

GREAT NORTHERN SERVICES

WEED, CALIFORNIA

**FINANCIAL STATEMENTS
AND
SINGLE AUDIT REPORT**

DECEMBER 31, 2018

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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, 2018, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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, 2018, 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.

Emphasis of Matter

As discussed in Note 2B, Great Northern Services adopted the Financial Accounting Standards Board's Accounting Standards Update 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities* as of and for the year ended December 31, 2018. The requirements of the Accounting Standards Update have been applied retrospectively to all years presented. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited Great Northern Services' 2017 financial statements, and our report dated April 17, 2019, 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, 2017, 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 16 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 September 11, 2019 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 the effectiveness of Great Northern Corporation'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 Great Northern Services' internal control over financial reporting and compliance.

R.J. Ricciardi, Inc.

R.J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
September 11, 2019

Great Northern Services
STATEMENTS OF FINANCIAL POSITION
December 31, 2018
(With Comparative Totals for December 31, 2017)

	2018	2017
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 275,348	\$ 308,879
Accounts receivable	390,449	426,317
Inventory	25,039	41,302
Deposits	2,244	2,705
Notes receivable, current portion	15,224	18,013
Total current assets	708,304	797,216
Noncurrent assets:		
Notes receivable	88,035	115,774
Fixed assets, net of accumulated depreciation	1,457,249	1,514,469
Total noncurrent assets	1,545,284	1,630,243
Total assets	\$ 2,253,588	\$ 2,427,459
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Accounts payable	\$ 252,762	\$ 302,767
Accrued liabilities	83,070	80,242
Compensated absences	59,863	42,413
Note payable, current portion	23,696	22,840
Total current liabilities	419,391	448,262
Noncurrent liabilities:		
Note payable	628,439	652,051
Total noncurrent liabilities	628,439	652,051
Total liabilities	1,047,830	1,100,313
Net assets - Exhibit A:		
Net assets without donor restrictions	1,205,758	1,327,146
Total net assets	1,205,758	1,327,146
Total liabilities and net assets	\$ 2,253,588	\$ 2,427,459

The accompanying notes are an integral part of these financial statements

Great Northern Services
STATEMENTS OF ACTIVITIES
For the Year Ended December 31, 2018
(With Comparative Totals for December 31, 2017)

Exhibit A

	Without Donor Restrictions	
	2018	2017
Revenues:		
Grant revenue	\$ 2,460,830	\$ 2,234,759
Contribution revenue	74,929	125,182
Program revenue	13,133	8,608
Other revenue	68,849	45,020
Total revenues	2,617,741	2,413,569
Expenses:		
Program	2,698,585	2,266,141
Management and general	64,831	110,749
Total expenses	2,763,416	2,376,890
Revenues over/(under) expenses	(145,675)	36,679
Other revenue and expenses:		
Interest income	137	68
Interest expense	(23,850)	(45,155)
Gain due to fire	48,000	110,174
Total other revenue and expenses	24,287	65,087
Change in net assets	(121,388)	101,766
Net assets, beginning of period	1,327,146	1,225,380
Net assets, end of period	\$ 1,205,758	\$ 1,327,146

The accompanying notes are an integral part of these financial statements

Great Northern Services
STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)

	2018			2017		
	Program Services	General & Admin	Total	Program Services	General & Admin	Total
Expenses:						
Salaries and wages	\$ 1,015,656	\$ 4,083	\$ 1,019,739	\$ 880,081	\$ 16,158	\$ 896,239
Fringe benefits and payroll taxes	336,477	1,640	338,117	261,960	4,884	266,844
Meeting expense	3,414	1,090	4,504	4,881	6,824	11,705
Mileage expense	9,231	1,941	11,172	6,780	1,409	8,189
Training and conferences	8,077	760	8,837	7,432	3,876	11,308
Program costs	962,854	1,854	964,708	673,694	1,033	674,727
Accounting and auditing	18,856	617	19,473	17,980	1,261	19,241
Advertising	4,341	2	4,343	12,331	3,251	15,582
Bank charges	1,012	3	1,015	799	894	1,693
Contract services	94,094	750	94,844	82,773	131	82,904
Dues and subscriptions	5,743	622	6,365	4,907	2,711	7,618
Equipment lease	290	4	294	443	9	452
Equipment maintenance	5,069	14	5,083	3,794	73	3,867
Facilities & equipment use fees	54,490	137	54,627	33,053	640	33,693
Computer supplies/service	56,119	197	56,316	54,910	946	55,856
Insurance	29,132	2,434	31,566	30,279	2,952	33,231
Interest and finance charges	3,433	287	3,720	2,259	709	2,968
Licenses, permits, taxes and fees	3,951	588	4,539	1,669	6,770	8,439
Office equipment	2,587	-	2,587	32,133	2,416	34,549
Office supplies	10,967	805	11,772	17,875	12,922	30,797
Other outside services	1,183	6	1,189	35,405	4,153	39,558
Postage and shipping	7,895	39	7,934	6,495	164	6,659
Repairs and maintenance	11,728	1,358	13,086	13,609	10,074	23,683
Telephone	16,774	48	16,822	18,345	292	18,637
Utilities	21,741	57	21,798	23,127	347	23,474
Depreciation	13,471	43,749	57,220	11,842	23,161	35,003
Vehicle maintenance and fees	-	1,746	1,746	-	2,124	2,124
Total expenses	<u>\$ 2,698,585</u>	<u>\$ 64,831</u>	<u>\$ 2,763,416</u>	<u>\$ 2,266,141</u>	<u>\$ 110,749</u>	<u>\$ 2,376,890</u>

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

Great Northern Services
STATEMENTS OF CASH FLOWS
For the Year Ended December 31, 2018
(With Comparative Totals for December 31, 2017)

Exhibit C

	2018	2017
Cash flows from operating activities:		
Change in net assets	\$ (121,388)	\$ 101,766
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	57,220	35,003
Gain on assets destroyed by fire	(48,000)	(110,174)
Changes in certain assets and liabilities:		
Accounts receivable	35,868	463,651
Inventory	16,263	(27,877)
Deposits	461	133
Accounts payable	(50,005)	(51,333)
Accrued liabilities	2,828	22,949
Compensated absences	17,450	10,792
Net cash provided (used) by operating activities	(89,303)	444,910
Cash flows from investing activities:		
Acquisition of fixed assets	-	(420,762)
Proceeds received from assets destroyed in fire	48,000	110,174
Loans proceeds / (issued to other entities)	30,528	(69,163)
Net cash provided by investing activities	78,528	(379,751)
Cash flows from financing activities:		
Proceeds from notes payable	-	141,405
Payments on notes payable	(22,756)	(31,385)
Net cash provided (used) by financing activities	(22,756)	110,020
Net increase (decrease) in cash during the year	(33,531)	175,179
Cash balance, beginning of period	308,879	133,700
Cash balance, end of period	\$ 275,348	\$ 308,879
Supplemental disclosures of cash flow information:		
Interest paid	\$ 23,850	\$ 45,155

The accompanying notes are an integral part of these financial statements

Great Northern Services
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

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, 2018

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. New Accounting Pronouncements

Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements for Not-for-Profit Entities*. This guidance is intended to improve the net asset classification requirements and the information presented in the financial statements and notes about a not-for-profit organization's liquidity, financial performance, and cash flows. Main provisions of this guidance include: presentation of two classes of net assets versus the previously required three; recognition of capital gifts for construction as a net asset without donor restrictions when the associated long-lived asset is placed in service; recognition of underwater endowment funds as a reduction in net assets with donor restrictions; and reporting investment income net of external and direct internal investment expenses.

The guidance also enhances disclosures for board designated amounts, compositions of net assets with donor restrictions and how the restrictions affect the use of resources, qualitative and quantitative information about the liquidity and availability of financial assets to meet general expenditures within one year of the balance sheet date, and expenses by both their natural and functional classification, including methods used to allocate costs among program and support functions and underwater endowments.

Net assets have been reclassified for 2017 due to the adoption of ASU 2016-14 as of December 31, 2018 as follows:

<u>Net Asset Classification</u> <u>December 31, 2017</u>	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total Net Assets</u>
Unrestricted	\$ 1,327,146	\$ -	\$ 1,327,146
Temporarily restricted	-	-	-
Permanently restricted	-	-	-
	<u>\$ 1,327,146</u>	<u>\$ -</u>	<u>\$ 1,327,146</u>

C. Description of Net Assets

Without Donor Restrictions is defined as that portion of net assets that has no use or time restrictions. The Organization's bylaws include a variance provision giving the Board of Directors the power to modify any restriction or condition on the distribution of funds for any specified charitable purpose or to specified organizations if, in the sole judgment of the Board of Directors (without the necessity of the approval of any other party), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served.

Based on that provision, the Organization classifies contributions, except as noted below, as without donor restriction for financial statement presentation.

Great Northern Services
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Description of Net Assets (concluded)

With Donor Restrictions is defined as that portion of net assets that consists of a restriction on the specific use or the occurrence of a certain future event. Contributions unconditionally promised, including irrevocable planned gifts, which are scheduled to be received more than one year in the future, are recorded at fair value, classified as with donor restriction until the funds are received, and are discounted at a rate commensurate with the risks involved. Net assets consisting of the initial fair value of the gifts where the donor has specified that the assets donated are to be retained in an endowment, providing a permanent source of revenue for charitable purposes are classified as with donor restriction. The accumulation of assets, above historic gift value, in donor restricted endowment funds is classified as with donor restriction until appropriated for use based on the Organization's spending policy. The Organization also receives grants from charitable foundations and local agencies for initiatives and special projects for which purpose restrictions apply. Such grants and contributions are recorded as with donor restriction until the purpose restrictions are met. When the purpose restriction is accomplished, with donor restriction net assets are reclassified to without donor restriction net assets and reported as net assets released from restrictions.

D. 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.

E. 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.

F. 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.

G. Inventory

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

Great Northern Services
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

H. 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.

I. 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.

J. 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.

K. 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.

L. 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.

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.

Great Northern Services
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

NOTE 3 - INCOME TAXES (concluded)

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, 2018. 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, 2018 and 2017 were \$275,348 and \$308,879, 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 - LIQUIDITY AND FUNDS AVAILABLE

The following table reflects the Organization's financial assets as of December 31, 2018, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, trust assets, assets held for others, endowments and accumulated earnings net of appropriations within one year and board designated endowments. These board designations could be drawn upon if the board approves that action.

Financial assets	
Cash and cash equivalents	\$ 275,348
Accounts receivable	390,449
Inventory	25,039
Notes receivable, net	<u>103,259</u>
Total financial assets	<u>794,095</u>
Less those unavailable for general expenditures within one year due to:	
Notes receivable, net collectable beyond one year	<u>(88,035)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 706,060</u>

NOTE 6 - 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, 2018 and 2017, amounts expended and eligible for reimbursements from these organizations totaled \$1,554,810 and \$1,375,090, representing 59 percent and 57 percent, respectively, of the Organization's total revenues for that year.

Great Northern Services
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

NOTE 7 - 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, 2018 and 2017 was \$390,449 and \$426,317, 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.

NOTE 8 - NOTES RECEIVABLE

Notes receivable at December 31, 2018 consisted of the following:

	2018	2017
3% note receivable from Shasta Vortex Adventures 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.	\$ 2,558	\$ 4,763
8% note receivable from River Dancers - Aaron Beverly to be paid back in 116 months. Interest only payments due will begin September 2017 and last until January 2018; then both principal payments and interest will be due monthly until maturity. This note is secured under Section 1 of the Uniform Commercial Code Procedures.	46,246	49,833
6% note receivable from Takeshi Murakami, dba Shasta Valley Pest Control 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.	25,521	29,131
7% note receivable from Enjoy Weed, Inc. 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
7% note receivable from Gifted Horse Lodge 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
6% note receivable from Wendy James, dba Jefferson Center for the Arts to be paid back in 120 months. The principal payments and interest on the note began March 2018. The note is secured under Section 1 of the Uniform Commercial Code Procedures.	28,934	-
Total	\$ 103,259	\$ 133,787

Great Northern Services
NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2018

NOTE 9 - FIXED ASSETS

At December 31, fixed assets consisted of the following:

	<u>Years</u>	<u>2018</u>	<u>2017</u>
Fixed Assets:			
Land	N/A	\$ 225,781	\$ 225,781
Office furniture	5	48,567	48,567
Buildings	39	890,451	890,451
Building Improvements	39	354,166	354,166
Vehicles	5	58,987	58,987
Tools & equipment	5	14,685	14,685
Software	5	<u>9,372</u>	<u>9,372</u>
Total fixed assets		1,602,009	1,602,009
Accumulated depreciation		<u>(144,760)</u>	<u>(87,540)</u>
Fixed assets, net of accumulated depreciation		<u>\$ 1,457,249</u>	<u>\$ 1,514,469</u>

Depreciation expense for the years ended December 31, 2018 and 2017 was \$57,220 and \$35,003, respectively.

NOTE 10 - 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, 2018 and 2017 was \$59,863 and \$42,413, respectively.

NOTE 11 - NOTE PAYABLE

The Organization has a note payable to the U.S. Department of Agriculture (USDA) Rural Micro-entrepreneur Assistance Program (RMAP). 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, 2018.

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>
2019	\$ 9,057	\$ 3,546
2020	9,931	3,349
2021	10,131	3,149
2022	10,336	2,944
2023	10,544	2,736
Thereafter	<u>131,570</u>	<u>15,058</u>
Total	<u>\$ 181,569</u>	<u>\$ 30,782</u>

Great Northern Services
NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2018

NOTE 11 - NOTE PAYABLE (concluded)

On July 12, 2018, the Organization was approved for an additional RMAP loan in the amount of \$375,000. For year ending December 31, 2018, the unadvanced amount was \$375,000.

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>
2019	\$ 14,639	\$ 22,036
2020	15,350	21,325
2021	16,095	20,580
2022	16,876	19,799
2023	17,696	18,979
Thereafter	<u>389,910</u>	<u>140,944</u>
Total	<u>\$ 470,566</u>	<u>\$ 243,663</u>

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. The Organization's employees will track their time spent on each program (U.S. Department of Agriculture, U.S. Department of Housing and Urban Development, U.S. Department of Energy, U.S. Department of Health and Human Services and various state and local programs as well as Administration) and this will determine a percentage of how to allocate a portion of salaries to each specific program. The same percentage is used to allocate other expenses to each specific program. Administration services 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, 2017, from which the summarized information was derived.

NOTE 14 - RECLASSIFICATIONS

Certain amounts in the December 31, 2017 financial statements have been reclassified to conform with the December 31, 2018 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, 2018

NOTE 15 - SUBSEQUENT EVENTS

In preparing the financial statements, the Organization discovered discrepancies in close out reports submitted to the funding source due to misunderstanding between both the Organization and the funding source. Furthermore, these discrepancies were exacerbated by a lack of knowledge and experience of personnel appointed by the Organization to execute reporting tasks. The Organization has made the necessary personnel adjustments in order to prevent and/or correct any discrepancies in the future. The Organization has evaluated events and transactions for potential recognition or disclosure as well as the information provided within this note through September 11, 2019, the date the financial statements were issued.

Great Northern Services
SCHEDULE OF ACTIVITIES
 All Program Services
 For the Year Ended December 31, 2018

	Schedule 2	Schedule 3	Schedule 4	Schedule 5	Total
Revenues:					
Grant revenue	\$ 312,704	\$ 114,177	\$ 1,627,663	\$ 406,286	\$ 2,460,830
Contributions revenue	-	-	72,997	1,932	74,929
Program revenue	-	-	13,133	-	13,133
Other revenue	9,528	-	-	59,321	68,849
Total revenues	<u>322,232</u>	<u>114,177</u>	<u>1,713,793</u>	<u>467,539</u>	<u>2,617,741</u>
Expenses:					
Salaries and wages	173,388	19,609	564,053	262,689	1,019,739
Fringe benefits and payroll taxes	58,998	5,600	184,794	88,725	338,117
Meeting expense	2,243	21	977	1,263	4,504
Mileage expense	5,596	252	2,905	2,419	11,172
Training and conferences	321	2	4,096	4,418	8,837
Program costs	29,500	300	767,955	166,953	964,708
Accounting and auditing	2,116	247	12,289	4,821	19,473
Advertising	2,904	51	939	449	4,343
Bad debt	-	-	-	-	-
Bank charges	152	20	640	203	1,015
Contract services	-	76,780	-	18,064	94,844
Dues and subscriptions	359	58	1,545	4,403	6,365
Equipment lease	43	6	190	55	294
Equipment maintenance	774	92	3,437	780	5,083
Facilities & equipment use fees	8,430	784	37,910	7,503	54,627
Computer supplies/service	9,184	1,230	35,130	10,772	56,316
Insurance	3,819	442	21,008	6,297	31,566
Interest and finance charges	3,433	-	-	287	3,720
Licenses, permits, taxes and fees	56	7	208	4,268	4,539
Office equipment	426	7	1,683	471	2,587
Office supplies	1,920	203	6,987	2,662	11,772
Other outside services	42	8	227	912	1,189
Postage and shipping	1,185	140	5,067	1,542	7,934
Printing and copying	-	-	-	-	-
Rent	-	-	-	-	-
Repairs and maintenance	1,809	222	7,673	3,382	13,086
Telephone	2,546	302	11,150	2,824	16,822
Tools	-	-	-	-	-
Utilities	3,098	234	16,099	2,367	21,798
Depreciation	1,606	193	9,863	45,558	57,220
Vehicle maintenance and fees	-	-	-	1,746	1,746
Total expenses	<u>313,948</u>	<u>106,810</u>	<u>1,696,825</u>	<u>645,833</u>	<u>2,763,416</u>
Other revenue & expenses:					
Interest income	-	-	-	137	137
Interest expense	-	-	-	(23,850)	(23,850)
Gain due to fire	-	-	-	48,000	48,000
Total other revenue & expenses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,287</u>	<u>24,287</u>
Change in net assets	\$ 8,284	\$ 7,367	\$ 16,968	\$ (154,007)	\$ (121,388)

Great Northern Services
SCHEDULE OF ACTIVITIES

Schedule 2

All Program Services
For the Year Ended December 31, 2018

	Dorris PI-ED	Dorris 16-CDBG-11137	Dorris FH 16-CDBG-11137	Etna SI 16-CDBG-11138	Montague 17-CDBG-12028	Montague PI Loan Accts	Siskiyou Co Office of Education - SOAR	Weed PI-ED	Weed PI- Housing Rehab	Food Bank of Contra Costa & Solano Co	USDA RMAP-RLF	USDA HPG 2015	USDA HPG 2017	Total
Revenues:														
Grants and contracts	\$ 98	\$ 77,394	\$ 14,223	\$ 53,374	\$ 1,023	\$ 990	\$ 93,510	\$ 5,460	\$ 7,944	\$ 9,268	\$ 15,000	\$ -	\$ 34,420	\$ 312,704
Contributions revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Program revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	9,528	-	-	9,528
Total revenues	98	77,394	14,223	53,374	1,023	990	93,510	5,460	7,944	9,268	24,528	-	34,420	322,232
Expenses:														
Salaries and wages	61	45,574	7,961	35,786	707	537	57,194	2,732	4,871	7,498	6,275	2,791	1,401	173,388
Fringe benefits and payroll taxes	24	19,450	3,746	11,437	185	125	16,673	639	1,281	2,337	1,767	859	475	58,998
Meeting expense	-	22	17	20	-	1	2,154	3	4	14	5	3	-	2,243
Mileage expense	-	2,963	388	524	-	15	223	1	1	924	241	1	315	5,596
Training and conferences	-	1	2	1	-	-	4	-	-	2	311	-	-	321
Program costs	-	-	-	-	-	-	-	-	-	22	292	-	29,186	29,500
Accounting and auditing	1	660	117	446	7	6	766	36	62	4	-	11	-	2,116
Advertising	-	42	29	29	3	1	2,741	5	7	24	16	4	3	2,904
Bad debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank charges	-	40	8	25	1	1	53	3	4	8	6	2	1	152
Contract services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	-	101	17	52	4	3	119	6	8	20	19	6	4	359
Equipment lease	-	11	3	7	-	-	15	1	1	3	2	-	-	43
Equipment maintenance	-	211	30	130	3	2	283	14	23	37	27	10	4	774
Facilities & equipment use fees	2	1,820	292	1,093	26	21	2,296	108	180	2,222	258	75	37	8,430
Computer supplies/service	2	2,569	886	1,375	32	26	2,973	144	236	479	318	97	47	9,184
Insurance	-	837	219	613	10	16	1,356	83	101	425	94	55	10	3,819
Interest and finance charges	-	-	-	-	-	-	-	-	-	-	3,433	-	-	3,433
Licenses, permits, taxes and fees	-	12	1	5	1	-	15	1	1	17	17	1	1	56
Office equipment	-	127	-	65	-	-	102	8	-	105	19	-	-	426
Office supplies	1	421	83	248	8	6	915	19	51	69	69	16	14	1,920
Other outside services	-	10	3	6	-	-	17	-	1	1	3	-	1	42
Postage and shipping	-	343	48	202	6	4	407	19	28	56	55	8	9	1,185
Printing and copying	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	-	444	117	284	5	7	617	36	51	137	70	34	7	1,809
Telephone	1	729	101	432	10	7	890	43	71	122	99	28	13	2,546
Tools	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	1	560	83	325	9	6	673	30	53	1,246	78	20	14	3,098
Depreciation	1	447	72	269	6	5	565	27	44	80	63	18	9	1,606
Vehicle maintenance and fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	94	77,394	14,223	53,374	1,023	789	91,051	3,958	7,079	15,836	13,537	4,039	31,551	313,948
Other revenue & expenses:														
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain due to fire loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other revenue & expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in net assets	\$ 4	\$ -	\$ -	\$ -	\$ -	\$ 201	\$ 2,459	\$ 1,502	\$ 865	\$ (6,568)	\$ 10,991	\$ (4,039)	\$ 2,869	\$ 8,284

Great Northern Services
SCHEDULE OF ACTIVITIES

Schedule 3

All Program Services
 For the Year Ended December 31, 2018

	Mt. Shasta FP 13-CDBG-8934	Mt. Shasta SD 13-CDBG-8934	Mt. Shasta SS 13-CDBG-8934	Mt. Shasta HR 13-CDBG-8934	Mount Shasta PI Grant Writing	Mount Shasta FEMA-AFG-TA	Mount Shasta PI Community Facilities	Mount Shasta PI Projects 2018	Plumas County RW Part B 1718	Plumas County Title III Part C 1718	Plumas County RW Part B 1819	Plumas County Title III Part C 1819	Total
Revenues:													
Grants and contracts	\$ 10,218	\$ 8	\$ 7,696	\$ 2	\$ 1,170	\$ 217	\$ 1,970	\$ 8,702	\$ 15,280	\$ 5,375	\$ 45,839	\$ 17,700	\$ 114,177
Contributions revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Program revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	10,218	8	7,696	2	1,170	217	1,970	8,702	15,280	5,375	45,839	17,700	114,177
Expenses:													
Salaries and wages	6,635	-	4,929	-	657	140	1,365	5,883	-	-	-	-	19,609
Fringe benefits and payroll taxes	2,032	-	1,446	-	214	39	411	1,458	-	-	-	-	5,600
Meeting expense	5	-	6	-	-	-	1	9	-	-	-	-	21
Mileage expense	2	-	1	-	248	-	-	1	-	-	-	-	252
Training and conferences	-	-	1	-	-	-	-	1	-	-	-	-	2
Program costs	147	-	153	-	-	-	-	-	-	-	-	-	300
Accounting and auditing	88	-	56	-	9	2	14	78	-	-	-	-	247
Advertising	1	-	28	-	-	-	2	20	-	-	-	-	51
Bad debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank charges	7	-	5	-	1	-	1	6	-	-	-	-	20
Contract services	-	-	-	-	-	-	-	-	13,996	4,850	41,988	15,946	76,780
Dues and subscriptions	14	-	21	-	1	1	1	20	-	-	-	-	58
Equipment lease	2	-	1	-	1	-	-	2	-	-	-	-	6
Equipment maintenance	40	-	21	-	2	-	4	25	-	-	-	-	92
Facilities & equipment use fees	282	-	212	-	28	9	36	217	-	-	-	-	784
Computer supplies/service	343	-	323	-	39	9	50	466	-	-	-	-	1,230
Insurance	139	-	138	-	-	-	26	139	-	-	-	-	442
Interest and finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits, taxes and fees	1	-	3	-	-	-	-	3	-	-	-	-	7
Office equipment	-	-	7	-	-	-	-	-	-	-	-	-	7
Office supplies	67	-	49	-	16	3	12	56	-	-	-	-	203
Other outside services	1	-	2	-	2	-	1	2	-	-	-	-	8
Postage and shipping	45	-	42	-	8	2	7	36	-	-	-	-	140
Printing and copying	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	67	-	59	-	5	1	8	82	-	-	-	-	222
Telephone	119	-	78	-	9	4	13	79	-	-	-	-	302
Tools	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	79	-	65	-	13	3	9	65	-	-	-	-	234
Depreciation	69	-	52	-	7	2	9	54	-	-	-	-	193
Vehicle maintenance and fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	10,185	-	7,698	-	1,260	215	1,970	8,702	13,996	4,850	41,988	15,946	106,810
Other revenue & expenses:													
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain due to fire loss	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other revenue & expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in net assets	\$ 33	\$ 8	\$ (2)	\$ 2	\$ (90)	\$ 2	\$ -	\$ -	\$ 1,284	\$ 525	\$ 3,851	\$ 1,754	\$ 7,367

Great Northern Services
SCHEDULE OF ACTIVITIES

Schedule 4

All Program Services
 For the Year Ended December 31, 2018

	EFAP 15-MOU-00145	DOE 2017 17C-4028	LIHEAP EHA 15B-3041	LIHEAP WX 15B-3041	LIHEAP EHA 16B-4040	LIHEAP WX 16B-4040	LIHEAP EHA 17B-3040	LIHEAP WX 17B-3040	LIHEAP EHA 18B-4039	LIHEAP WX 18B-4039	LIHEAP EHA 19B-5038	LIHEAP WX 19B-5038	Community Services	Business Development	Total
Revenues:															
Grants and contracts	\$ 88,442	\$ 41,573	\$ (1,556)	\$ (4,763)	\$ (3,460)	\$ -	\$ 108,854	\$ 1,593	\$ 594,352	\$ 401,846	\$ 33,323	\$ 89,065	\$ 278,394	\$ -	\$ 1,627,663
Contributions revenue	-	-	-	-	-	-	-	-	-	-	-	-	72,997	-	72,997
Program revenue	-	-	-	(6,177)	-	7,448	-	-	-	7,635	-	4,227	-	-	13,133
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	88,442	41,573	(1,556)	(10,940)	(3,460)	7,448	108,854	1,593	594,352	409,481	33,323	93,292	351,391	-	1,713,793
Expenses:															
Salaries and wages	52,171	13,612	-	-	-	-	52,036	-	144,749	149,643	16,969	45,768	88,421	684	564,053
Fringe benefits and payroll taxes	17,247	5,086	-	-	-	-	15,404	-	38,374	59,609	5,089	15,715	28,002	268	184,794
Meeting expense	460	14	-	-	-	-	28	-	174	107	4	54	136	-	977
Mileage expense	1,576	3	-	-	-	-	33	-	40	61	-	2	1,190	-	2,905
Training and conferences	3	-	-	-	-	-	-	-	17	-	-	10	4,066	-	4,096
Program costs	47,556	19,348	-	-	1,101	(11,604)	57,578	1,723	390,428	141,247	22,855	24,914	72,809	-	767,955
Accounting and auditing	967	336	-	-	12	-	1,103	13	4,390	3,519	221	577	1,142	9	12,289
Advertising	73	14	-	-	-	-	19	-	358	41	3	270	160	1	939
Bad debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank charges	58	17	-	-	-	-	63	-	159	175	21	51	95	1	640
Contract services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	161	44	-	-	-	-	128	-	447	318	18	249	177	3	1,545
Equipment lease	12	6	-	-	-	-	19	-	36	41	19	17	40	-	190
Equipment maintenance	283	97	-	-	-	-	294	-	890	1,050	60	235	527	1	3,437
Facilities & equipment use fees	4,468	687	-	-	-	-	4,080	-	8,725	7,759	776	2,195	9,192	28	37,910
Computer supplies/service	3,157	774	-	-	-	-	3,479	-	8,860	9,166	1,100	3,203	5,363	28	35,130
Insurance	1,631	438	-	-	-	-	1,230	-	4,243	8,718	13	2,304	2,431	-	21,008
Interest and finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licenses, permits, taxes and fees	10	6	-	-	-	-	8	-	62	50	-	38	34	-	208
Office equipment	212	-	-	-	-	-	518	-	69	332	-	-	552	-	1,683
Office supplies	523	186	-	-	-	-	613	-	1,544	1,755	458	629	1,272	7	6,987
Other outside services	6	12	-	-	-	-	4	-	34	35	43	31	62	-	227
Postage and shipping	481	124	-	-	-	-	641	-	1,104	1,253	210	452	796	6	5,067
Printing and copying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	603	196	-	-	-	-	795	-	1,974	2,037	145	598	1,321	4	7,673
Telephone	1,065	285	-	-	-	-	1,191	-	2,716	3,214	254	800	1,611	14	11,150
Tools	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	3,149	176	-	-	-	-	1,100	-	2,130	3,767	360	1,231	4,176	10	16,099
Depreciation	632	168	-	-	-	-	761	-	1,669	1,912	192	542	3,980	7	9,863
Vehicle maintenance and fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	136,504	41,629	-	-	1,113	(11,604)	141,125	1,736	613,192	395,809	48,810	99,885	227,555	1,071	1,696,825
Other revenue & expenses:															
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain due to fire loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other revenue & expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in net assets	\$ (48,062)	\$ (56)	\$ (1,556)	\$ (10,940)	\$ (4,573)	\$ 19,052	\$ (32,271)	\$ (143)	\$ (18,840)	\$ 13,672	\$ (15,487)	\$ (6,593)	\$ 123,836	\$ (1,071)	\$ 16,968

Great Northern Services
SCHEDULE OF ACTIVITIES

Schedule 5

All Program Services
For the Year Ended December 31, 2018

	PacifiCorp 2016	PacifiCorp 2017	PacifiCorp 2018	PacifiCorp 2019	PacifiCorp CARE PEV 2018	PacifiCorp CARE PEV	GNS Loan Program	GNS General Fund	GNS Contributions & Donations	Fire Recovery Costs-Insurance	Research & Development	Real Estate Development	Total
Revenues:													
Grants and contracts	\$ -	\$ -	\$ 301,195	\$ 98,032	\$ 4,567	\$ 1,873	\$ -	\$ 619	\$ -	\$ -	\$ -	\$ -	\$ 406,286
Contributions revenue	-	-	-	-	-	-	-	-	932	-	1,000	-	1,932
Program revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	113	59,208	-	-	-	-	59,321
Total revenues	-	-	301,195	98,032	4,567	1,873	113	59,827	932	-	1,000	-	467,539
Expenses:													
Salaries and wages	-	-	117,261	35	2,593	1,048	-	4,083	58,130	-	72,887	6,652	262,689
Fringe benefits and payroll taxes	-	-	46,426	15	889	372	-	1,640	16,631	-	20,452	2,300	88,725
Meeting expense	-	-	149	-	3	1	-	1,090	1	-	15	4	1,263
Mileage expense	-	-	45	-	1	1	-	1,941	-	-	431	-	2,419
Training and conferences	-	-	19	-	-	-	-	760	-	-	3,639	-	4,418
Program costs	9,049	(1,789)	157,013	826	-	-	-	1,854	-	-	-	-	166,953
Accounting and auditing	-	-	2,461	-	40	15	-	617	607	-	868	213	4,821
Advertising	-	-	316	-	7	-	-	2	69	-	46	9	449
Bad debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank charges	-	-	136	-	3	1	-	3	35	-	20	5	203
Contract services	-	-	-	-	-	-	-	750	-	-	-	17,314	18,064
Dues and subscriptions	-	-	312	-	11	3	-	622	465	-	2,975	15	4,403
Equipment lease	-	-	42	-	1	-	-	4	-	-	5	3	55
Equipment maintenance	-	-	604	-	17	5	-	14	11	-	106	23	780
Facilities & equipment use fees	-	-	5,946	-	131	61	-	137	89	-	922	217	7,503
Computer supplies/service	-	-	8,058	-	168	69	-	197	109	-	1,915	256	10,772
Insurance	-	-	3,109	-	72	26	-	2,434	54	-	451	151	6,297
Interest and finance charges	-	-	-	-	-	-	-	287	-	-	-	-	287
Licenses, permits, taxes and fees	-	-	25	-	2	-	-	588	3	-	5	3,645	4,268
Office equipment	-	-	404	-	-	9	-	-	-	-	40	18	471
Office supplies	-	-	1,512	-	33	12	-	805	31	-	211	58	2,662
Other outside services	-	-	48	-	1	-	-	6	-	-	5	852	912
Postage and shipping	-	-	1,140	-	22	12	-	39	88	-	195	46	1,542
Printing and copying	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	-	-	1,662	-	40	13	-	1,358	20	-	228	61	3,382
Telephone	-	-	2,185	-	52	23	-	48	35	-	394	87	2,824
Tools	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	1,876	-	39	20	-	57	25	-	280	70	2,367
Depreciation	-	-	1,461	-	32	15	-	43,749	22	-	226	53	45,558
Vehicle maintenance and fees	-	-	-	-	-	-	-	1,746	-	-	-	-	1,746
Total expenses	9,049	(1,789)	352,210	876	4,157	1,706	-	64,831	76,425	-	106,316	32,052	645,833
Other revenue & expenses:													
Interest income	-	-	-	-	-	-	-	137	-	-	-	-	137
Interest expense	-	-	-	-	-	-	-	(23,850)	-	-	-	-	(23,850)
Gain due to fire loss	-	-	-	-	-	-	-	-	-	48,000	-	-	48,000
Total other revenue & expenses	-	-	-	-	-	-	-	(23,713)	-	48,000	-	-	24,287
Change in net assets	\$ (9,049)	\$ 1,789	\$ (51,015)	\$ 97,156	\$ 410	\$ 167	\$ 113	\$ (28,717)	\$ (75,493)	\$ 48,000	\$ (105,316)	\$ (32,052)	\$ (154,007)

Great Northern Services
SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES CSD CONTRACT
 No. 17C-4028
 2017 DOE Weatherization
 For the Period Jan 1, 2018 through Dec 31, 2018

Schedule 6

	2018 Audited Costs	Total Audited Costs	Total Reported Expenses	Total Budget
Revenues:				
Grants and contracts	\$ 41,573	\$ 41,573	\$ 40,404	\$ 90,000
Contribution revenue	-	-	-	-
Program revenue	-	-	-	-
Other revenue	-	-	-	-
Total revenues	<u>41,573</u>	<u>41,573</u>	<u>40,404</u>	<u>90,000</u>
Expenses:				
Administration:				
Administration	-	-	-	2,800
Administration equipment	-	-	-	-
Admin out-of-state travel	-	-	-	-
Total administration costs:	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,800</u>
Training & technical assistance				
Training & technical assistance	1,384	1,384	1,384	3,000
Out-of-state travel	1,251	1,251	1,251	1,500
Total training & technical assistance	<u>2,635</u>	<u>2,635</u>	<u>2,635</u>	<u>4,500</u>
Program costs				
Liability insurance	-	-	-	800
Major vehicle and equipment	-	-	-	-
Intake	731	731	731	2,000
Outreach	463	463	463	1,500
Direct program activities	18,591	18,591	16,974	40,200
Minor vehicle and equipment	4,756	4,756	4,756	200
General operating expenditures	7,178	7,178	6,694	18,000
Other program costs	7,275	7,275	7,197	15,000
Client education	-	-	-	-
Automation supplemental	-	-	-	-
Health and safety activities	-	-	954	5,000
Total program costs	<u>38,994</u>	<u>38,994</u>	<u>37,769</u>	<u>82,700</u>
Total expenses	<u>41,629</u>	<u>41,629</u>	<u>40,404</u>	<u>90,000</u>
Change in net assets	<u>\$ (56)</u>	<u>\$ (56)</u>	<u>\$ -</u>	<u>\$ -</u>

Great Northern Services
SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES CSD CONTRACT
 No. 16B-4040
 2016 LIHEAP Energy
 For the Period of Jan 1, 2016 through Dec 31, 2018

Schedule 7

	2016 Audited Costs	2017 Audited Costs	2018 Audited Costs	Audited Costs	Total Reported Expenses	Total Budget
Revenues:						
Grants and contracts	\$ 482,087	\$ 90,168	\$ (3,460)	\$ 568,795	\$ 572,374	\$ 573,060
Contribution revenue	-	-	-	-	-	-
Program revenue	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total revenues	<u>482,087</u>	<u>90,168</u>	<u>(3,460)</u>	<u>568,795</u>	<u>572,374</u>	<u>573,060</u>
Expenses:						
Assurance 16:						
Assurance 16	42,762	4,658	-	47,420	47,420	52,299
Total Assurance 16	<u>42,762</u>	<u>4,658</u>	<u>-</u>	<u>47,420</u>	<u>47,420</u>	<u>52,299</u>
Administrative costs:						
Administration	53,915	17,071	-	70,986	70,986	71,180
Administration equipment	-	-	-	-	-	-
Out-of-state travel	2,623	-	-	2,623	2,623	2,650
Total administrative costs	<u>56,538</u>	<u>17,071</u>	<u>-</u>	<u>73,609</u>	<u>73,609</u>	<u>73,830</u>
Program support costs:						
Intake	33,558	8,631	-	42,189	42,189	50,000
Outreach	30,314	4,741	-	35,055	35,055	40,000
Training & technical assistance	13,920	113	-	14,033	14,033	15,000
Out-of-state travel	-	-	-	-	-	-
Major vehicle and equipment	(34,411)	29,867	(280)	(4,824)	-	-
Minor vehicle and equipment	-	-	-	-	-	-
General overhead costs	93,228	19,816	1,590	114,634	113,335	100,501
Automation supplemental	25,000	-	-	25,000	25,000	25,000
Total program support costs	<u>161,609</u>	<u>63,168</u>	<u>1,310</u>	<u>226,087</u>	<u>229,612</u>	<u>230,501</u>
Program services costs:						
ECIP EHCS	7,904	12,636	(197)	20,343	25,467	20,000
Severe weather energy assistance	-	-	-	-	-	-
Wood, propane, oil	174,412	19,550	-	193,962	196,266	196,430
Total program services costs	<u>182,316</u>	<u>32,186</u>	<u>(197)</u>	<u>214,305</u>	<u>221,733</u>	<u>216,430</u>
Total expenses	<u>443,225</u>	<u>117,083</u>	<u>1,113</u>	<u>561,421</u>	<u>572,374</u>	<u>573,060</u>
Change in net assets	<u>\$ 38,862</u>	<u>\$ (26,915)</u>	<u>\$ (4,573)</u>	<u>\$ 7,374</u>	<u>\$ -</u>	<u>\$ -</u>

Great Northern Services

Schedule 8

SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES CSD CONTRACT

No. 16B-4040

2016 LIHEAP Weatherization

For the Period of Jan 1, 2016 through Dec 31, 2018

	2016	2017	2018	Audited	Total	Total
	Audited Costs	Audited Costs	Audited Costs	Costs	Reported Expenses	Budget
Revenues:						
Grants and contracts	\$ 361,799	\$ 5,131	\$ -	\$ 366,930	\$ 366,931	\$ 368,425
Contribution revenue	-	-	-	-	-	-
Program revenue	2,787	-	7,448	10,235	-	-
Other revenue	-	-	-	-	-	-
Total revenues	<u>364,586</u>	<u>5,131</u>	<u>7,448</u>	<u>377,165</u>	<u>366,931</u>	<u>368,425</u>
Expenses:						
Weatherization program costs:						
Intake	15,958	288	-	16,246	16,246	16,174
Outreach	12,171	86	-	12,257	12,257	12,221
Training & technical assistance	19,727	232	-	19,959	19,959	24,175
Out of State Travel	3,720	-	-	3,720	3,720	-
Major vehicle and equipment	-	-	-	-	-	-
Minor vehicle and equipment	564	429	-	993	1,533	1,500
General operating expenditures	204,618	8,222	-	212,840	212,300	210,600
T&TA - Solar	-	-	-	-	-	-
Total weatherization program costs	<u>256,758</u>	<u>9,257</u>	<u>-</u>	<u>266,015</u>	<u>266,015</u>	<u>264,670</u>
Weatherization direct program costs:						
Direct program activities	<u>120,085</u>	<u>(1,595)</u>	<u>(11,604)</u>	<u>106,886</u>	<u>100,916</u>	<u>103,755</u>
Total weatherization direct program costs	<u>120,085</u>	<u>(1,595)</u>	<u>(11,604)</u>	<u>106,886</u>	<u>100,916</u>	<u>103,755</u>
Total expenses	<u>376,843</u>	<u>7,662</u>	<u>(11,604)</u>	<u>372,901</u>	<u>366,931</u>	<u>368,425</u>
Change in net assets	<u>\$ (12,257)</u>	<u>\$ (2,531)</u>	<u>\$ 19,052</u>	<u>\$ 4,264</u>	<u>\$ -</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	2018 Audited Costs	Audited Costs	Total Reported Expenses	Total Budget
Revenues:						
Grants and contracts	\$ 9,589	\$ 518,760	\$ 108,854	\$ 637,203	\$ 637,203	\$ 637,203
Contribution revenue	-	-	-	-	-	-
Program revenue	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total revenues	<u>9,589</u>	<u>518,760</u>	<u>108,854</u>	<u>637,203</u>	<u>637,203</u>	<u>637,203</u>
Expenses:						
Assurance 16:						
Assurance 16	-	44,762	17,086	61,848	61,848	77,248
Total Assurance 16	-	<u>44,762</u>	<u>17,086</u>	<u>61,848</u>	<u>61,848</u>	<u>77,248</u>
Administrative costs:						
Administration	2,006	64,756	10,583	77,345	76,352	77,248
Administration equipment	-	-	-	-	-	-
Out-of-state travel	-	-	-	-	-	-
Total administrative costs	<u>2,006</u>	<u>64,756</u>	<u>10,583</u>	<u>77,345</u>	<u>76,352</u>	<u>77,248</u>
Program support costs:						
Intake	-	36,395	20,213	56,608	56,608	58,785
Outreach	-	30,597	12,064	42,661	42,661	42,990
Training & technical assistance	-	6,371	5,590	11,961	11,961	13,196
Out-of-state travel	-	-	-	-	-	-
Major vehicle and equipment	-	-	-	-	-	-
Minor vehicle and equipment	-	-	-	-	5,365	6,100
General overhead costs	3,333	87,279	28,381	118,993	123,267	100,447
Automation supplemental	1,500	25,000	-	26,500	26,500	26,500
Total program support costs	<u>4,833</u>	<u>185,642</u>	<u>66,248</u>	<u>256,723</u>	<u>266,362</u>	<u>248,018</u>
Program services costs:						
ECIP EHCS	-	12,069	4,471	16,540	16,929	15,000
Severe weather energy assistance	-	-	-	-	-	-
Wood, propane, oil	459	182,942	42,146	225,547	212,429	212,289
Other program costs	-	1,678	591	2,269	3,283	7,400
Total program services costs	<u>459</u>	<u>196,689</u>	<u>47,208</u>	<u>244,356</u>	<u>232,641</u>	<u>234,689</u>
Total expenses	<u>7,298</u>	<u>491,849</u>	<u>141,125</u>	<u>640,272</u>	<u>637,203</u>	<u>637,203</u>
Change in net assets	<u>\$ 2,291</u>	<u>\$ 26,911</u>	<u>\$ (32,271)</u>	<u>\$ (3,069)</u>	<u>\$ -</u>	<u>\$ -</u>

Great Northern Services

Schedule 10

SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES CSD CONTRACT

No. 17B-3040

2017 LIHEAP Weatherization

For the Period of Jan 1, 2016 through Dec 31, 2018

	2016	2017	2018	Audited	Total	Total
	Audited Costs	Audited Costs	Audited Costs	Costs	Reported Expenses	Budget
Revenues:						
Grants and contracts	\$ 101,961	\$ 347,455	\$ 1,593	\$ 451,009	\$ 451,009	\$ 451,009
Contribution revenue	-	-	-	-	-	-
Program revenue	24	7,996	-	8,020	-	-
Other revenue	-	-	-	-	-	-
Total revenues	<u>101,985</u>	<u>355,451</u>	<u>1,593</u>	<u>459,029</u>	<u>451,009</u>	<u>451,009</u>
Expenses:						
WX program support costs:						
Intake	3,063	10,358	-	13,421	13,421	36,081
Outreach	1,636	7,129	150	8,915	8,915	22,550
Training & technical assistance	1,063	15,986	-	17,049	17,050	22,550
Out-of-state travel	-	-	-	-	-	-
Major vehicle and equipment	-	-	-	-	-	-
Minor vehicle and equipment	866	838	-	1,704	1,704	3,000
Liability insurance	-	4,303	-	4,303	7,938	5,000
General operating expenditures	27,601	87,277	484	115,362	218,444	183,370
T&TA - solar	-	-	-	-	-	-
Total WX program support costs	<u>34,229</u>	<u>125,891</u>	<u>634</u>	<u>160,754</u>	<u>267,472</u>	<u>272,551</u>
WX direct program costs:						
Direct program activities	21,728	65,984	126	87,838	84,588	138,458
Other Program Costs	15,391	82,582	976	98,949	98,949	40,000
Total WX direct program costs	<u>37,119</u>	<u>148,566</u>	<u>1,102</u>	<u>186,787</u>	<u>183,537</u>	<u>178,458</u>
Total expenses	<u>71,348</u>	<u>274,457</u>	<u>1,736</u>	<u>347,541</u>	<u>451,009</u>	<u>451,009</u>
Change in net assets	<u>\$ 30,637</u>	<u>\$ 80,994</u>	<u>\$ (143)</u>	<u>\$ 111,488</u>	<u>\$ -</u>	<u>\$ -</u>

Great Northern Services
SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES CSD CONTRACT
 No. 18B-4039
 2018 LIHEAP Energy
 For the Period of Jan 1, 2017 through Dec 31, 2018

	2017 Audited Costs	2018 Audited Costs	Audited Costs	Total Reported Expenses	Total Budget
Revenues:					
Grants and contracts	\$ 25,794	\$ 594,352	\$ 620,146	\$ 620,090	\$ 643,693
Contribution revenue	-	-	-	-	-
Program revenue	-	-	-	-	-
Other revenue	-	-	-	-	-
Total revenues	<u>25,794</u>	<u>594,352</u>	<u>620,146</u>	<u>620,090</u>	<u>643,693</u>
Expenses:					
Assurance 16:					
Assurance 16	-	34,739	34,739	34,739	88,551
Total Assurance 16	<u>-</u>	<u>34,739</u>	<u>34,739</u>	<u>34,739</u>	<u>88,551</u>
Administrative costs:					
Administration	939	71,525	72,464	71,440	88,551
Admin equipment >\$5,000	-	-	-	-	-
Out-of-state travel	-	-	-	-	-
Total administrative costs	<u>939</u>	<u>71,525</u>	<u>72,464</u>	<u>71,440</u>	<u>88,551</u>
Program costs:					
Intake	-	44,078	44,078	44,078	87,846
Outreach	-	37,494	37,494	37,494	54,904
Training & technical assistance	-	3,416	3,416	3,966	6,006
Out-of-state travel	-	11,086	11,086	10,536	15,955
Total program costs	<u>-</u>	<u>96,074</u>	<u>96,074</u>	<u>96,074</u>	<u>164,711</u>
Program services & program costs:					
Major vehicle and equipment	-	-	-	-	-
Minor vehicle and equipment	-	-	-	-	-
Workers' compensation	-	-	-	-	-
General operating expenditures	169	65,881	66,050	63,232	-
Automation supplemental	-	25,000	25,000	25,000	-
ECIP EHCS	386	38,372	38,758	42,574	-
ECIP & HEAP WPO	-	279,678	279,678	282,222	301,880
Severe weather energy assistance	-	-	-	-	-
Other program costs	73	1,923	1,996	4,809	-
Total program services & program costs	<u>628</u>	<u>410,854</u>	<u>411,482</u>	<u>417,837</u>	<u>301,880</u>
Total expenses	<u>1,567</u>	<u>613,192</u>	<u>614,759</u>	<u>620,090</u>	<u>643,693</u>
Change in net assets	<u>\$ 24,227</u>	<u>\$ (18,840)</u>	<u>\$ 5,387</u>	<u>\$ -</u>	<u>\$ -</u>

Great Northern Services
SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES CSD CONTRACT
 No. 18B-4039
 2018 LIHEAP Weatherization
 For the Period of Jan 1, 2017 through Dec 31, 2018

Schedule 12

	2017 Audited Costs	2018 Audited Costs	Audited Costs	Total Reported Expenses	Total Budget
Revenues:					
Grants and contracts	\$ 27,571	\$ 401,846	\$ 429,417	\$ 423,519	\$ 433,889
Contribution revenue	-	-	-	-	-
Program revenue	612	7,635	8,247	-	-
Other revenue	-	-	-	-	-
Total revenues	<u>28,183</u>	<u>409,481</u>	<u>437,664</u>	<u>423,519</u>	<u>433,889</u>
Expenses:					
WX Program costs:					
Intake	886	11,872	12,758	12,758	32,256
Outreach	596	8,221	8,817	8,818	20,160
Training & technical assistance	1,598	11,746	13,344	10,410	20,160
Out-of-state travel	-	4,155	4,155	2,934	-
Total WX program costs	<u>3,080</u>	<u>35,994</u>	<u>39,074</u>	<u>34,920</u>	<u>72,576</u>
WX Program services:					
Major vehicle and equipment	-	-	-	-	-
Minor vehicle and equipment	637	3,890	4,527	4,433	-
Liability insurance	572	3,740	4,312	4,313	-
General operating expenditures	8,188	82,755	90,943	86,519	361,313
Direct program activities	10,771	152,941	163,712	164,401	-
Other program costs	10,845	116,489	127,334	128,933	-
Total WX program services	<u>31,013</u>	<u>359,815</u>	<u>390,828</u>	<u>388,599</u>	<u>361,313</u>
Total expenses	<u>34,093</u>	<u>395,809</u>	<u>429,902</u>	<u>423,519</u>	<u>433,889</u>
Change in net assets	<u>(5,910)</u>	<u>13,672</u>	<u>7,762</u>	<u>-</u>	<u>-</u>

Great Northern Services
SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES CSD CONTRACT
 No. 19B-5038
 2019 LIHEAP Energy
 For the Period of Jan 1, 2018 through Dec 31, 2018

Schedule 13

	2018 Audited Costs	Audited Costs	Total Reported Expenses	Total Budget
Revenues:				
Grants and contracts	\$ 33,323	\$ 33,323	\$ 33,323	\$ 720,634
Contribution revenue	-	-	-	-
Program revenue	-	-	-	-
Other revenue	-	-	-	-
Total revenues	<u>33,323</u>	<u>33,323</u>	<u>33,323</u>	<u>720,634</u>
Expenses:				
Assurance 16:				
Assurance 16	2,991	2,991	2,991	86,387
Total Assurance 16	<u>2,991</u>	<u>2,991</u>	<u>2,991</u>	<u>86,387</u>
Administrative costs:				
Administration	5,119	5,119	5,076	86,387
Admin equipment >\$5,000	-	-	-	-
Out-of-state travel	-	-	-	-
Total administrative costs	<u>5,119</u>	<u>5,119</u>	<u>5,076</u>	<u>86,387</u>
Program costs:				
Intake	5,701	5,701	5,701	82,696
Outreach	4,403	4,403	4,403	51,685
Training & technical assistance	-	-	-	20,674
Out-of-state travel	-	-	-	-
Total program costs	<u>10,104</u>	<u>10,104</u>	<u>10,104</u>	<u>155,055</u>
Program services & program costs:				
Major vehicle and equipment	-	-	-	-
Minor vehicle and equipment	-	-	-	-
Workers' compensation	-	-	-	-
General operating expenditures	8,413	8,413	8,182	-
Automation supplemental	-	-	-	-
ECIP EHCS	19,769	19,769	4,405	-
ECIP & HEAP WPO	2,141	2,141	2,141	-
Severe weather energy assistance	-	-	-	-
Other program costs	273	273	424	392,805
Total program services & program costs	<u>30,596</u>	<u>30,596</u>	<u>15,152</u>	<u>392,805</u>
Total expenses	<u>48,810</u>	<u>48,810</u>	<u>33,323</u>	<u>720,634</u>
Change in net assets	<u>\$ (15,487)</u>	<u>\$ (15,487)</u>	<u>\$ -</u>	<u>\$ -</u>

Great Northern Services

Schedule 14

SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES CSD CONTRACT

No. 19B-5038

2019 LIHEAP Weatherization

For the Period of Jan 1, 2018 through Dec 31, 2018

	2018 Audited Costs	Audited Costs	Total Reported Expenses	Total Budget
Revenues:				
Grants and contracts	\$ 89,065	\$ 89,065	\$ 89,065	\$ 431,937
Contribution revenue	-	-	-	-
Program revenue	4,227	4,227	-	-
Other revenue	-	-	-	-
Total revenues	<u>93,292</u>	<u>93,292</u>	<u>89,065</u>	<u>431,937</u>
Expenses:				
WX Program costs:				
Intake	4,851	4,851	4,851	34,555
Outreach	4,962	4,962	4,962	21,597
Training & technical assistance	148	148	148	21,597
Out-of-state travel	-	-	-	-
Total WX program costs	<u>9,961</u>	<u>9,961</u>	<u>9,961</u>	<u>77,749</u>
WX Program services:				
Major vehicle and equipment	-	-	-	-
Minor vehicle and equipment	258	258	205	-
Liability insurance	1,029	1,029	1,978	-
General operating expenditures	24,447	24,447	21,299	-
Direct program activities	26,480	26,480	20,605	-
Other program costs	37,710	37,710	35,017	354,188
Total WX program services	<u>89,924</u>	<u>89,924</u>	<u>79,104</u>	<u>354,188</u>
Total expenses	<u>99,885</u>	<u>99,885</u>	<u>89,065</u>	<u>431,937</u>
Change in net assets	<u>\$ (6,593)</u>	<u>\$ (6,593)</u>	<u>\$ -</u>	<u>\$ -</u>

SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES CSD CONTRACT

No. 15B-3041

2015 LIHEAP Energy

For the Period of Jan 1, 2015 through Dec 31, 2018

	2015 Audited Costs	2016 Audited Costs	2018 Audited Costs	Total Audited Costs	Total Reported Expenses	Total Budget
Revenues:						
Grants and contracts	\$ 533,884	\$ 117,672	\$ (1,556)	\$ 650,000	\$ 651,557	\$ 652,104
Contribution revenue	-	-	-	-	-	-
Program revenue	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total revenues	<u>533,884</u>	<u>117,672</u>	<u>(1,556)</u>	<u>650,000</u>	<u>651,557</u>	<u>652,104</u>
Expenses:						
Assurance 16	44,953	7,575	-	52,528	52,440	53,000
Administration	67,927	13,906	-	81,833	81,990	82,000
Administration equipment	-	-	-	-	-	-
Intake	34,192	3,533	-	37,725	37,684	38,000
Outreach	31,179	3,698	-	34,877	34,835	34,835
Training & technical assistance	12,590	3,362	-	15,952	15,920	15,921
ECIP EHCS Diagnostics	96	-	-	96	331	332
ECIP EHCS Cooling Svc R/R	-	-	-	-	-	-
ECIP EHCS Heating Svc R/R	14,962	4,292	-	19,254	18,487	18,487
ECIP Water Heater R/R	383	4,988	-	5,371	4,917	4,917
ECIP EHCS Other Program Costs	502	132	-	634	1,520	1,521
ECIP Wood, Propane, Oil Payments	22,735	3,448	-	26,183	26,183	26,183
SWEATS	-	-	-	-	-	-
SWEATS Drought	-	-	-	-	-	-
HEAP Wood Propane and Oil Payments	225,063	50,479	-	275,542	276,974	277,050
Liability insurance	-	593	-	593	-	-
Major vehicle and equipment	-	-	-	-	-	-
Minor vehicle and equipment	-	-	-	-	-	-
Workers' compensation	2,338	-	-	2,338	2,843	2,909
General operating expenditures	72,450	16,574	-	89,024	89,383	88,899
Automation supplemental	8,050	-	-	8,050	8,050	8,050
Total expenses	<u>537,420</u>	<u>112,580</u>	<u>-</u>	<u>650,000</u>	<u>651,557</u>	<u>652,104</u>
Change in net assets	<u>\$ (3,536)</u>	<u>\$ 5,092</u>	<u>\$ (1,556)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SUPPLEMENTAL STATEMENT OF REVENUE AND EXPENDITURES CSD CONTRACT

No. 15B-3041

2015 LIHEAP Weatherization

For the Period of Jan 1, 2014 through Dec 31, 2018

	2014	2015	2016	2018	Total	Total	Total
	Audited Costs	Audited Costs	Audited Costs	Audited Costs	Audited Costs	Reported Expenses	Budget
Revenues:							
Grants and contracts	\$ -	\$ 422,285	\$ 29,305	\$ (4,763)	\$ 446,827	\$ 451,590	\$ 451,590
Contribution revenue	-	-	-	-	-	-	-
Program revenue	-	6,177	1,271	(6,177)	1,271	-	-
Other revenue	-	-	-	-	-	-	-
Total revenues	-	428,462	30,576	(10,940)	448,098	451,590	451,590
Expenses:							
Intake	152	13,297	930	-	14,379	14,366	14,500
Outreach	197	16,458	1,597	-	18,252	16,655	16,655
Training & technical assistance	-	15,671	1,592	-	17,263	15,671	15,672
Direct program activities	6,189	234,949	14,950	-	256,088	259,081	256,090
Liability insurance	-	4,226	216	-	4,442	4,226	4,200
Major vehicle and equipment	-	-	-	-	-	-	-
Minor vehicle and equipment	-	1,384	-	-	1,384	1,384	1,364
Workers' compensation	852	27,052	2,079	-	29,983	29,215	30,000
General operating expenditures	1,836	103,874	9,824	-	115,534	110,992	113,109
Total expenses	9,226	416,911	31,188	-	457,325	451,590	451,590
Change in net assets	\$ (9,226)	\$ 11,551	\$ (612)	\$ (10,940)	\$ (9,227)	\$ -	\$ -

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, 2018, and the related statements of activities, functional expenses 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 September 11, 2019.

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
September 11, 2019

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, 2018. 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, 2018.

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
September 11, 2019

Great Northern Services
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2018

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	\$ 136,504
Pass through the Rural Business-Cooperative Service Rural Microentrepreneur Assistance Program	10.870	USDA-RMAP-RLF	13,537
Pass through the Rural Business-Cooperative Service Rural Microentrepreneur Assistance Program	10.870	USDA-HPG - 2015	4,039
Pass through the Rural Business-Cooperative Service Rural Microentrepreneur Assistance Program	10.870	USDA-HPG - 2017	31,551
Program Subtotal			<u>49,127</u>
Total U.S. Department of Agriculture			<u>185,631</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	94
Community Development Block Grants/Small Cities Programs	14.228	Dorris 16-CDBG-11137	77,394
Community Development Block Grants/Small Cities Programs	14.228	Dorris FH 16-CDBG-11137	14,223
Community Development Block Grants/Small Cities Programs	14.228	Etna SI 16-CDBG-11138	53,374
Community Development Block Grants/Small Cities Programs	14.228	Montague 17-CDBG-12028	1,023
Community Development Block Grants/Small Cities Programs	14.228	Montague PI Loan Accts	789
Community Development Block Grants/Small Cities Programs	14.228	Mount Shasta FP 13-CDBG-8934	10,185
Community Development Block Grants/Small Cities Programs	14.228	Mount Shasta SS 13-CDBG-8934	7,698
Community Development Block Grants/Small Cities Programs	14.228	Mount Shasta PI-Grant Writing	1,260
Community Development Block Grants/Small Cities Programs	14.228	Mount Shasta FEMA-AFG-TA	215
Community Development Block Grants/Small Cities Programs	14.228	Mount Shasta PI-Community Facilities	1,970
Community Development Block Grants/Small Cities Programs	14.228	Mount Shasta PI-Projects 2018	8,702
Community Development Block Grants/Small Cities Programs	14.228	Weed PI-ED	3,958
Community Development Block Grants/Small Cities Programs	14.228	Weed PI Housing Rehab	7,079
Total U.S. Department of Housing and Urban Development			<u>187,964</u>
U.S. Department of Energy:			
Pass through the California Department of Community Services: Weatherization Assistance for Low Income Persons	81.042	17C-4028	41,629
Total U.S. Department of Energy			<u>41,629</u>
U.S. Department of Health and Human Services:			
Pass through the California Department of Community Services:			
LIHEAP - EHA	93.568	16B-4040	1,113
LIHEAP - WX	93.568	16B-4040	(11,604)
LIHEAP - EHA	93.568	17B-3040	141,125
LIHEAP - WX	93.568	17B-3040	1,736
LIHEAP - EHA	93.568	18B-4039	613,192
LIHEAP - WX	93.568	18B-4039	395,809
LIHEAP - EHA	93.568	19B-5038	48,810
LIHEAP - WX	93.568	19B-5038	99,885
Program Subtotal			<u>1,290,066</u>
Pass through Plumas County:			
RW Part B 1718	93.918	N/A	13,996
Title III Part C 1718	93.918	N/A	4,850
RW Part B 1819	93.918	N/A	41,988
Title III Part C 1819	93.918	N/A	15,946
Program Subtotal			<u>76,780</u>
Total U.S. Department of Health and Human Services			<u>1,366,846</u>
Total Expenditures - Federal Awards			<u>\$ 1,782,070</u>

Great Northern Services
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2018

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, 2018

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	\$ 1,290,066
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.