



People inc.

*Building Futures
Realizing Dreams™*



Annual Report 2017

ANNUAL REPORT 2017

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What can People do?

People Incorporated is a Virginia Community Action Agency dedicated to reaching these goals:

GOAL 1



People move out of poverty

- Increased educational level
- Improved life skills
- Improved health and sustainability
- Increased household income
- Ownership of additional assets

GOAL 2



Communities experience positive development

- Building community assets
- Spurring business growth
- Creating sustainable jobs

GOAL 3



Be an agency of excellence

- Demonstrate financial stability
- Be an employer of choice
- Practice effective partnerships

THE POWER OF HOPE, THE PATH TO SUCCESS

Hope is a powerful thing; it can change how we act and what our futures may hold. Hope springs eternal, but for it to survive there must be some plausible pathway to success. For 6,021 people in 2,849 families, this year People Incorporated created that pathway to success and kept hope alive.

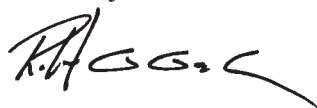
People Incorporated helps individuals, families and communities gain the assets that can be the foundations of pathways out of poverty. With People Incorporated's assistance, people acquired education, job skills, business skills, business ownership, home ownership, parenting skills, and better health care. They graduated, they received certifications, they were hired, they borrowed money and created jobs, they borrowed money and bought their first homes, they got a dentist and a family doctor, they moved into good quality affordable housing they took steps toward a better future, toward the fulfillment of their hopes and dreams. Communities gained new employers and new jobs, they gained new amenities, they gained assets for tourism development and downtown revitalization, their balance sheets improved, their prospects brightened and their hope grew.

It is inevitable that we will all encounter road blocks and suffer setbacks. Those assets that become the foundations of our pathways can also build our resiliency so that our setbacks are short-lived and those road blocks are hurdles that we learn how to clear. Thus our competence grows, our confidence grows and hope is alive.

That hope inspires people to give of themselves, to volunteer, to partner, to join the effort to provide opportunity and hope to others. The collective impact of all those volunteers, partners, collaborators combined with the dedicated service of a talented staff is how pathways are built, how they are traversed, how lives are improved and how hope is kept alive.

Helping people to build futures and change their lives is the hallmark of People Incorporated's work and as the following pages attest, we were able to help many people and communities do just that in 2017.

Sincerely,



Robert G. Goldsmith
President and C.E.O.



OUR PHILOSOPHY

Every person needs support from others. People Incorporated promotes the dignity of individuals and families, moves people into the economic mainstream, and works to develop existing strengths and resources within communities. All of our efforts are directed by the concerns, hopes, needs and dreams of the people we serve.

OUR MISSION

To provide opportunities for economically disadvantaged people to reach their goals in order to enhance their lives, their families, and their communities.

THE COMMUNITY ACTION PROMISE

Community Action changes people's lives, embodies the spirit of hope, improves communities, and makes America a better place to live. We care about the entire community, and we are dedicated to helping people help themselves and each other.



GOAL 1



People move out of poverty

What can People do? People Incorporated works directly to give families and individuals the tools to move out of poverty. Child and family development, housing, and community services help clients increase their educational level and build life skills. Community economic development services provide pathways for life-changing work and asset-building opportunities. The numbers and stories in this report represent real people and real change—building futures and realizing dreams.

HERE ARE SOME KEY OUTCOMES DEMONSTRATING PROGRESS

787



ADULTS AND CHILDREN
OBTAIN HEALTHCARE

CUSTOMERS OWN ADDITIONAL ASSETS

15



FIRST-TIME HOMEBUYERS

43



CONSUMER
LOANS

21



CUSTOMERS RECEIVE MICROLOANS
TO START OR EXPAND BUSINESSES

CUSTOMERS INCREASE EDUCATIONAL LEVEL

107

INDIVIDUALS



CUSTOMERS INCREASE THEIR LIFE SKILLS

135



INCREASE WORK SKILLS
AND COMPETENCIES

1,231



INCREASE ENTREPRENEURIAL
AND FINANCIAL SKILLS



269

INCREASE
HOMEOWNERSHIP AND
FORECLOSURE EDUCATION

1,317

CUSTOMERS



INCREASE THEIR
HOUSEHOLD INCOME

CUSTOMERS INCREASE
HOUSEHOLD INCOME



\$1.2

MILLION RECEIVED

What can **People** do?



“How can a new set of policies give people a fair chance to succeed in the classroom, the workplace, and the home? Economic success requires people’s initiative, but it also requires us, as a society, to untangle the web of disadvantages that make following the sequence difficult for some Americans. There are no silver bullets. Government cannot do this alone. But government has a role to play in motivating individuals and facilitating their climb up the economic ladder.”

—Edward Rodrigue and Isabel V. Sawhill, *An Agenda for Reducing Poverty and Improving Opportunity*, The Brookings Institution, 2016



REAL VOICES: PEOPLE MOVE OUT OF POVERTY

Children obtain healthcare • Children develop school readiness • Increased work skills and competencies

Healthcare, hope, and a home

Kimberly Belisle already knew about People Incorporated, as her oldest daughter attended Head Start before entering kindergarten. When Kimberly became pregnant again, she was enrolled into CHIP (Comprehensive Health Investment Project). She has learned so much, such as she is her child’s first teacher and what different milestones are for her children.

When she began looking for work she was having difficulty finding employment due to a felony. Her CHIP Home Visitor referred her to the agency’s VA CARES program for assistance. CARES staff were able to assist Kimberly in getting a bonding letter for employment applications and she found employment quickly after receiving it. Now, Kimberly and her fiancé have started People Incorporated’s Housing Counseling to figure out what they need to do in order to purchase a home. They have started working on their credit thanks to counseling services provided so far. She feels that her confidence and self-esteem have risen since becoming part of the agency. “People Incorporated has helped our family tremendously. Without them, I would feel totally lost.”



GOAL: PEOPLE MOVE OUT OF POVERTY

Child and Family Development Services

ACTIVITIES

301 children were served in Head Start and **182 children** were served in Early Head Start.

443 families served. Average monthly enrollment for Head Start was 120% and Early Head Start was 101% of funded enrollment.

92% of **Head Start children** and **96%** of **Early Head Start** children live between **100-130%** of poverty level (90% is required).

100% of the children in Head Start and Early Head Start received medical and dental exams.

15% of the children in Head Start and **15%** in Early Head Start have been diagnosed with developmental disabilities.

33 parents held a seat or served as an alternate on the policy council. Three of these were fathers.

3 parents served on the People Incorporated Board of Directors.

148 families set goals for themselves and achieved them.

606 parents and former parents of enrolled children provided **46,630 hours** of volunteer service and contributed **\$630,805** toward non-federal share.

713 community volunteers and businesses donated **10,978 hours** of their time and provided services and discounts to benefit children and families.

DICKENSON COUNTY CHILD DEVELOPMENT CENTER Children receive quality care so their parents are free to work or attend school, secure in knowing that their children are properly supervised and provided with child-appropriate activities that enhance their school experiences.

EARLY HEAD START Early Head Start provides center- and home-based education, health, and human services to pregnant women and families with children up to age three. Prenatal care and birth outcomes of pregnant women are improved and parents are more emotionally supportive of their children. Developmental and behavioral issues are identified early so that parents can understand how to address them and care for their children appropriately.

HEAD START Children ages three to five are better prepared to enter kindergarten through the provision of early childhood education, developmental screenings, health, nutrition, and human services. Their parents learn to support their family's development while reaching their own personal goals such as a GED or higher education.



KINDERGARTEN READINESS

Head Start children are assessed three times during the school year using Teaching Strategies GOLD, a research based online assessment tool, to monitor individual progress in the developmental areas of social, emotional, physical, language, literacy, cognitive and mathematics. Working together, teachers and families use the results to develop individualized education strategies to prepare each child for kindergarten. Early Head Start children are assessed four times per year and also receive individualized instruction to support their transition to Head Start. Also, children who are going to kindergarten are screened using the Pre-K PALS Assessment tool three times within a school year. It measures the child's knowledge of important emergent literacy fundamentals including: name writing, alphabet knowledge, beginning sound awareness, print and word awareness, rhyme awareness, and nursery rhyme awareness.

THESE PROGRESS OUTCOMES WERE MEASURED IN THE 2016–2017 SCHOOL YEAR:

Early Head Start children ages 1–2 years old achieved **14% growth** in the social emotional domain. Language skills grew by **15%**.

Head Start 3 year olds achieved **18% growth** in the social emotional domain and **15% growth** in literacy.

FAMILY ENGAGEMENT ACTIVITIES

Our Child and Family Development services provide opportunities for families to become engaged in their child's education by encouraging them to volunteer in their child's classroom, and to set educational goals for their child with their child's teacher. Through parent committee activities at each site, parents have the opportunity to assist staff in planning family engagement events and educational field trips. Each parent committee elects two representatives to serve on the program's policy council. Families are offered training sessions that will help them enhance current skills, gain new skills, and increase social capital. Participation in these groups and in the classroom provides a venue for parents to build upon leadership and advocacy skills. In 2016 these included, but were not limited to:

- 570 parents and former parents volunteered 44,631 hours in their child's classroom/home based visits, at group socialization and in completion of take-home activities



- 169 fathers identified their family needs through family assessment
- 151 fathers worked to set and achieve family goals
- 218 fathers participated in child development experiences for their child including home visits and parent-teacher conferences
- 69 fathers improved parenting skills through involvement in educational workshops



CHILDREN DEVELOP SKILLS FOR SCHOOL READINESS

HEAD START AND EARLY HEAD START FINANCIAL INFORMATION

FUNDING SOURCES

**FEDERAL
FUNDING \$ 4,465,545**

**LOCAL
FUNDING \$ 21,870**

TOTAL \$ 4,487,415

EXPENDITURES AND BUDGET

Budget Category	2016–2017 Actual (%)*	2017–2018 Proposed (%)
Personnel	49.0%	49.0%
Fringe Benefits	25.0%	28.0%
Travel	<1.0%	<1.0%
Equipment	0.0%	<1.0%
Supplies	2.0%	2.0%
Contractual	0.0%	0.0%
Other	23.0%	20.0%
Total	100.0%	100.0%

* 2016–2017 actual is based on Head Start and Early Head Start funds for the budget period 12/01/16 through 6/30/17.

“The newest research finds 13% return on investment for comprehensive, high-quality, birth-to-five early education. This research analyzes a wide variety of life outcomes, such as health, crime, income, IQ, schooling and the increase in a mother’s income after returning to work due to childcare.”

—JAMES HECKMAN, HECKMANEQUATION.ORG

GOAL: PEOPLE MOVE OUT OF POVERTY

Housing Services

ACTIVITIES

Homeownership Services assisted

15 families in becoming homeowners.

331 clients gained knowledge and skills needed to become homeowners, improved their credit rating, received mortgage default counseling or reverse mortgages. **66 clients** were assisted with foreclosure prevention counseling.

910 low- to moderate-income individuals resided in People Incorporated's affordable rental housing properties.

18 chronically homeless individuals obtained Permanent Supportive Housing

187 low-income individuals obtained safe, affordable housing through **rental assistance** that fills the gap between the housing cost and the amount that their household can afford.

Weatherization repairs on 43 homes **improved living conditions** and **reduced energy bills** for 89 individuals.

Housing rehabilitation provided funding and construction management services to **8 households** to complete general housing renovations.

HOMELESS PREVENTION AND RAPID RE-HOUSING This program provides a variety of assistance that includes short-term or medium-term rental assistance, housing relocation, and stabilization services.

PERMANENT SUPPORTIVE HOUSING Chronically homeless individuals and families with disabilities receive housing and supportive services to move toward self-sufficiency. Services include job training, transportation, and assistance with mental health care and substance abuse counseling. Kings Mountain, in Bristol, Virginia, is single occupancy living for men. In Culpeper and Fauquier, the Foothills Housing Network Permanent Supportive Housing is scattered site leasing for individuals and families.

HOME OWNERSHIP Low- and moderate-income families receive one-on-one or group homeowner education and housing counseling services, including foreclosure prevention counseling. Down payment assistance is also provided to eligible individuals and families for homeownership.

AFFORDABLE RENTAL HOUSING A total of 578 units, consisting of one, two, and three bedroom apartments with affordable rents, are available to seniors, individuals, and families located throughout Virginia.

SECTION 8 RENTAL ASSISTANCE Rental assistance payments are available in Washington County for privately owned, scattered site existing housing.

WEATHERIZATION Eligible households receive energy audits and housing improvements including insulation and heating system repairs that increase energy efficiency and safety.

1136



FAMILIES AND INDIVIDUALS
IMPROVE HOUSING SITUATION



REAL VOICES: PEOPLE MOVE OUT OF POVERTY

Families and individuals improve housing situation

Permanent supportive housing

Due to inability to pay his rent, Marshall Banks was living on his social security disability in an RV pulled from a landfill in Culpeper County. The RV did not have electricity. In order to survive, he got a loan for a car so he could have access to heat and air—and used an outdoor grill to prepare food. Unfortunately, he was being charged \$50 per month to park in a lot but had to use most of his income for gas for the vehicle. Marshall remained homeless in the RV for over three years before he was told it was not meant for human habitation due to mold and lack of electricity. He began sleeping under bridges or anywhere he could until he was accepted into People Incorporated's Permanent Supportive Housing (PSH) in Culpeper, with assistance from members of the Foothills Housing Network.

People Incorporated helped Marshall find a one bedroom apartment in a senior living community. He was given furniture and household goods through donations to the program. "The first night I was here, it was like heaven," Marshall claimed. Marshall will be provided with rental assistance for a year but will only have to pay 30% of his income towards rent after that. Marshall's next steps towards self-sufficiency are to get his driver's license restored and credit in better condition.



REAL VOICES: PEOPLE MOVE OUT OF POVERTY

Families and individuals improve housing situation • Increase financial skills

Finding a way home

Early in 2017, Connie Stevens had to leave her home due to family disputes. She did not have a job, food, or a place to go. She was informed of People Incorporated's Russell County Shelter. Once there, staff began helping her find a permanent home, furniture, clothing, and food. Connie was already working with another agency to assist her in getting her Social Security benefits but People Incorporated guided Connie through the process. Connie was in the shelter for a few months but she gained confidence, friends, and life skills to better prepare her for the next chapter. During this time, Connie was enrolled in Rapid Re-housing services where she qualified for rent, utility, and deposit assistance. With staff's assistance, Connie was able to find a home in Lebanon. Connie is now in discussion with the landlord about renting to own the home. Connie stated, "If it wasn't for People Incorporated, I'd be homeless and living on the streets somewhere. I appreciate all the help."



GOAL: PEOPLE MOVE OUT OF POVERTY

Community Services

ACTIVITIES

406 victims of domestic violence and/or sexual assault were assisted and **181** were provided with **court advocacy** services.

134 adults and children, all facing homelessness because of domestic violence, were sheltered.

112 children were provided with Court Appointed Special Advocates.

102 eligible adults received free dental care.


355 returning citizens received employment services and counseling.

81 obtained employment.

100% of students in the Improving Scholars program improved their performance in school.

85 high school students learned about the benefits of higher education through Project Discovery; **19** students graduated, **18** enrolled in college and **1** entered the military.

112 families including **170 children**, birth to age six, improve their health and quality of life.



55
**CHILDREN ACHIEVE
PERMANENT HOMES**

COMPREHENSIVE HEALTH INVESTMENT PROJECT (CHIP) Families with children improve their self-sufficiency by reaching self-identified goals that strengthen the family unit. CHIP strives to help parents provide an environment where children grow up healthy, safe, and ready to learn.

COURT APPOINTED SPECIAL ADVOCATE (CASA) Abused and neglected children obtain safe, permanent homes with the assistance of a court assigned volunteer to represent the child's best interest. Children represented by CASA are less likely to spend time in long-term foster care and less likely to re-enter foster care.

DOMESTIC VIOLENCE SERVICES Survivors of domestic abuse or sexual assault achieve safety and independence as they receive housing and supportive assistance, including a 24-hour hotline service, temporary emergency shelter, referrals, support groups, transportation, and court advocacy for survivors of violence and sexual assault.

"Many factors, such as race and Hispanic origin, gender, citizenship, English-speaking ability and geographic location do influence work-life earnings but none had as much impact as education." —CENSUS.GOV

IMPROVING SCHOLARS At-risk middle and high school students are kept on the path toward academic and career goals with weekly guidance that improves their scholastic performance and helps them avoid delinquent behaviors.

PROJECT DISCOVERY Low-income high school students and potential first generation college students increase their chances of attending and succeeding in college by participating in this college access program, which provides workshops, leadership activities, and college campus visits.

VIRGINIA COMMUNITY ACTION RE-ENTRY SYSTEM (CARES) Returning citizens are assisted with the transition from state prison to life in the community by receiving supportive services including information, referral, counseling and employment assistance.

WASHINGTON COUNTY FREE DENTAL CLINIC Community dentists volunteer and provide tooth extractions for low-income individuals in Washington County.



REAL VOICES: PEOPLE MOVE OUT OF POVERTY

Customers increase educational level • Customers increase their life skills

Project Discovery: opportunity and leadership

Kaitlyn Allison was served by People Incorporated's Project Discovery initiative for all four years of high school. She went on more than 10 campus visits and volunteered for Washington County's Family Fun Day and Operation Christmas Child. Agency staff helped her with financial aid, college processes, preparation for college, and where she wanted to go after graduation.

Kaitlyn is currently attending Virginia Highlands Community College for her second Associate's Degree. She graduated with an Associate's degree in Arts & Science in May 2017 but decided she wanted to also get her Criminal Justice degree. She wants to continue her education and become a police officer or a parole officer for youth. "I wouldn't have known what to do without Project Discovery and I still get help whenever I have a question," Kaitlyn said.

Kaitlyn's younger sister, Mackenzie, is currently in Project Discovery. She learned about the opportunity from her sister and has participated in the program for all four years of high school. She has gone on many campus visits, after school meetings, and learned information to assist her in her graduation plans. Mackenzie is currently a senior in high school and knows that she wants to attend Bluefield College or join the military. According to Mackenzie, "Project Discovery helped me so much."

Both Kaitlyn (right) and Mackenzie (left) will remain involved with the program by serving as members of People Incorporated's Local Advisory Board.



REAL VOICES: PEOPLE MOVE OUT OF POVERTY

Children obtain healthcare • Children develop school readiness

A future for Caynen

Zina Crowe was referred to People Incorporated by the local Community Services Board. A Family Advocate went to her home to discuss available services with Zina for her grandson, Caynen, who is a non-verbal, autistic child. Zina decided the Early Head Start home-based program suited them best. Once enrolled, staff assisted Zina with completion of paperwork needed to establish legal custody and with applying for Social Security and other benefits.

With assistance from People Incorporated, Zina was able to enroll Caynen in a special needs Pre-K 3 year old program to assist him with speech and occupational therapy services. Through the program, Caynen could attend Pre-K twice a week and remain in the home-based program.

After Caynen reached the age limit for the home-based program the family continued working with People Incorporated to access additional services through Comprehensive Health Investment Project (CHIP). Zina feels she has been provided many tools to assist with Caynen's future. Zina says that, "Without People Incorporated, I don't know what I would have done."



SERVICE AREA AND OFFICE LOCATIONS

ABINGDON OFFICE:

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LEBANON OFFICE:

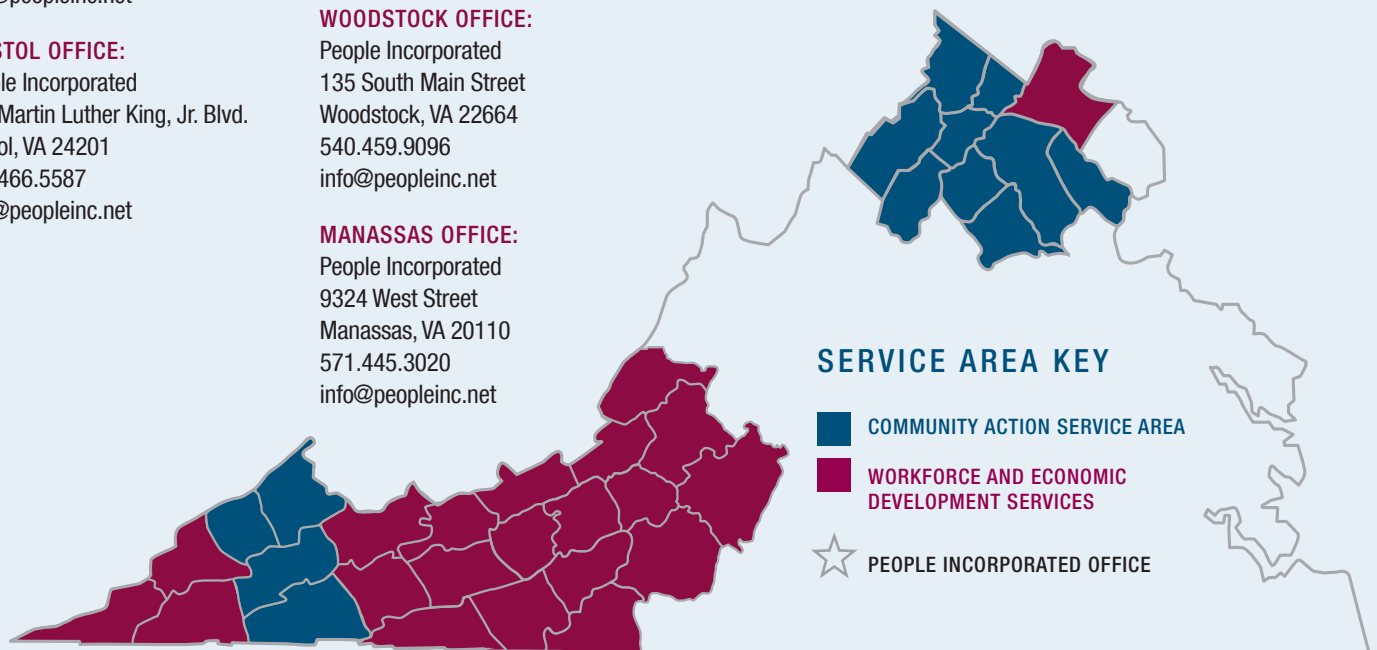
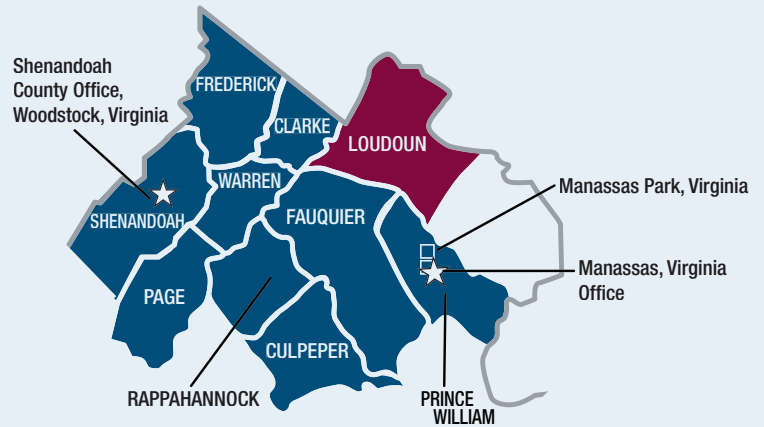
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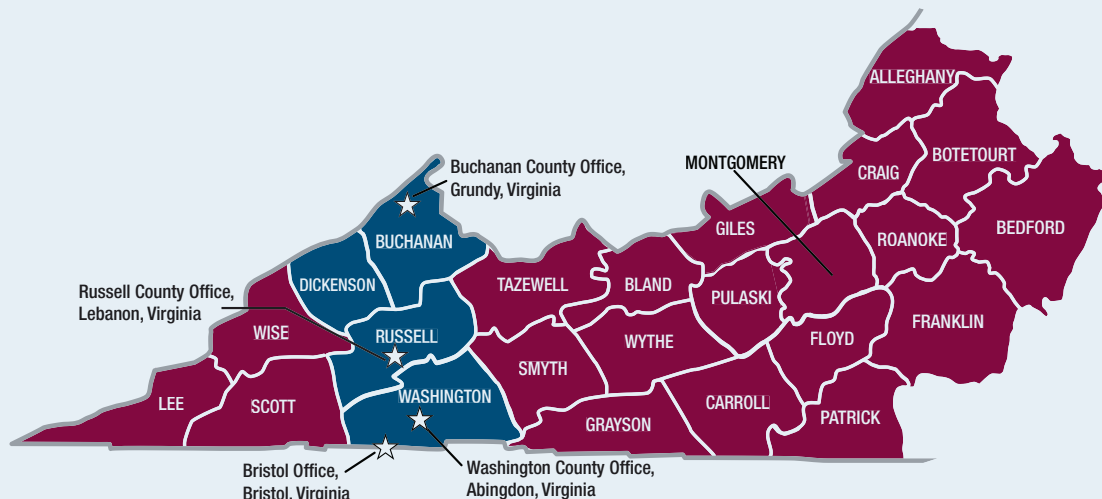


SERVICE AREA KEY

COMMUNITY ACTION SERVICE AREA

WORKFORCE AND ECONOMIC
DEVELOPMENT SERVICES

PEOPLE INCORPORATED OFFICE



Scan this QR code
with your Smart Phone
to visit www.peopleinc.net



GOAL 2



Communities experience positive development

People Incorporated works in partnership with business, government, industry, and educational institutions to positively impact communities throughout our 32-county Virginia service area. Through these efforts, specific goals for community development are achieved and sustained.

As a five-time New Markets Tax Credits (NMTC) Allocatee, People Incorporated innovates to find new and impactful ways of addressing the effects of poverty in the communities the agency serves. By using NMTCs to raise private investment capital, People Incorporated has been able to bring its community development lending to a new and dramatic scale, and significantly increase the volume, scope, velocity and impact of the investments that we make in predominantly rural low-income communities.

438



**JOBS CREATED OR RETAINED
AS A DIRECT RESULT OF
PEOPLE INCORPORATED**



REAL VOICES: COMMUNITIES EXPERIENCE POSITIVE DEVELOPMENT

Building community assets • Spurring business growth

The Bristol Hotel

The revitalization and repurposing of Bristol's tallest, most iconic building will have immediate and long-lasting impact on downtown Bristol and the Tri-Cities region. This project will provide 86 jobs within the first year, not including construction, and will grow to more than 100 jobs over the following five years after opening. As a result, The Bristol Hotel will contribute over \$2.6 million in local salaries and wages as well as over \$600,000 in additional state and local revenue. As the developer said, "The renewed activity centered around The Bristol Hotel as a destination will generate increased traffic for local businesses while elevating visibility for the Bristol community to further spawn economic growth and activity. While all of the sources of capital were vitally critical to the financing of the +\$25 million project, including federal and historic tax credits, bank loans, and grants from Virginia Tobacco Commission and City of Bristol, Virginia, the \$11.6 million in New Markets Tax Credit provided by People Incorporated was the 'game changer' in making The Bristol Hotel a reality."



GOAL: COMMUNITIES EXPERIENCE POSITIVE DEVELOPMENT

Community Economic Development Services

ACTIVITIES

895 free Federal income tax returns prepared.

Taxpayers saved approximately **\$179,000** in tax preparation fees and received **\$310,937** in EITC (earned income tax credit).

7 IDA participants graduated to start up or expand their business.

2 IDA participants graduated to pursue educational goals.

21 business loans closed totaling **\$1,310,191**.

13 micro loans totaling **\$332,043.51**.

17 businesses started or expanded due to financial services.

438 jobs were created or retained as a result of community economic development services.

23 business loans were **repaid in full**.

1,317 participants trained in financial literacy, microenterprise, or received one-on-one technical assistance.

43 consumer loans were closed, totaling **\$145,922**.

28 consumer loans paid in full.

EARNED INCOME TAX CREDIT OUTREACH PROGRAM Individuals and families are assisted to claim all eligible tax credits through free federal income tax preparation and electronic filing to maximize refunds.

BUSINESS LOAN SERVICES Access to capital for microenterprise and small business loans ensures that qualified business owners have the financing they need to grow their business to its full potential and create jobs.

TECHNICAL ASSISTANCE AND TRAINING Small business owners who receive technical assistance or attend business training workshops are better prepared to succeed in business and to strengthen their balance sheet.

CONSUMER LENDING The program offers an affordable alternative to payday and title lenders and provides access to credit counseling and financial literacy training to help borrowers get their finances back on track.

INDIVIDUAL DEVELOPMENT ACCOUNTS (IDA)

IDAs facilitate a pattern of regular savings for modest income working families using matching funds. Clients build assets and long-term economic security.

NINTH DISTRICT DEVELOPMENT FINANCING (NDDF) Local economies are enhanced through this specialty loan program that enables tourism-based business owners to start or expand their businesses with below market rate financing in the Ninth Congressional District of Virginia.

NEW MARKETS TAX CREDITS New Markets Tax Credits attract private investment to community development projects in low-income communities by offering tax credits to investors in return for qualified equity investments. The funds finance high impact businesses that create jobs and build opportunities and economic growth in low-income communities.



17

**BUSINESSES RECEIVED START-UP
OR EXPANSION LOANS**

REAL VOICES: COMMUNITIES EXPERIENCE POSITIVE DEVELOPMENT

Families and individuals improve housing situation • Consumer loans

Consumer loan enables home repairs

Velva Bostic and her husband were in desperate need of home repairs. After many years of deterioration, a leaking roof, and storm doors falling apart—the bathtub fell through the floor, breaking waterlines loose. Medical bills and trips to the doctor for her husband resulted in debt in the hundreds of thousands and they were unable to pay for repairs. Velva called People Incorporated to ask about a consumer loan. In summer 2017, she applied for a loan with her son putting up his mobile home as collateral. The application was approved quickly. As soon as Velva was able to pick up the loan, she went to purchase supplies for all the repairs needed. She used the funds to have someone rebuild the bathroom with a shower, fix the roof, water seal her porch and install two new storm doors. “I thank People Incorporated from the bottom of my heart for the help they were able to give me.” Velva stated.



REAL VOICES: COMMUNITIES EXPERIENCE POSITIVE DEVELOPMENT

Building community assets • Spurring business growth

Old Trade Brewery

Housed in a remodeled horse barn, Old Trade Brewery is a small business start-up in Brandy Station, Culpeper County, Virginia. Garrett Thayer and his wife, Sara, prepared for this business venture for several years. They had saved money in order to apply for business loans through a traditional bank. However, several banks declined funding for the brewery. Thankfully, the Thayers were informed of People Incorporated’s business loans and were approved for over \$200,000 to make their dream come true.

Garrett did most of the carpentry, plumbing, and updates to the barn himself once funds were in hand. Once the barn was ready, the brewery opened in May 2017 and has since had over 3,000 customers. The brewery offers craft beer, food options (mainly local Virginia food), a dog park, children’s playground and entertainment. The brewery currently employs three part time employees and has growth plans for the near future, including expanding to hard cider and creating event space. “We would have had to start much smaller,” Garrett stated. “These funds allow us to buy the equipment we needed. I recommend People Incorporated all the time.”



Garrett and Sara Thayer, owners of Old Trade Brewery.



GOAL: COMMUNITIES EXPERIENCE POSITIVE DEVELOPMENT

Workforce Development Services

ACTIVITIES

57 adults attained gainful employment with an average wage of **\$14.36**.

74% of individuals completed training to **advance job skills**.

47 youth attained **gainful employment** with an average wage of **\$9.46**.

38 youth received vocational training leading to a **certification or diploma**.

204 youth exhibited new or improved **job skills** and/or advanced his or her education as a result of participation in **employment-focused training** and activities.

353 individuals who had become unemployed through no fault of their own received training and employment counseling services.

156 individuals obtained employment after furthering their education or receiving skills training through Dislocated Worker Program services.

WYTHEVILLE ONE-STOP CAMPUS As a Virginia Workforce Center, the One-Stop Campus provides a variety of employment, training, and career education services to job seekers, workers, employers, and youth.

DISLOCATED WORKER SERVICES

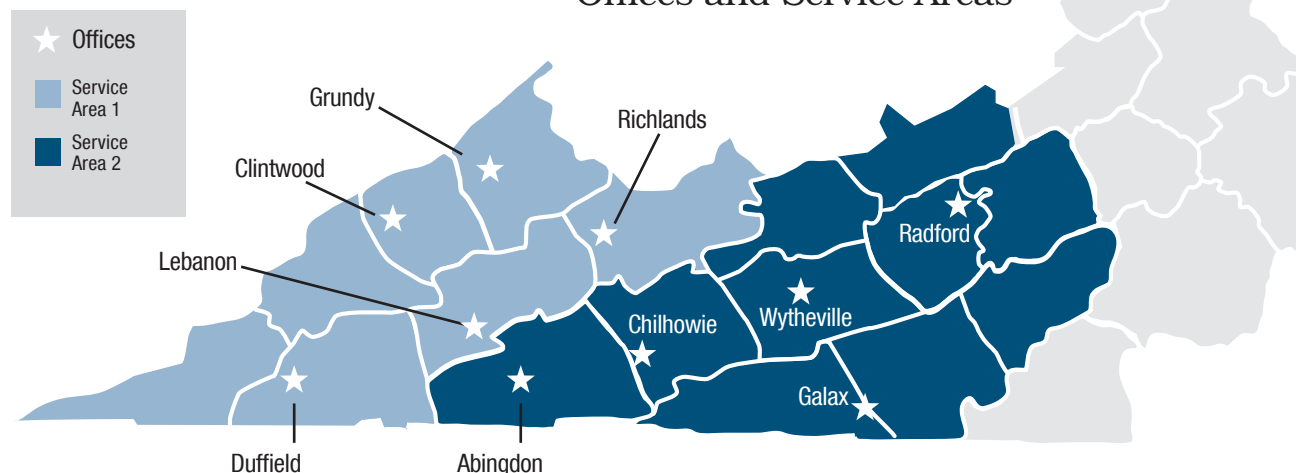
Dislocated workers, unemployed through no fault of their own or who have received an official layoff notice, find employment through job training and employment services. Participants upgrade skills, obtain employment, improve job retention, and increase earnings.

ADULT SERVICES are designed to meet employer needs by helping job seekers upgrade skills, obtain employment, improve job retention, and increase earnings.

YOUTH SERVICES provide eligible youth with assistance in achieving academic and employment success. Effective and comprehensive activities, which include a variety of options for improving educational and skill competencies, provide effective connections to employers.



Workforce Development Offices and Service Areas





Because of changes to the coal-mining market, funding was made available through the (POWER) Partnerships for Opportunity and Workforce Economic Revitalization Grant to assist coal-mining employees that were displaced.

DISLOCATED WORKER SERVICES

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INDIVIDUALS OBTAIN EMPLOYMENT
AFTER FURTHERING THEIR EDUCATION
OR RECEIVING SKILLS TRAINING



REAL VOICES: COMMUNITIES EXPERIENCE POSITIVE DEVELOPMENT

Building community assets • Spurring business growth • Creating sustainable jobs

Dislocated Worker Services

Roop, Combs, and Powers

In May 2016, Kennametal, a coal-mining tool manufacturer in Chilhowie, Virginia, announced it would be closing its doors and 89 workers would lose their jobs. Because of changes to the coal-mining market, funding was made available through the (POWER) Partnerships for Opportunity and Workforce Economic Revitalization Grant to assist coal-mining employees that were displaced. Robert Roop, Paul Combs and Jimmy Powers were three of these employees.

They enrolled in People Incorporated's Dislocated Worker services shortly after their layoff. They had only worked at Kennametal, so the challenge and obstacles with starting over were intimidating. People Incorporated partnered with Wytheville Community College for their Powerline Worker Program. Due to this partnership, all three attended the eight week training course that prepared them for the career field. In addition, Jimmy Powers completed an additional six weeks training to obtain a Commercial Drivers License.

During the final week of training, representatives from Pike Electric were there to observe and take notes on all the students' progress. Individual interviews were conducted and the students were told Pike Electric would make a decision and contact them if a hire offer was forthcoming. After their June 2017 graduation, Robert, Paul, and Jimmy were offered employment with Pike Electric. They began their jobs on July 14th and "feel like a new adventure" has begun.



GOAL 3



Be an agency of excellence

Practice effective partnerships • Be an employer of choice • Demonstrate financial stability

BUILDING EFFECTIVE PARTNERSHIPS: FUNDING PARTNERS

Advantage Capital Partners
APCO Weatherization Services
Abingdon Green Apartments, LLC
Abingdon Terrace Apartments, LLC
Abingdon Village Apartments, LLC
Appalachian Markets Capital Investment Fund, LLC
Bristol, VA
Brunswick Manor, LLC
CHIP of Virginia
Clinch View Manor, LLC
Continental Tire Sumter, LLC
Corporation for National and Community Service
Dante Housing, LLC
Deskins Apartments, LLC

Deutsche Bank
Dickenson County, VA
Fauquier County, VA
Fahe
Federal Emergency Management Agency
Federal Home Loan Bank of Atlanta
Friends of Southwest Virginia
Health Resources and Services Administration
Historic Masonic Theatre, LLC
Individual Donors
Jonesville Manor Apartments, LLC
Knauf Insulation, Inc.
LowCountry BioMass, LLC
Morgan County Real Properties I, Inc
Morgan County Real Properties II, Inc.

Neighborworks America
New River Mount Rogers Workforce Investment Board
Ninth District Development Financing, Inc.
Norton Green Apartments, LLC
Opportunity Finance Network
PFVW, LLC
Project Discovery of Virginia
Pulaski Village Apartments, LLC
Riverside Place Apartments, LLC
Rural New Markets Fund, LLC
SkyPAC Tenant, Inc.
Sweetbriar, LP
Tazewell County, VA
Town of Haysi, VA
Southwest Virginia Legal Aid Society
Southwest Virginia Workforce Development Board
Spruce Hill Apartments, LLC
Tobacco Region Revitalization Commission
Toms Brook Apartments, LLC
UC Real Properties, Inc.
U.S. Department of Agriculture
U.S. Department of Criminal Justice Services
U.S. Department of Energy

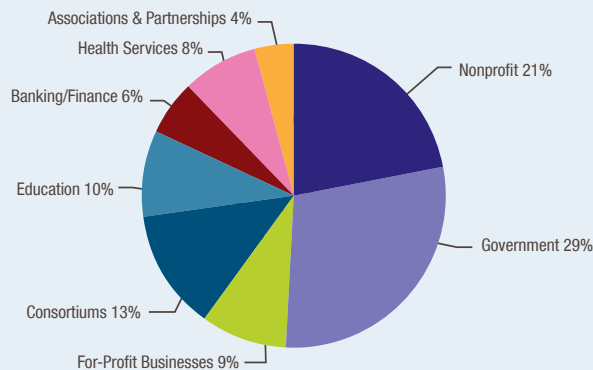
U.S. Department of Health and Human Services
U.S. Department of Housing and Community Development
U.S. Department of

Volunteer hours 2017
57,603

Housing and Urban Development
U.S. Department of Treasury
U.S. Small Business Administration
Valley Vista Apartments, LLC
Virginia Community Action Re-entry Solutions, Inc.
Virginia Community Action Partnership
Virginia Department of Health
Virginia Department of Housing and Community Development
Virginia Department of Social Services
Virginia Housing Development Authority
Internal Revenue Service
Warren County, VA
Washington County, VA
Wells Fargo Foundation
West Lance Apartments, LLC

Partnerships

People Incorporated works in partnership with business, government, industry, and educational institutions to positively impact communities throughout the service area.





BE AN AGENCY OF EXCELLENCE

People Incorporated of Virginia 2017 Board of Directors

Executive Committee

Chris Shortridge,
Chair, Buchanan County

David McCracken,
Vice Chair, Washington County

Alice Meade,
Secretary, Russell County

Vicki Porter,
Assistant Secretary, Russell County

John Ayers,
Treasurer, Shenandoah County

At-Large Members

Tommy Burris, *City of Bristol*

Tony Carter, *Warren County*

Ronald King, *City of Manassas*

Dennis Morris, *Shenandoah County*

Jan Selbo, *Fauquier County*

Board Members

Steven M. Botello

Dr. Janet L. Justice Crickmer

Betty Dean, *Eula Ellison*

Winona Fleenor, *Linda Gibson*

Yvette Goode, *Bobbie Gullett*

Crystal Hale, *Sue Harless*

Ashley Hartless, *Coleen Hillerson*

Tony Hooper, *Elijah Johnson*

Randi Knights, *James Kraft*

Stephanie Lillard, *Phillip McCall*

G. David Moore, Jr.

Kevin Mumpower

Jean Neal, *John Richard Neese*

Lisa Peacock, *Doris C. Shuman*

Billy P. Taylor, *Larry H. Tiller*

James E. Runion III

Kati Statzer, *Danny Swartz*

Nikole Williams, *Wanda Williams*

Larry D. Yates, *Cathy M. Zielinski*

A MESSAGE FROM THE BOARD OF DIRECTORS

This was a transformative year for People Incorporated; the changes that we made this year will increase our clients' success for years to come. For fifty-two years we excelled at developing and operating grant-funded programs that provided a range of anti-poverty services to people who wanted to enhance their lives, their families, and their communities. We are now becoming an organization that coordinates and marshals the resources that are needed to address the multiple needs of the individuals, families, and communities that we serve.

This year People Incorporated instituted a "no wrong door" policy, installed a new client assessment and management information system, and established a long-term follow-up and evaluation department. The staff and the Board have also identified long-term outcomes to be evaluated for the agency and each of its programs.

We believe that there is no silver bullet that will enable people to escape poverty. Low-income people often have more than one hurdle to clear in order to escape poverty, so they need multiple services and supports in order to make real progress. From this point forward, People Incorporated will help people assess their needs, develop goals, make plans, and create a unique bundle of services that address their needs and aspirations. When applicants approach any of our program staff, they complete an agency intake form that evaluates their need and eligibility for other services that we offer, as well as those offered by other service providers. With the applicants' permission, we will refer them to the appropriate person to apply for services, then we will follow-up to make sure that the services were received. Once people complete their service plans and are no longer our clients, we will follow-up with them to evaluate the impact of our services, to find ways to improve our effectiveness, and to determine if the former client could benefit from additional services.

Our new approach to how we provide services will increase the success of the people who come to us in a quest for a better life, while our new follow-up and evaluation capacity will also enable People Incorporated to manage to the outcomes that we have targeted. These core changes to the way that People Incorporated does business are transformational, and will provide for the long term stability and sustainability for the agency, and our clients, well into the future.

Sincerely,

Chris Shortridge

Chairman, Board of Directors

People Incorporated of Virginia



**Hicok, Fern &
Company**

**Certified Public
Accountants**

Thomas M. Hicok,

CPA, CVA, MAFF¹, III*

James H. Fern, CPA, CVA^{III}*

David B. Brown, CPA

Juan J. Garcia, CPA

Karen L. Jackson, CPA

Rodney P. Jackson, CPA^{II}

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*Members of American
Institute of Certified
Public Accountants*

*Members of
Virginia Society of Certified
Public Accountants*

*All Accountants Licensed In Virginia
With Additional Licensures Noted: ¹KY;
^{II}NC; ^{III}TN; ^{IV}WV*

**Members of National Association of
Certified Valuation Analysts*

A complete copy of our
audited financial statements is
available at www.peopleinc.net or
upon request.

INDEPENDENT AUDITOR'S REPORT November 6, 2017

TO THE BOARD OF DIRECTORS, PEOPLE INCORPORATED OF VIRGINIA, ABINGDON, VIRGINIA

Report on Compliance for Each Major Federal Program

We have audited People Incorporated of Virginia and Affiliates' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of People Incorporated of Virginia and Affiliates' major federal programs for the year ended June 30, 2017. People Incorporated of Virginia and Affiliates' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of People Incorporated of Virginia and Affiliates' compliance.

Opinion on Each Major Federal Program

In our opinion, People Incorporated of Virginia and Affiliates, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

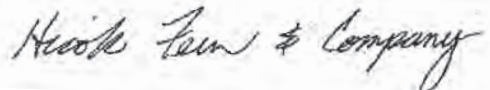
Report on Internal Control Over Compliance

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

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

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

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



HICOK, FERN & COMPANY, CERTIFIED PUBLIC ACCOUNTANTS, November 6, 2017

STATEMENT OF CONSOLIDATED FINANCIAL POSITION *For June 30, 2017*

ASSETS	Total
Current Assets	
Cash and cash equivalents	\$ 1,081,637
Vacation trust account	179,270
Receivables:	
Grants	1,979,892
Clients	127,946
Contracts	316,350
Rents, Interest, and Other (net of allowance of \$11,326)	111,543
Related Party	1,809,916
Inventory	58,845
Prepaid expenses	123,168
Other current assets	83,547
Total Current Assets	\$ 5,872,114
Long-term Assets:	
Notes receivable (Net of allowance for bad debts of \$66,583)	3,678,816
Notes receivable - related party	4,368,734
Property, plant, & equipment	27,762,132
Accumulated depreciation	(8,317,958)
Total Long-term Assets	27,491,724
Other Assets:	
Deferred Developer Fees	3,064,464
Investments	576,647
Total Other Assets	3,641,111
Total Assets	\$ 37,004,949
LIABILITIES & NET ASSETS	
Current Liabilities:	
Accounts payable	\$ 961,759
Accrued expenses	480,510
Deferred revenue	309,334
Retainage Payable	117,263
Refundable deposits	1,341,525
Lines of Credit	454,705
Lease obligations payable - current	22,846
Notes payable - current	449,875
Total Current Liabilities	\$ 4,137,817
Long-term Liabilities:	
Compensated absences	1,622,394
Lease obligations payable - net of current	-
Notes payable - net of current	3,738,748
Total Long-term Liabilities	5,361,142
Other Liabilities:	
Deferred Developer Fees	3,064,464
Total Other Liabilities	3,064,464
Total Liabilities	\$ 12,563,423
NET ASSETS	
Unrestricted	
Undesignated	6,964,100
Board Designated - Reserve Fund	174,978
Total Unrestricted	7,139,078
Temporarily restricted	17,302,448
Total Net Assets	24,441,526
Total Liabilities & Net Assets	\$ 37,004,949

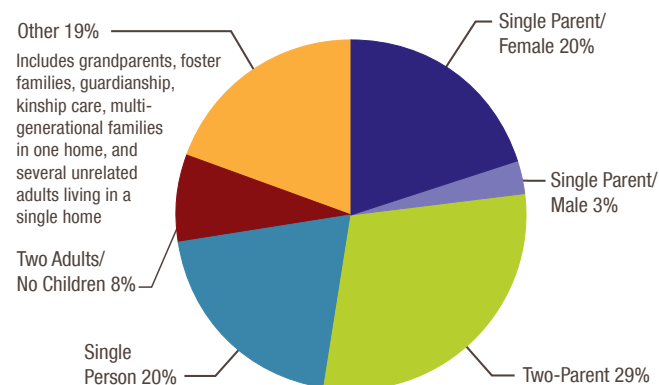
STATEMENT OF CONSOLIDATED ACTIVITIES

For the year ended June 30, 2017

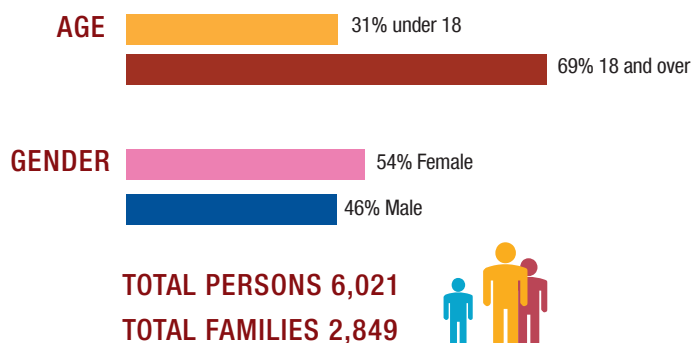
REVENUES	Unrestricted	Temporarily Restricted	Total
Grants	\$ 1,054,731	\$ 10,919,267	\$ 11,973,998
Other	2,177,971	78,594	2,256,565
Interest	144,957	84,065	229,022
Contributions	1,537	4,811	6,348
In-Kind	248,807	-	248,807
Net assets released from restrictions:			
Satisfaction of program restrictions . .	10,955,280	(10,955,280)	-
Total Revenues	14,583,283	(131,457)	14,714,740
EXPENSES			
Program Services			
Community Services	1,667,426	-	1,667,426
Community Development	766,336	-	766,336
Community Economic Development	840,766	-	840,766
Children & Family Services	4,331,462	-	4,331,462
Housing	3,197,509	-	3,197,509
Workforce Development	2,273,957	-	2,273,957
Support Services			
General and Administrative	1,692,724	-	1,692,724
Fundraising	345,020	-	345,020
Total Expenses	15,115,200	-	15,115,200
Change in Net Assets	(531,917)	131,457	(400,460)
Net Assets At Beginning of Year	7,670,995	17,170,991	24,841,986
Net Assets At End of Year	\$ 7,139,078	\$ 17,302,448	\$ 24,441,526

A complete copy of our audited financial statements is available at www.peopleinc.net or upon request.

FAMILY STRUCTURE

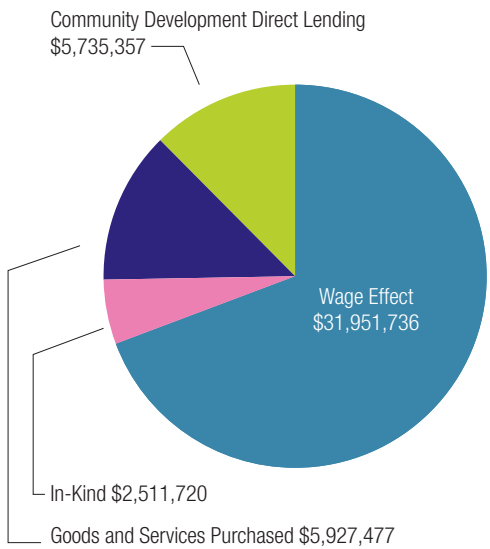


CLIENT PROFILE



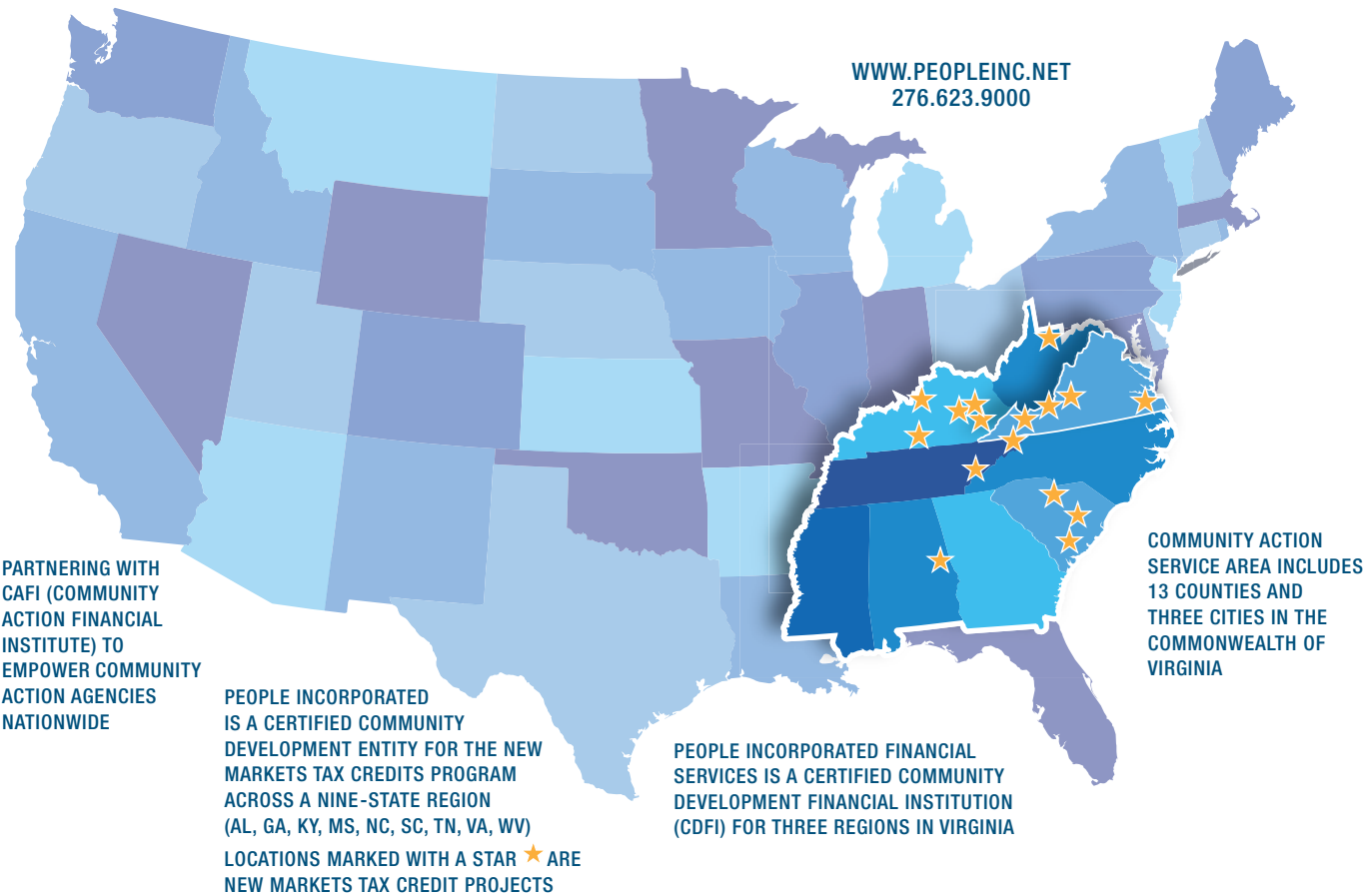
ANNUAL ECONOMIC IMPACT *Total, Fiscal Year 2017*

Wage Effect	\$ 31,951,736
Goods and Services Purchased	5,927,477
In-Kind	2,511,720
Community Development Direct Lending	5,735,357
<hr/>	
Total Economic Impact	\$ 46,126,290
<hr/>	



NATIONAL AND REGIONAL IMPACT

People Incorporated excitedly anticipates expanding our ability to meet our mission regionally and nationally as we continue to provide opportunities for economically disadvantaged people to reach their goals in order to enhance their lives, their families and their communities.





Scan this QR code to donate
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