

Rocky Mountain Development Council, Inc.

Helena, Montana

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY
INFORMATION WITH INDEPENDENT AUDITORS' REPORTS

June 30, 2024



K C O E
I S O M

Rocky Mountain Development Council, Inc.

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Rocky Mountain Development Council, Inc.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Rocky Mountain Development Council, Inc.
Helena, Montana

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Rocky Mountain Development Council, Inc. (Rocky), which comprise the consolidated statement of financial position as of June 30, 2024; the related consolidated statements of activities, functional expenses, and cash flows for the year then ended; and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Rocky as of June 30, 2024, and the change in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Rocky's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

INDEPENDENT AUDITORS' REPORT

(Continued)

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

INDEPENDENT AUDITORS' REPORT

(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, schedule of indirect cost reconciliation, schedule of transfers, and the supplementary consolidating information are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards, schedule of indirect cost reconciliation, schedule of transfers and the supplementary consolidating schedules are fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

The Summary of Programs by Grantor Agencies, which is the responsibility of management, is of a nonaccounting nature and has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements. Accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2025, on our consideration of Rocky's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Rocky'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 Rocky's internal control over financial reporting and compliance.

KCoe Jam, LLP

March 18, 2025
Helena, Montana

FINANCIAL SECTION

Rocky Mountain Development Council, Inc.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

June 30, 2024

ASSETS

Current Assets

Cash and cash equivalents - operations	\$ 2,354,819
Cash and cash equivalents - custodial	107,555
Accounts receivable	203,742
Grants receivable	744,946
Current portion of notes and interest receivable	15,159
Prepaid deposits and expenses	61,663
Inventory	35,239

Total Current Assets	3,523,123
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Property, Plant, and Equipment

Net of accumulated depreciation	35,966,756
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Other Assets

Investments in partnerships	1,000
Cash restricted for security deposits and reserves	2,082,177
Cash restricted for housing projects	182,692
Long-term related-party receivable	12,595
Long-term notes and interest receivable	1,767,353
Operating lease right-of-use assets - net	31,151
Deferred costs - net	139,291

Total Other Assets	4,216,259
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TOTAL ASSETS	\$ 43,706,138
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The accompanying notes are an integral part of these consolidated financial statements.

Rocky Mountain Development Council, Inc.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Continued)

June 30, 2024

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable and accrued expenses	\$ 749,735
Cash and cash equivalents held for others	107,555
Compensated absences	373,106
Refundable advances and deferred revenue	415,909
Current portion of notes and interest payable	205,586
Current portion of operating lease liability	13,991

Total Current Liabilities	1,865,882
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Long-Term Debt

Notes and interest payable - net of current portion	8,330,655
Operating lease liability - net of current portion	19,557

Total Long-Term Liabilities	8,350,212
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Total Liabilities	10,216,094
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Net Assets

Without donor restrictions:

Controlling interests in partnerships	20,199,170
Noncontrolling interests in partnerships	12,846,798

Total Net Assets Without Donor Restrictions	33,045,968
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Net assets with donor restrictions	444,076
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Total Net Assets	33,490,044
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TOTAL LIABILITIES AND NET ASSETS	\$ 43,706,138
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The accompanying notes are an integral part of these consolidated financial statements.

Rocky Mountain Development Council, Inc.
CONSOLIDATED STATEMENT OF ACTIVITIES

Year Ended June 30, 2024

CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS

Revenues, Gains, and Other Support

Grants - federal	\$ 7,999,550
Grants - other	1,421,572
County tax	26,207
Local support	8,497
Fundraising and donations	304,583
Program service	2,791,568
Other	134,283
In-kind contributions	337,300
Net assets released from restrictions	505,395

**Total Revenues, Gains, and Other Support
Without Donor Restrictions**

13,528,955

Expenses

Program:

Aging and Nutrition	3,214,926
Senior Volunteer	676,068
Housing	4,857,798
Other	238,549
Child and Family	4,264,809
Senior Activities	154,924
Transportation	60,719
Weatherization	1,258,086

Total Program

14,725,879

General and administrative	2,171,058
Recovery of indirect costs from programs	(1,026,933)
Recovery of other allocated costs from programs	(1,096,244)

General and Administrative - Net

47,881

Fundraising

40,571

Total Expenses

14,814,331

CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS

(1,285,376)

Balance Forward

\$ (1,285,376)

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

Rocky Mountain Development Council, Inc.
CONSOLIDATED STATEMENT OF ACTIVITIES
(Continued)

Year Ended June 30, 2024

Balance Brought Forward	\$ (1,285,376)
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	
Contributions	502,800
Net assets released from restrictions	(505,395)
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	(2,595)
Change in Net Assets	(1,287,971)
Net Assets - Beginning of Year	34,778,015
Net Assets - End of Year	\$ 33,490,044

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

Rocky Mountain Development Council, Inc.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2024	General and Administrative			Program Expenses										Fundraising -	
	Indirect Costs	Other	Total General	Aging and Nutrition	Senior Volunteer	Housing	Other	Child and Family	Senior Activities	Transportation	Weatherization	Total Program	Fundraising	Total	
		Supporting Services	and Administrative												
Advertising/recruitment	\$ 651	\$ 20	\$ 671	\$ 1,697	\$ 10,713	\$ 5,423	\$ -	\$ 29,567	\$ -	\$ -	\$ -	\$ 47,400	\$ -	\$ 48,071	
Assistance payments	-	-	-	-	-	-	29,775	-	-	-	575,486	605,261	-	605,261	
Communications	19,964	21,610	41,574	50,018	7,636	84,685	5,431	96,560	4,368	590	14,803	264,091	561	306,226	
Consultant/Contract	60,473	151,883	212,356	18,372	2,688	392,492	2,276	41,453	353	212	242,121	699,967	6,671	918,994	
Equipment rent/Maintenance	10,964	19,760	30,724	5,543	-	-	15,179	708	-	2,449	-	23,879	990	55,593	
In-kind	-	233	233	19,076	11,623	-	-	295,897	-	-	-	326,596	10,471	337,300	
Insurance	16,953	17,247	34,200	14,702	-	236,558	1,834	25,309	461	3,954	5,404	288,222	374	322,796	
Legal fees	-	-	-	-	-	3,498	-	-	-	-	-	3,498	-	3,498	
Materials, supplies, and minor equipment	11,768	7,846	19,614	74,583	662	131,492	2,009	132,742	3,681	37	1,397	346,603	4,662	370,879	
Meal costs	-	210,583	210,583	492,386	-	117,586	82	194,825	4,010	-	-	808,889	1,580	1,021,052	
Occupancy	39,615	198,126	237,741	73,193	8,863	540,497	7,621	315,404	84,159	250	36,255	1,066,242	276	1,304,259	
Office supplies	5,152	1,016	6,168	8,324	1,185	11,707	29	6,803	281	-	958	29,287	-	35,455	
Other	3,425	818	4,243	18,594	1,280	196,033	11,337	7,639	88	388	831	236,190	3,350	243,783	
Pass-through grants	-	-	-	1,197,691	-	65,453	-	-	-	-	32,813	1,295,957	-	1,295,957	
Photocopies/Printing	3,022	14	3,036	3,959	1,926	97	397	13,081	5,515	21	869	25,865	788	29,689	
Salaries and related expenses	857,552	345,172	1,202,724	1,015,015	224,808	914,276	175,031	2,532,572	35,747	33,533	264,117	5,195,099	7,111	6,404,934	
Stipends	-	-	-	-	233,681	-	-	-	-	-	-	233,681	-	233,681	
Travel/Training	6,286	627	6,913	27,167	17,292	19,852	3,837	54,735	9,478	-	3,732	136,093	145	143,151	
Vehicle maintenance/Repair	-	699	699	13,633	-	-	-	8,906	-	9,118	1,872	33,529	-	34,228	
Volunteer participant expense	-	-	-	2,649	74,681	-	255	-	-	-	-	77,585	-	77,585	
Interest expense	844	955	1,799	-	-	401,086	-	534	-	-	282	401,902	-	403,701	
Depreciation and amortization	3,985	27,938	31,923	30,028	-	1,643,925	-	83,771	-	24,365	3,933	1,786,022	-	1,817,945	
Indirect costs allocated to programs	-	125,857	125,857	185,799	79,030	93,138	28,235	424,303	6,783	6,983	73,213	897,484	3,592	1,026,933	
Recovery of indirect costs	(1,026,933)	-	(1,026,933)	-	-	-	-	-	-	-	-	-	-	(1,026,933)	
Recovery of other allocated costs	-	(1,096,244)	(1,096,244)	(37,503)	-	-	(44,779)	-	-	(21,181)	-	(103,463)	-	(1,199,707)	
Total	\$ 13,721	\$ 34,160	\$ 47,881	\$ 3,214,926	\$ 676,068	\$ 4,857,798	\$ 238,549	\$ 4,264,809	\$ 154,924	\$ 60,719	\$ 1,258,086	\$ 14,725,879	\$ 40,571	\$ 14,814,331	

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

Rocky Mountain Development Council, Inc.
CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ (1,287,971)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	1,792,696
Amortization	12,921
Amortization of right-of-use assets	12,328
Changes in:	
Current receivables	63,602
Grants receivable	(118,575)
Inventory	19,689
Prepaid deposits and expenses	(29,475)
Accounts payable and accrued expenses	128,998
Compensated absences	3,286
Refundable advances and deferred revenue	(453,228)
Payments on operating lease liability	(11,238)
Current portion of long-term debt	1,505

NET CASH PROVIDED BY OPERATING ACTIVITIES 134,538

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant, and equipment	(200,950)
Disbursements of long-term related-party receivables	(4,935)
Payments received on long-term related-party receivables	4,226
Increase in long-term notes and interest receivable	(16,352)
Principal payments received on long-term notes receivable	19,934

NET CASH USED IN INVESTING ACTIVITIES (198,077)

CASH FLOWS FROM FINANCING ACTIVITIES

Principal payments on long-term debt	(211,821)
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Net Change in Cash, Cash Equivalents, and Restricted Cash (275,360)

Cash, Cash Equivalents, and Restricted Cash - Beginning of Year 5,002,603

Cash, Cash Equivalents, and Restricted Cash - End of Year \$ 4,727,243

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

Rocky Mountain Development Council, Inc.
CONSOLIDATED STATEMENT OF CASH FLOWS
(Continued)

Year Ended June 30, 2024

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Cash paid for interest	\$ 384,977
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CASH, CASH EQUIVALENTS, AND RESTRICTED CASH

Cash flow reconciliation to the statement of financial position:

Cash and cash equivalents - operations	\$ 2,354,819
Cash and cash equivalents - custodial	107,555
Cash restricted for security deposits and reserves	2,082,177
Cash restricted for housing projects	182,692

TOTAL CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	\$ 4,727,243
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The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity Rocky Mountain Development Council, Inc. (Rocky) is a non-profit-501(c)(3) agency created and operated for the purpose of (in a broad definition) serving low-income families and individuals of all ages primarily in Lewis and Clark, Broadwater, and Jefferson Counties of the state of Montana, to achieve economic betterment and relief of poverty. Rocky is designated as a Community Action Agency as defined in 42 U.S. Code, Sections 2781 and 2837, and as such aids in the delivery of social services and stimulation of county development through its own activities or through collaboration with other appropriate agencies. Rocky is directed by a 15-member Board of Directors (the Board). Daily management is provided through an executive director who is hired by and responsible to the Board.

Rocky provides centralized administration and support for approximately 18 community service programs funded by various federal, state, and local government agencies. The programs of Rocky are organized and operated on the basis of activity types. Program activity separation is used to aid management in demonstrating compliance with finance-related, legal, and contractual provisions.

Rocky has established several entities to own and operate various housing facilities it has developed through its housing program. As required by accounting principles generally accepted in the United States of America (GAAP), these consolidated financial statements include the consolidated activity of Rocky, Rocky Mountain Front Properties, Inc. (RMFP), RMDC Eagle Rock, Inc. (ERI), Eagle Rock Residences, LP (ERR), Eagles Manor II Residences, LP (EM II), Eagles Manor III Residences, LP (EM III), Penkay Eagles Manor, Inc., Eagles Manor Project No. 2, Inc., Big Boulder Residences, LP (Big Boulder), River Rock Residences, LP (River Rock), Ptarmigan Residence, LLLP (Ptarmigan), Pheasant Glen LLLP (Pheasant Glen), Red Alder Residences 4% LLLP (RA4), Red Alder Residences 9% LLLP (RA9), and Townsend Housing, Inc. (THI). All material transactions between these organizations are eliminated from the consolidated financial statements.

Following is a description of these entities and the facilities they operate.

RMFP RMFP is a wholly owned for-profit subsidiary of Rocky, created in June 2004, by Rocky to own and operate an 8-unit family housing complex located in Augusta, Montana. Rocky also holds the majority of the Board of Directors positions.

Eagles Manor Complex The Eagles Manor complex, located in Helena, Montana, was constructed to house low-to-moderate income senior citizens, and is comprised of three separate properties.

The original facility (Penkay Eagles Manor) is comprised of 66 units and is owned and operated by ERR (a related party as more fully described below). Rocky supported the renovation of this facility with funds obtained through its housing program. Rocky also redeveloped a portion of the pre-existing facility into 44 units located on the Eagles Manor Complex, now owned and operated by EM II.

Effective December 31, 2020, the investor limited partner for ERR, assigned its 99.99% interest to Rocky. RMDC Penkay, LLC is the general partner and Rocky is the limited partner.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

EM II was organized in December 2006, by Rocky to develop affordable housing. RMDC Eagles Manor II, LLC is the general partner, and National Equity Fund, Inc. (NEF) is the limited partner. In January 2008, EM II acquired the property owned by Penkay Eagles Manor, Inc., which is located on the Eagles Manor Complex in Helena, Montana. EM II has operated the facility since the acquisition. At October 2023, Mountain Plains Equity Group (MPEG) was acquired by NEF. The limited partner responsibilities transferred to NEF.

Finally, an additional 30 units were constructed on the Eagles Manor Complex in Helena, Montana, owned and operated by EM III, which was organized by Rocky in 2006 to develop and operate affordable housing. Penkay Eagles Manor, Inc. is the general partner and Homestead Equity Fund VI, LP and Homestead SLP, LLC are the limited partners. Effective May 31, 2023, the investor limited partner for EM III, assigned its 99.99% interest to Rocky. Penkay Eagles Manor, Inc. is the general partner and Rocky is the limited partner.

Penkay Eagles Manor, Inc. was acquired by Rocky in June 2006 to develop and operate affordable housing. The organization serves as the general partner for EM III and is the sole member of RMDC Eagles Manor II, LLC, which is the general partner for EM II. The organization is the sole member of both Red Alder 4%, LLC and Red Alder 9%, LLC, which are the general partners for RA4 and RA9 (further described below). Rocky holds the majority of Board of Directors positions.

Big Boulder Big Boulder was organized in April 2009, by Rocky to develop and operate affordable housing in Boulder, Montana. The Big Boulder rehabilitation project was completed in November 2011. Big Boulder operates and maintains 36 units. RMDC Big Boulder, LLC is the general partner and Rocky is the limited partner.

River Rock River Rock was organized in December 2010, by Rocky to develop and operate affordable housing in Helena, Montana. Construction of the 33-unit property was completed in August 2013. RMDC River Rock, LLC is the general partner and Wincopin Circle LLLP and Enterprise Community Investors are the limited partners.

Eagles Manor Project No. 2, Inc. was formed in December 1975, to develop and operate affordable housing. Rocky assumed majority membership of the organization's Board of Directors in March 2008. The organization serves as the sole member of RMDC Big Boulder, LLC, which is the general partner for Big Boulder. The organization also serves as the sole member of RMDC River Rock, LLC, which is the general partner for River Rock.

Ptarmigan Ptarmigan was organized in 2000, to develop and operate affordable housing in Helena, Montana. Construction of the 22-unit multi-family residence was completed in June 2001. December 31, 2015, marked the end of Ptarmigan's 15-year tax credit compliance period. Effective April 1, 2016, the investor limited partner assigned its 99.99% interest to Rocky. RMDC Ptarmigan, Inc. is the general partner and Rocky is the limited partner.

Rocky created RMDC Ptarmigan, Inc., a non-profit corporation, to serve as the general partner for two limited partnerships Ptarmigan and Pheasant Glen affordable housing complexes in Helena, Montana. RMDC Ptarmigan, Inc., as general partner, has a .01% ownership interest in Ptarmigan and Pheasant Glen. RMDC Ptarmigan, Inc. created RMDC Penkay LLC, which is the general partner of ERR.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

ERI ERI was organized in November 2003, by Rocky as a 501(c)(3) supporting organization and as such, provides supportive services to the residents of ERR, EM II, EM III, Big Boulder, River Rock, Ptarmigan, Pheasant Glen, RA4, and RA9. These services primarily relate to the provision of a congregate meal program for the residents of the Eagles Manor Complex, maintenance, and housekeeping services. Rocky holds the majority of the Board of Directors positions and has provided financial support to ERI.

Pheasant Glen Pheasant Glen was organized in 2002, to develop and operate affordable housing in Helena, Montana. Construction of the 32-unit multi-family residence was completed in August 2003. December 31, 2017, marked the end of Pheasant Glen's 15-year tax credit compliance period. Effective January 1, 2019, the investor limited partner assigned its 99.99% interest to Rocky. RMDC Ptarmigan, Inc. is the general partner and Rocky is the limited partner.

RA4 and RA9 (Red Alder Residences) RA4 was organized in August 2018, to develop and operate affordable housing in Helena, Montana. Construction of the 48-unit property began in September 2019 and was completed in January 2021. The general partner, Red Alder 4% LLC, is wholly owned by Penkay Eagles Manor, Inc. The limited partners are Community Affordable Housing Fund, LLC and NEF.

RA9 was organized in August 2018, to develop and operate affordable housing in Helena, Montana. Construction of the 37-unit property began in September 2019, and was completed in October 2020. The general partner, Red Alder 9% LLC, is wholly owned by Penkay Eagles Manor, Inc. The limited partners are Community Affordable Housing Fund, LLC and NEF.

Townsend Housing THI is a not-for-profit affiliate organized to provide affordable housing in Townsend, Montana, in compliance with Rural Development requirements. THI owns and operates a 16-unit affordable housing complex located in Townsend. Rocky holds two seats on the Board of Directors and the Board appoints three other directors.

Other Related-Party Entities Rocky has also participated in the development of other low-income housing projects, but does not control these through direct ownership or control of their operations combined with an economic interest; therefore, they are not included in Rocky's consolidated financial statements.

Basis of Accounting and Presentation The accompanying consolidated financial statements reflect practices common to non-profit organizations in accordance with GAAP as codified by the Financial Accounting Standards Board (FASB). The consolidated financial statements are prepared using the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

As required by GAAP, Rocky classifies contributions as with or without donor restrictions, in accordance with donor stipulations. Donor-restricted support is reported as an increase in net assets with donor restrictions. When the time restriction expires or use restriction is met through expenditure, net assets with donor restrictions are reclassified to net assets without donor restrictions. All expenses are reported as net assets without donor restriction, after satisfaction of applicable restrictions. Contributions in which donor restrictions are satisfied in the same year received are considered support without donor restrictions.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

The resulting classes of net assets are:

Net Assets Without Donor Restrictions: Net assets not subject to donor-imposed stipulations. This category also includes net assets, which have been designated by the board or other designated funds.

Net Assets With Donor Restrictions: Net assets subject to donor-imposed stipulations that will be met by actions of Rocky or through the passage of time. When a purpose or time restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Cash and Cash Equivalents Cash and cash equivalents consist of operational, custodial, and restricted accounts. Rocky maintains pooled petty cash and deposit accounts that are used by all programs during the normal course of operations. Rocky is also the custodian of cash for several groups/councils. See note 3 for disclosure of Rocky's custodial cash accounts. For purposes of the consolidated statement of cash flows, all checking accounts, savings accounts, overnight repurchase agreements, and restricted reserve accounts are considered cash equivalents. Deposits are carried at cost, which approximates fair value.

Rocky and its consolidated entities maintain cash accounts in multiple financial institutions. Accounts at the financial institutions (for each entity with separate tax identification numbers) are insured by the Federal Deposit Insurance Corporation up to \$250,000. Rocky's main operating account has unlimited coverage through a repurchase agreement, under which all deposits are fully collateralized. Due to the nature of the Rocky's cash flow, amounts on deposit in individual banks may temporarily exceed the insured amount throughout the year.

Accounts, Notes, Interest Receivable, and Allowance for Credit Losses Accounts, notes, and interest receivable are stated at the amount Rocky expects to collect. Rocky maintains allowances for credit losses for estimated losses resulting from the inability of entities to make required payments. Management considers the following factors when determining the collectability of specific accounts: entity customer creditworthiness, past transaction history with customer, current economic industry trends, forecast of future events, and changes in customer payment terms. Past due balances of 90 days and other higher risk amounts are reviewed individually for collectibility. If the financial condition of Rocky's associates were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management's assessment, Rocky provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after Rocky has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts, notes, and interest receivable.

Management believes the compiled, historical-loss information is a reasonable base on which to determine expected credit losses for accounts, notes, and interest receivable held at June 30, 2024, because the composition of the receivables at that date is consistent with that used in developing the historical credit-loss percentages (i.e., the similar risk characteristics of its customers and its lending practices have not changed significantly over time). Management has determined that the current, reasonable, and supportable forecasted economic conditions are similar to the economic conditions included in the historical information.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

Accounts, notes, and interest receivable at June 30, 2024, 2023, and 2022, were \$1,986,254, \$2,057,040, and \$2,196,837, net of the allowance of \$-0- for each year then ended, respectively.

Related-Party Receivables Related-party receivables represent amounts due from organizations affiliated with Rocky.

Grants Receivable Grants receivable consist of amounts due from federal, state, and local government agencies for goods or services provided by Rocky in accordance with the terms of grant agreements based on federal funding. No allowance for uncollectible accounts is established as management considers all balances materially collectible.

Prepaid Deposits and Expenses Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Inventory Inventory is valued at the lower of cost or net realizable value, and consists of: administrative, food, weatherization, education, and kitchen supplies.

Fixed Assets Rocky and the consolidated entities capitalize property and equipment with an original cost greater than \$5,000. Donated fixed assets are recorded at their estimated fair value at the date of donation. The use and disposal of assets purchased with grant funds are restricted by the terms of the original grant and federal regulations. Depreciation expense reflected in the accompanying consolidated financial statements was computed using the straight-line method over estimated useful lives of 5 to 40 years.

Cash Restricted for Security Deposits, Reserves, and Housing Projects Rocky's consolidated housing entities are required to maintain separate accounts for tenant security deposits, operating reserves, and capital replacement reserves. Operating and replacement reserve requirements are established by partnership agreements or funding source regulations and require approval before withdrawals are made. For purposes of the consolidated statement of cash flows, restricted security deposits and reserve accounts are included in cash equivalents. The balance for cash restricted for housing reserve accounts was \$2,082,177 for the year ended June 30, 2024.

As a Community Housing Development Organization (CHDO), Rocky has loaned HOME and Community Development Block Grant (CDBG) grants funds to other housing entities for development of low-income housing. Cash restricted for housing projects represents loan repayments that are restricted for HOME and CDBG eligible housing activities. Also included are loan repayments from participants in Rocky's GR8 Hope Loan Program that provided down payment assistance loans from 2002 through 2010. For purposes of the consolidated statement of cash flows, restricted housing cash is included in cash equivalents. The balance for cash restricted for housing projects was \$182,692 for the year ended June 30, 2024.

Construction In Progress At June 30, 2024, construction in progress includes renovations for basement security access totaling \$9,335. The project was completed in October 2024.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

Operating Lease Right-of-Use Assets and Liabilities Rocky obtains the right to control the use of various assets under long-term agreements. Rocky evaluates contracts to determine whether they include a lease, and uses the lessee nonlease component accounting policy election, for all asset classes, to account for the lease and nonlease components separately. Variable lease payments, which are primarily comprised of common area maintenance, utilities, and real estate taxes, are recognized in operating expenses in the period in which the obligation for those payments were incurred. Leases are recognized on the consolidated statement of financial position as right-of-use (ROU) assets with a corresponding operating lease liability.

Deferred Costs Deferred costs include tax credit fees and organizational costs paid by River Rock, RA4, RA9 and RMFP. They are reported net of accumulated amortization in the accompanying consolidated statement of financial position. The deferred costs are more fully described in note 7.

Compensated Absences Rocky and ERI permit eligible employees to accumulate earned, unused vacation and sick leave benefits. Rocky and ERI policy allows the accrual of up to 240 hours of unused annual leave. At termination, employees are paid for any accumulated, unused annual leave and 25% of accumulated, unused sick leave multiplied by their current salary rate.

Refundable Advances and Deferred Revenue Advance payments for program fees are reported as deferred revenue. Advance payments for federal and nonfederal grants are reported as refundable advances.

In-Kind Contributions Services or goods donated to Rocky are recorded as revenue and then expensed or capitalized in an amount equal to the estimated fair value of those services or goods received in accordance with GAAP.

Accounting Estimates The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Material estimates that are particularly susceptible to significant change relate to Rocky's guaranty agreements and responsibilities as the organization responsible for managing a number of low-income housing properties in Rocky's service area. The above noted obligations and commitments are more fully described in note 15. Management has calculated its estimated liability as required by GAAP and has determined it to be immaterial at June 30, 2024.

Promises to Give Unconditional promises to give are recognized as revenues in the period received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Grant awards for which advance payments are received are classified as refundable advances until expended for the purposes of the grant.

Net Assets and Noncontrolling Interests in Partnership Equity The interests in partnership equity held by the limited partners of EM II, River Rock, RA4, and RA9, including capital contributions required by the respective partnership agreements, is presented as noncontrolling interests, a component of consolidated net assets without donor restrictions.

The Big Boulder partnership agreement also requires monetary contributions from the general and limited partner. The contributions received by partners are reported as part of consolidated net assets without donor restrictions as this entity is directly controlled by Rocky.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

Revenue Recognition Rocky recognizes revenue from clients and grantors when control of promised goods or services is transferred to customers in an amount that reflects the consideration Rocky expects to be entitled to in exchange for those goods and services.

Functional Allocation of Expenses The costs of Rocky's various programs and supporting services activities have been summarized on a functional basis in the consolidated statement of activities. The consolidated statement of functional expenses presents the natural classification detail of expenses by function.

The consolidated statement of functional expenses reports certain categories of expenses that are allocated to more than one program or supporting function. Therefore, some expenses require allocation on a reasonable basis that is consistently applied.

Commercial liability and umbrella insurance expense is allocated to programs that require specific other coverages, such as property and professional liability, on an equitable basis. Rocky's audit fee is allocated to programs based on a formula that incorporates which programs are selected for the single audit, as well as the time and effort spent by Rocky's independent auditor.

Salaries, benefits, payroll taxes, other payroll expenses, and all other expenses that cannot be directly identified to a particular program are allocated on the basis of estimates of time and effort by programs. Time and effort are based on a combination of time sheet direct reporting when practical, and a percentage estimate that is preassigned to certain specific programs that is reviewed periodically.

Indirect costs that benefit all Rocky programs are allocated to each program using an approved indirect cost rate. The provisional approved rate is 14%, and the effective applied rate for Rocky for fiscal year 2024 is 13.9%.

Rocky maintains separate internal service funds, including kitchen, buildings, copier and network, for activities that benefit programs. The cost of these activities is allocated to the programs based on rates internally calculated on an annual basis in order to recover the costs of those activities.

Allocation of actual costs may result in over- or under-recovery as the rates are set in advance, based on budgeted costs. Any over- or under-recovery is included in the calculation of the rates for the next fiscal year. Building expenses, including depreciation, are allocated to programs on a square footage basis. Network expenses are allocated based on devices used by programs, as well as connectivity to Rocky's network. Copier expenses are allocated to programs based on actual usage.

Advertising and Recruitment Costs Recruitment, advertising, and promotional costs are expensed as incurred. For the year ended June 30, 2024, recruitment, advertising, and promotional costs totaled \$48,071.

Tax Status Rocky is a nonprofit organization exempt from federal and state income taxes under *Internal Revenue Code*, Section 501(c)(3). Affiliated 501(c)(3) nonprofits included in these consolidated financial statements are ERI, Penkay Eagles Manor, Inc., Eagle Manor Project No. 2, Inc., and THI.

RMFP is subject to federal and state income tax as a C corporation. ERR, EM II, EM III, Big Boulder, River Rock, Ptarmigan, Pheasant Glen, RA4, and RA9 are each organized as limited partnerships, with tax years ending each December 31.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

Fair Value Measurements GAAP provides a framework for measuring fair value. GAAP defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

Implementation of New Accounting Standards On July 1, 2023, Rocky adopted FASB Accounting Standards Update 2016-13, *Financial Instruments – Credit Losses*, and all related subsequent amendments. This guidance significantly changed how Rocky will measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The most significant change in this standard is a shift from the incurred-loss model to the expected-loss model. Under the standard, disclosures are required to provide users of the consolidated financial statements with useful information in analyzing Rocky's exposure to credit risk and the measurement of credit losses. Financial assets held by Rocky that are subject to this guidance were accounts, notes, and interest receivable.

Rocky adopted the standard effective July 1, 2023. The impact of the adoption was not considered material to the consolidated financial statements and primarily resulted in new or enhanced disclosures only.

Evaluation of Subsequent events Management has evaluated subsequent events through March 18, 2025, the date the consolidated financial statements were available for issue.

2. LIQUIDITY AND AVAILABILITY

Rocky regularly monitors the availability of resources required to meet its operating needs. For purposes of analyzing resources available to meet general expenditures over a 12-month period, Rocky considers all expenditures related to its ongoing program activities to be general expenditures. In addition, Rocky considers general and administrative, and fundraising functions provided to support Rocky's programs to be general expenditures.

The following financial assets are expected to be available to support Rocky in the year ending June 30, 2025:

June 30, 2024

Cash and cash equivalents - operations	\$ 2,354,819
Accounts receivable	203,742
Grants receivable	744,946
Current portion of notes and interest receivable	15,159
Total	\$ 3,318,666

In addition to financial assets available to meet general expenditures over the next 12 months, Rocky operates with a balanced budget. During the year ended June 30, 2024, approximately 69.1% of Rocky's operating budget was received through federal, state, and other grants. Cash is received on a reimbursement basis for these grants. Rocky has a revolving line of credit that is available to fund Rocky's cash needs due to timing differences between program expenditures and their reimbursements, as described more fully in note 8.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

3. CASH AND CASH EQUIVALENTS HELD FOR OTHERS

Rocky is the custodian of cash for several groups/councils. Activities of the groups are related to programs that Rocky administers. Rocky does not control the activities or funds but receives and disburses funds on their behalf. The amounts represent deposit accounts held by Rocky as well as a corresponding current liability.

Amounts held on behalf of these groups are as follows:

June 30, 2024

Head Start Parent Fund	\$	19,324
Friends of Head Start		71,892
Senior Bingo Fund		4,971
Employee Social Fund		2,210
Helena Senior Advisory Council		9,158
Total	\$	107,555

4. RELATED PARTIES

Related-Party Receivables

Related-party receivables represent balances due from entities affiliated with Rocky, other than notes receivable as disclosed in note 5. These arise from expenses paid on behalf of the entities by a related party, as well as amounts due to Rocky for property management and accounting services provided to the entities. Amounts that are not expected to be collected within one year are classified as long-term.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

The table below summarizes balances receivable from these external related parties and those which have been eliminated within the consolidated entity.

June 30, 2024	Stand Alone	Consolidating Eliminations	Consolidated
Current Related-Party Receivables			
Rocky:			
ERR	\$ 18,431	\$ (18,431)	\$ -
EM II	16,974	(16,974)	-
EM III	6,300	(6,300)	-
Ptarmigan	4,588	(4,588)	-
Pheasant Glen	7,594	(7,594)	-
Big Boulder	19,595	(19,595)	-
RMFP	53,532	(53,532)	-
THI	19,450	(19,450)	-
River Rock	5,980	(5,980)	-
RA4	12,400	(12,400)	-
RA9	9,399	(9,399)	-
Total Rocky	174,243	(174,243)	-
ERR:			
EM II	706	(706)	-
EM III	429	(429)	-
ERI	32	(32)	-
Total ERR	1,167	(1,167)	-
Big Boulder:			
EM II	12	(12)	-
EM III	12	(12)	-
ERR	225	(225)	-
Total Big Boulder	249	(249)	-
EM III:			
EM II	25	(25)	-
River Rock:			
THI	33	(33)	-
Pheasant Glen:			
Ptarmigan	1,298	(1,298)	-
ERI:			
EM II	8,980	(8,980)	-
EM III	4,527	(4,527)	-
Ptarmigan	2,306	(2,306)	-
Pheasant Glen	2,094	(2,094)	-
Big Boulder	76	(76)	-
River Rock	1,166	(1,166)	-
ERR	11,025	(11,025)	-
THI	341	(341)	-
RA4	5,534	(5,534)	-
RA9	3,745	(3,745)	-
Rocky	552	(552)	-
Total ERI	40,346	(40,346)	-
Total Current Related-Party Receivables	\$ 217,361	\$ (217,361)	\$ -

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

June 30, 2024	Stand Alone	Consolidating Eliminations	Consolidated
Long-Term Related-Party Receivables			
Rocky:			
Penkay Eagles Manor, Inc.	\$ 22,501	\$ (22,501)	\$ -
RMDC Ptarmigan Inc.	12,595	-	12,595
Eagle Manor Project No. 2, Inc.	27,184	(27,184)	-
Total Long-Term Related-Party Receivables	\$ 62,280	\$ (49,685)	\$ 12,595

Related-Party Transactions

Rocky provides property management and accounting services to external related parties and those within the consolidated entity. ERI provides maintenance services to these entities and food service to the residents of the Eagle Manor Complex.

The following is a schedule of the revenue for these services provided by Rocky and ERI, including the amounts eliminated within the consolidated entity:

June 30, 2024	Rocky	ERI	Consolidating Eliminations	Total
RMDC Ptarmigan Inc.	\$ 113	\$ -	\$ -	\$ 113
ERR	144,328	59,643	(203,971)	-
THI	27,779	1,933	(29,712)	-
Pheasant Glen	53,078	22,930	(76,008)	-
RMFP	30,984	-	(30,984)	-
ERI	24,960	-	(24,960)	-
EM II	88,198	53,708	(141,906)	-
EM III	56,257	18,666	(74,923)	-
Big Boulder	110,996	347	(111,343)	-
River Rock	44,972	22,799	(67,771)	-
Ptarmigan	38,021	17,525	(55,546)	-
RA4	101,158	30,923	(132,081)	-
RA9	70,883	21,196	(92,079)	-
Rocky	-	1,722	(1,722)	-
Total	\$ 791,727	\$ 251,392	\$ (1,043,006)	\$ 113

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

5. LONG-TERM NOTES AND INTEREST RECEIVABLE

Long-term notes and interest receivable consisted of the following:

June 30, 2024	Note Principal	Note Interest	Total Stand Alone	Consolidating Eliminations	Consolidated
Rocky					
Roadrunner Residence (HOME)	\$ 65,539	\$ -	\$ 65,539	\$ -	\$ 65,539
ERR (CDBG)	480,000	110,186	590,186	(590,186)	-
ERR (HUD)	299,896	152,540	452,436	(452,436)	-
ERR (HOME)	512,843	434,561	947,404	(947,404)	-
ERR (FHLB)	650,000	-	650,000	(650,000)	-
ERR (HUD II)	346,500	293,383	639,883	(639,883)	-
Pheasant Glen (CDBG)	506,157	294,533	800,690	(800,690)	-
Pheasant Glen (HOME)	411,856	367,384	779,240	(779,240)	-
Ptarmigan (Operating Deficit)	3,805	1,770	5,575	(5,575)	-
Ptarmigan (CDBG)	310,000	71,351	381,351	(381,351)	-
Ptarmigan (HOME)	364,175	63,857	428,032	(428,032)	-
ERI (Operating Loan)	148,981	-	148,981	(148,981)	-
EM II (HOME)	500,000	-	500,000	(500,000)	-
EM II (CDBG)	366,659	-	366,659	(366,659)	-
EM III (HOME)	516,461	335,988	852,449	(852,449)	-
EM III (HUD)	196,000	137,013	333,013	(333,013)	-
EM III (Developer Fee)	111,775	-	111,775	(111,775)	-
Big Boulder (HOME)	420,999	28,123	449,122	(449,122)	-
Big Boulder (HOME 2)	26,550	1,804	28,354	(28,354)	-
River Rock (HOME)	742,530	256,888	999,418	(999,418)	-
River Rock (CDBG)	250,000	2,732	252,732	(252,732)	-
RA4 (Program Income - GR8 Hope)	584,351	20,177	604,528	(604,528)	-
RA4 (HOME)	750,000	38,651	788,651	(788,651)	-
RA4 (HTF)	2,245,000	115,697	2,360,697	(2,360,697)	-
RA4 (Developer Fee)	188,091	-	188,091	(188,091)	-
RA4 (Operating Deficit)	37,466	-	37,466	(37,466)	-
Fire Tower (HTF)	1,650,000	51,814	1,701,814	-	1,701,814
RA9 (Operating Deficit)	159,700	12,487	172,187	(172,187)	-
RA9 (Developer Fee)	65,288	-	65,288	(65,288)	-
Total Rocky	12,910,622	2,790,939	15,701,561	(13,934,208)	1,767,353
Eagle Manor Project No. 2, Inc.	373,859	37,188	411,047	(411,047)	-
Penkay EM, Inc.	91,686	2,827	94,513	(94,513)	-
Total	\$ 13,376,167	\$ 2,830,954	\$ 16,207,121	\$(14,439,768)	\$ 1,767,353

Roadrunner Residence LP

On December 1, 1998, Rocky executed an agreement loaning \$340,000 to Roadrunner Residence LP for the purpose of constructing a low-income rental housing project. Rocky received the \$340,000 in a federal grant to be used for this project. Interest accrues at 3% per annum.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

The note is secured by the related property. The agreement calls for 360 monthly installments of \$1,433 through May 2029. At June 30, 2024, the principal balance was \$80,695, of which \$15,159 is current and \$65,536 is classified as long-term in the consolidated statement of financial position.

Fire Tower

On July 2, 2020, Rocky executed an agreement loaning an amount not to exceed \$1,250,000 to Fire Tower Housing Associates LLLP for the purpose of acquiring, rehabilitating, and constructing a part-multifamily and part-senior affordable housing project. Rocky received federal Housing Trust Fund Program (HTF) funds to be used for the project. The contract was amended on November 30, 2021, to increase the loan limit to \$1,650,000. Interest accrues at 1.00% per annum. No payments of principal are due under this note until maturity (55 years from the placed in service date). At June 30, 2024, the balance of funds received by Rocky and loaned to Fire Tower Housing Associates LLLP was \$1,650,000. Interest accrued at June 30, 2024, was \$51,814.

Current Portion and Other Current Notes Receivable

As disclosed earlier, the current portion of the note receivable from Roadrunner Residence LP is \$15,159. Accrued interest in the amount of \$159 is classified as long-term notes and interest receivable in the consolidated statement of financial position.

Consolidation Adjustments

Rocky has advanced funds to entities that are eliminated in consolidation. Rocky has advanced operating funds to ERI to support the entity's service to Helena area housing facilities. Rocky has also loaned grant funds (HOME, CDBG, HUD, or HTF grants) or deferred developer fees obtained through Rocky's housing program to ERR, EM II, EM III, Big Boulder, River Rock, Ptarmigan, Pheasant Glen, RA4, and RA9. Terms of the loans vary, but repayment of loan principal and accrued interest are generally dependent upon available cash as defined by the partnership agreement governing each respective facility.

6. PROPERTY, PLANT, AND EQUIPMENT

Depreciation expense for property, plant, and equipment totaled \$1,792,696 and is included in depreciation and amortization expense in the accompanying consolidated statement of functional expenses for the fiscal year ended June 30, 2024.

The building consolidation adjustment of \$4,049,637 reflects fees paid by EM II, EM III, Big Boulder, River Rock, RA4, and RA9 to Rocky and ERI for services provided in support of the building projects that were capitalized by these individual entities.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

Property, plant, and equipment are summarized by major classification as follows:

June 30, 2024	
Land	\$ 3,804,131
Land improvements	1,880,954
Leasehold improvements	411,875
Buildings	52,527,749
Consolidation adjustment	(4,049,637)
Equipment	2,641,102
Subtotal	57,216,174
Less: Accumulated depreciation	21,258,753
Subtotal	35,957,421
Construction in progress	9,335
Property, Plant, and Equipment - Net	\$ 35,966,756

7. DEFERRED COSTS

Amortization expense for tax credit fees and organizational costs paid by the housing entities has been included in depreciation and amortization expense in the accompanying consolidated statement of functional expenses and totaled \$12,920. The components of deferred costs were as follows:

June 30, 2024	Gross Costs	Accumulated Amortization	Net
River Rock	\$ 27,731	\$ 21,261	\$ 6,470
RA4	50,060	7,817	42,243
RA9	115,469	25,172	90,297
RMFP	986	705	281
Total	\$ 194,246	\$ 54,955	\$ 139,291

Expected amortization expense for each of the next five fiscal years and thereafter is as follows:

Years Ending June 30	
2025	\$ 12,920
2026	12,920
2027	12,920
2028	11,994
2029	11,071
Thereafter	77,466
Total	\$ 139,291

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

8. LINE OF CREDIT

Rocky has a \$300,000 unsecured revolving line of credit at Valley Bank of Helena (Valley Bank) available through June 3, 2026. The line of credit is designated to fund Rocky's cash needs due to timing differences between program expenditures and their reimbursements. Amounts borrowed under the line of credit bear interest at a fixed 7.25% rate. There was no outstanding balance at June 30, 2024.

9. LONG-TERM DEBT OBLIGATIONS

The following summarizes long-term debt and other obligations of the consolidated entity, including specific terms and purposes of each obligation:

June 30, 2024

Rocky

4.25% note payable to United States Department of Agriculture (USDA) (secured by Townsend Homestead Manor property), due October 1, 2040. Payable in monthly installments of \$1,024, including interest, of which \$485 is subsidized by USDA.	\$ 228,140
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RMFP

6.00% note payable to USDA (secured by Elk Creek Lodge property), due November 1, 2034. Payable in monthly installments of \$374, including interest, of which \$173 is subsidized by USDA.	34,876
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6.00% note payable to USDA (secured by Elk Creek Lodge property), due November 1, 2034. Payable in monthly installments of \$676, including interest, of which \$401 is subsidized by USDA.	113,934
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5.38% note payable to USDA (secured by Elk Creek Lodge property), due December 1, 2035. Payable in monthly installments of \$224, including interest, of which \$95 is subsidized by USDA.	23,120
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Total RMFP	171,930
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EM II

6.00% note payable to First Interstate Bank (secured by EM II Facility), due March 10, 2040. Payable in monthly installments of \$694, including interest.	84,616
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EM III

6.00% note payable to First Interstate Bank (secured by EM III Facility), due June 10, 2039. Payable in monthly installments of \$2,699, including interest.	320,905
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Big Boulder

5.95% (variable interest rate - see description below) note payable to Valley Bank (Fund Reserves and Current Operations), due October 10, 2042. Payable in monthly installments of \$1,505, including interest.	203,423
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Balance Forward	\$ 1,009,014
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Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

June 30, 2024

Balance Brought Forward	\$ 1,009,014
Ptarmigan	
4.12% note payable to Valley Bank (secured by Ptarmigan Residence property), due December 1, 2031. Payable in monthly installments of \$1,019, including interest.	79,018
Pheasant Glen	
5.65% (variable interest rate - see description below) note payable to Valley Bank (Pheasant Glen property), due January 4, 2044. Payable in monthly installments of \$3,065, including interest.	436,972
ERR	
4.00% note payable to First Interstate Bank (secured by ERRLP Facility), due July 27, 2031. Payable in monthly installments of \$1,917, including interest.	336,841
RA4	
5.00% note payable to Valley Bank (secured by Red Alder 4% Facility), due June 10, 2038. Payable in annual installments of \$20,886, including interest.	3,793,079
0.00% note payable to GL Development, LLC (secured by Red Alder 4% Facility), open due date. Payable from surplus cash as determined each December 31 to be distributed by partnership.	349,325
Total RA4	4,142,404
RA9	
1.00% note payable to Snowy Mountain Development Corporation (Environmental clean up) (secured by Red Alder 9% Facility), due December 31, 2036. Payable in 17 annual installments of \$11,000, including interest, and one final balloon payment of	238,294
0.00% note payable to GL Development, LLC (secured by Red Alder 9% Facility), open due date. Payable from surplus cash as determined each December 31 to be distributed by partnership.	121,250
5.00% note payable to Valley Bank (secured by Red Alder 9% Facility), due May 10, 2038. Payable in monthly installments of \$11,815, including interest.	2,125,422
Total RA9	2,484,966
Balance Forward	\$ 8,489,215

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

June 30, 2024

Balance Brought Forward	\$ 8,489,215
THI	
2.50% note payable to USDA (secured by THI property), due June 1, 2044. Payable in monthly installments of \$107, including interest, of which \$53 is subsidized by USDA.	21,252
2.50% note payable to USDA (secured by THI property), due June 1, 2044. Payable in monthly installments of \$142, including interest, of which \$29 is subsidized by USDA.	25,774
Total THI	47,026
Total Notes and Interest Payable	8,536,241
Current maturities	205,586
Total Notes and Interest Payable - Net	\$ 8,330,655

Future maturities of long-term debt and related long-term interest accrued for each of the next five fiscal years and thereafter are as follows:

Years Ending June 30	Principal
2025	\$ 205,586
2026	192,206
2027	189,805
2028	197,917
2029	208,243
Thereafter	7,542,484
Total	\$ 8,536,241

Big Boulder

On October 10, 2012, Big Boulder signed a \$252,257 note payable to Valley Bank to fund reserves and current operations. The note bears interest at a rate based on the Federal Home Loan Bank of Seattle's intermediate/long-term 10-year fixed rate plus an additional 3.0 percentage points with a rate floor of 5.95% and a rate ceiling of 8.95%, adjustable every 10 years. The note is secured by the related property.

Pheasant Glen

On January 4, 2019, Pheasant Glen refinanced its US Bank mortgage balloon payment of \$294,016 by signing a 25-year note payable to Valley Bank. The \$491,988 note is secured by the related property and bears an interest rate of 5.65% for the first 10 years of a 25-year term. Every 10 years, the interest rate will adjust to the *Wall Street Journal* prime rate plus 2.50%, with an interest rate floor of 5.65% and a ceiling of 6.90%.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

Other Long-Term Debt Obligations

As described in note 5, Rocky has advanced grant funds, developer fees earned on housing projects, and additional operational support to ERI, EM II, EM III, River Rock, Big Boulder, Ptarmigan, Pheasant Glen, RA9, and RA4 to support low-income housing development. Payment of these loans and accrued interest is generally subject to available cash as defined in the various partnership agreements. These balances have been eliminated in consolidation.

10. LEASE OBLIGATIONS

Operating Leases

Rocky leases various real property and equipment for use in operations under operating lease agreements. The operating leases may include renewal options. These renewals are not considered reasonably certain to be exercised.

Rocky's operating leases generally do not specify an implicit interest rate. Therefore, the risk-free rate was used, based on information available at the commencement date, to determine the present value of future payments when capitalizing the operating lease ROU assets and operating lease liabilities.

Rocky leases real property under lease agreements with durations less than 12 months, and has elected to use the short-term lease exemption, which allows for the expense to be recognized on a straight-line basis over the lease term.

Rocky's lease expense was as follows:

Year Ended June 30, 2024

Operating leases	\$	13,991
Short-term leases		116,442
Total Lease Expense	\$	130,433

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

The aggregate minimum annual lease payments under operating lease arrangements and discount factors used in calculating minimum lease payments on ROU assets, are as follows:

Years Ending June 30		
2025	\$	13,991
2026		12,415
2027		8,799
2028		2,153
2029		-
Thereafter		-
Subtotal		37,358
Amount representing interest		\$3,810
Present Value of Minimum Lease Payments		33,548
Current maturities of leases		13,991
Leases - Net of Current Maturities	\$	19,557
Weighted-average remaining lease term		2.74 years
Weighted-average discount rate		7.01%

Operating Lease - Long-Term

RA4 leases real property from RA9 under a ground lease prepayment and deferral agreement through October 2084. The annual expense of \$9,669 is reflected in the amortization of the lease prepayment at RA4, as no cash is exchanged. There is no interest. The prepaid lease expense at RA4 and the deferred rental income at RA9 are eliminated in the consolidated statements. RA4's ROU asset appears as a long-term prepaid expense (asset) on the consolidated statement of financial position. RA4's rent expense for the lease is included as housing expense on the consolidated statement of activities. RA9's rent income for the lease is included as lease rental income. The rent expense and rent income are eliminated in the consolidated statements.

11. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were released from donor restrictions by incurring expenses satisfying the restricted purposes or by the expiration of time, as follows:

June 30, 2024		
Purpose Restrictions Accomplished		
Senior services	\$	504,395
Head Start		1,000
Total Purpose Restrictions Accomplished	\$	505,395

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

Net assets with donor restrictions were available for the following programs:

June 30, 2024

Purpose Restrictions

Senior services	\$ 444,076
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12. NONCONTROLLING INTERESTS IN PARTNERSHIP EQUITY

As described in note 1, the interests in partnership equity held by the limited partners of EMII, River Rock, RA4, and RA9 are presented as a noncontrolling interest, which is a component of consolidated net assets without donor restriction:

June 30, 2024	Controlling	Noncontrolling	Total
EM II	\$ (305)	\$ 2,006,987	\$ 2,006,682
River Rock	(3,015)	3,236,031	3,233,016
RA4	(106)	2,217,500	2,217,394
RA9	(52)	5,386,280	5,386,228
Total	\$ (3,478)	\$ 12,846,798	\$ 12,843,320

The noncontrolling interest in EM II, River Rock, RA4, and RA9 is 99.99%, and profits and losses are allocated accordingly. The limited partner in Big Boulder also holds a 99.99% share of total partners' capital, but is controlled by Rocky, thus is included in the balance reported for controlling interests. Rocky is the 99.99% limited partner of Ptarmigan, Pheasant Glen, ERR, and EM III, and this is reflected in controlling interest. Though the noncontrolling interest in each entity is significant, the structure, role, and responsibility of the general partner is such that these entities have been consolidated into the financial statements of Rocky.

13. NONFINANCIAL CONTRIBUTIONS

In-Kind Contributions

In-kind contributions in the accompanying consolidated financial statements represent the fair value (as determined by Rocky) of donated goods and services as defined by GAAP. The corresponding revenue or expenses are also reported.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

In-kind contributions consisted of the following:

June 30, 2024

Contracted services	\$ 240,794
Supplies and training materials	42,399
Space	33,408
Meals	3,412
Physical examinations	4,778
Advertising/Recruitment	12,509
Total In-Kind Contributions	\$ 337,300

All in-kind contributions were expensed in accordance with GAAP for the fiscal year ended June 30, 2024.

In-kind contributions were received and utilized for the following programs:

June 30, 2024

Fundraising	\$ 10,471
Consolidated Kitchen	233
Head Start	295,897
Senior Meal Programs	19,076
Senior Volunteer Programs	11,623
Total In-Kind Contributions	\$ 337,300

In addition to the contributions reported in the tables above, the Head Start program received services valued at \$99,638 that did not meet the guidelines for revenue recognition under GAAP. The value of these services is therefore not reported in the accompanying consolidated financial statements. However, the regulations for this program allow the value of these services to be reported as matching funds for grant purposes.

In-kind contributions are valued based on fair value of similar services. None of the in-kind contributions were monetized during the year ending June 30, 2024.

14. EMPLOYEE BENEFITS

Retirement Benefits

Rocky and ERI have a defined contribution profit sharing retirement plan based on a fiscal year managed by a third-party administrator. An employee must be at least 21 years of age and complete 12 consecutive months of service consisting of at least 1,000 hours to be eligible to participate in the plan.

The employer's contribution to the plan is discretionary. The contribution rate is approved by the board. The effective contribution rate on employees' compensation is calculated based on the actual amount contributed to the plan by Rocky and ERI and total eligible employee compensation for the fiscal year. Total Rocky and ERI contributions to the plan during the year ended June 30, 2024, were allocated to the individual participants' accounts based on their eligible compensation during the year ended June 30, 2024, multiplied by the effective contribution rate. The preliminary contribution rate on employees' compensation for the year ended June 30, 2024, was set at 3.00%. The effective contribution rate on eligible employees' compensation for the fiscal year ended June 30, 2024, is 3.13%. Retirement plan expense was \$129,464 for the year ended June 30, 2024. The preliminary approved contribution rate for the year ending June 30, 2025, remains at 3.00%.

The retirement plan also includes a 401(k) option. To participate in salary deferrals, employees must meet eligibility standards as described above. The deferred contributions are not available to participants until they terminate, retire, upon death, or for an eligible emergency. Participants who reach normal retirement age are eligible for in-service distributions. All assets and income of the plan are held in a custodial account for the exclusive benefit of the plan's participants and beneficiaries.

Cafeteria Plan

Rocky and ERI have a cafeteria plan in which employees may elect to participate. Participating employees elect to have monies withheld pre-tax from their paychecks and contributed to the plan for use in paying healthcare, daycare, and insurance premium expenses, in accordance with federal regulations. Rocky and ERI have a claims-based funding plan in which employees' flexible spending contributions are held in a designated Rocky bank account. This account is reduced each time a claim is paid. This account maintains a \$5,000 minimum balance to cover any deficits the plan may incur. Rocky and ERI use forfeitures to offset expenses related to the administration of the plan.

15. COMMITMENTS AND CONTINGENCIES

Rocky has loaned HOME grant funds to other organizations to support the development of low-income housing. Repayment received by Rocky on these loans represents CHDO proceeds. These CHDO proceeds must be used for HOME eligible activities that support housing for low-income persons. Rocky held \$67,969 of CHDO proceeds at June 30, 2024.

Housing Commitments

Rocky has developed several housing projects, and entities to operate the facilities, utilizing federal grants and tax credits that subject the entities and Rocky to ongoing obligations regarding compliance with funding source regulations. These are described below for each individual project. Management has evaluated these commitments and concluded no events have occurred that would require Rocky or the entities to record a liability or that would otherwise materially affect the accompanying consolidated financial statements.

Roadrunner Low-Income Housing Project

On December 1, 1998, Rocky executed a guaranty agreement for the Roadrunner Low-Income Housing Project, guaranteeing due payment, performance and fulfillment of all liabilities, obligations, and undertakings of the Helena Housing Development Corporation, the general partner of the partnership, under the: Partnership Agreement, Operating Deficit Guaranty Agreement, Construction Completion Guaranty Agreement, Repurchase Guaranty Agreement, and Asset Management Agreement. The significant obligations under the preceding agreements are summarized as follows:

The general partner is obligated to repurchase the interest of the limited partners for a purchase price equal to the sum of the total capital contributions made by the limited partners, plus \$60,149, which represents costs incurred by the limited partners, if;

- the funding on the mortgage loan has been terminated or foreclosure proceedings have been undertaken by the lender; or,
- at any time the general partner is personally liable under, or with respect to, the mortgage loan or any other loan secured by partnership assets; or,
- any representation or warranty made by the general partner in the partnership agreement proves to be false in any material respect; or,
- the apartment complex fails to obtain and retain an allocation of low-income housing credits or fails to meet the requirements for a qualified low-income housing project.

The 15-year tax-credit period ended in 2015. The partnership agreement calls for termination of the partnership at December 31, 2050, if an earlier consensual termination has not occurred.

Ptarmigan

On November 20, 2000, Rocky executed a guaranty agreement for Ptarmigan. The agreement provides that Rocky unconditionally guarantees due payment, performance, and fulfillment of all liabilities, obligations, and undertakings of Ptarmigan's general partner, RMDC Ptarmigan, Inc., arising under the Amended and Restated Partnership Agreement. The guaranty also applied to Ptarmigan's investor limited partner. December 31, 2015, marked the end of Ptarmigan's 15-year tax compliance period. On March 31, 2016, the investor limited partner assigned its 99.99% interest to Rocky.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

At June 30, 2024, Rocky is the 99.99% limited partner and RMDC Ptarmigan, Inc. is the .01% general partner. Although Rocky is still obligated under the guaranty agreement, the general partner continues to be responsible for administrative and financial matters related to the partnership. Effective May 30, 2019, Ptarmigan converted to a limited liability limited partnership.

Pheasant Glen

On December 1, 2002, Rocky executed a guaranty agreement for Pheasant Glen. The agreement provides that Rocky unconditionally guarantees due payment, performance, and fulfillment of all liabilities, obligations, and undertakings of Pheasant Glen's general partner, RMDC Ptarmigan, Inc., arising under the: Amended and Restated Partnership Agreement, Operating Deficit Guaranty Agreement, Construction Completion Guaranty Agreement, Repurchase Guaranty Agreement, and Asset Management Agreement. The guaranty applies to Pheasant Glen, its limited partners and successors.

The partnership agreement calls for continuation of the partnership until July 10, 2052, if an earlier consensual termination has not occurred. Effective December 31, 2018 (the end of Pheasant Glen's 15-year compliance period), the investor limited partner assigned their 99.99% limited partner interest to Rocky for the purchase price of \$158,000. Effective October 15, 2019, Pheasant Glen converted to a limited liability limited partnership.

ERR

On February 24, 2006, Rocky executed a guaranty agreement for ERR. The agreement provides that Rocky unconditionally guarantees due payment, performance, and fulfillment of all liabilities, obligations, and undertakings of ERR's general partner, RMDC Penkay LLC, arising under the Amended and Restated Partnership Agreement and the Development Agreement. The guaranty applied to ERR, its limited partners and successors, including Homestead Equity Fund V, LP and Homestead SLP, LLC.

Effective December 31, 2020 (the end of ERR's 15-year compliance period), Homestead Equity Fund V, LP and Homestead SLP, LLC assigned their 99.99% limited partner interest to Rocky in an amendment to the partnership originally signed February 24, 2006.

The partnership agreement calls for continuation of the partnership until November 25, 2053, except that the partnership may be dissolved prior to such date upon a sale or other disposition of the partnership's assets, or a consensual termination.

EM III

On August 15, 2007, EM III amended its partnership agreement. The amendments redefined the responsibilities of the partnership's general and limited partners. This was in response to the replacement of Rocky as the limited partner by Homestead Equity Fund V, LP, and Homestead SLP, LLC on June 30, 2007.

Effective May 31, 2023 (the end of EM III's 15-year compliance period), Homestead Equity Fund V, LP and Homestead SLP, LLC assigned their 99.99% limited partner interest to Rocky in an amendment to the partnership originally signed June 7, 2007.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

EM II

On January 6, 2009, EM II amended its partnership agreement. The amendments redefine the responsibilities of the partnership's general and limited partners. This was in response to the replacement of Rocky as the limited partner by MPEG Special Fund II, LP and MPEG Acceptance Corporation, SLP. The amended agreement places the following significant obligations upon RMDC Eagles Manor II, LLC, the general partner. At October 2023, MPEG was acquired by NEF.

The partnership agreement calls for continuation of the partnership until December 31, 2058, except that the partnership may be dissolved prior to such date upon a sale or other disposition of the partnership's assets, or a consensual termination. Under certain circumstances, the general partner and Rocky, as a guarantor, are obligated to repurchase the interest of the limited partners for a purchase price equal to the sum of the total capital contributions made by the limited partners, plus the legal, accounting and internal costs incurred by the limited partners in connection with their investment in the partnership (subject to a \$75,000 cap).

In the event a repurchase occurs, the limited partners must transfer their partnership interest to the general partner. At June 30, 2024, the partnership interest of the limited partner was \$2,006,662. At June 30, 2024, the book value of the partnership's capital assets totaled approximately \$3.2 million. These assets serve as collateral in the event the limited partners exercise the repurchase option. The limited partners may exercise this option if the complex is not constructed in accordance with the construction plans or the Fair Housing Act of 1988 as amended.

If at any time after construction is complete an operating deficit exists, the general partner must lend funds to the partnership in an amount equal to the deficit. The loan shall bear interest at a rate of 4.00% per annum and shall be repayable from cash flow.

River Rock

On October 31, 2012, Rocky executed a guaranty agreement for River Rock. The agreement provides that Rocky unconditionally guarantees punctual performance of all obligations of River Rock's general partner, RMDC River Rock LLC, arising under the First Amended and Restated Agreement of Limited Partnership and the Development Services Agreement. The guarantee applies to River Rock and its limited partner, American Express Utah Equity Fund. If an operating deficit exists, then the general partner must lend funds to the partnership in an amount equal to the deficit. The obligation is limited to the maximum advance amount of \$78,000.

Red Alder Project – RA4 and RA9

On October 22, 2019, RA4 amended its partnership agreement. The amendment redefined the responsibilities of the partnership's general and limited partners. This was in response to the replacement of Rocky as the limited partner by Community Affordable Housing Fund, LLC and MPEG Acceptance Corporation, who was acquired by NEF in October 2023. Red Alder 4% LLC (wholly owned by Penkay Eagles Manor, Inc.) is the General Partner. On October 22, 2019, RA9 amended its partnership agreement. The amendment redefines the responsibilities of the partnership's general and limited partners. Red Alder 9% LLC (wholly owned by Penkay Eagles Manor, Inc.) is the general partner.

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

On April 30, 2019, Rocky signed a letter of intent with MPEG for both RA9 and RA4. Rocky is the co-developer for both projects with a 35% interest in the developer fee. GL Development, LLC has 65% of this obligation.

The letter outlines the following obligations, which are the same for both RA4 and RA9:

- *Development Obligations:* Guarantee the delivery of a completed, lien-free project (including all final Certificates of Occupancy), in accordance with plans and specifications based upon the fixed development costs. This guarantee includes without limitation, a guaranty: (i) to pay any amounts needed in excess of construction loan and other available proceeds to complete the improvements, (ii) of all amounts necessary to achieve permanent loan closing, and (iii) to pay any operating deficits prior to the conclusion of property construction.
- *Operating Obligations:* Obligated to advance monies necessary to cover operating deficits, including any and all required reserves, during the 15-year compliance period (as defined by Code Section 42(i)(1)), which will be treated as interest bearing loans to the partnership and repaid out of distributable cash flow or capital transaction proceeds.
- In addition, obligated to: (a) fund an operating reserve cash account equal to the greater of \$125,000 or the amount required by the permanent lender, (b) fund and periodically replenish throughout the duration of the partnerships, replacement reserves equal to the greater of \$300/unit/year or the amount required by the permanent lender, and (c) fund a lease-up reserve to cover expenses and marketing during the lease-up period in the amount of \$40,000.

In addition, Penkay Eagles Manor, Inc. is the sole member of Red Alder 4% LLC and Red Alder 9% LLC, who both have certain obligations as the General Partner. These obligations are the same for each project:

- Day to day management of the partnership
- Ensure tax credit compliance
- Repurchase of the Investor Limited Partner's interest upon the occurrence of certain major adverse events, which are described in the Limited Partnership Agreement
- Guarantee the accuracy of all customary representations and warranties

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

Townsend Housing

On January 1, 2022, THI agreed to four USDA Rural Development Loans in the amounts of \$80,649, \$10,498, \$1,444, and \$44,464 at 2.50% interest. Two of the loans matured in November 2022. The remaining two loans were re-amortized June 1, 2024, and mature in June 2044. Loan principal and interest payable at June 30, 2024, total \$47,026.

Rocky and Affiliates

Rocky and its consolidated related parties are involved in various legal actions and claims in the ordinary course of business. It is the opinion of management (based on legal counsel) that such litigation and claims will be resolved without material effect on Rocky or its consolidated related parties' financial position.

16. CONDITIONAL PROMISES TO GIVE

Conditional promises to give arise from grant/contract activities that are underway at fiscal year-end, but are not complete. The following schedule reflects the value of conditional promises to give received by Rocky that were outstanding at June 30, 2024:

Fund	Program/Contract	Grant/Contract Period Ends	Amount
160	Head Start	April 30, 2025	\$ 2,934,126
203	Montana Senior Medicare Patrol	May 31, 2025	11,000
222	AmeriCorps Retired Senior Volunteer Program (RSVP)	March 31, 2025	36,289
254	Commodities Supplemental Food Program	September 30, 2024	7,265
300	Northwestern Energy Weatherization	December 31, 2024	467,617
333	LIHEAP Client Ed	September 30, 2025	118,763
334	LIHEAP Outreach	September 30, 2025	24,834
335	LIHEAP Administration	September 30, 2025	115,044
336	LIEAP Weatherization	September 30, 2024	166,805
920	Community Services Block Grant (CSBG)	September 30, 2024	62,092
922	Community Services Block Grant (CSBG)	September 30, 2025	244,288
921	Emergency Solutions Grant (ESG)	March 31, 2025	37,590
954	Housing Stability Services	September 30, 2025	149,240
Total Conditional Promises to Give			\$ 4,374,953

Rocky Mountain Development Council, Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

17. RECOVERY OF GENERAL AND ADMINISTRATIVE EXPENSES

As described in note 1, Rocky recovers shared general and administrative expenses through an approved indirect cost rate and various allocation plans. Following is a summary of the general and administrative costs recovered from programs:

June 30, 2024

General and Administrative Expenses	
Indirect cost pool	\$ 1,040,654
Supporting services	1,130,404
Total General and Administrative Expenses	2,171,058
Indirect costs recovered at 13.90% (approved provisional rate)	(1,026,933)
Supporting services expenses recovered from programs	(1,096,244)
Net Unrecovered General and Administrative Expenses	\$ 47,881

18. SUBSEQUENT EVENTS

Effective December 31, 2024, EMII passed the 15th year of the partnership and the investor limited partner assigned its 99.99% interest to Rocky.

On February 10, 2025, Rocky notified the city of Helena that it had withdrawn from the Our Redeemer's Lutheran Church housing project and was relinquishing the grant awarded for the project in March 2023.

OTHER SUPPLEMENTARY INFORMATION SECTION

Rocky Mountain Development Council, Inc.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	AL Number	Grant Pass Through Number Entity	Passed- Through to Subrecipients	Expenditures
AmeriCorps Seniors				
Direct Programs				
Foster Grandparent/Senior Companion Cluster:				
Foster Grandparents	94.011	21SFPMT002	\$ -	\$ 261,941
Senior Companion	94.016	21SCDMT003	-	264,246
Total Foster Grandparent/Senior Companion Cluster			-	526,187
Retired Senior Volunteer	94.002	21SRDMT006	-	37,500
Retired Senior Volunteer	94.002	24SRDMT002		16,211
Total AmeriCorps Seniors			-	579,898
Department of Health and Human Services				
Direct Programs				
Head Start Cluster:				
Head Start	93.600	08CH011147	-	2,738,415
Head Start	93.600	08CH012591	-	323,415
Total Head Start Cluster			-	3,061,830
Passed-Through State Department of Public Health and Human Services:				
Community Services Block Grant Cluster:				
Community Services Block Grant	93.569	23-028-10006-0	-	184,511
Community Services Block Grant	93.569	22-028-10006-0	-	66,308
Community Services Block Grant COVID-19	93.569	21-028-19046-0	-	130,276
Total Community Services Block Grant Cluster			-	381,095
Low-Income Home Energy	93.568	22-028-16006-0	-	14,273
Low-Income Home Energy	93.568	23-028-16006-0	-	150,539
Low-Income Home Energy Assistance Program (LIHEAP)	93.568	23-028-13006-0	-	211,347
Low-Income Home Energy Assistance Program (LIHEAP)	93.568	24-028-13006-0	-	17,861
Contingency Revolving Fund (LIHEAP) ARPA	93.568	21-028-19052-5	-	2,439
Contingency Revolving Fund (LIHEAP)	93.568	23-028-13006-0	-	330,229
Total Low-Income Home Energy			-	726,688
Special Programs for the Aging				
Aging Cluster:				
Title III - Supportive Services and Senior Centers	93.044	24-221-13004-0	Various	126,279
Title III - Supportive Services and Senior Centers COVID-19	93.044	24-221-13004-0	Various	113,676
Title III - Nutrition Services	93.045	24-221-13004-0	Various	342,066
Title III - Nutrition Services COVID-19	93.045	24-221-13004-0	Various	85,170
Nutrition Services Incentive Program	93.053	24-221-13004-0	Various	38,392
Nutrition Services Incentive Program Noncash Commodities	93.053	24-221-13004-0	Various	-
Total Aging Cluster			705,583	1,446,103
Title VII - Long-Term Care Ombudsman Services for Older Individuals	93.042	24-221-13004-0	-	17,295
Title VII - Long-Term Care Ombudsman Services for Older Individuals COVID	93.042	24-221-13004-0	-	4,823
Title III - Disease Prevention and Health Promotion Services	93.043	24-221-13004-0	-	5,875
Title III - Disease Prevention and Health Promotion Services COVID19	93.043	24-221-13004-0	-	7,621
Title III National Family Caregiver Support	93.052	24-221-13004-0	Various	71,027
Title III National Family Caregiver Support COVID19	93.052	24-221-13004-0	Various	750
Montana Senior Medicare Patrol (SMP) Project	93.048	24-221-13004-0		32,355
Montana Senior Medicare Patrol (SMP) Project COVID19	93.048	24-221-13004-0		-
Medicare Improvement Program (MIPPA)	93.071	24-221-13004-0		-
State Health Insurance Assistance Program	93.324	24-221-13004-0	Various	-
Total Aging Programs			809,715	1,708,060
Total Passed-Through State Department of Public Health and Human Services			809,715	2,815,843
Total U.S. Department of Health and Human Services			\$ 809,715	\$ 5,877,673

See the accompanying notes to the schedule of expenditures of federal awards

Rocky Mountain Development Council, Inc.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2024
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	AL Number	Grant Pass Through Number	Entity	Passed- Through to Subrecipients	Expenditures
Federal Communications Commission					
Direct Programs					
ACP Outreach Montana	32.011	ACOGP2340049		\$ -	\$ 1,843
U.S. Department of Agriculture					
Passed-Through State Department of Public Health and Human Services:					
Child and Adult Care Food Program	10.558	Agreement		-	104,342
Child and Adult Care Food Program	10.558	Agreement		-	12,930
Total Child and Adult Care Food Program				-	117,272
Commodity Supplemental Food Program	10.565	23-027-21007-0		-	5,533
Commodity Supplemental Food Program	10.565	24-027-21007-0		-	14,826
Total Commodity Supplemental Food Program				-	20,359
Rural Rental Housing Loans	10.415	Agreement		-	45,139
Total U.S Department of Agriculture				-	182,770
U.S. Department of Energy					
Passed-Through State Department of Public Health and Human Services:					
Weatherization Assistance for Low-Income Persons	81.042	23-028-30026-0		-	21,293
U.S. Department of Housing and Urban Development					
Passed-Through State Department of Commerce:					
First Time Home Buyers	14.169	Agreement		-	59,366
First Time Home Buyers - Neighborhood Lift	14.169	Agreement		-	4,000
First Time Home Buyers - Neighborworks Montana	14.169	Agreement		-	6,400
Housing Stability Services	21.023	23-028-17006-0		32,813	35,318
Total Passed-Through State Department of Commerce				32,813	105,084
Passed-Through State Department of Public Health and Human Services:					
Emergency Solutions Grant Program	14.231	23-028-51006-0	Good Sam	12,719	12,719
Emergency Solutions Grant Program	14.231	22-028-51006-0	Good Sam	38,194	37,851
Emergency Solutions Grant Program COVID-19 CARES (Shelter)	14.231	20-028-19006-0	Good Sam	14,540	14,540
Total AL#14.231 - Emergency Solutions Program				65,453	65,110
Total U.S. Department of Housing and Urban Development				98,266	170,194
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ 907,981	\$ 6,833,671

See the accompanying notes to the schedule of expenditures of federal awards

Rocky Mountain Development Council, Inc.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2024

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Rocky Mountain Development Council, Inc. (Rocky) as described in note 1 of the accompanying notes to consolidated financial statements. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Rocky, it is not intended to and does not present the consolidated financial position, changes in net assets, or cash flows of Rocky.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting as described in note 1 of the accompanying notes to consolidated financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

All federal awards received by Rocky are considered conditional grants and therefore revenue is recognized when qualifying expenses have been incurred.

3. RECONCILIATION TO CONSOLIDATED FINANCIAL STATEMENTS

Following is a reconciliation of the total expenditures on the Schedule to federal grant revenue shown on the consolidated statement of activities:

June 30, 2024

Total expenditures of federal awards	\$ 6,833,671
Rent subsidy received by RMFP from Rural Development	43,674
Rent subsidy received by EMII from HUD	150,173
Rent subsidy received by EMIII from HUD	51,730
Rent subsidy received by Big Boulder from HUD	145,682
Rent subsidy received by River Rock from HUD	39,450
Rent subsidy received by Ptarmigan from HUD	46,141
Rent subsidy received by Pheasant Glen from HUD	65,697
Rent subsidy received by Red Alder 4% from HUD	229,237
Rent subsidy received by Red Alder 9% from HUD	202,771
Rent subsidy received by Townsend Housing from HUD	67,250
Rent subsidy received by ERR from HUD	93,884
Service Coordinator Grant received by ERR from HUD	30,190
Total Federal Grant Revenue	\$ 7,999,550

Rocky Mountain Development Council, Inc.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2024

(Continued)

4. HOME COMMUNITY HOUSING DEVELOPMENT ORGANIZATION PROCEEDS

Rocky has loaned HOME grant funds to other organizations to support the development of low-income housing. Repayment received by Rocky on these loans represent CHDO proceeds. These CHDO proceeds must be used for HOME eligible activities that support housing for low-income persons. See reconciliation of proceeds and disbursements below.

Balance Available - June 30, 2023	\$ 50,768
Community Housing Development Organization proceeds received	17,201
Community Housing Development Organization funds disbursed	-
Balance Available - June 30, 2024	\$ 67,969

5. INDIRECT COST RATE

Rocky received an approved provisional rate of 14.00% from its federal cognizant agency, the Department of Health and Human Services. The effective rate applied during fiscal year 2024 is 13.90%.

OTHER REPORTS SECTION



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

To the Board of Directors
Rocky Mountain Development Council, Inc.
Helena, Montana

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Rocky Mountain Development Council, Inc. (Rocky), which comprise the consolidated statement of financial position as of June 30, 2024, the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements and have issued our report thereon dated March 18, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

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

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rocky's consolidated 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 consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

KCoe Jam, LLP

March 18, 2025
Helena, Montana



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

To the Board of Directors
Rocky Mountain Development Council, Inc.
Helena, Montana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

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

(Continued)

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

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

(Continued)

Report on Internal Control Over Compliance

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

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

KCoe Isom, LLP

March 18, 2025
Helena, Montana

FINDINGS AND QUESTIONED COSTS SECTION

Rocky Mountain Development Council, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2024

SECTION I

SUMMARY OF AUDITORS' RESULTS

CONSOLIDATED FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Are any material weaknesses identified?	No
Are any significant deficiencies identified?	None reported
Is any noncompliance material to consolidated financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Are any material weaknesses identified?	No
Are any significant deficiencies identified?	None reported
Type of auditors' report issued on compliance for major program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	
AL No. 93.569	Community Services Block Grant
AL No. 93.600	Head Start Cluster
Threshold for distinguishing types A and B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

Rocky Mountain Development Council, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2024

(Continued)

SECTION II

**FINDINGS AND SIGNIFICANT DEFICIENCIES OR MATERIAL WEAKNESSES - FINANCIAL STATEMENT
AUDIT**

None.

SECTION III

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None.

Rocky Mountain Development Council, Inc.
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
Year Ended June 30, 2024

None.

SUPPLEMENTARY INFORMATION SECTION

Rocky Mountain Development Council, Inc.

SUMMARY OF PROGRAMS BY GRANTOR AGENCIES

Year Ended June 30, 2024

Rocky Mountain Development Council, Inc. (Rocky) has many programs funded by federal, state and local sources. Below is a summary, by grantor agency, of the more significant programs administered by Rocky.

AMERICORPS SENIORS (FORMERLY CORPORATION FOR NATIONAL AND COMMUNITY SERVICE)

AmeriCorps Seniors is the federal umbrella agency for volunteer programs including the Foster Grandparent Program, Retired Senior Volunteer Program, and Senior Companion Program. These programs are designed to provide meaningful part-time volunteer opportunities for senior citizens.

U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES – Head Start

The Head Start Program serves approximately 120 low-income children and their families in Lewis & Clark, Broadwater, and Jefferson Counties. The comprehensive program provides support for children and their families in the areas of health, nutrition, disabilities, and mental health. The goal is to help children succeed in education by supporting growth and developmental needs while engaging the families in the process.

DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES – Other

Community Services Block Grant funds are used to assist low-income individuals and to also provide for community collaboration on issues related to poverty.

Emergency Solutions Grant Program funds provide rapid-rehousing and homeless prevention services for eligible individuals.

Child and Adult Care Food Program provides subsidies to help cover the costs of providing breakfast, lunch, and snacks to the Head Start Program and Rocky Mountain Preschool.

DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES – Weatherization and Low-Income Energy Assistance

Weatherization programs are designed to help conserve energy and reduce the impact of rising energy costs for low-income individuals through the installation of energy-conserving measures in their homes. The program also helps clients with the cost of their fuel bill and helps cover the utility deposit costs to the local energy provider. The programs are funded by the U. S. Department of Energy, Northwestern Energy, Energy Share of Montana, and Low Income Energy Assistance through the Department of Public Health and Human Services.

Rocky Mountain Development Council, Inc.

SUMMARY OF PROGRAMS BY GRANTOR AGENCIES

Year Ended June 30, 2024

(Continued)

DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES – Aging and Nutrition

Agency IV Agency on Aging (Area IV) advocates for senior citizens and develops and coordinates programs for senior citizens in a six-county area.

The funds received by Area IV are distributed to various agencies in a six-county area, including Rocky. The types of services provided are: outreach services, legal services, congregate and home delivered meals, in-home services to senior citizens and their families (especially those affected by dementia disorders), development of health promotion activities for senior citizens, long-term care ombudsman services, assistance with elder abuse prevention, and insurance counseling and assistance.

Rocky receives other funding from the Department of Public Health and Human Services from Medicaid for the home-delivered meals program in the tri-county area.

The Commodities Program provides food to eligible senior citizens in Lewis & Clark, Broadwater, Jefferson, and Meagher Counties.

DEPARTMENT OF COMMERCE - Montana Board of Housing

The Montana Board of Housing (MBOH) administers a variety of programs supported by federal funding that are intended to promote the development of affordable housing for low-income or disabled individuals. The Housing Program has received loans, grants, and other funding through the MBOH, either directly or indirectly, for its housing projects. Major sources of funding include the Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), and Housing Trust Fund Program (HTF).

COUNTY FUNDING – Other Programs

Rocky receives funding from Lewis & Clark, Broadwater, and Jefferson Counties to deliver the following program services: Senior Nutrition, Senior Services and Transportation, Senior Volunteer Programs, and Area IV.

LOCAL FUNDING – Other Programs

Rocky receives funding from the United Way of Lewis & Clark County for the following programs: Fundraising, Head Start, Home Delivered Meals, and the Retired Senior Volunteer Program.

Rocky Mountain Development Council, Inc.**SCHEDULE OF INDIRECT COST RECONCILIATION**

June 30, 2024

Total Expenditures for Operations

Program services	\$ 14,725,879
General and administrative	2,171,058
Recovery of indirect costs - general and administrative	(1,026,933)
Recovery of other allocated costs - general and administrative	(1,096,244)
Fundraising	40,571

Total Expenditures for Operations	14,814,331
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Less:

Indirect costs - net of exclusions	(981,841)
Exclusions:	
Commodities	(20,407)
Depreciation	(192,500)
In-kind	(337,300)
Pass-through	(1,295,957)
Consolidated properties' expenses - net of eliminations	(3,945,133)
Assistance payments	(605,429)
Other:	
Other housing exclusions	(47,754)
Money market fee	(5)
Bad debt	-

Indirect Cost Base Expenditures	7,388,005
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Indirect cost rate	13.90%
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Total Indirect Cost Charges	\$ 1,026,933
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Allocated Indirect Costs by Program

Aging and Nutrition	\$ 185,799
Senior Volunteer	79,030
Housing	93,138
Other	28,235
Child and Family	424,303
Senior Activities	6,783
Transportation	6,983
Weatherization	73,213
General and administrative	125,857
Fundraising	3,592

Total Indirect Cost Charges to Programs	\$ 1,026,933
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See the independent auditors' report on the supplementary information.

Rocky Mountain Development Council, Inc.
SCHEDULE OF TRANSFERS

June 30, 2024

County Mill Fund Transfers

Sources:

Carried Forward from Fiscal Year 2023	\$ 413,269
Lewis & Clark County	398,160
Jefferson County	63,590
Broadwater County	32,489

Total County Mill Funds Received	\$ 907,508
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Program Recipients

Home Delivered Meals	\$ 116,210
Congregate Meals	133,283
Senior Companion Program	7,434
Foster Grandparent Program	2,469
Retired Senior Volunteer Program	31,925
Senior Services and Transportation and Space	171,974
Other	139

Total County Mill Funds Transferred	463,434
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Carry Forward to Fiscal Year 2025	444,074
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Total County Mill Funds	\$ 907,508
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Community Service Block Grant Transfers

Program recipients:

Indirect Cost Pool	\$ 2,051
Commodities	8,247
Home Delivered Meals	93,095
Emergency Solutions	259
Street Outreach	342
Foster Grandparent Program	13,000
Senior Companions Program	8,000
Affordable Connectivity Outreach	256

Total Community Service Block Grant Transfers	\$ 125,250
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See the independent auditors' report on the supplementary information.

Rocky Mountain Development Council, Inc.

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

June 30, 2024	RMDC		RMFP		ERI		EMII		EMIII		Penkay Eagles Manor, Inc.		Eagle Manor Project No. 2, Inc.		Big Boulder		River Rock		Ptarmigan		Pheasant Glen		ERR		RA4		RA9		Townsend Housing Inc.		Eliminations		Consolidated	
ASSETS																																		
Current Assets																																		
Cash and cash equivalents - operations	\$	2,047,059	\$	2,619	\$	80,996	\$	6,916	\$	31,105	\$	8,732	\$	-	\$	10,800	\$	27,200	\$	29,632	\$	24,429	\$	24,024	\$	27,475	\$	33,314	\$	518	\$	-	\$	2,354,819
Cash and cash equivalents - custodial		107,555		-		-		-		-		-		-		-		-		-		-		-		-		-		-		-		107,555
Accounts receivable		104,086		5,622		1,909		1,087		1,023		-		-		25,698		2,283		2,792		19,478		8,434		15,700		8,955		6,675		-		203,742
Related-party receivables		174,243		-		40,346		-		25		-		-		249		33		-		1,298		1,167		-		-		-		(217,361)		-
Grants receivable		744,946		-		-		-		-		-		-		-		-		-		-		-		-		-		-		-		744,946
Current portion of notes and interest receivable		15,159		-		-		-		-		-		-		-		-		-		-		-		-		-		-		-		15,159
Prepaid deposits and expenses		61,663		-		-		-		-		-		-		-		-		-		-		-		-		-		-		-		61,663
Inventory		33,348		-		1,891		-		-		-		-		-		-		-		-		-		-		-		-		-		35,239
Total Current Assets		3,288,059		8,241		125,142		8,003		32,153		8,732		-		36,747		29,516		32,424		45,205		33,625		43,175		42,269		7,193		(217,361)		3,523,123
Fixed Assets																																		
Land		161,366		22,495		-		147,742		198,317		-		-		503,336		575,332		196,701		333,630		118,966		-		1,533,246		13,000		-		3,804,131
Land improvements		99,003		9,824		-		56,690		22,663		-		-		101,734		97,159		2,887		170,028		39,603		1,121,602		159,761		-		-		1,880,954
Leasehold improvements		411,875		-		-		-		-		-		-		-		-		-		-		-		-		-		-		-		411,875
Buildings		1,455,076		190,832		-		6,515,114		5,676,361		-		-		6,789,221		4,989,620		1,538,300		2,575,899		5,685,435		9,308,002		7,354,244		449,645		(4,049,637)		48,478,112
Equipment		1,293,386		12,925		43,567		90,741		123,603		-		-		164,637		216,305		87,724		55,704		143,295		177,180		190,961		41,074		-		2,641,102
Construction in progress		9,335		-		-		-		-		-		-		-		-		-		-		-		-		-		-		-		9,335
Accumulated depreciation		(1,612,425)		(146,524)		(37,505)		(3,627,850)		(2,363,602)		-		-		(2,434,912)		(1,640,174)		(1,378,686)		(1,572,711)		(4,030,710)		(1,116,129)		(831,222)		(466,303)		-		(21,258,753)
Total Fixed Assets		1,817,616		89,552		6,062		3,182,437		3,657,342		-		-		5,124,016		4,238,242		446,926		1,562,550		1,956,589		9,490,655		8,406,990		37,416		(4,049,637)		35,966,756
Other Assets																																		
Investments in partnerships		6,010		-		-		-		-		(813)		(2,496)		-		-		-		-		-		-		-		-		(1,701)		1,000
Cash restricted for security deposits and reserves		50,604		25,109		-		241,449		117,922		-		-		210,962		242,587		120,414		138,787		352,731		337,269		202,959		41,384		-		2,082,177
Cash restricted for housing projects		182,692		-		-		-		-		-		-		-		-		-		-		-		-		-		-		-		182,692
Long-term related-party receivable		62,280		-		-		-		-		-		-		-		-		-		-		-		-		-		-		(49,685)		12,595
Long-term notes and interest receivable		15,701,561		-		-		-		-		94,513		411,047		-		-		-		-		-		-		-		-		(14,439,768)		1,767,353
Operating lease right-of-use assets - net		28,532		-		-		873		873		-		-		-		-		-		-		873		-		-		-		-		31,151
Prepaid ground lease		-		-		-		-		-		-		-		-		-		-		-		-		583,377		-		-		(583,377)		-
Deferred costs - net		-		281		-		-		-		-		-		-		6,470		-		-		-		42,243		90,297		-		-		139,291
Total Other Assets		16,031,679		25,390		-		242,322		118,795		93,700		408,551		210,962		249,057		120,414		138,787		353,604		962,889		293,256		41,384		(15,074,531)		4,216,259
TOTAL ASSETS	\$	21,137,354	\$	123,183	\$	131,204	\$	3,432,762	\$	3,808,290	\$	102,432	\$	408,551	\$	5,371,725	\$	4,516,815	\$	599,764	\$	1,746,542	\$	2,343,818	\$	10,496,719	\$	8,742,515	\$	85,993	\$	(19,341,529)	\$	43,706,138
LIABILITIES AND NET ASSETS																																		
Current Liabilities																																		
Accounts payable and accrued expenses	\$	500,881	\$	49,900	\$	36,137	\$	45,230	\$	92,332	\$	22,501	\$	27,184	\$	34,393	\$	19,886	\$	11,480	\$	19,638	\$	53,269	\$	46,698	\$	34,055	\$	23,197	\$	(267,046)	\$	749,735
Cash and cash equivalents held for others		107,555		-		-		-		-		-		-		-		-		-		-		-		-		-		-		-		107,555
Compensated absences		373,106		-		-		-		-		-		-		-		-		-		-		-		-		-		-		-		373,106
Refundable advances and deferred revenue		275,604		2,256		1,073		17,579		12,944		-		-		10,826		11,763		6,383		11,154		30,470		16,277		16,414		3,166		-		415,909
Current portion of notes and interest payable		2,684		5,312		-		3,425		13,599		-		-		6,282		-		9,154		12,555		9,701		63,708		45,407		33,759		-		205,586
Current portion of operating lease liability		12,071		-		-		640		640		-		-		-		-		-		-		640		-		-		-		-		13,991
Total Current Liabilities		1,271,901		57,468		37,210		66,874		119,515		22,501		27,184		51,501		31,649		27,017		43,347		94,080		126,683		95,876		60,122		(267,046)		1,865,882
Long-Term Debt																																		
Notes and interest payable - net of current portion		225,456		166,618		148,981		1,358,896		1,604,543		-		-		674,617		1,252,150		884,822		2,004,347		3,607,049		8,152,642		2,677,034		13,267		(14,439,767)		8,330,655
Operating lease liability - net of current portion		18,627		-		-		310		310		-		-		-		-		-		-		310		-		-		-		-		19,557
Deferred revenue - ground lease		-		-		-		-		-		-		-		-		-		-		-		-		-		583,377		-		(583,377)		-
Total Long-Term Debt		244,083		166,618		148,981		1,359,206		1,604,853		-		-		674,617		1,252,150		884,822		2,004,347		3,607,359		8,152,642		3,260,411		13,267		(15,023,144)		8,350,212
Total Liabilities		1,515,984		224,086		186,191		1,426,080		1,724,368		22,501		27,184		726,118		1,283,799		911,839		2,047,694		3,701,439		8,279,325		3,356,287		73,389		(15,290,190)		10,216,094
Net Assets																																		
Net assets without donor restrictions and controlling interests in partnerships		19,177,294		(105,903)		(54,987)		(305)		2,083,922		79,931		381,367		4,645,607		(3,015)		(312,075)		(301,152)		(1,357,621)		(106)		(52)		12,604		(4,046,339)		20,199,170
Noncontrolling interests in partnerships		-																																

See the independent auditors' report on the supplementary information.

Rocky Mountain Development Council, Inc.

CONSOLIDATING SCHEDULE OF ACTIVITIES

Year Ended June 30, 2024	Rocky	RMFP	ERI	EMII	EMIII	Penkay Eagles Manor, Inc.	Eagle Manor Project No. 2, Inc.	Big Boulder	River Rock	Ptarmigan	Pheasant Glen	ERR	RA4	RA9	Townsend Housing Inc.	Eliminations	Consolidated
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS																	
Revenues, Gains, and Other Support																	
Grants - federal	\$ 6,833,671	\$ 43,674	\$ -	\$ 150,173	\$ 51,730	\$ -	\$ -	\$ 145,682	\$ 39,450	\$ 46,141	\$ 65,697	\$ 124,074	\$ 229,237	\$ 202,771	\$ 67,250	\$ -	\$ 7,999,550
Grants - other	1,421,572	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,421,572
County tax	26,207	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26,207
Local support	8,497	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,497
Fundraising and donations	304,583	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	304,583
Program service	1,712,946	25,763	233,931	212,479	210,623	-	-	172,092	155,845	90,562	149,067	366,622	269,889	172,557	71,867	(1,052,675)	2,791,568
Other	42,051	8,208	216,989	898	1,587	1,149	16,596	112	12,365	22,038	39,629	1,655	359	9,892	-	(239,245)	134,283
In-kind contributions	337,300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	337,300
Net assets released from restrictions	505,395	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	505,395
Total Revenues, Gains, and Other Support																	
Without Donor Restrictions	11,192,222	77,645	450,920	363,550	263,940	1,149	16,596	317,886	207,660	158,741	254,393	492,351	499,485	385,220	139,117	(1,291,920)	13,528,955
Expenses																	
Program:																	
Aging and Nutrition	3,214,926	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,214,926
Senior Volunteer	676,068	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	676,068
Housing	912,665	85,458	450,890	605,278	413,980	7,659	4,482	476,539	333,959	191,060	333,387	767,004	901,001	560,502	106,022	(1,292,088)	4,857,798
Other	238,549	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	238,549
Child and Family	4,264,809	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,264,809
Senior Activities	154,924	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	154,924
Transportation	60,719	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	60,719
Weatherization	1,258,086	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,258,086
Total Program Expenses	10,780,746	85,458	450,890	605,278	413,980	7,659	4,482	476,539	333,959	191,060	333,387	767,004	901,001	560,502	106,022	(1,292,088)	14,725,879
General and administrative	2,171,058	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,171,058
Recovery of indirect costs from programs	(1,026,933)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,026,933)
Recovery of other allocated costs from programs	(1,096,244)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,096,244)
General and Administrative - Net	47,881	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	47,881
Fundraising	40,571	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,571
Total Expenses	10,869,198	85,458	450,890	605,278	413,980	7,659	4,482	476,539	333,959	191,060	333,387	767,004	901,001	560,502	106,022	(1,292,088)	14,814,331
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	323,024	(7,813)	30	(241,728)	(150,040)	(6,510)	12,114	(158,653)	(126,299)	(32,319)	(78,994)	(274,653)	(401,516)	(175,282)	33,095	168	(1,285,376)
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS																	
Contributions	502,800	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	502,800
Net assets released from restrictions	(505,395)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(505,395)
Change in Net Assets With Donor Restrictions	(2,595)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,595)
Change in Net Assets	320,429	(7,813)	30	(241,728)	(150,040)	(6,510)	12,114	(158,653)	(126,299)	(32,319)	(78,994)	(274,653)	(401,516)	(175,282)	33,095	168	(1,287,971)
Partnership contributions (distributions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Assets - Beginning of Year	19,300,941	(93,090)	(55,017)	2,248,410	2,233,962	86,441	369,253	4,804,260	3,359,315	(279,756)	(222,158)	(1,082,968)	2,618,910	5,561,510	(20,491)	(4,051,507)	34,778,015
Net Assets - End of Year	\$ 19,621,370	\$ (100,903)	\$ (54,987)	\$ 2,006,682	\$ 2,083,922	\$ 79,931	\$ 381,367	\$ 4,645,607	\$ 3,233,016	\$ (312,075)	\$ (301,152)	\$ (1,357,621)	\$ 2,217,394	\$ 5,386,228	\$ 12,604	\$ (4,051,339)	\$ 33,490,044

See the independent auditors' report on the supplementary information.

Rocky Mountain Development Council, Inc.

SCHEDULE OF CONSOLIDATING ELIMINATIONS

June 30, 2024	Rocky	RMFP	ERI	EM II	EM III	Penkay Eagles Manor, Inc.	Eagle Manor Project No. 2, Inc.	Big Boulder	River Rock	Ptarmigan	Pheasant Glen	ERR	RA4	RA9	Townsend Housing Inc.	Total
ASSETS																
Related-party receivables	\$ 174,243	\$ -	\$ 40,346	\$ -	\$ 25	\$ -	\$ -	\$ 249	\$ 33	\$ -	\$ 1,298	\$ 1,167	\$ -	\$ -	\$ -	\$ 217,361
Buildings	-	-	-	656,109	727,539	-	-	912,337	791,410	-	-	-	562,879	399,363	-	4,049,637
Investment in housing	5,010	-	-	-	-	(813)	(2,496)	-	-	-	-	-	-	-	-	1,701
Long-term accounts receivable	49,685	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49,685
Long-term notes and interest receivable	13,934,208	-	-	-	-	94,513	411,047	-	-	-	-	-	-	-	-	14,439,768
Prepaid ground lease receivable (RA4/RA9 ground lease)	-	-	-	-	-	-	-	-	-	-	-	-	583,377	-	-	583,377
TOTAL ASSETS	\$ 14,163,146	\$ -	\$ 40,346	\$ 656,109	\$ 727,564	\$ 93,700	\$ 408,551	\$ 912,586	\$ 791,443	\$ -	\$ 1,298	\$ 1,167	\$ 1,146,256	\$ 399,363	\$ -	\$ 19,341,529
LIABILITIES																
Accounts payable to Rocky	\$ -	\$ 47,453	\$ 6,591	\$ 16,974	\$ 6,300	\$ 22,501	\$ 27,184	\$ 19,595	\$ 5,980	\$ 4,588	\$ 7,594	\$ 18,431	\$ 12,400	\$ 9,399	\$ 19,450	\$ 224,440
Accounts payable to RMDC Eagle Rock, Inc.	-	-	-	8,980	4,527	-	-	76	1,166	2,306	2,094	11,065	5,534	3,745	341	39,834
Accounts payable to ERRLP	-	-	32	-	-	-	-	-	-	-	-	-	-	-	-	32
Accounts payable to Big Boulder	-	-	-	12	12	-	-	-	-	-	-	225	-	-	-	249
Accounts payable to EM I	-	-	-	706	429	-	-	-	-	-	-	-	-	-	-	1,135
Accounts payable to EM III	-	-	-	25	-	-	-	-	-	-	-	-	-	-	-	25
Accounts payable to Pheasant Glen	-	-	-	-	-	-	-	-	-	1,298	-	-	-	-	-	1,298
Accounts payable to River Rock	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33	33
Notes and interest payable to Rocky	-	-	148,981	866,659	1,297,237	-	-	477,476	1,252,150	814,958	1,579,930	3,279,909	3,979,433	237,475	-	13,934,208
Notes and interest payable to Penkay Eagles Manor, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	94,513	-	-	94,513
Notes and interest payable to EM Project No. 2, Inc.	-	-	-	411,047	-	-	-	-	-	-	-	-	-	-	-	411,047
Refundable advances and deferred revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	583,377	-	583,377
TOTAL LIABILITIES	-	47,453	155,604	1,304,403	1,308,505	22,501	27,184	497,147	1,259,296	823,150	1,589,618	3,309,630	4,091,880	833,996	19,824	15,290,191
NET ASSETS																
Net assets without restrictions	-	-	-	656,109	727,539	-	-	912,337	791,410	-	-	-	562,879	399,363	-	4,049,637
Paid-in capital	-	5,000	-	-	-	(813)	(2,496)	10	-	-	-	-	-	-	-	1,701
TOTAL NET ASSETS	-	5,000	-	656,109	727,539	(813)	(2,496)	912,347	791,410	-	-	-	562,879	399,363	-	4,051,338
TOTAL LIABILITIES AND NET ASSETS	\$ -	\$ 52,453	\$ 155,604	\$ 1,960,512	\$ 2,036,044	\$ 21,688	\$ 24,688	\$ 1,409,494	\$ 2,050,706	\$ 823,150	\$ 1,589,618	\$ 3,309,630	\$ 4,654,759	\$ 1,233,359	\$ 19,824	\$ 19,341,529
REVENUE																
Rocky service fees	\$ 791,614	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 791,614
Eagle Rock service fees	-	-	251,392	-	-	-	-	-	-	-	-	-	-	-	-	251,392
Ground lease revenue from RA4 to RA9	-	-	-	-	-	-	-	-	-	-	-	-	-	9,669	-	9,669
Partnership fees	-	-	-	-	-	-	12,807	-	-	-	-	-	-	-	-	12,807
Interest on note due from RA4	-	-	-	-	-	1,146	-	-	-	-	-	-	-	-	-	1,146
Interest on note due from EM II	-	-	-	-	-	-	3,789	-	-	-	-	-	-	-	-	3,789
Interest on notes due from related organizations	221,503	-	-	-	-	-	-	-	-	-	-	-	-	-	-	221,503
TOTAL REVENUE	1,013,117	-	251,392	-	-	1,146	16,596	-	-	-	-	-	-	9,669	-	1,291,920
EXPENSES																
Expenses from Rocky service fees	-	30,984	24,960	88,198	56,257	-	-	110,996	44,972	38,021	53,078	144,328	101,158	70,883	27,779	791,614
Expenses from Eagle Rock service fees	1,722	-	-	53,708	18,666	-	-	347	22,799	17,525	22,930	59,643	30,923	21,196	1,933	251,392
Partnership fees	-	-	-	-	-	-	-	-	12,807	-	-	-	-	-	-	12,807
Activity recorded from partnership K1s	-	-	-	-	-	124	44	-	-	-	-	-	-	-	-	168
Ground lease payment from RA4 to RA9	-	-	-	-	-	-	-	-	-	-	-	-	9,669	-	-	9,669
Interest on note due to EM Proj No. 2	-	-	-	3,789	-	-	-	-	-	-	-	-	-	-	-	3,789
Interest on note due to PEM Inc.	-	-	-	-	-	-	-	-	-	-	-	-	1,146	-	-	1,146
Interest on notes due to Rocky	-	-	-	-	31,570	-	-	4,499	25,861	7,087	39,737	61,273	44,881	6,595	-	221,503
TOTAL EXPENSES	1,722	30,984	24,960	145,695	106,493	124	44	115,842	106,439	62,633	115,745	265,244	187,777	98,674	29,712	1,292,088
CHANGE IN NET ASSETS DUE TO ELIMINATIONS	\$ 1,011,395	\$ (30,984)	\$ 226,432	\$ (145,695)	\$ (106,493)	\$ 1,022	\$ 16,552	\$ (115,842)	\$ (106,439)	\$ (62,633)	\$ (115,745)	\$ (265,244)	\$ (187,777)	\$ (89,005)	\$ (29,712)	\$ (168)

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