

IOWA NORTHLAND REGIONAL
COUNCIL OF GOVERNMENTS

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

JUNE 30, 2010

- Prepared By -

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IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS

MEMBERS

<u>Name</u>	<u>Representing</u>	<u>Name</u>	<u>Representing</u>
Mark Schildroth, Chair	Grundy County	Dave Swenumson	City of Ionia
Maurice Welsh, Vice-Chair	City of Fairbank	Jim MacKay	City of Janesville
Darwin Sittig, Secretary	City of New Hampton	Dick Quackenbush	City of Jesup
Jon Crews, Treasurer	City of Cedar Falls	Rick Lubben	City of LaPorte City
Karl Nelson	Butler County	Alfred Hotchkiss	City of Lamont
Scot Henrichs	City of Allison	Linda Anderson	City of Lawler
Linda Kobliska	City of Alta Vista	Larry Sager	City of Morrison
Cory Troyna	City of Aplington	John Phyfe	City of Nashua
Virgil Homer	City of Aredale	David Geerts	City of North Washington
Richard Roepke	City of Aurora	Sherry Mattke	Chickasaw County
L J Kopsa	City of Beaman	John Anderson	City of New Hartford
Robert Bearbower	City of Brandon	Perry Bernard	City of Parkersburg
Dennis Peterson	City of Bristow	Ken Oldenburger	City of Parkersburg
David Kelm	City of Clarksville	Tim Neil	City of Plainfield
H. Gregg Sharp	City of Conrad	Lee Bossom	City of Quasqueton
Mike Isaacson	City of Denver	Monte Johnson	City of Raymond
Mike Soppe	City of Dike	Herb Clemen	City of Readlyn
Stan Van Hauen	City of Dike	Lon Larsen	City of Reinbeck
Marvin Hearn	City of Dumont	Rita Knutson	City of Rowley
Michael Schares	City of Dunkerton	Larry Young	City of Shell Rock
William Henninger II	City of Elk Run Heights	Rodger Sill	City of Stanley
Chad Deutsch	City of Evansdale	Andy Loop	City of Stout
Bryan O'Day	City of Fredericksburg	Gary Walke	City of Sumner
Deesa Gaetzke	City of Frederika	Denis Ducker	City of Tripoli
Harry Fischels	City of Gilbertville	Buck Clark	City of Waterloo
William Christensen	City of Greene	Frank Magsamen	Black Hawk County
Rex Van Wert	City of Grundy Center	Bob Brunkhorst	City of Waverly
Wayne Holliday	City of Hazleton	Steve Reuter	Bremer County
Marc Lamfers	City of Holland	Dale Van Hauen	City of Wellsburg
Bernie Jensen	City of Hudson	Gerald Dennie	City of Winthrop
Carl Scharff	City of Independence		
Ralph Kremer	Buchanan County		



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INDEPENDENT AUDITOR'S REPORT

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

I have audited the accompanying financial statements, listed as exhibits in the table of contents of this report, of the Iowa Northland Regional Council of Governments (INRCOG) as of and for the year ended June 30, 2010. These financial statements are the responsibility of INRCOG's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with U.S. generally accepted auditing standards 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 I 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. I believe my audit provides a reasonable basis for my opinions.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of INRCOG as of June 30, 2010, and the respective changes in financial position and cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated December 14, 2010 on my consideration of INRCOG's internal control over financial reporting and my 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 my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on 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 my audit.

Management's Discussion and Analysis on pages 4 through 6 is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the financial statements taken as a whole. Other supplementary information included in Schedules 1 through 4, including the Schedule of Expenses of Federal Awards required by U. S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, 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 my audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script that reads "Larry Pump".

December 14, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

Iowa Northland Regional Council of Governments 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, 2010. I encourage readers to consider this information in conjunction with INRCOG's financial statements, which follow.

FINANCIAL HIGHLIGHTS

- INRCOG's support and revenues decreased 24%, or \$2,326,493, from fiscal 2009 to fiscal 2010. Federal and state funds decreased due to fewer funds for individuals and businesses impacted by the floods of 2008.
- INRCOG's operation expenses were 30%, or \$2,971,590 less in fiscal 2010 than in fiscal 2009 due mainly to decreased expenses for flood programs.
- INRCOG's net assets increased 20%, or \$626,684, from June 30, 2009 to June 30, 2010.

USING THIS ANNUAL REPORT

The Iowa Northland Regional Council of Governments is a 28E organization and presents its financial statements using the economic resources measurement focus and accrual basis of accounting, which is the same measurement focus and basis of accounting employed by private sector business enterprises. This discussion and analysis are intended to serve as an introduction to INRCOG's basic financial statements. 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 INRCOG's financial activities.

The Statement of Net Assets presents information on INRCOG's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of INRCOG is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Net Assets is the basic statement of activities for proprietary funds. This statement presents information on operating revenues and expenses, non-operating revenues and expenses and whether INRCOG's financial position has improved or deteriorated as a result of the year's activities.

The Statement of Cash Flows presents the change in INRCOG's cash and cash equivalents during the year. This information can assist the use of the report in determining how INRCOG financed its activities and how it met its cash requirements.

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

Supplementary information provides detailed information about the revenues, expenses and changes in net assets, in addition to providing detailed information about the grant activity. In addition, the Schedule of Expenses of Federal Awards provides details of various federal programs benefiting the Agency.

FINANCIAL ANALYSIS OF THE AGENCY

Statement of Net Assets

As noted earlier, net assets may serve over time as a useful indicator of INRCOG's financial position. INRCOG's net assets for fiscal 2010 totaled approximately \$3,751,006. This compares to approximately \$3,124,322 at the end of fiscal 2009. A summary of INRCOG's net assets is presented below.

Net Assets		June 30,	
		2010	2009
Current assets		\$2,511,285	\$1,921,635
Non-current assets		81,469	175,628
Capital assets at cost, less accumulated depreciation		<u>2,399,279</u>	<u>1,866,391</u>
Total assets		<u>\$4,992,033</u>	<u>\$3,963,654</u>
Current liabilities		<u>\$1,241,027</u>	<u>\$ 839,332</u>
Total liabilities		<u>\$1,241,027</u>	<u>\$ 839,332</u>
Net assets:			
Reserved		\$ 940,220	\$ 447,991
Unreserved		<u>2,810,786</u>	<u>2,676,331</u>
Total net assets		<u>\$3,751,006</u>	<u>\$3,124,322</u>

Statement of Revenues, Expenses and Changes in Net Assets

Support and revenues are received from federal grants, state grants, and other local sources. Expenses are to operate the transit systems and programs. The utilization of capital assets is reflected in the financial statements as depreciation, which allocates the cost of an asset over its expected useful life. A summary of revenues, expenses and changes in net assets for the years ended June 30, 2010 and 2009 are presented below:

Changes in Net Assets		Year Ended June 30,	
		2010	2009
Support and Revenue			
Grants		\$4,928,136	\$7,463,278
Program reimbursements and other local sources		<u>2,457,170</u>	<u>2,248,517</u>
Total support and revenue		<u>\$7,385,306</u>	<u>\$9,711,795</u>
Expenses		<u>6,773,257</u>	<u>9,744,847</u>
Net transactions before other financing sources		\$ 612,049	\$ (33,052)
Other financing sources		<u>14,635</u>	<u>1,435</u>
Changes in net assets		\$ 626,684	\$ (31,617)
Net assets beginning of year		<u>3,124,322</u>	<u>3,155,939</u>
Net assets end of year		<u>\$3,751,006</u>	<u>\$3,124,322</u>

The Statement of Revenues, Expenses and Changes in Net Assets reflects a decrease in the net assets at the end of the fiscal year.

- Net assets for the year increased \$626,684. This increase was due to the increase in federal capital grants.
- INRCOG's operating expenses (without depreciation) were \$6,522,342 and revenues were \$7,385,302. With depreciation, the total expenses were \$6,773,257 and revenues remained at \$7,385,306.
- State funds and federal funds for the year totaled \$4,928,136. These same funding sources for the previous fiscal year totaled \$7,463,278. These same funding sources are projected to decrease from fiscal year 2010 to fiscal year 2011 due to decreased funds available for flood recovery.

Statement of Cash Flows

The Statement of Cash Flows presents information related to cash inflows and outflows, summarized by operating, capital and related financing and investing activities. Cash provided by the operating activities includes federal and state support, program reimbursements and other revenue, reduced by payments to employees and to suppliers. Cash used from capital and related financing activities includes principal payments and the purchase of capital assets. Cash provided by investing activities includes interest income.

CAPITAL ASSETS

At June 30, 2010, INRCOG had approximately \$2,400,000 invested in capital assets, net of accumulated depreciation of approximately \$962,000. Depreciation expense totaled \$250,915 for fiscal year 2010. More detailed information about INRCOG's capital assets is presented in Note 4 to the financial statements.

ECONOMIC FACTORS

The Iowa Northland Regional Council of Government's Board of Directors (with input from local elected officials and citizens) considered various factors when setting the fiscal year 2011 budget and fees that will be charged for agency activities. INRCOG general operations are expected to remain consistent with the previous year, but could vary according to contracts received during the year.

CONTACTING INRCOG'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of INRCOG's finances and to show INRCOG's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Iowa Northland Regional Council of Governments, 229 E Park Avenue, Waterloo, IA 50703.

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF NET ASSETS
JUNE 30, 2010

	<u>Iowa Northland</u>		
	<u>Regional</u>	<u>Council</u>	
	<u>Transit</u>	<u>of</u>	
	<u>Commission</u>	<u>Governments</u>	<u>Total</u>
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 190,971	\$1,320,538	\$1,511,509
Investments (at cost)	237,155	-	237,155
Accounts receivable	82,068	652,291	734,359
Notes receivable	-	28,262	28,262
Total current assets	<u>\$ 510,194</u>	<u>\$2,001,091</u>	<u>\$2,511,285</u>
Noncurrent assets:			
Notes receivable	\$ -	\$ 81,469	\$ 81,469
Fixed assets:			
Furniture and equipment	\$ 64,686	\$ 129,529	\$ 194,215
Vehicles - unrestricted	129,170	-	129,170
Vehicles - restricted	1,132,450	-	1,132,450
Building and improvements	-	1,905,243	1,905,243
Total	<u>\$1,326,306</u>	<u>\$2,034,772</u>	<u>\$3,361,078</u>
Less accumulated depreciation	(672,905)	(288,894)	(961,799)
Net fixed assets	<u>\$ 653,401</u>	<u>\$1,745,878</u>	<u>\$2,399,279</u>
Total assets	<u>\$1,163,595</u>	<u>\$3,828,438</u>	<u>\$4,992,033</u>
LIABILITIES:			
Current liabilities:			
Trade accounts payable	\$ 69,839	\$ 216,511	\$ 286,350
Line of credit	-	107,759	107,759
Accrued wages and payroll taxes payable	10,240	25,833	36,073
Accrued benefits payable	20,249	219,735	239,984
Unearned revenue	-	570,861	570,861
Total liabilities	<u>\$ 100,328</u>	<u>\$1,140,699</u>	<u>\$1,241,027</u>
NET ASSETS:			
Reserved (Note 2)	\$ 613,134	\$ 327,086	\$ 940,220
Unreserved	450,133	2,360,653	2,810,786
Total net assets	<u>\$1,063,267</u>	<u>\$2,687,739</u>	<u>\$3,751,006</u>

See Notes to Financial Statements.

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 YEAR ENDED JUNE 30, 2010

	<u>Iowa Northland</u>		
	<u>Regional</u>	<u>Council</u>	
	<u>Transit</u>	<u>of</u>	
	<u>Commission</u>	<u>Governments</u>	<u>Total</u>
REVENUES:			
Federal funds	\$ 957,227	\$2,434,239	\$3,391,466
State funds	246,600	1,290,070	1,536,670
Local funds:			
Contract revenue	1,018,960	1,264,775	2,283,735
Membership revenue	-	94,135	94,135
Document fee	-	80	80
In kind	-	47,840	47,840
Interest	9,378	6,035	15,413
Miscellaneous	2,495	13,472	15,967
Total	<u>\$2,234,660</u>	<u>\$5,150,646</u>	<u>\$7,385,306</u>
EXPENSES:			
Salaries and fringe benefits	\$ -	\$1,202,571	\$1,202,571
Drivers' salaries and benefits	183,921	-	183,921
Travel	-	38,292	38,292
Meals	-	7,029	7,029
Seminars	520	4,997	5,517
Telephone/internet	709	1,790	2,499
Awards	935	-	935
Contracted services	212,162	2,267,481	2,479,643
Office supplies	743	1,847	2,590
Miscellaneous	696	1,135	1,831
Postage	1,414	7,610	9,024
Bad debt	3	4,185	4,188
Copy expense	2,238	15,516	17,754
Advertising and notices	2,588	3,865	6,453
Professional memberships	879	1,110	1,989
Recording fees	-	566	566
Administrative overhead	43,791	264,518	308,309
Transportation cost	1,049,854	-	1,049,854
Provision for forgivable loan	-	1,197,375	1,197,375
Administrative expense - INRHC	-	2,510	2,510
Relocation	-	14,238	14,238
Insurance	28,610	-	28,610
Depreciation	179,822	-	179,822
Legal and accounting	16,505	200	16,705
Equipment maintenance	-	4,210	4,210
Radio service	1,824	-	1,824
Interest	-	4,998	4,998
Total	<u>\$1,727,214</u>	<u>\$5,046,043</u>	<u>\$6,773,257</u>

(continued)

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2010

	<u>Iowa Northland</u>		
	<u>Regional</u>	<u>Council</u>	
	<u>Transit</u>	<u>of</u>	
	<u>Commission</u>	<u>Governments</u>	<u>Total</u>
Net transactions before other financing sources (uses)	\$ 507,446	\$ 104,603	\$ 612,049
Other financing sources (uses):			
Operating transfer in	\$ -	\$ 60,338	\$ 60,338
Operating transfer out	(60,338)	-	(60,338)
Gain on sale of fixed assets	14,560	75	14,635
Total other financing sources (uses)	<u>\$ (45,778)</u>	<u>\$ 60,413</u>	<u>\$ 14,635</u>
Change in net assets	\$ 461,668	\$ 165,016	\$ 626,684
Net assets beginning of year	<u>601,599</u>	<u>2,522,723</u>	<u>3,124,322</u>
Net assets end of year	<u>\$1,063,267</u>	<u>\$2,687,739</u>	<u>\$3,751,006</u>

See Notes to Financial Statements.

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2010

	<u>Iowa Northland</u>		
	<u>Regional</u>	<u>Council</u>	
	<u>Transit</u>	<u>of</u>	
	<u>Commission</u>	<u>Governments</u>	<u>Total</u>
Cash flows from operating activities:			
Cash received from membership revenue	\$ -	\$ 94,135	\$ 94,135
Cash received from contract fees	1,013,993	1,070,669	2,084,662
Cash received from miscellaneous sources	2,495	13,552	16,047
Cash received from state operating grants	246,600	1,290,070	1,536,670
Cash received from federal operating grants	294,341	2,431,461	2,725,802
Cash paid for salaries and benefits	(179,358)	(1,174,185)	(1,353,543)
Cash paid for administration	(1,398,683)	(3,307,189)	(4,705,872)
Net cash provided (used) by operating activities	<u>\$ (20,612)</u>	<u>\$ 418,513</u>	<u>\$ 397,901</u>
Cash flows from noncapital financing activities:			
Cash received from line of credit	\$ -	\$ 601,556	\$ 601,556
Cash used to repay line of credit	<u>-</u>	<u>(493,797)</u>	<u>(493,797)</u>
Net cash provided for noncapital financing activities	<u>\$ -</u>	<u>\$ 107,759</u>	<u>\$ 107,759</u>
Cash flows from capital and related financing activities:			
Cash received from federal capital grants	\$ 661,674	\$ -	\$ 661,674
Net acquisition of fixed assets	<u>(691,158)</u>	<u>(92,644)</u>	<u>(783,802)</u>
Net cash used for capital and related financing activities	<u>\$ (29,484)</u>	<u>\$ (92,644)</u>	<u>\$ (122,128)</u>
Cash flows from investing activities:			
Cash paid for investments	\$ (8,526)	\$ -	\$ (8,526)
Interest received	<u>9,378</u>	<u>6,035</u>	<u>15,413</u>
Net cash provided by investing activities	<u>\$ 852</u>	<u>\$ 6,035</u>	<u>\$ 6,887</u>
Net increase (decrease) in cash	\$ (49,244)	\$ 439,663	\$ 390,419
Cash and cash equivalents beginning of year	<u>240,215</u>	<u>880,875</u>	<u>1,121,090</u>
Cash and cash equivalents end of year	<u>\$ 190,971</u>	<u>\$1,320,538</u>	<u>\$1,511,509</u>
Reconciliation of net transactions to net cash provided (used) by operating activities:			
Net transactions	\$ 461,668	\$ 165,016	\$ 626,684
Adjustments for long-term non-cash items:			
Depreciation	179,822	71,093	250,915
Gain on sale of assets	14,560	75	14,635
Revenues and expenses not classified as operating	(685,613)	88,049	(597,564)
Changes in assets and liabilities:			
(Increase) decrease in accounts receivables and notes	6,179	(196,884)	(190,705)
(Decrease) increase in accounts payable	(1,791)	24,147	22,356
Increase in accrued wages payable	2,249	4,436	6,685
Increase in accrued benefits payable	2,314	23,950	26,264
Increase in unearned revenue	<u>-</u>	<u>238,631</u>	<u>238,631</u>
Net cash provided (used) by operating activities	<u>\$ (20,612)</u>	<u>\$ 418,513</u>	<u>\$ 397,901</u>

See Notes to Financial Statements.

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

(1) Organization

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

Reporting Entity

For financial reporting purposes, INRCOG has considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with INRCOG are such that exclusion would cause INRCOG'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 INRCOG 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 INRCOG. INRCOG has no component units which meet the Governmental Accounting Standards Board criteria.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

(b) Basis of Presentation

The accounts of INRCOG are organized as an Enterprise Fund. Enterprise Funds are used to account for operations (a) financed and operated in a manner similar to private business enterprises, where the intent of the governing body is the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

(2) Summary of Significant Accounting Policies - continued

(c) Measurement Focus and Basis of Accounting

The 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

INRCOG applies all applicable GASB pronouncements, as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedure.

INRCOG distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the INRCOG's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

(d) Assets, Liabilities and Net Assets

The following accounting policies are followed in preparing the statement of net assets:

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

Investments - Investments are stated at cost which approximates market.

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

Capital Assets - Capital assets are accounted for at historical cost. Depreciation of all exhaustible capital assets is charged as an expense against operations. The cost of repair and maintenance is charged to expense while the cost of renewals or substantial betterments is capitalized. The cost and accumulated depreciation of assets disposed of are deleted, with any gain or loss recorded in current operations.

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2010

(2) Summary of Significant Accounting Policies - continued

Reportable capital assets are defined by INRCOG as assets with initial, individual costs in excess of the following thresholds and estimated useful lives in excess of two years.

<u>Asset Class</u>	<u>Amount</u>
Furniture and Equipment	\$ 250
Vehicles	500
Moving Costs	500
Leasehold Improvements	500
Building and Improvements	500

Capital assets of INRCOG are depreciated using the straight line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful lives (In years)</u>
Furniture and Equipment	5
Vehicles	5
Moving Costs	5
Leasehold Improvements	5-39
Building and Improvements	5-39

Accrued Benefits Payable - Accrued benefits payable are earned vacation and sick leave and have been accrued as liabilities on the statement of net assets. These current liabilities have been computed based on rates of pay in effect at June 30, 2010.

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

Reserved Net Assets - The Council of Government's reserved net assets represents the reserve for revolving loan funds. The Agency received grant funds to establish revolving loan funds for housing needs.

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

(3) Cash and Pooled Investments

INRCOG's deposits in banks at June 30, 2010 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

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

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2010

(3) Cash and Pooled Investments - continued

INRCOG had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 3, as amended by statement No. 40.

Interest rate risk - INRCOG's investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) to instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days, but the maturities shall be consistent with the needs and use of INRCOG.

(4) Capital Assets

Capital assets activity for the year ended June 30, 2010 was as follows:

<u>Iowa Northland Regional Council of Governments</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>
Furniture and equipment	\$ 107,710	\$ 23,924	\$ 2,105	\$ 129,529
Building and improvements	1,836,523	68,720	-	1,905,243
Total	<u>\$1,944,233</u>	<u>\$ 92,644</u>	<u>\$ 2,105</u>	<u>\$2,034,772</u>

<u>Iowa Northland Regional Transit Commission</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>
Furniture and equipment	\$ 64,686	\$ -	\$ -	\$ 64,686
Vehicles - unrestricted	218,305	29,480	118,615	129,170
Vehicles - restricted	875,717	661,678	404,945	1,132,450
Total	<u>\$1,158,708</u>	<u>\$691,158</u>	<u>\$ 523,560</u>	<u>\$1,326,306</u>

Depreciation activity for the year ended June 30, 2010 was as follows:

<u>Iowa Northland Regional Council of Governments</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>
Furniture and equipment	\$ 72,084	\$ 14,523	\$ 2,105	\$ 84,502
Building and improvements	147,822	56,570	-	204,392
Total	<u>\$ 219,906</u>	<u>\$ 71,093</u>	<u>\$ 2,105</u>	<u>\$ 288,894</u>

**IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

(4) **Capital Assets** - continued

<u>Iowa Northland Regional Transit Commission</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>
Furniture and equipment	\$ 60,050	\$ 2,463	\$ -	\$ 62,513
Vehicles - unrestricted	194,210	15,481	118,615	91,076
Vehicles - restricted	<u>762,384</u>	<u>161,877</u>	<u>404,945</u>	<u>519,316</u>
Total	<u>\$1,016,644</u>	<u>\$179,821</u>	<u>\$ 523,560</u>	<u>\$ 672,905</u>

(5) **Pension and Retirement Benefits**

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

Plan members are required to contribute 4.30% of their annual covered salary and INRCOG is required to contribute 6.65% of covered salary. Contribution requirements are established by state statute. INRCOG's contributions to IPERS for the years ended June 30, 2010, 2009 and 2008 were \$78,198, \$63,509 and \$48,661, respectively, equal to the required contributions for each year.

(6) **Other Postemployment Benefits (OPEB)**

The Agency implemented GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits other Than Pensions during the year ended June 30, 2010.

Plan Description - The Agency operates a single-employer retiree benefit plan which provides medical/prescription drug benefits for retirees and their spouses. There are 16 active and no retired members in the plan. Participants must be age 55 or older at retirement.

The medical/prescription drug coverage is provided through a fully-insured plan with Wellmark. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy and an OPEB liability.

Funding Policy - The contribution requirements of plan members are established and may be amended by the Agency. The Agency currently finances the retiree benefit plan on a pay-as-you-go basis. The most recent active member monthly premiums for the Agency and plan members are \$234 for single coverage and \$699 for family coverage. The same monthly premiums apply to retirees. For the year ended June 30, 2010, the Agency contributed \$101,146 and plan members eligible for benefits contributed \$33,210 to the plan.

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

(7) **Risk Management**

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

(8) **Short-Term Notes Payable - Line of Credit**

The Agency has an unsecured line of credit agreement with a bank which provides it may borrow up to \$500,000 at a variable rate of interest. The line of credit is used for the jumpstart program expenditures. Line of credit activity for the year ended June 30, 2010 is as follows:

Balance Beginning of year	Advances Received	Advances Repaid	Balance End of year
<u>\$ -</u>	<u>\$601,556</u>	<u>\$493,797</u>	<u>\$107,759</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PROGRAM NET ASSETS
JUNE 30, 2010

	<u>Housing Trust Funds</u>	<u>Other Programs</u>	<u>Total</u>
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 246,232	\$1,074,306	\$1,320,538
Accounts receivable	-	652,291	652,291
Notes receivable	14,879	13,383	28,262
Total current assets	<u>\$ 261,111</u>	<u>\$1,739,980</u>	<u>\$2,001,091</u>
Noncurrent assets:			
Notes receivable	\$ 84,780	\$ (3,311)	\$ 81,469
Fixed assets:			
Furniture and equipment	\$ -	\$ 129,529	\$ 129,529
Building and improvements	-	1,905,243	1,905,243
Total	<u>\$ -</u>	<u>\$2,034,772</u>	<u>\$2,034,772</u>
Less accumulated depreciation	-	(288,894)	(288,894)
Net fixed assets	<u>\$ -</u>	<u>\$1,745,878</u>	<u>\$1,745,878</u>
Total assets	<u>\$ 345,891</u>	<u>\$3,482,547</u>	<u>\$3,828,438</u>
LIABILITIES:			
Current liabilities:			
Trade accounts payable	\$ -	\$ 216,511	\$ 216,511
Line of credit	-	107,759	107,759
Accrued wages and payroll taxes	-	25,833	25,833
Accrued benefits payable	-	219,735	219,735
Unearned revenue	245,236	325,625	570,861
Total liabilities	<u>\$ 245,236</u>	<u>\$ 895,463</u>	<u>\$1,140,699</u>
NET ASSETS:			
Reserved (Note 2)	\$ -	\$ 327,086	\$ 327,086
Unreserved	100,655	2,259,998	2,360,653
Total net assets	<u>\$ 100,655</u>	<u>\$2,587,084</u>	<u>\$2,687,739</u>

See Accompanying Independent Auditor's Report.

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PROGRAM REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2010

	<u>Admini- stration</u>	<u>Technical Assistance</u>	<u>Denver Zoning Ordinance</u>	<u>Dunkerton Comp Plan</u>
REVENUES:				
Federal funds	\$ -	\$ -	\$ -	\$ -
State funds	-	-	-	-
Local funds:				
Contract revenue	-	27,801	300	-
Membership revenue	-	22,059	-	-
Document Fee	-	-	-	-
In-kind	-	-	-	-
Miscellaneous	-	1,547	-	-
Interest	-	1,671	-	-
Total	<u>\$ -</u>	<u>\$ 53,078</u>	<u>\$ 300</u>	<u>\$ -</u>
EXPENSES:				
Salaries and fringe benefits	\$ (21,342)	\$ (68,147)	\$ 209	\$ 2,694
Travel	-	5,058	20	79
Meals	-	1,189	-	-
Seminar	-	2,432	-	-
Telephone/internet	-	48	-	1
Contracted services	-	-	-	-
Office supplies	-	172	-	-
Miscellaneous	-	-	-	-
Postage	-	561	1	5
Bad debt expense	-	-	-	-
Copy expense	-	973	-	81
Advertising and notices	-	469	-	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Relocation	-	-	-	-
Allocated administrative services	-	(14,728)	45	582
Interest	-	-	-	-
Provision for forgivable loan	-	-	-	-
Administrative expense - INHRC	-	-	-	-
Equipment maintenance	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ (21,342)</u>	<u>\$ (71,973)</u>	<u>\$ 275</u>	<u>\$ 3,442</u>
Net transactions	\$ 21,342	\$ 125,051	\$ 25	\$ (3,442)
Agency interfund transfer	83,261	(125,051)	(25)	3,442
Gain on sale of fixed assets	75	-	-	-
Operating transfer in	60,338	-	-	-
Net assets beginning of year	<u>2,522,723</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets end of year	<u>\$2,687,739</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

<u>BHCSWC</u>	<u>Housing Council</u>	<u>Contractors Bond</u>	<u>Bremer LESA</u>	<u>Jesup HMP</u>	<u>COG Assistance</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
17,927	2,470	-	195	409	8,471
-	-	-	-	-	-
-	40	-	-	-	-
-	-	-	-	-	-
-	-	11,925	-	-	-
-	-	-	-	-	-
<u>\$ 17,927</u>	<u>\$ 2,510</u>	<u>\$ 11,925</u>	<u>\$ 195</u>	<u>\$ 409</u>	<u>\$ 8,471</u>
\$ 14,056	\$ 197	\$ 3,722	\$ 101	\$ 336	\$ 7,785
235	-	-	-	-	-
28	-	-	-	-	-
500	-	-	-	-	-
3	-	1	-	-	-
-	-	-	-	-	-
-	-	57	-	-	-
-	-	-	-	-	-
55	7	438	-	-	-
-	-	-	-	-	-
12	11	165	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,038	43	804	22	73	1,683
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 17,927</u>	<u>\$ 258</u>	<u>\$ 5,187</u>	<u>\$ 123</u>	<u>\$ 409</u>	<u>\$ 9,468</u>
\$ -	\$ 2,252	\$ 6,738	\$ 72	\$ -	\$ (997)
-	(2,252)	(6,738)	(72)	-	997
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PROGRAM REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2010

	<u>INREDC</u>	<u>RTC</u>	<u>Cedar Valley Marketing</u>	<u>Nashua Jumpstart CDBG</u>
REVENUES:				
Federal funds	\$ 64,840	\$ -	\$ -	\$ -
State funds	-	-	-	-
Local funds:				
Contract revenue	-	255,598	92,708	10,274
Membership revenue	17,000	-	-	-
Document fee	-	-	-	-
In-kind	47,840	-	-	-
Miscellaneous	-	-	-	-
Interest	62	-	-	-
Total	<u>\$129,742</u>	<u>\$ 255,598</u>	<u>\$ 92,708</u>	<u>\$ 10,274</u>
EXPENSES:				
Salaries and fringe benefits	\$ 64,368	\$ 202,622	\$ -	\$ 7,504
Travel	2,374	3,298	-	215
Meals	429	10	-	-
Seminar	705	-	-	-
Telephone/internet	11	709	-	32
Contracted services	47,840	-	92,708	-
Office supplies	-	421	-	-
Miscellaneous	-	935	-	-
Postage	75	1,111	-	123
Bad debt expense	-	-	-	-
Copy expense	120	2,238	-	100
Advertising and notices	-	78	-	679
Recording fees	-	-	-	-
Professional memberships	-	-	-	-
Relocation	-	-	-	-
Allocated administrative services	13,911	43,791	-	1,622
Interest	-	-	-	-
Provision for forgivable loan	-	-	-	-
Administrative expense - INRHC	-	-	-	-
Equipment maintenance	-	385	-	-
Legal and accounting	-	-	-	-
Total	<u>\$129,833</u>	<u>\$ 255,598</u>	<u>\$ 92,708</u>	<u>\$ 10,275</u>
Net transactions	\$ (91)	\$ -	\$ -	\$ (1)
Agency intrafund transfer	91	-	-	1
Gain on sale of fixed assets	-	-	-	-
Operating transfer in	-	-	-	-
Net assets beginning of year	-	-	-	-
Net assets end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 2
(continued)

INRCOG Housing RLF	Quasqueton CDBG	Safe Routes to School	New Hartford Buyout	Greene Rehab General Rehab	Bremer Butler Rehab TA & LBP	NE Iowa Comm Dev Group
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	3,102	86,367	29,409	335	75,004	5,808
-	-	-	-	-	-	-
40	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,298	-	-	-	-	-	-
<u>\$ 3,338</u>	<u>\$ 3,102</u>	<u>\$ 86,367</u>	<u>\$ 29,409</u>	<u>\$ 335</u>	<u>\$ 75,004</u>	<u>\$ 5,808</u>
\$ 403	\$ 2,540	\$ 1,046	\$ 22,022	\$ 236	\$ 1,357	-
-	-	-	462	46	138	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	3	-	5	-	-	-
3,325	-	85,088	1,800	-	1,100	5,808
93	-	-	70	-	-	-
-	-	-	-	-	-	-
38	4	1	140	-	6	-
4,185	-	-	-	-	-	-
7	7	16	135	-	9	-
-	-	-	15	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	18	-
-	-	-	-	-	212	-
87	549	226	4,759	51	293	-
-	-	-	-	-	-	-
1,000	-	-	-	-	71,871	-
2,510	-	-	-	-	-	-
-	-	-	-	-	-	-
200	-	-	-	-	-	-
<u>\$ 11,848</u>	<u>\$ 3,103</u>	<u>\$ 86,377</u>	<u>\$ 29,408</u>	<u>\$ 333</u>	<u>\$ 75,004</u>	<u>\$ 5,808</u>
\$ (8,510)	\$ (1)	\$ (10)	\$ 1	\$ 2	\$ -	\$ -
8,510	1	10	(1)	(2)	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
 SCHEDULE OF PROGRAM REVENUES, EXPENSES, AND
 CHANGES IN NET ASSETS
 YEAR ENDED JUNE 30, 2010

	Grundy County Zoning & Subdivision	FEMA EFSP	BHCGA Direct	Region 6 Homeland Security 2006
REVENUES:				
Federal funds	\$ -	\$ -	\$ -	\$ 47,461
State funds	-	-	-	-
Local funds:				
Contract revenue	450	1,630	1,584	-
Membership revenue	-	-	-	-
Document Fee	-	-	-	-
In-kind	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	9
Total	<u>\$ 450</u>	<u>\$ 1,630</u>	<u>\$ 1,584</u>	<u>\$ 47,470</u>
EXPENSES:				
Salaries and fringe benefits	\$ 314	\$ 2,533	\$ 366	\$ 6,650
Travel	34	-	-	-
Meals	-	-	-	-
Seminar	-	-	-	-
Telephone/internet	2	3	484	4
Contracted services	-	-	-	47,461
Office supplies	-	-	1	-
Miscellaneous	-	-	-	-
Postage	1	119	294	63
Bad debt expense	-	-	-	-
Copy expense	5	186	155	137
Advertising and notices	-	-	-	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Relocation	-	-	-	-
Allocated administrative services	68	548	79	1,437
Interest	-	-	-	-
Provision for forgivable loan	-	-	-	-
Administrative expense - INRHC	-	-	-	-
Equipment maintenance	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 424</u>	<u>\$ 3,389</u>	<u>\$ 1,379</u>	<u>\$ 55,752</u>
Net transactions	\$ 26	\$ (1,759)	\$ 205	\$ (8,282)
Agency intrafund transfer	(26)	1,759	(205)	8,282
Gain on sale of fixed assets	-	-	-	-
Operating transfer in	-	-	-	-
Net assets beginning of year	-	-	-	-
Net assets end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 2
(continued)

<u>Safety Program</u>	<u>Federal Jumpstart I-SFNC</u>	<u>Waverly Buyout</u>	<u>Nashua Rehab-General Admin</u>	<u>BHCSWMC-Direct</u>	<u>Black Hawk Co. Buyout</u>	<u>Stout CDBG</u>
\$ -	\$ 283,309	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
30,000	-	54,311	5,732	222	28,313	2,254
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
54	-	-	-	-	-	-
<u>\$ 30,054</u>	<u>\$ 283,309</u>	<u>\$ 54,311</u>	<u>\$ 5,732</u>	<u>\$ 222</u>	<u>\$ 28,313</u>	<u>\$ 2,254</u>
\$ 23,090	\$ 14,383	\$ 42,190	\$ 4,165	\$ -	\$ 22,776	\$ 1,852
1,307	767	1,125	478	-	136	-
-	-	-	97	-	-	-
-	-	-	-	-	-	-
2	4	20	2	3	3	-
-	263,121	200	-	-	-	-
-	-	558	-	21	-	-
-	-	-	-	-	-	-
94	87	283	70	65	148	1
-	-	-	-	-	-	-
80	44	630	19	133	262	1
-	-	126	-	-	67	-
-	-	60	-	-	-	-
-	130	-	-	-	-	-
-	-	-	-	-	-	-
4,990	3,109	9,118	900	-	4,922	400
-	1,664	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 29,563</u>	<u>\$ 283,309</u>	<u>\$ 54,310</u>	<u>\$ 5,731</u>	<u>\$ 222</u>	<u>\$ 28,314</u>	<u>\$ 2,254</u>
\$ 491	\$ -	\$ 1	\$ 1	\$ -	\$ (1)	\$ -
(491)	-	(1)	(1)	-	1	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PROGRAM REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2010

	Aplington Rehab- General Admin	Region 6 Citizens Corp 2006	CV Coalition	CV Colonial Rehab-Davis Admin & TS
REVENUES:				
Federal funds	\$ -	\$ 10,150	\$ -	\$ -
State funds	-	-	-	-
Local funds:				
Contract revenue	5,287	-	20,990	3,657
Membership revenue	-	-	-	-
Document fee	-	-	-	-
In-kind	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	118	-
Total	<u>\$ 5,287</u>	<u>\$ 10,150</u>	<u>\$ 21,108</u>	<u>\$ 3,657</u>
EXPENSES:				
Salaries and fringe benefits	\$ 4,002	\$ 20	\$ -	\$ 133
Travel	343	-	1,703	-
Meals	10	-	4,208	-
Seminar	-	-	-	-
Telephone/internet	2	-	-	-
Contracted services	-	10,150	12,390	3,500
Office supplies	-	-	113	-
Miscellaneous	-	-	-	-
Postage	37	-	35	-
Bad debt expense	-	-	-	-
Copy expense	28	-	43	-
Advertising and notices	-	-	-	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Relocation	-	-	-	-
Allocated administrative services	865	4	-	29
Interest	-	-	-	-
Provision for forgivable loan	-	-	-	-
Administrative expense - INRHC	-	-	-	-
Equipment maintenance	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 5,287</u>	<u>\$ 10,174</u>	<u>\$ 18,492</u>	<u>\$ 3,662</u>
Net transactions	\$ -	\$ (24)	\$ 2,616	\$ (5)
Agency intrafund transfer	-	24	(2,616)	5
Gain on sale of fixed assets	-	-	-	-
Operating transfer in	-	-	-	-
Net assets beginning of year	-	-	-	-
Net assets end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 2
(continued)

CV Colonial Rehab LBP	CV Colonial Rehab Davis	MPO/TIP	MPO/TPWP	MPO/PPP	MPO/LRP	MPO/SRP
\$ -	\$ -	\$ 4,561	\$ 1,051	\$ 881	\$ 43,518	\$ 97,945
-	-	-	-	-	-	-
4,776	650	-	-	-	-	-
-	-	1,140	263	219	10,882	24,487
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 4,776</u>	<u>\$ 650</u>	<u>\$ 5,701</u>	<u>\$ 1,314</u>	<u>\$ 1,100</u>	<u>\$ 54,400</u>	<u>\$122,432</u>
\$ 1,218	\$ 375	\$ 4,523	\$ 1,065	\$ 879	\$ 42,660	\$ 95,883
6	-	-	-	2	871	1,514
-	-	-	-	-	137	178
-	-	-	-	-	280	250
3	1	-	-	-	6	9
3,964	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
16	1	30	-	-	12	266
-	-	-	-	-	-	-
-	1	37	4	30	189	794
-	-	133	15	-	-	15
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
263	81	978	230	190	9,220	20,723
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,025	2,800
-	-	-	-	-	-	-
<u>\$ 5,470</u>	<u>\$ 459</u>	<u>\$ 5,701</u>	<u>\$ 1,314</u>	<u>\$ 1,101</u>	<u>\$ 54,400</u>	<u>\$122,432</u>
\$ (694)	\$ 191	\$ -	\$ -	\$ (1)	\$ -	\$ -
694	(191)	-	-	1	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PROGRAM REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2010

	CDBG Business Rental Assistance	Nashua EDSA	University Avenue Study	State Jumpstart III
REVENUES:				
Federal funds	\$ 361,598	\$ -	\$ -	\$ -
State funds	-	-	-	156,358
Local funds:				
Contract revenue	-	331	81,754	-
Membership revenue	-	-	-	-
Document fee	-	-	-	-
In-kind	-	-	-	-
Miscellaneous	-	-	-	-
Interest	1	-	-	-
Total	<u>\$ 361,599</u>	<u>\$ 331</u>	<u>\$ 81,754</u>	<u>\$ 156,358</u>
EXPENSES:				
Salaries and fringe benefits	\$ 20,314	\$ 273	\$ -	\$ -
Travel	72	-	-	-
Meals	-	-	-	-
Seminar	-	-	-	-
Telephone/internet	1	-	-	-
Contracted services	352,697	-	81,754	-
Office supplies	-	-	-	-
Miscellaneous	-	-	-	-
Postage	19	-	-	-
Bad debt expense	-	-	-	-
Copy expense	30	-	-	-
Advertising and notices	-	-	-	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Relocation	-	-	-	-
Allocated administrative services	4,390	59	-	-
Interest	-	-	-	-
Provision for forgivable loan	-	-	-	156,358
Administrative expense - INRHC	-	-	-	-
Equipment maintenance	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 377,523</u>	<u>\$ 332</u>	<u>\$ 81,754</u>	<u>\$ 156,358</u>
Net transactions	\$ (15,924)	\$ (1)	\$ -	\$ -
Agency intrafund transfer	15,924	1	-	-
Gain on sale of fixed assets	-	-	-	-
Operating transfer in	-	-	-	-
Net assets beginning of year	-	-	-	-
Net assets end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

<u>NIACOG Safety</u>	<u>RTA/TIP</u>	<u>RTA/TPWP</u>	<u>RTA/PPP</u>	<u>RTA/LRP</u>	<u>RTA/SRP</u>
\$ -	\$ 7,454	\$ 867	\$ 2,022	\$ 19,687	\$ 42,304
-	-	-	-	-	-
8,613	-	-	-	-	-
-	1,863	216	506	4,922	10,578
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 8,613</u>	<u>\$ 9,317</u>	<u>\$ 1,083</u>	<u>\$ 2,528</u>	<u>\$ 24,609</u>	<u>\$ 52,882</u>
\$ 4,970	\$ 7,385	\$ 848	\$ 2,067	\$ 20,002	\$ 40,813
630	-	-	7	203	1,427
81	-	-	-	29	58
-	-	-	-	-	175
-	-	-	-	-	52
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
30	23	-	-	-	205
-	-	-	-	-	-
51	38	-	6	51	301
-	274	53	-	-	31
-	-	-	-	-	1,000
-	-	-	-	-	-
-	-	-	-	-	-
1,074	1,596	183	447	4,323	8,821
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 6,836</u>	<u>\$ 9,316</u>	<u>\$ 1,084</u>	<u>\$ 2,527</u>	<u>\$ 24,608</u>	<u>\$ 52,883</u>
\$ 1,777	\$ 1	\$ (1)	\$ 1	\$ 1	\$ (1)
(1,777)	(1)	1	(1)	(1)	1
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
 SCHEDULE OF PROGRAM REVENUES, EXPENSES, AND
 CHANGES IN NET ASSETS
 YEAR ENDED JUNE 30, 2010

	<u>Allison Rehab</u>	<u>Allison LBP</u>	<u>Maps</u>	<u>Region 6- LETTP 2006</u>
REVENUES:				
Federal funds	\$ -	\$ -	\$ -	\$ 84,707
State funds	-	-	-	-
Local funds:				
Contract revenue	1,571	1,296	2,824	-
Membership revenue	-	-	-	-
Document fee	-	-	-	-
In-kind	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 1,571</u>	<u>\$ 1,296</u>	<u>\$ 2,824</u>	<u>\$ 84,707</u>
EXPENSES:				
Salaries and fringe benefits	\$ 662	\$ 461	\$ 540	\$ 123
Travel	81	41	-	-
Meals	-	-	-	-
Seminar	-	-	-	-
Telephone/internet	-	-	-	-
Contracted services	650	415	-	84,707
Office supplies	-	-	-	-
Miscellaneous	-	-	-	-
Postage	16	33	-	-
Bad debt expense	-	-	-	-
Copy expense	6	2	2	5
Advertising and notices	-	-	-	-
Professional memberships	-	-	-	-
Recording fees	9	-	-	-
Relocation	-	242	-	-
Allocated Administrative services	143	100	117	27
Interest	-	-	-	-
Provision for forgivable loan	-	-	-	-
Administrative expense - INRHC	-	-	-	-
Equipment maintenance	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 1,567</u>	<u>\$ 1,294</u>	<u>\$ 659</u>	<u>\$ 84,862</u>
Net transactions	\$ 4	\$ 2	\$ 2,165	\$ (155)
Agency intrafund transfer	(4)	(2)	(2,165)	155
Gain on sale of fixed assets	-	-	-	-
Operating transfer in	-	-	-	-
Net assets beginning of year	-	-	-	-
Net assets end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 2
(continued)

Cedar Valley Tech Works EDA	IWE 00/BHC Solid Waste Commission	Reinbeck Rehab General Admin	Region 5 Homeland Security FA 2006	Evansdale HMP	Region 5 LETTP 2006	Greene Rehab TA & LBP
\$ -	\$ -	\$ -	\$ 64,822	\$ -	\$ 11,420	\$ -
-	93,150	-	-	-	-	-
206	-	4,654	-	2,029	-	7,748
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	4	-	-	-
<u>\$ 206</u>	<u>\$ 93,150</u>	<u>\$ 4,654</u>	<u>\$ 64,826</u>	<u>\$ 2,029</u>	<u>\$ 11,420</u>	<u>\$ 7,748</u>
\$ 1,791	\$ 72,838	\$ 3,528	\$ 3,076	\$ 4,721	\$ 81	\$ 2,533
1	3,872	260	-	6	-	534
-	336	22	-	-	-	-
-	275	-	-	-	-	-
1	181	3	5	-	-	2
-	-	-	64,822	-	11,420	2,538
-	10	-	-	-	-	-
-	-	-	-	-	-	-
6	27	61	14	10	1	64
-	-	-	-	-	-	-
2	21	17	85	34	-	-
-	-	-	-	12	-	11
-	-	-	-	-	-	-
-	-	-	-	-	-	9
-	-	-	-	-	-	1,509
387	15,742	763	665	1,020	18	548
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 2,188</u>	<u>\$ 93,302</u>	<u>\$ 4,654</u>	<u>\$ 68,667</u>	<u>\$ 5,803</u>	<u>\$ 11,520</u>	<u>\$ 7,748</u>
\$ (1,982)	\$ (152)	\$ -	\$ (3,841)	\$ (3,774)	\$ (100)	\$ -
1,982	152	-	3,841	3,774	100	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PROGRAM REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2010

	Region 5 - Citizens Corp 2006	Laporte City HMP	Elk Run Heights HMP	Reinbeck HMP
REVENUES:				
Federal funds	\$ 2,502	\$ -	\$ -	\$ -
State funds	-	-	-	-
Local funds:				
Contract revenue	-	2,389	4,926	360
Membership revenue	-	-	-	-
Document fee	-	-	-	-
In-kind	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 2,502</u>	<u>\$ 2,389</u>	<u>\$ 4,926</u>	<u>\$ 360</u>
EXPENSES:				
Salaries and fringe benefits	\$ 103	\$ 5,046	\$ 4,536	\$ 294
Travel	-	31	22	-
Meals	-	-	-	-
Seminar	-	-	-	-
Telephone/internet	-	-	-	-
Contracted services	2,502	-	-	-
Office supplies	-	-	-	-
Miscellaneous	-	-	-	-
Postage	-	4	3	-
Bad debt expense	-	-	-	-
Copy expense	1	41	29	-
Advertising and notices	-	36	63	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Relocation	-	-	-	-
Allocated Administrative services	22	1,091	980	64
Interest	-	-	-	-
Provision for forgivable loan	-	-	-	-
Administrative expense - INRHC	-	-	-	-
Equipment maintenance	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 2,628</u>	<u>\$ 6,249</u>	<u>\$ 5,633</u>	<u>\$ 358</u>
Net transactions	\$ (126)	\$ (3,860)	\$ (707)	\$ 2
Agency intrafund transfer	126	3,860	707	(2)
Gain on sale of fixed assets	-	-	-	-
Operating transfer in	-	-	-	-
Net assets beginning of year	-	-	-	-
Net assets end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 2
(continued)

<u>Waterloo HMP</u>	<u>Solid Waste Comp Plan</u>	<u>Region V Citizens Corp 07</u>	<u>Region V Homeland Security 07</u>	<u>Region V LETTP 2007</u>	<u>Region VI Citizens Corp 2007</u>	<u>Region VI Homeland Security 07</u>
\$ -	\$ -	\$ 5,359	\$ 168,654	\$ 39,970	\$ 26,682	\$ 241,510
-	-	-	-	-	-	-
4,130	10,360	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	8
<u>\$ 4,130</u>	<u>\$ 10,360</u>	<u>\$ 5,359</u>	<u>\$ 168,654</u>	<u>\$ 39,970</u>	<u>\$ 26,682</u>	<u>\$ 241,518</u>
\$ 7,563	\$ 8,439	\$ -	\$ 13,288	\$ -	\$ -	\$ 17,953
-	29	-	58	-	-	307
-	-	-	140	-	-	-
-	3	-	10	-	-	15
-	-	5,359	152,086	39,970	26,682	219,002
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1	48	-	65	-	-	91
-	-	-	-	-	-	-
69	18	-	136	-	-	261
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,634	1,824	-	2,872	-	-	3,880
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 9,267</u>	<u>\$ 10,361</u>	<u>\$ 5,359</u>	<u>\$ 168,655</u>	<u>\$ 39,970</u>	<u>\$ 26,682</u>	<u>\$ 241,509</u>
\$ (5,137)	\$ (1)	\$ -	\$ (1)	\$ -	\$ -	\$ 9
5,137	1	-	1	-	-	(9)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PROGRAM REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2010

	<u>MET - MR Waiver</u>	<u>DPH Nutrition & Activity</u>	<u>Nashua HMP</u>	<u>Aplington Rehab TA & LBP</u>
REVENUES:	\$ -	\$ 8,924	\$ -	\$ -
State funds	-	-	-	-
Local funds:				
Contract revenue	1,560	-	45	2,954
Membership revenue	-	-	-	-
Document fee	-	-	-	-
In-kind	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 1,560</u>	<u>\$ 8,924</u>	<u>\$ 45</u>	<u>\$ 2,954</u>
EXPENSES:				
Salaries and fringe benefits	\$ 879	\$ 2,545	\$ 37	\$ 1,105
Travel	-	246	-	163
Meals	-	29	-	-
Seminar	-	-	-	-
Telephone/internet	-	-	-	-
Contracted services	-	5,549	-	1,380
Office supplies	-	-	-	-
Miscellaneous	-	-	-	-
Postage	-	-	-	68
Bad debt expense	-	-	-	-
Copy expense	105	5	-	-
Advertising and notices	-	-	-	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Relocation	-	-	-	-
Allocated administrative services	190	550	8	239
Interest	-	-	-	-
Provision for forgivable loan	-	-	-	-
Administrative expense - INHRC	-	-	-	-
Equipment maintenance	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 1,174</u>	<u>\$ 8,924</u>	<u>\$ 45</u>	<u>\$ 2,955</u>
Net transactions	\$ 386	\$ -	\$ -	\$ (1)
Agency intrafund transfer	(386)	-	-	1
Gain on sale of fixed assets	-	-	-	-
Operating transfer in	-	-	-	-
Net assets beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 2
(continued)

<u>RBE Parkersburg</u>	<u>Nashua Rehab TA & LBP</u>	<u>BHC Iowa Jobs</u>	<u>Shell Rock Rehab - Gen Admin</u>	<u>Shell Rock Rehab - TA LBP</u>	<u>Raymond HMP</u>	<u>Dunkerton Zoning</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
18,031	3,176	1,934	88	6,070	1,774	2,475
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 18,031</u>	<u>\$ 3,176</u>	<u>\$ 1,934</u>	<u>\$ 88</u>	<u>\$ 6,070</u>	<u>\$ 1,774</u>	<u>\$ 2,475</u>
\$ -	\$ 1,281	\$ 877	\$ 55	\$ 1,993	\$ 5,555	\$ 1,711
-	225	-	-	447	13	63
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	2	-	-	3	-	1
18,031	1,380	-	-	3,105	-	-
-	-	-	-	-	3	-
-	-	-	-	-	-	-
-	12	5	17	82	4	-
-	-	-	-	-	-	-
-	-	7	4	1	43	85
-	-	-	-	-	-	-
-	-	-	-	9	-	-
-	-	-	-	-	-	-
-	277	190	12	431	1,201	370
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 18,031</u>	<u>\$ 3,177</u>	<u>\$ 1,079</u>	<u>\$ 88</u>	<u>\$ 6,071</u>	<u>\$ 6,819</u>	<u>\$ 2,230</u>
\$ -	\$ (1)	\$ 855	\$ -	\$ (1)	\$ (5,045)	\$ 245
-	1	(855)	-	1	5,045	(245)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PROGRAM REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2010

	Lamont HMP	Reinbeck Rehab - TA & LBP	Black Hawk Co Reap Plan	Prairie Pathways
REVENUES:				
Federal funds	\$ -	\$ -	\$ -	\$ 30,429
State funds	-	-	-	-
Local funds:				
Contract revenue	260	2,677	1,440	-
Membership revenue	-	-	-	-
Document fee	-	-	-	-
In-kind	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 260</u>	<u>\$ 2,677</u>	<u>\$ 1,440</u>	<u>\$ 30,429</u>
EXPENSES:				
Salaries and fringe benefits	\$ 214	\$ 1,152	\$ 671	\$ 3,082
Travel	-	186	5	8
Meals	-	-	-	-
Seminar	-	-	-	-
Telephone/internet	-	-	-	-
Contracted services	-	1,035	-	26,568
Office supplies	-	-	-	-
Miscellaneous	-	-	-	-
Postage	-	34	-	17
Bad debt expense	-	-	-	-
Copy expense	-	-	7	61
Advertising and notices	-	22	-	27
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Relocation	-	-	-	-
Allocated administrative services	46	249	145	666
Interest	-	-	-	-
Provision of forgivable loan	-	-	-	-
Administrative expense - INHRC	-	-	-	-
Equipment maintenance	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 260</u>	<u>\$ 2,678</u>	<u>\$ 828</u>	<u>\$ 30,429</u>
Net transactions	\$ -	\$ (1)	\$ 612	\$ -
Agency intrafund transfer	-	1	(612)	-
Gain on sale of fixed assets	-	-	-	-
Operating transfer in	-	-	-	-
Net assets beginning of year	-	-	-	-
Net assets end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 2
(continued)

<u>Waverly HMP</u>	<u>BHC CDBG Buyout</u>	<u>Black Hawk County HMP</u>	<u>USDA HPG</u>	<u>Cedar River Initiative</u>	<u>Chickasaw County HMP</u>	<u>WSR Schools Safe Room</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	36	1,532	7,499	58	-	527
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 36</u>	<u>\$ 1,532</u>	<u>\$ 7,499</u>	<u>\$ 58</u>	<u>\$ -</u>	<u>\$ 527</u>
\$ 112	\$ 29	\$ 1,580	\$ 1,671	\$ 19	\$ 486	\$ 383
-	-	6	372	-	44	52
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	3	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	3	-
-	-	-	-	-	-	-
-	-	37	33	15	6	-
-	-	-	-	-	-	-
15	1	82	3	18	32	-
-	-	21	-	-	9	-
-	-	-	-	-	-	-
-	-	-	9	-	-	-
-	-	-	-	-	-	-
24	6	342	361	4	105	83
-	-	-	-	-	-	-
-	-	-	6,383	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 151</u>	<u>\$ 36</u>	<u>\$ 2,068</u>	<u>\$ 8,835</u>	<u>\$ 56</u>	<u>\$ 685</u>	<u>\$ 518</u>
\$ (151)	\$ -	\$ (536)	\$ (1,336)	\$ 2	\$ (685)	\$ 9
151	-	536	1,336	(2)	685	(9)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PROGRAM REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2010

	LaPorte City CDBG Buyout	Cedar Falls HMP	Independence HMP	LaPorte City Demo
REVENUES:				
Federal funds	\$ -	\$ -	\$ -	\$ -
State funds	-	-	-	-
Local funds:				
Contract revenue	110	4,386	3,901	5,925
Membership revenue	-	-	-	-
Document fee	-	-	-	-
In-kind	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 110</u>	<u>\$ 4,386</u>	<u>\$ 3,901</u>	<u>\$ 5,925</u>
EXPENSES:				
Salaries and fringe benefits	\$ 86	\$ 6,436	\$ 3,032	\$ 4,584
Travel	-	41	86	112
Meals	-	-	-	-
Seminar	-	-	-	-
Telephone/internet	-	-	-	1
Contracted services	-	-	-	-
Office supplies	-	-	-	11
Miscellaneous	-	-	-	-
Postage	-	47	1	59
Bad debt expense	-	-	-	-
Copy expense	5	98	66	87
Advertising	-	13	61	80
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Relocation	-	-	-	-
Allocated administrative services	19	1,391	655	991
Interest	-	-	-	-
Provision of forgivable loan	-	-	-	-
Administrative expense - INHRC	-	-	-	-
Equipment maintenance	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 110</u>	<u>\$ 8,026</u>	<u>\$ 3,901</u>	<u>\$ 5,925</u>
Net transactions	\$ -	\$ (3,640)	\$ -	\$ -
Agency intrafund transfer	-	3,640	-	-
Gain on sale of fixed assets	-	-	-	-
Operating transfer in	-	-	-	-
Net assets beginning of year	-	-	-	-
Net assets end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 2
(continued)

<u>Greene Demo</u>	<u>RBEG Comp Plan</u>	<u>RBEG Zoning</u>	<u>RBEG HMP</u>	<u>RBEG Corridor Plan</u>	<u>EDA Disaster Recovery</u>	<u>Federal Jumpstart-I Gen Admin</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$104,274	\$ 9,343
-	-	-	-	-	-	-
2,104	5,428	585	10,000	4,255	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	170	-
<u>\$ 2,104</u>	<u>\$ 5,428</u>	<u>\$ 585</u>	<u>\$10,000</u>	<u>\$ 4,255</u>	<u>\$104,444</u>	<u>\$ 9,343</u>
\$ 1,508	\$ 3,230	\$ 317	\$ 5,420	\$ 2,387	\$ 84,740	\$ 7,555
51	198	-	42	127	864	47
-	-	-	8	7	-	-
-	-	-	-	-	50	-
-	-	-	-	-	16	2
-	-	-	-	-	-	-
11	-	-	-	-	-	-
-	-	-	-	-	-	-
37	9	1	1	37	76	3
-	-	-	-	-	-	-
73	121	4	1	28	187	22
99	-	-	-	-	26	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
326	698	69	1,171	516	18,314	1,633
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 2,105</u>	<u>\$ 4,256</u>	<u>\$ 391</u>	<u>\$ 6,643</u>	<u>\$ 3,102</u>	<u>\$104,273</u>	<u>\$ 9,262</u>
\$ (1)	\$ 1,172	\$ 194	\$ 3,357	\$ 1,153	\$ 171	\$ 81
1	(1,172)	(194)	(3,357)	(1,153)	(171)	(81)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PROGRAM REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2010

	Clarksville Jumpstart CDBG	IFA LIHTC	Beaman CDBG	Grundy Co HMP
REVENUES:				
Federal funds	\$ -	\$ -	\$ -	\$ -
State funds	-	-	-	-
Local funds:				
Contract revenue	5,071	6,650	1,221	8,085
Membership revenue	-	-	-	-
Document fee	-	-	-	-
In-kind	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 5,071</u>	<u>\$ 6,650</u>	<u>\$ 1,221</u>	<u>\$ 8,085</u>
EXPENSES:				
Salaries and fringe benefits	\$ 4,146	\$ 1,856	\$ 961	\$ 6,486
Travel	-	40	40	67
Meals	-	-	-	-
Seminar	-	-	-	-
Telephone/internet	1	-	-	1
Contracted services	-	-	-	-
Office supplies	-	-	-	-
Miscellaneous	-	-	-	-
Postage	10	4	5	5
Bad debt expense	-	-	-	-
Copy expense	18	14	7	31
Advertising and notices	-	-	-	93
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Relocation	-	-	-	-
Allocated administrative services	896	401	208	1,402
Interest	-	-	-	-
Provision of forgivable loan	-	-	-	-
Administrative expense - INHRC	-	-	-	-
Equipment maintenance	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 5,071</u>	<u>\$ 2,315</u>	<u>\$ 1,221</u>	<u>\$ 8,085</u>
Net transactions	\$ -	\$ 4,335	\$ -	\$ -
Agency intrafund transfer	-	(4,335)	-	-
Gain on sale of fixed assets	-	-	-	-
Operating transfer in	-	-	-	-
Net assets beginning of year	-	-	-	-
Net assets end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 2
(continued)

Butler Co HMP	Hudson HMP	State Jumpstart II	Enhancement Silos & Smokestacks	Federal Jumpstart I Projects	Bremer Co HMP	FHLB AHP
\$ -	\$ -	\$ -	\$ -	\$ 628,614	\$ -	\$ -
-	-	918,981	-	-	-	-
25,637	10,582	-	4,073	-	8,225	34,944
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	75	-	-	-	56
<u>\$ 25,637</u>	<u>\$ 10,582</u>	<u>\$ 919,056</u>	<u>\$ 4,073</u>	<u>\$ 628,614</u>	<u>\$ 8,225</u>	<u>\$ 35,000</u>
\$ 20,315	\$ 8,558	\$ 51,065	\$ 1,661	\$ 95,299	\$ 6,455	\$ 1,551
212	43	157	-	2,361	211	270
-	-	-	-	70	-	-
-	-	-	-	100	-	-
4	-	22	-	45	6	1
-	-	-	2,040	490,721	-	750
-	-	-	-	40	-	-
-	-	-	-	200	-	-
28	7	281	5	1,013	16	16
-	-	-	-	-	-	-
491	79	1,919	8	2,032	93	6
197	45	16	-	324	50	25
-	-	-	-	50	-	-
-	-	1	-	154	-	27
-	-	-	-	12,275	-	-
4,391	1,850	11,036	359	20,596	1,395	335
-	-	-	-	3,334	-	-
-	-	854,483	-	-	-	33,094
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 25,638</u>	<u>\$ 10,582</u>	<u>\$ 918,980</u>	<u>\$ 4,073</u>	<u>\$ 628,614</u>	<u>\$ 8,226</u>	<u>\$ 36,075</u>
\$ (1)	\$ -	\$ 76	\$ -	\$ -	\$ (1)	\$ (1,075)
1	-	(76)	-	-	1	1,075
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PROGRAM REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2010

	<u>Federal Jumpstart II Projects</u>	<u>Fairbank HMP</u>	<u>Hazelton HMP</u>	<u>Chickasaw Zoning</u>
REVENUES:				
Federal funds	\$ 9,580	\$ -	\$ -	\$ -
State funds	-	-	-	-
Local funds:				
Contract revenue	-	119	911	7,943
Membership revenue	-	-	-	-
Document fee	-	-	-	-
In-kind	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 9,580</u>	<u>\$ 119</u>	<u>\$ 911</u>	<u>\$ 7,943</u>
EXPENSES:				
Salaries and fringe benefits	\$ 5,845	\$ 98	\$ 747	\$ 5,217
Travel	215	-	-	572
Meals	-	-	-	-
Seminar	-	-	-	-
Telephone/internet	-	-	-	10
Contracted services	2,100	-	-	-
Office supplies	-	-	-	-
Miscellaneous	-	-	-	-
Postage	32	-	-	3
Bad debt expense	-	-	-	-
Copy expense	36	-	3	42
Advertising and notices	-	-	-	-
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Relocation	-	-	-	-
Allocated administrative service	1,263	21	161	1,127
Interest	-	-	-	-
Provision of forgivable loan	-	-	-	-
Administrative expense - INHRC	-	-	-	-
Equipment maintenance	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 9,491</u>	<u>\$ 119</u>	<u>\$ 911</u>	<u>\$ 6,971</u>
Net transactions	\$ 89	\$ -	\$ -	\$ 972
Agency intrafund transfer	(89)	-	-	(972)
Gain on sale of fixed assets	-	-	-	-
Operating transfer in	-	-	-	-
Net assets beginning of year	-	-	-	-
Net assets end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 2
(continued)

Aurora HMP	LaPorte City Buyout	Evansdale Buyout	Shell Rock Buyout	Greene Buyout	Shell Rock Demo	New Hartford Demo
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
630	22,222	18,110	11,621	19,779	2,697	4,864
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 630</u>	<u>\$ 22,222</u>	<u>\$ 18,110</u>	<u>\$ 11,621</u>	<u>\$ 19,779</u>	<u>\$ 2,697</u>	<u>\$ 4,864</u>
\$ 518	\$ 17,549	\$ 14,550	\$ 9,228	\$ 15,851	\$ 2,056	\$ 3,689
-	186	36	113	195	70	101
-	-	-	-	-	-	-
-	40	-	-	-	-	-
-	2	-	6	10	-	-
-	-	-	-	-	-	-
-	70	150	-	-	11	11
-	-	-	-	-	-	-
-	93	48	45	73	27	35
-	-	-	-	-	-	-
-	353	130	163	140	82	137
-	136	51	72	84	6	95
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
112	3,793	3,145	1,994	3,426	444	797
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 630</u>	<u>\$ 22,222</u>	<u>\$ 18,110</u>	<u>\$ 11,621</u>	<u>\$ 19,779</u>	<u>\$ 2,696</u>	<u>\$ 4,865</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 1
-	-	-	-	-	(1)	(1)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PROGRAM REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2010

	<u>Waverly Demo</u>	<u>Black Hawk Co Demo</u>	<u>Cedar Falls J/S CDBG</u>	<u>Evansdale Demo</u>
REVENUES				
Federal funds	\$ -	\$ -	\$ -	\$ -
State funds	-	-	-	-
Local funds:				
Contract revenue	5,649	2,440	4,226	2,286
Membership revenue	-	-	-	-
Document fee	-	-	-	-
In-kind	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total	<u>\$ 5,649</u>	<u>\$ 2,440</u>	<u>\$ 4,226</u>	<u>\$ 2,286</u>
EXPENSES:				
Salaries and fringe benefits	\$ 4,112	\$ 1,842	\$ 3,269	\$ 1,797
Travel	135	9	9	29
Meals	-	-	-	-
Seminar	-	-	-	-
Telephone/internet	3	-	-	-
Contracted services	-	-	-	-
Office supplies	16	-	-	5
Miscellaneous	-	-	-	-
Postage	77	25	80	20
Bad debt expense	-	-	-	-
Copy expense	313	105	133	22
Advertising and notices	104	60	28	25
Professional memberships	-	-	-	-
Recording fees	-	-	-	-
Relocation	-	-	-	-
Allocated administrative services	889	398	706	388
Interest	-	-	-	-
Provision of forgivable loan	-	-	-	-
Administrative expense - INHRC	-	-	-	-
Equipment maintenance	-	-	-	-
Legal and accounting	-	-	-	-
Total	<u>\$ 5,649</u>	<u>\$ 2,439</u>	<u>\$ 4,225</u>	<u>\$ 2,286</u>
Net transactions	\$ -	\$ 1	\$ 1	\$ -
Agency intrafund transfer	-	(1)	(1)	-
Gain on sale of fixed assets	-	-	-	-
Operating transfer in	-	-	-	-
Net assets beginning of year	-	-	-	-
Net assets end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(continued)

SCHEDULE 2
(continued)

Region 6 Citizens Corp 08	Region 6 Homeland Security 08	Stanley HMP	Parkersburg J/S CDBG	Housing Trust Fund IV-08-09	Housing Trust Fund IV-09-10	Housing Trust Fund VI-10-11
\$ 2,551	\$ 7,250	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	19,905	101,676	-
-	-	66	935	-	-	57,734
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	17	339	153
<u>\$ 2,551</u>	<u>\$ 7,250</u>	<u>\$ 66</u>	<u>\$ 935</u>	<u>\$ 19,922</u>	<u>\$ 102,015</u>	<u>\$ 57,887</u>
\$ -	\$ 792	\$ 54	\$ 701	\$ 3,489	\$ 12,656	\$ 392
-	28	-	62	113	1,828	-
-	-	-	-	-	103	-
-	-	-	-	-	50	-
-	2	-	-	-	15	-
2,551	6,230	-	-	-	25,736	57,246
-	-	-	-	-	-	-
-	1	-	8	26	115	3
-	-	-	-	-	-	-
-	25	-	12	25	78	-
-	-	-	-	-	10	9
-	-	-	-	-	-	-
-	-	-	-	36	164	-
-	-	-	-	-	-	-
-	171	12	151	754	2,735	85
-	-	-	-	-	-	-
-	-	-	-	16,000	58,186	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 2,551</u>	<u>\$ 7,249</u>	<u>\$ 66</u>	<u>\$ 934</u>	<u>\$ 20,443</u>	<u>\$ 101,676</u>	<u>\$ 57,735</u>
\$ -	\$ 1	\$ -	\$ 1	\$ (521)	\$ 339	\$ 152
-	(1)	-	(1)	521	(339)	(152)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
SCHEDULE OF PROGRAM REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2010

	<u>Total</u>
REVENUES:	
Federal funds	\$2,434,239
State funds	1,290,070
Local funds:	
Contract revenue	1,264,775
Membership revenue	94,135
Document fee	80
In-kind	47,840
Miscellaneous	13,472
Interest	6,035
Total	<u>\$5,150,646</u>
EXPENSES:	
Salaries and fringe benefits	\$1,202,571
Travel	38,292
Meals	7,029
Seminar	4,997
Telephone/internet	1,790
Contracted services	2,267,481
Office supplies	1,847
Miscellaneous	1,135
Postage	7,610
Bad debt expense	4,185
Copy expense	15,516
Advertising and notices	3,865
Professional memberships	1,110
Recording fees	566
Relocation	14,238
Allocated administrative services	264,518
Interest	4,998
Provision of forgivable loan	1,197,375
Administrative expense - INHRC	2,510
Equipment maintenance	4,210
Legal and accounting	200
Total	<u>\$5,046,043</u>
Net transactions	\$ 104,603
Agency intrafund transfer	-
Gain on sale of fixed assets	75
Operating transfer in	60,338
Net assets beginning of year	<u>2,522,723</u>
Net assets end of year	<u>\$2,687,739</u>

See Accompanying Independent Auditor's Report.

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF SELECTED PROJECT COSTS AND COMPUTATION OF SELECTED PROJECT GRANTS
YEAR ENDED JUNE 30, 2010

	STA Special Project	STA Operating Assistance FY2010	Operating 18-0029- 070-10	Capital 86-0001- 070-09
Operating Expenses:				
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	10,600	238,120	860,074	-
Commodities	-	-	-	-
Capital Outlay	-	-	-	517,746
Prior Year	-	-	-	-
Project Cost	<u>\$10,600</u>	<u>\$ 238,120</u>	<u>\$ 860,074</u>	<u>\$ 517,746</u>
Grant Participation in Project Cost	<u>80%</u>	<u>100%</u>	<u>50%</u>	<u>100%</u>
Percentage Participation	<u>\$ 8,480</u>	<u>\$ 238,120</u>	<u>\$ 430,037</u>	<u>\$ 517,746</u>
Contract Amount	<u>\$57,600</u>	<u>\$ 275,148</u>	<u>\$ 294,341</u>	<u>\$ 621,000</u>
Permissible Grant (Lesser of Contract Amount or Percentage Participation)	\$ 8,480	\$ 238,120	\$ 294,341	\$ 517,746
Less: Grant Payments received in current year	(8,480)	(238,120)	(294,341)	(517,746)
Less: Grant Payments received in prior year	-	-	-	-
Grant Receivable/(Payable) at June 30, 2010	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

<u>Capital 04-0113 070-08</u>	<u>09-RPA-R07</u>	<u>10-MPO- INRCOG</u>	<u>09-MPO- INRCOG</u>	<u>10-RPA-R07</u>	<u>STP-E- PA30(111) 8V-07</u>	<u>Region V 2006 Homeland Security</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	90,419	-	184,947	30,429	81,013
-	-	-	-	-	-	-
173,410	-	-	-	-	-	-
-	86,708	-	230,517	-	14,951	534,402
<u>\$173,410</u>	<u>\$ 86,708</u>	<u>\$ 90,419</u>	<u>\$230,517</u>	<u>\$ 184,947</u>	<u>\$ 45,380</u>	<u>\$ 615,415</u>
83%	80%	80%	80%	80%	80%	100%
<u>\$143,928</u>	<u>\$ 69,366</u>	<u>\$ 72,334</u>	<u>\$184,414</u>	<u>\$ 147,958</u>	<u>\$ 36,304</u>	<u>\$ 615,415</u>
<u>\$166,830</u>	<u>\$ 69,406</u>	<u>\$ 78,444</u>	<u>\$201,547</u>	<u>\$ 217,939</u>	<u>\$153,071</u>	<u>\$ 596,212</u>
\$143,928	\$ 69,366	\$ 72,334	\$184,414	\$ 147,958	\$ 36,304	\$ 596,212
(143,928)	(20,170)	(33,611)	(44,693)	(123,202)	(22,233)	(113,895)
-	(49,196)	-	(139,721)	-	(10,547)	(482,317)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,723</u>	<u>\$ -</u>	<u>\$ 24,756</u>	<u>\$ 3,524</u>	<u>\$ -</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
STATEMENT OF SELECTED PROJECT COSTS AND COMPUTATION OF SELECTED PROJECT GRANTS
YEAR ENDED JUNE 30, 2010

	Region VI 2006 <u>Homeland Security</u>	Region V 2007 <u>Homeland Security</u>	Region VI 2007 <u>Homeland Security</u>	Region VI 2008 <u>Homeland Security</u>
Operating Expenses:				
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	142,318	213,983	268,805	9,801
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Prior Year	<u>655,614</u>	<u>4,697</u>	<u>87,270</u>	<u>-</u>
Project Cost	\$797,932	\$218,680	\$ 356,075	\$ 9,801
Grant Participation in Project Cost	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
Percentage Participation	<u>\$797,932</u>	<u>\$218,680</u>	<u>\$ 356,075</u>	<u>\$ 9,801</u>
Contract Amount	<u>\$810,768</u>	<u>\$254,962</u>	<u>\$ 365,145</u>	<u>\$ 133,926</u>
Permissible Grant (Lesser of Contract Amount or Percentage Participation)	\$797,932	\$218,680	\$ 356,075	\$ 9,801
Less: Grant Payments received in current	(211,917)	(46,213)	(289,340)	-
Less: Grant Payments received in prior year	(575,042)	<u>-</u>	<u>(21,776)</u>	<u>-</u>
Grant Receivable/(Payable) at June 30, 2010	<u>\$ 10,973</u>	<u>\$172,467</u>	<u>\$ 44,959</u>	<u>\$ 9,801</u>

See Accompanying Independent Auditor's Report.

SCHEDULE 3
(continued)

CDBG <u>08-DRH-201</u>	CDBG <u>08-DRH-001</u>	CDBG <u>08-DRB-206</u>	EDA <u>05-83-04426</u>	EDA <u>05-69-04687</u>	IDPH <u>5880B01</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9,580	921,185	361,598	129,834	104,274	8,924	3,665,904
-	-	-	-	-	-	-
-	-	-	-	-	-	691,156
6,665	43,716	-	-	107,216	-	1,771,756
<u>\$ 16,245</u>	<u>\$ 964,901</u>	<u>\$ 361,598</u>	<u>\$ 129,834</u>	<u>\$ 211,490</u>	<u>\$ 8,924</u>	<u>\$ 6,128,816</u>
100%	100%	100%	50%	100%	100%	
<u>\$ 16,245</u>	<u>\$ 964,901</u>	<u>\$ 361,598</u>	<u>\$ 64,917</u>	<u>\$ 211,490</u>	<u>\$ 8,924</u>	<u>\$ 5,474,665</u>
<u>\$3,256,495</u>	<u>\$1,899,622</u>	<u>\$ 800,000</u>	<u>\$ 64,840</u>	<u>\$ 300,000</u>	<u>\$100,235</u>	<u>\$10,717,531</u>
\$ 16,245	\$ 964,901	\$ 361,598	\$ 64,840	\$ 211,490	\$ 8,924	\$ 5,319,689
(6,665)	(795,459)	(361,598)	(64,840)	(154,286)	(14,000)	(3,504,737)
-	(17,922)	-	-	(115,713)	-	(1,412,234)
<u>\$ 9,580</u>	<u>\$ 151,520</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (58,509)</u>	<u>\$ (5,076)</u>	<u>\$ 402,718</u>

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
 SCHEDULE OF EXPENSES OF FEDERAL AWARDS
 YEAR ENDED JUNE 30, 2010

<u>GRANTOR/PROGRAM</u>	<u>CFDA NUMBER</u>	<u>AGENCY PASS-THROUGH NUMBER</u>	<u>PROGRAM EXPENSES</u>
Direct:			
Department of Commerce:			
Economic Development Administration:			
Planning Grant	11.302	05-83-04426	\$ 64,840
Economic Adjustment Disaster Recovery	11.307	05-69-0487	104,274
Total Direct Awards			<u>\$ 169,114</u>
Indirect:			
Department of Housing and Urban Development:			
Iowa Department of Economic Development:			
Black Hawk County:			
Community Development Block Grant Program	14.228	08-DRH-001	\$ 921,185
	14.228	08-DRH-201	9,580
	14.228	08-DRB-206	361,598
			<u>\$1,292,363</u>
Department of Transportation:			
Iowa Department of Transportation:			
Metropolitan Intermodal Planning	20.205	10-RPA-R07	\$ 46,481
	20.205	10-MPO-R07	147,958
	20.205	STP-E-PA30(111) -8V-07	24,343
			<u>\$ 218,782</u>
Capital Investment Assistance	20.500	04-0113-070-08	<u>\$ 143,928</u>
Urban Mass Transportation Technical Studies Grants:			
Planning	20.515	10-RPA-R07	<u>\$ 25,853</u>
Non-urban Assistance Project	20.509	18-0029-070-10	<u>\$ 294,341</u>
ARRA-Non-urban Assistance Project	20.509	86-0001-070-09	<u>\$ 517,746</u>
Department of Health and Human Services:			
Iowa Department of Public Health:			
Investigations and technical assistance	93.283	5880-0B-01	<u>\$ 8,924</u>
Department of Homeland Security:			
Iowa Homeland Security			
	97.067	Region V-2006	\$ 81,013
	97.067	Region VI-2006	142,318
	97.067	Region V-2007	213,983
	97.067	Region VI-2007	268,805
	97.067	Region VI-2008	9,801
			<u>\$ 715,920</u>
Total Indirect Awards			<u>\$3,217,857</u>
Total			<u>\$3,386,971</u>

See Accompanying Independent Auditor's Report.



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**INDEPENDENT AUDITOR'S 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**

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

I have audited the basic financial statements of the Iowa Northland Regional Council of Governments (INRCOG) as of and for the year ended June 30, 2010 and have issued my report thereon dated December 14, 2010. I conducted my audit in accordance with U.S. generally accepted auditing standards 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 my audit, I considered INRCOG's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing my opinion on the effectiveness of INRCOG's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of INRCOG's internal control over financial reporting.

My consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance all deficiencies, significant deficiencies or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings, I identified a deficiency in internal control over financial reporting that I consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of INRCOG's financial statements will not be prevented or detected and corrected on a timely basis. I consider the deficiency described in Part II of the accompanying Schedule of Findings as item II-A-10 to be a material weakness.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control which is less severe than a material weakness, yet important enough to merit attention by those charged with governance. There are no deficiencies described in the accompanying Schedule of Findings that I consider to be significant deficiencies.

Compliance and Other Matters

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

Comments involving statutory and other legal matters about INRCOG's operations for the year ended June 30, 2010 are based exclusively on knowledge obtained from procedures performed during my audit of the financial statements of INRCOG. Since my audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

INRCOG's response to the finding identified in my audit is described in the accompanying Schedule of Findings. While I have expressed my conclusion on INRCOG's response, I did not audit INRCOG's response and, accordingly, I express no opinion on it.

This report, a public record by law, is intended solely for the information and use of the Iowa Northland Regional Council of Governments officials, employees and other parties to whom the Agency may report, including 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.

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



December 14, 2010



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

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

Compliance

I have audited the compliance of Iowa Northland Regional Council of Governments (INRCOG), with the types of compliance requirements described in U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal programs for the year ended June 30, 2010. INRCOG's major federal programs are identified in Part I of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grant agreements applicable to its major federal programs are the responsibility of INRCOG's management. My responsibility is to express an opinion on INRCOG's compliance based on my audit.

I conducted my audit of compliance in accordance with U.S. generally accepted auditing standards, 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 I plan and perform the audit to obtain reasonable assurance about whether non-compliance 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 INRCOG's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on INRCOG's compliance with those requirements.

In my opinion, INRCOG complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

The management of INRCOG is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grant agreements applicable to federal programs. In planning and performing my audit, I considered INRCOG's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of INRCOG's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct non-compliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis.

My consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in INRCOG's internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance significant deficiencies or material weaknesses have been identified. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

This report, a public record by law, is intended solely for the information and use of the officials, employees and members of INRCOG and other parties to whom INRCOG may report, including 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.

A handwritten signature in black ink, appearing to read "Larry Pump". The signature is written in a cursive, flowing style.

December 14, 2010

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
Schedule of Findings
Year Ended June 30, 2010

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

- (a) Unqualified opinions were issued on the financial statements.
- (b) The audit of the financial statements disclosed a material weakness in the internal control over financial reporting.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) No material weaknesses in internal control over the major programs were noted.
- (e) An unqualified opinion was issued on compliance with requirements applicable to the major programs.
- (f) The audit disclosed no audit findings which were required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- (g) The major programs were CFDA Number 14.228 - Community Development Block Grant Program, CFDA Number 20.509 - Non-Urban Assistance Project and CFDA Number 97.067 - Homeland Security Grant Program.
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- (i) INRCOG did not qualify as a low-risk auditee.

Part II: Findings Related to the Financial Statements:

INTERNAL CONTROL DEFICIENCY:

II-A-10 Preparation of Financial Statements - The Agency does not have an internal control system designed to provide for the preparation of the financial statements in accordance with U.S. generally accepted accounting principles, nor has management identified risks related to the preparation of reliable financial statements and as a result has failed to design effective controls over the preparation of the financial statements to prevent or detect material misstatements. Therefore, as an auditor, I was requested to draft the financial statements and accompanying notes to the financial statements. This circumstance is not unusual for a governmental entity similar in population to the Agency. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

Recommendation - I recognize that with a limited number of office employees, preparation of the financial statements is difficult. However, I recommend that Agency officials continue reviewing operating procedures in order to obtain the maximum internal control possible under the circumstances.

Response - The Agency will continue to review and monitor procedures currently in place and evaluate the risks to be accepted in preparation of the financial statements.

Conclusion - Response accepted.

IOWA NORTHLAND REGIONAL COUNCIL OF GOVERNMENTS
Schedule of Findings
Year Ended June 30, 2010

Part II: Findings Related to the Financial Statements:- continued

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

Part III: Findings and Questioned Costs for Federal Awards:

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

INTERNAL CONTROL DEFICIENCIES:

No material weaknesses in internal control over the major programs were noted.

Part IV: Other Findings Related to Required Statutory Reporting:

- IV-A-10 Questionable Expenses - No expenses I believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.
- IV-B-10 Travel Expense - No expenses of INRCOG money for travel expenses of spouses of INRCOG officials or employees were noted.
- IV-C-10 Business Transactions - No business transactions between INRCOG and INRCOG officials or employees were noted.
- IV-D-10 Bond Coverage - Surety bond coverage of INRCOG officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to insure that the coverage is adequate for current operations.
- IV-E-10 Deposits and Investments - No instances of non-compliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and INRCOG's investment policy were noted.
- IV-F-10 Board Minutes - No transactions were found that I believe should have been approved in the Board minutes but were not.