



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

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Auditor of State

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NEWS RELEASE

FOR RELEASE _____ April 22, 2004 _____ Contact: Andy Nielsen
515/281-5834

Auditor of State David A. Vaudt today released an audit report on the City of Exira, Iowa, for the year ended June 30, 2003.

The City's receipts totaled \$804,846 for the year ended June 30, 2003. The receipts included \$156,406 in property tax, \$321,728 from other governments, \$7,640 in local option sales tax and \$2,777 in interest on investments. The City also received revenue bond and bank loan proceeds of \$400,197 and \$75,000, respectively, that are reported as other financing sources.

Disbursements for the year totaled \$1,244,271, and included \$643,810 for capital projects, \$173,923 for public safety and \$165,685 for business type activities.

This report contains recommendations to the City Council and other City officials. For example, the City should review its control activities to obtain the maximum internal control possible and utility billings, collections and delinquencies should be reconciled. Also the City should amend the budget in sufficient amounts in accordance with Chapter 348.18 of the Code of Iowa before disbursements are allowed to exceed the budget. The City has responded favorably to the comments.

A copy of the audit report is available for review in the Office of Auditor of State and the City Clerk's office.

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CITY OF EXIRA

INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2003

Table of Contents

		<u>Page</u>
Officials		3
Independent Auditor's Report		5-6
Financial Statements:	<u>Exhibit</u>	
Combined Statement of Cash Transactions – All Fund Types	A	8-9
Comparison of Receipts, Disbursements and Changes in Balances – Actual to Budget	B	10
Statement of Indebtedness	C	12-13
Notes to Financial Statements		14-18
Supplemental Information:	<u>Schedule</u>	
Combining and Individual Schedules of Cash Transactions:		
General Fund	1	21-23
Special Revenue Funds	2	24
Capital Projects Fund	3	25
Enterprise Funds	4	26
Schedule of Expenditures of Federal Awards	5	27
Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting		29-30
Independent Auditor's Report on Compliance with Requirements Applicable to the Major Program and Internal Control over Compliance		33-34
Schedule of Findings and Questioned Costs		35-41
Staff		42

City of Exira

Officials

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Dennis Williams	Mayor	Jan 2004
Gary Jacobsen	Council Member/Mayor Pro tem	Jan 2004
Mike Huegerich	Council Member	Jan 2004
Mark Richards	Council Member	Jan 2004
Ryan Wilson	Council Member	Jan 2006
Randy Thompson	Council Member	Jan 2006
Jean Petersen	City Clerk/Treasurer	Indefinite
Robert D. Nelson	City Attorney	Indefinite

City of Exira



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Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council:

We have audited the accompanying financial statements, listed as exhibits in the table of contents of this report, of the City of Exira, Iowa, as of and for the year ended June 30, 2003. These financial statements are the responsibility of the City of Exira's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with U.S. generally accepted auditing standards, Chapter 11 of the Code of Iowa and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards and provisions require that we plan and perform the audit 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 significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in note 1, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. Also, as permitted by the Code of Iowa, the accounting records of the City have not been audited for all prior years. Accordingly, we were unable to satisfy ourselves as to the distribution by fund of the total fund balance at July 1, 2002.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to verify the distribution by fund of the total fund balance at July 1, 2002, as discussed in the preceding paragraph, the aforementioned financial statements present fairly, in all material respects, the results of the cash transactions of the funds of the City of Exira as of and for the year ended June 30, 2003, and its indebtedness at June 30, 2003, on the basis of accounting described in note 1.

In accordance with Government Auditing Standards, we have also issued our reports dated February 27, 2004 on our consideration of the City of Exira's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Those reports are an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the aforementioned financial statements taken as a whole. The supplemental information included in Schedules 1 through 5, including the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget (OMB) Circular A-133, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in our audit of the aforementioned financial statements and, in our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to verify the distribution by fund of the total fund balance at July 1, 2002, as discussed in the third paragraph, is fairly stated in all material respects in relation to the aforementioned financial statements taken as a whole.



DAVID A. VAUDT, CPA
Auditor of State



WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

February 27, 2004

Financial Statements

City of Exira
 Combined Statement of Cash Transactions
 All Fund Types
 Year ended June 30, 2003

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
Receipts:			
Property tax	\$ 101,900	54,506	-
Other city tax	7,530	10,257	-
Licenses and permits	3,335	-	-
Use of money and property	2,255	-	-
Intergovernmental	64,867	65,945	190,916
Charges for service	73,545	-	-
Miscellaneous	37,762	-	-
Total receipts	<u>291,194</u>	<u>130,708</u>	<u>190,916</u>
Disbursements:			
Public safety	152,325	21,598	-
Public works	81,130	76,077	-
Culture and recreation	47,777	11,941	-
Community and economic development	1,567	-	-
General government	35,607	6,754	-
Capital projects	-	-	643,810
Business type activities	-	-	-
Total disbursements	<u>318,406</u>	<u>116,370</u>	<u>643,810</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(27,212)</u>	<u>14,338</u>	<u>(452,894)</u>
Other financing sources (uses):			
Proceeds from sewer revenue bonds	-	-	400,197
Proceeds from bank loan	-	-	75,000
Operating transfers in	9,181	-	-
Operating transfers out	-	(9,181)	-
Total other financing sources (uses)	<u>9,181</u>	<u>(9,181)</u>	<u>475,197</u>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	<u>(18,031)</u>	<u>5,157</u>	<u>22,303</u>
Balance beginning of year	<u>156,934</u>	<u>20,912</u>	<u>(35,268)</u>
Balance end of year	<u>\$ 138,903</u>	<u>26,069</u>	<u>(12,965)</u>

See notes to financial statements.

Proprietary Fund Type	Total (Memorandum Only)
Enterprise	
-	156,406
-	17,787
-	3,335
522	2,777
-	321,728
180,842	254,387
10,664	48,426
192,028	804,846
-	173,923
-	157,207
-	59,718
-	1,567
-	42,361
-	643,810
165,685	165,685
165,685	1,244,271
26,343	(439,425)
-	400,197
-	75,000
25,400	34,581
(25,400)	(34,581)
-	475,197
26,343	35,772
58,384	200,962
84,727	236,734

Exhibit B

City of Exira

Comparison of Receipts, Disbursements and Changes in Balances -

Actual to Budget

Year ended June 30, 2003

	Actual	Amended Budget	Variance Favorable (Unfavorable)	Actual as % of Amended Budget
Receipts:				
Property tax	\$ 156,406	158,805	(2,399)	98%
Other City tax	17,787	8,049	9,738	221%
Licenses and permits	3,335	3,310	25	101%
Use of money and property	2,777	1,950	827	142%
Intergovernmental	321,728	725,000	(403,272)	44%
Charges for service	254,387	326,000	(71,613)	78%
Miscellaneous	48,426	24,000	24,426	202%
Total receipts	<u>804,846</u>	<u>1,247,114</u>	<u>(442,268)</u>	<u>65%</u>
Disbursements:				
Public safety	173,923	131,770	(42,153)	132%
Public works	157,207	186,360	29,153	84%
Culture and recreation	59,718	62,680	2,962	95%
Community and economic development	1,567	6,500	4,933	24%
General government	42,361	42,665	304	99%
Debt service	-	25,400	25,400	-
Capital projects	643,810	691,000	47,190	93%
Business type activities	165,685	167,700	2,015	99%
Total disbursements	<u>1,244,271</u>	<u>1,314,075</u>	<u>69,804</u>	<u>95%</u>
Deficiency of receipts under disbursements	(439,425)	(66,961)		
Other financing sources, net	<u>475,197</u>	<u>75,000</u>		
Excess of receipts and other financing sources over disbursements and other financing uses	35,772	8,039		
Balance beginning of year	<u>200,962</u>	<u>229,227</u>		
Balance end of year	<u>\$ 236,734</u>	<u>237,266</u>		

See notes to financial statements.

Financial Statements

City of Exira
Statement of Indebtedness
Year ended June 30, 2003

Obligation	Date of Issue	Interest Rates	Amount Originally Issued
Revenue bonds: Sewer	Jun 4, 2002	3.00%	\$ 425,000
County loan: Fire truck	Dec 14, 1998	0.00%	\$ 40,000
Bank loan: Sewer lagoon project	May 13, 2002	5.75%	\$ 221,775

See notes to financial statements.

Balance Beginning of Year	Issued During Year	Redeemed During Year	Balance End of Year	Interest Paid
4,250	400,197	16,000	388,447	9,118
10,000	-	10,000	-	-
146,775	75,000	221,775	-	1,031

City of Exira

Notes to Financial Statements

June 30, 2003

(1) Summary of Significant Accounting Policies

The City of Exira is a political subdivision of the State of Iowa located in Audubon County. It was first incorporated in 1857 and operates under the Home Rule provisions of the Constitution of Iowa. The City operates under the Mayor-Council form of government with the Mayor and Council Members elected on a non-partisan basis. The City provides numerous services to citizens, including public safety, public works, culture and recreation, general government and business type activities.

A. Reporting Entity

For financial reporting purposes, the City of Exira has included all funds, organizations, agencies, boards, commissions and authorities. The City has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the City. The City has no component units which meet the Governmental Accounting Standards Board criteria.

Jointly Governed Organizations

The City participates in several jointly governed organizations for which the City is not financially accountable or that the nature and significance of the relationship with the City are such that exclusion does not cause the City's financial statements to be misleading or incomplete. City officials are members of the following boards and commissions: Audubon County Assessor's Conference Board. The City also participates in the Audubon County Solid Waste Management Commission, a jointly governed organization established pursuant to Chapter 28E of the Code of Iowa.

B. Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its receipts, disbursements and balances. The various funds and their designated purposes are as follows:

Governmental Funds

General Fund - The General Fund is the general operating fund of the City. All general tax receipts and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating disbursements, the fixed charges and the capital improvement costs that are not paid through other funds.

Special Revenue Funds - The Special Revenue Funds are utilized to account for receipts derived from specific sources which are usually required by law or regulation to be accounted for in separate funds.

Capital Projects Fund - The Capital Projects Fund is utilized to account for all resources used in the acquisition and construction of capital facilities, with the exception of those that are financed through Enterprise Funds.

Proprietary Funds

Enterprise Funds - The Enterprise Funds are utilized to finance and account for the acquisition, operation and maintenance of governmental facilities and services that are supported by user charges.

C. Basis of Accounting

The City of Exira maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the City are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with U.S. generally accepted accounting principles.

D. Budgets and Budgetary Accounting

In accordance with the Code of Iowa, the City Council annually adopts a budget on the cash basis following required public notice and hearing for all funds. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control is based upon nine major classes of disbursements, known as functions, not by fund. These functions are public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects and business type activities.

E. Total (Memorandum Only)

The total column on the combined statement of cash transactions is captioned "Memorandum Only" to indicate it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations in conformity with U.S. generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

(2) Cash and Pooled Investments

The City's deposits in banks at June 30, 2003 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The City is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the City Council; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

The City had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 3.

(3) Long Term Debt

Revenue Bonds Payable

On May 13, 2002, the City entered into an agreement with the Iowa Finance Authority, the Iowa Department of Natural Resources and Wells Fargo Bank Iowa, N.A. for the issuance of \$425,000 of sewer revenue bonds with an interest rate of 3.00%. A one percent loan initiation fee was also charged against the total amount borrowed. The bonds were issued pursuant to the provisions of Sections 384.24A and 384.83 of the Code of Iowa to construct improvements and extensions to a municipal wastewater treatment system. The City will receive disbursements from the Trustee upon request to reimburse the City for costs as they are incurred. Should the project cost less than the original note amount, the note and the repayment schedule will be amended accordingly. As of June 30, 2000, the City had drawn \$404,447 of the \$425,000 authorized. Wells Fargo Bank Iowa, N.A., has the remaining \$20,553 held in trust which the City will request as the project progresses.

The resolution providing for the issuance of the sewer revenue bonds includes the following provisions:

- (1) The bonds will only be redeemed from the future earnings of the enterprise activity and the bondholders hold a lien on the future earnings of the funds.
- (2) Sufficient monthly transfers shall be made to a separate sewer sinking account for the purpose of making the bond principal and interest payments when due.
- (3) The City will provide for the collection of rates to produce gross revenues at least sufficient to pay the expenses of operation and maintenance of the utility and to have a balance of net revenues equal to at least 110% of the principal and interest due on the bonds each fiscal year.

The City made sufficient transfers to the sewer sinking account during the fiscal year ended June 30, 2003. However, the City did not provide for the collection of rates to provide a balance of net revenues equal to at least 110% of the principal and interest due on the bonds in the year ended June 30, 2003.

Loan Agreements

On June 13, 2002, the City entered into an agreement to borrow \$221,775 for the sewer lagoon project. The loan requires interest of 5.75% per annum and was due January 1, 2003. The balance of \$221,775 was repaid during the year ended June 30, 2003.

On January 14, 1998, the City entered into an agreement with Audubon County to borrow \$40,000 for the purchase of a fire truck. The City was required to make four equal annual payments of \$10,000 beginning in the year ended June 30, 2000. The loan is interest free. The remaining balance of \$10,000 was repaid during the year ended June 30, 2003.

(4) Pension and Retirement Benefits

The City contributes to the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by state statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Plan members are required to contribute 3.70% of their annual covered salary and the City is required to contribute 5.75% of annual covered payroll except for police employees, in which case the percentages are 6.04% and 9.07%, respectively. Contribution requirements are established by state statute. The City's contribution to IPERS for the year ended June 30, 2003 was \$9,426, equal to the required contribution for the year.

(5) Compensated Absences

City employees accumulate unused vacation hours for subsequent use or for payment upon termination, retirement or death. These accumulations are not recognized as disbursements by the City until used or paid. The City's approximate liability for earned vacation payable to employees at June 30, 2003, primarily relating to the General Fund, was \$3,700. This liability has been computed based on rates of pay in effect at June 30, 2003.

(6) Budget Overexpenditure

Per the Code of Iowa, disbursements may not legally exceed budgeted appropriations at the functional level. During the year ended June 30, 2003, disbursements in the public safety function exceeded the amount budgeted.

(7) Related Party Transactions

The City had business transactions totaling \$6,788 between the City and City officials during the year ended June 30, 2003.

(8) Risk Management

The City is a member in the Iowa Communities Assurance Pool, as allowed by Chapter 670.7 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool with over 475 members from various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, public officials liability, police professional liability, property and inland marine, and boiler/machinery. There have been no reductions in insurance coverage from prior years.

Each member's annual casualty contributions to the Pool fund current operations and provide capital. Annual operating contributions are those amounts necessary to fund, on a cash basis, the Pool's general and administrative expenses, claims, claims expenses and reinsurance expenses due and payable in the current year, plus all or any portion of any deficiency in capital. Capital contributions are made during the first six years of membership and are maintained to equal 300 percent of the total current members' basis rates or to comply with the requirements of any applicable regulatory authority having jurisdiction over the Pool.

The Pool also provides property coverage. Members who elect such coverage make annual operating contributions which are necessary to fund, on a cash basis, the Pool's general and administrative expenses and reinsurance premiums, all of which are due and payable in the current year, plus all or any portion of any deficiency in capital. Any year-end operating surplus is transferred to capital. Deficiencies in operations are offset by transfers from capital and, if insufficient, by the subsequent year's member contributions.

The City's property and casualty contributions to the risk pool are recorded as disbursements from its operating funds at the time of payment to the risk pool. The City's annual contributions to the Pool for the year ended June 30, 2003 were \$14,663.

The Pool uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. The Pool retains general, automobile, police professional, and public officials' liability risks up to \$250,000 per claim. Claims exceeding \$250,000 are reinsured in an amount not to exceed \$1,750,000 per claim and \$5,000,000 in the aggregate per year. For members requiring specific coverage from \$2,000,000 to \$15,000,000, such excess coverage is also reinsured. All property risks, including automobile physical damage, are also reinsured on an individual-member basis.

The Pool's intergovernmental contract with its members provides that in the event a casualty claim or series of claims exceeds the amount of risk-sharing protection provided by the member's risk-sharing certificate, or in the event a series of casualty claims exhausts total members' equity plus any reinsurance and any excess risk-sharing recoveries, then payment of such claims shall be the obligation of the respective individual member. As of June 30, 2003, settled claims have not exceeded the risk pool or reinsurance coverage since the Pool's inception.

Members agree to continue membership in the Pool for a period of not less than one full year. After such period, a member who has given 60 days' prior written notice may withdraw from the Pool. Upon withdrawal, payments for all claims and claims expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the member's withdrawal. Members withdrawing within the first six years of membership may receive a partial refund of their capital contributions. If a member withdraws after the sixth year, the member is refunded 100 percent of its capital contributions. However, the refund is reduced by an amount equal to the annual operating contribution which the withdrawing member would have made for the one-year period following withdrawal.

The City also carries commercial insurance purchased from other insurers for coverage associated with workers compensation in the amount of \$500,000. The City assumes liability for any deductibles, and claims in excess of coverage limitations. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

(9) Deficit Balance

The Capital Projects Fund, Lagoon Project Account, had a deficit balance of \$12,965 at June 30, 2003. This deficit balance was a result of project costs incurred prior to availability of funds. The deficit balance will be eliminated by sewer revenue bond proceeds.

Supplemental Information

City of Exira

City of Exira
Combining Schedule of Cash Transactions
General Fund
Year ended June 30, 2003

	General	Library - Enrich Iowa	Library Project	Volunteer Fire and Rescue	Total
Receipts:					
Property tax	\$ 101,900	-	-	-	101,900
Other city tax:					
Utility tax replacement excise tax	4,862	-	-	-	4,862
Cable franchise tax	2,668	-	-	-	2,668
	7,530	-	-	-	7,530
Licenses and permits:					
Liquor	1,560	-	-	-	1,560
Cigarette	375	-	-	-	375
Beer	275	-	-	-	275
Building	225	-	-	-	225
Dog	900	-	-	-	900
	3,335	-	-	-	3,335
Use of money and property:					
Interest on investments	1,746	-	-	509	2,255
Intergovernmental:					
State allocation	12,230	-	-	-	12,230
Bank franchise tax	2,079	-	-	-	2,079
County library allocation	12,000	-	-	-	12,000
Public safety partnership and community policing grant	11,312	-	-	-	11,312
Enrich Iowa	-	1,938	-	-	1,938
Township fire protection	22,738	-	-	500	23,238
Miscellaneous	-	-	-	2,070	2,070
	60,359	1,938	-	2,570	64,867
Charges for service:					
Garbage collection	72,800	-	-	-	72,800
Library fines and book charges	745	-	-	-	745
	73,545	-	-	-	73,545
Miscellaneous:					
Contributions, gifts, and fees	-	-	13,242	16,189	29,431
Miscellaneous	8,331	-	-	-	8,331
	8,331	-	13,242	16,189	37,762
Total receipts	256,746	1,938	13,242	19,268	291,194

Schedule 1

City of Exira

Combining Schedule of Cash Transactions

General Fund

Year ended June 30, 2003

	General	Library - Enrich Iowa	Library Project	Volunteer Fire and Rescue	Total
Disbursements:					
Public safety:					
Police:					
Personal services	54,061	-	-	-	54,061
Services and commodities	12,903	-	-	-	12,903
Capital outlay	19,192	-	-	-	19,192
	<u>86,156</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>86,156</u>
Fire:					
Services and commodities	8,361	-	-	11,377	19,738
Capital outlay	10,000	-	-	33,362	43,362
	<u>18,361</u>	<u>-</u>	<u>-</u>	<u>44,739</u>	<u>63,100</u>
Ambulance:					
Services and commodities	2,788	-	-	-	2,788
Animal control:					
Services and commodities	281	-	-	-	281
	<u>107,586</u>	<u>-</u>	<u>-</u>	<u>44,739</u>	<u>152,325</u>
Public works:					
Roads, bridges and sidewalks:					
Personal services	10,207	-	-	-	10,207
Services and commodities	6,123	-	-	-	6,123
	<u>16,330</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,330</u>
Street lighting:					
Services and commodities	14,904	-	-	-	14,904
Garbage:					
Services and commodities	49,896	-	-	-	49,896
	<u>81,130</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>81,130</u>
Culture and recreation:					
Library:					
Personal services	20,033	-	-	-	20,033
Services and commodities	16,462	1,132	3,224	-	20,818
Capital outlay	-	653	-	-	653
	<u>36,495</u>	<u>1,785</u>	<u>3,224</u>	<u>-</u>	<u>41,504</u>
Parks and recreation:					
Services and commodities	4,323	-	-	-	4,323
Cemetery:					
Services and commodities	1,950	-	-	-	1,950
	<u>42,768</u>	<u>1,785</u>	<u>3,224</u>	<u>-</u>	<u>47,777</u>

City of Exira
Combining Schedule of Cash Transactions
General Fund
Year ended June 30, 2003

	General	Library - Enrich Iowa	Library Project	Volunteer Fire and Rescue	Total
Disbursements (continued):					
Community and economic development:					
Services and commodities	1,567	-	-	-	1,567
General government:					
Mayor and council members:					
Personal services	2,135	-	-	-	2,135
Clerk and treasurer:					
Personal services	19,090	-	-	-	19,090
Services and commodities	4,969	-	-	-	4,969
	24,059	-	-	-	24,059
City hall:					
Services and commodities	9,413	-	-	-	9,413
	35,607	-	-	-	35,607
Total disbursements	268,658	1,785	3,224	44,739	318,406
Excess (deficiency) of receipts over (under) disbursements	(11,912)	153	10,018	(25,471)	(27,212)
Other financing sources:					
Operating transfers in:					
Special Revenue:					
Emergency	9,181	-	-	-	9,181
Excess (deficiency) of receipts and other financing sources over (under) disbursements	(2,731)	153	10,018	(25,471)	(18,031)
Balance beginning of year	84,582	-	9,744	62,608	156,934
Balance end of year	\$ 81,851	153	19,762	37,137	138,903

See accompanying independent auditor's report.

Schedule 2

City of Exira

Combining Schedule of Cash Transactions

Special Revenue Funds

Year ended June 30, 2003

	Road Use Tax	Employee Benefits	Emergency	Local Option Sales Tax	Total
Receipts:					
Property tax	\$ -	51,569	2,937	-	54,506
Other city tax:					
Utility tax replacement excise tax	-	2,476	141	-	2,617
Local option sales tax	-	-	-	7,640	7,640
	-	2,476	141	7,640	10,257
Intergovernmental:					
Road use tax allocation	65,945	-	-	-	65,945
Total receipts	65,945	54,045	3,078	7,640	130,708
Disbursements:					
Public safety:					
Personal services	-	21,598	-	-	21,598
Public works:					
Personal services	26,829	18,513	-	-	45,342
Services and commodities	30,735	-	-	-	30,735
	57,564	18,513	-	-	76,077
Culture and recreation:					
Personal services	-	11,941	-	-	11,941
General government:					
Personal services	-	6,754	-	-	6,754
Total disbursements	57,564	58,806	-	-	116,370
Excess (deficiency) of receipts over (under) disbursements	8,381	(4,761)	3,078	7,640	14,338
Other financing uses:					
Operating transfers out:					
General:					
General	-	-	(9,181)	-	(9,181)
Excess (deficiency) of receipts over (under) disbursements and other financing uses	8,381	(4,761)	(6,103)	7,640	5,157
Balance beginning of year	8,468	6,341	6,103	-	20,912
Balance end of year	\$ 16,849	1,580	-	7,640	26,069

See accompanying independent auditor's report.

City of Exira
 Schedule of Cash Transactions
 Capital Projects Fund
 Year ended June 30, 2003

	Lagoon Project
Receipts:	
Intergovernmental:	
Community development block grant	\$ 190,916
Disbursements:	
Capital projects:	
Capital outlay	421,004
Debt service:	
Principal redeemed	221,775
Interest paid	1,031
Total disbursements	643,810
Deficiency of receipts under disbursements	(452,894)
Other financing sources:	
Proceeds from sewer revenue bonds	400,197
Proceeds from bank loan	75,000
Total other financing sources	475,197
Excess of receipts and other financing sources over disbursements	22,303
Balance beginning of year	(35,268)
Balance end of year	\$ (12,965)

See accompanying independent auditor's report.

Schedule 4

City of Exira

Combining Schedule of Cash Transactions

Enterprise Funds

Year ended June 30, 2003

	Water Utility	Customer Deposits	Sewer Utility	Sewer Sinking	Total
Receipts:					
Use of money and property:					
Interest on investments	\$ 522	-	-	-	522
Charges for service:					
Sale of water	138,657	-	-	-	138,657
Sewer rental fees	-	-	42,185	-	42,185
	<u>138,657</u>	<u>-</u>	<u>42,185</u>	<u>-</u>	<u>180,842</u>
Miscellaneous:					
Sales tax collected	7,814	-	-	-	7,814
Customer deposits	-	2,850	-	-	2,850
	<u>7,814</u>	<u>2,850</u>	<u>-</u>	<u>-</u>	<u>10,664</u>
Total receipts	<u>146,993</u>	<u>2,850</u>	<u>42,185</u>	<u>-</u>	<u>192,028</u>
Disbursements:					
Business type activities:					
Plant:					
Personal services	30,097	-	7,693	-	37,790
Services and commodities	71,211	2,893	9,046	-	83,150
Capital outlay	19,345	-	-	-	19,345
Debt service:					
Principal redeemed	-	-	-	16,000	16,000
Interest paid	-	-	-	9,118	9,118
Service fees	-	-	-	282	282
Total disbursements	<u>120,653</u>	<u>2,893</u>	<u>16,739</u>	<u>25,400</u>	<u>165,685</u>
Excess (deficiency) of receipts over (under) disbursements	<u>26,340</u>	<u>(43)</u>	<u>25,446</u>	<u>(25,400)</u>	<u>26,343</u>
Other financing sources (uses):					
Operating transfers in (out):					
Enterprise:					
Sewer Utility	-	-	-	25,400	25,400
Sewer Sinking	-	-	(25,400)	-	(25,400)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(25,400)</u>	<u>25,400</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	<u>26,340</u>	<u>(43)</u>	<u>46</u>	<u>-</u>	<u>26,343</u>
Balance beginning of year	<u>37,446</u>	<u>6,103</u>	<u>14,835</u>	<u>-</u>	<u>58,384</u>
Balance end of year	<u>\$ 63,786</u>	<u>6,060</u>	<u>14,881</u>	<u>-</u>	<u>84,727</u>

See accompanying independent auditor's report.

City of Exira
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2003

Grantor/Program	CFDA Number	Agency or Pass-through Number	Program Expendi- tures
Direct:			
U.S. Department of Justice:			
Office of Community Oriented Policing Services:			
Public Safety Partnership and Community Policing Grant	16.710	UMWX0139	<u>\$ 11,312</u>
Indirect:			
U.S. Department of Housing and Urban Development:			
Iowa Department of Economic Development:			
Community Development Block Grants/ State's Program	14.228	00-WS-068	136,609
U.S. Environmental Protection Agency:			
Iowa Department of Natural Resources:			
Capitalization Grants for Clean Water - State Revolving Fund	66.458	CS192188 01	<u>333,497</u>
Total indirect			<u>470,106</u>
Total			<u><u>\$ 481,418</u></u>

Basis of presentation – The Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Exira and is presented in conformity with an other comprehensive basis of accounting. The information on this schedule is presented in accordance with the requirements of OMB Circular 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.

See accompanying independent auditor's report.

City of Exira



**OFFICE OF AUDITOR OF STATE
STATE OF IOWA**

David A. Vaudt, CPA
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0004

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**Independent Auditor's Report on Compliance
and on Internal Control over Financial Reporting**

To the Honorable Mayor and
Members of the City Council:

We have audited the financial statements of the City of Exira, Iowa, as of and for the year ended June 30, 2003, and have issued our report thereon dated February 27, 2004. Our report, which was prepared in conformity with an other comprehensive basis of accounting, expressed a qualified opinion on the financial statements since we were unable to satisfy ourselves as to the distribution by fund of the total fund balance at July 1, 2002.

Except as noted in the Independent Auditor's Report, we conducted our audit in accordance with U.S. generally accepted auditing standards, Chapter 11 of the Code of Iowa, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of Exira's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, non-compliance 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 non-compliance that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of non-compliance that are described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the City of Exira's operations for the year ended June 30, 2003 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the City. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Exira's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City of Exira's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in Part II of the accompanying Schedule of Findings and Questioned Costs.

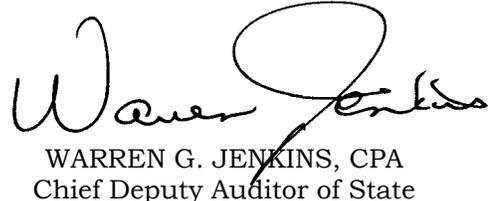
A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we believe items II-A-03 and II-D-03 are material weaknesses.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of the City of Exira and other parties to whom the City of Exira may report. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the City of Exira during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



DAVID A. VAUDT, CPA
Auditor of State



WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

February 27, 2004

**Independent Auditor's Report on Compliance with Requirements
Applicable to the Major Program and Internal Control over Compliance**

City of Exira



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

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Independent Auditor's Report on Compliance with Requirements
Applicable to the Major Program and Internal Control over Compliance

To the Honorable Mayor and
Members of the City Council:

Compliance

We have audited the compliance of the City of Exira, Iowa, with the types of compliance requirements described in U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended June 30, 2003. The City of Exira's major federal program is identified in Part I of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City of Exira's management. Our responsibility is to express an opinion on the City of Exira's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards, Chapter 11 of the Code of Iowa, 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 provisions require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance 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 the City of Exira'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 on the City of Exira's compliance with those requirements.

In our opinion, the City of Exira complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2003.

Internal Control Over Compliance

The management of the City of Exira 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 the City'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 and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted a matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgement, could adversely affect the City of Exira's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. The reportable condition is described in Part III of the accompanying Schedule of Findings and Questioned Costs.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that non-compliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above, identified as item III-A-03, is a material weakness.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of the City of Exira and other parties to whom the City of Exira may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.



DAVID A. VAUDT, CPA
Auditor of State



WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

February 27, 2004

City of Exira

Schedule of Findings and Questioned Costs

Year ended June 30, 2003

Part I: Summary of the Independent Auditor's Results:

- (a) A qualified opinion was issued on the financial statements, which were prepared in conformity with a comprehensive basis of accounting other than U.S. generally accepted accounting principles, since we were unable to satisfy ourselves as to the distribution by fund of the total fund balance at July 1, 2002.
- (b) Reportable conditions in internal control over financial reporting were disclosed by the audit of the financial statements, including items considered to be material weaknesses.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) A reportable condition in internal control over the major program was disclosed by the audit of the financial statements, which is also considered to be a material weakness.
- (e) An unqualified opinion was issued on compliance with requirements applicable to the major program.
- (f) The audit disclosed an audit finding which was required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- (g) The City's major program was CFDA Number 66.458 – Capitalization Grants for Clean Water - State Revolving Fund.
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- (i) The City of Exira did not qualify as a low-risk auditee.

City of Exira

Schedule of Findings and Questioned Costs

Year ended June 30, 2003

Part II: Findings Related to the Financial Statements:

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

REPORTABLE CONDITIONS:

II-A-03 Segregation of Duties – One important aspect of internal accounting control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. One person has control over each of the following areas for the City:

- 1) Accounting system – performance of all general accounting functions and custody of assets.
- 2) Receipts – collecting, depositing, journalizing, posting and reconciling.
- 3) Disbursements – performance of all purchasing functions, check preparation, recording, and reconciling.
- 4) Payroll – preparation and distribution.
- 5) Utilities – collection, depositing and posting.

Recommendation – We realize that with a limited number of office employees, segregation of duties is difficult. However, the City should review its control activities to obtain the maximum internal control possible under the circumstances.

Response – The Council tries to review all income and expenses each month, as well as the bank balance. Also, the Mayor will review payroll records on a monthly basis.

Conclusion – Response accepted.

II-B-03 Separately Maintained Records – The Exira Volunteer Fire and Rescue maintained its checking and savings account records in a location separate from the Clerk's office. These accounts were not reflected in the City's accounting system, monthly balances or annual budget. Additionally, all accounting functions were handled by the Treasurer of the Fire and Rescue department and prenumbered receipts were not issued.

Recommendation – Chapter 384.20 of the Code of Iowa states in part that a City shall keep accounts which show an accurate and detailed statement of all public funds collected, received or expended for any City purpose. Monthly fire and rescue department account financial transactions should be included in the Clerk's monthly financial reports. Internal control could be strengthened and operating efficiency could be increased by integrating the account receipts and disbursements with the City accounting records in the Clerk's office.

If the Exira Volunteer Fire and Rescue department account receipts and disbursements are not integrated with the City accounting records in the Clerk's office, then duties should be segregated to the extent possible, and the issuance of prenumbered receipts should be required.

City of Exira

Schedule of Findings and Questioned Costs

Year ended June 30, 2003

Response – This will be discussed with the Fire Department and a plan will be worked out so that they do a proper job of handling their funds and reporting to the Council on a regular basis.

Conclusion – Response accepted.

II-C-03 Policies and Procedures – The City does not have a standardized accounting manual, an information systems policy covering the computer system or a written disaster recovery plan for the computer system. These documents would provide the following benefits:

- (1) Aid in training additional or replacement personnel and help achieve uniformity in accounting and in the application of policies and procedures.
- (2) To identify the City's control and operations of the computer based system.
- (3) To detail and address a plan for the continued operations of the City in the event of a disaster.

Also, the City does not require backup tapes to be stored off site.

Recommendation – An accounting manual along with an information systems policy and disaster recovery plan for the computer system should be prepared by the City. Also, backup tapes should be stored off site in a fireproof vault or safe.

Response – Backup tapes will be made more frequently and taken off site during off hours. Clerk will attempt to compile a log of day by day activities relating to her job. A disaster recovery plan will be addressed.

Conclusion – Response accepted.

II-D-03 Reconciliation of Utility Billings, Collections and Delinquencies – Utility billings, collections and delinquent accounts were not reconciled.

Recommendation – Procedures should be established to reconcile utility billings, collections and delinquencies. The Council or Council-designated independent person should review the reconciliations and monitor delinquencies.

Response – A reconciliation of utility bills will be presented to the Council on a monthly basis.

Conclusion – Response accepted.

II-E-03 City Vehicle Usage – The City owns vehicles for use by various employees while on City business. The City has not established a formal policy to regulate the use of these vehicles.

Recommendation – The City should adopt a formal written policy regulating the use of City vehicles. The policy should include provisions for incidental personal use, commuting, assignment of vehicles, documentation required, restricted vehicle uses, reimbursement by employees for personal use, and additional compensation for employees.

Response – A policy will be written regulating the use of City vehicles.

Conclusion – Response accepted.

City of Exira

Schedule of Findings and Questioned Costs

Year ended June 30, 2003

Part III: Findings and Questioned Costs For Federal Awards:

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

REPORTABLE CONDITION:

CFDA Number 66.458: Capitalization Grants for Clean Water - State Revolving Fund
Pass-through Agency Number: CS192188 01
Federal Award Year: 2002
Environmental Protection Agency
Passed through Iowa Department of Natural Resources

III-A-03 Segregation of Duties over Federal Receipts and Disbursements – The City did not properly segregate collecting, depositing, journalizing, posting and reconciling for receipts and also purchasing, check preparation, recording and reconciling functions for disbursements, including those related to the federal program. See item II-A-03.

City of Exira

Schedule of Findings and Questioned Costs

Year ended June 30, 2003

Part IV: Other Findings Related to Statutory Reporting:

IV-A-03 Official Depositories – A resolution naming official depositories has been adopted by the Council. The maximum deposit amounts stated in the resolution were not exceeded during the year ended June 30, 2003.

IV-B-03 Certified Budget – Disbursements during the year ended June 30, 2003 exceeded the amount budgeted in the public safety function. Chapter 384.20 of the Code of Iowa states in part that public monies may not be expended or encumbered except under an annual or continuing appropriation.

Recommendation – The budget should have been amended in sufficient amount in accordance with Chapter 384.18 of the Code of Iowa before disbursements were allowed to exceed the budget.

Response – We will monitor this more carefully in the future.

Conclusion – Response accepted.

IV-C-03 Questionable Disbursements – No disbursements that may not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979, were noted.

IV-D-03 Travel Expense – No disbursements of City money for travel expenses of spouses of City officials or employees were noted.

IV-E-03 Business Transactions – Business transactions between the City and City officials or employees are detailed as follows:

Name, Title, and Business Connection	Transaction Description	Amount
Ryan Wilson, Council Member, employee of Exira Plumbing and Heating (owned by his father-in-law)	Repair and services	\$ 3,967
Gary Jacobsen, Council Member, part owner of The Auto Clinic	Vehicle repair and maintenance	2,821

In accordance with Chapter 362.5(11) of the Code of Iowa, these transactions appear to represent conflicts of interest since total transactions were greater than \$2,500 for each individual during the fiscal year.

Recommendation – The City should consult legal counsel to determine the disposition of this matter.

Response – Business transactions with Council members are impossible to not do unless services are found out of town.

Conclusion – Response acknowledged. The City should consult legal counsel.

City of Exira

Schedule of Findings and Questioned Costs

Year ended June 30, 2003

IV-F-03 Bond Coverage – Surety bond coverage of City officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure the coverage is adequate for current operations.

IV-G-03 Council Minutes – No transactions were found that we believe should have been approved in the Council minutes but were not.

Although minutes of Council proceedings were published, they did not include total disbursements from each fund as required by Chapter 372.13(6) of the Code of Iowa.

Minutes of the Library Board were not signed.

Recommendation – The City should comply with Chapter 372.13(6) of the Code of Iowa and publish minutes as required. Also, all minutes of the Library Board should be signed to authenticate the actions taken.

Response – Council minutes will include total disbursements from each fund from now on. The Library Board will see that all minutes are signed from now on.

Conclusion – Response accepted.

IV-H-03 Deposits and Investments – No instances of noncompliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the City's investment policy were noted.

IV-I-03 Financial Condition – At June 30, 2003, the City had a deficit balance in the Capital Projects Fund, Lagoon Project Account totaling \$12,965.

Recommendation – The City should investigate alternatives to eliminate this deficit in order to return this account to a sound financial condition.

Response – We are expecting additional sewer revenue bond proceeds that will eliminate this deficit.

Conclusion – Response accepted.

IV-J-03 Electronic Check Retention – Chapter 554D.114 of the Code of Iowa allows the City to retain cancelled checks in an electronic format and requires retention in this manner to include an image of both the front and back of each cancelled check. The City began retaining cancelled checks through electronic image, but did not obtain an image of the back of each cancelled check as required.

Recommendation – The City should obtain and retain an image of both the front and back of each cancelled check as required.

Response – We will obtain both sides from now on.

Conclusion – Response accepted.

City of Exira

Schedule of Findings and Questioned Costs

Year ended June 30, 2003

IV-K-03 City Code of Ordinances – The City has not compiled the City ordinances within the past five years.

Recommendation – Chapter 380.8 of the Code of Iowa states in part, "At least once every five years, a City shall compile a Code of ordinances containing all City ordinances in effect, except grade ordinances, bond ordinances, zoning ordinances, and ordinances vacating streets and alleys." The City should compile the City ordinances as required.

Response – The City has contacted Region XII about recodification of our present Ordinance Book.

Conclusion – Response accepted.

IV-L-03 Sewer Revenue Bonds – The City complied with the transfer requirements of the sewer revenue bond resolution.

The sewer revenue bond resolution states the City will provide for the collection of rates to produce gross revenues at least sufficient to pay the expenses of operation and maintenance of the utility and to have a balance of net revenues equal to at least 110% of the principal and interest due on the bonds each fiscal year. The City has not complied with this provision.

Recommendation – The City should periodically review the accounts to ensure established rates will result in sufficient funds to meet future obligations.

Response – We will monitor for adequate rates periodically.

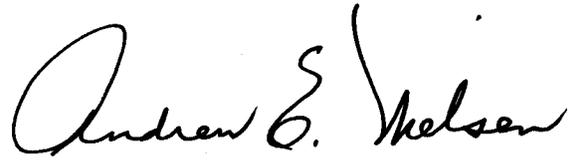
Conclusion – Response accepted.

City of Exira

Staff

This audit was performed by:

Steven M. Nottger, CPA, Manager
Nancy F. Curtis, CPA, Senior Auditor II
Michael J. Gentry, Jr., Assistant Auditor

A handwritten signature in black ink that reads "Andrew E. Nielsen". The signature is written in a cursive style with a large initial 'A' and 'N'.

Andrew E. Nielsen, CPA
Deputy Auditor of State