SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

INDEPENDENT AUDITORS' REPORTS
BASIC FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2013

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

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KRP
KING, REINSCH, PROSSER & CO., L.L.P.
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Siouxland Interstate Metropolitan Planning Council
Sioux City, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund and the aggregate remaining fund information of Siouxland Interstate Metropolitan Planning Council (the Council), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component units, each major fund and the aggregate remaining fund information of Siouxland Interstate Metropolitan Planning Council, as of June 30, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The schedule of metropolitan and regional planning grants is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The schedule of metropolitan and regional planning grants and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic

financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of metropolitan and regional planning grants and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2014, on our consideration of Siouxland Interstate Metropolitan Planning Council's internal control over financial reporting and on 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Siouxland Interstate Metropolitan Planning Council's internal control over financial reporting and compliance.

King, Reinsch, Prosser + Co., L.L.P.

Sioux City, Iowa
March 26, 2014

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The Siouxland Interstate Metropolitan Planning Council (the Council) 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, 2013. We encourage readers to consider this information in conjunction with the financial statements, which follow.

FINANCIAL HIGHLIGHTS - PRIMARY GOVERNMENT

- Revenues of the Council's governmental activities increased 42.3 percent, or approximately $406,000 from fiscal year 2012 to fiscal year 2013.
- Program expenses of the Council's governmental activities increased by 31.5 percent, or approximately $324,000, from fiscal year 2012 to fiscal year 2013.
- The Council's net position increased by approximately $14,000, from June 30, 2012 to June 30, 2013.

OVERVIEW OF THE FINANCIAL STATEMENTS

The annual report consists of management's discussion and analysis (this section), the basic financial statements, and supplementary information.

Basic Financial Statements

The basic financial statements include the government-wide financial statements, the fund financial statements, and the notes to the financial statements.

Government-wide Financial Statements

The government-wide statements provide a broad view of the Council's financial activity. These financial statements are prepared using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most private sector companies. The government-wide financial statements consist of a statement of net position and a statement of activities. All of the current year's revenues and expenses are accounted for regardless of when cash is received or paid.

The *Statement of Net Position* includes all assets and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in net position may serve as a useful indicator of whether financial position is improving or deteriorating.

The *Statement of Activities* presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods.

The government-wide financial statements are divided into two categories:

- *Governmental activities* - All of the Council's services are reported in this category. The services are general government, transportation planning, community and economic development, and emergency planning. Federal and state grants along with contract services and membership dues finance most of these activities.

- *Component units* - These are operations that are legally separate from the Council, but for which the Council has determined it would be misleading to exclude from the Council's financial statements based on the nature and significance of their relationship with the Council. The Council's discretely presented component units are:

  - Siouxland Regional Transit System (governmental activity)

  - Tri-State Graduate Center (governmental activity)

  - Northeast Nebraska Joint Housing Agency (governmental activity)

  Additional information about the Council's component units is presented in the Notes to the Financial Statements.

Fund Financial Statements

The fund financial statements provide detailed information about the Council, focusing on its most significant or "major" funds. The Council has two types of funds 1) Governmental Funds and 2) Fiduciary Funds.

Governmental funds focus on how money flows into and out of those funds and the balances at year-end that are available for spending. Governmental funds include the General Fund and the Special Revenue Funds. These funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed short-term view of operations. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. All of the Council's governmental funds are major funds.

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

Fiduciary funds account for resources held for the benefit of parties outside the Council. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Council's programs. The Council is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The required financial statement is a Statement of Fiduciary Net Position - Agency Funds.

Discretely Presented Component Units

The fund financial statements of the component units are presented because they do not issue their own separate financial statements. Siouxland Regional Transit System, Tri-State Graduate Center, and Northeast Nebraska Joint Housing Agency each have only a General Fund.

Reconciliations between the government-wide financial statements and the fund financial statements are included on or follow the fund financial statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the basic financial statements.

Supplementary Information

Supplementary information provides detailed information about certain grants. In addition, the schedule of expenditures of federal awards provides details of various federal programs.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Council's net position totaled $635,693 at June 30, 2013, compared to $621,884 at June 30, 2012 as indicated below.

	Governmental Activities Net Position	
	2013	2012
Current and other assets	$ 904,223	$ 937,026
Capital assets	35,376	64,716
Total assets	$ 939,599	$ 1,001,742
Long-term liabilities	$ 66,438	$ 115,404
Other liabilities	237,468	264,454
Total liabilities	$ 303,906	$ 379,858
Net position:		
Net investment in capital assets	$ 35,376	$ 64,716
Restricted	27,306	42,862
Unrestricted	573,011	514,306
Total net position	$ 635,693	$ 621,884

The restricted net position represents resources subject to external restrictions. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, legislation or other legal requirements, is approximately $573,000 at the end of this year.

The Council's net position increased by $13,809 during the year as indicated below.

	Governmental Activities Changes in Net Position for the Year Ended June 30,	
	2013	2012
Program revenues:		
Charges for services	$ 836,751	$ 441,854
Operating grants and contributions	525,192	522,330
General revenues:		
Interest	254	266
Miscellaneous	3,424	(4,872)
Total revenues	$ 1,365,621	$ 959,578
Program expenses:		
General government	$ 113,250	$ 152,477
Transportation planning	366,130	419,614
Community and economic development	776,458	370,064
Emergency planning	95,974	85,827
Total expenses	$ 1,351,812	$ 1,027,982
Change in net position	$ 13,809	$ (68,404)
Net position, beginning of year	621,884	690,288
Net position, end of year	$ 635,693	$ 621,884

The Council's revenues increased approximately $406,000 from the prior year, with charges for services increasing approximately $395,000. Charges for services account for 61 percent and operating grants and contributions account for 39 percent of total revenues. The cost of the Council's activities this year was approximately $1,352,000 compared to approximately $1,028,000 last year. Expenses primarily relate to transportation planning and community and economic development which account for 85 percent of total expenses.

INDIVIDUAL MAJOR FUND ANALYSIS

Primary Government Highlights

The Council's fund balance at June 30, 2013 was $486,194 compared to $483,430 at June 30, 2012.

- The General Fund had revenues of approximately $144,000 and $136,000 in fiscal year 2013 and 2012, respectively. The expenditures were approximately $126,000 and $160,000 in fiscal year 2013 and 2012, respectively. Other financing uses were

approximately $73,000 in fiscal year 2012. Fund balance increased from $440,568 to $458,888, an increase of $18,320.

- The Special Revenue, MPO/RPA Fund had revenues and expenditures of approximately $366,000 and $420,000 in fiscal year 2013 and 2012, respectively.

- The Special Revenue, Other Member Projects Fund had revenues of approximately $765,000 and $324,000 in fiscal year 2013 and 2012, respectively. The $441,000 increase in revenues can be explained by an increase in contract services. The expenditures were approximately $781,000 and $370,000 in fiscal year 2013 and 2012, respectively. Other financing sources were approximately $73,000 in fiscal year 2012. Fund balance decreased $15,556 to $27,306.

- The Special Revenue, Hazmat Fund had revenues and expenditures of approximately $96,000 and $86,000 in fiscal year 2013 and 2012, respectively. The revenues increased largely due to an $11,000 increase in federal funding.

Highlights for the Discretely Presented Component Units

Siouxland Regional Transit System

Siouxland Regional Transit System's revenues were approximately $3.1 million and $2.5 million in fiscal years 2013 and 2012, respectively. The expenditures were approximately $3.2 million and $2.5 million in fiscal year 2013 and 2012, respectively. Fund balance decreased by $91,633, to $270,081 at June 30, 2013.

Tri-State Graduate Center

The revenues for Tri-State Graduate Center increased in fiscal year 2013 to approximately $76,000 from approximately $74,000 in fiscal year 2012. The increase is due to an increase in local funding. The expenditures for fiscal year 2013 were approximately $67,000 in both fiscal year 2013 and 2012. Fund balance at June 30, 2013 was $44,478 an increase of $8,883 from June 30, 2012. Effective August 31, 2013 Tri-State Graduate Center ceased operations.

Northeast Nebraska Joint Housing Agency

The revenues for Northeast Nebraska Joint Housing Agency were approximately $299,000 and $328,000 in fiscal years 2013 and 2012, respectively. Expenditures were approximately $353,000 and $316,000 in fiscal years 2013 and 2012, respectively. Fund balance at June 30, 2013 was $91,775.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Council's capital assets consist of equipment (computers and office equipment) and totaled $35,376, net of accumulated depreciation at June 30, 2013. Depreciation expense was $29,340 in fiscal year 2013. More detailed information about capital assets is available in Note 5 to the financial statements.

Long-Term Debt

Long-term debt consists of a note payable to Siouxland Planning and Transit Services, L.L.C. The balance outstanding at June 30, 2013 was $37,012. During fiscal year 2013 the Council made principal payments of $48,377. Total interest paid during fiscal year 2013 was $2,570.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

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

CONTACTING THE COUNCIL'S FINANCIAL MANAGEMENT

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

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

STATEMENT OF NET POSITION

JUNE 30, 2013

	Primary Government	Component Units		
	Governmental Activities	Siouxland Regional Transit System	Tri-State Graduate Center	Northeast Nebraska Joint Housing Agency
ASSETS:				
Current assets:				
Cash	$ 352,757	$ 243,000	$ 51,023	$ 123,378
Accounts receivable	77,394	60,602	1,000	-
Due from component units - Note 4	69,630	-	-	-
Due from other governments:				
Federal	-	6,417	-	-
State	79,711	287,948	-	-
Local	90,267	201,802	-	-
Prepaid expenses	31,727	16,998	-	-
Total current assets	$ 701,486	$ 816,767	$ 52,023	$ 123,378
Noncurrent assets:				
Investment in Siouxland Planning and Transit Services, L.L.C. - Note 6	$ 202,737	$ 123,789	$ -	$ -
Capital assets, net of accumulated depreciation - Note 5	35,376	1,385,041	-	-
Total noncurrent assets	$ 238,113	$ 1,508,830	$ -	$ -
Total assets	$ 939,599	$ 2,325,597	$ 52,023	$ 123,378
LIABILITIES:				
Current liabilities:				
Accounts payable	$ 59,849	$ 428,777	$ 457	$ 63
Accrued wages and benefits	28,664	35,201	1,597	1,347
Due to agency fund	67,207	-	-	-
Due to primary government - Note 4	-	56,583	5,491	7,556
Due to other governments:				
Local	-	25,875	-	-
Tenant escrow	-	-	-	22,637
Unearned revenue	59,572	250	-	-
Note payable, due within one year - Note 7	22,176	-	-	-
Total current liabilities	$ 237,468	$ 546,686	$ 7,545	$ 31,603
Noncurrent liabilities - Note 7:				
Compensated absences	$ 51,602	$ 12,572	$ 5,170	$ -
Note payable	14,836	-	-	-
Total noncurrent liabilities	$ 66,438	$ 12,572	$ 5,170	$ -
Total liabilities	$ 303,906	$ 559,258	$ 12,715	$ 31,603
NET POSITION:				
Net investment in capital assets	$ 35,376	$ 1,385,041	$ -	$ -
Restricted - Note 8	27,306	-	-	98,337
Unrestricted	573,011	381,298	39,308	(6,562)
Total net position	$ 635,693	$ 1,766,339	$ 39,308	$ 91,775

See accompanying notes to financial statements.

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2013

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
						Component Units		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Siouxland Regional Transit System	Tri-State Graduate Center	Northeast Nebraska Joint Housing Agency
Primary government:								
Governmental activities:								
General government	$ 113,250	$ 142,358	$ -	$ -	$ 29,108			
Transportation planning	366,130	72,795	292,888	-	(447)			
Community and economic development	776,458	556,604	201,324	-	(18,530)			
Emergency planning	95,974	64,994	30,980	-	-			
Total governmental activities	$ 1,351,812	$ 836,751	$ 525,192	$ -	$ 10,131			
Components units:								
Governmental activities:								
Siouxland Regional Transit System	$ 2,390,674	$ 1,158,627	$ 1,088,150	$ 863,535		$ 719,638		
Tri-State Graduate Center	$ 67,943	$ 6,000	$ 69,839	$ -			$ 7,896	
Northeast Nebraska Joint Housing Agency	$ 353,026	$ -	$ 299,218	$ -				$ (53,808)
General revenues:								
Interest					$ 254	$ 137	$ 26	$ 92
Miscellaneous					3,424	(404)	-	-
Total general revenues					$ 3,678	$ (267)	$ 26	$ 92
Change in net position					$ 13,809	$ 719,371	$ 7,922	$ (53,716)
Net position, beginning of year					621,884	1,046,968	31,386	145,491
Net position, end of year					$ 635,693	$ 1,766,339	$ 39,308	$ 91,775

See accompanying notes to financial statements.

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2013

	General	MPO/RPA Fund	Other Member Projects Fund	Hazmat Fund	Total Governmental Funds
ASSETS:					
Cash	$ 291,411	$ -	$ 61,346	$ -	$ 352,757
Accounts receivable	77,394	-	-	-	77,394
Interfund balance - Note 3	98,315	-	4,435	1,209	103,959
Due from component units - Note 4	69,630	-	-	-	69,630
Due from other governments:					
State	-	72,512	-	7,199	79,711
Local	-	-	90,267	-	90,267
Prepaid expenditures	31,727	-	-	-	31,727
Total assets	$ 568,477	$ 72,512	$ 156,048	$ 8,408	$ 805,445
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	$ 16,195	$ 932	$ 34,414	$ 8,308	$ 59,849
Interfund balance - Note 3	5,644	66,344	31,971	-	103,959
Due to agency fund	67,207	-	-	-	67,207
Accrued wages and benefits	18,630	5,236	4,698	100	28,664
Deferred revenue	1,913	-	57,659	-	59,572
Total liabilities	$ 109,589	$ 72,512	$ 128,742	$ 8,408	$ 319,251
Fund balances:					
Nonspendable	$ 31,727	$ -	$ -	$ -	$ 31,727
Restricted - Note 8	-	-	27,306	-	27,306
Assigned for employee benefits	250,028	-	-	-	250,028
Unassigned	177,133	-	-	-	177,133
Total fund balances	$ 458,888	$ -	$ 27,306	$ -	$ 486,194
Total liabilities and fund balances	$ 568,477	$ 72,512	$ 156,048	$ 8,408	

Amounts reported for governmental activities in the statement of net position are different because:	
Investment in Siouxland Planning and Transit Services, L.L.C. (not available to pay current expenditures).	202,737
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	35,376
Long-term debt is not due and payable in the current year and, therefore, is not reported in the funds.	(37,012)
Compensated absences from the statement of net position are not reported on the modified accrual basis fund balance sheet.	(51,602)
Net position of governmental activities (page 10)	$ 635,693

See accompanying notes to financial statements.

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

	General	MPO/RPA Fund	Other Member Projects Fund	Hazmat Fund	Total Governmental Funds
Revenues:					
Federal sources	$ -	$ 292,888	$ 143,738	$ 30,980	$ 467,606
State sources	-	-	52,737	-	52,737
Local sources:					
Membership dues	28,873	72,795	61,168	48	162,884
Support assessments	-	-	4,849	64,946	69,795
Contract services	109,056	-	495,436	-	604,492
Interest	235	-	19	-	254
Miscellaneous	5,713	242	7,543	-	13,498
Total revenues	$ 143,877	$ 365,925	$ 765,490	$ 95,974	$ 1,371,266
Expenditures:					
Current:					
General government	$ 74,610	$ -	$ -	$ -	$ 74,610
Transportation planning	-	365,925	-	-	365,925
Community and economic development	-	-	781,046	-	781,046
Emergency planning	-	-	-	95,974	95,974
Debt service	50,947	-	-	-	50,947
Total expenditures	$ 125,557	$ 365,925	$ 781,046	$ 95,974	$ 1,368,502
Net change in fund balances	$ 18,320	$ -	$ (15,556)	$ -	$ 2,764
Fund balances - beginning of year	440,568	-	42,862	-	483,430
Fund balances - end of year	$ 458,888	$ -	$ 27,306	$ -	$ 486,194

See accompanying notes to financial statements.

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2013

Net change in fund balances - total governmental funds (page 13)		$ 2,764
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase capital assets are reported in governmental funds as expenditures. However, those costs are not reported in the statement of activities and are allocated over their estimated useful lives as depreciation expense in the statement of activities. Depreciation expense exceeded capital outlay expenditures in the current year, as follows:		
Expenditures for capital assets	$ -	
Depreciation	(29,340)	(29,340)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:		
Change in compensated absences		(2,086)
Principal payments on debt is an expenditure in the governmental funds, but the repayment reduces long-term debt in the statement of net position.		48,377
Loss on investment in Siouxland Planning and Transit Services, L.L.C.		(5,906)
Change in net position of governmental activities (page 11)		$ 13,809

See accompanying notes to financial statements.

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

STATEMENT OF FIDUCIARY NET POSITION

AGENCY FUNDS

JUNE 30, 2013

	Cardinal Development, Inc.	Siouxland Economic Development Corporation	Total Agency Funds
ASSETS:			
Cash	$ 56	$ -	$ 56
Due from SIMPCO	-	67,207	67,207
Loan receivable	2,699	-	2,699
Total assets	$ 2,755	$ 67,207	$ 69,962
LIABILITIES:			
Due to state governments	$ 2,755	$ -	$ 2,755
Accrued wages and benefits	-	18,600	18,600
Accrued vacation	-	40,809	40,809
Advance payment	-	7,798	7,798
Total liabilities	$ 2,755	$ 67,207	$ 69,962

See accompanying notes to financial statements.

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

BALANCE SHEETS

GOVERNMENTAL FUNDS

DISCRETELY PRESENTED COMPONENT UNITS

JUNE 30, 2013

	Siouxland Regional Transit System General Fund	Tri-State Graduate Center General Fund	Northeast Nebraska Joint Housing Agency General Fund
ASSETS:			
Cash	$ 243,000	$ 51,023	$ 123,378
Accounts receivable	60,602	1,000	-
Due from other governments:			
Federal	6,417	-	-
State	287,948	-	-
Local	201,802	-	-
Prepaid expenditures	16,998	-	-
Total assets	$ 816,767	$ 52,023	$ 123,378
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Accounts payable	$ 428,777	$ 457	$ 63
Due to primary government - Note 4	56,583	5,491	7,556
Due to other governments:			
Local	25,875	-	-
Tenant escrow	-	-	22,637
Accrued wages and benefits	35,201	1,597	1,347
Deferred revenue	250	-	-
Total liabilities	$ 546,686	$ 7,545	$ 31,603
Fund balances:			
Nonspendable	$ 16,998	$ -	$ -
Restricted - Note 8	-	-	98,337
Assigned for capital purchases	153,931	-	-
Unassigned	99,152	44,478	(6,562)
Total fund balances	$ 270,081	$ 44,478	$ 91,775
Total liabilities and fund balances	$ 816,767	$ 52,023	$ 123,378
Total fund balances	$ 270,081	$ 44,478	$ 91,775
Amounts reported for governmental activities in the statement of net position are different because:			
Investment in Siouxland Planning and Transit Services, L.L.C. (not available to pay current expenditures)	123,789	-	-
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,385,041	-	-
Compensated absences from the statement of net position are not reported on the modified accrual basis fund balance sheet	(12,572)	(5,170)	-
Net position of governmental activities (page 10)	$ 1,766,339	$ 39,308	$ 91,775

See accompanying notes to financial statements.

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

DISCRETELY PRESENTED COMPONENT UNITS

FOR THE YEAR ENDED JUNE 30, 2013

	Siouxland Regional Transit System General Fund	Tri-State Graduate Center General Fund	Northeast Nebraska Joint Housing Agency General Fund
Revenues:			
Federal sources	$ 1,222,723	$ -	$ 288,146
State sources	728,962	69,839	-
Local sources:			
Support assessments	142,518	-	-
Contract services	1,016,109	6,000	-
Interest	137	26	92
Miscellaneous	3,203	-	11,072
Total revenues	$ 3,113,652	$ 75,865	$ 299,310
Expenditures:			
Current:			
Transportation	$ 2,171,146	$ -	$ -
Education	-	66,982	-
Housing	-	-	353,026
Capital outlay	1,034,139	-	-
Total expenditures	$ 3,205,285	$ 66,982	$ 353,026
Net change in fund balances	$ (91,633)	$ 8,883	$ (53,716)
Fund balances - beginning of year	$ 361,714	$ 35,595	$ 145,491
Fund balances - end of year	$ 270,081	$ 44,478	$ 91,775
Net change in fund balances	$ (91,633)	$ 8,883	$ (53,716)
Amounts reported for governmental activities in the statement of net activities are different because:			
Capital outlays to purchase capital assets are reported in governmental funds as expenditures. However, those costs are not reported in the statement of activities and are allocated over their estimated useful lives as depreciation expense in the statement of activities.			
Expenditures for capital assets	1,034,139	-	-
Depreciation	(216,583)	(111)	-
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:			
Change in compensated absences	(2,945)	(850)	-
Loss on investment in Siouxland Planning and Transit Services, L.L.C.	(3,607)	-	-
Change in net position of governmental activities (page 11)	$ 719,371	$ 7,922	$ (53,716)

See accompanying notes to financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Siouxland Interstate Metropolitan Planning Council (the Council) was organized in 1965 to provide planning activities for member governmental bodies. The Council currently has 52 voluntary member governments from Iowa, Nebraska and South Dakota.

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

A. Reporting Entity

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

These financial statements present the Council (the primary government) and its component units. The component units discussed below are included in the Council's reporting entity because in the Council's professional judgment, due to the nature and significance of each of the entity's relationship with the Council it would be misleading to exclude the entity from the Council's financial statements. The component units are discretely presented and do not issue their own separate financial statements.

Discretely Presented Component Units

Siouxland Regional Transit System was organized to improve and coordinate transportation services in Cherokee, Ida, Monona, Plymouth and Woodbury counties in Iowa.

Tri-State Graduate Center was organized to facilitate the delivery of graduate education to Siouxland residences through the colleges and universities in Iowa, Nebraska and South Dakota. Effective August 31, 2013 Tri-State Graduate Center ceased operations.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Northeast Nebraska Joint Housing Agency administers the housing voucher program for residents in rural Dakota, Dixon, and Wayne Counties in Nebraska.

In the Council's professional judgment it is misleading to exclude Siouxland Regional Transit System, Tri-State Graduate Center and Northeast Nebraska Joint Housing Agency from the Council's financial statements because the Council has a financial burden relationship with the entities. In addition the Council's management has operational responsibility for the entities and the respective boards of the entities have allowed the Council's management and board to significantly influence their operations.

B. Basis of Presentation

Government-wide Financial Statements - The statement of net position and the statement of activities report information on all of the nonfiduciary activities of the Council and its component units. For the most part, the effect of interfund activity has been removed from these statements.

The statement of net position presents the Council's nonfiduciary assets and liabilities, with the difference reported as net position. Net position is reported in the following categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for notes and other debt attributable to the acquisition, construction or improvement of those assets.

Restricted net position results when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of net position not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

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

Fund Financial Statements - Separate financial statements are provided for governmental and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Council reports the following major governmental funds:

General Fund - The General Fund is the primary operating fund of the Council. It is used to account for all financial resources except those accounted for in special revenue funds. The general operating expenditures and fixed charges that are not paid from other funds are paid from the General Fund.

Special Revenue Funds - Special Revenue Funds account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Each of the Council's Special Revenue Funds have been established to reflect restricted revenue sources. The funds included in this category and their purposes are as follows:

MPO/RPA Fund - Accounts for the activities of the Metropolitan Planning Organization and Regional Planning Affiliation. The MPO/RPA provide long-range transportation planning and transportation improvement programs.

Other Member Projects Fund - Accounts for the Council's community development program. The community development program offers members a variety of services such as grant writing, project development, and technical assistance.

Hazmat Fund - Accounts for hazmat planning activities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

The Council also reports the following fiduciary fund:

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

Interfund activities between governmental funds appear as interfund balances on the governmental funds balance sheet and as other sources and other uses on the governmental funds statement of revenues, expenditures and changes in fund balances. All interfund activities between governmental funds are eliminated on the government-wide statements.

C. Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Council considers revenues to be available if they are collected within 60 days after year end.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments and compensated absences are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Under terms of grant agreements, the Council and the component units fund certain programs by a combination of specific cost-reimbursement grants, other grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Council's and the component units' policy to first apply cost-reimbursement grant resources to such programs, followed by other grants and then by general revenues.

D. Assets, Liabilities and Fund Equity

Accounts Receivable - Trade credit is generally extended to Council members and clients on a short-term basis. These receivables do not bear interest, although a finance charge may be applied to balances more than thirty days past due. Individual accounts receivable are periodically evaluated for collectibility based on past credit history and their current financial condition. All significant receivables of the Council and its component units are considered collectible at June 30, 2013. Therefore, no allowance for doubtful accounts is recorded.

Due From Other Governments - Due from other governments represents amounts due from federal, state and local governments. The amounts represent the earned portion of grant contracts between the Council or its component units and various government agencies. The funds received under these contracts are normally restricted to cover only specified expenditures under the programs described in the grant contract.

Interfund Balance - During the course of its operations, the Council has numerous transactions between funds to finance operations and provide services. To the extent that certain transactions between funds had not been paid or received as of June 30, 2013, balances of interfund amounts payable or receivable have been recorded.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Capital Assets - Capital assets, which include vehicles, electronics, and office furniture, are reported in the government-wide financial statements. Capital assets are defined by the Council and the component units as assets with an initial cost of $5,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost if purchased. Donated capital assets are recorded at the estimated fair value at the date of donation. The costs of normal maintenance and repair not adding to the value of the asset or materially extending asset lives are expensed as incurred. Capital assets of the Council and its component units are depreciated using the straight-line method over the following estimated useful lives:

Vehicles	5 Years
Electronic Equipment	5 Years
Office Furniture	7 Years

Deferred Revenue and Unearned Revenue - Although certain revenues are measurable, they are not available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue in the governmental fund financial statements represents the amount of assets that have been recognized, but the related revenue has not been recognized since the assets were not collected within the current period or soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue also consists of unspent grant proceeds.

Unearned revenue in the statement of net position consists of unearned grant proceeds.

Compensated Absences - Vested or accumulated vacation leave (compensated absences) and the related employee benefits are reported as liabilities when incurred in the government-wide statement of net position. In the governmental fund statements the liabilities for these amounts are recorded only for employees that have resigned or retired. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. The liability has been computed based on rates of pay in effect at June 30, 2013.

Long-Term Liabilities - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities column in the statement of net position.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Fund Balances - In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable - Amounts which cannot be spent because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors, or state or federal laws or are imposed by law through constitutional provisions or enabling legislation.

Assigned - Amounts intended to be used for specific purposes determined pursuant to constraints imposed by the Board of Directors or an official the Board has delegated authority to.

Unassigned - All amounts not included in other spendable classifications.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the policy is generally to first apply the expenditure toward restricted fund balance and then to less restrictive classifications - unassigned fund balances.

E. Membership Dues and Support Assessments

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

F. Allocation of Indirect Costs

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

NOTE 2 - CASH:

The Council's and the component units' deposits in banks at June 30, 2013, were entirely covered by Federal Depository Insurance or by a multiple financial institution collateral pool, in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

NOTE 3 - INTERFUND BALANCES:

The detail of interfund balances at June 30, 2013 is as follows:

	Due From Other Funds	Due To Other Funds
General	$ 98,315	$ 5,644
Special Revenue Fund:		
MPO/RPA Fund	$ -	$ 66,344
Other Member Projects Fund	4,435	31,971
Hazmat Fund	1,209	-
	$ 5,644	$ 98,315
	$ 103,959	$ 103,959

These balances resulted from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made.

NOTE 4 - TRANSACTIONS WITH DISCRETELY PRESENTED COMPONENT UNITS:

The component units owe the Council $69,630 at June 30, 2013. The amount is reflected in the financial statements as due to primary government and due from component units. The detail of the due to primary government at June 30, 2013 is as follows:

Siouxland Regional Transit System	$ 56,583
Tri-State Graduate Center	5,491
Northeast Nebraska Joint Housing Agency	7,556
	$ 69,630

NOTE 4 - TRANSACTIONS WITH DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED):

The Council performs administrative services for the component units. For June 30, 2013 the Council recorded contract service income of $89,431 related to these services. Siouxland Regional Transit System, Tri-State Graduate Center and Northeast Nebraska Joint Housing Agency had administrative services expenditures of $73,000, $6,566 and $9,865, for June 30, 2013, respectively.

NOTE 5 - CAPITAL ASSETS:

A summary of changes in the capital assets for the year ended June 30, 2013 is as follows:

	Balance July 1, 2012	Additions	Retirements	Balance June 30, 2013
Primary Government				
Governmental activities:				
Capital assets being depreciated:				
Equipment	$ 391,528	$ -	$ -	$ 391,528
Accumulated depreciation:				
Equipment	$ (326,812)	$ (29,340)	$ -	$ (356,152)
Governmental activities capital assets, net	$ 64,716	$ (29,340)	$ -	$ 35,376

Depreciation expense was charged to the Council's functions as follows:

Governmental activities:	
General government	$ 29,135
Transportation planning	205
	$ 29,340

NOTE 5 - CAPITAL ASSETS (CONTINUED):

	Balance July 1, 2012	Additions	Retirements	Balance June 30, 2013
Discretely Presented Component Units				
Siouxland Regional Transit System:				
Capital assets being depreciated:				
Equipment	$ 2,650,393	$ 1,034,139	$ (131,965)	$ 3,552,567
Accumulated depreciation:				
Equipment	$ (2,082,908)	$ (216,583)	$ 131,965	$ (2,167,526)
Total capital assets, net	$ 567,485	$ 817,556	$ -	$ 1,385,041
Tri-State Graduate Center:				
Capital assets being depreciated:				
Equipment	$ 44,148	$ -	$ -	$ 44,148
Accumulated depreciation:				
Equipment	$ (44,037)	$ (111)	$ -	$ (44,148)
Total capital assets, net	$ 111	$ (111)	$ -	$ -
Northeast Nebraska Joint Housing Agency:				
Capital assets being depreciated:				
Equipment	$ 6,240	$ -	$ -	$ 6,240
Accumulated depreciation:				
Equipment	$ (6,240)	$ -	$ -	$ (6,240)
Total capital assets, net	$ -	$ -	$ -	$ -

NOTE 6 - INVESTMENT IN SIOUXLAND PLANNING AND TRANSIT SERVICES, L.L.C.:

The Council and Siouxland Regional Transit System established Siouxland Planning and Transit Services, L.L.C. The Council's ownership interest is 61.844 percent and Siouxland Regional Transit System's ownership interest is 38.156 percent. The L.L.C. owns the building out of which the Council and Siouxland Regional Transit System operate. The condensed June 30, 2013 financial statements of Siouxland Planning and Transit Services, L.L.C. are as follows:

NOTE 6 - INVESTMENT IN SIOUXLAND PLANNING AND TRANSIT SERVICES, L.L.C. (CONTINUED):

Balance Sheet

Assets:	
Note receivable from Siouxland Metropolitan Planning Council	$ 37,012
Building, net of accumulated depreciation of $53,972	326,526
Total assets	$ 363,538
Liabilities:	
Note payable	$ 37,012
Member capital accounts	$ 326,526
Total liabilities and capital	$ 363,538

Income Statement

Interest income	$ 2,893
Expenses:	
Depreciation	$ 9,514
Interest	2,893
Total expenses	$ 12,407
Net loss	$ (9,514)

NOTE 7 - CHANGES IN LONG-TERM LIABILITIES:

A summary of changes in long-term liabilities for the year ended June 30, 2013, is as follows:

	Balance July 1, 2012	Additions	Reductions	Balance June 30, 2013	Due Within One Year
Compensated absences	$ 49,516	$ 2,086	$ -	$ 51,602	$ -
Note payable	85,389	-	(48,377)	37,012	22,176
	$ 134,905	$ 2,086	$ (48,377)	$ 88,614	$ 22,176

NOTE 7 - CHANGES IN LONG-TERM LIABILITIES (CONTINUED):

The note payable is due to Siouxland Planning and Transit Services, L.L.C., a related party. There is no formal loan document between the Council and the L.L.C., however it is the Council's intention to pay the note payable according to the payment terms of the L.L.C.'s mortgage held by an external lender. The note is intended to be repaid as follows:

	Principal	Interest	Total
2014	$ 22,176	$ 1,171	$ 23,347
2015	14,836	232	15,068
	$ 37,012	$ 1,403	$ 38,415

NOTE 8 - RESTRICTED NET POSITION AND RESTRICTED FUND BALANCES:

The purpose of the restricted net position and restricted fund balances are as follows:

Primary Government:	
Restricted for member projects	$ 27,306
Discretely Presented Component Unit:	
Northeast Nebraska Joint Housing Agency:	
Restricted for administration	$ 98,337

NOTE 9 - RETIREMENT BENEFITS:

In 1975, the Council began a qualified contributory money purchase pension plan with the International City Management Association Retirement Corporation (ICMARC). All employees who meet the minimum service and age requirements are eligible to participate in the pension plan. Each participant is required to contribute 5 percent of his or her compensation, and the Council contributes 6 percent. Participants may voluntarily contribute up to an additional 10 percent of their compensation. The Council is not required to match employee voluntary contributions. The employee contributions and the Council's contributions to the plan for the year ended June 30, 2013 were $43,460 and $52,151, respectively.

NOTE 9 - RETIREMENT BENEFITS (CONTINUED):

The Council offers its administrative employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by the International City Management Association Retirement Corporation (ICMARC). The plan, available to all Council employees, permits them to defer a portion of their salary until future years. Employee contributions for the year ended June 30, 2013, were $14,388.

NOTE 10 - RISK MANAGEMENT:

The Council 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 commercial insurance purchased from independent third parties. The Council assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The Council participates in a partially self-funded health insurance plan for Council employees. Premiums are paid to the Council's medical insurance carrier and claims are handled by the carrier. The Council's maximum fund exposure for this plan is $272,000.

The Council has elected to be self-insured under state unemployment tax laws. Any claims that may arise will be paid by the Council when presented. There were no claims during the year ended June 30, 2013.

NOTE 11 - COMMITMENT:

The Council has an employment agreement with the executive director that requires the Council to pay the executive director six months salary upon involuntary termination without cause. The Council's maximum exposure related to this agreement is $46,193.

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

SCHEDULE OF METROPOLITAN AND REGIONAL PLANNING GRANTS

FOR THE YEAR ENDED JUNE 30, 2013

	Regional Planning Affiliation STP	Regional Planning Affiliation FTA	MPO Iowa Federal Highway Planning	MPO Nebraska Federal Highway Planning	MPO South Dakota Federal Highway Planning	MPO Iowa FTA	Total MPO/RPA
Revenues:							
Federal grant	$ 64,775	$ 22,775	$ 68,029	$ 41,019	$ 47,349	$ 48,941	$ 292,888
Membership dues	16,503	5,938	17,199	10,525	10,544	12,086	72,795
Other reimbursements	-	-	242	-	-	-	242
Total revenues	$ 81,278	$ 28,713	$ 85,470	$ 51,544	$ 57,893	$ 61,027	$ 365,925
Expenditures:							
Salaries and benefits	$ 48,535	$ 18,573	$ 49,488	$ 31,824	$ 36,655	$ 38,211	$ 223,286
Travel and training	2,054	411	3,562	1,424	589	411	8,451
Communications	71	-	37	-	-	-	108
Supplies	1,399	261	1,595	255	229	-	3,739
Dues and subscriptions	-	-	483	-	-	-	483
Purchased services	-	-	1,300	-	-	-	1,300
Advertising	206	360	339	50	53	383	1,391
Indirect/administrative	29,013	9,108	28,666	17,991	20,367	22,022	127,167
Total expenditures	$ 81,278	$ 28,713	$ 85,470	$ 51,544	$ 57,893	$ 61,027	$ 365,925
Revenues in excess (deficiency) of expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -

See accompanying independent auditors' report.

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2013

Grantor/Program	CFDA Number	Pass-Through Grantors' Number	Federal Expenditures
Direct:			
DEPARTMENT OF COMMERCE:			
Economic Development - Support for Planning Organizations	11.302		$ 72,707
DEPARTMENT OF AGRICULTURE:			
Rural Business Opportunity Grant	10.773		$ 71,031
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:			
Section 8 Housing Choice Vouchers	14.871		$ 288,146
Total Direct			$ 431,884
Indirect:			
DEPARTMENT OF TRANSPORTATION:			
Passed through Iowa Department of Transportation:			
Highway Planning and Construction	20.205	13-MPO-SIMPCO	$ 68,029
Highway Planning and Construction	20.205	13RPA-04	64,775
Passed through Nebraska Department of Roads:			
Highway Planning and Construction	20.205	SPR-PL-1(50)	47,686
Passed through South Dakota Department of Transportation:			
Highway Planning and Construction	20.205		55,349
			$ 235,839
Passed through Iowa Department of Transportation:			
Federal Transit Cluster:			
Federal Transit-Capital Investment Grants	20.500	04-0117-040-11	$ 3,619
Federal Transit-Capital Investment Grants	20.500	04-0117-040-12	590,938
Federal Transit-Capital Investment Grants	20.500	04-0113-040-11	3,156
Bus and Bus Facilities Formula Grants	20.526	34-0003-040-13	155,390
			$ 753,103
Passed through Iowa Department of Transportation:			
Metropolitan Transportation Planning	20.505	13-MPO-SIMPCO	$ 34,274
Passed through Iowa Department of Transportation:			
Formula Grants for Other than Urbanized Areas	20.509	18-0030-040-13	$ 288,358
Formula Grants for Other than Urbanized Areas	20.509		4,791
Formula Grants for Other than Urbanized Areas	20.509	85-X032-040-11	10,019
Formula Grants for Other than Urbanized Areas	20.509	85-0033-040-13	51,728
Formula Grants for Other than Urbanized Areas	20.509	85-0034-040-13	48,685
Formula Grants for Other than Urbanized Areas	20.509	13 RPA-04	22,775
Training Fellowships	20.509		206
Passed through South Dakota Department of Transportation:			
Formula Grants for Other than Urbanized Areas	20.509	UM 1812(17)	5,556
Formula Grants for Other than Urbanized Areas	20.509	UM 1813(17)	19,685
Training Fellowships	20.509		1,253
			$ 453,056
Passed through Iowa Department of Transportation:			
New Freedom Program	20.521	57-X008-040-13	$ 39,339
Passed through Iowa Department of Public Defense:			
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703		$ 30,980
Total U.S. Department of Transportation			$ 1,546,591
Total Indirect			$ 1,546,591
Total Federal Expenditures			$ 1,978,475

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of Siouxland Interstate Metropolitan Planning Council and its discretely presented component units and is presented on the modified 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.* Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

See accompanying independent auditors' report.

KRP
KING, REINSCH, PROSSER & CO., L.L.P.
Certified Public Accountants

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

To the Board of Directors of
Siouxland Interstate Metropolitan Planning Council
Sioux City, Iowa

We have audited, in accordance with the auditing standards generally accepted in the United States of American and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Siouxland Interstate Metropolitan Planning Council, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated March 26, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Siouxland Interstate Metropolitan Planning Council's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Siouxland Interstate Metropolitan Planning Council's internal control. Accordingly, we do not express an opinion on the effectiveness of Siouxland Interstate Metropolitan Planning Council's internal control.

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did

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not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Siouxland Interstate Metropolitan Planning Council's financial statements are free from 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

King, Reinsch, Prosser + Co., L.L.P.

Sioux City, Iowa
March 26, 2014

KRP
KING, REINSCH, PROSSER & CO., L.L.P.
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Directors of
Siouxland Interstate Metropolitan Planning Council
Sioux City, Iowa

Report on Compliance for Each Major Federal Program

We have audited Siouxland Interstate Metropolitan Planning Council's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Siouxland Interstate Metropolitan Planning Council's major federal programs for the year ended June 30, 2013. Siouxland Interstate Metropolitan Planning Council's major federal programs are identified in the summary of the independent auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Siouxland Interstate Metropolitan Planning Council's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Siouxland Interstate Metropolitan Planning Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Siouxland Interstate Metropolitan Planning Council's compliance.

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Opinion on Each Major Federal Program

In our opinion, Siouxland Interstate Metropolitan Planning Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of Siouxland Interstate Metropolitan Planning Council, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Siouxland Interstate Metropolitan Planning Council's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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, we do not express an opinion on the effectiveness of Siouxland Interstate Metropolitan Planning Council'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, noncompliance 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 that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

King, Reinsch, Prosser + Co., L.L.P.

Sioux City, Iowa
March 26, 2014

SIOUXLAND INTERSTATE METROPOLITAN PLANNING COUNCIL

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2013

PART I: SUMMARY OF THE INDEPENDENT AUDITORS' RESULTS:

(a) Unmodified opinions were issued on the financial statements.

(b) No material weaknesses in internal control over financial reporting were noted.

(c) The audit did not disclose any noncompliance that is material to the financial statements.

(d) No material weaknesses in internal control over major programs were disclosed by the audit of the financial statements.

(e) An unmodified opinion was issued on compliance with requirements applicable to each major program.

(f) The audit disclosed no audit findings which are required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).

(g) Major programs were as follows:

Federal Transit Cluster:

CFDA Number 20.500	Federal Transit-Capital Investment Grants
CFDA Number 20.526	Bus and Bus Facilities Formula Grants

(h) The dollar threshold used to distinguish between Type A and Type B programs was $300,000.

(i) Siouxland Interstate Metropolitan Planning Council qualified as a low-risk auditee.

PART II: FINDINGS RELATED TO THE FINANCIAL STATEMENTS:

No matters were reported.

PART III: FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS:

No matters were reported.