

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
RICHMOND, KENTUCKY

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AUDITED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
JUNE 30, 2021



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Kentucky River Foothills Development Council, Inc.
Richmond, Kentucky

Report on the Financial Statements

We have audited the accompanying financial statements of Kentucky River Foothills Development Council, Inc. (a non-profit organization), which comprise the statement of financial position as of June 30, 2021, and the related statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kentucky River Foothills Development Council, Inc., as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Others Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Revenues and Expenses- Contact Basis- Individual Programs, LIHEAP Program – Schedules- Contract Basis, CSBG Budget to Actual, Indirect Costs, Weatherization Schedules, and Aging Invoice and Program Reports on pages 25-45 are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards on pages 17-18, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements.

The Schedule of Revenues and Expenses- Contact Basis- Individual Programs, LIHEAP Program – Schedules- Contract Basis, CSBG Budget to Actual, Indirect Costs, Weatherization Schedules, Aging Invoice and Program Reports, and schedule of expenditures of federal awards are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated November 23, 2021 on our consideration of Kentucky River Foothills Development Council, Inc. internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Kentucky River Foothills Development Council, Inc.'s internal control over financial reporting and compliance.

Craft, Waninger, Noble & Company, PLLC

Craft, Waninger, Noble & Company, PLLC
Richmond, Kentucky
November 23, 2021

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021

	Total
<u>Assets</u>	
Current assets	
Cash and cash equivalents	\$ 4,766,677
Accounts receivable, net allowance for doubtful accounts of \$13,709	1,984,947
Other current assets	138,000
Prepaid expenses	14,076
Total current assets	6,903,700
Property and equipment	
Land	1,353,411
Property, vehicles, and equipment	8,910,202
Less accumulated depreciation	(5,217,074)
Net property and equipment	5,046,539
Noncurrent assets	
Related party receivable	424,151
Other noncurrent assets	54,890
Total noncurrent assets	479,041
Total Assets	\$ 12,429,280
<u>Liabilities & Net Assets</u>	
<u>Liabilities</u>	
Current liabilities	
Accounts payable	\$ 384,124
Accrued expenses and other liabilities	329,595
Deferred revenue	14,106
Current portion of notes payable	98,925
Current portion of forgivable notes payable	250,000
Total current liabilities	1,076,750
Noncurrent liabilities	
Accrued annual leave	610,939
Long-term portion of notes payable	881,611
Forgivable notes payable	932,807
Total noncurrent liabilities	2,425,357
Total Liabilities	3,502,107
<u>Net Assets</u>	
Net assets without donor restrictions	5,334,160
Net assets with donor restrictions	3,593,013
Total Net Assets	8,927,173
Total Liabilities & Net Assets	\$ 12,429,280

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

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
<u>Revenue</u>			
Grant revenues	\$ 1,093,544	\$ 13,145,850	\$ 14,239,394
Management fees and other revenues	3,841,692	909,930	4,751,622
In-kind revenue	-	436,905	436,905
Fundraising revenue	84,942	-	84,942
Interest income	22,543	-	22,543
Gain (loss) on sale of assets	1,775	-	1,775
Net assets released from restrictions			
Satisfaction of program restrictions	13,638,327	(13,638,327)	-
Total Revenue	18,682,823	854,358	19,537,181
<u>Expenses</u>			
Community Action programs	16,408,624	-	16,408,624
Management and general	1,157,649	-	1,157,649
Fundraising	22,081	-	22,081
In-kind expenses	436,905	-	436,905
Total Expenses	18,025,259	-	18,025,259
Change in net assets	657,564	854,358	1,511,922
Net Assets at Beginning of Period	4,676,596	2,738,655	7,415,251
Net Assets at End of Period	<u>\$ 5,334,160</u>	<u>\$ 3,593,013</u>	<u>\$ 8,927,173</u>

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

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

Expenses	Community Action Programs	Management and General Expenses	Fundraising Expenses	In-Kind	Total Expenses
Personnel costs	\$ 8,954,228	\$ 831,765	\$ 16,858	\$ -	\$ 9,802,851
Travel	61,473	1,555	-	-	63,028
Utilities, telephone, and rent	680,741	116,867	-	-	797,608
Supplies, maintenance, and office	798,237	156,543	-	-	954,780
Professional costs and contracts	78,971	30,251	-	-	109,222
Interest expense	32,647	-	-	-	32,647
Other expenses	788,727	20,668	5,223	-	814,618
Depreciation	573,385	-	-	-	573,385
Energy assistance and other services	4,440,215	-	-	-	4,440,215
In-kind	-	-	-	436,905	436,905
Total Expenses	<u>\$ 16,408,624</u>	<u>\$ 1,157,649</u>	<u>\$ 22,081</u>	<u>\$ 436,905</u>	<u>\$ 18,025,259</u>

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

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Changes in Net Assets	\$ 1,511,922
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	573,385
Gain on disposal of assets	(1,775)
Gain of forgiveness of PPP loan	(1,593,100)
(Increase) decrease in operating assets	
Accounts receivable	(155,185)
Prepaid expenses	138,720
Other current assets	(64,911)
Related party receivable	(138,000)
Other noncurrent assets	(888)
Increase (decrease) in operating liabilities	
Accounts payable	299,775
Accrued expenses and other liabilities	55,557
Deferred revenue	(57,755)
Accrued annual leave	137,798
	<u>705,543</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property, plant, and equipment	(465,577)
Proceeds from sale of property, plant, and equipment	1,775
	<u>(463,802)</u>
NET CASH (USED) BY INVESTING ACTIVITIES	
CASH FLOWS FROM FINANCING ACTIVITIES	
Payments on long-term debt	(104,542)
	<u>(104,542)</u>
NET CASH (USED) BY FINANCING ACTIVITIES	
NET INCREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	137,199
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT BEGINNING OF YEAR	<u>4,629,478</u>
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT END OF YEAR	<u><u>\$ 4,766,677</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION	
Cash paid during the year for:	
Interest	<u><u>\$ 34,630</u></u>

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

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

Note A – Nature of Organization and Operations

Kentucky River Foothills Development Council, Inc. ("the Agency") is a multi-funded community action Agency founded to provide social services to the Central Kentucky area. The Agency operates in accordance with provisions of Kentucky State law regarding the establishment of community action agencies. The Agency is funded through a variety of federal, state, and local sources. The Agency is exempt from Federal income tax as organizations described in Section 501 (c) (3) of the Internal Revenue Code.

Note B – Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Agency are prepared on the accrual basis of accounting whereby revenues are recognized when earned and expenditures are recognized when incurred in accordance with accounting principles generally accepted in the United States of America (GAAP). The Accounting Standards Codification (ASC) as produced by the Financial Accounting Standards Board (FASB) is the sole source of authoritative GAAP for non-governmental entities.

Basis of Presentation

The Agency is required to report information regarding its financial position and activities in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Entities. ASC 958-205 was effective January 1, 2018. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Agency and changes therein are classified and reported as follows:

- Net assets without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Agency. The Agency's board may designate assets without restrictions for specific operational purposes from time to time.
- Net Assets with Donor Restrictions – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Agency or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Support that is restricted by the donor is reported as an increase in Net Assets With Donor Restrictions. When a restriction expires, Net Assets With Donor Restrictions are reclassified to Net Assets Without Donor Restrictions.

As of June 30, 2021, the Net Assets with Donor Restrictions balance was \$3,593,013 which is restricted for various program restrictions.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Agency considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable consists of grant revenues contracted from various sources and third-party patient receivables for the Healthcare for the Homeless Clinic not yet received as of June 30, 2021. While no allowance for uncollectible accounts has been provided by the Agency for grant receivables, as management considers all balances to be fully collectible, \$13,709 is recorded for the Healthcare for the Homeless Clinic as bad debt allowance.

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

Note B – Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment items are recorded at cost or fair market value at date of purchase. Depreciation is provided on the straight-line basis over the estimated useful lives of the assets. The Agency capitalizes equipment purchases over \$5,000 that have a useful life of more than one year. Depreciation expense for the year ended June 30, 2021 was \$573,385.

The majority of the Agency's property and equipment items were acquired with Net Assets With Donor Restrictions. As a result, funding sources have a reversionary interest in those assets purchased with its funds and may have a right to determine the use of any proceeds from the sale of these assets. A portion of the Agency's property and equipment includes real estate that is being held for future sale. At June 30, 2021, total real estate held for sale was \$18,000 and is included in the land on the Statement of Financial Position.

Property and equipment consisted of the following at June 30, 2021:

Land	\$ 1,353,411
Building and Improvements	4,638,128
Property and Equipment	752,575
Vehicles	<u>3,519,499</u>
Subtotal	10,263,613
Accumulated Depreciation	<u>(5,217,074)</u>
Property and Equipment, net	<u>\$ 5,046,539</u>

Functional Expenses

The cost of providing various programs and supporting services have been reported on a functional basis in the statement of activities and the statement of functional expenses. Separate expenditure categories and ledgers are maintained by the Agency to account for operations of each individual program, all of which are included in the accompanying financial statements. Expenses are charged directly to program or management accounts based on specific information.

Donated Services and Materials

The Agency receives various donated materials and services to assist in the performance of their programs. The total In-Kind donations for the year ended June 30, 2021 were \$113,461.

The Agency is required to make matching in-kind donations by various grants. These matching in-kind donations include office space, materials, and volunteer hours. The volunteer time is recorded at rates ordinarily paid for similar work and materials recorded at market value due to them increasing the nonfinancial assets of the Agency in the form of the services the Agency can provide. The amount of in-kind donation match for the year ended June 30, 2021 was \$303,444. It was not practical to separate in-kind from services as opposed to in-kind from materials.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates.

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

Note B – Summary of Significant Accounting Policies (Continued)

Income Taxes

The Agency is exempt from Federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code. However, the Agency is subject to income taxes on certain unrelated business income. The Agency must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not the position will be sustained. The Agency does not believe there are any material uncertain tax positions and, accordingly, they have not recognized any liability for unrecognized tax benefits or possible related interest or penalties. The Agency is no longer subject to U.S. federal income tax examinations by tax authorities for years prior to 2018.

Note C – Endowment Fund

During fiscal year ended June 30, 2000, an endowment fund was established with the Blue Grass Community Foundation with funds contributed by Kentucky River Foothills Development Council, Inc. Under the terms of the fund agreement, the Blue Grass Community Foundation has variance power and is the legal owner of the fund. The net assets of this fund are not reflected in the accompanying financial statements. Kentucky River Foothills Development Council, Inc. is the beneficiary of the fund and receives distributions of income. As of June 30, 2021, the total market value of the fund was \$33,134.

Note D – Indirect Cost Rate

The U.S. Department of Health and Human Services has approved an indirect cost allocation plan for Kentucky River Foothills Development Council, Inc. The approved provisional rate is 15.9% of salaries.

Note E – Concentrations of Credit Risk

The Agency maintains cash and cash equivalents in local banks which may, at times, exceed the FDIC limits. At June 30, 2021, Kentucky River Foothills Development Council, Inc.'s uninsured cash balance totaled \$3,986,222. This amount is collateralized by government securities at these financial institutions.

Note F – Concentrations of Revenues

Revenues from programs comprising more than 10% of the Agency's funding sources are as follows:

Transportation	\$ 2,909,163
Foothills Health & Wellness	\$ 2,280,178
LIHEAP	\$ 2,640,617

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

Note G – County Employees’ Retirement System Plan

The Agency is a participating employer of the County Employees' Retirement System (CERS). Under the provisions of Kentucky Revised Statute 61.645, the Board of Trustees of Kentucky Retirement Systems administers the CERS. The plan issues publicly available financial statements which may be downloaded from the Kentucky Retirement Systems website.

Plan Description – CERS is a cost-sharing multiple-employer defined benefit pension plan that covers substantially all regular full-time members employed in positions of each participating county, city, and school board, and any additional eligible local agencies electing to participate in the System. The plan provides for retirement, disability, and death benefits to plan members. Retirement benefits may be extended to beneficiaries of plan members under certain circumstances. Cost-of-living (COLA) adjustments are provided at the discretion of state legislature. The multi-employer plan differs from single-employer plans in the following aspects:

1. Assets contributed to the multi-employer plans by one employer may be used to provide benefits to employees of other participating employers.
2. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
3. If the Agency chooses to stop participating in its multi-employer plan, it may be required to pay those plans an amount based on the unfunded status of the plan, referred to a withdrawal liability. At this time, the Agency has not established any liabilities because withdrawal from this plan is not probable.

The Agency’s participation in the plan for the year ended June 30, 2021, is outlined in the table below. The Agency is contributing less than 5% of the total contributions to the plan. Form 5500 is not required for this plan. Unless otherwise noted, the most recent “Pension Protection Act Zone Status” available in 2021 is for the plan’s year end at June 30, 2020. The zone status is based on information that the Agency received from the plan. A plan in the “red” zone has been determined to be in “critical status”, based on criteria established under the Tax Code and is generally less than 65% funded. A plan in the “yellow” zone has been determined to be in “endangered status”, based on criteria established under the Tax Code and is generally less than 80% funded. A plan in the “green” zone is generally at least 80% funded.

The “FIP/RP Status Pending/Implemented” column indicates a plan for which a financial improvement plan (FIP), as required under the Code is adopted by a plan in the “yellow” zone, or a Rehabilitation Plan (RP), as required under the Code to be adopted by a plan in the “red” zone, is either pending or has been implemented.

The “Surcharge Imposed” column indicated whether the Agency’s contribution rate for 2020 included an amount in addition to the contribution rate specified in the applicable collective bargaining agreement, as imposed by a plan in “critical status”, in accordance with the requirement of the Code. The last column lists the expiration dates of the collective bargaining agreements to which the plan is subject. Finally, there have been no significant change that affect the comparability of the comparison of the current and prior year contributions.

Pension Fund	EIN/Pension Plan Number	Pension Protection Act Zone Status June 30, 2021	FIP/RP Status Pending/Implemented	Contributions during the year ended June 30, 2021	Surcharge Imposed	Expiration Date of Collective Bargaining Agreement
CERS	61-6027948	Red	N/A	\$ 1,194,571	N/A	N/A

Contributions – The Agency has a retirement plan, in conjunction with the Kentucky County Employees Retirement System, covering substantially all of its full-time employees. Both the employer and the employee contribute to this state-wide plan. Under the provisions of the Kentucky Revised Statute Section 61.645, the Board of Trustees of the Kentucky Retirement System administers CERS and has the authority to establish and amend benefit provisions.

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

Note G – County Employees’ Retirement System Plan (Continued)

Nonhazardous plan members are required to contribute 5% of their annual covered compensation on accounts established prior to September 1, 2008 and 6% on accounts established on and after September 1, 2008 and the Agency is required to contribute at an actuarially determined rate. The Agency 's percentage of each eligible employee's salary contributed to the plan was 24.06% for the year ended June 30, 2021. Contributions for the Agency for the year ended June 30, 2021 were \$1,194,571. This expense was allocated \$958,178 to the CERS pension fund and \$236,393 to the CERS insurance fund.

Plan members who began participating on, or after, January 1, 2014, were required to contribute to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan. Members in the plan contribute a set percentage of their salary each month to their own account. Plan members contribute 5.00% of wages to their own account and 1% to the health insurance fund. The employer contribution rate is set annually by the Board based on an actuarial valuation. The employer contributes a set percentage of each member’s salary. Each month, when employer contributions are received, an employer pay credit is deposited to the member’s account. For non-hazardous members, their account is credited with a 4% employer pay credit. The employer pay credit represents a portion of the employer contribution.

Benefits provided – CERS provides retirement, health insurance, death and disability benefits to Plan employees and beneficiaries. Employees are vested in the plan after five years’ service. For retirement purposes, employees are grouped into three tiers, based on hire date:

Tier 1	Participation date Unreduced retirement Reduced retirement	Before September 1, 2008 27 years service or at least 4 years of service and 65 years old At least 5 years service and 55 years old At least 25 years service and any age
Tier 2	Participation date Unreduced retirement Reduced retirement	September 1, 2008 - December 31, 2013 At least 5 years service and 65 years old Or age 57+ and sum of service years plus age equal 87 At least 10 years service and 60 years old
Tier 3	Participation date Unreduced retirement Reduced retirement	After December 31, 2013 At least 5 years service and 65 years old Or age 57+ and sum of service years plus age equal 87 Not available

Benefits provided – CERS provides retirement, health insurance, death and disability benefits to Plan employees and beneficiaries. For insurance purposes, employees are grouped into three tiers, based on hire date:

Tier 1	Participation date Insurance eligibility Benefit	Before July 1, 2003 10 years of service credit required Set percentage of single coverage health insurance based on service credit accrued at retirement
	Participation date Insurance eligibility Benefit	Before September 1, 2008 but after July 1, 2003 10 years of service credit required Set dollar amount based on service credit accrued, increased annually
Tier 2	Participation date Insurance eligibility Benefit	September 1, 2008 - December 31, 2013 15 years of service credit required Set dollar amount based on service credit accrued, increased annually
Tier 3	Participation date Insurance eligibility Benefit	After December 31, 2013 15 years of service credit required Set dollar amount based on service credit accrued, increased annually

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2021

Note G – County Employees’ Retirement System Plan (Continued)

Cost of living adjustments are provided at the discretion of the General Assembly. Retirement is based on a factor of the number of years’ service and hire date multiplied by the average of the highest five years’ earnings. Reduced benefits are based on factors of both of these components. Participating employees become eligible to receive the health insurance benefit after at least 180 months of service. Death benefits are provided for both death after retirement and death prior to retirement. Death benefits after retirement are \$5,000 in lump sum. Five years’ service is required for death benefits prior to retirement and the employee must have suffered a duty-related death. The decedent’s beneficiary will receive the higher of the normal death benefit and \$10,000 plus 25% of the decedent’s monthly final rate of pay and any dependent child will receive 10% of the decedent’s monthly final rate of pay up to 40% for all dependent children. Five years’ service is required for nonservice-related disability benefits.

Pension Liabilities – At June 30, 2021, the Agency estimates that its total unfunded liability would be approximately \$14,865,757 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Agency’s proportion of the net pension liability was based on a projection of the Agency’s long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2020, the Agency’s proportion was 0.1938%, which was an decrease from its proportion of 0.2604% at June 30, 2019. The liability is not recorded on the Agency’s financial statements.

OPEB Liabilities – At June 30, 2021, the Agency estimates that the total unfunded liability would be approximately \$4,680,284 based upon its proportionate share of the total OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was based on the projection of the Agency’s long-term share of the contributions to the OPEB plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2020, the Agency’s proportion was 0.1938%, which was an decrease from its proportion of 0.2603% at June 30, 2019. The liability is not recorded on the Agency’s financial statements.

Actuarial assumptions – The total pension and OPEB liabilities in the June 30, 2020 actuarial valuation were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%	
Salary increases	3.30% to 11.55%, varying by service	
Investment rate of return	6.25%, net of Plan investment expense, including inflation	
Healthcare Cost Trend Rate		
	Pre-65	Initial trend starting at 7.00% at January 1, 2020 and gradually decreasing to an ultimate trend rate of 4.05% over a period of 12 years.
	Post-65	Initial trend starting at 5.00% at January 1, 2020 and gradually decreasing to an ultimate trend rate of 4.05% over a period of 10 years.

For CERS, the mortality table used for active members is Pub-2010 General Mortality table, for the Non-Hazardous System, and the Pub-2010 Public Safety Mortality table for the Hazardous System, project with the ultimate rates from the MP-2014 mortality improvements scale using a base year of 2010. The mortality table used for health retired members was a system-specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019. The mortality table used for the disabled members was Pub-2010 Disabled Mortality table, with a 4-year-set-forward for both male and female rates, projected with the ultimate rates from the MP-2014 mortality improvement scale using a base year of 2010.

For CERS, the long-term expected rate of return was determined by using a building block method in which best estimates ranges of expected future real rates of returns are developed for each asset class. The ranges are combined by weighting the expected future real rate of return by the target asset allocation percentage. The current long-term inflation assumption is 2.30% per annum for both the non-hazardous and hazardous systems.

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

Note G – County Employees’ Retirement System Plan (Continued)

The target allocation and best estimates of nominal real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
US Equity	18.75%	4.50%
International Equity	18.75%	5.25%
Core Bonds	13.50%	-0.25%
Cash Equivalent	1.00%	-0.75%
High Yield	15.00%	3.90%
Opportunistic	3.00%	2.25%
Real Estate	5.00%	5.30%
Real Return	15.00%	3.95%
Private Equity	<u>10.00%</u>	<u>6.65%</u>
Total	100.00%	3.96%

Pension Discount rate – For CERS, the discount rate used to measure the total pension liability was 6.25%. Based on the stated assumptions and the projection of cash flows as of each fiscal year ending, the pension plan’s fiduciary net position and future contributions were projected to be sufficient to finance all the future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability for each system. The projection of cash flows used to determine the single discount rate assumes that the funds receive the required employer contributions each future year, as determined by the current funding policy established in Statute as last amended by House Bill 362 (passed in 2018).

OPEB Discount rate – For CERS, the discount rate used to measure the total OPEB liability was 5.34%. The single discount rates are based on the expected rate of return on OPEB plan investments of 6.25% and a municipal bond rate of 2.45%, as reported in Fidelity Index’s “20-Year Municipal GO AA Index” as of June 30, 2020. Based on the stated assumptions and the projection of cash flows as of each fiscal year ending, the plan’s fiduciary net position and future contributions were projected to be sufficient to finance the future benefit payments of the current plan members. Therefore, the long-term expected rate of return on insurance plan investments was applied to all periods of the projected benefit payments paid from the retirement system. However, the cost associated with the implicit employer subsidy is not currently being included in the calculation of the System’s actuarial determined contributions, and it is our understanding that any cost associated with the implicit subsidy will not be paid out of the System’s trust. Therefore, the municipal bond rate was applied to future expected benefit payments associated with the implicit subsidy. The projection of cash flows used to determine the single discount rate assumes that the funds receive the required employer contributions for future year, as determined by the current funding policy established in Statute as last amended by House Bill 362 (passed in 2018).

Total Pension Plan Assets, Liabilities and Funded Status – The plan’s total pension liability was approximately \$14,697,244,000 and fiduciary net position was \$7,027,327,000 resulting in a net pension liability of \$7,669,917,000. Therefore, the Plan’s net position as a percentage of the total pension liability was 47.81%.

Total OPEB Plan Assets, Liabilities and Funded Status – The plan’s total OPEB liability was approximately \$4,996,309,000 and fiduciary net position was \$2,581,613,000 resulting in a net OPEB liability of \$2,414,696,000. Therefore, the Plan’s net position as a percentage of the total OPEB liability was 51.67%.

The Agency also offers employees the option to participate in a 401(k) defined contribution plan. However, the Agency does not contribute.

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

Note H – Operating Leases

The Agency leases equipment, office space, and classroom space at several locations. Total rental expense under all leases is \$318,577. The future amounts of the lease commitments under non-cancelable operating leases are as follows:

<u>June 30,</u>	<u>Amount</u>
2022	\$ 19,476
2023	19,476
2024	19,476
2025	19,476
2026	19,476
Thereafter	92,511
Total	\$ 189,891

Note I – Notes Payable

Notes payable at June 30, 2021 consist of the following:

	<u>Current</u>	<u>Noncurrent</u>
Variable rate note, secured by real estate.	\$ 7,213	\$ 104,973
3.93% Fixed note, secured by real estate. Final payment due March 2028.	78,351	512,074
1% loan, secured by real estate. Final payment due July 2035.	9,195	128,288
Demand variable interest rate note, interest due quarterly, unsecured, matures July 2021.	3	-
5% loan, secured by real estate, Final payment due May 2042	4,163	136,276
Total	\$ 98,925	\$ 881,611

The maturities of the notes payable of \$980,536 for the year ending June 30, 2021 are as follows:

<u>June 30,</u>	<u>Amount</u>
2022	\$ 98,925
2023	103,125
2024	106,955
2025	111,436
2026	115,571
Thereafter	444,524
Total	\$ 980,536

Kentucky River Foothills Development Council, Inc. has an available \$250,000 line-of-credit with PNC Bank. There were no funds drawn on the line at June 30, 2021.

Kentucky River Foothills Development Council, Inc. also extended their demand variable interest rate note due July 2021 until June 2022 subsequent to year end.

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

Note J – Forgivable Note Payable

KHC issued a note to the Agency during 2012 for construction of Estill Fourplex property for income qualified individuals to lease, pursuant to its Specialized Housing Program and the Act. The note will be forgiven annually beginning in the eleventh year equal to ten percent of the original principal amount for the following ten years. As of June 30, 2021, the accumulated balance of this note is \$140,439.

KHC issued an agreement to the Agency during 2015 for construction of Holly Street Housing for income qualified individuals to lease, pursuant to HOME funding. The note will be forgiven July 2035. As of June 30, 2021, the accumulated balance of this note is \$492,368.

KHC issued an agreement to the Agency during 2015 for construction of Holly Street Housing for income qualified individuals to lease, pursuant to AHTF funding. The note will be forgiven July 2045. As of June 30, 2021, the accumulated balance of this note is \$300,000.

On December 14, 2016, the Agency entered into an agreement with FAHE (Federation of Appalachian Housing Enterprises) to purchase property on 103 Lewis Street, Berea, KY, as part of a project involving the EPA Brownfield Grant Project, which was awarded to the Agency on September 21, 2017. During the life of the project, the Agency will carry out community involvement activities to encourage redevelopment of the site such that the future reuse of the property will create/retain jobs and does not pose a threat to human health and the environment. The note, to FAHE, will be forgiven upon completion of the project. As of June 30, 2021, the accumulated balance of this note is \$250,000.

Note K – Related Party Transaction

Eastern Scholar House

On November 9, 2015, the Agency formed Eastern Scholar House LLLP (the Partnership). The Agency served as the general partner for the Partnership. The purpose of the partnership is to develop affordable multi-family rental housing and related childcare facilities in Richmond, Kentucky. In August 2016, the general partner of the Partnership had changed to ESH, GP, LLC, a limited liability company controlled by the Agency, and the limited partner of the Partnership became Ohio Equity Fund for Housing Limited Partnership XXVI. As of June 30, 2021 the Agency had a receivable from the Partnership of approximately \$330,951.

Kit Carson Commons

On September 17, 2018, the Agency formed Kit Carson Commons LLLP (the Partnership). The Agency served as the general partner for the Partnership. The purpose of the partnership is to develop affordable multi-family rental housing for veterans returning to college in Richmond, Kentucky. In September 2018, the general partner of the Partnership had changed to KCC, GP, LLC, a limited liability company controlled by the Agency, and the limited partner of the Partnership became Ohio Equity Fund for Housing Limited Partnership XXIX. As of June 30, 2021 the Agency had a receivable from the Partnership of approximately \$45,200.

Liberty Place

During the fiscal year, the agency developed a related party receivable with Liberty Place. The amount of this receivable as of June 30, 2021 is \$17,600.

Garden Place

During the fiscal year 2021, the agency developed a related party receivable with Garden Place. The amount of this receivable as of June 30, 2021 is \$30,400.

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

Note L – Schedule of Liquidity

The following table shows the Agency’s financial assets, reduced by amounts not available within one year. Certain financial assets are designated as illiquid when they are unavailable as cash within a year, have donor restrictions, or held in reserves for others.

The following is the detail of the Agency’s liquidity:

	<u>June 30, 2021</u>
Cash and cash equivalents	\$ 4,766,677
Accounts receivable	1,984,947
Cash available for operations within one year	<u>\$ 6,751,624</u>

Note M – Payroll Protection Loan Forgiveness

On April 20, 2020, KRFDC received approval from the Small Business Administration through Central Bank & Trust Company in Georgetown, KY for a Paycheck Protection Plan loan to covers payroll-related costs and other allowable costs such as mortgage interest payments, rent or lease payments, and/or utilities payments. Paycheck Protection Plan loan funds are to be expended within the 24-week covered period of April 20, 2020 and October 4, 2020. This forgivable note payable had an original balance of \$1,593,100, during the year ended June 30, 2021 this loan was forgiven. The total amount of the loan is included in the Statement of Activities with the Management and Other Revenues.

Note N – Coronavirus (COVID-19) Impact

The global coronavirus (COVID-19) pandemic continues to impact the Agency. COVID-19 continues to spread across the globe and is impacting worldwide economic activity and financial markets. The continued spread of the disease represents a significant risk that operations could be disrupted in the near future. The extent to which COVID-19 may impact the Agency will depend on future developments and government regulations, which are highly uncertain and cannot be predicted. As a result, the Agency has not yet determined the impact this disruption may have on its financial statements for the year ending June 30, 2022.

Note O – Subsequent Events

Management of the Agency has considered subsequent events through November 23, 2021, the date this report became available for issuance.

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CDFA Number</u>	<u>Pass-Through Award Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
U.S. Department of Health and Human Services				
<i>Direct programs</i>				
Health Care for the Homeless Cluster	93.527	6 H80CS04432	\$ -	\$ 1,305,844
Health Care for the Homeless Cluster	93.527	7 H80CS04432	-	360,554
Health Care for the Homeless Cluster	93.224	H8CCS34684	-	28,573
Health Care for the Homeless Cluster	93.224	H8DCS36346	-	470,920
Health Care for the Homeless Cluster	93.224	1 H8ECS37893	-	102,003
COVID-19 Provider Relief Funding	93.498	N/A	-	209,963
HRSA Rural Communities Opioid Response	93.912	GA1RH39565	-	228,957
Total			-	2,706,814
<i>Passed through Gateway Community Action Partnership</i>				
New Pathways for Fathers & Families	93.086	N/A		198,507
Healthy Marriage	93.086	PON2 736 2000002665	-	239,599
Subtotal passed through Gateway Community Action Partnership			-	438,106
<i>Passed through Commonwealth of Kentucky CHFS</i>				
Promoting Safe & Stable Families	93.556 *	PON2 736 2000002665	-	617,371
Community-Based Child Abuse Prevention Grants	93.590	PON2 736 2000002412	-	11,965
Community Services Block Grant	93.569 *	PON2 736 2000002656	-	825,922
Subtotal passed through Commonwealth of Kentucky CHFS			-	1,455,258
<i>Passed through Bluegrass Area Development District</i>				
Aging Cluster				
Special Programs for the Aging- Title III, Part B	93.044	AS-2020-2021	-	138,528
Special Programs for the Aging- Title III, Part C	93.045	AS-2020-2021	-	207,587
Subtotal passed through Bluegrass Area Development District			-	346,115
<i>Passed through Community Action Kentucky</i>				
Low Income Energy Assistance (LIHEAP)	93.568	LIHEAP-010	-	2,640,617
Weatherization	93.568	LH19-0608-02	-	228,225
Subtotal passed through Community Action Kentucky			-	2,868,842
Total U.S. Department of Health and Human Services			-	7,815,135
<u>Department of Transportation</u>				
<i>Passed through Commonwealth of Kentucky Transportation Cabinet</i>				
Formula Grants for Other than Urbanized Areas	20.509	O111518634	-	4,790
Formula Grants for Other than Urbanized Areas	20.509	O111120300	-	424,035
Formula Grants for Other than Urbanized Areas	20.509	O111120634	-	106,769
Formula Grants for Other than Urbanized Areas	20.509	O111120648	-	390,777
Formula Grants for Other than Urbanized Areas	20.509	O110421300	-	597,304
Formula Grants for Other than Urbanized Areas	20.509	R111518635	-	6,833
Cares/Capital Equipment	20.509	C111121114	-	70,996
Total			-	1,601,504
Bus and Bus Facilities Formula Program	20.526	KY2018-021-02	-	235,570
Total			-	235,570
Subtotal passed through Commonwealth of Kentucky Transportation Cabinet			-	1,837,074
Total Department of Transportation			-	1,837,074

* Audited as a Major Program under Uniform Guidance

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CDFA Number</u>	<u>Pass-Through Award Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Energy</u>				
<i>Passed through Community Action Kentucky</i>				
Weatherization Assistance for Low-Income Persons	81.042	WX21-0608-02	-	239,345
Subtotal passed through Community Action Kentucky			-	239,345
Total U.S. Department of Energy			-	239,345
<u>U.S. Department of Housing and Urban Development</u>				
<i>Direct programs</i>				
Continuum of Care	14.235	KY0186L41001700	-	48,294
Total			-	48,294
<i>Passed through Kentucky Housing Corporation</i>				
Estill County Fourplex	14.235	KY0105L41001604	-	25,838
Total			-	25,838
Tenant Based Rental Assistance	14.239	TB20-0100-01	-	108,890
Home CHDO	14.239	CO21-0100-01	-	22,500
Home Housing	14.239	HB19-0100-01	-	186,466
Total			-	317,856
Subtotal passed through Kentucky Housing Corporation			-	343,694
<i>Passed through City of Richmond</i>				
Community Development Block Grant	14.228	N/A	-	190,000
Subtotal passed through City of Richmond			-	190,000
Total U.S. Department of Housing and Urban Development			-	581,988
<u>U.S. Department of Agriculture</u>				
<i>Passed through Kentucky Department of Education</i>				
Child Care Food Program- Head Start	10.558	11102	-	40,344
Adult Day Food Service	10.558	11327	-	16,698
Subtotal passed through Kentucky Department of Education			-	57,042
Total U.S. Department of Agriculture			-	57,042
<u>U.S. Department of Veteran Affairs</u>				
Supportive Services for Veteran Families	64.033	* 20-KY-204	-	466,207
Cares- Supportive Services for Veteran Families	64.033	* 20-KY-204	-	1,304,168
Supportive Services for Veteran Families	64.033	* 21-KY-204	-	13,778
Total U.S. Department of Veteran Affairs			-	1,784,153
<u>U.S. Department of the Treasury</u>				
<i>Passed through Community Action Kentucky</i>				
COVID-19- Healthy at Home	21.019	N/A	-	530,795
Subtotal passed through Community Action Kentucky			-	530,795
Total U.S. Department of the Treasury			-	530,795
<u>U.S. Department of Homeland Security</u>				
Emergency Food and Shelter National Board Program	97.024	N/A	-	33,505
Total U.S. Department of Homeland Security			-	33,505
Total Expenditures of Federal Awards			\$ -	\$ 12,879,037

* Audited as a Major Program under Uniform Guidance

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Kentucky River Foothills Development Council, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in, or used in the preparation of, the basic financial statements may differ from those numbers.

Note B – Indirect Cost Rates

Kentucky River Foothills Council, Inc. did not elect to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

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

To the Board of Directors
Kentucky River Foothills Development Council, Inc.
Richmond, Kentucky

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Kentucky River Foothills Development Council, Inc. (a non-profit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 23, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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



Purpose of this Report

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

Craft, Waninger, Noble & Company, PLLC

Craft, Waninger, Noble & Company, PLLC
Richmond, Kentucky
November 23, 2021

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

To the Board of Directors
Kentucky River Foothills Development Council, Inc.
Richmond, Kentucky

Report on Compliance for Each Major Federal Program

We have audited Kentucky River Foothills Development Council, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Kentucky River Foothills Development Council, Inc.'s major federal programs for the year ended June 30, 2021. Kentucky River Foothills Development Council, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Kentucky River Foothills Development Council, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Kentucky River Foothills Development Council, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Kentucky River Foothills Development Council, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Kentucky River Foothills Development Council, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of Kentucky River Foothills Development Council, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Kentucky River Foothills Development Council, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the



Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Kentucky River Foothills Development Council, Inc.'s internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Craft, Waninger, Noble & Company, PLLC

Craft, Waninger, Noble & Company, PLLC
Richmond, Kentucky
November 23, 2021

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of Kentucky River Foothills Development Council, Inc.
2. Our report on the financial statements disclosed no material weaknesses or significant deficiencies in the internal control structure.
3. No instances of noncompliance material to the financial statements of Kentucky River Foothills Development Council, Inc. were disclosed during our audit.
4. The auditor's report on compliance for the major federal awards programs for Kentucky River Foothills Development Council, Inc. expresses an unmodified opinion on all major federal programs.
5. Our audit report disclosed no audit finding required to be reported in accordance with 2 CFR 200.516(a).
6. The programs tested as major programs included:

Community Services Block Grant	CFDA #93.569	Type A
Promoting Safe and Stable Families	CFDA #93.224	Type B
Supportive Services for Veteran Families	CFDA #64.033	Type A
7. The threshold to determine Type A: \$750,000.
8. Kentucky River Foothills Development Council, Inc. was determined to be a low-risk auditee.
9. In connection with tests of internal control and compliance with laws and regulations, no material weaknesses were noted in internal control, and the Agency was in substantial compliance with laws and regulations.
10. There were no questioned costs with respect to major programs selected for compliance tests.

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
SCHEDULE OF REVENUES AND EXPENSES- CONTRACT BASIS
INDIVIDUAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2021

	Adult Care	Aging Title III	Agency For Substance Abuse	Community Collaboration for Children	Client Assistance	Community Based Child Prevention Grant	COVID-19 Response	Community Services Block Grant	Coordinated System for Treatment Services	DUI Program	Eastern Scholarhouse
REVENUES											
Contract and Grant	\$ 16,698	\$ 630,181	\$ 109,224	\$ 617,531	\$ -	\$ 11,965	\$ 592,204	\$ 825,921	\$ 54,500	\$ -	\$ 73,088
Medicaid / Third Party	303,140	-	-	-	-	-	-	-	-	-	-
Local Funds	-	138,600	-	-	-	-	-	-	-	-	-
Program Income	-	2,009	-	-	-	-	-	-	-	7,341	-
United Way	-	12,150	-	-	-	-	-	-	-	-	-
Other Income	543	2,232	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-
Fundraising Income	-	2,628	-	-	-	-	-	-	-	-	-
In-Kind/Match Revenue	-	8,405	-	203,733	-	-	-	99,711	-	-	-
Gain/Loss on Sale	-	-	-	-	-	-	-	-	-	-	-
Total REVENUES	320,381	796,205	109,224	821,264	-	11,965	592,204	925,632	54,500	7,341	73,088
EXPENSES											
Indirect costs	25,594	60,822	2,618	53,638	-	-	44,399	57,077	5,334	2,440	7,144
Salaries	194,113	387,401	-	341,641	-	-	282,796	363,549	33,974	15,540	45,504
Payroll Taxes and Fringe Benefits	64,187	205,281	-	171,488	-	-	108,221	175,843	17,818	7,100	24,672
Travel	5,172	6,287	-	3,658	-	-	-	2,994	1,800	-	133
Utilities, telephone, and rent	31,450	44,486	-	5,758	-	-	6,342	44,294	560	-	1,396
Supplies, maintenance, and office	11,376	30,006	10,556	5,976	2,220	-	146,751	13,122	250	183	2,573
Professional costs and contracts	-	99	12,320	90	-	11,965	125	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-	-
Other expenses	4,354	5,547	17,261	31,800	199	-	3,027	13,745	478	75	290
Depreciation	-	-	-	-	-	-	-	-	-	-	-
Energy assistance and other services	29,090	7,854	-	3,482	2,804	-	543	155,297	-	-	718
In-Kind/Match Expense	-	8,405	-	203,733	-	-	-	99,711	-	-	-
Total EXPENSES	365,336	756,188	42,755	821,264	5,223	11,965	592,204	925,632	60,214	25,338	82,430
Surplus/Deficit	\$ (44,955)	\$ 40,017	\$ 66,469	\$ -	\$ (5,223)	\$ -	\$ -	\$ -	\$ (5,714)	\$ (17,997)	\$ (9,342)

See Independent Auditor's Report.

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
SCHEDULE OF REVENUES AND EXPENSES- CONTRACT BASIS
INDIVIDUAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2021

	Eastern Scholar House Child Development		Healthcare for the Homeless		Healthy at Home	Holly Street Operations	Housing Programs	Kit Carson Commons	KYNECT	Liberty Place	LIHEAP
REVENUES											
Contract and Grant	\$ 733,316	\$ -	\$ 33,404	\$ 1,675,691	\$ 530,795	\$ -	\$ 248,875	\$ -	\$ 332,918	\$ 476,635	\$ 2,640,617
Medicaid / Third Party	-	-	-	621,552	-	-	-	-	-	-	-
Local Funds	-	-	-	-	-	-	-	-	-	-	-
Program Income	61,670	-	-	-	-	-	-	-	-	-	-
United Way	-	-	-	-	-	-	-	-	-	-	-
Other Income	56,403	369,785	-	(56,796)	-	47,774	56,881	-	-	105,659	-
Interest Income	-	-	-	-	-	-	-	-	-	7	-
Fundraising Income	-	-	-	-	-	-	-	-	-	77,901	-
In-Kind/Match Revenue	-	-	-	-	-	-	-	-	-	-	-
Gain/Loss on Sale	-	-	-	-	-	-	-	-	-	-	-
Total REVENUES	851,389	369,785	33,404	2,240,447	530,795	47,774	305,756	-	332,918	660,202	2,640,617
EXPENSES											
Indirect costs	81,030	12,491	181	158,153	3,055	3,595	15,684	4,780	30,073	61,010	14,239
Salaries	516,114	79,561	1,152	1,007,341	19,457	1,497	99,896	30,445	191,550	388,596	90,695
Payroll Taxes and Fringe Benefits	244,298	35,525	365	397,672	7,364	1,786	48,681	27,329	93,098	162,842	49,884
Travel	-	7,161	-	7,181	-	158	2,354	-	1,086	8,955	180
Utilities, telephone, and rent	23,161	74,291	-	121,869	1,674	13,518	27,321	540	4,895	44,178	48,442
Supplies, maintenance, and office	13,440	8,409	1	162,887	609	5,632	3,102	495	10,450	114,690	29,275
Professional costs and contracts	-	1,100	-	9,501	-	199	4,746	-	-	1,805	-
Interest expense	-	25,157	-	7,928	-	(7,574)	7,130	-	-	-	-
Other expenses	6,704	129,368	882	27,397	2,831	2,464	44,674	-	1,766	61,282	7,378
Depreciation	-	141,073	-	21,695	-	37,483	25,417	-	-	10,785	-
Energy assistance and other services	46,706	(140,348)	24,131	(66,499)	495,805	167	161,501	-	-	90,946	2,400,524
In-Kind/Match Expense	-	-	-	-	-	-	-	-	-	-	-
Total EXPENSES	931,453	373,788	26,712	1,855,125	530,795	58,925	440,506	63,589	332,918	945,089	2,640,617
Surplus/Deficit	\$ (80,064)	\$ (4,003)	\$ 6,692	\$ 385,322	\$ -	\$ (11,151)	\$ (134,750)	\$ (63,589)	\$ -	\$ (284,887)	\$ -

See Independent Auditor's Report.

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
SCHEDULE OF REVENUES AND EXPENSES- CONTRACT BASIS
INDIVIDUAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2021

	New Pathways for Fathers and Families	Parent Engagement Meeting	Promoting Safe & Stable Families	Rural Communities Opiod Crisis	Supportive Services for Veteran Families	Tenant Based Rental Assistance	Team Kentucky	TH-RRH Housing	Transportation Admin & Operating	Transportation Appalachia	Transportation Capital
REVENUES											
Contract and Grant	\$ 198,507	\$ 22,810	\$ 239,599	\$ 228,957	\$ 1,784,115	\$ 108,890	\$ 37,718	\$ 48,294	\$ 1,297,590	\$ 321,595	\$ 306,966
Medicaid / Third Party	-	-	-	-	-	-	-	-	473,532	-	-
Local Funds	-	-	-	-	-	-	-	-	-	-	-
Program Income	-	-	-	-	-	-	-	-	50,499	130,226	672
United Way	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	50,798	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-
Fundraising Income	-	-	-	-	-	-	-	-	-	-	-
In-Kind/Match Revenue	-	-	-	-	-	-	-	7,456	117,600	-	-
Gain/Loss on Sale	-	-	-	-	-	-	-	-	1,775	-	-
Total REVENUES	198,507	22,810	239,599	228,957	1,784,115	108,890	37,718	55,750	1,991,794	451,821	307,638
EXPENSES											
Indirect costs	15,843	2,149	18,049	17,551	89,474	761	-	1,309	107,120	37,206	-
Salaries	100,908	13,688	114,965	111,791	491,458	4,848	-	8,340	682,291	236,978	-
Payroll Taxes and Fringe Benefits	42,872	8,074	59,910	51,984	240,779	1,916	-	2,518	355,044	99,819	-
Travel	1,663	-	2,920	-	3,007	441	-	155	-	-	-
Utilities, telephone, and rent	21,464	-	4,762	3,280	62,153	-	-	3,311	26,086	6,755	-
Supplies, maintenance, and office	13,467	-	37,095	23,942	24,342	56	-	205	37,756	12,552	-
Professional costs and contracts	-	-	-	13,500	(986)	-	-	-	110	-	7,245
Interest expense	-	-	-	-	-	-	-	-	-	-	-
Other expenses	2,290	-	1,898	6,459	11,022	681	-	1,205	64,423	9,088	299,993
Depreciation	-	-	-	-	-	-	-	-	299,473	-	-
Energy assistance and other services	-	-	-	450	862,905	100,187	37,718	31,251	(12,584)	49,423	-
In-Kind/Match Expense	-	-	-	-	-	-	-	7,456	117,600	-	-
Total EXPENSES	198,507	23,911	239,599	228,957	1,784,154	108,890	37,718	55,750	1,677,319	451,821	307,238
Surplus/Deficit	\$ -	\$ (1,101)	\$ -	\$ -	\$ (39)	\$ -	\$ -	\$ -	\$ 314,475	\$ -	\$ 400

See Independent Auditor's Report.

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
SCHEDULE OF REVENUES AND EXPENSES- CONTRACT BASIS
INDIVIDUAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2021

	Transportation Inter City	Transportation Local	Transportation RTAP	Weatherization	Wintercare	Other Program	Indirect	Total
REVENUES								
Contract and Grant	\$ 111,559	\$ -	\$ 6,833	\$ 467,571	\$ 16,465	\$ 5,778	\$ -	\$ 14,806,810
Medicaid / Third Party	-	-	-	-	-	-	-	1,398,224
Local Funds	-	-	-	-	-	-	-	138,600
Program Income	33,275	-	-	-	-	36,319	-	322,011
United Way	-	-	-	-	-	-	-	12,150
Other Income	4,140	2,103	-	-	-	1,673,699	-	2,313,221
Interest Income	-	-	-	-	-	22,536	-	22,543
Fundraising Income	-	-	-	-	-	4,413	-	84,942
In-Kind/Match Revenue	-	-	-	-	-	-	-	436,905
Gain/Loss on Sale	-	-	-	-	-	-	-	1,775
Total REVENUES	148,974	2,103	6,833	467,571	16,465	1,742,745	-	19,537,181
EXPENSES								
Indirect costs	11,301	-	-	28,702	-	2,229	(975,051)	-
Salaries	71,981	-	-	182,814	-	14,210	601,355	6,726,449
Payroll Taxes and Fringe Benefits	39,140	-	-	93,816	-	6,666	230,410	3,076,402
Travel	-	-	-	5,383	-	785	1,555	63,028
Utilities, telephone, and rent	-	-	-	12,231	-	46,524	116,867	797,608
Supplies, maintenance, and office	373	-	-	15,727	-	60,719	156,543	954,780
Professional costs and contracts	-	-	-	-	-	17,152	30,251	109,222
Interest expense	-	-	-	-	-	6	-	32,647
Other expenses	741	-	5,341	5,588	-	23,699	20,668	814,618
Depreciation	-	-	-	7,884	-	29,575	-	573,385
Energy assistance and other services	24,898	-	-	123,309	16,465	(6,528)	-	4,440,215
In-Kind/Match Expense	-	-	-	-	-	-	-	436,905
Total EXPENSES	148,434	-	5,341	475,454	16,465	195,037	182,598	18,025,259
Surplus/Deficit	\$ 540	\$ 2,103	\$ 1,492	\$ (7,883)	\$ -	\$ 1,547,708	\$ (182,598)	\$ 1,511,922

See Independent Auditor's Report.

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
LIHEAP PROGRAM
DELEGATE AGREEMENT
SCHEDULE OF PROGRAM EXPENSES AND QUESTIONED COSTS
CONTRACT BASIS
FOR THE YEAR JULY 1, 2020 THROUGH JUNE 30, 2021

Cost Category	Actual	Questioned Costs	Balance
Salaries	\$ 90,695	\$ -	\$ 90,695
Fringe benefits	49,884	-	49,884
Travel	180	-	180
Utilities and rent	48,442	-	48,442
Equipment	-	-	-
Office supplies	29,275	-	29,275
Postage	-	-	-
Other	21,617	-	21,617
Total Administrative	240,093	-	240,093
Leveraging			
Benefits:			
Fall Subsidy	359,000	-	359,000
Spring Subsidy	284,163	-	284,163
Crisis	1,363,632	-	1,363,632
Cooling	393,729	-	393,729
Total Benefits	2,400,524	-	2,400,524
Total Expenses	\$ 2,640,617	\$ -	\$ 2,640,617
Less: Contract Payments Received Before June 30, 2021			(2,531,690)
Plus: Refund to CAK Paid Before June 30, 2021			2,641
Less: Contract Payments Received After June 30, 2021			(111,568)
Balance Owed to CAK as of June 30, 2021			\$ -

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
LIHEAP PROGRAM
DELEGATE AGREEMENT
SCHEDULE OF BUDGET AND ACTUAL EXPENSES- CONTRACT BASIS
FOR THE YEAR JULY 1, 2020 THROUGH JUNE 30, 2021

Cost Category	Actual	Budget	(Over) Under Budget
Administrative	\$ 240,093	\$ 242,619	\$ (2,526)
Leveraging	-	-	-
Subsidiary	643,163	669,563	(26,400)
Crisis	1,363,632	1,364,760	(1,128)
Cooling	393,729	393,729	-
Total	\$ 2,640,617	\$ 2,670,671	\$ (30,054)

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 CSBG BUDGET TO ACTUAL
 FOR THE YEAR JULY 1, 2020 THROUGH JUNE 30, 2021

Cost Category	Actual	Budget	(Over) Under Budget
Salaries	\$ 379,823	\$ 368,571	\$ 11,252
Equipment	-	-	-
Contractual	-	-	-
Space costs	31,930	31,340	590
Supplies	9,714	9,204	510
Utilities	5,815	6,000	(185)
Travel	2,594	5,000	(2,406)
Client services	-	7,000	(7,000)
Staff development	-	1,800	(1,800)
Other	8,348	8,488	(140)
Administration	45,498	46,319	(821)
Total	\$ 483,722	\$ 483,722	\$ -

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
INDIRECT COSTS
FOR THE YEAR JULY 1, 2020 THROUGH JUNE 30, 2021

Cost Category	Balance
Salaries	\$ 601,355
Fringe Benefits	230,410
Travel	1,555
Utilities, telephone, maintenance and rent	116,867
Supplies	156,543
Professional costs and contracts	30,251
Other expenses	20,668
	\$ 1,157,649
Total Indirect Costs	\$ 1,157,649
Total Direct Salaries	\$ 6,125,094
Indirect Rate	18.9%

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 WEATHERIZATION LIHEAP
 FOR THE YEAR JULY 1, 2020 THROUGH JUNE 30, 2021

Cost Category	2020-2021	Questioned Costs	Balance	Budget	(Over) Under Budget
Administration	\$ 15,674	\$ -	\$ 15,674	\$ 23,667	\$ 7,993
WX materials	14,176	-	14,176	65,000	50,824
Program support	122,041	-	122,041	165,004	42,963
WX labor	30,618	-	30,618	75,026	44,408
H&S materials	14,113	-	14,113	16,509	2,396
H&S labor	29,245	-	29,245	29,245	-
Financial audit	-	-	-	-	-
Liability insurance	2,359	-	2,359	3,121	762
Training	-	-	-	29,182	29,182
Total	\$ 228,226	\$ -	\$ 228,226	\$ 406,754	\$ 178,528
Less: Contract Payments Received Before June 30, 2021			(173,282)		
Balance due from KHC as of June 30, 2021			<u>\$ 54,944</u>		

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 WEATHERIZATION DOE
 FOR THE YEAR JULY 1, 2020 THROUGH JUNE 30, 2021

<u>Cost Category</u>	<u>2020-2021</u>	<u>Questioned Costs</u>	<u>Balance</u>	<u>Budget</u>	<u>(Over) Under Budget</u>
Administration	\$ 36,685	\$ -	\$ 36,685	\$ 37,915	\$ 1,230
WX materials	25,621	-	25,621	55,000	29,379
Program support	80,108	-	80,108	80,111	3
WX labor	56,884	-	56,884	97,947	41,063
H&S materials	14,643	-	14,643	14,643	-
H&S labor	19,856	-	19,856	19,856	-
Financial audit	-	-	-	3,913	3,913
Liability insurance	1,504	-	1,504	1,504	-
Training	4,044	-	4,044	36,340	32,296
Total	\$ 239,345	\$ -	\$ 239,345	\$ 347,229	\$ 107,884
Less: Contract Payments Received Before June 30, 2021			(228,399)		
Balance due from KHC as of June 30, 2021			<u>\$ 10,946</u>		

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 BERA SENIOR CITIZEN TITLE IIIB SUPPORTIVE SERVICES
 INVOICE AND PROGRAM REPORT
 FOR THE YEAR ENDED JUNE 30, 2021

Total Expenditures	Monthly	Cumulative	Budget	Remaining	% Expended
Personnel		-	-	-	
Travel		-	-	-	
Supplies		-	-	-	
Equipment		-	-	-	
Other Operating*		-	-	-	
Contracts	17,510.50	174,845.85	90,607.00	(84,238.85)	192.97%
Indirect		-	-	-	
Total	17,510.50	174,845.85	90,607.00	(84,238.85)	192.97%

Total Funding	Monthly	Cumulative	Budget	Remaining	% Expended
Federal		25,012.00	25,012.00	-	100.00%
State		41,449.00	41,449.00	-	100.00%
Local Cash	17,510.50	108,384.85	24,046.00	(84,338.85)	450.74%
Local In-kind	-	-	-	-	
Program Income		-	100.00	100.00	0.00%
Total Fed & State	-	66,461.00	66,461.00	(84,338.85)	100.00%
Total	17,510.50	174,845.85	90,607.00	(84,238.85)	192.97%

Cost Category	New Clients/YTD Clients		Units	Unit Cost	Expenditures
Advocacy	0	Monthly	0	5	0
	67	Cumulative	157	5	785
Health Promotion	31	Monthly	149	3	447
	31	Cumulative	149	3	447
I & R/I & A	18	Monthly	1,323.00	10	13,230.00
	210	Cumulative	13,301.00	10	133,010.00
Outreach	0	Monthly	0	10	0
	22	Cumulative	22	10	220
Recreation	22	Monthly	1,435.00	1	1,435.00
	113	Cumulative	15,007.00	1	15,007.00
Telephone Reassurance	-117	Monthly	266.5	9	2,398.50
	108	Cumulative	2,819.65	9	25,376.85
Total	7	Monthly	3,173.50	5.52	17,510.50
	232	Cumulative	31,455.65	5.56	174,845.85

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 BEREA SENIOR CITIZEN TITLE CI SUPPORTIVE SERVICES
 INVOICE AND PROGRAM REPORT
 FOR THE YEAR ENDED JUNE 30, 2021

Total Expenditures	Monthly	Cumulative	Budget	Remaining	% Expended
Personnel		0	0	0	
Travel		0	0	0	
Supplies		0	0	0	
Equipment		0	0	0	
Other Operating*		0	0	0	
Contracts	2,990.00	56,025.00	16,581.00	-39,444.00	337.89%
Indirect		0	0	0	
Total	2,990.00	56,025.00	16,581.00	-39,444.00	337.89%

Total Funding	Monthly	Cumulative	Budget	Remaining	% Expended
Federal		21,825.00	21,825.00	0	100.00%
State		13,296.00	13,296.00	0	100.00%
Local Cash	2,990.00	22,894.00	0	-22,894.00	
Local In-kind	0	0	0	0	
Program Income		0	100	100	0.00%
Total Fed & State	0	35,121.00	35,121.00	-22,894.00	100.00%
Total	2,990.00	58,015.00	35,221.00	-22,794.00	164.72%

Cost Category	New Clients/YTD Clients		Units	Unit Cost	Expenditures
Nutrition Counseling	0	Monthly	0		
		Cumulative			
Nutrition Education	3	Monthly	32		
	86	Cumulative	506		
Meal Preparation	-84	Monthly			0
		Cumulative			0
Meal Delivery	2	Monthly		5	2,990.00
	86	Cumulative		5	56,025.00
Total Meals & Unit Cost	2	Monthly	598	5	2,990.00
	86	Cumulative	11,205.00	5	56,025.00
Total	2	Monthly	630	4.75	2,990.00
	86	Cumulative	11,711.00	4.78	56,025.00

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 BEREA SENIOR CITIZEN TITLE C2 SUPPORTIVE SERVICES
 INVOICE AND PROGRAM REPORT
 FOR THE YEAR ENDED JUNE 30, 2021

Total Expenditures	Monthly	Cumulative	Budget	Remaining	% Expended
Personnel		0	0	0	
Travel		0	0	0	
Supplies		0	0	0	
Equipment		0	0	0	
Other Operating*		0	0	0	
Contracts	2,403.00	32,062.50	61,636.00	29,573.50	52.02%
Indirect		0	0	0	
Total	2,403.00	32,062.50	61,636.00	29,573.50	52.02%

Total Funding	Monthly	Cumulative	Budget	Remaining	% Expended
Federal	2,403.00	14,567.00	26,108.50	11,541.50	55.79%
State		14,728.50	14,728.50	0	100.00%
Local Cash		0	4	4	0.00%
Local In-kind	0	0	0	0	
Program Income		382	300	-82	127.33%
Total Fed & State	2,403.00	29,295.50	40,837.00	11,545.50	71.74%
Total	2,403.00	29,677.50	41,141.00	11,463.50	72.14%

Cost Category	New Clients/YTD Clients		Units	Unit Cost	Expenditures
Nutrition Counseling	0	Monthly	0		
		Cumulative			
Nutrition Education	0	Monthly	36		
	48	Cumulative	336		
Meal Preparation	0	Monthly			0
	48	Cumulative		0	0
Meal Delivery	0	Monthly		4.5	2,403.00
	48	Cumulative		4.5	32,062.50
Total Meals & Unit Cost	0	Monthly	534	4.5	2,403.00
	48	Cumulative	7,125.00	4.5	32,062.50
Total	0	Monthly	570	4.22	2,403.00
	48	Cumulative	7,461.00	4.3	32,062.50

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 CLARK SENIOR CITIZEN TITLE IIIB SUPPORTIVE SERVICES
 INVOICE AND PROGRAM REPORT
 FOR THE YEAR ENDED JUNE 30, 2021

Total Expenditures	Monthly	Cumulative	Budget	Remaining	% Expended
Personnel		0	0	0	
Travel		0	0	0	
Supplies		0	0	0	
Equipment		0	0	0	
Other Operating*		0	0	0	
Contracts	5,943.75	165,388.00	144,972.00	-20,416.00	114.08%
Indirect		0	0	0	
Total	5,943.75	165,388.00	144,972.00	-20,416.00	114.08%

Total Funding	Monthly	Cumulative	Budget	Remaining	% Expended
Federal		47,131.00	47,131.00	0	100.00%
State		27,966.00	27,966.00	0	100.00%
Local Cash	5,943.75	90,291.00	69,835.00	-20,456.00	129.29%
Local In-kind	0	0	0	0	
Program Income		0	40	40	0.00%
Total Fed & State	0	75,097.00	75,097.00	-20,456.00	100.00%
Total	5,943.75	165,388.00	144,972.00	-20,416.00	114.08%

Cost Category	New Clients/YTD Clients		Units	Unit Cost	Expenditures
Advocacy	0	Monthly	1	4	4
	112	Cumulative	242.5	4	970
Health Promotion	6	Monthly	10	4	40
	6	Cumulative	10	4	40
I & R/I & A	0	Monthly	378	10	3,780.00
	138	Cumulative	12,620.00	10	126,200.00
Outreach	24	Monthly	25	10	250
	100	Cumulative	102	10	1,020.00
Recreation	16	Monthly	849	1.25	1,061.25
	147	Cumulative	13,434.00	1.25	16,792.50
Telephone Reassurance	-3	Monthly	51.5	9	463.5
	161	Cumulative	2,224.50	9	20,020.50
Transportation	6	Monthly	46	7.5	345
	6	Cumulative	46	7.5	345
Total	18	Monthly	1,360.50	4.37	5,943.75
	182	Cumulative	28,679.00	5.77	165,388.00

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 CLARK SENIOR CITIZEN TITLE CI SUPPORTIVE SERVICES
 INVOICE AND PROGRAM REPORT
 FOR THE YEAR ENDED JUNE 30, 2021

Total Expenditures	Monthly	Cumulative	Budget	Remaining	% Expended
Personnel		0	0	0	
Travel		0	0	0	
Supplies		0	0	0	
Equipment		0	0	0	
Other Operating*		0	0	0	
Contracts	3,735.00	79,275.00	19,584.00	-59,691.00	404.79%
Indirect		0	0	0	
Total	3,735.00	79,275.00	19,584.00	-59,691.00	404.79%

Total Funding	Monthly	Cumulative	Budget	Remaining	% Expended
Federal		23,430.00	23,430.00	0	100.00%
State		13,194.00	13,194.00	0	100.00%
Local Cash	3,735.00	32,726.00	2,815.00	-29,911.00	1162.56%
Local In-kind	0	0	0	0	
Program Income		0	800	800	0.00%
Total Fed & State	0	36,624.00	36,624.00	-29,911.00	100.00%
Total	3,735.00	69,350.00	40,239.00	-29,111.00	172.35%

Cost Category	New Clients/YTD Clients		Units	Unit Cost	Expenditures
Nutrition Counseling	0	Monthly	0		
		Cumulative			
Nutrition Education	0	Monthly	34		
	99	Cumulative	558		
Meal Preparation	8	Monthly			
	112	Cumulative		0	
Meal Delivery	8	Monthly		5	
	112	Cumulative		5	
Total Meals & Unit Cost	8	Monthly	747	5	3,735.00
	112	Cumulative	15,855.00	5	79,275.00
Total	8	Monthly	781	4.78	3733.18
	112	Cumulative	16,413.00	4.83	79,274.79
Transportation	6	Monthly	46	7.5	345
	6	Cumulative	46	7.5	345
Total	18	Monthly	1,360.50	4.37	5,945.39
	182	Cumulative	28,679.00	5.77	165,477.83

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 CLARK SENIOR CITIZEN TITLE CII SUPPORTIVE SERVICES
 INVOICE AND PROGRAM REPORT
 FOR THE YEAR ENDED JUNE 30, 2021

Total Expenditures	Monthly	Cumulative	Budget	Remaining	% Expended
Personnel		0	0	0	
Travel		0	0	0	
Supplies		0	0	0	
Equipment		0	0	0	
Other Operating*		0	0	0	
Contracts	999	38,731.50	50,469.00	11,737.50	76.74%
Indirect		0	0	0	
Total	999	38,731.50	50,469.00	11,737.50	76.74%

Total Funding	Monthly	Cumulative	Budget	Remaining	% Expended
Federal	999	15,277.00	27,394.00	12,117.00	55.77%
State		19,966.00	19,966.00	0	100.00%
Local Cash		0	0	0	
Local In-kind	0	0	0	0	
Program Income		964	1,160.00	196	83.10%
Total Fed & State	999	35,243.00	47,360.00	12,117.00	74.42%
Total	999	36,207.00	48,520.00	12,313.00	74.62%

Cost Category	New Clients/YTD Clients		Units	Unit Cost	Expenditures
Nutrition Counseling	0	Monthly	0		
		Cumulative			
Nutrition Education	0	Monthly	24		
	62	Cumulative	323		
Meal Preparation	5	Monthly			0
	72	Cumulative		0	0
Meal Delivery	5	Monthly		4.5	999
	72	Cumulative		4.5	38,731.50
Total Meals & Unit Cost	5	Monthly	222	4.5	999
	72	Cumulative	8,607.00	4.5	38,731.50
Total	5	Monthly	246	4.06	999
	72	Cumulative	8,930.00	4.34	38,731.50

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 POWELL SENIOR CITIZEN TITLE IIIB SUPPORTIVE SERVICES
 INVOICE AND PROGRAM REPORT
 FOR THE YEAR ENDED JUNE 30, 2021

Total Expenditures	Monthly	Cumulative	Budget	Remaining	% Expended
Personnel		0	0	0	
Travel		0	0	0	
Supplies		0	0	0	
Equipment		0	0	0	
Other Operating*		0	0	0	
Contracts	4,393.25	60,328.42	64,799.19	4,470.77	93.10%
Indirect		0	0	0	
Total	4,393.25	60,328.42	64,799.19	4,470.77	93.10%

Total Funding	Monthly	Cumulative	Budget	Remaining	% Expended
Federal		35,382.05	35,382.05	0	100.00%
State		11,048.00	11,048.00	0	100.00%
Local Cash	4,393.25	13,898.37	18,299.15	4,400.78	75.95%
Local In-kind	0	0	0	0	
Program Income		0	69.99	69.99	0.00%
Total Fed & State	0	46,430.05	46,430.05	4,400.78	100.00%
Total	4,393.25	60,328.42	64,799.19	4,470.77	93.10%

Cost Category	New Clients/YTD Clients		Units	Unit Cost	Expenditures
Advocacy	0	Monthly	13	4.5	58.5
	35	Cumulative	201	4.5	904.5
Counseling	0	Monthly	0	4.5	0
	27	Cumulative	87.75	4.5	394.89
Education	0	Monthly	0	4.5	0
	43	Cumulative	294	4.5	1,323.00
Health Promotion	0	Monthly	0	3	0
	41	Cumulative	197	3	591
Homemaker/Home Mgmt	0	Monthly	0	25	0
	2	Cumulative	42	25	1,050.00
I & R/I & A	0	Monthly	220	7	1,540.00
	86	Cumulative	3,146.00	7	22,022.00
Outreach	0	Monthly	0	10	0
	29	Cumulative	43	10	430
Recreation	0	Monthly	341	2	682
	96	Cumulative	5,984.00	2	11,968.00
Telephone Reassurance	0	Monthly	184.75	9	1,662.75
	109	Cumulative	2,341.67	9	21,075.03
Transportation	4	Monthly	60	7.5	450
	7	Cumulative	76	7.5	570
Total	0	Monthly	818.75	5.37	4,393.25
	138	Cumulative	12,412.42	4.86	60,328.42

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 POWELL SENIOR CITIZEN TITLE CI SUPPORTIVE SERVICES
 INVOICE AND PROGRAM REPORT
 FOR THE YEAR ENDED JUNE 30, 2021

Total Expenditures	Monthly	Cumulative	Budget	Remaining	% Expended
Personnel		0	0	0	
Travel		0	0	0	
Supplies		0	0	0	
Equipment		0	0	0	
Other Operating*		0	0	0	
Contracts	6,410.00	30,530.00	9,482.57	-21,047.43	321.96%
Indirect		0	0	0	
Total	6,410.00	30,530.00	9,482.57	-21,047.43	321.96%

Total Funding	Monthly	Cumulative	Budget	Remaining	% Expended
Federal		6,020.57	6,020.57	0	100.00%
State		11,262.00	11,262.00	0	100.00%
Local Cash	6,410.00	9,922.43	2,600.00	-7,322.43	381.63%
Local In-kind	0	0	0	0	
Program Income		0	500	500	0.00%
Total Fed & State	0	17,282.57	17,282.57	-7,322.43	100.00%
Total	6,410.00	27,205.00	20,382.57	-6,822.43	133.47%

Cost Category	New Clients/YTD Clients		Units	Unit Cost	Expenditures
Nutrition Counseling	0	Monthly	0		
		Cumulative			
Nutrition Education	0	Monthly	0		
	35	Cumulative	159		
Meal Preparation	18	Monthly			0
	54	Cumulative		0	0
Meal Delivery	18	Monthly		5	6,410.00
	54	Cumulative		5	30,530.00
Total Meals & Unit Cost	18	Monthly	1,282.00	5	6,410.00
	54	Cumulative	6,106.00	5	30,530.00
Total	18	Monthly	1,282.00	5	6,410.00
	54	Cumulative	6,265.00	4.87	30,530.00

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 POWELL SENIOR CITIZEN TITLE CII SUPPORTIVE SERVICES
 INVOICE AND PROGRAM REPORT
 FOR THE YEAR ENDED JUNE 30, 2021

Total Expenditures	Monthly	Cumulative	Budget	Remaining	% Expended
Personnel		0	0	0	
Travel		0	0	0	
Supplies		0	0	0	
Equipment		0	0	0	
Other Operating*		0	0	0	
Contracts	-1,341.00	80,910.00	67,717.53	-13,192.47	119.48%
Indirect		0	0	0	
Total	-1,341.00	80,910.00	67,717.53	-13,192.47	119.48%

Total Funding	Monthly	Cumulative	Budget	Remaining	% Expended
Federal		57,699.53	57,699.53	0	100.00%
State		8,866.00	8,866.00	0	100.00%
Local Cash	-1,341.00	2,914.47	3,101.00	186.53	93.98%
Local In-kind	0	0	0	0	
Program Income		0	40	40	0.00%
Total Fed & State	0	66,565.53	66,565.53	186.53	100.00%
Total	-1,341.00	69,480.00	69,706.53	226.53	99.68%

Cost Category	New Clients/YTD Clients		Units	Unit Cost	Expenditures
Nutrition Counseling	0	Monthly	0		
		Cumulative			
Nutrition Education	0	Monthly	20		
	89	Cumulative	655		
Meal Preparation	6	Monthly			0
	101	Cumulative		0	0
Meal Delivery	6	Monthly		4.5	-1,341.00
	101	Cumulative		4.5	80,910.00
Total Meals & Unit Cost	6	Monthly	-298	4.5	-1,341.00
	101	Cumulative	17,980.00	4.5	80,910.00
Total	6	Monthly	-278	4.82	-1,341.00
	101	Cumulative	18,635.00	4.34	80,910.00

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 RICHMOND SENIOR CITIZEN TITLE IIIB SUPPORTIVE SERVICES
 INVOICE AND PROGRAM REPORT
 FOR THE YEAR ENDED JUNE 30, 2021

Total Expenditures	Monthly	Cumulative	Budget	Remaining	% Expended
Personnel		0	0	0	
Travel		0	0	0	
Supplies		0	0	0	
Equipment		0	0	0	
Other Operating*		0	0	0	
Contracts	18,690.00	242,463.50	106,068.99	-136,394.51	228.59%
Indirect		0	0	0	
Total	18,690.00	242,463.50	106,068.99	-136,394.51	228.59%

Total Funding	Monthly	Cumulative	Budget	Remaining	% Expended
Federal		31,003.00	31,003.00	0	100.00%
State		41,020.00	41,020.00	0	100.00%
Local Cash	18,690.00	170,440.50	34,045.99	-136,394.51	500.62%
Local In-kind	0	0	0	0	
Program Income		0	0	0	
Total Fed & State	0	72,023.00	72,023.00	-136,394.51	100.00%
Total	18,690.00	242,463.50	106,068.99	-136,394.51	228.59%

Cost Category	New Clients/YTD Clients		Units	Unit Cost	Expenditures
Advocacy	2	Monthly	18	5	90
	80	Cumulative	262	5	1,310.00
Counseling	0	Monthly	0	10	0
	6	Cumulative	10	10	100
Health Promotion	8	Monthly	23	3	69
	138	Cumulative	2,439.00	3	7,317.00
I & R/I & A	9	Monthly	824	10	8,240.00
	151	Cumulative	11,586.00	10	115,860.00
Outreach	5	Monthly	5	10	50
	134	Cumulative	264	10	2,640.00
Recreation	18	Monthly	2,276.00	3.25	7,397.00
	158	Cumulative	25,502.00	3.25	82,881.50
Telephone Reassurance	0	Monthly	243.5	9	2,191.50
	134	Cumulative	3,522.50	9	31,702.50
Transportation	12	Monthly	87	7.5	652.5
	12	Cumulative	87	7.5	652.5
Total	4	Monthly	3,476.50	5.38	18,690.00
	198	Cumulative	43,672.50	5.55	242,463.50

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 RICHMOND SENIOR CITIZEN TITLE CI SUPPORTIVE SERVICES
 INVOICE AND PROGRAM REPORT
 FOR THE YEAR ENDED JUNE 30, 2021

Total Expenditures	Monthly	Cumulative	Budget	Remaining	% Expended
Personnel		0	0	0	
Travel		0	0	0	
Supplies		0	0	0	
Equipment		0	0	0	
Other Operating*		0	0	0	
Contracts	2,900.00	32,090.00	26,585.00	-5,505.00	120.71%
Indirect		0	0	0	
Total	2,900.00	32,090.00	26,585.00	-5,505.00	120.71%

Total Funding	Monthly	Cumulative	Budget	Remaining	% Expended
Federal		15,615.00	15,615.00	0	100.00%
State		10,970.00	10,970.00	0	100.00%
Local Cash	2,900.00	2,900.00	0	-2,900.00	
Local In-kind	0	0	0	0	
Program Income		0	0	0	
Total Fed & State	0	26,585.00	26,585.00	-2,900.00	100.00%
Total	2,900.00	29,485.00	26,585.00	-2,900.00	110.91%

Cost Category	New Clients/YTD Clients		Units	Unit Cost	Expenditures
Nutrition Counseling	0	Monthly	0		
		Cumulative			
Nutrition Education	3	Monthly	19		
	33	Cumulative	222		
Meal Preparation	15	Monthly			0
	49	Cumulative		0	0
Meal Delivery	15	Monthly		5	2,900.00
	49	Cumulative		5	32,090.00
Total Meals & Unit Cost	15	Monthly	580	5	2,900.00
	49	Cumulative	6,418.00	5	32,090.00
Total	15	Monthly	599	4.84	2,900.00
	49	Cumulative	6,640.00	4.83	32,090.00

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.
 RICHMOND SENIOR CITIZEN TITLE CII SUPPORTIVE SERVICES
 INVOICE AND PROGRAM REPORT
 FOR THE YEAR ENDED JUNE 30, 2021

Total Expenditures	Monthly	Cumulative	Budget	Remaining	% Expended
Personnel		0	0	0	
Travel		0	0	0	
Supplies		0	0	0	
Equipment		0	0	0	
Other Operating*		0	0	0	
Contracts	1,476.00	84,609.00	75,198.00	-9,411.00	112.51%
Indirect		0	0	0	
Total	1,476.00	84,609.00	75,198.00	-9,411.00	112.51%

Total Funding	Monthly	Cumulative	Budget	Remaining	% Expended
Federal	1,476.00	54,151.00	57,228.00	3,077.00	94.62%
State		23,330.00	23,330.00	0	100.00%
Local Cash		0	4	4	0.00%
Local In-kind	0	0	0	0	
Program Income		0	0	0	
Total Fed & State	1,476.00	77,481.00	80,558.00	3,081.00	96.18%
Total	1,476.00	77,481.00	80,562.00	3,081.00	96.18%

Cost Category	New Clients/YTD Clients		Units	Unit Cost	Expenditures
Nutrition Counseling	0	Monthly	0		
		Cumulative			
Nutrition Education	-2	Monthly	63		
	113	Cumulative	820		
Meal Preparation	2	Monthly			0
	117	Cumulative		0	0
Meal Delivery	2	Monthly		4.5	1,476.00
	117	Cumulative		4.5	84,609.00
Total Meals & Unit Cost	2	Monthly	328	4.5	1,476.00
	117	Cumulative	18,802.00	4.5	84,609.00
Total	2	Monthly	391	3.77	1,476.00
	117	Cumulative	19,622.00	4.31	84,609.00