The subcontractors' contractual and contributed services for the year ended December 31, 2023, are:

	Contractual Services	Contributed Services
Aging	\$ 3,779,247	\$ 1,925,757
Community development	2,308,133	205,454
Early learning	29,509,517	2,841,805
Transportation planning	2,362,699	775,461
Environmental planning	2,537,096	147,220
	<u>\$ 40,496,692</u>	<u>\$ 5,895,697</u>

E. Postemployment Health Care Plan

Plan Description

MARC provides retiree health care benefits through Midwest Public Risk (MPR), which is a risk pool comprised of about 86 entity members. MPR functions as an agent multiple-employer plan. The pool arrangement that MPR maintains to collect premiums and pay claims/administrative costs does not qualify as an "OPEB Plan". No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75. Though retiree benefits are not directly paid by MARC, they are implicitly paid over time through employer subsidization of active premiums that would be lower if retirees were not part of the experience group. The OPEB Plan does not issue a publicly available stand-alone financial report.

Benefits Provided

Employees who have attained age 60 and retire from active employment with 10 consecutive years of service are eligible for retiree benefits. Retirees (and their dependents) may elect to continue coverage in the medical and dental plans offered through MPR. Upon payment of required contributions, retirees may continue coverage until becoming eligible for Medicare, which is currently age 65. Spousal coverage may continue for up to three years upon retiree death or retiree attainment of age 65. In any event, spousal coverage is not available beyond spouse age 65.

MID-AMERICA REGIONAL COUNCIL**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)****Employees Covered by Benefit Terms**

At December 31, 2023, the following employees were covered by the benefit terms:

	<u>2023</u>
Membership Data	
Active Employees (Health and Life)	145
Retiree Health Benefits Plan:	
Retired Members	—
Spouses of Retired Members	—
Total	<u>145</u>
Retiree Life Insurance Plan:	
Retired Members	—
Total	<u>145</u>

Total OPEB Liability and Changes in OPEB Liability

MARC's total OPEB liability was based on an actuarial valuation dated July 1, 2021 that was rolled forward using standard actuarial techniques to a measurement date of June 30, 2023. Changes in the OPEB liability are as follows:

	<u>2023</u>
Net OPEB liability - beginning of year	\$ 209,840
Service costs	19,531
Interest	8,945
Changes in benefit terms	—
Differences between actual and expected experience	25,696
Changes in assumptions and inputs	(1,847)
Employer contributions (benefit payments)	<u>—</u>
Net OPEB liability - end of year	<u><u>\$ 262,165</u></u>

The retirement, disability and turnover assumptions were updated when applicable based on the latest LAGERS pension valuation.

The mortality assumption was changed from Society of Actuaries Scale MP-2020 Full Generational Improvement to the Society of Actuaries Scale MP-2021 Full Generational Improvement.

The average of the S&P Municipal Bond 20 Year High Grade and Fidelity GO AA-20 Year published yields was evaluated to determine the discount rate. The selected rates are 3.9% (beginning-of-year measurement) and 4.0% (end-of-year measurement).

Actuarial valuations reflect a long-term perspective and involve estimates of the value reported amounts and assumptions about the probability of events far into the future. Actuarial methods and assumptions used included techniques that are designed to reduce short-term volatility in actuarial accrued liabilities. These calculations are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The actuarial calculations have been based on the substantive plan in place at the time of valuation and on the pattern of cost sharing between the employers and members to that point.

The OPEB liability would typically be liquidated by the General Fund. Since there are no retirees that are actively participating in the plan, there are not current benefit payments being made or projected to be made in 2024, therefore the entire OPEB liability is long term.

Actuarial Assumptions and Other Inputs:

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions	
Actuarial cost method	Entry Age Normal
Valuation date	July 1, 2021
Measurement date	June 30, 2023
Salary scale	4.00%
UAAL amortization method	Level percent of pay
Discount rate	4.0% (End of Year)
	3.9% (Beginning of Year)
Mortality	Society of Actuaries Pub-2010 Public Retirement Plans Headcount - Weighted General Mortality tables using Scale MP-2021 Full Generational Improvement
Health care cost trend rate	7.25%
Ultimate trend rate	4.50%
Year of Ultimate trend rate	2034

To the extent Plan assets are projected to be sufficient to make projected benefit payments, the discount rate will equal the expected return on such assets. To the extent the Plan is not projected to be sufficient to make future benefit payments, the yield or index for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher should be factored in. Plan assets do not apply to MARC's program. In order to determine the municipal bond rate, we took the average of the published yields from the S&P Municipal Bond 20-year High Grade and the Fidelity GO AA-20 Years indexes. The selected average rates are 2.0% and 3.9%, as of the beginning and end of year measurement dates, respectively. These were used as the discount rates to determine present value costs.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate:

The following presents the total OPEB liability of MARC, as well as what MARC's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	Current Single Discount		
	1% Decrease (2.9%)	Rate Assumption (3.9%)	1% Increase (4.9%)
Total OPEB Liability	\$ 281,214	\$ 262,165	\$ 244,400

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates:

The following presents the total OPEB liability of MARC, as well as what MARC's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend	1% Increase
Total OPEB Liability	\$ 233,604	\$ 262,165	\$ 295,381

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

For the year ended December 31, 2023, MARC recognized OPEB expense of \$23,555. At December 31, 2023, MARC reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2023	
	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ 128,123	\$ 22,098
Changes of assumptions	985	141,801
Contributions subsequent to the measurement date	—	—
Total	\$ 129,108	\$ 163,899

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	Net Deferred Inflows Of Resources
2024	\$ (4,920)
2025	(4,920)
2026	(4,920)
2027	(4,920)
2028	(4,920)
2029 & Thereafter	(10,191)
Total	\$ (34,791)

MID-AMERICA REGIONAL COUNCIL

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in Total OPEB Liability and Related Ratios

	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Total OPEB Liability						
Service cost	\$ 19,531	\$ 19,821	\$ 16,818	\$ 17,872	\$ 18,601	\$ 22,109
Interest	8,945	4,577	4,838	8,356	8,181	9,635
Changes in benefit terms	—	—	—	—	(53,841)	(41,713)
Differences between expected and actual experience	25,696	(15,237)	21,485	82,033	64,221	(20,111)
Changes in assumptions or other inputs	(1,847)	(8,361)	(3,341)	(199,680)	(3,310)	2,107
Benefit payments	—	—	—	—	(5,000)	(3,000)
Net change in total OPEB liability	52,325	800	39,800	(91,419)	28,852	(30,973)
Total OPEB liability - beginning	209,840	209,040	169,240	260,659	231,807	262,780
Total OPEB liability - ending	<u>\$ 262,165</u>	<u>\$ 209,840</u>	<u>\$ 209,040</u>	<u>\$ 169,240</u>	<u>\$ 260,659</u>	<u>\$ 231,807</u>
Covered-employee payroll	\$ 11,697,431	\$ 11,697,431	\$ 9,559,936	\$ 9,559,936	\$ 8,280,355	\$ 8,280,355
Total OPEB liability as a percentage of covered-employee payroll	2.2%	1.8%	2.2%	1.8%	3.1%	2.8%

Note: The above schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

The retirement, disability and turnover assumptions were updated when applicable based on the latest LAGERS pension valuation.

The assumed mortality was updated to reflect the Society of Actuaries Pub-2010 Public Retirement Plans Headcount – Weighted General Mortality Tables using Scale MP-2021 Full Generational Improvement.

The average of the S&P Municipal Bond 20 Year High Grade and Fidelity GO AA-20 Year published yields was evaluated to determine the discount rate. The selected rates are 3.9% (beginning-of-year measurement) and 4.0% (end-of-year measurement).

There are no assets accumulated in a trust account that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

MID-AMERICA REGIONAL COUNCIL

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET TO ACTUAL GENERAL FUND

For The Year Ended December 31, 2023

Schedule 1

	<u>Final Budget</u>	<u>Actual</u>
Revenues:		
Local government appropriations	\$ 613,441	\$ 602,771
Net investment income	69,000	180,432
Transportation project fees	1,378,839	1,320,506
Emergency Services Contributions	448,335	439,820
Fees for services/events	—	43,164
Settlement of vacation and sick leave	85,000	49,039
Other income	—	7,438
Fringe benefit/indirect costs allocation	<u>(78,933)</u>	<u>199,186</u>
Total revenues	<u>2,515,682</u>	<u>2,842,356</u>
Expenditures:		
MARC local activity:		
Automobile	6,032	5,424
Contractual services – consultants, etc.	81,750	92,806
Fringe benefits allocated	76,582	67,667
Indirect costs allocated	103,277	85,917
Meetings/travel	128,200	125,686
Memberships/periodicals	29,520	22,765
Other	6,500	12,225
Postage	1,800	229
Printing/reproduction	1,700	425
Rent/utilities/maintenance	7,719	7,026
Salaries	155,339	131,648
Supplies	2,600	25,301
Training	17,550	9,753
Debt service:		
Principal	—	744,826
Interest	—	50,529
Capital outlay	<u>100,000</u>	<u>54,592</u>
Total expenditures	<u>718,569</u>	<u>1,436,819</u>
Other financing uses – transfers out	<u>(762,425)</u>	<u>(813,739)</u>
Change in fund balance	1,034,688	591,798
Fund balance, beginning of year, as restated	<u>4,450,073</u>	<u>4,450,073</u>
Fund balance, end of year	<u>\$ 5,484,761</u>	<u>\$ 5,041,871</u>

MID-AMERICA REGIONAL COUNCIL

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - FINAL BUDGET TO ACTUAL SPECIAL REVENUE FUND

For The Year Ended December 31, 2023

Schedule 2

	Final Budget	Actual
Revenues:		
Grants	\$ 85,190,607	\$ 63,781,689
Contributed services	3,803,012	6,662,399
Investment income	18,488	9,246
Program income	—	301,449
Fees for services/events	504,195	560,251
Other income	—	126,859
	<u>89,516,302</u>	<u>71,441,893</u>
Total revenues		
Expenditures:		
Current programs:		
Aging	11,353,773	13,153,753
Emergency services and public safety	8,347,922	5,024,066
Community development	8,223,503	2,562,793
Early learning and Head Start	36,591,063	37,946,959
Transportation planning	22,410,965	8,509,022
Environmental planning	3,370,257	1,935,416
Debt service:		
Principal	—	1,884,035
Interest	—	97,488
	<u>90,297,483</u>	<u>71,113,532</u>
Total expenditures		
Deficiency of revenues over under expenditures	<u>(781,181)</u>	<u>328,361</u>
Other financing sources:		
Transfers in	<u>781,181</u>	<u>794,239</u>
Change in fund balance	—	1,122,600
Fund balance, beginning of year, as restated	<u>2,422,550</u>	<u>2,422,550</u>
Fund balance, end of year	<u><u>\$ 2,422,550</u></u>	<u><u>\$ 3,545,150</u></u>

MID-AMERICA REGIONAL COUNCIL

SCHEDULE OF REVENUES AND EXPENDITURES - FINAL BUDGET TO ACTUAL PROPRIETARY FUND (NONMAJOR) For The Year Ended December 31, 2023

	Schedule 3	
	Final Budget	Actual
Operating Revenues:		
Fees for services	\$ 1,936,506	\$ 1,828,373
Other local funds	156,121	218,277
Local dues and fees	285,600	281,969
Private funds	109,010	20,736
Total operating revenues	<u>2,487,237</u>	<u>2,349,355</u>
Operating Expenditures:		
Contractual services	866,489	747,292
Fringe benefits allocated	276,824	230,746
Indirect costs allocated	272,483	211,443
Meals for the elderly	—	9,767
Meetings/travel	47,897	81,712
Memberships/periodicals	1,815	6,622
Other	9,350	86,835
Postage	200	166
Printing/reproduction	625	2,123
Rent/utilities/maintenance	28,557	29,932
Salaries	574,689	467,084
Supplies	20,515	76,838
Training	1,500	6,955
Total operating expenditures	<u>2,100,944</u>	<u>1,957,515</u>
Revenue over (under) expenditures	386,293	391,840
Transfers In	<u>19,500</u>	<u>19,500</u>
Change in net position	405,793	411,340
Net position at beginning of year	<u>2,082,281</u>	<u>2,082,281</u>
Net position at end of year	<u>\$2,488,074</u>	<u>\$2,493,621</u>

MID-AMERICA REGIONAL COUNCIL

STATEMENT OF CUSTODIAL NET POSITION CUSTODIAL FUNDS December 31, 2023

Schedule 4

	Solid Waste Management District	MOHAKCA	Bi-State Commission	AIM 4 Peace	Climate Action KC	Total Custodial Funds
Assets						
Cash	\$ 832,999	\$ 38,355	\$ 25,649	\$ 41,000	\$ 161,166	\$ 1,099,169
Investments - government securities	—	—	25,963	—	—	25,963
Accounts receivable:						
Other	—	—	—	—	—	—
Total assets	<u>\$ 832,999</u>	<u>\$ 38,355</u>	<u>\$ 51,612</u>	<u>\$ 41,000</u>	<u>\$ 161,166</u>	<u>\$ 1,125,132</u>
Net Position						
Restricted for:						
Individuals, organizations and other governments	<u>\$ 832,999</u>	<u>\$ 38,355</u>	<u>\$ 51,612</u>	<u>\$ 41,000</u>	<u>\$ 161,166</u>	<u>\$ 1,125,132</u>

MID-AMERICA REGIONAL COUNCIL

STATEMENT OF CHANGES IN CUSTODIAL NET POSITION CUSTODIAL FUNDS

For The Year Ended December 31, 2023

Schedule 5

	Solid Waste Management District	MOHAKCA	Bi-State Commission	AIM 4 Peace	Climate Action KC	Total Custodial Funds
Additions:						
Contributions:						
Grants	\$ 1,602,530	\$ 44,800	\$ —	\$ 41,000	\$ 354,269	\$ 2,042,599
Fees for services/events	—	—	—	—	22,137	22,137
Investment income:						
Net appreciation in fair value of investments	4,345	—	1,660	—	—	6,005
Total additions	1,606,875	44,800	1,660	41,000	376,406	2,070,741
Deductions:						
Administrative services	396,878	—	—	—	158,858	555,736
Audit	—	—	—	—	1,650	1,650
Contractual services	1,164,406	—	—	45,767	198,078	1,408,251
Fees for handling pass-through grants	—	—	—	500	—	500
Insurance	2,400	—	—	—	—	2,400
Meetings/travel	4,681	—	—	—	21,847	26,528
Memberships/periodicals	1,687	611	—	—	3,060	5,358
Other	10,491	20,000	—	—	3,544	34,035
Supplies	5,362	—	—	—	1,105	6,467
Total deductions	1,585,905	20,611	—	46,267	388,142	2,040,925
Change in net position	20,970	24,189	1,660	(5,267)	(11,736)	29,816
Net position, beginning of year	812,029	14,166	49,952	46,267	172,902	1,095,316
Net position, end of year	\$ 832,999	\$ 38,355	\$ 51,612	\$ 41,000	\$ 161,166	\$ 1,125,132

STATISTICAL SECTION

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STATISTICAL SECTION INDEX

The goal of the statistical section is to provide the reader with additional information regarding MARC's economic condition. This information is helpful to understand and assess how MARC's financial position has changed over time. In addition, the information provides a context for understanding how MARC operates.

The schedules and tables are listed below with a brief explanation of the purpose.

	Table	Page
Financial Trend Data		
Net Position by Component, Last Ten Fiscal Years This schedule summarizes net position by component for the past ten fiscal years. It includes information on capital assets and unrestricted assets.	1	70
Changes in Net Position, Last Ten Fiscal Years This schedule summarizes the changes in net position along with detailed information on revenue and expenses for the past ten fiscal years.	2	71
Fund Balances of Governmental Funds, Last Ten Fiscal Years This schedule summarizes the changes in fund balances the past ten fiscal years. It includes information on nonspendable, committed and unassigned fund balances.	3	73
Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years This schedule summarizes the fund balances along with detailed revenue and expenditure changes over the past ten fiscal years. Also included is the percentage of debt service to non-capital expenditures.	4	74
Revenue Capacity Data		
Components of Own-source Revenues, General Fund, Last Ten Fiscal Years This schedule summarizes the principal non-grant revenue by its source for the past ten fiscal years.	5	76
Principal Revenue Payers – Local Government Appropriations, 2014 and 2023 This schedule summarizes the revenue by principle payer for member local appropriations for this fiscal year as compared to 2014.	6	77
Debt Capacity Information		
Ratios of Outstanding Debt by Type, Last Ten Fiscal Years This schedule summarizes capital lease obligations as a percent of personal income and per capita for the past ten fiscal years.	7	78

STATISTICAL SECTION INDEX, CONTINUED

	Table	Page
Demographic and Economic Information		
Demographic and Economic Statistics, Last Ten Fiscal Years This schedule summarizes the population data, school enrollment, and unemployment rates for the past ten fiscal years.	8	79
Top Kansas City Metro Employers, 2014 and 2023 This schedule summarizes the major employers in the region as compared to 2014.	9	80
Miscellaneous Statistical Data This schedule summarizes various demographic and statistical information for the region including population and per capita data, employment forecasts, and community facility information.	10	81
Operating Information		
Total Number of Employees by Department/Work Group, Last Ten Fiscal Years This schedule summarizes the employment data for MARC in total and by Department/Work Group for the past ten fiscal years.	11	88
Capital Asset Statistics by Function/Program This schedule summarizes information on the uses of capital assets owned by MARC.	12	89

MID-AMERICA REGIONAL COUNCIL

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (accrual basis of accounting)

Table 1

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Investment in capital assets	\$ 7,034,820	\$ 5,319,248	\$ 3,788,030	\$ 3,584,844	\$ 3,419,512	\$ 3,103,333	\$ 3,071,501	\$ 3,649,314	\$ 4,781,552	\$ 5,081,630
Unrestricted	692,769	1,429,543	1,900,542	3,077,777	3,074,479	3,181,713	3,433,249	4,052,634	12,059,319	14,432,208
Total governmental activities net position	<u>\$ 7,727,589</u>	<u>\$ 6,748,791</u>	<u>\$ 5,688,572</u>	<u>\$ 6,662,621</u>	<u>\$ 6,493,991</u>	<u>\$ 6,285,046</u>	<u>\$ 6,504,750</u>	<u>\$ 7,701,948</u>	<u>\$ 16,840,871</u>	<u>\$ 19,513,838</u>
Business-type activities										
Unrestricted	\$ 116,131	\$ 155,345	\$ 99,014	\$ 139,824	\$ 298,827	\$ 1,045,658	\$ 1,311,063	\$ 1,634,472	\$ 2,082,281	\$ 2,493,621
Total business-type activities net position	<u>\$ 116,131</u>	<u>\$ 155,345</u>	<u>\$ 99,014</u>	<u>\$ 139,824</u>	<u>\$ 298,827</u>	<u>\$ 1,045,658</u>	<u>\$ 1,311,063</u>	<u>\$ 1,634,472</u>	<u>\$ 2,082,281</u>	<u>\$ 2,493,621</u>
Primary government										
Net investment in capital assets	\$ 7,034,820	\$ 5,319,248	\$ 3,788,030	\$ 3,584,844	\$ 3,419,512	\$ 3,103,333	\$ 3,071,501	\$ 3,649,314	\$ 4,781,552	\$ 5,081,630
Unrestricted	808,900	1,584,888	1,999,556	3,217,601	3,373,306	4,227,371	4,744,312	5,687,106	14,141,600	16,925,829
Total primary government activities net position	<u>\$ 7,843,720</u>	<u>\$ 6,904,136</u>	<u>\$ 5,787,586</u>	<u>\$ 6,802,445</u>	<u>\$ 6,792,818</u>	<u>\$ 7,330,704</u>	<u>\$ 7,815,813</u>	<u>\$ 9,336,420</u>	<u>\$ 18,923,152</u>	<u>\$ 22,007,459</u>

MID-AMERICA REGIONAL COUNCIL

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

Table 2

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses (Note B)										
Governmental Activities:										
General government	\$ 1,807,520	\$ 1,441,950	\$ 447,596	\$ 753,104	\$ 1,066,924	\$ 802,237	\$ 608,634	\$ 1,226,296	\$ 1,297,123	\$ 1,982,939
Aging	8,184,969	8,019,592	8,538,552	8,237,849	9,163,515	8,967,248	8,988,276	9,125,498	12,479,455	13,267,666
Emergency services	7,768,490	5,686,564	5,649,700	4,629,828	4,856,927	5,056,948	4,687,127	6,764,249	5,964,165	7,286,970
Community development	3,180,568	1,753,535	2,241,970	3,348,328	3,803,795	3,704,996	3,627,239	6,262,749	7,599,392	7,113,520
Early learning	31,587,508	31,162,770	32,954,058	33,347,428	35,577,541	36,495,369	36,423,317	35,743,018	36,447,200	38,115,307
Transportation planning	6,974,497	8,041,259	8,026,300	11,497,130	9,049,916	8,635,181	7,316,079	7,722,245	6,952,675	8,527,131
Environmental planning	4,369,042	3,220,341	2,557,532	2,320,985	2,409,119	1,954,886	1,979,457	484,195	771,146	1,963,247
Interest on lease liability	—	—	—	—	—	—	—	—	88,973	148,017
Insurance trust administration	33,424	35,407	31,043	—	—	—	—	—	—	—
Total governmental activities expenses	63,906,018	59,361,418	60,446,751	64,134,652	65,927,737	65,616,865	63,630,129	67,328,250	71,600,129	78,404,797
Business-type activities:										
Governmental training and consulting services	993,934	765,901	829,927	667,739	1,300,309	1,614,438	1,684,826	2,002,299	2,565,309	1,957,515
Total primary government expenses	<u>\$ 64,899,952</u>	<u>\$ 60,127,319</u>	<u>\$ 61,276,678</u>	<u>\$ 64,802,391</u>	<u>\$ 67,228,046</u>	<u>\$ 67,231,303</u>	<u>\$ 65,314,955</u>	<u>\$ 69,330,549</u>	<u>\$ 74,165,438</u>	<u>\$ 80,362,312</u>
Program Revenues										
Governmental Activities:										
Fees for services:										
General government	\$ 100,859	\$ 108,248	\$ 77,926	\$ 26,818	\$ 26,458	\$ 29,097	\$ 1,976	\$ 15,090	\$ 27,345	\$ 43,164
Aging	282,946	285,739	281,671	264,991	225,931	205,534	92,510	110,845	357,980	737,203
Emergency services and public safety	26,245	29,028	27,769	31,345	33,612	22,765	3,649	1,439	4,528	26,358
Community development	23,887	39,827	29,779	18,519	159,003	82,951	67,456	15,717	118,015	56,028
Transportation planning	—	—	—	—	—	—	—	—	—	1,373,327
Environmental planning	294	(6)	—	—	—	2,192	—	—	250	4,457
Early learning and Head Start	14,081	2,571	2,764	3,016	1,792	2,914	8,705	31,179	31,612	53,021
Operating grants and contributions	60,130,323	56,662,079	58,098,346	63,350,478	64,300,630	63,543,111	62,671,801	65,890,168	68,858,034	77,387,921
Capital grants and contributions	—	—	—	—	—	—	—	—	—	—
Total governmental activities program revenues	60,578,635	57,127,486	58,518,255	63,695,167	64,747,426	63,888,564	62,846,097	66,064,438	69,397,764	79,681,479
Business-type activities:										
Fees for services	872,881	791,662	756,205	690,454	1,442,641	1,519,141	1,485,391	1,971,804	2,448,432	1,828,373
Operating grants and contributions	—	—	—	—	—	597,660	448,123	334,404	545,185	520,982
Total business-type activities program revenues	872,881	791,662	756,205	690,454	1,442,641	2,116,801	1,933,514	2,306,208	2,993,617	2,349,355
Total primary government revenues	<u>\$ 61,451,516</u>	<u>\$ 57,919,148</u>	<u>\$ 59,274,460</u>	<u>\$ 64,385,621</u>	<u>\$ 66,190,067</u>	<u>\$ 66,005,365</u>	<u>\$ 64,779,611</u>	<u>\$ 68,370,646</u>	<u>\$ 72,391,381</u>	<u>\$ 82,030,834</u>

MID-AMERICA REGIONAL COUNCIL

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

Table 2 - Continued

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (expense)/revenue										
Governmental activities	(\$ 3,327,383)	(\$ 2,233,932)	(\$ 1,928,496)	(\$ 439,485)	(\$ 1,180,311)	(\$ 1,728,301)	(\$ 784,032)	(\$ 1,263,812)	(\$ 2,202,365)	\$ 1,276,682
Business-type activities	(121,053)	25,761	(73,722)	22,715	142,332	502,363	248,688	303,909	428,308	391,840
Total primary governmental net expense	<u>(\$ 3,448,436)</u>	<u>(\$ 2,208,171)</u>	<u>(\$ 2,002,218)</u>	<u>(\$ 416,770)</u>	<u>(\$ 1,037,979)</u>	<u>(\$ 1,225,938)</u>	<u>(\$ 535,344)</u>	<u>(\$ 959,903)</u>	<u>(\$ 1,774,057)</u>	<u>\$ 1,668,522</u>
General Revenue/Other Changes in Net Position										
Governmental activities:										
Local government appropriations	\$ 500,012	\$ 530,376	\$ 528,816	\$ 549,302	\$ 559,884	\$ 580,725	\$ 561,203	\$ 646,985	\$ 650,892	\$ 602,771
Transportation project fees	46,037	466,148	(3,040)	305,243	—	418,070	—	758,489	15,000	—
Emergency services contributions	74,689	249,831	336,446	370,133	387,176	426,214	365,919	425,896	399,825	439,820
Miscellaneous income	1,000	4,031	375	5,576	—	3,876	98	544,478	1,082,617	183,336
Investment earnings	15,072	18,201	23,071	43,119	77,655	105,916	93,233	104,662	92,505	189,858
Transfers	(25,690)	(13,453)	(17,391)	(18,095)	(16,671)	(15,445)	(16,717)	(19,500)	(19,500)	(19,500)
Total governmental activities	611,120	1,255,134	868,277	1,255,278	1,008,044	1,519,356	1,003,736	2,461,010	2,221,339	1,396,285
Business-type activities:										
Transfers	25,690	13,453	17,391	18,095	16,671	15,445	16,717	19,500	19,500	19,500
Total primary government	<u>\$ 636,810</u>	<u>\$ 1,268,587</u>	<u>\$ 885,668</u>	<u>\$ 1,273,373</u>	<u>\$ 1,024,715</u>	<u>\$ 1,534,801</u>	<u>\$ 1,020,453</u>	<u>\$ 2,480,510</u>	<u>\$ 2,240,839</u>	<u>\$ 1,415,785</u>
Change in Net Position										
Governmental activities	(\$ 2,716,263)	(\$ 978,798)	(\$ 1,060,219)	\$ 815,793	(\$ 172,267)	(\$ 208,945)	\$ 219,704	\$ 1,197,198	\$ 18,974	\$ 2,672,967
Business-type activities	(95,363)	39,214	(56,331)	40,810	159,003	517,808	265,405	323,409	447,808	411,340
Total primary government	<u>(\$ 2,811,626)</u>	<u>(\$ 939,584)</u>	<u>(\$ 1,116,550)</u>	<u>\$ 856,603</u>	<u>(\$ 13,264)</u>	<u>\$ 308,863</u>	<u>\$ 485,109</u>	<u>\$ 1,520,607</u>	<u>\$ 466,782</u>	<u>\$ 3,084,307</u>

Note A - Source: Exhibit B - Statement of Activities

Note B - Amounts include the indirect costs allocation as noted on Exhibit B - Statement of Activities.

Note C - In 2017, Insurance trust administration was moved to the Enterprise Fund to more accurately reflect the new charging process under a new contract.

MID-AMERICA REGIONAL COUNCIL

FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

Table 3

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	\$ 236,573	\$ 227,991	\$ 324,289	\$ 199,969	\$ 212,336	\$ 431,703	\$ 448,281	\$ 616,783	\$ 487,494	\$ 491,324
Committed	818,723	745,920	730,917	811,826	765,655	800,173	1,017,843	1,132,220	1,231,568	1,280,607
Unassigned	661,067	1,433,029	1,985,087	2,588,819	2,403,923	2,509,599	2,855,936	3,213,644	2,731,011	3,269,940
Total general fund	<u>\$ 1,716,363</u>	<u>\$ 2,406,940</u>	<u>\$ 3,040,293</u>	<u>\$ 3,600,614</u>	<u>\$ 3,381,914</u>	<u>\$ 3,741,475</u>	<u>\$ 4,322,060</u>	<u>\$ 4,962,647</u>	<u>\$ 4,450,073</u>	<u>\$ 5,041,871</u>
Other governmental funds										
Nonspendable	\$ —	\$ —	\$ —	\$ 555,406	\$ 704,433	\$ 470,777	\$ 368,587	\$ 156,311	\$ 68,048	\$ 37,036
Committed	—	—	—	—	—	—	—	321,986	—	—
Assigned	—	—	—	—	—	—	—	—	9,046,166	10,930,864
Total other governmental funds	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 555,406</u>	<u>\$ 704,433</u>	<u>\$ 470,777</u>	<u>\$ 368,587</u>	<u>\$ 478,297</u>	<u>\$ 9,114,214</u>	<u>\$10,967,900</u>
Total fund balances of governmental funds	<u>\$ 1,716,363</u>	<u>\$ 2,406,940</u>	<u>\$ 3,040,293</u>	<u>\$ 4,156,020</u>	<u>\$ 4,086,347</u>	<u>\$ 4,212,252</u>	<u>\$ 4,690,647</u>	<u>\$ 5,440,944</u>	<u>\$13,564,287</u>	<u>\$16,009,771</u>

Note A - Source: Exhibit C - Balance Sheet - Governmental Funds

MID-AMERICA REGIONAL COUNCIL

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

Table 4

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues (Notes A,B)										
Local government appropriations	\$ 683,532	\$ 624,379	\$ 594,787	\$ 629,150	\$ 559,884	\$ 580,725	\$ 561,203	\$ 646,985	\$ 650,892	\$ 602,771
Transportation project fees	46,037	466,148	(3,040)	305,243	—	418,070	—	758,489	15,000	1,320,506
Emergency services contributions	74,689	249,831	336,446	370,133	387,176	426,214	365,919	425,896	399,825	439,820
Net interest income	15,072	18,201	23,071	43,119	77,655	105,916	145,637	104,662	92,505	189,858
Fees for services/events	147,595	155,210	136,831	78,724	215,166	134,907	476,031	60,033	261,674	631,248
Grant revenue	53,131,060	49,430,125	49,284,299	56,600,351	55,582,541	55,568,174	56,278,390	60,403,405	60,500,583	70,554,169
Contributed services	9,769,235	8,536,493	10,402,624	8,955,771	11,167,245	10,882,448	8,833,955	5,678,527	8,315,320	6,662,399
Program income	300,717	314,180	283,118	265,965	233,722	209,346	120,742	127,787	197,460	313,971
Settlement of vacation and sick leave	5,532	(72,803)	(15,003)	80,909	(46,171)	34,518	217,670	114,377	99,347	49,039
Other income	87,057	167,083	73,419	62,042	56,605	76,260	81,496	430,101	983,270	134,297
Total revenues	64,260,526	59,888,847	61,116,552	67,391,407	68,233,823	68,436,578	67,081,043	68,750,262	71,515,876	80,898,078
Expenditures (Notes A,B)										
MARC local activity	418,703	463,635	472,260	428,929	396,254	415,184	349,241	386,536	635,983	586,872
Fringe benefit/indirect costs subsidy/(surplus)	332,625	(102,765)	(535,355)	(444,727)	245,422	86,107	(364,512)	205,314	(122,727)	(199,186)
Capital outlay	—	3,364	26,774	93,283	153,310	—	10,723	—	20,499	54,592
Aging	8,167,718	8,007,240	8,532,761	8,234,564	9,159,219	8,961,584	8,984,325	8,524,701	12,115,598	13,153,753
Emergency services and public safety	5,527,558	4,149,090	3,973,791	3,811,228	3,995,261	4,436,290	4,235,724	6,338,049	5,369,046	5,024,066
Community development	3,146,689	1,740,738	2,235,837	3,343,901	3,798,764	3,699,182	3,623,124	2,909,624	1,488,152	2,562,793
Early learning and Head Start	31,425,734	31,026,033	32,831,497	33,258,100	35,451,448	36,437,479	36,285,297	35,529,642	36,245,060	37,946,959
Transportation planning	6,868,848	8,039,930	7,958,220	11,451,110	9,044,993	8,623,852	7,286,355	7,697,792	6,929,808	8,509,022
Environmental planning	4,350,871	3,208,613	2,551,901	2,318,131	2,406,287	1,951,879	1,977,508	385,421	457,254	1,935,416
Insurance trust administration	32,737	34,935	30,850	—	—	—	—	—	—	—
MARC CSC	3,039,572	1,565,594	1,727,654	2,341,985	2,507,892	2,978,767	2,996,866	4,178,186	6,832,663	4,644,868
Capital Project - 911 capital outlay	1,022,327	1,048,410	817,874	1,421,081	1,127,975	704,904	1,201,280	1,825,230	1,502,399	1,437,061
Debt service:										
Principal	—	—	—	—	—	—	—	—	930,274	2,628,861
Interest	—	—	—	—	—	—	—	—	88,973	148,017
Total expenditures	64,333,382	59,184,817	60,624,064	66,257,585	68,286,825	68,295,228	66,585,931	67,980,495	72,492,982	78,433,094
Excess of revenues over/(under) expenditures	(72,856)	704,030	492,488	1,133,822	(53,002)	141,350	495,112	769,767	(977,106)	2,464,984

Continued on next page.

MID-AMERICA REGIONAL COUNCIL

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

Table 4 - Continued

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Other Financing Sources (Uses)										
Transfers in	64,706	235,751	492,402	566,916	412,006	722,047	647,302	777,364	701,351	794,239
Transfers out	(90,396)	(249,204)	(509,793)	(585,011)	(428,677)	(737,492)	(664,019)	(796,864)	(720,851)	(813,739)
Total other financing sources (uses)	(25,690)	(13,453)	(17,391)	(18,095)	(16,671)	(15,445)	(16,717)	(19,500)	(19,500)	(19,500)
Net change in fund balances	(\$ 98,546)	\$ 690,577	\$ 475,097	\$ 1,115,727	(\$ 69,673)	\$ 125,905	\$ 478,395	\$ 750,267	(\$ 996,606)	\$ 2,445,484
Debt service as a percentage of noncapital expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.4%	3.6%

Note A - Source: Exhibit D - The Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

Note B - Prior years have been restated for consistency and comparison across periods using Exhibit D - Statement of Revenues, Expenditures and Changes in Fund Balance as the source.

MID-AMERICA REGIONAL COUNCIL

COMPONENTS OF OWN-SOURCE REVENUES, GENERAL FUND LAST TEN FISCAL YEARS

Table 5

Local Government Appropriations	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Actual 2021	Actual 2022	Actual 2023
Members Local Appropriations	\$ 367,366	\$ 374,721	\$ 382,225	\$ 389,877	\$ 397,682	\$ 405,643	\$ 413,763	\$ 422,046	\$ 431,001	\$ 439,629
Aging Local Match - Missouri	69,141	69,978	70,886	71,785	72,703	73,637	76,731	78,265	79,830	81,427
State of Missouri	440	21,340	10,670	21,340	21,340	32,010	—	—	—	10,670
Voluntary - Cities	63,065	64,337	65,035	66,300	68,159	69,435	70,709	71,984	70,309	81,715
Grand Total	<u>\$ 500,012</u>	<u>\$ 530,376</u>	<u>\$ 528,816</u>	<u>\$ 549,302</u>	<u>\$ 559,884</u>	<u>\$ 580,725</u>	<u>\$ 561,203</u>	<u>\$ 572,295</u>	<u>\$ 581,140</u>	<u>\$ 613,441</u>

MID-AMERICA REGIONAL COUNCIL

PRINCIPAL REVENUE PAYERS - LOCAL GOVERNMENT APPROPRIATIONS 2014 AND 2023

Table 6

Members Local Appropriations	2014			2023		
	Amount	Per capita Rate	Percentage of Total Revenue	Amount	Per capita Rate	Percentage of Total Revenue
Missouri:						
Cass County	\$ 17,644	\$ 0.1774	3.5 %	\$ 20,891	0.1938	3.4 %
Clay County	25,987	0.1171	5.2	31,255	0.1234	5.1
Independence	13,832	0.1184	2.8	15,899	0.1292	2.6
Lee's Summit (Note B)	10,817	0.1184	2.2	18,261	0.1806	3.0
Platte County	10,692	0.1197	2.1	13,794	0.1293	2.2
Ray County	5,000	0.2128	1.0	5,000	0.2159	0.8
Jackson County	70,079	0.1040	14.0	82,244	0.1147	13.4
Kansas City	54,437	0.1184	10.9	65,668	0.1292	10.7
Kansas:						
Johnson County	76,116	0.1399	15.2	92,742	0.1521	15.1
Leavenworth County	13,537	0.1776	2.7	15,874	0.1939	2.6
Miami County (Note B)	5,823	0.1776	1.2	6,629	0.1939	1.1
Olathe (Note B)	14,903	0.1184	3.0	13,068	0.0925	2.1
Overland Park	20,527	0.1184	4.1	25,492	0.1292	4.2
Unified Government	27,972	0.0922	5.6	32,812	0.1007	5.3
Total Members Local Appropriations	<u>\$ 367,366</u>			<u>\$ 439,629</u>		
Aging Local Match						
Missouri:						
Cass County	\$ 1,393	N/A	0.3 %	\$ 1,665	N/A	0.3 %
Clay County	2,790	N/A	0.6	3,334	N/A	0.5
Independence	2,790	N/A	0.6	3,334	N/A	0.5
Platte County	1,393	N/A	0.3	1,665	N/A	0.3
Ray County	1,393	N/A	0.3	1,665	N/A	0.3
Jackson County	25,947	N/A	5.2	29,805	N/A	4.9
Kansas City	33,435	N/A	6.7	39,959	N/A	6.5
Total Aging Local Match	<u>\$ 69,141</u>			<u>\$ 81,427</u>		
Combined Total	<u>\$ 436,507</u>			<u>\$ 521,056</u>		

Note A: Total local government appropriations revenue for 2014 and 2023 is \$500,012 and \$613,441 respectively.

Note B: Miami County, Lee's Summit, MO and Olathe, KS were added as regular voting MARC members in 2008.

Source: Table 5, Revenue by Source, Governmental Funds

MID-AMERICA REGIONAL COUNCIL

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Table 7

Fiscal Year	Governmental Activities – Leases & Subscriptions	Percent of Personal Income	Per Capita
2014	\$ —	N/A	N/A
2015	—	N/A	N/A
2016	—	N/A	N/A
2017	—	N/A	N/A
2018	—	N/A	N/A
2019	—	N/A	N/A
2020	—	N/A	N/A
2021	—	N/A	N/A
2022	3,560,761	0.003%	N/A
2023	5,648,681	0.004%	N/A

Note A: See Table 8 for personal income and population data.

Note B: GASB 87 was implemented in 2022 and GASB 96 in 2023.

This represents future principle lease payments for governmental activities.

MID-AMERICA REGIONAL COUNCIL

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Table 8

Fiscal Year	Population (A)	Total Personal Income in thousands (B)	Per Capita Personal Income (B)	MSA MO side School Enrollment (C)	MSA KS side School Enrollment (D)	Unemployment Rate (E)
2014	2,070,383	\$ 99,255,862	\$ 47,748	191,458	156,738	5.6
2015	2,087,407	104,336,497	49,737	192,599	157,784	4.8
2016	2,108,768	106,225,100	50,077	193,954	157,958	4.3
2017	2,129,425	110,052,215	51,330	195,390	159,609	3.8
2018	2,147,602	114,939,971	53,108	196,352	160,066	3.3
2019	2,161,639	120,578,905	55,300	196,637	159,100	3.1
2020	2,195,218	127,545,882	58,145	196,894	154,833	6.1
2021	2,203,335	135,071,125	61,410	193,068	156,175	4.2
2022	2,208,782	140,119,784	63,417	193,469	161,390	3.0
2023	2,221,343	N/A	N/A	192,886	157,198	2.9*

Sources:

(A) – Bureau of the Census, Annual Population Estimates, July 1 for the Kansas City MO-KS MSA

(B) – Bureau of Economic Analysis (BEA); Regional Economic Information System

(C) – Missouri Department of Elementary and Secondary Education, public & private

(D) – Kansas State Department of Education

(E) – Bureau of Labor Statistics (BLS) (Kansas City, MO-KS MSA, not seasonally adjusted)

All annual averages. *The 2023 annual average includes preliminary data from December 2023

N/A - Data is not available.

All data provided here is for the current Kansas City Metropolitan Statistical Area (MSA) for all years.

MID-AMERICA REGIONAL COUNCIL

TOP KANSAS CITY METRO EMPLOYERS 2023 AND 2014

Table 9

Employer	2023		Employer	2014	
	Local Full Time Employees	Percentage of Total Metro Employment		Local Full Time Employees	Percentage of Total Metro Employment
Federal Government *	38,400	3.34%	Federal Government	27,300	2.70%
University of Kansas Health System	14,763	1.28%	Cerner Corp.	9,850	0.97%
Oracle Cerner	11,900	1.03%	HCA Midwest Health System	9,394	0.93%
HCA Midwest Health System	10,051	0.87%	St. Luke's Health System	8,914	0.88%
St. Luke's Health System	9,976	0.87%	Sprint Corp.	7,500	0.74%
Children's Mercy Kansas City	7,608	0.66%	University of Kansas Hospital	5,995	0.59%
Ford Kansas City Assembly Plant	7,250	0.63%	Children's Mercy Hospital	5,905	0.58%
Honeywell Fed. Manuf. & Tech.	6,243	0.54%	State of Missouri	5,904	0.58%
Amazon	6,000	0.52%	State of Kansas	5,093	0.50%
Olathe Public Schools	5,275	0.46%	Ford Kansas City Assembly Plant	4,900	0.49%
Burns & McDonnell	5,000	0.43%	Hallmark Cards Inc.	4,620	0.46%
T-Mobile US Inc.	4,674	0.41%	Olathe District Schools	4,410	0.44%
Garmin Ltd.	4,648	0.40%	DST Systems Inc.	4,400	0.44%
U.S. Postal Service	4,509	0.39%	City of Kansas City, MO	4,282	0.42%
Hallmark Cards Inc.	4,366	0.38%	Truman Medical Centers	4,225	0.42%
City of Kansas City, MO	4,160	0.36%	General Motors	4,000	0.40%
University of Kansas Medical Center	4,157	0.36%	Johnson County, KS Government	3,871	0.38%
Johnson County, KS Government	3,936	0.34%	Garmin International Inc.	3,417	0.34%
North Kansas City School District	3,737	0.32%	Kansas City, KS Public Schools	3,400	0.34%
University Health	3,735	0.32%	Black & Veatch	3,300	0.33%
Shawnee Mission School District	3,449	0.30%	University of MO-Kansas City	3,189	0.32%
North Kansas City Hospital	3,386	0.29%	North Kansas City School District	3,160	0.31%
State of Missouri **	3,264	0.28%	University of Kansas Medical Center	3,106	0.31%
Kansas City, KS Public Schools	3,242	0.28%	UPS	2,871	0.28%
Blue Valley School District	3,223	0.28%	Blue Valley School District	2,833	0.28%
United Health Group	3,000	0.26%	Shawnee Mission School District	2,670	0.26%
Commerce Bank	2,842	0.25%	Honeywell Fed. Manuf. & Tech.	2,600	0.26%
Lee's Summit School District	2,834	0.25%	Lee's Summit School District	2,538	0.25%
Walmart Inc.	2,812	0.24%	Farmers Insurance	2,507	0.25%
University of MO-Kansas City	2,730	0.24%	BNSF Railway Co.	2,500	0.25%
UPS	2,706	0.24%	North Kansas City Hospital	2,463	0.24%
Advent Health	2,695	0.23%	Burns & McDonnell	2,435	0.24%
FedEx	2,685	0.23%	Unified Gov of Wyandotte Co./ KCK	2,276	0.23%
Hy-Vee Inc.	2,644	0.23%	Commerce Bank	2,249	0.22%
SS&C Technologies Holdings Inc.	2,301	0.20%	Shawnee Mission Medical Center	2,203	0.22%
Blue Springs School District	2,270	0.20%	ATK Small Caliber Systems	2,200	0.22%
General Motors	2,229	0.19%	Great Plains Energy Inc.	2,200	0.22%
Black & Veatch	2,221	0.19%	Kansas City Public Schools	2,200	0.22%
Unified Gov of Wyandotte Co./KCK	2,090	0.18%	UMB Financial Corp.	2,159	0.21%
Farmers Insurance	2,063	0.18%	United Health Group	2,100	0.21%
Kansas City, MO Police Department	2,022	0.18%	Olathe Health System Inc.	2,090	0.21%
Independence School District	1,957	0.17%	Blue Springs School District	2,018	0.20%
State of Kansas **	1,878	0.16%	Quest Diagnostics Inc.	2,014	0.20%
Total	220,931	19.19%		187,261	18.54%
December MSA Employment	1,151,200			1,010,258	

Sources:

Employers: Kansas City Business Journal Book of Lists, 2014-2015 and 2023-2024 editions;
KC Metro MSA Employment: Bureau of Labor Statistics, Local Area Unemployment

Notes:

* Does not include KCMO Police Department.

** Does not include local university employees.

Bold font indicates those employers in both years.

MID-AMERICA REGIONAL COUNCIL

MISCELLANEOUS STATISTICAL DATA

December 31, 2023

Table 10

	Population		Per Capita Income		Total Personal Income (in thousands of dollars)	
	2021	2022	2021	2022	2021	2022
Municipalities With Population Over 5,000 in the MARC Region in 2022						
Cass County:	109,638	110,394	\$ 54,020	\$ 55,712	\$ 5,922,682	\$ 6,150,233
Belton	24,197	25,420				
Harrisonville	10,042	9,854				
Peculiar	5,847	5,852				
Pleasant Hill (main part)	8,795	8,715				
Raymore	24,164	24,203				
Clay County:	255,518	257,033	56,118	55,738	14,339,156	14,326,486
Excelsior Springs (main part)	10,410	10,580				
Gladstone	27,017	26,907				
Kansas City (part)	139,432	139,707				
Kearney	10,741	10,913				
Liberty	30,377	30,775				
Smithville	10,552	10,653				
Jackson County:	716,862	716,531	53,112	53,153	38,074,198	38,085,664
Blue Springs	59,430	59,518				
Grain Valley	16,002	16,178				
Grandview	25,844	25,610				
Greenwood (main part)	5,728	6,088				
Independence	122,088	121,202				
Kansas City (part)	314,956	315,578				
Lee's Summit (main part)	100,061	103,465				
Oak Grove (main part)	8,186	8,492				
Raytown	29,580	29,614				
Platte County:	108,569	110,534	63,771	68,510	6,923,549	7,572,680
Kansas City (part)	53,905	54,011				
Parkville	7,810	8,541				
Ray County:	23,008	23,107	48,843	47,520	1,123,772	1,098,038
Richmond	5,967	5,959				
Johnson County:	613,219	619,195	84,535	90,503	51,838,335	56,039,311
De Soto	6,380	6,478				
Gardner	23,942	24,206				
Leawood	33,743	33,713				
Lenexa	58,388	58,617				

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MID-AMERICA REGIONAL COUNCIL

MISCELLANEOUS STATISTICAL DATA December 31, 2023

Table 10 - Continued

	Population		Per Capita Income		Total Personal Income (in thousands of dollars)	
	2021	2022	2021	2022	2021	2022
Municipalities With Population Over 5,000 in the MARC Region in 2021						
Johnson County (continued):						
Merriam	11,017	10,966				
Mission	9,864	9,813				
Olathe	143,014	145,616				
Overland Park	197,106	197,726				
Prairie Village	22,878	22,947				
Roeland Park	6,817	6,771				
Shawnee	67,511	69,198				
<i>Spring Hill (main part)</i>	5,288	9,242				
Leavenworth County:	82,184	82,982	49,330	50,002	4,054,103	4,144,804
Basehor	7,219	7,544				
Lansing	11,239	11,187				
Leavenworth	37,176	37,081				
Tonganoxie	5,702	5,850				
Miami County:	34,593	34,867	56,719	59,222	1,962,069	2,064,878
Paola	5,786	5,738				
Wyandotte County:	167,046	165,746	39,143	38,253	6,538,662	6,340,203
<i>Bonner Springs (main part)</i>	7,798	7,666				
Kansas City	156,241	153,345				
MARC Region	2,110,637	2,120,389	\$ 505,591	\$ 518,613	\$ 130,776,526	\$ 135,822,297

Area of responsibility: Bi-State Region: Kansas and Missouri; 9 counties; 119 municipalities; 4,423 square miles. 2023 data is not available yet.

Cities in italics are in more than one county, but their total population is provided where the majority of the population resides.

Sources:

Population: US Bureau of the Census Annual Estimates for July 1, 2021 and July 1, 2022

Per capita income and total personal income:

Bureau of Economic Analysis, Regional Economic Information System, 2021 and 2022 Estimates (2023 is not available) (Table CAINC1)

(Continued on next page)

MID-AMERICA REGIONAL COUNCIL

MISCELLANEOUS STATISTICAL DATA

December 31, 2023

Table 10 - Continued

Population and Employment Forecasts for the MARC Region

	<i>Population</i>				
	2010	2020	2030	2040	2050
County:					
Johnson	544,179	609,863	684,645	808,903	808,903
Leavenworth	76,227	81,881	88,845	99,996	99,996
Miami	32,787	34,191	36,706	43,519	43,519
Wyandotte	157,505	169,245	174,560	189,485	189,485
Cass	99,478	107,824	117,017	134,643	134,643
Clay	221,939	253,335	280,506	333,171	333,171
Jackson	674,158	717,204	739,473	791,119	791,119
Platte	89,322	106,718	119,891	146,071	146,071
Ray	23,494	23,158	23,173	23,332	23,517
	<u>1,919,089</u>	<u>2,103,419</u>	<u>2,264,816</u>	<u>2,570,239</u>	<u>2,570,424</u>
	<i>Households</i>				
	2010	2020	2030	2040	2050
County:					
Johnson	212,882	236,906	270,516	302,105	332,168
Leavenworth	26,447	27,054	28,704	30,273	31,785
Miami	12,161	12,995	14,317	15,956	17,902
Wyandotte	58,399	60,976	64,333	67,527	70,603
Cass	37,150	40,973	45,954	50,692	55,257
Clay	87,217	93,447	103,733	113,517	122,943
Jackson	274,804	292,824	311,309	328,891	345,829
Platte	36,103	40,861	47,264	53,356	59,224
Ray	8,957	8,849	8,928	9,003	9,076
Total	<u>754,120</u>	<u>814,884</u>	<u>895,058</u>	<u>971,320</u>	<u>1,044,786</u>
	<i>Employment</i>				
	2010	2020	2030	2040	2050
County:					
Johnson	299,332	372,705	401,502	435,376	476,074
Leavenworth	23,933	24,113	24,735	25,467	26,346
Miami	7,863	9,482	10,117	10,864	11,762
Wyandotte	80,730	97,994	104,769	112,739	122,315
Cass	23,461	29,764	32,238	35,148	38,645
Clay	90,684	108,344	115,275	123,428	133,224
Jackson	356,302	386,040	397,711	411,440	427,935
Platte	39,500	52,386	57,444	63,393	70,541
Ray	4,192	3,669	3,463	3,222	2,932
	<u>925,997</u>	<u>1,084,497</u>	<u>1,147,254</u>	<u>1,221,077</u>	<u>1,309,774</u>

Sources:

2010 & 2020 Population: US Bureau of the Census; Decennial Census.

Population & Employment Forecasts: MARC's 2020 Forecast Population, Households and Employment.

(Continued on next page)

MID-AMERICA REGIONAL COUNCIL

MISCELLANEOUS STATISTICAL DATA

December 31, 2023

Table 10 - Continued

Population Characteristics of the Kansas City MO-KS Metropolitan Statistical Area, 2022

Male	49.6%
Female	50.4%
Race:	
White alone, not Hispanic or Latino	69.9%
Black alone, not Hispanic or Latino	11.5%
Other, including multiple races, not Hispanic or Latino	8.6%
Hispanic (of any race)	10.0%
Age:	
Under 5 years	6.0%
19 years and under	20.0%
20 – 24 years	5.9%
25 – 34 years	14.0%
35 – 44 years	13.8%
45 – 64 years	24.2%
65 and over	16.1%
Median age	38.2

Source: US Census Bureau, 2022 American Community Survey 1-year Estimates, DP05

Employment – Kansas City MSA

Labor force:	
Employed	1,145,400
Unemployed	29,097
Total	1,174,497
Unemployment rate	2.5%

Source: US Department of Labor, Bureau of Labor Statistics (BLS) (not seasonally adjusted).
December 2023; preliminary; the preferred Annual Average is not yet available

(Continued on next page)

MID-AMERICA REGIONAL COUNCIL

MISCELLANEOUS STATISTICAL DATA

December 31, 2023

Table 10 - Continued

Community Facilities – Education

Educational Attainment

	Kansas City MSA	United States
Percent of population aged 25 and over who are high school graduates or higher	93.4%	89.6%
Percent of population aged 25 and over who are college graduates or higher	39.7%	35.7%

Source: US Bureau of the Census, 2022 American Community Survey 1-Year Estimates, Table S1501

Public & Private Schools K-12 in the MARC Region (Fiscal Year 2023-2024)

	Enrollment		
Missouri portion (56 Districts):	180,999		
Kansas portion (20 Districts):	156,825		
Sources: Missouri Department of Elementary and Secondary Education Kansas State Department of Education			
K-12 Enrollment in MSA; 2022 ACS 1-Year Estimates, Table S1401	Public: 86.9%	Private: 13.1%	377,964

Higher Education

Top Area Four-year Colleges:

Avila University
Baker University - Overland Park Campus
Kansas City University
MidAmerica Nazarene University
Park University
Rockhurst University
University of Kansas – Edwards Campus
University of Missouri – Kansas City
University of Saint Mary
William Jewell College

Two-year Colleges:

Johnson County Community College
Kansas City, Kansas Community College
Metropolitan Community College

Top Graduate Schools:

Avila University
Baker University
Cleveland University-Overland Park
Kansas City University
MidAmerica Nazarene University
Park University
Rockhurst University
University of Saint Mary

Source: Ingram's Book of Leads & Lists, 2024 Edition

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MID-AMERICA REGIONAL COUNCIL

MISCELLANEOUS STATISTICAL DATA

December 31, 2023

Table 10 - Continued

Community Facilities – Transportation

Air:

Major airport: Kansas City International – domestic and international services
11,545,742 passengers (up 17.7% from 2022), 233.5 million pounds of freight (down 9.3%) and 4.1 million pounds of mail (up 85%) enplaned or deplaned in 2023.

Source: Kansas City, Missouri, Aviation Department; KCI website, year end report

Ground:

Highways serving metropolitan area:

Interstate	4
Auxiliary Interstate (linkages)	4
Federal	8
State roads (excludes double-letter roads in Missouri)	49

Source: MARC Transportation Department

Event Centers/Exhibit Halls:	Sq. feet of exhibit space	Sq. feet of meeting space
Kansas City Convention and Entertainment Facilities	443,800	229,715
American Royal Complex	272,975	N/A
HyVee Arena	255,875	4,510
OP Convention Center	119,000	119,000
KCI Expo Center	70,000	15,000
Crown Center Exhibit Hall	52,000	45,500
Cable Dahmer Arena (Independence Events Center)	24,000	24,000
Pavilion at John Knox Village	24,000	26,750
Hotel Meeting Space		
KC Marriot Downtown	93,000	93,000
Sheraton KC Hotel at Crown Center	88,360	42,860
Holiday Inn KCI Airport	70,000	15,000
Loews Kansas City Hotel	60,000	60,000
Westin KC at Crown Center	45,500	50,755
Sheraton Overland Park Hotel	29,528	21,841
Intercontinental KC	29,000	28,000
Adams Pointe Conference Center	25,000	19,433
Ameristar Casino & Hotel	24,770	12,270
Double Tree by Hilton KC-OP	22,000	14,675
Hilton KCI Airport	21,000	21,000
Stoney Creek Hotel & Conference Center	19,000	19,000
Argosy Casino Hotel & Spa	18,000	18,000

Sources: Ingram's Book of Leads and Lists, 2024

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MID-AMERICA REGIONAL COUNCIL

MISCELLANEOUS STATISTICAL DATA

December 31, 2023

Table 10 - Continued

Community Facilities – Miscellaneous, Continued

	Seating Capacity
Sports Stadiums and Arenas:	
GEHA Field at Arrowhead Stadium	76,416
Children's Mercy Park/Sporting Kansas City	18,467
CPKC Stadium	11,500
Kansas Speedway	74,000
Kauffman Stadium	37,903
Municipal Auditorium	10,721
HyVee Arena	NA
Cable Dahmer Arena	5,800
T-Mobile Center	18,972
CommunityAmerica Ballpark (has additional grass and berm seating)	6,365
Museums, art galleries and botanical or zoological gardens	
Agriculture Hall of Fame	
American Jazz Museum	
Arabia Steamboat Museum	
Bruce R Watkins Cultural Center	
Frontier Army Museum	
Harry S Truman Presidential Library and Museum	
Jazz Museum	
Jesse James Farm and Museum	
Johnson County Museum	
Kansas City Zoological Society (Kansas City Zoo)	
Kemper Museum of Contemporary Art	
Mahaffie Farmstead and Stagecoach Stop	
Museum at Prairiefire	
National Airline History Museum	
National Museum of Toys and Miniatures	
National World War I Museum and Memorial	
Negro Leagues Baseball Museum	
Nelson-Atkins Museum of Art	
Overland Park Arboretum & Botanical Gardens	
Powell Gardens	
Shoal Creek Living History Museum	
Union Station Kansas City & Science City	
Wonderscope Children's Museum	
Professional Sports:	
Kansas City Chiefs Football Club (National Football League)	
Kansas City Comets (Major Indoor Soccer League)	
Kansas City Royals Baseball Club (Major League Baseball)	
Sporting KC Soccer Club (Major League Soccer)	
NASCAR Sprint Cup Series, Busch Series, and Craftsman Truck Series (auto racing)	
ARCA RE/MAX Series (auto racing)	
IRL IndyCar Series (auto racing)	
Kansas City Monarchs Baseball Club (American Association of Independent Professional Baseball)	
Kansas City Mavericks (East Coast Hockey League)	
Swope Park Rangers (United Soccer League)	
Kansas City Current (Women's Soccer)	
Kansas City Storm (United Women's Football Association)	
Kansas City Blues (USA Rugby Division I)	
Kansas City Rogues (USA Rugby Division III)	

Sources: Kansas City Sports Commission

MID-AMERICA REGIONAL COUNCIL

TOTAL NUMBER OF EMPLOYEES BY DEPARTMENT/WORK GROUP LAST TEN FISCAL YEARS

Table 11

Department	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Administration	18	15	17	18	16	17	18	20	23	27
Aging	9	9	8	8	10	11	13	17	21	26
Community Development:										
General	10	9	7	7	7	6	8	5	2	2
Government Training Institute	4	4	4	4	6	5	5	3	2	2
Emergency Services	8	5	5	6	8	8	9	8	8	8
Environmental Planning	8	5	5	5	5	5	5	6	6	9
Public Affairs	9	8	8	8	8	6	8	8	8	9
Public Safety	13	12	13	14	12	12	15	15	14	16
Workforce	—	—	—	3	4	6	5	2	1	—
Early Learning	5	3	3	3	3	4	4	5	4	7
Head Start	11	11	11	12	17	26	25	26	26	30
Local Government Services	—	—	—	—	—	—	—	3	2	5
Research Services	11	10	11	11	13	13	13	13	12	12
Transportation Planning										
General	2	2	2	2	2	3	3	3	2	2
Long-range Planning	9	10	10	11	6	7	7	6	8	9
Operation Green Light	5	4	4	4	4	5	5	5	5	5
Operations	4	3	3	3	2	2	2	2	2	3
Rideshare	4	5	5	5	5	4	3	3	4	4
Total	130	115	116	124	128	140	148	150	150	176

Note A - Source: Active employees on last payroll processed in year; excludes vacant positions.

Note B - In 2017, three employees were shifted from "Community Development: General" to a new subprogram, "Community Development: Workforce."

MID-AMERICA REGIONAL COUNCIL

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Table 12

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Emergency communication system										
Towers	11	11	11	11	11	11	11	10	10	10
Counties covered	9	9	9	9	9	11	11	11	11	11
911 call-taking equipment										
Answer points	41	42	42	42	42	42	42	42	43	43
Operation Green Light program, intersections operated										
Traffic signals	692	697	697	699	699	732	755	755	759	768
Communities served	23	24	24	24	24	26	26	27	27	28
Head Start program										
Buildings	1	1	1	1	1	1	1	1	1	1
Delegate Agencies	4	4	4	4	4	4	4	4	4	4
Partner Agencies	5	5	4	4	14	14	13	13	13	13
Classrooms	10	11	11	11	13	13	13	13	13	13
Meeting rooms	2	2	2	2	2	2	2	2	2	2
Gymnasium/multi-purpose room	1	1	1	1	1	1	1	1	1	1
Central office facilities										
Meeting rooms	12	12	12	12	13	13	13	10	15	15
Employee workspaces	173	173	146	146	156	156	159	162	171	180

Sources: Various MARC departments