

**NORTHERN TIER REGIONAL PLANNING
AND DEVELOPMENT COMMISSION**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

JUNE 30, 2021

Northern Tier Regional Planning and Development Commission
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Independent Auditors' Report

Board of Directors
Northern Tier Regional Planning and Development Commission
Towanda, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of Northern Tier Regional Planning and Development Commission (the "Commission") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

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 opinions 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 opinions.

Independent Auditors' Report
(Cont'd)

Board of Directors
Northern Tier Regional Planning and Development Commission

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of Northern Tier Regional Planning and Development Commission as of June 30, 2021, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4a through 4k be presented to supplement the basic financial statements. Such information, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The combining schedule of revenues and expenses-governmental funds on pages 27-28 and the accompanying Schedule of Expenditures of Federal Awards on pages 29-32, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Guidance Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedule of revenues and expenses – governmental funds and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 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 combining schedule of revenues and expenditures – governmental funds and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Independent Auditors' Report
(Cont'd)

Board of Directors
Northern Tier Regional Planning and Development Commission

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2022, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

J. H. Williams & Co., LLC

March 14, 2022

Northern Tier Regional Planning and Development Commission
Management's Discussion and Analysis
June 30, 2021
(Unaudited)

This Management's Discussion and Analysis (MD&A) is intended to provide a narrative overview and analysis of the financial activities of the Northern Tier Regional Planning and Development Commission (the "Commission") for the year ended June 30, 2021 as compared to June 30, 2020. The Commission's financial performance is discussed and analyzed within the context of the financial statements and the disclosures that follow. This discussion focuses on the Commission's financial performance as a whole; readers should also review the basic financial statements and the notes thereto to enhance their understanding of the Commission's financial performance.

Financial Highlights

The overall net assets were \$5,615,467 as of June 30, 2021, an increase of \$190,883 from June 30, 2020.

Governmental Activities

The governmental activities net assets increased by \$44,603 which includes the activities of Workforce Development and Community and Economic Development.

Workforce Development

Workforce Innovation and Opportunity Act (WIOA) formula funding decreased by approximately 12.0% from the prior program year. The Employment, Advancement and Retention Network (EARN) funding through the Department of Human Services (DHS) was cut by nearly 53.6% from the previous program year. The EARN program was redesigned and eliminated approximately \$294,621 in performance funding. A majority of WIOA and DHS funding continues to be subcontracted to Bradford County Action and Trehab, Inc. to provide workforce related services to residents of the Northern Tier region.

Northern Tier Regional Planning and Development Commission
Management's Discussion and Analysis (cont'd)
June 30, 2021
(Unaudited)

In addition, the Workforce Development division secured or continued operations in several competitive grants during fiscal year 2021.

- The Business Education Partnership (BEP) program completed its sixth year of providing career exploration and education services to schools in the Northern Tier. Total number of students impacted/projects completed was 5,643 for the school year. Employers/business connected to students totaled 67 and 469 parents were involved in career activities. NTRPDC Career Coaches helped organize several events/activities including virtual mock interviews, job shadow opportunities, career fairs, apprenticeship and college tours to name a few. STEM Careers in the Northern Tier was also created for distribution in the region.
- The State/Local Internship Program (SLIP), proved to be successful as seven businesses hosted interns over the summer of 2020. Interns ranged from the ages of 16 through 24 and were matched with participating businesses based on career interests.
- NTRPDC is a Registered Apprenticeship Sponsor approved by the Pennsylvania Department of Labor and Industry's Apprenticeship and Training Council. NTRPDC currently sponsors a Registered Apprenticeship Machinist program and is working toward implementing a healthcare apprenticeship. Funding for this program was provided by the PA Smart Initiative. To date, funding has assisted with Related Technical Instruction (RTI) for two machinist apprentices and supports outreach efforts to educate local business about the benefits of implementing an apprenticeship model.
- PA Smart funds were secured for a Next Generation Industry Partnership grant for the Manufacturing Industry. Funds will be used to convene industry leaders to discuss challenges, set goals and develop strategies in order for the industry to become more competitive.
- NTRPDC secured five Digital Literacy grants through the PA Department of Labor & Industry to provide digital literacy classes to underserved populations throughout our region. Classes will be offered open-entry as an extension of our already established mobile services and also through a six-week cohort training. Classes will cover basic computer operation, internet basics, digital citizenship and career search skills.

Northern Tier Regional Planning and Development Commission
Management's Discussion and Analysis (cont'd)
June 30, 2021
(Unaudited)

The Workforce Development Board sponsored PA CareerLink® in your community events throughout the region to expand outreach to underserved areas. These pop-up events include partnerships with local employers and training providers. Activities include showcasing services available through the PA CareerLink® system, hiring events, career awareness and education.

Community & Economic Development

Community & Economic Development funding remained nearly status-quo during fiscal year 2021 for the core programs.

The value of export sales for program clients fell from \$40 million to \$28 million from the prior year, but exceeded the annual goal of \$12 million. The sales goal had been reduced based on the projected impacts of the pandemic. The 33 businesses served exceeded the goal of 27, and with a strong core group of companies realizing international sales, the export program remains strong in its continued impact.

The Procurement Program reached \$4 million in total client procurement sales, shy of the \$12 million goal, which was not appropriately adjusted. 197 businesses were served through the program.

The creation and retention of 346 jobs (70 created and 276 retained) by NTRPDC assisted clients had a positive impact on the economy of our rural region, especially considering the impact of the pandemic.

The Technology Development program has been reinstated on a part-time basis, with staff being shared with the Regional Planning/GIS position. The program continued to provide valuable assistance to our rural municipalities, with 45 communities served this year, well above the goal of 15. Our communities continue to rely heavily on this assistance that would otherwise be unavailable in a timely and cost-effective manner.

The overall Business/Community Development and Transportation/Local Government Improvement components also played a significant role in the success of the program for the year. The number of participants trained through the LTAP program was significantly impacted by the Covid-19 shutdown, but the number of organizations served surpassed its goal. While the client base for our grant writing assistance is, for the most part, the public rather than the private sector, having adequate infrastructure in place to support future development is crucial.

Northern Tier Regional Planning and Development Commission
Management's Discussion and Analysis (cont'd)
June 30, 2021
(Unaudited)

While the Covid-19 pandemic wreaked havoc upon the region's economy and citizens, Northern Tier staff quickly moved to working remotely. As working adjustments were made, staff provided daily technical assistance and served in whichever capacity best assisted local businesses as the state guidance evolved. The pandemic influenced every program in various ways, both positively and negatively. From financing assistance, to guidance and resources for safety issues, the return on investment in terms of both dollars and jobs proved to be significant and impactful.

Business-Type Activities

The business-type activities net assets increased by \$146,280 as a result of loan fund activities.

Loan Activity

The Business Finance Assistance Program served 91 businesses this program year, surpassing the set goal of 70. The 13 loans closed just surpassed the goal of 12 for the year. Loan staff assisted businesses, providing guidance through the various federal and state assistance programs, including serving as the lead in two counties for the Covid-19 Hospitality Industry Recovery Program (CHIRP) grants. The loan portfolio continued to remain strong during the Covid-19 pandemic.

In November 2019, Northern Tier entered into an agreement with the United States Department of Agriculture (USDA) for a \$500,000 loan to form a USDA Intermediary Relending Program. This fund accompanies several other USDA relending programs that Northern Tier offers in the lending portfolio.

As in previous years, our overall business and community development assistance programs continue to have a substantial impact on our rural region. The return on investment in terms of both dollars and jobs continues to be significant. The Commission continues to look for ways to adjust our programs and make improvements to the ways in which we provide services, with the ultimate goal of positively impacting our region.

Overview of the Financial Statements

The Commission's basic financial statements are comprised of governmental activities and business-type activities. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private-sector business. These statements are prepared using the accrual basis of accounting. The focus of these statements is long-term.

The statement of net assets presents information on all of the Commission's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The statement of activities presents information showing how the Commission's net assets changed during the most recent fiscal year. All changes in the net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused compensated absences).

The government-wide financial statements can be found on pages 5-6 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Commission uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of fund financial statements is short-term. Fund financial statements are prepared using the modified accrual basis of accounting.

Northern Tier Regional Planning and Development Commission
Management's Discussion and Analysis (cont'd)
June 30, 2021
(Unaudited)

The Commission maintains two governmental funds. Information on each is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Commission's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Commission's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The basic governmental fund financial statements can be found on pages 7-10 of this report.

Enterprise Funds

The Commission maintains seven enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Commission uses enterprise funds to account for its five revolving loan programs and the Northern Tier Foundation, a blended component unit.

Enterprise funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic enterprise fund financial statements can be found on pages 11-13 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 14-26 of this report.

Northern Tier Regional Planning and Development Commission
Management's Discussion and Analysis (Cont'd)
June 30, 2021
(Unaudited)

Condensed Statement of Net Assets

	<u>2021</u>	<u>2020</u>	<u>Change from 2020 to 2021</u>
Assets			
Current and other assets	\$ 4,169,925	\$ 3,544,817	\$ 625,108
Capital assets	198,053	220,202	(22,149)
Loans receivable and other assets	<u>3,504,372</u>	<u>3,497,584</u>	<u>6,788</u>
Total	<u>\$ 7,872,350</u>	<u>\$ 7,262,603</u>	<u>\$ 609,747</u>
Liabilities and Net Assets			
Current liabilities	\$ 1,709,010	\$ 1,352,308	\$ 356,702
Debt and other long-term liabilities	<u>547,873</u>	<u>485,711</u>	<u>62,162</u>
Total liabilities	<u>2,256,883</u>	<u>1,838,019</u>	<u>418,864</u>
Net assets			
Invested in capital assets, net of related debt	143,143	142,252	891
Restricted for loan programs	4,278,733	4,165,356	113,377
Restricted	<u>1,193,591</u>	<u>1,116,976</u>	<u>76,615</u>
Total net assets	<u>5,615,467</u>	<u>5,424,584</u>	<u>190,883</u>
Total	<u>\$ 7,872,350</u>	<u>\$ 7,262,603</u>	<u>\$ 609,747</u>

Northern Tier Regional Planning and Development Commission
Management's Discussion and Analysis (Cont'd)
June 30, 2021
(Unaudited)

Condensed Statement of Activities

	<u>2021</u>	<u>2020</u>	<u>Change from 2020 To 2021</u>	<u>Percentage Change</u>
Revenues:				
Program revenues:				
Charges for services	\$ 290,591	\$ 277,083	\$ 13,508	4.88%
Operating grants and contributions	4,585,520	4,826,760	(241,240)	(5.00%)
General revenues, Investment earnings	<u>678</u>	<u>1,287</u>	<u>(609)</u>	<u>(47.32%)</u>
Total revenues	<u>4,876,789</u>	<u>5,105,130</u>	<u>(228,341)</u>	<u>(4.47%)</u>
Program Expenses:				
Governmental activities	4,558,909	4,811,756	(252,847)	(5.25%)
Business-type activities	<u>126,997</u>	<u>177,346</u>	<u>(50,349)</u>	<u>(28.39%)</u>
Total expenses	<u>4,685,906</u>	<u>4,989,102</u>	<u>(303,196)</u>	<u>(6.09%)</u>
Decrease/increase in net assets	190,883	116,028	74,855	64.51%
Net assets - Beginning	<u>5,424,584</u>	<u>5,308,556</u>	<u>116,028</u>	<u>2.19%</u>
Net assets - Ending	<u>\$ 5,615,467</u>	<u>\$ 5,424,584</u>	<u>\$ 190,883</u>	<u>3.52%</u>

Northern Tier Regional Planning and Development Commission
Management's Discussion and Analysis (Cont'd)
June 30, 2021
(Unaudited)

Financial Analysis of the Fund Statements

Governmental Funds

The following represents a summary of fund revenue and expenses.

	<u>2021</u>	<u>2020</u>
Revenues:		
Federal and state grants and contracts	\$ 4,145,827	\$ 4,403,713
Other income	390,283	349,869
Counties' appropriations	60,000	60,000
In-kind services	<u>7,402</u>	<u>22,998</u>
Total	<u>\$ 4,603,512</u>	<u>\$ 4,836,580</u>

	<u>2021</u>	<u>2020</u>
Expenses:		
Contracted services	\$ 2,795,172	\$ 2,997,333
Salaries and wages	935,399	934,985
Indirect costs	273,022	266,599
Fringe benefits	302,848	314,962
Other	233,896	268,055
In-kind services	7,402	22,988
Advertising	<u>5,326</u>	<u>5,742</u>
Total	<u>\$ 4,553,065</u>	<u>\$ 4,810,664</u>

Northern Tier Regional Planning and Development Commission
Management's Discussion and Analysis (Cont'd)
June 30, 2021
(Unaudited)

Revenues

The majority of revenues recognized by the Commission are derived from cost-reimbursement contracts with federal and state government and agencies. For this reason, it is important to note the positive correlation between revenues and expenses. For fiscal year 2021, total revenues decreased by 4.8% and total expenses decreased by 5.4%.

Operating grant revenue from federal and state grants and contracts decreased by 5.9% which was primarily due to the decrease in WIOA formula and DHS funding. The decrease was slightly offset by increases in funding by the Department of Commerce, PA Department of DCED and the Pennsylvania Department of Transportation/Federal Highway Administration.

Other income increased by \$40,414 which included an increase in Pennsylvania Careerlink® rental income, loan fund interest, and the purchase of additional days by local school districts for the BEP program. A total of 13 loans closed in during fiscal year 2021, which was a decrease of approximately 19 loans from the previous year.

Contributions from member counties remained consistent from the prior year. In-kind revenue decreased by \$15,596 in fiscal year 2021, due to less in-person events due to Covid-19.

It was stated earlier in the MD&A that the Commission received a decrease in WIOA formula funding (Adult, Dislocated Worker and Youth). It is important to note that these funds are often awarded for a two-year period. Consequently, the revenues are recognized as expenses are incurred against them.

Expenses

Expenditures decreased by approximately 5.4%. There is a positive correlation between the decrease in revenue for federal and state grants and contracts and the decrease in expenses such as contracted services. A majority of funding provided through the Pennsylvania Department of Labor & Industry is subcontracted to Trehab and Bradford County Action, Inc. to provide workforce related services in the Northern Tier region.

The ongoing Covid-19 pandemic continued to cancel a majority of in-person meetings, trainings, and travel plans. In concurrence there was a significant decrease within these expenditure line items.

In-kind services decreased in direct correlation to in-kind revenue, which is attributed to the less in-person events, also due to Covid-19.

Northern Tier Regional Planning and Development Commission
Management's Discussion and Analysis (Cont'd)
June 30, 2021
(Unaudited)

Economic Condition and Outlook

The economy has diversified over the years becoming less concentrated on agriculture and manufacturing and much more dependent on the services sector. Business and economics are tied to the surrounding economic centers of New York's southern tier, the Scranton/Wilkes-Barre area and Williamsport. A few large employers continue to significantly influence the overall employment and economic environment of the region. Historically, unemployment rates have been above the national and state averages; but recently, unemployment rates have been fairly close to the state and national average.

A priority for the Commission is to focus on expanding regional opportunities to grow the economic base by maintaining a strong and viable agricultural sector, building upon the natural resource industries and growing value added production, leveraging the industrial heritage and capabilities of the region to retain and attract manufacturing, recognizing the demographic opportunities and needs of the region to support an expanding health care sector, and further promoting and taking advantage of the travel and tourism opportunities in the region.

Also, the Commission will continue to seek opportunities for efficiencies and streamlining of government activities to improve regional economic opportunities and the quality of life for its citizens remains a priority.

Requests for Information

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director, 312 Main Street, Towanda, Pennsylvania 18848.

Northern Tier Regional Planning and Development Commission
Statement of Net Position
June 30, 2021

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
<u>ASSETS</u>			
CURRENT ASSETS			
Cash	\$ 1,601,255	\$ 883,027	\$ 2,484,282
Due from grantors	1,049,002	-	1,049,002
Other receivables	93,983	-	93,983
Loans receivable	-	523,383	523,383
Prepaid expenses	18,730	545	19,275
TOTAL CURRENT ASSETS	<u>2,762,970</u>	<u>1,406,955</u>	<u>4,169,925</u>
NONCURRENT ASSETS			
Capital assets, net	-	198,053	198,053
Loans receivable, net	-	3,504,372	3,504,372
TOTAL NONCURRENT ASSETS	<u>-</u>	<u>3,702,425</u>	<u>3,702,425</u>
TOTAL ASSETS	<u>\$ 2,762,970</u>	<u>\$ 5,109,380</u>	<u>\$ 7,872,350</u>
<u>LIABILITIES AND NET POSITION</u>			
CURRENT LIABILITIES			
Loans payable	\$ -	\$ 19,756	\$ 19,756
Note payable	-	24,121	24,121
Accounts payable	995,595	4,456	1,000,051
Accrued salaries and benefits	57,373	-	57,373
Due to subrecipients	418,052	-	418,052
Due to other funds	3,051	(3,051)	-
Accrued interest	-	1,045	1,045
Unearned revenue	188,612	-	188,612
TOTAL CURRENT LIABILITIES	<u>1,662,683</u>	<u>46,327</u>	<u>1,709,010</u>
NONCURRENT LIABILITIES			
Loans payable	-	391,839	391,839
Note payable	-	30,789	30,789
Accrued leave and termination benefits	125,245	-	125,245
TOTAL NONCURRENT LIABILITIES	<u>125,245</u>	<u>422,628</u>	<u>547,873</u>
TOTAL LIABILITIES	<u>1,787,928</u>	<u>468,955</u>	<u>2,256,883</u>
NET POSITION			
Net investment in capital assets	-	143,143	143,143
Restricted	-	4,278,733	4,278,733
Unrestricted	975,042	218,549	1,193,591
TOTAL NET POSITION	<u>975,042</u>	<u>4,640,425</u>	<u>5,615,467</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 2,762,970</u>	<u>\$ 5,109,380</u>	<u>\$ 7,872,350</u>

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

Northern Tier Regional Planning and Development Commission
Statement of Activities
For the year ended June 30, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
PRIMARY GOVERNMENT						
GOVERNMENTAL ACTIVITIES:						
Workforce Development	\$ 3,014,965	\$ -	\$ 3,014,965	\$ -	\$ -	\$ -
Community and Economic Development	<u>1,543,944</u>	<u>17,424</u>	<u>1,570,555</u>	<u>44,035</u>	<u>-</u>	<u>44,035</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>4,558,909</u>	<u>17,424</u>	<u>4,585,520</u>	<u>44,035</u>	<u>-</u>	<u>44,035</u>
BUSINESS-TYPE ACTIVITIES:						
Foundation	121,736	153,166	-	-	31,430	31,430
NTRPDC, Inc.	2,260	3,677	-	-	1,417	1,417
Economic Development Administration/ Appalachian Regional Commission	-	68,374	-	-	68,374	68,374
Farmers Home Administration Intermediary Relending Program	1,006	6,168	-	-	5,162	5,162
USDA Rural Development Intermediary Relending Program III	1,995	9,786	-	-	7,791	7,791
Farmers Home Administration Small Business Loan Program	-	20,089	-	-	20,089	20,089
Farmers Home Administration Rural Business Enterprise Grant Program	<u>-</u>	<u>11,907</u>	<u>-</u>	<u>-</u>	<u>11,907</u>	<u>11,907</u>
TOTAL BUSINESS-TYPE ACTIVITIES	<u>126,997</u>	<u>273,167</u>	<u>-</u>	<u>-</u>	<u>146,170</u>	<u>146,170</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 4,685,906</u>	<u>\$ 290,591</u>	<u>\$ 4,585,520</u>	<u>44,035</u>	<u>146,170</u>	<u>190,205</u>
GENERAL REVENUES, UNRESTRICTED						
INVESTMENT EARNINGS				<u>568</u>	<u>110</u>	<u>678</u>
CHANGE IN NET POSITION				<u>44,603</u>	<u>146,280</u>	<u>190,883</u>
NET POSITION - BEGINNING				<u>930,439</u>	<u>4,494,145</u>	<u>5,424,584</u>
NET POSITION - ENDING				<u>\$ 975,042</u>	<u>\$ 4,640,425</u>	<u>\$ 5,615,467</u>

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

Northern Tier Regional Planning and Development Commission
Balance Sheet
Governmental Funds
June 30, 2021

	<u>Workforce Development</u>	<u>Community and Economic Development</u>	<u>Total</u>
<u>ASSETS</u>			
Cash	\$ 705,364	\$ 895,891	\$ 1,601,255
Due from grantors	514,494	534,508	1,049,002
Other receivables	93,958	25	93,983
Prepaid expenses	<u>-</u>	<u>18,730</u>	<u>18,730</u>
TOTAL ASSETS	<u>\$ 1,313,816</u>	<u>\$ 1,449,154</u>	<u>\$ 2,762,970</u>
<u>LIABILITIES AND FUND BALANCES</u>			
LIABILITIES			
Accounts payable	\$ 697,962	\$ 297,633	\$ 995,595
Accrued salaries and benefits	18,286	39,087	57,373
Due to subrecipients	418,052	-	418,052
Due to other funds	-	3,051	3,051
Unearned revenue	<u>179,516</u>	<u>9,096</u>	<u>188,612</u>
TOTAL LIABILITIES	<u>1,313,816</u>	<u>348,867</u>	<u>1,662,683</u>
FUND BALANCE			
Nonspendable	-	18,730	18,730
Unassigned	<u>-</u>	<u>1,081,557</u>	<u>1,081,557</u>
TOTAL FUND BALANCES	<u>-</u>	<u>1,100,287</u>	<u>1,100,287</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,313,816</u>	<u>\$ 1,449,154</u>	<u>\$ 2,762,970</u>

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

Northern Tier Regional Planning and Development Commission
Reconciliation of the Balance Sheet - Governmental Funds to the
Statement of Net Position
June 30, 2021

Total Fund Balances - Governmental Funds \$ 1,100,287

**Amounts reported for governmental activities in the Statement of
Net Position are different because:**

Long-term liabilities, consisting of accrued paid time off and termination benefits, are not due and payable in the current period and therefore are not reported in the funds.

(125,245)

Total Net Position - Governmental Activities \$ 975,042

Northern Tier Regional Planning and Development Commission
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2021

	<u>Workforce Development</u>	<u>Community and Economic Development</u>	<u>Total</u>
REVENUES			
Federal grants and contracts	\$ 2,728,241	\$ 808,747	\$ 3,536,988
State grants and contracts	9,326	599,513	608,839
Other income	277,398	112,885	390,283
Counties' appropriations	-	60,000	60,000
In-kind services	-	7,402	7,402
TOTAL REVENUES	<u>3,014,965</u>	<u>1,588,547</u>	<u>4,603,512</u>
EXPENDITURES			
Contracted services	2,429,903	365,269	2,795,172
Salaries and wages	309,461	625,938	935,399
Indirect costs	87,977	185,045	273,022
Fringe benefits	86,760	216,088	302,848
Building use allowance	24,517	47,960	72,477
Office supplies and postage	28,975	16,126	45,101
Miscellaneous	8,990	13,779	22,769
Tuition and seminars	12,190	3,826	16,016
Sector partnership training	4,900	-	4,900
Travel	11,728	3,813	15,541
Dues and subscriptions	3,359	19,630	22,989
In-kind services	-	7,402	7,402
Vehicle use allowance	2,317	12,597	14,914
Professional fees	-	19,189	19,189
Advertising	3,888	1,438	5,326
TOTAL EXPENDITURES	<u>3,014,965</u>	<u>1,538,100</u>	<u>4,553,065</u>
NET CHANGE IN FUND BALANCES	-	50,447	50,447
FUND BALANCE, BEGINNING	-	1,049,840	1,049,840
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ 1,100,287</u>	<u>\$ 1,100,287</u>

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

Northern Tier Regional Planning and Development Commission
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances - Governmental Funds to the Statement of Activities
For the year ended June 30, 2021

Net Change in Fund Balances - Governmental Funds \$ 50,447

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

Paid time off and termination benefit expenses reported in the Statement of Activities that do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. (5,844)

Change in Net Position - Governmental Activities \$ 44,603

Northern Tier Regional Planning and Development Commission
Statement of Net Position
Enterprise Funds
June 30, 2021

<u>ASSETS</u>	<u>Foundation</u>	<u>NTRPDC, Inc.</u>	<u>EDA/ARC</u>	<u>FMHA-IRP</u>	<u>USDA-RD -IRP III</u>	<u>FMHA-SBLP</u>	<u>FMHA-RBEG</u>	<u>Total (Memorandum Only)</u>
CURRENT ASSETS								
Cash	\$ 62,191	\$ 67,995	\$ 312,124	\$ 132,229	\$ 27,672	\$ 129,720	\$ 151,096	\$ 883,027
Due from other funds	3,051	-	-	-	-	-	-	3,051
Prepaid expense	545	-	-	-	-	-	-	545
Loans receivable, current	-	5,377	279,117	33,004	20,796	82,663	102,426	523,383
TOTAL CURRENT ASSETS	65,787	73,372	591,241	165,233	48,468	212,383	253,522	1,410,006
NONCURRENT ASSETS								
Capital assets, net	198,053	-	-	-	-	-	-	198,053
Loans receivable, net	-	84,891	2,095,865	120,137	297,647	547,660	358,172	3,504,372
TOTAL NONCURRENT ASSETS	198,053	84,891	2,095,865	120,137	297,647	547,660	358,172	3,702,425
TOTAL ASSETS	\$ 263,840	\$ 158,263	\$ 2,687,106	\$ 285,370	\$ 346,115	\$ 760,043	\$ 611,694	\$ 5,112,431
LIABILITIES AND NET POSITION								
CURRENT LIABILITIES								
Loans payable, current	\$ -	\$ -	\$ -	\$ 19,756	\$ -	\$ -	\$ -	\$ 19,756
Note payable, current	24,121	-	-	-	-	-	-	24,121
Accounts payable	4,456	-	-	-	-	-	-	4,456
Accrued interest	1,045	-	-	-	-	-	-	1,045
TOTAL CURRENT LIABILITIES	29,622	-	-	19,756	-	-	-	49,378
NONCURRENT LIABILITIES								
Loans payable	-	-	-	54,339	337,500	-	-	391,839
Note payable	30,789	-	-	-	-	-	-	30,789
TOTAL NONCURRENT LIABILITIES	30,789	-	-	54,339	337,500	-	-	422,628
TOTAL LIABILITIES	60,411	-	-	74,095	337,500	-	-	472,006
NET POSITION								
Net investment in capital assets	143,143	-	-	-	-	-	-	143,143
Restricted	-	-	2,687,106	211,275	8,615	760,043	611,694	4,278,733
Unrestricted	60,286	158,263	-	-	-	-	-	218,549
TOTAL NET POSITION	203,429	158,263	2,687,106	211,275	8,615	760,043	611,694	4,640,425
TOTAL LIABILITIES AND NET POSITION	\$ 263,840	\$ 158,263	\$ 2,687,106	\$ 285,370	\$ 346,115	\$ 760,043	\$ 611,694	\$ 5,112,431

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

Northern Tier Regional Planning and Development Commission
Statement of Revenues, Expenses and Changes in Net Position
Enterprise Funds
For the year ended June 30, 2021

	<u>Foundation</u>	<u>NTRPDC, Inc.</u>	<u>EDA/ARC</u>	<u>FMHA-IRP</u>	<u>USDA-RD -IRP III</u>	<u>FMHA-SBLP</u>	<u>FMHA-RBEG</u>	<u>Total (Memorandum Only)</u>
OPERATING REVENUES								
Loan fund interest	\$ -	\$ 3,677	\$ 68,374	\$ 6,168	\$ 9,786	\$ 20,089	\$ 11,907	\$ 120,001
Rental income	<u>153,166</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>153,166</u>
TOTAL OPERATING REVENUES	<u>153,166</u>	<u>3,677</u>	<u>68,374</u>	<u>6,168</u>	<u>9,786</u>	<u>20,089</u>	<u>11,907</u>	<u>273,167</u>
OPERATING EXPENSES								
Janitorial	26,194	-	-	-	-	-	-	26,194
Depreciation and amortization	22,149	-	-	-	-	-	-	22,149
Utilities	33,444	-	-	-	-	-	-	33,444
Maintenance and supplies	10,710	-	-	-	-	-	-	10,710
Contracted services	13,033	1,171	-	-	-	-	-	14,204
Professional fees	10,798	1,089	-	-	-	-	-	11,887
Advertising	141	-	-	-	-	-	-	141
Miscellaneous	<u>2,570</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,570</u>
TOTAL OPERATING EXPENSES	<u>119,039</u>	<u>2,260</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>121,299</u>
OPERATING INCOME	<u>34,127</u>	<u>1,417</u>	<u>68,374</u>	<u>6,168</u>	<u>9,786</u>	<u>20,089</u>	<u>11,907</u>	<u>151,868</u>
NONOPERATING REVENUE (EXPENSE)								
Interest income	7	49	44	-	-	-	10	110
Interest expense	<u>(2,697)</u>	<u>-</u>	<u>-</u>	<u>(1,006)</u>	<u>(1,995)</u>	<u>-</u>	<u>-</u>	<u>(5,698)</u>
NONOPERATING REVENUE (EXPENSE), NET	<u>(2,690)</u>	<u>49</u>	<u>44</u>	<u>(1,006)</u>	<u>(1,995)</u>	<u>-</u>	<u>10</u>	<u>(5,588)</u>
CHANGE IN NET POSITION	<u>31,437</u>	<u>1,466</u>	<u>68,418</u>	<u>5,162</u>	<u>7,791</u>	<u>20,089</u>	<u>11,917</u>	<u>146,280</u>
NET POSITION, BEGINNING OF YEAR	<u>171,992</u>	<u>156,797</u>	<u>2,618,688</u>	<u>206,113</u>	<u>824</u>	<u>739,954</u>	<u>599,777</u>	<u>4,494,145</u>
NET POSITION, END OF YEAR	<u>\$ 203,429</u>	<u>\$ 158,263</u>	<u>\$ 2,687,106</u>	<u>\$ 211,275</u>	<u>\$ 8,615</u>	<u>\$ 760,043</u>	<u>\$ 611,694</u>	<u>\$ 4,640,425</u>

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

Northern Tier Regional Planning and Development Commission
Statement of Cash Flows
Enterprise Funds
For the year ended June 30, 2021

	Foundation	NTRPDC, Inc.	EDA/ARC	FMHA-IRP	USDA-RD -IRP III	FMHA-SBLP	FMHA-RBEG	Total (Memorandum Only)
CASH FLOWS FROM OPERATING ACTIVITIES								
Rental income received	\$ 148,141	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 148,141
Loan payments received (disbursed)	-	8,846	36,136	56,465	(72,313)	46,281	93,163	168,578
Payments to suppliers	(65,972)	(2,260)	-	-	-	-	-	(68,232)
Payments to utilities	(33,444)	-	-	-	-	-	-	(33,444)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>48,725</u>	<u>6,586</u>	<u>36,136</u>	<u>56,465</u>	<u>(72,313)</u>	<u>46,281</u>	<u>93,163</u>	<u>215,043</u>
CASH FLOWS FROM INVESTING ACTIVITIES								
Interest received	<u>7</u>	<u>49</u>	<u>44</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10</u>	<u>110</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>7</u>	<u>49</u>	<u>44</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10</u>	<u>110</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES								
Drawdowns of/(repayment of) amounts due to FMHA-IRP	-	-	-	(19,559)	100,000	-	-	80,441
Repayment of note payable	(23,040)	-	-	-	-	-	-	(23,040)
Interest paid	(2,697)	-	-	(1,006)	(1,995)	-	-	(5,698)
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(25,737)</u>	<u>-</u>	<u>-</u>	<u>(20,565)</u>	<u>98,005</u>	<u>-</u>	<u>-</u>	<u>51,703</u>
NET INCREASE IN CASH	22,995	6,635	36,180	35,900	25,692	46,281	93,173	266,856
CASH, BEGINNING OF YEAR	39,196	61,360	275,944	96,329	1,980	83,439	57,923	616,171
CASH, END OF YEAR	<u>\$ 62,191</u>	<u>\$ 67,995</u>	<u>\$ 312,124</u>	<u>\$ 132,229</u>	<u>\$ 27,672</u>	<u>\$ 129,720</u>	<u>\$ 151,096</u>	<u>\$ 883,027</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES								
Operating income	\$ 34,127	\$ 1,417	\$ 68,374	\$ 6,168	\$ 9,786	\$ 20,089	\$ 11,907	\$ 151,868
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:								
Depreciation and amortization	22,149	-	-	-	-	-	-	22,149
Changes in assets and liabilities:								
Due from other funds	(5,025)	-	-	-	-	-	-	(5,025)
Prepaid expenses	271	-	-	-	-	-	-	271
Loans receivable	-	5,169	(32,238)	50,297	(82,099)	26,192	81,256	48,577
Accounts payable	(2,797)	-	-	-	-	-	-	(2,797)
TOTAL ADJUSTMENTS	<u>14,598</u>	<u>5,169</u>	<u>(32,238)</u>	<u>50,297</u>	<u>(82,099)</u>	<u>26,192</u>	<u>81,256</u>	<u>63,175</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ 48,725</u>	<u>\$ 6,586</u>	<u>\$ 36,136</u>	<u>\$ 56,465</u>	<u>\$ (72,313)</u>	<u>\$ 46,281</u>	<u>\$ 93,163</u>	<u>\$ 215,043</u>

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

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2021

NOTE 1 – Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Northern Tier Regional Planning and Development Commission (the “Commission”) is a regional planning and development organization located in Towanda, Pennsylvania serving the northern Pennsylvania counties of Bradford, Sullivan, Susquehanna, Tioga and Wyoming (the “Counties”). Programs and services include workforce investment training and assistance to eligible adults and youth leading to unsubsidized employment, low interest loans to small businesses, and improvement of the economic and environmental climate in rural communities.

The Commission is a political subdivision of the Commonwealth of Pennsylvania and is not considered a component unit of any of the Counties. The Commission is not subject to federal or state income tax.

Financial Reporting Entity

All significant activities and organizations on which the Commission exercises oversight responsibility have been included in the Commission's financial statements for the year ended June 30, 2021. The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Standards Board (GASB) Statements No. 14, The Financial Reporting Entity, and No. 39, Determining Whether Certain Organizations are Component Units (an amendment of No. 14), and No. 61, The Financial Reporting Entity: Omnibus - an Amendment of GASB Statements No. 14 and 34, and No. 80, Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following criteria regarding manifestation of oversight were considered by the Commission in its evaluation of Commission organizations and activities:

- Financial interdependency - The Commission is responsible for its debts and is entitled to surpluses. No other separate agency except for the component unit described below receives a financial benefit nor imposes a financial burden on the Commission.
- Election of the government authority - The Commission's Board of Directors is responsible for all public decisions and accountable for the decisions it makes.
- Designation of management - The Board hires all members of the management team. The activities under the purview of management are within the scope of the reporting entity and management is accountable to the Commission for the activities being managed.

Northern Tier Regional Planning and Development Commission

Notes to Financial Statements

June 30, 2021

- Ability to significantly influence operations - The Board has authority to significantly influence operations. This authority includes, but is not limited to, control over all assets, including facilities and properties, short-term borrowings, signing contracts, establishing a budget, issuing bonded debt and developing programs to be provided.
- Accountability of fiscal matters - The responsibility and accountability over all funds are vested in the fiscal manager, with Board oversight.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the Commission (the primary government) and its component units, Northern Tier Foundation ("Foundation") and Northern Tier Regional Planning and Development Commission, Inc. ("NTRPDC, Inc.").

The Foundation, a nonprofit corporation, is governed by a five-member board appointed by the Commission. The Foundation's purpose is to provide rental office space to the Commission.

NTRPDC, Inc. was formed for the purpose of administering programs that will promote the continued social and economic development of Bradford, Sullivan, Susquehanna, Tioga, and Wyoming counties.

Based on the significance of their operational and financial relationships with the Commission, the financial statements of the Foundation and NTRPDC, Inc. are included in the financial reporting entity as blended component units, as part of the Commission's business-type activities.

Basis of Presentation

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report the information on all of the activities of the primary government and its blended component units. Governmental activities, which are supported by intergovernmental revenues that are legally or administratively restricted to expenditures for specified purposes, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and enterprise funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2021

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, as are the enterprise fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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 focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

The Commission reports two major governmental funds composed of the following special revenue funds:

COMMUNITY AND ECONOMIC DEVELOPMENT - is used to account for various grants and the administration of loan funds for the purposes of economic, export, transportation planning, and community development.

WORKFORCE DEVELOPMENT - is used to account for the activities of the Workforce Innovation and Opportunities Act ("WIOA") and Welfare program revenues and expenditures.

The Commission reports seven major enterprise funds:

FOUNDATION - is used to account for the activities of the Northern Tier Foundation (a blended component unit), which provides rental space for activities of the Commission and flexibility to receive funding from various resources. Northern Tier Foundation is a 501(c)(3) corporation.

NTRPDC INC. - is used to account for the activities of the Northern Tier Regional Planning and Development Commission, Inc. (a blended component unit), which is to promote effective partnerships and collaboration and administer programs that will provide a nonpartisan organizational framework to promote the continued social and economic development of Bradford, Sullivan, Susquehanna, Tioga, and Wyoming counties through the retention and expansion of industrial, commercial, financial, research, educational, technology, and other allied businesses and development activities, as well as to improve the region's environment, recreation facilities, and quality of life.

EDA/ARC - is used to account for all activity in the Economic Development Administration/Appalachian Regional Commission revolving loan fund and is operated in a manner similar to a private business enterprise.

Northern Tier Regional Planning and Development Commission

Notes to Financial Statements

June 30, 2021

FMHA-IRP - is used to account for all activity in the Farmers Home Administration Intermediary Relending Program loans I and II and is operated in a manner similar to a private business enterprise.

USDA-RD-IRP III - is used to account for all activity in the United States Department of Agriculture, Rural Development Program Intermediary Relending Program loan III and is operated in a manner similar to a private business enterprise.

FMHA-SBLP - is used to account for all activity in the Farmers Home Administration Small Business Loan Program and is operated in a manner similar to a private business enterprise.

FMHA-RBEG - is used to account for all activity in the Farmers Home Administration Rural Business Enterprise Grant Program and is operated in a manner similar to a private business enterprise.

Enterprise funds distinguish between operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with an enterprise fund's principal ongoing operations. The principal operating revenues for the enterprise funds are interest collected on outstanding loans and rental income. Operating expenses for the enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Capital Assets

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. The Commission maintains a capitalization threshold of \$5,000 for all capital assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and improvements	20 - 30
Equipment	5 - 15

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2021

Unearned Revenue

Unearned revenue represents amounts which have met asset recognition criteria, but for which revenue recognition criteria have not been met.

Governmental Fund Balance Classifications/Policies and Procedures

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the Commission classifies its governmental fund balances as follows, as applicable:

- *Non-spendable* - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints
- *Restricted* - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation
- *Committed* - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the Commission's "highest level of decision making authority" which do not lapse at year-end
 - The Board of Directors is its highest level of decision-making authority and commits funds through a formal board motion
- *Assigned* - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the Commission
- *Unassigned* - includes positive fund balance within the Community and Economic Development Fund which has not be classified within the above-mentioned categories and negative fund balances in other governmental funds

In governmental funds when an expenditure is incurred that can be paid using either restricted or unrestricted resources, the Commission's policy is generally to first apply the expenditure toward restricted fund balance and then to unrestricted resources. When an expenditure is incurred that can be paid using either committed, assigned, or unassigned amounts, the Commission's policy is to use committed resources, then assigned resources, then unassigned resources.

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2021

In-Kind Services

Local contributions, which include contributed services provided by individuals, private organizations and local governments, are used to match federal funding on various grants. Contributed services are therefore reflected as revenue and expenditures in accordance with legal requirements of the individual grants. Contributed services are recorded as an expenditure with an equivalent amount recorded as revenue. The amounts of such services are recorded in the accompanying financial statements at their estimated fair values at date of receipt.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – Cash

The carrying amount of the Commission's deposits was \$2,484,282 as of June 30, 2021. The bank balance totaled \$2,532,689 as of June 30, 2021. The difference represents outstanding checks and normal reconciling items.

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Commission's deposits may not be returned to it. The Commission does not have a deposit policy for custodial credit risk. Commonwealth of Pennsylvania Act 72 of 1971, as amended, allows banking institutions to satisfy the collateralization requirement by pooling eligible investments to cover total public funds on deposit in excess of federal insurance. Such pooled collateral is pledged with the financial institutions' trust departments.

The balance of the Commission's cash deposits is categorized as follows to give an indication of the level of risk assumed by the Commission at year-end.

	2021 Bank Balance
Insured	\$ 973,830
Uninsured:	
Collateral held by pledging bank's trust department not in the Commission's name	1,558,859
TOTAL	<u>\$ 2,532,689</u>

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2021

NOTE 3 – Capital Assets

Activity in capital assets for the year ended June 30, 2021 is as follows:

	July 1, 2020	Additions	Disposals	June 30, 2021
GOVERNMENTAL ACTIVITIES				
Office furniture and equipment	\$ 38,900	\$ -	\$ (6,755)	\$ 32,145
Accumulated depreciation	(38,900)	-	6,755	(32,145)
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	\$ -	\$ -	\$ -	\$ -
BUSINESS-TYPE ACTIVITIES (FOUNDATION)				
Land	\$ 13,724	\$ -	\$ -	\$ 13,724
Capital assets being depreciated:				
Building and improvements	551,719	-	-	551,719
Office furniture and equipment	43,991	-	-	43,991
TOTAL	609,434	-	-	609,434
Accumulated depreciation:				
Building and improvements	(346,753)	(20,637)	-	(367,390)
Office furniture and equipment	(42,479)	(1,512)	-	(43,991)
TOTAL	(389,232)	(22,149)	-	(411,381)
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	\$ 220,202	\$ (22,149)	\$ -	\$ 198,053

NOTE 4 – Due to Subrecipients

The amounts due to subrecipients in the Commission's government activities are as follows at June 30, 2021:

Due to Bradford County Action	\$ 106,487
Due to Trehab Center	311,565
DUE TO SUBRECIPIENTS	\$ 418,052

NOTE 5 – Revolving Loan Programs

The Commission participates in six revolving loan programs. The purpose of these loan programs is to provide low interest loans to small businesses in an effort to create jobs and other economic development in rural areas. In connection with these programs, the Commission made new loans of approximately \$1,723,000 in 2021 and collected principal and interest repayments of approximately \$1,929,000 in 2021. The programs are summarized below:

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2021

Pennsylvania Small Business First Program (SBFP)
[Formerly Pennsylvania Capital Loan Fund (PCLF)]

The Commission has an agreement with the Commonwealth of Pennsylvania, Department of Community and Economic Development (“DCED”) to participate in the SBFP. The SBFP replaced the PCLF with substantially all regulations and program guidelines remaining intact. The loan review committee established by the Commission is responsible for reviewing all loan applications and recommending loan applications for approval by the Commission’s board of directors. Once approved, the Commission must submit the applications to the DCED for its review and approval.

DCED is responsible for establishing loan interest rates, issuing loan checks and receiving loan payments from the borrower. As a result, the accompanying financial statements do not include the operations of the SBFP. The Commission is entitled to retain service fees charged on the loans to cover costs of making and servicing its loan program, which are included in the accompanying financial statements. The outstanding loan balances under the SBFP total \$2,908,759 at June 30, 2021.

First Industries Fund (FIF)

The Commission has entered into an agreement with DCED to participate in the FIF. The loan review committee established by the Commission is responsible for reviewing all loan applications and recommending loan applications for approval by the Commission’s board of directors. Once approved, the Commission must submit the applications to DCED for its review and approval. As a result, the accompanying financial statements do not include the operations of the FIF. The Commission is entitled to retain service fees charged on the loans to cover costs of making and servicing the loan program, which are included in the accompanying financial statements. The outstanding loan balances under the FIF total \$1,408,314 at June 30, 2021.

Economic Development Administration/ Appalachian
Regional Commission (EDA/ARC)

The Commission has entered into an agreement with SEDA-Council of Governments (SEDA-COG) to participate in the U.S. Department of Commerce, Economic Development Administration (EDA) revolving loan fund. EDA awarded SEDA-COG a grant of \$1,500,000 requiring a local match of \$500,000 for the purpose of establishing a small business revolving loan program. SEDA-COG subcontracted one-third of the program to the Commission.

In addition, the Commission has entered into an agreement with the Appalachian Regional Commission to participate in a revolving loan fund.

An allowance of \$70,461 has been established for the loans outstanding under these programs.

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2021

Farmers Home Administration Intermediary
Relending Program (FMHA-IRP)

The Commission has entered into an agreement with FMHA-IRP for a \$500,000 low interest loan from FMHA to be used for a relending program (Note 6). The Commission requests drawdowns on the loan after FMHA approves the loan application between the Commission and the borrower. As of June 30, 2021, the loan had a balance outstanding of \$74,095.

An allowance of \$1,309 has been established for the loans outstanding under these programs.

United States Department of Agriculture, Rural Development
Intermediary Relending Program (USDA-RD-IRP III)

The Commission has entered into an agreement with USDA-RD-IRP III for a \$500,000 low interest loan from USDA-RD to be used for a relending program (Note 6). The Commission requests drawdowns on the loan after USDA-RD approves the loan application between the Commission and the borrower. As of June 30, 2021, the loan had a balance outstanding of \$337,500.

No allowance has been deemed necessary for the loans outstanding under these programs.

Farmers Home Administration Small Business
Loan Program (FMHA-SBLP)

The Commission has entered into the FMHA-SBLP with the approval of a \$200,000 and \$110,000 grant from FMHA to be used for a revolving loan program. The Commission requests drawdowns on the grant after FMHA approves the loan application between the Commission and the borrower.

NTRPDC, Inc. has entered into the FMHA-SBLP with the approval of a \$98,000 grant from FMHA to be used for a revolving loan program. NTRPDC, Inc. requests drawdowns on the grant after FMHA approves the loan application between the Commission and the borrower.

An allowance of \$21,726 has been established for the loans outstanding under these programs.

Farmers Home Administration Rural Business
Enterprise Grant Program (FMHA-RBEG)

The Commission has entered into the FMHA-RBEG with the approval of a \$1,000,000 grant from the FMHA to be used for a \$500,000 revolving loan program and \$500,000 pass-through grant for Envirocycle, Inc.

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2021

NOTE 6 – Long-Term Liabilities

At June 30, 2021, the Commission’s business-type activities long-term debt consisted of the following:

	<u>Balance at</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance at</u> <u>June 30, 2021</u>	<u>Current</u> <u>Portion</u>
3.75% note payable to Bradford County Industrial Development Authority, in monthly installments of \$2,145, including interest through 2023; collateralized by property and equipment.	\$ 77,950	\$ -	\$ (23,040)	\$ 54,910	\$ 24,121
1% loan payable to FMHA, in annual installments of \$20,565, including interest through 2024; collateralized by the assets of the Revolving Loan Fund.	93,654	-	(19,559)	74,095	19,756
1% loan payable to USDA-RD, in annual installments of an amount to be determined, including interest, beginning in 2023 through 2049; collateralized by the assets of the Revolving Loan Fund.	<u>237,500</u>	<u>100,000</u>	<u>-</u>	<u>337,500</u>	<u>-</u>
TOTAL	<u>\$ 409,104</u>	<u>\$ 100,000</u>	<u>\$ (42,599)</u>	<u>\$ 466,505</u>	<u>\$ 43,877</u>

Scheduled principal and interest payments on the note and loans payable are as follows. Note that this does not include interest on the USDA-RD loan, as no payments have been scheduled as of June 30, 2021. All repayments for the current principal for this loan are included on the “thereafter” row:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Years ending June 30:			
2022	\$ 43,877	\$ 2,426	\$ 46,303
2023	44,995	667	45,662
2024	40,133	410	40,543
2025	-	-	-
2026	-	-	-
Thereafter	<u>337,500</u>	<u>-</u>	<u>337,500</u>
TOTAL	<u>\$ 466,505</u>	<u>\$ 3,503</u>	<u>\$ 470,008</u>

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2021

Interest expense on the above obligations totaled \$5,698 in 2021.

The Commission obtained a \$500,000 line of credit. The interest on any draw is variable, resetting annually (2.50% at June 30, 2021). At June 30, 2021 there were no draws against the line of credit. The line of credit expires December 31, 2021.

NOTE 7 – Liability for Compensated Absences

An employee, upon termination of employment from the Commission, is paid for accrued leave up to a maximum of 50 days. The accrued leave liability has been recorded in the noncurrent liabilities section of the governmental activities.

Accrued leave liability, July 1, 2020	\$ 109,282
Additions	99,069
Payouts	<u>(83,106)</u>
Accrued leave liability, June 30, 2021	<u>\$ 125,245</u>

NOTE 8 – Termination Benefits Policy

The Commission implemented an early termination benefit policy effective June 1, 2016. The benefit is allowable for employees hired as full-time before July 1, 2015. The benefit will reimburse up to \$33,000 of employee health care premiums until the age of 65 for employees who reach 30 years of service by age 59.5. It will reimburse up to \$13,500 until the age of 65 for employees who reach 25 years of service by age 62. As of June 30, 2021, one employee was eligible and accepted the early termination benefit. The commission assumed that the full benefit amount of \$33,000 will be claimed by the employee. The funds that will be used to pay this benefit are in a non-interest-bearing account, and therefore no discount rate was used in determining the cost of the benefit. Total payments made to employees in 2021 were \$10,119. The total cost of \$33,000 less the total to date payments of \$33,000 has been recorded in the noncurrent liabilities section of the governmental activities as part of "accrued leave and termination benefits." For 2021, this amount is zero.

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2021

NOTE 9 – Deferred Compensation Plan

The Commission has a deferred compensation plan in which all full-time employees are eligible for participation.

Employees are given the option of paid health insurance coverage or the deferred compensation plan. For those employees selecting the deferred compensation plan, the Commission contributes an amount up to \$750 per month.

Compensation under the plan is deferred from federal income tax only. All other payroll related taxes are paid currently. The Commission's contribution to the deferred compensation plan was \$57,865 in 2021.

NOTE 10 – Contingencies

Grant Programs

The Commission participates in numerous state and federal grant and loan programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant and loan programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Commission has not complied with the rules and regulations governing the grant and loan programs, refunds of any money received may be required and the collectability of any related receivable at June 30, 2021 may be impaired. In the opinion of Commission management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grant and loan programs; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

COVID-19

On March 11, 2020, the World Health Organization declared the new strain of coronavirus (COVID-19) to be a global pandemic, which has caused numerous operational disruptions. Federal, state and local governments have implemented various restrictions, including travel restrictions, border closings, restrictions on public gatherings, quarantining of people who may have been exposed to the virus, shelter-in-place restrictions, and limitations on business operations. While the Commission does not expect this uncertain matter to negatively affect the results of its operations and financial position, the related financial impact cannot be reasonably estimated at this time.

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2021

NOTE 11 – Indirect Cost Rate

During the year ended June 30, 2021, indirect costs were allocated to individual programs as a percentage of direct salaries and related fringe benefit expense. The allocation of indirect costs for all programs was computed as follows:

Total direct salaries	\$ 935,399
Less salaries related to PTO	(139,412)
Total related fringe benefits	<u>302,848</u>
TOTAL DIRECT SALARIES AND BENEFITS	<u>\$ 1,098,835</u>

Indirect costs:	
Salaries and wages	\$ 113,597
Contracted services	58,931
Fringe benefits	38,793
Audit	18,509
Building use allowance	9,598
Telephone	9,148
Insurance and bonding	8,232
Professional fees	4,231
Program supplies	3,890
Equipment	2,650
Advertising	1,614
Miscellaneous	1,267
Subscriptions and periodicals	1,170
Meeting expense	715
Postage	530
Tuition and training	<u>147</u>
TOTAL INDIRECT COSTS	<u>\$ 273,022</u>

$$\text{Indirect cost rate} = \frac{\text{Total indirect costs}}{\text{Total direct salaries and benefits}}$$

$$\text{Indirect cost rate} = \frac{\$ 273,022}{\$ 1,098,835} = 24.85\%$$

Northern Tier Regional Planning and Development Commission
Combining Schedule of Revenues and Expenditures - Governmental Funds
For the year ended June 30, 2021

	UNRESTRICTED	ARC PREP 21	PA- DOT SPEC	PA-DOT EMTA	ARCLDD 20	ARCLDD 21	WSCM	OIBD 21	PREP	PA DOT 21-22
Revenues										
Federal grants and contracts	\$ -	\$ 285,000	\$ 66,530	\$ 22,088	\$ 48,153	\$ 51,276	\$ -	\$ -	\$ -	\$ 164,737
State grants and contracts	-	-	-	-	-	-	7,615	36,825	368,280	20,981
Local grants and contracts	-	-	-	-	-	-	-	-	-	-
Other income	111,730	292	-	-	134	-	12	34	-	-
Counties' appropriations	60,000	-	-	-	-	-	-	-	-	-
In-kind services	82	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	171,812	285,292	66,530	22,088	48,287	51,276	7,627	36,859	368,280	185,718
Expenditures										
Contracted services	1,710	5,986	51,590	22,088	30	-	6,500	128	111,639	174
Salaries and wages	47,829	154,960	8,580	-	25,854	29,060	39	19,571	145,342	102,660
Indirect costs	12,794	45,931	2,543	-	8,325	7,952	12	5,801	43,453	30,429
Fringe benefits	18,332	52,919	2,930	-	9,072	9,682	14	6,684	49,771	35,059
Miscellaneous	8,854	-	-	-	-	-	-	-	479	4,406
In-kind services	82	-	-	-	-	-	-	-	-	-
Building use allowance	1,187	13,238	690	-	1,928	2,008	2	1,544	11,055	9,581
Travel	847	-	-	-	-	8	-	49	1,164	-
Office supplies and postage	90	267	1	-	624	-	-	8	2,137	3,010
Tuition and seminars	70	1,462	-	-	-	148	1,060	334	182	5
Sector partnership training	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	16,525	160	-	-	-	-	-	-	1,450	-
Vehicle use allowance	662	2,695	196	-	2,438	2,418	-	2,740	1,448	-
Professional fees	11,382	7,674	-	-	16	-	-	-	117	-
Advertising	1,001	-	-	-	-	-	-	-	43	394
TOTAL EXPENDITURES	121,365	285,292	66,530	22,088	48,287	51,276	7,627	36,859	368,280	185,718
REVENUES IN EXCESS OF EXPENDITURES	\$ 50,447	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ARC PREP - Appalachian Regional Commission Partnerships for Regional Economic Performance
ARCLDD - Appalachian Regional Commission Local Development District
DOD - Department of Defense Procurement
EARN - Employment Advancement and Retention Network
EDA - Economic Development Administration

OIBD - Office of International Business Development
PA DOT - Pennsylvania Department of Transportation
PREP - Partnerships for Regional Economic Performance
WIOA - Workforce Innovation and Opportunities Act
WSCM - What's So Cool About Manufacturing?

Northern Tier Regional Planning and Development Commission
Combining Schedule of Revenues and Expenditures - Governmental Funds (Cont'd)
For the year ended June 30, 2021

	EDA 20	EDA 21	EDA CARES	DOD 20	DOD 21	ENGAGE!	EARN	WIOA	Total
Revenues									
Federal grants and contracts	\$ 30,724	\$ 34,386	\$ 15,904	\$ 39,251	\$ 50,698	\$ -	\$ 404,718	\$ 2,323,523	\$ 3,536,988
State grants and contracts	-	-	-	-	-	165,812	-	9,326	608,839
Other income	683	-	-	-	-	-	-	277,398	390,283
Counties' appropriations	-	-	-	-	-	-	-	-	60,000
In-kind services	2,320	5,000	-	-	-	-	-	-	7,402
TOTAL REVENUES	33,727	39,386	15,904	39,251	50,698	165,812	404,718	2,610,247	4,603,512
Expenditures									
Contracted services	30	-	-	50	9,944	155,400	322,295	2,107,608	2,795,172
Salaries and wages	17,160	19,777	5,236	20,477	23,302	6,091	45,769	263,692	935,399
Indirect costs	5,525	5,423	1,552	6,593	6,907	1,805	13,527	74,450	273,022
Fringe benefits	6,021	6,593	1,788	7,185	7,958	2,080	15,215	71,545	302,848
Miscellaneous	40	-	-	-	-	-	-	8,990	22,769
In-kind services	2,320	5,000	-	-	-	-	-	-	7,402
Building use allowance	1,229	1,388	328	1,668	1,678	436	5,034	19,483	72,477
Travel	-	-	-	926	819	-	-	11,728	15,541
Office supplies and postage	597	40	7,000	2,352	-	-	496	28,479	45,101
Tuition and seminars	475	-	-	-	90	-	737	11,453	16,016
Sector partnership training	-	-	-	-	-	-	-	4,900	4,900
Dues and subscriptions	330	1,165	-	-	-	-	1,600	1,759	22,989
Vehicle use allowance	-	-	-	-	-	-	-	2,317	14,914
Professional fees	-	-	-	-	-	-	-	-	19,189
Advertising	-	-	-	-	-	-	45	3,843	5,326
TOTAL EXPENDITURES	33,727	39,386	15,904	39,251	50,698	165,812	404,718	2,610,247	4,553,065
REVENUES IN EXCESS OF EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,447

Northern Tier Regional Planning and Development Commission
Schedule of Expenditures of Federal Awards
For the year ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Funding Source Code	Federal CFDA Number	Pass-Through Entity's Number	Award Amount	Cash Receipts	Accrued or (Unearned) Revenue at July 1, 2020	Revenues Recognized	Federal Expenditures	Accrued or (Unearned) Revenue at June 30, 2021	Expenses Passed Through to Subrecipients
Appalachian Regional Commission										
Local Development District Administrative Grant	D	23.009	PA-708-C-C48-20	\$ 103,000	\$ 51,500	\$ 3,347	\$ 48,153	\$ 48,153	\$ -	
Local Development District Administrative Grant	D	23.009	PA-708-C-C49-21	101,900	50,950	-	51,276	51,276	326	
Total CFDA #23.009				204,900	102,450	3,347	99,429	99,429	326	\$ -
Appalachian Regional Commission PREP	D	23.001	PA-6305-C38-19	285,000	28,500	28,500	-	-	-	
Appalachian Regional Commission PREP	D	23.001	PA-6305-C39-20	285,000	256,500	-	285,000	285,000	28,500	
Total CFDA #23.001				570,000	285,000	28,500	285,000	285,000	28,500	-
Total Appalachian Regional Commission				774,900	387,450	31,847	384,429	384,429	28,826	-
U.S. Department of Commerce										
Economic Development Administration	D	11.302	ED19PHI3020010	210,000	72,215	23,325	65,110	65,110	16,220	
Total CFDA #11.302				210,000	72,215	23,325	65,110	65,110	16,220	-
Economic Development Cluster										
Covid-19 Post Pandemic Economic Development Recovery Grant	D	11.307	ED20PHI3070044	400,000	15,904	-	15,904	15,904	-	
EDA Revolving Loan Fund	D	11.307	1390228b/139022801b	N/A	-	-	1,619,489	1,619,489	1,619,489	
Total CFDA #11.307 (Economic Development Cluster)				400,000	15,904	-	1,635,393	1,635,393	1,619,489	-
Total U.S. Department of Commerce				610,000	88,119	23,325	1,700,503	1,700,503	1,635,709	-
U.S. Department of Health and Human Services										
Passed-through Pennsylvania Department of Human Services: TANF Cluster										
EARN - TANF - Federal (New Directions - Performance Based)	I	93.558	FY20: 70121	294,621	28,500	-	28,500	28,500	-	
EARN - TANF - Federal (New Directions)	I	93.558	FY21: 70121	375,039	269,483	-	375,039	375,039	105,556	
WIOA Youth - TANF	I	93.558	130193361	156,870	868	868	-	-	-	
WIOA Youth - TANF	I	93.558	130173362	21,450	3,217	3,217	-	-	-	
WIOA Youth - TANF	I	93.558	130203381	146,910	109,519	-	140,006	140,006	30,487	
Total CFDA #93.558				994,890	411,587	4,085	543,545	543,545	136,043	446,613
Total TANF Cluster				994,890	411,587	4,085	543,545	543,545	136,043	446,613
Total U.S. Department of Health and Human Services				994,890	411,587	4,085	543,545	543,545	136,043	446,613

Northern Tier Regional Planning and Development Commission
Schedule of Expenditures of Federal Awards (Cont'd)
For the year ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Funding Source Code	Federal CFDA Number	Pass-Through Entity's Number	Award Amount	Cash Receipts	Accrued or (Unearned) Revenue at July 1, 2020	Revenues Recognized	Federal Expenditures	Accrued or (Unearned) Revenue at June 30, 2021	Expenses Passed Through to Subrecipients
U.S. Department of Labor										
Passed-through Pennsylvania Department of Labor & Industry: WIOA Cluster										
Adult	I	17.258	130193001	66,403	6,640	-	6,640	6,640	-	-
Adult	I	17.258	130193011	354,001	48,747	13,347	35,400	35,400	-	-
Adult	I	17.258	130203001	60,728	60,606	-	60,728	60,728	122	-
Adult	I	17.258	130203011	303,035	134,138	-	267,164	267,164	133,026	-
Total CFDA #17.258				784,167	250,131	13,347	369,932	369,932	133,148	304,967
Youth	I	17.259	130183301	504,421	13,184	13,184	-	-	-	-
Youth	I	17.259	130183306	1,543	154	154	-	-	-	-
Youth	I	17.259	130193301	438,840	176,124	18,433	157,691	157,691	-	-
Youth	I	17.259	130203301	381,202	172,893	-	221,890	221,890	48,997	-
SLIP	I	17.259	130183350	10,000	1,121	-	10,000	10,000	8,879	-
Total CFDA #17.259				1,336,006	363,476	31,771	389,581	389,581	57,876	292,512
Dislocated Worker	I	17.278	130184011	708,526	13,290	13,290	-	-	-	-
Dislocated Worker	I	17.278	130194001	195,753	19,575	-	19,575	19,575	-	-
Dislocated Worker	I	17.278	130194011	526,392	389,036	64,341	324,695	324,695	-	-
Dislocated Worker	I	17.278	130204001	182,361	177,058	-	182,361	182,361	5,305	-
Dislocated Worker	I	17.278	130204011	647,375	96,225	-	186,471	186,471	90,246	-
Dislocated Worker - transferred to Adult	I	17.278	130183013	122,222	9,581	9,581	-	-	-	-
Dislocated Worker - transferred to Adult	I	17.278	130193013	405,556	405,556	53,270	352,286	352,286	-	-
Dislocated Worker - Rapid Response	I	17.278	130184152	124,804	69,173	-	124,803	124,803	55,630	-
Dislocated Worker - Rapid Response	I	17.278	130184155	82,312	70,564	-	82,312	82,312	11,748	-
Dislocated Worker - BEP	I	17.278	130184131	43,922	33,211	-	43,922	43,922	10,711	-
Dislocated Worker - BEP	I	17.278	130184132	131,595	12,130	8,182	5,948	5,948	-	-
Dislocated Worker - BEP	I	17.278	130193132	131,006	73,033	-	77,862	77,862	4,829	-
SLIP	I	17.278	130194131	23,938	23,568	5,999	17,569	17,569	-	-
SLIP	I	17.278	130194053	20,000	-	-	1,824	1,824	1,824	-
Total CFDA #17.278				3,345,762	1,391,998	152,663	1,419,628	1,419,628	180,293	1,090,601
Total WIOA Cluster				5,465,935	2,005,605	197,781	2,179,141	2,179,141	371,317	1,687,970
Disaster Grant (COVID-19 NDWG PACL)	I	17.277	130198523	52,022	1,189	-	4,376	4,376	3,187	-
Total Disaster Grants (CFDA #17.277)				52,022	1,189	-	4,376	4,376	3,187	-
Total U.S. Department of Labor				5,517,957	2,006,794	197,781	2,183,517	2,183,517	374,504	1,687,970
U.S. Department of Agriculture										
Passed through Pennsylvania Department of Human Services:										
EARN SNAP - Pennsylvania Department of State Administrative Matching Grants for the Supplement Nutrition Assistance Program	I	10.561	FY21: 70130	15,801	41	-	1,179	1,179	1,138	1,179
Total CFDA #10.561 (SNAP Cluster)				15,801	41	-	1,179	1,179	1,138	1,179
Total U.S. Department of Agriculture				15,801	41	-	1,179	1,179	1,138	1,179

Northern Tier Regional Planning and Development Commission
Schedule of Expenditures of Federal Awards (Cont'd)
For the year ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Funding Source Code	Federal CFDA Number	Pass-Through Entity's Number	Award Amount	Cash Receipts	Accrued or (Unearned) Revenue at July 1, 2020	Revenues Recognized	Federal Expenditures	Accrued or (Unearned) Revenue at June 30, 2021	Expenses Passed Through to Subrecipients
U.S. Department of Transportation										
Passed-through the Pennsylvania Department of Transportation, Center for Program Development and Management: Highway Planning and Construction Cluster										
Rural Transportation Planning Grant	I	20.205	FY19-20: 521178-A	23,320	1,088	1,088	-	-	-	-
Rural Transportation Planning Grant	I	20.205	FY19-20: 521178-B	418,107	43,714	43,714	-	-	-	-
Rural Transportation Planning Grant	I	20.205	FY19-20: 521178-C	21,557	1,110	1,110	-	-	-	-
Rural Transportation Planning Grant	I	20.205	FY19-20: 521178-D	4,516	772	772	-	-	-	-
Rural Transportation Planning Grant	I	20.205	FY19-20: 521178-F	60,000	3,412	3,412	-	-	-	-
Rural Transportation Planning Grant (Marshcreek Greenway Trail Project)	I	20.205	FY19-20: 521178-G	134,412	32,175	32,175	-	-	-	-
Rural Transportation Planning Grant	I	20.205	FY21-22: 521178-1	240,000	88,543	-	110,997	110,997	22,454	-
Rural Transportation Planning Grant	I	20.205	FY21-22: 521178-2	120,000	6,032	-	9,558	9,558	3,526	-
Rural Transportation Planning Grant	I	20.205	FY21-22: 521178-3	60,000	4,803	-	7,617	7,617	2,814	-
Rural Transportation Planning Grant	I	20.205	FY21-22: 521178-4	70,000	10,530	-	18,070	18,070	7,540	-
Rural Transportation Planning Grant	I	20.205	FY21-22: 521178-5	40,000	14,237	-	18,495	18,495	4,258	-
Rural Transportation Planning Grant	I	20.205	FY21-22: 521178-6A	60,000	7,472	-	14,940	14,940	7,468	-
Rural Transportation Planning Grant (Tioga County Bike & Pedestrian)	I	20.205	FY21-22: 521178-6B	63,000	38,800	-	51,590	51,590	12,790	-
Rural Transportation Planning Grant (BeST)	I	20.205	FY21-22: 521178-A-BeST	13,500	-	-	1,786	1,786	1,786	-
Rural Transportation Planning Grant (BeST)	I	20.205	FY21-22: 521178-B-BeST	62,000	-	-	12,837	12,837	12,837	-
Rural Transportation Planning Grant (BeST)	I	20.205	FY21-22: 521178-C-BeST	14,500	-	-	3,298	3,298	3,298	-
Rural Transportation Planning Grant (BeST)	I	20.205	FY21-22: 521178-D-BeST	11,500	-	-	2,014	2,014	2,014	-
Rural Transportation Planning Grant (BeST)	I	20.205	FY21-22: 521178-E-BeST	4,500	-	-	2,153	2,153	2,153	-
Total CFDA #20.205				1,420,912	252,688	82,271	253,355	253,355	82,938	73,678
Total Highway Planning and Construction Cluster				1,420,912	252,688	82,271	253,355	253,355	82,938	73,678
Total U.S. Department of Transportation				1,420,912	252,688	82,271	253,355	253,355	82,938	73,678
U.S. Department of Defense										
Passed-through the Southern Alleghenies Planning & Development Commission										
Procurement Grant	I	12.002	SP4800-20-2-2079-NT-0024	82,675	64,104	24,853	39,251	39,251	-	-
Procurement Grant	I	12.002	SP4800-21-2-2179	82,674	27,070	-	50,698	50,698	23,628	-
Total CFDA #12.002				165,349	91,174	24,853	89,949	89,949	23,628	-
Total U.S. Department of Defense				165,349	91,174	24,853	89,949	89,949	23,628	-
Total Expenditures of Federal Awards				\$ 9,499,809	\$ 3,237,853	\$ 364,162	\$ 5,156,477	\$ 5,156,477	\$ 2,282,786	\$ 2,209,440

Northern Tier Regional Planning and Development Commission
Schedule of Expenditures of Federal Awards (Cont'd)
For the year ended June 30, 2021

	Federal CFDA Number	Loan Period Beginning/ Ending Date	Program Amount	Loan Balance July 1, 2020	Drawdowns	Payments	Loan Balance June 30, 2021
U.S. Department of Agriculture							
Farmers Home Administration Intermediary Relending Program	10.767	6/96-6/32	500,000	\$ 93,654	\$ -	\$ 19,559	\$ 74,095
Rural Development Intermediary Relending Program	10.767	11/20-11/50	500,000	<u>237,500</u>	<u>100,000</u>	<u>-</u>	<u>337,500</u>
Total U.S. Department of Agriculture				<u>\$ 331,154</u>	<u>\$ 100,000</u>	<u>\$ 19,559</u>	<u>\$ 411,595</u>

Northern Tier Regional Planning and Development Commission
Notes to Schedule of Expenditures of Federal Awards
June 30, 2021

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Northern Tier Regional Planning and Development Commission (the "Commission") under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Uniform Guidance. Because the schedule presents only a selected portion of the operations of the Commission, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Commission.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the OMB Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

3. Revolving Loan Programs

The Commission administers a Revolving Loan Fund Program funded by the U.S. Department of Agriculture and passed through the Farmers Home Administration Intermediary Relending Program (FMHA-IRP). Loans outstanding at June 30, 2021 were \$153,141.

The Commission administers a Revolving Loan Fund Program funded by the U.S. Department of Agriculture and passed through the Rural Development Intermediary Relending Program (USDA-RD-IRP III). Loans outstanding at June 30, 2021 were \$318,443.

The Commission administers a Revolving Loan Fund Program funded by the U.S. Department of Agriculture and passed through the Farmers Home Administration Small Business Loan Program (FMHA-SBLP). Loans outstanding at June 30, 2021 were \$720,591.

The Commission administers a Revolving Loan Fund Program funded by the U.S. Department of Agriculture and passed through the Farmers Home Administration Rural Business Enterprise Grant Program (FMHA-RBEG). Loans outstanding at June 30, 2021 were \$460,598.

The Commission administers a Revolving Loan Fund Program funded by the U.S. Department of Commerce, Economic Development Administration and matching funds from the Appalachian Regional Commission Governments (EDA/ARC). Loans outstanding at June 30, 2021 were \$2,374,982.

Northern Tier Regional Planning and Development Commission
Notes to Schedule of Expenditures of Federal Awards
June 30, 2021

4. Indirect Cost

The Commission has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance. Instead, indirect cost rates were calculated based on various cost pools, which averaged 24.85%. These rates were used, limited by funder requirements. The Commission's indirect rates are submitted to the U.S. Department of Commerce for approval.

5. EDA Revolving Loan Fund

The Commission administers one EDA Revolving Loan Fund (CFDA No. 11.307) funded by the U.S. Department of Commerce. At June 30, 2021, the Federal Awards Expended was calculated as follows:

Original federal grant	\$ 500,000.00
Total amount loaned with local match	<u>166,668.00</u>
Federal share of RLF	<u>75%</u>
Cash and investment balance in RLF at 06/30/2021	\$ 167,609.62
Outstanding balance of RLF loans, 06/30/2021	1,991,709.28
Administrative expenses paid out of RLF income during FYE 06/30/2021	-
Loan write-offs during FYE 06/30/2021	<u>-</u>
Sum of EDA dollars/Total project costs	2,159,318.90
Total EDA Share (noted above)	<u>75%</u>
Total Economic Adjustment Assistance	<u>\$ 1,619,489.18</u>



Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Directors
Northern Tier Regional Planning and Development Commission
Towanda, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of Northern Tier Regional Planning and Development Commission (the "Commission") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents, and have issued our report thereon dated March 14, 2022.

Internal Control Over Financial Reporting

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

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

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

Independent Auditors' Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on an
Audit of Financial Statements Performed in Accordance
with Government Auditing Standards
(Cont'd)

Board of Directors
Northern Tier Regional Planning and Development Commission

Compliance and Other Matters

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

Purpose of this Report

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

J. H. Williams & Co., LLC

March 14, 2022



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

Board of Directors
Northern Tier Regional Planning and Development Commission
Towanda, Pennsylvania

Report on Compliance for Each Major Federal Program

We have audited Northern Tier Regional Planning and Development Commission's (the "Commission") compliance with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Commission's major federal programs for the year ended June 30, 2021. The Commission'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 federal statutes, regulations, and terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Commission'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 (CFR) 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 the Commission'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 the Commission's compliance.

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

Board of Directors
Northern Tier Regional Planning and Development Commission

Opinion on Each Major Federal Program

In our opinion, the Commission 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 the Commission 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 the Commission'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 the Commission'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.



March 14, 2022

Northern Tier Regional Planning and Development Commission
Schedule of Findings and Questioned Costs
For the year ended June 30, 2021

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes X no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
11.307	Post Pandemic Economic Development Recovery Grant
11.307	EDA Revolving Loan Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? X yes _____ no

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

None.

Section IV – Summary of Prior Year Findings

None.



Independent Accountants' Report on
Applying Agreed-Upon Procedures on the
Schedule of WIOA Expenditures by
Program Identifiers and Cost Categories

Board of Directors
Northern Tier Regional Planning and Development Commission
Towanda, Pennsylvania

We have performed the procedures enumerated below to the accompanying financial schedules of the Northern Tier Regional Planning and Development Commission (the "Commission") for the fiscal year ended June 30, 2021. Management of the Commission is responsible for compliance with the requirements of the Commonwealth of Pennsylvania Department of Labor and Industry.

Management of the Commission has agreed to and acknowledged that the procedures performed are appropriate to assist users in evaluating the Commission's compliance with the requirements of the Commonwealth of Pennsylvania Department of Labor and Industry. This report may not be suitable for any other purpose. The procedures may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Procedures and findings are as follows:

- (a) We verified the clerical accuracy of the Commission's summarization of amounts reported on the monthly Financial Status Report (FSR) submitted to the Commonwealth of Pennsylvania, Department of Labor and Industry during the fiscal year ended June 30, 2021 and the report of the summarized, fiscal year totals on the respective formats as presented in the WIOA Policies and Procedures Manual. This procedure was performed for the WIOA expenditures by program identifier and cost category included on pages 42 through 45 administered by the Commission which were funded in whole, or in part, by the Commonwealth of Pennsylvania, Department of Labor and Industry. No findings were noted.
- (b) We inquired of management regarding any adjustment to reported revenues or expenditures which were not reflected on reports submitted to the Commonwealth of Pennsylvania Department of Labor and Industry. No findings were noted.

Independent Accountants' Report on
Applying Agreed-Upon Procedures on the
Schedule of WIOA Expenditures by
Program Identifiers and Cost Categories
(Cont'd)

Board of Directors
Northern Tier Regional Planning and Development Commission

We were engaged by the Commission to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Commission's compliance with the requirements of the Commonwealth of Pennsylvania Department of Labor and Industry for the fiscal year ended June 30, 2021. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Board of Directors of the Northern Tier Regional Planning and Development Commission and the Commonwealth of Pennsylvania, Department of Labor and Industry and is not intended to be and should not be used by anyone other than these specified parties.

J. H. Williams & Co., LLC

March 14, 2022

Northern Tier Regional Planning and Development Commission
Schedule of WIOA Expenditures by Program Identifiers and Cost Categories
For the year ended June 30, 2021

Title	Contract Number	Contract Period	Cost Category	Authorized Budget	Cumulative Claimed	Actual Budget	(Over) Under
Adult Program - 2019 First Increment	130193001	07/01/19-06/30/21	ADMINISTRATION	\$ 6,640	\$ 6,640	\$ 6,640	\$ -
			DIRECT TRAINING	59,763	59,763	59,763	-
			CONTRACT TOTAL	66,403	66,403	66,403	-
Adult Program - 2019 Second Increment	130193011	10/01/19-06/30/21	ADMINISTRATION	35,400	35,400	35,400	-
			DIRECT TRAINING	318,601	318,601	318,601	-
			CONTRACT TOTAL	354,001	354,001	354,001	-
DW transfer to Adult Program - 2019 Third Increment (DW Transfer)	130193013	10/01/19-06/30/21	ADMINISTRATION	40,556	40,556	40,556	-
			DIRECT TRAINING	365,000	365,000	365,000	-
			CONTRACT TOTAL	405,556	405,556	405,556	-
Adult Program - 2020 First Increment	130203001	07/01/20-06/30/22	ADMINISTRATION	6,073	6,073	6,073	-
			DIRECT TRAINING	54,655	54,655	54,655	-
			CONTRACT TOTAL	60,728	60,728	60,728	-
Adult Program - 2020 Second Increment	130203011	10/01/20-06/30/22	ADMINISTRATION	30,304	7,530	30,304	22,774
			DIRECT TRAINING	272,732	259,634	272,732	13,098
			CONTRACT TOTAL	303,036	267,164	303,036	35,872
Youth Program - 2019	130193301	04/01/19-06/30/21	ADMINISTRATION	43,884	43,884	43,884	-
			IN SCHOOL YOUTH	27,114	27,114	27,114	-
			OUT OF SCHOOL	367,842	367,842	367,842	-
			CONTRACT TOTAL	438,840	438,840	438,840	-
Youth Program - 2020	130203301	04/01/20-06/30/22	ADMINISTRATION	38,120	10,514	38,120	27,606
			IN SCHOOL YOUTH	85,771	23,922	85,771	61,849
			OUT OF SCHOOL	257,311	187,454	257,311	69,857
			CONTRACT TOTAL	381,202	221,890	381,202	159,312

Northern Tier Regional Planning and Development Commission
Schedule of WIOA Expenditures by Program Identifiers and Cost Categories (Cont'd)
For the year ended June 30, 2021

Title	Contract Number	Contract Period	Cost Category	Authorized Budget	Cumulative Claimed	Actual Budget	(Over) Under
Dislocated Worker Program - 2019 First Increment	130194001	07/01/19-06/30/21	ADMINISTRATION	19,575	19,575	19,575	-
			DIRECT TRAINING	176,178	176,178	176,178	-
			CONTRACT TOTAL	195,753	195,753	195,753	-
Dislocated Worker Program - 2019 Second Increment	130194011	10/01/19-06/30/21	ADMINISTRATION	52,639	52,639	52,639	-
			DIRECT TRAINING	473,753	473,753	473,753	-
			CONTRACT TOTAL	526,392	526,392	526,392	-
Dislocated Worker Program - 2020 First Increment	130204001	07/01/20-06/30/22	ADMINISTRATION	18,236	18,236	18,236	-
			DIRECT TRAINING	164,125	164,125	164,125	-
			CONTRACT TOTAL	182,361	182,361	182,361	-
Dislocated Worker Program - 2020 Second Increment	130204011	10/01/20-06/30/22	ADMINISTRATION	64,738	5,802	64,738	58,936
			DIRECT TRAINING	582,637	180,669	582,637	401,968
			CONTRACT TOTAL	647,375	186,471	647,375	460,904
18 DW RR Additional Assistance - Third Increment	130184152	10/01/18-06/30/21	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	124,804	124,804	124,804	-
			CONTRACT TOTAL	124,804	124,804	124,804	-
18 DW RR Additional Assistance - Fourth Increment	130184155	10/01/18-06/30/21	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	82,312	82,312	82,312	-
			CONTRACT TOTAL	82,312	82,312	82,312	-
WIOA Youth - TANF 2020	130203361	07/01/20-06/30/22	ADMINISTRATION	14,691	14,264	14,691	427
			DIRECT TRAINING	132,219	125,742	132,219	6,477
			CONTRACT TOTAL	146,910	140,006	146,910	6,904

Northern Tier Regional Planning and Development Commission
Schedule of WIOA Expenditures by Program Identifiers and Cost Categories (Cont'd)
For the year ended June 30, 2021

Title	Contract Number	Contract Period	Cost Category	Authorized Budget	Cumulative Claimed	Actual Budget	(Over) Under
18 BEP - First Increment	130184132	01/01/19-12/31/20	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	131,595	131,595	131,595	-
			CONTRACT TOTAL	131,595	131,595	131,595	-
18 BEP - Second Increment	130184131	01/01/21-06/30/21	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	43,922	43,922	43,922	-
			CONTRACT TOTAL	43,922	43,922	43,922	-
19 BEP	130193132	01/01/20-06/30/22	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	131,006	77,862	131,006	53,144
			CONTRACT TOTAL	131,006	77,862	131,006	53,144
SLIP	130194131	02/01/20-11/30/20	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	23,938	23,938	23,938	-
			CONTRACT TOTAL	23,938	23,938	23,938	-
SLIP	130183350	02/01/21-06/30/21	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	10,000	10,000	10,000	-
			CONTRACT TOTAL	10,000	10,000	10,000	-
SLIP	130194053	02/01/21-09/30/21	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	20,000	1,824	20,000	18,176
			CONTRACT TOTAL	20,000	1,824	20,000	18,176
Apprenticeship (ReEmployment)	130188896	02/01/19-06/30/22	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	101,111	13,653	101,111	87,458
			CONTRACT TOTAL	101,111	13,653	101,111	87,458

Northern Tier Regional Planning and Development Commission
Schedule of WIOA Expenditures by Program Identifiers and Cost Categories (Cont'd)
For the year ended June 30, 2021

Title	Contract Number	Contract Period	Cost Category	Authorized Budget	Cumulative Claimed	Actual Budget	(Over) Under
19 COVID-19 NDWG PA CL	130198523	05/27/20-06/30/22	ADMINISTRATION	2,666	-	2,666	2,666
			DIRECT TRAINING	49,356	4,376	49,356	44,980
			CONTRACT TOTAL	52,022	4,376	52,022	47,646
19 TANF - Federal (New Directions - Performance Based)	70121	07/01/19-06/30/21	DIRECT TRAINING	294,621	132,000	294,621	162,621
			CONTRACT TOTAL	294,621	132,000	294,621	162,621
20 TANF - Federal (New Directions)	70121	07/01/20-06/30/21	ADMINISTRATION	39,084	39,084	39,084	-
			DIRECT TRAINING	335,955	335,955	335,955	-
			CONTRACT TOTAL	375,039	375,039	375,039	-
20 SNAP - Federal (PA Dept of State Admin Matching Grants for the Supplement Nutrition Assistance Program)	70130	07/01/20-06/30/21	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	15,801	1,179	15,801	14,622
			CONTRACT TOTAL	15,801	1,179	15,801	14,622



Independent Accountants' Report on
Applying Agreed-Upon Procedures on the
Schedule of Federal Awards Passed Through
the Pennsylvania Department of Human Services

Board of Directors
Northern Tier Regional Planning and Development Commission
Towanda, Pennsylvania

We have performed the procedures enumerated below to the accompanying financial schedule of the Northern Tier Regional Planning and Development Commission (the "Commission") for the fiscal year ended June 30, 2021. Management of the Commission is responsible for compliance with the requirements of the Commonwealth of Pennsylvania Department of Human Services.

Management of the Commission has agreed to and acknowledged that the procedures performed are appropriate to assist users in evaluating the Commission's compliance with the requirements of the Commonwealth of Pennsylvania Department of Human Services. This report may not be suitable for any other purpose. The procedures may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Procedures and findings are as follows:

- (a) We agreed the expenditure amounts listed on the reconciliation schedule under the "Federal Expenditures per the SEFA" column C to the audited Schedule of Expenditures of Federal Awards (SEFA).
- (b) We agreed the receipt amounts listed on the reconciliation schedule under the "Federal Awards Received per the audit confirmation reply from Pennsylvania" column D to the subrecipient Federal amounts that were reflected in the audit confirmation reply from the Office of Budget, Comptroller Operations.
- (c) We recalculated the amounts listed under the "Difference" column E and the "%" Difference" column F.
- (d) We agreed the amounts listed under the "Difference" column E to the audited books and records of the entity.
- (e) We agreed the "Detailed Explanation of the Differences" to the audited books and records of the entity.
- (f) Procedures detailed in paragraphs (a) through (e) above disclosed no adjustments or findings which have not been reflected on the corresponding schedule.

Independent Accountants' Report on
Applying Agreed-Upon Procedures on the
Schedule of Federal Awards Passed Through
the Pennsylvania Department of Human Services
(Cont'd)

Board of Directors
Northern Tier Regional Planning and Development Commission

We were engaged by the Commission to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Commission's compliance with the requirements of the Commonwealth of Pennsylvania Department of Human Services for the fiscal year ended June 30, 2021. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Board of Directors of the Northern Tier Regional Planning and Development Commission and the Commonwealth of Pennsylvania, Department of Human Services and is not intended to be and should not be used by anyone other than these specified parties.

J. H. Williams & Co., LLC

March 14, 2022

Northern Tier Regional Planning and Development Commission
Schedule of Federal Awards Passed through the Pennsylvania Department of Human Services
June 30, 2021

RECONCILIATION

Federal Awards Passed through the Pennsylvania Department of Human Services
Expenditures per the SEFA to Revenue Received per the Pennsylvania Audit Confirmation Reply

(A)	(B)	(C)	(D)	(E)	(F)	(G)
CFDA Name	CFDA Number	Federal Expenditures per the SEFA	Federal Awards Received per the audit confirmation reply from Pennsylvania	Difference	% Difference (E/D)	Detailed Explanation of the Difference
TANF	93.558	\$ 543,545	\$ 404,387	\$ 139,158	-34.41%	See below

Explanation of Difference:

Total Federal expenditures per the SEFA	\$ 543,545
Add: Accrued revenue as of June 30, 2020	4,085
Deduct: Accrued revenue as of June 30, 2021	(136,043)
Deduct: Payment made by DHS in 2020 but not received by NT until July 2020	<u>(7,200)</u>
	404,387
Federal awards received per the audit confirmation reply	<u>404,387</u>
Variance	\$ <u>-</u>