



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

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Auditor of State

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**NEWS RELEASE**

FOR RELEASE

June 26, 2017

Contact: Andy Nielsen  
515/281-5834

Auditor of State Mary Mosiman today released an audit report on the City of Belle Plaine, Iowa.

The City's receipts totaled \$3,158,712 for the year ended June 30, 2016, a 29.8% decrease from the prior year. The receipts included \$1,037,794 of property tax, \$125,134 of tax increment financing, \$1,047,271 of charges for service, \$534,991 of operating grants, contributions and restricted interest, \$118,651 of capital grants, contributions and restricted interest, \$186,570 of local option sales tax, \$28,406 of unrestricted interest on investments, \$75,796 of loan proceeds and \$4,099 of other general receipts.

Disbursements for the year ended June 30, 2016 totaled \$3,066,798, a 7.3% decrease from the prior year, and included \$525,666 for debt service, \$432,787 for culture and recreation and \$402,871 for public safety. Also, disbursements for business type activities totaled \$960,381.

The significant decrease in receipts is due primarily to the issuance of general obligation refunding bonds during fiscal year 2015.

A copy of the audit report is available for review in the City Clerk's Office, in the Office of Auditor of State and on the Auditor of State's web site at <https://auditor.iowa.gov/reports/1620-0033-B00F>.

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**CITY OF BELLE PLAINE**  
**INDEPENDENT AUDITOR'S REPORTS**  
**BASIC FINANCIAL STATEMENTS**  
**SUPPLEMENTARY AND OTHER INFORMATION**  
**SCHEDULE OF FINDINGS**  
**JUNE 30, 2016**

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**City of Belle Plaine**

**Officials**

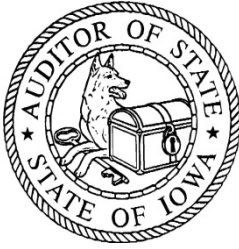
**(Before January 2016)**

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Dave Fish	Mayor	Jan 2016
Mary Pech	Mayor Pro tem	Jan 2016
April McIntire	Council Member	Jan 2016
Judy Schlesselman	Council Member	Jan 2018
Mark Tegeler	Council Member	Jan 2018
Leah Upah	Council Member	Jan 2018
Jeff Horne	City Administrator	Indefinite
Jacki McDermott	City Clerk	Indefinite
Jennifer Zahradnik	Attorney	Indefinite

**(After January 2016)**

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Dave Fish	Mayor	Jan 2020
Mary Pech	Mayor Pro tem	Jan 2020
Judy Schlesselman	Council Member	Jan 2018
Mark Tegeler	Council Member	Jan 2018
Leah Upah	Council Member	Jan 2018
Steve Beck	Council Member	Jan 2020
Jeff Horne	City Administrator	Indefinite
Jacki McDermott	City Clerk	Indefinite
Jennifer Zahradnik	Attorney	Indefinite

**City of Belle Plaine**



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Independent Auditor's Report

To the Honorable Mayor and Members of the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Belle Plaine, Iowa, as of and for the year ended June 30, 2016, and the related Notes to Financial Statements, which collectively comprise the City's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1. This includes determining the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. This includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Belle Plaine as of June 30, 2016, and the respective changes in its cash basis financial position for the year then ended in accordance with the basis of accounting described in Note 1.

## Basis of Accounting

As discussed in Note 1, these financial statements were prepared on the basis of cash receipts and disbursements, which is a basis of accounting other than U.S. generally accepted accounting principles. Our opinions are not modified with respect to this matter.

## Other Matters

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Belle Plaine's basic financial statements. The financial statements for the nine years ended June 30, 2015 (which are not presented herein) were audited by other auditors who expressed unmodified opinions on those financial statements which were prepared on the basis of cash receipts and disbursements. The supplementary information included in Schedules 1 through 5 is presented for purposes of additional analysis and is not a required part of the basic financial statements.


The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The other information, Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of the City's Proportionate Share of the Net Pension Liability and the Schedule of City Contributions on pages 9 through 15 and 38 through 44, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.



Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 12, 2017 on our consideration of the City of Belle Plaine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City of Belle Plaine's internal control over financial reporting and compliance.

  
MARY MOSIMAN, CPA  
Auditor of State

June 12, 2017

**City of Belle Plaine**

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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The City of Belle Plaine provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2016. We encourage readers to consider this information in conjunction with the City's financial statements, which follow.

### **2016 FINANCIAL HIGHLIGHTS**

- Receipts of the City's governmental activities decreased 42.1%, or approximately \$1.5 million, from fiscal year 2015 to fiscal year 2016, primarily due the issuance of \$1.7 million general obligation bonds in fiscal year 2015.
- Disbursements of the City's governmental activities decreased 13.5%, or approximately \$329,000, in fiscal year 2016 from fiscal year 2015. Capital projects disbursements decreased approximately \$294,000 while culture and recreation, public safety and community and economic development disbursements increased approximately \$66,000, \$64,000 and \$37,000, respectively.
- The City's total cash basis net position increased 2.4%, or approximately \$92,000, from June 30, 2015 to June 30, 2016. Of this amount, the cash basis net position of the governmental activities decreased approximately \$26,000 and the cash basis net position of the business type activities increased approximately \$118,000.

### **USING THIS ANNUAL REPORT**

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the City's financial activities.

The Government-wide Financial Statement consists of a Cash Basis Statement of Activities and Net Position. This statement provides information about the activities of the City as a whole and presents an overall view of the City's finances.

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report the City's operations in more detail than the government-wide financial statement by providing information about the most significant funds.

Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Other Information further explains and supports the financial statements with a comparison of the City's budget for the year and the City's proportionate share of the net pension liability and related contributions.

Supplementary Information provides detailed information about the nonmajor governmental funds and the City's indebtedness.

## **BASIS OF ACCOUNTING**

The City 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. Therefore, when reviewing the financial information and discussion within this annual report, readers should keep in mind the limitations resulting from the use of the cash basis of accounting.

## **REPORTING THE CITY'S FINANCIAL ACTIVITIES**

### *Government-wide Financial Statement*

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Cash Basis Statement of Activities and Net Position reports information which helps answer this question.

The Cash Basis Statement of Activities and Net Position presents the City's net position. Over time, increases or decreases in the City's net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Cash Basis Statement of Activities and Net Position is divided into two kinds of activities:

- Governmental Activities include public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service and capital projects. Property tax and state and federal grants finance most of these activities.
- Business Type Activities include the waterworks, sanitary sewer system, garbage, yard waste, storm water and airport. These activities are financed primarily by user charges.

### *Fund Financial Statements*

The City has two kinds of funds:

- 1) Governmental funds account for most of the City's basic services. These focus on how money flows into and out of those funds and the balances at year-end that are available for spending. The governmental funds include: 1) the General Fund, 2) the Special Revenue Funds, such as Road Use Tax and Urban Renewal Tax Increment, 3) the Debt Service Fund, 4) the Capital Projects Fund and 5) the Permanent Fund. The governmental fund financial statements provide a detailed, short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

The required financial statement for governmental funds is a Statement of Cash Receipts, Disbursements and Changes in Cash Balances.

- 2) Proprietary funds account for the City's Enterprise Funds. Enterprise Funds are used to report business type activities. The City maintains three Enterprise Funds to provide separate information for the Water, Sewer and Garbage Funds, considered to be major funds of the City. The City also maintains three non-major Enterprise Funds for yard waste, storm water and airport.

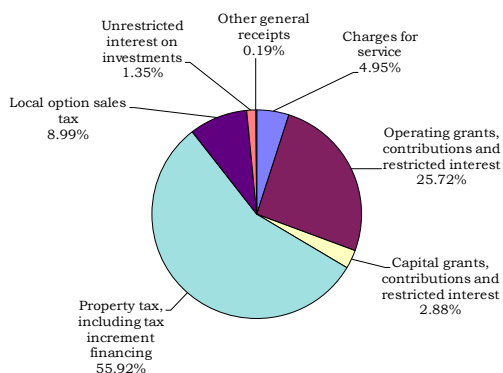
The required financial statement for proprietary funds is a Statement of Cash Receipts, Disbursements and Changes in Cash Balances.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

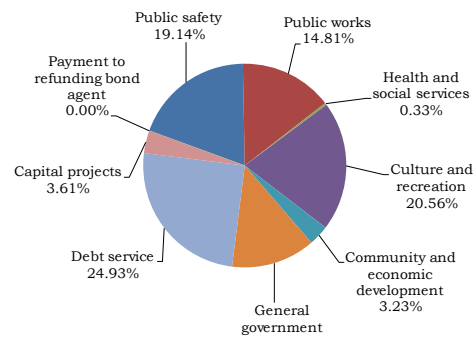
Net position may serve over time as a useful indicator of financial position. The City's cash balance for governmental activities decreased slightly from a year ago, decreasing from approximately \$3.595 million to approximately \$3.569 million. The analysis that follows focuses on the changes in cash basis net position of governmental activities.

Changes in Cash Basis Net Position of Governmental Activities		
(Expressed in Thousands)		
	Year ended June 30,	
	2016	2015 Restated
Receipts:		
Program receipts:		
Charges for service	\$ 103	91
Operating grants, contributions and restricted interest	535	348
Capital grants, contributions and restricted interest	60	93
General receipts:		
Property tax, including tax increment financing	1,163	1,130
Local option sales tax	187	181
Unrestricted interest on investments	28	14
Bond proceeds	-	1,692
Other general receipts	4	44
Total receipts	2,080	3,593
Disbursements:		
Public safety	403	339
Public works	312	304
Health and social services	7	6
Culture and recreation	433	367
Community and economic development	68	31
General government	282	287
Debt service	525	497
Capital projects	76	370
Payment to refunding bond agent	-	234
Total disbursements	2,106	2,435
Change in cash basis net position before transfers	(26)	1,158
Transfers, net	-	6
Change in cash basis net position	(26)	1,164
Cash basis net position beginning of year, as restated	3,595	2,431
Cash basis net position end of year	\$ 3,569	3,595

Receipts by Source



Disbursements by Function



The City's total receipts for governmental activities decreased 42.1%, or approximately \$1.5 million, from the prior year. The total cost of all programs and services decreased approximately \$329,000, or 13.5%, with no new programs added this year. The significant decrease in receipts was primarily the result of the issuance of general obligation refunding bonds during fiscal year 2015.

The cost of all governmental activities this year was approximately \$2.106 million compared to approximately \$2.435 million last year. However, as shown in the Statement of Activities and Net Position on pages 18-19, the amount taxpayers ultimately financed for these activities was approximately \$1.408 million because some of the cost was paid by those directly benefited from the programs (approximately \$103,000) or by other governments and organizations which subsidized certain programs with grants, contributions and restricted interest (approximately \$595,000). The City paid for the remaining "public benefit" portion of governmental activities with property tax (some of which could only be used for certain programs) and with other receipts, such as interest, local option sales tax and miscellaneous receipts. Overall, the City's governmental activities program receipts, including intergovernmental aid and fees for service, increased in fiscal year 2016 from approximately \$532,000 to approximately \$698,000, principally due to receiving more road use tax and more donations for the aquatic center.

Changes in Cash Basis Net Position of Business Type Activities (Expressed in Thousands)		
	Year ended June 30,	
	2016	2015 Restated
Receipts:		
Program receipts:		
Charges for service:		
Water	\$ 302	292
Sewer	264	254
Garbage	257	234
Airport	31	36
Storm water	58	61
Yard waste	31	29
Capital grants, contributions and restricted interest	59	-
General receipts:		
Loan proceeds	76	-
Total receipts	<u>1,078</u>	<u>906</u>
Disbursements:		
Water	261	302
Sewer	317	307
Garbage	273	224
Airport	72	23
Storm water	15	1
Yard waste	22	16
Total disbursements	<u>960</u>	<u>873</u>
Change in cash basis net position before transfers	118	33
Transfers, net	-	(6)
Change in cash basis net position	<u>118</u>	<u>27</u>
Cash basis net position beginning of year, as restated	311	284
Cash basis net position end of year	<u>\$ 429</u>	<u>311</u>

Total business type activities receipts for the fiscal year were approximately \$1.078 million compared to approximately \$906,000 last year. This significant increase was due primarily to an increase in the water rate and a decrease in repair and maintenance disbursements. Total disbursements for the fiscal year increased 10% to approximately \$960,000.

### **INDIVIDUAL MAJOR GOVERNMENTAL FUND ANALYSIS**

As the City of Belle Plaine completed the year, its governmental funds reported a combined fund balance of \$3,568,638, a decrease of \$26,019 from last year's total of \$3,594,657. The following are the major reasons for the changes in fund balances of the major funds from the prior year.

- The General Fund cash balance remained consistent from fiscal year 2015 to fiscal year 2016.
- The Special Revenue, Road Use Tax Fund cash balance increased \$24,420 to \$302. This increase is primarily due to an increase in road use tax receipts.
- The Special Revenue, Employee Benefits Fund cash balance increased \$2,797 to \$263,750. Property tax receipts increased \$25,483 over the prior year.
- The Debt Service Fund cash balance decreased \$185,484 to \$1,236,552. Property and other city taxes received increased \$77,030 while principal and interest payments on debt decreased \$7,482.
- The Capital Projects Fund cash balance increased \$270,582 to \$181,154. This increase was primarily due to transfers from the Special Revenue, Equipment Fund to fund expenses for various capital projects.
- The Permanent, Donovan Trust Fund cash balance remained consistent from fiscal year 2015 to fiscal year 2016.

### **INDIVIDUAL MAJOR BUSINESS TYPE FUND ANALYSIS**

- The Enterprise, Water Fund cash balance increased \$41,428 to \$(67,136), due primarily to an increase in the water rate.
- The Enterprise, Sewer Fund cash balance increased \$32,182 to \$162,735, due primarily to an increase in the sewer rate.
- The Enterprise, Garbage Fund cash balance decreased \$15,878 to \$111,845, due primarily to an increase in expenses related to the solid waste contract.

### **BUDGETARY HIGHLIGHTS**

Over the course of the year, the City amended its budget once. The amendment was approved on May 17, 2016 to provide for additional disbursements in certain City departments. The City had sufficient cash balances to absorb these additional costs.

The City's receipts were \$409,430 more than budgeted. This was primarily due to the City receiving more in road use tax, aquatic center pledges and receipts from utilities than anticipated, even after the amendment.

Even with the budget amendments, total disbursements were \$8,079 more than the amended budget. However, actual disbursements for the public works, health and social services, and business type activities were \$19,059, \$2,734 and \$135,346, respectively, less than the amended budget.

The City exceeded the amounts budgeted in the public safety, culture and recreation, community and economic development, general government, debt service and capital projects functions for the year ended June 30, 2016 due to higher costs than anticipated, even after the budget amendment.

**DEBT ADMINISTRATION**

At June 30, 2016, the City had \$5,264,000 of bonds and other long-term debt outstanding, compared to \$5,521,000 last year, as shown below.

Outstanding Debt at Year-End (Expressed in Thousands)		
	June 30,	
	2016	2015
General obligation bonds	\$ 5,092	5,393
Revenue bonds	172	128
Total	\$ 5,264	5,521

The City received \$75,796 of sewer revenue loan and disbursement agreement anticipation project note proceeds during the fiscal year.

The Constitution of the State of Iowa limits the amount of general obligation debt cities can issue to 5% of the assessed value of all taxable property within the City’s corporate limits. The City’s outstanding general obligation debt of \$5,092,000 net of cash in the debt service fund of approximately \$1,237,000 is below its constitutional debt limit of approximately \$5 million. Additional information about the City’s long-term debt is presented in Note 3 to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES**

The City of Belle Plaine’s elected and appointed officials and citizens considered many factors when setting the fiscal year 2017 budget, tax rates, and fees that will be charged for various activities. One of those factors is the economy. Unemployment in Belle Plaine (Benton County) now stands at 3.2 percent versus 3.4 percent a year ago. This compares with the national unemployment rate of 3.4 percent.

Inflation in the Midwest States continues to be somewhat lower than the national Consumer Price Index increase. The Midwest State’s CPI increase was .4 percent for the fiscal year 2016.

These indicators were taken into account when adopting the budget for fiscal year 2017. Amounts available for appropriation in the operating budget are \$3,481,175, an increase of \$807,689 for the final 2016 budget. Property tax and local option sales tax within the county/city are expected to help with maintaining the budget. The City will use these receipts to finance programs we currently offer. Budgeted disbursements are expected to increase because of capital projects, as will resources, including loans and grants for these projects. The City likely will need to issue revenue bonds and general obligation bonds for ongoing economic development and capital projects.

If these estimates are realized, the City’s budgeted cash balance is expected to decrease by approximately \$264,190 by the close of 2017.



## **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Jacki McDermott, City Clerk, 1207 8<sup>th</sup> Avenue, Belle Plaine, Iowa 52208.

**City of Belle Plaine**

## **Basic Financial Statements**

City of Belle Plaine

Cash Basis Statement of Activities and Net Position

As of and for the year ended June 30, 2016

	Program Receipts			
	Disbursements	Charges for Service	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest
<b>Functions/Programs:</b>				
<b>Primary Government:</b>				
Governmental activities:				
Public safety	\$ 402,871	15,201	40,381	-
Public works	312,060	11,120	316,056	-
Health and social services	7,266	-	18,184	-
Culture and recreation	432,787	72,078	150,349	-
Community and economic development	67,720	-	10,021	-
General government	282,342	5,005	-	-
Debt service	525,666	-	-	-
Capital projects	75,705	-	-	60,000
Total governmental activities	2,106,417	103,404	534,991	60,000
Business type activities:				
Water	260,813	302,241	-	-
Sewer	317,451	264,309	-	9,528
Garbage	273,101	257,223	-	-
Airport	71,618	30,691	-	49,123
Storm water	15,436	58,229	-	-
Yard waste	21,962	31,174	-	-
Total business type activities	960,381	943,867	-	58,651
Total Primary Government	\$ 3,066,798	1,047,271	534,991	118,651
<b>Component Units:</b>				
Belle Plaine Fire Department Foundation	\$ 22,512	-	15,935	-
Belle Plaine Community Library Foundation, Inc.	20,864	-	5,907	-
Total component units	\$ 43,376	-	21,842	-
<b>General Receipts:</b>				
Property and other city tax levied for:				
General purposes				
Debt service				
Tax increment financing				
Local option sales tax				
Unrestricted interest on investments				
Loan proceeds				
Miscellaneous				
Total general receipts				
Change in cash basis net position				
Cash basis net position beginning of year, as restated				
Cash basis net position end of year				
<b>Cash Basis Net Position</b>				
Restricted:				
Nonexpendable:				
Donovan Trust				
Expendable:				
Streets				
Employee benefits				
Urban renewal purposes				
Debt service				
Fire				
Library				
Other purposes				
Unrestricted				
<b>Total cash basis net position</b>				
See notes to financial statements.				

Net (Disbursements) Receipts and Changes in Cash Basis Net Position				
Primary Government			Component Units	
Governmental Activities	Business Type Activities	Total	Belle Plaine Fire Department Foundation	Belle Plaine Community Library Foundation, Inc.
(347,289)	-	(347,289)		
15,116	-	15,116		
10,918	-	10,918		
(210,360)	-	(210,360)		
(57,699)	-	(57,699)		
(277,337)	-	(277,337)		
(525,666)	-	(525,666)		
(15,705)	-	(15,705)		
(1,408,022)	-	(1,408,022)		
-	41,428	41,428		
-	(43,614)	(43,614)		
-	(15,878)	(15,878)		
-	8,196	8,196		
-	42,793	42,793		
-	9,212	9,212		
-	42,137	42,137		
(1,408,022)	42,137	(1,365,885)		
			(6,577)	-
			-	(14,957)
			(6,577)	(14,957)
852,546	-	852,546	-	-
185,248	-	185,248	-	-
125,134	-	125,134	-	-
186,570	-	186,570	-	-
28,406	-	28,406	1,449	-
-	75,796	75,796	-	-
4,099	-	4,099	-	-
1,382,003	75,796	1,457,799	1,449	-
(26,019)	117,933	91,914	(5,128)	(14,957)
3,594,657	311,269	3,905,926	147,634	316,802
\$ 3,568,638	429,202	3,997,840	142,506	301,845
\$ 423,982	-	423,982	-	-
302	-	302	-	-
263,750	-	263,750	-	-
121,161	-	121,161	-	-
1,236,552	-	1,236,552	-	-
-	-	-	142,506	-
-	-	-	-	301,845
1,197,346	11,700	1,209,046	-	-
325,545	417,502	743,047	-	-
\$ 3,568,638	429,202	3,997,840	142,506	301,845

City of Belle Plaine

Statement of Cash Receipts, Disbursements  
and Changes in Cash Balances  
Governmental Funds

As of and for the year ended June 30, 2016

	General	Special Revenue	
		Road Use Tax	Employee Benefits
Receipts:			
Property tax	\$ 599,682	-	228,860
Tax increment financing	-	-	-
Other city tax	18,439	-	3,495
Licenses and permits	14,513	-	-
Use of money and property	10,869	-	-
Intergovernmental	27,150	313,150	-
Charges for service	2,868	-	-
Special assessments	1,488	-	-
Miscellaneous	114,911	-	-
Total receipts	789,920	313,150	232,355
Disbursements:			
Operating:			
Public safety	321,757	-	68,970
Public works	-	298,821	13,239
Health and social services	6,301	-	-
Culture and recreation	268,152	-	57,490
Community and economic development	-	-	-
General government	192,483	-	89,859
Debt service	-	-	-
Capital projects	-	-	-
Total disbursements	788,693	298,821	229,558
Excess (deficiency) of receipts over (under) disbursements	1,227	14,329	2,797
Other financing sources (uses):			
Transfers in	7,927	10,091	-
Transfers out	(10,091)	-	-
Total other financing sources (uses)	(2,164)	10,091	-
Change in cash balances	(937)	24,420	2,797
Cash balances beginning of year, as restated	326,482	(24,118)	260,953
Cash balances end of year	\$ 325,545	302	263,750
<b>Cash Basis Fund Balances</b>			
Nonspendable - Donovan Trust	\$ -	-	-
Restricted for:			
Streets	-	302	-
Employee benefits	-	-	263,750
Urban renewal purposes	-	-	-
Debt service	-	-	-
Other purposes	-	-	-
Unassigned	325,545	-	-
Total cash basis fund balances	\$ 325,545	302	263,750

See notes to financial statements.

<u>Permanent</u>				
Debt Service	Capital Projects	Donovan Trust	Nonmajor	Total
182,630	-	-	8,066	1,019,238
-	-	-	125,134	125,134
70,675	38,990	-	73,527	205,126
-	-	-	-	14,513
16,655	-	6,664	16,428	50,616
-	60,000	-	12,597	412,897
-	-	-	-	2,868
-	-	-	-	1,488
-	4,101	-	129,506	248,518
269,960	103,091	6,664	365,258	2,080,398
-	-	-	12,144	402,871
-	-	-	-	312,060
-	-	-	965	7,266
-	-	2,584	104,561	432,787
-	-	2,826	64,894	67,720
-	-	-	-	282,342
489,444	-	-	36,222	525,666
-	75,705	-	-	75,705
489,444	75,705	5,410	218,786	2,106,417
(219,484)	27,386	1,254	146,472	(26,019)
34,000	243,196	-	70,757	365,971
-	-	-	(355,880)	(365,971)
34,000	243,196	-	(285,123)	-
(185,484)	270,582	1,254	(138,651)	(26,019)
1,422,036	(89,428)	422,817	1,275,915	3,594,657
1,236,552	181,154	424,071	1,137,264	3,568,638
-	-	423,982	-	423,982
-	-	-	-	302
-	-	-	-	263,750
-	-	-	121,161	121,161
1,236,552	-	-	-	1,236,552
-	181,154	89	1,016,103	1,197,346
-	-	-	-	325,545
1,236,552	181,154	424,071	1,137,264	3,568,638

**City of Belle Plaine**



City of Belle Plaine

Statement of Cash Receipts, Disbursements  
and Changes in Cash Balances  
Proprietary Funds

As of and for the year ended June 30, 2016

	Enterprise				Total
	Water	Sewer	Garbage	Nonmajor	
Operating receipts:					
Charges for service	\$ 300,957	264,309	257,223	105,707	928,196
Miscellaneous	1,284	-	-	14,387	15,671
Total operating receipts	302,241	264,309	257,223	120,094	943,867
Operating disbursements:					
Business type activities	249,210	317,451	273,101	55,759	895,521
Excess (deficiency) of operating receipts over (under) operating disbursements	53,031	(53,142)	(15,878)	64,335	48,346
Non-operating receipts (disbursements):					
Intergovernmental	-	9,528	-	49,123	58,651
Loan proceeds	-	75,796	-	-	75,796
Capital projects	(11,603)	-	-	(53,257)	(64,860)
Net non-operating receipts (disbursements)	(11,603)	85,324	-	(4,134)	69,587
Change in cash balances	41,428	32,182	(15,878)	60,201	117,933
Cash balances beginning of year, as restated	(108,564)	130,553	127,723	161,557	311,269
Cash balances end of year	\$ (67,136)	162,735	111,845	221,758	429,202
<b>Cash Basis Fund Balances</b>					
Restricted for customer deposits	\$ 11,700	-	-	-	11,700
Unrestricted	(78,836)	162,735	111,845	221,758	417,502
Total cash basis fund balances	\$ (67,136)	162,735	111,845	221,758	429,202

See notes to financial statements.

City of Belle Plaine

Notes to Financial Statements

June 30, 2016

**(1) Summary of Significant Accounting Policies**

The City of Belle Plaine, Iowa is a political subdivision of the State of Iowa located in Benton County. It was first incorporated in 1868 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 nonpartisan basis. The City provides numerous services to citizens including public safety, public works, health and social services, culture and recreation, community and economic development, and general government services. The City also provides water, sewer and solid/yard waste utilities for its citizens.

A. Reporting Entity

For financial reporting purposes, the City of Belle Plaine 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.

These financial statements present the City of Belle Plaine (the primary government) and its component units.

Discretely Presented Component Units

The Belle Plaine Fire Department Foundation, Inc. (Fire Department Foundation) has been incorporated under the provisions of the Iowa Nonprofit Corporation Act, Chapter 504A of the Code of Iowa, for the purpose of aiding in the extinguishing of fires and performing such other duties as set forth by the Fire Department. In accordance with criteria set forth by the Governmental Accounting Standards Board, the Fire Department Foundation meets the definition of a component unit which should be discretely presented. Based on these criteria, the economic resources received or help by the Fire Department Foundation are substantially for the direct benefit of the City of Belle Plaine.

The Belle Plaine Community Library Foundation, Inc. (Library Foundation) has been incorporated under the provisions of the Iowa Nonprofit Corporation Act, Chapter 504A of the Code of Iowa, for the purpose of aiding in the general operation of the Belle Plaine Public Library. In accordance with criteria set forth by the Governmental Accounting Standards Board, the Library Foundation meets the definition of a component unit which should be discretely presented. Based on these criteria, the economic resources received or help by the Library Foundation are substantially for the direct benefit of the City of Belle Plaine.

### Jointly Governed Organizations

The City participates in several jointly governed organizations that provide goods or services to the citizenry of the City but do not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. City officials are members of the following boards and commissions: Benton County Joint E911 Service Board, Benton County Emergency Operations Commission and Benton County Iowa Solid Waste Disposal Commission.

### B. Basis of Presentation

Government-wide Financial Statement - The Cash Basis Statement of Activities and Net Position reports information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from this statement. Governmental activities, which are supported by tax and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for service.

The Cash Basis Statement of Activities and Net Position presents the City's nonfiduciary net position. Net position is reported in the following categories/components:

Nonexpendable restricted net position is subject to externally imposed stipulations which require the cash balance to be maintained permanently by the City, including the City's Permanent Fund.

Expendable restricted net position results when constraints placed on the use of cash balances are either externally imposed or are imposed by law through constitutional provisions or enabling legislation. Enabling legislation did not result in any restricted net position.

Unrestricted net position consists of cash balances not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

The Cash Basis Statement of Activities and Net Position demonstrates the degree to which the direct disbursements of a given function are offset by program receipts. Direct disbursements are those clearly identifiable with a specific function. Program receipts include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants, contributions and interest on investments restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program receipts are reported instead as general receipts.

Fund Financial Statements - Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor governmental and nonmajor enterprise funds.

The City reports the following major governmental funds:

The General Fund is the general operating fund of the City. All general tax receipts from general and emergency levies and other receipts 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 not paid from other funds.

Special Revenue:

The Road Use Tax Fund is used to account for the road use tax allocation from the State of Iowa to be used for road construction and maintenance.

The Employee Benefits Fund is used to account for this special property tax levy to be used for payment of payroll taxes and employee benefits.

The Debt Service Fund is utilized to account for property tax and other receipts to be used for the payment of interest and principal on the City's general long-term debt.

The Capital Projects Fund is utilized to account for all resources used in the acquisition and construction of capital facilities.

The City reports the following major permanent fund:

The Donovan Trust Fund is used to report resources that are legally restricted to the extent that only earnings and not principal may be used for the beautification of the City.

The City reports the following major proprietary funds:

The Enterprise, Water Fund accounts for the operation and maintenance of the City's water system.

The Enterprise, Sewer Fund accounts for the operation and maintenance of the City's wastewater treatment and sanitary sewer system.

The Enterprise, Garbage Fund accounts for the operation and maintenance of the City's garbage system.

#### C. Measurement Focus and Basis of Accounting

The City 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.

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general receipts. Thus, when program disbursements are paid, there are both restricted and unrestricted cash basis net position available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants and then by general receipts.

When a disbursement in governmental funds can be paid using either restricted or unrestricted resources, the City's policy is generally to first apply the disbursement toward restricted fund balance and then to less-restrictive classifications – committed, assigned and then unassigned fund balances.

Proprietary funds distinguish operating receipts and disbursements from non-operating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All receipts and disbursements not meeting this definition are reported as non-operating receipts and disbursements.

D. Governmental Cash Basis Fund Balances

In the governmental fund financial statements, cash basis fund balances are classified as follows:

Nonspendable – Amounts which cannot be spent because they are legally or contractually required to be maintained intact.

Restricted – Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or are imposed by law through constitutional provisions or enabling legislation.

Assigned – Amounts the City Council intends to use for specific purposes.

Unassigned – All amounts not included in the preceding classifications.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Other Information. During the year ended June 30, 2016, disbursements exceeded the amounts budgeted in the public safety, culture and recreation, community and economic development, general government, debt service and capital projects functions.

**(2) Cash and Pooled Investments**

The City's deposits in banks at June 30, 2016 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 ensure 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.

At June 30, 2016, the City had the following investments:

Investment	Carrying Amount	Fair Value	Maturity
City:			
U.S. Treasury Note	\$ 10,966	10,966	December 2016
U.S. Treasury Note	10,993	10,993	June 2017
U.S. Treasury Note	11,031	11,031	December 2017
U.S. Treasury Note	1,381,079	1,381,079	June 2018
	1,414,069	1,414,069	
Belle Plaine Community Library Foundation, Inc.			
Mutual funds	161,162	161,162	
	\$ 1,575,231	1,575,231	

Interest Rate Risk – The City’s investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) to instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days, but the maturities shall be consistent with the needs and use of the City.

Credit Risk – Credit risk is the risk an issuer or other counterparty to an investment will not fulfill its obligation to the City. To reduce the City’s exposure to credit risk no more than 5% of all amounts invested in commercial paper and other short-term corporate debt shall be invested in paper and debt rated in the second highest classification.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss that may be attributed to the magnitude of the City’s investment in a single issue or issuer. Except for Treasury, no more than 5% of the portfolio can be invested in securities of a single issuer.

Fair Value Measurement – The City uses the fair value hierarchy established by generally accepted accounting principles based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs.

City investments that do not have a readily determinable fair value, such as ownership interest in partner’s capital, are reported using Net Asset Value per share (NAV). Used as a practical expedient for the estimated fair value, NAV per share or its equivalent is provided by the fund manager and reviewed by the City. Investment holdings using NAV as a practical expedient consist of City interest in open end mutual funds.

Due to the nature of the investments held by the funds, changes in market conditions, economic environment, regulatory environment, currency exchange rates, interest rates and commodity price fluctuations may significantly impact the NAV of the funds and, consequently, the fair value of the City’s interest in the funds and could materially affect the amounts reported in the financial statements. The City attempts to manage these risks through diversification, ongoing due diligence, maintain adequate liquidity and continuously monitoring economic and market conditions.

The following table reflects fair value measurement of investment assets at June 30, 2016 as categorized by level of the fair value hierarchy or NAV:

	Quoted Market Prices for Identical Assets (Level 1)		Net Asset Value	Total
U.S. government treasuries	\$	1,414,069	-	1,414,069
Mutual funds		-	161,162	161,162
	\$	1,414,069	161,162	1,575,231

The following table summarizes the City's investments at June 30, 2016 for which net asset value was used as a practical expedient to estimate fair value:

Asset Class	Fair Value Determined Using NAV	Unfunded Commitments at June 30, 2016	Redemption Frequency	Redemption Notice Period
Mutual funds	\$ 161,162	-	Daily	N/A

### (3) Bonds and Notes Payable

Annual debt service requirements to maturity for general obligation bonds and revenue bonds are as follows:

Year Ending June 30,	General Obligation Bonds		Special Pledge Revenue Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 297,000	174,305	32,000	3,937	329,000	178,242
2018	308,000	165,156	34,000	1,998	342,000	167,154
2019	1,710,000	93,943	30,000	637	1,740,000	94,580
2020	287,000	86,163	-	-	287,000	86,163
2021	288,000	78,431	-	-	288,000	78,431
2022-2026	1,467,000	264,071	-	-	1,467,000	264,071
2027-2029	735,000	44,350	-	-	735,000	44,350
Total	\$ 5,092,000	906,419	96,000	6,572	5,188,000	912,991

#### Revenue Bonds

The City receives donations for the aquatic center built in 2010 to be collected over nine years. Proceeds from the Aquatic Center Pledge Revenue Bonds were used to pay for the construction cost of the aquatic center. As pledged donations are received, the bonds will be paid off. During the current year, \$32,000 of principal and \$4,223 of interest were paid on the bonds.

On March 26, 2016, the City entered into a loan agreement with the Iowa Finance Authority (IFA) for the issuance of sewer revenue bonds up to \$441,000 with interest at 0% per annum. The bonds were issued pursuant to the provisions of Chapters 384.24A and 384.83 of the Code of Iowa to pay the cost of planning, designing, and constructing improvements and extensions to the sewer utility. The City will draw down funds from the IFA upon request to reimburse the City for costs as they are incurred. At June 30, 2016, the City had drawn down \$75,796 of the authorized amount. A final repayment schedule has not yet been adopted.

### General Obligation Refunding Bonds

On April 23, 2015, the City issued \$1,715,000 of general obligation refunding bonds for the purpose of calling \$235,000 of the Series 2008 general obligation bonds for early redemption on April 23, 2015, and to provide escrow funding to pay for the portion of the semiannual interest payments of the refunding bond issue attributable to the refunding of the Series 2009A aquatic center general obligation bonds through and including the June 1, 2018 payment, and for the early redemption of the Series 2009A aquatic center general obligation bonds on June 1, 2018. The City will continue to make the regularly scheduled principal and interest payments on the 2009A bonds through and including the June 1, 2018 payment.

Proceeds of \$1,439,071 were converted to U.S. government securities and, pursuant to the escrow agreement, were placed with the escrow agent to facilitate the crossover refunding of \$1,370,000 of the Series 2009A bonds on the crossover date of June 1, 2018. The escrow agent will pay the applicable interest on the refunding general obligation bonds (new debt) until the crossover date. On the crossover date, the refunded general obligation bonds (old debt) will be paid using the amounts held by the escrow agent. The transactions and balances of the escrow amount are recorded by the City since the refunded debt is not considered extinguished.

The refunding was undertaken to reduce future debt service payments by \$49,805 and resulted in an economic gain of \$53,394.

#### **(4) Pension Plan**

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

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

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

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



Protection occupation members may retire at normal retirement age, which is generally age 55. The formula used to calculate a protection occupation member's monthly IPERS benefit includes:

- 60% of average salary after completion of 22 years of service, plus an additional 1.5% of average salary for more than 22 years of service but not more than 30 years of service.
- The member's highest three-year average salary.

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

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

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

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

In fiscal year 2016, pursuant to the required rate, Regular members contributed 5.95% of covered payroll and the City contributed 8.93% of covered payroll, for a total rate of 14.88%. Protection occupation members contributed 6.56% of covered payroll and the City contributed 9.84% of covered payroll, for a total rate of 16.40%

The City's contributions to IPERS for the year ended June 30, 2016 totaled \$59,521.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2016, the City reported a liability of \$260,253 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportion of the net pension liability was based on the City’s share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2015, the City’s proportion was 0.005268%, which was a decrease of 0.00031% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the City’s pension expense, deferred outflows of resources and deferred inflows of resources totaled \$30,218, \$75,137 and \$101,790, respectively.

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions – The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, as follows:

Rate of inflation (effective June 30, 2014)	3.00% per annum.
Rates of salary increase (effective June 30, 2010)	4.00 to 17.00% average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 1996)	7.50% compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 1990)	4.00% per annum, based on 3.00% inflation and 1.00% real wage inflation.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience studies with dates corresponding to those listed above.

Mortality rates were based on the RP-2000 Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

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

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Core plus fixed income	28%	2.04%
Domestic equity	24	6.29
International equity	16	6.75
Private equity/debt	11	11.32
Real estate	8	3.48
Credit opportunities	5	3.63
U.S. TIPS	5	1.91
Other real assets	2	6.24
Cash	1	(0.71)
Total	100%	

Discount Rate – The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the City will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS’ fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on IPERS’ investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City’s proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.50%) or 1% higher (8.50%) than the current rate.

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$ 565,177	260,253	3,015

IPERS’ Fiduciary Net Position – Detailed information about IPERS’ fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS’ website at [www.ipers.org](http://www.ipers.org).

**(5) Other Postemployment Benefits (OPEB)**

Plan Description - The City operates a single-employer health benefit plan which provides medical/prescription drug benefits for employees, retirees and their spouses. There are 14 active members and no retired members in the plan. Retired participants must be age 55 or older at retirement.

The medical/prescription drug benefits are provided through a fully-insured plan with Wellmark. Retirees under age 65 pay the same premium for the medical/prescription drug benefits as active employees.

Funding Policy - The contribution requirements of plan members are established and may be amended by the City. The City currently finances the benefit plan on a pay-as-you-go basis. The most recent active member monthly premiums for the City and plan members are \$479 for single coverage, \$981 for employee/spouse coverage, \$900 for employee/children coverage, and \$1,469 for employee/spouse/children coverage. For the year ended June 30, 2016, the City contributed \$118,453 and plan members eligible for benefits contributed \$13,166 to the plan.

**(6) Compensated Absences**

City employees accumulate a limited amount of earned but 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 to employees at June 30, 2016, primarily relating to the General Fund, is \$27,000.

This liability has been computed based on rates of pay in effect at June 30, 2016.

**(7) Interfund Transfers**

The detail of interfund transfers for the year ended June 30, 2016 is as follows:

Transfer to	Transfer from	Amount
General	Special Revenue: Partners for Beautification	<u>\$ 7,927</u>
Special Revenue: Road Use Tax	General Fund	<u>10,091</u>
Special Revenue: Economic Development	Special Revenue: Local Option Sales Tax Equipment	<u>53,510</u> <u>17,240</u> <u>70,750</u>
Special Revenue: Equipment	Special Revenue: I-JOBS	<u>7</u>
Debt Service	Special Revenue: Local Option Sales Tax	<u>34,000</u>
Capital Projects	Special Revenue: Equipment	<u>243,196</u>
Total		<u>\$ 365,971</u>

Transfers generally move resources from the fund statutorily required to collect the resources to the fund statutorily required to disburse the resources.

**(8) Related Party Transactions**

The City had business transactions between the City and City officials totaling \$4,120 during the year ended June 30, 2016.

**(9) Operating Leases – Lessor**

The City leased a medical building to UnityPoint Health. The lease term was on a year-to-year basis and ended January 31, 2016. Rental income for the year ended June 30, 2016 totaled \$7,200.

The City leases a medical building to the Eastern Iowa Sleep Center. The lease term is for 5 years beginning February 1, 2016. Rental income for the year ended June 30, 2016 totaled \$4,320.

The City leases farm land near the airport to the Belle Plaine Community School FFA. The lease term is on a year-to-year basis beginning March 1, 2016. The contract is for a 50/50 crop share. No income was received for the year ended June 30, 2016.

**(10) Construction Contracts**

The City has entered into a construction contract totaling \$214,200 for waste water treatment plant flow equalization and disinfection improvements. As of June 30, 2016, \$49,826 has been paid on the contract. The remaining \$164,374 will be paid as work on the project progresses.

**(11) Risk Management**

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

**(12) Deficit Balance**

The Enterprise, Water Fund had a deficit balance of \$67,136 at June 30, 2016. The deficit balance was a result of significant ongoing repairs to the water system over the past three years. It is anticipated the deficit balance will be covered by rate increases and proceeds of the fund in future years.

**(13) Restatement**

Beginning net position for governmental activities, business type activities, and the beginning fund balances for the General Fund, Special Revenue, Equipment, Permanent Fund, Capital Projects Fund, Enterprise, Airport Fund, Enterprise, Water Fund and Enterprise, Water Deposit Fund were restated to properly report beginning balances as shown below:

	Governmental Activities	Business Type Activities	Special Revenue, Equipment	Permanent, Donovan Trust	General Fund	Capital Projects Fund	Enterprise, Airport Fund	Enterprise, Water Fund	Enterprise, Water Deposit Fund
Balance June 30, 2015, as previously reported	\$ 3,608,276	297,650	850,808	-	344,901	(94,228)	-	(117,973)	9,409
Reclassify funds previously reported in the wrong fund type:									
Donovan Trust	-	-	(422,817)	422,817	-	-	-	-	-
Capital projects	-	-	-	-	(4,800)	4,800	-	-	-
Airport	(13,619)	13,619	-	-	(13,619)	-	13,619	-	-
Water	-	-	-	-	-	-	-	9,409	(9,409)
Balance July 1, 2015, as restated	\$ 3,594,657	311,269	427,991	422,817	326,482	(89,428)	13,619	(108,564)	-

**(14) Subsequent Event**

In November 2016, the City issued \$1,245,000 of general obligation refunding bonds to crossover refund the 2020 through 2028 maturities of the general obligation corporate purpose bonds, Series 2011A.

**(15) New Accounting Pronouncement**

The City of Belle Plaine adopted fair value guidance as set forth in Governmental Accounting Standards Board Statement No. 72, Fair Value Measurement and Application. The Statement sets forth guidance for determining and disclosing the fair value of assets and liabilities reported in the financial statements. Adoption of the guidance did not have a significant impact on amounts reported or disclosed in the financial statements.

**City of Belle Plaine**

## **Other Information**

City of Belle Plaine  
 Budgetary Comparison Schedule  
 of Receipts, Disbursements, and Changes in Balances –  
 Budget and Actual (Cash Basis) – All Governmental Funds and Proprietary Funds

Other Information

Year ended June 30, 2016

	Governmental Funds Actual	Proprietary Funds Actual
Receipts:		
Property tax	\$ 1,019,238	-
Tax increment financing	125,134	-
Other city tax	205,126	-
Licenses and permits	14,513	-
Use of money and property	50,616	-
Intergovernmental	412,897	58,651
Charges for service	2,868	928,196
Special assessments	1,488	-
Miscellaneous	248,518	15,671
Total receipts	<u>2,080,398</u>	<u>1,002,518</u>
Disbursements:		
Public safety	402,871	-
Public works	312,060	-
Health and social services	7,266	-
Culture and recreation	432,787	-
Community and economic development	67,720	-
General government	282,342	-
Debt service	525,666	-
Capital projects	75,705	-
Business type activities	-	960,381
Total disbursements	<u>2,106,417</u>	<u>960,381</u>
Excess (deficiency) of receipts over (under) disbursements	(26,019)	42,137
Other financing sources, net	-	75,796
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(26,019)	117,933
Balances beginning of year, as restated	<u>3,594,657</u>	<u>311,269</u>
Balances end of year	<u>\$ 3,568,638</u>	<u>429,202</u>

See accompanying independent auditor's report.



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Total	Budgeted Amounts		Final to Total Variance
	Original	Final	
1,019,238	979,145	979,145	40,093
125,134	126,000	126,000	(866)
205,126	201,079	201,079	4,047
14,513	12,223	12,223	2,290
50,616	13,700	13,700	36,916
471,548	273,135	273,135	198,413
931,064	874,707	874,707	56,357
1,488	24,000	24,000	(22,512)
264,189	169,497	169,497	94,692
<u>3,082,916</u>	<u>2,673,486</u>	<u>2,673,486</u>	<u>409,430</u>
402,871	369,647	383,647	(19,224)
312,060	288,119	331,119	19,059
7,266	-	10,000	2,734
432,787	371,767	381,594	(51,193)
67,720	41,250	41,250	(26,470)
282,342	261,947	276,447	(5,895)
525,666	485,935	485,935	(39,731)
75,705	53,000	53,000	(22,705)
960,381	1,095,727	1,095,727	135,346
<u>3,066,798</u>	<u>2,967,392</u>	<u>3,058,719</u>	<u>(8,079)</u>
16,118	(293,906)	(385,233)	401,351
75,796	-	-	75,796
91,914	(293,906)	(385,233)	477,147
<u>3,905,926</u>	<u>2,513,139</u>	<u>2,513,139</u>	<u>1,392,787</u>
<u>3,997,840</u>	<u>2,219,233</u>	<u>2,127,906</u>	<u>1,869,934</u>

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City of Belle Plaine

Notes to Other Information – Budgetary Reporting

June 30, 2016

The budgetary comparison is presented in accordance with Governmental Accounting Standards Board Statement No. 41 for governments with significant budgetary perspective differences resulting from not being able to present budgetary comparisons for the General Fund and each major Special Revenue Fund.

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 except the discretely presented component units. 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 nine 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. Function disbursements required to be budgeted include disbursements for the General Fund, the Special Revenue Funds, the Debt Service Fund, the Capital Projects Fund, the Permanent Fund and the Enterprise Funds. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. During the year, one budget amendment increased budgeted disbursements by \$91,327. The budget amendment is reflected in the final budgeted amounts.

During the year ended June 30, 2016, disbursements exceeded the amounts budgeted in the public safety, culture and recreation, community and economic development, general government, debt service and capital projects functions.

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City of Belle Plaine

Schedule of the City's Proportionate Share of the Net Pension Liability

Iowa Public Employees' Retirement System  
For the Last Two Years\*  
(In Thousands)

Other Information

	2016	2015
City's proportion of the net pension liability	0.005268%	0.005577%
City's proportionate share of the net pension liability	\$ 260	221
City's covered-employee payroll	\$ 569	634
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	45.69%	34.86%
IPERS' net position as a percentage of the total pension liability	85.19%	87.61%

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

See accompanying independent auditor's report.

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City of Belle Plaine

Schedule of City Contributions

Iowa Public Employees' Retirement System  
For the Last Ten Years  
(In Thousands)

Other Information

	2016	2015	2014	2013
Statutorily required contribution	\$ 60	53	59	56
Contributions in relation to the statutorily required contribution	(60)	(53)	(59)	(56)
Contribution deficiency (excess)	\$ -	-	-	-
City's covered-employee payroll	\$ 643	569	634	618
Contributions as a percentage of covered-employee payroll	9.33%	9.31%	9.31%	9.06%

See accompanying independent auditor's report.

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2012	2011	2010	2009	2008	2007
52	49	45	38	35	33
(52)	(49)	(45)	(38)	(35)	(33)
-	-	-	-	-	-
606	628	609	547	523	492
8.58%	7.80%	7.39%	6.95%	6.69%	6.71%

City of Belle Plaine

Notes to Other Information – Pension Liability

Year ended June 30, 2016

Changes of benefit terms:

Legislation enacted in 2010 modified benefit terms for Regular members. The definition of final average salary changed from the highest three to the highest five years of covered wages. The vesting requirement changed from four years of service to seven years. The early retirement reduction increased from 3% per year measured from the member's first unreduced retirement age to a 6% reduction for each year of retirement before age 65.

Legislative action in 2008 transferred four groups – emergency medical service providers, county jailers, county attorney investigators and National Guard installation security officers – from Regular membership to the protection occupation group for future service only.

Changes of assumptions:

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

- Decreased the inflation assumption from 3.25% to 3.00%.
- Decreased the assumed rate of interest on member accounts from 4.00% to 3.75% per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Reduced retirement rates for sheriffs and deputies between the ages of 55 and 64.
- Moved from an open 30-year amortization period to a closed 30-year amortization period for the UAL beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20-year period.

The 2010 valuation implemented the following refinements as a result of a quadrennial experience study:

- Adjusted retiree mortality assumptions.
- Modified retirement rates to reflect fewer retirements.
- Lowered disability rates at most ages.
- Lowered employment termination rates.
- Generally increased the probability of terminating members receiving a deferred retirement benefit.
- Modified salary increase assumptions based on various service duration.

The 2007 valuation adjusted the application of the entry age normal cost method to better match projected contributions to the projected salary stream in future years. It also included the one-year lag between the valuation date and the effective date of the annual actuarial contribution rate in the calculation of the UAL amortization payments.

## **Supplementary Information**

City of Belle Plaine

Schedule of Cash Receipts, Disbursements  
and Changes in Cash Balances  
Nonmajor Governmental Funds

As of and for the year ended June 30, 2016

	Urban		Local		Special
	Renewal	I-JOBS	Option	Sales	Library
	Tax		Tax		Improvements
	Increment				
Receipts:					
Property tax	\$ -	-	-	-	-
Tax increment financing	125,134	-	-	-	-
Other city tax	-	-	66,503	-	-
Use of money and property	-	-	-	-	1,354
Intergovernmental	-	-	-	-	1,585
Miscellaneous	-	-	-	-	21,297
Total receipts	125,134	-	66,503	-	24,236
Disbursements:					
Operating:					
Public safety	-	-	11,684	-	-
Health and social services	-	-	-	-	-
Culture and recreation	-	-	40,648	-	35,076
Community and economic development	-	-	28,130	-	-
Debt service	-	-	-	-	-
Total disbursements	-	-	80,462	-	35,076
Excess (deficiency) of receipts over (under) disbursements	125,134	-	(13,959)	-	(10,840)
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	(7)	(87,510)	-	-
Total other financing sources (uses)	-	(7)	(87,510)	-	-
Change in cash balances	125,134	(7)	(101,469)	-	(10,840)
Cash balances beginning of year, as restated	(3,973)	7	323,183	-	243,341
Cash balances end of year	\$ 121,161	-	221,714	-	232,501
<b>Cash Basis Fund Balances</b>					
Restricted for:					
Urban renewal purposes	\$ 121,161	-	-	-	-
Other purposes	-	-	221,714	-	232,501
Total cash basis fund balances	\$ 121,161	-	221,714	-	232,501

See accompanying independent auditor's report.



Revenue									
Aquatic Center Pledge Obligation	Police Forfeiture	Medical Building	Community Center	Economic Development	Equipment	Partners for Beautification	Bleachers at Belle Plaine	Total	
-	-	-	8,066	-	-	-	-	8,066	
-	-	-	-	-	-	-	-	125,134	
-	-	-	123	-	6,901	-	-	73,527	
-	-	11,520	3,554	-	-	-	-	16,428	
1,000	-	-	7,600	-	-	2,412	-	12,597	
100,000	-	-	-	1,750	-	5,859	600	129,506	
101,000	-	11,520	19,343	1,750	6,901	8,271	600	365,258	
-	460	-	-	-	-	-	-	12,144	
-	-	965	-	-	-	-	-	965	
-	-	-	28,837	-	-	-	-	104,561	
-	-	-	-	36,764	-	-	-	64,894	
36,222	-	-	-	-	-	-	-	36,222	
36,222	460	965	28,837	36,764	-	-	-	218,786	
64,778	(460)	10,555	(9,494)	(35,014)	6,901	8,271	600	146,472	
-	-	-	-	70,750	7	-	-	70,757	
-	-	-	-	-	(260,436)	(7,927)	-	(355,880)	
-	-	-	-	70,750	(260,429)	(7,927)	-	(285,123)	
64,778	(460)	10,555	(9,494)	35,736	(253,528)	344	600	(138,651)	
161,931	2,519	15,035	84,320	21,561	427,991	-	-	1,275,915	
226,709	2,059	25,590	74,826	57,297	174,463	344	600	1,137,264	
-	-	-	-	-	-	-	-	121,161	
226,709	2,059	25,590	74,826	57,297	174,463	344	600	1,016,103	
226,709	2,059	25,590	74,826	57,297	174,463	344	600	1,137,264	

**City of Belle Plaine**

## City of Belle Plaine

Schedule of Cash Receipts, Disbursements  
and Changes in Cash Balances  
Nonmajor Enterprise Funds

As of and for the year ended June 30, 2016

	Airport	Storm Water	Yard Waste	Total
Operating receipts:				
Charges for service	\$ 16,304	58,229	31,174	105,707
Miscellaneous	14,387	-	-	14,387
Total operating receipts	30,691	58,229	31,174	120,094
Operating disbursements:				
Business type activities	18,361	15,436	21,962	55,759
Excess of operating receipts over operating disbursements	12,330	42,793	9,212	64,335
Non-operating receipts (disbursements):				
Intergovernmental	49,123	-	-	49,123
Capital projects	(53,257)	-	-	(53,257)
Net non-operating receipts (disbursements)	(4,134)	-	-	(4,134)
Change in cash balances	8,196	42,793	9,212	60,201
Cash balances beginning of year, as restated	13,619	101,091	46,847	161,557
Cash balances end of year	<u>\$ 21,815</u>	<u>143,884</u>	<u>56,059</u>	<u>221,758</u>
<b>Cash Basis Fund Balances</b>				
Unrestricted	<u>\$ 21,815</u>	<u>143,884</u>	<u>56,059</u>	<u>221,758</u>

See accompanying independent auditor's report.

City of Belle Plaine  
Schedule of Indebtedness  
Year ended June 30, 2016

Obligation	Date of Issue	Interest Rates	Amount Originally Issued
General obligation notes/bonds:			
Aquatic center	Sep 15, 2009	2.50-4.75%	\$ 2,100,000
Corporate purpose	May 15, 2011	3.00-4.00	2,000,000
Economic development note	Apr 15, 2014	2.60	250,000
Building restoration note	Apr 15, 2014	3.90	200,000
Refunding	Apr 23, 2015	1.10-3.00	1,715,000
Total			
Revenue bonds:			
Aquatic Center Pledge	Jul 1, 2010	4.25%	\$ 175,000
Aquatic Center Pledge	Jul 1, 2010	4.25	175,000
Sewer	Mar 25, 2016	0.00	441,000
Total			

See accompanying independent auditor's report.

Balance Beginning of Year	Issued During Year	Redeemed During Year	Balance End of Year	Interest Paid
1,660,000	-	95,000	1,565,000	72,425
1,600,000	-	105,000	1,495,000	56,697
231,000	-	23,000	208,000	6,003
187,000	-	18,000	169,000	7,290
1,715,000	-	60,000	1,655,000	44,928
<b>\$ 5,393,000</b>	<b>-</b>	<b>301,000</b>	<b>5,092,000</b>	<b>187,343</b>
64,000	-	16,000	48,000	1,842
64,000	-	16,000	48,000	2,380
-	75,796	-	75,796	-
<b>\$ 128,000</b>	<b>75,796</b>	<b>32,000</b>	<b>171,796</b>	<b>4,222</b>

City of Belle Plaine  
 Bond and Note Maturities  
 June 30, 2016

Year Ending June 30,	General Obligation					
	Aquatic Center Bonds		Corporate Purpose Bonds		Economic Development	
	Issued Sep 15, 2009		Issued May 15, 2011		Issued April 15, 2014	
	Interest Rates	Amount	Interest Rates	Amount	Interest Rates	Amount
2017	4.00%	95,000	3.25%	105,000	2.60%	24,000
2018	4.00%	100,000	3.25%	105,000	2.60%	24,000
2019	4.00%	1,370,000	3.25%	110,000	2.60%	25,000
2020		-	3.25%	115,000	2.60%	26,000
2021		-	3.20%	115,000	2.60%	26,000
2022		-	3.40%	120,000	2.60%	27,000
2023		-	3.50%	125,000	2.60%	28,000
2024		-	3.65%	130,000	2.60%	28,000
2025		-	3.80%	135,000		-
2026		-	4.00%	140,000		-
2027		-	4.00%	145,000		-
2028		-	4.00%	150,000		-
2029		-		-		-
Total		<u>\$1,565,000</u>		<u>\$1,495,000</u>		<u>\$ 208,000</u>

Year Ending June 30,	Revenue Bonds					
	Aquatic Center Pledge		Aquatic Center Pledge		Total	
	Issued July 1, 2010		Issued July 1, 2010			
	Interest Rates	Amount	Interest Rates	Amount		
2017	4.25	16,000	4.25	16,000	32,000	
2018	4.25	17,000	4.25	17,000	34,000	
2019	4.25	15,000	4.25	15,000	30,000	
2020		-		-	-	
2021		-		-	-	
2022		-		-	-	
2023		-		-	-	
2024		-		-	-	
2025		-		-	-	
2026		-		-	-	
2027		-		-	-	
2028		-		-	-	
2029		-		-	-	
Total		<u>\$ 48,000</u>		<u>\$ 48,000</u>	<u>\$ 96,000</u>	

**Note:** The Series 2009A Aquatic Center Bond was refunded by the Series 2015A Refunding Bond. This is a crossover refunding so the City is paying on the 2009A Bond until 2018 and paying on the 2015A Bond currently. In 2019, the 2009A bond it will be redeemed through escrow account.

See accompanying independent auditor's report.

Bonds and Notes				
Building Restoration Note		Refunding Bonds		
Issued April 15, 2014		Issued April 23, 2015		
Interest Rates	Amount	Interest Rates	Amount	Total
3.90%	18,000	1.10%	55,000	297,000
3.90%	19,000	1.10%	60,000	308,000
3.90%	20,000	1.50%	185,000	1,710,000
3.90%	21,000	2.00%	125,000	287,000
3.90%	22,000	2.00%	125,000	288,000
3.90%	22,000	2.30%	130,000	299,000
3.90%	23,000	2.30%	130,000	306,000
3.90%	24,000	2.55%	130,000	312,000
-	-	2.55%	135,000	270,000
-	-	3.00%	140,000	280,000
-	-	3.00%	145,000	290,000
-	-	3.00%	145,000	295,000
-	-	3.00%	150,000	150,000
	<u>\$ 169,000</u>		<u>\$ 1,655,000</u>	<u>\$ 5,092,000</u>

City of Belle Plaine

Schedule of Receipts By Source and Disbursements By Function -  
All Governmental Funds

For the Last Ten Years

	2016	2015	2014	2013
<b>Receipts:</b>				
Property tax	\$ 1,019,238	926,505	946,465	908,889
Tax increment financing	125,134	119,652	126,176	128,782
Other city tax	205,126	212,842	195,530	214,697
Licenses and permits	14,513	16,547	10,182	12,761
Use of money and property	50,616	33,667	25,543	25,750
Intergovernmental	412,897	407,528	609,131	486,109
Charges for service	2,868	37,116	79,675	72,834
Special assessments	1,488	13,153	14,804	29,282
Miscellaneous	248,518	170,065	166,279	186,020
<b>Total</b>	<b>\$2,080,398</b>	<b>1,937,075</b>	<b>2,173,785</b>	<b>2,065,124</b>
<b>Disbursements:</b>				
<b>Operating:</b>				
Public safety	\$ 402,871	338,966	351,456	337,811
Public works	312,060	323,838	354,695	380,717
Health and social services	7,266	6,362	7,969	8,276
Culture and recreation	432,787	367,233	369,894	348,600
Community and economic development	67,720	31,349	66,419	71,664
General government	282,342	289,391	243,310	242,149
Debt service	525,666	496,926	433,489	462,264
Capital projects	75,705	369,814	694,087	345,547
<b>Total</b>	<b>\$2,106,417</b>	<b>2,223,879</b>	<b>2,521,319</b>	<b>2,197,028</b>

See accompanying independent auditor's report.



2012	2011	2010	2009	2008	2007
972,432	951,931	803,381	774,383	712,991	747,305
120,257	10,286	71,945	135,197	129,116	119,692
172,085	180,412	192,256	185,828	264,321	228,810
16,061	17,094	25,378	15,034	15,950	15,012
44,348	62,557	79,819	69,630	66,877	42,497
1,253,905	391,358	379,400	784,825	273,785	254,209
123,699	116,062	90,153	149,978	71,225	73,210
21,380	31,318	14,088	14,673	21,352	13,934
343,404	447,810	970,672	353,016	136,703	343,880
<u>3,067,571</u>	<u>2,208,828</u>	<u>2,627,092</u>	<u>2,482,564</u>	<u>1,692,320</u>	<u>1,838,549</u>
331,335	372,683	410,295	582,112	383,878	344,252
417,712	399,783	445,677	410,862	452,971	338,178
8,640	9,228	99,989	8,855	14,280	15,246
375,258	368,389	590,339	340,257	291,192	300,628
118,421	236,419	107,241	77,607	39,134	33,713
248,631	216,510	197,603	217,578	172,242	152,491
482,522	387,011	222,234	222,552	287,010	198,285
2,034,703	952,735	2,632,744	515,438	64,558	207,504
<u>4,017,222</u>	<u>2,942,758</u>	<u>4,706,122</u>	<u>2,375,261</u>	<u>1,705,265</u>	<u>1,590,297</u>

**Independent Auditor's Report on Internal Control  
over Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in Accordance with  
Government Auditing Standards**



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STATE OF IOWA**

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Independent Auditor's Report on Internal Control  
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To the Honorable Mayor and Members of the City Council:

We have audited in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Belle Plaine, Iowa, as of and for the year ended June 30, 2016, and the related Notes to Financial Statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 12, 2017. Our report expressed unmodified opinions on the financial statements which were prepared on the basis of cash receipts and disbursements, a basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Belle Plaine's internal control over financial reporting to determine the audit procedures appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Belle Plaine's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Belle Plaine's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings, we identified deficiencies in internal control we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of the City of Belle Plaine's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiencies in internal control described in the accompanying Schedule of Findings as items A through F to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control which is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings as items G through K to be significant deficiencies.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Belle Plaine's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 or other matters which are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of non-compliance or other matters which are described in the accompanying Schedule of Findings.

Comments involving statutory and other legal matters about the City's operations for the year ended June 30, 2016 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.

### The City of Belle Plaine's Responses to the Findings

The City of Belle Plaine's responses to the findings identified in our audit are described in the accompanying Schedule of Findings. The City of Belle Plaine's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the City of Belle Plaine 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.



MARY MOSIMAN, CPA  
Auditor of State

June 12, 2017

**Findings Related to the Financial Statements:**

**INTERNAL CONTROL DEFICIENCIES:**

(A) Segregation of Duties

Criteria – Management is responsible for establishing and maintaining internal control. A good system of internal control provides for adequate segregation of duties so no one individual handles a transaction from its inception to completion. In order to maintain proper internal control, duties should be segregated so the authorization, custody and recording of transactions are not under the control of the same employee. This segregation of duties helps prevent losses from employee error or dishonesty and maximizes the accuracy of the City’s financial statements.

Condition – Generally, one or two individuals may have control over the following areas for which no compensating controls exist:

For the City:

- (1) Accounting system – performing all general accounting functions, including journal entries, and having custody of assets.
- (2) Investing – recordkeeping, investing, custody of investments and reconciling earnings.
- (3) Receipts – collecting, depositing, posting and reconciling.
- (4) Utilities – billing, collecting, depositing, posting, entering rates into the system and maintaining detailed accounts receivable and write-off records.
- (5) Disbursements – invoice processing, check writing, mailing, reconciling and recording.
- (6) Payroll – entering rates into the system, recordkeeping, preparing, and distributing.
- (7) Journal Entries – preparing and journalizing.
- (8) Financial reporting – preparing and reconciling.

For the Belle Plaine Fire Department Foundation (Fire Foundation) and the Belle Plaine Community Library Foundation, Inc. (Library Foundation):

- (1) Receipts – collecting, depositing, posting and reconciling.
- (2) Disbursements – preparing, recording and reconciling.

Cause – The City, Fire Foundation and Library Foundation have a limited number of employees and procedures have not been designed to adequately segregate duties or provide compensating controls through additional oversight of transactions and processes.

Effect – Inadequate segregation of duties could adversely affect the City’s ability to prevent or detect and correct misstatements, errors or misappropriation on a timely basis by employees in the normal course of performing their assigned functions.

City of Belle Plaine

Schedule of Findings

Year ended June 30, 2016

Recommendation – The City, Fire Foundation and Library Foundation should review their control activities to obtain the maximum internal control possible under the circumstances utilizing currently available staff, including elected officials, to provide additional control through review of financial transactions, reconciliations and reports.

Responses –

City – The City will have an elected official review, date and initial financial transactions, reconciliations and reports.

Fire Foundation – The Fire Foundation will have another staff member review, date and initial receipts and disbursements.

Library Foundation – The Library Foundation will have another board member review, date and initial receipts and disbursements.

Conclusion – Responses accepted.

(B) Monthly City Clerk’s Report

Criteria – A deficiency in internal control over financial reporting exists when the design or operation of a control does not allow management to effectively perform their fiduciary responsibilities related to city financial management.

Condition – The monthly City Clerk’s report presented to the City Council does not include receipts, disbursements, transfers and balances for each fund. In addition, a comparison of total disbursements to the certified budget by function is not prepared.

Cause – Policies have not been established and procedures have not been implemented which require the City Clerk to provide the City Council with the required financial information.

Effect – The City Council may not have effective control over budgeted disbursements and the ability to amend the budget on a timely basis. In addition, City Council may not be aware of deficit fund balances.

Recommendation – The City Clerk should prepare a monthly City Clerk’s report which includes receipts, disbursements, transfers and balances for each fund and comparisons of total disbursements by function to the certified budget.

Response – A City Clerk/Treasurer’s Report was started for fiscal year 2017.

Conclusion – Response accepted.

City of Belle Plaine

Schedule of Findings

Year ended June 30, 2016

(C) Financial Reporting

Criteria – A deficiency in internal control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements of the financial statements on a timely basis. Properly designed policies and procedures and implementation of the policies and procedures are an integral part of ensuring the reliability and accuracy of the City's financial statements.

Condition – Material amounts of receipts and disbursements were not properly recorded in the City's financial statements. Adjustments were subsequently made by the City to properly include these amounts in the financial statements.

Cause – City policies do not require and procedures have not been established to require independent review of receipt and disbursement transactions posted to the accounting records to ensure the financial statements are accurate and reliable. In addition, a monthly City Clerk's report was not prepared which could have been used to identify unexpected transactions or balances by fund.

Effect – Lack of policies and procedures resulted in City employees not detecting the error in the normal course of performing their assigned functions and material adjustments to the City's financial statements were necessary.

Recommendation – The City should implement procedures to ensure receipts and disbursements are properly recorded in the City's financial statements. In addition, a monthly City Clerk's report showing receipts, disbursements, transfers and balances by fund should be prepared and presented to the City Council for approval.

Response – A City Clerk/ Treasurer's Report was started for fiscal year 2017.

Conclusion – Response accepted.

(D) Bank Reconciliations

Criteria – An effective internal control system provides for internal controls related to reconciling monthly financial reports to all bank accounts and investments. Supervisory review of bank reconciliations can help ensure the accuracy of recorded amounts.

Condition – Although monthly bank reconciliations were prepared for individual bank accounts and investments, the reconciliations are not compiled to show a complete reconciliation of all accounts with the general ledger. Also, bank reconciliation did not contain evidence of an independent review. In addition, bank reconciliations are not prepared by the Fire Foundation or Library Foundation.

Cause – Policies have not been established and procedures have not been implemented to prepare a complete bank reconciliation of all accounts and investments.

City of Belle Plaine

Schedule of Findings

Year ended June 30, 2016

Effect – Lack of performing and maintaining bank reconciliations and lack of review by an independent person could result in unrecorded transactions, undetected errors and opportunity for misappropriation.

Recommendation – The City should establish procedures to ensure bank and investment account balances are reconciled to the general ledger monthly. Variances, if any, should be reviewed and resolved timely. Procedures should be established to ensure all financial reports reconcile and include all City activity. An independent person should review the bank reconciliations and document the review by signing or initialing and dating the monthly bank reconciliations.

Response – The City will establish procedures to ensure bank and investment account balances are reconciled to the general ledger monthly. Variances, if any, will be reviewed and resolved timely. Procedures will be established to ensure all financial reports reconcile and include all City activity. An independent person will review the bank reconciliations and document the review by signing or initialing and dating the monthly bank reconciliations.

Conclusion – Response accepted.

(E) Reconciliation of Utility Billings, Collections and Delinquent Accounts

Criteria – An effective internal control system provides for internal controls related to maintaining delinquent account listings, reconciling utility billings, collections and delinquent accounts and comparing utility collections to deposits to ensure proper recording of utility receipts, the propriety of adjustments and write-offs and the propriety of delinquent account balances.

Condition – Utility billings, collections and delinquent accounts were not reconciled throughout the year. There are no written policies and procedures for assessing penalties, instituting shut-offs and writing off delinquent accounts.

Cause – Policies have not been established and procedures have not been implemented to reconcile utility billings, collections and delinquent accounts. Policies have not been established for assessing penalties, instituting shut-offs and writing off delinquent accounts.

Effect – This condition could result in unrecorded or misstated utility receipts, improper or unauthorized adjustments and write-offs and/or misstated delinquent account balances.

Recommendation – Procedures should be established to reconcile utility billings, collections and delinquent accounts for each billing period. The City Council or a City Council-designated independent person should review the reconciliations and monitor delinquencies. The review of the reconciliations should be documented by the signature or initials of the reviewer and the date of review. In addition, the City Council should establish written policies for assessing penalties, instituting shut-offs and writing off delinquent accounts.



City of Belle Plaine

Schedule of Findings

Year ended June 30, 2016

Response – Procedures have been established to reconcile utility billings, collections and delinquent accounts for each billing period. The City Clerk is currently reviewing the work of the Assistant City Clerk each billing period. A City Council person will be asked to review the reconciliations and monitor delinquencies. The review of the reconciliations will be documented by the signature or initials of the reviewer and the date of review. In addition, the City Council will establish written policies for assessing penalties, instituting shut-offs and writing off delinquent accounts.

Conclusion – Response accepted.

(F) Journal Entries

Criteria – An effective internal control system provides for internal controls related to preparation of journal entries by all employees. Supporting documentation for all journal entries supports the accuracy of the entries by the employees and an independent review helps prevent losses from employee error or dishonesty and maximizes the accuracy of the City's financial statements.

Condition – Supporting documentation is not maintained for all journal entries, including transfers. Approval for journal entries, including transfers not authorized in the budget, is not documented.

Cause – The City has a limited number of employees and procedures have not been designed to clearly document supporting documentation for journal entries and to document the review and approval of journal entries, including transfers not authorized in the budget.

Effect – Inadequate supporting documentation or lack of independent approval of transactions could adversely affect the City's ability to prevent or detect and correct misstatements, errors or misappropriations on a timely basis by employees in the normal course of performing their assigned functions.

Recommendation – Journal entries should be supported and support should be provided to the reviewer for approval by an independent person. The City Council should approve all transfers not authorized in the budget.

Response – All transfers will be either authorized by the Council when the budget is prepared or be sent to the City Council by resolution.

Conclusion – Response accepted.

(G) Computer Systems

Criteria – Properly designed policies and procedures pertaining to control activities over the City's computer systems and implementation of the policies and procedures help provide reasonable assurance financial information is safeguarded and reliable, regarding the achievement of objectives in the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

City of Belle Plaine

Schedule of Findings

Year ended June 30, 2016

Condition – The City does not have a written disaster recovery plan for its computer system. In addition, the City does not have a written policy for usage of the internet.

Cause – Management has not required a written disaster recovery plan or a written policy for usage of the internet.

Effect – Lack of a formal disaster recovery plan could result in the City's inability to function in the event of a disaster or continue City business without interruption. Lack of written policies for internet usage could make the City vulnerable to a cyber-attack, resulting in a loss of data, compromised data and unreliable financial information.

Recommendation – The City should develop a written disaster recovery plan and a policy on internet use.

Response – The City will develop a written disaster recovery plan for the computer system and a policy on internet use.

Conclusion – Response accepted.

(H) Fund Reclassification

Criteria – An effective internal control system provides for internal controls related to ensuring proper accounting of all funds by maintaining appropriate accounting records.

Condition – The City Council did not formally approve the reclassification of the Partners for Beautification Fund from a General Fund to a Special Revenue Fund or the Airport Fund from a General Fund to an Enterprise Fund.

Cause – Policies and procedures have not been designed and implemented to ensure City Council approves the reclassification of funds.

Effect – The lack of formal City Council approval can result in improper or unauthorized changes in recording activity and limit the City Council's ability to exercise proper fiduciary oversight.

Recommendation – The City Council should formally approve all reclassifications of funds.

Response – The City Council will formally approve all reclassifications of funds.

Conclusion – Response accepted.

City of Belle Plaine

Schedule of Findings

Year ended June 30, 2016

(I) Employee Handbook

Criteria – Employee handbooks provide the benefit of setting consistent expectations and guidance for employees in the normal course of performing their assigned functions. An employee handbook should address:

- (1) Employment information including equal opportunity, hiring, and employee status, schedules and benefits.
- (2) Standards of employee conduct, including ethics and prohibited activities.
- (3) A requirement for periodic employee evaluations.

Condition – The City does not have a written employee handbook which includes a policy requiring periodic employee evaluations.

Cause – Completion of an employee handbook has not been prioritized by the City.

Effect – Lack of an employee handbook could result in the City's lack of ability to operate effectively and efficiently in accordance with the expectations of the City Council.

Recommendation – An employee handbook should be developed for the City.

Response – The City Administrator is developing an employee handbook for the City.

Conclusion – Response accepted.

(J) Disbursements

Criteria – Internal controls over safeguarding assets constitute a process, effected by an entity's governing body, management, and other personnel designed to provide reasonable assurance regarding prevention or timely detection of unauthorized transactions and safeguarding assets from error or misappropriation. Such processes include establishing policies addressing proper asset use and proper supporting documentation.

Condition – Supporting documentation for two of the twenty-five transactions tested was not maintained. One credit card transaction was not supported by the original receipt and one meal reimbursement was not supported by a meal receipt.

Cause – The City's credit card policy which requires an original receipt to support all credit card purchases was not complied with. The City's policy for travel reimbursement only covers supervisory employees and does not address meal reimbursements.

Effect – Lack of supporting documentations for disbursements and lack of policies and procedures for reimbursement of meals could result in unauthorized and unsupported transactions and the opportunity for misappropriation.

City of Belle Plaine

Schedule of Findings

Year ended June 30, 2016

Recommendation – All disbursements should be supported by invoices or other supporting documentation. The City should establish written policies requiring guidelines for reimbursement of meals and mileage for all employees and City Council members.

Response – All disbursements will be supported by invoices or other supporting documentation. The City will establish written policies requiring guidelines for reimbursement of meals and mileage for all employees and City Council members.

Conclusion – Response accepted.

(K) Payroll

Criteria – An effective internal control system provides for internal controls related to the processing and approval of payroll for all City employees. Salaries approved by the City Council can help ensure proper payment of payroll expenses.

Condition – City Council approved pay increases as a percentage increase, not an hourly rate or salary.

Cause – The City did not understand the potential effects of approving percentage pay increases instead of actual rates of pay.

Effect – Approving percentage pay increases without documenting the approved rates of pay could result in unauthorized payroll and the opportunity for misappropriation.

Recommendation – The City should document the approved rate of pay when approving pay increases.

Response – The City will document the approved rate of pay, not a percentage increase, when approving pay increases.

Conclusion – Response accepted.

City of Belle Plaine

Schedule of Findings

Year ended June 30, 2016

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

City of Belle Plaine

Schedule of Findings

Year ended June 30, 2016

**Other Findings Related to Required Statutory Reporting:**

- (1) Certified Budget – Disbursements during the year ended June 30, 2016 exceeded the amounts budgeted in the public safety, culture and recreation, community and economic development, general government, debt service and capital projects functions. Chapter 384.20 of the Code of Iowa states, in part, “Public monies may not be expended or encumbered except under an annual or continuing appropriation.”

Transfers from the General and Special Revenue, Aquatic Center Pledge Obligation Funds were budgeted under Permanent Funds.

Recommendation – The budget should have been amended in accordance with Chapter 384.18 of the Code of Iowa before disbursements were allowed to exceed the budget. Transfers should be budgeted in the proper fund.

Response – The budget will be amended in accordance with Chapter 384.18 of the Code of Iowa before disbursements are allowed to exceed the budget. Transfers will be budgeted in the proper fund.

Conclusion – Response accepted.

- (2) Questionable Disbursements – No disbursements we believe may not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979 were noted.
- (3) Travel Expense – No disbursements of City money for travel expenses of spouses of City officials or employees were noted.
- (4) Business Transactions – Business transactions between the City and City officials or employees are detailed as follows:

<u>Name, Title and Business Connection</u>	<u>Transaction Description</u>	<u>Amount</u>
Alan Dvorak, Street worker	Contracted meter readings	\$ 4,120

In accordance with Chapter 362.5(10) of the Code of Iowa, the transactions with Alan Dvorak appear to represent a conflict of interest since the total transactions exceed \$1,500 during the fiscal year and were not competitively bid. In addition, the payments to the City employee were not processed through payroll.

Recommendation – The City should consult legal counsel to determine the disposition of this matter. Payments to City employees should be run through payroll.

Response – The City will consult legal counsel to determine the disposition of this matter. Payments to all City employees will be run through payroll.

Conclusion – Response accepted.

City of Belle Plaine

Schedule of Findings

Year ended June 30, 2016

- (5) 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.
- (6) City Council Minutes – No transactions were found that we believe should have been approved in the City Council minutes but were not.

One instance was noted where the minutes did not document information sufficient to indicate the vote of each member present for a resolution passed in accordance with Chapter 21.3 of the Code of Iowa.

Although minutes of City 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.

Recommendation – The City should comply with Chapter 21 of the Code of Iowa and document information sufficient to indicate the vote of each member. In addition, published minutes should include total disbursements by fund.

Response – The City will comply with Chapter 21 of the Code of Iowa and document information sufficient to indicate the vote of each member. In addition, published minutes will now include total disbursements by fund.

Conclusion – Response accepted.

- (7) Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the City's investment policy were noted.
- (8) Annual Urban Renewal Report – The Annual Urban Renewal Report was approved and certified to the Iowa Department of Management on or before December 1.

The City did not maintain information to support amounts reported on the Annual Urban Renewal Report.

Recommendation – The City should maintain information to support amounts reported on the Annual Urban Renewal Report.

Response – The City will maintain information to support amounts reported on the Annual Urban Renewal Report.

Conclusion – Response accepted.

City of Belle Plaine

Schedule of Findings

Year ended June 30, 2016

- (9) Employee Benefits Fund – The balance of \$263,750 in the Special Revenue, Employee Benefits Fund is excessive. In addition, unallowable expenses of \$2,673 for the City Administrator’s car allowance and the portion of funds paid to group insurance for employees paid from the Enterprise Funds were recorded to the Special Revenue, Employee Benefits Fund.

Recommendation – The City should only record allowable expenses in the Special Revenue, Employee Benefits Fund and consider methods to reduce the excessive fund balance.

Response – The City will only record allowable expenses in the Special Revenue, Employee Benefits Fund and consider methods to reduce the excessive fund balance. For fiscal year 2018, the City did not levy for employee benefits.

Conclusion – Response accepted.

- (10) Financial Condition – The Enterprise, Water Fund had a deficit balance of \$67,136 at June 30, 2016.

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

Response – The City will investigate alternatives to eliminate the deficit in the Water Fund in order to return this fund to a sound financial position.

Conclusion – Response accepted.

- (11) Tax Increment Financing (TIF) – Chapter 403.19 of the Code of Iowa provides a municipality may certify loans, advances, indebtedness and bonds (indebtedness) to the County Auditor which qualify for reimbursement from incremental property tax. The County Auditor provides for the division of property tax to repay the certified indebtedness and provides available incremental property tax in subsequent fiscal years without further certification by the City until the amount of certified indebtedness is paid.

We noted the following regarding the City’s TIF debt certification dated November 24, 2015:

- The City has not certified \$701,888 of interest on general obligation bonds expected to be repaid with TIF collections, including amounts paid in the past and current year.
- The City decertified \$100,000 of TIF indebtedness, an amount equal to the current year principal payment. This amount should not be decertified as it will reduce the amount of future TIF collections available for future debt payments.



City of Belle Plaine

Schedule of Findings

Year ended June 30, 2016

Recommendation – The City should certify the general obligation bond interest expected to be repaid with TIF collections, including past interest amounts paid, to the County Auditor as a TIF obligation. The City should consult TIF legal counsel to determine the disposition of the City’s TIF certifications.

Response – The City will certify the general obligation bond interest expected to be repaid with TIF collections, including past interest amounts paid, to the County Auditor as a TIF obligation. The City will consult TIF legal counsel to determine the disposition of the City’s TIF certifications.

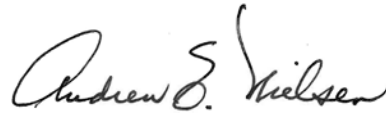
Conclusion – Response accepted.

City of Belle Plaine

Staff

This audit was performed by:

Jennifer L. Wall, CPA, Manager  
Gwen Fangman, CPA, Senior Auditor II  
Lucas P. Mullen, Staff Auditor  
Nicholas A. Kruse, Auditor Intern

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

Andrew E. Nielsen, CPA  
Deputy Auditor of State