

IOWA NORTHLAND REGIONAL  
COUNCIL OF GOVERNMENTS

INDEPENDENT AUDITOR'S REPORTS  
FINANCIAL STATEMENTS AND  
SUPPLEMENTAL INFORMATION  
SCHEDULE OF FINDINGS

JUNE 30, 2004

- Prepared By -

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Iowa Northland Regional Council of Governments  
Waterloo, IA 50703

I have audited the accompanying general purpose financial statements, listed as exhibits in the table of contents of this report, of the Iowa Northland Regional Council of Governments (INRCOG) as of and for the year ended June 30, 2004. These general purpose financial statements are the responsibility of INRCOG's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with U.S. generally accepted auditing standards, Chapter 11 of the Code of Iowa, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards and provisions require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements present fairly, in all material respects, the financial position of INRCOG at June 30, 2004 and the results of its operations and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated November 30, 2004 on my consideration of INRCOG's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations and contracts. This report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information included in Schedules 1 through 2, including the Schedule of Expenditures of Federal Awards required by U. S. Office of Management and Budget (OMB) Circular A-133, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in my audit of the aforementioned financial statements and, in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

November 30, 2004

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
BALANCE SHEET  
JUNE 30, 2004

	<u>Iowa Northland</u>		
	<u>Regional</u>	<u>Council</u>	
	<u>Transit</u>	<u>of</u>	
	<u>Commission</u>	<u>Governments</u>	<u>Total</u>
<b>ASSETS:</b>			
Current assets:			
Cash and cash equivalents	\$1,889,444	\$ 620,029	\$2,509,473
Investments (at cost)	163,681	-	163,681
Accounts receivable	71,595	249,766	321,361
Notes receivable	-	196,937	196,937
Prepaid expenses	-	871	871
Total current assets	<u>\$2,124,720</u>	<u>\$1,067,603</u>	<u>\$3,192,323</u>
Fixed assets:			
Furniture and equipment	\$ 180,414	\$ 78,461	\$ 258,875
Vehicles - unrestricted	246,027	-	246,027
Vehicles - restricted	813,208	-	813,208
Moving costs	664	-	664
Leasehold improvements	308,370	74,597	382,967
Total	<u>\$1,548,683</u>	<u>\$ 153,058</u>	<u>\$1,701,741</u>
Less accumulated depreciation	<u>(1,342,575)</u>	<u>(142,931)</u>	<u>(1,485,506)</u>
Net fixed assets	<u>\$ 206,108</u>	<u>\$ 10,127</u>	<u>\$ 216,235</u>
<b>Total assets</b>	<b><u>\$2,330,828</u></b>	<b><u>\$1,077,730</u></b>	<b><u>\$3,408,558</u></b>
<b>LIABILITIES AND FUND EQUITY:</b>			
Current liabilities:			
Trade accounts payable	\$ 44,185	\$ 21,268	\$ 65,453
Accrued wages and payroll taxes payable	4,990	17,163	22,153
Accrued benefits payable	22,684	119,843	142,527
Unearned revenue	-	179,359	179,359
Total current liabilities	<u>\$ 71,859</u>	<u>\$ 337,633</u>	<u>\$ 409,492</u>
Fund equity:			
Retained earnings:			
Reserved (Note 2)	\$ 108,464	\$ 387,342	\$ 495,806
Unreserved	2,150,505	352,755	2,503,260
Total retained earnings	<u>\$2,258,969</u>	<u>\$ 740,097</u>	<u>\$2,999,066</u>
<b>Total liabilities and fund equity</b>	<b><u>\$2,330,828</u></b>	<b><u>\$1,077,730</u></b>	<b><u>\$3,408,558</u></b>

*See Notes to Financial Statements.*

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
 COMBINED STATEMENT OF RECEIPTS, EXPENDITURES, AND  
 CHANGES IN RETAINED EARNINGS  
 YEAR ENDED JUNE 30, 2004

	<u>Iowa Northland</u>		
	<u>Regional</u>	<u>Council</u>	
	<u>Transit</u>	<u>of</u>	
	<u>Commission</u>	<u>Governments</u>	<u>Total</u>
<b>RECEIPTS:</b>			
Federal funds	\$ 251,145	\$ 217,237	\$ 468,382
State funds	297,513	272,910	570,423
Local:			
Contract revenue	563,371	797,307	1,360,678
Membership revenue	-	85,568	85,568
Interest	18,334	10,965	29,299
Miscellaneous	11,992	24,939	36,931
Total	<u>\$1,142,355</u>	<u>\$1,408,926</u>	<u>\$2,551,281</u>
<b>EXPENDITURES:</b>			
Salaries and fringe benefits	\$ -	\$ 782,971	\$ 782,971
Drivers' salaries and benefits	153,478	-	153,478
Travel	-	31,009	31,009
Meals	-	8,274	8,274
Seminars	350	3,877	4,227
Telephone/internet	1,081	1,682	2,763
Awards	-	680	680
Contracted services	176,956	134,836	311,792
Office supplies	326	3,001	3,327
Miscellaneous	3,498	668	4,166
Postage	1,494	7,250	8,744
Copy expense	2,263	10,217	12,480
Advertising and notices	1,302	122	1,424
Subscriptions	-	49	49
Professional memberships	2,806	35	2,841
Recording fees	-	538	538
Administrative overhead	70,423	318,073	388,496
Transportation cost	486,349	-	486,349
Provision for forgivable loan	-	26,933	26,933
Administrative expense - INRHC	-	9,551	9,551
Printing	-	2,079	2,079
Equipment purchases	-	1,609	1,609
Relocation	-	17,218	17,218
Insurance	18,091	-	18,091
Depreciation	123,034	-	123,034
Legal and accounting	13,730	105	13,835
Equipment maintenance	251	-	251
Radio service	1,824	-	1,824
Total	<u>\$1,057,256</u>	<u>\$1,360,777</u>	<u>\$2,418,033</u>
Net transactions	\$ 85,099	\$ 48,149	\$ 133,248
Retained earnings beginning of year	2,173,870	792,951	2,966,821
Prior period adjustment	-	(101,003)	(101,003)
<b>Retained earnings end of year</b>	<b><u>\$2,258,969</u></b>	<b><u>\$ 740,097</u></b>	<b><u>\$2,999,066</u></b>

*See Notes to Financial Statements.*

**IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2004**

	<u>Iowa Northland</u>		
	<u>Regional</u>	<u>Council</u>	
	<u>Transit</u>	<u>of</u>	
	<u>Commission</u>	<u>Governments</u>	<u>Total</u>
Cash flows from operating activities:			
Cash received from membership revenue	\$ -	\$ 85,568	\$ 85,568
Cash received from contract fees	536,599	1,034,896	1,571,495
Cash received from miscellaneous sources	11,992	24,939	36,931
Cash received from state operating grants	297,513	208,889	506,402
Cash received from federal operating grants	112,157	221,471	333,628
Cash paid for salaries and benefits	(152,063)	(797,613)	(949,676)
Cash paid for administration	(748,166)	(649,077)	(1,397,243)
Net cash provided by operating activities	<u>\$ 58,032</u>	<u>\$ 129,073</u>	<u>\$ 187,105</u>
Cash flows from capital and related financing activities:			
Cash received from federal capital grants	\$ 132,812	\$ -	\$ 132,812
Net acquisition of fixed assets	(166,317)	(808)	(167,125)
Net cash used by financing activities	<u>\$ (33,505)</u>	<u>\$ (808)</u>	<u>\$ (34,313)</u>
Cash flows from investing activities:			
Purchase of investments	\$ (3,310)	\$ -	\$ (3,310)
Interest received	18,334	10,965	29,299
Net cash provided for investing activities	<u>\$ 15,024</u>	<u>\$ 10,965</u>	<u>\$ 25,989</u>
Net increase in cash	\$ 39,551	\$ 139,230	\$ 178,781
Cash and cash equivalents beginning of year	2,013,574	480,799	2,494,373
<b>Cash and cash equivalents end of year</b>	<b><u>\$ 2,053,125</u></b>	<b><u>\$ 620,029</u></b>	<b><u>\$ 2,673,154</u></b>
<b>Reconciliation of net transactions to net cash provided by operating activities:</b>			
Net transactions	\$ 85,099	\$ 48,149	\$ 133,248
Adjustments for long-term non-cash items:			
Depreciation	123,034	-	123,034
Receipts and expenditures not classified as operating	(149,836)	(101,780)	(251,616)
Adjustments for current non-cash items:			
Changes in prepaid expenses	-	(871)	(871)
Changes in receivables	(36,285)	143,524	107,239
Changes in accounts payable	34,605	8,410	43,015
Changes in accrued wages payable	(292)	(150)	(442)
Changes in accrued benefits payable	1,707	(2,490)	(783)
Changes in unearned revenue	-	34,281	34,281
<b>Net cash provided by operating activities</b>	<b><u>\$ 58,032</u></b>	<b><u>\$ 129,073</u></b>	<b><u>\$ 187,105</u></b>

*See Notes to Financial Statements.*

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2004

(1) Organization

The Iowa Northland Regional Council of Governments (INRCOG) is an Inter-Governmental Council, established in accordance with provisions of Chapter 28E of the State Code of Iowa (Inter-Governmental Cooperation Agreement). The area of jurisdiction is Region 7 which includes Black Hawk, Bremer, Buchanan, Butler, Chickasaw, and Grundy counties. INRCOG's powers and duties are those authorized by Chapter 28H of the State of Iowa (Councils of Governments). INRCOG provides professional and technical services on a regional basis to maintain area-wide certification for state and federal grant and aid projects. It also provides planning advisory services and assistance in preparing special planning documents and applications to its members. INRCOG also provides transportation services to the elderly, handicapped and rural areas through the Iowa Northland Regional Transit Commission. In performing its duties, INRCOG may contract with and expend funds from federal, state, and local agencies, public or semi-public agencies and private individuals and Corporations.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in conformity with generally accepted accounting principles.

(b) Assets, Liabilities and Fund Equity

The following accounting policies are followed in preparing the balance sheet:

Cash and Cash Equivalents - The cash balances are invested. For purposes of the statement of cash flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and at the day of purchase, they have a maturity date no longer than three months.

Investments - Investments are stated at cost which approximates market.

Notes Receivable - This account is utilized to record revolving loan funds loaned to eligible homeowners with the intent that if certain target performances have been satisfied, a portion of the loans may be forgiven.

Property and Equipment - Fixed assets are accounted for at original cost. Depreciation has been provided over the estimated useful lives using the straight-line method.

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2004

(2) Summary of Significant Accounting Policies - continued

Accrued Benefits Payable - Accrued benefits payable are earned vacation and sick leave and have been accrued as liabilities on the balance sheet. These current liabilities have been computed based on rates of pay in effect at June 30, 2004.

Unearned Revenue - Unearned revenue represents dues received from members for the next year and various grant advanced funding.

Reserved Retained Earnings - The Council of Government's reserved retained earnings represents the reserve for revolving loan funds. The Agency received grant funds to establish revolving loan funds for housing needs.

The Regional Transit Commission's reserved retained earnings represents the portion of federal participation in the purchase of transit vehicles and related equipment. Subsequent disposition of assets purchased with federal funds are subject to certain restrictions.

(3) Cash and Investments

INRCOG's deposits in banks at June 30, 2004 were entirely covered by Federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

INRCOG is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Directors and the Treasurer of the State of Iowa; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

INRCOG's investments are categorized to give an indication of the level of risk assumed by INRCOG at year end. INRCOG's investments are all category 1 which means that the investments are insured or registered or the securities are held by INRCOG or its agent in INRCOG's name.

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2004

(4) **Fixed Assets**

The following table summarizes the changes in the components of the Fixed Assets:

<u>Iowa Northland Council of Governments</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>
Furniture and equipment	\$ 77,654	\$ 807	\$ -	\$ 78,461
Leasehold improvements	<u>74,597</u>	<u>-</u>	<u>-</u>	<u>74,597</u>
Total	<u>\$ 152,251</u>	<u>\$ 807</u>	<u>\$ -</u>	<u>\$ 153,058</u>

<u>Iowa Northland Regional Transit Commission</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>
Furniture and equipment	\$ 172,693	\$ 7,721	\$ -	\$ 180,414
Vehicles - unrestricted	237,902	27,783	19,658	246,027
Vehicles - restricted	715,512	132,813	35,117	813,208
Moving costs	664	-	-	664
Leasehold improvements	<u>308,370</u>	<u>-</u>	<u>-</u>	<u>308,370</u>
Total	<u>\$1,435,141</u>	<u>\$168,317</u>	<u>\$ 54,775</u>	<u>\$1,548,683</u>

(5) **Pension and Retirement Benefits**

INRCOG contributes to the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statement and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, IA, 50306-9117.

Plan members are required to contribute 3.70% of their annual salary and INRCOG is required to contribute 5.75% of annual payroll. Contribution requirements are established by State statute. INRCOG's contribution to IPERS for the year ended June 30, 2004 was \$50,027 which was equal to the required contribution for the year.

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2004

(6) Operating Lease

INRCOG leases its office space on an operating lease basis. The lease calls for lease payments as described below. In addition, INRCOG is responsible for any leasehold improvements. Total rental and lease expense for the year ended June 30, 2004 was \$85,113.

The following is a schedule, by years, of future minimum rental payments required under the operating lease:

<u>Year ending June 30,</u>	<u>Amount</u>
2005	\$ 93,026
2006	93,026
2007	96,617
2008	96,617
2009	96,617
	<u>\$475,903</u>

(7) Risk Management

INRCOG is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

(8) Prior Period Adjustment

A prior period adjustment has been made to the financial statements in order to record the forgivable portion of revolving loan fund notes receivable. In prior years only the repayable portion of the note was recorded at the time the loan was made.

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF PROGRAM RECEIPTS, EXPENDITURES, AND  
CHANGES IN RETAINED EARNINGS  
YEAR ENDED JUNE 30, 2004

	<u>Admini- stration</u>	<u>Technical Assistance</u>	<u>Cedar Valley Lakes</u>	<u>Blackhawk County Solid Waste</u>
<b>RECEIPTS:</b>				
Federal funds	\$ -	\$ -	\$ -	\$ -
State funds	-	-	-	-
Local:				
Contract revenue	-	17,415	10	13,586
Membership revenue	-	27,008	-	-
Miscellaneous	-	-	-	-
Interest	-	2,296	-	-
Total	<u>\$ -</u>	<u>\$ 46,719</u>	<u>\$ 10</u>	<u>\$ 13,585</u>
 <b>EXPENDITURES:</b>				
Salaries and fringe benefits	\$(16,276)	\$ 43,000	\$ -	\$ 10,130
Travel	-	7,837	-	136
Meals	-	632	-	-
Seminar	-	1,135	-	-
Telephone/internet	-	150	-	3
Awards	-	-	-	-
Contracted services	-	-	-	-
Office supplies	-	365	-	-
Miscellaneous	-	-	-	-
Postage	-	641	9	14
Copy expense	-	1,271	1	94
Advertising and notices	-	-	-	-
Subscriptions	-	-	-	-
Professional memberships	-	-	-	35
Recording fees	-	-	-	-
Administrative overhead	-	17,112	-	4,031
Provision for forgivable loan	-	-	-	-
Administrative expense - INHRC	-	-	-	-
Printing	-	90	-	-
Equipment purchases	-	-	-	-
Relocation	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$(16,276)</u>	<u>\$ 72,233</u>	<u>\$ 10</u>	<u>\$ 14,442</u>
Net transactions	\$ 16,276	\$(25,514)	\$ -	\$ (857)
Agency interfund transfer	31,873	25,514	-	857
Retained earnings beginning of year	792,951	-	-	-
Prior period adjustment	<u>(101,003)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Retained earnings end of year</b>	<b><u>\$740,097</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

(continued)

<u>Housing Council</u>	<u>BHC Contractors Bond</u>	<u>Butler Emergency Management</u>	<u>Stanely CDBG</u>	<u>COG Assistance</u>	<u>INREDC</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,000
-	-	-	-	9,375	-
-	-	2,230	5,162	-	17,000
-	-	-	-	-	-
9,551	11,285	-	-	-	-
-	-	-	-	-	59
<u>\$ 9,551</u>	<u>\$ 11,285</u>	<u>\$ 2,230</u>	<u>\$ 5,162</u>	<u>\$ 9,375</u>	<u>\$ 68,059</u>
\$ 6,506	\$ 2,175	\$ 831	\$ 3,555	\$ 6,739	\$ 51,423
363	-	28	103	-	3,738
-	-	-	-	-	651
15	-	-	-	-	864
2	1	1	2	-	51
-	-	-	-	-	-
-	-	-	36	-	-
-	29	-	-	-	-
-	-	-	-	-	-
28	329	-	20	-	182
48	85	3	32	-	324
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,589	865	331	1,414	2,682	20,465
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 9,551</u>	<u>\$ 3,484</u>	<u>\$ 1,194</u>	<u>\$ 5,162</u>	<u>\$ 9,421</u>	<u>\$ 77,698</u>
\$ -	\$ 7,801	\$ 1,036	\$ -	\$ (46)	\$ (9,638)
-	(7,801)	(1,036)	-	46	9,638
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
 SCHEDULE OF PROGRAM RECEIPTS, EXPENDITURES, AND  
 CHANGES IN RETAINED EARNINGS  
 YEAR ENDED JUNE 30, 2004

	<u>RTC</u>	<u>Metro Trans- portation</u>	<u>Butler Zoning Subdivision</u>	<u>INRCOG Housing RLF</u>
<b>RECEIPTS:</b>				
Federal funds	\$ -	\$125,324	\$ -	\$ -
State funds	-	-	-	-
Local:				
Contract revenue	255,240	-	4,708	-
Membership revenue	-	31,332	-	-
Miscellaneous	-	-	-	4,103
Interest	-	-	-	8,211
Total	<u>\$255,240</u>	<u>\$156,656</u>	<u>\$ 4,708</u>	<u>\$ 12,314</u>
<b>EXPENDITURES:</b>				
Salaries and fringe benefits	\$176,956	\$108,164	\$ 2,881	\$ 2,681
Travel	2,556	1,383	56	37
Meals	19	48	-	-
Seminar	-	220	-	-
Telephone/internet	1,031	18	1	3
Awards	680	-	-	-
Contracted services	-	-	-	-
Office supplies	100	1,114	-	-
Miscellaneous	-	-	-	668
Postage	1,182	405	13	70
Copy expense	2,263	879	10	30
Advertising and notices	-	56	-	-
Subscriptions	-	-	-	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Administrative overhead	70,423	43,046	1,147	1,067
Provision for forgivable loan	-	-	-	11,017
Administrative expense - INRHC	-	-	-	9,551
Printing	-	-	-	-
Equipment purchases	-	1,302	-	-
Relocation	-	-	-	-
Legal and accounting	30	20	-	35
Total	<u>\$255,240</u>	<u>\$156,655</u>	<u>\$ 4,108</u>	<u>\$ 25,159</u>
Net transactions	\$ -	\$ 1	\$ 600	\$(12,845)
Agency intrafund transfer	-	(1)	(600)	12,845
Retained earnings beginning of year	-	-	-	-
Prior period adjustment	-	-	-	-
<b>Retained earnings end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 1  
(continued)

<u>Regional Trans- portation</u>	<u>LaPorte City CBP Update</u>	<u>Solid Waste Comp Plan</u>	<u>Bremer/Denver 28E</u>	<u>Hudson Comp Plan</u>	<u>NE Iowa Comm Dev Group</u>	<u>Jesup Rehab</u>
\$ 40,913	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	3,500	20,579	3,776	553	4,099	13,214
10,228	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 51,141</u>	<u>\$ 3,500</u>	<u>\$ 20,579</u>	<u>\$ 3,776</u>	<u>\$ 553</u>	<u>\$ 4,099</u>	<u>\$ 13,214</u>
\$ 35,096	\$ 2,282	\$ 13,338	\$ 2,012	\$ 350	\$ -	\$ 7,859
612	65	391	141	20	371	312
-	-	-	-	-	2,470	-
-	-	-	-	-	1,258	-
14	-	11	-	-	-	10
-	-	-	-	-	-	-
-	-	-	-	-	-	1,700
1,039	-	-	-	-	-	-
-	-	-	-	-	-	-
254	7	177	3	1	-	116
320	32	930	58	10	-	89
66	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
13,967	909	5,308	801	139	-	3,128
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
307	-	-	-	-	-	-
-	-	-	-	-	-	-
20	-	-	-	-	-	-
<u>\$ 51,695</u>	<u>\$ 3,295</u>	<u>\$ 20,155</u>	<u>\$ 3,015</u>	<u>\$ 520</u>	<u>\$ 4,099</u>	<u>\$ 13,214</u>
\$ (554)	\$ 205	\$ 424	\$ 761	\$ 33	\$ -	\$ -
554	(205)	(424)	(761)	(33)	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
 SCHEDULE OF PROGRAM RECEIPTS, EXPENDITURES, AND  
 CHANGES IN RETAINED EARNINGS  
 YEAR ENDED JUNE 30, 2004

	<u>FEMA</u>	<u>Independence Flood 1277</u>	<u>Waverly Comp Plan</u>	<u>Safety Program</u>
<b>RECEIPTS:</b>				
Federal funds	\$ -	\$ -	\$ -	\$ -
State funds	-	-	-	-
Local:				
Contract revenue	1,682	2,589	8,783	46,727
Membership revenue	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	129
Total	<u>\$ 1,682</u>	<u>\$ 2,589</u>	<u>\$ 8,783</u>	<u>\$ 46,857</u>
 <b>EXPENDITURES:</b>				
Salaries and fringe benefits	\$ 1,229	\$ 1,809	\$ 4,098	\$ 36,296
Travel	-	-	316	2,052
Meals	-	-	-	15
Seminar	-	-	-	60
Telephone/internet	1	6	-	32
Awards	-	-	-	-
Contracted services	-	-	-	-
Office supplies	-	-	-	11
Miscellaneous	-	-	-	-
Postage	89	29	-	257
Copy expense	109	25	87	176
Advertising and notices	-	-	-	-
Subscriptions	-	-	-	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Administrative overhead	489	720	1,631	14,446
Provision for forgivable loan	-	-	-	-
Administrative expense - INRHC	-	-	-	-
Printing	-	-	-	-
Equipment purchases	-	-	-	-
Relocation	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 1,917</u>	<u>\$ 2,589</u>	<u>\$ 6,132</u>	<u>\$ 53,345</u>
Net transactions	\$ (235)	\$ -	\$ 2,651	\$ (6,489)
Agency intrafund transfer	235	-	(2,651)	6,489
Retained earnings beginning of year	-	-	-	-
Prior period adjustment	-	-	-	-
<b>Retained earnings end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 1  
(continued)

<u>Fredericks- burg HMP II</u>	<u>Bremer County HMP II</u>	<u>New Hampton HMP II</u>	<u>Hazelton Comp Plan</u>	<u>Grundy Center Rehab</u>	<u>Elk Run Heights Unmet Needs</u>	<u>Denver HMP II</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
2,265	2,588	3,110	4,590	13,929	5,072	2,845
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 2,265</u>	<u>\$ 2,588</u>	<u>\$ 3,110</u>	<u>\$ 4,590</u>	<u>\$ 13,929</u>	<u>\$ 5,072</u>	<u>\$ 2,845</u>
\$ 1,508	\$ 1,716	\$ 2,115	\$ 2,119	\$ 8,090	\$ 3,578	\$ 1,954
96	54	78	69	304	20	35
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	4	24	7	-
-	-	-	-	-	-	-
-	-	-	-	2,000	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
32	83	44	12	143	12	27
16	52	32	87	123	8	38
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	5	-	-
600	683	841	843	3,220	1,424	778
-	-	-	-	-	-	-
-	-	-	-	-	-	-
13	-	-	-	20	7	13
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 2,265</u>	<u>\$ 2,588</u>	<u>\$ 3,110</u>	<u>\$ 3,134</u>	<u>\$ 13,929</u>	<u>\$ 5,056</u>	<u>\$ 2,845</u>
\$ -	\$ -	\$ -	\$ 1,456	\$ -	\$ 16	\$ -
-	-	-	(1,456)	-	(16)	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF PROGRAM RECEIPTS, EXPENDITURES, AND  
CHANGES IN RETAINED EARNINGS  
YEAR ENDED JUNE 30, 2004

	<u>Hudson Rehab II</u>	<u>CV Coalition</u>	<u>Nashua HMP II</u>	<u>Fairbank Lot</u>
<b>RECEIPTS:</b>				
Federal funds	\$ -	\$ -	\$ -	\$ -
State funds	-	-	-	-
Local:				
Contract revenue	11,813	16,690	2,788	32
Membership revenue	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	270	-	-
Total	<u>\$ 11,813</u>	<u>\$ 16,960</u>	<u>\$ 2,788</u>	<u>\$ 32</u>
<b>EXPENDITURES:</b>				
Salaries and fringe benefits	\$ 6,343	\$ -	\$ 1,885	\$ 22
Travel	167	1,771	95	-
Meals	-	4,429	-	-
Seminar	-	-	-	-
Telephone/internet	1	49	1	-
Awards	-	-	-	-
Contracted services	2,598	8,000	-	-
Office supplies	-	259	-	-
Miscellaneous	-	-	-	-
Postage	87	43	31	-
Copy expense	70	290	15	-
Advertising and notices	-	-	-	-
Subscriptions	-	-	-	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Administrative overhead	2,524	-	750	9
Provision for forgivable loan	-	-	-	-
Administrative expense - INRHC	-	-	-	-
Printing	23	1,848	11	-
Equipment purchases	-	-	-	-
Relocation	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 11,813</u>	<u>\$ 16,689</u>	<u>\$ 2,788</u>	<u>\$ 31</u>
Net transactions	\$ -	\$ 271	\$ -	\$ 1
Agency intrafund transfer	-	(271)	-	(1)
Retained earnings beginning of year	-	-	-	-
Prior period adjustment	-	-	-	-
<b>Retained earnings end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)



IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF PROGRAM RECEIPTS, EXPENDITURES, AND  
CHANGES IN RETAINED EARNINGS  
YEAR ENDED JUNE 30, 2004

	<u>Plainfield</u>	<u>FHLB</u> <u>Emergency</u>	<u>Dunkerton</u>	<u>Lawler</u>
	<u>HMP</u>	<u>Repair</u>	<u>Flood 1277</u>	<u>HMP II</u>
<b>RECEIPTS:</b>				
Federal funds	\$ -	\$ -	\$ -	\$ -
State funds	-	128,252	-	-
Local:				
Contract revenue	3,636	-	3,816	3,481
Membership revenue	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 3,636</u>	<u>\$128,252</u>	<u>\$ 3,816</u>	<u>\$ 3,481</u>
 <b>EXPENDITURES:</b>				
Salaries and fringe benefits	\$ 2,506	\$ 5,521	\$ 2,687	\$ 2,376
Travel	71	505	30	111
Meals	-	-	-	-
Seminar	-	-	-	-
Telephone/internet	-	33	5	-
Awards	-	-	-	-
Contracted services	-	100,105	-	-
Office supplies	-	-	-	-
Miscellaneous	-	-	-	-
Postage	43	168	8	31
Copy expense	19	115	16	17
Advertising and notices	-	-	-	-
Subscriptions	-	-	-	-
Professional memberships	-	-	-	-
Recording fees	-	468	-	-
Administrative overhead	997	2,197	1,070	946
Provision for forgivable loan	-	-	-	-
Administrative expense - INRHC	-	-	-	-
Printing	-	-	-	-
Equipment purchases	-	-	-	-
Relocation	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 3,636</u>	<u>\$109,112</u>	<u>\$ 3,816</u>	<u>\$ 3,481</u>
Net transactions	\$ -	\$ 19,140	\$ -	\$ -
Agency intrafund transfer	-	(19,140)	-	-
Retained earnings beginning of year	-	-	-	-
Prior period adjustment	-	-	-	-
<b>Retained earnings end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 1  
(continued)

<u>Parkersburg Rehab II</u>	<u>Aurora HMP II</u>	<u>Alta Vista HMP II</u>	<u>Greene HMP II</u>	<u>Sumner HMP II</u>	<u>Davis-Bacon West</u>	<u>Gilbertville HMP</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
11,542	2,220	2,558	2,913	3,221	1,996	2,379
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 11,542</u>	<u>\$ 2,220</u>	<u>\$ 2,558</u>	<u>\$ 2,913</u>	<u>\$ 3,221</u>	<u>\$ 1,996</u>	<u>\$ 2,379</u>
\$ 6,795	\$ 1,481	\$ 1,714	\$ 1,956	\$ 2,206	\$ 1,376	\$ 1,641
390	102	108	105	89	3	26
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1	-	-	-	1	9	-
-	-	-	-	-	-	-
1,500	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
82	33	25	46	33	2	29
61	16	17	27	14	3	30
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,704	588	682	779	878	547	653
-	-	-	-	-	-	-
-	-	-	-	-	-	-
9	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 11,542</u>	<u>\$ 2,220</u>	<u>\$ 2,546</u>	<u>\$ 2,913</u>	<u>\$ 3,221</u>	<u>\$ 1,940</u>	<u>\$ 2,379</u>
\$ -	\$ -	\$ 12	\$ -	\$ -	\$ 56	\$ -
-	-	(12)	-	-	(56)	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF PROGRAM RECEIPTS, EXPENDITURES, AND  
CHANGES IN RETAINED EARNINGS  
YEAR ENDED JUNE 30, 2004

	<u>Grundy Center PFSA</u>	<u>LHAP RLF</u>	<u>IWE</u>	<u>Greene Personnel Handbook</u>
<b>RECEIPTS:</b>				
Federal funds	\$ -	\$ -	\$ -	\$ -
State funds	-	81,359	34,450	-
Local:				
Contract revenue	1,112	-	-	1,725
Membership revenue	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 1,112</u>	<u>\$ 81,359</u>	<u>\$ 34,450</u>	<u>\$ 1,725</u>
 <b>EXPENDITURES:</b>				
Salaries and fringe benefits	\$ 737	\$ -	\$ 29,555	\$ 1,091
Travel	34	-	861	115
Meals	-	-	-	-
Seminar	-	-	325	-
Telephone/internet	2	-	36	1
Awards	-	-	-	-
Contracted services	-	-	-	-
Office supplies	-	-	-	-
Miscellaneous	-	-	-	-
Postage	2	-	35	7
Copy expense	3	-	35	5
Advertising and notices	-	-	-	-
Subscriptions	-	-	49	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Administrative overhead	294	-	11,762	434
Provision for forgivable loan	-	-	-	-
Administrative expense - INRHC	-	-	-	-
Printing	-	-	-	-
Equipment purchases	-	-	-	-
Relocation	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 1,072</u>	<u>\$ -</u>	<u>\$ 42,658</u>	<u>\$ 1,653</u>
Net transactions	\$ 40	\$ 81,359	\$ (8,208)	\$ 72
Agency intrafund transfer	(40)	(81,359)	8,208	(72)
Retained earnings beginning of year	-	-	-	-
Prior period adjustment	-	-	-	-
<b>Retained earnings end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 1  
(continued)

Buchanan Co. <u>HMP II</u>	New Hartford <u>HMP II</u>	Aurora <u>CDBG</u>	FHLB <u>Emergency Repair II</u>	Sumner <u>CDBG</u>	Waverly <u>Personnel Handbook</u>	Readlyn HMP
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	17,916	-	-	-
2,875	2,117	5,092	-	6,433	635	4,646
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 2,875</u>	<u>\$ 2,117</u>	<u>\$ 5,092</u>	<u>\$ 17,916</u>	<u>\$ 6,433</u>	<u>\$ 635</u>	<u>\$ 4,646</u>
\$ 3,058	\$ 2,224	\$ 3,596	\$ 928	\$ 7,228	\$ 402	\$ 3,237
56	53	-	248	90	-	49
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3	2	9	10	3	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
7	7	-	-	-	-	-
-	-	-	-	-	-	-
49	40	4	138	13	3	33
92	65	4	86	9	3	39
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	65	-	-	-
-	-	-	369	-	-	-
1,217	885	1,431	15,916	2,877	159	1,288
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 4,482</u>	<u>\$ 3,276</u>	<u>\$ 5,044</u>	<u>\$ 17,760</u>	<u>\$ 10,220</u>	<u>\$ 567</u>	<u>\$ 4,646</u>
\$ (1,607)	\$ (1,159)	\$ 48	\$ 156	\$ (3,787)	\$ 68	\$ -
1,607	1,159	(48)	(156)	3,787	(68)	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF PROGRAM RECEIPTS, EXPENDITURES, AND  
CHANGES IN RETAINED EARNINGS  
YEAR ENDED JUNE 30, 2004

	<u>Jesup Lead</u> <u>Based Paint</u>	<u>Wellsburg</u> <u>HMP</u>	<u>Winthrop</u> <u>HMP</u>	<u>Blackhawk</u> <u>Co HMP II</u>
<b>RECEIPTS:</b>				
Federal funds	\$ -	\$ -	\$ -	\$ -
State funds	-	-	-	-
Local:				
Contract revenue	7,265	306	280	3,449
Membership revenue	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 7,265</u>	<u>\$ 306</u>	<u>\$ 280</u>	<u>\$ 3,449</u>
 <b>EXPENDITURES:</b>				
Salaries and fringe benefits	\$ 3,275	\$ 840	\$ 1,169	\$ 3,331
Travel	70	61	45	-
Meals	-	-	-	-
Seminar	-	-	-	-
Telephone/internet	-	-	1	1
Awards	-	-	-	-
Contracted services	1,264	-	-	-
Office supplies	-	-	-	7
Miscellaneous	-	-	-	-
Postage	86	6	4	94
Copy expense	2	-	18	199
Advertising and notices	-	-	-	-
Subscriptions	-	-	-	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Administrative overhead	1,304	334	465	1,326
Provision for forgivable loan	-	-	-	-
Administrative expense - INRHC	-	-	-	-
Printing	-	-	-	-
Equipment purchases	-	-	-	-
Relocation	1,264	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 7,265</u>	<u>\$ 1,241</u>	<u>\$ 1,702</u>	<u>\$ 4,958</u>
Net transactions	\$ -	\$ (935)	\$ (1,422)	\$ (1,509)
Agency intrafund transfer	-	935	1,422	1,509
Retained earnings beginning of year	-	-	-	-
Prior period adjustment	-	-	-	-
<b>Retained earnings end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 1  
(continued)

Grundy Center Based Lead <u>Paint</u>	Dunkerton <u>HMP II</u>	Davis-Bacon <u>Bunger</u>	Cedar Falls <u>HMP II</u>	Parkersburg II-Lead <u>Based Paint</u>	Evansdale <u>Rehab</u>	Waterloo <u>Relocation</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
12,526	2,071	1,526	3,652	6,247	11,520	2,563
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 12,526</u>	<u>\$ 2,071</u>	<u>\$ 1,526</u>	<u>\$ 3,652</u>	<u>\$ 6,247</u>	<u>\$ 11,520</u>	<u>\$ 2,563</u>
\$ 4,403	\$ 1,992	\$ 1,109	\$ 3,346	\$ 3,379	\$ 6,430	\$ 1,830
149	35	-	45	89	86	4
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2	1	-	-	-	2	-
-	-	-	-	-	-	-
1,326	-	-	-	877	2,250	-
-	7	-	7	-	-	-
-	-	-	-	-	-	-
70	39	1	70	44	110	-
3	55	-	191	-	83	1
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,752	792	442	1,332	1,345	2,559	728
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,821	-	-	-	513	-	-
-	-	-	-	-	-	-
<u>\$ 12,526</u>	<u>\$ 2,921</u>	<u>\$ 1,552</u>	<u>\$ 4,991</u>	<u>\$ 6,247</u>	<u>\$ 11,520</u>	<u>\$ 2,563</u>
\$ -	\$ (850)	\$ (26)	\$ (1,339)	\$ -	\$ -	\$ -
-	850	26	1,339	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF PROGRAM RECEIPTS, EXPENDITURES, AND  
CHANGES IN RETAINED EARNINGS  
YEAR ENDED JUNE 30, 2004

	Waterloo HMP II	W/CJ Consolidated Plan	Shell Rock Flood	Story County CDBG
<b>RECEIPTS:</b>				
Federal funds	\$ -	\$ -	\$ -	\$ -
State funds	-	-	-	-
Local:				
Contract revenue	5,136	12,000	3,993	7,019
Membership revenue	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 5,136</u>	<u>\$ 12,000</u>	<u>\$ 3,993</u>	<u>\$ 7,019</u>
<b>EXPENDITURES:</b>				
Salaries and fringe benefits	\$ 4,478	\$ 8,496	\$ 2,773	\$ 4,831
Travel	-	12	81	222
Meals	-	-	-	2
Seminar	-	-	-	-
Telephone/internet	-	-	7	1
Awards	-	-	-	-
Contracted services	-	-	-	-
Office supplies	7	-	-	-
Miscellaneous	-	-	-	-
Postage	124	-	8	21
Copy expense	280	13	20	20
Advertising and notices	-	-	-	-
Subscriptions	-	-	-	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Administrative overhead	1,782	3,381	1,104	1,922
Provision for forgivable loan	-	-	-	-
Administrative expense - INHRC	-	-	-	-
Printing	-	-	-	-
Equipment purchases	-	-	-	-
Relocation	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 6,671</u>	<u>\$ 11,902</u>	<u>\$ 3,993</u>	<u>\$ 7,019</u>
Net transactions	\$ (1,535)	\$ 98	\$ -	\$ -
Agency intrafund transfer	1,535	(98)	-	-
Retained earnings beginning of year	-	-	-	-
Prior period adjustment	-	-	-	-
<b>Retained earnings end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 1  
(continued)

Independence <u>HMP II</u>	Waverly <u>HMP II</u>	Shell Rock <u>HMP II</u>	Janesville <u>Rehab II</u>	<u>RBEG</u>	Evansdale <u>HMP II</u>	Hudson <u>Strategic</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
2,540	2,150	2,025	9,802	(3,821)	2,000	2,050
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 2,540</u>	<u>\$ 2,150</u>	<u>\$ 2,025</u>	<u>\$ 9,802</u>	<u>\$ (3,821)</u>	<u>\$ 2,000</u>	<u>\$ 2,050</u>
\$ 1,773	\$ 2,625	\$ 2,183	\$ 5,901	\$ 799	\$ 2,403	\$ 1,183
97	58	50	174	-	12	26
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2	-	1	4	2	-	-
-	-	-	-	-	-	-
-	-	-	1,250	(5,000)	-	-
7	7	7	-	-	7	-
-	-	-	-	-	-	-
91	49	45	76	2	10	1
112	63	51	49	2	32	2
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
706	1,044	869	2,348	318	956	471
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 2,788</u>	<u>\$ 3,846</u>	<u>\$ 3,206</u>	<u>\$ 9,802</u>	<u>\$ (3,877)</u>	<u>\$ 3,420</u>	<u>\$ 1,683</u>
\$ (248)	\$ (1,696)	\$ (1,181)	\$ -	\$ 56	\$ (1,420)	\$ 367
248	1,696	1,181	-	(56)	1,420	(367)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
 SCHEDULE OF PROGRAM RECEIPTS, EXPENDITURES, AND  
 CHANGES IN RETAINED EARNINGS  
 YEAR ENDED JUNE 30, 2004

	<u>Morrison Flood</u>	<u>Buchanan Flood 1277</u>	<u>Raymond TIF</u>	<u>Retail CE Grant</u>
<b>RECEIPTS:</b>				
Federal funds	\$ -	\$ -	\$ -	\$ -
State funds	-	-	-	-
Local:				
Contract revenue	1,282	647	2,603	7,666
Membership revenue	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 1,282</u>	<u>\$ 647</u>	<u>\$ 2,603</u>	<u>\$ 7,666</u>
<b>EXPENDITURES:</b>				
Salaries and fringe benefits	\$ 862	\$ 441	\$ 1,534	\$ 7,149
Travel	69	-	23	148
Meals	2	-	-	-
Seminar	-	-	-	-
Telephone/internet	-	-	-	5
Awards	-	-	-	-
Contracted services	-	-	-	-
Office supplies	-	-	-	-
Miscellaneous	-	-	-	-
Postage	3	1	10	3
Copy expense	3	4	28	52
Advertising and notices	-	-	-	-
Subscriptions	-	-	-	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Administrative overhead	343	175	610	2,845
Provision of forgivable loan	-	-	-	-
Administrative expense - INHRC	-	-	-	-
Printing	-	-	-	-
Equipment purchases	-	-	-	-
Relocation	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 1,282</u>	<u>\$ 621</u>	<u>\$ 2,205</u>	<u>\$ 10,202</u>
Net transactions	\$ -	\$ 26	\$ 398	\$ (2,536)
Agency intrafund transfer	-	(26)	(398)	2,536
Retained earnings beginning of year	-	-	-	-
Prior period adjustment	-	-	-	-
<b>Retained earnings end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 1  
(continued)

<u>Davis Bacon Cedar Falls SN</u>	<u>Davis Bacon Lincoln</u>	<u>Hudson TIF</u>	<u>Hazelton Rehab</u>	<u>Dunkerton Rehab II</u>	<u>Housing Fund HBA</u>	<u>Dunkerton Lead Based Paint II</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
1,086	4,056	729	873	11,757	2,952	7,361
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 1,086</u>	<u>\$ 4,056</u>	<u>\$ 729</u>	<u>\$ 873</u>	<u>\$ 11,757</u>	<u>\$ 2,952</u>	<u>\$ 7,361</u>
\$ 582	\$ 2,184	\$ 362	\$ 616	\$ 7,227	\$ 2,108	\$ 2,325
35	16	8	11	200	-	55
-	-	-	-	-	-	-
-	-	-	-	-	-	-
5	3	-	-	19	-	-
-	-	-	-	-	-	-
-	-	-	-	1,250	-	1,146
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3	6	-	1	91	3	76
5	7	3	-	94	2	4
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
232	869	144	245	2,876	839	925
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	2,830
-	-	-	-	-	-	-
<u>\$ 862</u>	<u>\$ 3,085</u>	<u>\$ 517</u>	<u>\$ 873</u>	<u>\$ 11,757</u>	<u>\$ 2,952</u>	<u>\$ 7,361</u>
\$ 224	\$ 971	\$ 212	\$ -	\$ -	\$ -	\$ -
(224)	(971)	(212)	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
 SCHEDULE OF PROGRAM RECEIPTS, EXPENDITURES, AND  
 CHANGES IN RETAINED EARNINGS  
 YEAR ENDED JUNE 30, 2004

	<u>New Hampton Rehab</u>	<u>Nashua Rehab</u>	<u>Waverly Rehab</u>	<u>Dumont Rehab</u>
<b>RECEIPTS:</b>				
Federal funds	\$ -	\$ -	\$ -	\$ -
State funds	-	-	-	-
Local:				
Contract revenue	8,335	8,429	460	410
Membership revenue	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 8,335</u>	<u>\$ 8,429</u>	<u>\$ 460</u>	<u>\$ 410</u>
<b>EXPENDITURES:</b>				
Salaries and fringe benefits	\$ 4,477	\$ 4,296	\$ 296	\$ 259
Travel	266	358	45	46
Meals	-	-	-	-
Seminar	-	-	-	-
Telephone/internet	11	18	-	-
Awards	-	-	-	-
Contracted services	1,700	1,800	-	-
Office supplies	-	-	-	-
Miscellaneous	-	-	-	-
Postage	59	72	1	2
Copy expense	40	40	-	-
Advertising and notices	-	-	-	-
Subscriptions	-	-	-	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Administrative overhead	1,782	1,710	118	103
Provision for forgivable loan	-	-	-	-
Administrative expense - INHRC	-	-	-	-
Printing	-	3	-	-
Equipment purchases	-	-	-	-
Relocation	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 8,335</u>	<u>\$ 8,297</u>	<u>\$ 460</u>	<u>\$ 410</u>
Net transactions	\$ -	\$ 132	\$ -	\$ -
Agency intrafund transfer	-	(132)	-	-
Retained earnings beginning of year	-	-	-	-
Prior period adjustment	-	-	-	-
<b>Retained earnings end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 1  
(continued)

<u>New Hampton Rental Rehab</u>	<u>New Hampton Rental LBP</u>	<u>Lamont Rehab II</u>	<u>Lamont LBP II</u>	<u>Nashua Rental Rehab</u>	<u>Aplington Rehab</u>	<u>BHC GIS Zoning</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
4,731	1,842	9,371	6,568	267	7,970	4,180
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 4,731</u>	<u>\$ 1,842</u>	<u>\$ 9,371</u>	<u>\$ 6,568</u>	<u>\$ 267</u>	<u>\$ 7,970</u>	<u>\$ 4,180</u>
\$ 3,287	\$ 790	\$ 5,506	\$ 3,193	\$ 185	\$ 3,954	\$ 2,343
98	96	245	250	8	311	-
-	-	-	-	-	-	-
9	-	13	-	-	13	-
-	-	-	-	-	-	-
-	617	1,250	761	-	2,000	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
18	23	86	22	-	61	2
11	2	47	1	-	57	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,308	314	2,191	1,271	74	1,574	933
-	-	-	-	-	-	-
-	-	33	-	-	-	-
-	-	-	-	-	-	-
-	-	-	1,070	-	-	-
-	-	-	-	-	-	-
<u>\$ 4,731</u>	<u>\$ 1,842</u>	<u>\$ 9,371</u>	<u>\$ 6,568</u>	<u>\$ 267</u>	<u>\$ 7,970</u>	<u>\$ 3,278</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 902
-	-	-	-	-	-	(902)
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
 SCHEDULE OF PROGRAM RECEIPTS, EXPENDITURES, AND  
 CHANGES IN RETAINED EARNINGS  
 YEAR ENDED JUNE 30, 2004

	<u>Alta Vista CDBG</u>	<u>Housing Trust Fund</u>	<u>Grundy Co TIF</u>	<u>Lawler Codification</u>
<b>RECEIPTS:</b>				
Federal funds	\$ -	\$ -	\$ -	\$ -
State funds	-	1,558	-	-
Local:				
Contract revenue	3,771	-	1,395	4,875
Membership revenue	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 3,771</u>	<u>\$ 1,558</u>	<u>\$ 1,395</u>	<u>\$ 4,875</u>
<b>EXPENDITURES:</b>				
Salaries and fringe benefits	\$ 3,702	\$ 1,047	\$ 795	\$ 2,916
Travel	179	86	47	-
Meals	-	6	-	-
Seminar	-	-	-	-
Telephone/internet	4	-	1	-
Awards	-	-	-	-
Contracted services	-	-	-	-
Office supplies	-	-	-	-
Miscellaneous	-	-	-	-
Postage	7	1	4	-
Copy expense	7	1	9	-
Advertising and notices	-	-	-	-
Subscriptions	-	-	-	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Administrative overhead	1,473	417	316	1,160
Provision for forgivable loan	-	-	-	-
Administrative expense - INHRC	-	-	-	-
Printing	-	-	-	-
Equipment purchases	-	-	-	-
Relocation	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 5,372</u>	<u>\$ 1,558</u>	<u>\$ 1,172</u>	<u>\$ 4,076</u>
Net transactions	\$ (1,601)	\$ -	\$ 223	\$ 799
Agency intrafund transfer	1,601	-	(223)	(799)
Retained earnings beginning of year	-	-	-	-
Prior period adjustment	-	-	-	-
<b>Retained earnings end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

<u>Winthrop CDBG</u>	<u>Evansdale Lead-Based</u>	<u>Aplington Lead-Based</u>	<u>Hudson Lead-Based</u>	<u>Janesville Lead-Based</u>	<u>Dike HM II</u>	<u>LaPorte City HMP II</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
2,326	6,019	11,733	9,696	6,896	4,781	3,601
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 2,326</u>	<u>\$ 6,019</u>	<u>\$ 11,733</u>	<u>\$ 9,696</u>	<u>\$ 6,896</u>	<u>\$ 4,781</u>	<u>\$ 3,601</u>
\$ 3,469	\$ 3,241	\$ 3,504	\$ 5,119	\$ 2,816	\$ 3,713	\$ 2,385
61	16	233	70	45	71	63
-	-	-	-	-	-	-
-	-	-	-	-	-	-
12	-	3	-	-	1	-
-	-	-	-	-	-	-
-	1,282	1,991	1,677	1,456	-	-
-	-	-	-	-	7	7
-	-	-	-	-	-	-
15	-	143	63	93	43	62
11	2	12	4	2	59	119
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,381	1,290	1,395	2,037	1,121	1,477	949
-	-	-	-	-	-	-
-	-	9	-	-	-	-
-	-	-	-	-	-	-
-	188	4,443	726	1,363	-	-
-	-	-	-	-	-	-
<u>\$ 4,949</u>	<u>\$ 6,019</u>	<u>\$ 11,733</u>	<u>\$ 9,696</u>	<u>\$ 6,896</u>	<u>\$ 5,371</u>	<u>\$ 3,585</u>
\$ (2,623)	\$ -	\$ -	\$ -	\$ -	\$ (590)	\$ 16
2,623	-	-	-	-	590	(16)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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SCHEDULE 1  
(continued)

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
SCHEDULE OF PROGRAM RECEIPTS, EXPENDITURES, AND  
CHANGES IN RETAINED EARNINGS  
YEAR ENDED JUNE 30, 2004

	<u>Jesup HMP II</u>	<u>Maps</u>	<u>Total</u>
<b>RECEIPTS:</b>			
Federal funds	\$ -	\$ -	\$ 217,237
State funds	-	-	272,910
Local:			

Contract revenue	2,745	3,382	797,307
Membership revenue	-	-	85,568
Miscellaneous	-	-	24,939
Interest	-	-	10,965
Total	<u>\$ 2,745</u>	<u>\$ 3,382</u>	<u>\$1,408,926</u>
<b>EXPENDITURES:</b>			
Salaries and fringe benefits	\$ 1,896	\$ 1,411	\$ 782,971
Travel	26	39	31,009
Meals	-	-	8,274
Seminar	-	-	3,877
Telephone/internet	-	-	1,682
Awards	-	-	680
Contracted services	-	-	134,836
Office supplies	-	-	3,001
Miscellaneous	-	-	668
Postage	38	10	7,250
Copy expense	10	2	10,217
Advertising and notices	-	-	122
Subscriptions	-	-	49
Professional memberships	-	-	35
Recording fees	-	-	538
Administrative overhead	754	562	318,073
Provision for forgivable loan	-	-	26,933
Administrative expense - INRHC	-	-	9,551
Printing	-	-	2,079
Equipment purchases	-	-	1,609
Relocation	-	-	17,218
Legal and accounting	-	-	105
Total	<u>\$ 2,724</u>	<u>\$ 2,024</u>	<u>\$1,360,777</u>
Net transactions	\$ 21	\$ 1,358	\$ 48,149
Agency intrafund transfer	(21)	(1,358)	-
Retained earnings beginning of year	-	-	792,951
Prior period adjustment	-	-	(101,003)
<b>Retained earnings end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 740,097</u></u>

*See Accompanying Independent Auditor's Report.*

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 YEAR ENDED JUNE 30, 2004

<u>GRANTOR/PROGRAM</u>	<u>CFDA NUMBER</u>	<u>AGENCY PASS-THROUGH NUMBER</u>
<b><u>Federal Awards</u></b>		
<b>Direct:</b>		
Department of Commerce:		
Economic Development Administration:		
Planning Grant	11.302	05-83-03894
<b>Indirect:</b>		
Department of Transportation:		
Iowa Department of Transportation:		
Urban Mass Transportation Technical Studies Grants		
FHWA STP	20.515	04-RPA-R07
FTA MPO Planning	20.515	04MPO-INRCOG
Urban Intermodal Planning	20.515	04SPR-INRCOG
Regional Intermodal Planning	20.515	04SPR-RPA7
Non-urban Operating Assistance Project	20.509	18-4024-070-04
Non-urban Operating Assistance Project	20.509	18-0023-070-03
Capital Investment Assistance Project	20.500	03-0098-070-03
<b>Total</b>		

*See Accompanying Independent Auditor's Report.*

**PROGRAM  
EXPENDITURES**

\$ 51,000

\$ 35,913  
120,324  
5,000  
5,000  
\$166,237

\$112,157  
50,436  
\$162,593

\$ 88,552

**\$468,382**

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

To the Board of Directors  
Iowa Northland Regional Council of Governments:

I have audited the financial statements of the Iowa Northland Regional Council of Governments (INRCOG) as of and for the year ended June 30, 2004, and have issued my report thereon dated November 30, 2004. My report expressed an unqualified opinion on the financial statements. I conducted my audit in accordance with U.S. generally accepted auditing standards, Chapter 11 of the Code of Iowa, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether INRCOG's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Comments involving statutory and other legal matters about INRCOG's operations for the year ended June 30, 2004, are based exclusively on knowledge obtained from procedures performed during my audit of the financial statements of INRCOG. Since my audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered INRCOG's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted one matter involving the internal control over financial reporting and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect INRCOG's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. The prior year reportable condition has been resolved.

This report, a public record by law, is intended solely for the information and use of the officials, employees and members of Iowa Northland Regional Council of Governments and other parties to whom INRCOG may report. This report is not intended to be and should not be used by anyone other than these specified parties.

I would like to acknowledge the many courtesies and assistance extended to us by personnel of INRCOG during the course of my audit. Should you have any questions concerning any of the above matters, I shall be pleased to discuss them with you at your convenience.

November 30, 2004

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
Schedule of Findings  
Year Ended June 30, 2004

**Part I: Summary of the Independent Auditor's Results:**

- (a) An unqualified opinion was issued on the financial statements.
- (b) The audit did not disclose any reportable conditions in the internal control over financial reporting.
- (c) The audit did not disclose any noncompliance which is material to the financial statements.

**Part II: Findings Related to the General Purpose Financial Statements:**

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

**REPORTABLE CONDITION:**

None

**Part III: Findings and Questioned Costs for Federal Awards:**

Not applicable.

**Part IV: Other Findings Related to Statutory Reporting:**

- IV-A-04      Official Depositories - A resolution naming official depositories has been approved by the Board. The maximum deposit amounts stated in the resolution were not exceeded during the year ended June 30, 2004.
- IV-B-04      Questionable Disbursements - No disbursements that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.
- IV-C-04      Travel Expense - No disbursements of INRCOG money for travel expenses of spouses of INRCOG officials or employees were noted.
- IV-D-04      Business Transactions - No business transactions between INRCOG and INRCOG officials or employees were noted.
- IV-E-04      Bond Coverage - Surety bond coverage of INRCOG officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to insure that the coverage is adequate for current operations.
- IV-F-04      Deposits and Investments - No instances of non-compliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and INRCOG's investment policy were noted.

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
Summary Schedule of Prior Federal Audit Findings  
Year Ended June 30, 2004

<u>Comment Title</u>	<u>Status</u>	<u>If not corrected, provide planned corrective action or other explanation</u>
The Agency did not obtain dual signatures on all checks over \$100 as required by board policy.	Corrected	N/A

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
Corrective Action Plan for Federal Audit Findings  
Year Ended June 30, 2004

<u>Comment Number</u>	<u>Comment Title</u>	<u>Corrective Action Plan</u>	<u>Contact Person Title, Phone Number</u>	<u>Anticipated Date of Completion</u>
N/A				

December 16, 2004

Office of Auditor of State  
State of Iowa  
State Capitol Building  
Des Moines, IA 50319

RE: Audit of the Iowa Northland Regional Council of Governments for the year  
ended June 30, 2004

Gentlemen:

I have enclosed a copy of the news release, a copy of my bill to INRCOG, and two  
copies of the Audit Report. I will appreciate your comments and suggestions.

Sincerely yours,

Larry Pump, CPA

jlp  
Enclosures

Waterloo Courier  
Waterloo, IA

**N E W S   R E L E A S E**

**FOR RELEASE December 16, 2004**

Larry Pump, CPA, Charles City, Iowa, today released an audit report on the Iowa Northland Regional Council of Governments (INRCOG), Waterloo, Iowa, for the year ended June 30, 2004.

INRCOG's revenues totaled \$2,551,278 and included \$975,599 in federal and state funds; \$1,423,882 in contract revenues; and \$29,299 of interest income.

Expenses for the year totaled \$2,420,075 and included \$794,973 for salaries and benefits and \$488,393 for transit transportation costs.

A copy of the audit report is available for review in the Office of Auditor of State and the INRCOG office.

**# # # # # # # # # #**

December 18, 2004

Federal Audit Clearinghouse  
U. S. Bureau of the Census  
1201 East 10th Street  
Jeffersonville, IN 47132

Gentlemen:

I have enclosed the following audit report in accordance with Office of Management and Budget Circular A-133:

Iowa Northland Regional Council of Governments, Waterloo, Iowa:  
Audit Period: Year ended June 30, 2004.

The reporting package can be located starting on page 42 of the audit report.

Please call if you have any questions.

Sincerely,

Larry Pump, CPA

jlp  
enclosure

December 18, 2004

Iowa Department of Transportation  
Public Transit Division  
State Capitol  
Des Moines, IA 50319

RE: Iowa Northland Regional Council of Governments  
Waterloo, Iowa

Gentlemen:

In accordance with the requirements of Office of Management and Budget Circular A-133, Audits of State and Local Governments, I am submitting two copies of the audited financial statements of the above-referenced governmental unit for the year ended June 30, 2004.

I have determined that the Department of Transportation is the general oversight or cognizant agency for Single Audit Act purposes.

If I may be of further service to you, please contact us.

Sincerely yours,

Larry Pump, CPA

jlp  
enclosures

December 18, 2004

Iowa Department of Economic Development  
200 East Grand Avenue  
Des Moines, IA 50309

RE: Iowa Northland Regional Council of Governments  
Waterloo, Iowa

Gentlemen:

As requested, I am submitting two copies of the audited financial statements of the above-referenced governmental unit for the year ended June 30, 2004.

I have determined that the Department of Transportation is the general oversight or cognizant agency for Single Audit Act purposes.

If I may be of further service to you, please contact us.

Sincerely yours,

Larry Pump, CPA

jlp  
enclosures

December 16, 2004

Hawkeye Valley Area Agency on Aging  
2101 Kimball Ave., Suite 320  
Waterloo, IA 50702

RE: Iowa Northland Regional Council of Governments  
Waterloo, Iowa

Gentlemen:

As requested, I am submitting one copy of the audited financial statements of the above-referenced governmental unit for the year ended June 30, 2004.

If I may be of further service to you, please contact us.

Sincerely yours,

Larry Pump, CPA

jlp  
enclosures

December 16, 2004

ATTN: Connie  
Heaton, Adams and Company, CPA's  
605 Bluff Street  
Waterloo, IA 50701

Dear Connie:

In connection with the annual audit of the Iowa Northland Regional Council of Governments for the year ended June 30, 2004, enclosed are the following:

1. Adjusting entries - RTC.
2. Adjusting entries - COG.
3. Final depreciation schedule for June 30, 2004.
4. Preliminary depreciation schedule for June 30, 2005.

If you have any questions, please feel free to give me a call.

Sincerely,

Larry Pump, CPA

jlp  
enclosures

December 10, 2004

Sharon Juon, Executive Director  
Iowa Northland Regional Council of Governments  
501 Sycamore, Suite 333  
Waterloo, IA 50703

Dear Sharon:

Enclosed you will find ten of the Agency's 26 copies of the audit report. I will bring the rest of them with me tomorrow night.

Please call if you have any questions.

Sincerely yours,

Larry Pump, CPA

jlp  
enclosures

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
 ADJUSTING ENTRIES - COG  
 JUNE 30, 2004

<u>Account</u>	<u>Entry Number</u>	<u>Account Number</u>	<u>Debit</u>	<u>Credit</u>
Depreciation expense	1	480	\$ 67.31	\$ -
Accumulated depreciation		160	-	67.31
To record actual depreciation expense per depreciation schedule.				
Provision for forgivable loan	2	453	12,000.00	-
Designated INRHC fund equity		294	-	12,000.00
To adjust prior period adjustment to actual				
Unearned revenue - HSG-RFL	3	252.1	80,204.76	-
Grant revenue		300	-	80,204.76
To adjust unearned revenue to actual.				
General fund	4	290	-	14,342.00
Designated INRHC fund equity		295	14,342.00	-
To adjust reserved fund balance.				

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS  
 ADJUSTING ENTRIES - RTC  
 JUNE 30, 2004

<u>Account</u>	<u>Entry Number</u>	<u>Account Number</u>	<u>Debit</u>	<u>Credit</u>
Depreciation expense	1	715	35,008.61	-
Accumulated depreciation		175	-	35,008.61
To record actual depreciation per depreciation schedule.				
Equipment - Remodel - Fixtures	2	170	138,988.80	-
Equipment acquisition reimbursement			-	138,988.80
To reclassify DOT reimbursements.				

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