

GREEN RIVER AREA DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022



GREEN RIVER AREA DEVELOPMENT DISTRICT

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To the Board of Directors
Green River Area Development District
Owensboro, Kentucky

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Green River Area Development District, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Green River Area Development District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Green River Area Development District, as of June 30, 2022, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Green River Area Development District 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.

To the Board of Directors
Green River Area Development District

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 Green River Area Development District'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.

Auditor's 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 auditor's 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards 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 Green River Area Development District'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 Green River Area Development District'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 and budgetary comparison information on pages 5-8 and 46 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Green River Area Development District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative 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 basic financial statements or to the basic 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 and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

To the Board of Directors
Green River Area Development District

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 6, 2023, on our consideration of the Green River Area Development District'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 Green River Area Development District'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 Green River Area Development District's internal control over financial reporting and compliance.

January 6, 2023
Evansville, Indiana



Certified Public Accountants and Consultants

GREEN RIVER AREA DEVELOPMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Green River Area Development District's (GRADD) report presents our discussion and analysis of GRADD's financial performance during the fiscal year that ended June 30, 2022. Please read it in conjunction with GRADD's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The beginning net position for GRADD was \$2,566,702. The ending net position for GRADD was \$4,858,806. GRADD's total net position increased by 89% from this period last year.
- During the year, GRADD's local expenses were \$68,734 more than the grant revenue received in the current fiscal year. This is more than last year, when expenses exceeded grant revenues by \$46,188.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—(A) management's discussion and analysis (this section), (B) the basic financial statements, (C) required supplementary information, and (D) an optional section that presents a combining statement of operations by program and supporting services. The basic financial statements include two kinds of statements that present different views of GRADD:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about GRADD's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of GRADD, reporting GRADD's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

Government-Wide Financial Statements

The government-wide statements report information about GRADD as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received and paid.

The two government-wide statements report GRADD's net position and how they have changed. Net position—the difference between GRADD's assets and liabilities—is one way to measure GRADD's financial health.

GREEN RIVER AREA DEVELOPMENT DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS

Fund Financial Statements

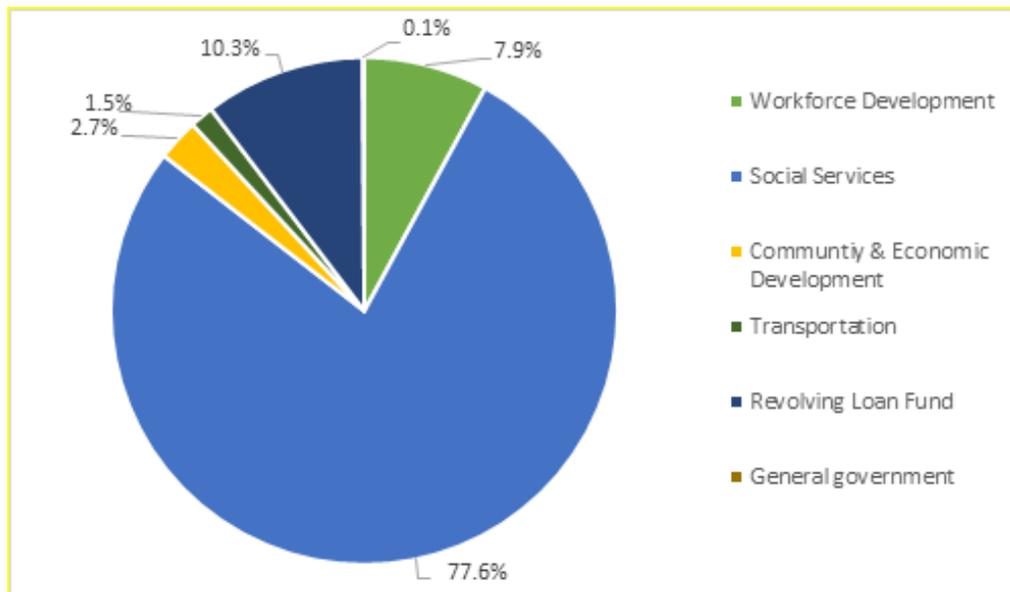
The fund financial statements provide more detailed information about GRADD’s most significant funds—not GRADD as a whole. Funds are accounting devices that GRADD uses to keep track of specific sources of funding and spending for particular purposes.

GRADD has three kinds of funds:

- General fund—This fund focuses on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balance left at year-end that is available for spending. Consequently, the general fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance GRADD’s programs.
- Special Revenue fund—Includes all grant programs and services operated by GRADD that are restricted for a specific purpose.
- Proprietary fund —Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost of providing the goods and services to the general public thru user charges.

FINANCIAL ANALYSIS OF GRADD AS A WHOLE

GRADD’s total revenues increased by 2% to \$20.1 million. Virtually 95% percent of GRADD’s revenue comes from federal and state grant sources. The other 5% percent comes from various local government sources. GRADD’s expenses cover a wide range of services. The following pie chart outlines the percentages expended by activity, with 85% related to job training and social services activities.



GREEN RIVER AREA DEVELOPMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

	<u>2022</u>	<u>2021</u>
Asset and Deferred Outflows of Resources		
Current and other assets	\$ 13,297,772	\$ 11,430,275
Capital assets	1,139,694	1,188,864
Pension deferred outflows	1,969,979	2,240,225
Total assets and deferred outflows of resources	<u>16,407,445</u>	<u>14,859,364</u>
Liabilities and Deferred Inflows of Resources		
Long-term liabilities	8,142,117	9,699,922
Other liabilities	1,347,799	1,798,351
Pension deferred inflows	2,058,723	794,389
Total liabilities and deferred inflows of resources	<u>11,548,639</u>	<u>12,292,662</u>
Net Position		
Invested in capital assets, net of debt	652,700	651,780
Restricted	7,654,313	5,947,917
Unrestricted	(3,448,207)	(4,032,995)
Total net position	<u><u>\$ 4,858,806</u></u>	<u><u>\$ 2,566,702</u></u>

The government's net position increased by \$2,292,104 during the current fiscal year mainly due to the GASB 68 and 75 required pension and OPEB adjustments and the Coronavirus Aid, Relief and Economic Security (CARES) Act.

FINANCIAL ANALYSIS OF GRADD'S FUNDS

Total Assets	\$16,407,445
Total Liabilities	\$11,548,639
Fund Balance	\$ 4,858,806

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

During 2022, GRADD invested \$91,777 in capital assets, including, computers and building improvements. Overall, net capital assets increased (including additions and deductions) \$62,140 from last year. More detailed information about GRADD's capital assets is presented in Note 4 to the financial statements.

GREEN RIVER AREA DEVELOPMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONCLUDED)

Long-term Debt

At year-end GRADD had \$570,965 in outstanding debt—a decrease of 9% over last year. More detailed information about GRADD's long-term liabilities is presented in Note 6 to the financial statements.

NEXT YEAR'S BUDGET

GRADD's original FY 2023 budget was based on actual information received from the state and local government contracts as of June 2022. This budget will be revised quarterly to reflect actual carryover balances and appropriations received from the state since this date.

REQUESTED FROM ADDITIONAL INFORMATION

This report is intended to provide readers with a general overview of GRADD's finances and to provide information regarding the receipts and uses of funds. If you need clarification regarding a statement(s) made in the report or need additional information, please contact Green River Area Development District, Attention: Finance Department, 300 GRADD Way, Owensboro, KY 42301.

BASIC FINANCIAL STATEMENTS

GREEN RIVER AREA DEVELOPMENT DISTRICT
STATEMENT OF NET POSITION
June 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 5,511,904	\$ 2,975,464	\$ 8,487,368
Grants receivable	705,376	-	705,376
Other receivables	1,445	-	1,445
Due (to) from other funds	115,233	(115,233)	-
Prepays	3,560	-	3,560
Notes receivable	-	4,100,023	4,100,023
Capital assets, being depreciated, net	1,138,179	1,515	1,139,694
Total assets	<u>7,475,697</u>	<u>6,961,769</u>	<u>14,437,466</u>
Deferred outflows related to pensions	985,838	-	985,838
Deferred outflows related to OPEB	984,141	-	984,141
Total deferred outflows	<u>1,969,979</u>	<u>-</u>	<u>1,969,979</u>
Total assets and deferred outflows	<u>9,445,676</u>	<u>6,961,769</u>	<u>16,407,445</u>
LIABILITIES			
Accounts payable - trade and contracts	632,669	3,275	635,944
Accrued liabilities	37,277	-	37,277
Compensated absences	181,082	-	181,082
Unearned revenue	485,769	-	485,769
Accrued interest payable	6,858	869	7,727
Net pension liability	5,823,068	-	5,823,068
Net OPEB liability	1,748,084	-	1,748,084
Notes payable - long-term	486,994	83,971	570,965
Total liabilities	<u>9,401,801</u>	<u>88,115</u>	<u>9,489,916</u>
Deferred inflows related to pensions	1,084,608	-	1,084,608
Deferred inflows related to OPEB	974,115	-	974,115
Total deferred inflows	<u>2,058,723</u>	<u>-</u>	<u>2,058,723</u>
NET POSITION			
Net investment in capital assets	651,185	1,515	652,700
Restricted	782,174	6,872,139	7,654,313
Unrestricted	(3,448,207)	-	(3,448,207)
Total Net Position	<u>\$ (2,014,848)</u>	<u>\$ 6,873,654</u>	<u>\$ 4,858,806</u>

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

GREEN RIVER AREA DEVELOPMENT DISTRICT
STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

GREEN RIVER AREA DEVELOPMENT DISTRICT, ILLINOIS
Statement of Activities
For the Year Ended June 30, 2022

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Change in Net Position</u>		<u>Total</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	
Primary government:						
Governmental activities:						
General government	\$ 148,358	\$ -	\$ 18,243	\$ (130,115)	\$ -	\$ (130,115)
Community and economic development	566,206	-	537,665	(28,541)	-	(28,541)
Social services	15,455,598	121,347	15,621,768	287,517	-	287,517
Workforce development	1,612,056	-	1,594,051	(18,005)	-	(18,005)
Transportation	311,173	-	302,712	(8,461)	-	(8,461)
Total governmental activities	<u>18,093,391</u>	<u>121,347</u>	<u>18,074,439</u>	<u>102,395</u>	<u>-</u>	<u>102,395</u>
Business-type activities:						
EDA Revolving Loan Fund	178,998	-	2,064,504	-	1,885,506	1,885,506
USDA Intermediary Relending Program	931	-	-	-	(931)	(931)
Total business-type activities	<u>179,929</u>	<u>-</u>	<u>2,064,504</u>	<u>-</u>	<u>1,884,575</u>	<u>1,884,575</u>
Total	<u>\$ 18,273,320</u>	<u>\$ 121,347</u>	<u>\$ 20,138,943</u>	<u>102,395</u>	<u>1,884,575</u>	<u>1,986,970</u>
			General revenues:			
			Member dues	\$ 224,068	\$ -	\$ 224,068
			Interest	16,457	64,584	81,041
			Other	-	25	25
			Total general revenues	<u>240,525</u>	<u>64,609</u>	<u>305,134</u>
			Change in net position	342,920	1,949,184	2,292,104
			Net Position - beginning	(2,357,768)	4,924,470	2,566,702
			Net Position - ending	<u>\$ (2,014,848)</u>	<u>\$ 6,873,654</u>	<u>\$ 4,858,806</u>

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

**GREEN RIVER AREA DEVELOPMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2022**

	General Fund	Special Revenue Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 4,953,078	\$ 558,826	\$ 5,511,904
Grants receivable	-	705,376	705,376
Other receivables	1,445	-	1,445
Due (to) from other fund	(364,272)	479,505	115,233
Prepays	2,286	1,274	3,560
Total assets	<u>\$ 4,592,537</u>	<u>\$ 1,744,981</u>	<u>\$ 6,337,518</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable - trade and contracts	\$ 172,576	\$ 460,093	\$ 632,669
Accrued liabilities	839	36,438	37,277
Unearned revenue	19,493	466,276	485,769
Accrued interest payable	6,858	-	6,858
Total liabilities	<u>199,766</u>	<u>962,807</u>	<u>1,162,573</u>
Fund balances:			
Restricted	-	780,900	780,900
Assigned	397,710	-	397,710
Nonspendable	2,286	1,274	3,560
Unassigned	3,992,775	-	3,992,775
Total fund balances	<u>4,392,771</u>	<u>782,174</u>	<u>5,174,945</u>
Total liabilities and fund balances	<u>\$ 4,592,537</u>	<u>\$ 1,744,981</u>	<u>\$ 6,337,518</u>

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

**GREEN RIVER AREA DEVELOPMENT DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
June 30, 2022**

Fund balances - total governmental funds		\$ 5,174,945
<p>Amounts Reported for Governmental Activities in the Statement of Net Position are different because:</p>		
<p>Capital assets in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Capital Assets	3,307,823	
Accumulated Depreciation	<u>(2,169,644)</u>	1,138,179
<p>Pension related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore are not reported in the governmental funds as follows:</p>		
Deferred outflows of resources		985,838
Deferred inflows of resources		(1,084,608)
<p>Other Post Employment Benefits related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore are not reported in the governmental funds as follows:</p>		
Deferred outflows of resources		984,141
Deferred inflows of resources		(974,115)
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in government funds:</p>		
Long-term debt	(486,994)	
Compensated absences	(181,082)	
Net other post employment benefits liability	(1,748,084)	
Net pension liability	<u>(5,823,068)</u>	(8,239,228)
Net Position of Governmental Activities		<u><u>\$ (2,014,848)</u></u>

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

**GREEN RIVER AREA DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022**

	General Fund	Special Revenue Funds	Total Governmental Funds
REVENUES			
Federal	\$ -	\$ 4,477,203	\$ 4,477,203
State	-	12,900,411	12,900,411
Goods and services revenue	-	54,962	54,962
Patient liability revenue	-	-	-
Local	18,243	529,567	547,810
In-kind match	-	94,053	94,053
Program income	-	121,347	121,347
Member dues	224,068	-	224,068
Interest	15,380	1,077	16,457
Total revenues	<u>257,691</u>	<u>18,178,620</u>	<u>18,436,311</u>
EXPENDITURES			
General government	107,500	-	107,500
Community and economic development	-	566,206	566,206
Social services	-	15,303,504	15,303,504
Workforce development	-	1,612,056	1,612,056
Transportation	-	302,822	302,822
Capital Outlay	18,568	73,210	91,778
Debt Service			
Principal	50,090	-	50,090
Interest	16,000	-	16,000
Total expenditures	<u>192,158</u>	<u>17,857,798</u>	<u>18,049,956</u>
Excess (deficiency) of revenues over (under) expenditures	<u>65,533</u>	<u>320,822</u>	<u>386,355</u>
OTHER FINANCING SOURCES (USES)			
Operating transfer in	510,814	-	510,814
Operating transfer (out)	-	(510,814)	(510,814)
Total other financing sources (uses)	<u>510,814</u>	<u>(510,814)</u>	<u>-</u>
Net change in fund balances	576,347	(189,992)	386,355
Fund balances - beginning of year	<u>3,816,424</u>	<u>972,166</u>	<u>4,788,590</u>
Fund balances - end of year	<u>\$ 4,392,771</u>	<u>\$ 782,174</u>	<u>\$ 5,174,945</u>

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

**GREEN RIVER AREA DEVELOPMENT DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022**

Net change in fund balances - governmental funds		\$ 386,355
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures.		
However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital outlays	91,778	
Depreciation expense	<u>(140,948)</u>	
		(49,170)
Governmental funds report capital outlay as expenditures.		
However, in the Statement of Activities the disposal of those assets result in		
Loss on disposal of capital assets		-
The issuance of long-term debt provides current financial resources to governmental funds, while payment of the principal and interest consumes current financial resources of governmental funds. This amounts if the net effect of these difference in the treatment of long-term debt and related items.		
		50,090
Certain expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Compensated absences		(10,920)
Pension expense		(33,435)
Change in net position of governmental activities		<u>\$ 342,920</u>

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

GREEN RIVER AREA DEVELOPMENT DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUND
June 30, 2022

	<u>Business-Type Activities</u>		
	<u>USDA Intermediary Relending Program</u>	<u>EDA Revolving Loan Fund</u>	<u>Totals</u>
ASSETS			
Cash and cash equivalents	\$ 34,476	\$ 2,940,988	\$ 2,975,464
Grants receivable	-	-	\$ -
Due (to) from other funds	(40,996)	(74,237)	(115,233)
Notes receivable, net	109,797	3,990,226	4,100,023
Capital assets, being depreciated, net	-	1,515	1,515
Total assets	<u>\$ 103,277</u>	<u>\$ 6,858,492</u>	<u>\$ 6,961,769</u>
LIABILITIES			
Accounts payable - trade and contracts	\$ -	\$ 3,275	\$ 3,275
Deferred revenue	-	-	-
Accrued interest payable	869	-	869
Notes payable - long-term	83,971	-	83,971
Total liabilities	<u>84,840</u>	<u>3,275</u>	<u>88,115</u>
NET POSITION			
Net Investment in Capital Assets	-	1,515	1,515
Restricted	18,437	6,853,702	6,872,139
Total fund equity	<u>18,437</u>	<u>6,855,217</u>	<u>6,873,654</u>
Total liabilities and net position	<u>\$ 103,277</u>	<u>\$ 6,858,492</u>	<u>\$ 6,961,769</u>

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

GREEN RIVER AREA DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
For the Year Ended June 30, 2022

	Business-Type Activities		
	USDA Intermediary Relending Program	EDA Revolving Loan Fund	Totals
Revenues:			
Federal	\$ -	\$2,064,504	\$ 2,064,504
Interest	4,324	60,260	64,584
Other	-	25	25
Total revenues	4,324	2,124,789	2,129,113
Expenses:			
Administrative services	24	178,998	179,022
Total expenses	24	178,998	179,022
Operating Income (Loss)	4,300	1,945,791	1,950,091
Nonoperating Revenues (Expenses):			
Interest expense	(907)	-	(907)
Total Nonoperating Revenue (Expenses)	(907)	-	(907)
Change in net position	3,393	1,945,791	1,949,184
Total net position - beginning	15,044	4,909,426	4,924,470
Total net position - ending	\$ 18,437	\$6,855,217	\$ 6,873,654

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

**GREEN RIVER AREA DEVELOPMENT DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the Year Ended June 30, 2022**

	Business-Type Activities		
	USDA		Totals
	Intermediary Relending Program	EDA Revolving Loan Fund	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from:			
Customers	\$ -	\$2,090,371	\$2,090,371
Other receipts	4,324	60,285	64,609
Cash paid to/for:			
Suppliers	(24)	(177,219)	(177,243)
Net cash provided by (used in) operating activities	<u>4,300</u>	<u>1,973,437</u>	<u>1,977,737</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Change in due from (to) other funds	(10)	91,643	91,633
Payments on note receivable	6,751	249,810	256,561
Issuance of notes receivable	-	(1,850,053)	(1,850,053)
Payments on debt	(6,570)	-	(6,570)
Interest paid on debt	(907)	-	(907)
Net cash provided by (used in) non-capital financing activities	<u>(736)</u>	<u>(1,508,600)</u>	<u>(1,509,336)</u>
NET INCREASE (DECREASE) IN CASH	3,564	464,837	468,401
CASH AT BEGINNING OF YEAR	<u>30,912</u>	<u>2,476,151</u>	<u>2,507,063</u>
CASH AT END OF YEAR	<u>\$ 34,476</u>	<u>\$ 2,940,988</u>	<u>\$ 2,975,464</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating income (loss)	\$ 4,300	\$ 1,945,791	\$ 1,950,091
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense		505	505
Change in assets and liabilities:			
Grants receivable, net	-	26,198	26,198
Accounts payable	-	1,779	1,779
Unearned revenue	-	(836)	(836)
Net cash provided by (used in) operating activities	<u>\$ 4,300</u>	<u>\$ 1,973,437</u>	<u>\$ 1,977,737</u>

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

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Green River Area Development District (GRADD), is a governmental nonprofit corporation formed pursuant to Kentucky Revised Statute (KRS) 147A, and has been designated as a special purpose governmental entity under KRS 65A enacted under 2014 House Bill No. 1. GRADD's mission is to afford local governments and citizens a regional forum to identify issues and opportunities; and to provide leadership in planning and implementing programs to improve the quality of life in the District, which is comprised of the counties of Daviess, Hancock, Henderson, McLean, Ohio, Union, and Webster. At least fifty-one percent of GRADD's Board of Directors consists of elected officials of the seven counties, with no more than forty-nine percent being citizen members who are residents of the counties, appointed by the county judge/executives and mayors.

These financial statements include the financial activities of GRADD and its blended component unit in accordance with principles defining the governmental reporting entity adopted by the Governmental Accounting Standards Board, as described below.

Green River Economic Development Corporation: This corporation (EDC) was formed to promote economic development; establish a framework for joint federal, state, and local efforts toward providing the basic facilities essential for the growth of the seven-county area comprising GRADD, and to administer the Revolving Loan Funds recorded in GRADD's financial statements.

B. BASIS OF PRESENTATION

The basic financial statements include both government-wide statements and fund financial statements. The government-wide statements focus on the GRADD as a whole, while the fund financial statements focus on major funds. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the usefulness of the information.

Government-wide statements – provide information about the primary government. The statements include a statement of net position and a statement of activities. These statements report the financial activities of the overall government. They also distinguish between the governmental and business-type activities of the GRADD. Governmental activities generally are financed through intergovernmental revenues. Business-type activities are financed in whole or in part by fees charged to external parties.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. BASIS OF PRESENTATION (CONTINUED)

The statement of activities presents a comparison between direct expenses and program revenues for each function of GRADD's governmental activities and segment of its business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and are, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, and grants and contributions that are restricted to meeting the operations or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of GRADD, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of GRADD.

Fund Financial Statements – Fund financial statements report detailed information about GRADD. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. GRADD has neither nonmajor funds nor fiduciary funds.

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures, and changes in fund balances, which reports on the changes in fund balances. Proprietary funds are reported using the economic resources measurement focus. The statement of cash flows provides information about how GRADD finances and meets the cash flow needs of its proprietary activities.

A description for each class of funds along with the associated restrictions, follow:

1. Governmental Fund Types

- i) The General Fund is the main operating fund of the Board. It accounts for financial resources used for general types of operations. This is a budgeted fund, and any fund balances are considered as resources available for use. This is a major fund of GRADD.
- ii) The Special Revenue Fund accounts for proceeds of specific revenue sources that are legally restricted to disbursements for specified purposes. It includes federal financial programs where unused balances may be returned to the grantor at the close of the specified project periods, as well as state grant programs. Project accounting is employed to maintain integrity for the various sources of funds. The separate projects of federally-funded grant programs are identified in the Schedule of Expenditures of Federal Awards in this report. This is a major fund of GRADD.

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. BASIS OF PRESENTATION (CONCLUDED)

2. Proprietary Fund Types

- i) Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing good or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, or other purposes. The EDA Revolving Loan Fund and EDA Cares Revolving Loan Fund are considered a major enterprise fund.

C. BASIS OF ACCOUNTING

Basis of accounting determines when transactions are recorded in the financial records and reported in the financial statements. Government-wide financial statements are presented using the accrual basis of accounting. Government funds used the modified accrual basis of accounting. Proprietary funds also use the accrual basis of accounting.

Revenues – Exchange and Non-exchange Transactions – Revenues resulting from exchange transactions, in which each party receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For GRADD, available means expected to be received within sixty days of the fiscal year end.

Non-Exchange Transactions, in which GRADD received value without directly giving equal value in return, include grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used for the fiscal year when use is first permitted; matching requirements, in which GRADD must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to GRADD on a reimbursement basis. On a modified accrual basis, revenue from Non-Exchange Transactions must also be available before it can be recognized.

Unearned Revenue – Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the costs have been incurred and eligibility requirements are met are recorded as deferred revenue.

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. BASIS OF ACCOUNTING (CONCLUDED)

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, GRADD’s policy is to first apply restricted resources.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation, are not recognized in governmental funds.

D. BUDGETARY PRINCIPLES

A budget is prepared for each fiscal year and is approved by the Board of Directors.

E. CASH EQUIVALENTS

For purposes of financial statement presentation, GRADD considers all cash on hand, demand deposits, and certificates of deposit to be cash equivalents.

F. RECOGNITION OF REVENUE

Grant revenue is recognized to the extent that expenditures are incurred in the manner specified by the grants and matching requirements are met. Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grant funds received before the costs have been incurred and eligibility requirements are met are recorded as deferred revenue.

G. ALLOWANCE OF LOAN LOSSES

The allowance for loan losses for the Revolving Loan Fund is maintained at a level, considered by management, to be adequate to provide for loan losses inherent in the loan portfolio. Management determines the adequacy of the allowance based upon a review of individual debtor credit, recent loss experience and current economic conditions. The allowance is increased by the provision for loan losses and reduced by net charge-offs. There is no allowance for loan loss as of June 30, 2022. Any provision is recorded as other direct expense in the combining schedule of operations by program and supporting services.

H. CAPITAL ASSETS

Capital assets are reported in the financial statements at historical cost. Capital assets are defined by GRADD as assets with an initial, individual cost of more than \$500. The cost of normal maintenance and repairs that do not add the value of the asset or materially extend assets lives are not capitalized.

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. CAPITAL ASSETS (CONCLUDED)

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

Land improvements	10 years
Building and improvements	10 - 40 years
Vehicle and equipment	5 - 10 years
Equipment - grants	5 - 10 years

In the fund financial statements, capital assets used in governmental operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

I. COST ALLOCATION

GRADD is required by the Department of Local Government to operate under a cost allocation plan that conforms with 2 CFR Part 225. A summary of the cost allocation is reported on page 42. In management's judgement, GRADD is in conformity with 2 CFR Part 225.

J. ESTIMATES

The preparation of financial statements in conformity with the basis of accounting described above requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

K. PENSION

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the pension plan, and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, revenues are recognized when earned. Contributions are recognized when due, pursuant to legal (or statutory) requirements. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Plan investments are reported at fair value.

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. OTHER POST EMPLOYMENT BENEFITS (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plan, and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, revenues are recognized when earned. Contributions are recognized when due, pursuant to legal (or statutory) requirements. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Plan investments are reported at fair value.

M. NET POSITION

GRADD classifies net position in the financial statements as follows:

- Net investment in capital assets includes capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position includes assets that have third-party (statutory, bond covenant, or granting agency) limitations on their use. GRADD typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project.
- Unrestricted net position typically includes unrestricted liquid assets. The Board of Directors has the authority to revisit or alter this designation.

N. FUND BALANCE CLASSIFICATION

GRADD reports fund balances in accordance with GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- Non-spendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact. GRADD has non-spendable funds in the General Fund and Special Revenue Fund.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation. The fund balance of the Special Revenue Fund is restricted for program services.
- Committed fund balance – amounts constrained to specific purposes by GRADD itself, using its highest level of decision-making authority (i.e., Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless GRADD takes the same highest level action to remove or change the constraint.

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

N. FUND BALANCE CLASSIFICATION (CONCLUDED)

- Assigned fund balance – amounts GRADD intends to use for a specific purpose. Intent can be expressed by GRADD or by an official or body to which the Board of Directors delegates the authority. GRADD has assigned funds in the General Fund.
- Unassigned fund balance – amounts that are available for any purpose. Deficit amounts are reported only in the General Fund.

The Board of Directors establishes (and modifies or rescinds) fund balance commitments by passage of resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balances is established by the Board of Directors through adoption or amendment of the budget as intended for a specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

GRADD would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

O. RECENTLY ISSUED ACCOUNTING STANDARDS

The following recently issued accounting standard is expected to impact the financial statements of GRADD in future periods.

GASB No. 87 Leases

In June of 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87 to improve accounting and financial reporting for leases by governments, by establishing standards for leases that previously were classified as operating leases. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset, thus requiring lessees to recognize a lease liability and an intangible right-to-use lease asset, and lessors to recognize a lease receivable and a deferred inflow of resources. The Statement is effective for reporting period beginning after June 15, 2021. GRADD implemented this Statement during fiscal year June 30, 2022. GRADD has concluded that there is no impact on these financial statements.

P. DATE OF MANAGEMENT’S REVIEW

GRADD has evaluated subsequent events through January 6, 2023, the date which the financial statements were available to be issued.

**GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022**

NOTE 2 – CASH AND CASH EQUIVALENTS

The Kentucky Revised Statutes authorize GRADD to invest money subject to its control in obligations of the United States; bonds or certificates of indebtedness of Kentucky and its agencies and instrumentalities; savings and loan associations insured by an agency of the United States up to the amount insured; and national or state banks chartered in Kentucky and insured by an agency of the United States providing such banks pledge as security, obligations as permitted by KRS 41.240 (4) having a current quoted market value at least equal to uninsured deposits.

A. CUSTODIAL CREDIT RISK – DEPOSITS

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, GRADD’s deposits may not be returned to it. GRADD does not have a written deposit policy for custodial credit risk. As of June 30, 2022, the reported amount of GRADD’s cash deposits was \$8,487,368 and the bank balance was \$8,606,471. Of the bank balance, \$477,668 was covered by FDIC insurance, and \$8,128,803 was covered by collateral held by a third party safekeeping bank in GRADD’s name.

Cash equivalents include certificate of deposit totaling \$725,000. The certificates bear interest at rates ranging from 0.50% to 2.98% and have maturities of nine to twenty-three months.

NOTE 3 – RELATED PARTY TRANSACTIONS

GRADD provides staff and support services for the administration of programs for the Green River Housing Corporation (GRHC) and ConnectGRADD, Inc. (CGI), but does not exercise oversight responsibility for these entities. Although various members of GRHC and CGI boards serve on GRADD’s Board of Directors, GRHC, and CGI are not a part of the GRADD financial reporting entity because they are not financially accountable to GRADD. Administration services revenue earned from these related parties for the fiscal year, all of which was receivable at June 30, 2022, and other advances, were as follows:

	GRHC	CGI	Total
Administration services revenue	\$ -	\$ 6,030	\$ 6,030

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 4 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2022, was as follows:

	Balance June 30, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Governmental activities:					
Capital Assets Not Being Depreciated					
Land	\$ 83,200	\$ -	\$ -	\$ -	\$ 83,200
Total Capital Assets Not Being Depreciated	83,200	-	-	-	83,200
Other Capital Assets:					
Land improvements	18,920	-	-	-	18,920
Building and improvements	2,281,123	12,633	-	(12,775)	2,280,981
Vehicles and equipment	351,457	25,243	(16,574)	-	360,126
Equipment - grants	497,919	53,902	-	12,775	564,596
Total Other Capital Assets At Historical Cost	3,149,419	91,778	(16,574)	-	3,224,623
Depreciation For:					
Land improvements	(12,506)	(1,041)	-	-	(13,547)
Building and improvements	(1,354,209)	(63,065)	-	-	(1,417,274)
Vehicles and equipment	(271,921)	(34,512)	16,574	-	(289,859)
Equipment - grants	(407,139)	(42,330)	-	505	(448,964)
Total Accumulated Depreciation	(2,045,775)	(140,948)	16,574	505	(2,169,644)
Governmental Activities Capital Assets, Net	<u>\$ 1,186,844</u>	<u>\$ (49,170)</u>	<u>\$ -</u>	<u>\$ 505</u>	<u>\$ 1,138,179</u>
Business-type activities					
Capital Assets:					
Equipment	\$ 2,525	\$ -	\$ -	\$ -	\$ 2,525
Total Capital Assets at Historical Cost	2,525	-	-	-	2,525
Depreciation For:					
Equipment	(505)	(505)	-	-	(1,010)
Total Accumulated Depreciation	(505)	(505)	-	-	(1,010)
Business-Type Activities Capital Assets, Net	<u>\$ 2,020</u>	<u>\$ (505)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,515</u>

NOTE 5 – REVOLVING LOAN FUNDS

The Revolving Loan Fund (RLF) was established with grants from the Economic Development Administration (EDA). Loan applications are reviewed by the Green River Economic Development Corporation to ensure that funds will be used for purposes acceptable to the grantor. Due to the credit risk of borrowers (primarily commercial and industrial) under this program, loans are in various stages of collection and collectability is not certain for every borrower.

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 5 – REVOLVING LOAN FUNDS (CONTINUED)

The Revolving Loan Recapitalization Fund (RECAP) was established during fiscal year 2002. Funds were contributed by local lenders totaling \$75,666. In fiscal year 2009, these funds were used as match to receive an additional \$1,924,334 from EDA to recapitalize the RLF program.

In fiscal year 2015, the RLF and RECAP funds were consolidated by the Economic Development Administration. The consolidated funds are identified below as RLF.

The Intermediary Relending Program (IRP) was established during fiscal year 2004. It is a loan agreement with the U.S. Department of Agriculture (USDA), Rural Business Cooperative Service (RBS), under which GRADD may borrow up to \$500,000 to establish a relending program in accordance with the RBS work plan.

Loan applications are reviewed by the Green River Economic Development Corporation to ensure that funds will be used for purposes acceptable to the grantor.

IRP loan payable activity for the year was as follows:

Balance, June 30, 2021	\$	90,541
Repayments		<u>(6,570)</u>
Balance, June 30, 2022	\$	<u><u>83,971</u></u>

The loan is to be paid over a thirty (30) year period with principal being deferred for the first three (3) years. During the deferment period, interest payments were due on the unpaid principal balance at a rate of one (1) percent. Therefore, principal and interest are being paid annually to maturity. Interest expense totaled \$0 for the year ended June 30, 2022.

The revolving loans receivable at June 30, 2022, are summarized as follows:

	<u>RLF</u>	<u>IRP</u>	<u>Total</u>
Accounts receivables	\$ 3,990,226	109,797	\$ 4,100,023
Allowance for doubtful accounts	<u>-</u>	<u>-</u>	<u>-</u>
Net accounts receivable	<u><u>\$ 3,990,226</u></u>	<u><u>\$ 109,797</u></u>	<u><u>\$ 4,100,023</u></u>

No loans have been extended to related parties. There were no loans approved but not yet disbursed at June 30, 2022.

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 5 – REVOLVING LOAN FUNDS (CONCLUDED)

Income for the revolving loan funds and the composition of cash as of and for the year ended June 30, 2022, was as follows:

	RLF	IRP	Total
Interest earned on:			
Outstanding loans	\$ 48,358	\$ 4,324	\$ 52,682
Cash accounts	11,902	-	11,902
Loan application, processing, and late fees	25	250	275
Total RLF income	\$ 60,285	\$ 4,574	\$ 64,859
 Composition of cash	 \$ 2,940,988	 \$ 34,476	 \$ 2,975,464

Income on the IRP has been used to pay interest expense on the loan payable.

NOTE 6 – LONG-TERM DEBT

In June of 2015, the Daviess County Fiscal Court (DCFC) issued bonds, the proceeds of which were used to refinance the long-term debt on GRADD’s building. GRADD and DCFC then entered into a fifteen-year lease agreement wherein GRADD agreed to pay to DCFC, as rent for the property, amounts equal to the semi-annual debt payments of \$32,390, including interest at 2.8% through July 1, 2030. The lease is an absolute net lease under which GRADD pays, in addition to rent as stated above, any and all expenses related to the leased premises. The property shall become the property of GRADD in fee simple absolute, and DCFC’s interest therein shall be conveyed to GRADD, without cost, upon GRADD’s performance of all obligations under the lease.

Long-term debt activity for the year was as follows:

Type of Debt	Balance June 30, 2021	Issued	Payments	Balance June 30, 2022	Due Within One Year
Governmental Activities:					
Lease obligation	\$ 537,084	\$ -	\$ 50,090	\$ 486,994	\$ 51,502
Total Debt	\$ 537,084	\$ -	\$ 50,090	\$ 486,994	\$ 51,502

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 6 – LONG-TERM DEBT (CONCLUDED)

Annual debt service requirements to maturity are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 51,502	\$ 13,459	\$ 64,961
2024	52,954	11,987	64,941
2025	54,447	10,503	64,950
2026	55,983	8,917	64,900
2027	57,561	7,316	64,877
Thereafter	214,547	11,899	226,446
Total	\$ 486,994	\$ 64,081	\$ 551,075

Interest expense totaled \$15,093 for the year ended June 30, 2022.

NOTE 7 – COMPENSATED ABSENCES

It is GRADD’s policy to permit employees to accumulate earned but unused vacation benefits. Upon leaving employment at GRADD, employees receive an amount equal to the value of up to maximum of 225 unused accumulated vacation hours based on current salary rates.

This compensated absences liability represents the value of unused vacation time earned by employees up to a maximum of 225 hours.

NOTE 8 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. GRADD has two items that qualify for reporting in this category: the pension deferred outflows of \$985,838 and the other post employment benefit of \$984,141 at June 30, 2022. The pension deferred outflows are described in Note 9 to the financial statements. The other post employment benefit deferred outflows are described in Note 10.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. GRADD has two items that qualified for reporting in this category: the pension deferred inflow of \$1,084,608 and the other post employment benefit deferred inflow of \$974,115 at June 30, 2022. The pension deferred inflows are described in Note 9 to the financial statements. The other post employment benefit deferred inflows are described in Note 10.

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (CONCLUDED)

GRADD reports unearned revenue on its financial statements. Unearned revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when resources are unearned by GRADD and received before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when GRADD has a legal claim to the resources, the liability for unearned revenue is removed from the applicable financial statement and revenue is recognized. Unearned grant revenue in the financial statements at June 30, 2022, totaled \$485,769.

NOTE 9 – PENSION PLAN

A. PLAN DESCRIPTION

GRADD contributes to the County Employees Retirement System (CERS), which is a cost-sharing multiple-employer defined benefit pension plan administered by Kentucky Retirement Systems (KRS) that covers members employed in nonhazardous positions of each participating county, city, and school board, and any additional eligible local agencies electing to participate in CERS. Kentucky Revised Statute Section 61.645 assigns the authority to establish and amend benefit provisions to the Board of Trustees of Kentucky Retirement Systems (Board). KRS issues a publicly available financial report that can be obtained at www.kyret.ky.gov.

B. BENEFITS PROVIDED

CERS provides for retirement, disability, and death benefits to system members through its pension fund. Retirement benefits may be extended to beneficiaries of members under certain circumstances. Retirement benefits are determined using a formula which considers the member’s final compensation; benefit factors set by statute which vary depending upon the type/amount of service, participation date, and retirement date; and years of service.

Plan members with a participation date prior to September 1, 2008, are eligible to retire with full benefits at any time with 27 or more years of service credit, or at age 65 with at least 48 months of service credit. Plan members with a participation date on or after September 1, 2008, are eligible to retire with full benefits at age 57 if the member’s age and year of service equal 87, or at age 65 with at least 60 months of service credit. Plan members with a participating date on or after January 1, 2014, are eligible for retirement benefits under the provisions established for a hybrid Cash Balance Plan.

C. CONTRIBUTIONS

Per Kentucky Revised Statutes Section 78.545(33), contribution requirements of the active employees and the participating employers are established and may be amended by the KRS Board. Plan members who began participating in CERS prior to September 1, 2008, are required to contribute 5% of their annual creditable compensation to the pension fund. For Plan members who began participating in CERS on or after September 1, 2008, the contribution rate is 6%, of which 1% is contributed to the insurance fund.

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 9 – PENSION PLAN (CONTINUED)

C. CONTRIBUTIONS (CONCLUDED)

GRADD’s actuarially determined contribution rate for the year ended June 30, 2022, was 24.06% of annual creditable compensation, of which 19.30% and 4.76% was contributed to the pension and insurance funds within CERS, respectively. Contributions to the CERS pension fund by GRADD were \$523,117 for the year ended June 30, 2022.

D. PENSION LIABILITIES, PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At June 30, 2022, GRADD reported a liability of \$5,823,068 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. GRADD’s proportion of the net pension liability was based on a projection of GRADD’s long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At the June 30, 2021 measurement date, GRADD’s proportion was 0.0913100%, an increase of 0.001368% from its proportion measured as of June 30, 2020, of 0.089942%.

For the year ended June 30, 2022, GRADD recognized pension expense of \$21,967. At June 30, 2022, GRADD reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 66,867	\$ 56,517
Changes of assumptions	78,153	-
Changes in proportion and difference between contributions and proportionate share of contributions	91,805	26,077
Net difference between projected and actual earnings on plan investments	225,896	1,002,014
Pension Contributions made subsequent to the Measurement Date	523,117	-
Total	\$ 985,838	\$ 1,084,608

**GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022**

NOTE 9 – PENSION PLAN (CONTINUED)

D. PENSION LIABILITIES, PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONCLUDED)

The \$523,117 of deferred outflows of resources resulting from GRADD’s pension contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows or resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending June 30	
2022	\$ (60,377)
2023	(146,523)
2024	(171,946)
2025	(243,040)
Total	<u>\$ (621,886)</u>

E. ACTUARIAL ASSUMPTIONS

The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases	3.30% to 19.05%, varies by service
Investment rate of return	6.25%

The mortality table used for active members is RP-2000 Combined Mortality Table projected with Scale BB to 2013 (multiplied by 50% for males and 30% for females). For healthy retired members and beneficiaries, the mortality table used is the RP-2000 Combined Mortality Table projected with Scale BB to 2013 (set-back one year for females). For disabled members, the RP-2000 Combined Disabled Mortality Table projected with Scale BB to 2013 (set back four years for males) is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2008 – June 30, 2013.

F. DISCOUNT RATE

The discount rate used to measure the total pension liability was 6.25%, representing no change from the prior year rate of 6.25%. The discount rate does not use a municipal bond rate.

**GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022**

NOTE 9 – PENSION PLAN (CONTINUED)

G. PROJECTED CASH FLOWS

The projection of cash flows used to determine the discount rate assumed that local employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 28 year amortization period of the unfunded actuarial accrued liability. The actuarial determined contribution rate is adjusted to reflect the phase in of anticipated gains on actuarial value of assets over the first four years of projection period.

H. LONG-TERM RATE OF RETURN

The long-term expected return on plan assets is reviewed as part of the regular experience studies prepared every five years for CERS. The most recent analysis, performed for the period covering fiscal years 2008 through 2013 is outlined in a report dated April 30, 2014. Several factors are considered in evaluating the long-term rate of return assumption including long term historical data, estimates inherent in current market data, and log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class.

These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

I. ASSUMED ASSET ALLOCATION

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

Asset Class	Portfolio Target Percentage
Fixed Income	10%
Public Equities	44%
Private Equities	10%
Specialty Credit/High Yield	15%
Real Return	10%
Real Estate	10%
Short-Term Investments	2%
	100%

**GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022**

NOTE 9 – PENSION PLAN (CONCLUDED)

J. SENSITIVITY OF GRADD’S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents GRADD’s proportionate share of the net pension liability calculated using the discount rate of 6.25%, as well as what GRADD’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Lower 5.25%	Current Discount 6.25%	1% Higher 7.25%
Net Pension Liability	\$ 7,468,360	\$ 5,823,068	\$ 4,461,626

K. PLAN FIDUCIARY NET POSITION

Detailed information about the CERS fiduciary net position is available in the separately issued Kentucky Retirement Systems Comprehensive Annual Financial Report.

L. PAYABLE TO THE PENSION PLAN

GRADD reported a payable of \$0 for the outstanding amount of contributions due to CERS for the year ended June 30, 2022.

NOTE 10 – POST-EMPLOYMENT HEALTH CARE BENEFITS

PLAN DESCRIPTION

GRADD contributes to the Kentucky Retirement Systems Insurance fund (Insurance Fund), a cost-sharing multiple-employer defined benefit post-employment health care plan administered by the Kentucky Retirement Systems (KRS). The Insurance Fund was established to provide hospital and medical insurance for members for receiving benefits from the Kentucky Employees Retirement Systems (KERS), the County Employees Retirement System (CERS), and the State Police Retirement System (SPRS). The Insurance Fund pays a prescribed contribution for whole or partial payments of required premiums to purchase hospital and medical insurance, based on years of service, for retirees and certain eligible beneficiaries. The authority to establish and amend benefit provisions rests with the Kentucky General Assembly. KRS issues a publicly available financial report that can be obtained at www.kyret.ky.gov.

FUNDING POLICY

Per Kentucky Revised Statutes 78.545 (33), contribution requirements are established and may be amended by the KRS Board. GRADD was required to contribute at actuarially determined rates of 4.76% of covered payroll for the fiscal year ended June 30, 2022. GRADD’s contributions to the Insurance Fund for the year ending June 30, 2022, was \$142,826 which equaled the required contributions each year.

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 10 – POST-EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

ACTUARIAL ASSUMPTIONS

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	6.25% , net of OPEB plan investment expense, including inflation
Projected salary increases	3.30% to 11.55%, varies by service
Inflation rate	2.30%
Payroll growth rate	2.00%
Healthcare cost trend rates	
Under 65	7.00% for FY 2020 decreasing to an ultimate rate of 4.05% by FY 2032
Ages 65 and Older	5.00% for FY 2020 decreasing to an ultimate rate of 4.05% by FY 2030
Municipal Bond Index Rate	2.45%
Discount Rate	5.34%
Single Equivalent Interest Rate	5.34% , net of OPEB plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table projected to 2013 with projection scale BB and set back one year for females is used for the period after service retirement and for dependent beneficiaries.

The RP-2000 Disabled Mortality Table set forward two years for males and seven years for females is used for the period after disability retirement.

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by TRS’s investment consultant, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Rate of Return</u>
Global Equity	43.50%	6.03%
Fixed Income	10.00%	0.00%
Real Estate	10.00%	5.40%
Private Equity	10.00%	9.70%
Real Return	10.00%	4.55%
Other Additional Catagories	15.00%	2.80%
Cash (LIBOR)	1.50%	-0.60%
	<u>100.00%</u>	

**GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022**

NOTE 10 – POST-EMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

Discount rate - The discount rate used to measure the total OPEB liability was 5.20%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the employer contributions will be made at statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The following table presents the GRADD’s proportionate share of the collective net OPEB liability of the System, calculated using the discount rate of 5.20%, as well as what the GRADD’s proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.20%) or 1-percentage-point higher (6.20%) than the current rate:

	1% Decrease 4.20%	Current Discount 5.20%	1% Increase 6.20%
GRADD's net OPEB liability	\$ 2,400,107	\$ 1,748,084	\$ 1,212,992

Sensitivity of the GRADD’s proportionate share of the collective net OPEB liability to changes in the healthcare cost trend rates – The following presents the GRADD’s proportionate share of the collective net OPEB liability, as well as what the GRADD’s proportionate share of the collective net OPEB liability would be if it were calculated using healthcare cost trend rates that were 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Discount	1% Increase
GRADD's net OPEB liability	\$ 1,258,413	\$ 1,748,084	\$ 2,339,125

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, GRADD reported a liability for its proportionate share of the net OPEB liability that is reflected as a reduction for State OPEB support provided to GRADD. The collective net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of that date. GRADD’s proportion of the collective net OPEB liability was based on a projection of GRADD’s long-term share of contributions to the OPEB plan relative to the projected contributions of GRADD, actuarially determined. At June 30, 2021, GRADD’s proportion was \$1,748,084 (.089942%). The State’s support and total are for disclosure purposes only.

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 10 – POST-EMPLOYMENT HEALTH CARE BENEFITS (CONCLUDED)

At June 30, 2022, GRADD reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 274,887	\$ 521,920
Changes of assumptions	463,450	1,625
Changes in proportion and difference between contributions and proportionate share of contributions	14,904	89,033
Net difference between projected and actual earnings on plan investments	88,074	361,537
Pension Contributions made subsequent to the Measurement Date	142,826	-
Total	\$ 984,141	\$ 974,115

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the GRADD's OPEB expense as follows:

Year Ending June 30	
2022	\$ 14,590
2023	(26,890)
2024	(17,770)
2025	(102,730)
Total	\$ (132,800)

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 11 – DEFERRED COMPENSATION

GRADD offers its employees participation in a deferred compensation program administered by the Kentucky Public Employees' Deferred Compensation Authority. This program offers a plan authorized by Section 457(b) of the Internal Revenue Code and a plan authorized by Section 401(k) of the Internal Revenue Code. Both plans are available to all employees and permit them to defer up to 25% of their compensation (subject to limits) until future years. GRADD makes no contribution to these plans.

NOTE 12 – RISK MANAGEMENT

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

A. WORKERS' COMPENSATION AND GENERAL LIABILITY INSURANCE

To manage workers' compensation and general liability insurance risks, GRADD participates in the Kentucky Association of Counties All Lines Fund (KALF). KALF is a public entity risk pool currently operating as a common risk management and insurance program for the Counties of Kentucky and their sub agencies, which pay annual premiums to KALF for desired coverages. The Coverage Agreement provides that KALF will be self-sustaining through member contributions, premiums and assessments and will reinsure through commercial companies for excess claims. GRADD does not exercise any control over the activities of KALF beyond its representation as a participant in the fund, and is not aware of any additional amounts owed to KALF as of June 30, 2022, for current or prior claim years.

B. HEALTH INSURANCE

Beginning January 1, 2012, GRADD established a comprehensive self-insurance plan through a third-party administrator for its employees' medical and pharmacy coverage. The plan provides for specific claims coverage up to \$45,000 per employee, and maximum aggregate claims and administrative costs up to \$1,000,000 for calendar year 2021. GRADD purchases reinsurance through the administrator for claims in excess of those limits. Premiums are established by the administrator to cover administrative costs, claims costs, and reinsurance costs. These costs are expensed each pay period as personnel costs for participating employees are incurred in accordance with the approved cost allocation plan. Settled claims have not exceeded insurance coverage, nor has there been any reduction in insurance coverage from the prior year.

NOTE 13 – INCOME TAX STATUS

GRADD is exempt from federal and state income taxes by virtue of being a unit of local government under Regulation 103 KAR 30:225E and, accordingly, the financial statements include no provision for such taxes.

GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2022

NOTE 14 – CONCENTRATION OF RISK

During the year ended June 30, 2022, GRADD received approximately 99% of its revenue from federal, state, and local grants, and the related in-kind match and program income. These funds are to be used for designated purposes only. For government agency grants, if, based upon the grantors' review, the funds are considered not to have been used for the intended purpose, the grantors may request a refund of monies advanced, or refuse to reimburse GRADD for its expenditures. The amount of such future refunds and unreimbursed expenditures, if any, is not expected to be significant. Continuation of GRADD's grant programs is predicated upon the grantors' satisfaction that the funds provided are being spent as intended and the grantors' intent to continue their programs.

REQUIRED SUPPLEMENTARY INFORMATION
(Other than Management's Discussion and Analysis)

**GREEN RIVER AREA DEVELOPMENT DISTRICT
SCHEDULE OF PROPORTIONATE SHARE
OF NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability	0.091310%	0.089942%	0.089567%	0.093904%	0.100809%	0.107297%	0.110956%	0.108772%
District's proportionate share of the net pension liability	\$ 5,823,068	\$ 6,900,471	\$ 6,300,905	\$ 5,719,283	\$ 5,900,661	\$ 5,282,876	\$ 4,770,588	\$ 3,529,000
District's covered payroll	\$ 2,471,031	\$ 2,332,841	\$ 2,304,521	\$ 2,259,837	\$ 2,454,443	\$ 2,559,563	\$ 2,378,433	\$ 2,496,840
District's proportionate share of the net pension liability as a percentage of it's covered payroll	235.65%	295.80%	273.41%	253.08%	240.41%	206.40%	200.58%	141.34%
Plan fiduciary net position as a percentage of the total pension liability	51.67%	50.45%	50.45%	53.54%	53.30%	55.50%	59.97%	66.80%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**GREEN RIVER AREA DEVELOPMENT DISTRICT
SCHEDULE OF PENSION CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 523,117	\$ 450,238	\$ 444,773	\$ 366,546	\$ 337,023	\$ 342,394	\$ 317,897	\$ 303,250
Contributions in relation to the contractually required contributions	<u>(523,117)</u>	<u>(450,238)</u>	<u>(444,773)</u>	<u>(366,546)</u>	<u>(337,023)</u>	<u>(342,394)</u>	<u>(317,897)</u>	<u>(303,250)</u>
Contribution deficiency (excess)	<u>\$ -</u>							
District's covered payroll	\$ 2,471,031	\$ 2,332,841	\$ 2,259,837	\$ 2,259,837	\$ 2,454,443	\$ 2,559,563	\$ 2,378,433	\$ 2,496,840
Contributions as a percentage of covered payroll	21.17%	19.30%	19.68%	16.22%	13.73%	13.38%	13.37%	12.15%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**GREEN RIVER AREA DEVELOPMENT DISTRICT
SCHEDULE OF OTHER POST EMPLOYMENT BENEFIT CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contributions	\$ 142,826	\$ 164,344	\$ 109,695	\$ 118,867	\$ 109,393
Contributions in relation to the contractually required contributions	<u>(142,826)</u>	<u>(164,344)</u>	<u>(109,695)</u>	<u>(118,867)</u>	<u>(109,393)</u>
Contribution deficiency (excess)	<u>\$ -</u>				
District's covered payroll	\$ 2,471,031	\$ 2,332,841	\$ 2,259,837	\$ 2,259,837	\$ 2,454,443
Contributions as a percentage of covered payroll	5.78%	7.04%	4.85%	5.26%	4.46%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**GREEN RIVER AREA DEVELOPMENT DISTRICT
SCHEDULE OF GRADD'S PROPORIONATE SHARE OF THE
NET OPEB LIABILITY – MEDICAL INSURANCE PLAN
LAST 10 FISCAL YEARS
FOR THE YEAR ENDED JUNE 30, 2022**

	2021	2020	2019	2018	2017
GRADD's proportion of the collective net OPEB liability (asset)	0.091310%	0.089942%	0.089567%	0.093904%	0.100809%
GRADD's proportionate share of the collective net OPEB liability (asset)	\$ 1,748,084	\$ 2,171,826	\$ 1,506,477	\$ 1,667,247	\$ 2,026,606
GRADD's covered-employee payroll	\$ 2,332,841	\$ 2,304,521	\$ 2,259,837	\$ 2,454,443	\$ 2,259,563
GRADD's proportionate share of the collective net OPEB liability (asset) as a percentage of its covered-employee payroll	74.9337%	94.2420%	66.6631%	67.9277%	89.6902%
Plan fiduciary net position as a percentage of the total OPEB liability	51.6704%	51.6704%	60.4382%	57.6218%	52.3940%

Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022**

Change in Benefit Terms

None

Changes of Assumptions

None

SUPPLEMENTAL INFORMATION

**GREEN RIVER AREA DEVELOPMENT DISTRICT
SCHEDULE OF SHARED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

Shared Costs Applied:

Personnel	\$ 326,802
Employee benefits	210,435
Professional services	46,417
Travel	17,856
Occupancy	72,742
Supplies	55,075
Communications	35,492
Depreciation expense	90,708
Other	<u>55,437</u>
Total Shared Costs	<u><u>\$ 910,964</u></u>

**GREEN RIVER AREA DEVELOPMENT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – GENERAL FUND AND SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted		Actual	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental revenues	\$ 14,440,192	\$ 14,649,411	\$ 18,195,786	\$ 3,546,375
Local	265,396	231,472	224,068	(7,404)
Interest	38,000	30,000	16,457	(13,543)
Total revenues	<u>14,743,588</u>	<u>14,910,883</u>	<u>18,436,311</u>	<u>3,525,428</u>
EXPENDITURES				
Program operations -				
General government	319,652	109,780	192,158	(82,378)
Community and economic development	495,974	523,941	566,206	(42,265)
Social services	11,638,045	12,177,623	15,376,714	(3,199,091)
Job training	1,926,600	1,612,059	1,612,056	3
Transportation	325,317	308,329	302,822	5,507
Total expenditures	<u>14,705,588</u>	<u>14,731,732</u>	<u>18,049,956</u>	<u>(3,318,224)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>38,000</u>	<u>179,151</u>	<u>386,355</u>	<u>207,204</u>
Net change in fund balance	<u>\$ 38,000</u>	<u>\$ 179,151</u>	<u>\$ 386,355</u>	<u>\$ 207,204</u>

**GREEN RIVER AREA DEVELOPMENT DISTRICT
COMBINING SCHEDULE OF OPERATIONS
BY PROGRAM AND SUPPORTING SERVICES
FOR THE YEAR ENDED JUNE 30, 2022**

	CED	CED	CED	CED	CED	CED
	<u>CDBG Administration</u>	<u>KIA Water Resource Planning</u>	<u>Industrial Authority Admin</u>	<u>Delta Regional Authority</u>	<u>Local Projects Admin</u>	<u>DRA Projects</u>
Revenues						
Federal	\$ 14,779	\$ -	\$ -	\$ 8,215	\$ -	\$ 182
State	-	61,000	-	-	-	-
Local	36	-	5,000	-	783	-
In-kind match	-	-	-	-	-	-
Program income	-	-	-	-	-	-
Member dues	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Local applied to grants	-	3,030	-	778	-	-
Total Revenues	<u>14,815</u>	<u>64,030</u>	<u>5,000</u>	<u>8,993</u>	<u>783</u>	<u>182</u>
Expenditures						
Direct Costs						
Personnel	6,523	29,284	2,756	3,670	421	79
Employee benefits	3,579	15,082	1,366	2,233	194	48
Professional services	41	-	-	-	-	-
Travel	301	1,818	6	1,462	-	20
Occupancy	780	-	-	-	-	-
Supplies	-	3,840	-	-	-	-
Communications	-	-	-	-	-	-
Depreciation expense	-	-	-	-	-	-
Other	789	553	-	-	-	-
Capital equipment	-	1,022	-	-	-	-
Program services	-	-	-	-	-	-
Contractual services	-	-	-	-	-	-
In-kind match	-	-	-	-	-	-
Total Direct Costs	<u>12,013</u>	<u>51,599</u>	<u>4,128</u>	<u>7,365</u>	<u>615</u>	<u>147</u>
Shared Costs						
Shared costs applied	2,802	12,431	872	1,628	168	35
Total Expenditures	<u>14,815</u>	<u>64,030</u>	<u>5,000</u>	<u>8,993</u>	<u>783</u>	<u>182</u>
Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GREEN RIVER AREA DEVELOPMENT DISTRICT
COMBINING SCHEDULE OF OPERATIONS
BY PROGRAM AND SUPPORTING SERVICES
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>IT Technical Assistance</u>	<u>KIA Coal Severance</u>	<u>Connect GRADD</u>	<u>Green River Beef Improvement</u>	<u>JFA</u>	<u>JFA Cares</u>
Revenues						
Federal	\$ -	\$ -	\$ -	\$ -	\$ 104,909	\$ 211,169
State	-	-	-	5,261	118,301	-
Local	1,888	-	6,030	-	-	-
In-kind match	-	-	-	-	-	-
Program income	-	-	-	-	-	-
Member dues	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Local applied to grants	-	1,234	-	-	19,581	8,837
Total Revenues	1,888	1,234	6,030	5,261	242,791	220,006
Expenditures						
Direct Costs						
Personnel	921	594	2,971	2,104	118,027	111,030
Employee benefits	535	310	1,779	2,027	62,053	58,799
Professional services	-	81	-	-	-	-
Travel	38	-	-	-	7,079	880
Occupancy	-	-	-	-	-	-
Supplies	-	-	-	-	1,432	2,500
Communications	-	-	-	-	-	-
Depreciation expense	-	-	-	-	-	-
Other	-	-	-	-	475	-
Capital equipment	-	-	-	-	3,897	-
Program services	-	-	-	-	-	-
Contractual services	-	-	-	-	-	-
In-kind match	-	-	-	-	-	-
Total Direct Costs	1,494	985	4,750	4,131	192,963	173,209
Shared Costs						
Shared costs applied	394	249	1,280	1,130	49,828	46,797
Total Expenditures	1,888	1,234	6,030	5,261	242,791	220,006
Revenues over Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**GREEN RIVER AREA DEVELOPMENT DISTRICT
COMBINING SCHEDULE OF OPERATIONS
BY PROGRAM AND SUPPORTING SERVICES
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Hazard Mitigation</u>	<u>Title III B Administration</u>	<u>Title III B Supportive Services</u>	<u>Title III Ombudsman</u>	<u>Title III C 1 Administration</u>	<u>Title III C1 Congregate</u>
Revenues						
Federal	\$ -	\$ 12,912	\$ 136,041	\$ 48,100	\$ 36,693	\$ 288,723
State	-	25,498	267,462	-	10,550	30,876
Local	112	500	87,161	-	-	56,829
In-kind match	-	-	-	6,868	-	2,214
Program income	-	-	15,360	-	-	53,128
Member dues	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Local applied to grants	-	1,661	-	2,232	-	-
Total Revenues	112	40,571	506,024	57,200	47,243	431,770
Expenditures						
Direct Costs						
Personnel	-	14,652	92,195	19,596	21,255	-
Employee benefits	-	10,371	48,722	18,030	15,461	-
Professional services	-	-	-	-	-	-
Travel	-	2,602	3,901	2,276	377	-
Occupancy	-	570	-	-	-	-
Supplies	-	66	1,516	67	-	2,497
Communications	-	-	-	-	-	-
Depreciation expense	-	-	-	-	-	-
Other	112	3,987	215	-	136	-
Capital equipment	-	1,503	-	-	-	-
Program services	-	-	-	-	-	-
Contractual services	-	-	320,492	-	-	429,273
In-kind match	-	-	-	6,868	-	-
Total Direct Costs	112	33,751	467,041	46,837	37,229	431,770
Shared Costs						
Shared costs applied	-	6,820	38,983	10,363	10,014	-
Total Expenditures	112	40,571	506,024	57,200	47,243	431,770
Revenues over Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**GREEN RIVER AREA DEVELOPMENT DISTRICT
COMBINING SCHEDULE OF OPERATIONS
BY PROGRAM AND SUPPORTING SERVICES
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Title III C 2</u> <u>Administration</u>	<u>Title III C2</u> <u>Home Delivered</u>	<u>Title III D</u> <u>Disease Prevention</u>	<u>Title III E</u> <u>Family Caregiver</u> <u>Admin</u>	<u>Title III E</u> <u>Family Caregiver</u>	<u>Title III E</u> <u>CARES</u> <u>Family</u> <u>Caregiver</u>
Revenues						
Federal	\$ 22,325	\$ 753,695	\$ 27,008	\$ 5,110	\$ 68,789	\$ 1,783
State	5,629	44,181	-	6,387	57,948	-
Local	-	90,558	-	-	-	-
In-kind match	-	962	-	-	22,359	-
Program income	-	39,419	-	-	-	-
Member dues	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Local applied to grants	-	-	-	4,160	30	-
Total Revenues	<u>27,954</u>	<u>928,815</u>	<u>27,008</u>	<u>15,657</u>	<u>149,126</u>	<u>1,783</u>
Expenditures						
Direct Costs						
Personnel	12,698	-	-	7,265	31,476	-
Employee benefits	8,815	-	-	5,033	22,016	-
Professional services	-	-	-	-	-	-
Travel	433	-	-	-	394	-
Occupancy	-	-	-	-	-	-
Supplies	-	3,566	468	-	1,444	-
Communications	-	-	-	-	-	-
Depreciation expense	-	-	-	-	-	-
Other	135	-	-	-	249	-
Capital equipment	-	-	-	-	-	-
Program services	-	-	5,998	-	507	-
Contractual services	-	925,249	20,542	-	56,192	1,783
In-kind match	-	-	-	-	22,359	-
Total Direct Costs	<u>22,081</u>	<u>928,815</u>	<u>27,008</u>	<u>12,298</u>	<u>134,637</u>	<u>1,783</u>
Shared Costs						
Shared costs applied	5,873	-	-	3,359	14,489	-
Total Expenditures	<u>27,954</u>	<u>928,815</u>	<u>27,008</u>	<u>15,657</u>	<u>149,126</u>	<u>1,783</u>
Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GREEN RIVER AREA DEVELOPMENT DISTRICT
COMBINING SCHEDULE OF OPERATIONS
BY PROGRAM AND SUPPORTING SERVICES
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Title VII</u> <u>Elder Abuse</u>	<u>Title VII</u> <u>Ombudsman</u>	<u>Title VII CARES</u> <u>Ombudsman</u>	<u>Title VII ARPA</u> <u>Ombudsman</u>	<u>Homecare</u> <u>Administration</u>	<u>Homecare</u> <u>Supportive Services</u>
Revenues						
Federal	\$ 3,555	\$ 7,489	\$ 42	\$ 6,396	\$ -	\$ -
State	-	-	-	-	88,212	404,662
Local	-	-	-	-	-	29,768
In-kind match	509	1,102	-	-	-	-
Program income	-	-	-	-	-	144
Member dues	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Local applied to grants	504	625	-	-	4,936	-
Total Revenues	<u>4,568</u>	<u>9,216</u>	<u>42</u>	<u>6,396</u>	<u>93,148</u>	<u>434,574</u>
Expenditures						
Direct Costs						
Personnel	1,603	3,211	-	3,888	42,193	90,218
Employee benefits	1,548	3,152	-	332	29,260	53,712
Professional services	-	-	-	-	-	-
Travel	-	-	-	967	1,011	3,325
Occupancy	-	-	-	-	-	-
Supplies	41	-	42	-	31	7,486
Communications	-	-	-	-	-	-
Depreciation expense	-	-	-	-	-	-
Other	-	-	-	-	35	615
Capital equipment	-	-	-	-	1,174	10,476
Program services	-	-	-	-	-	-
Contractual services	-	-	-	-	-	228,981
In-kind match	509	1,102	-	-	-	-
Total Direct Costs	<u>3,701</u>	<u>7,465</u>	<u>42</u>	<u>5,187</u>	<u>73,704</u>	<u>394,813</u>
Shared Costs						
Shared costs applied	867	1,751	-	1,209	19,444	39,761
Total Expenditures	<u>4,568</u>	<u>9,216</u>	<u>42</u>	<u>6,396</u>	<u>93,148</u>	<u>434,574</u>
Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GREEN RIVER AREA DEVELOPMENT DISTRICT
COMBINING SCHEDULE OF OPERATIONS
BY PROGRAM AND SUPPORTING SERVICES
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Homecare</u> <u>Home Delivered</u>	<u>PCAP</u> <u>Administration</u>	<u>PCAP</u> <u>Evaluation</u>	<u>PCAP</u> <u>Subsidy</u>	<u>Medicaid Waiver</u> <u>Program</u>	<u>SHIP</u>
Revenues						
Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,464
State	186,244	35,749	32,174	233,543	11,094,667	-
Local	23,592	-	-	-	630	-
In-kind match	-	-	-	-	-	-
Program income	13,296	-	-	-	-	-
Member dues	-	-	-	-	-	-
Interest	-	-	-	-	1,077	-
Local applied to grants	-	1,115	1,283	-	-	-
Total Revenues	<u>223,132</u>	<u>36,864</u>	<u>33,457</u>	<u>233,543</u>	<u>11,096,374</u>	<u>46,464</u>
Expenditures						
Direct Costs						
Personnel	-	17,209	12,146	-	685,778	21,109
Employee benefits	-	11,754	9,813	-	418,905	11,561
Professional services	-	-	-	-	-	-
Travel	-	-	418	-	8,543	58
Occupancy	-	-	-	-	1,116	-
Supplies	-	-	3,957	-	23,198	4,650
Communications	-	-	-	-	301	-
Depreciation expense	-	-	-	-	-	-
Other	-	-	-	-	9,595	45
Capital equipment	-	-	1,017	-	11,927	-
Program services	-	-	(10)	-	9,335,514	-
Contractual services	223,132	-	-	233,543	-	-
In-kind match	-	-	-	-	-	-
Total Direct Costs	<u>223,132</u>	<u>28,963</u>	<u>27,341</u>	<u>233,543</u>	<u>10,494,877</u>	<u>37,423</u>
Shared Costs						
Shared costs applied	-	7,901	6,116	-	304,473	9,041
Total Expenditures	<u>223,132</u>	<u>36,864</u>	<u>33,457</u>	<u>233,543</u>	<u>10,799,350</u>	<u>46,464</u>
Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 297,024</u>	<u>\$ -</u>

**GREEN RIVER AREA DEVELOPMENT DISTRICT
COMBINING SCHEDULE OF OPERATIONS
BY PROGRAM AND SUPPORTING SERVICES
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>NSIP</u>	<u>State LTC Ombudsman</u>	<u>MIPPA SHIP</u>	<u>MIPPA AAAIL</u>	<u>MIPPA ADRC</u>	<u>Senior Medicare Patrol</u>
Revenues						
Federal	\$ 110,787	\$ -	\$ 12,260	\$ 15,584	\$ 5,594	\$ 19,412
State	-	40,852	-	-	-	-
Local	-	-	-	-	-	-
In-kind match	-	-	-	-	-	-
Program income	-	-	-	-	-	-
Member dues	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Local applied to grants	-	1,478	-	110	1,449	526
Total Revenues	110,787	42,330	12,260	15,694	7,043	19,938
Expenditures						
Direct Costs						
Personnel	-	13,672	6,587	8,089	3,201	8,931
Employee benefits	-	13,409	2,956	4,195	2,313	6,730
Professional services	-	-	-	-	-	-
Travel	-	235	29	-	-	44
Occupancy	-	-	-	-	-	-
Supplies	-	1,853	-	-	31	-
Communications	-	-	-	-	-	-
Depreciation expense	-	-	-	-	-	-
Other	-	5,778	-	-	-	-
Capital equipment	-	-	-	-	-	-
Program services	-	(68)	-	-	-	-
Contractual services	110,787	-	-	-	-	-
In-kind match	-	-	-	-	-	-
Total Direct Costs	110,787	34,879	9,572	12,284	5,545	15,705
Shared Costs						
Shared costs applied	-	7,451	2,688	3,410	1,498	4,233
Total Expenditures	110,787	42,330	12,260	15,694	7,043	19,938
Revenues over Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**GREEN RIVER AREA DEVELOPMENT DISTRICT
COMBINING SCHEDULE OF OPERATIONS
BY PROGRAM AND SUPPORTING SERVICES
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>FAST</u>	<u>Medicaid ADRC</u>	<u>SAMS Administration</u>	<u>No Wrong Doors ADRC Funds</u>	<u>CDC Funds</u>	<u>Misc Aging Services</u>	<u>PCHP</u>
Revenues							
Federal	\$ 1,000	\$ 27,126	\$ -	\$ 50,408	\$ 1,059	\$ -	\$ -
State	-	9,719	102,049	-	-	-	-
Local	-	-	-	-	-	9,195	3,588
In-kind match	-	-	-	-	-	-	-
Program income	-	-	-	-	-	-	-
Member dues	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Local applied to grants	-	-	1,819	-	-	-	-
Total Revenues	<u>1,000</u>	<u>36,845</u>	<u>103,868</u>	<u>50,408</u>	<u>1,059</u>	<u>9,195</u>	<u>3,588</u>
Expenditures							
Direct Costs							
Personnel	-	17,881	47,762	21,433	481	-	1,688
Employee benefits	-	6,484	31,449	11,778	351	-	1,132
Professional services	-	-	-	-	-	-	-
Travel	-	-	499	-	-	-	-
Occupancy	-	-	-	-	-	-	-
Supplies	-	25	338	6,861	-	-	-
Communications	-	-	-	-	-	-	-
Depreciation expense	-	-	-	-	-	-	-
Other	-	-	-	1,213	-	-	-
Capital equipment	-	5,670	2,413	-	-	6,000	-
Program services	1,000	-	-	-	-	3,195	-
Contractual services	-	-	-	-	-	-	-
In-kind match	-	-	-	-	-	-	-
Total Direct Costs	<u>1,000</u>	<u>30,060</u>	<u>82,461</u>	<u>41,285</u>	<u>832</u>	<u>9,195</u>	<u>2,820</u>
Shared Costs							
Shared costs applied	-	6,785	21,407	9,123	227	-	768
Total Expenditures	<u>1,000</u>	<u>36,845</u>	<u>103,868</u>	<u>50,408</u>	<u>1,059</u>	<u>9,195</u>	<u>3,588</u>
Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GREEN RIVER AREA DEVELOPMENT DISTRICT
COMBINING SCHEDULE OF OPERATIONS
BY PROGRAM AND SUPPORTING SERVICES
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>NCOA</u> <u>Benefits Outreach</u>	<u>Veterans</u> <u>Directed Care</u>	<u>Comm Collaboration</u> <u>for Children</u>	<u>CCC</u> <u>Parent Involvement</u>	<u>AmeriCorps</u> <u>Senior Conn</u>	<u>Educational Neglect</u> <u>Program</u>
Revenues						
Federal	\$ 79,449	\$ 18,200	\$ 196,379	\$ 506	\$ 336,865	\$ 50,000
State	-	-	-	-	-	-
Local	-	535	-	-	159,203	-
In-kind match	-	-	60,039	-	-	-
Program income	-	-	-	-	-	-
Member dues	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Local applied to grants	3,977	-	-	-	-	608
Total Revenues	<u>83,426</u>	<u>18,735</u>	<u>256,418</u>	<u>506</u>	<u>496,068</u>	<u>50,608</u>
Expenditures						
Direct Costs						
Personnel	38,679	5,609	27,760	-	72,105	23,410
Employee benefits	22,570	3,705	18,719	-	39,513	16,057
Professional services	-	-	-	-	-	-
Travel	862	390	3,358	-	1,722	321
Occupancy	-	-	-	-	-	-
Supplies	1,255	-	123	-	185	136
Communications	-	-	-	-	-	-
Depreciation expense	-	-	-	-	-	-
Other	35	-	-	-	27	-
Capital equipment	-	-	452	-	-	-
Program services	2,244	598	13,612	506	351,873	-
Contractual services	-	-	119,758	-	-	-
In-kind match	-	-	60,039	-	-	-
Total Direct Costs	<u>65,645</u>	<u>10,302</u>	<u>243,821</u>	<u>506</u>	<u>465,425</u>	<u>39,924</u>
Shared Costs						
Shared costs applied	17,781	2,555	12,597	-	30,643	10,684
Total Expenditures	<u>83,426</u>	<u>12,857</u>	<u>256,418</u>	<u>506</u>	<u>496,068</u>	<u>50,608</u>
Revenues over Expenditures	<u>\$ -</u>	<u>\$ 5,878</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GREEN RIVER AREA DEVELOPMENT DISTRICT
COMBINING SCHEDULE OF OPERATIONS
BY PROGRAM AND SUPPORTING SERVICES
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>OTS</u>	<u>MPO</u>	<u>KYTC</u>	<u>FHWA</u>	<u>FTA</u>	<u>Trade</u>
Revenues						
Federal	\$ 8,412	\$ -	\$ -	\$ 92,732	\$ 53,000	74,149
State	-	-	85,833	8,576	-	-
Local	8,412	12,919	-	19,578	13,250	-
In-kind match	-	-	-	-	-	-
Program income	-	-	-	-	-	-
Member dues	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Local applied to grants	-	-	5,671	-	3,090	-
Total Revenues	16,824	12,919	91,504	120,886	69,340	74,149
Expenditures						
Direct Costs						
Personnel	8,339	6,768	42,593	57,165	34,152	-
Employee benefits	4,854	3,358	27,214	30,167	18,732	-
Professional services	-	-	-	-	-	-
Travel	-	-	2,126	165	1,527	-
Occupancy	-	-	-	-	-	-
Supplies	-	-	28	1,042	400	-
Communications	-	-	-	-	-	-
Depreciation expense	-	-	-	-	-	-
Other	-	-	313	-	-	-
Capital equipment	-	-	-	8,351	-	-
Program services	-	-	-	-	-	74,149
Contractual services	-	-	-	-	-	-
In-kind match	-	-	-	-	-	-
Total Direct Costs	13,193	10,126	72,274	96,890	54,811	74,149
Shared Costs						
Shared costs applied	3,631	2,493	19,230	23,996	14,529	-
Total Expenditures	16,824	12,619	91,504	120,886	69,340	74,149
Revenues over Expenditures	\$ -	\$ 300	\$ -	\$ -	\$ -	\$ -

**GREEN RIVER AREA DEVELOPMENT DISTRICT
COMBINING SCHEDULE OF OPERATIONS
BY PROGRAM AND SUPPORTING SERVICES
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>WIOA</u>	<u>WIOA DRA</u>	<u>Total Program Services</u>	<u>General and Administrative</u>	<u>Unrestrictive Local Operations</u>	<u>Total Revenues and Expenditures</u>
Revenues						
Federal	\$ 1,423,231	\$ 96,671	\$ 4,477,203	\$ -	\$ -	\$ 4,477,203
State	-	-	12,955,373	-	-	12,955,373
Local	-	-	529,567	-	18,243	547,810
In-kind match	-	-	94,053	-	-	94,053
Program income	-	-	121,347	-	-	121,347
Member dues	-	-	-	-	224,068	224,068
Interest	-	-	1,077	-	15,380	16,457
Local applied to grants	-	-	68,734	-	(68,734)	-
Total Revenues	1,423,231	96,671	18,247,354	-	188,957	18,436,311
Expenditures						
Direct Costs						
Personnel	205,667	1,059	2,007,903	326,802	-	2,334,705
Employee benefits	111,989	713	1,194,878	210,435	174	1,405,487
Professional services	-	-	122	46,417	34,500	81,039
Travel	1,613	-	48,800	17,856	3,223	69,879
Occupancy	37,493	-	39,959	72,742	-	112,701
Supplies	758	-	69,836	55,075	2,218	127,129
Communications	6,088	-	6,389	35,492	-	41,881
Depreciation expense	-	-	-	90,708	50,746	141,454
Other	115	-	24,422	55,437	44,440	124,299
Capital equipment	-	-	53,902	-	-	53,902
Program services	574,925	94,412	10,458,455	-	-	10,458,455
Contractual services	420,402	-	3,090,134	-	-	3,090,134
In-kind match	-	-	90,877	-	-	90,877
Total Direct Costs	1,359,050	96,184	17,085,677	910,964	135,301	18,131,942
Shared Costs						
Shared costs applied	82,186	487	876,480	(910,964)	-	(34,484)
Total Expenditures	1,441,236	96,671	17,962,157	-	135,301	18,097,458
Revenues over Expenditures	\$ (18,005)	\$ -	\$ 285,197	\$ -	\$ 53,656	\$ 338,853

Reconciliation to Governmental Funds

Total Expenditures	\$ 18,097,458
Depreciation expense	(141,454)
Loss on disposal of asset	-
Change in Insurance Reserve	(12,198)
Accrued Leave	(11,145)
Debt payments	50,090
Assets capitalized	67,205
	<u>\$ 18,049,956</u>

**GREEN RIVER AREA DEVELOPMENT DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED JUNE 30, 2022**

<u>Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
<u>U.S. Department of Agriculture</u>				
Passed through Rural Business Cooperative Service:				
Intermediary Relending Program	10.767	N/A	\$ <u>145,203</u>	\$ <u>-</u>
Passed through Delta Regional Authority				
Delta Workforce H20 Program	10.773	RW-400	<u>96,672</u>	<u>-</u>
Total U.S. Department of Agriculture			<u>\$ 241,875</u>	<u>\$ -</u>
<u>U.S. Department of Commerce</u>				
Direct Program:				
Coronavirus Aid, Relief, and Economic Security (CARES) Act Revolving Loan Fund Supplemental Disaster Recovery and Resiliency Awards				
	11.307	04-79-07524	3,428,383	-
Passed through Department for Local Government				
Economic Development Support for Planning Organizations	11.302	N/A	66,667	-
Coronavirus Aid, Relief, and Economic Security (CARES) Act JFA Supplemental				
	11.307	2100000398	<u>211,169</u>	<u>-</u>
Total U.S. Department of Commerce			<u>\$ 3,706,219</u>	<u>\$ -</u>
<u>U.S. Department of Housing and Urban Development</u>				
Community Development Block Grants - State's Program				
Passed through local sources:				
City of Livermore	14.228	N/A	\$ <u>14,779</u>	\$ <u>-</u>
			<u>14,779</u>	<u>-</u>
Passed through Department for Local Government:				
Community Development Block Grants - State's Program-JFA	14.228	N/A	<u>38,243</u>	<u>-</u>
			<u>53,022</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development			<u>\$ 53,022</u>	<u>\$ -</u>

**GREEN RIVER AREA DEVELOPMENT DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR YEAR ENDED JUNE 30, 2022**

<u>Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
<u>U.S. Department of Labor</u>				
Passed through Kentucky Education and Workforce Development Cabinet:				
Workforce Investment and Opportunity Act:				
WIOA Cluster:				
WIA/WIOA Adult Program	17.258	270AD21	2,074	45
		270AD22	45,049	-
		273AD21	144,900	-
		273AD22	162,016	108,693
			<u>354,039</u>	<u>108,738</u>
WIA/WIOA Youth Activities	17.259	274YT22	53,175	13,447
		274YT20	29,851	7
		274YT21	190,029	85,698
			<u>273,055</u>	<u>99,152</u>
WIA/WIOA Dislocated Workers	17.278	272CM20	10,000	10,000
		272DW21	46,775	39,144
		272DW22	87,242	74,515
		273SR20	11,424	-
		271DW21	227,155	17,787
		271DW21	99,400	39,057
		271DW22	46,900	27,352
			<u>528,896</u>	<u>207,855</u>
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277	258CV20	40,777	4,348
		258CV21	226,465	309
			<u>267,242</u>	<u>4,657</u>
WIOA Cluster Total			<u>1,423,232</u>	<u>420,402</u>
Trade Adjustment Assistance	17.245	205BE19	39,683	-
		205BE20	34,466	-
			<u>74,149</u>	<u>-</u>
Total U.S. Department of Labor			<u>\$ 1,497,381</u>	<u>\$ 420,402</u>

**GREEN RIVER AREA DEVELOPMENT DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR YEAR ENDED JUNE 30, 2022**

<u>Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
Highway Planning and Construction: FHWA - Owensboro Transportation Planning	20.205	2100001224	\$ 92,732	\$ -
Metropolitan Transportation Planning: FTA-Owensboro Transportation Planning	20.505	P033021442	53,000	-
Passed through City of Owensboro: Federal Transit Formula Grants: FTA - OTS Transit Management	20.507	2021/2022	<u>8,412</u>	<u>-</u>
Total U.S. Department of Transportation			<u>\$ 154,144</u>	<u>\$ -</u>
<u>U.S. Department of Veterans Affairs</u>				
Passed through Pennyville Area Development District: VHA Home Care	64.044	VA2016-01 G	<u>12,857</u>	<u>-</u>
Total Department of Veterans Affairs			<u>\$ 12,857</u>	<u>\$ -</u>
<u>Delta Regional Authority</u>				
Direct Program: Delta Area Economic Development	90.201	N/A	\$ 182	\$ -
Delta Local Development District Assistance	90.202	N/A	<u>8,215</u>	<u>-</u>
Total Delta Regional Authority			<u>\$ 8,397</u>	<u>\$ -</u>
<u>U.S. Department of Health and Human Services</u>				
Passed through Kentucky Cabinet for Health and Family Services: Aging Cluster: Special Programs for the Aging Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	2100002005	\$ 197,053	\$ 101,329
Special Programs for the Aging Title III Part C, Nutrition Services	93.045	2100002005	829,677	765,505
State Funded Meals-Home Delivered Meals	93.045	2100002005	251,682	251,682
State Funded Meals-Congregate Meals	93.045	2100002005	<u>20,078</u>	<u>20,078</u>
			1,101,437	1,037,265

**GREEN RIVER AREA DEVELOPMENT DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR YEAR ENDED JUNE 30, 2022**

<u>Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
Nutrition Services Incentive Program	93.053	2100000262 21000003024	20,385 <u>90,402</u>	20,385 <u>90,402</u>
Aging Cluster Total			<u>1,409,277</u>	<u>1,249,381</u>
Special Programs for the Aging Title VII Chapter 3 Program for Prevention of Elder Abuse, Neglect and Exploitation	93.041	2100001810	<u>3,555</u>	<u>-</u>
Special Programs for the Aging Title VII Chapter 2 Long Term Care Ombudsman Services for Older Individuals	93.042	2100001810	7,489	-
ARPA for Long Term Care Ombudsman Services for Older Individuals	93.042		6,396	-
CARES Act for Long Term Care Ombudsman Services for Older Individuals	93.042	2100001810	42 <u>13,927</u>	- <u>-</u>
Special Programs for the Aging Title III Disease Prevention and Health Promotions Services	93.043	2100002005	<u>27,008</u>	<u>20,542</u>
Passed through Louisville/Jefferson County Metro Government: Title IV and Title II, Discretionary Projects	93.048	90MPPG0020	<u>19,412</u>	<u>-</u>
National Family Caregiver Support, Title III, Part E	93.052	2100002005	73,899	56,192
CARES Act for National Family Caregiver Support	93.052	2100002005	1,783 <u>75,682</u>	1,783 <u>57,975</u>
Public Health Emergency Preparedness	93.069	1900000533	<u>1,000</u>	<u>1,000</u>
Medicare Enrollment Assistance Program	93.071	2100000242	3,954	-
Medicare Enrollment Assistance Program	93.071	2100003015	29,485 <u>33,439</u>	- <u>-</u>
Passed through National Council on Aging: Medicare Enrollment Assistance Program	93.071	N/A	79,449 <u>112,888</u>	- <u>-</u>
Title IV-E Prevention and Family Services and Programs	93.472	2000002665	29,556	
Promoting Safe and Stable Families	93.556	2000002665	<u>63,514</u>	<u>44,310</u>
Community-Based Child Abuse Prevention Grants	93.590	2000002665	103,310	75,448
Passed through Eastern Kentucky University: Community-Based Child Abuse Prevention Grants	93.590	PSC-1080-2022	<u>506</u>	<u>-</u>

**GREEN RIVER AREA DEVELOPMENT DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR YEAR ENDED JUNE 30, 2022**

<u>Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Total Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
Educational Neglect Program	93.590	PSC-799-2021	<u>50,000</u>	<u>-</u>
			<u>153,816</u>	<u>75,448</u>
Medical Assistance Program	93.778	2000004400	<u>78,593</u>	<u>-</u>
Centers for Medicare and Medicaid Services Research, Demonstrations and Evaluations	93.779	2000003467	<u>46,464</u>	<u>-</u>
Total U.S. Department of Health and Human Services			<u>\$ 2,034,692</u>	<u>\$ 1,448,656</u>
<u>Corporation for National and Community Service</u>				
Passed through the Kentucky Commission on Community Volunteerism and Service:				
AmeriCorps - Senior Connections	94.006	2000002403	<u>\$ 336,865</u>	<u>\$ -</u>
Total Corporation for National and Community Service			<u>\$ 336,865</u>	<u>\$ -</u>
Total Federal Awards			<u>\$ 8,045,452</u>	<u>\$ 1,869,058</u>

**GREEN RIVER AREA DEVELOPMENT DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED JUNE 30, 2022**

NOTE A: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal grant activity of GRADD under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of operations of GRADD, it is not intended to, and does not, present the financial position, changes in net assets or cash flows of GRADD.

NOTE B: 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 Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C: INDIRECT COST RATE

GRADD has elected not to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

NOTE D: RECONCILIATION OF FEDERAL REVENUE

Federal revenue per the Combining Schedule of Operations	
by Program and Supporting Services	\$ 4,477,203
Federal revenue per Proprietary Funds	-
Revolving Loan Fund	3,428,383
Intermediary Relending Program	145,203
Unexpended Veterans Directed Care per	(5,337)
Total per Schedule of Expenditures	
of Federal Awards	<u>\$ 8,045,452</u>

NOTE E: REVOLVING LOAN FEDERAL EXPENDITURES CALCULATION

The following amounts were used to calculate the federal expenditures for the Economic Adjustment Loan Program:

The following amounts were used to calculate the federal expenditures for the Economic Adjustment Assistance Loan Program:

	<u>CARES RLF</u>
Loan Receivable at 6/30/21	\$ 2,838,168
Cash in Bank	414,994
Administrative	175,221
Unpaid principal of loans written off during the year	-
Total	<u>3,428,383</u>
Multiply federal share of RLF	100%
Federal Expenditures for SEFA reporting	<u>\$ 3,428,383</u>



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

To the Board of Directors
Green River Area Development District
Owensboro, Kentucky

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of , as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Green River Area Development District’s basic financial statements, and have issued our report thereon dated January 6, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Green River Area Development District’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 Green River Area Development District’s internal control. Accordingly, we do not express an opinion on the effectiveness of Green River Area Development District’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.

To the Board of Directors
Green River Area Development District

Report on Compliance and Other Matters

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

Purpose of This Report

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

January 6, 2023
Evansville, Indiana



Certified Public Accountants and Consultants

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

To the Board of Directors
Green River Area Development District
Owensboro, Kentucky

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Green River Area Development District’s 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 Green River Area Development District’s major federal programs for the year ended June 30, 2022. Green River Area Development District’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, Green River Area Development District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Green River Area Development District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Green River Area Development District’s compliance with the compliance requirements referred to above.

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 Green River Area Development District’s federal programs.

To the Board of Directors
Green River Area Development District

Auditor's 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 express an opinion on Green River Area Development District'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 generally accepted auditing standards, *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 Green River Area Development District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Green River Area Development District'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 Green River Area Development District'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 Green River Area Development District'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.

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

To the Board of Directors
Green River Area Development District

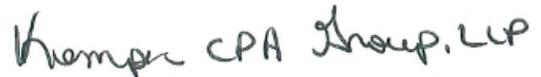
weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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.

January 6, 2023
Evansville, Indiana



Certified Public Accountants and Consultants

**GREEN RIVER AREA DEVELOPMENT DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

- | | |
|--|---------------|
| 1) Type of report the auditor issued on whether the consolidated financial statements audited were prepared in accordance with GAAP: | Unmodified |
| 2) Internal control over financial reporting: | |
| a) Material weaknesses identified? | No |
| b) Significant deficiencies identified? | None reported |
| c) Noncompliance material to the financial statements noted? | No |

Federal Awards

- | | |
|---|---------------|
| 1) Internal control over major program: | |
| a) Material weaknesses identified? | No |
| b) Significant deficiencies identified? | None reported |
| 2) Type of auditor’s report issued on compliance for major programs: | Unmodified |
| 3) Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |

- 4) Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
11.307	Coronavirus Aid Relief, and Economic Security (CARES) Act Revolving Loan Fund Supplemental Disaster Recovery and Resiliency Awards

- | | |
|---|-----------|
| 5) Dollar threshold used to distinguish between Type A and Type B programs: | \$750,000 |
| 6) Auditee qualified as a low-risk auditee? | No |

**GREEN RIVER AREA DEVELOPMENT DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED JUNE 30, 2022**

<u>Finding No.</u>	<u>Condition</u>	<u>Current Status</u>
2021-001	The Schedule of Expenditures of Federal Awards was Materially Overstated	Corrected
2021-002	The Green River Area Development District's Revolving Loan Fund Financial Report was Inaccurate	Corrected