

**NORTHERN TIER REGIONAL PLANNING
AND DEVELOPMENT COMMISSION**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

JUNE 30, 2024

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 Audit of the Financial Statements

Opinions

We have audited 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, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2024, 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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Independent Auditors' Report
(Cont'd)

Board of Directors
Northern Tier Regional Planning and Development Commission

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4a through 4j be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Independent Auditors' Report
(Cont'd)

Board of Directors
Northern Tier Regional Planning and Development Commission

Supplementary 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 28-29 and the accompanying Schedule of Expenditures of Federal Awards on pages 30-33, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Guidance Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 10, 2025, 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 10, 2025

Northern Tier Regional Planning and Development Commission

Notes to Financial Statements

June 30, 2024

(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, 2024 as compared to June 30, 2023. 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 \$6,578,933 as of June 30th, 2024, an increase of \$719,497 from June 30th, 2023.

Governmental Activities

The governmental activities net assets increased by \$83,939 which includes the activities of Workforce Development and Community and Economic Development.

Workforce Development

Workforce Innovation and Opportunity Act (WIOA) formula funding increased by approximately 29.13% from the prior program year. The Employment, Advancement and Retention Network (EARN) funding through the Department of Human Services (DHS) remained status-quo from the previous program year. 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.

In addition, the Workforce Development division secured or continued operations in several competitive grants during fiscal year 2024.

- The Business Education Partnership (BEP) program completed its ninth year of providing career exploration and education services to schools in the Northern Tier. Total number of students impacted/career projects completed was 13,788 for the school year of which 2,453 were elementary students. Employers/business connected to students totaled 272 and 226 parents were involved in career activities. NTRPDC Career Coaches helped organize and support over 40 events/activities for the students. Example activities include mock interviews, job shadowing, career fairs, apprenticeships, college tours, STEM presentations and Trade career pathways. This year school districts had an opportunity to apply for mini-grants through the BEP program to support projects for their students that involved employer engagement. A total of 7 grants were awarded serving 340 students and impacting 25 businesses/organizations. Mini grants included support for projects such as career camps, Seniors2Seniors digital literacy class and work experiences.

Northern Tier Regional Planning and Development Commission

Notes to Financial Statements

June 30, 2024

(Unaudited)

- NTRPDC received a \$4.5 million ARISE grant from ARC in FY24 to expand the BEP Career Coach program. This is a multi-state collaboration with five partners in New York state. This initiative provides an opportunity to increase career education, work experience opportunities and increase positive employment outcomes for our youth. Baseline information through surveying and outreach is being collected to establish current employer engagement, a marketing committee to develop promotional materials for uniform messaging has been created, collaboration between partners have taken place in which both PA and NY students have participated including a career day event, business expo and a Try Trades event that hosted over 480 high school students and 23 businesses.
- Funding for apprenticeship is provided by the PA Smart Apprenticeship Ambassador Network and is available for the expansion and creation of apprenticeship and pre-apprenticeships in the Northern Tier. Funds are also available to support training for apprentices. A NTRPDC Navigator journey person is on staff that works to educate local employers about the benefits of implementing an apprenticeship model for their business. The Navigator also works with local PA CareerLink® partner staff to educate them about the opportunities available to both their employer and jobseeker customers and connects businesses to appropriate education and employer groups.
- PA Smart funds continue to support the Northeast Regional Healthcare Industry Partnership. The partnership represents a comprehensive approach to needs of the healthcare industry. It involves collaboration between the Northern Tier, Lackawanna, Luzerne/Schuylkill and Pocono Workforce Development areas that span 12 counties in the northeast. During this reporting period three employers utilized incumbent worker training funds through the partnership training 12 individuals. Coloring pages were created to represent five different careers that can be used as career education tools for elementary students. A partnership with a local high school medical careers club was established. The partnership provided funding for the medical career club teacher advisor to become certified as a CPR/First Aid instructor. Now medical career club students will gain an industry recognized credential upon graduation. The partnership assisted four school districts with transport to attend healthcare events throughout the coverage area. Updates to the healthcare magazines were made. Two professional development workshops were held.
- The 4th annual What's So Cool About Manufacturing? (WSCM) competition was held concluding with an awards ceremony in April 2024. Students from eight schools were matched with local manufacturers to create a short video highlighting the manufacturer in an effort to show career opportunities and change perceptions of the manufacturing industry. Videos are posted online and are part of a regional contest which resulted in over 20,000 online votes.

Northern Tier Regional Planning and Development Commission

Notes to Financial Statements

June 30, 2024

(Unaudited)

- NTRPDC secured an Industry Partnership grant through the PA Department of Labor and Industry to launch a Northeast Manufacturing Grant. The partnership kicked off in April 2024. Local manufacturers participated in roundtable discussions to prioritize challenges they would like to see addressed through the partnership. The partners meet on quarterly basis and often include an educational component. To date, training has included "Building a Culture that Works" and education regarding Apprenticeship and Pre-Apprenticeship opportunities.

Community & Economic Development

- While Community & Economic Development core funding remained nearly status-quo during fiscal year 2024, NTRPDC secured a two-year, \$200,000 ARC capacity grant for technical and grant writing assistance. The position is in its second year and an outreach campaign to connect municipalities with funding opportunities has been successful. More than \$4,000,000 has been brought into the region this year. In conjunction with the transportation planning staff, the Commission held two municipal summits to help educate municipalities.
- The value of International Trade sales for program clients was \$17.2 million, exceeding its annual goal of \$11.9 million, but a drop from last year. The 27 businesses served includes a strong core group of companies realizing international sales, and the export program continues to make a significant impact.
- The Procurement Program reached \$4.9 million in total client procurement sales, shy of the \$6 million goal. 176 businesses were served through the program.

Business-Type Activities

The business-type activities net assets increased by \$635,558 as a result of loan fund activities.

- The Business Finance Assistance Program served 103 businesses this program year, surpassing the goal of 80, with 14 loans closed, surpassing the goal of 12. Loan staff assisted businesses, providing guidance through the various federal and state assistance programs. The loan portfolio continues to remain strong, especially in light of the rising interest rates of the market.

Northern Tier Regional Planning and Development Commission

Notes to Financial Statements

June 30, 2024

(Unaudited)

As the end of fiscal year 2022, NTRPDC secured \$1.475 million in funds from the State Small Business Credit Initiative (SSBCI) to extend loans of no more than 50 percent of total financing to small business borrowers. The program focuses on rural businesses, businesses with less than 10 employees, and those socially and economically disadvantaged. The allocation for SSBCI is being released in three equal tranches, but each release is dependent upon the Commonwealth reaching specific benchmarks. NTRPDC has loaned its first tranche and the next tranche is anticipated FY 25. Because of dwindling funds to lend, NTRPDC has applied for USDA and ARC funds for this year.

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.

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 eight 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 six revolving loan programs and the Northern Tier Foundation and Northern Tier Inc., both of which are blended component units.

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.

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2024
(Unaudited)

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 14-27 of this report.

Condensed Statement of Net Assets

	<u>2024</u>	<u>2023</u>	<u>Change from 2023 to 2024</u>
Assets			
Current and other assets	\$ 3,981,439	\$ 4,212,724	\$ (231,285)
Capital assets	160,679	169,824	(9,145)
Loans receivable and other assets	<u>4,558,525</u>	<u>3,868,908</u>	<u>689,617</u>
Total	<u>\$ 8,700,643</u>	<u>\$ 8,251,456</u>	<u>\$ 449,187</u>
Liabilities and Net Assets			
Current liabilities	\$ 1,525,490	\$ 1,759,759	\$ (234,269)
Debt and other long-term liabilities	<u>596,220</u>	<u>632,261</u>	<u>(36,041)</u>
Total liabilities	<u>2,121,710</u>	<u>2,392,020</u>	<u>(270,310)</u>
Net assets			
Invested in capital assets, net of related debt	160,679	163,995	(3,316)
Restricted for loan programs	4,974,092	4,377,031	597,061
Restricted	<u>1,444,162</u>	<u>1,318,410</u>	<u>125,752</u>
Total net assets	<u>6,578,933</u>	<u>5,859,436</u>	<u>719,497</u>
Total	<u>\$ 8,700,643</u>	<u>\$ 8,251,456</u>	<u>\$ 449,187</u>

Northern Tier Regional Planning and Development Commission

Notes to Financial Statements

June 30, 2024

(Unaudited)

Condensed Statement of Activities

	<u>2024</u>	<u>2023</u>	<u>Change from 2023 To 2024</u>	<u>Percentage Change</u>
Revenues:				
Program revenues:				
Charges for services	\$ 775,602	\$ 303,569	\$472,033	155.49%
Operating grants and contributions	5,309,460	4,959,332	350,128	7.06%
General revenues, Investment earnings	4,105	4,738	(633)	(13.36%)
Total revenues	<u>6,089,167</u>	<u>5,267,639</u>	<u>506,528</u>	<u>9.62%</u>
Program Expenses:				
Governmental activities	5,242,676	4,920,653	322,023	6.54%
Business-type activities	<u>126,994</u>	<u>135,603</u>	<u>(8,609)</u>	<u>(6.35%)</u>
Total expenses	<u>5,369,670</u>	<u>5,056,256</u>	<u>313,414</u>	<u>6.20%</u>
Decrease/increase in net assets	719,497	211,383	508,144	240.39%
Net assets - Beginning	<u>5,859,436</u>	<u>5,648,053</u>	<u>211,383</u>	<u>3.74%</u>
Net assets - Ending	<u>\$ 6,578,933</u>	<u>\$ 5,859,436</u>	<u>\$ 719,497</u>	<u>12.28%</u>

Northern Tier Regional Planning and Development Commission

Notes to Financial Statements

June 30, 2024

(Unaudited)

Financial Analysis of the Fund Statements

Governmental Funds

The following represents a summary of fund revenue and expenses.

	<u>2024</u>	<u>2023</u>
Revenues:		
Federal and state grants and contracts	\$ 4,653,180	\$ 4,352,136
Other income	552,533	535,121
Counties' appropriations	60,000	60,000
In-kind services	60,902	36,821
	<u>60,902</u>	<u>36,821</u>
Total	<u>\$ 5,326,615</u>	<u>\$ 4,984,078</u>
	<u>2024</u>	<u>2023</u>
Expenses:		
Contracted services	\$ 2,959,798	\$ 2,919,303
Salaries and wages	1,087,351	1,014,041
Indirect costs	263,453	265,016
Fringe benefits	385,751	321,792
Lease financing principal	55,849	53,918
Travel and training	178,221	109,612
Supplies	31,483	24,377
Building use allowance	75,602	73,839
Professional fees & subscriptions	67,752	62,224
Other	23,807	27,208
In-kind services	60,902	36,821
Mini-grants	36,755	-
Advertising	8,585	8,316
Capital outlay	7,375	-
	<u>7,375</u>	<u>-</u>
Total	<u>\$ 5,242,684</u>	<u>\$ 4,916,467</u>

Northern Tier Regional Planning and Development Commission

Notes to Financial Statements

June 30, 2024

(Unaudited)

Revenues

The majority of revenues recognized by the Commission are derived from cost-reimbursement contracts with federal and state government and agencies. For fiscal year 2024, total revenues increased by 6.9% and total expenses increased by 6.6%.

Operating grant revenue from federal and state grants and contracts increased slightly by 6.9% which was primarily due to the increase in funding from the Appalachian Regional Commission for the TTAP ARISE program, competitive grants secured through the Pennsylvania Department of Labor & Industry, and an increase in WIOA formula funding.

Other income increased by 3.3% 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 14 loans closed in during fiscal year 2024, which was a decrease from 17 loans closed in the previous year.

Contributions from member counties remained consistent from the prior year. In-kind revenue increased by \$24,081 in fiscal year 2024, due to an increase in more in-person events post-pandemic and career events held through TTAP and BEP.

It was stated earlier in the MD&A that the Commission received an increase 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 increased by approximately 6.6%. A majority of funding provided through the Pennsylvania Department of Labor & Industry continues to be subcontracted to Trehab and Bradford County Action, Inc. to provide workforce related services in the Northern Tier region.

A major change during fiscal year 2022 was the implementation of GASB 87. According to GASB, the objective of this new statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Under this statement, Northern Tier is required to recognize a lease liability and an intangible right-to-use lease asset for leases that were previously classified as operating leases. These changes can be seen on the included financial statements.

Northern Tier Regional Planning and Development Commission

Notes to Financial Statements

June 30, 2024

(Unaudited)

In-person events, trainings, and travel continued to see an uptick this fiscal year as the effects of the Covid-19 pandemic continue to regress. In concurrence there was a significant increase within these expenditure line items.

In fiscal year 24, NTRPDC provided grants to small businesses to support participation in trade shows with an international audience and to school districts for career-related activities and events.

In-kind services increased in direct correlation to in-kind revenue, which is attributed to more in-person events and expansion of the TTAP program.

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, 2024

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
CURRENT ASSETS			
Cash	\$ 1,511,005	\$ 562,465	\$ 2,073,470
Due from grantors	1,158,709	-	1,158,709
Other receivables	117,028	8,231	125,259
Loans receivable	-	600,827	600,827
Prepaid expenses	22,150	1,024	23,174
TOTAL CURRENT ASSETS	<u>2,808,892</u>	<u>1,172,547</u>	<u>3,981,439</u>
NONCURRENT ASSETS			
Capital assets, net	15,454	145,225	160,679
Right to use assets, net	27,221	5,072	32,293
Loans receivable, net	-	4,526,232	4,526,232
TOTAL NONCURRENT ASSETS	<u>42,675</u>	<u>4,676,529</u>	<u>4,719,204</u>
TOTAL ASSETS	<u>\$ 2,851,567</u>	<u>\$ 5,849,076</u>	<u>\$ 8,700,643</u>
<u>LIABILITIES AND NET POSITION</u>			
CURRENT LIABILITIES			
Loans payable	\$ -	\$ 30,544	\$ 30,544
Lease liability	28,737	1,742	30,479
Accounts payable	738,531	3,288	741,819
Accrued salaries and benefits	25,352	-	25,352
Due to subrecipients	529,608	-	529,608
Due to other funds	76,499	(76,499)	-
Unearned revenue	167,688	-	167,688
TOTAL CURRENT LIABILITIES	<u>1,566,415</u>	<u>(40,925)</u>	<u>1,525,490</u>
NONCURRENT LIABILITIES			
Loans payable	-	466,981	466,981
Lease liability	-	3,462	3,462
Accrued leave and termination benefits	125,777	-	125,777
TOTAL NONCURRENT LIABILITIES	<u>125,777</u>	<u>470,443</u>	<u>596,220</u>
TOTAL LIABILITIES	<u>1,692,192</u>	<u>429,518</u>	<u>2,121,710</u>
NET POSITION			
Net investment in capital assets	15,454	145,225	160,679
Restricted	-	4,974,092	4,974,092
Unrestricted	1,143,921	300,241	1,444,162
TOTAL NET POSITION	<u>1,159,375</u>	<u>5,419,558</u>	<u>6,578,933</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 2,851,567</u>	<u>\$ 5,849,076</u>	<u>\$ 8,700,643</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, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business- Type Activities	Total
PRIMARY GOVERNMENT						
GOVERNMENTAL ACTIVITIES:						
Workforce Development	\$ 3,082,591	\$ -	\$ 3,082,591	\$ -	\$ -	\$ -
Community and Economic Development	<u>2,160,085</u>	<u>14,780</u>	<u>2,226,869</u>	<u>81,564</u>	<u>-</u>	<u>81,564</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>5,242,676</u>	<u>14,780</u>	<u>5,309,460</u>	<u>81,564</u>	<u>-</u>	<u>81,564</u>
BUSINESS-TYPE ACTIVITIES:						
Foundation	119,690	156,915	-	-	37,225	37,225
NTRPDC, Inc.	2,372	3,032	-	-	660	660
Economic Development Administration/ Appalachian Regional Commission	-	81,396	-	-	81,396	81,396
Farmers Home Administration Intermediary Relending Program	334	4,767	-	-	4,433	4,433
USDA Rural Development Intermediary Relending Program III	4,598	12,482	-	-	7,884	7,884
Farmers Home Administration Small Business Loan Program	-	23,153	-	-	23,153	23,153
Farmers Home Administration Rural Business Enterprise Grant Program	-	18,897	-	-	18,897	18,897
State Small Business Credit Initiative	<u>-</u>	<u>460,180</u>	<u>-</u>	<u>-</u>	<u>460,180</u>	<u>460,180</u>
TOTAL BUSINESS-TYPE ACTIVITIES	<u>126,994</u>	<u>760,822</u>	<u>-</u>	<u>-</u>	<u>633,828</u>	<u>633,828</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 5,369,670</u>	<u>\$ 775,602</u>	<u>\$ 5,309,460</u>	<u>81,564</u>	<u>633,828</u>	<u>715,392</u>
GENERAL REVENUES, UNRESTRICTED						
INVESTMENT EARNINGS				<u>2,375</u>	<u>1,730</u>	<u>4,105</u>
CHANGE IN NET POSITION				<u>83,939</u>	<u>635,558</u>	<u>719,497</u>
NET POSITION - BEGINNING				<u>1,075,436</u>	<u>4,784,000</u>	<u>5,859,436</u>
NET POSITION - ENDING				<u>\$ 1,159,375</u>	<u>\$ 5,419,558</u>	<u>\$ 6,578,933</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, 2024

	<u>Workforce Development</u>	<u>Community and Economic Development</u>	<u>Total</u>
<u>ASSETS</u>			
Cash	\$ 484,398	\$ 1,026,607	\$ 1,511,005
Due from grantors	467,370	691,339	1,158,709
Other receivables	110,324	6,704	117,028
Prepaid expenses	<u>5,360</u>	<u>16,790</u>	<u>22,150</u>
TOTAL ASSETS	<u>\$ 1,067,452</u>	<u>\$ 1,741,440</u>	<u>\$ 2,808,892</u>
<u>LIABILITIES AND FUND BALANCES</u>			
LIABILITIES			
Accounts payable	\$ 529,995	\$ 208,536	\$ 738,531
Accrued salaries and benefits	7,929	17,423	25,352
Due to subrecipients	372,937	156,671	529,608
Due to other funds	-	76,499	76,499
Unearned revenue	<u>156,591</u>	<u>11,097</u>	<u>167,688</u>
TOTAL LIABILITIES	<u>1,067,452</u>	<u>470,226</u>	<u>1,537,678</u>
FUND BALANCE			
Nonspendable	-	16,790	16,790
Unassigned	<u>-</u>	<u>1,254,424</u>	<u>1,254,424</u>
TOTAL FUND BALANCES	<u>-</u>	<u>1,271,214</u>	<u>1,271,214</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,067,452</u>	<u>\$ 1,741,440</u>	<u>\$ 2,808,892</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, 2024

Total Fund Balances - Governmental Funds \$ 1,271,214

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 15,454

Leased assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 27,221

Liabilities related to capital leases are not reported in the funds as the reduction of the liability is instead reported as an expense. (28,737)

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. (125,777)

Total Net Position - Governmental Activities \$ 1,159,375

Northern Tier Regional Planning and Development Commission
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2024

	<u>Workforce Development</u>	<u>Community and Economic Development</u>	<u>Total</u>
REVENUES			
Federal grants and contracts	\$ 2,587,300	\$ 1,193,276	\$ 3,780,576
State grants and contracts	97,158	775,446	872,604
Other income	398,133	154,400	552,533
Counties' appropriations	-	60,000	60,000
In-kind services	-	60,902	60,902
TOTAL REVENUES	<u>3,082,591</u>	<u>2,244,024</u>	<u>5,326,615</u>
EXPENDITURES			
Contracted services	2,276,954	682,844	2,959,798
Salaries and wages	372,020	715,331	1,087,351
Indirect costs	88,834	174,619	263,453
Fringe benefits	120,887	264,864	385,751
Building use allowance	24,019	51,583	75,602
Mini grants	15,391	21,364	36,755
Office supplies and postage	10,060	21,423	31,483
Miscellaneous	-	11,983	11,983
Equipment show expense	-	10,462	10,462
Tuition and seminars	49,444	32,089	81,533
Apprenticeship training	24,203	-	24,203
Travel	25,355	43,302	68,657
Dues and subscriptions	16,750	37,135	53,885
In-kind services	-	60,902	60,902
Vehicle use allowance	1,072	2,756	3,828
Professional fees	525	13,342	13,867
Lease financing principal	54,442	1,407	55,849
Interest	1,362	-	1,362
Capital outlay	-	7,375	7,375
Advertising	1,273	7,312	8,585
TOTAL EXPENDITURES	<u>3,082,591</u>	<u>2,160,093</u>	<u>5,242,684</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>83,931</u>	<u>83,931</u>
NET CHANGE IN FUND BALANCES	-	83,931	83,931
FUND BALANCE, BEGINNING	<u>-</u>	<u>1,187,283</u>	<u>1,187,283</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ 1,271,214</u>	<u>\$ 1,271,214</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, 2024

Net Change in Fund Balances - Governmental Funds \$ 83,931

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. (4,188)

Repayment of debt associated with capital leases is reported in the governmental funds as expenditures. However, for governmental activities, those costs are shown as a reduction of liabilities in the combined Statement of Net Position and allocated over the life of the lease as amortization in the combined Statement of Activities. This is the net amount of repayment of long-term debt less amortization in the current period. 1,407

Capital outlays to purchase capital assets are reported in the governmental funds as expenditures. However, for governmental activities, those costs are shown in the combined Statement of Net Position and allocated over their estimated useful lives as annual depreciation in the combined Statement of Activities. This is the net amount of capital outlays less depreciation in the current period. 2,789

Change in Net Position - Governmental Activities \$ 83,939

Northern Tier Regional Planning and Development Commission
Statement of Net Position
Enterprise Funds
June 30, 2024

	Foundation	NTRPDC, Inc.	EDA/ARC	FMHA-IRP	USDA-RD -IRP III	FMHA-SBLP	FMHA-RBEG	DCED-SSBCI	Total (Memorandum Only)
ASSETS									
CURRENT ASSETS									
Cash	\$ 64,799	\$ 87,860	\$ 183,201	\$ 87,979	\$ 45,720	\$ 43,091	\$ 29,753	\$ 20,062	\$ 562,465
Due from other funds	76,499	-	-	-	-	-	-	-	76,499
Due from SSBCI	-	-	-	-	-	-	-	8,231	8,231
Prepaid expense	1,024	-	-	-	-	-	-	-	1,024
Loans receivable, current	-	6,053	319,253	23,635	35,090	113,545	75,461	27,790	600,827
TOTAL CURRENT ASSETS	142,322	93,913	502,454	111,614	80,810	156,636	105,214	56,083	1,249,046
NONCURRENT ASSETS									
Capital assets, net	145,225	-	-	-	-	-	-	-	145,225
Right to use assets, net	5,072	-	-	-	-	-	-	-	5,072
Loans receivable, net	-	67,426	2,342,440	126,271	433,668	594,180	554,988	407,259	4,526,232
TOTAL NONCURRENT ASSETS	150,297	67,426	2,342,440	126,271	433,668	594,180	554,988	407,259	4,676,529
TOTAL ASSETS	\$ 292,619	\$ 161,339	\$ 2,844,894	\$ 237,885	\$ 514,478	\$ 750,816	\$ 660,202	\$ 463,342	\$ 5,925,575
LIABILITIES AND NET POSITION									
CURRENT LIABILITIES									
Loans payable, current	\$ -	\$ -	\$ -	\$ 14,153	\$ 16,391	\$ -	\$ -	\$ -	\$ 30,544
Lease liability, current	1,742	-	-	-	-	-	-	-	1,742
Accounts payable	3,288	-	-	-	-	-	-	-	3,288
TOTAL CURRENT LIABILITIES	5,030	-	-	14,153	16,391	-	-	-	35,574
NONCURRENT LIABILITIES									
Loans payable	-	-	-	-	466,981	-	-	-	466,981
Lease liability	3,462	-	-	-	-	-	-	-	3,462
TOTAL NONCURRENT LIABILITIES	3,462	-	-	-	466,981	-	-	-	470,443
TOTAL LIABILITIES	8,492	-	-	14,153	483,372	-	-	-	506,017
NET POSITION									
Net investment in capital assets	145,225	-	-	-	-	-	-	-	145,225
Restricted	-	-	2,844,894	223,732	31,106	750,816	660,202	463,342	4,974,092
Unrestricted	138,902	161,339	-	-	-	-	-	-	300,241
TOTAL NET POSITION	284,127	161,339	2,844,894	223,732	31,106	750,816	660,202	463,342	5,419,558
TOTAL LIABILITIES AND NET POSITION	\$ 292,619	\$ 161,339	\$ 2,844,894	\$ 237,885	\$ 514,478	\$ 750,816	\$ 660,202	\$ 463,342	\$ 5,925,575

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, 2024

	Foundation	NTRPDC, Inc.	EDA/ARC	FMHA-IRP	USDA-RD -IRP III	FMHA-SBLP	FMHA-RBEG	DCED-SSBCI	Total (Memorandum Only)
OPERATING REVENUES									
Loan fund interest	\$ -	\$ 3,032	\$ 81,396	\$ 4,767	\$ 12,482	\$ 23,153	\$ 18,897	10,180	\$ 153,907
SSBCI revolving loan income	-	-	-	-	-	-	-	450,000	450,000
Rental income	155,041	-	-	-	-	-	-	-	155,041
Miscellaneous income	1,874	-	-	-	-	-	-	-	1,874
TOTAL OPERATING REVENUES	156,915	3,032	81,396	4,767	12,482	23,153	18,897	460,180	760,822
OPERATING EXPENSES									
Janitorial	25,474	-	-	-	-	-	-	-	25,474
Depreciation and amortization	19,381	-	-	-	-	-	-	-	19,381
Amortization expense: right-of-use asset	1,739	-	-	-	-	-	-	-	1,739
Interest expense: right-of-use asset	149	-	-	-	-	-	-	-	149
Utilities	34,191	-	-	-	-	-	-	-	34,191
Maintenance and supplies	13,419	-	-	-	-	-	-	-	13,419
Contracted services	10,217	456	-	-	-	-	-	-	10,673
Professional fees	12,574	1,913	-	-	-	-	-	-	14,487
Postage	19	-	-	-	-	-	-	-	19
Miscellaneous	2,500	3	-	-	-	-	-	-	2,503
TOTAL OPERATING EXPENSES	119,663	2,372	-	-	-	-	-	-	122,035
OPERATING INCOME	37,252	660	81,396	4,767	12,482	23,153	18,897	460,180	638,787
NONOPERATING REVENUE (EXPENSE)									
Interest income	502	110	205	-	-	-	55	858	1,730
Interest expense	(27)	-	-	(334)	(4,598)	-	-	-	(4,959)
NONOPERATING REVENUE (EXPENSE), NET	475	110	205	(334)	(4,598)	-	55	858	(3,229)
CHANGE IN NET POSITION	37,727	770	81,601	4,433	7,884	23,153	18,952	461,038	635,558
NET POSITION, BEGINNING OF YEAR	246,400	160,569	2,763,293	219,299	23,222	727,663	641,250	2,304	4,784,000
NET POSITION, END OF YEAR	\$ 284,127	\$ 161,339	\$ 2,844,894	\$ 223,732	\$ 31,106	\$ 750,816	\$ 660,202	\$ 463,342	\$ 5,419,558

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, 2024

	Foundation	NTRPDC, Inc.	EDA/ARC	FMHA-IRP	USDA-RD -IRP III	FMHA-SBLP	FMHA-RBEG	DCED-SSBCI	Total (Memorandum Only)
CASH FLOWS FROM OPERATING ACTIVITIES									
Rental income received	\$ 101,541	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 101,541
Miscellaneous income received	1,874	-	-	-	-	-	-	-	1,874
Loan payments received (disbursed)	-	8,851	(177,155)	31,705	(57,960)	(18,436)	(6,953)	(424,869)	(644,817)
Interest paid on right to use assets	(149)	-	-	-	-	-	-	-	(149)
Payments to suppliers	(64,051)	(2,372)	-	-	-	-	-	-	(66,423)
Payments to utilities	(34,191)	-	-	-	-	-	-	-	(34,191)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	5,024	6,479	(177,155)	31,705	(57,960)	(18,436)	(6,953)	(424,869)	(642,165)
CASH FLOWS FROM INVESTING ACTIVITIES									
Interest received	502	110	205	-	-	-	55	858	1,730
NET CASH PROVIDED BY INVESTING ACTIVITIES	502	110	205	-	-	-	55	858	1,730
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES									
Drawdowns off/(repayment of) amounts due to FMHA-IRP	-	-	-	(20,231)	20,872	-	-	-	641
Repayment of note payable	(6,874)	-	-	-	-	-	-	-	(6,874)
Repayment of lease liability	(1,699)	-	-	-	-	-	-	-	(1,699)
Purchase of capital assets	(7,448)	-	-	-	-	-	-	-	(7,448)
Interest paid	(27)	-	-	(334)	(4,598)	-	-	-	(4,959)
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	(16,048)	-	-	(20,565)	16,274	-	-	-	(20,339)
NET INCREASE (DECREASE) IN CASH	(10,522)	6,589	(176,950)	11,140	(41,686)	(18,436)	(6,898)	(424,011)	(660,774)
CASH, BEGINNING OF YEAR	75,321	81,271	360,151	76,839	87,406	61,527	36,651	444,073	1,223,239
CASH, END OF YEAR	\$ 64,799	\$ 87,860	\$ 183,201	\$ 87,979	\$ 45,720	\$ 43,091	\$ 29,753	\$ 20,062	\$ 562,465
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES									
Operating income	\$ 37,252	\$ 660	\$ 81,396	\$ 4,767	\$ 12,482	\$ 23,153	\$ 18,897	\$ 460,180	\$ 638,787
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:									
Depreciation	19,381	-	-	-	-	-	-	-	19,381
Amortization expense: right-of-use asset	1,739	-	-	-	-	-	-	-	1,739
Changes in assets and liabilities:									
Due from other funds	(53,500)	-	-	-	-	-	-	(8,231)	(61,731)
Prepaid expenses	(40)	-	-	-	-	-	-	-	(40)
Loans receivable	-	5,819	(258,551)	26,938	(70,442)	(41,589)	(25,850)	(435,049)	(798,724)
Deferred revenue	-	-	-	-	-	-	-	(441,769)	(441,769)
Accounts payable	192	-	-	-	-	-	-	-	192
TOTAL ADJUSTMENTS	(32,228)	5,819	(258,551)	26,938	(70,442)	(41,589)	(25,850)	(885,049)	(1,280,952)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 5,024	\$ 6,479	\$ (177,155)	\$ 31,705	\$ (57,960)	\$ (18,436)	\$ (6,953)	\$ (424,869)	\$ (642,165)

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

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2024

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, 2024. 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, No. 39, Determining Whether Certain Organizations are Component Units (an amendment of No. 14), No. 61, The Financial Reporting Entity: Omnibus - an Amendment of GASB Statements No. 14 and 34, No. 80, Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14, No. 90, Majority Equity Interests – an Amendment of GASB Statements No. 14 and No. 61, and No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32. 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 units 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, 2024

- 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, 2024

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 eight 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. Northern Tier Regional Planning and Development Commission, Inc. is a 501 (c) (4) corporation.

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, 2024

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.

DCED-SSBCI - is used to account for all activity in the State Small Business Credit Initiative Revolving Loan Fund 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, depreciation on capital assets, and expenses related to right-of-use assets (leases). 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>
Building and improvements	20 - 30
Office furniture, vehicles and equipment	5 - 15

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2024

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 been 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, 2024

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. At June 30, 2024, contributed services of \$60,902 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, which is based upon the estimated national value of volunteer hours.

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 \$2,073,470 as of June 30, 2024. The bank balance totaled \$2,098,044 as of June 30, 2024. 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:

	<u>Balance</u>
Insured	\$ 863,537
Uninsured:	
Collateral held by pledging bank's trust department not in the Commission's name	<u>1,234,507</u>
TOTAL	<u>\$ 2,098,044</u>

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2024

NOTE 3 – Capital Assets

Activity in capital assets for the year ended June 30, 2024 is as follows:

	July 1, 2023	Additions	Disposals	June 30, 2024
GOVERNMENTAL ACTIVITIES				
Office furniture, vehicles and equipment	\$ 28,337	\$ 7,375	\$ -	\$ 35,712
Accumulated depreciation	<u>(15,672)</u>	<u>(4,586)</u>	<u>-</u>	<u>(20,258)</u>
GOVERNMENTAL ACTIVITIES CAPITAL				
ASSETS, NET	<u>\$ 12,665</u>	<u>\$ 2,789</u>	<u>\$ -</u>	<u>\$ 15,454</u>
 BUSINESS-TYPE ACTIVITIES (FOUNDATION)				
Land	\$ 13,724	\$ -	\$ -	\$ 13,724
Capital assets being depreciated:				
Building and improvements	551,719	7,448	-	559,167
Office furniture, vehicles and equipment	<u>43,991</u>	<u>-</u>	<u>-</u>	<u>43,991</u>
TOTAL	<u>609,434</u>	<u>7,448</u>	<u>-</u>	<u>616,882</u>
Accumulated depreciation:				
Building and improvements	(408,285)	(19,381)	-	(427,666)
Office furniture, vehicles and equipment	<u>(43,991)</u>	<u>-</u>	<u>-</u>	<u>(43,991)</u>
TOTAL	<u>(452,276)</u>	<u>(19,381)</u>	<u>-</u>	<u>(471,657)</u>
BUSINESS-TYPE ACTIVITIES CAPITAL				
ASSETS, NET	<u>\$ 157,158</u>	<u>\$ (11,933)</u>	<u>\$ -</u>	<u>\$ 145,225</u>

NOTE 4 – Lease Activity

The Commission implemented GASB 87, "Leases," for the fiscal year ended June 30, 2022. This converted all existing long-term operating leases to capital leases. Short-term leases (with terms of 12 months or less) are exempt from this standard.

The Commission had long-term leases of equipment and a building during the year ended June 30, 2024. All leases used an incremental borrowing rate of 2.5%, based on the Commission's line of credit rate. As of June 30, 2024 there are two active leases: a building lease in the governmental activities, and a water cooler lease in the business-type activities. The building lease has monthly payments ranging from \$4,721 to \$4,814 and ends December 31, 2024. The water cooler lease has monthly payments of \$154 and ends May 31, 2027.

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2024

Lease activity for the year ended June 30, 2024 is as follows:

	July 1, <u>2023</u>	<u>Additions</u>	<u>Disposals</u>	June 30, <u>2024</u>
GOVERNMENTAL ACTIVITIES				
Leased equipment (intangible asset)	\$ 190,548	\$ -	\$ -	\$ 190,548
Accumulated amortization	<u>(108,885)</u>	<u>(54,442)</u>	<u>-</u>	<u>(163,327)</u>
GOVERNMENTAL ACTIVITIES				
LEASE ACTIVITY, NET	<u>\$ 81,663</u>	<u>\$ (54,442)</u>	<u>\$ -</u>	<u>\$ 27,221</u>
BUSINESS-TYPE ACTIVITIES (FOUNDATION)				
Leased equipment (intangible asset)	\$ 8,695	\$ -	\$ -	\$ 8,695
Accumulated amortization	<u>(1,884)</u>	<u>(1,739)</u>	<u>-</u>	<u>(3,623)</u>
BUSINESS-TYPE ACTIVITIES				
LEASE ACTIVITY, NET	<u>\$ 6,811</u>	<u>\$ (1,739)</u>	<u>\$ -</u>	<u>\$ 5,072</u>

Below is the maturity analysis of the Commission's lease liability:

Years ending June 30:	<u>Liability Reduction</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 30,479	\$ 256	\$ 30,735
2026	1,786	62	1,848
2027	1,676	18	1,694
Thereafter	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL	<u>\$ 33,941</u>	<u>\$ 336</u>	<u>\$ 34,277</u>

NOTE 5 – Due to Subrecipients

The amounts due to subrecipients in the Commission's government activities are as follows at June 30, 2024:

Due to Bradford County Action	\$ 109,434
Due to Trehab Center	263,503
Due to BeST Transit	5,503
Due to Corning Community College (TTAP)	11,791
Due to Career Development Council (TTAP)	34,793
Due to Southern Tier Central Regional Planning & Development Board (TTAP)	77,077
Due to CSS Workforce New York (TTAP)	<u>27,507</u>
DUE TO SUBRECIPIENTS	<u>\$ 529,608</u>

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2024

NOTE 6 – Revolving Loan Programs

The Commission participates in eight 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 \$1,413,000 in the fiscal year ended June 30, 2024 and collected principal and interest repayments of approximately \$827,000. The programs are summarized below:

Pennsylvania Small Business First Program (SBFP)

The Commission has an agreement with the Commonwealth of Pennsylvania, Department of Community and Economic Development (“DCED”) to participate in the SBFP. 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 \$2,996,347 at June 30, 2024.

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 \$1,024,930 at June 30, 2024.

Northern Tier Regional Planning and Development Commission

Notes to Financial Statements

June 30, 2024

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

The Commission originally 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. As of June 26, 2023, this loan has been de-federalized. Therefore, no reporting is required, and this loan will no longer be included in the SEFA, but EDA reserves the right to monitor the funds if necessary.

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

An allowance of \$64,780 has been established for the loans outstanding under these programs.

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, 2024, the loan had a balance outstanding of \$14,153.

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, 2024, the loan had a balance outstanding of \$483,372.

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2024

No allowance has been deemed necessary for the loans outstanding under these programs. However, the Commission maintains a balance of at least 6% of the outstanding loans in the revolving loan fund account as a potential reserve for allowances, per the USDA loan agreement.

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 \$37,809 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.

An allowance of \$13,998 has been established for the loans outstanding under these programs.

State Small Business Credit Initiative (DCED-SSBCI)

The Commission has entered into an agreement with the Commonwealth of Pennsylvania, Department of Community and Economic Development ("DCED") to participate in the State Small Business Credit Initiative (SSBCI) revolving loan fund. A total of \$1,475,000 was approved for the Commission. The first tranche of funds was received during the fiscal year, and the remainder will be received over the next few years.

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

Northern Tier Regional Planning and Development Commission
Notes to Financial Statements
June 30, 2024

NOTE 7 – Long-Term Liabilities

At June 30, 2024, the Commission's business-type activities long-term debt consisted of the following:

	Balance at July 1, <u>2023</u>	<u>Additions</u>	<u>Payments</u>	Balance at June 30, <u>2024</u>	Current <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.	\$ 5,829	\$ -	\$ (5,829)	\$ -	\$ -
1% loan payable to FMHA, in annual installments of \$20,565, including interest through 2024; collateralized by the assets of the Revolving Loan Fund.	34,384	-	(20,231)	14,153	14,153
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>462,500</u>	<u>37,500</u>	<u>(16,628)</u>	<u>483,372</u>	<u>16,391</u>
TOTAL	<u>\$ 502,713</u>	<u>\$ 37,500</u>	<u>\$ (42,688)</u>	<u>\$ 497,525</u>	<u>\$ 30,544</u>

Scheduled principal and interest payments on the note and loans payable are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Years ending June 30:			
2025	\$ 30,544	\$ 4,834	\$ 35,378
2026	16,555	4,670	21,225
2027	16,721	4,504	21,225
2028	16,888	4,337	21,225
2029	17,057	4,168	21,225
Thereafter	<u>399,760</u>	<u>45,374</u>	<u>445,134</u>
TOTAL	<u>\$ 497,525</u>	<u>\$ 67,887</u>	<u>\$ 565,412</u>

Interest expense on the above obligations totaled \$4,959 in fiscal year 2024.

The Commission obtained a \$500,000 line of credit. The interest on any draw is variable, resetting annually (2.50% at June 30, 2024). At June 30, 2024 there were no draws against the line of credit. The line of credit expires June 30, 2025.

Northern Tier Regional Planning and Development Commission

Notes to Financial Statements

June 30, 2024

NOTE 8 – 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, 2023	\$	121,589
Additions		102,186
Payouts		<u>(97,998)</u>
Accrued leave liability, June 30, 2024	\$	<u>125,777</u>

NOTE 9 – 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, 2024, one employee was eligible and accepted the early termination benefit. The commission assumed that the full benefit amount of \$33,000 would be claimed by the employee. The funds that were used to pay this benefit were in a non-interest-bearing account, and therefore no discount rate was used in determining the cost of the benefit. The total \$33,000 has been paid to the employee. The total cost less the total to date payments has been recorded in the noncurrent liabilities section of the governmental activities as part of "accrued leave and termination benefits." For fiscal year 2024, this amount is zero.

NOTE 10 – Deferred Compensation Plan

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

Employees have the option to choose between paid health insurance coverage or a deferred compensation plan. For those opting for the deferred compensation plan, the Commission contributed up to \$750 per month. Employees enrolled in the Custom PPO health plan had their health insurance premiums fully covered, regardless of cost. If the premium, including dependents, was less than \$750 per month, the remaining amount was contributed to the deferred compensation plan. Starting March 18, 2024, employees can choose to receive any leftover funds as a cash payment, defer them to the compensation plan, or opt for a combination of both.

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 \$37,947 in fiscal year 2024.

NOTE 11 – 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, 2024 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.

NOTE 12 – Indirect Cost Rate

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. These rates were used, limited by funder requirements. The Commission's indirect rates are submitted to the U.S. Department of Commerce for approval.

Northern Tier Regional Planning and Development Commission
Combining Schedule of Revenues and Expenditures - Governmental Funds
For the year ended June 30, 2024

	UNRESTRICTED	ARC PREP 24	ARC R&R	PA-DOT SPEC	PA-DOT EMTA	PA-DOT	ARCLDD 23	ARCLDD 24	OIBD
Revenues									
Federal grants and contracts	\$ -	\$ 346,425	\$ 86,045	\$ 11,837	\$ 5,503	\$ 175,986	\$ 71,190	\$ 55,654	\$ -
State grants and contracts	-	-	-	-	-	7,753	-	-	71,000
Other income	148,414	1,200	-	-	-	-	-	-	-
Counties' appropriations	60,000	-	-	-	-	-	-	-	-
In-kind services	28,077	-	-	-	-	-	-	-	-
TOTAL REVENUES	236,491	347,625	86,045	11,837	5,503	183,739	71,190	55,654	71,000
Expenditures									
Contracted services	1,770	54,728	2,680	1,050	5,503	2,312	3,035	178	597
Salaries and wages	38,014	136,345	44,772	6,199	-	100,453	37,897	25,078	36,119
Indirect costs	7,941	33,156	11,114	1,539	-	24,936	10,753	11,928	8,934
Fringe benefits	3,392	49,023	17,884	2,476	-	40,125	14,234	14,043	14,427
Mini grants	-	21,364	-	-	-	-	-	-	-
Miscellaneous	11,943	-	-	-	-	-	-	-	-
Equipment show expense	10,462	-	-	-	-	-	-	-	-
In-kind services	28,077	-	-	-	-	-	-	-	-
Building use allowance	-	9,979	4,878	440	-	8,746	2,554	1,751	2,239
Travel	7,480	17,670	2,031	-	-	671	1,082	754	5,662
Office supplies and postage	187	7,443	296	-	-	3,627	106	242	953
Tuition and seminars	3,058	11,090	2,106	-	-	-	643	354	1,765
Apprenticeship training	-	-	-	-	-	-	-	-	-
Dues and subscriptions	17,789	2,955	75	-	-	1,524	-	750	229
Vehicle use allowance	-	727	209	133	-	228	320	576	75
Professional fees	8,319	3,133	-	-	-	-	566	-	-
Lease right-of-use asset	-	-	-	-	-	-	-	-	-
Lease financing principal	1,407	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Capital outlay	7,375	-	-	-	-	-	-	-	-
Advertising	5,346	12	-	-	-	1,117	-	-	-
TOTAL EXPENDITURES	152,560	347,625	86,045	11,837	5,503	183,739	71,190	55,654	71,000
REVENUES IN EXCESS OF EXPENDITURES	83,931	-	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ 83,931	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ARC PREP - Appalachian Regional Commission Partnerships for Regional Economic Performance
ARCLDD - Appalachian Regional Commission Local Development District
ARC R&R - Appalachian Regional Commission Response & Resiliency
ARC TTAP ARISE - Appalachian Regional Commission Twin Tiers ARISE
(Appalachian Regional Initiative for Stronger Economies) Program
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

Northern Tier Regional Planning and Development Commission
Combining Schedule of Revenues and Expenditures - Governmental Funds (Cont'd)
For the year ended June 30, 2024

	PREP 23	PREP 24	EDA 23	EDA 24	DOD 23	DOD 24	ENGAGEI	ARC TTAP ARISE	EARN	WIOA	Total
Revenues											
Federal grants and contracts	\$ -	\$ -	\$ 36,483	\$ 32,205	\$ 59,462	\$ 21,455	\$ -	\$ 291,031	\$ 390,840	\$ 2,196,460	\$ 3,780,576
State grants and contracts	128,524	419,169	-	-	-	-	149,000	-	-	97,158	872,604
Other income	419	3,652	416	-	-	-	299	-	-	398,133	552,533
Counties' appropriations	-	-	-	-	-	-	-	-	-	-	60,000
In-kind services	-	-	-	12,000	-	-	-	20,825	-	-	60,902
TOTAL REVENUES	128,943	422,821	36,899	44,205	59,462	21,455	149,299	311,856	390,840	2,691,751	5,326,615
Expenditures											
Contracted services	93,663	118,449	13,678	8,398	7,071	16	127,031	242,685	321,274	1,955,680	2,959,798
Salaries and wages	17,702	173,197	12,549	13,350	27,586	8,898	12,636	24,536	37,090	334,930	1,087,351
Indirect costs	4,394	35,945	3,561	2,868	7,187	1,870	2,851	5,642	9,032	79,802	263,453
Fringe benefits	7,071	66,032	4,713	5,632	10,917	3,656	4,977	6,262	14,815	106,072	385,751
Mini grants	-	-	-	-	-	-	-	-	-	15,391	36,755
Miscellaneous	-	-	40	-	-	-	-	-	-	-	11,983
Equipment show expense	-	-	-	-	-	-	-	-	-	-	10,462
In-kind services	-	-	-	12,000	-	-	-	20,825	-	-	60,902
Building use allowance	828	13,532	971	965	2,107	702	1,053	838	3,318	20,701	75,602
Travel	227	3,723	508	111	1,266	140	212	1,765	179	25,176	68,657
Office supplies and postage	5,000	1,584	8	4	627	-	25	1,321	193	9,867	31,483
Tuition and seminars	-	4,491	225	10	647	325	476	6,899	387	49,057	81,533
Apprenticeship training	-	-	-	-	-	-	-	-	-	24,203	24,203
Dues and subscriptions	58	4,939	526	491	1,950	5,849	-	-	3,955	12,795	53,885
Vehicle use allowance	-	323	-	-	104	(1)	38	24	-	1,072	3,828
Professional fees	-	265	-	-	-	-	-	1,059	525	-	13,867
Lease financing principal	-	-	-	-	-	-	-	-	-	54,442	55,849
Interest	-	-	-	-	-	-	-	-	-	1,362	1,362
Capital outlay	-	-	-	-	-	-	-	-	-	-	7,375
Advertising	-	341	120	376	-	-	-	-	72	1,201	8,585
TOTAL EXPENDITURES	128,943	422,821	36,899	44,205	59,462	21,455	149,299	311,856	390,840	2,691,751	5,242,684
REVENUES IN EXCESS OF EXPENDITURES	-	-	-	-	-	-	-	-	-	-	83,931
NET CHANGE IN FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83,931

Northern Tier Regional Planning and Development Commission
Schedule of Expenditures of Federal Awards
For the year ended June 30, 2024

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, 2023	Revenues Recognized	Federal Expenditures	Accrued or (Unearned) Revenue at June 30, 2024	Expenses Passed Through to Subrecipients
Appalachian Regional Commission										
Local Development District Administrative Grant	D	23.009	PA-708-C-C51-23	\$ 133,847	\$ 68,824	\$ (4,366)	\$ 71,190	\$ 71,190	\$ -	
Local Development District Administrative Grant	D	23.009	PA-708-C-C52-24	133,502	68,751	-	55,854	55,854	(11,097)	
Total CFDA #23.009				267,149	133,575	(4,366)	126,844	126,844	(11,097)	\$ -
Appalachian Regional Commission PREP	D	23.001	PA-8305-C41-22	285,000	28,500	28,500	-	-	-	
Appalachian Regional Commission PREP	D	23.001	PA-8305-C42-23	348,425	208,816	-	348,425	348,425	137,809	
ARC Response & Resiliency Initiative	D	23.001	PA-21002-23	200,000	108,893	24,085	86,045	86,045	3,237	
Total CFDA #23.001				831,425	344,009	52,585	432,470	432,470	141,046	-
Appalachian Regional Commission Twin Tiers ARISE Program	D	23.002	MU-21391-TTAP-23	4,522,668	125,513	-	291,031	291,031	165,518	
Total CFDA #23.002				4,522,668	125,513	-	291,031	291,031	165,518	239,673
Total Appalachian Regional Commission				5,821,240	603,097	48,219	850,345	850,345	295,467	239,673
U.S. Department of Commerce										
Economic Development Administration	D	11.302	ED22PHI3020025	210,000	51,185	14,703	68,688	68,688	32,205	
Total CFDA #11.302				210,000	51,185	14,703	68,688	68,688	32,205	-
Total U.S. Department of Commerce				210,000	51,185	14,703	68,688	68,688	32,205	-
U.S. Department of Health and Human Services										
TANF Cluster										
Passed-through Pennsylvania Department of Labor & Industry:										
WIOA Youth - TANF	I	93.558	130213381	142,273	2,817	2,817	-	-	-	
WIOA Youth - TANF	I	93.558	130223381	112,275	24,295	14,857	10,893	10,893	1,455	
WIOA Youth - TANF	I	93.558	130233381	109,332	92,525	-	98,399	98,399	5,874	
Total CFDA #93.558				363,880	119,437	17,474	109,292	109,292	7,329	89,488
Passed-through Pennsylvania Department of Human Services:										
EARN - TANF - Federal (New Directions)	I	93.558	FY23: 70121	375,039	99,802	99,802	-	-	-	
EARN - TANF - Federal (New Directions)	I	93.558	FY24-25: 70121	750,078	320,142	-	375,039	375,039	54,897	
Total CFDA #93.558				1,125,117	419,944	99,802	375,039	375,039	54,897	305,416
Total TANF Cluster				1,488,997	539,381	117,276	484,331	484,331	62,226	404,902
Total U.S. Department of Health and Human Services				1,488,997	539,381	117,276	484,331	484,331	62,228	404,902

Northern Tier Regional Planning and Development Commission
Schedule of Expenditures of Federal Awards (Cont'd)
For the year ended June 30, 2024

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, 2023	Revenues Recognized	Federal Expenditures	Accrued or (Unearned) Revenue at June 30, 2024	Expenses Passed Through to Subrecipients
U.S. Department of Labor										
Passed-through Pennsylvania Department of Labor & Industry:										
WIOA Cluster										
Adult	I	17.258	130223001	65,329	6,533	291	6,242	6,242	-	
Adult	I	17.258	130223011	291,945	199,964	48,993	150,971	150,971	-	
Adult	I	17.258	130233001	74,023	66,621	-	66,621	66,621	-	
Adult	I	17.258	130233011	302,351	151,575	-	272,116	272,116	120,541	
Adult RFF	I	17.258	130203131	330,929	2,052	2,052	-	-	-	
Total CFDA #17.258				1,064,577	426,745	51,336	495,950	495,950	120,541	440,555
Youth	I	17.259	130213301	370,612	3,277	3,277	-	-	-	
Youth	I	17.259	130223301	350,871	118,399	22,354	104,787	104,787	8,742	
Youth	I	17.259	130233301	336,897	178,445	-	226,683	226,683	48,238	
Youth ADA Equipment	I	17.259	130223341	2,551	2,551	-	2,551	2,551	-	
Total CFDA #17.259				1,060,931	302,872	25,831	334,021	334,021	56,980	199,476
Dislocated Worker	I	17.278	130214011	528,481	5,885	5,885	-	-	-	
Dislocated Worker	I	17.278	130224001	180,775	18,078	594	17,484	17,484	-	
Dislocated Worker	I	17.278	130224011	685,520	310,934	92,524	239,497	239,497	21,087	
Dislocated Worker	I	17.278	130234001	283,733	284,360	-	264,360	264,360	-	
Dislocated Worker	I	17.278	130234011	773,868	304,109	-	424,434	424,434	120,325	
Dislocated Worker - transferred to Adult	I	17.278	130213013	207,778	5,875	5,875	-	-	-	
Dislocated Worker - transferred to Adult	I	17.278	130223013	57,778	55,059	-	57,778	57,778	2,719	
Dislocated Worker - transferred to Adult	I	17.278	130233013	294,444	-	-	57,208	57,208	57,208	
Dislocated Worker - Rapid Response	I	17.278	130214153	10,290	10,290	-	10,290	10,290	-	
Dislocated Worker - BEP	I	17.278	130214031	105,000	105,000	-	105,000	105,000	-	
Dislocated Worker - BEP	I	17.278	130224132	150,000	73,268	4,077	81,148	81,148	11,955	
Total CFDA #17.278				3,287,687	1,152,658	108,755	1,257,197	1,257,197	213,294	844,118
Total WIOA Cluster				5,393,175	1,882,075	185,722	2,087,168	2,087,168	390,815	1,484,149
Total U.S. Department of Labor				5,393,175	1,882,075	185,722	2,087,168	2,087,168	390,815	1,484,149
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	10.581	FY23: 70130	15,801	6,031	6,031	-	-	-	-
EARN SNAP - Pennsylvania Department of State Administrative Matching Grants for the Supplement Nutrition Assistance Program	I	10.581	FY24-25: 70130	31,802	10,858	-	15,801	15,801	4,945	15,801
Total CFDA #10.581 (SNAP Cluster)				47,603	16,889	6,031	15,801	15,801	4,945	15,801
Total U.S. Department of Agriculture				47,603	16,887	6,031	15,801	15,801	4,945	15,801

Northern Tier Regional Planning and Development Commission
Schedule of Expenditures of Federal Awards (Cont'd)
For the year ended June 30, 2024

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, 2023	Revenues Recognized	Federal Expenditures	Accrued or (Unearned) Revenue at June 30, 2024	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	FY23-24: C920001380 Work Order #1-A-1	345,762	142,684	34,108	143,113	143,113	34,537	
Rural Transportation Planning Grant	I	20.205	FY23-24: C920001380 Work Order #1-A-2	25,465	10,579	2,715	10,518	10,518	2,654	
Rural Transportation Planning Grant	I	20.205	FY23-24: C920001380 Work Order #1-A-3	19,728	7,829	1,963	6,071	6,071	2,205	
Rural Transportation Planning Grant	I	20.205	FY23-24: C920001380 Work Order #1-A-4	8,624	1,287	45	3,921	3,921	2,679	
Rural Transportation Planning Grant	I	20.205	FY23-24: C920001380 Work Order #1-A-5	22,983	8,233	1,082	10,363	10,363	3,212	
Rural Transportation Planning Grant	I	20.205	FY23-24: C920001380 Work Order #1-A-8A	60,000	11,432	3,169	10,802	10,802	2,539	
Rural Transportation Planning Grant (Marshcreek Greenway Trail Project)	I	20.205	FY23-24: C920001380 Work Order #1-A-6B	28,700	8,114	7,079	1,035	1,035	-	
Rural Transportation Planning Grant (BeST)	I	20.205	FY23-24: C920001380 Work Order #1-A-A-BeST	16,800	858	658	-	-	-	
Rural Transportation Planning Grant (BeST)	I	20.205	FY23-24: C920001380 Work Order #1-A-B-BeST	64,800	10,596	10,596	3,973	3,973	3,973	
Rural Transportation Planning Grant (BeST)	I	20.205	FY23-24: C920001380 Work Order #1-A-C-BeST	15,200	7,009	7,009	944	944	944	
Rural Transportation Planning Grant (BeST)	I	20.205	FY23-24: C920001380 Work Order #1-A-D-BeST	14,400	1,783	1,783	-	-	-	
Rural Transportation Planning Grant (BeST)	I	20.205	FY23-24: C920001380 Work Order #1-A-E-BeST	4,800	374	374	586	586	586	
Total CFDA #20.205				<u>627,260</u>	<u>210,578</u>	<u>70,581</u>	<u>193,328</u>	<u>193,328</u>	<u>53,329</u>	<u>6,538</u>
Total Highway Planning and Construction Cluster				<u>627,260</u>	<u>210,578</u>	<u>70,581</u>	<u>193,328</u>	<u>193,328</u>	<u>53,329</u>	<u>6,538</u>
Total U.S. Department of Transportation				<u>627,260</u>	<u>210,578</u>	<u>70,581</u>	<u>193,328</u>	<u>193,328</u>	<u>53,329</u>	<u>6,538</u>
U.S. Department of Defense										
Passed-through the Southern Alleghenies Planning & Development Commission:										
Procurement Grant	I	12.002	W56KGU2320012-NT-0024	104,174	75,204	15,742	59,462	59,462	-	
Procurement Grant	I	12.002	W56KGU2420084-NT-0024	88,210	-	-	21,455	21,455	21,455	
Total CFDA #12.002				<u>192,384</u>	<u>75,204</u>	<u>15,742</u>	<u>80,917</u>	<u>80,917</u>	<u>21,455</u>	<u>-</u>
Total U.S. Department of Defense				<u>192,384</u>	<u>75,204</u>	<u>15,742</u>	<u>80,917</u>	<u>80,917</u>	<u>21,455</u>	<u>-</u>
Total Expenditures of Federal Awards				<u>\$ 13,580,459</u>	<u>\$ 3,378,408</u>	<u>\$ 458,274</u>	<u>\$ 3,780,576</u>	<u>\$ 3,780,578</u>	<u>\$ 860,442</u>	<u>\$ 2,151,063</u>

Northern Tier Regional Planning and Development Commission
Schedule of Expenditures of Federal Awards (Cont'd)
For the year ended June 30, 2024

	<u>Federal CFDA Number</u>	<u>Loan Period Beginning/ Ending Date</u>	<u>Program Amount</u>	<u>Loan Balance July 1, 2023</u>	<u>Drawdowns</u>	<u>Payments</u>	<u>Loan Balance June 30, 2024</u>
U.S. Department of Agriculture							
Farmers Home Administration Intermediary Relending Program	10.767	6/96-6/32	\$ 500,000	\$ 34,384	\$ -	\$ 20,231	\$ 14,153
Rural Development Intermediary Relending Program	10.767	11/20-11/50	\$ 500,000	<u>462,500</u>	<u>37,500</u>	<u>16,628</u>	<u>483,372</u>
Total U.S. Department of Agriculture				<u>\$ 496,884</u>	<u>\$ 37,500</u>	<u>\$ 36,859</u>	<u>\$ 497,525</u>

Northern Tier Regional Planning and Development Commission

Notes to Schedule of Expenditures of Federal Awards

June 30, 2024

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, 2024. 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, 2024 were \$149,906.

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, 2024 were \$468,758.

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, 2024 were \$707,725.

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, 2024 were \$630,449.

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, 2024 were \$2,661,693.

The Commission administers a Revolving Loan Fund Program funded by the U.S. Department of Commerce, Economic Development Administration and passed through the State Small Business Credit Initiative (SSBCCI). Loans outstanding at June 30, 2024 were \$435,049.

Northern Tier Regional Planning and Development Commission
Notes to Schedule of Expenditures of Federal Awards (cont'd)
June 30, 2023

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. These rates were used, limited by funder requirements. The Commission's indirect rates are submitted to the U.S. Department of Commerce for approval.



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 (*Government Auditing Standards*), 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, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated March 10, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

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)

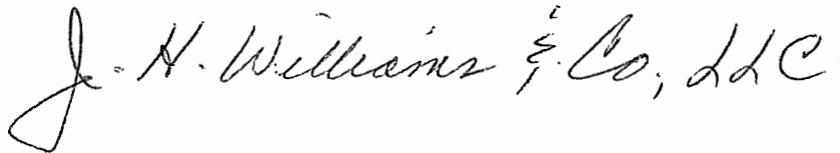
Board of Directors
Northern Tier Regional Planning and Development Commission

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "J. H. Williams & Co, LLC". The signature is written in dark ink and is positioned above the date.

March 10, 2025



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

Opinion on Each Major Federal Program

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

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

Basis of Opinion on Each Major Federal Program

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

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

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

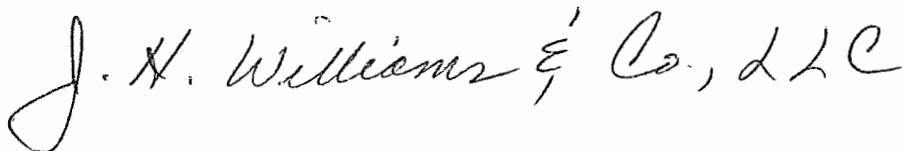
Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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



March 10, 2025

Northern Tier Regional Planning and Development Commission
Schedule of Findings and Questioned Costs
For the year ended June 30, 2024

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's 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
17.258	Workforce Innovation and Opportunity Act Cluster (WIOA)
17.259	
17.278	

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 on the accompanying financial schedules of the Northern Tier Regional Planning and Development Commission (the "Commission") for the fiscal year ended June 30, 2024. 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 meet the intended purpose of assisting 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 performed 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.

The procedures and the associated 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, 2024 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 44 through 47 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.

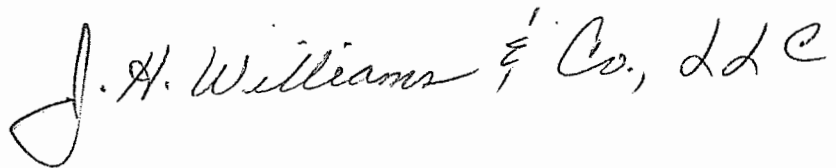
Independent Accountants' Report on
Applying Agreed-Upon Procedures on the
Schedule of WIOA Expenditures by
Program Identifiers and Cost Categories
(Cont'd)

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, 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, 2024. 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.

A handwritten signature in black ink that reads "J. H. Williams & Co., LLC". The signature is written in a cursive style with a large, looped initial "J".

March 10, 2025

Northern Tier Regional Planning and Development Commission
Schedule of WIOA Expenditures by Program Identifiers and Cost Categories
For the year ended June 30, 2024

Title	Contract Number	Contract Period	Cost Category	Authorized Budget	Cumulative Claimed	Actual Budget	(Over) Under
Adult Program - 2022 First Increment	130223001	07/01/22-06/30/24	ADMINISTRATION	\$ 6,533	\$ 6,533	\$ 6,533	\$ -
			DIRECT TRAINING	58,796	58,796	58,796	-
			CONTRACT TOTAL	65,329	65,329	65,329	-
Adult Program - 2022 Second Increment	130223011	10/01/22-06/30/24	ADMINISTRATION	29,194	9,194	29,194	20,000
			DIRECT TRAINING	262,750	282,750	262,750	(20,000)
			CONTRACT TOTAL	291,944	291,944	291,944	-
DW transfer to Adult Program - 2022 Third Increment (DW Transfer)	130223013	10/01/22-06/30/24	ADMINISTRATION	5,778	5,778	5,778	-
			DIRECT TRAINING	52,000	52,000	52,000	-
			CONTRACT TOTAL	57,778	57,778	57,778	-
Adult Program - 2023 First Increment	130233001	07/01/23-06/30/25	ADMINISTRATION	7,402	-	7,402	7,402
			DIRECT TRAINING	66,621	66,621	66,621	-
			CONTRACT TOTAL	74,023	66,621	74,023	7,402
Adult Program - 2023 Second Increment	130233011	10/01/23-06/30/25	ADMINISTRATION	30,235	-	30,235	30,235
			DIRECT TRAINING	272,116	272,116	272,116	-
			CONTRACT TOTAL	302,351	272,116	302,351	30,235
DW transfer to Adult Program - 2023 Third Increment (DW Transfer)	130233013	10/01/23-06/30/25	ADMINISTRATION	29,444	-	29,444	29,444
			DIRECT TRAINING	265,000	57,208	265,000	207,792
			CONTRACT TOTAL	294,444	57,208	294,444	237,236
Youth Program - 2022	130223301	04/01/22-06/30/24	ADMINISTRATION	35,087	35,087	35,087	-
			IN SCHOOL YOUTH	31,928	31,928	31,928	-
			OUT OF SCHOOL	283,856	283,856	283,856	-
			CONTRACT TOTAL	350,871	350,871	350,871	-

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, 2024

Title	Contract Number	Contract Period	Cost Category	Authorized Budget	Cumulative Claimed	Actual Budget	(Over) Under
Youth Program - 2023	130233301	04/01/23-06/30/25	ADMINISTRATION	33,690	-	33,690	33,690
			IN SCHOOL YOUTH	75,802	20,383	75,802	55,419
			OUT OF SCHOOL	227,405	206,300	227,405	21,105
			CONTRACT TOTAL	336,897	226,683	336,897	110,214
WIOA Youth - ADA Equipment	130223341	07/01/23-06/30/24	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	2,551	2,551	2,551	-
			CONTRACT TOTAL	2,551	2,551	2,551	-
Dislocated Worker Program - 2022 First Increment	130224001	07/01/22-06/30/24	ADMINISTRATION	18,078	18,078	18,078	-
			DIRECT TRAINING	162,697	162,697	162,697	-
			CONTRACT TOTAL	180,775	180,775	180,775	-
Dislocated Worker Program - 2022 Second Increment	130224011	10/01/22-06/30/24	ADMINISTRATION	66,552	55,993	66,552	10,559
			DIRECT TRAINING	598,968	609,527	598,968	(10,559)
			CONTRACT TOTAL	665,520	665,520	665,520	-
Dislocated Worker Program - 2023 First Increment	130234001	07/01/23-06/30/25	ADMINISTRATION	29,373	-	29,373	29,373
			DIRECT TRAINING	264,360	264,360	264,360	-
			CONTRACT TOTAL	293,733	264,360	293,733	29,373
Dislocated Worker Program - 2023 Second Increment	130234011	10/01/23-06/30/25	ADMINISTRATION	77,387	-	77,387	77,387
			DIRECT TRAINING	696,481	424,434	696,481	272,047
			CONTRACT TOTAL	773,868	424,434	773,868	349,434
DW Rapid Response	130214153	03/01/23-08/31/23	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	10,290	10,290	10,290	-
			CONTRACT TOTAL	10,290	10,290	10,290	-

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, 2024

Title	Contract Number	Contract Period	Cost Category	Authorized Budget	Cumulative Claimed	Actual Budget	(Over) Under
WIOA Youth - TANF 2022	130223361	07/01/22-06/30/25	ADMINISTRATION	11,227	9,885	11,227	1,342
			DIRECT TRAINING	101,048	101,048	101,048	-
			CONTRACT TOTAL	112,275	110,933	112,275	1,342
WIOA Youth - TANF 2023	130233361	07/01/23-06/30/25	ADMINISTRATION	10,933	-	10,933	10,933
			DIRECT TRAINING	98,399	98,399	98,399	-
			CONTRACT TOTAL	109,332	98,399	109,332	10,933
BEP	130214031	07/01/23-06/30/24	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	105,000	105,000	105,000	-
			CONTRACT TOTAL	105,000	105,000	105,000	-
BEP	130224132	06/01/23-06/30/25	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	150,000	85,222	150,000	64,778
			CONTRACT TOTAL	150,000	85,222	150,000	64,778
Northeast Regional Healthcare IP	130206233	01/01/21-06/30/25	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	106,111	96,069	106,111	10,042
			CONTRACT TOTAL	106,111	96,069	106,111	10,042
Northeast Regional Healthcare IP	130226231	12/08/22-06/30/25	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	143,289	31,331	143,289	111,958
			CONTRACT TOTAL	143,289	31,331	143,289	111,958
PA Smart	130208891	01/01/22-06/30/25	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	113,294	47,800	113,294	65,494
			CONTRACT TOTAL	113,294	47,800	113,294	65,494

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, 2024

Title	Contract Number	Contract Period	Cost Category	Authorized Budget	Cumulative Claimed	Actual Budget	(Over) Under
Manufacturing IP	130231034	01/01/24-06/30/25	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	162,073	1,935	162,073	160,138
			CONTRACT TOTAL	162,073	1,935	162,073	160,138
23-24 TANF - Federal (New Directions)	70121	07/01/23-06/30/25	ADMINISTRATION	78,168	39,084	78,168	39,084
			DIRECT TRAINING	671,910	335,955	671,910	335,955
			CONTRACT TOTAL	750,078	375,039	750,078	375,039
23-24 SNAP - Federal (PA Dept of State Admin Matching Grants for the Supplement Nutrition Assistance Program)	70130	07/01/23-06/30/25	ADMINISTRATION	-	-	-	-
			DIRECT TRAINING	31,602	15,801	31,602	15,801
			CONTRACT TOTAL	31,602	15,801	31,602	15,801



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 on the accompanying financial schedule of the Northern Tier Regional Planning and Development Commission (the "Commission") for the fiscal year ended June 30, 2024. 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 meet the intended purpose of assisting 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 performed 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.

The procedures and the associated 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.

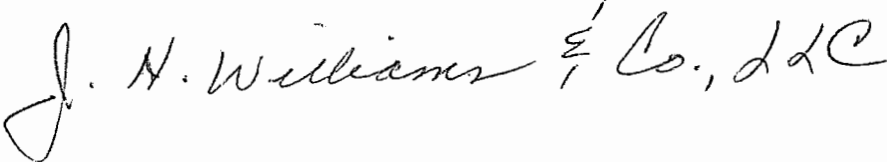
Independent Accountants' Report on
Applying Agreed-Upon Procedures on the
Schedule of Federal Awards Passed Through
the Pennsylvania Department of Human Services
(Cont'd)

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, 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, 2024. 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.



March 10, 2025

Northern Tier Regional Planning and Development Commission
Schedule of Federal Awards Passed through the Pennsylvania Department of Human Services
June 30, 2024

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	\$ 484,331	\$ 539,381	\$ (55,050)	10.21%	See below

Explanation of Difference:

Total Federal expenditures per the SEFA	\$ 484,331
Add: Accrued revenue as of June 30, 2023	117,276
Deduct: Accrued revenue as of June 30, 2024	<u>(62,226)</u>
	539,381
Federal awards received per the audit confirmation reply	<u>539,381</u>
Variance	\$ <u>-</u>