

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Indianola, Iowa

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

(OMB Circular A-133, Single Audit Report)

September 30, 2006 and 2005

(With Independent Auditor's Reports Thereon)

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Indianola, Iowa

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RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Board of Directors and Officers

Officers

Dave Discher
Dave Reed
Beverly Dickerson

President
Vice-President
Secretary-Treasurer

Board Members

| <u>County</u> | <u>Representing Private</u> | <u>Representing Government</u> | <u>Representing Low-Income</u> |
|---------------|-----------------------------|--------------------------------|--------------------------------|
| Boone | Pat Triska | Dave Reed | Orvil Nelson |
| Jasper | Jody Elscott | Bill Ward | Jerry Sawin |
| Marion | Vacant | Sam Nichols | John Leeper |
| Polk | Eva Howe | Dave Discher | Gordon Miller |
| Warren | Dixie Downey | Marvin Grace | Beverly Dickerson |

Management

Central Administrative Office

Bill Peppmeier
Laura Hudson

Richard Oosterhuis
Laverta Foust
Rob Foster

Mindi Lane

Boone County Center
Joyce O'Tool

Jasper County Center
Sue Eldred

Marion County Center
Nancy Hulgán

Polk County Center
Sharon Brooks

Warren County Center
Laurel Cogswell

Executive Director
Weatherization
Coordinator/Operations
Manager/Program Planner
Fiscal Manager
Energy Manager
Weatherization
Evaluator/Inspector
Outreach Specialist

County Coordinator

County Coordinator

County Coordinator

County Coordinator

County Coordinator

CRAIG A. DITSWORTH, CPA
WILLIAM H. BOORN, CPA
DENNIS L. MUELLER, CPA
DENNIS J. WAGNER, CPA
STEPHEN L. KOEHN, CPA
SUSAN K. CHANTLAND, CPA
C. MARK LINCOLN, CPA
JOHN E. ORTHAUS, CPA
SCOTT W. MILLER, CPA
WILLIAM J. BAUER, CPA
WENDY G. WIEDNER, CPA
JON J. PAULSEN, CPA

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Red Rock Area Community Action Program, Inc.
Indianola, Iowa

We have audited the accompanying Statements of Financial Position of Red Rock Area Community Action Program, Inc. (a nonprofit organization) as of September 30, 2006 and 2005, and the related Statements of Activities and Changes in Net Assets and Cash Flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Red Rock Area Community Action Program, Inc. as of September 30, 2006 and 2005, and the changes in its net assets and its cash flows for the years 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 a report dated November 22, 2006, on our consideration of Red Rock Area Community Action Program, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 considered in assessing the results of our audit.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations, and is not a required part of the basic financial statements. The additional supporting schedules that follow are presented for purposes of further analysis and also are not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Meriwether, Wilson and Company, P.L.C.
MERIWETHER, WILSON AND COMPANY, P.L.C.
Certified Public Accountants

November 22, 2006
West Des Moines, Iowa

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Statements of Financial Position

September 30,

| | <u>2006</u> | <u>2005</u> |
|---|-------------------|----------------|
| Assets | | |
| Current Assets | | |
| Cash | \$ 153,528 | 158,664 |
| Receivables | 198,345 | 99,981 |
| Prepaid Expenses | 15,812 | 7,389 |
| Total Current Assets | <u>367,685</u> | <u>266,034</u> |
| Tenants' Security Deposits Held in Trust - Cash | <u>2,896</u> | <u>3,229</u> |
| Property and Equipment | | |
| Land | 19,200 | 19,200 |
| Buildings and Improvements | 437,455 | 418,203 |
| Vehicles | 50,412 | 50,412 |
| Furnishings and Equipment | 266,820 | 238,212 |
| | <u>773,887</u> | <u>726,027</u> |
| Accumulated Depreciation | 430,277 | 387,964 |
| Net Property and Equipment | <u>343,610</u> | <u>338,063</u> |
| Total Assets | <u>\$ 714,191</u> | <u>607,326</u> |
| Liabilities and Net Assets | | |
| Current Liabilities | | |
| Accounts Payable | \$ 26,179 | 11,466 |
| Mortgages Payable - Current Portion | 26,254 | 12,955 |
| Accrued Expenses | 45,600 | 40,739 |
| Deferred Revenue | 117,414 | 1,720 |
| Total Current Liabilities | <u>215,447</u> | <u>66,880</u> |
| Deposit Liabilities - Tenants' Security Deposits | <u>2,896</u> | <u>3,229</u> |
| Long-Term Debt | | |
| Mortgages Payable, Net of Current Portion | <u>126,708</u> | <u>152,961</u> |
| Total Liabilities | <u>345,051</u> | <u>223,070</u> |
| Net Assets | | |
| Unrestricted | | |
| Designated for Programs and Counties | 325,170 | 355,646 |
| Undesignated | 43,970 | 28,610 |
| Total Net Assets | <u>369,140</u> | <u>384,256</u> |
| Total Liabilities and Net Assets | <u>\$ 714,191</u> | <u>607,326</u> |

The accompanying notes are an integral part of these financial statements.

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Statements of Activities and Changes in Net Assets

Years Ended September 30,

| | <u>Unrestricted</u> | |
|--|---------------------|------------------|
| | <u>2006</u> | <u>2005</u> |
| Support and Revenue | | |
| Government Grants and Contract Revenue | \$ 4,077,735 | 2,440,140 |
| Project Income | 77,904 | 75,032 |
| Local Public Support | 82,209 | 69,907 |
| Contributions and Other Income | 20,301 | 22,975 |
| Interest | 13,270 | 4,948 |
| Total Support and Revenue | <u>4,271,419</u> | <u>2,613,002</u> |
| Expenses | | |
| Low Income Home Energy Assistance Program | 2,783,979 | 1,746,265 |
| Community Services Block Grant | 324,782 | 356,545 |
| Weatherization Programs | 309,320 | 20,095 |
| I Care Fund | 256,327 | 24,187 |
| Transportation Program Services | 250,687 | 203,009 |
| County Funds | 120,356 | 95,826 |
| Hometown Care | 97,089 | -- |
| Emergency Food and Shelter National Board Program | 47,339 | 32,022 |
| Housing Programs | 37,684 | 32,443 |
| Homeless Shelter Operations Grants Program | 21,445 | 42,742 |
| Emergency Shelter Grants Program | 14,595 | 24,423 |
| Embrace Iowa | 10,667 | 9,070 |
| Chore Service Program | 10,110 | 8,091 |
| Other Programs | 13,012 | 16,722 |
| Undesignated Fund | 11,209 | 13,310 |
| Total Expenses | <u>4,308,601</u> | <u>2,624,750</u> |
| Change in Net Assets Before Capital Additions | (37,182) | (11,748) |
| Capital Additions - Grant Funds Provided for Acquisitions of Capital Assets | <u>22,066</u> | <u>20,554</u> |
| Change in Net Assets | (15,116) | 8,806 |
| Net Assets at Beginning of Year | <u>384,256</u> | <u>375,450</u> |
| Net Assets at End of Year | <u>\$ 369,140</u> | <u>384,256</u> |

The accompanying notes are an integral part of these financial statements.

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Statements of Cash Flows

Years Ended September 30,

| | <u>2006</u> | <u>2005</u> |
|---|-------------------|-----------------|
| Cash Flows from Operating Activities | | |
| Change in Net Assets | \$ (15,116) | 8,806 |
| Adjustments to Reconcile Change in Net Assets to | | |
| Net Cash Flows from Operating Activities - Depreciation | 42,313 | 36,947 |
| (Increase) Decrease in | | |
| Receivables | (98,364) | 100,700 |
| Prepaid Expenses | (8,423) | (918) |
| Deposits Held in Trust | 333 | 292 |
| Increase (Decrease) in | | |
| Accounts Payable | 1,638 | (49,895) |
| Accrued Expenses | 17,936 | (16,205) |
| Deferred Revenue | 115,694 | 60 |
| Tenants' Security Deposits | (333) | (292) |
| Net Cash Flows from Operating Activities | <u>55,678</u> | <u>79,495</u> |
| Cash Flows from Investing Activities | | |
| Purchase of Property and Equipment | <u>(47,860)</u> | <u>(69,945)</u> |
| Cash Flows from Financing Activities | | |
| Repayments on Mortgages | <u>(12,954)</u> | <u>(12,093)</u> |
| Change in Cash | (5,136) | (2,543) |
| Cash Balances - Beginning of Year | <u>158,664</u> | <u>161,207</u> |
| Cash Balances - End of Year | <u>\$ 153,528</u> | <u>158,664</u> |
| Supplemental Disclosure of Cash Flow Data | | |
| Cash Paid During the Years for | | |
| Interest | <u>\$ 5,764</u> | <u>6,626</u> |
| Income Taxes | <u>\$ --</u> | <u>--</u> |

The accompanying notes are an integral part of these financial statements.

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Notes to Financial Statements

September 30, 2006 and 2005

1. Nature of Activities**Reporting Entity**

Red Rock Area Community Action Program, Inc. (RRACAP) is a private nonprofit corporation organized and incorporated in 1976 under Chapter 504A of the Code of Iowa. RRACAP is a community action agency as defined in state law, and the mission of the Organization is to provide advocacy, coordination of services, access to other programs and direct services when necessary to meet the basic needs of the economically disadvantaged and others. RRACAP administers programs funded by federal, state, and local agencies for the benefit of eligible participants. The Organization serves five central Iowa counties and its main office is located in Indianola, Iowa. This report includes the financial statements of all programs (including general funds) administered by RRACAP.

2. Summary of Significant Accounting Policies

The accompanying financial statements have been prepared in accordance with guidelines established for nonprofit organizations by the American Institute of Certified Public Accountants. The following describes the significant accounting policies.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Income Taxes

RRACAP is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Chapter 504A of the Code of Iowa. RRACAP has been determined not to be "private foundations" within the meaning of Section 509A of the Internal Revenue Code.

Financial Statement Presentation and Contributions

The Organization reports financial information in accordance with Statements of Financial Accounting Standards (SFAS) Nos. 117 and 116. SFAS No. 117 requires the Organization to report information regarding its financial position and activities according to three classes of net assets, while SFAS No. 116 requires classification of contributions received as unrestricted, temporarily restricted, or permanently restricted depending on donor restrictions.

Cash

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents.

Receivables

Receivables, comprised primarily of reimbursements from grant award activities, are reported at net realizable value. All amounts are considered collectible and accordingly, no provision for bad debts has been recorded.

Property and Equipment

Use of unrestricted funds for property and equipment acquisitions are accounted for as transfers to the property and equipment fund. Proceeds from the sale of property and equipment assets, if unrestricted, are transferred to unrestricted net assets, or, if restricted, to restricted or temporarily restricted net assets for property and equipment acquisition.

Property and equipment are recorded at cost when purchased or at their fair value when contributed. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. Property and equipment acquired with grantor funds is expensed to the appropriate program and capitalized through a direct charge to net assets.

Long-lived assets to be held and used are tested for recoverability whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. When required, impairment losses on assets would be recognized based upon the fair value of the asset. During the years ended September 30, 2006 and 2005, no events or changes in circumstances indicated that the carrying values of long-lived assets might not be recoverable, and no impairment losses were recognized.

Revenue Recognition

Revenue from grant awards, contracts, and other services are recognized when earned. Revenue from grants and contracts is recognized only to the extent that they are expended in accordance with grantor designation. Any designated revenues which have been received but not expended, are classified as deferred revenue in the liability section of the accompanying Statement of Financial Position. Revenue from other support and donations is recognized when received.

Contributed Services

RRACAP receives a significant amount of services donated from unpaid volunteers assisting with various programs. No amounts have been recognized in the statement of activities because the criteria for recognition under SFAS No.116 have not been satisfied.

Allocation of Expenses

The Organization generally allocates building rent, telephones and utilities to program activities based on estimates of usage. Wage and benefit costs are allocated directly to programs benefited on the basis of time sheets. Other costs of operations are allocated based on estimates of usage or direct charges incurred.

Financial Instruments

The carrying amounts of current assets and liabilities approximate their fair values due to the short-term maturities of these financial instruments. The carrying amounts of mortgages payable and debt issued pursuant to the Company's bank credit agreements approximate fair value because the interest rates on these financial instruments approximate a market rate.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates.

Reclassifications

Certain reclassifications to the 2005 financial statements have been made to conform to the 2006 presentation.

3. Principal Programs

The following is a summary description of the principal programs administered by the Organization:

Housing Programs

The Organization has established a program to provide housing for low-income families. To fund this program, the Organization has received loans, grants and donations to purchase and maintain facilities for low-income housing.

Community Services Block Grant (CSBG)

Funded by the U.S. Department of Health and Human Services through the Iowa Department of Human Rights. The Organization used these funds primarily to cover operating and administrative expenses.

Low Income Home Energy Assistance Program (LIHEAP)

Funded by the U.S. Department of Health and Human Services through the Iowa Department of Human Rights. The program is established to aid low-income families and individuals in paying their household heating costs.

Transportation Program Services

Aging Resources administers Federal Title IIIB Funds. The Heart of Iowa Regional Transit Agency (HIRTA) administers State Transit Assistance Funds, FTA Operating Funds, and FTA Capital Funds. HIRTA has contracted Red Rock Area Community Action Program, Inc. to provide public transit services, which are open to the public without discrimination in Warren County. Other contracted funding includes Warren County Area Empowerment Board and Warren County Mental Health.

Weatherization Programs

Weatherization assistance programs are funded through grants from the U.S. Department of Energy and the U.S. Department of Health and Human Services through the Iowa Department of Human Rights. Area utility companies also provide funding through the Iowa Department of Human Rights. These programs provide resources to increase the energy efficiency of homes of qualifying low-income households.

I Care and Hometown Care

I Care and Hometown Care are funded by customer contributions to local utility companies. These companies provide funds to the Organization to help provide assistance to low-income utility customers in local communities.

Other Programs

A summary of expenses of other programs administered by the Organization not specifically set forth on the Statement of Activities is as follows:

| <u>Program Title</u> | <u>2006</u> | <u>2005</u> |
|----------------------|------------------|---------------|
| Project H.E.L.P.E.R. | \$ 3,300 | 2,347 |
| Hunger Hike | 2,546 | 1,740 |
| I.E. Counsel | 4,703 | 11,460 |
| Other Programs | 2,463 | 1,175 |
| | <u>\$ 13,012</u> | <u>16,722</u> |

4. Cash in Banks

The Organization maintains bank accounts in several local banks and these balances may sometimes exceed the maximum amount insured by the Federal Deposit Insurance Corporation (\$100,000). At September 30, 2006, the Organization had deposits in excess of insured limits totaling \$35,566 (\$123,375 in 2005), which were held in a corporate cash management sweep account. Funds in this account are collateralized by U.S. Treasury Notes pledged by the bank.

5. Concentration of Support

In the year ended September 30, 2006, the Organization received approximately 83% (93% in 2005) of its support and revenue from governmental grants. A significant reduction in the level of government funding would have a major effect on the Organization's program activities.

6. Receivables

Receivables are summarized as follows:

| <u>Due From</u> | <u>Program Activity</u> | <u>2006</u> | <u>2005</u> |
|--|-------------------------------|-------------------|---------------|
| Grant or Program Funds | | | |
| Iowa Department of Human Rights | Weatherization - Utility Cos. | \$ 45,470 | -- |
| Iowa Department of Human Rights | CSBG | 35,776 | -- |
| Iowa Department of Human Rights | HEAP Weatherization | 19,178 | 19,706 |
| Iowa Department of Human Rights | DOE Weatherization | 18,794 | -- |
| Iowa Department of Human Rights | LIHEAP | 2,133 | 2,284 |
| Heart of Iowa Regional Transit Agency | Warren Transportation | 14,894 | 2,325 |
| Iowa Institute for Community Alliances | Homeless Shelter Operations | 6,718 | 17,905 |
| City of Des Moines | Emergency Shelter Grant | 6,102 | 8,919 |
| Other Receivables by Program Activity | | | |
| Undesignated Fund | | | |
| Marion County | | 20,331 | 20,007 |
| Boone Co. Opportunity Programs, Inc. | | 1,120 | 3,259 |
| Other | | 2,119 | 232 |
| Warren Transportation | | 16,659 | 19,498 |
| LIHEAP | | 2,907 | -- |
| I Care | | 2,266 | 210 |
| County Funds | | 1,706 | 1,171 |
| Chore | | 1,638 | 1,555 |
| Emergency Food and Shelter | | 531 | -- |
| CSBG | | 3 | 2,910 |
| | | <u>\$ 198,345</u> | <u>99,981</u> |

7. Property and Equipment

Property and equipment are summarized as follows:

| Type of Equipment | 2006 | | | |
|------------------------------------|------------|----------------------|--------------------------|--------------------|
| | Cost | Depreciation Expense | Accumulated Depreciation | Undepreciated Cost |
| Program Equipment | | | | |
| CSBG | | | | |
| Office Equipment | \$ 26,956 | 2,832 | 16,150 | 10,806 |
| LIHEAP | | | | |
| Office Equipment | 81,596 | 1,280 | 77,091 | 4,505 |
| HEAP | | | | |
| WX Equipment | 18,814 | 3,629 | 3,904 | 14,910 |
| Transportation | | | | |
| Vans and Related Equipment | 54,549 | 17 | 54,327 | 222 |
| Chore | | | | |
| Yard Equipment | 8,784 | 291 | 5,044 | 3,740 |
| I Care | | | | |
| Office Equipment | 3,974 | 331 | 331 | 3,643 |
| I.E. Counsel | | | | |
| Office Equipment | 2,655 | 40 | 40 | 2,615 |
| Emergency Shelter | | | | |
| Grants Program | | | | |
| Office Equipment | 2,668 | -- | 2,668 | -- |
| Total Program Equipment | 199,996 | 8,420 | 159,555 | 40,441 |
| Low Income Housing | | | | |
| Land | 10,000 | -- | -- | 10,000 |
| Buildings and Improvements | 245,008 | 12,046 | 146,813 | 98,195 |
| Furnishings | 8,849 | 837 | 5,200 | 3,649 |
| | 263,857 | 12,883 | 152,013 | 111,844 |
| Transitional Housing | | | | |
| Land | 2,000 | -- | -- | 2,000 |
| Buildings and Improvements | 27,720 | 932 | 21,465 | 6,255 |
| | 29,720 | 932 | 21,465 | 8,255 |
| General Agency and Counties | | | | |
| Land | 7,200 | -- | -- | 7,200 |
| Building and Improvements | 161,245 | 10,088 | 19,479 | 141,766 |
| Furnishings and Equipment | 111,869 | 9,990 | 77,765 | 34,104 |
| | 280,314 | 20,078 | 97,244 | 183,070 |
| Total Agency | \$ 773,887 | 42,313 | 430,277 | 343,610 |

| 2005 | | | | |
|-----------------------------|------------|----------------------|--------------------------|--------------------|
| Type of Equipment | Cost | Depreciation Expense | Accumulated Depreciation | Undepreciated Cost |
| Program Equipment | | | | |
| CSBG | | | | |
| Office Equipment | \$ 19,575 | 2,414 | 13,318 | 6,257 |
| LIHEAP | | | | |
| Office Equipment | 78,699 | 1,588 | 75,811 | 2,888 |
| HEAP | | | | |
| WX Equipment | 16,504 | 275 | 275 | 16,229 |
| Transportation | | | | |
| Vans and Related Equipment | 54,349 | 10 | 54,311 | 38 |
| Chore | | | | |
| Yard Equipment | 6,135 | 317 | 4,753 | 1,382 |
| Emergency Shelter | | | | |
| Grants Program | | | | |
| Office Equipment | 2,668 | -- | 2,668 | -- |
| Total Program Equipment | 177,930 | 4,604 | 151,136 | 26,794 |
| Low Income Housing | | | | |
| Land | 10,000 | -- | -- | 10,000 |
| Buildings and Improvements | 238,566 | 13,494 | 134,766 | 103,800 |
| Furnishings | 7,210 | 722 | 4,363 | 2,847 |
| | 255,776 | 14,216 | 139,129 | 116,647 |
| Transitional Housing | | | | |
| Land | 2,000 | -- | -- | 2,000 |
| Buildings and Improvements | 23,121 | 666 | 20,533 | 2,588 |
| | 25,121 | 666 | 20,533 | 4,588 |
| General Agency and Counties | | | | |
| Land | 7,200 | -- | -- | 7,200 |
| Building and Improvements | 156,516 | 8,336 | 9,391 | 147,125 |
| Furnishings and Equipment | 103,484 | 9,125 | 67,775 | 35,709 |
| | 267,200 | 17,461 | 77,166 | 190,034 |
| Total Agency | \$ 726,027 | 36,947 | 387,964 | 338,063 |

The program equipment and portions of the housing property were acquired with grant funds. Accordingly, the corresponding grantors retain a reversionary interest in such assets.

8. Deferred Revenue

Amounts received and deferred to future periods are as follows:

| Program Title | 2006 | 2005 |
|--|-------------------|--------------|
| I Care Fund | \$ 108,743 | 739 |
| Hometown Care | 5,058 | -- |
| I.E. Counsel | 1,939 | -- |
| Warm Holidays | 1,045 | -- |
| Aquila Cares | 629 | -- |
| Recare Midland | -- | 422 |
| Transitional Housing (Rent Rec'd in Advance) | -- | 300 |
| Project H.E.L.P.E.R. | -- | 155 |
| Indianola Share | -- | 104 |
| | <u>\$ 117,414</u> | <u>1,720</u> |

9. **Accrued Expenses**

Accrued expenses are summarized as follows:

| | <u>2006</u> | <u>2005</u> |
|--------------------------------|------------------|---------------|
| Compensated Absences | \$ 18,117 | 15,251 |
| Accrued Wages | 14,649 | 13,075 |
| Accrued Audit | 10,152 | 9,917 |
| Payroll Taxes and Withholdings | 1,155 | -- |
| Property Taxes | 1,130 | 2,043 |
| Interest | 397 | 453 |
| | <u>\$ 45,600</u> | <u>40,739</u> |

10. **Long-Term Debt**

Notes and mortgages payable are summarized as follows:

| Lender | Date | | Balance, Sept. 30, | | Interest Rate | Repayment Basis |
|---|----------|----------|--------------------|----------------|---------------|---|
| | Made | Due | 2006 | 2005 | | |
| Bank of the West, Boone, Iowa | 03/15/95 | 06/06/07 | \$ 23,904 | 34,628 | 7.25% | \$1,074 monthly applied first to interest then principal. \$16,322 balloon payment due on 6/6/07. |
| Community Bank of Boone Boone, Iowa | 06/18/04 | 07/01/24 | 67,458 | 69,688 | 5.25% | \$486 monthly applied first to interest then to principal. |
| Iowa Department of Economic Development Des Moines, Iowa | 12/27/94 | 12/31/12 | 61,600 | 61,600 | --% | \$61,600 balloon payment due 12/31/12. |
| | | | <u>152,962</u> | <u>165,916</u> | | |
| Less: Amount Classified as Current | | | <u>26,254</u> | <u>12,955</u> | | |
| | | | <u>\$ 126,708</u> | <u>152,961</u> | | |

Assets mortgaged on the Bank of the West and Iowa Department of Economic Development loans are comprised of land and apartment buildings acquired in 1995 at a cost of \$190,900. Assets mortgaged on the Boone Community Bank loan consist of land and a building acquired in June 2004 at a cost of \$72,000.

Interest expense for the year ended September 30, 2006, totaled \$5,707 (\$6,577 in 2005).

Scheduled repayments on long-term debt as of the most recent year-end are as follows:

| | <u>Total</u> | <u>Bank of the West</u> | <u>Community Bank of Boone</u> | <u>Iowa Department of Economic Development</u> |
|------------|-------------------|-----------------------------|--|--|
| 2007 | \$ 26,254 | 23,904 | 2,350 | -- |
| 2008 | 2,467 | -- | 2,467 | -- |
| 2009 | 2,609 | -- | 2,609 | -- |
| 2010 | 2,737 | -- | 2,737 | -- |
| 2011 | 2,884 | -- | 2,884 | -- |
| Thereafter | 116,011 | -- | 54,411 | 61,600 |
| | <u>\$ 152,962</u> | <u>23,904</u> | <u>67,458</u> | <u>61,600</u> |

11. Lease Commitments

The Organization leases administrative offices in several counties and office equipment. Most leases are written for one-year periods with options to renew. At September 30, 2006, the Organization had the following lease with terms in excess of one year:

| | <u>Commencement</u> | <u>Term</u> |
|---------------------------------|---------------------|-------------|
| 1009 South Jefferson, Indianola | 10/01/04 | 10 Years |

The lease was amended effective December 1, 2005 to add additional space and to allow termination of the lease upon written notice by the Organization should its main funding source be reduced. The lease requires monthly payments of \$1,634 plus an additional amount for operating expenses, including common area maintenance, property taxes and insurance. If the actual cost of the operating expenses exceeds the original estimated amount, the lessor may increase the estimated operating expenses on an annual basis up to a maximum of 12.5% per year. At September 30, 2006 the monthly adjusted payment including rent and operating expenses totaled \$2,025 (\$1,500 at September 30, 2005).

Future minimum annual lease payments for leases with terms in excess of one year are summarized as follows as of the most recent year-end:

| | |
|------------|-------------------|
| 2007 | \$ 24,300 |
| 2008 | 24,300 |
| 2009 | 24,300 |
| 2010 | 24,300 |
| 2011 | 24,300 |
| Thereafter | <u>72,900</u> |
| | <u>\$ 194,400</u> |

Total rent and lease expense for the year ended September 30, 2006, amounted to \$33,050 (\$35,228 in 2005).

12. Employee Tax Sheltered Annuity Policies

The Organization has purchased annuity policies from National Western Life Insurance Company and Massachusetts Mutual Life Insurance Company, on behalf of its employees for retirement benefits.

The Organization's contributions totaled \$0 and employee contributions totaled \$1,125 during the year ended September 30, 2006 (\$0 and \$2,378, respectively, in 2005).

13. Iowa Public Employees Retirement System

The Organization 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 that are established by state statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information.

Plan members are required to contribute 3.70% of their annual covered salary and the Organization is required to contribute 5.75% of annual covered payroll. Contribution requirements are established by state statute. The Organization's contribution to IPERS for the year ended September 30, 2006, was \$30,782 (\$30,547 in 2005), equal to the required contribution for the year.

14. Related Party Transactions

The Red Rock Area Community Action Program, Inc. has certain mutual directors with local nonprofit corporations located in Jasper, Marion, Polk, and Warren counties and administers various programs for these corporations. The local corporations receive funding from their respective counties under service agreement contracts and reimburse Red Rock Area Community Action Program, Inc. for the administration of these agreements. These reimbursements totaled \$82,209 during the year ended September 30, 2006 (\$69,907 in 2005).

The Organization also has certain mutual directors with Boone County Opportunity Programs, Inc. (BCOP). BCOP and RRACAP have entered into a management agreement under which RRACAP receives a monthly management fee for accounting and other services. Fees earned by RRACAP under this agreement for the year ended September 30, 2006 totaled \$3,024 (\$2,646 in 2005). Amounts due RRACAP from BCOP for management fees and expense reimbursements totaled \$1,120 at September 30, 2006 (\$3,259 in 2005).

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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

Board of Directors
Red Rock Area Community Action Program, Inc.
Indianola, Iowa

We have audited the financial statements of Red Rock Area Community Action Program, Inc. (a nonprofit organization) as of and for the year ended September 30, 2006, and have issued our report thereon dated November 22, 2006. 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 the internal controls of Red Rock Area Community Action Program, Inc. 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 an opinion 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 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 misstatements caused by error or fraud 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 the financial statements of Red Rock Area Community Action Program, Inc. 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 Board of Directors, management, 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.

Meriwether, Wilson and Company, P.L.C.
MERIWETHER, WILSON AND COMPANY, P.L.C.
Certified Public Accountants

November 22, 2006
West Des Moines, Iowa

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

Board of Directors
Red Rock Area Community Action Program, Inc.
Indianola, Iowa

Compliance

We have audited the compliance of Red Rock Area Community Action Program, Inc. (a nonprofit organization) 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 September 30, 2006. The major federal programs of Red Rock Area Community Action Program, Inc. are identified in the Summary of Auditor's 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 Red Rock Area Community Action Program, Inc. Our responsibility is to express an opinion on the compliance of Red Rock Area Community Action Program, Inc. 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 Nonprofit 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 the compliance of Red Rock Area Community Action Program, Inc. 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 on the compliance of Red Rock Area Community Action Program, Inc. with those requirements.

In our opinion, Red Rock Area Community Action Program, Inc. 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 September 30, 2006.

Internal Control over Compliance

The management of Red Rock Area Community Action Program, Inc. 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 the internal controls of Red Rock Area Community Action Program, Inc. 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.

Page Two

Report on Compliance with Requirements Applicable to Each Major Program
and 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 Board of Directors, management, 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.

Meriwether, Wilson and Company, P.L.C.
MERIWETHER, WILSON AND COMPANY, P.L.C.
Certified Public Accountants

November 22, 2006
West Des Moines, Iowa

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Schedule of Findings and Questioned Costs

Year Ended September 30, 2006

Summary of Auditor's Results

1. We have issued an unqualified opinion in our report on the financial statements of Red Rock Area Community Action Program, Inc. as of and for the year ended September 30, 2006.
2. No reportable conditions relating to the audit of the financial statements are reported in the auditor's report on compliance and on internal control over financial reporting.
3. The results of our audit disclosed no instances of noncompliance that were considered material to the financial statements and would require reporting in accordance with Government Auditing Standards.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the auditor's report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133.
5. We have issued an unqualified opinion in our report on compliance for major programs for the year ended September 30, 2006.
6. The results of our audit disclosed no audit findings which we are required to report under Government Auditing Standards or OMB Circular A-133.
7. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
8. Red Rock Area Community Action Program, Inc. received the following federal awards that were audited as major programs in accordance with OMB Circular A-133 during the year ended September 30, 2006:

| <u>Federal Grant</u> | <u>CFDA Number</u> | <u>Expenditures</u> |
|---|------------------------|---------------------|
| U.S. Department of Health and Human Services Low Income Home Energy Assistance Program and Home Energy Assistance Program | 93.568 | \$ 2,839,284 |
| Community Services Block Grant | 93.569 | 324,782 |
| | | <u>\$ 3,164,066</u> |

9. Red Rock Area Community Action Program, Inc. did qualify as a low-risk auditee.

Findings Related to the Financial Statements

None

Findings and Questioned Costs Related to Federal Awards

None

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Schedule of Expenditures of Federal Awards

October 1, 2005 through September 30, 2006

| Federal Grantor/ Pass-Through Grantor/ Program Title | Grant or Award Number |
|--|--|
| U.S. Department of Health and Human Services Iowa Department of Human Rights Community Services Block Grant | CSBG-06-12-CU |
| Low Income Home Energy Assistance Program | LIHEAP-06-12-U |
| HEAP Weatherization Assistance - Start Up HEAP Weatherization Assistance Total CFDA #93.568 | HEAP-05-12U-SU HEAP-06-12U |
| Aging Resources Transportation Program Title IIIB Transportation Program Title IIIB Total CFDA #93.044 | N/A N/A |
| U.S. Department of Energy Iowa Department of Human Rights Weatherization Assistance Programs | DOE-06-12U |
| U.S. Department of Transportation Iowa Department of Transportation/Heart of Iowa Regional Transit Agency Federal Transit Non-Urban Operating Grant Federal Transit Non-Urban Operating Grant Total CFDA #20.509 | N/A N/A |
| Department of Homeland Security United Way of America Emergency Food and Shelter National Board Program Boone County Jasper County Marion County Polk County Warren County Total CFDA #97.024 | 24-2862-00 24-2948-00 24-2978-00 24-3006-00 24-3040-00 |
| U.S. Department of Housing and Urban Development Iowa Department of Economic Development City of Des Moines: Emergency Shelter Grant Ia. Inst. For Comm. Alliances: Emergency Shelter Grant Total CFDA #14.231 | ESGP05-06 06-ES-001 |
| Total Federal Expenditures | |

* Catalog of Federal Domestic Assistance

** Audited as a Major Program

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Schedule of Expenditures of Federal Awards

October 1, 2005 through September 30, 2006

| <u>Federal CFDA* Number</u> | <u>Period of Grant</u> | <u>Grant or Award Amount</u> | <u>Federal Expenditures</u> |
|-------------------------------------|------------------------|--------------------------------------|---------------------------------|
| 93.569 | 10/01/05-12/31/06 | 373,802 | <u>324,782</u> ** |
| 93.568 | 10/01/05-09/30/06 | 2,808,231 | 2,783,979 |
| 93.568 | 08/29/05-12/31/05 | 43,258 | 23,163 |
| 93.568 | 04/01/06-03/31/07 | 157,156 | <u>32,142</u> |
| | | | <u>2,839,284</u> ** |
| 93.044 | 07/01/05-06/30/06 | 20,000 | 15,000 |
| 93.044 | 07/01/06-06/30/07 | 28,000 | <u>7,000</u> |
| | | | <u>22,000</u> |
| 81.042 | 04/01/06-03/31/07 | 115,483 | <u>115,483</u> |
| 20.509 | 07/01/05-06/30/06 | 32,471 | 32,471 |
| 20.509 | 07/01/06-06/30/07 | 50,243 | <u>12,561</u> |
| | | | <u>45,032</u> |
| 97.024 | 10/01/05-09/30/06 | 7,865 | 7,865 |
| 97.024 | 10/01/05-09/30/06 | 12,431 | 12,431 |
| 97.024 | 10/01/05-09/30/06 | 5,878 | 5,878 |
| 97.024 | 10/01/05-09/30/06 | 14,359 | 14,359 |
| 97.024 | 10/01/05-09/30/06 | 6,275 | <u>6,275</u> |
| | | | <u>46,808</u> |
| 14.231 | 07/01/05-06/30/06 | 17,000 | 8,080 |
| 14.231 | 07/01/06-06/30/07 | 16,000 | <u>6,515</u> |
| | | | <u>14,595</u> |
| | | | <u>\$ 3,407,984</u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.**Notes to Schedule of Expenditures of Federal Awards**

Year Ended September 30, 2006

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Red Rock Area Community Action Program, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations. Some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Financial Position

September 30, 2006

| | Total | Total | Community Services Block Grant | Low Income Home Energy Assistance Program | HEAP WX | DOE WX |
|---|-------------------|----------------|---|---|------------|-----------|
| Assets | | | | | | |
| Cash | \$ 156,424 | 27,296 | (14,691) | 3,411 | (19,178) | (18,794) |
| Receivables | 198,345 | 173,069 | 35,779 | 5,040 | 19,178 | 18,794 |
| Prepaid Expenses | 15,812 | 12,028 | 10,385 | 1,643 | -- | -- |
| Property and Equipment | 773,887 | -- | -- | -- | -- | -- |
| Accumulated Depreciation | (430,277) | -- | -- | -- | -- | -- |
| Total Assets | \$ 714,191 | 212,393 | 31,473 | 10,094 | -- | -- |
| Liabilities and Net Assets | | | | | | |
| Liabilities | | | | | | |
| Accounts Payable | \$ 29,075 | 21,405 | 6,457 | 485 | -- | -- |
| Mortgages Payable | 152,962 | -- | -- | -- | -- | -- |
| Accrued Expenses | 45,600 | 38,763 | 25,016 | 9,609 | -- | -- |
| Deferred Revenue | 117,414 | 117,414 | -- | -- | -- | -- |
| Total Liabilities | 345,051 | 177,582 | 31,473 | 10,094 | -- | -- |
| Net Assets | 369,140 | 34,811 | -- | -- | -- | -- |
| Total Liabilities and Net Assets | \$ 714,191 | 212,393 | 31,473 | 10,094 | -- | -- |

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Financial Position

September 30, 2006

| Designated Program Funds | | | | | | | | | | |
|--|-----------------|---------------------------------------|-------------------|------------------|-----------------|---|-----------------------------|-------------------------------|--|--|
| WX Assistance Utility Companies | WX Cost Pool | Transportation Program Services | I Care Fund | Hometown Care | Aquila Cares | Emergency Food and Shelter National Board Program | Chore Service Program | Emergency Shelter Grant | | |
| (45,470) | 6,285 | 13,310 | 106,477 | 5,058 | 629 | -- | (3,979) | (5,942) | | |
| 45,470 | -- | 31,553 | 2,266 | -- | -- | 531 | 1,638 | 6,102 | | |
| -- | -- | -- | -- | -- | -- | -- | -- | -- | | |
| -- | -- | -- | -- | -- | -- | -- | -- | -- | | |
| -- | -- | -- | -- | -- | -- | -- | -- | -- | | |
| -- | 6,285 | 44,863 | 108,743 | 5,058 | 629 | 531 | (2,341) | 160 | | |
| -- | 5,250 | 4,981 | -- | -- | -- | 531 | 2,668 | 3 | | |
| -- | -- | -- | -- | -- | -- | -- | -- | -- | | |
| -- | 1,056 | 2,353 | -- | -- | -- | -- | 97 | 157 | | |
| -- | -- | -- | 108,743 | 5,058 | 629 | -- | -- | -- | | |
| -- | 6,306 | 7,334 | 108,743 | 5,058 | 629 | 531 | 2,765 | 160 | | |
| -- | (21) | 37,529 | -- | -- | -- | -- | (5,106) | -- | | |
| -- | 6,285 | 44,863 | 108,743 | 5,058 | 629 | 531 | (2,341) | 160 | | |

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Financial Position - Continued

September 30, 2006

| | Designated Program Funds | | | | |
|-------------------------------------|--|------------------|----------------------|-----------------|----------------|
| | Homeless Shelter Operations Grants Program | Warm Holidays | Operation Roundup | I.E. Counsel | Hunger Hike |
| Assets | | | | | |
| Cash | \$ (6,574) | 1,045 | 1,190 | 3,184 | 1,335 |
| Receivables | 6,718 | -- | -- | -- | -- |
| Prepaid Expenses | -- | -- | -- | -- | -- |
| Property and Equipment | -- | -- | -- | -- | -- |
| Accumulated Depreciation | -- | -- | -- | -- | -- |
| Total Assets | <u>\$ 144</u> | <u>1,045</u> | <u>1,190</u> | <u>3,184</u> | <u>1,335</u> |
| Liabilities and Net Assets | | | | | |
| Liabilities | | | | | |
| Accounts Payable | \$ 144 | -- | -- | 770 | 116 |
| Mortgage Payable | -- | -- | -- | -- | -- |
| Accrued Expenses | -- | -- | -- | 475 | -- |
| Deferred Revenue | -- | 1,045 | -- | 1,939 | -- |
| Total Liabilities | <u>144</u> | <u>1,045</u> | <u>--</u> | <u>3,184</u> | <u>116</u> |
| Net Assets | <u>--</u> | <u>--</u> | <u>1,190</u> | <u>--</u> | <u>1,219</u> |
| Total Liabilities and Net Assets | <u>\$ 144</u> | <u>1,045</u> | <u>1,190</u> | <u>3,184</u> | <u>1,335</u> |

RED ROCK AREA COMMUNITY ACTION PROGRAM INC.

Combining Statement of Financial Position - Continued

September 30, 2006

| Property and Equipment Funds | | | | | Local Funds | | |
|------------------------------|----------------------|--------------------|---------------|----------------|----------------|----------------|-------------------|
| Total | Housing Programs | | Program | General Agency | Total | County Funds | Undesignated Fund |
| | Transitional Housing | Low Income Housing | | | | | |
| 56,946 | 4,570 | 52,376 | -- | -- | 72,182 | 47,276 | 24,906 |
| -- | -- | -- | -- | -- | 25,276 | 1,706 | 23,570 |
| 239 | 239 | -- | -- | -- | 3,545 | -- | 3,545 |
| 557,042 | 29,720 | 263,857 | 199,996 | 63,469 | 216,845 | 216,845 | -- |
| (394,880) | (21,465) | (152,013) | (159,555) | (61,847) | (35,397) | (35,397) | -- |
| <u>219,347</u> | <u>13,064</u> | <u>164,220</u> | <u>40,441</u> | <u>1,622</u> | <u>282,451</u> | <u>230,430</u> | <u>52,021</u> |
| 3,110 | 399 | 2,711 | -- | -- | 4,560 | 1,028 | 3,532 |
| 85,504 | -- | 85,504 | -- | -- | 67,458 | 67,458 | -- |
| 105 | -- | 105 | -- | -- | 6,732 | 2,213 | 4,519 |
| -- | -- | -- | -- | -- | -- | -- | -- |
| <u>88,719</u> | <u>399</u> | <u>88,320</u> | <u>--</u> | <u>--</u> | <u>78,750</u> | <u>70,699</u> | <u>8,051</u> |
| <u>130,628</u> | <u>12,665</u> | <u>75,900</u> | <u>40,441</u> | <u>1,622</u> | <u>203,701</u> | <u>159,731</u> | <u>43,970</u> |
| <u>219,347</u> | <u>13,064</u> | <u>164,220</u> | <u>40,441</u> | <u>1,622</u> | <u>282,451</u> | <u>230,430</u> | <u>52,021</u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities

Year Ended September 30, 2006

| | Total | Total | CSBG | LIHEAP | HEAP WX |
|--|-------------------|------------------|----------------|------------------|---------------|
| Support and Revenue | | | | | |
| Iowa Department of Human Rights | \$3,412,791 | 3,412,791 | 324,782 | 2,783,979 | 32,142 |
| Iowa Department of Economic Development | 36,040 | 36,040 | -- | -- | -- |
| Utility Companies | 362,541 | 362,541 | -- | -- | -- |
| Heart of Iowa Regional Transit Agency | 70,645 | 70,645 | -- | -- | -- |
| County Funding | 32,854 | 32,854 | -- | -- | -- |
| Winifred Law Opportunity Center, Inc. | 72,159 | 72,159 | -- | -- | -- |
| Aging Resources | 27,928 | 27,928 | -- | -- | -- |
| Department of Homeland Security | 46,808 | 46,808 | -- | -- | -- |
| Other Agencies | 11,198 | 11,198 | -- | -- | -- |
| Iowa Department of Public Health | 4,771 | 4,771 | -- | -- | -- |
| Project Income | 77,904 | 34,416 | -- | -- | -- |
| Interest | 13,270 | 99 | -- | -- | -- |
| Local Public Support | 82,209 | -- | -- | -- | -- |
| Donations and Other | 20,301 | 13,836 | -- | -- | -- |
| Total Support and Revenue | 4,271,419 | 4,126,086 | 324,782 | 2,783,979 | 32,142 |
| Expenses | 4,308,601 | 4,139,352 | 324,782 | 2,783,979 | 32,142 |
| Excess (Deficiency) of Support and Revenue over Expenses Before Capital Additions | (37,182) | (13,266) | -- | -- | -- |
| Capital Additions - Grant Funds Provided for Acquisition of Capital Assets | 22,066 | 22,066 | 7,381 | 2,897 | -- |
| Transfers | | | | | |
| Property and Equipment Acquisitions Paid from Current Funds | -- | (22,066) | (7,381) | (2,897) | -- |
| Net Assets - Beginning of Year | 384,256 | 48,077 | -- | -- | -- |
| Net Assets - End of Year | \$ 369,140 | 34,811 | -- | -- | -- |

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities

Year Ended September 30, 2006

Designated Program Funds

| DOE WX | HEAP WX Start-Up | WX Assistance Utility Companies | WX Cost Pool | Transportation Program Services | I Care Fund | Embrace Iowa | Hometown Care | Aquila Cares |
|----------------|------------------------|--|-----------------|---------------------------------------|-------------------|-----------------|------------------|-----------------|
| 115,483 | 23,163 | 133,242 | -- | -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- | 256,327 | -- | 97,089 | 3,300 |
| -- | -- | -- | -- | 70,645 | -- | -- | -- | -- |
| -- | -- | -- | -- | 32,854 | -- | -- | -- | -- |
| -- | -- | -- | -- | 72,159 | -- | -- | -- | -- |
| -- | -- | -- | -- | 27,928 | -- | -- | -- | -- |
| -- | -- | -- | -- | -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- | -- | 10,667 | -- | -- |
| -- | -- | -- | -- | -- | -- | -- | -- | -- |
| -- | -- | -- | 5,269 | 28,479 | -- | -- | -- | -- |
| -- | -- | -- | -- | 99 | -- | -- | -- | -- |
| -- | -- | -- | -- | -- | -- | -- | -- | -- |
| -- | -- | -- | -- | 11,582 | -- | -- | -- | -- |
| <u>115,483</u> | <u>23,163</u> | <u>133,242</u> | <u>5,269</u> | <u>243,746</u> | <u>256,327</u> | <u>10,667</u> | <u>97,089</u> | <u>3,300</u> |
| <u>115,483</u> | <u>23,163</u> | <u>133,242</u> | <u>5,290</u> | <u>250,687</u> | <u>256,327</u> | <u>10,667</u> | <u>97,089</u> | <u>3,300</u> |
| -- | -- | -- | (21) | (6,941) | -- | -- | -- | -- |
| -- | -- | -- | 2,310 | 200 | 3,974 | -- | -- | -- |
| -- | -- | -- | (2,310) | (200) | (3,974) | -- | -- | -- |
| -- | -- | -- | -- | 44,470 | -- | -- | -- | -- |
| <u>--</u> | <u>--</u> | <u>--</u> | <u>(21)</u> | <u>37,529</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities - Continued

Year Ended September 30, 2006

| | Emergency Food and Shelter National Board Program | Chore Service Program |
|--|---|-----------------------------|
| Support and Revenue | | |
| Iowa Department of Human Rights | \$ -- | -- |
| Iowa Department of Economic Development | -- | -- |
| Utility Companies | -- | -- |
| Heart of Iowa Regional Transit Agency | -- | -- |
| County Funding | -- | -- |
| Winifred Law Opportunity Center, Inc. | -- | -- |
| Aging Resources | -- | -- |
| Department of Homeland Security | 46,808 | -- |
| Other Agencies | 531 | -- |
| Iowa Department of Public Health | -- | 4,771 |
| Project Income | -- | 668 |
| Interest | -- | -- |
| Local Public Support | -- | -- |
| Donations and Other | -- | -- |
| Total Support and Revenue | <u>47,339</u> | <u>5,439</u> |
| Expenses | <u>47,339</u> | <u>10,110</u> |
| Excess (Deficiency) of Support and Revenue over Expenses Before Capital Additions | -- | (4,671) |
| Capital Additions - Grant Funds Provided for Acquisition of Capital Assets | -- | 2,649 |
| Transfers | | |
| Property and Equipment Acquisitions Paid from Current Funds | -- | (2,649) |
| Net Assets - Beginning of Year | <u>--</u> | <u>(435)</u> |
| Net Assets - End of Year | <u>\$ --</u> | <u>(5,106)</u> |

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities - Continued

Year Ended September 30, 2006

| <u>Emergency Shelter Grant</u> | <u>Homeless Shelter Operations Grants Program</u> | <u>I.E. Counsel</u> | <u>Operation Roundup</u> | <u>Hunger Hike</u> | <u>Recare Midland</u> |
|--|---|-------------------------|------------------------------|------------------------|---------------------------|
| -- | -- | -- | -- | -- | -- |
| 14,595 | 21,445 | -- | -- | -- | -- |
| -- | -- | 4,703 | -- | -- | 1,122 |
| -- | -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- | -- |
| -- | -- | -- | 1,004 | 1,250 | -- |
| <u>14,595</u> | <u>21,445</u> | <u>4,703</u> | <u>1,004</u> | <u>1,250</u> | <u>1,122</u> |
| <u>14,595</u> | <u>21,445</u> | <u>4,703</u> | <u>1,341</u> | <u>2,546</u> | <u>1,122</u> |
| -- | -- | -- | (337) | (1,296) | -- |
| -- | -- | 2,655 | -- | -- | -- |
| -- | -- | (2,655) | -- | -- | -- |
| -- | -- | -- | <u>1,527</u> | <u>2,515</u> | -- |
| -- | -- | -- | <u>1,190</u> | <u>1,219</u> | -- |

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities - Continued

Year Ended September 30, 2006

| | Property | | |
|--|--------------------------|-------------------------|-----------------------|
| | Total | Housing Programs | |
| | | Transitional Housing | Low Income Housing |
| Support and Revenue | | | |
| Iowa Department of Human Rights | \$ -- | -- | -- |
| Iowa Department of Economic Development | -- | -- | -- |
| Utility Companies | -- | -- | -- |
| Heart of Iowa Regional Transit Agency | -- | -- | -- |
| County Funding | -- | -- | -- |
| Winifred Law Opportunity Center, Inc. | -- | -- | -- |
| Aging Resources | -- | -- | -- |
| Department of Homeland Security | -- | -- | -- |
| MidAmerican Energy | -- | -- | -- |
| Iowa Department of Public Health | -- | -- | -- |
| Other Agencies | -- | -- | -- |
| Project Income | 36,143 | 3,530 | 32,613 |
| Interest | 1,864 | -- | 1,864 |
| Local Public Support | -- | -- | -- |
| Donations and Other | -- | -- | -- |
| Total Support and Revenue | <u>38,007</u> | <u>3,530</u> | <u>34,477</u> |
| Expenses | <u>48,389</u> | <u>4,157</u> | <u>33,527</u> |
| Excess (Deficiency) of Support and Revenue over Expenses Before Capital Additions | (10,382) | (627) | 950 |
| Capital Additions - Grant Funds Provided for Acquisition of Capital Assets | -- | -- | -- |
| Transfers | | | |
| Property and Equipment Acquisitions Paid from Current Funds | 22,066 | -- | -- |
| Net Assets - Beginning of Year | <u>118,944</u> | <u>13,292</u> | <u>74,950</u> |
| Net Assets - End of Year | <u><u>\$ 130,628</u></u> | <u><u>12,665</u></u> | <u><u>75,900</u></u> |

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Combining Statement of Activities - Continued

Year Ended September 30, 2006

and Equipment Funds

| <u>Program</u> | <u>General Agency</u> | <u>Local Funds</u> | | |
|----------------|-----------------------|--------------------|---------------------|--------------------------|
| | | <u>Total</u> | <u>County Funds</u> | <u>Undesignated Fund</u> |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | 7,345 | 7,345 | -- |
| -- | -- | 11,307 | -- | 11,307 |
| -- | -- | 82,209 | 82,209 | -- |
| -- | -- | 6,465 | 1,908 | 4,557 |
| -- | -- | <u>107,326</u> | <u>91,462</u> | <u>15,864</u> |
| 8,419 | 2,286 | <u>120,860</u> | <u>120,356</u> | <u>504</u> |
| (8,419) | (2,286) | (13,534) | (28,894) | 15,360 |
| -- | -- | -- | -- | -- |
| 22,066 | -- | -- | -- | -- |
| <u>26,794</u> | <u>3,908</u> | <u>217,235</u> | <u>188,625</u> | <u>28,610</u> |
| <u>40,441</u> | <u>1,622</u> | <u>203,701</u> | <u>159,731</u> | <u>43,970</u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
Iowa Department of Human Rights

Schedule of Expenses Compared to Budget

Community Services Block Grant
Contract No. CSBG 06-12-CU
(Contract Period 10/1/05 - 12/31/06)

| <u>Cost Category</u> | <u>Approved Budget</u> | <u>Actual Expenses 10/1/05 - 9/30/06</u> |
|--------------------------------------|----------------------------|--|
| Personnel | | |
| Salaries and Wages | \$ 217,504 | 179,088 |
| Fringe Benefits | <u>99,212</u> | <u>87,340</u> |
| | <u>316,716</u> | <u>266,428</u> |
| Travel | | |
| Staff | <u>3,000</u> | <u>3,009</u> |
| Space Costs | | |
| Rental | 4,000 | 3,510 |
| Utilities | 2,700 | 3,543 |
| Insurance | 2,000 | 2,241 |
| Other | -- | 274 |
| | <u>8,700</u> | <u>9,568</u> |
| Equipment Costs | | |
| Purchase, Rental, and Maintenance | <u>10,440</u> | <u>11,034</u> |
| Co-Funded Programs | <u>6,000</u> | <u>6,000</u> |
| Other Costs | | |
| Telephone | 7,296 | 7,854 |
| Printing and Postage | 5,400 | 5,550 |
| Publications and Dues | 5,000 | 5,561 |
| Registration Fees | 2,000 | 1,855 |
| Bonding | 500 | 237 |
| Audit | 5,000 | 4,500 |
| Consumable Supplies | 2,000 | 2,782 |
| Personnel Training and Miscellaneous | 1,750 | 404 |
| | <u>28,946</u> | <u>28,743</u> |
| | <u>\$ 373,802</u> | <u>324,782</u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
Iowa Department of Human Rights

Schedule of Expenses Compared to Budget

Low Income Home Energy Assistance Program

Contract No. 06-12-U

(Contract Period 10/1/05 - 9/30/06)

| <u>Cost Category</u> | <u>Approved Budget</u> | <u>Actual Expenses 10/1/05 - 9/30/06</u> |
|------------------------------------|----------------------------|--|
| Assistance | | |
| Regular Assistance | \$2,413,760 | 2,389,508 |
| Energy Crisis Intervention | 100,792 | 100,792 |
| Summer Deliverable Fuel | 105,430 | 105,430 |
| Client Services | 41,589 | 41,589 |
| Total Assistance | <u>2,661,571</u> | <u>2,637,319</u> |
| Administration | | |
| Staff Salaries | 75,235 | 75,235 |
| Fringe Benefits | 32,464 | 32,464 |
| Building Space, Rental and Storage | 5,271 | 5,271 |
| Utilities | 2,353 | 2,353 |
| Material and Supplies | 1,019 | 1,019 |
| Telephone | 4,689 | 4,689 |
| Travel | 126 | 126 |
| Postage | 2,375 | 2,375 |
| Printing and Copying | 1,509 | 1,509 |
| Contracted Services | 6,000 | 6,000 |
| Audit | 5,000 | 5,000 |
| Office Equipment | 3,194 | 3,194 |
| Other Costs | 7,425 | 7,425 |
| Total Administration | <u>146,660</u> | <u>146,660</u> |
| Total | <u>\$ 2,808,231</u> | <u>2,783,979</u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
Iowa Department of Human Rights

Schedule of Expenses Compared to Budget

Weatherization Assistance - Start Up

Contract No. HEAP 05-12U-SU
(Contract Period 8/29/05 - 12/31/05)

| <u>Cost Category</u> | <u>Approved Budget</u> | <u>Total</u> | <u>Actual Expenses</u> | |
|--------------------------------|----------------------------|---------------|----------------------------------|--------------------------------|
| | | | <u>10/01/05 - 12/31/2005</u> | <u>8/29/05 - 9/30/2005</u> |
| Salary/Fringes | \$ 15,558 | 20,548 | 17,362 | 3,186 |
| Equipment/Training | 24,900 | 19,910 | 3,406 | 16,504 |
| Mileage | 800 | 800 | 395 | 405 |
| Pollution Occurrence Insurance | 2,000 | 2,000 | 2,000 | -- |
| Total | <u>\$ 43,258</u> | <u>43,258</u> | <u>23,163</u> | <u>20,095</u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
Iowa Department of Human Rights

Schedule of Expenses Compared to Budget

Weatherization Assistance Programs

Contract No. DOE 06-12U
(Contract Period 4/01/06 - 3/31/07)

| <u>Cost Category</u> | <u>Approved Budget</u> | <u>Actual Expenses 4/01/06 - 9/30/06</u> |
|----------------------|----------------------------|--|
| Administration | \$ 16,248 | 16,248 |
| Health and Safety | 19,847 | 15,413 |
| Support | 25,728 | 46,844 |
| Labor | 26,830 | 18,705 |
| Materials | <u>26,830</u> | <u>18,273</u> |
| Total | <u><u>\$ 115,483</u></u> | <u><u>115,483</u></u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
Iowa Department of Human Rights

Schedule of Expenses Compared to Budget

Weatherization Assistance Programs

Contract No. HEAP 06-12U
(Contract Period 4/01/06 - 3/31/07)

| <u>Cost Category</u> | <u>Approved Budget</u> | <u>Actual Expenses 4/01/06 - 9/30/06</u> |
|--------------------------------|----------------------------|--|
| Administration | \$ 8,258 | 961 |
| Health and Safety | 27,780 | 9,754 |
| Support | 36,010 | 13,395 |
| Labor | 37,554 | 1,637 |
| Materials | 37,554 | 3,147 |
| Equipment/Training | 10,000 | 1,298 |
| Pollution Occurrence Insurance | -- | 1,950 |
| Total | <u>\$ 157,156</u> | <u>32,142</u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
Iowa Department of Human Rights

Schedule of Expenses Compared to Budget

Weatherization Assistance Programs

Contract No. IPL 06-12U

(Contract Period 1/01/06 - 12/31/06)

| <u>Cost Category</u> | <u>Approved Budget</u> | <u>Actual Expenses 1/01/06 - 9/30/06</u> |
|----------------------|----------------------------|--|
| Administration | \$ 5,196 | 3,117 |
| Support | 10,392 | 7,441 |
| Labor | 44,165 | 27,069 |
| Materials | <u>44,165</u> | <u>41,031</u> |
| Total | <u>\$ 103,918</u> | <u>78,658</u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
Iowa Department of Human Rights

Schedule of Expenses Compared to Budget

Weatherization Assistance Programs

Contract No. MEC 06-12U
(Contract Period 1/01/06 - 12/31/06)

| <u>Cost Category</u> | <u>Approved Budget</u> | <u>Actual Expenses 1/01/06 - 9/30/06</u> |
|----------------------|----------------------------|--|
| Administration | \$ 3,493 | 2,198 |
| Support | 6,986 | 4,133 |
| Labor | 29,687 | 17,081 |
| Materials | <u>29,687</u> | <u>23,898</u> |
| Total | <u>\$ 69,853</u> | <u>47,310</u> |

SEE INDEPENDENT AUDITOR'S REPORT.

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
Iowa Department of Human Rights

Schedule of Expenses Compared to Budget

Weatherization Assistance Programs

Contract No. AQU 06-12U
(Contract Period 1/01/06 - 12/31/06)

| Cost Category | Approved Budget | Actual Expenses 1/01/06 - 9/30/06 |
|----------------|--------------------|--------------------------------------|
| Administration | \$ 366 | 346 |
| Support | 732 | 630 |
| Labor | 3,112 | 2,999 |
| Materials | 3,112 | 3,299 |
| Total | \$ 7,322 | 7,274 |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
MidAmerican Energy Company

Schedule of Expenses

I Care Fund

October 1, 2005 through September 30, 2006

| <u>Cost Category</u> | <u>Actual Expenses 10/1/05 to 9/30/06</u> |
|---------------------------|---|
| I Care Utility Assistance | <u>\$ 237,882</u> |
| Administration | |
| Salaries | 13,425 |
| Payroll Taxes | 1,028 |
| Travel Expense | 18 |
| New Equipment Expense | <u>3,974</u> |
| Total Administration | <u>18,445</u> |
| Total | <u><u>\$ 256,327</u></u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
Alliant Energy

Schedule of Expenses

Hometown Care Fund
October 1, 2005 through September 30, 2006

| <u>Cost Category</u> | <u>Actual Expenses 10/1/05 to 9/30/06</u> |
|----------------------------------|---|
| Hometown Care Utility Assistance | <u>\$ 91,982</u> |
| Administration | |
| Salaries | 4,744 |
| Payroll Taxes | <u>363</u> |
| Total Administration | <u>5,107</u> |
| Total | <u><u>\$ 97,089</u></u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
Aquila, Inc.

Schedule of Expenses

Aquila Cares
October 1, 2005 through September 30, 2006

| <u>Cost Category</u> | <u>Amount</u> |
|---------------------------------|----------------|
| Aquila Cares Utility Assistance | <u>\$3,300</u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
Heart of Iowa Regional Transit Agency

Schedule of Expenses Compared to Budget

Transportation Program Services - Warren County
(Contract Period 7/1/06 - 6/30/07)

| <u>Cost Category</u> | <u>Approved Budget</u> | <u>Actual Expenses 7/1/06 - 9/30/06</u> |
|--------------------------------|----------------------------|---|
| Salaries and Wages | \$ 142,650 | 30,605 |
| Fringe Benefits | 30,771 | 6,514 |
| Fuel | 55,455 | 12,815 |
| Maintenance and Repair | 34,747 | 13,071 |
| Radio Maintenance | 910 | (63) |
| Vehicle Insurance | 24,445 | 2,765 |
| Audit | 818 | -- |
| Travel, Training, and Supplies | 484 | 47 |
| Telephone | 1,090 | 348 |
| Drug Testing | 1,210 | 193 |
| Capital Replacement | 5,004 | 200 |
| Marketing | 1,200 | 450 |
| Miscellaneous | <u>605</u> | <u>4,927</u> |
| Total | <u><u>\$ 299,389</u></u> | <u><u>71,872</u></u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
Heart of Iowa Regional Transit Agency

Schedule of Expenses Compared to Budget

Transportation Program Services - Warren County
(Contract Period 7/1/05 - 6/30/06)

| <u>Cost Category</u> | <u>Approved Budget</u> | <u>Actual Expenses</u> | | |
|--------------------------------|----------------------------|------------------------|------------------------------|-----------------------------|
| | | <u>Total</u> | <u>10/1/05 - 6/30/06</u> | <u>7/1/05 - 9/30/05</u> |
| Salaries and Wages | \$ 111,998 | 114,684 | 85,505 | 29,179 |
| Fringe Benefits | 23,520 | 23,438 | 17,422 | 6,016 |
| Fuel | 27,030 | 43,869 | 33,512 | 10,357 |
| Maintenance and Repair | 25,845 | 31,234 | 26,849 | 4,385 |
| Radio Maintenance | 750 | 444 | 444 | -- |
| Vehicle Insurance | 16,500 | 15,327 | 12,571 | 2,756 |
| Audit | 650 | 650 | 650 | -- |
| Travel, Training, and Supplies | 400 | 194 | 140 | 54 |
| Telephone | 900 | 825 | 675 | 150 |
| Drug Testing and Physicals | 550 | 1,169 | 881 | 288 |
| Capital Replacement | 1,457 | -- | -- | -- |
| Miscellaneous | 400 | 420 | 166 | 254 |
| Total | <u>\$ 210,000</u> | <u>232,254</u> | <u>178,815</u> | <u>53,439</u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
United Way of America

Schedule of Expenses

Emergency Food and Shelter National Board Program
(Contract Period 10/1/05 - 9/30/06)

| | <u>Food</u> | <u>Shelter</u> | <u>Utilities</u> | <u>Administrative</u> | <u>Total</u> |
|-------------------------|-----------------|----------------|------------------|-----------------------|---------------|
| Warren County RRACAP | \$ -- | 4,865 | 1,285 | 125 | 6,275 |
| Polk County RRACAP | -- | 12,742 | 1,617 | -- | 14,359 |
| Marion County RRACAP | 1,476 | 3,862 | 950 | 121 | 6,409 |
| Boone County RRACAP | -- | 6,734 | 974 | 157 | 7,865 |
| Jasper County RRACAP | <u>--</u> | <u>--</u> | <u>12,182</u> | <u>249</u> | <u>12,431</u> |
| Total | <u>\$ 1,476</u> | <u>28,203</u> | <u>17,008</u> | <u>652</u> | <u>47,339</u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
Iowa Department of Public Health
Warren County Board of Supervisors

Schedule of Expenses Compared to Budget

Chore Service Program

(Contract Period 7/1/06 - 6/30/07)

| <u>Cost Category</u> | <u>Approved Budget</u> | <u>Actual Expenses 7/1/06 - 9/30/06</u> |
|--|----------------------------|---|
| Salaries | \$ 8,005 | 2,020 |
| Fringe and Taxes | 1,480 | 287 |
| Mileage | 1,100 | 610 |
| Office Supplies, Postage and Miscellaneous | 125 | 1,119 |
| Other Supplies | 250 | -- |
| Equipment Purchase/Rental/ Repair/Maintenance | <u>900</u> | <u>2,966</u> |
| | <u>\$ 11,860</u> | <u>7,002</u> |

(Contract Period 7/1/05 - 6/30/06)

| <u>Cost Category</u> | <u>Approved Budget</u> | <u>Actual Expenses</u> | | |
|--|----------------------------|------------------------|------------------------------|-----------------------------|
| | | <u>Total</u> | <u>10/1/05 - 6/30/06</u> | <u>7/1/05 - 9/30/05</u> |
| Salaries | \$ 8,005 | 4,014 | 1,639 | 2,375 |
| Fringe and Taxes | 1,480 | 1,520 | 1,365 | 155 |
| Mileage | 1,100 | 118 | 57 | 61 |
| Office Supplies, Postage and Miscellaneous | 125 | 84 | 84 | -- |
| Other Supplies | 250 | -- | -- | -- |
| Equipment Purchase/Rental/ Repair/Maintenance | <u>900</u> | <u>144</u> | <u>(37)</u> | <u>181</u> |
| | <u>\$ 11,860</u> | <u>5,880</u> | <u>3,108</u> | <u>2,772</u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
Iowa Institute for Community Alliances

Schedule of Expenses Compared to Budget

Homeless Shelter Operations Grants Program

Contract No. 07-II-91001
(Contract Period 7/1/06 - 6/30/07)

| <u>Cost Category</u> | <u>Approved Budget</u> | <u>Actual Expenses 7/1/06 - 9/30/06</u> |
|----------------------|----------------------------|---|
| Operations | \$ 1,000 | -- |
| Homeless Prevention | <u>20,000</u> | <u>18,817</u> |
| Total | <u>\$ 21,000</u> | <u>18,817</u> |

Contract No. 06-II-91001
(Contract Period 7/1/05 - 6/30/06)

| <u>Cost Category</u> | <u>Approved Budget</u> | <u>Actual Expenses</u> | | |
|----------------------|----------------------------|------------------------|------------------------------|-----------------------------|
| | | <u>Total</u> | <u>10/1/05 - 6/30/06</u> | <u>7/1/05 - 9/30/05</u> |
| Rehab | \$ 2,500 | 1,710 | -- | 1,710 |
| Operations | 5,000 | 7,597 | 97 | 7,500 |
| Homeless Prevention | <u>25,000</u> | <u>23,193</u> | <u>2,531</u> | <u>20,662</u> |
| Total | <u>\$ 32,500</u> | <u>32,500</u> | <u>2,628</u> | <u>29,872</u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.

Schedule of Expenses

October 1, 2005 through September 30, 2006

Low Income Housing - Greene Apartments

| <u>Expense Classification</u> | <u>Amount</u> |
|-------------------------------|-------------------------------|
| Depreciation | \$ 12,883 |
| Maintenance and Supplies | 8,704 |
| Utilities | 6,618 |
| Insurance | 3,027 |
| Interest | 2,114 |
| Advertising | 181 |
| Total | <u><u>\$33,527</u></u> |

Transitional Housing

| <u>Expense Classification</u> | <u>Amount</u> |
|-------------------------------|-------------------------------|
| Utilities | \$ 1,613 |
| Building Maintenance | 1,599 |
| Depreciation | 932 |
| Building Supplies Expense | 13 |
| Total | <u><u>\$ 4,157</u></u> |

SEE INDEPENDENT AUDITOR'S REPORT

RED ROCK AREA COMMUNITY ACTION PROGRAM, INC.
Local Funds

Schedule of Changes in Fund Balances

October 1, 2005 through September 30, 2006

| Description | Total | Discretionary | County | | | | |
|--|------------|---------------|----------|---------|-------|----------|--------|
| | | | Warren | Marion | Polk | Jasper | Boone |
| Net Assets - Beginning of Year | \$ 217,235 | 28,610 | 112,817 | 8,165 | 6,411 | 16,324 | 44,908 |
| Support and Revenue | | | | | | | |
| Local Public Support | 82,209 | -- | 31,627 | 5,350 | 9,040 | 6,067 | 30,125 |
| Program Revenue | 7,345 | -- | -- | -- | -- | -- | 7,345 |
| Other | 6,465 | 4,557 | -- | -- | -- | -- | 1,908 |
| Interest | 11,307 | 11,307 | -- | -- | -- | -- | -- |
| Total Revenue | 107,326 | 15,864 | 31,627 | 5,350 | 9,040 | 6,067 | 39,378 |
| Expenses | | | | | | | |
| Salaries | 40,630 | (2,327) | 17,868 | -- | -- | 11,114 | 13,975 |
| Fringe Benefits | 9,707 | (1,145) | 1,367 | -- | -- | 850 | 8,635 |
| Rent | 26,030 | -- | 23,250 | -- | -- | 2,780 | -- |
| Depreciation | 17,792 | -- | 8,994 | 1,622 | 180 | 358 | 6,638 |
| Food Vouchers | 4,924 | -- | -- | 4,924 | -- | -- | -- |
| Interest | 3,595 | -- | -- | -- | -- | -- | 3,595 |
| Our Lady Church | 3,273 | -- | -- | -- | 3,273 | -- | -- |
| Utilities | 2,875 | -- | -- | -- | -- | -- | 2,875 |
| Jaycee Expense - Polk | 2,222 | -- | -- | -- | 2,222 | -- | -- |
| Insurance | 2,202 | 800 | -- | -- | -- | -- | 1,402 |
| Audit | 1,783 | 1,783 | -- | -- | -- | -- | -- |
| Property Taxes | 1,202 | -- | -- | -- | -- | -- | 1,202 |
| Moose Lodge | 922 | -- | -- | -- | -- | 922 | -- |
| Maintenance | 363 | 40 | -- | -- | 30 | -- | 293 |
| Supplies and Copying | 62 | -- | -- | -- | -- | 62 | -- |
| Other Expense | 3,278 | 1,353 | 486 | 264 | 87 | 538 | 550 |
| Total Expenses | 120,860 | 504 | 51,965 | 6,810 | 5,792 | 16,624 | 39,165 |
| Excess (Deficiency) of Support and Revenue over Expenses | (13,534) | 15,360 | (20,338) | (1,460) | 3,248 | (10,557) | 213 |
| Net Assets - End of Year | \$ 203,701 | 43,970 | 92,479 | 6,705 | 9,659 | 5,767 | 45,121 |

SEE INDEPENDENT AUDITOR'S REPORT