

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

EAST CENTRAL
INTERGOVERNMENTAL ASSOCIATION
DUBUQUE, IOWA

JUNE 30, 2023

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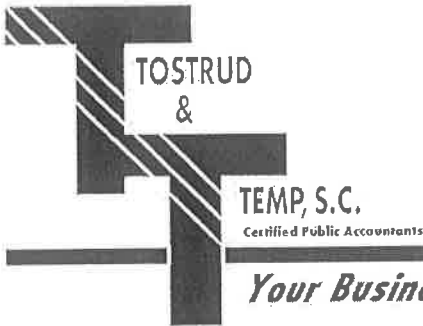
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INDEPENDENT AUDITOR'S REPORT

Council Members
East Central Intergovernmental
Association
Dubuque, Iowa 52002

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the East Central Intergovernmental Association (Association) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Association's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the East Central Intergovernmental Association, as of June 30, 2023, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Association's basic financial statements. The accompanying other supplementary information as listed in the table of contents, including the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 combining and individual program financial statements 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 October 27, 2023, on our consideration of the Association'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Association's 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 the Association's internal control over financial reporting and compliance.

Tostrud + Temp, S.C.

October 27, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

The East Central Intergovernmental Association (ECIA) is a membership supported organization of local governmental bodies in Cedar, Clinton, Delaware, Dubuque, and Jackson Counties in eastern Iowa. The purpose of ECIA is to provide management and technical assistance to local government staff and elected officials.

ECIA exists because of a need for local governments facing similar problems to cooperate in finding solutions. This cooperative effort, through ECIA membership, provides greater resources to local governments than they would be able to afford individually. The sharing of resources and discussion of common concerns vastly improves the quality and consistency of solutions to local and regional problems. Costs are held at a level that allows all local governments in the region to participate. ECIA strives to provide "A Regional Response to Local Needs."

As management of ECIA, we offer the readers of ECIA's financial statements this narrative overview and analysis of the financial activities of ECIA for the year ended June 30, 2023. The financial statements of ECIA consist of the operations of ECIA (a planning agency), East Central Development Corporation (ECDC) (a 501(c)3 component unit of ECIA focusing on the development of affordable housing), and Community Solutions of Eastern Iowa (CSEI) (a 501(c)3 component unit of ECIA focusing on assisting individuals and families in Dubuque and Delaware Counties who are homeless or at risk of becoming homeless). The financial statements do not include ECIA Business Growth, Inc., the Eastern Iowa Regional Utility Service Systems (EIRUSS), the Eastern Iowa Regional Housing Authority (EIRHA) or the Delaware, Dubuque and Jackson County Regional Transit Authority (RTA), which have been formed as separate and distinct entities. Copies of the ECIA affiliated audits can be found at www.ecia.org. We encourage readers to consider the information presented here in conjunction with ECIA's financial statements, which follow this discussion and analysis.

Throughout Fiscal 2023, ECIA sought out new programs and partnerships to increase the services offered within the region and advance its mission to make Eastern Iowa a better place to live and work. New projects this year included a new regional HUD Lead Grant awarded for the entire ECIA five county region replacing the Dubuque County HUD Lead grant that closed out this year. ECIA continued to administer the Clinton and Maquoketa HUD lead grants to reduce lead-based paint hazards in homes with small children and HUD Older Adults Home Modification Grant for the purpose of making safety and functional home modifications and limited repairs to meet the needs of low-income elderly homeowners. ECIA was awarded an EPA Brownfields Assessment grant to continue our work in mitigating risks in vacant buildings and vacant sites in our rural communities. ECIA was also awarded an additional \$1,000,000 to recapitalize the EPA Brownfields revolving loan fund to continue planning and redevelopment efforts in the region on brownfields sites. ECIA was awarded an SS4A grant from the Department of Transportation to conduct planning throughout the DMATS and RPA region in our rural communities identifying traffic and safety hazards. ECIA continued coaching efforts in 31 rural communities through the Keep Iowa Beautiful Hometown Pride program and continued providing training to our lower income communities through the USDA RCDI program. Finally, through CSEI, ECIA's nonprofit that manages the homeless programming, the CDBG-CV grant was closed out in FY23, but two new grants were awarded in late FY23, the TBRA program from the Iowa Finance Authority and the HUD COC RRH program.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

ECDC completed construction of a ten home Pocket Neighborhood in Maquoketa, Iowa. All ten homes have been sold and are currently occupied. CSEI was successful in securing additional grants to assist the homeless population of the area. Administration of the City of Dubuque SNAP grant program ended June 30, 2022, as the City was not awarded funding for the program for FY23. ECIA staff assisted all program participants with finding alternate housing when the program ended.

FINANCIAL HIGHLIGHTS

- ECIA's net position increased by \$105,802, or 80.9%, from June 30, 2022 to June 30, 2023.
- As of the close of the fiscal year, ECIA's fund balance was \$930,517, an increase of \$11,513 in comparison with the prior year. This consists of a decrease of \$10,918 in the General Fund balance and an increase of \$22,431 in the Special Revenue Funds.
- Total governmental fund revenues and other funding sources after eliminations increased 12.8%, or \$1,091,400, and total expenditures after eliminations increased 18.5% or \$1,503,100 from fiscal 2022 to fiscal 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to ECIA's basic financial statements. The financial statements included in this report are designed to provide readers with a broad overview of ECIA's finances, in a manner similar to a private sector business. ECIA utilizes the accrual basis of accounting, which recognizes revenues and expenses when earned or incurred, respectively, regardless of when cash is received or paid. The following statements are included in this report:

- Statement of Net Position – This statement presents information on all of ECIA's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the those reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of ECIA is improving or deteriorating.
- Statement of Activities – This statement is prepared on the accrual basis of accounting and presents functional expenses offset by revenue sources that are directly related.
- Balance Sheet Governmental Funds – This statement is prepared on the current financial resources measurement focus that generally only includes current assets and current liabilities.
- A reconciliation between the Balance Sheet-Governmental Funds and the Statement of Net Position.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

- Statement of Revenues, Expenditures and Changes in Fund Balance – This statement is prepared on the modified accrual basis of accounting and reports ECIA's operating revenue by major source, along with operating expenses.
- A reconciliation between the full accrual basis accounting statement (Statement of Activities) and the modified accrual basis statement (Statement of Revenues, Expenses and Changes in Fund Balance).
- Notes to financial statements – This section provides additional information that is essential to a full understanding of the data provided in the financial statements.
- Supplemental Information – In addition to the basic financial statements and accompanying notes, this section of the report presents certain required supplementary information, providing detailed information by program and by project, as well as a schedule of Federal Financial Assistance.

ANALYSIS OF NET POSITION

As previously noted, net position may serve over time as a useful indicator of ECIA's financial position. As reflected in the table on the following page, ECIA's net position increased by \$105,802, or 80.9% over the fiscal 2022 amount.

ECIA implemented GASB Statement 68, Accounting and Financial Reporting for Pensions in fiscal 2015. ECIA is allocated its proportionate share of the Iowa Public Employees' Retirement System (IPERS) net pension asset, deferred outflows of resources, deferred inflows of resources and pension expense. Decisions regarding the allocations are made by the administrators of the pension plan, not by ECIA management.

GASB Statement 87, Leases was implemented during fiscal 2022. The implementation of the standard revised certain assets and liability accounts related to leases, however had no effect on the beginning net position for governmental activities. ECIA currently leases one photocopier.

Total assets and deferred outflows decreased \$249,300 to \$3,460,000. This included increases of \$18,200 in cash, \$93,500 in accounts receivable and offset by decreases of, \$32,000 in grants receivable, \$100 in prepaid fees and expenses, \$8,700 in Right-of-use assets \$318,700 in capital assets, net of depreciation and \$1,500 in deferred outflows of resources.

Current liabilities include the portion of the Note Payable on the ECIA facility and vehicle loans due within one year, accounts payable, unearned grant revenue, prepaid membership fees and accrued liability for compensated absences. The increase of \$71,400 in this line item is primarily due to increases of \$3,300 in the current portion of long-term obligations, \$41,800 in accrued liability for compensated absences, \$1,600 in prepaid membership fees and \$45,000 in payroll liabilities and offset by decreases of \$7,700 in accounts payable, \$12,600 in unearned grant revenue.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

CONDENSED STATEMENT OF NET POSITION

	2023	2022	CHANGE	PERCENT CHANGE
Cash and investments	766,887	748,714	18,173	2.4%
Other Current Assets	1,064,068	1,002,618	61,450	6.1%
Right-of-use Assets	3,638	12,367	(8,729)	-70.6%
Capital Assets	1,062,101	1,380,838	(318,737)	-23.1%
Deferred Outflows of Resources	563,073	564,526	(1,453)	-0.3%
Total Assets and Deferred Outflows	3,459,767	3,709,063	(249,296)	-6.7%
Current Liabilities	990,694	919,334	71,360	7.8%
Noncurrent Liabilities	2,294,889	808,897	1,485,992	183.7%
Total Liabilities	3,385,583	1,728,231	1,557,352	90.1%
Deferred Inflows of Resources	199,196	2,111,556	(1,912,360)	-90.6%
Net Investment in Capital Assets	463,846	690,865	(227,019)	-32.9%
Unrestricted	(488,858)	(821,679)	332,821	-40.5%
Total Net Position	(25,012)	(130,814)	105,802	80.9%

The noncurrent liability line item reflects the note payable on the ECIA facility, three loans to purchase agency vehicles, a lease payable on one photocopier, ECIA's accrued liability for post-employment benefit plans and ECIA's proportionate share of the net pension liability. The increase of \$1,486,000 in this line item is due to an increase of \$1,567,000 in ECIA's share of the net pension liability, \$24,300 in accrued sick leave, an \$7,700 increase in the accrued liability for vested employee benefits and offset by a decrease of \$103,700 in Notes Payable, and a \$9,300 decrease in leases payable. Of the total outstanding debt balance, \$90,256 is classified as current and \$2,294,889 as noncurrent.

ANALYSIS OF REVENUES AND EXPENDITURES-GENERAL FUND

In FY 2023 and FY 2022, total general fund revenues were approximately \$8,914,600 and \$6,961,800 respectively, an increase of approximately \$1,952,800 or 28.0%. Total general fund expenditures for the same period increased \$1,909,000 or 27.2%. A comparison of income and expenditures is outlined in a chart on the following page.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-GENERAL FUND

	2023	2022	NET CHANGE	PERCENT CHANGE
REVENUES				
Federal	4,113,846	2,687,689	1,426,157	53.1
State of Iowa	14,706	16,177	(1,471)	(9.1)
State of Wisconsin	243	243	0	0.0
State of Illinois	58,319	27,655	30,664	110.9
Private	201,710	179,117	22,593	12.6
Membership Fees	144,867	139,216	5,651	4.1
Fees and assessments	919,397	758,129	161,268	21.3
CDBG Admin	243,792	113,616	130,176	114.6
ECIA Business Growth	197,845	287,238	(89,393)	(31.1)
EIRHA	1,752,085	1,578,393	173,692	11.0
CSEI/ECDC	305,576	271,703	33,873	12.5
EIRH Tax Credit Corp	6,988	4,957	2,031	41.0
RTA	763,152	752,775	10,377	1.4
EIRUSS	132,602	102,138	30,464	29.8
Interest	74	56	18	32.1
Miscellaneous	59,355	42,690	16,665	39.0
Total Revenues	8,914,557	6,961,792	1,952,765	28.0
EXPENDITURES				
Salaries, wages and benefits	5,313,235	4,714,926	598,309	12.7
Office supplies and materials	68,695	64,034	4,661	7.3
Conference and training	84,692	32,444	52,248	161.0
Business travel	175,246	155,241	20,005	12.9
Printing	7,664	3,135	4,529	144.5
Equip rental and maint	9,860	4,428	5,432	122.7
Office maintenance	29,806	37,215	(7,409)	(19.9)
Insurance and bonding	62,782	61,552	1,230	2.0
Dues and subscriptions	18,616	23,226	(4,610)	(19.8)
Telephone	38,390	36,637	1,753	4.8
Postage	25,271	22,960	2,311	10.1
Utilities	22,921	21,526	1,395	6.5
Advertising	13,346	9,235	4,111	44.5
Professional fees	301,995	447,527	(145,532)	(32.5)
Capital Purchases	40,376	96,384	(56,008)	(58.1)
Long-term debt principal	100,447	88,021	12,426	14.1
Lease Principal	9,286	8,922	364	4.1
Interest Expense	21,124	24,344	(3,220)	(13.2)
Miscellaneous	19,392	28,769	(9,377)	(32.6)
Pass through grant expense	183,880	184,276	(396)	(0.2)
Direct grant expense	2,378,451	951,653	1,426,798	149.9
Total Expenditures	8,925,475	7,016,455	1,909,020	27.2
Excess of Revenues over Expenditures	(10,918)	(54,663)	43,745	(80.0)
Proceeds From Note Payable	0	77,019	(77,019)	(100.0)

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

Proceeds From Sale of Fixed Assets	0	4,502	(4,502)	(100.0)
Excess of Revenues and Other				
Financing Sources over Expend	(10,918)	26,858	(37,776)	(140.7)
Beginning Fund Balance	758,924	732,066	26,858	
Ending Fund Balance	748,006	758,924	(10,918)	(1.4)

Federal funding increased \$1,426,200 or 53.1%. The components of this line item included increases in HUD Lead grant funding of \$1,117,400, Healthy Homes grant income of \$345,000, Older Adult Home Modification program grant income of \$122,000, EDA Business Resiliency grant funding of \$67,200, USDA RCDI Training grant funding of \$62,000, RPA funding of \$24,200, and, and \$2,700 in EDA planning grant funds offset by decreases of \$197,800 in EDA CARES planning grant funding, DMATS grant funding of \$77,500, and Brownfields grant funding of \$39,000.

Funding from the State of Illinois increased \$30,700 due to a grant award to conduct a Passenger Rail Feasibility Study between Rockford, Illinois and Dubuque, Iowa.

Fees and assessments increased \$161,300 or 21.3% primarily due to increased activity in the HUD Lead Programs in FY23 as well as the addition of the Grant Wood Mississippi River Region in ECIA in FY23.

CDGB Admin increased \$130,200 or 114.6% due to having approximately 26 grants in FY23 compared to about half of that in the prior fiscal year.

Income from ECIA Business Growth decreased \$89,400 or 31.1% as the number of loans administered decreased in FY23 due to rising interest rates. EIRHA income increased \$173,692 or 11.0% due to the addition of one staff person in the Section 8 and Public Housing programs. CSEI income increased \$33,900 or 12.5% due to the continued administration of a second Emergency Shelter COVID grant as well as the administration of a Rapid Rehousing Grant.

Income from EIRUSS increased \$30,500 or 29.8% due to the start of the Petersburg Wastewater System in FY23 as well as planning for the Droessler water system project.

Miscellaneous income increased \$16,700 or 39.0% due to increased use of agency vehicles compared to the prior year as staff are resuming in person meetings again.

Salaries, wages and benefits increased \$598,300 or 12.7% due to a 3.0% cost of living increase for all staff in FY23 along with the hiring of an additional dispatcher in RTA in the early part of FY23 as well as two additional staff in support of the HUD Lead grants for the full year in FY23 compared to a couple of months these staff worked in F22. Office supplies and materials increased \$4,700 as additional computers were replaced in FY23. Conference and training expense increased \$52,200 as more in person trainings were held in FY23 post-COVID. Business travel increased \$20,000 due to increased travel to conferences as well as increased travel throughout the region for the HUD Lead and Keep Iowa Beautiful grant activities. Printing expense increased \$4,500 as more promotional materials were printed in order to advertise the HUD Lead and Healthy

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

Homes programs. Equipment rental/maintenance increased \$5,400 due to the HUD Lead programs purchasing additional equipment in FY23.

Advertising increased \$4,100 as the HUD Lead Programs increased their advertising to promote their programs in FY23. Professional fees decreased \$145,500 due to less technical assistance required as part of the Brownfields grant program. Capital purchases decreased \$56,000 as no agency vehicles were purchased in FY23. Principal payments on long-term debt increased \$12,400 due to the principal payments on the notes for a full year for the 3 agency vehicles in FY23. Interest expense decreased \$3,200 as less interest was due on the building loan in FY23.

Miscellaneous expense decreased approximately \$9,400 due to a prior year match contribution from the EDA CARES grant to the Keep Iowa Beautiful program. Direct grant expense increased \$1,426,800 due to increased rehab activity in the HUD Lead grants, specifically increases of \$360,300 in the HUD Lead Grant Clinton/Maquoketa program, \$100,000 in the Brownsfield RLF Program, \$20,000 in the KIB Dubuque/Jackson Program, \$609,200 in the HUD Lead Grant Dubuque County Program, \$50,500 in the Older Adult Home Modification Program, \$236,100 in the Healthy Homes Program, and \$50,700 in the Regional Lead and Healthy Homes Program.

ANALYSIS OF REVENUES AND EXPENDITURES-SPECIAL REVENUE FUND-ECDC

In FY 2023 and FY 2022, total ECDC revenues were \$155,908 and \$276,752 respectively, a decrease of approximately \$120,800 or 43.7%. Total expenditures for the same period decreased \$414,500 or 55.5%. Proceeds from assets sold totaled \$144,702 in FY23 as compared to \$853,342 in FY22, an decrease of \$708,600. A comparison of income and expenditures is outlined in the chart on the following page.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-ECDC

	2023	2022	NET CHANGE	PERCENT CHANGE
REVENUES				
State grants	50,000	154,302	(104,302)	(67.6)
Other Grants	105,685	120,000	(14,315)	(11.9)
Interest Income	173	142	31	21.8
Miscellaneous	50	2,308	(2,258)	(97.8)
Total Revenues	155,908	276,752	(120,844)	(43.7)
EXPENDITURES				
Management Fees	10,201	25,648	(15,447)	(60.2)
Office supplies	0	0	0	
Printing	0	0	0	
Utilities	1,072	3,444	(2,372)	(68.9)
Repairs and maintenance	3,275	7,264	(3,989)	(54.9)
Insurance	1,959	0	1,959	
Professional fees	931	625	306	49.0
Down payment assistance	12,475	51,000	(38,525)	(75.5)
Miscellaneous	127,542	50,028	77,514	154.9
Grant match expense	0	0	0	
Grant pass through	50,000	24,999	25,001	100.0
Capital purchases	125,009	583,978	(458,969)	(78.6)
Total Expenditures	332,464	746,986	(414,522)	(55.5)
Excess of Revenues over Expenditures	(176,556)	(470,234)	293,678	(62.5)
Proceeds from assets sold	144,702	853,342	(708,640)	(83.0)
Excess of Revenues and Other Financing Sources over Expend	(31,854)	383,108	(414,962)	(108.3)
Beginning Fund Balance	122,280	(260,828)	383,108	
Ending Fund Balance	90,426	122,280	(31,854)	(26.1)

State grants decreased \$104,300 due to the grant for the Clinton Rehab program ending in the prior fiscal year. Other grant income decreased \$14,300 due to a \$120,000 decrease in Federal Home Loan Bank assistance and offset by an increase of \$105,700 in Pocket Neighborhood match.

Management fees decreased approximately \$15,400 as less developer fees were charged for the Pocket Neighborhood project as well as the Clinton Rehab project as both neared completion. Utilities decreased \$2,400 as ECDC covered the utility expense for three Clinton Pilot homes completed entirely in FY22 and only partially in FY23 as all remaining homes were sold in FY23. Repairs and maintenance decreased \$4,000 as ECDC transitioned maintenance for snow removal and lawn care in FY23 to the Homeowners' Association.

Professional fees increased to \$306 due to legal fees in closing out the Pocket Neighborhood and Clinton Rehab programs. Down payment assistance decreased \$38,500 as FY23 included assistance for one home buyer versus five in FY22.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

Miscellaneous expense increased \$77,500 due to the repayment to the Iowa Economic Development Authority of unused remaining funds for the Clinton Rehab Project. The grant pass through of \$50,000 in FY23 was for grant match for various USDA Training Grants to ECIA in FY23. Capital purchases decreased \$459,000 due to decreased home construction costs as the Pocket Neighborhood neared completion. The decrease of \$708,600 in proceeds from home sales was the result of all Pocket Neighborhood home sales being closed in prior fiscal years and due to the sale of the remaining Clinton Rehab home in FY23.

ANALYSIS OF REVENUES AND EXPENDITURES-SPECIAL REVENUE FUND-CSEI

In FY 2023 and FY 2022, total CSEI revenues were \$674,374 and \$640,809 respectively, an increase of approximately \$33,600 or 5.2%. Total expenditures for the same period decreased \$7,500 or 1.2%. A comparison of income and expenditures is outlined in a chart on the following page.

COC SNAP Grant decreased \$83,300 as the program was closed out in FY22. Emergency Solutions Grant (ESG) income decreased approximately \$173,400 as less COVID grant funding was requested by Hawkeye Area Community Action Program (HACAP) and the YWCA of Clinton, CSEI's regional partners in the homeless program. CDBG CV Contract income increased \$119,000 as CSEI entered into a contract with the City of Dubuque to administer this grant program on their behalf. Rapid Rehousing Grant increased \$164,400 as this grant funding was started in FY23. Other grants increased \$47,200 as new funding of \$25,000 was received from the East Central Region for staff time related to case management for those experiencing homelessness and co-occurring mental illness, an increase of \$10,000 in funding by Dubuque County, and in increase of funding of \$14,000 from the United Way. Donations increased \$36,050 as CSEI was able to secure funding from private contributors in FY23. Tenant revenue decreased \$29,400 as well as management fees decreased \$43,600 as the COC SNAP Grant was completed in FY22.

Housing assistance payments decreased \$39,600 as the ESG COVID grants ended part way in FY23. Management Services increased \$49,300 due to the CDBG CV contract with the City of Dubuque as well as the start of the ERA2 contract for Rapid Rehousing. Office supplies increased \$500 due to resource cards being printed as well as CSEI envelopes. Insurance expense decreased \$2,500 as the SNAP program ended in June 2022. Miscellaneous expense increased \$6,700 due the purchase of various clothing and shelter items for the homelessness program. Professional fees decreased \$4,300 as the result of less legal fees due to the SNAP program. Pass through grant expense decreased \$17,600 as less ESG COVID grant funding was utilized by HACAP and the YWCA of Clinton.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-CSE

	2023	2022	NET CHANGE	PERCENT CHANGE
REVENUES				
COC SNAP Grant	0	83,329	(83,329)	(100.0)
Emergency Solutions Grant	214,686	388,124	(173,438)	(44.7)
CDBG CV Contract	148,002	28,997	119,005	410.4
Rapid Rehousing Grant	164,390	0	164,390	
Other Grants	109,200	62,000	47,200	76.1
Donations	38,050	2,000	36,050	1802.5
Tenant revenue	0	29,418	(29,418)	(100.0)
Management fees	0	43,608	(43,608)	(100.0)
Interest income	46	36	10	27.8
Miscellaneous	0	3,297	(3,297)	(100.0)
Total Revenues	674,374	640,809	33,565	5.2
EXPENDITURES				
Housing assistance payments	237,182	276,791	(39,609)	(14.3)
Management services	295,375	246,055	49,320	20.0
Office supplies	560	102	458	449.0
Insurance	0	2,465	(2,465)	(100.0)
Miscellaneous	7,950	1,287	6,663	517.7
Professional fees	885	5,171	(4,286)	(82.9)
Pass through grant expense	78,157	95,714	(17,557)	(18)
Total Expenditures	620,109	627,585	(7,476)	(1.2)
Excess of Revenues over Expenditures	54,265	13,224	41,041	310.4
Proceeds from assets sold	0	0	0	
Excess of Revenues and Other				
Financing Sources over Expend	54,265	13,224	41,041	310.4
Beginning Fund Balance	37,800	24,576	13,224	
Ending Fund Balance	92,065	37,800	54,265	143.6

BUDGETARY HIGHLIGHTS AND RESULTS OF OPERATIONS

ECIA annually adopts a budget on a modified accrual basis, consistent with governmental accounting standards. Budgets are adopted for the general fund and appropriations lapse at fiscal year-end. Salaries and operating expenses are allocated in accordance with a pre-approved "Cost Allocation Plan." During the fiscal year, the budget may be amended to adjust the estimates that are used to prepare the original budget once exact information is available or to recognize new funding amounts from external sources, such as Federal and State grants. The ECIA Council approved one budget amendment in May 2023. The original general fund revenue budget of \$7,276,400 was increased by approximately \$893,500 to \$8,169,900. The original general fund expenditure budget of \$7,256,600 was increased to \$8,148,600, an increase of approximately \$892,000. These changes were made to recognize new funding sources as well as greater than anticipated activity in the HUD Lead grant programs.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

For the year ended June 30, 2023, total actual receipts were \$744,700 or 9.1% over the amended budget while total actual expenditures were \$776,900 or 8.7% over the amended budget. The following chart details the components of these variances.

COMPARISON OF AMENDED BUDGET VS. ACTUAL

	BUDGET	ACTUAL	VARIANCE	PERCENT
REVENUES				
Federal	3,692,432	4,113,846	421,414	10.2
State of Iowa	14,706	14,706	0	0.0
State of Wisconsin	0	243	243	100.0
State of Illinois	0	58,319	58,319	100.0
Private	150,395	201,710	51,315	25.4
Membership Fees	144,866	144,867	1	0.0
Fees and assessments	755,138	919,397	164,259	17.9
CDBG Admin	251,224	243,792	(7,432)	(3.0)
ECIA Business Growth	242,402	197,845	(44,557)	(22.5)
EIRHA	1,707,888	1,752,085	44,197	2.5
CSEI/ECDC	274,674	305,576	30,902	10.1
EIRH Tax Credit Corp	31,489	6,988	(24,501)	(350.6)
Regional Transit Authority	728,060	763,152	35,092	4.6
EIRUSS	119,206	132,602	13,396	10.1
Interest	0	74	74	100.0
Miscellaneous	57,367	59,355	1,988	3.3
Total Revenues	8,169,847	8,914,557	744,710	9.1
EXPENDITURES				
Salaries, wages and benefits	5,239,210	5,313,235	74,025	1.4
Office supplies & operating materials	75,000	68,695	(6,305)	(9.2)
Conference and training	51,484	84,692	33,208	39.2
Business travel	140,000	175,246	35,246	20.1
Printing	5,000	7,664	2,664	34.8
Equip rental and maint	16,000	9,860	(6,140)	(62.3)
Maintenance	30,000	29,806	(194)	(0.7)
Insurance and bonding	65,000	62,782	(2,218)	(3.5)
Dues and subscriptions	22,000	18,616	(3,384)	(18.2)
Telephone	42,000	38,390	(3,610)	(9.4)
Postage	25,000	25,271	271	1.1
Utilities	17,000	22,921	5,921	25.8
Advertising	15,000	13,346	(1,654)	(12.4)
Professional fees	287,000	301,995	14,995	5.0
Equipment purchases	0	40,376	40,376	100.0
Long-term debt principal	108,000	100,447	(7,553)	(7.5)
Lease Principal	0	9,286	9,286	100.0
Interest expense	21,200	21,124	(76)	(0.4)
Pass-through grant expense	3,000	183,880	180,880	98.4
Direct grant expense	1,956,708	2,378,451	421,743	17.7
Miscellaneous	30,000	19,392	(10,608)	(54.7)
Total Expenditures	8,148,602	8,925,475	776,873	8.7
OTHER INCOME				

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

Proceeds from Notes Payable	76,884	0	(76,884)	(100.0)
Proceeds from Sale of Fixed Assets	4,502	0	<u>(4,502)</u>	(100.0)
Excess of Revenues over Expenditures	102,631	(10,918)	(113,549)	

CAPITAL ASSETS AND DEBT ADMINISTRATION

As of June 30, 2023, ECIA had \$1,062,101 invested in capital assets (net of depreciation), including a building, land, office furniture and equipment, solar energy system, and agency vehicles and \$3,638 of right-of-use assets, net of amortization for copy machines. Total outstanding notes payable was \$601,893, which represents the outstanding balance of the Economic Development Revenue Note used to fund the building and three loans used to purchase agency vehicles. ECIA also had a lease payable of \$3,979 for its copiers.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

ECIA's management and Council considered many factors when setting the fiscal year 2024 budget and the fees that will be charged for services, endeavoring to keep costs low for our members while covering staff and overhead costs. Local, State and Federal economic conditions are key indicators for resource availability and ECIA will continue to monitor these conditions as we move ahead into the new fiscal year.

Membership fees will increase to \$.74 per capita in Fiscal 2024. The hourly billing rates for all staff will increase by 2% to keep pace with increases in staff and overhead costs. ECIA will maintain the partially self-funded health insurance plan which began in January 2020. Management will continue to closely monitor the cost of health insurance and seek alternatives to reduce future health insurance costs and liability.

As we progress into 2024, we will continue to work collaboratively, developing new and building on already successful partnerships, while the staff at ECIA remains committed to building strong and healthy communities and making our region a great place to live and work.

FINANCIAL CONTACT

These financial statements are designed to provide our member communities, funding agencies and creditors with a general overview of ECIA's finances and to show ECIA's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to ECIA's Executive Director or Director of Finance and Administration, 7600 Commerce Park, Dubuque, IA 52002.

BASIC FINANCIAL STATEMENTS

East Central Intergovernmental Association
Dubuque, Iowa
STATEMENT OF NET POSITION
June 30, 2023

	<u>Governmental Activities</u>
ASSETS	
Current assets	
Cash and investments	\$ 766,887
Accounts receivable	541,768
Grants receivable	511,235
Prepaid fees and expenses	11,065
Total current assets	<u>1,830,955</u>
Noncurrent assets	
Right-of-use assets, net of accumulated amortization	3,638
Capital assets, net of depreciation	<u>1,062,101</u>
Total noncurrent assets	<u>1,065,739</u>
Total assets	2,896,694
DEFERRED OUTFLOWS OF RESOURCES	
Pension plan	563,073
Total assets and deferred outflows of resources	<u>\$ 3,459,767</u>
LIABILITIES	
Current liabilities	
Current portion of long-term obligations	\$ 90,256
Accounts payable	309,248
Accrued liabilities	
Vacation and holiday pay	449,246
Other	108,485
Unearned revenue	
Grants	23,894
Prepaid memberships	9,565
Total current liabilities	<u>990,694</u>
Noncurrent liabilities	
Noncurrent portion of long-term obligations	<u>2,294,889</u>
Total liabilities	<u>3,285,583</u>
DEFERRED INFLOWS OF RESOURCES	
Pension plan	199,196
NET POSITION	
Net investment in capital assets	463,846
Unrestricted	(488,858)
Total net position	<u>(25,012)</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 3,459,767</u>

The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association
Dubuque, Iowa
STATEMENT OF ACTIVITIES
For the year ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Salaries, wages and fringe benefits	\$ 5,001,213	\$ 2,286,261	\$ 2,740,273	\$ 25,321
Operating materials	5,457	2,495	2,990	28
Office supplies	63,798	29,165	34,956	323
Conferences and training	84,692	38,716	46,405	429
Business travel	175,246	80,112	96,021	887
Printing	7,664	3,504	4,199	39
Equipment rental and maintenance	9,860	4,507	5,403	50
Building repairs and maintenance	3,275	1,497	1,794	16
Office maintenance	29,806	13,626	16,331	151
Insurance and bonding	64,741	29,596	35,473	328
Dues and subscriptions	18,616	8,510	10,200	94
Telephone	38,390	17,550	21,035	195
Postage	25,271	11,552	13,847	128
Utilities	23,993	10,968	13,146	121
Advertising	13,346	6,101	7,313	68
Professional fees	303,811	138,885	166,465	1,539
Depreciation	66,285	30,302	36,319	336
Interest expense	21,124	9,657	11,574	107
Pass through grant expense	312,037	142,645	170,972	1,580
Direct grant expense	2,428,451	1,110,146	1,330,601	12,296
Miscellaneous	154,884	70,804	84,864	784
Housing assistance payments	249,657	114,129	136,793	1,265
Loss on sale of assets	281,864	-	281,864	-
Total governmental activities	\$ 9,383,481	\$ 4,160,728	\$ 5,268,838	46,085
General revenues				
Interest				312
Miscellaneous				59,405
Total general revenues				59,717
Change in net position				105,802
Net position at beginning of year				(130,814)
Net position at end of year				\$ (25,012)

The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association
Dubuque, Iowa
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023

	ECIA	ECDC	CSEI	PEI		
	General	Special	Special	Special		
	Fund	Revenue	Revenue	Revenue	Eliminations	Total
ASSETS		Fund	Fund	Fund		
Cash and investments	\$ 621,076	\$ 94,624	\$ 51,167	\$ 20	\$ -	\$ 766,887
Accounts receivable	503,399	7,500	75,423	-	(44,554)	541,768
Grants receivable	501,084	-	10,151	-	-	511,235
Prepaid fees and expenses	11,065	-	-	-	-	11,065
Total assets	\$ 1,636,624	\$ 102,124	\$ 136,741	\$ 20	\$ (44,554)	\$ 1,830,955
LIABILITIES AND FUND BALANCE						
Liabilities						
Accounts payable	\$ 297,428	\$ 11,698	\$ 44,676	\$ -	\$ (44,554)	\$ 309,248
Accrued liabilities						
Vacation and other pay	449,246	-	-	-	-	449,246
Other	108,485	-	-	-	-	108,485
Unearned revenue						
Unearned grant revenue	23,894	-	-	-	-	23,894
Prepaid memberships	9,565	-	-	-	-	9,565
Total liabilities	888,618	11,698	44,676	-	(44,554)	900,438
Fund balance						
Nonspendable	11,065	-	-	-	-	11,065
Restricted - programming	-	-	92,065	20	-	92,085
Unrestricted						
Committed - building maintenance	110,000	-	-	-	-	110,000
Unassigned	626,941	90,426	-	-	-	717,367
Total fund balance	748,006	90,426	92,065	20	-	930,517
	\$ 1,636,624	\$ 102,124	\$ 136,741	\$ 20	\$ (44,554)	\$ 1,830,955

The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association
Dubuque, Iowa
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS -
TO THE STATEMENT OF NET POSITION
June 30, 2023

Fund balance - governmental funds \$ 930,517

Total net position reported for governmental activities in the statement of net position are different from the amount reported above as total governmental funds fund balances because:

Capital assets and right-of-use assets used in government activities are not financial resources and therefore not reported in the fund statements. Amounts reported for governmental activities in the statement of net position are as follows:

Governmental capital assets	\$ 1,773,079		
Governmental accumulated depreciation	(710,978)		
	1,062,101		
Right-of-use assets	43,648		
Accumulated amortization	(40,010)		
	3,638		1,065,739

Deferred outflows of resources represent consumption of net position that apply to future periods and therefore are not reported in the fund statements.

Deferred outflows of resources consist of:
Pension plan 563,073

Long term liabilities, including bonds and notes payable, are not due in the current period and therefore not reported in the fund statements. Long-term liabilities reported in the statement of net position that are not reported in the funds balance sheet are as follows:

Accrued sick leave	(24,265)		
Net pension liability	(1,623,599)		
Vested employee benefits	(131,409)		
General obligation debt	(601,893)		
Leases payable	(3,979)		(2,385,145)

Deferred inflows of resources are acquisitions of net position that are applicable to future reporting periods and therefore are not reported in the fund statements.

Deferred inflows of resources consist of:
Pension plan (199,196)

Total net position - governmental activities **\$ (25,012)**

The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association
Dubuque, Iowa
**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS**
For the year ended June 30, 2023

	ECIA	ECDC	CSEI	PEI	Eliminations	Total
	General Fund	Special Revenue Fund	Special Revenue Fund	Special Revenue Fund		
Revenues						
Grants						
Federal	\$ 4,113,846	\$ -	\$ 527,079	\$ -	\$ -	\$ 4,640,925
State of Iowa	14,706	50,000	-	-	-	64,706
State of Wisconsin	243	-	-	-	-	243
State of Illinois	58,319	-	-	-	-	58,319
Private	201,710	105,685	147,250	50,000	-	504,645
Membership fees	144,867	-	-	-	-	144,867
Fees and assessments	919,397	-	-	-	-	919,397
Economic Development Set-Aside and CDBG grant administration	243,792	-	-	-	-	243,792
Agency service billings						
ECIA Business Growth	197,845	-	-	-	-	197,845
Eastern Iowa Regional Housing Authority (EIHRA)/ Eastern Iowa Regional Housing Corporation (EIRHC)	1,752,085	-	-	-	-	1,752,085
CSEI/ECDC	305,576	-	-	-	(305,576)	-
EIRH Tax Credit Corp	6,988	-	-	-	-	6,988
Regional Transit Authority	763,152	-	-	-	-	763,152
EIRUSS	132,602	-	-	-	-	132,602
Interest	74	173	45	20	-	312
Miscellaneous	59,355	50	-	-	-	59,405
Total revenues	8,914,557	155,908	674,374	50,020	(305,576)	9,489,283
Expenditures						
Salaries, wages and fringe benefits	5,313,235	-	-	-	-	5,313,235
Operating materials	5,457	-	-	-	-	5,457
Office supplies	63,238	-	560	-	-	63,798
Conferences and training	84,692	-	-	-	-	84,692
Business travel	175,246	-	-	-	-	175,246
Printing	7,664	-	-	-	-	7,664
Equipment rental and maintenance	9,860	-	-	-	-	9,860
Building repairs and maintenance	-	3,275	-	-	-	3,275
Office maintenance	29,806	-	-	-	-	29,806
Insurance and bonding	62,782	1,959	-	-	-	64,741
Dues and subscriptions	18,616	-	-	-	-	18,616
Telephone	38,390	-	-	-	-	38,390

Continued on next page.

The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association
Dubuque, Iowa
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS - CONTINUED
For the year ended June 30, 2023

	ECIA	ECDC	CSEI	PEI	Eliminations	Total
	General Fund	Special Revenue Fund	Special Revenue Fund	Special Revenue Fund		
Expenditures - Continued						
Postage	\$ 25,271	\$ -	\$ -	\$ -	\$ -	\$ 25,271
Utilities	22,921	1,072	-	-	-	23,993
Advertising	13,346	-	-	-	-	13,346
Professional fees	301,995	931	885	-	-	303,811
Capital purchases	40,376	125,009	-	-	-	165,385
Long-term note principal	100,447	-	-	-	-	100,447
Lease principal	9,286	-	-	-	-	9,286
Interest expense	21,124	-	-	-	-	21,124
Pass through grant expense	183,880	50,000	78,157	-	-	312,037
Direct grant expenses	2,378,451	-	-	50,000	-	2,428,451
Miscellaneous	19,392	127,542	7,950	-	-	154,884
Management fees	-	10,201	295,375	-	(305,576)	-
Housing assistance payments	-	12,475	237,182	-	-	249,657
Total expenditures	8,925,475	332,464	620,109	50,000	(305,576)	9,622,472
Excess of revenues over expenditures	(10,918)	(176,556)	54,265	20	-	(133,189)
Other financing sources						
Proceeds from sale of assets	-	144,702	-	-	-	144,702
	-	144,702	-	-	-	144,702
Change in fund balance	(10,918)	(31,854)	54,265	20	-	11,513
Fund balance at beginning of year	758,924	122,280	37,800	-	-	919,004
Fund balance at end of year	\$ 748,006	\$ 90,426	\$ 92,065	\$ 20	\$ -	\$ 930,517

The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association
 Dubuque, Iowa
 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, 2023

Net change in fund balances - total governmental funds \$ 11,513

Amounts reported for governmental activities in the statement of activities are different because:

The acquisition of capital assets and right-of-use assets are reported in the governmental funds as expenditures. However, for governmental activities, these costs are shown in the statement of net position and allocated over their estimated useful lives as in the statement of activities. Assets disposed of for annual depreciation expenses less than book value (cost - accumulated depreciation) are recorded as losses on disposition of fixed assets.

Capital outlay reported in governmental fund statements	\$ 165,385	
Depreciation expense reported in the statement of activities	(57,556)	
Amortization expense reported in the statement of activities	(8,729)	
Proceeds from sale of assets	(144,702)	
Loss on sale of assets	<u>(281,864)</u>	(327,466)

Sick and vacation benefits are reported in the governmental fund statements when amounts are paid. The statement of activities reports the value of benefits earned during the year:

Sick benefits paid in the current year	-	
Sick benefits earned in the current year	<u>(24,265)</u>	(24,265)

Pension expense reported in the governmental funds represents current year required contributions into the defined benefit pension plan. Pension expense in the Statement of Activities is actuarially determined by the defined benefit pension plan as the difference between the pension liability from the prior year to the current year, with some adjustments.

Amount of current year required contributions into the defined benefit pension plan	359,765	
Actuarially determined change in net pension liability between years, with adjustments	<u>(15,766)</u>	343,999

Other post-employment benefits (OPEB) expense reported in the governmental funds represents current year required contributions into the OPEB plan. OPEB expense in the Statement of Activities is actuarially determined by the OPEB as the difference between the net OPEB liability from the prior year to the current year, with some adjustments.

Actuarially determined change in net OPEB liability between years, with adjustments		(7,712)
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Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities.

The amount of long-term debt principal payments in the current year is:	<u>109,733</u>	
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Change in net position - governmental activities \$ 105,802

The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS
June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting Entity

East Central Intergovernmental Association is organized pursuant to the provisions of Chapters 473A and 28E of the Code of Iowa as a regional planning organization designed to assist local governments in cooperating with one another. The East Central Intergovernmental Association consists of a council of thirty locally elected and appointed officials from the counties of Cedar, Clinton, Delaware, Dubuque, and Jackson. This council, along with ECIA staff, seeks to coordinate relationships among local municipalities, improve communications with federal and state governments and to provide planning and programming assistance.

For financial reporting purposes, the Association has included all of its funds, organizations, agencies, and boards. The Association 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 Association are such that exclusion would cause the Association's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the Association to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the Association. The financial statements presented herein do not include E.C.I.A. Business Growth, Inc., Eastern Iowa Regional Housing Authority, the Eastern Iowa Regional Utility Service Systems Commission, or the Delaware, Dubuque and Jackson County Regional Transit Authority, which have been formed as separate and distinct entities.

The financial statements of the Association consist of the following operations: East Central Intergovernmental Association (a planning agency), East Central Development Corporation (ECDC) (an Iowa non-profit corporation administering housing rehabilitation and developing a pocket neighborhood), Community Solutions of Eastern Iowa, Inc. (CSEI) (an Iowa non-profit corporation administering housing and related programs for the homeless) and Prosperity Eastern Iowa, Inc. (PEI) (an Iowa non-profit corporation providing for social, economic and community betterment).

2. Basis of Presentation

Association-wide Statements - The Statement of Net Position and the Statement of Activities present financial information about the Association's governmental activities. These statements include the financial activities of the overall government in its entirety. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

2. Basis of Presentation - Continued

Association-wide Statements - Continued - The Association has no business-type activities or fiduciary funds. However, such activities or funds would be included in these financial statements if they existed.

The Statement of Activities presents a comparison between direct/indirect expenses and revenues for each program of the Association's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular program/grant. Indirect expenses are common entity-wide expenses allocated to programs based on direct labor costs. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements - The fund statements provide information about the Association's funds. Separate statements for each fund category -- governmental, proprietary, and fiduciary, as applicable -- are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, as applicable, with each displayed in a separate column. All remaining governmental and enterprise funds, as applicable, are aggregated and reported as non-major funds. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The Association reports the following major governmental funds:

General fund - This is the Association's primary operating fund. All financial activity not required to be accounted for in another fund is accounted for in the general fund.

Special revenue fund - East Central Development Corporation, Inc. (ECDC) - This fund accounts for activities associated with providing housing rehabilitation and establishment of a pocket neighborhood. Revenue sources consist of contributions received from local governmental entities, private businesses and grants.

Special revenue fund - Community Solutions of Eastern Iowa, Inc. (CSEI) - This fund accounts for activities associated with providing housing for the homeless and other services. Revenue sources consist of contributions received from local governmental entities, private businesses and grants.

Special revenue fund - Prosperity Eastern Iowa, Inc. (PEI) - This fund accounts for activities associated with providing for social, economic and community betterment. Revenue sources consist of contributions received from local governmental entities, private businesses and grants.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

3. Measurement Focus and Basis of Accounting

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Association considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds.

Proceeds of general long-term debt and fixed asset acquisitions made under capital leases are reported as other financing sources. Under the terms of grant agreements, the Association may fund certain programs by a combination of specific cost-reimbursement grants, service fees, and general revenues. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the Association's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues.

4. Budgets

The Association, although not legally required to do so, annually adopts a budget on a basis consistent with accounting principles generally accepted in the United States of America. A budget is adopted for the general fund and special revenue funds annually and is amended upon Board approval. Appropriations lapse at fiscal year end. The adopted budgets and budgetary expenditure control are exercised at the expenditure type level (salaries, rent, etc.).

5. Cash and Investments

The Association's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition. Cash and investment balances for individual funds are pooled unless regulations require separate investment accounts. The Association's investment policy permits investment of available cash balances in time deposits at any bank or credit union in the State of Iowa, U.S. Treasury obligations, U.S. agency issues and certain repurchase agreements. All investments are stated at fair market value.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

6. Receivables

Any amounts reported on the Statement of Net Position for due to and due from other funds represent amounts due between different fund types (governmental activities, business-type activities and fiduciary funds). Eliminations have been made for amounts due to and due from within the same fund type.

Accounts receivable are shown at gross amounts. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

7. Capital Assets

Capital assets are reported at actual cost if available. Estimated cost is used when actual cost is not determinable. Donated assets are reported at estimated fair market value on the date received. Repairs and maintenance are recorded as expenditures; replacements and betterments that extend an asset's life by greater than one year are capitalized.

8. Depreciation

The Association provides for depreciation of equipment and building and improvements using annual rates that are sufficient to amortize the cost of depreciable assets over their estimated useful lives using the straight-line method of depreciation.

Estimated useful lives are as follows:

Land and building improvements	5-20 years
Building	40 years
Furniture and equipment	3-10 years
Vehicles	4 years

9. Retirement Plans

Association employees participate in the Iowa Public Employees Retirement System (IPERS). All contributions made by the Association on behalf of its employees are reported as expenditures in the fund statements when incurred.

10. Compensated Absences

Association employees accumulate vacation hours for subsequent use or for payment upon termination, retirement or death and are included as Association liabilities in this report. Sick leave is accumulated at a rate of one day per month to a maximum accumulation of 100 days. Use of sick leave is available only to employees of record.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

10. Compensated Absences - Continued

Employees age 55 as of July 1 of the fiscal year are eligible to convert annually up to 40 hours of accrued sick leave for the year and are also able to convert up to 10% of their accrued sick leave hours upon retirement or separation into a health reimbursement arrangement. On the fund statements, sick leave hours accumulate for subsequent use and are not recognized as expenditures by the Association until used. On the Association-wide statements the Association records a liability and expense as the benefits are earned.

11. Inter-fund Transactions

Quasi-external transactions are accounted for as revenues or expenditures, as appropriate. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as revenues in the fund that is reimbursed.

12. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an outflow of resources (expenditure) until then. The Association has one item related to its pension that qualifies for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents a consumption of net position which applies to or is unavailable until future periods and so will not be recognized as an inflow of resources (revenue) until then. The Association has one item that qualifies related to its pension plan for reporting in this category.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

13. Net Position Designations

The Association classifies its net position as follows:

- a. Net investment in capital assets represents the net depreciated value of capital assets less any remaining debt owed that was incurred to finance the acquisition of such assets.
- b. Restricted net position indicates the portion of net position that has been legally segregated for specific purposes.
- c. Unrestricted net position indicates the portion of net position for which the Association has no legal financial obligation.

Net position classifications for restricted and all categories of unrestricted amounts are considered to have been spent when an expenditure is incurred.

14. Fund Balance Classifications

The Association classifies its fund balance as follows:

- a. Unrestricted, unassigned fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications.
- b. Unrestricted, assigned fund balances include amounts that can be spent only for specific purposes stipulated by representatives designated by the board.
- c. Unrestricted, committed fund balances include amounts that can be spent only for specific purposes approved by the board.
- d. Restricted fund balances include amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use).

Fund balance classifications for restricted and all categories of unrestricted amounts are considered to have been spent when an expenditure is incurred.

15. Estimates

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

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

**NOTE B - EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL
FUND STATEMENTS AND ASSOCIATION-WIDE STATEMENTS**

Differences between the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of four broad categories.

- a. Long-term revenue differences that arise because governmental funds report revenues only when they are considered "available," whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used on the Statement of Activities.
- b. Capital related differences between recording expenditures for the purchase of fixed assets in the governmental fund statements and capitalizing fixed assets in the Statement of Net Position and recording depreciation expense on all fixed assets in the Statement of Activities.
- c. Long-term debt transaction differences that occur because proceeds from debt issues and both interest and principal debt payments are recorded as revenues or expenditures, as applicable, in the governmental fund statements, whereas debt proceeds or principal payments are recorded as an increase or decrease in liabilities, as applicable, in the Statement of Net Position, and interest expense is recorded in the Statement of Activities as incurred.
- d. Inter-fund transactions are differences that arise because governmental funds include billings for services provided by the Association's general fund to the special revenue funds. These inter-fund transactions are eliminated on the Statement of Activities.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE C - CASH DEPOSITS

Cash and investments as of June 30, 2023, are classified in the accompanying financial statements as follows:

Statement of Net Position	
Cash and investments	\$ <u>766,887</u>

Cash and investments as of June 30, 2023 consist of the following:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Investment checking/savings and money market accounts	\$ <u>766,887</u>	\$ <u>787,679</u>
	\$ <u>766,887</u>	\$ <u>787,679</u>

Investments Authorized by the Association's Investment Policy

The Association is required to invest its funds in accordance with Iowa Statutes. The Association may consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping, and administration. Investment income is allocated to various funds based on their respective participation in accordance with accounting principles generally accepted in the United States of America. Safety of principal is the foremost objective of the Association's investment policy.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The Association limits its exposure to interest rate risk by investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio. The Association also structures its investment portfolio so that securities mature to meet cash requirements, avoiding the need to sell securities in the open market prior to maturity.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Association minimizes its credit risk by limiting investment types and pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the Association will do business.

Concentration of Credit Risk

Concentration of credit risk is defined as an exposure to a number of counterparties engaged in similar activities and having similar economic

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE C - CASH DEPOSITS - CONTINUED

Concentration of Credit Risk - Continued

characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The Association diversifies its investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, the government's deposits might not be recovered. At June 30, 2023, the Association's deposits of \$250,789 that were in excess of FDIC insurance were covered 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. Amounts in excess of FDIC insurance varied during the year.

The custodial risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Association does not have an investment policy that would limit the exposure to custodial risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

NOTE D - ACCOUNTS AND GRANTS RECEIVABLE

At June 30, 2023, the Association had the following accounts and grants receivable outstanding:

Accounts Receivable - ECIA	
Eastern Iowa Regional Housing Authority \$	96,469
Eastern Iowa Regional Housing Corp.	3,921
EIRH Tax Credit Corp	6,221
E.I.R.U.S.S	11,872
Local contract charges	235,756
E.C.I.A. Business Growth, Inc.	17,255
CSEI	8
Regional Transit Authority	71,721
Community Solutions of Eastern Iowa	44,546
Other	15,630
	<u>503,399</u>
Accounts Receivable - ECDC	
Other	7,500
Accounts Receivable - CSEI	
Other	75,423
Eliminations	(44,554)
Total accounts receivable	<u>\$ 541,768</u>

East Central Intergovernmental Association
 Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
 June 30, 2023

NOTE D - ACCOUNTS AND GRANTS RECEIVABLE -- CONTINUED

Grants Receivable - ECIA	
Iowa DOT - MPO	\$ 37,935
Iowa DOT - RPA	35,977
Illinois DOT	19,993
Wisconsin DOT	4,452
USDA - RCDI	45,722
EPA	25,154
EDA Grant	89,812
Healthy Homes Grant	38,020
Regional Lead and Healthy Homes	28,921
Dubuque County HUD Lead Grant	57,279
Older Home Modification Grant	9,844
Clinton HUD Lead Grant	<u>107,975</u>
	501,084
Grants Receivable - ECDC	
Iowa Finance Authority	10,151
Total grants receivable	<u>\$ 511,235</u>

NOTE E - PENSION AND RETIREMENT BENEFITS

Plan Description. IPERS membership is mandatory for employees of the Association, except for those covered by another retirement system. Employees of the Association are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan administered by Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at 7401 Register Drive P.O. Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

IPERS benefits are established under Iowa Code chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits - A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. (These qualifications must be met on the member's first month of entitlement to benefits.) Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member's monthly IPERS benefit includes:

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE E - PENSION AND RETIREMENT BENEFITS - CONTINUED

- A multiplier (based on years of service).
- The member's highest five-year average salary, except members with service before June 30, 2012 will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25 percent for each month that the member receives benefits before the member's earliest normal retirement age. For service earned starting July 1, 2012, the reduction is 0.50 percent for each month that the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and Death Benefits - A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE E - PENSION AND RETIREMENT BENEFITS - CONTINUED

Contributions - Contribution rates are established by IPERS following the annual actuarial valuation which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2023, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the Association contributed 9.44% of covered payroll, for a total rate of 15.73%.

The Association's total contributions to IPERS for the year ended June 30, 2023 were \$359,765.

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2023, the Association reported a liability of \$1,623,599 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Association's proportion of the net pension liability was based on the Association's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2022, the Association's collective proportion was .040906%, which was an increase of 0.000468 percent from its proportion measured as of June 30, 2021.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE E - PENSION AND RETIREMENT BENEFITS - CONTINUED

For the year ended June 30, 2023, the Association recognized pension expense of \$15,616. At June 30, 2023, the Association reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 71,974	\$ 22,240
Changes of assumptions	1,378	39
Net difference between projected and actual earnings on pension plan investments	-	173,801
Changes in proportion and differences between Association contributions and proportionate share of contributions	129,956	3,116
Association contributions subsequent to the measurement date	359,765	-
	\$ 563,073	\$ 199,196

\$359,765 reported as deferred outflows of resources related to pensions resulting from the Association contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	Amount
2024	\$ (108,888)
2025	(72,623)
2026	(183,496)
2027	363,916
2028	5,203
	\$ 4,112

There were no non-employer contributing entities to IPERS.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE E - PENSION AND RETIREMENT BENEFITS - CONTINUED

Actuarial Assumptions - The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation (effective June 30, 2017)	2.60% per annum
Rate of salary increase (effective June 30, 2017)	3.25 to 16.25%, average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 2017)	7.00%, compounded annually, net of investment expense, including inflation
Wage growth (effective June 30, 2017)	3.25% per annum based on 2.60% inflation and 0.65% real wage inflation

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021.

Mortality rates used in the 2022 valuation were based on the PubG-2010 mortality tables with future mortality improvements modeled using Scale MP-2021.

The long-term expected rate of return on IPERS' investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	22.0%	3.57%
International equity	17.5%	4.79%
Global smart beta equity	6.0%	4.16%
Core-plus fixed income	20.0%	1.66%
Public credit	4.0%	3.77%
Cash	1.0%	0.77%
Private equity	13.0%	7.57%
Private real assets	8.5%	3.55%
Private credit	8.0%	3.63%
	100.0%	

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE E - PENSION AND RETIREMENT BENEFITS - CONTINUED

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that contributions from the Association will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Association's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Association's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Association's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	<u>1%</u> Decrease (6.00%)	<u>Discount</u> Rate (7.00%)	<u>1%</u> Increase (8.00%)
Association's proportionate share of the net pension liability	\$3,024,960	\$1,623,599	\$ 388,615

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at www.ipers.org.

Payables to the Pension Plan - At June 30, 2023, the Association reported payables to the defined benefit pension plan of \$27,638 for legally required employer contributions and \$18,415 for legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE F - RIGHT-OF-USE LEASED ASSETS

1. Right-of-Use Asset

The Association has recorded right-of-use leased assets for its leased copiers. The related lease is discussed in this footnote. The right-of-use asset is amortized on a straight-line basis over the terms of the related lease.

Right-of-use asset balances and activity for the year ended June 30, 2023 are as follows:

	Balances at July 1, 2022	Additions	Deletions	Balances at June 30, 2023
Right-of-use assets				
Furniture and equipment	\$ 43,648	\$ -	\$ -	\$ 43,648
Total capital assets	43,648	-	-	43,648
Less accumulated amortization				
Furniture and equipment	31,281	8,729	-	40,010
Total accumulated amortization	31,281	8,729	-	40,010
Right-of-use assets, net of accumulated amortization	\$ 12,367	\$ (8,729)	\$ -	\$ 3,638

2. Long-term Lease Payable

The Association, as lessee, entered into a lease agreement for its copiers. The lease agreement qualifies as other than short-term leases under GASB 87 and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception.

The lease agreement was executed in October 2018 to lease copy machines and requires 60 monthly payments totaling \$804. The Association is also charged a fee ranging from \$.0148 to \$.0591 per copy. The lease liability is measured at a discount rate of 3.99%, which was the incremental borrowing rate at the inception of the leases. As a result of the lease, the Association has recorded a right-of-use asset with a net book value of \$3,638 at June 30, 2023. The right-of-use asset is discussed above.

The future minimum lease obligations and net present value of these minimum lease payments as of June 30, 2023 were as follows:

Year ended June 30,	Principal	Interest	Total
2024	\$ 3,979	\$ 40	\$ 4,019
	\$ 3,979	\$ 40	\$ 4,019

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE G - CAPITAL ASSETS

A summary of changes in property and equipment comprising general capital assets is as follows:

	Balance at July 1, 2022	Additions	Deletions	Balance at June 30, 2023
Non-depreciable:				
Land (non-depreciable)	\$ 214,432	\$ -	\$ -	\$ 214,432
Construction in process	301,557	125,009	426,566	-
	<u>515,989</u>	<u>125,009</u>	<u>426,566</u>	<u>214,432</u>
Land improvements	154,262	-	-	154,262
Building and building improvements	1,052,275	12,107	-	1,064,382
Equipment and furniture	352,738	28,269	41,004	340,003
Subtotal	<u>2,075,264</u>	<u>165,385</u>	<u>467,570</u>	<u>1,773,079</u>
Less accumulated depreciation				
Land improvements	46,616	8,555	-	55,171
Building and Building improvements	367,066	27,064	-	394,130
Equipment and furniture	280,744	21,937	41,004	261,677
	<u>694,426</u>	<u>57,556</u>	<u>41,004</u>	<u>710,978</u>
Total	<u>\$ 1,380,838</u>	<u>\$ 107,829</u>	<u>\$ 426,566</u>	<u>\$ 1,062,101</u>

NOTE H - SHORT-TERM BORROWING

The Association has a \$300,000 line of credit dated January 7, 2020 that matures September 7, 2023 at 0.25% below the Wall Street Journal Prime Rate. The interest rate at June 30, 2023 was 5.0%. The balance at June 30, 2023 is \$0 and the Association did not borrow or repay any principal in the fiscal year ended June 30, 2023.

NOTE I - GENERAL LONG-TERM OBLIGATIONS

Long-term debt transactions for the year ended June 30, 2023 are as follows:

	Balance at July 1, 2022	Additions	Deletions	Balance at June 30, 2023
Notes payable	\$ 702,340	\$ -	\$ 100,447	\$ 601,893
Leases payable	13,265	-	9,286	3,979
Accrued sick leave	-	24,265	-	24,265
Pension plan	56,691	1,566,908	-	1,623,599
Vested employee benefits	123,697	14,647	6,935	131,409
	<u>\$ 895,993</u>	<u>\$ 1,605,820</u>	<u>\$ 116,668</u>	<u>\$ 2,385,145</u>

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE J - GENERAL LONG-TERM OBLIGATIONS - CONTINUED

Long-term notes payable at June 30, 2023 are comprised of the following:

<u>Description</u>	<u>Balance at June 30, 2023</u>	<u>Due Within One Year</u>
\$25,673 commercial loan from DuTrac Community Credit Union dated March 31, 2023 and due in monthly installments of \$563, including interest at 2.44% per annum until April 2026.	\$ 18,441	\$ 6,376
\$25,673 commercial loan from DuTrac Community Credit Union dated March 31, 2023 and due in monthly installments of \$563, including interest at 2.44% per annum until April 2026.	18,429	6,376
\$25,673 commercial loan from DuTrac Community Credit Union dated March 31, 2023 and due in monthly installments of \$563, including interest at 2.44% per annum until April 2026.	18,420	6,377
\$1,392,281 Economic Development Revenue Note, Series 2007 dated October 5, 2007 and due in monthly installments of \$7,363, including interest at 3.5% per annum until April 1, 2029.	<u>546,603</u>	<u>71,127</u>
Total	<u>\$ 601,893</u>	<u>\$ 90,256</u>

The annual requirements needed to amortize the long-term notes payable of the Association as of June 30, 2023, are as follows:

Year ended June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 90,256	\$ 18,369	\$ 108,625
2025	92,480	16,144	108,624
2026	92,027	13,072	105,099
2027	78,153	10,203	88,356
2028	80,933	7,424	88,357
2029	168,044	9,110	177,154
	<u>\$ 601,893</u>	<u>\$ 74,322</u>	<u>\$ 676,215</u>

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE K - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description. The Association administers a single-employer defined benefit healthcare plan. The plan provides post-retirement healthcare benefits for eligible retirees and their dependents through the Association's group health insurance plan. The plan covers both active and retired participants. As of the actuarial valuation date, there were 46 active participants and 1 retiree in the plan. Because claim costs are generally higher for retiree groups than for active employees, the premium amount does not represent the full cost of coverage for retirees. The resulting additional cost, or implicit subsidy, is required to be valued under GASB Statement 75 related to Other Post-Employment Benefits (OPEB). Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial valuations for OPEB plans involve estimates of the value of the reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations of the OPEB plan reflect a long-term perspective.

Employees who retire at age 55 or older with 10 years of service and already participating in the health insurance plan at retirement, may remain on the Association's health insurance until the employee is eligible for Medicare. Retirees pay the full cost of the insurance premium with no surviving spouse provisions.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE K - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS - CONTINUED

Funding Policy. The Association has not established a trust fund to finance the cost of its OPEB. Expenditures for these benefits are recognized on a pay-as-you-go basis in the fund statements and on the full accrual basis using the valuation methods required by the Governmental Accounting Standards Board (GASB) in the Association-wide statements. There is no obligation on the part of the Association to fund these benefits in advance.

Net Other Post-Employment Benefit Liability. The net other post-employment benefit liability (NOL) was measured as of June 30, 2023 and the total other post-employment benefit liability was determined by an actuarial valuation using the alternate measurement method as of July 1, 2022, rolled forward to June 30, 2023.

Actuarial Methods and Assumptions. The Association engaged an actuary to perform a valuation using the alternative measurement method as of June 30, 2022, rolled forward to June 30, 2023 using the entry age normal, level percent of salary method.

The total other post-employment benefit liability in the July 1, 2022 actuarial valuation, rolled forward to June 30, 2023 was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate	4.13%
General inflation	3.25% as of June 30, 2023 and 2.60% as of July 1, 2021
Annual premium increase rate	7.00% in 2024, decreasing 0.5% per year until leveling off at 4.50% in 2029 and thereafter

All of the demographic assumptions used (i.e. salary, payroll growth, turnover rates and mortality rates) are approximately the same as those used in the Iowa Public Employees' Retirement System June 30, 2021 Actuarial Valuation for state employees.

Retirement rates were calculated based on age and years of service. 30% of active employees with current coverage were assumed to elect medical coverage and no active employees without coverage were assumed to elect medical coverage. Current and future retirees are assumed to remain enrolled in the plans in which they are currently enrolled and those with family coverage before retirement are assumed to maintain family coverage in the future.

The discount rate used to measure the total other post-employment benefit liabilities was 4.13%, based on the expected long-term yield on 20-year tax-exempt general obligation bonds with an average rating of AA/Aa or higher.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE K - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS - CONTINUED

Change in the Net Other Post-Employment Benefit Liability

Total OPEB liability - beginning of year	\$	123,697
Changes for the year:		
Service cost		7,943
Interest		5,250
Changes in assumptions		(308)
Differences between expected and actual experience		1,454
Benefit payments		(6,627)
Net change		<u>7,712</u>
Total OPEB liability - end of year	\$	<u>131,409</u>

Sensitivity to Net Other Post-Employment Benefit Liability to changes in the discount and healthcare cost trend rates. The following represents the net other post-employment benefit liability (NOL) of the Association, calculated using the discount rate of 4.13 percent, as well as what the Association's NOL would be if it was calculated using a discount rate that is 1-percentage-point lower (3.13 percent) or 1-percentage-point higher (5.13 percent) than the current rate:

	1% Decrease to Discount Rate (3.13%)	Current Discount Rate (4.13%)	1% Increase To Discount Rate (5.13%)
Total OPEB liability	\$ 139,322	\$ 131,409	\$ 123,892

The following presents the net other post-employment benefit liability (NOL) of the Association, calculated using the healthcare cost trend rate of 7.0 percent decreasing to 4.5 percent, as well as what the Association's NOL would be if it was calculated using a trend rate that is 1-percentage-point lower (6.0 percent graded down to 3.5 percent) or 1-percentage-point higher (8.0 percent graded down to 5.5 percent) than the current rate:

	1% Decrease (6.0% Decreasing to 3.5%)	Current (7.0% Decreasing to 4.5%)	1% Increase (8.0% Decreasing to 5.5%)
Total OPEB liability	\$ 119,758	\$ 131,409	\$ 144,869

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE K - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS - CONTINUED

Other Post-Employment Benefits Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post-Employment Benefits. Since the Association uses the Alternative Measurement Method, there are no deferred outflows or deferred inflows of resources as of June 30, 2023. All deferred inflows and outflows are fully recognized immediately. Deferred outflows of resources from the differences between expected and actual experience of \$1,454 and deferred inflows of resources from changes in assumptions of \$308 were recognized in the current year as OPEB expense.

NOTE L - EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following expenditures had an excess of actual expenditures over budget for the year ended June 30, 2023:

General Fund	
Salaries, wages and fringe benefits	\$ 74,025
Operating materials	5,457
Conferences and training	33,208
Business travel	35,246
Printing	2,664
Postage	271
Utilities	5,921
Professional fees	14,995
Equipment purchases	40,376
Lease principal	9,286
Pass-through grant expense	180,880
Direct grant expenses	421,743

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2023

NOTE M - RISK MANAGEMENT

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

NOTE N - COMMITTED FUND BALANCE

The Association has a committed fund balance of \$110,000 as of June 30, 2023. The committed fund balance consists of dollars set aside for the following projects:

Parking lot resurfacing	\$ 30,000
Carpet replacement	10,000
Roof replacement	70,000
	<u>\$ 110,000</u>

REQUIRED SUPPLEMENTARY INFORMATION

East Central Intergovernmental Association
Dubuque, Iowa
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGE IN THE ASSOCIATION'S
OPEB LIABILITY AND RELATED RATIOS
Year ended June 30, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 7,943	\$ 8,412	\$ 8,336	\$ 7,710	\$ 7,346	\$ 11,793
Interest	5,250	2,864	3,460	5,077	5,320	6,590
Changes in benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	1,454	1,603	(14,352)	(34,278)	(9,076)	(66,448)
Changes of assumptions or other input	(308)	(11,566)	3,210	6,283	3,227	5,889
Benefit payments	(6,627)	-	-	-	-	-
Net change in total OPEB liability	7,712	1,313	654	(15,208)	6,817	(42,176)
Total OPEB liability - beginning of the year	123,697	122,384	121,730	136,938	130,121	172,297
Total OPEB liability - ending (a)	\$ 131,409	\$ 123,697	\$ 122,384	\$ 121,730	\$ 136,938	\$ 130,121
Covered employee payroll	\$ 3,942,717	\$ 3,753,812	\$ 3,376,911	\$ 3,237,893	\$ 2,850,593	\$ 2,774,906
Net OPEB liability as a percentage of covered payroll	3.3%	3.3%	3.6%	3.8%	4.8%	4.7%

Notes:

Changes in benefit terms:

There were no significant changes to benefit terms.

Changes in assumptions:

Changes in assumptions and other inputs reflect changes in the discount rate each period. The following are the discount rates used in each period:

Year ended June 30, 2023	4.13%
Year ended June 30, 2022	4.09%
Year ended June 30, 2021	2.19%
Year ended June 30, 2020	2.66%
Year ended June 30, 2019	3.51%
Year ended June 30, 2018	3.87%

* Amounts presented for the fiscal year were determined as of the measurement date.

** This schedule will build prospectively until it contains ten years of data.

East Central Intergovernmental Association
Dubuque, Iowa
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE ASSOCIATION'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
Iowa Public Employees' Retirement System
Year ended June 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Association's proportion of the net pension liability (asset)	0.040906%	0.040438%	0.039639%	0.037207%	0.036376%	0.371146%	0.037105%	0.039708%	0.040496%
Association's proportionate share of the net pension liability	\$ 1,623,599	\$ 56,691	\$ 2,765,122	\$ 2,168,987	\$ 2,301,990	\$ 2,472,299	\$ 2,313,963	\$ 1,974,053	\$ 1,638,891
Association's covered payroll	\$ 3,461,081	\$ 3,282,034	\$ 3,123,898	\$ 2,850,593	\$ 2,734,080	\$ 2,770,525	\$ 2,638,937	\$ 2,737,381	\$ 2,704,405
Association's proportionate share of the net pension liability as a percentage of its covered payroll	46.91%	1.73%	88.52%	76.09%	84.20%	89.24%	87.69%	72.11%	60.60%
Plan fiduciary net position as a percentage of the total pension liability	91.40%	99.65%	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

East Central Intergovernmental Association
Dubuque, Iowa
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE ASSOCIATION CONTRIBUTIONS
Iowa Public Employees' Retirement System
Year ended June 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contributions	\$ 359,765	\$ 326,883	\$ 309,824	\$ 294,896	\$ 269,096	\$ 244,149	\$ 247,399	\$ 235,631	\$ 244,449
Contributions in relation to the contractually required contributions	\$ 359,765	\$ 326,883	\$ 309,824	\$ 294,896	\$ 269,096	\$ 244,149	\$ 247,399	\$ 235,631	\$ 244,449
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Association's covered payroll	\$ 3,811,078	\$ 3,462,731	\$ 3,282,034	\$ 3,123,898	\$ 2,850,593	\$ 2,734,080	\$ 2,770,525	\$ 2,638,937	\$ 2,737,381
Contributions as a percentage of covered payroll	9.44%	9.44%	9.44%	9.44%	9.44%	8.93%	8.93%	8.93%	8.93%

**These schedules will build prospectively until it contains ten years of data.

East Central Intergovernmental Association
Dubuque, Iowa
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION -
PENSION LIABILITY**
June 30, 2023

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

The 2022 valuation incorporated the following refinements after a quadrennial experience study:

- Changed mortality assumptions to the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.
- Adjusted retirement rates for Regular members.
- Lowered disability rates for Regular members.
- Adjusted termination rates for all membership groups.

The 2018 valuation implemented the following refinements as a result of a demographic assumption study dated June 28, 2018:

- Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
- Adjusted the merit component of the salary increase assumption.

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption from 4.00% to 3.25%.

The 2014 valuation implemented the following refinements as a result of a quadrennial experience study:

- Decreased the inflation assumption from 3.25% to 3.00%.
- Decreased the assumed rate of interest on member accounts from 4.00% to 3.75% per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Moved from an open 30-year amortization period to a closed 30-year amortization period for the UAL (unfunded actuarial liability) beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20-year period.

East Central Intergovernmental Association
Dubuque, Iowa
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
For the year ended June 30, 2023

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Amended	Actual	
Revenues				
Grants				
Federal	\$ 2,719,429	\$ 3,692,432	\$ 4,113,846	\$ 421,414
State of Iowa	16,176	14,706	14,706	-
State of Wisconsin	-	-	243	243
State of Illinois	-	-	58,319	58,319
Private	215,341	150,395	201,710	51,315
Membership fees	144,866	144,866	144,867	1
Fees and assessments	633,867	755,138	919,397	164,259
Economic Development Set-Aside and CDBG grant administration	326,494	251,224	243,792	(7,432)
Agency service billings				
ECIA Business Growth	279,836	242,402	197,845	(44,557)
Eastern Iowa Regional Housing Authority (EIRHA)/ Eastern Iowa Regional Housing Corporation (EIRHC)	1,754,561	1,707,888	1,752,085	44,197
CSEI/ECDC	328,953	274,674	305,576	30,902
EIRH Tax Credit Corp	43,600	31,489	6,988	(24,501)
Regional Transit Authority	670,477	728,060	763,152	35,092
EIRUSS	100,754	119,206	132,602	13,396
Interest	-	-	74	74
Miscellaneous	42,000	57,367	59,355	1,988
Total revenues	7,276,354	8,169,847	8,914,557	744,710
Expenditures				
Salaries, wages and fringe benefits	5,152,073	5,239,210	5,313,235	(74,025)
Operating materials	-	-	5,457	(5,457)
Office supplies	65,000	75,000	63,238	11,762
Conferences and training	37,000	51,484	84,692	(33,208)
Business travel	175,000	140,000	175,246	(35,246)
Printing	2,500	5,000	7,664	(2,664)
Equipment rental and maintenance	16,000	16,000	9,860	6,140
Office maintenance	30,000	30,000	29,806	194
Insurance and bonding	65,000	65,000	62,782	2,218
Dues and subscriptions	28,000	22,000	18,616	3,384
Telephone	40,000	42,000	38,390	3,610
Postage	25,000	25,000	25,271	(271)
Utilities	40,000	17,000	22,921	(5,921)
Advertising	6,000	15,000	13,346	1,654

East Central Intergovernmental Association
Dubuque, Iowa
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND - CONTINUED
For the year ended June 30, 2023

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Amended	Actual	
Expenditures - continued				
Professional fees	\$ 495,000	\$ 287,000	\$ 301,995	\$ (14,995)
Equipment purchases	14,000	-	40,376	(40,376)
Long-term note principal	121,062	108,000	100,447	7,553
Lease principal	-	-	9,286	(9,286)
Interest expense	25,000	21,200	21,124	76
Pass-through grant expense	-	3,000	183,880	(180,880)
Direct grant expenses	900,000	1,956,708	2,378,451	(421,743)
Miscellaneous	20,000	30,000	19,392	10,608
Total expenditures	<u>7,256,635</u>	<u>8,148,602</u>	<u>8,925,475</u>	<u>(776,873)</u>
Excess of revenues over expenditures	19,719	21,245	(10,918)	(32,163)
Other Financing Sources				
Proceeds from notes payable	50,000	76,884	-	(76,884)
Proceeds from sale of assets	-	4,502	-	(4,502)
	<u>50,000</u>	<u>81,386</u>	<u>-</u>	<u>(81,386)</u>
Change in fund balance	69,719	102,631	(10,918)	(113,549)
Fund balance at beginning of year	<u>758,924</u>	<u>758,924</u>	<u>758,924</u>	<u>-</u>
Fund balance at end of year	<u>\$ 828,643</u>	<u>\$ 861,555</u>	<u>\$ 748,006</u>	<u>\$ (113,549)</u>

OTHER SUPPLEMENTARY INFORMATION

East Central Intergovernmental Association

Dubuque, Iowa

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

BY PROGRAM - GENERAL FUND

For the year ended June 30, 2023

		30	39	40	42	44	45	46	48	49
	Totals	FHWA and Section 8 Transportation	Nuisance Abatement	General Technical Assistance	Grant Wood Mississippi River Region	Brownfields Grant	ECIA Business Growth	HUD Lead Grant Clinton/ Maquoketa	Brownsfield RLF	HUD Lead Grant Dubuque County
REVENUES										
Grants										
Federal	\$ 4,113,846	\$ 197,485	\$ -	\$ -	\$ -	\$ 202,476	\$ -	\$ 1,030,161	\$ 137,545	\$ 1,293,844
State of Iowa	14,706	-	-	-	-	-	-	-	-	-
State of Wisconsin	243	-	-	-	-	-	-	-	-	-
State of Illinois	58,319	58,319	-	-	-	-	-	-	-	-
Private	201,710	-	-	-	-	-	-	-	-	-
Membership fees	144,867	7,144	-	18,731	-	-	-	-	-	-
Fees and assessments	919,397	88,714	2,558	272,105	25,000	-	28,222	109,985	-	108,120
Economic Development Set-Aside and CDBG grant administration	243,792	-	-	-	-	-	-	-	-	-
Agency service billings										
ECIA Business Growth	197,845	-	-	-	-	-	197,845	-	-	-
EIRHA/EIRHC	1,752,085	-	-	-	-	-	-	-	-	-
CSEI/ECDC	305,576	-	-	-	-	-	-	-	-	-
EIRH Tax Credit Corp	6,988	-	-	-	-	-	-	-	-	-
Regional Transit Authority	763,152	-	-	-	-	-	-	-	-	-
EIRUSS	132,602	-	-	-	-	-	-	-	-	-
Interest	74	-	-	-	-	-	-	-	-	-
Proceeds from notes payable	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of equipment	-	-	-	-	-	-	-	-	-	-
Miscellaneous	59,355	-	-	-	-	-	-	-	-	-
Total revenues	8,914,557	351,905	2,558	290,836	25,000	202,476	226,067	1,140,146	137,545	1,401,964
EXPENDITURES										
Salaries, wages & fringe benefits	5,313,235	240,797	1,894	253,712	22,429	64,372	200,479	235,848	25,805	277,038
Operating materials	5,457	-	-	-	-	-	-	1,853	-	3,399
Office supplies	63,238	2,626	15	2,360	231	70	2,004	2,708	230	4,774
Conferences and training	84,692	4,617	2	1,640	21	1,425	710	5,227	23	6,788
Business travel	175,246	9,028	309	12,064	338	1,630	4,549	16,511	430	15,833
Printing	7,664	193	1	805	30	1	181	188	24	2,538
Equipment rental and maintenance	9,860	234	2	280	24	7	208	223	19	4,739
Office maintenance	29,806	1,499	14	1,555	243	154	1,131	1,798	178	1,825
Insurance and bonding	62,782	2,965	26	2,911	309	81	2,523	2,973	339	3,495
Dues and subscriptions	18,616	665	3	613	44	15	2,544	680	52	815
Telephone	38,390	1,784	14	1,673	176	61	1,565	1,854	180	2,540
Postage	25,271	119	187	640	11	1	410	415	10	776
Utilities	22,921	1,105	9	1,102	142	31	960	1,111	130	1,369
Advertising	13,346	793	1	94	6	2	384	1,033	10	3,300
Professional fees	301,995	79,375	30	3,115	324	134,417	3,158	3,348	9,466	4,263
Depreciation	57,556	588	4	599	67	20	500	603	61	701
Equipment purchases	40,376	-	-	-	-	-	-	-	-	-
Long-term note payable principal	100,447	4,026	35	3,778	440	148	3,459	4,072	429	4,989
Lease principal	9,286	451	3	426	56	-	404	404	48	548
Interest expense	21,124	1,040	9	969	109	41	898	1,056	111	1,299
Pass thru grant expense	183,880	-	-	-	-	-	-	-	-	-
Direct grant expenses	2,378,451	-	-	-	-	-	-	858,241	100,000	1,060,935
Miscellaneous	19,392	-	-	-	-	-	-	-	-	-
Total expenditures	8,983,031	351,905	2,558	288,336	25,000	202,476	226,067	1,140,146	137,545	1,401,964
Excess of revenues over (under) expenditures	\$ (68,474)	\$ -	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Continued on next page.

East Central Intergovernmental Association
 Dubuque, Iowa
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BY PROGRAM - GENERAL FUND - CONTINUED
 For the year ended June 30, 2023

	50	55	56	57	58	59	60	66	71	72
	Economic Development Grant	EIRHA	EIRHC	EIRHC TBRA	Housing Trust Fund	EIRHC Evergreen Meadows	EIRHC Asbury Meadows	EIRHC Tax Credit Corp	USDA RCDI Grant 2019	USDA RCDI Grant 2020
REVENUES										
Grants										
Federal	\$ 70,588	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,307	\$ 92,565
State of Iowa	14,706	-	-	-	-	-	-	-	-	-
State of Wisconsin	-	-	-	-	-	-	-	-	-	-
State of Illinois	-	-	-	-	-	-	-	-	-	-
Private	80,000	-	-	-	-	-	-	-	-	-
Membership fees	37,970	-	-	-	-	-	-	-	16,609	37,564
Fees and assessments	58,223	-	-	-	-	-	-	-	41,697	55,000
Economic Development Set-Aside and CDBG grant administration	-	-	-	-	-	-	-	-	-	-
Agency service billings										
ECIA Business Growth	-	-	-	-	-	-	-	-	-	-
EIRHA/EIRHC	-	1,688,863	3,652	16,368	38,742	1,525	2,935	-	-	-
CSEI/ECDC	-	-	-	-	-	-	-	-	-	-
EIRH Tax Credit Corp	-	-	-	-	-	-	-	1,988	-	-
Regional Transit Authority	-	-	-	-	-	-	-	-	-	-
EIRUSS	-	-	-	-	-	-	-	-	-	-
Interest										
Proceeds from notes payable	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of equipment	-	-	-	-	-	-	-	-	-	-
Miscellaneous										
Total revenues	<u>261,487</u>	<u>1,688,863</u>	<u>3,652</u>	<u>16,368</u>	<u>38,742</u>	<u>1,525</u>	<u>2,935</u>	<u>1,988</u>	<u>116,613</u>	<u>185,129</u>
EXPENDITURES										
Salaries, wages & fringe benefits	209,067	1,534,474	3,306	14,931	35,137	1,237	2,661	-	102,367	164,610
Operating materials	-	-	-	-	-	-	-	-	-	-
Office supplies	2,925	18,043	34	177	313	9	24	-	1,472	1,395
Conferences and training	7,575	1,775	2	29	39	1	3	-	2,336	3,954
Business travel	4,913	19,321	120	228	435	24	34	1,976	1,177	3,131
Printing	499	1,284	8	18	34	-	1	-	27	107
Equipment rental and maintenance	207	1,406	-	7	29	-	-	-	127	153
Office maintenance	815	6,808	18	(74)	295	-	-	-	1,038	560
Insurance and bonding	2,530	19,140	44	239	440	19	35	-	1,454	2,026
Dues and subscriptions	1,865	4,330	5	47	69	4	9	-	642	402
Telephone	1,520	8,335	9	33	254	-	-	-	1,170	1,190
Postage	87	17,286	24	336	42	213	132	12	44	65
Utilities	949	5,218	8	24	180	-	-	-	375	833
Advertising	316	1,513	1	9	88	1	1	-	121	46
Professional fees	2,974	21,509	35	231	485	17	35	-	1,624	2,272
Depreciation	485	2,727	6	9	92	-	-	-	241	406
Equipment purchases	-	-	-	-	-	-	-	-	-	-
Long-term note principal	3,409	18,701	23	74	607	-	-	-	1,886	2,848
Lease principal	466	2,161	3	30	49	-	-	-	-	404
Interest expense	885	4,832	6	20	154	-	-	-	512	727
Pass thru grant expense	-	-	-	-	-	-	-	-	-	-
Direct grant expenses	20,000	-	-	-	-	-	-	-	-	-
Miscellaneous										
Total expenditures	<u>261,487</u>	<u>1,688,863</u>	<u>3,652</u>	<u>16,368</u>	<u>38,742</u>	<u>1,525</u>	<u>2,935</u>	<u>1,988</u>	<u>116,613</u>	<u>185,129</u>
Excess of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued on next page.

East Central Intergovernmental Association
Dubuque, Iowa
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BY PROGRAM - GENERAL FUND - CONTINUED
For the year ended June 30, 2023

	73	74	80	85	90	130	133	300	400	420
	USDA RCDI Grant 2021	USDA RCDI Grant 2022	Regional Transportation RPA/STP	CDBG Admin- istration	General	Homeless Prevention	Emergency Solutions	Eastern Iowa Regional Utility Service Systems	Regional Transit Authority	Keep Iowa Beautiful (Delaware/ Cedar)
REVENUES										
Grants										
Federal	\$ 44,083	\$ 9,834	\$ 141,404	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Iowa	-	-	-	-	-	-	-	-	-	-
State of Wisconsin	-	-	-	-	-	-	-	-	-	-
State of Illinois	-	-	-	-	-	-	-	-	-	-
Private	-	-	-	-	-	-	-	-	-	121,710
Membership fees	-	4,835	893	-	21,121	-	-	-	-	-
Fees and assessments	44,083	-	60,380	-	-	1,235	-	-	6,321	14,500
Economic Development Set-Aside and CDBG grant administration	-	-	-	243,792	-	-	-	-	-	-
Agency service billings										
ECIA Business Growth	-	-	-	-	-	-	-	-	-	-
EIRHA/EIRHC	-	-	-	-	-	-	-	-	-	-
CSEI/ECDC	-	-	-	8,550	-	190,593	104,780	-	-	-
EIRH Tax Credit Corp	-	5,000	-	-	-	-	-	-	-	-
Regional Transit Authority	-	-	-	-	-	-	-	-	763,152	-
EIRUSS	-	-	-	-	-	-	-	132,602	-	-
Interest	-	-	-	-	74	-	-	-	-	-
Proceeds from notes payable	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of equipment	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	59,355	-	-	-	-	-
Total revenues	<u>88,166</u>	<u>19,669</u>	<u>202,677</u>	<u>252,342</u>	<u>80,550</u>	<u>191,828</u>	<u>104,780</u>	<u>132,602</u>	<u>769,473</u>	<u>136,210</u>
EXPENDITURES										
Salaries, wages & fringe benefits	73,009	17,872	172,018	225,216	-	165,014	94,184	117,203	689,042	94,046
Operating materials	-	-	-	-	-	-	-	-	-	-
Office supplies	723	202	1,972	2,605	-	2,965	990	1,209	8,351	1,062
Conferences and training	7,665	18	4,351	270	-	4,351	105	119	7,529	1,050
Business travel	985	226	7,409	6,268	27,558	3,998	2,068	2,676	10,897	7,135
Printing	68	25	169	140	-	192	49	93	522	100
Equipment rental and maintenance	76	15	155	254	-	126	115	120	969	121
Office maintenance	556	194	1,145	1,006	-	1,347	366	709	4,073	351
Insurance and bonding	884	205	2,203	2,904	-	1,862	1,184	1,452	8,372	1,229
Dues and subscriptions	175	26	467	831	-	360	328	340	2,185	511
Telephone	560	112	1,265	1,897	-	2,102	778	907	5,095	843
Postage	35	7	69	171	-	341	57	2,138	341	59
Utilities	405	94	810	1,047	-	825	464	579	3,258	460
Advertising	24	4	551	361	-	115	46	330	1,127	51
Professional fees	979	211	5,784	3,289	-	4,270	1,410	1,632	9,739	1,465
Depreciation	209	54	423	559	45,528	434	238	301	1,701	234
Equipment purchases	-	-	-	-	40,376	-	-	-	-	-
Long-term note principal	1,317	291	2,853	4,003	18,670	2,579	1,717	2,033	11,578	1,808
Lease principal	162	41	299	470	-	307	229	236	1,316	208
Interest expense	334	72	734	1,051	-	640	452	525	2,993	477
Pass thru grant expense	-	-	-	-	-	-	-	-	-	25,000
Direct grant expenses	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	19,392	-	-	-	-	-
Total expenditures	<u>88,166</u>	<u>19,669</u>	<u>202,677</u>	<u>252,342</u>	<u>151,524</u>	<u>191,828</u>	<u>104,780</u>	<u>132,602</u>	<u>769,473</u>	<u>136,210</u>
Excess of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (70,974)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued on next page.

East Central Intergovernmental Association
Dubuque, Iowa
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BY PROGRAM - GENERAL FUND - CONTINUED
For the year ended June 30, 2023

	560	600	610	620	630
	EDA/ NICC Grant	Pocket Neighbor- hood	Older Adult Home Modification	Healthy Homes	Regional Lead and Healthy Homes
REVENUES					
Grants					
Federal	\$ 160,412	\$ -	\$ 137,988	\$ 360,369	\$ 176,785
State of Iowa	-	-	-	-	-
State of Wisconsin	-	-	-	-	-
State of Illinois	-	-	-	-	-
Private	-	-	-	-	-
Membership fees	-	-	-	-	-
Fees and assessments	-	-	672	2,582	-
Economic Development Set-Aside and CDBG grant administration	-	-	-	-	-
Agency service billings					
ECIA Business Growth	-	-	-	-	-
EIRHA/EIRHC	-	-	-	-	-
CSEI	-	1,653	-	-	-
EIRH Tax Credit Corp	-	-	-	-	-
Regional Transit Authority	-	-	-	-	-
EIRUSS	-	-	-	-	-
Interest	-	-	-	-	-
Proceeds from notes payable	-	-	-	-	-
Proceeds from sale of equipment	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>160,412</u>	<u>1,653</u>	<u>138,660</u>	<u>362,951</u>	<u>176,785</u>
EXPENDITURES					
Salaries, wages & fringe benefits	1,369	1,373	70,650	102,381	99,694
Operating materials	-	-	-	57	148
Office supplies	19	21	785	1,393	1,531
Conferences and training	2	-	6,109	6,511	10,445
Business travel	19	14	2,461	7,827	3,654
Printing	2	-	78	116	171
Equipment rental and maintenance	1	3	72	97	71
Office maintenance	21	50	467	649	1,015
Insurance and bonding	16	26	896	-	-
Dues and subscriptions	4	5	179	247	154
Telephone	12	20	830	983	628
Postage	1	12	339	280	226
Utilities	8	10	370	514	531
Advertising	-	1	126	250	2,641
Professional fees	17	51	992	2,786	2,692
Depreciation	4	6	193	268	295
Equipment purchases	-	-	-	-	-
Long-term note principal	27	48	1,239	1,740	1,620
Lease principal	3	-	155	218	189
Interest expense	7	13	313	444	401
Pass thru grant expense	158,880	-	-	-	-
Direct grant expenses	-	-	52,406	236,190	50,679
Miscellaneous	-	-	-	-	-
Total expenditures	<u>160,412</u>	<u>1,653</u>	<u>138,660</u>	<u>362,951</u>	<u>176,785</u>
Excess of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

East Central Intergovernmental Association
Dubuque, Iowa
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES AND
COMPUTATION OF PROJECT GRANTS EARNED - GENERAL FUND**
For the year ended June 30, 2023

	30	80
	FHWA and FTA Section 8 Transportation 23MPO-ECIA	Regional Transit RPA 23RPA-08
REVENUES		
Grants		
Federal - Planning	\$ 197,485	\$ 141,404
State of Iowa	-	-
State of Wisconsin	243	-
State of Illinois	58,319	-
Membership fees	7,144	893
Fees and assessments	88,714	60,380
Total revenues	351,905	202,677
EXPENDITURES		
Salaries, wages and fringe benefits	240,797	172,018
Operating materials	-	-
Office supplies	2,626	1,972
Conferences and training	4,617	4,351
Business travel	9,028	7,409
Printing	193	169
Equipment rental and maintenance	234	155
Office maintenance	1,499	1,145
Insurance and bonding	2,965	2,203
Dues and subscriptions	665	467
Telephone	1,784	1,265
Postage	119	69
Utilities	1,105	810
Advertising	793	551
Professional fees	79,375	5,784
Depreciation	588	423
Long-term debt principal	4,026	2,853
Lease principal	451	299
Interest expense	1,040	734
Pass through grant expense	-	-
Total expenditures	351,905	202,677
Expense basis for computation of Federal participation in project cost	351,905	202,677
Federal participation percentage	80%	80%
Computed project grant earned	\$ 281,524	\$ 162,142
Pursuant to contracts, the grants may not exceed the lesser of the eligible cost incurred multiplied by the percentage of participation or grant authority:	\$ 197,485	\$ 141,404
Therefore, the grants earned equal:	\$ 197,485	\$ 141,404

East Central Intergovernmental Association
 Dubuque, Iowa
**SCHEDULE OF CUMULATIVE REVENUES AND EXPENDITURES AND
 COMPUTATION OF PROJECT GRANTS EARNED - GENERAL FUND - CONTINUED**
 For the year ended June 30, 2023

	United States Department of Commerce Economic Development Planning Grant						
	ED20DEN3020004			ED23DEN3020006		Collabor- ative Marketing (PEI/KIB)	Total Economic Development
	Prior Audit 4/1/20-6/30/22	Current Year 7/1/22-3/31/23	Total 4/1/20-3/31/23	Current Year 4/1/23-6/30/23	Total Fiscal Year		
REVENUES							
Grants							
Federal - EDA	\$ 164,023	\$ 45,977	\$ 210,000	\$ 24,611	\$ 70,588	\$ -	\$ 70,588
State of Iowa - Other	32,353	14,706	47,059	-	-	-	14,706
Private	-	-	-	-	-	80,000	80,000
Membership fees	98,783	34,827	133,610	3,143	-	-	37,970
Fees and assessments	47,651	-	47,651	-	-	58,223	58,223
Total revenues	<u>342,810</u>	<u>95,510</u>	<u>438,320</u>	<u>27,754</u>	<u>70,588</u>	<u>138,223</u>	<u>261,487</u>
EXPENDITURES							
Salaries, wages and fringe benefits	284,367	85,238	369,605	39,946	125,184	83,883	209,067
Office supplies	2,632	1,163	3,795	517	1,680	1,245	2,925
Conferences and training	7,430	963	8,393	3,831	4,794	2,781	7,575
Business travel	4,712	1,688	6,400	1,286	2,974	1,939	4,913
Printing	116	14	130	352	366	133	499
Equipment rental and maintenance	682	112	794	(3)	109	98	207
Office maintenance	2,538	81	2,619	534	615	200	815
Insurance and bonding	3,802	998	4,800	502	1,500	1,030	2,530
Dues and subscriptions	2,562	612	3,174	426	1,038	827	1,865
Telephone	2,654	631	3,285	218	849	671	1,520
Postage	229	30	259	21	51	36	87
Utilities	1,399	383	1,782	192	575	374	949
Advertising	325	113	438	23	136	180	316
Professional fees	5,585	1,321	6,906	420	1,741	1,233	2,974
Depreciation	885	176	1,061	122	298	187	485
Long-term debt principal	5,995	1,432	7,427	574	2,006	1,403	3,409
Lease principal	214	175	389	122	297	169	466
Interest expense	1,919	380	2,299	139	519	366	885
Other grant expense	-	-	-	-	-	20,000	20,000
Total expenditures	<u>328,046</u>	<u>95,510</u>	<u>423,556</u>	<u>49,222</u>	<u>144,732</u>	<u>116,755</u>	<u>261,487</u>
Add qualifying matching expenses	-	-	-	-	-	-	-
Add in-kind matching expenses	-	-	-	-	-	-	-
Expense basis for computation of federal and/or state participation in project cost	328,046	95,510	423,556	49,222	144,732	116,755	
Federal or state participation percentage	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>78%</u>	
Computed project grant earned	<u>\$ 164,023</u>	<u>\$ 47,755</u>	<u>\$ 211,778</u>	<u>\$ 24,611</u>	<u>\$ 72,366</u>	<u>\$ 91,069</u>	
Pursuant to grant agreements, the cost reimbursement may not exceed the lesser of the eligible cost incurred multiplied by the percentage of participation by the end of the grant period or grant authority:			<u>\$ 210,000</u>	<u>\$ 24,611</u>	<u>\$ 70,588</u>	<u>\$ 80,000</u>	
Therefore, the grants earned equal:			<u>\$ 210,000</u>	<u>\$ 24,611</u>	<u>\$ 70,588</u>	<u>\$ 80,000</u>	

East Central Intergovernmental Association
Dubuque, Iowa
STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES
IN FUND BALANCE - BY PROGRAM - ECDC
Year ended June 30, 2023

	Pocket Neighborhood	Clinton Rehab	General	Total
Revenues				
Grants				
State grant	\$ -	\$ -	\$ 50,000	\$ 50,000
Other	105,685	-	-	105,685
Interest income	-	-	173	173
Miscellaneous	-	-	50	50
Total revenues	105,685	-	50,223	155,908
Operating expenses				
Professional fees	668	263	-	931
Repairs	3,275	-	-	3,275
Utilities	-	1,072	-	1,072
Management fees	1,653	8,548	-	10,201
Downpayment assistance	-	12,475	-	12,475
Insurance	-	1,959	-	1,959
Property taxes	-	244	-	244
Closing costs	-	7,937	-	7,937
Grant match expense	-	-	50,000	50,000
Other expenses	1,417	117,944	-	119,361
Capital purchases	123,986	1,023	-	125,009
Total operating expenses	130,999	151,465	50,000	332,464
Excess of revenues over expenditures	(25,314)	(151,465)	223	(176,556)
Other financing sources				
Proceeds from assets sold	-	144,702	-	144,702
	-	144,702	-	144,702
Change in net position	\$ (25,314)	\$ (6,763)	\$ 223	\$ (31,854)

East Central Intergovernmental Association
Dubuque, Iowa
STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES
IN FUND BALANCE - BY PROGRAM - CSEI
Year ended June 30, 2023

	Dubuque CDBG CV	Emergency Rental Assistance	ESG	ESG COVID #2	Locally Funded	Total
Revenues						
Grants						
COC SNAP grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Emergency solutions grant	-	-	114,710	99,976	-	214,686
Emergency Rental Assistance	-	164,390	-	-	-	164,390
CDBG - COVID 19	148,003	-	-	-	-	148,003
Other	16,241	-	-	-	131,009	147,250
Interest income	-	-	-	-	45	45
Miscellaneous	-	-	-	-	-	-
Total revenues	164,244	164,390	114,710	99,976	131,054	674,374
Operating expenses						
Housing assistance payments	48,361	108,961	60,261	19,599	-	237,182
Management services	115,883	33,460	55,519	49,262	41,251	295,375
Office supplies	-	-	-	-	560	560
Professional fees	-	-	-	-	885	885
Insurance	-	-	-	-	-	-
Miscellaneous	-	77	-	-	7,873	7,950
Pass through grant expense	-	21,892	-	31,145	25,120	78,157
Total operating expenses	164,244	164,390	115,780	100,006	75,689	620,109
Change in net position	\$ -	\$ -	\$ (1,070)	\$ (30)	\$ 55,365	\$ 54,265

East Central Intergovernmental Association
Dubuque, Iowa
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
For the year ended June 30, 2023

Grantor/Program	Federal CFDA Number	Agency or Pass-Through Grantor's Number	Accrual Basis Program Disbursements	Passed Through to Subrecipients
Direct:				
United States Department of Commerce				
EDA Planning Grant	11.302	ED20DEN3020004	\$ 45,977	\$ -
CARES Act Recovery Assistance	11.307 *	ED20DEN3020006	24,611	-
Business Resiliency and Recovery Project	11.307	05-79-06051	160,412	158,880
			<u>231,000</u>	<u>158,880</u>
Environmental Protection Agency				
Brownsfield Assessment and Cleanup	66.818	BF-97756401	202,476	-
Brownsfield Revolving Loan Fund	66.818	BF-97764501	137,545	100,000
			<u>340,021</u>	<u>100,000</u>
United States Department of Housing and Urban Development				
Lead Hazard Control Grant	14.900	IAHLB0743-19	1,293,844	-
Older Adults Home Modification Program Grant	14.921	IAHRMR004-21	137,988	-
Healthy Homes Production Grant	14.901	IAHHP0057-22	360,369	-
Regional Lead and Healthy Homes	14.905	IALHB0786-22	176,785	-
			<u>1,968,986</u>	<u>-</u>
Total Direct			2,540,007	258,880
Indirect:				
United States Department of Agriculture				
Passed through Iowa USDA Rural Development Rural Community Development Initiative Grant	10.446	16-031-421025428	204,789	-
United States Department of Housing and Urban Development				
Passed through City of Clinton, IA Lead Hazard Control Grant	14.900	IALHB075520	1,030,161	-
Community Development Block Grant - COVID-19	14.218 *	DBQ CDBG CV	148,003	-
			<u>148,003</u>	<u>-</u>
Passed through Iowa Finance Authority Emergency Solutions Grant	14.231	ESG-31024-22	52,510	-
Emergency Solutions Grant	14.231	ESG-31024-23	62,200	-
Emergency Solutions Grant-CARES	14.231 *	ESG-CV2-31024-20	99,976	31,145
			<u>214,686</u>	<u>31,145</u>
Total United States Department of Housing and Urban Development			1,392,850	31,145

East Central Intergovernmental Association
Dubuque, Iowa
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE - CONTINUED
For the year ended June 30, 2023

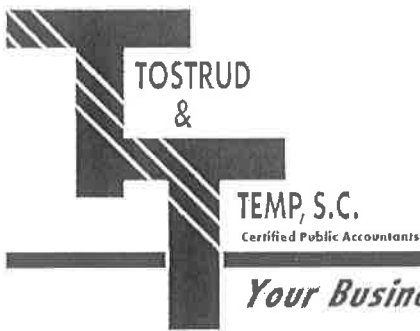
Grantor/Program	Federal CFDA Number	Agency or Pass-Through Grantor's Number	Accrual Basis Program Disbursements	Passed Through to Subrecipients
United States Department of Transportation				
Passed through Iowa Department of Transportation				
FHWA - Planning	20.205	22-MPO-ECIA	119,699	-
FTA 5303d	20.505	22-MPO-ECIA	40,299	-
FHWA STBG/SPR	20.205	22-RPA-08	110,432	-
FTA 5305e	20.505	22-RPA-08	30,972	-
			<u>301,402</u>	-
Passed through Illinois Depart- ment of Transportation				
IL Hwy Planning Research	20.205	21-1009/1437-33312	14,274	-
Passenger Rail	20.205	21-1439/1437-22758	19,004	-
			<u>33,278</u>	-
Passed through Wisconsin Depart- ment of Transportation				
FHWA Planning	20.205	WisDOT Contract	4,209	-
Total United States Department of Transportation			338,889	-
United States Department of the Treasury				
Passed through Iowa Finance Authority				
Emergency Rental Assistance	21.023		164,390	21,892
Total Indirect			<u>2,100,918</u>	<u>53,037</u>
Total Federal Financial Assistance			<u>\$ 4,640,925</u>	<u>\$ 311,917</u>

*** COVID-19 Funding**

Note 1: Basis of Accounting: This statement is prepared using the same basis of accounting as the Association's financial statements. The Association uses the accrual basis of accounting. Expenditures represent only the federally funded portions of the program. Association records should be consulted to determine amounts expended or matched from non-federal sources.

Note 2: Federal Indirect Rate: The Association has an indirect cost allocation plan on file in accordance with the *Uniform Guidance*. The Association has elected not to use the 10% de minimus rate.

OTHER REPORTS



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Your Business Safety Net

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

Council Members
East Central Intergovernmental Association
Dubuque, Iowa

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the East Central Intergovernmental Association (Association), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Association's basic financial statements, and have issued our report thereon dated October 27, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Association'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 the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association'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 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

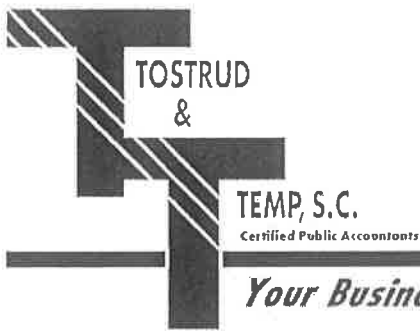
As part of obtaining reasonable assurance about whether the Association's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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.

Tostrud + Temp, S.C.

October 27, 2023



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Council Members
East Central Intergovernmental Association
Dubuque, Iowa

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the East Central Intergovernmental Association (Association) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Association's major federal programs for the year ended June 30, 2023. The Association's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Association 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, 2023.

Basis for Opinion on Each Major Federal Program

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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Association and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Association's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Association's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Commission's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Association's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Association's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness the Commission's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* 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, 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 compliance requirement 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 the attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Bostrud + Kemp, S.C.

October 27, 2023

East Central Intergovernmental Association
Dubuque, Iowa
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:
Significant deficiency identified? yes none reported
Significant deficiency identified
considered to be a material weakness? yes no

Noncompliance material to the financial statements? yes no

Federal Awards

Internal control over compliance:
Significant deficiency identified? yes none reported
Significant deficiency identified
considered to be a material weakness? yes no

Type of auditor's report issued on compliance
for major programs: Unmodified

Any audit findings disclosed that are required
to be reported in accordance with Uniform Guidance? yes no

Identification of Major Federal Programs

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.900	Lead-Based Paint Hazard Control in Privately-Owned Housing

Dollar threshold used to distinguish
between Type A and Type B programs \$750,000

Auditee qualified as a low-risk auditee? yes no

Section II - Financial Statement Findings

None

Section III - Federal and State Award Findings and Questioned Costs

None

Section IV - Prior-Period Findings

None