

SIOUXLAND INTERSTATE METROPOLITAN
PLANNING COUNCIL

SIOUX CITY, IOWA

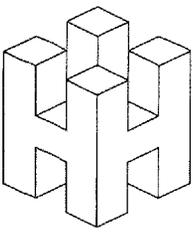
INDEPENDENT AUDITORS' REPORT

JUNE 30, 2005

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

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INDEPENDENT AUDITORS' REPORT

Siouxland Interstate Metropolitan
Planning Council
Sioux City, Iowa

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, and each major fund of SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL, Sioux City, Iowa, as of and for the year ended June 30, 2005, which collectively comprise the basic financial statements as listed in the Table of Contents. These basic financial statements are the responsibility of Siouxland Interstate Metropolitan Planning Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, and each major fund of Siouxland Interstate Metropolitan Planning Council, as of June 30, 2005, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 14, 2005, on our consideration of Siouxland Interstate Metropolitan Planning Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That 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 our audit.

Management's Discussion and Analysis on pages 3 through 8 is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The supplementary information included in Schedules 1 through 9, 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 basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the aforementioned financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Henry Conner &
Williams, P.C.*

Certified Public Accountants

Sioux City, Iowa
October 14, 2005

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The Siouxland Interstate Metropolitan Planning Council (SIMPCO) provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2005. We encourage readers to consider this information in conjunction with the financial statements, which follow.

2005 FINANCIAL HIGHLIGHTS

- Total revenues decreased from \$3,479,900 in fiscal 2004 to \$3,416,610 in fiscal 2005, and total expenditures decreased from \$3,498,394 in fiscal 2004 to \$3,341,300 in fiscal 2005. The result is an increase in the total fund balance from \$341,618 for fiscal 2004 to \$416,928 for fiscal 2005.
- The decrease in total revenues was attributable to a decrease in grant and local revenues in fiscal 2005. The decrease in expenditures was due primarily to the decrease in the cost of services provided to the planning area in fiscal 2005. The total fund balance increased because the revenues were greater than the cost of services provided for fiscal 2005.

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the financial activities.

The Entity-wide Financial Statements consist of a statement of net assets and a statement of activities. These provide information about the activities as a whole and present an overall view of the finances.

The Fund Financial Statements tell how services were financed in the short term as well as what remains for future spending. Fund financial statements report the operations in more detail than the Entity-wide statements by providing information about the most significant funds.

Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Supplementary Information further explains and supports the financial statements with detailed information about the individual funds.

Schedule of Expenditures of Federal Awards provides details of various federal programs.

Visit our Home Page at <http://www.simpco.org>

Reporting SIMPCO's Financial Activities

Entity-wide Financial Statements

The entity-wide statements report information about the entity as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Assets includes all of the assets and liabilities. All of the current year revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The entity-wide statements report net assets and how they have changed. Net assets – the difference between the assets and liabilities – are one way to measure the financial health or position. Over time, increases or decreases in the net assets are an indicator of whether financial position is improving or deteriorating, respectively.

In the entity-wide financial statements, the activities are divided into two functions:

- *Primary Government:* The General and Special Revenue activities are included here. Federal, state and local revenues, as well as contracted services, finance both these functions.
- *Component Units:* The activities of TSGC, NNJHA and SRTS are included here. Federal, state and local revenues, as well as contracted services, finance these functions.

Fund Financial Statements

The fund financial statements provide detailed information focusing on its most significant or "major" funds. Funds are accounting devices used to keep track of specific sources of funding and spending on particular programs. Some funds are required by federal and state law. Other funds are established to control and manage money for particular purposes, such as accounting for projects or to show it is properly using certain revenues, such as federal grants.

There are two kinds of funds:

- Primary Government funds account for general services. These focus on how cash and other financial assets readily converted to cash flow in and out and the balances left at year-end available for spending. Consequently, the primary government fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the programs. The primary governmental funds include: 1) the General Fund, 2) the Special Revenue Fund, and 3) the Agency Fund.

The required financial statements for primary governmental funds include a balance sheet and a statement of revenues, expenditures and changes in fund balances.

- Component Unit funds account for services provided by related organizations. Component Unit funds are reported in the same way as the primary government fund statements.

The required financial statements for component unit funds include a balance sheet and a statement of revenues, expenditures and changes in fund balance.

Reconciliations between the entity-wide financial statements and the fund financial statements follow the fund financial statements.

ENTITY-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of financial position. Net assets at the end of fiscal 2005 totaled \$945,322. The analysis that follows focuses on the net assets.

Condensed Statement of Net Assets					
	Primary Government		Component Units		Total
	June 30		June 30		June 30
	2005		2005		2005
Current and other Assets	\$	441,765	\$	529,691	\$ 971,456
Capital Assets	\$	181,920	\$	294,635	\$ 476,555
Total Assets	\$	623,685	\$	824,326	\$ 1,448,011
Liabilities	\$	295,711	\$	206,978	\$ 502,689
Total Liabilities	\$	295,711	\$	206,978	\$ 502,689
Net Assets:					
Invested in Capital Assets:					
net of related debt	\$	181,920	\$	294,635	\$ 476,555
Restricted	\$	4,849	\$	-	\$ 4,849
Unrestricted	\$	141,205	\$	322,713	\$ 463,918
Total Net Assets	\$	327,974	\$	617,348	\$ 945,322

The combined net assets decreased by 3.9%, or \$38,546, from fiscal 2004. The Primary Government net assets increased by \$15,384 while the Component Unit net assets decreased by \$53,930.

The following analysis details the changes in net assets.

	Changes in Net Assets		
	Primary Government	Component Units	Total
	Year ended June 30, 2005	Year ended June 30, 2005	Year ended June 30, 2005
Revenues:			
Program Revenues:			
Charges for service	\$ 563,155	\$ 956,837	\$ 1,519,992
Operating grants and contributions	\$ 680,334	\$ 1,096,528	\$ 1,776,862
Capital Grants	\$ -	\$ -	\$ -
Interest Income	\$ 1,342	\$ 4,220	\$ 5,562
Miscellaneous Income	\$ 56,922	\$ 26,726	\$ 83,648
Gain on Sale of Assets	\$ -	\$ 1,025	\$ 1,025
Total Revenues	\$ 1,301,753	\$ 2,085,336	\$ 3,387,089
Expenses	\$ 1,286,369	\$ 2,139,266	\$ 3,425,635
Total Expenses	\$ 1,286,369	\$ 2,139,266	\$ 3,425,635
Change in Net Assets	\$ 15,384	\$ (53,930)	\$ (38,546)
Net Assets beginning of year	\$ 312,590	\$ 671,278	\$ 983,868
Net Assets end of year	\$ 327,974	\$ 617,348	\$ 945,322

Operating grants and contributions from local, state and federal sources account for 52.5%, while charges for service account for 44.9% of the total revenue. The expenses primarily relate to personnel, equipment/maintenance related and contract payments which account for 82.4% of the total expenses.

Primary Government Activities

Revenues for Primary Governmental activities were \$1,301,753 and expenses were \$1,286,369. The net assets increased by \$15,384 to \$327,974 for fiscal 2005.

Component Unit Activities

Revenues of the Component Unit activities were \$2,085,336 and expenses were \$2,139,266. The net assets decreased by \$53,930 to \$617,348 for fiscal 2005.

INDIVIDUAL FUND ANALYSIS

As previously noted, SIMPCO uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The total fund balance was \$416,928, above last year's total fund balance of \$341,618. The primary reason for the increase in total fund balance in fiscal 2005 was due to the increase in revenue being greater than the cost of services provided.

Primary Governmental Fund Highlights

- General Fund revenues decreased from \$122,363 in fiscal 2004 to \$119,924 in fiscal 2005, and General Fund expenditures increased from \$99,749 in fiscal 2004 to \$103,564 in fiscal 2005. The transfers from the Special Revenue Fund to the General Fund were \$57,916 in fiscal 2004 while transfers of \$6,323 were made from the General Fund to the Special Revenue Fund in fiscal 2005. The result is an increase in the General Fund balance from \$96,591 for fiscal 2004 to \$106,628 for fiscal 2005.
- The decrease in General Fund revenues was attributable to a decrease in miscellaneous revenue in fiscal 2005. The increase in expenditures was due to an increase in contract and marketing expenditures in fiscal 2005. The result is that the Council had an increase in the General Fund balance.
- Special Revenue Fund revenues increased from \$1,208,449 in fiscal 2004 to \$1,211,350 in fiscal 2005, and Special Revenue Fund expenditures increased from \$1,150,533 in fiscal 2004 to \$1,217,673 in fiscal 2005. The Special Revenue Fund had a balance of \$57,916 in fiscal 2004 and a negative balance of \$6,323 in fiscal 2005. Since these funds are unrestricted, the Special Revenue Fund transfers in \$6,323 from the General Fund in fiscal 2005.
- The increase in Special Revenue Fund revenues was attributable to increased funding in contract revenues. The increase in expenditures was attributable to an increase in personnel and contract expenditures. The Council had a decrease in the Special Revenue Fund balance for fiscal 2005.

Component Unit Fund Highlights

- Component Unit revenues decreased from \$2,149,088 in fiscal 2004 to \$2,085,336 in fiscal 2005, and the Component Unit expenditures decreased from \$2,248,112 in fiscal 2004 to \$2,020,063 in fiscal 2004. The result is an increase in the Component Unit Fund balance from \$240,178 in fiscal 2004 to \$305,451 in fiscal 2005.
- The decrease in the Component Unit Fund revenues was attributable to a decrease in grant and local revenues. The decrease in expenditures was due to a decrease in personnel, equipment and maintenance, and contract expenditures. The Component Unit balance increased because while revenues decreased, expenditures decreased more due to reductions in fiscal 2005.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2005, capital assets totaled \$476,555, net of accumulated depreciation, in a broad range of capital assets including computers, office equipment, vehicles and vehicle radios.

The depreciation expense was \$183,828 in fiscal 2005 and total accumulated depreciation is \$2,007,257 at June 30, 2005. More detailed information about capital assets is available in Note 4 to the financial statements.

Long-Term Debt

At June 30, 2005, long-term debt outstanding totaled \$0 compared to \$0 at June 30, 2004. The combined current & long-term debt decreased from \$871 in fiscal 2004 to \$0 in fiscal 2005.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

At the time these financial statements were prepared and audited, the Council was unaware of existing circumstances that could significantly affect its financial health in the future.

CONTACTING THE COUNCIL'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Council's citizens, taxpayers, customers, members and creditors with a general overview of the Council's finances and to demonstrate the Council's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Co-Executive Director at PO Box 1077, Sioux City, Iowa, 51102 or email: simpco@simpco.org.

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SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL
STATEMENT OF NET ASSETS
JUNE 30, 2005

EXHIBIT A

	Primary Government			Component Units	Total Reporting Entity
	General Activities	Special Revenue Activities	Total Governmental Activities		
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ 67,840		\$ 67,840	\$ 294,856	\$ 362,696
Accounts Receivable	2,590	\$ 74,093	76,683	148,497	225,180
Due from Other Governments:					
Federal		137,161	137,161	2,460	139,621
State				1,586	1,586
Local	134,943	3,125	138,068	76,150	214,218
Prepaid Expenses	21,713	300	22,013	6,142	28,155
Capital Assets, Net of Accumulated Depreciation - Note 4	<u>176,595</u>	<u>5,325</u>	<u>181,920</u>	<u>294,635</u>	<u>476,555</u>
Total Assets	\$ <u>403,681</u>	\$ <u>220,004</u>	\$ <u>623,685</u>	\$ <u>824,326</u>	\$ <u>1,448,011</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 44,636	\$ 15,293	\$ 59,929	\$ 87,053	\$ 146,982
Due to Other Governments:					
Federal				40,111	40,111
Local				10,875	10,875
Tenant Escrow				7,374	7,374
Accrued Wages and Benefits	115,839	25,835	141,674	43,449	185,123
Accrued Vacation	40,738	12,601	53,339	15,940	69,279
Deferred Revenue	<u>11,084</u>	<u>29,685</u>	<u>40,769</u>	<u>2,176</u>	<u>42,945</u>
Total Liabilities	\$ 212,297	\$ 83,414	\$ 295,711	\$ 206,978	\$ 502,689
<u>NET ASSETS</u>					
Invested in Capital Assets, Net of Related Debt	\$ 176,595	\$ 5,325	\$ 181,920	\$ 294,635	\$ 476,555
Restricted - Expendable		4,849	4,849		4,849
Unrestricted	<u>14,789</u>	<u>126,416</u>	<u>141,205</u>	<u>322,713</u>	<u>463,918</u>
Total Net Assets	\$ <u>191,384</u>	\$ <u>136,590</u>	\$ <u>327,974</u>	\$ <u>617,348</u>	\$ <u>945,322</u>
Total Liabilities and Net Assets ..	\$ <u>403,681</u>	\$ <u>220,004</u>	\$ <u>623,685</u>	\$ <u>824,326</u>	\$ <u>1,448,011</u>

See Accompanying Notes to Financial Statements

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2005

EXHIBIT B

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Assets Primary Governmental Activities</u>	<u>Revenue Component Units</u>
<u>FUNCTIONS</u>						
Primary Government:						
Governmental Activities						
General Functions	\$ 61,898	\$ 11,109	\$ 24,932		\$(25,857)	
Special Revenue Functions .	<u>1,224,471</u>	<u>552,046</u>	<u>655,402</u>		<u>(17,023)</u>	
Total Governmental Activities	\$ 1,286,369	\$ 563,155	\$ 680,334	-	\$(42,880)	-
Component Units	\$ 2,139,266	\$ 956,837	\$ 1,096,528	-	-	\$(85,901)
<u>GENERAL REVENUES</u>						
Interest Income					\$ 1,342	\$ 4,220
Miscellaneous Income					56,922	26,726
Gain on Sale of Assets						<u>1,025</u>
Total General Revenues					\$ <u>58,264</u>	\$ <u>31,971</u>
Change in Net Assets					\$ 15,384	\$(53,930)
Net Assets, Beginning of Year					<u>312,590</u>	<u>671,278</u>
Net Assets, End of Year					\$ <u>327,974</u>	\$ <u>617,348</u>

See Accompanying Notes to Financial Statements

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

COMBINED BALANCE SHEET - ALL FUND TYPES AND
DISCRETELY PRESENTED COMPONENT UNITS

JUNE 30, 2005

	<u>General</u>	<u>Special</u>	
	<u>Fund</u>	<u>Revenue</u>	<u>Agency</u>
		<u>Funds</u>	<u>Fund</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 67,840		\$ 27,535
Accounts Receivable	2,590	\$ 74,093	
Due from Other Funds	195,291	40,748	
Due from Other Governments			
Federal		137,161	
State			
Local	134,943	3,125	
Prepaid Expenditures	21,713	300	
Loans Receivable			3,521
Investment in Annuity - Note 3			49,133
Capital Assets - Note 4	<u>176,595</u>	<u>51,900</u>	
Total Assets	\$ <u>598,972</u>	\$ <u>307,327</u>	\$ <u>80,189</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 44,636	\$ 15,293	
Due to Other Funds	51,613	167,164	
Due to Other Governments:			
Federal			
State			\$ 31,056
Local			
Tenant Escrow			
Accrued Wages and Benefits	115,839	25,835	
Accrued Vacation	40,738	12,601	
Deferred Compensation - Note 3			49,133
Deferred Revenue	<u>62,923</u>	<u>29,685</u>	
Total Liabilities	\$ 315,749	\$ 250,578	\$ 80,189
<u>FUND EQUITY</u>			
Invested in Capital Assets	\$ 176,595	\$ 51,900	
Fund Balance:			
Reserve for Prepaid Expenditures ..	21,713		
Unreserved	<u>84,915</u>	<u>4,849</u>	
Total Fund Equity	\$ <u>283,223</u>	\$ <u>56,749</u>	-
Total Liabilities and Fund			
Equity	\$ <u>598,972</u>	\$ <u>307,327</u>	\$ <u>80,189</u>

Total Primary Government	Component Units	Total Reporting Entity
\$ 95,375	\$ 294,856	\$ 390,231
76,683	148,497	225,180
236,039	10,926	246,965
137,161	2,460	139,621
-	1,586	1,586
138,068	76,150	214,218
22,013	6,142	28,155
3,521		3,521
49,133		49,133
<u>228,495</u>	<u>1,928,382</u>	<u>2,156,877</u>
\$ <u>986,488</u>	\$ <u>2,468,999</u>	\$ <u>3,455,487</u>
\$ 59,929	\$ 87,053	\$ 146,982
218,777	28,188	246,965
-	40,111	40,111
31,056		31,056
-	10,875	10,875
-	7,374	7,374
141,674	43,449	185,123
53,339	15,940	69,279
49,133		49,133
<u>92,608</u>	<u>2,176</u>	<u>94,784</u>
\$ 646,516	\$ 235,166	\$ 881,682
\$ 228,495	\$ 1,928,382	\$ 2,156,877
21,713	6,142	27,855
<u>89,764</u>	<u>299,309</u>	<u>389,073</u>
\$ <u>339,972</u>	\$ <u>2,233,833</u>	\$ <u>2,573,805</u>
\$ <u>986,488</u>	\$ <u>2,468,999</u>	\$ <u>3,455,487</u>

See Accompanying Notes to Financial Statements

RECONCILIATION OF THE COMBINED BALANCE SHEET
TO THE STATEMENT OF NET ASSETS

JUNE 30, 2005

	<u>Governmental Activities</u>	<u>Component Units</u>
<u>RECONCILIATION OF FUND EQUITY TO NET ASSETS</u>		
Total Fund Equity Per Fund Financial Statements ..	\$ 339,972	\$ 2,233,833
Elimination of Interfund Activity for Government-Wide Financial Statements	(17,262)	17,262
Elimination of Amount Deferred for Asset Replacement	51,839	
Accumulated Depreciation Not Reported in the Fund Financial Statements	(<u>46,575</u>)	(<u>1,633,747</u>)
Total Net Assets Per Statement of Net Assets	\$ <u>327,974</u>	\$ <u>617,348</u>

See Accompanying Notes to Financial Statements

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SIouxLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2005

	<u>Primary Government</u>		
	<u>General</u>	<u>Special</u>	
	<u>Fund</u>	<u>Revenue</u>	<u>Total</u>
		<u>Fund</u>	
<u>REVENUES</u>			
Federal and State Grants		\$ 444,148	\$ 444,148
Membership Dues	\$ 24,932	137,424	162,356
Local Assessments		73,830	73,830
Contract Services Income	92,469	552,046	644,515
Interest Income	1,342		1,342
Miscellaneous Income	1,181	3,902	5,083
Sale of Equipment			-
 Total Revenues	 \$ 119,924	 \$ 1,211,350	 \$ 1,331,274
<u>EXPENDITURES</u>			
Salaries and Benefits		\$ 655,872	\$ 655,872
Rent		25	25
Travel and Training	\$ 1,384	50,611	51,995
Communications		1,998	1,998
Supplies		46,928	46,928
Insurance			-
Dues and Subscriptions		1,034	1,034
Professional Fees			-
Purchased Services	94	36,934	37,028
Interest	5,000		5,000
Equipment and Maintenance			-
Contractual Payments	1,040	162,991	164,031
Advertising	1,763	5,968	7,731
Indirect/Administrative	92,937	254,741	347,678
Miscellaneous	1,346	571	1,917
 Total Expenditures	 \$ 103,564	 \$ 1,217,673	 \$ 1,321,237
Excess (Deficiency) of Revenues Over Expenditures	\$ 16,360	\$(6,323)	\$ 10,037
<u>TRANSFERS IN (OUT)</u>	(6,323)	6,323	-
 Net	 \$ 10,037	 -	 \$ 10,037
 Fund Balance - Beginning of Year	 96,591	 \$ 4,849	 101,440
 Fund Balance - End of Year	 \$ 106,628	 \$ 4,849	 \$ 111,477

Component Units

<u>Component Units</u>	<u>Total</u>
\$ 979,539	\$ 1,423,687
	162,356
116,989	190,819
956,837	1,601,352
4,220	5,562
26,726	31,809
<u>1,025</u>	<u>1,025</u>
\$ 2,085,336	\$ 3,416,610
\$ 1,136,006	\$ 1,791,878
28,782	28,807
12,151	64,146
7,521	9,519
18,465	65,393
184,750	184,750
4,111	5,145
2,921	2,921
3,243	40,271
	5,000
335,145	335,145
183,740	347,771
8,085	15,816
81,630	429,308
<u>13,513</u>	<u>15,430</u>
\$ <u>2,020,063</u>	\$ <u>3,341,300</u>
\$ 65,273	\$ 75,310
<u>-</u>	<u>-</u>
\$ 65,273	\$ 75,310
<u>240,178</u>	<u>341,618</u>
\$ <u>305,451</u>	\$ <u>416,928</u>

See Accompanying Notes to Financial Statements

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2005

	<u>Governmental Activities</u>	<u>Component Units</u>
Net Change in Fund Balances	\$ 10,037	\$ 65,273
Debt Repayments Reported as Expenditures in the Fund Statement	871	-
Capital Outlays Reported as Expenditures in the Fund Statement	16,762	500
Reversal of Prior Year Interfund Activity Elimination	(27,636)	27,636
Revenues Deferred for Asset Replacement in the Fund Statement	51,839	-
Additional Depreciation Expense Reported in the Statement of Activities	(19,227)	(164,601)
Elimination of Interfund Activity	(<u>17,262</u>)	<u>17,262</u>
Change in Net Assets Per Statement of Activities ..	\$ <u>15,384</u>	\$(<u>53,930</u>)

See Accompanying Notes to Financial Statements

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Siouxland Interstate Metropolitan Planning Council (The Council or SIMPCO) was organized in 1965 to provide planning activities for member governmental bodies. The Council currently has 61 voluntary member governments from Iowa, Nebraska and South Dakota.

A. Reporting Entity

For financial reporting purposes, the Council has included all funds, organizations, account groups, agencies, boards, commissions and authorities. The Council has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the Council are such that exclusion would cause the Council's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the Agency to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the Agency. The Council has three component units which meet the Governmental Accounting Standards Board criteria.

Component Units - The Siouxland Regional Transit System was organized to improve and coordinate transportation services in Cherokee, Ida, Monona, Plymouth and Woodbury counties in Iowa. The Tri-State Graduate Center was organized to facilitate the delivery of graduate education to Siouxland residents through the colleges and universities in Iowa, Nebraska and South Dakota. The Northeast Nebraska Joint Housing Agency administers the housing voucher program for residents in rural Dakota, Dixon, and Wayne Counties in Nebraska. All entities are discretely presented in these financial statements and their separate financial statements are included.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Cont.)

B. Basis of Presentation

Entity-Wide Financial Statements - The Statement of Net Assets and the Statement of Activities report information on all of the non-fiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements.

The Statement of Net Assets presents the Council's non-fiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories.

Invested in Capital Assets, Net of Related Debt - Capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

Restricted Net Assets - Net assets subject to constraints on net asset use that are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets - Net assets not meeting the definition of the two preceding categories. Unrestricted net assets often have constraints on resources imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions restricted to meeting the operational or capital requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Cont.) B. Basis of Presentation (Cont.)

Fund Financial Statements - The various funds and their designated purposes are as follows:

General Fund - The General Fund is the general operating fund of the Council. It accounts for all financial resources of SIMPCO that are not required to be accounted for in the special revenue funds. The general operating expenditures and fixed charges that are not paid from other funds are paid from the general fund.

Special Revenue Funds - The Special Revenue Funds are used to account for revenues derived from specific sources which are usually required by law or regulation to be accounted for in separate funds.

Agency Funds - The agency funds are used to account for assets held by the Council as an agent for individuals, private organizations and other governments. The Agency Funds are custodial in nature, assets equal liabilities, and do not involve measurement of results of operations.

C. Measurement Focus and Basis of Accounting

The entity-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Membership dues and local assessments are recognized as revenue in the year for which they are billed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 (Cont.) D. Assets, Liabilities and Net Assets

Accounts Receivable - Trade credit is generally extended to Council members and clients on a short-term basis. These receivables do not bear interest, although a finance charge may be applied to balances more than thirty days past due. Individual accounts receivable are periodically evaluated for collectibility based on past credit history and their current financial condition. All significant receivables of the Council are considered collectible at June 30, 2005. Therefore, no allowance for doubtful accounts is recorded.

Due From Other Governments - Accounts receivable from Federal, state and local governments represent the earned portion of grant contracts between the Council and various government agencies. The funds received under these contracts are normally restricted to cover only specified expenditures under the programs described in the grant contract.

Capital assets, which include vehicles, electronics, and office furniture, are reported in the applicable activities column of the Statement of Net Assets. Capital assets are recorded at historical cost if purchased. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repair not adding to the value of the asset or materially extending asset lives are not capitalized. Capital assets of the Council are depreciated using the straight line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Vehicles	5 Years
Electronic Equipment	5 Years
Office Furniture	7 Years

Compensated Absences - A total of 20 days vacation may be accumulated by each employee. The Council has accrued a liability of \$69,278 at June 30, 2005, for vacation pay which has been earned but not taken by the Council employees. The liability has been computed based on rates of pay in effect at June 30, 2005.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Cont.)

E. Membership Dues and Local Assessments

Dues and assessments are collected from Council members to fund administrative costs not allocable to special revenue funds and also to honor Federal grant contracts requiring local matching funds. The portion of dues and assessments used for matching purposes are reported as revenue of the related special revenue fund.

F. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. Allocation of Indirect Costs

Costs which cannot be specifically identified with a particular program are allocated to all programs having current activity on the basis of direct labor hours.

Note 2 - DEPOSITS

The Council's deposits in banks at June 30, 2005, were entirely covered by Federal Depository Insurance or by a multiple financial institution collateral pool, 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.

Note 3 - INVESTMENT IN ANNUITY

The Council and a former Executive Director entered into an agreement on December 8, 1988, in which the Director agreed to retire at age 65, in exchange for an annuity. The net surrender value of the annuity at June 30, 2005, is \$49,133. Monthly installments are currently at \$571. The assets are solely the property rights of SIMPCO, subject only to the claims of SIMPCO's general creditors.

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

Note 4 - CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2005, is as follows:

	<u>Balance</u> <u>Beginning</u> <u>of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>End</u> <u>of Year</u>
Capital Assets:				
General Activities Equipment	\$ 428,273	\$ 16,762		\$ 445,035
Office Equipment:				
TGC	47,424			47,424
MPO/RPA	39,888			39,888
SEDC Equipment	12,012			12,012
SRTS Equipment	1,999,192	500	\$ 76,011	1,923,681
Housing Equipment	<u>15,772</u>			<u>15,772</u>
Totals	\$ 2,542,561	\$ 17,262	\$ 76,011	\$ 2,483,812
Less Accumulated Depreciation:				
General Activities Equipment	\$ 252,569	\$ 15,871		\$ 268,440
Office Equipment:				
TGC	43,648	1,407		45,055
MPO/RPA	35,436	1,772		37,208
SEDC Equipment	7,784	1,583		9,367
SRTS Equipment	1,547,614	162,143	\$ 76,011	1,633,746
Housing Equipment	<u>12,389</u>	<u>1,052</u>		<u>13,441</u>
	\$ 1,899,440	\$ 183,828	\$ 76,011	\$ 2,007,257
Net Capital Assets	\$ <u>643,121</u>	\$ <u>(166,566)</u>	<u>-</u>	\$ <u>476,555</u>

Note 5 - EMPLOYEE BENEFITS

Retirement Benefits - In 1975, the Planning Council began a qualified contributory money purchase pension plan with the International City Management Association Retirement Corporation (ICMARC). All employees who meet the minimum service and age requirements are eligible to participate in the pension plan. Each participant is required to contribute five percent of his or her compensation, which is matched by the Council. Participants may voluntarily contribute up to an additional ten percent of their compensation. The Council is not required to match employee voluntary contributions. Amounts for the year ended June 30, 2005, are as follows:

Employee Contributions	.....	\$ 30,279
Employer Contributions	.....	\$ 30,279

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

Note 5 - EMPLOYEE BENEFITS
(Cont.)

All contributions due to the pension plan have been made, as of June 30, 2005. The multiple plan provides quarterly and stand-alone annual financial statements to participants.

Deferred Compensation - The Council offers its administrative employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by the International City Management Association Retirement Corporation (ICMARC). The plan, available to all Council employees, permits them to defer a portion of their salary until future years. Employee contributions for the year ended June 30, 2005, were \$16,550.

Partially Self-Insured Health Insurance Plan - The Council participates in a partially self-funded health insurance plan for Council's employees. Premiums are paid to the Council's medical insurance carrier and claims are handled by the carrier. The Council's maximum fund exposure for this plan is \$135,000. At June 30, 2005, \$62,362 was included in accrued wages and benefits.

Note 6 - RELATED PARTY DISCLOSURE

The City of Sioux City is a member of SIMPCO and paid dues of \$76,762 during the year. An agreement existed between the City and SIMPCO whereby the City served as a pass-through depository. All receipts were recorded by SIMPCO and taken to the City for inclusion in their bank deposit. Accounts payable and payroll were computed and recorded by SIMPCO and listings were submitted to the City from which they prepared checks for SIMPCO. The parties intended to accrue interest expense/income quarterly at the T-bill rate. The transactions and balance due from the City are as follows:

Balance at July 1, 2004	.....	\$	76,261
Receipts	.....		2,843,762
Disbursements	.....		(2,785,080)
Balance at June 30, 2005	.....	\$	<u>134,943</u>

The above amount is included in the General Activities amount due from local governments.

Subsequent to year end, this agreement was terminated and SIMPCO opened its own operating bank account.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2005

Note 7 - OPERATING LEASES

The Council leases various office facilities and equipment under agreements that have been classified as operating leases and accordingly, all rents are expensed as incurred. Total rental for the year was \$58,743. Of this amount, \$29,936 is included in indirect/administrative.

Note 8 - SICK PAY

The Council has elected not to accrue sick leave based on the fact that while sick leave accumulates, it does not vest and an employee has to be absent due to illness for sick leave to be paid. No estimate of the occurrence rate of future employee illness could be made.

Note 9 - RISK MANAGEMENT

SIMPCO is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The Council assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

Note 10 - COMMITMENTS AND CONTINGENCIES

One of SIMPCO's component units, Siouxland Regional Transit System, is currently involved in certain legal matters which are being defended in the ordinary course of business. The liability, if any, associated with these matters is not determinable at June 30, 2005.

Siouxland Regional Transit System has also entered into contracts for the purchase of six new busses, totaling \$324,082.

Note 11 - SUBSEQUENT EVENT

Subsequent to June 30, 2005, SIMPCO obtained a \$300,000 operating line of credit. No amounts have been drawn on this line as of the date of this report.

SUPPLEMENTARY INFORMATION

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

COMBINING BALANCE SHEET

SPECIAL REVENUE FUNDS

JUNE 30, 2005

ASSETS

	<u>MPO/RPA</u>	<u>Economic Development</u>	<u>Lewis & Clark</u>
<u>ASSETS</u>			
Accounts Receivable			
Due from Other Funds		\$ 23,844	\$ 11,995
Due from Other Governments:			
Federal	\$ 96,934	40,227	
State			
Local			
Prepaid Expenditures			
Capital Assets	<u>39,888</u>	<u>12,012</u>	
Total Assets	\$ <u>136,822</u>	\$ <u>76,083</u>	\$ <u>11,995</u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts Payable	\$ 279	\$ 358	\$ 40
Due to Other Funds	90,558	36,281	
Due to Other Governments:			
Federal			
State			
Accrued Wages and Benefits	6,097	14,831	
Accrued Vacation		12,601	
Deferred Revenue			<u>11,955</u>
Total Liabilities	\$ 96,934	\$ 64,071	\$ 11,995

FUND EQUITY

Invested in Capital Assets	\$ 39,888	\$ 12,012	
Fund Balance:			
Unreserved			
Total Fund Equity	\$ <u>39,888</u>	\$ <u>12,012</u>	<u>-</u>
Total Liabilities and Fund Equity	\$ <u>136,822</u>	\$ <u>76,083</u>	\$ <u>11,995</u>

<u>Hazmat Services</u>	<u>Other Member Projects</u>	<u>Total Special Revenue</u>
\$ 5,068	\$ 69,025	\$ 74,093
60	4,849	40,748
		137,161
		-
	3,125	3,125
300		300
<u> </u>	<u> </u>	<u>51,900</u>
\$ <u>5,428</u>	\$ <u>76,999</u>	\$ <u>307,327</u>
\$ 4,928	\$ 9,688	\$ 15,293
	40,325	167,164
		-
		-
	4,907	25,835
		12,601
<u>500</u>	<u>17,230</u>	<u>29,685</u>
\$ 5,428	\$ 72,150	\$ 250,578
		\$ 51,900
<u> </u>	\$ <u>4,849</u>	<u>4,849</u>
<u> </u>	\$ <u>4,849</u>	\$ <u>56,749</u>
\$ <u>5,428</u>	\$ <u>76,999</u>	\$ <u>307,327</u>

SIouxLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2005

	<u>MPO/RPA</u>	<u>Economic Development</u>	<u>Lewis & Clark</u>
<u>REVENUES</u>			
Federal and State Grants	\$ 289,387	\$ 48,089	\$ 24,227
Membership Dues	56,107	40,740	
Local Assessments	336		14,857
Contract Services Income	68	307,312	
Miscellaneous Income			<u>3,902</u>
 Total Revenues	 \$ 345,898	 \$ 396,141	 \$ 42,986
<u>EXPENDITURES</u>			
Salaries and Benefits	\$ 157,161	\$ 344,602	\$ 1,152
Rent	25		
Travel and Training	13,160	5,123	995
Communications	70	976	590
Supplies	1,361	7,405	7,889
Dues and Subscriptions	279		260
Purchased Services	1,363	316	19,484
Professional Fees			
Equipment and Maintenance			
Contractual Payments	62,853		9,180
Advertising	4,703	24	
Indirect/Administrative	106,412	37,695	3,436
Miscellaneous			
 Total Expenditures	 \$ 347,387	 \$ 396,141	 \$ 42,986
 Excess (Deficiency) of Revenues Over (Under) Expenditures ...	 \$(1,489)	 -	 -
<u>TRANSFERS IN</u>	<u>1,489</u>	-	-
Net	-	-	-
 Fund Balance - Beginning of Year	 -	 -	 -
 Fund Balance - End of Year	 -	 -	 -

<u>Hazmat Services</u>	<u>Other Member Projects</u>	<u>Total Special Revenue</u>
\$ 19,949	\$ 62,496	\$ 444,148
	40,577	137,424
58,454	183	73,830
	244,666	552,046
		<u>3,902</u>
\$ 78,403	\$ 347,922	\$ 1,211,350
\$ 4,477	\$ 148,480	\$ 655,872
		25
5,103	26,230	50,611
	362	1,998
131	30,142	46,928
	495	1,034
9,890	5,881	36,934
		-
		-
55,954	35,004	162,991
	1,241	5,968
2,891	104,307	254,741
<u>571</u>		<u>571</u>
\$ <u>79,017</u>	\$ <u>352,142</u>	\$ <u>1,217,673</u>
\$ (614)	\$ (4,220)	\$ (6,323)
<u>614</u>	<u>4,220</u>	<u>6,323</u>
-	-	-
-	\$ <u>4,849</u>	\$ <u>4,849</u>
-	\$ <u>4,849</u>	\$ <u>4,849</u>

SIouxLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

METROPOLITAN AND REGIONAL PLANNING

FOR THE YEAR ENDED JUNE 30, 2005

	<u>Regional Planning Affiliation STP</u>	<u>Regional Planning Affiliation FTA</u>	<u>Iowa Federal Highway Planning</u>
<u>REVENUES</u>			
Federal and State Grants	\$ 25,000	\$ 13,259	\$ 102,410
Membership Dues	6,250	3,315	25,603
Local Assessments			336
Contracted Services	_____	_____	_____
 Total Revenues	 \$ 31,250	 \$ 16,574	 \$ 128,349
<u>EXPENDITURES</u>			
Salaries and Benefits	\$ 17,965	\$ 9,450	\$ 68,541
Rent	12	13	
Travel and Training	1,299	466	9,941
Communications	30	13	21
Supplies	143	32	848
Dues and Subscriptions			279
Purchased Services			1,100
Contractual Payments			
Advertising	219	205	2,493
Indirect/Administrative	<u>11,863</u>	<u>6,644</u>	<u>45,160</u>
 Total Expenditures	 \$ <u>31,531</u>	 \$ <u>16,823</u>	 \$ <u>128,383</u>
 (Deficiency) of Revenues Over Expenditures	 \$(281)	 \$(249)	 \$(34)
<u>TRANSFERS IN</u>	<u>281</u>	<u>249</u>	<u>34</u>
 Net	 -	 -	 -
 Fund Balance - Beginning of Year ..	 _____	 _____	 _____
 Fund Balance - End of Year	 =====	 =====	 =====

Nebraska Federal Highway Planning	So. Dakota Federal Highway Planning	Regional Planning Affiliation FTA	Dakota Dunes Roundabout	Intelligent Transportation Systems	Total
\$ 30,000	\$ 23,920	\$ 32,679	\$ 309	\$ 61,810	\$ 289,387
7,500	5,269	8,170			56,107
			68		336
					68
\$ 37,500	\$ 29,189	\$ 40,849	\$ 377	\$ 61,810	\$ 345,898
\$ 21,217	\$ 16,273	\$ 23,715			\$ 157,161
					25
514	700	240			13,160
2	2	2			70
114	106	118			1,361
					279
27	236				1,363
			\$ 377	\$ 62,476	62,853
721	467	598			4,703
<u>14,988</u>	<u>11,482</u>	<u>16,275</u>			<u>106,412</u>
\$ <u>37,583</u>	\$ <u>29,266</u>	\$ <u>40,948</u>	\$ <u>377</u>	\$ <u>62,476</u>	\$ <u>347,387</u>
\$ (83)	\$ (77)	\$ (99)	-	\$ (666)	\$ (1,489)
<u>83</u>	<u>77</u>	<u>99</u>	-	<u>666</u>	<u>1,489</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

SIouxLAND INTERSTATE METORPOLITAN PLANNING COUNCIL

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

ECONOMIC DEVELOPMENT FUNDS

FOR THE YEAR ENDED JUNE 30, 2005

	<u>EDA Administration</u>	<u>Siouxland Economic Development Corporation</u>	<u>Microloan Demonstration Project</u>
<u>REVENUES</u>			
Federal and State Grants	.... \$ 48,089		
Membership Dues	..... 16,030	\$ 24,710	
Contract Services Income	.... _____	<u>54,443</u>	\$ <u>7,484</u>
Total Revenues	..... \$ 64,119	\$ 79,153	\$ 7,484
<u>EXPENDITURES</u>			
Salaries and Benefits	..... \$ 78,843	\$ 26,692	\$ 7,416
Travel and Training	.....	
Communications	.....		7
Supplies	..... 18		61
Purchased Services	.....	
Advertising	..... 24		
Indirect/Administrative	..... <u>24,186</u>	<u>13,509</u>	_____
Total Expenditures	... \$ <u>103,071</u>	\$ <u>40,201</u>	\$ <u>7,484</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	..... \$( 38,952)	\$ 38,952	-
<u>TRANSFERS IN (OUT)</u>	..... <u>38,952</u>	<u>(38,952)</u>	_____
Net -	-	-
Fund Balance - Beginning of Year -	-	-
Fund Balance - End of Year <u>-</u>	<u>-</u>	<u>-</u>

<u>Loan Servicing and Management</u>	<u>Total Economic Development Funds</u>
	\$ 48,089
	40,740
\$ <u>245,385</u>	<u>307,312</u>
\$ 245,385	\$ 396,141
\$ 231,651	\$ 344,602
5,123	5,123
969	976
7,326	7,405
316	316
	24
	<u>37,695</u>
\$ <u>245,385</u>	\$ <u>396,141</u>
-	-
-	-
-	-
-	-
-	-

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

OTHER MEMBER PROJECTS

FOR THE YEAR ENDED JUNE 30, 2005

	<u>Anthon Codes</u>	<u>Battle Creek Codes</u>	<u>Cherokee County Codes</u>	<u>Community Development Projects</u>
<u>REVENUES</u>				
Federal and State Grants				
Membership Dues				\$ 40,577
Local Assessments				
Contract Services Income	\$ 3,612	\$ 4,095	\$ 3,460	<u>9,375</u>
Total Revenues	\$ 3,612	\$ 4,095	\$ 3,460	\$ 49,952
<u>EXPENDITURES</u>				
Salaries and Benefits	\$ 2,161	\$ 1,610	\$ 1,602	\$ 14,950
Travel and Training	114	424	215	12,033
Communications				362
Supplies				3,526
Dues and Subscriptions				495
Purchased Services				246
Contractual Payments		360		230
Advertising				1,241
Indirect/Administrative	<u>1,337</u>	<u>1,537</u>	<u>1,371</u>	<u>11,093</u>
Total Expenditures	\$ 3,612	\$ 3,931	\$ 3,188	\$ 44,176
Excess (Deficiency) of Revenues Over Expenditures	-	\$ 164	\$ 272	\$ 5,776
<u>TRANSFERS IN (OUT)</u>	<u>-</u>	<u>(164)</u>	<u>(272)</u>	<u>(5,776)</u>
Net	-	-	-	-
Fund Balance - Beginning of Year ..	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

<u>Dakota City Codes</u>	<u>Emerson Codes</u>	<u>EPA</u>	<u>Hornick Codes</u>	<u>Ida Grove Codes</u>
\$ 1,785				
<u> </u>	\$ <u>822</u>	\$ <u>59,640</u>	\$ <u>2,699</u>	\$ <u>4,057</u>
\$ 1,785	\$ 822	\$ 59,640	\$ 2,699	\$ 4,057
\$ 1,292 18	\$ 325 52	\$ 2,160	\$ 1,700	\$ 1,708 133
		24,739		
		5,550		
		26,384		180
<u>844</u>	<u>256</u>	<u>810</u>	<u>999</u>	<u>1,550</u>
\$ <u>2,154</u>	\$ <u>633</u>	\$ <u>59,643</u>	\$ <u>2,699</u>	\$ <u>3,571</u>
\$ (369)	\$ 189	\$ (3)	-	\$ 486
<u>369</u>	<u>(189)</u>	<u>3</u>	<u>-</u>	<u>(486)</u>
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

OTHER MEMBER PROJECTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2005

	<u>Jackson</u>	<u>Lawton</u>	<u>Marcus</u>	<u>Moville</u>
	<u>Codes</u>	<u>Codes</u>	<u>Codes</u>	<u>Codes</u>
<u>REVENUES</u>				
Federal and State Grants				
Membership Dues				
Local Assessments				
Contract Services Income	\$ <u>1,611</u>	\$ <u>3,316</u>	\$ <u>3,869</u>	\$ <u>4,116</u>
Total Revenues	\$ 1,611	\$ 3,316	\$ 3,869	\$ 4,116
<u>EXPENDITURES</u>				
Salaries and Benefits	\$ 589	\$ 2,014	\$ 1,258	\$ 2,501
Travel and Training	152	54	460	65
Communications				
Supplies				
Dues and Subscriptions				
Purchased Services			10	
Contractual Payments	270		390	
Advertising				
Indirect/Administrative	<u>633</u>	<u>1,248</u>	<u>1,262</u>	<u>1,550</u>
Total Expenditures ...	\$ <u>1,644</u>	\$ <u>3,316</u>	\$ <u>3,380</u>	\$ <u>4,116</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ (33)	-	\$ 489	-
<u>TRANSFERS IN (OUT)</u>	<u>33</u>	<u> </u>	<u>(489)</u>	<u> </u>
Net	-	-	-	-
Fund Balance - Beginning of Year .	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund Balance - End of Year	<u> </u>	<u> </u>	<u> </u>	<u> </u>

<u>Missouri River</u>	<u>Monona County Codes</u>	<u>Moorhead Codes</u>	<u>Newcastle Codes</u>	<u>Onawa Codes</u>
\$ 183				
<u> </u>	\$ <u>312</u>	\$ <u>500</u>	\$ <u>141</u>	\$ <u>9,816</u>
\$ 183	\$ 312	\$ 500	\$ 141	\$ 9,816
	\$ 143	\$ 241	\$ 70	\$ 4,380
\$ 307	30			693
8			4	5
1,260				
<u>567</u>	<u>110</u>	<u>180</u>	<u>55</u>	<u>3,532</u>
\$ <u>2,142</u>	\$ <u>283</u>	\$ <u>421</u>	\$ <u>129</u>	\$ <u>8,610</u>
\$(1,959)	\$ 29	\$ 79	\$ 12	\$ 1,206
<u>1,959</u>	(<u>29</u>)	(<u>79</u>)	(<u>12</u>)	(<u>1,206</u>)
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

OTHER MEMBER PROJECTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2005

	<u>Pender</u>	<u>Plymouth</u>		<u>Sgt.</u>
	<u>Codes</u>	<u>County</u>	<u>SCPP</u>	<u>Bluff</u>
		<u>Codes</u>	<u>Codes</u>	<u>Codes</u>
<u>REVENUES</u>				
Federal and State Grants			\$ 60,711	
Membership Dues				
Local Assessments				
Contract Services Income	\$ 4,671	\$ 6,371	60,699	\$ 24,037
Total Revenues	\$ 4,671	\$ 6,371	\$ 121,410	\$ 24,037
<u>EXPENDITURES</u>				
Salaries and Benefits	\$ 2,123	\$ 7,365	\$ 65,717	\$ 12,843
Travel and Training	443	549	7,295	923
Communications				
Supplies		50	1,810	
Dues and Subscriptions				
Purchased Services				
Contractual Payments	640		3,670	1,095
Advertising				
Indirect/Administrative	1,448	5,482	45,400	8,586
Total Expenditures	\$ 4,654	\$ 13,446	\$ 123,892	\$ 23,447
Excess (Deficiency) of				
Revenues Over				
Expenditures	\$ 17	\$(7,075)	\$(2,482)	\$ 590
<u>TRANSFERS IN (OUT)</u>	(17)	7,075	2,482	(590)
Net	-	-	-	-
Fund Balance - Beginning of Year .	-	-	-	-
Fund Balance - End of Year	-	-	-	-

<u>Siouxland Trails Foundation Codes</u>	<u>Sloan Codes</u>	<u>South Sioux Codes</u>	<u>Star- Comm Codes</u>	<u>Wakefield Codes</u>
\$ <u>557</u>	\$ <u>6,594</u>	\$ <u>8,008</u>	\$ <u>2,100</u>	\$ <u>143</u>
\$ 557	\$ 6,594	\$ 8,008	\$ 2,100	\$ 143
\$ 323	\$ 3,780 391	\$ 5,233 486	\$ 870	\$ 765 264
<u>234</u>	<u>2,672</u>	<u>3,146</u>	<u>757</u>	<u>572</u>
\$ <u>557</u>	\$ <u>6,843</u>	\$ <u>8,865</u>	\$ <u>1,627</u>	\$ <u>1,601</u>
-	\$(249)	\$(857)	\$ 473	\$(1,458)
<u>-</u>	<u>249</u>	<u>857</u>	(<u>473</u>)	<u>1,458</u>
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

OTHER MEMBER PROJECTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2005

	<u>Washta</u>	<u>Whiting</u>	<u>Woodbury</u>	
	<u>Codes</u>	<u>Codes</u>	<u>County</u>	<u>Total</u>
	<u>Codes</u>	<u>Codes</u>	<u>Codes</u>	
<u>REVENUES</u>				
Federal and State Grants				\$ 62,496
Membership Dues				40,577
Local Assessments				183
Contract Services Income	\$ 4,021	\$ 11,350	\$ 4,674	<u>244,666</u>
Total Revenues	\$ 4,021	\$ 11,350	\$ 4,674	\$ 347,922
<u>EXPENDITURES</u>				
Salaries and Benefits	\$ 1,142	\$ 6,976	\$ 2,639	\$ 148,480
Travel and Training	549	233	347	26,230
Communications				362
Supplies				30,142
Dues and Subscriptions				495
Purchased Services	75			5,881
Contractual Payments	525			35,004
Advertising				1,241
Indirect/Administrative	<u>1,247</u>	<u>4,141</u>	<u>1,688</u>	<u>104,307</u>
Total Expenditures	\$ 3,538	\$ 11,350	\$ 4,674	\$ 352,142
Excess (Deficiency) of Revenues Over Expenditures	\$ 483	-	-	\$ (4,220)
<u>TRANSFERS IN (OUT)</u>	<u>(483)</u>	<u>-</u>	<u>-</u>	<u>4,220</u>
Net	-	-	-	-
Fund Balance - Beginning of Year .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

SCHEDULE OF FIDUCIARY NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2005

	<u>Cardinal Development Inc.</u>	<u>Deferred Compensation</u>	<u>Total Agency Funds</u>
<u>ASSETS AND OTHER DEBITS</u>			
Cash and Cash Equivalents	\$ 27,535		\$ 27,535
Loan Receivable	3,521		3,521
Investment in Annuity	_____	\$ 49,133	49,133
Total Assets	\$ <u>31,056</u>	\$ <u>49,133</u>	\$ <u>80,189</u>
<u>LIABILITIES, EQUITY, AND OTHER CREDITS</u>			
Liabilities:			
Due to State Governments	\$ 31,056		\$ 31,056
Deferred Compensation	_____	\$ 49,133	49,133
Total Liabilities	\$ <u>31,056</u>	\$ <u>49,133</u>	\$ <u>80,189</u>

COMBINING BALANCE SHEET

COMPONENT UNITS

JUNE 30, 2005

<u>ASSETS</u>	Siouxland Regional Transit System	Tri- State Graduate Center	Northeast Nebraska Joint Housing Agency	Total Component Units
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 152,623	\$ 37,879	\$ 104,354	\$ 294,856
Accounts Receivable	148,463	34		148,497
Due from Other Funds			10,926	10,926
Due from Other Governments:				
Federal	2,460			2,460
State	1,586			1,586
Local	76,150			76,150
Prepaid Expenditures	6,142			6,142
Capital Assets	<u>1,923,682</u>	<u>2,369</u>	<u>2,331</u>	<u>1,928,382</u>
 Total Assets	 \$ <u>2,311,106</u>	 \$ <u>40,282</u>	 \$ <u>117,611</u>	 \$ <u>2,468,999</u>
<u>LIABILITIES AND FUND EQUITY</u>				
<u>LIABILITIES</u>				
Accounts Payable	\$ 84,658	\$ 2,271	\$ 124	\$ 87,053
Due to Other Funds	25,914	2,274		28,188
Due to Other Governments:				
Federal			40,111	40,111
State				-
Local	10,875			10,875
Tenant Escrow			7,374	7,374
Accrued Wages and Benefits	35,009	4,930	3,510	43,449
Accrued Vacation	11,440	4,500		15,940
Deferred Revenue	<u>1,176</u>	<u>1,000</u>		<u>2,176</u>
 Total Liabilities	 \$ 169,072	 \$ 14,975	 \$ 51,119	 \$ 235,166
<u>FUND EQUITY</u>				
Invested in Capital Assets	\$ 1,923,682	\$ 2,369	\$ 2,331	\$ 1,928,382
Fund Balance:				
Reserve for Prepaid Expenditures	6,142			6,142
Unreserved	<u>212,210</u>	<u>22,938</u>	<u>64,161</u>	<u>299,309</u>
 Total Fund Equity	 \$ <u>2,142,034</u>	 \$ <u>25,307</u>	 \$ <u>66,492</u>	 \$ <u>2,233,833</u>
Total Liabilities and Fund Equity	 \$ <u>2,311,106</u>	 \$ <u>40,282</u>	 \$ <u>117,611</u>	 \$ <u>2,468,999</u>

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SIouxLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

COMPONENT UNITS

JUNE 30, 2005

Siouxland Regional Transit System

<u>REVENUE</u>	<u>Operation</u>	<u>Building</u>	<u>South Dakota Service</u>	<u>Capital</u>	<u>Total Siouxland Regional Transit System</u>
Federal and State					
Grants	\$ 546,874		\$ 31,218		\$ 578,092
Local Assessments ..	89,989		23,000		112,989
Program Income					-
Contract Services					
Income	949,147		7,690		956,837
Interest Income	1,747				1,747
Miscellaneous	12,537		6,800		19,337
Sale of Equipment ..				\$ 1,025	1,025
 Total Revenues .	 \$ 1,600,294	 -	 \$ 68,708	 \$ 1,025	 \$ 1,670,027
 <u>EXPENDITURES</u>					
Salaries and Benefits .	\$ 914,703		\$ 43,057		\$ 957,760
Rent	22,404		2,778		25,182
Travel and Training .	6,028		20		6,048
Communications	5,052		227		5,279
Supplies	7,142		18		7,160
Insurance	180,182		4,068		184,250
Dues and Subscriptions	2,783				2,783
Professional Fees ..	21				21
Purchased Services .	1,885			\$ 1,290	3,175
Equipment and					
Maintenance	325,754		7,529	500	333,783
Contractual Payments .	3,718				3,718
Advertising	3,783		51		3,834
Indirect/					
Administrative ...	59,895		7,935		67,830
Miscellaneous	13,309		203	1	13,513
 Total					
Expenditures .	\$ 1,546,659	-	\$ 65,886	\$ 1,791	\$ 1,614,336
Excess					
(Deficiency) of					
Revenues Over					
Expenditures .	\$ 53,635	-	\$ 2,822	\$(766)	\$ 55,691
 <u>TRANSFERS IN (OUT)</u> ...	 40,000	\$(40,000)	 -	 -	 -
 Net	 \$ 93,635	\$(40,000)	\$ 2,822	\$(766)	\$ 55,691
 Fund Balance - Beginning					
of Year	24,552	\$ 40,000	3,043	95,066	162,661
Fund Balance - End of					
Year	\$ 118,187	-	\$ 5,865	\$ 94,300	\$ 218,352

Tri-State Graduate Center				Northeast Nebraska Joint Housing Agency				
Iowa Graduate Center	Nebraska Graduate Center	South Dakota Graduate Center	Total Tri-State Graduate Center	Northeast Nebraska Housing	NE Nebraska Housing - FSS Coordinator	NE Nebraska Housing - FSS Home Coordinator	Total NE Nebraska Joint Housing Agency	Total Component Units
\$ 77,941 3,000	\$ 42,388 1,000	\$ 7,978	\$ 128,307 4,000	\$ 225,501	\$ 34,250	\$ 13,389	\$ 273,140	\$ 979,539 116,989
860	461	85	1,406	1,067				956,837
2,095	1,123	207	3,425	3,964			1,067 3,964	4,220 26,726
								1,025
\$ 83,896	\$ 44,972	\$ 8,270	\$ 137,138	\$ 230,532	\$ 34,250	\$ 13,389	\$ 278,171	\$ 2,085,336
\$ 65,107 2,202 2,428 864 5,803 306 395	\$ 34,900 1,181 1,301 463 3,111 164 212	\$ 6,417 217 239 85 572 30 39	\$ 106,424 3,600 3,968 1,412 9,486 500 646	\$ 24,183 2,135 830 1,819 682 2,900 68	\$ 34,250	\$ 13,389	\$ 71,822 - 2,135 830 1,819 - 682 2,900 68	\$ 1,136,006 28,782 12,151 7,521 18,465 184,750 4,111 2,921 3,243
833	447	82	1,362					335,145
2,520	1,351	249	4,120	180,022 131			180,022 131	183,740 8,085
3,671	1,967	362	6,000	7,800			7,800	81,630
\$ 84,129	\$ 45,097	\$ 8,292	\$ 137,518	\$ 220,570	\$ 34,250	\$ 13,389	\$ 268,209	\$ 2,020,063
\$ (233)	\$ (125)	\$ (22)	\$ (380)	\$ 9,962	-	-	\$ 9,962	\$ 65,273
-	-	-	-	(4,030)	\$ 4,024	\$ 6	-	-
\$ (233)	\$ (125)	\$ (22)	\$ (380)	\$ 5,932	\$ 4,024	\$ 6	\$ 9,962	\$ 65,273
15,277	7,436	605	23,318	58,229	\$ (4,024)	\$ (6)	54,199	240,178
\$ 15,044	\$ 7,311	\$ 583	\$ 22,938	\$ 64,161	-	-	\$ 64,161	\$ 305,451

SINGLE AUDIT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2005

<u>Grantor/Program</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantors' Number</u>	<u>Federal Disbursements/ Expenditures</u>
Direct:			
<u>DEPARTMENT OF COMMERCE</u>			
Economic Development - Support for Planning Organizations	11.302 11.302	05-83-03968 05-83-04121	\$ 7,862 40,227
Economic Development - Technical Assistance	11.303	05-06-03853	<u>4,227</u>
Total U. S. Department of Commerce			\$ 52,316
<u>ENVIRONMENTAL PROTECTION AGENCY</u>			
Surveys, Studies, Investigations and Special Purpose Grant	66.606		\$ 59,640
<u>DEPARTMENT OF AGRICULTURE</u>			
Rural Business Opportunity Grant	10.773		\$ 60,711
Indirect:			
<u>DEPARTMENT OF TRANSPORTATION</u>			
Iowa Department of Transportation:			
Formula Grants for Non-Urbanized Areas	20.509	18-4025-040-05	\$ 169,249
State Planning and Research	20.515	05-MPO-SIMPCO	135,089
State Planning and Research	20.515	05-RPA-04	38,259
Regional Intelligent Transportation Systems Architecture	20.515		<u>30,000</u>
Total Iowa Department of Transportation			\$ 372,597
Highway Planning and Construction - NE	20.205	SPR-PL-1(42)	\$ 30,000
Regional Intelligent Transportation Systems Architecture - NE			12,500
Highway Planning and Construction - SD	20.205	PL 0156(22)	23,920
Regional Intelligent Transportation Systems Architecture - SD			6,810
Section 5311 - SD	20.509		30,421
Dakota Dunes Roundabout Study	20.205		<u>309</u>
Total Other State Department of Transportation			\$ <u>103,960</u>
Total U. S. Department of Transportation			\$ 476,557

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2005

<u>Grantor/Program</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantors' Number</u>	<u>Federal Disbursements/ Expenditures</u>
<u>DEPARTMENT OF PUBLIC DEFENSE</u>			
Iowa Department of Public Defense: Interagency Hazardous Materials Public Sector Training and Planning	20.703		\$ 12,949
<u>DEPARTMENT OF HOMELAND SECURITY</u>			
Iowa Homeland Security and Emergency Management Division: Hazardous Materials Assistance Program	97.021		\$ 7,000
<u>DEPARTMENT OF THE INTERIOR</u>			
National Park Service: Challenge Cost Share - Lewis and Clark National Historical Trail	15.ATT		\$ 10,000
<u>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Northeast Nebraska Joint Housing Agency: Section 8 Housing Choice Vouchers	14.871		\$ <u>273,140</u>
Total Federal Awards			\$ <u>952,313</u>

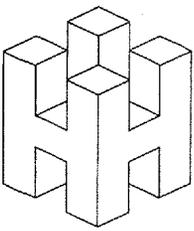
SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2005

Note 1 - BASIS OF PRESENTATION

Basis of Presentation - The Schedule of Expenditures of Federal Awards includes the Federal grant activity of Siouxland Interstate Metropolitan Planning Council. It is presented on the same basis of accounting as the financial statements, which is disclosed in Note 1 of the Notes to Financial Statements. For purposes of this report, the expenditures are also presented in accordance with Circular A-133, Audits of State, Local Governments and Non-Profit Organizations.



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

Siouxland Interstate Metropolitan
Planning Council
Sioux City, Iowa

We have audited the financial statements of the governmental activities, the discretely presented component units and each major fund of SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL, as of and for the year ended June 30, 2005, which collectively comprise the basic financial statements and have issued our report thereon dated October 14, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Siouxland Interstate Metropolitan Planning Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

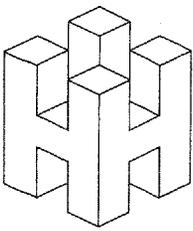
As part of obtaining reasonable assurance about whether Siouxland Interstate Metropolitan Planning Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which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

This report is intended solely for the information and use of the executive committee, management, and Federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Henry, Conner &
Williams, P.C.*

Certified Public Accountants

Sioux City, Iowa
October 14, 2005



HENJES, CONNER &
WILLIAMS, P.C.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Members of the Council
Siouxland Interstate Metropolitan
Planning Council
Sioux City, Iowa

Compliance

We have audited the compliance of SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major Federal programs for the year ended June 30, 2005. Siouxland Interstate Metropolitan Planning Council's major Federal programs are identified in the Summary of Auditors' Results Section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major Federal programs is the responsibility of Siouxland Interstate Metropolitan Planning Council's management. Our responsibility is to express an opinion on Siouxland Interstate Metropolitan Planning Council's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about Siouxland Interstate Metropolitan Planning Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Siouxland Interstate Metropolitan Planning Council's compliance with those requirements.

In our opinion, Siouxland Interstate Metropolitan Planning Council complied, in all material respects, with the requirements referred to above that are applicable to each of its major Federal programs for the year ended June 30, 2005.

Internal Control Over Compliance

The management of Siouxland Interstate Metropolitan Planning Council is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to Federal programs. In planning and performing our audit, we considered Siouxland Interstate Metropolitan Planning Council's internal control over compliance with requirements that could have a direct and material effect on a major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable 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 noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major Federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the executive committee, management, and Federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Denise Conner &
Williams, P.C.*

Certified Public Accountants

Sioux City, Iowa
October 14, 2005

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2005

Part I: SUMMARY OF AUDITORS' RESULTS:

Financial Statements

Type of Auditors' Report Issued: Unqualified

Internal Control Over Financial Reporting:

Material weakness(es) identified? _____ Yes X No

Reportable condition(s) identified that are not considered to be material weaknesses? _____ Yes X None Reported

Noncompliance material to Financial statements noted? _____ Yes X No

Federal Awards

Internal Control Over Major Programs:

Material weakness(es) identified? _____ Yes X No

Reportable condition(s) identified that are not considered to be material weaknesses? _____ Yes X None Reported

Type of Auditors' Report Issued on Compliance for Major Programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? _____ Yes X No

Major Programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program</u>
11.302	Economic Development-Support for Planning Organizations
11.303	Economic Development-Technical Assistance
20.509	Formula Grants for Non-Urbanized Areas
20.515	State Planning and Research

Dollar Threshold Used to Distinguish Between Type A and Type B Programs \$ 300,000

Auditee Qualified as Low-Risk Auditee X Yes _____ No

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FOR THE YEAR ENDED JUNE 30, 2005

Part II: FINDINGS RELATED TO THE GENERAL PURPOSE FINANCIAL STATEMENTS

None

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FOR THE YEAR ENDED JUNE 30, 2005

Part III: FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None