

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

EAST CENTRAL
INTERGOVERNMENTAL ASSOCIATION
DUBUQUE, IOWA

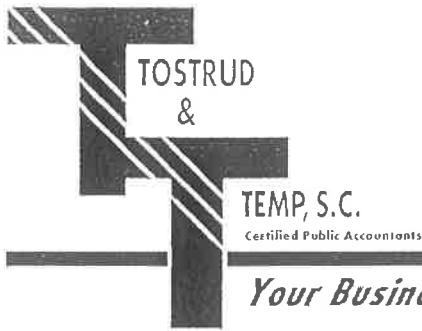
JUNE 30, 2024

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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, 2024, 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, 2024, 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 and other required supplementary information 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 November 8, 2024, 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.

Rostrud + Tempel, S.C.

November 8, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

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, 2024. 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), 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) and Prosperity Eastern Iowa (PEI) (a 501(c)3 component unit of ECIA focusing on achieving efficiencies, utilizing our natural, cultural, and physical assets to strive for the economic prosperity of the region). 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 2024, 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. ECIA continued to administer the regional HUD Lead Grant, the Clinton and Maquoketa HUD lead grant 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 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, new grants was awarded in FY24, the ICARES (Iowa Creating a Real Equity Reentry) Opportunity Pilot Program from the Iowa Finance Authority and the COC (Continuum of Care) from the U.S. Department of Housing and Urban Development.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

FINANCIAL HIGHLIGHTS

- ECIA's net position increased by \$264,370 from June 30, 2023 to June 30, 2024.
- As of the close of the fiscal year, ECIA's fund balance was \$973,471, an increase of \$42,954 in comparison with the prior year. This consists of a decrease of \$11,600 in the General Fund balance and an increase of \$54,554 in the Special Revenue Funds.
- Total governmental fund revenues and other funding sources after eliminations increased 14.9%, or \$1,418,366, and total expenditures after eliminations increased 13.0% or \$1,246,689 from fiscal 2023 to fiscal 2024.

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, 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.
- 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).

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

- 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 \$264,370 over the fiscal 2023 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 increased \$480,800 to \$3,940,600. This included increases of \$37,200 in accounts receivable, \$232,800 in grants receivable, \$4,000 in prepaid fees and expenses, \$4,400 in capital assets net of depreciation, and \$290,900 in deferred outflows of resources and offset by decreases of \$88,000 in cash and \$500 in Right-of-use assets.

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 \$148,700 in this line item is primarily due to increases of \$5,700 in the current portion of long-term obligations, \$3,800 in accounts payable, \$37,900 in payroll liabilities, \$115,300 in unearned grant revenue and offset by decreases of \$11,500 in accrued liability for compensated absences and \$2,500 in prepaid membership fees.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

CONDENSED STATEMENT OF NET POSITION

	2024	2023	CHANGE	PERCENT CHANGE
Cash and investments	678,860	766,887	(88,027)	-11.5%
Other Current Assets	1,338,048	1,064,068	273,980	25.7%
Right-of-use Assets	3,164	3,638	(474)	-13.0%
Capital Assets	1,066,526	1,062,101	4,425	0.4%
Deferred Outflows of Resources	853,991	563,073	290,918	51.7%
Total Assets and Deferred Outflows	<u>3,940,589</u>	<u>3,459,767</u>	<u>480,822</u>	<u>13.9%</u>
Current Liabilities	1,139,396	990,694	148,702	15.0%
Noncurrent Liabilities	2,553,753	2,294,889	258,864	11.3%
Total Liabilities	<u>3,693,149</u>	<u>3,285,583</u>	<u>407,566</u>	<u>12.4%</u>
Deferred Inflows of Resources	8,082	199,196	(191,114)	-95.9%
Net Investment in Capital Assets	571,601	463,846	107,755	23.2%
Unrestricted	(332,243)	(488,858)	156,615	32.0%
Total Net Position	<u>239,358</u>	<u>(25,012)</u>	<u>264,370</u>	<u>1057.0%</u>

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, net of current maturities. Long-term debt increased \$264,600 due to an increase of \$335,200 in ECIA's share of the net pension liability, a \$500 increase in accrued sick leave, a \$33,400 increase in the accrued liability for vested employee benefits and offset by a decrease of \$103,800 in Notes Payable, and a \$700 decrease in leases payable. Of the total outstanding debt balance of \$2,649,712, \$95,959 is classified as current and \$2,553,753 as noncurrent.

ANALYSIS OF REVENUES AND EXPENDITURES-GENERAL FUND

In FY 2024 and FY 2023, total general fund revenues were approximately \$10,305,500 and \$8,914,600 respectively, an increase of approximately \$1,390,900 or 15.6%. Total general fund expenditures for the same period increased \$1,396,100 or 15.6%. 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, 2024**

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

	2024	2023	NET CHANGE	PERCENT CHANGE
REVENUES				
Federal	5,498,605	4,113,846	1,384,759	33.7
State of Iowa	14,706	14,706	0	0.0
State of Wisconsin	245	243	2	0.8
State of Illinois	15,701	58,319	(42,618)	(73.1)
Private	214,964	201,710	13,254	6.6
Membership Fees	148,890	144,867	4,023	2.8
Fees and assessments	1,029,525	919,397	110,128	12.0
CDBG Admin	75,883	243,792	(167,909)	(68.9)
ECIA Business Growth	192,546	197,845	(5,299)	(2.7)
EIRHA	1,825,675	1,752,085	73,590	4.2
CSEI	304,579	305,576	(997)	(0.3)
EIRH Tax Credit Corp	2,132	6,988	(4,856)	(69.5)
RTA	734,879	763,152	(28,273)	(3.7)
EIRUSS	185,252	132,602	52,650	39.7
Interest	85	74	11	14.9
Miscellaneous	61,842	59,355	2,487	4.2
Total Revenues	10,305,509	8,914,557	1,390,952	15.6
EXPENDITURES				
Salaries, wages and benefits	5,477,942	5,313,235	164,707	3.1
Office supplies and materials	69,821	68,695	1,126	1.6
Conference and training	65,770	84,692	(18,922)	(22.3)
Business travel	177,567	175,246	2,321	1.3
Printing	8,108	7,664	444	5.8
Equip rental and maintenance	12,581	9,860	2,721	27.6
Office maintenance	18,578	29,806	(11,228)	(37.7)
Insurance and bonding	63,143	62,782	361	0.6
Dues and subscriptions	17,486	18,616	(1,130)	(6.1)
Telephone	31,201	38,390	(7,189)	(18.7)
Postage	24,807	25,271	(464)	(1.8)
Utilities	21,915	22,921	(1,006)	(4.4)
Advertising	16,084	13,346	2,738	20.5
Professional fees	405,657	301,995	103,662	34.3
Capital Purchases	71,966	40,376	31,590	78.2
Long-term debt principal	103,804	100,447	3,357	3.3
Lease Principal	5,214	9,286	(4,072)	(43.9)
Interest Expense	18,067	21,124	(3,057)	(14.5)
Miscellaneous	20,078	19,392	686	3.5
Pass through grant expense	69,041	183,880	(114,839)	(62.5)
Direct grant expense	3,622,745	2,378,451	1,244,294	52.3
Total Expenditures	10,321,575	8,925,475	1,396,100	15.6
Excess of Revenues over Expenditures	(16,066)	(10,918)	(5,148)	47.2
Proceeds From Lease	4,466	0	4,466	

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

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

	2024	2023	NET CHANGE	PERCENT CHANGE
Financing Sources over Expenditures	(11,600)	(10,918)	(682)	6.2
Beginning Fund Balance	748,006	758,924	(10,918)	
Ending Fund Balance	736,406	748,006	(11,600)	(1.6)

Federal funding increased \$1,384,700 or 33.7%. The components of this line item included increases in DMATS grant funding of \$83,000, Brownfields grant funding of \$350,600, HUD Lead grant funding of \$322,300, Healthy Homes grant income of \$352,300, Older Adult Home Modification program grant income of \$349,900, RPA funding of \$59,600, and, and \$5,600 in EDA planning grant funds offset by decreases of USDA RCDI Training grant funding of \$40,100 and EDA Business Resiliency grant funding of \$98,500.

Funding from the State of Illinois decreased \$42,600 due to a grant award to conduct a Passenger Rail Feasibility Study between Rockford, Illinois and Dubuque, Iowa that was completed in FY23.

Fees and assessments increased \$110,100 or 12.0% due to the addition of LRAD inspections, 2 comp plans in FY24, and 2 hazard mitigation plans.

CDGB Admin decreased \$167,900 or 68.9% due to about 10 less CDBG grants in FY24 compared to the prior year.

Income from EIRUSS increased \$52,650 or 39.7% due to the completion of the Petersburg Wastewater System in FY24 as well as work being done on the Droessler water system project during the year.

Salaries, wages and benefits increased \$164,707 or 3.1% due to a 3.0% cost of living increase for all staff in FY24. Conference and training expense decreased \$18,900 as conference and trainings leveled off in FY24 after a large increase in FY23 again after a few years with minimal trainings offsite. Equipment rental/maintenance increased \$2,700 due to the HUD Lead programs purchasing additional equipment in FY24.

Office maintenance decreased in FY24 by \$11,200 due mainly to the cost of installing new hall lighting throughout the building. Telephone expense decreased about \$7,200 in FY24 as the cell phone contract with Verizon was renegotiated at the start of FY24 resulting in a savings of about \$500/month.

Advertising increased \$2,700 as the HUD Lead Programs increased their advertising to promote their programs in FY24. Professional fees increased \$103,600 due to technical assistance required as part of the Brownfields grant program, consulting services for the SS4A grant and the Quiet Zone Study as well as additional legal expenses incurred during FY24. Capital purchases increased \$31,600 as a new AC/ Furnace was installed in FY24. Interest expense decreased \$3,000 as less interest was due on the building loan in FY24.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Direct grant expense increased \$1,244,300 due to increased rehab activity in the HUD Lead grants, specifically increases of \$266,250 in the HUD Lead Grant programs, \$339,200 in the Brownsfield RLF Program, \$321,100 in the Older Adult Home Modification Program, and \$368,400 in the Healthy Homes Program.

ANALYSIS OF REVENUES AND EXPENDITURES-SPECIAL REVENUE FUND-ECDC

In FY 2024 and FY 2023, total ECDC revenues were \$89 and \$155,908 respectively. Total expenditures for the same period decreased \$321,435. Proceeds from assets sold totaled \$0 in FY24 as compared to \$144,702 in FY23 due to all the Pocket Neighborhood houses being sold prior to FY24. There was only miscellaneous expenses related to the Pocket Neighborhood warranty expenses in FY24 as well as \$5,000 in grant match expense in FY24 for ECDC.

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

	2024	2023	NET CHANGE	PERCENT CHANGE
REVENUES				
State grants	0	50,000	(50,000)	(100.0)
Other Grants	0	105,685	(105,685)	(100.0)
Interest Income	89	173	(84)	(48.6)
Miscellaneous	0	50	(50)	(100.0)
Total Revenues	89	155,908	(155,819)	(99.9)
EXPENDITURES				
Management Fees	0	10,201	(10,201)	(100.0)
Utilities	0	1,072	(1,072)	(100.0)
Repairs and maintenance	0	3,275	(3,275)	(100.0)
Insurance	0	1,959	(1,959)	(100.0)
Professional fees	535	931	(396)	(42.5)
Down payment assistance	0	12,475	(12,475)	(100.0)
Miscellaneous	5,494	127,542	(122,048)	(95.7)
Grant match expense	5,000	0	5,000	100.0
Grant pass through	0	50,000	(50,000)	(100.0)
Capital purchases	0	125,009	(125,009)	(100.0)
Total Expenditures	11,029	332,464	(321,435)	(96.7)
Excess of Revenues over Expenditures	(10,940)	(176,556)	165,616	(93.8)
Proceeds from assets sold	0	144,702	(144,702)	(100.0)
Excess of Revenues and Other				
Financing Sources over Expend	(10,940)	(31,854)	20,914	(65.7)
Beginning Fund Balance	90,426	122,280	(31,854)	
Ending Fund Balance	79,486	90,426	(10,940)	(12.1)

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

ANALYSIS OF REVENUES AND EXPENDITURES-SPECIAL REVENUE FUND-CSEI

In FY 2024 and FY 2023, total CSEI revenues were \$849,104 and \$674,374 respectively, an increase of approximately \$174,700 or 25.9%. Total expenditures for the same period increased \$163,500 or 26.4%. A comparison of income and expenditures is outlined in a chart on the following page.

COC Grant increased \$100,000 as the grant was started in FY24. Emergency Solutions Grant (ESG) income decreased approximately \$102,600 as the ESG Covid # 2 grant ended in FY23. CDBG CV Contract income decreased \$148,000 as the grant that CSEI entered into a contract with the City of Dubuque to administer this grant program on their behalf ended in FY23 also. Rapid Rehousing Grant increased \$246,150 as this grant was started in FY23 and fully up and running in FY24. ICARES grant was started in FY24 as well as the TBRA grant starting towards the end of FY24. Donations increased \$63,900 as CSEI was able to secure funding from additional private contributors in FY24. Tenant revenue increased \$174,700 in FY24 for CSEI

Housing assistance payments increased \$182,900 as the COC Grant and ICARES Grant started in FY24 and the Rapid Rehousing Grant was fully up and running in FY24. Management Services increased \$20,400 due to the start of 2 new grants in FY24 as well as the ERA2 contract for Rapid Rehousing in effect for the full year in FY24 compared to just part of the year in FY23.

Pass through grant expense decreased \$39,600 as the ESG COVID grant funding ended in FY24.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

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

	2024	2023	NET CHANGE	PERCENT CHANGE
REVENUES				
COC Grant	99,978	0	99,978	100.0
Emergency Solutions Grant	112,100	214,686	(102,586)	(47.8)
CDBG CV Contract	0	148,002	(148,002)	(100.0)
Rapid Rehousing Grant	410,540	164,390	246,150	149.7
ICARES Grant	25,425	0	25,425	100.0
TBRA Grant	966	0	966	100.0
Other Grants	97,590	109,200	(11,610)	(10.6)
Donations	101,941	38,050	63,891	167.9
Tenant revenue	0	0	0	100.0
Management fees	0	0	0	100.0
Interest income	64	46	18	39.1
Miscellaneous	500	0	500	100.0
Total Revenues	849,104	674,374	174,730	25.9
EXPENDITURES				
Housing assistance payments	420,089	237,182	182,907	77.1
Management services	315,791	295,375	20,416	6.9
Office supplies	2,165	560	1,605	286.6
Miscellaneous	6,515	7,950	(1,435)	(18.1)
Professional fees	535	885	(350)	(39.5)
Pass through grant expense	38,541	78,157	(39,616)	(51)
Total Expenditures	783,636	620,109	163,527	26.4
Excess of Revenues over Expenditures	65,468	54,265	11,203	20.6
Beginning Fund Balance	92,065	37,800	54,265	
Ending Fund Balance	157,533	92,065	65,468	71.1

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 2024. The original general fund revenue and other financing sources budget of \$8,372,950 was increased by approximately \$1,083,950 to \$9,456,900. The original general fund expenditure budget of \$8,343,500 was increased to \$9,441,100, an increase of approximately \$1,097,600. These changes were made to recognize new funding sources as well as greater than anticipated activity in the HUD Lead grant programs.

For the year ended June 30, 2024, total actual receipts were \$848,600 or 8.2% over the amended budget while total actual expenditures were \$880,500 or 8.5% over the amended budget. The following chart details the components of these variances.

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

COMPARISON OF AMENDED BUDGET VS. ACTUAL

	BUDGET	ACTUAL	VARIANCE	PERCENT
REVENUES				
Federal	4,903,070	5,498,605	595,535	10.8
State of Iowa	14,706	14,706	0	0.0
State of Wisconsin	0	245	245	100.0
State of Illinois	0	15,701	15,701	100.0
Private	132,082	214,964	82,882	38.6
Membership Fees	148,890	148,890	0	0.0
Fees and assessments	870,866	1,029,525	158,659	15.4
CDBG Admin	82,712	75,883	(6,829)	(9.0)
ECIA Business Growth	223,431	192,546	(30,885)	(16.0)
EIRHA	1,786,229	1,825,675	39,446	2.2
CSEI/ECDC	294,503	304,579	10,076	3.3
EIRH Tax Credit Corp	17,422	2,132	(15,290)	(717.2)
Regional Transit Authority	744,383	734,879	(9,504)	(1.3)
EIRUSS	177,189	185,252	8,063	4.4
Interest	73	85	12	14.1
Miscellaneous	61,324	61,842	518	0.8
Total Revenues	9,456,880	10,305,509	848,629	8.2
EXPENDITURES				
Salaries, wages and benefits	5,358,893	5,477,942	119,049	2.2
Office supplies & operating materials	61,769	69,821	8,052	11.5
Conference and training	60,155	65,770	5,615	8.5
Business travel	170,559	177,567	7,008	3.9
Printing	9,664	8,108	(1,556)	(19.2)
Equip rental and maintenance	7,836	12,581	4,745	37.7
Maintenance	21,592	18,578	(3,014)	(16.2)
Insurance and bonding	64,720	63,143	(1,577)	(2.5)
Dues and subscriptions	20,731	17,486	(3,245)	(18.6)
Telephone	31,133	31,201	68	0.2
Postage	25,028	24,807	(221)	(0.9)
Utilities	32,387	21,915	(10,472)	(47.8)
Advertising	13,405	16,084	2,679	16.7
Professional fees	196,800	405,657	208,857	51.5
Equipment purchases	83,000	71,966	(11,034)	(15.3)
Long-term debt principal	103,403	103,804	401	0.4
Lease Principal	0	5,214	5,214	100.0
Interest expense	19,252	18,067	(1,185)	(6.6)
Pass-through grant expense	64,041	69,041	5,000	7.2
Direct grant expense	3,074,173	3,622,745	548,572	15.1
Miscellaneous	22,533	20,078	(2,455)	(12.2)
Total Expenditures	9,441,074	10,321,575	880,501	8.5
OTHER INCOME				
Proceeds from Lease	0	4,466	4,466	100.0
Excess of Revenues over Expenditures	15,806	(11,600)	(27,406)	

**EAST CENTRAL INTERGOVERNMENTAL ASSOCIATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

CAPITAL ASSETS, RIGHT-OF-USE ASSETS AND DEBT ADMINISTRATION

As of June 30, 2024, ECIA had \$1,069,690 invested in capital assets and right-of-use assets (net of depreciation and amortization), including a building, land, office furniture and equipment, solar energy system, and agency vehicles. Total outstanding notes payable was \$498,089, 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 \$3,231 for a copier.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

ECIA's management and Council considered many factors when setting the fiscal year 2025 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 \$.76 per capita in Fiscal 2025. 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 2025, 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, 2024

	Governmental Activities
ASSETS	
Current assets	
Cash and investments	\$ 678,860
Accounts receivable	578,986
Grants receivable	744,025
Prepaid fees and expenses	15,037
Total current assets	2,016,908
Noncurrent assets	
Right-of-use assets, net of accumulated amortization	3,164
Capital assets, net of depreciation	1,066,526
Total noncurrent assets	1,069,690
Total assets	3,086,598
DEFERRED OUTFLOWS OF RESOURCES	
Pension plan	853,991
Total assets and deferred outflows of resources	\$ 3,940,589
LIABILITIES	
Current liabilities	
Current portion of long-term obligations	\$ 95,959
Accounts payable	313,040
Accrued liabilities	
Vacation and holiday pay	437,712
Other	146,421
Unearned revenue	
Grants	139,216
Prepaid memberships	7,048
Total current liabilities	1,139,396
Noncurrent liabilities	
Noncurrent portion of long-term obligations	2,553,753
Total liabilities	3,693,149
DEFERRED INFLOWS OF RESOURCES	
Pension plan	8,082
NET POSITION	
Net investment in capital assets	571,601
Unrestricted	(332,243)
Total net position	239,358
Total liabilities, deferred inflows of resources and net position	\$ 3,940,589

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, 2024

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					Governmental Activities
Salaries, wages and fringe benefits	\$ 5,365,029	\$ 2,114,492	\$ 3,352,242	\$ -	\$ 101,705
Operating materials	6,355	2,505	3,971	-	121
Office supplies	65,631	25,867	41,008	-	1,244
Conferences and training	65,770	25,922	41,095	-	1,247
Business travel	177,567	69,984	110,950	-	3,367
Printing	8,108	3,196	5,066	-	154
Equipment rental and maintenance	12,581	4,958	7,861	-	238
Building repairs and maintenance	-	-	-	-	-
Office maintenance	18,578	7,322	11,608	-	352
Insurance and bonding	63,143	24,886	39,454	-	1,197
Dues and subscriptions	17,486	6,892	10,926	-	332
Telephone	31,201	12,297	19,495	-	591
Postage	24,807	9,777	15,500	-	470
Utilities	21,915	8,637	13,693	-	415
Advertising	16,813	6,626	10,505	-	318
Professional fees	406,727	160,301	254,136	-	7,710
Depreciation	68,015	26,806	42,498	-	1,289
Interest expense	18,067	7,121	11,289	-	343
Pass through grant expense	112,582	44,371	70,345	-	2,134
Direct grant expense	3,680,245	1,450,476	2,299,535	-	69,766
Miscellaneous	31,358	12,359	19,593	-	594
Management fees	11,212	4,419	7,006	-	213
Housing assistance payments	420,089	165,568	262,485	-	7,964
Total governmental activities	\$ 10,643,279	\$ 4,194,782	\$ 6,650,261	\$ -	201,764
General revenues					
Interest					264
Miscellaneous					62,342
Total general revenues					<u>62,606</u>
Change in net position					264,370
Net position at beginning of year					<u>(25,012)</u>
Net position at end of year					<u>\$ 239,358</u>

The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association
 Dubuque, Iowa
BALANCE SHEET
GOVERNMENTAL FUNDS
 June 30, 2024

	ECIA	ECDC	CSEI	PEI		
	General Fund	Special Revenue Fund	Special Revenue Fund	Special Revenue Fund	Eliminations	Total
ASSETS						
Cash and investments	\$ 465,843	\$ 84,486	\$ 128,485	\$ 46	\$ -	\$ 678,860
Accounts receivable	578,225	-	37,232	-	(36,471)	578,986
Grants receivable	720,738	-	23,287	-	-	744,025
Prepaid fees and expenses	15,037	-	-	-	-	15,037
Total assets	\$ 1,779,843	\$ 84,486	\$ 189,004	\$ 46	\$ (36,471)	\$ 2,016,908
LIABILITIES AND FUND BALANCE						
Liabilities						
Accounts payable	\$ 313,040	\$ 5,000	\$ 31,471	\$ -	\$ (36,471)	\$ 313,040
Accrued liabilities						
Vacation and other pay	437,712	-	-	-	-	437,712
Other	146,421	-	-	-	-	146,421
Unearned revenue						
Unearned grant revenue	139,216	-	-	-	-	139,216
Prepaid memberships	7,048	-	-	-	-	7,048
Total liabilities	1,043,437	5,000	31,471	-	(36,471)	1,043,437
Fund balance						
Nonspendable	15,037	-	-	-	-	15,037
Restricted - programming	-	-	157,533	46	-	157,579
Unrestricted						
Committed - building						
maintenance	110,000	-	-	-	-	110,000
Unassigned	611,369	79,486	-	-	-	690,855
Total fund balance	736,406	79,486	157,533	46	-	973,471
	\$ 1,779,843	\$ 84,486	\$ 189,004	\$ 46	\$ (36,471)	\$ 2,016,908

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, 2024

Fund balance - governmental funds	\$	973,471
<p>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:</p>		
<p>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:</p>		
Governmental capital assets	\$ 1,827,427	
Governmental accumulated depreciation	<u>(760,901)</u>	
	1,066,526	
Right-of-use assets	4,466	
Accumulated amortization	<u>(1,302)</u>	
	<u>3,164</u>	1,069,690
<p>Deferred outflows of resources represent consumption of net position that apply to future periods and therefore are not reported in the fund statements.</p>		
<p>Deferred outflows of resources consist of:</p>		
Pension plan		853,991
<p>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:</p>		
Accrued sick leave	(24,773)	
Net pension liability	(1,958,768)	
Vested employee benefits	(164,851)	
General obligation debt	(498,089)	
Leases payable	<u>(3,231)</u>	(2,649,712)
<p>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.</p>		
<p>Deferred inflows of resources consist of:</p>		
Pension plan		<u>(8,082)</u>
Total net position - governmental activities	\$	<u><u>239,358</u></u>

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, 2024

	ECIA	ECDC	CSEI	PEI	Eliminations	Total
	General Fund	Special Revenue Fund	Special Revenue Fund	Special Revenue Fund		
Revenues						
Grants						
Federal	\$ 5,498,605	\$ -	\$ 623,584	\$ -	\$ -	\$ 6,122,189
State of Iowa	14,706	-	25,425	-	-	40,131
State of Wisconsin	245	-	-	-	-	245
State of Illinois	15,701	-	-	-	-	15,701
Private	214,964	-	199,531	57,500	-	471,995
Membership fees	148,890	-	-	-	-	148,890
Fees and assessments	1,029,525	-	-	-	-	1,029,525
Economic Development Set-Aside and CDBG grant administration	75,883	-	-	-	-	75,883
Agency service billings						
ECIA Business Growth	192,546	-	-	-	-	192,546
Eastern Iowa Regional Housing Authority (EIHRA)/ Eastern Iowa Regional Housing Corporation (EIRHC)	1,825,675	-	-	-	-	1,825,675
CSEI/ECDC	304,579	-	-	-	(304,579)	-
EIRH Tax Credit Corp	2,132	-	-	-	-	2,132
Regional Transit Authority	734,879	-	-	-	-	734,879
EIRUSS	185,252	-	-	-	-	185,252
Interest	85	89	64	26	-	264
Miscellaneous	61,842	-	500	-	-	62,342
Total revenues	10,305,509	89	849,104	57,526	(304,579)	10,907,649
Expenditures						
Salaries, wages and fringe benefits	5,477,942	-	-	-	-	5,477,942
Operating materials	6,355	-	-	-	-	6,355
Office supplies	63,466	-	2,165	-	-	65,631
Conferences and training	65,770	-	-	-	-	65,770
Business travel	177,567	-	-	-	-	177,567
Printing	8,108	-	-	-	-	8,108
Equipment rental and maintenance	12,581	-	-	-	-	12,581
Office maintenance	18,578	-	-	-	-	18,578
Insurance and bonding	63,143	-	-	-	-	63,143
Dues and subscriptions	17,486	-	-	-	-	17,486
Telephone	31,201	-	-	-	-	31,201

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, 2024

	ECIA	ECDC	CSEI	PEI		
	General	Special	Special	Special		
	Fund	Revenue	Revenue	Revenue	Eliminations	Total
	Fund	Fund	Fund	Fund		
Expenditures - Continued						
Postage	\$ 24,807	\$ -	\$ -	\$ -	\$ -	\$ 24,807
Utilities	21,915	-	-	-	-	21,915
Advertising	16,084	-	729	-	-	16,813
Professional fees	405,657	535	535	-	-	406,727
Capital purchases	71,966	-	-	-	-	71,966
Long-term note principal	103,804	-	-	-	-	103,804
Lease principal	5,214	-	-	-	-	5,214
Interest expense	18,067	-	-	-	-	18,067
Pass through grant expense	69,041	5,000	38,541	-	-	112,582
Direct grant expenses	3,622,745	-	-	57,500	-	3,680,245
Miscellaneous	20,078	5,494	5,786	-	-	31,358
Management fees	-	-	315,791	-	(304,579)	11,212
Housing assistance payments	-	-	420,089	-	-	420,089
Total expenditures	<u>10,321,575</u>	<u>11,029</u>	<u>783,636</u>	<u>57,500</u>	<u>(304,579)</u>	<u>10,869,161</u>
Excess of revenues over expenditures	(16,066)	(10,940)	65,468	26	-	38,488
Other financing sources						
Proceeds from lease	4,466	-	-	-	-	4,466
	<u>4,466</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,466</u>
Change in fund balance	(11,600)	(10,940)	65,468	26	-	42,954
Fund balance at beginning of year	<u>748,006</u>	<u>90,426</u>	<u>92,065</u>	<u>20</u>	<u>-</u>	<u>930,517</u>
Fund balance at end of year	<u>\$ 736,406</u>	<u>\$ 79,486</u>	<u>\$ 157,533</u>	<u>\$ 46</u>	<u>\$ -</u>	<u>\$ 973,471</u>

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, 2024

Net change in fund balances - total governmental funds \$ 42,954

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	\$ 71,966	
Depreciation expense reported in the statement of activities	(63,075)	
Amortization expense reported in the statement of activities	<u>(4,940)</u>	3,951

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	3,022	
Sick benefits earned in the current year	<u>(3,530)</u>	(508)

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	371,554	
Actuarially determined change in net pension liability between years, with adjustments	<u>(224,691)</u>	146,863

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		(33,442)
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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 - CONTINUED**
For the year ended June 30, 2024

Revenue in the governmental funds, but are reported as long-term debt in the statement of net assets and does not affect the statement of activities.

The amount of proceeds from new leases in the current year is: (4,466)

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: 109,018

Change in net position - governmental activities **\$ 264,370**

The accompanying notes are an integral part of this statement.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS
June 30, 2024

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, 2024

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, 2024

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 capital 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, 2024

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, 2024

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, 2024

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, 2024

**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, 2024

NOTE C - CASH DEPOSITS

Cash and investments as of June 30, 2024, are classified in the accompanying financial statements as follows:

Statement of Net Position	
Cash and investments	\$ <u>678,860</u>

Cash and investments as of June 30, 2024 consist of the following:

	Carrying Amount	Bank Balance
Investment, checking/savings and money market accounts	\$ <u>678,860</u>	\$ <u>666,131</u>
	\$ <u>678,860</u>	\$ <u>666,131</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, 2024

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, 2024, the Association's deposits of \$9,477 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, 2024, the Association had the following accounts and grants receivable outstanding:

Accounts Receivable - ECIA	
Eastern Iowa Regional Housing Authority \$	92,783
Eastern Iowa Regional Housing Corp.	3,253
EIRH Tax Credit Corp	-
E.I.R.U.S.S	35,341
Local contract charges	229,563
E.C.I.A. Business Growth, Inc.	40,782
ECDC	5,000
Regional Transit Authority	69,201
Community Solutions of Eastern Iowa	31,471
Other	70,831
	<hr style="width: 100%; border: 0.5px solid black;"/>
	578,225
 Accounts Receivable - CSEI	
Other	37,232
Eliminations	(36,471)
	<hr style="width: 100%; border: 0.5px solid black;"/>
Total accounts receivable	\$ <u><u>578,986</u></u>

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2024

NOTE D - ACCOUNTS AND GRANTS RECEIVABLE - CONTINUED

Grants Receivable - ECIA	
Iowa DOT - MPO	\$ 40,641
Iowa DOT - RPA	57,659
Iowa DOT - SS4A	166,130
Illinois DOT	20,599
Wisconsin DOT	5,624
USDA - RCDI	41,604
EPA	20,639
EDA Grant	13,341
Healthy Homes Grant	50,653
Regional Lead and Healthy Homes	3,000
HUD Lead Grant	76,717
Older Home Modification Grant	55,828
Clinton HUD Lead Grant	<u>168,303</u>
	720,738
Grants Receivable - CSEI	
Iowa Finance Authority	<u>23,287</u>
Total grants receivable	<u>\$ 744,025</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, 2024

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, 2024

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 2024, 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, 2024 were \$371,554.

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2024, the Association reported a liability of \$1,958,768 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, 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, 2023, the Association's collective proportion was .042451%, which was an increase of 0.001545 percent from its proportion measured as of June 30, 2022.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2024

NOTE E - PENSION AND RETIREMENT BENEFITS - CONTINUED

For the year ended June 30, 2024, the Association recognized pension expense of \$166,442. At June 30, 2024, 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	\$ 165,714	\$ 8,051
Changes of assumptions	-	31
Net difference between projected and actual earnings on pension plan investments	181,406	-
Changes in proportion and differences between Association contributions and proportionate share of contributions	135,317	-
Association contributions subsequent to the measurement date	371,554	-
	\$ 853,991	\$ 8,082

\$371,554 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, 2025. 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
2025	\$ 9,236
2026	(105,145)
2027	463,664
2028	91,628
2029	14,972
	\$ 474,355

There were no non-employer contributing entities to IPERS.

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2024

NOTE E - PENSION AND RETIREMENT BENEFITS - CONTINUED

Actuarial Assumptions - The total pension liability in the June 30, 2023 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, 2023 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 2023 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	21.0%	4.56%
International equity	16.5%	6.22%
Global smart beta equity	5.0%	5.22%
Core-plus fixed income	23.0%	2.69%
Public credit	3.0%	4.38%
Cash	1.0%	1.59%
Private equity	17.0%	10.44%
Private real assets	9.0%	3.88%
Private credit	4.5%	4.60%
	100.0%	

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2024

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 employee contributions will be made at the contractually required rate and contributions from the District will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS' fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on IPERS' 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.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Association's proportionate share of the net pension liability	\$4,164,778	\$1,958,768	\$ 110,096

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, 2024, the Association reported payables to the defined benefit pension plan of \$27,534 for legally required employer contributions and \$18,346 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, 2024

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, 2024 are as follows:

	Balances at July 1, 2023	Additions	Deletions	Balances at June 30, 2024
Right-of-use assets				
Furniture and equipment	\$ 43,648	\$ 4,466	\$ 43,648	\$ 4,466
Total capital assets	<u>43,648</u>	<u>-</u>	<u>-</u>	<u>4,466</u>
Less accumulated amortization				
Furniture and equipment	40,010	4,940	43,648	1,302
Total accumulated amortization	<u>40,010</u>	<u>4,940</u>	<u>43,648</u>	<u>1,302</u>
 Right-of-use assets, net of accumulated amortization	 <u>\$ 3,638</u>	 <u>\$ (4,940)</u>	 <u>\$ (43,648)</u>	 <u>\$ 3,164</u>

2. Long-term Lease Payable

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

A 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 lease. The lease agreement ended in November 2023.

A lease agreement was executed in December 2023 to lease copy machines and requires 24 monthly payments of \$201. The Association is also charged a fee ranging from \$.02607 to \$.1034 per copy. The lease liability is measured at a discount rate of 7.50%, which was the incremental borrowing rate at the inception of the lease. As a result of the lease, the Association has recorded a right-of-use asset with a net book value of \$3,164 at June 30, 2024. 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, 2024 were as follows:

Year ended June 30,	Principal	Interest	Total
2025	\$ 2,246	\$ 166	\$ 2,412
2026	985	19	1,004
	<u>\$ 3,231</u>	<u>\$ 185</u>	<u>\$ 3,416</u>

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2024

NOTE G - CAPITAL ASSETS

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

	Balance at July 1, 2023	Additions	Deletions	Balance at June 30, 2024
Non-depreciable:				
Land	\$ 214,432	\$ -	\$ -	\$ 214,432
	214,432	-	-	214,432
Land improvements	154,262	-	-	154,262
Building and building improvements	1,064,382	-	-	1,064,382
Equipment and furniture	340,003	67,500	13,152	394,351
Subtotal	1,773,079	67,500	13,152	1,827,427
Less accumulated depreciation				
Land improvements	55,171	8,555	-	63,726
Building and Building improvements	394,130	27,114	-	421,244
Equipment and furniture	261,677	27,406	13,152	275,931
	710,978	63,075	13,152	760,901
Total	\$ 1,062,101	\$ 4,425	\$ -	\$ 1,066,526

NOTE H - SHORT-TERM BORROWING

The Association has a \$300,000 line of credit dated September 7, 2023 that matures September 7, 2024 at 1.00% below the Wall Street Journal Prime Rate. The interest rate at June 30, 2024 was 7.5%. The balance at June 30, 2024 is \$0 and the Association did not borrow or repay any principal in the fiscal year ended June 30, 2024.

NOTE I - GENERAL LONG-TERM OBLIGATIONS

Long-term debt transactions for the year ended June 30, 2024 are as follows:

	Balance at July 1, 2023	Additions	Deletions	Balance at June 30, 2024
Notes payable	\$ 601,893	\$ -	\$ 103,804	\$ 498,089
Leases payable	3,979	4,466	5,214	3,231
Accrued sick leave	24,265	3,530	3,022	24,773
Pension plan	1,623,599	694,934	359,765	1,958,768
Vested employee benefits	131,409	42,404	8,962	164,851
	\$ 2,385,145	\$ 745,334	\$ 480,767	\$ 2,649,712

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2024

NOTE J - GENERAL LONG-TERM OBLIGATIONS - CONTINUED

Long-term notes payable at June 30, 2024 are comprised of the following:

<u>Description</u>	<u>Balance at June 30, 2024</u>	<u>Due Within One Year</u>
\$25,673 commercial loan from DuTrac Community Credit Union dated March 31, 2024 and due in monthly installments of \$563, including interest at 2.44% per annum until April 2026.	\$ 12,068	\$ 6,534
\$25,673 commercial loan from DuTrac Community Credit Union dated March 31, 2024 and due in monthly installments of \$563, including interest at 2.44% per annum until April 2026.	12,055	6,534
\$25,673 commercial loan from DuTrac Community Credit Union dated March 31, 2024 and due in monthly installments of \$563, including interest at 2.44% per annum until April 2026.	12,047	6,535
\$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>461,919</u>	<u>74,110</u>
Total	<u>\$ 498,089</u>	<u>\$ 93,713</u>

The annual requirements needed to amortize the long-term notes payable of the Association as of June 30, 2024, are as follows:

<u>Year ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 93,713	\$ 14,911	\$ 108,624
2026	92,559	12,540	105,099
2027	78,698	9,659	88,357
2028	81,497	6,860	88,357
2029	84,395	3,961	88,356
2030	67,227	1,013	68,240
	<u>\$ 498,089</u>	<u>\$ 48,944</u>	<u>\$ 547,033</u>

Current Maturities of long-term obligations consist of:

Notes payable	\$ 93,713
Lease payable	2,246
	<u>\$ 95,959</u>

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2024

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 2 retirees 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, 2024

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, 2024 and the total other post-employment benefit liability was determined by an actuarial valuation using the alternate measurement method as of July 1, 2024.

Actuarial Methods and Assumptions. The Association engaged an actuary to perform a valuation using the alternative measurement method as of June 30, 2024 using the entry age normal, level percent of salary method.

The total other post-employment benefit liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate	4.21%
General wage inflation	3.25% as of June 30, 2024 (includes 2.6% general inflation plus 0.65% real wage inflation)
Annual premium increase rate	8.00% in 2025, decreasing 0.5% per year until leveling off at 4.50% in 2032 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, 2023 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 4.21%, 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, 2024

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	\$	131,409
Changes for the year:		
Service cost		8,243
Interest		5,585
Changes in assumptions		9,410
Differences between expected and actual experience		19,166
Benefit payments		(8,962)
Net change		<u>33,442</u>
Total OPEB liability - end of year	\$	<u>164,851</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 4.21 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 (3.21 percent) or 1-percentage-point higher (5.21 percent) than the current rate:

	1% Decrease to Discount Rate (3.21%)	Current Discount Rate (4.21%)	1% Increase To Discount Rate (5.21%)
Total OPEB liability	\$ 174,239	\$ 164,851	\$ 155,961

The following presents the net other post-employment benefit liability (NOL) of the Association, calculated using the healthcare cost trend rate of 8.0 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 (7.0 percent graded down to 3.5 percent) or 1-percentage-point higher (9.0 percent graded down to 5.5 percent) than the current rate:

	1% Decrease (7.0% Decreasing to 3.5%)	Current (8.0% Decreasing to 4.5%)	1% Increase (9.0% Decreasing to 5.5%)
Total OPEB liability	\$ 152,886	\$ 164,851	\$ 178,609

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2024

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, 2024. All deferred inflows and outflows are fully recognized immediately. Deferred outflows of resources from the differences between expected and actual experience of \$19,166 and from changes in assumptions of \$9,410 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, 2024:

General Fund	
Salaries, wages and fringe benefits	\$ 119,049
Operating materials	6,355
Office supplies	1,697
Conferences and training	5,615
Business travel	7,008
Equipment rental and maintenance	4,745
Telephone	68
Advertising	2,679
Professional fees	208,857
Long-term note principal	401
Lease principal	5,214
Pass-through grant expense	5,000
Direct grant expenses	548,572

East Central Intergovernmental Association
Dubuque, Iowa
NOTES TO FINANCIAL STATEMENTS - CONTINUED
June 30, 2024

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, 2024. 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, 2024

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability							
Service cost	\$ 8,243	\$ 7,943	\$ 8,412	\$ 8,336	\$ 7,710	\$ 7,346	\$ 11,793
Interest	5,585	5,250	2,864	3,460	5,077	5,320	6,590
Changes in benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	19,166	1,454	1,603	(14,352)	(34,278)	(9,076)	(66,448)
Changes of assumptions or other input	9,410	(308)	(11,566)	3,210	6,283	3,227	5,889
Benefit payments	(8,962)	(6,627)	-	-	-	-	-
Net change in total OPEB liability	33,442	7,712	1,313	654	(15,208)	6,817	(42,176)
Total OPEB liability - beginning of the year	131,409	123,697	122,384	121,730	136,938	130,121	172,297
Total OPEB liability - ending (a)	\$ 164,851	\$ 131,409	\$ 123,697	\$ 122,384	\$ 121,730	\$ 136,938	\$ 130,121
Covered employee payroll	\$ 3,810,199	\$ 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	4.3%	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, 2024	4.21%
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, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Association's proportion of the net pension liability (asset)	0.042451%	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	\$ 1,958,768	\$ 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	\$ 3,811,078	\$ 3,462,731	\$ 3,282,034	\$ 3,123,898	\$ 2,850,593	\$ 2,734,080	\$ 2,770,525	\$ 2,638,937	\$ 2,737,381	\$ 2,704,405
Association's proportionate share of the net pension liability as a percentage of its covered payroll	51.40%	46.89%	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	90.13%	91.40%	99.65%	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

* In accordance with GASB Statement No. 68, the amounts presented for each fiscal year were determined as of June 30 of the preceding year.

East Central Intergovernmental Association
Dubuque, Iowa
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE ASSOCIATION CONTRIBUTIONS
Iowa Public Employees' Retirement System
Year ended June 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contributions	\$ 371,554	\$ 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	\$ 371,554	\$ 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	\$ 3,935,955	\$ 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%	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, 2024

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, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Amended		Final Budget
				Favorable (Unfavorable)
Revenues				
Grants				
Federal	\$ 3,641,223	\$ 4,903,070	\$ 5,498,605	\$ 595,535
State of Iowa	16,000	14,706	14,706	-
State of Wisconsin	-	-	245	245
State of Illinois	-	-	15,701	15,701
Private	114,500	132,082	214,964	82,882
Membership fees	148,890	148,890	148,890	-
Fees and assessments	752,693	870,866	1,029,525	158,659
Economic Development Set-Aside and CDBG grant administration	95,932	82,712	75,883	(6,829)
Agency service billings				
ECIA Business Growth	323,022	223,431	192,546	(30,885)
Eastern Iowa Regional Housing Authority (EIRHA)/ Eastern Iowa Regional Housing Corporation (EIRHC)	1,865,755	1,786,229	1,825,675	39,446
CSEI/ECDC	365,572	294,503	304,579	10,076
EIRH Tax Credit Corp	50,088	17,422	2,132	(15,290)
Regional Transit Authority	731,772	744,383	734,879	(9,504)
EIRUSS	181,410	177,189	185,252	8,063
Interest	100	73	85	12
Miscellaneous	59,000	61,324	61,842	518
Total revenues	8,345,957	9,456,880	10,305,509	848,629
Expenditures				
Salaries, wages and fringe benefits	5,604,757	5,358,893	5,477,942	(119,049)
Operating materials	-	-	6,355	(6,355)
Office supplies	90,000	61,769	63,466	(1,697)
Conferences and training	60,700	60,155	65,770	(5,615)
Business travel	170,000	170,559	177,567	(7,008)
Printing	6,000	9,664	8,108	1,556
Equipment rental and maintenance	17,000	7,836	12,581	(4,745)
Office maintenance	20,000	21,592	18,578	3,014
Insurance and bonding	70,000	64,720	63,143	1,577
Dues and subscriptions	25,000	20,731	17,486	3,245
Telephone	44,000	31,133	31,201	(68)
Postage	30,000	25,028	24,807	221
Utilities	30,000	32,387	21,915	10,472
Advertising	20,400	13,405	16,084	(2,679)

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, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Amended		
Expenditures - continued				
Professional fees	\$ 216,700	\$ 196,800	\$ 405,657	\$ (208,857)
Equipment purchases	83,000	83,000	71,966	11,034
Long-term note principal	90,000	103,403	103,804	(401)
Lease principal	-	-	5,214	(5,214)
Interest expense	18,500	19,252	18,067	1,185
Pass-through grant expense	20,000	64,041	69,041	(5,000)
Direct grant expenses	1,700,000	3,074,173	3,622,745	(548,572)
Miscellaneous	27,500	22,533	20,078	2,455
Total expenditures	<u>8,343,557</u>	<u>9,441,074</u>	<u>10,321,575</u>	<u>(880,501)</u>
Excess of revenues over expenditures	2,400	15,806	(16,066)	(31,872)
Other Financing Sources				
Proceeds from lease	27,000	-	4,466	4,466
	<u>27,000</u>	<u>-</u>	<u>4,466</u>	<u>4,466</u>
Change in fund balance	29,400	15,806	(11,600)	(27,406)
Fund balance at beginning of year	<u>748,006</u>	<u>748,006</u>	<u>748,006</u>	<u>-</u>
Fund balance at end of year	<u>\$ 777,406</u>	<u>\$ 763,812</u>	<u>\$ 736,406</u>	<u>\$ (27,406)</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, 2024

		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	\$ 5,498,605	\$ 280,449	\$ -	\$ -	\$ -	\$ 163,987	\$ -	\$ 907,446	\$ 526,635	\$ 245,377
State of Iowa	14,706	-	-	-	-	-	-	-	-	-
State of Wisconsin	245	245	-	-	-	-	-	-	-	-
State of Illinois	15,701	15,701	-	-	-	-	-	-	-	-
Private	214,964	-	-	-	-	-	-	-	-	-
Membership fees	148,890	-	-	52,487	-	-	-	-	-	-
Fees and assessments	1,029,525	159,077	485	376,352	692	-	3,687	58,461	-	30,129
Economic Development Set-Aside and CDBG grant administration	75,883	-	-	-	-	-	-	-	-	-
Agency service billings										
ECIA Business Growth	192,546	-	-	-	-	-	192,546	-	-	-
EIRHA/EIRHC	1,825,675	-	-	-	-	-	-	-	-	-
CSEI/ECDC	304,579	-	-	-	-	-	-	-	-	-
EIRH Tax Credit Corp	2,132	-	-	-	-	-	-	-	-	-
Regional Transit Authority	734,879	-	-	-	-	-	-	-	-	-
EIRUSS	185,252	-	-	-	-	-	-	-	-	-
Interest	85	-	-	-	-	-	-	-	-	-
Proceeds from lease	4,466	-	-	-	-	-	-	-	-	-
Proceeds from sale of equipment	-	-	-	-	-	-	-	-	-	-
Miscellaneous	61,842	-	-	-	-	-	-	-	-	-
Total revenues	10,309,975	455,472	485	428,839	692	163,987	196,233	965,907	526,635	275,506
EXPENDITURES										
Salaries, wages & fringe benefits	5,477,942	277,570	359	375,369	597	49,652	170,918	252,107	57,849	76,648
Operating materials	6,355	-	-	-	-	1,078	-	1,625	-	3,211
Office supplies	63,466	4,553	5	3,352	2	247	1,409	4,262	483	2,790
Conferences and training	65,770	4,917	-	1,326	-	21	3,948	9,140	3,342	219
Business travel	177,567	13,810	78	15,668	15	1,224	3,800	11,996	1,683	2,344
Printing	8,108	131	-	5,063	-	21	132	126	31	22
Equipment rental and maintenance	12,581	673	6	872	-	121	423	618	133	144
Office maintenance	18,578	987	2	1,321	6	113	661	926	232	325
Insurance and bonding	63,143	3,249	3	4,155	7	3,151	2,064	3,238	696	769
Dues and subscriptions	17,486	716	2	1,005	1	84	2,394	582	192	422
Telephone	31,201	1,617	3	2,085	4	231	1,044	1,550	359	563
Postage	24,807	110	10	196	-	17	463	490	23	247
Utilities	21,915	1,180	2	1,522	3	169	766	1,115	264	350
Advertising	16,084	862	-	1,046	-	99	286	1,236	14	667
Professional fees	405,657	138,404	8	7,242	27	106,829	3,557	6,949	20,616	1,260
Depreciation	63,075	917	1	1,176	3	134	595	889	206	317
Equipment purchases	71,966	-	-	-	-	-	-	-	-	-
Long-term note payable principal	103,804	4,556	5	5,835	13	655	2,931	4,383	1,014	1,540
Lease principal	5,214	254	-	357	2	3	207	272	90	154
Interest expense	18,067	966	1	1,249	12	138	635	935	215	347
Pass thru grant expense	69,041	-	-	-	-	-	-	-	-	-
Direct grant expenses	3,622,745	-	-	-	-	-	-	663,468	439,193	183,167
Miscellaneous	20,078	-	-	-	-	-	-	-	-	-
Total expenditures	10,384,650	455,472	485	428,839	692	163,987	196,233	965,907	526,635	275,506
Excess of revenues over (under) expenditures	\$ (74,675)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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, 2024

	50	55	56	57	58	59	60	66	72
	Economic Development Grant	EIRHA	EIRHC	EIRHC TBRA	Housing Trust Fund	EIRHC Evergreen Meadows	EIRHC Asbury Meadows	EIRHC Tax Credit Corp	USDA RCDI Grant 2020
REVENUES									
Grants									
Federal	\$ 76,223	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,369
State of Iowa	14,706	-	-	-	-	-	-	-	-
State of Wisconsin	-	-	-	-	-	-	-	-	-
State of Illinois	-	-	-	-	-	-	-	-	-
Private	83,750	-	-	-	-	-	-	-	7,516
Membership fees	43,548	-	-	-	-	-	-	-	35,054
Fees and assessments	30,287	-	-	-	-	-	-	-	-
Economic Development Set-Aside and CDBG grant administration	-	-	-	-	-	-	-	-	-
Agency service billings									
ECIA Business Growth	-	-	-	-	-	-	-	-	-
EIRHA/EIRHC	-	1,790,620	5,001	12,226	17,563	109	156	-	-
CSEI/ECDC	-	-	-	-	-	-	-	2,132	-
EIRH Tax Credit Corp	-	-	-	-	-	-	-	-	-
Regional Transit Authority	-	-	-	-	-	-	-	-	-
EIRUSS	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Proceeds from lease	-	-	-	-	-	-	-	-	-
Proceeds from sale of equipment	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Total revenues	<u>248,514</u>	<u>1,790,620</u>	<u>5,001</u>	<u>12,226</u>	<u>17,563</u>	<u>109</u>	<u>156</u>	<u>2,132</u>	<u>83,939</u>
EXPENDITURES									
Salaries, wages & fringe benefits	200,325	1,626,081	4,551	10,864	15,871	-	-	-	75,016
Operating materials	-	-	-	-	-	-	-	-	-
Office supplies	1,579	15,390	72	96	169	-	-	-	1,302
Conferences and training	1,590	1,591	7	10	27	-	-	-	1,341
Business travel	7,736	21,028	55	116	180	-	-	2,132	808
Printing	137	1,274	2	6	7	-	-	-	36
Equipment rental and maintenance	476	2,773	3	-	42	-	-	-	106
Office maintenance	738	4,085	16	-	85	-	-	-	352
Insurance and bonding	2,404	19,904	62	130	149	-	-	-	638
Dues and subscriptions	1,709	4,060	18	39	65	-	-	-	471
Telephone	1,204	6,967	17	-	100	-	-	-	467
Postage	99	16,815	25	827	76	109	156	-	35
Utilities	906	5,081	11	-	63	-	-	-	292
Advertising	92	907	1	2	39	-	-	-	18
Professional fees	4,497	35,582	84	136	285	-	-	-	998
Depreciation	688	3,982	9	-	53	-	-	-	266
Equipment purchases	-	-	-	-	-	-	-	-	-
Long-term note principal	3,410	19,598	48	-	276	-	-	-	1,283
Lease principal	202	1,302	9	-	18	-	-	-	219
Interest expense	722	4,200	11	-	58	-	-	-	291
Pass thru grant expense	-	-	-	-	-	-	-	-	-
Direct grant expenses	20,000	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Total expenditures	<u>248,514</u>	<u>1,790,620</u>	<u>5,001</u>	<u>12,226</u>	<u>17,563</u>	<u>109</u>	<u>156</u>	<u>2,132</u>	<u>83,939</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>

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, 2024

	73	74	76	80	85	90	130	133	300	400	420
	USDA RCDI Grant 2021	USDA RCDI Grant 2022	USDA RCDI Grant 2023	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	\$ 88,013	\$ 27,933	\$ 7,386	\$ 201,016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of Iowa	-	-	-	-	-	-	-	-	-	-	-
State of Wisconsin	-	-	-	-	-	-	-	-	-	-	-
State of Illinois	-	-	-	-	-	-	-	-	-	-	-
Private	-	-	-	-	-	-	-	-	-	-	131,214
Membership fees	30,377	14,962	-	-	-	-	-	-	-	-	-
Fees and assessments	57,635	12,971	7,387	89,974	-	32,376	-	-	-	1,273	14,500
Economic Development Set-Aside and CDBG grant administration	-	-	-	-	75,883	-	-	-	-	-	-
Agency service billings											
ECIA Business Growth	-	-	-	-	-	-	-	-	-	-	-
EIRHA/EIRHC	-	-	-	-	-	-	-	-	-	-	-
CSEI/ECDC	-	-	-	-	-	-	244,781	59,798	-	-	-
EIRH Tax Credit Corp	-	-	-	-	-	-	-	-	-	-	-
Regional Transit Authority	-	-	-	-	-	-	-	-	-	734,879	-
EIRUSS	-	-	-	-	-	-	-	-	185,252	-	-
Interest	-	-	-	-	-	85	-	-	-	-	-
Proceeds from lease	-	-	-	-	-	4,466	-	-	-	-	-
Proceeds from sale of equipment	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	61,842	-	-	-	-	-
Total revenues	<u>176,025</u>	<u>55,866</u>	<u>14,773</u>	<u>290,990</u>	<u>75,883</u>	<u>98,769</u>	<u>244,781</u>	<u>59,798</u>	<u>185,252</u>	<u>736,152</u>	<u>145,714</u>
EXPENDITURES											
Salaries, wages & fringe benefits	158,016	37,875	10,911	242,835	66,005	-	210,385	53,993	164,570	657,814	105,452
Operating materials	-	-	-	-	-	-	-	-	-	-	-
Office supplies	937	2,657	49	4,146	740	-	4,100	442	1,391	5,737	795
Conferences and training	148	11,543	2,772	3,132	961	-	4,894	57	164	1,254	93
Business travel	3,591	895	190	9,366	2,606	16,324	5,563	812	4,128	11,308	6,064
Printing	80	15	7	120	27	-	121	25	75	308	43
Equipment rental and maintenance	369	106	43	531	155	-	550	143	399	1,905	442
Office maintenance	589	123	32	929	280	-	768	239	581	2,656	400
Insurance and bonding	2,028	464	125	2,740	832	-	2,548	669	2,019	8,020	1,237
Dues and subscriptions	285	59	17	650	294	-	520	137	389	1,862	215
Telephone	980	218	65	1,414	411	-	2,403	342	990	3,964	650
Postage	74	15	5	205	39	-	774	36	1,795	756	65
Utilities	762	163	50	1,039	285	-	921	238	722	2,921	488
Advertising	53	10	4	483	129	-	115	15	268	728	35
Professional fees	3,987	847	252	17,469	1,406	-	5,893	1,234	3,644	20,366	2,262
Depreciation	567	123	37	803	229	45,953	718	193	566	2,259	360
Equipment purchases	-	-	-	-	-	71,966	-	-	-	-	-
Long-term note principal	2,786	616	176	4,003	1,146	19,123	3,571	966	2,795	11,285	1,759
Lease principal	173	11	-	275	90	-	182	53	163	614	-
Interest expense	600	126	38	850	248	-	755	204	593	2,395	354
Pass thru grant expense	-	-	-	-	-	-	-	-	-	-	25,000
Direct grant expenses	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	20,078	-	-	-	-	-
Total expenditures	<u>176,025</u>	<u>55,866</u>	<u>14,773</u>	<u>290,990</u>	<u>75,883</u>	<u>173,444</u>	<u>244,781</u>	<u>59,798</u>	<u>185,252</u>	<u>736,152</u>	<u>145,714</u>
Excess of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (74,675)</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, 2024

	560	610	620	630
	EDA/ NICC Grant	Older Adult Home Modification	Healthy Homes	Regional Lead and Healthy Homes
REVENUES				
Grants				
Federal	\$ 61,916	\$ 487,886	\$ 712,661	\$ 1,670,308
State of Iowa	-	-	-	-
State of Wisconsin	-	-	-	-
State of Illinois	-	-	-	-
Private	-	-	-	-
Membership fees	-	-	-	-
Fees and assessments	-	25,670	33,675	59,840
Economic Development Set-Aside and CDBG grant administration	-	-	-	-
Agency service billings				
ECIA Business Growth	-	-	-	-
EIRHA/EIRHC	-	-	-	-
CSEI	-	-	-	-
EIRH Tax Credit Corp	-	-	-	-
Regional Transit Authority	-	-	-	-
EIRUSS	-	-	-	-
Interest	-	-	-	-
Proceeds from lease	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>61,916</u>	<u>513,556</u>	<u>746,336</u>	<u>1,730,148</u>
EXPENDITURES				
Salaries, wages & fringe benefits	16,247	115,165	116,708	328,189
Operating materials	-	-	127	314
Office supplies	236	2,176	2,048	2,301
Conferences and training	1	3,930	3,786	5,556
Business travel	118	4,788	8,379	20,762
Printing	3	58	66	172
Equipment rental and maintenance	9	307	313	919
Office maintenance	34	432	424	1,242
Insurance and bonding	336	1,506	-	-
Dues and subscriptions	8	278	302	710
Telephone	80	715	701	2,057
Postage	4	451	87	803
Utilities	49	524	501	1,528
Advertising	1	2,858	31	6,085
Professional fees	378	3,863	5,362	12,220
Depreciation	46	406	403	1,176
Equipment purchases	-	-	-	-
Long-term note principal	219	2,016	1,978	5,818
Lease principal	57	116	116	275
Interest expense	49	426	420	1,229
Pass thru grant expense	44,041	-	-	-
Direct grant expenses	-	373,541	604,584	1,338,792
Miscellaneous	-	-	-	-
Total expenditures	<u>61,916</u>	<u>513,556</u>	<u>746,336</u>	<u>1,730,148</u>
Excess of revenues over (under) expenditures	<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, 2024

	30	80
	FHWA and FTA Section 8 Transportation 24MPO-ECIA	Regional Transit RPA 24RPA-08
REVENUES		
Grants		
Federal - Planning	\$ 280,449	\$ 201,016
State of Iowa	-	-
State of Wisconsin	245	-
State of Illinois	15,701	-
Membership fees	-	-
Fees and assessments	159,077	89,974
Total revenues	455,472	290,990
EXPENDITURES		
Salaries, wages and fringe benefits	277,570	242,835
Operating materials	-	-
Office supplies	4,553	4,146
Conferences and training	4,917	3,132
Business travel	13,810	9,366
Printing	131	120
Equipment rental and maintenance	673	531
Office maintenance	987	929
Insurance and bonding	3,249	2,740
Dues and subscriptions	716	650
Telephone	1,617	1,414
Postage	110	205
Utilities	1,180	1,039
Advertising	862	483
Professional fees	138,404	17,469
Depreciation	917	803
Long-term debt principal	4,556	4,003
Lease principal	254	275
Interest expense	966	850
Pass through grant expense	-	-
Total expenditures	455,472	290,990
Expense basis for computation of Federal participation in project cost	455,472	290,990
Federal participation percentage	80%	80%
Computed project grant earned	\$ 364,378	\$ 232,792
Pursuant to contracts, the grants may not exceed the lesser of the eligible cost incurred multiplied by the percentage of participation or grant authority:	\$ 280,449	\$ 201,016
Therefore, the grants earned equal:	\$ 280,449	\$ 201,016

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, 2024

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	United States Department of Commerce Economic Development Planning Grant			Total Fiscal Year	Collabor- ative Marketing (PEI/KIB)	Total Economic Development
	ED23DEN3020006					
	Prior Audit 4/1/23-6/30/23	Current Year 7/1/23-6/30/24	Total 4/1/23-6/30/24			
REVENUES						
Grants						
Federal - EDA	\$ 24,611	\$ 76,223	\$ 100,834	\$ 76,223	\$ -	\$ 76,223
State of Iowa - Other	-	14,706	14,706	14,706	-	14,706
Private	-	16,181	16,181	16,181	67,569	83,750
Membership fees	3,143	43,548	46,691	43,548	-	43,548
Fees and assessments	-	1,788	1,788	1,788	28,499	30,287
Total revenues	<u>27,754</u>	<u>152,446</u>	<u>180,200</u>	<u>152,446</u>	<u>96,068</u>	<u>248,514</u>
EXPENDITURES						
Salaries, wages and fringe benefits	39,946	133,589	173,535	133,589	66,736	200,325
Office supplies	517	1,020	1,537	1,020	559	1,579
Conferences and training	3,831	1,002	4,833	1,002	588	1,590
Business travel	1,286	5,103	6,389	5,103	2,633	7,736
Printing	352	100	452	100	37	137
Equipment rental and maintenance	(3)	276	273	276	200	476
Office maintenance	534	500	1,034	500	238	738
Insurance and bonding	502	1,616	2,118	1,616	788	2,404
Dues and subscriptions	426	1,229	1,655	1,229	480	1,709
Telephone	218	802	1,020	802	402	1,204
Postage	21	63	84	63	36	99
Utilities	192	604	796	604	302	906
Advertising	23	62	85	62	30	92
Professional fees	420	3,066	3,486	3,066	1,431	4,497
Depreciation	122	463	585	463	225	688
Long-term debt principal	574	2,270	2,844	2,270	1,140	3,410
Lease principal	122	190	312	190	12	202
Interest expense	139	491	630	491	231	722
Other grant expense	-	-	-	-	20,000	20,000
Total expenditures	<u>49,222</u>	<u>152,446</u>	<u>201,668</u>	<u>152,446</u>	<u>96,068</u>	<u>248,514</u>
Add qualifying matching expenses	-	-	-	-	-	-
Add in-kind matching expenses	-	-	-	-	-	-
Expense basis for computation of federal and/or state participation in project cost	49,222	152,446	201,668	152,446	96,068	
Federal or state participation percentage	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>72%</u>	
Computed project grant earned	<u>\$ 24,611</u>	<u>\$ 76,223</u>	<u>\$ 100,834</u>	<u>\$ 76,223</u>	<u>\$ 69,169</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>\$ 100,834</u>	<u>\$ 76,223</u>	<u>\$ 67,569</u>	
Therefore, the grants earned equal:			<u>\$ 100,834</u>	<u>\$ 76,223</u>	<u>\$ 67,569</u>	

East Central Intergovernmental Association
Dubuque, Iowa
STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES
IN FUND BALANCE - BY PROGRAM - ECDC
Year ended June 30, 2024

	Pocket Neighborhood	General	Total
Revenues			
Grants			
State grant	\$ -	\$ -	\$ -
Other	-	-	-
Interest income	-	89	89
Miscellaneous	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	-	89	89
Operating expenses			
Professional fees	-	535	535
Repairs	-	-	-
Utilities	-	-	-
Management fees	-	-	-
Downpayment assistance	-	-	-
Insurance	-	-	-
Property taxes	-	-	-
Closing costs	-	-	-
Grant match expense	-	5,000	5,000
Other expenses	5,494	-	5,494
Capital purchases	-	-	-
	<u>5,494</u>	<u>5,535</u>	<u>11,029</u>
Total operating expenses	5,494	5,535	11,029
Change in net position	<u>\$ (5,494)</u>	<u>\$ (5,446)</u>	<u>\$ (10,940)</u>

East Central Intergovernmental Association
Dubuque, Iowa
STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES
IN FUND BALANCE - BY PROGRAM - CSEI
Year ended June 30, 2024

	COC	Emergency Rental Assistance	ESG	ICARES	TBRA Grant	Locally Funded	Total
Revenues							
Grants							
COC SNAP grant	\$ 99,978	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,978
Emergency solutions grant	-	-	112,100	-	-	-	112,100
Emergency Rental Assistance	-	410,540	-	-	-	-	410,540
Tenant Based Rental Assistance	-	-	-	-	966	-	966
ICARES grant	-	-	-	25,425	-	-	25,425
Other	-	-	-	-	-	199,531	199,531
Interest income	-	-	-	-	-	64	64
Miscellaneous	-	-	-	-	-	500	500
Total revenues	<u>99,978</u>	<u>410,540</u>	<u>112,100</u>	<u>25,425</u>	<u>966</u>	<u>200,095</u>	<u>849,104</u>
Operating expenses							
Housing assistance payments	40,300	303,015	55,467	21,307	-	-	420,089
Management services	59,678	74,557	56,633	4,118	966	119,839	315,791
Office supplies	-	-	-	-	-	2,165	2,165
Advertising	-	-	-	-	-	729	729
Professional fees	-	-	-	-	-	535	535
Insurance	-	-	-	-	-	-	-
Miscellaneous	-	(40)	-	-	-	5,826	5,786
Pass through grant expense	-	33,008	-	-	-	5,533	38,541
Total operating expenses	<u>99,978</u>	<u>410,540</u>	<u>112,100</u>	<u>25,425</u>	<u>966</u>	<u>134,627</u>	<u>783,636</u>
Change in net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,468</u>	<u>\$ 65,468</u>

East Central Intergovernmental Association
Dubuque, Iowa
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
For the year ended June 30, 2024

Grantor/Program	Assistance Listing 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	11.307	ED23DEN3020006	\$ 76,223	\$ -
Business Resiliency and Recovery Project	11.307	05-79-06051	61,916	44,041
			<u>138,139</u>	<u>44,041</u>
Environmental Protection Agency				
Brownsfield Assessment and Cleanup	66.818	BF-97756401	163,987	-
Brownsfield Revolving Loan Fund	66.818	BF-97764501	526,635	439,193
			<u>690,622</u>	<u>439,193</u>
United States Department of Housing and Urban Development				
Continuum of Care Grant	14.267	IA0172L7D012200	99,978	-
Lead Hazard Control Grant	14.900	IAHLB0743-19	245,377	-
Older Adults Home Modification Program Grant	14.921	IAHRMR004-21	487,886	-
Healthy Homes Production Grant	14.901	IAHHP0057-22	712,661	-
Regional Lead and Healthy Homes	14.905	IALHB0786-22	1,670,308	-
			<u>3,216,210</u>	<u>-</u>
Total Direct			4,044,971	483,234
Indirect:				
United States Department of Agriculture				
Passed through Iowa USDA Rural Development Rural Community Development Initiative Grant	10.446	16-031-421025428	164,701	-
United States Department of Housing and Urban Development				
Passed through City of Clinton, IA Lead Hazard Control Grant	14.900	IALHB075520	907,445	-
Passed through Iowa Finance Authority Emergency Solutions Grant	14.231	ESG-31024-22	52,914	-
Emergency Solutions Grant	14.231	ESG-31024-24	59,186	-
Tenant Based Rental Assistance	14.239	23-1-HM-590	966	-
			<u>113,066</u>	<u>-</u>
Total United States Department of Housing and Urban Development			1,020,511	-

East Central Intergovernmental Association
Dubuque, Iowa
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE - CONTINUED
For the year ended June 30, 2024

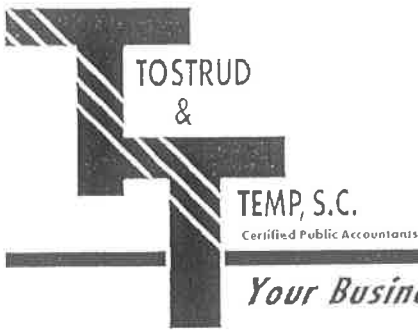
Grantor/Program	Assistance Listing Number	Agency or Pass-Through Grantor's Number	Accrual Basis Program Disbursements	Passed Through to Subrecipients
United States Department of Transportation				
Passed through Iowa Department of Transportation				
FHWA - Planning	20.205	23-MPO-ECIA	118,371	-
FTA 5303d	20.505	23-MPO-ECIA	167	-
FHWA STBG/SPR	20.205	23-RPA-08	97,329	-
FTA 5305e	20.505	23-RPA-08	31,289	-
SS4A	20.939	693JJ32340370	166,130	-
			<u>413,286</u>	-
Passed through Illinois Department of Transportation				
IL Hwy Planning Research	20.205	21-1009/1437-33312	62,801	-
			<u>62,801</u>	-
Passed through Wisconsin Department of Transportation				
FHWA Planning	20.205	WisDOT Contract	5,379	-
			<u>5,379</u>	-
Total United States Department of Transportation			481,466	-
United States Department of the Treasury				
Passed through Iowa Finance Authority				
Emergency Rental Assistance	21.023	* RRH-ERA2-04	410,540	33,008
Total Indirect			<u>2,077,218</u>	<u>33,008</u>
Total Federal Financial Assistance			<u>\$ 6,122,189</u>	<u>\$ 516,242</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



609 S. 4th Street, Suite B
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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, 2024, and the related notes to the financial statements, which collectively comprise the Association's basic financial statements, and have issued our report thereon dated November 8, 2024.

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

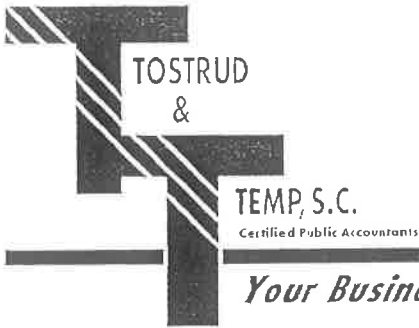
As part of obtaining reasonable assurance about whether the Association's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

Tostaud & Temp, S.C.

November 8, 2024



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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, 2024. 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, 2024.

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 Association'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 Association'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 Association'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.

Testard & Temp, S.C.

November 8, 2024

East Central Intergovernmental Association
Dubuque, Iowa
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended June 30, 2024

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 X none reported

 Significant deficiency identified
 considered to be a material weakness? yes X no

Noncompliance material to the financial statements? yes X no

Federal Awards

Internal control over compliance:

 Significant deficiency identified? yes X none reported

 Significant deficiency identified
 considered to be a material weakness? yes X 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 X no

Identification of Major Federal Programs

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.905	Lead Hazard Reduction Demonstration Grant Program

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

Auditee qualified as a low-risk auditee? X 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