

Presentation to the KYGA Special Committee – area development district working group

September 25, 2019

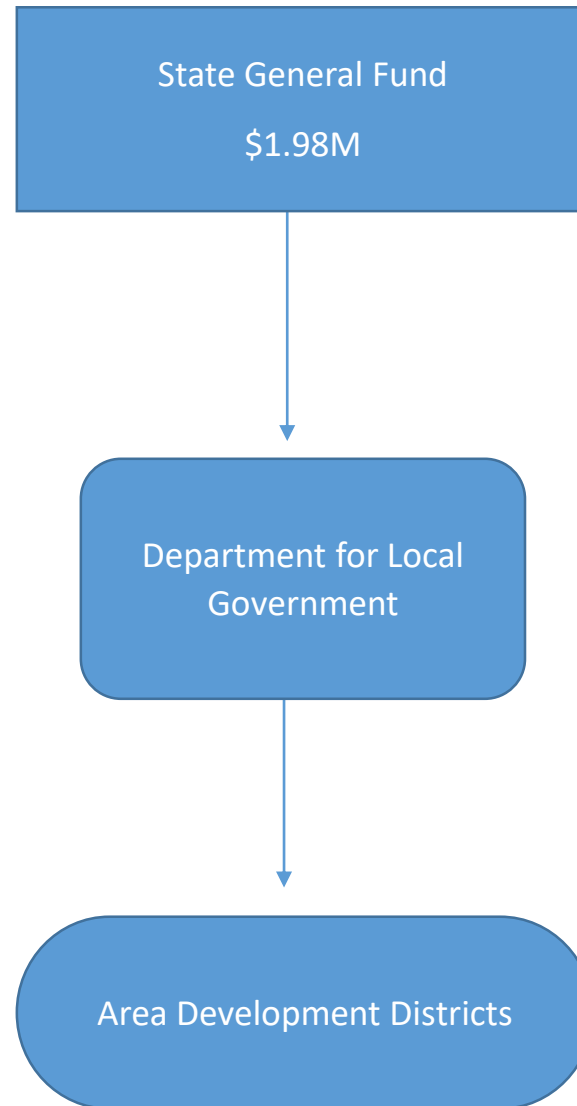
Mike Burress, Executive Director, Lincoln Trail ADD; Michelle Allen, Executive Director, Kentucky River ADD; and Jason Vincent, Executive Director, Pennyryle ADD



JOINT FUNDING ADMINISTRATION (JFA) (FY20)

BGADD	\$	164,975
BRADD	\$	119,932
BSADD	\$	119,722
BTADD	\$	98,372
CVADD	\$	161,404
FIVCO	\$	115,446
GWADD	\$	100,635
GRADD	\$	113,427
KRADD	\$	164,168
KIPDA	\$	184,829
LCADD	\$	161,491
LTADD	\$	118,593
NKADD	\$	135,104
PeADD	\$	114,271
PuADD	\$	111,632
Total	\$	1,98M

As of FY20 – Funds are distributed per formula designated in the KY State Biennium Budget (70% even split, 20% population, 10% jurisdiction).

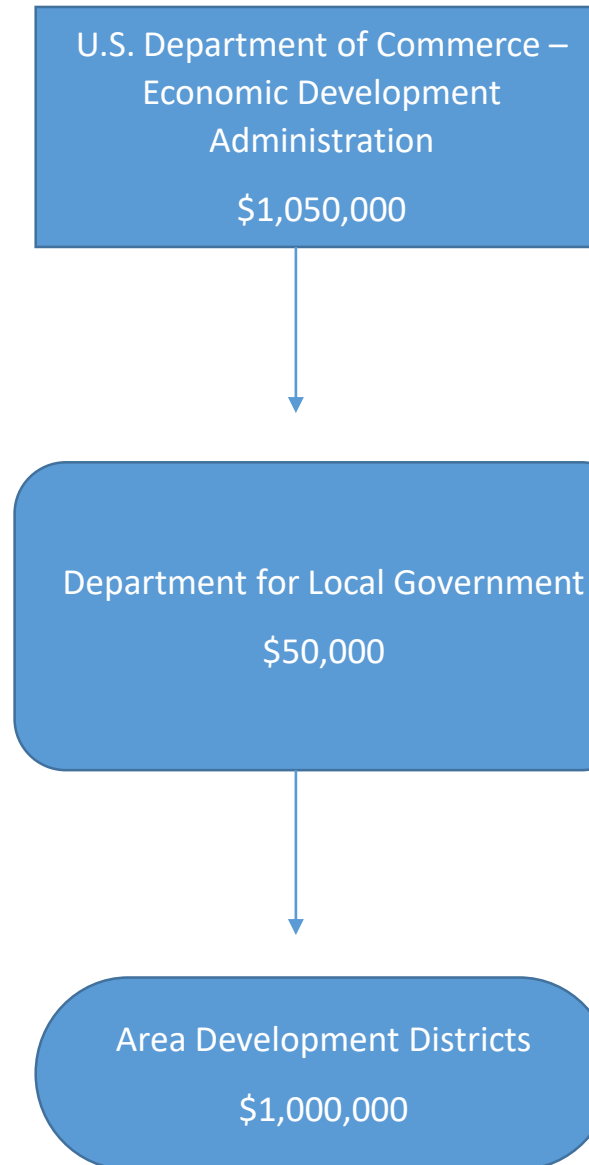


As noted at the August 28th, 2019, working group meeting there was a \$805,346 discrepancy in the FY 18 allocations and distribution by DLG. This discrepancy is due to a contract modification presented in the 11th month of the fiscal year to each ADD by DLG. Coincidentally, \$805,346 was used by DLG to cover their entire agency budget cut.



ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) (FY20)

BGADD	\$ 66,666.67
BRADD	\$ 66,666.67
BSADD	\$ 66,666.67
BTADD	\$ 66,666.67
CVADD	\$ 66,666.67
FIVCO	\$ 66,666.67
GWADD	\$ 66,666.67
GRADD	\$ 66,666.67
KRADD	\$ 66,666.67
KIPDA	\$ 66,666.67
LCADD	\$ 66,666.67
LTADD	\$ 66,666.67
NKADD	\$ 66,666.67
PeADD	\$ 66,666.67
PuADD	\$ 66,666.67
Total	\$ 1,000,000



Amount based on \$70,000 per Area Development District (based upon 15 ADDs).

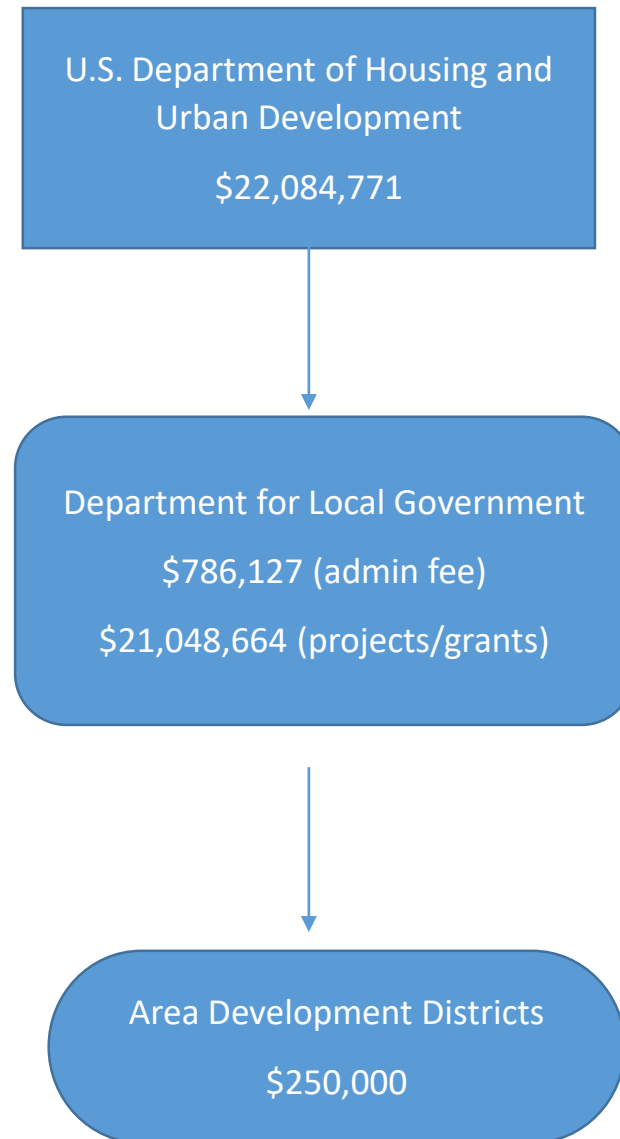
The General Assembly provides the required 25% match through state JFA funds (previous slide).

Beginning in FY19, DLG began taking a \$50,000 administrative fee.



COMMUNITY DEVELOPMENT BLOCK GRANT (CDGB) (FY20)

BGADD	\$ 28,896.43
BRADD	\$ 21,261.59
BSADD	\$ 8,366.54
BTADD	\$12,965.48
CVADD	\$11,733.08
FIVCO	\$ 9,598.94
GWADD	\$15,430.26
GRADD	\$27,664.03
KRADD	\$16,332.02
KIPDA	\$5,000.00
LCADD	\$23,395.74
LTADD	\$6,232.39
NKADD	\$19,698.56
PeADD	\$20,359.84
PuADD	\$23,065.10
Total	\$250,000



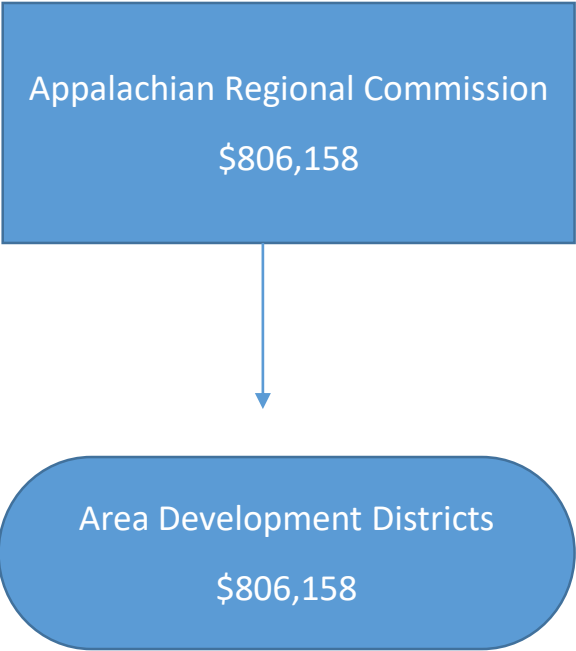
Amount per ADD is determined annually by internal DLG formula – base amount per ADD, # of applications submitted, and # of projects awarded.

General Assembly provides the 100% match through JFA funds



APPALACHIAN REGIONAL COMMISSION (ARC) (FY20)

BGADD	\$102,375.00
BRADD	\$ 44,510.00
BSADD	\$ 90,736.00
BTADD	\$ 52,175.00
CVADD	\$ 127,452.00
FIVCO	\$ 85,457.00
GWADD	\$ 61,400.00
KRADD	\$ 125,693.00
LCADD	\$116,360.00
Total	\$ 806,158.00



*General Assembly provides the
100% match through JFA
funds*



ADD	EDA Federal	EDA State Match	CDBG Federal	CDBG State Match	ARC Federal	ARC State Match	1/2 ARC FY19 Increase State Match	Total Federal \$	Total State \$	Total FY20
Barren River	\$ 66,666.67	\$ 16,666.67	\$ 21,261.59	\$ 21,261.59	\$ 44,510.00	\$ 44,510.00	\$ 1,939.00	\$ 132,438.26	\$ 119,932.47	\$ 252,370.73
Big Sandy	\$ 66,666.67	\$ 16,666.67	\$ 8,366.54	\$ 8,366.54	\$ 90,736.00	\$ 90,736.00	\$ 3,953.00	\$ 165,769.21	\$ 119,722.21	\$ 285,491.41
Bluegrass	\$ 66,666.67	\$ 16,666.67	\$ 28,896.43	\$ 28,896.43	\$ 102,375.00	\$ 102,375.00	\$ 4,460.00	\$ 197,938.09	\$ 164,974.55	\$ 362,912.65
Buffalo Trace	\$ 66,666.67	\$ 16,666.67	\$ 12,965.48	\$ 12,965.48	\$ 52,157.00	\$ 52,157.00	\$ 2,272.50	\$ 131,789.14	\$ 98,372.14	\$ 230,161.28
CVADD	\$ 66,666.67	\$ 16,666.67	\$ 11,733.08	\$ 11,733.08	\$ 127,452.00	\$ 127,452.00	\$ 5,552.50	\$ 205,851.75	\$ 161,404.25	\$ 367,256.00
FIVCO	\$ 66,666.67	\$ 16,666.67	\$ 9,598.94	\$ 9,598.94	\$ 85,457.00	\$ 85,457.00	\$ 3,723.00	\$ 161,722.60	\$ 115,445.60	\$ 277,168.20
Gateway	\$ 66,666.67	\$ 16,666.67	\$ 15,430.26	\$ 15,430.26	\$ 61,400.00	\$ 61,400.00	\$ 2,675.00	\$ 143,496.93	\$ 100,635.28	\$ 244,132.21
Green River	\$ 66,666.67	\$ 16,666.67	\$ 27,664.03	\$ 27,664.03	\$ -	\$ -	\$ -	\$ 94,330.70	\$ 113,426.61	\$ 207,757.31
KRADD	\$ 66,666.67	\$ 16,666.67	\$ 16,332.02	\$ 16,332.02	\$ 125,693.00	\$ 125,693.00	\$ 5,476.00	\$ 208,691.68	\$ 164,167.68	\$ 372,859.37
KIPDA	\$ 66,666.67	\$ 16,666.67	\$ 5,000.00	\$ 5,000.00	\$ -	\$ -	\$ -	\$ 71,666.67	\$ 184,828.95	\$ 256,495.62
LCADD	\$ 66,666.67	\$ 16,666.67	\$ 23,395.74	\$ 23,395.74	\$ 116,360.00	\$ 116,360.00	\$ 5,069.00	\$ 206,422.41	\$ 161,491.41	\$ 367,913.81
Lincoln Trail	\$ 66,666.67	\$ 16,666.67	\$ 6,232.39	\$ 6,232.39	\$ -	\$ -	\$ -	\$ 72,899.06	\$ 118,592.52	\$ 191,491.58
NKADD	\$ 66,666.67	\$ 16,666.67	\$ 19,698.56	\$ 19,698.56	\$ -	\$ -	\$ -	\$ 86,365.22	\$ 135,103.82	\$ 221,469.04
Pennyrile	\$ 66,666.67	\$ 16,666.67	\$ 20,359.84	\$ 20,359.84	\$ -	\$ -	\$ -	\$ 87,026.51	\$ 114,270.50	\$ 201,297.01
Purchase	\$ 66,666.67	\$ 16,666.67	\$ 23,065.10	\$ 23,065.10	\$ -	\$ -	\$ -	\$ 89,731.76	\$ 111,631.99	\$ 201,363.76
Total	\$ 1,000,000.00	250,000.00	\$ 250,000.00	250,000.00	\$ 806,140.00	806,140.00	35,120.00	\$ 2,056,140.00	\$ 1,984,000.00	\$ 4,040,140.00

TRANSPORTATION – REGIONAL PLANNING

KY Transportation Cabinet – Road
and General Funds
\$1,163,396



Area Development Districts
\$1,163,396

*Amount per ADD is determined by
number of counties served.*

*Match provided locally. Most
via local city/county
contributions.*

	State	Local Match
BGADD	\$ 105,503.00	\$ 11,723.00
BRADD	\$ 78,067.00	\$ 8,674.00
BSADD	\$ 66,882.00	\$ 7,431.00
BTADD	\$ 66,963.00	\$ 7,440.00
CVADD	\$ 78,067.00	\$ 8,674.00
FIVCO	\$ 66,882.00	\$ 7,431.00
GWADD	\$ 66,963.00	\$ 7,440.00
GRADD	\$ 78,067.00	\$ 8,674.00
KRADD	\$ 80,567.00	\$ 8,952.00
KIPDA	\$ 78,067.00	\$ 8,674.00
LCADD	\$ 78,067.00	\$ 8,674.00
LTADD	\$ 78,067.00	\$ 8,674.00
NKADD	\$ 78,067.00	\$ 8,674.00
PeADD	\$ 78,067.00	\$ 8,674.00
PuADD*	\$ 85,100.00	\$ 9,456.00
Total	\$ 1,163,396	\$129,265

Add'l funds for being a review ADD



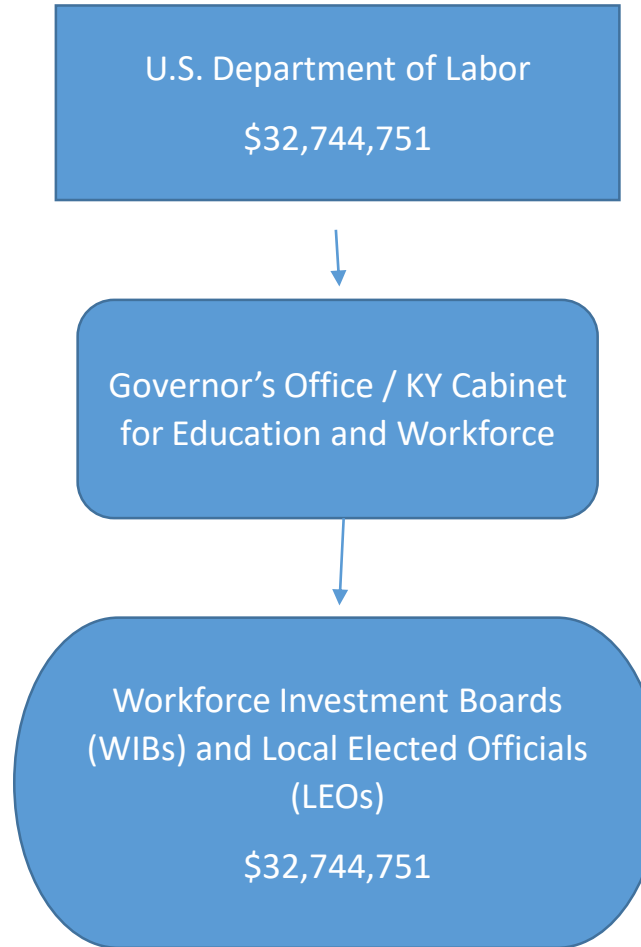
WORKFORCE DEVELOPMENT

West Kentucky WB	\$2,928,270
Lincoln Trail WB	\$1,585,347
Northern Kentucky WIB	\$2,099,621
TENCO WB	\$2,502,711
Cumberlands WB	\$2,809,339
Bluegrass WIB	\$3,495,327
Green River WB	\$1,264,655
South Central (covers BRADD)	\$1,637,815
EKCEP (covers 23 counties in EKY)	\$9,046,131
Kentuckianna Works (covers KIPDA)	\$5,375,535
Total	\$32,744,751

Fiscal Agent / Sub-Grant Recipient agreements awarded through a procurement process conducted by the Chief Local Elected Official in each designated workforce area.

Some Area Development Districts serve as Fiscal Agent / Sub-Grant Recipient for Workforce Programs.

Administrative Expenses are capped at 10%.



AGING SERVICES/HEALTH AND HUMAN SERVICES

U.S. Department of Health and
Human Services – Administration
for Community Living

State General Fund

AGING	Federal	State	Local
BGADD	\$ 4,258,099	\$ 1,673,545	\$ 1,993,545
BRADD	\$1,285,717	\$1,722,245	\$138,655
BSADD	\$ 961,456	\$ 925,675	\$167,701
BTADD	\$375,756	\$ 406,827	\$51,890
CVADD	\$1,050,048	\$ 1,355,121	\$72,517
FIVCO	\$ 592,763	\$781,648	\$48,243
GWADD	\$412,891	\$942,095	\$195,751
GRADD	\$991,511	\$1,605,311	\$ 744,067
KRADD	\$801,030	\$746,038	\$407,160
KIPDA	\$2,648,571	\$3,971,189	\$892,893
LCADD	\$1,200,678	\$1,224,680	\$253,104
LTADD	\$986,178	\$1,985,463	\$297,735
NKADD	\$ 1,263,147	\$ 2,577,327	\$609,008
PeADD	\$1,041,067	\$1,124,088	\$356,352
PuADD	\$1,161,827	\$1,282,611	\$127,983
Total	\$ 19,030,739	\$ 22,323,863	\$ 6,356,604

Ky Health and Human Services
Cabinet – Department for Aging and
Independent Living (DAIL)

Area Development Districts /
Area Agency on Aging and
Independent Living (AAAIL)

\$41,354,593

*Amount per ADD / AAAIL is determined
annually by DAIL Intrastate Funding
Formula (Census Driven).*

*Programs require varying levels of state
and local match.*

*Local contributions include funds from
local governments, fundraising, in-kind
contributions, and ADD Local Dues.*



Kentucky Area Development District's Grant/Contract Dollars - Major Programs

Aging/Human Services

	Federal	State	Local	Total
Barren River	\$1,285,717.00	1,722,245	\$138,655.00	\$3,146,617.00
Big Sandy	\$961,450.00	925,675	\$167,701.00	\$2,054,826.00
Bluegrass	\$4,258,099.00	1,673,544	\$1,993,545.00	\$7,925,188.00
Buffalo Trace	\$375,756.00	406,827	\$51,890.00	\$834,473.00
Cumberland Valley	\$1,050,048.00	1,355,121	\$72,517.00	\$2,477,686.00
FIVCO	\$592,763.00	781,648	\$48,243.00	\$1,422,654.00
Gateway	\$412,891.00	942,095	\$195,751.00	\$1,550,737.00
Green River	\$991,511.00	1,605,311	\$744,067.00	\$3,340,889.00
Lake Cumberland	\$1,200,678.00	1,224,680	\$253,104.00	\$2,678,462.00
Lincon Trail	\$986,178.00	1,985,462	\$297,735.00	\$3,269,375.00
KIPDA	\$2,648,571.00	3,971,189	\$892,894.00	\$7,512,654.00
Kentucky River	\$801,030.00	746,038	\$407,160.00	\$1,954,228.00
Northern Kentucky	\$1,263,147.00	2,577,327	\$609,008.00	\$4,449,482.00
Pennyrile	\$1,041,067.00	1,124,088	\$356,351.00	\$2,521,506.00
Purchase	\$1,161,827.00	1,282,610	\$127,982.63	\$2,572,419.63
TOTALS	\$19,030,733.00	22,323,860	\$6,356,603.63	\$47,711,196.63



Area Development District Building Status Report

ADD	Status	Landlord	Notes
Barren River	Own		
Big Sandy	Own		
Bluegrass	Own		
Buffalo Trace	Lease	City of Maysville	
Cumberland Valley	Own		
FIVCO	Own		
Gateway	Own		
Green River	Own		
KIPDA	Own		Leases additional space – D&D, LLC
Kentucky River	Own		
Lake Cumberland	Lease	Lake Cumberland Development Council	See Lease Information Next Slide
Lincoln Trail	Lease	Lincoln Trail Development Foundation	See Lease Information Next Slide
Northern Kentucky	Own		
Pennyrile	Lease	Pennyrile Development and Governmental Center	See Lease Information Next Slide
Purchase	Lease	Jackson Purchase Local Officials Organization	See Lease Information Next Slide

Lease Information

- **Buffalo Trace – Lease with City of Maysville (located in building with other state offices).**
- **KIPDA – Owns main office building. Leases adjacent office building for additional space.**
- **Lake Cumberland, Lincoln Trail, Pennyriple and Purchase ADDs have leases with local development boards.**
 1. **Annual Lease Payments calculated in accordance with Super Circular 2 CFR Part 200, and shall consist of depreciation, interest expense (if any), operation and maintenance costs, plus any equipment lease that may be in place.**
 2. **Lease scenarios were strongly encouraged by Economic Development Administration (EDA) during early development of the ADDs to help meet reporting requirements (Interest Expense and Depreciation was not an allowable expense).**
 3. **OMB Circular A-87 was revised in 1994 identifying interest expense and depreciation as an allowable cost.**
 4. **By federal regulation, the local development boards are prohibited from making a profit.**

QUESTIONS?

THANK YOU!

