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Return of Organization Exempt From Income Tax 1012
 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

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning _____, and ending _____

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

C Name of organization JEFFERSON COUNTY DEVELOPMENT COUNCIL
 Doing Business As _____
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
155 MAIN STREET, 2ND FLOOR
 City or town, state or country, and ZIP + 4
BROOKVILLE PA 15825

D Employer identification number
25-1447936

E Telephone number
814-849-3047

F Name and address of principal officer:

G Gross receipts \$ 107,456

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)

I Tax-exempt status: 501(c)(3) 501(c) (6) (insert no.) 4947(a)(1) or 527

J Website: N/A **H(c)** Group exemption number

K Form of organization: Corporation Trust Association Other

L Year of formation 1965 **M** State of legal domicile PA

Part I Summary

1 Briefly describe the organization's mission or most significant activities:
THE COUNCIL'S OBJECTIVE IS TO ASSIST IN INDUSTRIAL & ECONOMIC DEVELOPMENT IN JEFFERSON COUNTY PA USING LOAN PROGRAMS AND ALL OTHER RESOURCES AVAILABLE.

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) 17

4 Number of independent voting members of the governing body (Part VI, line 1b) 17

5 Total number of individuals employed in calendar year 2010 (Part V, line 2a) 0

6 Total number of volunteers (estimate if necessary)

7a Total unrelated business revenue from Part VIII, column (C), line 12

7b Net unrelated business taxable income from Form 990-T, line 34 0

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	406,093	34,956
9 Program service revenue (Part VIII, line 2g)	97,987	45,565
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	25,024	23,203
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	284	3,732
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	529,388	107,456
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
14 Benefits paid to or for members (Part IX, column (A), line 4)		
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		
16a Professional fundraising fees (Part IX, column (A), line 11e)		
b Total fundraising expenses (Part IX, column (D), line 25)		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	149,490	147,276
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	149,490	147,276
19 Revenue less expenses. Subtract line 18 from line 12	379,898	-39,820
20 Total assets (Part X, line 16)	Beginning of Current Year 3,134,467	End of Year 3,060,981
21 Total liabilities (Part X, line 26)	684,703	651,037
22 Net assets or fund balances. Subtract line 21 from line 20	2,449,764	2,409,944

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: Bradley W. Rhoads Date: _____
 Type or print name and title: Bradley W. Lashinsky Jefferson County Dir. of Economic Dev. 11-29-12

Paid Preparer Use Only
 Print/Type preparer's name: Greg B. Rhoads Preparer's signature: _____ Date: 07/14/11 Check if self-employed PTIN: P00496351
 Firm's name: BROOKS & RHOADS, CPAs Firm's EIN: 25-1900599
 Firm's address: 160 S 2nd Ave Ste D Clarion, PA 16214-2444 Phone no: 814-226-4039

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

5-29-12
 SCANNED FEB 06 2013
 Expenses 2013
 51
 Net Assets of Fund Balances

RECEIVED
 DEC 17 2012
 CLARION, PA

3
 1

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

X

1 Briefly describe the organization's mission:

THE COUNCIL'S OBJECTIVE IS TO ASSIST IN INDUSTRIAL & ECONOMIC DEVELOPMENT IN JEFFERSON COUNTY PA USING LOAN PROGRAMS AND ALL OTHER RESOURCES AVAILABLE.

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 X

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 X

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 \$ 81,083 including grants of \$) (Revenue \$)

THE ORGANIZATION'S PRIMARY OBJECTIVE IS INDUSTRIAL AND ECONOMIC DEVELOPMENT. THE COUNCIL ALSO PROMOTES THE INTERESTS OF THE PEOPLE OF JEFFERSON COUNTY, PENNSYLVANIA, INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING ACTIVITIES: COMMERCIAL, INDUSTRIAL, AGRICULTURAL RECREATIONS, SOCIAL AND CIVIL. IT'S ACTIVITIES ARE NONPARTISAN AND NONSECTARIAN. THE EXPENSES ARE FOR MAINTAINING A BUSINESS INCUBATOR CONSTRUCTED TO ASSIST IN PROVIDING USABLE SPACE TO HELP BUSINESSES EXPAND THEIR OPERATIONS.

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

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

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

(Expenses \$ 66,193 including grants of \$) (Revenue \$)

4e Total program service expenses 147,276

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		X
2 Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)		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		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III		X
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		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		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		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		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		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	X	
b 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		X
c 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		X
d 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		X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	X	
f 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 (ASC 740)? If "Yes," complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		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, Parts I and IV		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, Parts II and IV		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, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)		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		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		X
20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H		X
b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

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		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		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		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 line 25		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
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?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
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		
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		
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		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		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		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		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		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		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?		X
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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		
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		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

Form with questions 1a-14b and Yes/No columns. Includes sub-questions for backup withholding, employee reporting, foreign income, prohibited transactions, and charitable trusts.

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.

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
1b	Enter the number of voting members included in line 1a, above, who are independent		
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?		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?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	X	
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	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		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?		X
10b	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?		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
11b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?		X
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done		X
13	Does the organization have a written whistleblower policy?		X
14	Does the organization have a written document retention and destruction policy?		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?		
15a	The organization's CEO, Executive Director, or top management official		X
15b	Other officers or key employees of the organization		X
15c	If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
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?		X
16b	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?		

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: COUNCIL 155 MAIN STREET BROOKVILLE PA 15825 814-849-3047

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

Check if Schedule O contains a response to any question in this Part VII

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.

- 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, if any. 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 neither the organization nor any related organizations compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(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
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) MARLENE LELLOCK DIRECTOR	0.00	X					0	0	0	
(2) STEVE MARSHALL DIRECTOR	0.00	X					0	0	0	
(3) STEVE MILLER DIRECTOR	0.00	X					0	0	0	
(4) SUE SOLIDA DIRECTOR	0.00	X					0	0	0	
(5) JEFF FOOR DIRECTOR	0.00	X					0	0	0	
(6) TINA KENNEMUTH DIRECTOR	0.00	X					0	0	0	
(7) TODD ARNOLD DIRECTOR	0.00	X					0	0	0	
(8) JOHN SHIMKO DIRECTOR	0.00	X					0	0	0	
(9) PATTI FRENCH DIRECTOR	0.00	X					0	0	0	
(10) DAVID SMITH DIRECTOR	0.00	X					0	0	0	
(11) SAM SMITH DIRECTOR	0.00	X					0	0	0	
(12) JOE WEIBLE DIRECTOR	0.00	X					0	0	0	
(13) CLAY SNYDER DIRECTOR	0.00	X					0	0	0	
(14) MARSHA WELSH DIRECTOR	0.00	X					0	0	0	
(15) TED TRUMAN SEC/TREAS	0.00			X			0	0	0	
(16) BERNARD SNYDER PRESIDENT	0.00			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 (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(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
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(17) ALAN REITZ VICE PRES	0.00			X				0	0	0
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
(26)										
(27)										
(28)										
1b Sub-total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)										

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		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		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		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

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 **0**

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	34,956				
	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			34,956			
Program Service Revenue	Busn. Code						
	2a ENTERPRISE CENTER		40,415	40,415			
	b DUES & MEMBERSHIPS		4,850	4,850			
	c ADMINISTRATIVE FEES		300	300			
	d						
	e						
	f All other program service revenue						
g Total. Add lines 2a-2f			45,565				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			23,203	23,203		
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6a Gross Rents	(i) Real	(ii) Personal				
		b Less rental exps					
		c Rental inc or (loss)					
	d Net rental income or (loss)						
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		b Less cost or other basis & sales exps					
		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		Busn. Code					
11a LATE FEES & MISC			3,732	3,732			
b							
c							
d All other revenue							
e Total. Add lines 11a-11d			3,732				
12 Total revenue. See instructions.			107,456	72,500	0	0	

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				
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				
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal	1,913			
c Accounting	3,250			
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion	1,152			
13 Office expenses	283			
14 Information technology				
15 Royalties				
16 Occupancy	13,643			
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	1,770			
20 Interest	16,356			
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	40,945			
23 Insurance	3,078			
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a PROFESSIONAL SERVICES	45,547			
b LOSS ON SALE OF LAND	16,409			
c OTHER EXPENSE	2,518			
d Cleaning / Maintenance	202			
e DUES & SUBSCRIPTIONS	189			
f All other expenses	21			
25 Total functional expenses. Add lines 1 through 24f	147,276	0	0	0
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). 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		1	
	2 Savings and temporary cash investments	761,239	2	866,602
	3 Pledges and grants receivable, net	11,580	3	
	4 Accounts receivable, net		4	
	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)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net	670,045	7	485,970
	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 1,796,483		
	b Less: accumulated depreciation	10b 88,074	10c 1,691,603	1,708,409
	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)	3,134,467	16	3,060,981	
Liabilities	17 Accounts payable and accrued expenses		17	
	18 Grants payable		18	
	19 Deferred revenue	3,900	19	3,600
	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	676,280	23	642,928
	24 Unsecured notes and loans payable to unrelated third parties		24	
25 Other liabilities. Complete Part X of Schedule D	4,523	25	4,509	
26 Total liabilities. Add lines 17 through 25	684,703	26	651,037	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	2,449,764	27	2,409,944
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> 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	2,449,764	33	2,409,944	
34 Total liabilities and net assets/fund balances	3,134,467	34	3,060,981	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	107,456
2	Total expenses (must equal Part IX, column (A), line 25)	147,276
3	Revenue less expenses. Subtract line 2 from line 1	-39,820
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	2,449,764
5	Other changes in net assets or fund balances (explain in Schedule O)	
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	2,409,944

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

1 Accounting method used to prepare the Form 990: Cash Accrual Other

If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.

2a Were the organization's financial statements compiled or reviewed by an independent accountant?

b Were the organization's financial statements audited by an independent accountant?

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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.

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 separate basis, consolidated basis, or both:

Separate basis Consolidated basis Both consolidated and separate basis

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?

b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

**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

2010

Open to Public Inspection

Name of the organization JEFFERSON COUNTY DEVELOPMENT COUNCIL	Employer identification number 25-1447936
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Part II Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(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?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part III Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

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

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 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 Tax 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, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax 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, handling of violations, and enforcement of the conservation easements it holds? Yes No

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

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation 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 IV Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), 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 (ASC 958), 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 (ASC 958) 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 acquisition, 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 Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 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

	(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 Net investment earnings, gains, and 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 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) Accumulated depreciation	(d) Book value
1a Land	93,107			93,107
b Buildings				
c Leasehold improvements				
d Equipment				
e Other		1,703,376	88,074	1,615,302
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				1,708,409

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.)		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.)		

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) INTEREST PAYABLE	4,124
(3) UNEARNED GRANTS - IDP	385
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	4,509

2. FIN 48 (ASC 740) 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 (ASC 740).

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	107,456
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	147,276
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	-39,820
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 through 8	9	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	-39,820

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	91,047
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	-16,409
e	Add lines 2a through 2d	2e	-16,409
3	Subtract line 2e from line 1	3	107,456
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 must equal Form 990, Part I, line 12.)	5	107,456

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

1	Total expenses and losses per audited financial statements	1	130,867
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	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	-16,409
e	Add lines 2a through 2d	2e	-16,409
3	Subtract line 2e from line 1	3	147,276
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 must equal Form 990, Part I, line 18.)	5	147,276

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, line 2, 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.

Part XI, Line 8 - Reconciliation of Changes - Other

LOSS ON SALE OF LAND	\$	-16,409
LOSS ON SALE OF LAND	\$	16,409

Part XII, Line 2d - Revenue Amounts Included in Financials - Other

LOSS ON SALE OF LAND	\$	-16,409
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~~Part XIV~~ Supplemental Information (continued)

Part XIII, Line 2d - Expense Amounts Included in Financials - Other

LOSS ON SALE OF LAND \$ -16,409

Table with multiple rows of dotted lines for supplemental information.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization **JEFFERSON COUNTY DEVELOPMENT
COUNCIL**

Employer identification number
25-1447936

Form 990, Part III, Line 4d - All Other Achievements

EXPENDITURES ARE ALL RELATED TO THE COUNCIL'S OBJECTIVE OF PROVIDING
ECONOMIC DEVELOPMENT SERVICES TO TO RESIDENTS OF JEFFERSON COUNTY, PA.

Form 990, Part VI, Line 7a - Election of Members and Their Rights

Election of members for the Board of Directors is done on a rotating basis
with terms lasting for a three year period. Officers are elected annually.

Form 990, Part VI, Line 11b - Organization's Process to Review Form 990

Form 990 is reviewed by the Board of Directors at their regularly scheduled
meeting prior to filing.

Form 990, Part VI, Line 19 - Governing Documents Disclosure Explanation

ALL DOCUMENTS ARE AVAILABLE FOR PUBLIC INSPECTION DURING NORMAL WORKING
HOURS.

For calendar year 2010, or tax year beginning , and ending

Name
JEFFERSON COUNTY DEVELOPMENT
COUNCIL

Employer Identification Number
25-1447936

Form 990, Part X, Line 7 - Additional Information

Name of borrower	Relationship to disqualified person
(1) NOTES RECEIVABLE-IRP	
(2) NOTES RECEIVABLE-RBEG	
(3) ALLOWANCE FOR LOAN LOSSES	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Security provided by borrower	Purpose of loan
(1) SEE ATTACHED	
(2) SEE ATTACHED	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year	Fair market value (990-PF only)
(1)	486,294	334,586	
(2)	264,412	223,134	
(3)	-80,661	-71,750	
(4)			
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			
Totals	670,045	485,970	

For calendar year 2010, or tax year beginning , and ending

Name
JEFFERSON COUNTY DEVELOPMENT
COUNCIL

Employer Identification Number
25-1447936

Form 990, Part X, Line 23 - Additional Information

Name of lender	Relationship to disqualified person
(1) NOTES PAYABLE-RCED	
(2) NOTES PAYABLE-IRPII	
(3) NOTES PAYABLE-S&T BANK	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1) 500,000	04/06/94	04/06/24		1.000
(2) 300,000	03/03/98	03/03/28		1.000
(3) 185,438	06/02/09	05/15/28	MONTHLY @ 1,401.43	6.250
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

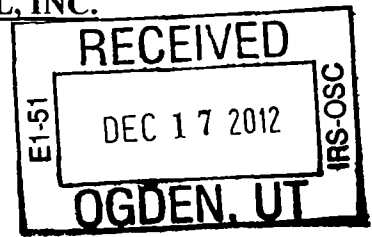
Security provided by borrower	Purpose of loan
(1)	RELOANED TO JEFFERSON CO BUSINESSES
(2)	RELOANED TO JEFFERSON CO BUSINESSES
(3)	BUSINESS INCUBATOR CONSTRUCTION
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year
(1)	283,797	266,069
(2)	210,010	199,771
(3)	182,473	177,088
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Totals	676,280	642,928

JEFFERSON COUNTY DEVELOPMENT COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2010



NOTES RECEIVABLE

U.S. Department of Agriculture, Intermediary Relending Program (IRP) Loans

Effective April 6, 1994, and March 3, 1998, the Council entered into agreements with the U.S. Department of Agriculture/Rural Economic and Community Development Service (RECDS), whereby the Council applied for loans from RECDS to provide loans to third parties (ultimate recipients) for certain purposes.

Intermediary Relending Program loan receivables at December 31, 2008, consist of the following:

April 6, 1994 Agreement Loans (IRP)

Wind River Woodworks, Inc. -

Interest only at 3% paid monthly for first 6 months. Payments of \$965.61 including principal and interest for 10 years at 3%, secured by real estate and security interest in equipment \$ 55,394

Elite Technologies and Communications, Inc. -

\$64,000, 10 years at 4%, monthly payment \$647.97, secured by real estate 4,480

T & W Systems, Inc. - \$75,000, 10 years at

4%, monthly payment \$759.34, secured by real estate 757

Sintergy, Inc. - \$35,000, 7 years at 3%,

monthly payment \$462.47, secured by machinery and equipment 6,598

Sandstone Works - \$70,000, 10 years at

4%, monthly payment \$708.72, secured by real estate 29,073

Stanton Dynamics - \$75,000, 10 years at

3%, monthly payment \$724.21, secured by machinery and equipment. 66,250

JEFFERSON COUNTY DEVELOPMENT COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2010

April 6, 1994 Agreement Loans (IRP) (Continued)

Brookville Veterinary Hospital - \$75,000, 7 years at 3%, monthly payment \$991.00, secured by equipment.	32,263
BWP Bats, LLC - \$62,500, 5 years at 3%, monthly payments \$1,123.04, secured by equipment	28,236
Sintergy, Inc. - \$40,000, 5 years at 3%, monthly payments \$718.75, secured by equipment	<u>23,422</u>
Total IRP	246,473

March 3, 1998 Agreement Loans (IRP II)

3 Sigma Quality Improvement Services, Inc. – \$73,000, 10 years at 4%, monthly payment \$739.09, secured by real estate and equipment	2,665
Matson Lumber Company - \$100,000, 7 years at 3%, monthly payment \$1,321.33, secured by equipment.	34,457
Barber Trucking - \$50,000, 5 years at 3%, monthly payment \$898.42, secured by equipment	29,250
Sintergy, Inc. - \$50,000, 5 years at 3%, monthly payment \$898.43, secured by equipment	<u>21,741</u>
Total IRP II	<u>88,113</u>
Total IRP/IRP II Loans	<u>\$334,586</u>

JEFFERSON COUNTY DEVELOPMENT COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

Individual borrowers agreed that (1) loan proceeds will not be used to refinance existing debt, (2) the loan amount does not exceed fifty percent (50%) of the total project cost or \$100,000, whichever is less and (3) his best faith effort will be made to create one full time employment opportunity for every \$15,000 of loan proceeds within thirty-six (36) months from the date of loan closing.

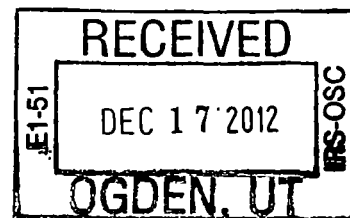
A non-refundable application processing fee of \$100 is required of each applicant at the time of application submittal. An origination fee of two percent of the loan amount is charged to the Borrower at closing. All legal fees and closing costs are the Borrower's responsibility.

U.S. Department of Agriculture, Rural Business Enterprise Grant/Revolving Loan Fund (RBEG/RLF) Loans

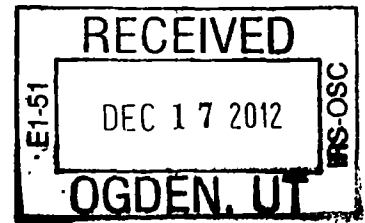
Effective June 23, 1997, the Council entered into an agreement with the U.S. Department of Agriculture/Rural Economic and Community Development Service (RECDS), whereby the council was approved for a Rural Business Enterprise Grant (RBEG) in the amount of \$150,000, for the purpose of establishing a Revolving Loan Fund (RLF). Small and emerging private businesses may apply for financing through the revolving loan fund for the purpose of stimulating private investment and the creation of employment opportunities within Jefferson County. Loan proceeds may be used for acquisition of land and buildings, construction, rehabilitation, machinery and equipment, and working capital.

Individual borrowers agreed that (1) loan proceeds will not be used to refinance existing debt, (2) the loan amount does not exceed fifty percent (50%) of the total project cost of \$100,000, whichever is less and (3) his best faith effort will be made to create one full time employment opportunity for every \$15,000 of loan proceeds within thirty-six (36) months from the date of loan closing.

A non-refundable application processing fee of \$100 is required of each applicant at the time of application submittal. An origination fee of two percent of the loan is charged to the Borrower at closing. All legal fees and closing costs are the Borrower's responsibility.



JEFFERSON COUNTY DEVELOPMENT COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
 December 31, 2010



Rural Business Enterprise Grant/Revolving Loan Fund loan receivables at December 31, 2008, consist of the following:

High Road Holdings, LLC – \$100,000, 8 years at 3%, monthly payment \$1,172.96, secured by a third mortgage on real estate and security interest in furniture and equipment.	\$ 51,952
Sintergy, Inc. – \$62,500, 7 years at 3%, monthly payment \$825.83, secured by Equipment.	28,397
Dennis Smith, d/b/a Smith Farms - \$100,000, 7 years at 3%, monthly payment \$1,321.33, secured by real estate and equipment	86,966
Keystone Staircase Corporation – \$65,000, 7 years at 3%, monthly payment \$858.86, secured by equipment and personal Guarantees	<u>55,819</u>
Total	<u>\$223,134</u>

Following is a summary of current and long-term portions of notes receivable as of December 31, 2010.

	<u>Current</u>	<u>Long-Term</u>	<u>Total</u>
Intermediary Relending Program (IRP) Loans	\$ 66,971	\$179,502	\$246,473
Intermediary Relending Program (IRP II) Loans	38,028	50,085	88,113
Rural Business Enterprise Grant (RBEG)	<u>44,102</u>	<u>179,032</u>	<u>223,134</u>
Total	<u>\$149,101</u>	<u>\$408,619</u>	557,720
Less: Allowance for Loan Losses			<u>(71,750)</u>
			<u>\$485,970</u>

JEFFERSON COUNTY DEVELOPMENT COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2010

A summary of changes in the allowance for loan losses is as follows:

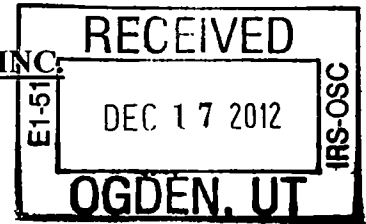
Balance, December 31, 2009	\$ 80,661
Provision Charged to Operations	<u>(8,911)</u>
Balance, December 31, 2008	<u>\$ 71,750</u>

Following is a schedule of approximate maturities of notes receivable as of dates indicated.

Year Ending December 31:

2011	\$149,101
2012	142,003
2013	104,800
2014	61,466
2015	44,186
Remaining Years	<u>56,164</u>
Total	<u>\$557,720</u>

JEFFERSON COUNTY DEVELOPMENT COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2010



NOTES PAYABLE

U.S. Department of Agriculture, Intermediary Relending Program (IRP) Loans

As mentioned in Note 4 above, the Council applied for loans from RECDS to provide loans to third parties.

Effective April 6, 1994, RECDS agreed to loan \$500,000 in IRP funds to Council. The term of the loan is for a 30-year period, and bears interest at the fixed rate of one percent (1%) per annum from the date funds are advanced. Interest only will be paid annually on the unpaid balance for the first two years. Principal and interest of \$20,565 will be paid in twenty-eight (28) equal annual amortized installments beginning on April 6, 1998, with any remaining balance due and payable thirty (30) years from the date of the note. \$266,069

As required by the April 6, 1994, loan agreement, Council established a reserve account that was to accrue or maintain a balance at least equal to \$20,565. The reserve account is to be funded from collections on loans made from the IRP Revolving Loan Fund.

Effective March 3, 1998, RECDS also agreed to loan \$300,000 in IRP (IRP II) funds to Council. The term of the loan is for a 30-year period, and bears interest at the fixed rate of one percent (1%) per annum from the date funds are advanced. Interest only will be paid annually on the unpaid balance for the first two years. Principal and interest of \$12,339 will be paid in twenty-eight (28) equal annual amortized installments beginning on March 3, 2001, with any remaining balance due and payable thirty (30) years from the date of the note. \$199,771

As required by the March 3, 1998, loan agreement, Council established a reserve account that was to accrue or maintain a balance at least equal to \$12,339. The reserve account is to be funded from collections on loans made from the IRP II Revolving Loan Fund.

As required by the loan agreements the proceeds of the loans were deposited in special ledger and segregated accounts for IRP funds. No moneys from the IRP Revolving Loan funds shall be used without the prior written consent of the RECDS and moneys from these funds shall not be lent to an Ultimate Recipient without the prior written approval of the RECDS of the collateral to be taken for the loan to the ultimate recipient.

Following are maturities of long-term debt for each of the next five years as of December 31, 2010.

JEFFERSON COUNTY DEVELOPMENT COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2010

<u>Year Ending December 31</u>	<u>IRP Loans</u>	<u>IRP II Loans</u>	<u>Total</u>
2011	\$ 17,892	\$ 10,341	\$ 28,233
2012	18,063	10,451	28,514
2013	18,235	10,555	28,790
2014	18,406	10,659	29,065
2015	18,578	10,763	29,341
Remaining	<u>174,895</u>	<u>147,002</u>	<u>321,897</u>
Total	<u>\$266,069</u>	<u>\$199,771</u>	<u>\$465,840</u>

NOTES PAYABLE – S & T BANK

In June of 2009, the council negotiated new terms on the remaining balance owed to S & T Bank on the note obtained to provide bridge financing for the construction of the Enterprise Center. The remaining balance of \$185,438 was amortized over 228 months with monthly payments totaling \$1,401.43 including interest at 6.25% pre annum. The new maturity date of the note is May 15, 2028. The note is secured by security interest in all assets of the Council. The outstanding balance at December 31, 2010 was \$177,088.

Following are maturities of the note for each of the next five years as of December 31,:

2011	\$ 5,976
2012	6,361
2013	6,770
2014	7,205
2015	7,590
Thereafter	<u>143,186</u>
Total	<u>\$177,088</u>

Depreciation and Amortization
 (Including Information on Listed Property)

(99) ▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return **JEFFERSON COUNTY DEVELOPMENT COUNCIL** Identifying number **25-1447936**

Business or activity to which this form relates
ENTERPRISE CENTER

Part I Election To Expense Certain Property Under Section 179
 Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2009 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2011. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	40,945

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)
 Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2010	17	0
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B—Assets Placed in Service During 2010 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2010 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	40,945
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	