

GREAT NORTHERN SERVICES

WEED, CALIFORNIA

**FINANCIAL STATEMENTS
AND
SINGLE AUDIT REPORT**

DECEMBER 31, 2017

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Great Northern Services
Weed, California

We have audited the accompanying financial statements of Great Northern Services (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Great Northern Services as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Great Northern Services' 2016 financial statements, and our report dated July 5, 2017, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary data in schedules 1 through 12 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 16, 2018 on our consideration of Great Northern Services' 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Great Northern Services' internal control over financial reporting and compliance.

R.J. Ricciardi, Inc.

R.J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
August 16, 2018

Great Northern Services
STATEMENTS OF FINANCIAL POSITION
December 31, 2017
(With Comparative Totals for December 31, 2016)

	2017	2016
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 308,879	\$ 133,700
Accounts receivable	426,317	889,968
Inventory	41,302	13,425
Deposits	2,705	2,838
Notes receivable, current portion	18,013	10,162
Total current assets	797,216	1,050,093
Noncurrent assets:		
Notes receivable	115,774	54,462
Fixed assets, net of accumulated depreciation	1,514,469	1,128,710
Total noncurrent assets	1,630,243	1,183,172
Total assets	\$ 2,427,459	\$ 2,233,265
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Accounts payable	\$ 302,767	\$ 354,100
Accrued liabilities	80,242	57,293
Compensated absences	42,413	31,621
Note payable, current portion	22,840	13,315
Total current liabilities	448,262	456,329
Noncurrent liabilities:		
Note payable	652,051	551,556
Total noncurrent liabilities	652,051	551,556
Total liabilities	1,100,313	1,007,885
Net assets - Exhibit A:		
Unrestricted	1,327,146	1,225,380
Total net assets	1,327,146	1,225,380
Total liabilities and net assets	\$ 2,427,459	\$ 2,233,265

The accompanying notes are an integral part of these financial statements

STATEMENTS OF ACTIVITIES

For the Year Ended December 31, 2017

(With Comparative Totals for December 31, 2016)

	<u>Unrestricted</u>	
	<u>2017</u>	<u>2016</u>
Revenues:		
Grant revenue	\$ 2,234,759	\$ 1,795,360
Contribution revenue	125,182	61,293
Other revenue	53,628	17,003
Total revenues	<u>2,413,569</u>	<u>1,873,656</u>
Expenses:		
Program	2,266,564	1,899,949
Management and general	110,326	154,796
Total expenses	<u>2,376,890</u>	<u>2,054,745</u>
Revenues over/(under) expenses	<u>36,679</u>	<u>(181,089)</u>
Other revenue and expenses:		
Interest income	68	43,242
Interest expense	(45,155)	(6,727)
Gain due to fire	110,174	547,988
Total other revenue and expenses	<u>65,087</u>	<u>584,503</u>
Change in net assets	101,766	403,414
Net assets, beginning of period	<u>1,225,380</u>	<u>821,966</u>
Net assets, end of period	<u>\$ 1,327,146</u>	<u>\$ 1,225,380</u>

The accompanying notes are an integral part of these financial statements

STATEMENTS OF CASH FLOWS

For the Year Ended December 31, 2017

(With Comparative Totals for December 31, 2016)

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Change in net assets	\$ 101,766	\$ 403,414
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	35,003	24,230
Gain on assets destroyed by fire	(110,174)	(547,988)
Changes in certain assets and liabilities:		
Accounts receivable	463,651	(729,452)
Inventory	(27,877)	819
Deposits	133	1,847
Accounts payable	(51,333)	254,797
Accrued liabilities	22,949	(21,718)
Compensated absences	10,792	(7,302)
Net cash provided (used) by operating activities	<u>444,910</u>	<u>(621,353)</u>
Cash flows from investing activities:		
Acquisition of fixed assets	(420,762)	(1,028,114)
Proceeds received from assets destroyed in fire	110,174	547,988
Loans to other entities	(69,163)	(32,919)
Net cash provided by investing activities	<u>(379,751)</u>	<u>(513,045)</u>
Cash flows from financing activities:		
Proceeds from notes payable	141,405	1,054,252
Payments on notes payable	(31,385)	(504,381)
Net cash provided (used) by financing activities	<u>110,020</u>	<u>549,871</u>
Net increase (decrease) in cash during the year	175,179	(584,527)
Cash balance, beginning of period	<u>133,700</u>	<u>718,227</u>
Cash balance, end of period	<u>\$ 308,879</u>	<u>\$ 133,700</u>
Supplemental disclosures of cash flow information:		
Interest paid	<u>\$ 45,155</u>	<u>\$ 6,727</u>

The accompanying notes are an integral part of these financial statements

Great Northern Services
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2017

NOTE 1 - GENERAL

A. Organization

Great Northern Services (the Organization) is a California non-profit organization serving communities and residents in Siskiyou County of California. The Organization, located in Weed, California, was incorporated on July 1, 1978.

B. Program Services

The Housing and Rehabilitation program writes and administers grants awarded to jurisdictions for housing rehabilitation of substandard homes occupied by low income residents in Siskiyou County. The focus is on health and safety issues, performing testing of lead-based paint and asbestos removal, evaluating modifications for handicap accessibility and addressing major and minor repairs. This program is funded through Community Development Block Grants (CDBG).

The Rural Development program provides public works and rural development projects including environmental review and prevailing wages. Working with local, rural communities, this program includes providing technical assistance in regards to water, waste water, solid waste planning, zoning matters, economic development concerns, grant administrative services, procurement of funding, project management and assistance with local boards and councils.

The Weatherization Program receives funding from the federal government and from private corporate grants. The program serves residents in Siskiyou County to make their homes more energy efficient. Renters and owners living in houses, apartments, and mobile homes can apply for the basic weatherization services.

The Energy Program is a federally funded program that helps struggling or low-income households pay their energy bill, by providing a direct grant payment to utility or heating providers for eligible households. This assistance helps to offset the cost of heating their homes. Renters and owners living in houses, apartments, and manufactured/mobile homes can receive assistance to make their homes more energy efficient. The Organization also provides additional energy efficiency measures, and conducts diagnostic testing of homes and fuel burning appliances for the safety of the occupants.

The Food Bank Program operates several programs to supply emergency food to those in need and to support Food Banks around Siskiyou County. Through the Emergency Food Assistance Program (Commodities), the Drought Food Assistance Program, Food Bank Supply Program and Mt. Shasta and Siskiyou Fresh Programs; the Organization is able to deliver food to people in need. The Organization also partners with nearby schools to increase available snacks during school holiday breaks. The Organization is exploring Farm to School opportunities in the County, while continuing to work with community members on a Siskiyou County Local Food Center feasibility study.

The Economic Development Program helps local jurisdictions create and sustain loan programs for new and expanding businesses. This program is funded through the Economic Development Microenterprise Business Loan and Grant Program.

The Community Services Program Siskiyou County HIV/AIDS Foundation provides access to health care and support services for individuals who are HIV positive. The main purpose is to provide access to the needed services to keep each HIV positive individual medically, physically and emotionally stable. This is provided through ongoing case management by a team consisting of a social worker, a registered nurse, the client's medical doctor and an infectious disease specialist.

Great Northern Services
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The financial statements and fiscal records of the Organization are prepared on the accrual basis of accounting and, therefore, include all support and revenues when earned and all expenses when incurred, regardless of whether the support and revenues or expenses were received or paid as of the end of a fiscal period. Grants are recognized as support when earned in accordance with the terms of each grant or agreement.

B. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC 958-205), *Financial Statements of Not-for-Profit Organizations*. Under FASB ASC 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted Net Assets

Unrestricted net assets generally result from revenues obtained by providing services, receiving unrestricted contributions, and receiving interest and dividends from income-producing assets. The only limits on the use of unrestricted net assets are the broad limits resulting from the nature of the Organization and the purposes specified in its Articles of Incorporation or Bylaws and limits resulting from contractual agreements entered into by the Organization in the course of its operations.

C. Cash and Cash Equivalents

For purposes of reporting the statement of cash flows, cash and cash equivalents include cash on deposit with financial institutions and short-term marketable securities with a maturity of three months or less.

D. Fixed Assets

Assets acquired through grant resources are considered to be owned by the grantor while such assets are in use under the funded program, or while they are being used for a similar program. Any disposition of restricted assets or any funds derived therefrom are subject to grant regulations.

It is the Organization's policy to capitalize individual purchases of property and equipment costing in excess of \$5,000. Purchased property and equipment is capitalized at cost.

Fixed assets are stated at cost and depreciation is computed on the straight-line basis of accounting over estimated useful lives; 39 years for buildings and building improvements and 5 years for all other eligible assets.

E. Accounts Receivable

Accounts receivable consists of amounts due from grantors and accounts receivable on contracts. Receivables are written off when management determines the amounts are not collectible. No allowance of bad debts has been made as management considers all receivables to be collectible.

Great Northern Services
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

F. Inventory

Inventory consists of materials used in the weatherization of homes. Inventory is valued at the lower of cost or market.

G. Notes Receivable

Notes receivable are reported at their outstanding principal balances. Management considers all notes receivable to be fully collectible and, accordingly, no allowance for doubtful accounts is considered necessary. In making that determination, management evaluated the financial condition of the borrowers and their ability to repay.

H. Use of Estimates

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America and, as such, include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results could differ from those estimates.

I. Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted net assets as appropriate. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

J. Contingencies

The Organization participates in federal grants, the principal of which are the U.S. Department of Housing and Urban Development and the U.S. Department of Health & Human Services. Disbursement of funds received under these grants requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agency. Any disallowed costs resulting from such an audit could become a liability of the general fund or other applicable funds.

K. Risk Management

The Organization is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Organization carries commercial insurance.

NOTE 3 - INCOME TAXES

The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is also exempt from California franchise taxes under Section 23701(d) of the Revenue and Taxation code and, therefore, has made no provision for Federal or California income taxes. In addition, the Organization has been determined by the Internal Service not to be a "private foundation" within the meaning of Section 509(a) of the Code.

Great Northern Services
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2017

NOTE 3 - INCOME TAXES (concluded)

The Organization adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Organization has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Organization believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial condition, results of operations or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2017. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 4 - CASH

Cash balances as of December 31, 2017 and 2016 were \$308,879 and \$133,700, respectively. The corresponding current bank balance is in excess of the \$250,000 blanket umbrella by the Federal Deposit Insurance Corporation (FDIC). It is the opinion of management that the solvency of the referenced financial institutions is not of particular concern at this time.

NOTE 5 - CONCENTRATIONS

The Organization receives a substantial amount of revenue for its programs from the U.S. Department of Housing and Urban Development and the U.S. Department of Health & Human Services. During the years ended December 31, 2017 and 2016, amounts expended and eligible for reimbursements from these organizations totaled \$1,410,721 and \$1,396,149 representing 58 percent and 75 percent, respectively, of the Organization's total revenues for that year.

NOTE 6 - ACCOUNTS RECEIVABLE

Receivables represent the portion of grants and contracts earned but for which funds have not been received as of year-end. The total amount of accounts receivable as of December 31, 2017 and 2016 was \$426,317 and \$889,968, respectively. The Organization has not accrued a loss for allowances for uncollectible receivables for the programs since it is the opinion of management that the amounts will be collected.

Great Northern Services
NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2017

NOTE 7 - NOTES RECEIVABLE

Notes receivable at December 31, 2017 consisted of the following:

	2017	2016
3% note receivable from <u>Shasta Vortex Adventures</u> to be paid back in 114 months. The principal payments and interest on the note began August 2011. This note is secured under Section 1 of the Uniform Commercial Code Procedures.	\$ 4,763	\$ 6,902
8% note receivable from <u>River Dancers - Aaron Beverly</u> to be paid back in 116 months. Interest only payments due will begin September 2017 and last until January 2018, at which time both principal payments and interest will be due monthly until maturity. This note is secured under Section 1 of the Uniform Commercial Code Procedures.	49,833	-
6% note receivable from <u>Takeshi Murakami, dba Shasta Valley Pest Control</u> to be paid back in 84 months. The principal payments and interest on the note began in October 2017. This note is secured under Section 1 of the Uniform Commercial Code Procedures.	29,131	-
7% note receivable from <u>Enjoy Weed, Inc.</u> to be paid back in 96 months. The principal payments and interest on the note began June 2016. The note is secured under Section 1 of the Uniform Commercial Code Procedures.	41,907	46,686
7% note receivable from <u>Gifted Horse Lodge</u> to be paid back in 60 months. The principal payments and interest on the note began in July 2015. The note is secured under section 1 of the Uniform Commercial Code Procedures.	8,153	11,036
Total	\$ 133,787	\$ 64,624

Great Northern Services
NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2017

NOTE 8 - FIXED ASSETS

At December 31, fixed assets consisted of the following:

	<u>Years</u>	<u>2017</u>	<u>2016</u>
Fixed Assets:			
Land	N/A	\$ 225,781	\$ 200,781
Office furniture	5	48,567	48,567
Buildings	39	890,451	648,837
Building Improvements	39	354,166	214,703
Vehicles	5	58,987	58,987
Tools & equipment	5	14,685	-
Software	5	<u>9,372</u>	<u>9,372</u>
Total fixed assets		1,602,009	1,181,247
Accumulated depreciation		<u>(87,540)</u>	<u>(52,537)</u>
Fixed assets, net of accumulated depreciation		<u>\$ 1,514,469</u>	<u>\$ 1,128,710</u>

Depreciation expense for the years ended December 31, 2017 and 2016 was \$35,003 and \$24,230, respectively.

NOTE 9 - COMPENSATED ABSENCES

Accumulated unpaid employee paid time off benefits are recognized as liabilities of the Organization. The amount of accumulated paid time off benefits as of December 31, 2017 and 2016 was \$42,413 and \$31,621, respectively.

NOTE 10 - NOTE PAYABLE

The Organization has a note payable to the U.S. Department of Agriculture (USDA) Rural Micro-entrepreneur Assistance Program. Beginning March 2015 with a term of 20 years at 2.000% interest, the Organization has a three year period to make advances on a \$300,000 loan commitment made by the USDA. No payments are required for the first two years; however, interest will begin to accrue on the date funds are advanced. The first principal payment and interest will be due January 31, 2017. The Organization will begin to make payments for any funds previously advanced and any interest accrued. Per Regulation 7 CFR 4280, deferred interest was capitalized and added to the outstanding principal balance. Any funds advanced during the third year will be added to the 20-year amortization schedule for repayment. The following amortization schedule shows expected future principal payments and interest with regards to information available for the year ending December 31, 2017.

The following are maturities of this note payable for the years ending December 31:

<u>USDA Rural Development</u>	<u>Principal Payment</u>	<u>Interest Payment</u>
2018	\$ 8,879	\$ 3,741
2019	9,057	3,562
2020	9,240	3,380
2021	9,426	3,193
2022	9,616	3,003
Thereafter	<u>144,146</u>	<u>19,908</u>
Total	<u>\$ 190,364</u>	<u>\$ 36,787</u>

Great Northern Services
NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2017

NOTE 10 - NOTE PAYABLE (concluded)

The Organization has entered into an agreement with Bill A. Duchi, Susan L. Duchi, Harold William Duchi and Brenda Joy Duchi, Trustees of The Duchi Family Revocable Declaration of Trust dated June 19, 1997, Julie D. Acquistapace, Surviving Trustee of the Eugene M. and Julie D. Acquistapace Revocable Trust, April 11, 2012, Fred M. Duchi, Jr. and Michele J. Duchi on October 28, 2016. The principal amount is \$500,000 and interest rate is 4.7500% per annum. Equal principal payments and interest are to be made every 28th day each month until maturity.

The following are maturities of this note payable for the years ending December 31:

<u>Bill & Susan Duchi</u>	<u>Principal Payment</u>	<u>Interest Payment</u>
2018	\$ 13,961	\$ 22,714
2019	14,639	22,036
2020	15,350	21,325
2021	16,095	20,580
2022	16,876	19,799
Thereafter	<u>407,606</u>	<u>159,923</u>
Total	<u>\$ 484,527</u>	<u>\$ 266,377</u>

NOTE 11 - RELATED PARTY TRANSACTIONS

The Organization entered into a board of directors approved, related party transaction with Kubowitz Painting Co. The owner-operator is related to the Organization's executive director. The amount paid for services rendered for the year ended December 31, 2017 was \$15,350.

NOTE 12 - FUNCTIONAL EXPENSES

The Organization charges directly identifiable expenses to program services. Expenses related to more than one function are charged to program services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

NOTE 13 - REPORT ON SUMMARIZED COMPARATIVE INFORMATION

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2016, from which the summarized information was derived.

NOTE 14 - RECLASSIFICATIONS

Certain amounts in the December 31, 2016 financial statements have been reclassified to conform with the December 31, 2017 presentation. These reclassifications have no effect on the change in net assets as previously reported.

Great Northern Services
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2017

NOTE 15 - SUBSEQUENT EVENTS

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through August 16, 2018, the date the financial statements were issued.

The following event and transaction occurred subsequent to December 31, 2017:

On December 20, 2017, a loan request from Wendy James – Jefferson Center of the Arts was received. Funds were disbursed in January 2018 by the U.S. Department of Agriculture (USDA) Rural Micro-entrepreneur Assistance Program. \$50,000 was the principal amount borrowed. This is the final note issued from the current USDA Rural Micro-entrepreneur Assistance contract. This grant closed on December 31, 2017. Principal payment and interest will be due January 2018. See Note 10 for additional details.

Great Northern Services
SCHEDULE OF ACTIVITIES
 All Program Services
 For the Year Ended December 31, 2017

	Schedule 2	Schedule 3	Schedule 4	Schedule 5	Total
Revenues:					
Grant revenue	\$ 322,653	\$ 135,295	\$ 1,338,207	\$ 438,604	\$ 2,234,759
Contributions revenue	-	-	50,619	74,563	125,182
Other revenue	-	-	15,188	38,440	53,628
Total revenues	<u>322,653</u>	<u>135,295</u>	<u>1,404,014</u>	<u>551,607</u>	<u>2,413,569</u>
Expenses:					
Salaries and wages	130,549	31,414	450,977	283,299	896,239
Fringe benefits and payroll taxes	44,213	8,121	126,647	87,863	266,844
Meeting expense	474	130	2,526	8,575	11,705
Mileage expense	4,435	239	590	2,925	8,189
Training and conferences	1,120	304	4,114	5,770	11,308
Program costs	97,920	590	432,453	168,764	699,727
Accounting and auditing	2,757	709	9,233	6,542	19,241
Advertising	2,189	554	6,675	6,164	15,582
Bad debt	-	-	-	550	550
Bank charges	118	29	474	1,072	1,693
Contract services	-	75,385	-	7,519	82,904
Dues and subscriptions	545	129	2,201	4,743	7,618
Equipment lease	63	16	272	101	452
Equipment maintenance	568	139	2,316	844	3,867
Facilities & equipment use fees	4,986	1,250	19,982	7,475	33,693
Computer supplies/service	4,548	1,139	17,997	7,172	30,856
Insurance	3,614	889	20,037	8,691	33,231
Interest and finance charges	-	-	2,259	709	2,968
Licenses, permits, taxes and fees	55	18	185	8,181	8,439
Office equipment	4,648	1,751	23,275	4,875	34,549
Office supplies	2,700	688	10,481	16,928	30,797
Other outside services	227	116	628	38,587	39,558
Postage and shipping	987	244	3,924	1,504	6,659
Printing and copying	-	-	-	-	-
Rent	65	20	453	282	820
Repairs and maintenance	2,627	621	7,548	12,887	23,683
Telephone	2,753	674	11,579	3,631	18,637
Tools	-	-	26,480	-	26,480
Utilities	3,782	699	15,757	3,236	23,474
Depreciation	1,560	398	7,779	25,266	35,003
Vehicle maintenance and fees	-	-	-	2,124	2,124
Total expenses	<u>317,503</u>	<u>126,266</u>	<u>1,206,842</u>	<u>726,279</u>	<u>2,376,890</u>
Other revenue & expenses:					
Interest income	-	-	-	68	68
Interest expense	-	-	-	(45,155)	(45,155)
Gain due to fire	-	-	-	110,174	110,174
Total other revenue & expenses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,087</u>	<u>65,087</u>
Change in net assets	\$ 5,150	\$ 9,029	\$ 197,172	\$ (109,585)	\$ 101,766

Great Northern Services
SCHEDULE OF ACTIVITIES

Schedule 2

All Program Services
 For the Year Ended December 31, 2017

	Dorris 12-CDBG-8384	Dorris PI-ED	Dorris 16-CDBG-11137	Etna HR 12-CDBG-8384	Etna SI 16-CDBG-11138	Montague ED 13-CDBG-8967	Montague HR 13-CDBG-8967	Montague SI 13-CDBG-8967	Siskiyou County PI-Food	Weed PI-ED	Weed PI- Housing Rehab	Weed 13-CDBG-8941	Weed RW 13-CDBG-8941	Total
Revenues:														
Grants and contracts	\$ 34	\$ 4,063	\$ 110,115	\$ 588	\$ 33,147	\$ 2,044	\$ 374	\$ 6,284	\$ 145,283	\$ 1,105	\$ 499	\$ 18,936	\$ 181	\$ 322,653
Contributions revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>34</u>	<u>4,063</u>	<u>110,115</u>	<u>588</u>	<u>33,147</u>	<u>2,044</u>	<u>374</u>	<u>6,284</u>	<u>145,283</u>	<u>1,105</u>	<u>499</u>	<u>18,936</u>	<u>181</u>	<u>322,653</u>
Expenses:														
Salaries and wages	-	1,921	64,737	399	19,859	1,093	241	3,593	26,102	541	301	11,631	131	130,549
Fringe benefits and payroll taxes	-	398	22,822	94	7,551	230	59	1,052	8,150	123	63	3,649	22	44,213
Meeting expense	-	4	212	1	63	5	-	7	167	1	-	14	-	474
Mileage expense	-	55	2,467	-	442	28	-	550	770	-	-	123	-	4,435
Training and conferences	-	7	528	(3)	107	9	2	54	368	-	2	46	-	1,120
Program costs	-	-	-	-	-	-	-	-	97,920	-	-	-	-	97,920
Accounting and auditing	-	28	1,046	6	304	15	3	73	1,060	7	5	208	2	2,757
Advertising	-	21	892	-	241	382	7	34	485	2	3	121	1	2,189
Bad debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank charges	-	2	57	-	15	1	-	3	31	-	-	9	-	118
Contract services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	-	7	238	3	57	4	-	(4)	190	3	1	47	(1)	545
Equipment lease	-	1	31	-	9	1	-	3	12	-	-	6	-	63
Equipment maintenance	-	10	273	2	84	5	1	15	128	3	2	44	1	568
Facilities & equipment use fees	-	82	2,394	17	712	46	9	149	1,164	23	13	371	6	4,986
Computer supplies/service	-	75	2,156	11	663	39	9	119	1,107	17	14	335	3	4,548
Insurance	-	56	1,684	3	477	35	6	61	1,027	10	10	245	-	3,614
Interest and finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits, taxes and fees	-	-	23	-	6	-	-	3	17	-	-	6	-	55
Office equipment	-	11	2,768	-	158	9	2	101	836	-	10	752	1	4,648
Office supplies	-	56	1,283	16	446	29	11	97	497	21	8	235	1	2,700
Other outside services	-	4	68	4	36	2	-	-	106	4	-	3	-	227
Postage and shipping	-	12	468	2	134	7	2	42	221	3	2	92	2	987
Printing and copying	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	-	-	37	-	10	-	-	4	3	-	-	11	-	65
Repairs and maintenance	-	23	879	7	288	13	5	32	1,247	10	3	119	1	2,627
Telephone	-	64	1,297	6	407	28	3	67	678	9	14	178	2	2,753
Tools	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	34	1,255	6	322	17	4	87	1,740	9	8	296	4	3,782
Depreciation	-	25	753	5	218	14	3	46	359	7	4	124	2	1,560
Vehicle maintenance and fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>2,896</u>	<u>108,368</u>	<u>579</u>	<u>32,609</u>	<u>2,012</u>	<u>367</u>	<u>6,188</u>	<u>144,385</u>	<u>793</u>	<u>463</u>	<u>18,665</u>	<u>178</u>	<u>317,503</u>
Other revenue & expenses:														
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain due to fire loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other revenue & expenses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	<u>\$ 34</u>	<u>\$ 1,167</u>	<u>\$ 1,747</u>	<u>\$ 9</u>	<u>\$ 538</u>	<u>\$ 32</u>	<u>\$ 7</u>	<u>\$ 96</u>	<u>\$ 898</u>	<u>\$ 312</u>	<u>\$ 36</u>	<u>\$ 271</u>	<u>\$ 3</u>	<u>\$ 5,150</u>

Great Northern Services
SCHEDULE OF ACTIVITIES

Schedule 3

All Program Services
 For the Year Ended December 31, 2017

	Mount Shasta PI - ED	Mount Shasta ED 13-CDBG-8934	Mount Shasta FP 13-CDBG-8934	Mount Shasta SD 13-CDBG-8934	Mount Shasta SS 13-CDBG-8934	Mount Shasta HR 13-CDBG-8934	Mount Shasta PI Grant Writing	Plumas County RW Part B 1718	Plumas County Title III Part C 1718	Plumas County RW Part B 1617	Plumas County Title III Part C 1617	Total
Revenues:												
Grants and contracts	\$ 375	\$ 15,047	\$ 9,978	\$ 6,402	\$ 13,561	\$ 2,568	\$ 4,745	\$ 45,839	\$ 16,125	\$ 15,280	\$ 5,375	\$ 135,295
Contributions revenue	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	375	15,047	9,978	6,402	13,561	2,568	4,745	45,839	16,125	15,280	5,375	135,295
Expenses:												
Salaries and wages	206	9,773	5,748	4,067	7,765	1,624	2,231	-	-	-	-	31,414
Fringe benefits and payroll taxes	60	2,197	1,608	963	2,281	450	562	-	-	-	-	8,121
Meeting expense	-	14	54	22	18	15	7	-	-	-	-	130
Mileage expense	-	38	83	5	82	11	20	-	-	-	-	239
Training and conferences	6	55	59	48	72	22	42	-	-	-	-	304
Program costs	-	-	520	-	70	-	-	-	-	-	-	590
Accounting and auditing	3	142	91	61	152	23	42	-	-	145	50	709
Advertising	50	165	90	55	69	18	107	-	-	-	-	554
Bad debt	-	-	-	-	-	-	-	-	-	-	-	-
Bank charges	-	8	6	4	8	1	2	-	-	-	-	29
Contract services	-	-	-	-	-	-	-	41,988	14,550	13,997	4,850	75,385
Dues and subscriptions	-	23	21	19	53	5	8	-	-	-	-	129
Equipment lease	-	6	3	2	3	1	1	-	-	-	-	16
Equipment maintenance	1	45	26	17	36	6	8	-	-	-	-	139
Facilities & equipment use fees	7	380	236	154	318	62	93	-	-	-	-	1,250
Computer supplies/service	9	341	195	133	305	61	95	-	-	-	-	1,139
Insurance	11	227	152	109	253	51	86	-	-	-	-	889
Interest and finance charges	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits, taxes and fees	-	1	1	1	9	2	4	-	-	-	-	18
Office equipment	-	288	52	242	1,061	34	74	-	-	-	-	1,751
Office supplies	7	263	139	65	120	20	74	-	-	-	-	688
Other outside services	-	13	99	2	2	-	-	-	-	-	-	116
Postage and shipping	1	73	41	31	64	11	23	-	-	-	-	244
Printing and copying	-	-	-	-	-	-	-	-	-	-	-	-
Rent	-	10	1	3	6	-	-	-	-	-	-	20
Repairs and maintenance	4	145	286	49	95	18	24	-	-	-	-	621
Telephone	3	217	144	90	144	41	35	-	-	-	-	674
Tools	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	3	226	94	102	222	23	29	-	-	-	-	699
Depreciation	2	120	72	50	106	19	29	-	-	-	-	398
Vehicle maintenance and fees	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	373	14,770	9,821	6,294	13,314	2,518	3,596	41,988	14,550	14,142	4,900	126,266
Other revenue & expenses:												
Interest income	-	-	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-
Gain due to fire loss	-	-	-	-	-	-	-	-	-	-	-	-
Total other revenue & expenses:	-	-	-	-	-	-	-	-	-	-	-	-
Change in net assets	\$ 2	\$ 277	\$ 157	\$ 108	\$ 247	\$ 50	\$ 1,149	\$ 3,851	\$ 1,575	\$ 1,138	\$ 475	\$ 9,029

Great Northern Services
SCHEDULE OF ACTIVITIES

Schedule 4

All Program Services
For the Year Ended December 31, 2017

	EFAP 15-MOU-00145	DOE 2016 16C-6037	LIHEAP WX 13B-5043	LIHEAP EHA 16B-4040	LIHEAP WX 16B-4040	LIHEAP EHA 17B-3040	LIHEAP WX 17B-3040	LIHEAP EHA 18B-4039	LIHEAP WX 18B-4039	Community Services	Business Development	USDA RMAP-RLF	USDA HPG 2015	Total
Revenues:														
Grants and contracts	\$ 82,138	\$ 32,170	\$ (92)	\$ 90,168	\$ 5,131	\$ 518,760	\$ 347,455	\$ 25,794	\$ 27,571	\$ 166,112	\$ 13,000	\$ 30,000	\$ -	\$ 1,338,207
Contributions revenue	-	-	-	-	-	-	-	-	-	50,619	-	-	-	50,619
Other revenue	-	-	-	-	-	-	7,996	-	612	-	-	6,580	-	15,188
Total revenues	82,138	32,170	(92)	90,168	5,131	518,760	355,451	25,794	28,183	216,731	13,000	36,580	-	1,404,014
Expenses:														
Salaries and wages	53,316	10,168	-	29,491	3,937	152,950	121,042	429	13,949	30,766	12,463	21,112	1,354	450,977
Fringe benefits and payroll taxes	15,934	3,700	-	6,171	1,581	36,783	40,690	122	5,115	8,207	2,990	4,961	393	126,647
Meeting expense	238	11	-	58	5	631	828	1	32	576	54	92	-	2,526
Mileage expense	417	5	-	12	2	44	7	-	-	55	2	46	-	590
Training and conferences	393	98	-	142	(16)	1,515	1,160	-	10	178	433	199	2	4,114
Program costs	27,510	3,088	-	41,901	2,541	247,899	65,015	25,770	9,584	7,719	350	1,076	-	432,453
Accounting and auditing	1,096	219	-	956	87	3,787	2,421	147	249	35	205	31	-	9,233
Advertising	833	185	-	452	4	2,685	1,572	1	39	388	154	312	50	6,675
Bad debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank charges	53	8	-	34	4	165	131	-	16	30	12	20	1	474
Contract services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	303	29	-	194	33	548	648	4	154	137	63	85	3	2,201
Equipment lease	31	6	-	13	-	106	71	-	5	21	7	11	1	272
Equipment maintenance	269	44	-	150	23	802	607	2	96	168	55	93	7	2,316
Facilities & equipment use fees	2,310	389	-	1,207	167	7,133	5,389	14	622	1,385	486	828	52	19,982
Computer supplies/service	2,085	350	-	1,015	112	6,302	4,862	14	650	1,374	418	761	54	17,997
Insurance	2,710	285	-	684	51	4,836	8,120	14	1,258	1,088	350	600	41	20,037
Interest and finance charges	-	-	-	-	-	-	-	-	-	-	-	2,259	-	2,259
Licenses, permits, taxes and fees	23	1	-	2	-	72	52	-	7	12	7	9	-	185
Office equipment	1,867	599	-	3,533	170	2,812	6,640	-	39	3,967	467	2,256	925	23,275
Office supplies	1,275	266	-	747	124	3,664	2,576	6	281	854	216	433	39	10,481
Other outside services	169	-	-	31	33	204	88	1	32	37	13	20	-	628
Postage and shipping	463	78	-	250	24	1,442	1,014	3	131	250	100	162	7	3,924
Printing and copying	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	35	14	-	48	2	225	103	-	-	9	6	11	-	453
Repairs and maintenance	1,500	152	-	436	67	2,625	1,498	9	340	454	162	293	12	7,548
Telephone	1,206	175	-	635	66	3,625	3,725	9	341	1,047	217	481	52	11,579
Tools	-	-	-	26,480	-	-	-	-	-	-	-	-	-	26,480
Utilities	4,339	279	-	1,197	94	3,689	4,392	6	425	637	249	427	23	15,757
Depreciation	723	127	-	422	54	2,199	1,733	4	192	1,895	154	260	16	7,779
Vehicle maintenance and fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	119,098	20,276	-	116,261	9,165	486,743	274,384	26,556	33,567	61,289	19,633	36,838	3,032	1,206,842
Other revenue & expenses:														
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain due to fire loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other revenue & expenses:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in net assets	\$ (36,960)	\$ 11,894	\$ (92)	\$ (26,093)	\$ (4,034)	\$ 32,017	\$ 81,067	\$ (762)	\$ (5,384)	\$ 155,442	\$ (6,633)	\$ (258)	\$ (3,032)	\$ 197,172

Great Northern Services
SCHEDULE OF ACTIVITIES

Schedule 5

All Program Services
 For the Year Ended December 31, 2017

	PacifiCorp 2016	PacifiCorp 2017	PacifiCorp 2018	PacifiCorp CARE PEV	GNS Loan Program	GNS General Fund	GNS Contributions & Donations	Fire Recovery Costs-Insurance	Fire Rebuild Insurance	Research & Development	Real Estate Development	Total
Revenues:												
Grants and contracts	\$ 69,895	\$ 307,143	\$ 48,894	\$ 12,672	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 438,604
Contributions revenue	-	-	-	-	-	74,123	440	-	-	-	-	74,563
Other revenue	-	-	-	-	178	38,262	-	-	-	-	-	38,440
Total revenues	69,895	307,143	48,894	12,672	178	112,385	440	-	-	-	-	551,607
Expenses:												
Salaries and wages	15,379	99,042	11,644	6,860	-	16,158	62,904	-	208	67,992	3,112	283,299
Fringe benefits and payroll taxes	6,977	37,464	4,842	2,081	-	4,884	14,637	-	54	16,059	865	87,863
Meeting expense	19	307	26	37	-	6,824	3	-	-	74	1,285	8,575
Mileage expense	10	47	-	2	-	1,409	297	-	-	104	1,056	2,925
Training and conferences	1	1,662	8	94	-	3,876	38	-	-	70	21	5,770
Program costs	14,923	119,423	33,385	-	-	1,033	-	-	-	-	-	168,764
Accounting and auditing	390	2,684	388	115	-	1,261	688	-	-	862	154	6,542
Advertising	797	1,778	34	123	-	3,251	1	-	2	159	19	6,164
Bad debt	-	-	-	-	-	550	-	-	-	-	-	550
Bank charges	14	107	13	8	-	894	20	-	-	14	2	1,072
Contract services	-	-	-	-	-	131	-	-	-	-	7,388	7,519
Dues and subscriptions	(4)	360	129	33	-	2,711	261	-	(1)	1,242	12	4,743
Equipment lease	19	54	4	5	-	9	1	-	-	8	1	101
Equipment maintenance	76	483	81	38	-	73	6	-	1	74	12	844
Facilities & equipment use fees	660	4,584	518	347	-	640	46	-	9	564	107	7,475
Computer supplies/service	481	4,551	539	320	-	523	53	-	5	587	113	7,172
Insurance	39	4,120	568	267	-	2,952	57	-	-	593	95	8,691
Interest and finance charges	-	-	-	-	-	709	-	-	-	-	-	709
Licenses, permits, taxes and fees	3	62	5	4	-	6,770	2	-	-	10	1,325	8,181
Office equipment	649	1,400	29	218	-	2,416	9	-	2	102	50	4,875
Office supplies	391	2,828	228	174	-	12,922	26	-	3	307	49	16,928
Other outside services	-	92	28	6	-	4,153	1	25,000	2,500	4,450	2,357	38,587
Postage and shipping	182	822	108	69	-	164	12	-	3	125	19	1,504
Printing and copying	-	-	-	-	-	-	-	-	-	-	-	-
Rent	156	107	-	4	-	15	-	-	-	-	-	282
Repairs and maintenance	323	1,799	290	123	-	10,074	14	-	2	230	32	12,887
Telephone	271	2,187	287	182	-	292	19	-	4	322	67	3,631
Tools	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	462	1,775	203	165	-	347	17	-	7	220	40	3,236
Depreciation	208	1,405	160	108	-	23,161	14	-	3	174	33	25,266
Vehicle maintenance and fees	-	-	-	-	-	2,124	-	-	-	-	-	2,124
Total expenses	42,426	289,143	53,517	11,383	-	110,326	79,126	25,000	2,802	94,342	18,214	726,279
Other revenue & expenses:												
Interest income	-	-	-	-	-	68	-	-	-	-	-	68
Interest expense	-	-	-	-	-	(45,155)	-	-	-	-	-	(45,155)
Gain due to fire loss	-	-	-	-	-	-	-	110,174	-	-	-	110,174
Total other revenue & expenses:	-	-	-	-	-	(45,087)	-	110,174	-	-	-	65,087
Change in net assets	\$ 27,469	\$ 18,000	\$ (4,623)	\$ 1,289	\$ 178	\$ (43,028)	\$ (78,686)	\$ 85,174	\$ (2,802)	\$ (94,342)	\$ (18,214)	\$ (109,585)

Great Northern Services

Schedule 6

SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES CSD CONTRACT

No. 16C-6037

2016 DOE Weatherization

	2016 Audited Costs	2017 Audited Costs	Total Audited Costs	Total Reported Expenses	Total Budget
Revenues:					
Grants and contracts	\$ 18,474	\$ 32,170	\$ 50,644	\$ 50,644	\$ 52,724
Non-grant revenue	-	-	-	-	-
Other revenue	-	-	-	-	-
Total revenues	<u>18,474</u>	<u>32,170</u>	<u>50,644</u>	<u>50,644</u>	<u>52,724</u>
Expenses:					
Administration	393	3,336	3,729	3,729	3,740
Administration equipment	-	-	-	-	-
Intake	308	(39)	269	269	270
Outreach	337	(40)	297	297	300
Training & technical assistance	996	381	1,377	1,377	1,377
Direct program activities	11,973	2,702	14,675	14,675	17,663
Liability insurance	297	266	563	563	400
Major vehicle and equipment	-	-	-	-	-
Minor vehicle and equipment	-	14	14	14	-
Workers' compensation	977	(977)	-	-	-
General operating expenditures	11,022	14,205	25,227	28,781	27,724
Health and safety activities	790	428	1,218	1,218	1,250
Total expenses	<u>27,093</u>	<u>20,276</u>	<u>47,369</u>	<u>50,923</u>	<u>52,724</u>
Change in net assets	<u>\$ (8,619)</u>	<u>\$ 11,894</u>	<u>\$ 3,275</u>	<u>\$ (279)</u>	<u>\$ -</u>

Great Northern Services
SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES CSD CONTRACT

Schedule 7

No. 16B-4040
 2016 LIHEAP Energy

	2016 Audited Costs	2017 Audited Costs	Audited Costs	Total Budget
Revenues:				
Grants and contracts	\$ 482,087	\$ 90,168	\$ 572,255	\$ 573,060
Non-grant revenue	-	-	-	-
Other revenue	-	-	-	-
Total revenues	<u>482,087</u>	<u>90,168</u>	<u>572,255</u>	<u>573,060</u>
Expenses:				
Assurance 16	43,230	4,658	47,888	52,800
Administration	53,234	16,765	69,999	71,180
Administration equipment	-	-	-	-
Intake	33,731	8,630	42,361	50,000
Outreach	30,474	4,741	35,215	40,000
Training & technical assistance	16,955	113	17,068	17,650
ECIP EHCS Diagnostics	-	-	-	-
ECIP EHCS Cooling	-	-	-	-
ECIP EHCS Heating	5,197	11,578	16,775	-
ECIP EHCS Water Heater	2,811	6,262	9,073	-
ECIP EHCS Other	-	-	-	-
ECIP Wood propane oil	19,466	19,550	39,016	20,000
Severe weather energy assistance	-	-	-	-
HEAP Wood propane oil	154,946	-	154,946	196,430
Liability insurance	3,460	-	3,460	-
Major vehicle and equipment	(34,411)	-	(34,411)	-
Minor vehicle and equipment	-	-	-	-
Workers' compensation	-	-	-	-
General operating expenditures	89,132	43,964	133,096	100,000
Automation supplemental	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>
Total expenses	<u>443,225</u>	<u>116,261</u>	<u>559,486</u>	<u>573,060</u>
Change in net assets	<u>\$ 38,862</u>	<u>\$ (26,093)</u>	<u>\$ 12,769</u>	<u>\$ -</u>

Great Northern Services

Schedule 8

SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES CSD CONTRACT

No. 16B-4040

2016 LIHEAP Weatherization

	2016	2017	Audited	Total
	Audited Costs	Audited Costs	Costs	Budget
Revenues:				
Grants and contracts	\$ 361,799	\$ 5,131	\$ 366,930	\$ 368,425
Non-grant revenue	-	-	-	-
Program revenue	<u>2,787</u>	<u>-</u>	<u>2,787</u>	<u>-</u>
Total revenues	<u>364,586</u>	<u>5,131</u>	<u>369,717</u>	<u>368,425</u>
Expenses:				
Administration	-	-	-	-
Administration equipment	-	-	-	-
Intake	17,603	288	17,891	16,174
Outreach	12,998	86	13,084	12,221
Training & technical assistance	24,832	232	25,064	24,175
Direct program activities	144,421	-	144,421	103,755
Liability insurance	4,151	-	4,151	-
Major vehicle and equipment	1,423	-	1,423	-
Minor vehicle and equipment	6,976	709	7,685	1,500
Workers' compensation	37,104	-	37,104	-
General operating expenditures	127,335	7,850	135,185	210,600
T&TA - Solar	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>376,843</u>	<u>9,165</u>	<u>386,008</u>	<u>368,425</u>
Change in net assets	<u>\$ (12,257)</u>	<u>\$ (4,034)</u>	<u>\$ (16,291)</u>	<u>\$ -</u>

Great Northern Services
SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES CSD CONTRACT
 No. 17B-3040
 2017 LIHEAP Energy

Schedule 9

	2016 Audited Costs	2017 Audited Costs	Audited Costs	Total Budget
Revenues:				
Grants and contracts	\$ 9,589	\$ 518,760	\$ 528,349	\$ 511,704
Non-grant revenue	-	-	-	-
Other revenue	-	-	-	-
Total revenues	9,589	518,760	528,349	511,704
Expenses:				
Assurance 16	-	44,762	44,762	62,911
Administration	2,006	64,131	66,137	62,911
Administration equipment	-	-	-	-
Intake	-	36,395	36,395	60,980
Outreach	-	30,597	30,597	38,113
Training & technical assistance	-	6,371	6,371	3,500
ECIP EHCS Diagnostics	-	-	-	-
ECIP EHCS Cooling	-	-	-	-
ECIP EHCS Heating	-	-	-	-
ECIP EHCS Water heater	-	-	-	-
ECIP EHCS Other	-	16,929	16,929	15,000
ECIP Wood propane oil	459	-	459	-
Severe weather energy assistance	-	-	-	-
HEAP Wood propane oil	-	184,218	184,218	143,289
Liability insurance	-	4,280	4,280	3,500
Major vehicle and equipment	-	-	-	-
Minor vehicle and equipment	-	-	-	-
Workers' compensation	-	-	-	-
General operating expenditures	3,333	73,310	76,643	95,000
Automation supplemental	1,500	25,750	27,250	26,500
Total expenses	7,298	486,743	494,041	511,704
Change in net assets	\$ 2,291	\$ 32,017	\$ 34,308	\$ -

Great Northern Services

Schedule 10

SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES CSD CONTRACT

No. 17B-3040

2017 LIHEAP Weatherization

	2016 Audited Costs	2017 Audited Costs	Audited Costs	Total Budget
Revenues:				
Grants and contracts	\$ 101,961	\$ 347,455	\$ 449,416	\$ 451,009
Non-grant revenue	-	-	-	-
Program revenue	<u>24</u>	<u>7,996</u>	<u>8,020</u>	<u>-</u>
Total revenues	<u>101,985</u>	<u>355,451</u>	<u>457,436</u>	<u>451,009</u>
Expenses:				
Administration	-	-	-	-
Administration equipment	-	-	-	-
Intake	3,116	9,494	12,610	36,081
Outreach	1,672	6,841	8,513	22,550
Training & technical assistance	1,218	15,986	17,204	22,550
Direct program activities	26,427	63,524	89,951	138,458
Liability insurance	218	7,939	8,157	5,000
Major vehicle and equipment	866	-	866	-
Minor vehicle and equipment	492	836	1,328	3,000
Workers' compensation	3,396	-	3,396	-
General operating expenditures	33,942	169,764	203,706	223,370
T&TA - Solar	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>71,347</u>	<u>274,384</u>	<u>345,731</u>	<u>451,009</u>
Change in net assets	<u>\$ 30,638</u>	<u>\$ 81,067</u>	<u>\$ 111,705</u>	<u>\$ -</u>

SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURESCSD CONTRACT

No. 18B-4039

2018 LIHEAP Energy

	2017 <u>Audited Costs</u>	Audited <u>Costs</u>	Total <u>Budget</u>
Revenues:			
Grants and contracts	\$ 25,794	\$ 25,794	\$ 497,807
Non-grant revenue	-	-	-
Other revenue	-	-	-
Total revenues	<u>25,794</u>	<u>25,794</u>	<u>497,807</u>
Expenses:			
Assurance 16	-	-	69,882
Administration	508	508	69,882
Administration equipment	-	-	-
Intake	-	-	62,536
Outreach	-	-	39,085
Training & technical assistance	-	-	15,634
ECIP EHCS Diagnostics	-	-	-
ECIP EHCS Cooling	-	-	-
ECIP EHCS Heating	-	-	-
ECIP EHCS Water heater	-	-	-
ECIP EHCS Other	-	-	-
ECIP Wood propane oil	-	-	-
Severe weather energy assistance	-	-	-
HEAP Wood propane oil	-	-	-
Liability insurance	-	-	-
Major vehicle and equipment	-	-	-
Minor vehicle and equipment	-	-	-
Workers' compensation	-	-	-
General operating expenditures	-	-	-
Automation supplemental	<u>26,048</u>	<u>26,048</u>	<u>240,788</u>
Total expenses	<u>26,556</u>	<u>26,556</u>	<u>497,807</u>
Change in net assets	<u>\$ (762)</u>	<u>\$ (762)</u>	<u>\$ -</u>

SUPPLEMENTAL STATEMENT OF REVENUE
AND EXPENDITURES CSD CONTRACT

No. 18B-4039

2018 LIHEAP Weatherization

	2017 Audited Costs	Audited Costs	Total Budget
Revenues:			
Grants and contracts	\$ 27,571	\$ 27,571	\$ 263,126
Non-grant revenue	-	-	-
Program revenue	612	612	-
Total revenues	<u>28,183</u>	<u>28,183</u>	<u>263,126</u>
Expenses:			
Administration	-	-	-
Administration equipment	-	-	-
Intake	886	886	21,050
Outreach	597	597	13,156
Training & technical assistance	1,384	1,384	13,156
Direct program activities	-	-	-
Liability insurance	-	-	-
Major vehicle and equipment	-	-	-
Minor vehicle and equipment	-	-	-
Workers' compensation	-	-	-
General operating expenditures	30,700	30,700	215,764
T&TA - Solar	-	-	-
Total expenses	<u>33,567</u>	<u>33,567</u>	<u>263,126</u>
Change in net assets	<u>\$ (5,384)</u>	<u>\$ (5,384)</u>	<u>\$ -</u>

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

Board of Directors
Great Northern Services
Weed, California

We have audited, 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, the financial statements of Great Northern Services, which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise Great Northern Services' financial statements, and have issued our report thereon dated August 16, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Great Northern Services' 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 determination of financial statement amounts. 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 Great Northern Services' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Great Northern Services' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

R. J. Ricciardi, Inc.

R. J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
August 16, 2018

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

Board of Directors
Great Northern Services
Weed, California

Report on Compliance for Each Major Federal Program

We have audited Great Northern Services' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Great Northern Services' major federal programs for the year ended December 31, 2017. Great Northern Services' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Great Northern Services' compliance.

Opinion on Each Major Federal Program

In our opinion, Great Northern Services 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 December 31, 2017.

Report on Internal Control Over Compliance

Management of Great Northern Services is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Great Northern Services' internal control over compliance with the type of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Great Northern Services' internal control over compliance.

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

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

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

R. J. Ricciardi, Inc.

R. J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
August 16, 2018

Great Northern Services
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2017

Grantor/Pass-Through Grantor Program Title	Federal CFDA No.	Pass-Through Grantor's No.	Expenditures
U. S. Department of Agriculture			
Emergency Food Assistance Program	10.569	15-00145	\$ 119,098
Pass through the Rural Business-Cooperative Service			
Rural Microentrepreneur Assistance Program	10.870	USDA-RMAP	36,838
Pass through the Rural Business-Cooperative Service			
Rural Microentrepreneur Assistance Program	10.870	USDA-HPG - 2015	3,032
Program Subtotal			<u>39,870</u>
Total U.S. Department of Agriculture			<u>158,968</u>
U.S. Department of Housing and Urban Development			
Pass through California Department of Housing & Community Development:			
Community Development Block Grants/Small Cities Programs	14.228	Dorris PI-ED	2,896
Community Development Block Grants/Small Cities Programs	14.228	Dorris 16-CDBG-11137	108,368
Community Development Block Grants/Small Cities Programs	14.228	Etna HR 12-CDBG-8384	579
Community Development Block Grants/Small Cities Programs	14.228	Etna SI 16-CDBG-11138	32,609
Community Development Block Grants/Small Cities Programs	14.228	Montague ED 13-CDBG-8967	2,012
Community Development Block Grants/Small Cities Programs	14.228	Montague HR 13-CDBG-8967	367
Community Development Block Grants/Small Cities Programs	14.228	Montague SI 13-CDBG-8967	6,188
Community Development Block Grants/Small Cities Programs	14.228	Siskiyou County PI-Food	144,385
Community Development Block Grants/Small Cities Programs	14.228	Mount Shasta PI-ED	373
Community Development Block Grants/Small Cities Programs	14.228	Mount Shasta ED 13-CDBG-8934	14,770
Community Development Block Grants/Small Cities Programs	14.228	Mount Shasta FP 13-CDBG-8934	9,821
Community Development Block Grants/Small Cities Programs	14.228	Mount Shasta SD 13-CDBG-8934	6,294
Community Development Block Grants/Small Cities Programs	14.228	Mount Shasta SS 13-CDBG-8934	13,314
Community Development Block Grants/Small Cities Programs	14.228	Mount Shasta HR 13-CDBG-8934	2,518
Community Development Block Grants/Small Cities Programs	14.228	Mount Shasta PI-Grant Writing	3,596
Community Development Block Grants/Small Cities Programs	14.228	Weed PI-ED	793
Community Development Block Grants/Small Cities Programs	14.228	Weed PI Housing Rehab	463
Community Development Block Grants/Small Cities Programs	14.228	Weed 13-CDBG-8941	18,665
Community Development Block Grants/Small Cities Programs	14.228	Weed RW 13-CDBG-8941	178
Total U.S. Department of Housing and Urban Development			<u>368,189</u>
U.S. Department of Energy:			
Pass through the California Department of Community Services:			
Weatherization Assistance for Low Income Persons	81.042	16C-6037	20,276
Total U.S. Department of Energy			<u>20,276</u>
U.S. Department of Health and Human Services:			
Pass through the California Department of Community Services:			
LIHEAP - WX	93.568	13B-5043	-
LIHEAP - EHA	93.568	16B-4040	116,261
LIHEAP - WX	93.568	16B-4040	9,165
LIHEAP - EHA	93.568	17B-3040	486,743
LIHEAP - WX	93.568	17B-3040	274,384
LIHEAP - EHA	93.568	18B-4039	26,556
LIHEAP - WX	93.568	18B-4039	33,567
Program Subtotal			<u>946,676</u>
Pass through Plumas County:			
RW Part B 1617	93.918	N/A	14,142
Title III Part C 1617	93.918	N/A	4,900
RW Part B 1718	93.918	N/A	41,988
Title III Part C 1718	93.918	N/A	14,550
Program Subtotal			<u>75,580</u>
Total U.S. Department of Health and Human Services			<u>1,022,256</u>
Total Expenditures - Federal Awards			<u>\$ 1,569,689</u>

Great Northern Services
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2017

NOTE 1 - BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Great Northern Services and is presented on the accrual basis. 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). The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree, in all material respects, to amounts reported within Great Northern Services' financial statements.

NOTE 2 - CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS

The CFDA numbers included in the accompanying Schedule of Expenditures of Federal Awards were determined based on the program name, review of the award contract, and the Office of Management and Budget's Catalog of Federal Domestic Assistance.

NOTE 3 - INDIRECT COSTS

Great Northern Services elected not to use the 10% de minimis cost rate as covered in the Uniform Guidance Part 200.414 Indirect (F&A) Costs.

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree or can be reconciled with amounts reported in the related federal financial assistance reports.

NOTE 5 - RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree or can be reconciled with amounts reported in Great Northern Services' financial statements.

NOTE 6 - PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

When federal awards were received from a pass-through entity, the Schedule of Expenditures of Federal Awards shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, Great Northern Services determined that no identifying number is assigned for the program or Great Northern Services was unable to obtain an identifying number from the pass-through entity and the identifying number is shown as unknown.

Great Northern Services
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2017

Section I – Summary of Auditors’ Results

1. Type of auditors’ report issued: unmodified
2. Internal control over financial reporting:
 - A. Material weakness(es) identified? No
 - B. Significant deficiencies identified that were not considered to be material weakness(es)? none reported
 - C. Noncompliance material to financial statements noted? no
3. Internal control over major programs:
 - A. Material weakness(es) identified? no
 - B. Significant deficiencies identified that were not considered to be material weakness(es)? none reported
 - C. Type of auditors’ report issued on compliance for major programs: unmodified
 - D. Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? no
4. Audited as Major Programs:

<u>CFDA Number</u>	<u>Program Name</u>	<u>Expenditures</u>
93.568	LIHEAP	\$ 946,676
5. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000
6. Auditee qualified as a low-risk auditee? yes

Section II – Financial Statement Findings

There were no financial statement findings.

Section III – Federal Award Findings and Questioned Costs

There were no federal award findings and questioned costs.

STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS

Recommendation

Status/Explanation

There were no prior year findings or recommendations.