Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 05-01 , 2009, and ending 04-30 , 20 10

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization BLACK RIVER AREA DEVELOPMENT CORP.

Doing Business As

Number and street (or P O box if mail is not delivered to street address) 1403 HOSPITAL DRIVE Room/suite

City or town, state or country, and ZIP + 4 Pocahontas, AR 72455

D Employer identification no. 71-0387337

E Telephone number (870)892-4547

G Gross receipts $ 7,826,436

F Name and address of principal officer

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☒ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ N/A

K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1966

M State of legal domicile AR

Part I Summary

Activities & Governance

1	Briefly describe the organization's mission or most significant activities: See audited financial statements.		
2	Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets		
3	Number of voting members of the governing body (Part VI, line 1a)	3	15
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	15
5	Total number of employees (Part V, line 2a)	5	170
6	Total number of volunteers (estimate if necessary)	6	
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	0
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	5,834,721	7,591,428
9	Program service revenue (Part VIII, line 2g)	76,259	75,068
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	17,218	11,872
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	151,564	148,068
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	6,079,762	7,826,436
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	788,635	1,228,868
14	Benefits paid to or for members (Part IX, column (A), line 4)		0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	3,487,177	4,005,076
16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	1,696,568	1,966,362
18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	5,972,380	7,200,306
19	Revenue less expenses. Subtract line 18 from line 12	107,382	626,130

	Net Assets or Fund Balances	Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	3,317,314	4,074,647
21	Total liabilities (Part X, line 26)	631,044	762,247
22	Net assets or fund balances Subtract line 21 from line 20	2,686,270	3,312,400

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SEP 27 2010
OGDEN, UT
IRS-OSC

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

▶ Signature of officer — Date 9/15/10

▶ Jim Jansen Executive Director
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ — Date 9/9/10 — Check if self-employed ▶ ☐ — Preparer's identifying number (see instructions) 430-90-2678

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ FREEMAN AND COMPANY CPAs INC
3712 E. HIGHLAND DR.
JONESBORO, AR 72401

EIN ▶ 20-0295165

Phone no ▶ 870-932-4514

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

SCANNED SEP 29 2010

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission·

See audited financial statements.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code:) (Expenses $ 6,961,907 including grants of $ 1,228,868) (Revenue $)

See audited financial statements.

4b (Code:) (Expenses $ including grants of $) (Revenue $)

4c (Code·) (Expenses $ including grants of $) (Revenue $)

4d Other program services. (Describe in Schedule O.)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses ▶** 6,961,907

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2		X
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4		X
5	**Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5		N/A
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8		X
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	10		X
11	Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	11	X	
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI			
	• Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII			
	• Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.			
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.			
	• Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X			
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X.			
12	Did the organization obtain a separate, independent audited financial statement for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12	X	
12A	Was the organization included in a consolidated, independent audited financial statement for the tax year? If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional. 12A — Yes: ; No: X			
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III	16		X
17	Did the organization report more than $15,000 of expenses for professional fundraising services on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18		X
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19		X
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20		X

Part IV **Checklist of Required Schedules** (continued)

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21		X
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	X	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23		X
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to question 25	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		N/A
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		N/A
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		N/A
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27		X
28	Was the organization a party to a business transaction with one of the following parties, directly or indirectly (see Schedule L, Part IV instructions for definitions of "direct" and "indirect" and applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		X
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or owner? If "Yes," complete Schedule L, Part IV	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? If "Yes," complete Schedule M	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33		X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35		X
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		X
38	Did the organization complete Schedule O and provide explanations for Part VI, lines 11 and 19?	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U S Information Returns. Enter -0- if not applicable	1a	102			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	102			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	170			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?			3a		X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O			3b		N/A
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		X
b	If "Yes," enter the name of the foreign country ▶ N/A					
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		X
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?			5c		N/A
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		N/A
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			7a		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		N/A
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	N/A			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?			7g		N/A
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?			7h		N/A
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		N/A
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			9a		N/A
b	Did the organization make a distribution to a donor, donor advisor, or related person?			9b		N/A
10	**Section 501(c)(7) organizations.** Enter:					
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	N/A			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	N/A			
11	**Section 501(c)(12) organizations.** Enter:					
a	Gross income from members or shareholders	11a	N/A			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	N/A			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		N/A
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	N/A			

Part VI **Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O See instructions

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body	1a 15			
b	Enter the number of voting members that are independent	1b 15			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		3		X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		4		X
5	Did the organization become aware during the year of a material diversion of the organization's assets?		5		X
6	Does the organization have members or stockholders?		6		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		7a		X
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		7b		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	X	
b	Each committee with authority to act on behalf of the governing body?		8b	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		9	X	

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		X
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		N/A
11	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	11	X	
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	X	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	X	
13	Does the organization have a written whistleblower policy?	13	X	
14	Does the organization have a written document retention and destruction policy?	14	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision.			
a	The organization's CEO, Executive Director, or top management official?	15a	X	
b	Other officers or key employees of the organization? Describe the process in Schedule O. (see instructions)	15b	X	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		N/A

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ NONE

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ Black River Area Development Corp (870)892-4547
1403 Hospital Drive Pocahontas, AR 72455

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees. See instructions for definition of "key employee"
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order: individual trustees or directors; institutional trustees, officers; key employees, highest compensated employees; and former such persons.

☒ Check this box if the organization did not compensate any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
Darlene Tanner		X						0	0	0
Steve Weston		X						0	0	0
Brigitte McDonald		X						0	0	0
Judy Phelan		X						0	0	0
Ronald Sellers		X						0	0	0
Janice Shanks		X						0	0	0
Suzanne Allen		X						0	0	0
Cherie Ebeland		X						0	0	0
Lewis Slaughter		X						0	0	0
Glenn Murphy		X						0	0	0
Stan Little		X						0	0	0
Betty Getson		X						0	0	0
Karen Burris		X						0	0	0
Geneva Alphin		X						0	0	0
Omar Lee Rogers		X						0	0	0

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
1b Total ▶								0	0	0

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 0

		Yes	No
3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	3		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? If "Yes," complete Schedule J for such individual	4		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person	5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
Clark Construction ,	Construction	406,000

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 1

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e 7,591,428				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f. $					
	h	**Total.** Add lines 1a-1f ▶		7,591,428			
Program Service Revenue			Business Code				
	2a	PROGRAM FEES	900099	75,068			75,068
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a-2f ▶		75,068			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶		11,872			11,872
	4	Income from investment of tax-exempt bond proceeds ▶					
	5	Royalties ▶					
			(i) Real / (ii) Personal				
	6a	Gross Rents					
	b	Less: rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss) ▶					
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory					
	b	Less: cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss) ▶					
	8a	Gross income from fundraising events (not including $ of contributions reported on line 1c). See Part IV, line 18	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from fundraising events ▶					
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less. direct expenses	b				
	c	Net income or (loss) from gaming activities ▶					
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory ▶					
		Miscellaneous Revenue	Business Code				
	11a	OTHER	900099	148,068			148,068
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a-11d ▶		148,068			
	12	**Total Revenue.** Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e ▶		7,826,436	0	0	235,008

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U S See Part IV, line 22	1,228,868	1,228,868		
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	3,309,843	3,171,831	138,012	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	695,233	672,855	22,378	
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses	798,725	791,874	6,851	
14 Information technology				
15 Royalties				
16 Occupancy	272,650	272,650		
17 Travel	129,625	129,625		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	10,177		10,177	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	194,228	170,905	23,323	
23 Insurance				
24 Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a OTHER	250,104	242,651	7,453	
b PURCHASED SERVICES	310,099	279,894	30,205	
c LOSS ON DISP. OF ASSETS	754	754		
d				
e				
f All other expenses				
25 **Total functional expenses.** Add lines 1 through 24f	7,200,306	6,961,907	238,399	0
26 **Joint Costs.** Check here ▶ ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing	119,114	1	78,727
	2	Savings and temporary cash investments	1,149,126	2	1,141,397
	3	Pledges and grants receivable, net	290,356	3	400,503
	4	Accounts receivable, net	111,227	4	166,543
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges		9	
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D. 10a 4,152,587			
	b	Less. accumulated depreciation. 10b 1,865,110	1,647,491	10c	2,287,477
	11	Investments - publicly traded securities		11	
	12	Investments - other securities See Part IV, line 11		12	
	13	Investments - program-related See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11		15	
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	3,317,314	16	4,074,647
Liabilities	17	Accounts payable and accrued expenses	631,044	17	762,247
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities Complete Part X of Schedule D		25	
	26	**Total liabilities.** Add lines 17 through 25	631,044	26	762,247
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	685,424	27	676,187
	28	Temporarily restricted net assets	2,000,846	28	2,636,213
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	2,686,270	33	3,312,400
	34	Total liabilities and net assets/fund balances	3,317,314	34	4,074,647

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990. ☐ Cash ☒ Accrual ☐ Other			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	X	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both: ☒ separate basis ☐ consolidated basis ☐ both consolidated and separate basis	2d		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X	
b	If "Yes," did the organization undergo the required audit or audits?	3b	X	

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization: BLACK RIVER AREA DEVELOPMENT CORP.

Employer identification number: 71-0387337

Part I Reason for Public Charity Status (All organizations must complete this part) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: ____________

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III-Functionally integrated **d** ☐ Type III-Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box . . . . . ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)		
(ii) A family member of a person described in (i) above?	11g(ii)		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)		

h Provide the following information about the organizations the organization supports.

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	5,101,369	5,248,910	5,433,985	5,834,721	7,591,428	29,210,413
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3	5,101,369	5,248,910	5,433,985	5,834,721	7,591,428	29,210,413
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from ln 4						29,210,413

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4	5,101,369	5,248,910	5,433,985	5,834,721	7,591,428	29,210,413
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	15,441	19,946	20,603	17,218	11,872	85,080
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	394,227	231,920	211,958	227,823	223,136	1,289,064
11 **Total support.** Add lines 7 through 10						30,584,557

12 Gross receipts from related activities, etc. (see instructions) . . . 12

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** . . . ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f)) . . . 14 95.51 %

15 Public support percentage from 2008 Schedule A, Part II, line 14 . . . 15 94.78 %

16a **33 1/3% support test - 2009.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization . . . ▶ ☒

b **33 1/3% support test - 2008.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization . . . ▶ ☐

17a **10%-facts-and-circumstances test - 2009.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . ▶ ☐

b **10%-facts-and-circumstances test - 2008.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization . . . ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . ▶ ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I)

Section A. Public Support

N/A

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise, sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or bus. under sec 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6.)						

Section B. Total Support

N/A

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support.** (Add lines 9, 10c, 11, and 12)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

N/A

15	Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	%
16	Public support percentage from 2008 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

N/A

17	Investment income percentage for **2009** (line 10c, column (f) divided by line 13, column (f))	17	%
18	Investment income percentage from **2008** Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2009.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests - 2008.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private Foundation:** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization: BLACK RIVER AREA DEVELOPMENT CORP.

Employer identification number: 71-0387337

Part I — Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6 N/A

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? ☐ Yes ☐ No

Part II — Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7. N/A

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g , recreation or pleasure)
☐ Preservation of an historically important land area
☐ Protection of natural habitat
☐ Preservation of certified historic structure
☐ Preservation of open space

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

			Held at the End of the Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year▶ ____________

4 Number of states where property subject to conservation easement is located ▶ ____________

5 Does the organization have a written policy regarding the periodic monitoring, inspection, reporting of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ ____________

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ $ ____________

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III — Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8 N/A

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ ____________

(ii) Assets included in Form 990, Part X ▶ $ ____________

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ $ ____________

b Assets included in Form 990, Part X ▶ $ ____________

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply).

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV **Trust, Escrow and Custodial Arrangements.** Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21 N/A

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table

			Amount
c	Beginning balance	1c	
d	Additions during the year	1d	
e	Distributions during the year	1e	
f	Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V **Endowment Funds.** Complete if organization answered "Yes" to Form 990, Part IV, line 10. N/A

		(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a	Beginning of year balance					
b	Contributions					
c	Investment earnings or losses					
d	Grants or scholarships					
e	Other expenditures for facilities and programs					
f	Administrative expenses					
g	End of year balance					

2 Provide the estimated percentage of the year end balance held as

a Board designated or quasi-endowment ► ______ %

b Permanent endowment ► ______ %

c Term endowment ► ______ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by.

			Yes	No
	(i) unrelated organizations	3a(i)		
	(ii) related organizations	3a(ii)		
b	If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI **Investments - Land, Buildings, and Equipment.** See Form 990, Part X, line 10

	Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a	Land	74,824			74,824
b	Buildings	2,291,400		574,700	1,716,700
c	Leasehold improvements				
d	Equipment	1,786,363		1,290,410	495,953
e	Other				
Total.	Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ►				2,287,477

Part VII Investments - Other Securities. See Form 990, Part X, line 12 N/A

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other		
Total (Column (b) should equal Form 990, Part X, col (B) line 12) ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13 N/A

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13) ▶		

Part IX Other Assets. See Form 990, Part X, line 15. N/A

(a) Description	(b) Book value
Total. (Column (b) should equal Form 990, Part X, col (B) line 15.) ▶	

Part X Other Liabilities. See Form 990, Part X, line 25 N/A

1 (a) Description of liability	(b) Amount
Federal income taxes	
Total. (Column (b) should equal Form 990, Part X, col (B) line 25) ▶	

2. FIN 48 Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	7,826,436
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	7,200,306
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	626,130
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4-8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	626,130

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	9,045,498
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12.				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	1,219,062		
e	Add lines **2a** through **2d**			2e	1,219,062
3	Subtract line **2e** from line **1**			3	7,826,436
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total revenue Add lines **3** and **4c**. (This should equal Form 990, Part I, line 12.)			5	7,826,436

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	8,419,368
2	Amounts included on line 1 but not on Form 990, Part IX, line 25.				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Losses reported on Form 990, Part IX, line 25	2c			
d	Other (Describe in Part XIV)	2d	1,219,062		
e	Add lines **2a** through **2d**			2e	1,219,062
3	Subtract line **2e** from line **1**			3	7,200,306
4	Amounts included on Form 990, Part IX, line 25, but not on line **1**:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses. Add lines **3** and **4c**. (This should equal Form 990, Part I, line 18)			5	7,200,306

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information.

Other revenues non included on Form 990 (Part XII, line 2d)

In-kind contributions $1,094,615

Indirect cost 124,447

Total $1,219,062

Part XIV **Supplemental Information** (continued)

02. Other expenses not included on Form 990 (Part XIII, line 2d)

In-kind contributions	$1,094,615
Indirect cost	124,447
Total	$1,219,062

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

▶ **Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22.**
▶ **Attach to Form 990.**

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization: BLACK RIVER AREA DEVELOPMENT CORP.
Employer identification number: 71-0387337

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . ☒ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000 Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . . ▶ ☐

N/A

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance

2 Enter total number of section 501(c)(3) and government organizations . . . . ▶

3 Enter total number of other organizations . . . . ▶

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22

Use Schedule I-1 (Form 990) if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
Public Housing		350,973			
Weatherization		146,218			
Home Energy Assistance Program		731,677			

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information

01. Monitoring procedures (Part I, line 2)

Various procedures are in place to accurately monitor grant activity. An annual single audit is performed as well as various reporting requirements for grantors.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.

▶ Attach to Form 990.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization: BLACK RIVER AREA DEVELOPMENT CORP.

Employer identification number: 71-0387337

01. Form 990 governing body review (Part VI, line 11)

The information on Form 990 is pulled from the Auditor's Report. A copy of the Auditor's Report and the Form 990 are given to the Board of Directors and approved before Form 990 is filed.

02. Officer, director, etc mailing address (Part VI, line 9)

Darlene Tanner-P.O. Box 189, Piggott, AR 72454

Steve Weston-1504 Lockwood Drive, Corning, AR 72422

Brigitte McDonald-P.O. Box 83, Corning, AR 72422

Judy Phelan-1215 W Elm Street, Corning, AR 72422

Ronald Sellers-161 S 10th Avenue, Piggott, AR 72454

Barbara White-424 Cleveland Trail, Ravenden, AR 72459

Suzanne Allen-210 Highland Drive, Walnut Ridge, AR 72476

Cherie Eveland-P.O. Box 478, Imboden, AR 72434

Lewis Slaughter-P.O. Box 343, Black Rock, AR 72415

Glenn Murphy-506 Ridgecrest, Walnut Ridge, AR 72476

Stan Little-P.O. Box 71, Pocahontas, AR 72455

Betty Getson-2063 Harmony Road, Pocahontas, AR 72455

Karen Burris-2306 Pine Valley Circle, Pocahontas, AR 72455

Geneva Alphin-711 Shannon Street, Pocahontas,AR 72455

Omar Lee Rogers-2855 Thomasville, Pocahontas, AR 72455

Name of the organization: BLACK RIVER AREA DEVELOPMENT CORP.

Employer identification number: 71-0387337

03. Conflict of interest policy compliance (Part VI, line 12c)

Employees and Board Members are required to sign a conflict of interest statement that states they will immediately report any conflict of interest that may arise. Failure to report disciplinary action may result in termination of employment or Board dismissal. The Executive Director and Board of Directors will follow up on all determinations of conflict of interest.

04. CEO, executive director, top management comp (Part VI, line 15a)

Wage compensation studies are performed to determine pay scale and position chart recommendations. These recommendations are presented to the Board of Directors for approval. Program directors recommend pay increases. These are brought to the Director for approval.

05. Other officer or key employee compensation (Part VI, line 15b

Wage compensation studies are performed to determine pay scale and position chart recommendations. These recommendations are presented to the Board of Directors for approval. Program directors recommend pay increases. These are brought to the Director for approval.

06. Governing documents, etc, available to public (Part VI, line 19)

Governing documents, conflict of interest policy, and financial statements are made available to the public upon request.

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization: BLACK RIVER AREA DEVELOPMENT CORP.
Employer identification number: 71-0387337

Part I **Identification of Disregarded Entities** (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.) N/A

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II **Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity
Piggott Housing Development 58-1736420 1403 Hospital Drive, 72455	Low Income Housing	AR	501 (c)(3)	7	N/A
BRAD Corp. for Lawrence County 71-0586047 1403 Hospital Drive, 72455	Low Income Housing	AR	501 (c)(3)	7	N/A
BRAD Corp. for Clay County 71-0586053 1403 Hospital Drive, 72455	Low Income Housing	AR	501 (c)(3)	7	N/A
BRAD Hoxie Area Housing 58-1736418 1403 Hospital Drive, 72455	Low Income Housing	AR	501 (c)(3)	7	N/A
Black Rock Area Development 58-1736417 1403 Hospital Drive, 72455	Low Income Housing	AR	501 (c)(3)	7	N/A
BRAD Group Home, Inc. 58-1736420 1403 Hospital Drive, 72455	Low Income Housing	AR	501 (c)(3)	7	N/A
Corning Independent Living 30-0229364 1403 Hospital Drive, 72455	Low Income Housing	AR	501 (c)(3)	7	N/A

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

N/A

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-614)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

N/A

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership

Part V Transactions with Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV.

		Line	Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a	Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity	1a		X
b	Gift, grant, or capital contribution to other organization(s)	1b		X
c	Gift, grant, or capital contribution from other organization(s)	1c		X
d	Loans or loan guarantees to or for other organization(s)	1d		X
e	Loans or loan guarantees by other organization(s)	1e		X
f	Sale of assets to other organization(s)	1f		X
g	Purchase of assets from other organization(s)	1g		X
h	Exchange of assets	1h		X
i	Lease of facilities, equipment, or other assets to other organization(s)	1i		X
j	Lease of facilities, equipment, or other assets from other organization(s)	1j		X
k	Performance of services or membership or fundraising solicitations for other organization(s)	1k		X
l	Performance of services or membership or fundraising solicitations by other organization(s)	1l		X
m	Sharing of facilities, equipment, mailing lists, or other assets	1m		X
n	Sharing of paid employees	1n		X
o	Reimbursement paid to other organization for expenses	1o		X
p	Reimbursement paid by other organization for expenses	1p		X
q	Other transfer of cash or property to other organization(s)	1q		X
r	Other transfer of cash or property from other organization(s)	1r		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds. N/A

	(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.) N/A

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of it activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproportionate allocations?		(g) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No

990 Overflow Statement

2009

Name(s) as shown on return	FEIN
BLACK RIVER AREA DEVELOPMENT CORP.	71-0387337

Form 990, Schedule A, Part II, Section B, Other Income, 2005

Description	Amount
Program income, management fees, rent	$ 269,761
Medicaid revenue	124,466
Total:	$ 394,227

Form 990, Schedule A, Part II, Section B, Other Income, 2006

Description	Amount
Program income, management fees, rent	$ 126,374
Medicaid revenue	105,546
Total:	$ 231,920

Form 990, Schedule A, Part II, Section B, Other Income, 2007

Description	Amount
Program income, management fees, rent	$ 112,376
Medicaid revenue	99,582
Total:	$ 211,958

Form 990, Schedule A, Part II, Section B, Other Income, 2008

Description	Amount
Program income, management fees, rent	$ 151,389
Medicaid revenue	76,434
Total:	$ 227,823

Form 990, Schedule A, Part II, Section B, Other Income, 2009

Description	Amount
Program income, management fees, rent	$ 148,068
Medicaid revenue	75,068
Total:	$ 223,136

BLACK RIVER AREA DEVELOPMENT CORPORATION

INDEPENDENT AUDITORS' REPORT AND
COMBINED FINANCIAL STATEMENTS

April 30, 2010 and 2009

BLACK RIVER AREA DEVELOPMENT CORPORATION

April 30, 2010 and 2009

CONTENTS

FREEMAN & COMPANY, INC.
CERTIFIED PUBLIC ACCOUNTANTS
3712 E Highland Drive, Jonesboro, Arkansas 72401 Phone 870-932-4514

INDEPENDENT AUDITORS' REPORT

Board of Directors
Black River Area Development Corporation
Pocahontas, Arkansas

We have audited the accompanying combined statements of financial position of Black River Area Development Corporation (a nonprofit organization), as of April 30, 2010 and 2009, and the related combined statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Black River Area Development Corporation, as of April 30, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 5, 2010 on our consideration of Black River Area Development Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

FREEMAN & COMPANY, INC.

Freeman & Company, Inc

Jonesboro, Arkansas
August 5, 2010

BLACK RIVER AREA DEVELOPMENT CORPORATION
COMBINED STATEMENTS OF FINANCIAL POSITION
April 30, 2010 and 2009

	2010		
	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTALS (MEMORANDUM ONLY)
ASSETS			
CURRENT ASSETS			
Cash and certificates of deposit (Note 3)	$ 457,562	$ 762,562	$ 1,220,124
Grant receivable		400,503	400,503
Other receivables and prepaid expenses	87,596	78,947	166,543
Total Current Assets	545,158	1,242,012	1,787,170
PROPERTY, PLANT AND EQUIPMENT, At Cost			
Land	49,724	25,100	74,824
Building	457,457	1,833,943	2,291,400
Machinery, equipment and furniture	38,030	1,748,333	1,786,363
	545,211	3,607,376	4,152,587
Less accumulated depreciation	248,156	1,616,954	1,865,110
	297,055	1,990,422	2,287,477
TOTAL ASSETS	$ 842,213	$ 3,232,434	$ 4,074,647
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Lease obligation (Note 4)	$ 105,296		$ 105,296
Accounts payable	60,730	$ 437,018	497,748
Accrued expenses		159,203	159,203
Total Current Liabilities	166,026	596,221	762,247
NET ASSETS			
Unrestricted	676,187		676,187
Temporarily restricted		2,636,213	2,636,213
Total Net Assets	676,187	2,636,213	3,312,400
TOTAL LIABILITIES AND NET ASSETS	$ 842,213	$ 3,232,434	$ 4,074,647

See notes to combined financial statements.

2009		
UNRESTRICTED	TEMPORARILY RESTRICTED	TOTALS (MEMORANDUM ONLY)
$ 519,570	$ 748,670	$ 1,268,240
	290,356	290,356
53,441	57,786	111,227
573,011	1,096,812	1,669,823
49,724	25,100	74,824
457,457	1,294,478	1,751,935
38,680	1,588,395	1,627,075
545,861	2,907,973	3,453,834
225,483	1,580,860	1,806,343
320,378	1,327,113	1,647,491
$ 893,389	$ 2,423,925	$ 3,317,314
$ 119,461		$ 119,461
88,504	$ 272,594	361,098
	150,485	150,485
207,965	423,079	631,044
685,424		685,424
	2,000,846	2,000,846
685,424	2,000,846	2,686,270
$ 893,389	$ 2,423,925	$ 3,317,314

BLACK RIVER AREA DEVELOPMENT CORPORATION
COMBINED STATEMENTS OF ACTIVITIES
For the Years Ended April 30, 2010 and 2009

	2010		
	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTALS (MEMORANDUM ONLY)
REVENUES			
Grant revenue		$ 6,023,537	$ 6,023,537
ARRA grant revenue		1,139,920	1,139,920
USDA grant revenue		268,116	268,116
Interest income	$ 5,936	5,936	11,872
In-kind contributions		1,094,615	1,094,615
Program income, management fees, rent	198,884	75,068	273,952
Medicaid revenue		73,631	73,631
State revenue		58,728	58,728
Local resource income		101,127	101,127
	204,820	8,840,678	9,045,498
TRANSFERS	24,342		24,342
Total Revenues and Transfers	229,162	8,840,678	9,069,840
EXPENSES			
Salaries	138,012	3,171,831	3,309,843
Fringe benefits	22,378	672,855	695,233
Travel and transportation		129,625	129,625
Office and food supplies	6,851	731,169	738,020
Occupancy		272,650	272,650
Communication		60,705	60,705
Indirect cost		124,447	124,447
Purchased services	30,205	279,894	310,099
Depreciation expense	23,323	170,905	194,228
Loss on disposal of assets		754	754
In-kind expenses		1,094,615	1,094,615
Other	7,453	242,651	250,104
Interest expense	10,177		10,177
Energy, housing, and weatherizing assistance		1,228,868	1,228,868
	238,399	8,180,969	8,419,368
TRANSFERS		24,342	24,342
Total Expenses and Transfers	238,399	8,205,311	8,443,710

See notes to combined financial statements.

	2010		
	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTALS (MEMORANDUM ONLY)
INCREASE (DECREASE) IN NET ASSETS	(9,237)	635,367	626,130
NET ASSETS, BEGINNING OF YEAR	685,424	2,000,846	2,686,270
NET ASSETS, END OF YEAR	$ 676,187	$ 2,636,213	$ 3,312,400

BLACK RIVER AREA DEVELOPMENT CORPORATION
COMBINED STATEMENTS OF ACTIVITIES
For the Years Ended April 30, 2010 and 2009

	2009		
	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTALS (MEMORANDUM ONLY)
REVENUES			
Grant revenue		$ 5,505,386	$ 5,505,386
USDA grant revenue		262,117	262,117
Interest income	$ 10,928	6,290	17,218
In-kind contributions		1,035,582	1,035,582
Program income, management fees, rent	252,360	76,259	328,619
Medicaid revenue		76,434	76,434
State revenue		66,446	66,446
Local resource income		772	772
	263,288	7,029,286	7,292,574
TRANSFERS	28,568	54,642	83,210
Total Revenues and Transfers	291,856	7,083,928	7,375,784
EXPENSES			
Salaries	130,944	2,751,362	2,882,306
Fringe benefits	21,818	583,053	604,871
Travel and transportation		126,104	126,104
Office and food supplies	12,354	588,446	600,800
Occupancy	436	254,861	255,297
Communication		60,836	60,836
Indirect cost		177,230	177,230
Purchased services	30,514	203,479	233,993
Depreciation expense	23,323	172,705	196,028
Loss on disposal of assets		3,952	3,952
In-kind expenses		1,035,582	1,035,582
Other	4,400	203,766	208,166
Interest expense	11,392		11,392
Energy, housing, and weatherizing assistance		788,635	788,635
	235,181	6,950,011	7,185,192
TRANSFERS	54,642	28,568	83,210
Total Expenses and Transfers	289,823	6,978,579	7,268,402

See notes to combined financial statements.

	2009		
	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTALS (MEMORANDUM ONLY)
INCREASE (DECREASE) IN NET ASSETS	2,033	105,349	107,382
NET ASSETS, BEGINNING OF YEAR	683,391	1,895,497	2,578,888
NET ASSETS, END OF YEAR	$ 685,424	$ 2,000,846	$ 2,686,270

BLACK RIVER AREA DEVELOPMENT CORPORATION
COMBINED STATEMENTS OF CASH FLOWS
For the Years Ended April 30, 2010 and 2009

	2010		
	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTALS (MEMORANDUM ONLY)
CASH FLOWS FROM OPERATING ACTIVITIES			
Change in net assets	$ (9,237)	$ 635,367	$ 626,130
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:			
Depreciation	23,323	170,905	194,228
Loss on disposal of property, plant and equipment		754	754
Increase in receivables, inventories and prepaid expenses	(34,155)	(131,308)	(165,463)
Increase (decrease) in accounts payable, accrued expenses and unearned grant revenue	(41,939)	173,142	131,203
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(62,008)	848,860	786,852
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant, and equipment		(834,968)	(834,968)
NET CASH USED BY INVESTING ACTIVITIES		(834,968)	(834,968)
NET INCREASE (DECREASE) IN CASH	(62,008)	13,892	(48,116)
CASH, BEGINNING OF YEAR	519,570	748,670	1,268,240
CASH, END OF YEAR	$ 457,562	$ 762,562	$ 1,220,124

See notes to combined financial statements.

2009		
UNRESTRICTED	TEMPORARILY RESTRICTED	TOTALS (MEMORANDUM ONLY)
$ 2,033	$ 105,349	$ 107,382
23,323	172,705	196,028
	3,952	3,952
(23,894)	(66,666)	(90,560)
28,943	50,201	79,144
30,405	265,541	295,946
	(105,968)	(105,968)
	(105,968)	(105,968)
30,405	159,573	189,978
489,165	589,097	1,078,262
$ 519,570	$ 748,670	$ 1,268,240

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

The Black River Area Development Corporation operates several programs providing various assistance to needy individuals in Lawrence, Clay and Randolph counties in Arkansas. The major federal awards programs for 2010 were Head Start, with total federal expenditures of $2,870,274; Community Services Block Grant with total federal expenditures of $311,430; Lower-Income Housing Assistance Program (Section 8), with total federal expenditures of $425,871; Home Energy Assistance Program with total federal expenditures of $786,163; Public Transit (Section 18) with total federal expenditures of $736,706; and Weatherization Assistance with total federal expenditures of $541,992. The major federal awards programs for 2009 were Head Start, with total federal expenditures of $2,585,021; Lower-Income Housing Assistance Program (Section 8), with total federal expenditures of $402,409; and Home Energy Assistance Program with total federal expenditures of $434,645. Total federal assistance for 2010 and 2009 was $6,537,868 and $4,741,255, respectively. The major federal awards program made up eighty-seven percent and seventy-two percent of the total federal awards for 2010 and 2009, respectively. A dollar threshold of $300,000 was used to distinguish between type A and B programs.

Property, Plant and Equipment,

Property, plant and equipment is stated at cost. Donated property, plant and equipment is valued at its estimated fair value on the date donated. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Depreciation expense during the years ended April 30, 2010 and 2009 amounted to $23,323 and $23,323, respectively, for the General Funds and $170,905 and $172,705, respectively, for the Special Revenue Funds.

Revenue Recognition

The Company recognizes revenue on Temporarily Restricted Net Assets when the conditions of the grant are met. For grants which are cost reimbursements, revenue is recognized at the time of expense. For grants which allow a specific dollar amount, revenue is recognized at the time of the expense, up to the total contract amount. At the end of the contract year, any excess receipts over expenses is recognized as revenue. Any other receipts on the Temporarily Restricted Net Assets or Unrestricted Net Assets are recognized at the time of receipt or availability.

Non-Federal Revenue In-Kind

In-kind donations are recognized as applied to program activities. In-kind donations are personal services, building space and equipment donated for the benefit of a program. In-kind donations may be used by the provider agencies to match federal grant funds in several provider agency programs.

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Asset Accounting

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Black River Area Development Corporation, the accounts of the Black River Area Development Corporation are maintained in accordance with the principles of net asset accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into groups of net assets that are in accordance with activities or objectives specified. Separate accounts are maintained for each net asset group and all financial transactions have been recorded and reported by net asset group.

Use of Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Memorandum Only Totals

The total column on the combined financial statements is provided to aggregate the statement amounts and is not required by generally accepted accounting principles. The "memorandum only" total is not comparable to a consolidation and does not present consolidated financial statements.

Non-Taxable Status

The Company is exempt from Federal income taxes under Section 501 (c) (3) of the Internal Revenue Code.

BLACK RIVER AREA DEVELOPMENT CORPORATION
NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)
April 30, 2010 and 2009

NOTE 2: UNRESTRICTED NET ASSETS

Unrestricted net assets includes all net asset groups for which the Company has administrative responsibility except net assets from specific grants. The sources of the net assets are from contributions, management fees, rental fees, residuals from programs administered by the Company in which reimbursement was a fixed fee, and interest income. It is the understanding of management that the Company has no remaining obligations to the grantors for these net assets. The net assets are to be used for expansion, excess expenses in various programs, and contingency.

NOTE 3: CASH AND CERTIFICATES OF DEPOSIT

Cash and certificates of deposit consist of the following at April 30, 2010 and 2009:

	2010	
	Balance	Insured Amount
Iberia Bank	$ 403,941	$ 403,941
Regions Bank	174,734	174,734
Piggott State Bank	59,310	59,310
Bancorp South	130,154	130,154
Bank of Pocahontas	256,865	256,865
First National Bank of Paragould	12,530	12,530
First National Bank of Lawrence County	182,590	182,590
	$ 1,220,124	$ 1,220,124

NOTE 3: CASH AND CERTIFICATES OF DEPOSIT (CONTINUED)

	2009	
	Balance	Insured Amount
Pulaski Bank	$ 394,317	$ 394,317
Regions Bank	132,262	132,262
Piggott State Bank	59,128	59,128
Bancorp South	219,741	219,741
Bank of Pocahontas	286,470	286,470
First National Bank of Paragould	12,315	12,315
First National Bank of Lawrence County	153,972	153,972
Cash on hand	10,035	
	$ 1,268,240	$ 1,258,205

The bank's balances for the above accounts as of April 30, 2010 and 2009 are as follows:

	2010	
	Balance	Insured Amount
Iberia Bank	$ 418,706	$ 418,706
Regions Bank	175,053	175,053
Piggott State Bank	59,310	59,310
Bancorp South	213,945	213,945
Bank of Pocahontas	289,920	289,920
First National Bank of Paragould	12,530	12,530
First National Bank of Lawrence County	200,807	200,807
	$ 1,370,271	$ 1,370,271

NOTE 3: CASH AND CERTIFICATES OF DEPOSIT (CONTINUED)

	2009	
	Balance	Insured Amount
Pulaski Bank	$ 432,237	$ 432,237
Regions Bank	140,134	140,134
Piggott State Bank	59,128	59,128
Bancorp South	240,613	240,613
Bank of Pocahontas	314,991	314,991
First National Bank of Paragould	12,315	12,315
First National Bank of Lawrence County	162,397	162,397
	$ 1,361,815	$ 1,361,815

NOTE 4: CAPITAL LEASE OBLIGATION

The Company leases land and office building with Randolph County under a capital lease. The capitalized cost and accumulated depreciation of this leased asset at April 30, 2010 was $250,000 and $110,323, respectively.

The following is a schedule by years of future minimum payments required under the lease together with its present value at April 30, 2010:

2011	$ 24,342
2012	24,342
2013	24,342
2014	24,342
2015	24,342
Thereafter	12,173
Total minimum lease payments	133,883
Less amount representing interest	28,587
Present value of minimum lease payments	$ 105,296

NOTE 5: ACCRUED VACATIONS

The Company has approximately $107,539 and $111,062 for 2010 and 2009, respectively, in accrued vacations which are not recognized in the financial statements. These amounts relate to grant programs for which the policy is to hire replacement personnel only after the accrued vacations have been paid out of current grant awards.

NOTE 6: UNITED STATES DEPARTMENT OF AGRICULTURE REIMBURSEMENT

During 2010 and 2009, respectively, the Company received approximately $268,116 and $262,117 from the United States Department of Agriculture as a reimbursement for food costs for the Head Start program. Approximately $31,247 and $29,395 of this amount is reflected as grant receivable on the combined balance sheet, and the remainder is reflected as a reduction in food supplies on the combined statement of revenues, expenses and changes in fund balance for 2010 and 2009, respectively.

NOTE 7: INTERFUND TRANSACTIONS

Included in other receivables and prepaid expenses in Unrestricted Net Assets for 2010 and 2009, respectively, is $87,064 and $53,441 due from Temporarily Restricted Net Assets in the following amounts:

	2010	2009
Head Start	$ 9,850	
Early Head Start	1,169	$ 3,338
DOE	49,425	21,534
Aging	57	5,017
HEAP		1,051
Public Transportation	71	865
CSBG	5,383	
Substance Abuse	21,032	21,125
HUD Section 8	77	511
	$ 87,064	$ 53,441

These amounts are reflected as accounts payable in the respective Temporarily Restricted Net Assets.

NOTE 8: PENSION PLAN

The Company has a variable form defined contribution plan. All employees with six months of service on the entrance date, which is October 1 of each year, become eligible to participate in the plan. Ordinary life insurance is purchased with 25% of the contributions and 75% of contributions are deposited in the flexible premium annuity known as the Group Retirement Accumulation Account. Employees are required to contribute 3% of compensation and employers pay 6% of employee compensation. Employees may make additional voluntary contributions. The following vesting occurs:

After 1 year	20%
After 2 years	40%
After 3 years	60%
After 4 years	80%
After 5 years	100%

Total pension expenses of $279,226 and $248,212 are reflected as fringe benefits on the combined statements of activities for 2010 and 2009, respectively. The total covered payroll is $2,786,100 and $2,757,950 for 2010 and 2009, respectively.

SUPPLEMENTARY INFORMATION

FREEMAN & COMPANY, INC.
CERTIFIED PUBLIC ACCOUNTANTS
3712 E. Highland Drive, Jonesboro, Arkansas 72401 Phone 870-932-4514

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

Board of Directors
Black River Area Development Corporation
Pocahontas, Arkansas

Compliance

We have audited the compliance of Black River Area Development Corporation with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended April 30, 2010. Black River Area Development Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Black River Area Development Corporation's management. Our responsibility is to express an opinion on Black River Area Development Corporation's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Black River Area Development Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Black River Area Development Corporation's compliance with those requirements.

In our opinion, Black River Area Development Corporation complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended April 30, 2010.

Board of Directors
Page Two

Internal Control Over Compliance

The management of Black River Area Development Corporation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Black River Area Development Corporation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Black River Area Development Corporation's internal control over compliance.

A *control deficiency* in an entity's 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the basic financial statements of Black River Area Development Corporation as of and for the year ended April 30, 2010, and have issued our report thereon dated August 5, 2010. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the audit committee, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

FREEMAN & COMPANY, INC.

Freeman & Company, Inc

Jonesboro, Arkansas
August 5, 2010

BLACK RIVER AREA DEVELOPMENT CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended April 30, 2010

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal Expenditures	
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Direct Program:			
	93.600	$ 2,722,390	
	93.708	147,884	
		2,870,274	*
Passed Through Arkansas Department of Human Services:			
State Incentive Grant Substance Abuse	93.243	210,298	
Temporary Assistance for Needy Families	93.558	6,544	
Community Services Block Grant	93.569	212,667	
Community Services Block Grant ARRA	93.710	98,763	
Total CSBG		311,430	*
Home Energy Assistance Program	93.568	786,163	*
Child Care and Early Childhood Education	93.575	13,200	
Passed Through East Arkansas Area Agency on Aging:			
SSBG	93.667	51,538	
Special Programs for the Aging - Title III Part C - Nutrition Services	93.045	150,294	
Special Programs for the Aging - Title III, Part B - Socialization and Transportation	93.044	59,203	
Disaster Assistance	93.048	2,092	
USDA - Nutrition Program for the Elderly	93.053	55,947	
Special Programs for the Aging - Title III Part C - Nutrition Services - ARRA	93.705	17,099	
Special Programs for the Aging - Title III Part C - Nutrition Services - ARRA	93.707	8,418	
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Direct Program:			
Lower-Income Housing Assistance Program (Section 8)	14.856	425,871	*
Passed Through Arkansas Department of Human Services:			
Emergency Shelter Grant	14.231	10,098	

* - Denotes a major federal financial assistance program.

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal Expenditures	
U.S. DEPARTMENT OF TRANSPORTATION			
Passed Through Arkansas State Highway and Transportation Department:			
Public Transit (Section 18)	20.509	218,206	
Public Transit (Section 18) – ARRA	20.509	518,500	
Total Public Transit		736,706	*
U.S. DEPARTMENT OF ENERGY			
Passed Through Arkansas Department of Human Services:			
Weatherization Assistance	81.042	192,736	
Weatherization Assistance – ARRA	81.042	349,256	
Total Weatherization		541,992	*
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Arkansas Department of Human Services:			
Child Care Food Program	10.558	268,116	
DEPARTMENT OF HOMELAND SECURITY			
Passed Through Emergency Food and Shelter National Board Program:			
Emergency Food and Shelter Program - Stewart B. McKinney Homeless Assistance Act	97.024	12,585	
TOTAL EXPENDITURES OF FEDERAL AWARDS		$ 6,537,868	

Notes to Schedule:

1. This schedule includes the federal grant activity of Black River Area Development Corporation and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. Medicaid reimbursements are defined as contracts of services and not federal awards; therefore, such reimbursements totaling $73,631 are not covered by the reporting requirements of OMB Circular A-133.

3. The state funded ABC preschool program reflected expenditures of $675,258.

FREEMAN & COMPANY, INC.
CERTIFIED PUBLIC ACCOUNTANTS
3712 E Highland Drive, Jonesboro, Arkansas 72401 Phone 870-932-4514

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

Board of Directors
Black River Area Development Corporation
Pocahontas, Arkansas

We have audited the financial statements of Black River Area Development Corporation (a nonprofit organization) as of and for the year ended April 30, 2010, and have issued our report thereon dated August 5, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Black River Area Development Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of Black River Area Development Corporation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Black River Area Development Corporation's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of the audit committee, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

FREEMAN & COMPANY, INC.

Freeman & Company, Inc.

Jonesboro, Arkansas
August 5, 2010