

2008 TAX RETURN

CLIENT COPY

Client: KRFDC

Prepared for: KENTUCKY RIVER FOOTHILLS  
DEVELOPMENT COUNCIL, INC.  
309 SPANGLER DRIVE  
RICHMOND, KY 40475  
859-624-2046

Prepared by: LARRY T. WILLIAMS, CPA  
LARRY WILLIAMS, CPA  
PO BOX 4130  
FRANKFORT, KY 40604  
(502) 352-2800

Date: DECEMBER 17, 2009

Comments:

Route to: \_\_\_\_\_

**2008 Exempt Org. Return**  
prepared for:

**KENTUCKY RIVER FOOTHILLS  
DEVELOPMENT COUNCIL, INC.**  
309 SPANGLER DRIVE  
RICHMOND, KY 40475

**Larry Williams, CPA**  
PO Box 4130  
Frankfort, KY 40604

KENTUCKY RIVER FOOTHILLS  
DEVELOPMENT COUNCIL, INC.

61-0650246

	2008	2007	DIFF
REVENUE			
CONTRIBUTIONS AND GRANTS .....	14,225,327	11,791,444	2,433,883
INVESTMENT INCOME .....	8,343	17,834	-9,491
OTHER REVENUE .....	-8,465	1,176	-9,641
TOTAL REVENUE .....	14,225,205	11,810,454	2,414,751
EXPENSES			
SALARIES, OTHER COMPENSATION, EMPLOYEE B	6,365,479	4,912,904	1,452,575
OTHER EXPENSES .....	7,709,437	6,566,921	1,142,516
TOTAL EXPENSES .....	14,074,916	11,479,825	2,595,091
NET ASSETS OR FUND BALANCES			
REVENUE LESS EXPENSES .....	150,289	330,629	-180,340
TOTAL ASSETS AT END OF YEAR .....	5,676,552	5,616,164	60,388
TOTAL LIABILITIES AT END OF YEAR .....	3,309,420	3,399,320	-89,900
NET ASSETS OR FUND BALANCES AT END OF YE	2,367,132	2,216,844	150,288

KENTUCKY RIVER FOOTHILLS  
DEVELOPMENT COUNCIL, INC.

61-0650246

	2008	2007	DIFF
REVENUE			
NET RENTAL INCOME (LOSS).....	-8,465	1,176	-9,641
TOTAL REVENUE.....	-8,465	1,176	-9,641
DEDUCTIONS			
DEPRECIATION.....	27,481	25,667	1,814
LESS DEPRECIATION CLAIMED ELSEWHERE.....	27,481	25,667	1,814
TOTAL DEDUCTIONS.....	0	0	0
UNRELATED BUSINESS TAXABLE INCOME			
UNRELATED BUS TAXABLE INC (LINE 30).....	-8,465	1,176	-9,641
UNRELATED BUS TAXABLE INC (LINE 32).....	-8,465	1,176	-9,641
SPECIFIC DEDUCTION.....	0	1,000	-1,000
UNRELATED BUSINESS TAXABLE INCOME.....	-8,465	176	-8,641
TAX COMPUTATION			
INCOME TAX.....	0	26	-26
NET TAX.....	0	26	-26
PAYMENTS AND CREDITS			
TOTAL PAYMENTS AND CREDITS.....	0	0	0
REFUND OR AMOUNT DUE			
TAX DUE.....	0	26	-26
OVERPAYMENT.....	0	0	0
TAX RATES			
MARGINAL TAX RATE.....	0.0%	15.0%	-15.0%
EFFECTIVE TAX RATE.....	0.0%	14.8%	-14.8%

2008

GENERAL INFORMATION

PAGE 1

KENTUCKY RIVER FOOTHILLS  
DEVELOPMENT COUNCIL, INC.

61-0650246

FORMS NEEDED FOR THIS RETURN

FEDERAL: 990, SCH A, SCH D, SCH M, SCH R, SCH O, 8868, 990-T

TAX RATES

<u>UNRELATED BUSINESS</u>	<u>MARGI NAL</u>	<u>EFFECTIVE</u>
FEDERAL	0. %	0. %

CARRYOVERS TO 2009

NONE

## RENTAL INCOME WORKSHEET

COMMERCIAL BUILDING 309 SPANGLER DRIVE		
GROSS RENTAL INCOME.....	\$	60,550.
EXPENSES		
DEPRECIATION.....		27,481.
INTEREST.....		40,048.
REPAIRS.....		1,486.
TOTAL EXPENSES.....	\$	<u>69,015.</u>
NET RENTAL INCOME OR LOSS	\$	<u><u>-8,465.</u></u>

## COMPUTATION OF 2008 NET OPERATING LOSS

1. TOTAL INCOME.....	-8,465.
2. TOTAL DEDUCTIONS.....	0.
3. UNRELATED BUSINESS TAXABLE INCOME (LINE 1 LESS LINE 2).....	<u>-8,465.</u>
2008 NET OPERATING LOSS.....	<u><u>8,465.</u></u>

**Return of Organization Exempt From Income Tax**

**2008**

Department of the Treasury  
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code  
(except black lung benefit trust or private foundation)

G The organization may have to use a copy of this return to satisfy state reporting requirements.

Open to Public Inspection

For the 2008 calendar year, or tax year beginning 7/01, 2008, and ending 6/30, 2009

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See specific instructions.	<b>KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.</b> <b>309 SPANGLER DRIVE</b> <b>RICHMOND, KY 40475</b>	<b>D</b> Employer Identification Number <b>61-0650246</b>
		<b>E</b> Telephone number <b>859-624-2046</b>	<b>G</b> Gross receipts \$ <b>14,294,220.</b>
		<b>F</b> Name and address of principal officer: <b>SAME AS C ABOVE</b>	<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No <small>If 'No,' attach a list. (see instructions)</small>
		<b>I</b> Tax-exempt status <input checked="" type="checkbox"/> 501(c) ( <u>3</u> ) <b>H</b> (Insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	<b>H(c)</b> Group exemption number <b>G</b>
		<b>J</b> Website: <b>G</b> <u>N/A</u>	
		<b>K</b> Type of organization: <input type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other <b>G</b>	<b>L</b> Year of Formation: _____ <b>M</b> State of legal domicile: _____

Part I Summary			
	1 Briefly describe the organization's mission or most significant activities: <u>CHARITABLE AND EDUCATIONAL</u>		
Activities & Governance	2 Check this box <input type="checkbox"/> <b>G</b> if the organization discontinued its operations or disposed of more than 25% of its assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	23
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	23
	5 Total number of employees (Part V, line 2a)	5	229
	6 Total number of volunteers (estimate if necessary)	6	210
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	-8,465.
	b Net unrelated business taxable income from Form 990-T, line 34	7b	-8,465.
Revenue	8 Contributions and grants (Part VIII, line 1h)	11,791,444.	14,225,327.
	9 Program service revenue (Part VIII, line 2g)		
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	17,834.	8,343.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,176.	-8,465.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	11,810,454.	14,225,205.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
	14 Benefits paid to or for members (Part IX, column (A), line 4)		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	4,912,904.	6,365,479.
	16a Professional fundraising fees (Part IX, column (A), line 11e)		
	b Total fundraising expenses (Part IX, column (D), line 25) <b>G</b> <u>7,581.</u>		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	6,566,921.	7,709,437.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	11,479,825.	14,074,916.
19 Revenue less expenses. Subtract line 18 from line 12	330,629.	150,289.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Year 5,616,164.	End of Year 5,676,552.
	21 Total liabilities (Part X, line 26)	3,399,320.	3,309,420.
	22 Net assets or fund balances. Subtract line 21 from line 20	2,216,844.	2,367,132.

Part II Signature Block				
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.				
Sign Here	<b>G</b> _____ Signature of officer	Date		
	<b>G</b> _____ Type or print name and title.			
Paid Preparer's Use Only	Preparer's signature <b>G</b> <u>LARRY T. WILLIAMS, CPA</u>	Date	Check if self-employed <b>G</b> <input checked="" type="checkbox"/> <b>X</b> Preparer's identifying number (see instructions) <u>N/A</u>	
	Firm's name (or yours if self-employed), address, and ZIP + 4 <b>G</b> <u>LARRY WILLIAMS, CPA</u> <u>PO BOX 4130</u> <u>FRANKFORT, KY 40604</u>	EIN <b>G</b> <u>N/A</u>	Phone no. <b>G</b> <u>(502) 352-2800</u>	
	May the IRS discuss this return with the preparer shown above? (see instructions) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

CHARITABLE AND EDUCATIONAL

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

Yes No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

Yes No

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 12,954,609. including grants of \$ ) (Revenue \$ )

VARIOUS CHARITABLE AND EDUCATIONAL FUNCTIONS.

4b (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4c (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4d Other program services. (Describe in Schedule O.)

(Expenses \$ including grants of \$ ) (Revenue \$ )

4e Total program service expenses G \$ 12,954,609. (Must equal Part IX, Line 25, column (B).)



**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II		X
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If 'Yes,' complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV		X
10 Did the organization hold assets in term, permanent, or quasi-endowments? If 'Yes,' complete Schedule D, Part V		X
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If 'Yes,' complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the U.S.?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If 'Yes,' complete Schedule F, Part I		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If 'Yes,' complete Schedule F, Part II		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If 'Yes,' complete Schedule F, Part III		X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If 'Yes,' complete Schedule G, Part I		X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III		X
20 Did the organization operate one or more hospitals? If 'Yes,' complete Schedule H		X
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If 'Yes,' complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If 'Yes,' complete Schedule I, Parts I and III		X
23 Did the organization answer 'Yes' to Part VII, Section A, questions 3, 4, or 5? If 'Yes,' complete Schedule J		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? If 'Yes,' answer questions 24b-24d and complete Schedule K. If 'No,' go to question 25		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If 'Yes,' complete Schedule L, Part I		X
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If 'Yes,' complete Schedule L, Part I		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If 'Yes,' complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If 'Yes,' complete Schedule L, Part III		X

**Part IV** Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If 'Yes,' complete Schedule L, Part IV.....	28a	X
b Have a family member who had a direct or indirect business relationship with the organization? If 'Yes,' complete Schedule L, Part IV.....	28b	X
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If 'Yes,' complete Schedule L, Part IV.....	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? If 'Yes,' complete Schedule M.....	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If 'Yes,' complete Schedule M.....	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If 'Yes,' complete Schedule N, Part I.....	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If 'Yes,' complete Schedule N, Part II.....	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Schedule R, Part I.....	33	X
34 Was the organization related to any tax-exempt or taxable entity? If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1.....	34	X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' complete Schedule R, Part V, line 2.....	35	X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If 'Yes,' complete Schedule R, Part V, line 2.....	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If 'Yes,' complete Schedule R, Part VI.....	37	X

BAA

Form 990 (2008)

**Part V** Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable. . . . .		
1a	134		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. . . . .		
1b	0		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .		X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. . . . .		
2a	229		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? . . . . . Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . . . .	X	
3b	If 'Yes' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O. . . . .	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . . . .		X
4a	If 'Yes,' enter the name of the foreign country: G See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? . . . . .		X
5c	If 'Yes,' to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? . . . . .		
6a	Did the organization solicit any contributions that were not tax deductible? . . . . .		X
6b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not deductible? . . . . .		
7	Organizations that may receive deductible contributions under section 170(c). . . . .		
7a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75? . . . . .		X
7b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided? . . . . .		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .		X
7d	If 'Yes,' indicate the number of Forms 8282 filed during the year. . . . .		
7d			
7e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .		X
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .		X
7g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . . . .		X
7h	For all contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? . . . . .		X
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . .		
8			
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds. . . . .		
9a	Did the organization make any taxable distributions under section 4966? . . . . .		
9b	Did the organization make any distribution to a donor, donor advisor, or related person? . . . . .		
10	Section 501(c)(7) organizations. Enter: . . . . .		
10a	Initiation fees and capital contributions included on Part VIII, line 12 . . . . .		
10a			
10b	Gross Receipts, included on Form 990, Part VIII, line 12, for public use of club facilities. . . . .		
10b			
11	Section 501(c)(12) organizations. Enter: . . . . .		
11a	Gross income from other members or shareholders . . . . .		
11a			
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) . . . . .		
11b			
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? . . . . .		
12a			
12b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year. . . . .		
12b			

**Part VI** Governance, Management and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

**Section A. Governing Body and Management**

		Yes	No
For each 'Yes' response to lines 2-7b below, and for a 'No' response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.			
1 a	Enter the number of voting members of the governing body		
	1 a		23
b	Enter the number of voting members that are independent		
	1 b		23
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a material diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7 a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	X	
7 b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8 a	The governing body?	X	
8 b	Each committee with authority to act on behalf of the governing body?	X	
9 a	Does the organization have local chapters, branches, or affiliates?		X
9 b	If 'Yes,' does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990. SEE SCHEDULE O	X	
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O.		X

**Section B. Policies**

		Yes	No
12 a	Does the organization have a written conflict of interest policy? If 'No,' go to line 13	X	
12 b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12 c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done.	X	
13	Does the organization have a written whistleblower policy?	X	
14	Does the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
15 a	The organization's CEO, Executive Director, or top management official?		X
15 b	Other officers of key employees of the organization? Describe the process in Schedule O. (see instructions)		X
16 a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16 b	If 'Yes,' has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

**Section C. Disclosures**

- 17 List the states with which a copy of this Form 990 is required to be filed G NONE
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.  
 Own website     Another's website     Upon request
- 19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization:  
G NENA THACKER RI CHMOND KY 40475 859-624-2046

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1 a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

? List all of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and current key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

? List the organization's five current highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) or more than \$100,000 from the organization and any related organizations.

? List all of the organization's former officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

? List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if the organization did not compensate any officer, director, trustee, or key employee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
VICKI JOZEFOWICZ EXECUTIVE DIRECTOR	40			X	X			93,476.	0.	0.
ADRIEL WOODMAN ADMINISTRATIVE OFFICER	40			X	X			61,132.	0.	0.
BRIAN MULLINS DIRECTOR OF OPERATIONS	40			X	X			61,132.	0.	0.
CHARLOTTE ESTES CHAIRMAN	5							0.	0.	0.
LINDA GINTER VICE CHAIR	5							0.	0.	0.
MARCY MARTIN TREASURER	5							0.	0.	0.
DELLA PIERSALL SECRETARY	5							0.	0.	0.
DANENA THACKER DIRECTOR OF FINANCE	40				X			53,311.	0.	0.
JODIE BRANDENBURG PROGRAM DIRECTOR	40				X			70,777.	0.	0.



Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
<b>CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS</b>	1 a Federated campaigns . . . . .	1 a				
	b Membership dues . . . . .	1 b				
	c Fundraising events . . . . .	1 c				
	d Related organizations . . . . .	1 d				
	e Government grants (contributions) . . . . .	1 e	10,350,796.			
	f All other contributions, gifts, grants, and similar amounts not included above . . . . .	1 f	3,874,531.			
	g Noncash contribns included in lns 1a-1f: . . . . .		\$ 1,487,532.			
h Total. Add lines 1a-1f. . . . .			G 14,225,327.			
<b>PROGRAM SERVICE REVENUE</b>	Business Code					
	2 a					
	b					
	c					
	d					
	e					
	f All other program service revenue . . . . .					
g Total. Add lines 2a-2f. . . . .			G			
<b>OTHER REVENUE</b>	3 Investment income (including dividends, interest and other similar amounts) . . . . .		G 8,343.	8,343.		
	4 Income from investment of tax-exempt bond proceeds . . . . .		G			
	5 Royalties . . . . .		G			
	6 a Gross Rents . . . . .	(i) Real	60,550.			
		(ii) Personal				
		b Less: rental expenses . . . . .	69,015.			
	c Rental income or (loss) . . . . .	-8,465.				
	d Net rental income or (loss) . . . . .		G -8,465.		-8,465.	
	7 a Gross amount from sales of assets other than inventory . . . . .	(i) Securities				
		(ii) Other				
		b Less: cost or other basis and sales expenses . . . . .				
		c Gain or (loss) . . . . .				
	d Net gain or (loss) . . . . .		G			
	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 . . . . .		a			
	b Less: direct expenses . . . . .		b			
c Net income or (loss) from fundraising events . . . . .		G				
9 a Gross income from gaming activities. See Part IV, line 19 . . . . .		a				
b Less: direct expenses . . . . .		b				
c Net income or (loss) from gaming activities . . . . .		G				
10 a Gross sales of inventory, less returns and allowances . . . . .		a				
b Less: cost of goods sold . . . . .		b				
c Net income or (loss) from sales of inventory . . . . .		G				
Miscellaneous Revenue		Business Code				
11 a						
b						
c						
d All other revenue . . . . .						
e Total. Add lines 11a-11d. . . . .		G				
12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e . . . . .			G 14,225,205.	8,343.	-8,465.	0.

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21.				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22.				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16.				
4 Benefits paid to or for members.				
5 Compensation of current officers, directors, trustees, and key employees.	339,828.	0.	339,828.	0.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1) and persons described in section 4958(c)(3)(B).	0.	0.	0.	0.
7 Other salaries and wages.	4,376,911.	4,028,705.	348,206.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions).				
9 Other employee benefits.	1,313,890.	1,153,724.	160,166.	
10 Payroll taxes.	334,850.	289,364.	45,486.	
11 Fees for services (non-employees).				
a Management.				
b Legal.				
c Accounting.				
d Lobbying.				
e Prof fundraising svcs. See Part IV, ln 17.				
f Investment management fees.				
g Other.				
12 Advertising and promotion.				
13 Office expenses.	676,409.	614,267.	62,142.	
14 Information technology.				
15 Royalties.				
16 Occupancy.	572,793.	474,480.	98,313.	
17 Travel.	324,745.	320,133.	4,612.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19 Conferences, conventions, and meetings.				
20 Interest.	82,394.	82,394.		
21 Payments to affiliates.				
22 Depreciation, depletion, and amortization.	371,421.	371,421.		
23 Insurance.				
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a ENERGY ASSISTANCE & OTHER SERV	3,536,918.	3,536,918.		
b IN-KIND EXPENDITURES	1,487,532.	1,487,532.		
c OTHER EXPENSES	439,610.	423,636.	15,974.	
d PROFESSIONAL COST & CONTRACTS	210,034.	172,035.	37,999.	
e FUNDRAISING	7,581.			7,581.
f All other expenses.				
25 Total functional expenses. Add lines 1 through 24f.	14,074,916.	12,954,609.	1,112,726.	7,581.
26 Joint Costs. Check here G <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				



**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year
ASSETS	1 Cash - non-interest-bearing	521,814.	1	891,331.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	1,108,638.	4	854,555.
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net	144,000.	7	135,000.
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	9,482.
	10a Land, buildings, and equipment: cost basis	10a 6,037,631.		
	b Less: accumulated depreciation. Complete Part VI of Schedule D	10b 2,269,240.	3,828,736.	10c 3,768,391.
	11 Investments - publicly-traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	12,976.	15	17,793.
16 Total assets. Add lines 1 through 15 (must equal line 34)	5,616,164.	16	5,676,552.	
LIABILITIES	17 Accounts payable and accrued expenses	942,430.	17	813,879.
	18 Grants payable		18	
	19 Deferred revenue		19	35,810.
	20 Tax-exempt bond liabilities		20	
	21 Escrow account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	2,456,890.	23	2,449,681.
	24 Unsecured notes and loans payable		24	
	25 Other liabilities. Complete Part X of Schedule D		25	10,050.
	26 Total liabilities. Add lines 17 through 25	3,399,320.	26	3,309,420.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here G <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.			
	27 Unrestricted net assets	710,808.	27	937,865.
	28 Temporarily restricted net assets	1,506,036.	28	1,429,267.
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here G <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, and equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	2,216,844.	33	2,367,132.	
34 Total liabilities and net assets/fund balances	5,616,164.	34	5,676,552.	

**Part XI Financial Statements and Reporting**

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b	Were the organization's financial statements audited by an independent accountant?	X	
c	If 'Yes' to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
b	If 'Yes,' did the organization undergo the required audit or audits?	X	



**Part II** Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) G	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include 'unusual grants.') . . . . .	10452154.	10649676.	10578604.	11791444.	14225327.	57,697,205.
2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf. . . . .						0.
3 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge. . . . .						0.
4 Total. Add lines 1-3. . . . .	10452154.	10649676.	10578604.	11791444.	14225327.	57,697,205.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f). . . . .						0.
6 Public support. Subtract line 5 from line 4. . . . .						57,697,205.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) G	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4. . . . .	10452154.	10649676.	10578604.	11791444.	14225327.	57,697,205.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources. . . . .		11,113.	22,078.	17,834.	8,343.	59,368.
9 Net income from unrelated business activities, whether or not the business is regularly carried on. . . . .		1,100.	2,613.	1,176.	-8,465.	-3,576.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) SEE PART I.V. . . . .		17,950.				17,950.
11 Total support. Add lines 7 through 10. . . . .						57,770,947.
12 Gross receipts from related activities, etc. (see instructions). . . . .					12	0.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. . . . .						G <input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f)). . . . .	14	99.9%
15 Public support percentage for 2007 Schedule A, Part IV-A, line 26f. . . . .	15	99.9%
16a 33-1/3 support test - 2008. If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. . . . .	G <input checked="" type="checkbox"/>	
b 33-1/3 support test - 2007. If the organization did not check a box on line 13, or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization. . . . .	G <input type="checkbox"/>	
17a 10%-facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. . . . .	G <input type="checkbox"/>	
b 10%-facts-and-circumstances test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization. . . . .	G <input type="checkbox"/>	
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions. . . . .	G <input type="checkbox"/>	

**Part III** Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

Calendar year (or fiscal yr beginning in) G	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include 'unusual grants.') . . . . .						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a activity that is related to the organization's tax-exempt purpose . . . . .						
3 Gross receipts from activities that are not an unrelated trade or business under section 513 . . . . .						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
5 The value of services or facilities furnished by a governmental unit to the organization without charge. . . . .						
6 Total. Add lines 1-5 . . . . .						
7a Amounts included on lines 1, 2, 3 received from disqualified persons . . . . .						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000 . . . . .						
c Add lines 7a and 7b . . . . .						
8 Public support (Subtract line 7c from line 6.) . . . . .						

**Section B. Total Support**

Calendar year (or fiscal yr beginning in) G	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6 . . . . .						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975. . . . .						
c Add lines 10a and 10b . . . . .						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on . . . . .						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .						
13 Total support. (add lns 9, 10c, 11, and 12.) . . . . .						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. G

**Section C. Computation of Public Support Percentage**

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f)). . . . .	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g . . . . .	16	%

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f)). . . . .	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h. . . . .	18	%

19a 33-1/3 support tests \* 2008. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization. G

b 33-1/3 support tests \* 2007. If the organization did not check a box on line 14 or 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization. G

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions. G



PART II, LINE 10 - OTHER INCOME

NATURE AND SOURCE	2008	2007	2006	2005	2004
FUNDRAISING				17,950.	
TOTAL	\$ 0.	\$ 0.	\$ 0.	\$ 17,950.	\$ 0.

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2008

Department of the Treasury Internal Revenue Service

Attach to Form 990. To be completed by organizations that answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11, or 12.

Open to Public Inspection

Name of the organization

Employer identification number

KENTUCKY RIVER FOOTHILLS

61-0650246

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate contributions, aggregate grants, aggregate value, and two yes/no questions regarding donor informed status.

Part II Conservation Easements Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

Table with 2 columns: Question, Held at the End of the Year. Rows include purpose(s) of conservation easements, number of easements, and various monitoring and policy questions.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

Table with 2 columns: Question, Amount. Rows include questions about reporting works of art and historical treasures, and amounts for revenues and assets.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a  Public exhibition
- b  Scholarly research
- c  Preservation for future generations
- d  Loan or exchange programs
- e  Other \_\_\_\_\_

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Trust, Escrow and Custodial Arrangements Complete if organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.**

1a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

b If 'Yes,' explain the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21?  Yes  No

b If 'Yes,' explain the arrangement in Part XIV.

**Part V Endowment Funds Complete if organization answered 'Yes' to Form 990, Part IV, line 10.**

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment G \_\_\_\_\_ %
- b Permanent endowment G \_\_\_\_\_ %
- c Term endowment G \_\_\_\_\_ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	
b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

4 Describe in Part XIV the intended uses of the organization's endowment funds.

**Part VI Investments' Land, Buildings, and Equipment. See Form 990, Part X, line 10.**

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book Value
1a Land	862,170.			862,170.
b Buildings				
c Leasehold improvements				
d Equipment				
e Other	5,175,461.		2,269,240.	2,906,221.
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				G 3,768,391.





Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	14,225,205.
2	Total expenses (Form 990, Part IX, column (A), line 25)	14,074,916.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	150,289.
4	Net unrealized gains (losses) on investments	
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV)	
9	Total adjustments (net). Add lines 4-8	
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	150,289.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return			
1	Total revenue, gains, and other support per audited financial statements	1	14,225,205.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
	a Net unrealized gains on investments	2a	
	b Donated services and use of facilities	2b	
	c Recoveries of prior year grants	2c	
	d Other (Describe in Part XIV)	2d	
	e Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	14,225,205.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
	a Investment expenses not included on Form 990, Part VIII, line 7b	4a	
	b Other (Describe in Part XIV)	4b	
	c Add lines 4a and 4b	4c	
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)	5	14,225,205.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return			
1	Total expenses and losses per audited financial statements	1	14,074,916.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
	a Donated services and use of facilities	2a	
	b Prior year adjustments	2b	
	c Losses reported on Form 990, Part IX, line 25	2c	
	d Other (Describe in Part XIV)	2d	
	e Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	14,074,916.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
	a Investment expenses not included on Form 990, Part VIII, line 7b	4a	
	b Other (Describe in Part XIV)	4b	
	c Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	14,074,916.

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

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SCHEDULE M  
(Form 990)

Non-Cash Contributions

OMB No. 1545-0047

2008

G To be completed by organizations that answered 'Yes'  
on Form 990, Part IV, lines 29 or 30.

Open to Public  
Inspection

Department of the Treasury  
Internal Revenue Service

G Attach to Form 990.

Name of the organization **KENTUCKY RIVER FOOTHILLS  
DEVELOPMENT COUNCIL, INC.**

Employer identification number  
**61-0650246**

**Part I** Types of Property

	(a) Check if applicable	(b) Number of Contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art' Works of art .....				
2 Art' Historical treasures .....				
3 Art' Fractional interests .....				
4 Books and publications .....				
5 Clothing and household goods .....				
6 Cars and other vehicles .....				
7 Boats and planes .....				
8 Intellectual property .....				
9 Securities' Publicly traded .....				
10 Securities' Closely held stock .....				
11 Securities' Partnership, LLC, or trust interests .....				
12 Securities' Miscellaneous .....				
13 Qualified conservation contribution (historic structures) .....				
14 Qualified conservation contribution (other) .....				
15 Real estate' Residential .....				
16 Real estate' Commercial .....				
17 Real estate' Other .....				
18 Collectibles .....				
19 Food inventory .....				
20 Drugs and medical supplies .....				
21 Taxidermy .....				
22 Historical artifacts .....				
23 Scientific specimens .....				
24 Archeological artifacts .....				
25 Other G ( <u>SPACE</u> ) .....	X	31	331, 900.	FMV
26 Other G ( <u>TIME</u> ) .....	X	210	335, 500.	WAGE RATES
27 Other G ( <u>SUPPLIES /DISC</u> ) .....	X	500	820, 532.	FMV
28 Other G ( ) .....				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement .....

29	
----	--

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? .....

	Yes	No
30a		X
31		X
32a		X

b If 'Yes,' describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions? .....

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? .....

b If 'Yes,' describe in Part II.

33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II.



SCHEDULE R  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Related Organizations and Unrelated Partnerships

G Attach to Form 990. To be completed by organizations that answered 'Yes' to Form 990, Part IV, lines 33, 34, 35, 36, or 37.  
G See separate instructions.

OMB No. 1545-0047

2008

Open to Public  
Inspection

Name of the organization

KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.

Employer identification number

61-0650246

Part I Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity
-----					
-----					
-----					
-----					
-----					
-----					
-----					
-----					
-----					
-----					

Part II Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
C E M P AREA POLICY COUNCIL 309 SPANGLER DRIVE RICHMOND, KY 40475 61-1035969	HEADSTART	KY	501 C(3)	ACTIVE	N/A
-----					
-----					
-----					
-----					
-----					
-----					
-----					
-----					
-----					

**Part III** Identification of Related Organizations Taxable as a Partnership

(A) Name, address, and EIN of related organization	(B) Primary Activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income (related, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Dispropor- tionate allocations?		(I) Code V-UBI amount in Box 20 of Schedule K-1 (Form 1065)	(J) General or managing partner?	
							Yes	No		Yes	No
-----											
-----											
-----											
-----											
-----											

**Part IV** Identification of Related Organizations Taxable as a Corporation or Trust

(A) Name, address, and EIN of related organization	(B) Primary Activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership
-----							
-----							
-----							
-----							
-----							

**Part V** Transactions With Related Organizations

Note. Complete line 1 if any entity is listed in Parts II, III, or IV.

	Yes	No
1 During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV:		
a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to other organization(s)		X
c Gift, grant, or capital contribution from other organization(s)		X
d Loans or loan guarantees to or for other organization(s)		X
e Loans or loan guarantees by other organization(s)		X
f Sale of assets to other organization(s)		X
g Purchase of assets from other organization(s)		X
h Exchange of assets		X
i Lease of facilities, equipment, or other assets to other organization(s)		X
j Lease of facilities, equipment, or other assets from other organization(s)		X
k Performance of services or membership or fundraising solicitations for other organization(s)		X
l Performance of services or membership or fundraising solicitations by other organization(s)		X
m Sharing of facilities, equipment, mailing lists, or other assets		X
n Sharing of paid employees		X
o Reimbursement paid to other organization for expenses		X
p Reimbursement paid by other organization for expenses		X
q Other transfer of cash or property to other organization(s)		X
r Other transfer of cash or property from other organization(s)		X

2 If the answer to any of the above is 'Yes,' see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(A) Name of other organization	(B) Transaction type (a-r)	(C) Amount involved
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		





Department of the Treasury  
Internal Revenue Service

G Attach to Form 990. To be completed by organizations to provide  
additional information for responses to specific questions for the  
Form 990 or to provide any additional information.

Open to Public  
Inspection

Name of the organization **KENTUCKY RIVER FOOTHILLS  
DEVELOPMENT COUNCIL, INC.**

Employer identification number  
**61-0650246**

FORM 990, PART VI, LINE 10 - FORM 990 REVIEW PROCESS  
990 IS PREPARED BY AUDITOR REVIEWED BY MANAGEMENT AND SUBMITTED TO THE BOARD FOR  
APPROVAL.

# Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

G File a separate application for each return.

? If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box G

? If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II (on page 2 of this form).

*Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.*

**Part I** Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension ' check this box and complete Part I only G

All other corporations (including 1120-C filers), partnerships, REMICS, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (*e-file*). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on e-file for Charities & Nonprofits.

Type or print	Name of Exempt Organization <b>KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.</b>	Employer identification number <b>61-0650246</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite number. If a P.O. box, see instructions. <b>309 SPANGLER DRIVE</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>RICHMOND, KY 40475</b>	

Check type of return to be filed (file a separate application for each return):

- |  |  |                                    |
|--|--|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation)                    | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL         | <input type="checkbox"/> Form 990-T (section 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ         | <input type="checkbox"/> Form 990-T (trust other than above)         | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF         | <input type="checkbox"/> Form 1041-A                                 | <input type="checkbox"/> Form 8870 |

? The books are in the care of G NENA THACKER -----

Telephone No. G 859-624-2046 FAX No. G -----

? If the organization does not have an office or place of business in the United States, check this box G

? If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box G . If it is for part of the group, check this box G  and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 2/15, 20 10, to file the exempt organization return for the organization named above.  
The extension is for the organization's return for:

- G  calendar year 20\_\_ or  
G  tax year beginning 7/01, 20 08, and ending 6/30, 20 09.

2 If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a	\$	0.
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b	\$	0.
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	\$	0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

**Exempt Organization Business Income Tax Return**  
(and proxy tax under section 6033(e))

For calendar year 2008 or other tax year beginning 7/01, 2008,  
and ending 6/30, 2009

**2008**

Department of the Treasury  
Internal Revenue Service

G See separate instructions.

Open to Public Inspection for  
501(c)(3) Organizations Only

<p>A <input type="checkbox"/> Check box if address changed</p> <p>B Exempt under section  <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 220(e)  <input type="checkbox"/> 408(e) <input type="checkbox"/> 530(a)  <input type="checkbox"/> 408A <input type="checkbox"/>  <input type="checkbox"/> 529(a)</p>	Print or Type	<p>KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC. 309 SPANGLER DRIVE RICHMOND, KY 40475</p>	<p>D Employer identification number (Employees' trust, see instructions for Block D.) <b>61-0650246</b></p> <p>E Unrelated business activity codes (See instructions for Block E.) <b>531120</b></p>
<p>C Book value of all assets at end of year <b>5,676,552.</b></p>	<p>F Group exemption number (See instructions for Block F.) <b>G</b></p> <p>G Check organization type . . . . . <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust</p>		

H Describe the organization's primary unrelated business activity.  
**G REAL ESTATE RENTAL**

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? . . . . .  Yes  No  
 If 'Yes,' enter the name and identifying number of the parent corporation . . . . . **G**

J The books are in care of **G NENA THACKER** Telephone number **G 859-624-2046**

Part I Unrelated Trade or Business Income	(A) Income	(B) Expenses	(C) Net
1 a Gross receipts or sales . . . . .			
b Less returns and allowances . . . . . c Balance <b>G</b>	1c		
2 Cost of goods sold (Schedule A, line 7) . . . . .	2		
3 Gross profit. Subtract line 2 from line 1c . . . . .	3		
4 a Capital gain net income (attach Schedule D) . . . . .	4a		
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797) . . . . .	4b		
c Capital loss deduction for trusts . . . . .	4c		
5 Income (loss) from partnerships and S corporations (attach statement) . . . . .	5		
6 Rent income (Schedule C) . . . . .	6	60,550.	-8,465.
7 Unrelated debt-financed income (Schedule E) . . . . .	7		
8 Interest, annuities, royalties, and rents from controlled organizations (Schedule F) . . . . .	8		
9 Investment income of a section 501(c)(7), (9), or (17) organization (Sch G) . . . . .	9		
10 Exploited exempt activity income (Schedule I) . . . . .	10		
11 Advertising income (Schedule J) . . . . .	11		
12 Other income (See instructions; attach schedule.) . . . . .	12		
13 Total. Combine lines 3 through 12 . . . . .	13	60,550.	-8,465.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.) (Except for contributions, deductions must be directly connected with the unrelated business income.)			
14 Compensation of officers, directors, and trustees (Schedule K) . . . . .	14		
15 Salaries and wages . . . . .	15		
16 Repairs and maintenance . . . . .	16		
17 Bad debts . . . . .	17		
18 Interest (attach schedule) . . . . .	18		
19 Taxes and licenses . . . . .	19		
20 Charitable contributions (See instructions for limitation rules.) . . . . .	20		
21 Depreciation (attach Form 4562) . . . . .	21	27,481.	
22 Less depreciation claimed on Schedule A and elsewhere on return . . . . .	22a	27,481.	22b
23 Depletion . . . . .	23		
24 Contributions to deferred compensation plans . . . . .	24		
25 Employee benefit programs . . . . .	25		
26 Excess exempt expenses (Schedule I) . . . . .	26		
27 Excess readership costs (Schedule J) . . . . .	27		
28 Other deductions (attach schedule) . . . . .	28		
29 Total deductions. Add lines 14 through 28 . . . . .	29		
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13 . . . . .	30		-8,465.
31 Net operating loss deduction (limited to the amount on line 30) . . . . .	31		
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30 . . . . .	32		-8,465.
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions) . . . . .	33		
34 Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32 . . . . .	34		-8,465.

**Part III Tax Computation**

35 Organizations Taxable as Corporations. See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here. <input type="checkbox"/> G <input type="checkbox"/> . See instructions and: a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order): (1) \$ <input type="text"/> (2) \$ <input type="text"/> (3) \$ <input type="text"/> b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) ..... \$ <input type="text"/> (2) Additional 3% tax (not more than \$100,000) ..... \$ <input type="text"/> c Income tax on the amount on line 34 ..... G 35c <input type="text"/> 0.	
36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041) ..... G 36 <input type="text"/>	
37 Proxy tax. See instructions ..... G 37 <input type="text"/>	
38 Alternative minimum tax ..... 38 <input type="text"/>	
39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies ..... 39 <input type="text"/> 0.	

**Part IV Tax and Payments**

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) ..... 40a <input type="text"/>	
b Other credits (see instructions) ..... 40b <input type="text"/>	
c General business credit. Check here and indicate which forms are attached: <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form(s) (specify) G <input type="text"/> ..... 40c <input type="text"/>	
d Credit for prior year minimum tax (attach Form 8801 or 8827) ..... 40d <input type="text"/>	
e Total credits. Add lines 40a through 40d ..... 40e <input type="text"/> 0.	
41 Subtract line 40e from line 39 ..... 41 <input type="text"/> 0.	
42 Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule) ..... 42 <input type="text"/>	
43 Total tax. Add lines 41 and 42 ..... 43 <input type="text"/> 0.	
44 a Payments: A 2007 overpayment credited to 2008 ..... 44a <input type="text"/>	
b 2008 estimated tax payments ..... 44b <input type="text"/>	
c Tax deposited with Form 8868 ..... 44c <input type="text"/>	
d Foreign organizations: Tax paid or withheld at source (see instructions) ..... 44d <input type="text"/>	
e Backup withholding (see instructions) ..... 44e <input type="text"/>	
f Other credits and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other <input type="text"/> Total ... G 44f <input type="text"/>	
45 Total payments. Add lines 44a through 44f ..... 45 <input type="text"/> 0.	
46 Estimated tax penalty (see instructions). Check if Form 2220 is attached ..... G <input type="checkbox"/> 46 <input type="text"/>	
47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed ..... G 47 <input type="text"/>	
48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid ..... G 48 <input type="text"/>	
49 Enter the amount of line 48 you want: Credited to 2009 estimated tax G Refunded G 49 <input type="text"/>	

**Part V Statements Regarding Certain Activities and Other Information (see instructions.)**

1 At any time during the 2008 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here ..... G <input type="text"/>	Yes	No
2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? ... If YES, see the instructions for other forms the organization may have to file.		X
3 Enter the amount of tax-exempt interest received or accrued during the tax year G \$ <input type="text"/> 0.		

**Schedule A Cost of Goods Sold. Enter method of inventory valuation G**

1 Inventory at beginning of year ..... 1 <input type="text"/>	6 Inventory at end of year ..... 6 <input type="text"/>
2 Purchases ..... 2 <input type="text"/>	7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2 ..... 7 <input type="text"/>
3 Cost of labor ..... 3 <input type="text"/>	
4a Additional section 263A costs (attach schedule) ..... 4a <input type="text"/>	8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? ..... Yes No
b Other costs (attach sch) ..... 4b <input type="text"/>	
5 Total. Add lines 1 through 4b ..... 5 <input type="text"/>	X

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here: Signature of officer G \_\_\_\_\_ Date \_\_\_\_\_ Title G \_\_\_\_\_

May the IRS discuss this return with the preparer shown below (see instructions)?  Yes  No

Paid Preparer's Use Only: Preparer's signature G LARRY T. WILLIAMS, CPA Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN 400-80-8975

Firm's name (or yours if self-employed), address, and ZIP code G LARRY WILLIAMS, CPA PO BOX 4130 FRANKFORT, KY 40604 EIN \_\_\_\_\_ Phone no. (502) 352-2800

Schedule C ' Rent Income (From Real Property and Personal Property Leased With Real Property) (see instructions)

1 Description of property		2 Rent received or accrued		3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	(1)	(2)	
(1) COMMERCIAL BUILDING 309 SPANGLER DRIVE			60,550.	SEE STATEMENT 1
(2)				
(3)				
(4)				
Total		Total	60,550.	
(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) . . . . . G			60,550.	(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) . . . . . G 69,015.

Schedule E ' Unrelated Debt-Financed Income (see instructions)

1 Description of debt-financed property	2 Gross income from or allocable to debt-financed property	3 Deductions directly connected with or allocable to debt-financed property		4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5 Average adjusted basis of or allocable to debt-financed property (attach schedule)	6 Column 4 divided by column 5	7 Gross income reportable (column 2 x column 6)	8 Allocable deductions (column 6 x total of columns 3(a) and 3(b))
		(a) Straight line depreciation (attach sch)	(b) Other deductions (attach schedule)					
(1)						%		
(2)						%		
(3)						%		
(4)						%		
Totals . . . . . G							Enter here and on page 1, Part I, line 7, column (A).	Enter here and on page 1, Part I, line 7, column (B).
Total dividends-received deductions included in column 8 . . . . . G								

Schedule F ' Interest, Annuities, Royalties, and Rents from Controlled Organizations (see instructions)

1 Name of Controlled Organization	2 Employer Identification Number	Exempt Controlled Organizations				6 Deductions directly connected with income in column 5
		3 Net unrelated income (loss) (see instructions)	4 Total of specified payments made	5 Part of column 4 that is included in the controlling organization's gross income		
(1)						
(2)						
(3)						
(4)						
7 Taxable Income		8 Net unrelated income (loss) (see instructions)	9 Total of specified payments made	10 Part of column 9 that is included in the controlling organization's gross income	11 Deductions directly connected with income in column 10	
(1)						
(2)						
(3)						
(4)						
Totals . . . . .				Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, part I, line 8, column (B).	

**Schedule G ' Investment Income of a Section 501(c)(7), (9), or (17) Organization** (see instructions)

1 Description of income	2 Amount of income	3 Deductions directly connected (attach schedule)	4 Set-asides (attach schedule)	5 Total deductions and set-asides (column 3 plus column 4)
(1)				
(2)				
(3)				
(4)				
Totals.....	G Enter here and on page 1, Part I, line 9, column (A).			Enter here and on page 1, Part I, line 9, column (B).

**Schedule I ' Exploited Exempt Activity Income, Other Than Advertising Income** (see instructions)

1 Description of exploited activity	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute columns 5 through 7.	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals.....	G Enter here and on page 1, Part I, line 10, column (A).	Enter here and on page 1, Part I, line 10, column (B).				Enter here and on page 1, Part II, line 26.

**Schedule J ' Advertising Income** (See instructions.)

**Part I Income From Periodicals Reported on a Consolidated Basis**

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (column 2 minus column 3). If a gain, compute columns 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5)).....	G					

**Part II Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising gain or (loss) (column 2 minus column 3). If a gain, compute columns 5 through 7.	5 Circulation income	6 Readership costs	7 Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
(5) Totals from Part I.....						
Totals, Part II (lines 1-5).....	G Enter here and on page 1, Part I, line 11, column (A).	Enter here and on page 1, Part I, line 11, column (B).				Enter here and on page 1, Part II, line 27.

**Schedule K ' Compensation of Officers, Directors, and Trustees** (see instructions)

1 Name	2 Title	3 Percent of time devoted to business	4 Compensation attributable to unrelated business
		%	
		%	
		%	
		%	
Total. Enter here and on page 1, Part II, line 14.....			G

# Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

G File a separate application for each return.

? If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box G

? If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II (on page 2 of this form).

*Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.*

**Part I** Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension ' check this box and complete Part I only G

All other corporations (including 1120-C filers), partnerships, REMICS, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (*e-file*). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on e-file for Charities & Nonprofits.

Type or print	Name of Exempt Organization <b>KENTUCKY RIVER FOOTHILLS DEVELOPMENT COUNCIL, INC.</b>	Employer identification number <b>61-0650246</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite number. If a P.O. box, see instructions. <b>309 SPANGLER DRIVE</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>RICHMOND, KY 40475</b>	

Check type of return to be filed (file a separate application for each return):

- |                                      |  |                                    |
|--------------------------------------|--|------------------------------------|
| <input type="checkbox"/> Form 990    | <input checked="" type="checkbox"/> Form 990-T (corporation)         | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (section 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above)         | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A                                 | <input type="checkbox"/> Form 8870 |

? The books are in the care of G NENA THACKER -----

Telephone No. G 859-624-2046 FAX No. G -----

? If the organization does not have an office or place of business in the United States, check this box G

? If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box G . If it is for part of the group, check this box G  and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 5/15, 20 10, to file the exempt organization return for the organization named above.  
The extension is for the organization's return for:

- G  calendar year 20 \_\_\_\_ or  
G  tax year beginning 7/01, 20 08, and ending 6/30, 20 09.

2 If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a	\$	0.
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b	\$	0.
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	\$	0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.



STATEMENT 1  
FORM 990-T, SCHEDULE C, LINE 3  
DEDUCTIONS DIRECTLY CONNECTED WITH INCOME

COMMERCIAL BUILDING 309 SPANGLER DRIVE	
DEPRECIATION.....	\$ 27,481.
INTEREST.....	40,048.
REPAIRS.....	1,486.
TOTAL	<u>\$ 69,015.</u>