



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Rob Sand
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0006
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NEWS RELEASE

FOR RELEASE

July 19, 2022

Contact: Ernest Ruben
515/281-5834

Auditor of State Rob Sand today released an audit report on the Cedar County Economic Development Commission for the year ended June 30, 2021.

FINANCIAL HIGHLIGHTS:

The Commission's receipts totaled \$106,122 for the year ended June 30, 2021, a less than 1% increase over the prior year. Disbursements for the year ended June 30, 2021 totaled \$104,595, a 40.13% increase over the prior year. The significant increase in disbursements is due primarily to a payment to IPERS for contributions due for periods after December 2018.

AUDIT FINDINGS:

Sand reported five findings related to the receipt and disbursement of taxpayer funds. They are found on pages 22 through 24 of this report. The findings address issues such as lack of segregation of duties, the lack of a complete bank reconciliation and lack of a depository resolution. Sand provided the Commission with recommendations to address each of these findings.

Three of the five findings discussed above are repeated from the audit report for the year ended June 30, 2020. The Board Members have a fiduciary responsibility to provide oversight of the Commission's operations and financial transactions. Oversight is typically defined as the "watchful and responsible care" a governing body exercises in its fiduciary capacity.

A copy of the audit report is available for review on the Auditor of State's web site at [Audit Reports - Auditor of State](#).

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**CEDAR COUNTY ECONOMIC DEVELOPMENT COMMISSION
INDEPENDENT AUDITOR'S REPORT
BASIC FINANCIAL STATEMENT AND OTHER INFORMATION
SCHEDULE OF FINDINGS**

JUNE 30, 2021

Cedar County Economic Development Commission



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June 20, 2022

Officials of the Cedar County Economic Development Commission
Tipton, Iowa

Dear Commission Members:

I am pleased to submit to you the financial and compliance audit report for the Cedar County Economic Development Commission for the year ended June 30, 2021. The audit was performed pursuant to Chapter 11.6 of the Code of Iowa, and in accordance with U.S. auditing standards and the standards applicable to financial audits contained in Government Auditing Standards.

I appreciate the cooperation and courtesy extended by the officials and employees of the Cedar County Economic Development Commission throughout the audit. If I or this office can be of any further assistance, please contact me or my staff at 515-281-5834.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Sand", written in a cursive style.

Rob Sand
Auditor of State

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Cedar County Economic Development Commission

Officials

<u>Name</u>	<u>Title</u>	<u>Representing</u>
Jon Bell	Board Chair	Cedar County
Jeff Kauffman	Board Member	Cedar County
Ross Leeper (Resigned Jan 2021)	Board Member	City of Tipton
Levi VanOort (Appointed Jan 2021)	Board Member	City of Clarence
Adam Sandberg	Board Member	City of Mechanicsville
Andrew Oberbreckling	Board Member	City of Mechanicsville
Mike Helms	Board Member	City of Tipton
Vacant	Board Member	City of West Branch
Rod Ness	Executive Director	



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Independent Auditor's Report

To the Board of Directors of the Cedar County Economic Development Commission:

Report on the Financial Statement

We have audited the accompanying financial statement of the Cedar County Economic Development Commission as of and for the year ended June 30, 2021, and the related Notes to Financial Statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement 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 statement in the circumstances. This includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement 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 statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the financial statement 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 Commission'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 statement.

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

Opinion

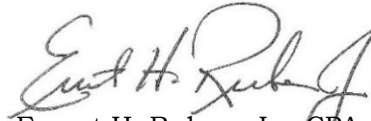
In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash basis financial position of the Cedar County Economic Development Commission as of June 30, 2021, and the changes in its cash basis financial position for the year then ended in accordance with the basis of accounting described in Note 1.

Basis of Accounting

As described in Note 1, the financial statement was prepared on the basis of cash receipts and disbursements, which is a basis of accounting other than U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 20, 2022 on our consideration of the Cedar County Economic Development Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the 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 Cedar County Economic Development Commission's internal control over financial reporting and compliance.



Ernest H. Ruben, Jr., CPA
Deputy Auditor of State

June 20, 2022

Cedar County Economic Development Commission

Basic Financial Statement

Cedar County Economic Development Commission

Cedar County Economic Development Commission

Statement of Cash Receipts, Disbursements and
Changes in Cash Balance

As of and for the year ended June 30, 2021

Operating receipts:	
Membership dues	<u>\$ 103,672</u>
Operating disbursements:	
Salaries and benefits	92,545
Marketing and promotion	682
Communication	7,070
Professional fees	2,039
Insurance	1,919
Miscellaneous	<u>340</u>
Total operating disbursements	<u>104,595</u>
Deficiency of operating receipts under operating disbursements	<u>(923)</u>
Non-operating receipts:	
Investor pledge contribution	1,000
Interest on investments	1,148
Settlements	<u>302</u>
Total non-operating receipts	<u>2,450</u>
Change in cash balance	1,527
Cash balance beginning of year	<u>282,955</u>
Cash balance end of year	<u>\$ 284,482</u>
Cash Basis Fund Balance	
Unrestricted	<u>\$ 284,482</u>

See notes to financial statements.

Cedar County Economic Development Commission

Notes to Other Information – Pension Liability

Year ended June 30, 2021

(1) Summary of Significant Accounting Policies

The Cedar County Economic Development Commission was formed in 1989 pursuant to the provisions of Chapter 28E of the Code of Iowa. The Commission is to coordinate resources to encourage and promote the establishment, development and retention of industrial manufacturing, commercial and retail interests in the Cedar County area. Current members include Cedar County and the cities of Clarence, Mechanicsville, West Branch and Tipton.

The Commission is comprised of two representatives from Cedar County and at least one representative from each participating City except West Branch. Each representative has one vote and each representative may have an alternate who can vote in the member's absence.

(A) Reporting Entity

For financial reporting purposes, the Cedar County Economic Development Commission has included all funds, organizations, agencies, boards, commissions and authorities. The Commission 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 Commission are such that exclusion would cause the Commission's financial statement 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 Commission 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 Commission. The Commission has no component units which meet the Governmental Accounting Standards Board criteria.

(B) Basis of Presentation

The accounts of the Commission are organized as an Enterprise Fund. Enterprise Funds may be used to report any activity for which a fee is charged to external users for goods or services.

Enterprise 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 an Enterprise Fund's principal ongoing operations. All receipts and disbursements not meeting this definition are reported as non-operating receipts and disbursements.

(C) Basis of Accounting

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

Cedar County Economic Development Commission

Notes to Other Information – Pension Liability

Year ended June 30, 2021

(2) Cash and Investments

The Commission's deposits in banks at June 30, 2021 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 Commission 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 Commission; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

The Commission had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

(3) Risk Management

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

(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 PO Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

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

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

- 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.

Cedar County Economic Development Commission

Notes to Other Information – Pension Liability

Year ended June 30, 2021

Protection occupation members may retire at normal retirement age, which is generally age 55 and may retire any time after reaching age 50 with 22 or more years of covered employment.

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 2021, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the Commission contributed 9.44% of covered payroll, for a total rate of 15.73%.

The Commission's contributions to IPERS for the year ended June 30, 2021 totaled \$17,880, including \$15,614 for contributions owed but previously unpaid for the period December 2017 through December 2020.

Cedar County Economic Development Commission

Notes to Other Information – Pension Liability

Year ended June 30, 2021

Because the Commission did not contribute to IPERS during the fiscal year ended June 30, 2020, there is no net pension liability, pension expense, deferred outflows of resources and deferred inflows of resources related to pensions.

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.

(5) COVID-19

In March 2020, the COVID-19 outbreak was declared a global pandemic. The disruption to businesses across a range of industries in the United States continues to evolve. The full impact to local, regional and national economies, including Cedar County Economic Development Commission, remains uncertain.

To date, the outbreak has not created a material disruption to the operations of Cedar County Economic Development Commission. However, the extent of the financial impact of COVID-19 will depend on future developments, including the spread of the virus, duration and timing of the economic recovery. Due to these uncertainties, management cannot reasonably estimate the potential impact to the Cedar County Economic Development Commission's operations and finances.

(6) Prospective Accounting Change

Governmental Accounting Standards Board has issued Statement No. 87 Leases. This statement will be implemented for the fiscal year ended June 30, 2022. The revised requirements of this statement require the reporting of certain potentially significant lease liabilities which were previously not reported.

Cedar County Economic Development Commission

Other Information

Cedar County Economic Development Commission
 Schedule of the Commission's Proportionate Share of the Net Pension Liability
 Iowa Public Employees' Retirement System
 Last Seven Fiscal Years*
 Other Information

	2021	2020	2019	2018
Commission's proportion of the net pension liability	**	**	**	0.000298%
Commission's proportionate share of the net pension liability	\$ **	**	**	19,824
Commission's covered payroll	\$ 48,000	48,000	53,398	22,217
Commission's proportionate share of the net pension liability as a percentage of its covered payroll	**	**	**	89.23%
Plan fiduciary net position as a percentage of the total pension liability	**	**	**	82.21%

* 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.

** Information is not available for 2019-2021. The commission did not contribute to IPERS during fiscal years 2018 through 2020.

See accompanying independent auditor's report.

2017	2016	2015
0.000324%	0.000330%	0.0000324%
20,407	16,322	12,860
23,270	22,632	19,451
87.70%	72.12%	66.11%
81.82%	85.19%	87.61%

Cedar County Economic Development Commission
 Schedule of the Commission's Contributions
 Iowa Public Employees' Retirement System
 Last Ten Fiscal Years*
 Other Information

	2021	2020 **	2019**	2018**
Statutorily required contribution	\$ 4,532	4,531	4,531	4,768
Contributions in relation to the statutorily required contribution	(4,532)	(4,531)	(4,532)	(4,768)
Contribution deficiency (excess)	\$ -	-	-	-
Commission's covered payroll	\$ 48,000	48,000	48,000	53,398
Contributions as a percentage of covered payroll	9.44%	9.44%	9.44%	8.93%

** Contributions for covered wages between December 2017 and December 2020 were made in January 2021.

See accompanying independent auditor's report.

2017	2016	2015	2014	2013	2012
1,984	2,078	2,021	1,737	1,919	1,951
(1,984)	(2,078)	(2,021)	(1,737)	(1,919)	(1,951)
-	-	-	-	-	-
22,217	23,270	22,632	19,451	22,134	24,176
8.93%	8.93%	8.93%	8.93%	8.67%	8.07%



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

To the Board of Directors of the Cedar County Economic Development Commission:

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 statement of the Cedar County Economic Development Commission as of and for the year ended June 30, 2021, and the related Notes to Financial Statement, and have issued our report thereon dated June 20, 2022. Our report expressed an unmodified opinion on the financial statement which was 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 statement, we considered the Cedar County Economic Development Commission's internal control over financial reporting to determine the audit procedures appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Cedar County Economic Development Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Cedar County Economic Development Commission's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of the Cedar County Economic Development Commission's financial statement will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the 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, we identified deficiencies in internal control, described in the accompanying Schedule of Findings as items (A) and (B), we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Cedar County Economic Development Commission's financial statement is 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 that 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 Commission's operations for the year ended June 30, 2021 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statement of the Commission. 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.

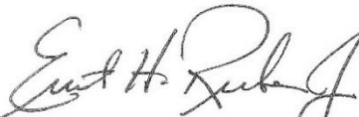
The Cedar County Economic Development Commission's Responses to the Findings

The Cedar County Economic Development Commission's responses to the findings identified in our audit are described in the accompanying Schedule of Findings. The Cedar County Economic Development Commission's responses were not subjected to the auditing procedures applied in the audit of the financial statement 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 Commission'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 Commission'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 Cedar County Economic Development Commission 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.



Ernest H. Ruben, Jr., CPA
Deputy Auditor of State

June 20, 2022

Cedar County Economic Development Commission

Schedule of Findings

Year ended June 30, 2021

Finding Related to the Financial Statement:

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 Cedar County Economic Development Commission’s (CCEDCO) financial statements.

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

- (1) Receipts – opening mail, collecting, depositing, reconciling and posting.
- (2) Disbursements – invoicing processing, check writing, mailing, reconciling and recording.
- (3) Investing – recordkeeping, investing, custody of investments and reconciling earnings.
- (4) Cash – handling, reconciling and recording.

Cause – CCEDCO has 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 CCEDCO’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.

Recommendation – CCEDCO should review its control activities to obtain the maximum internal control possible under the circumstances and should utilize current personnel, including Commission Members, to provide additional control through review of financial transactions, reconciliations and reports.

Response – We will utilize Commission Members review to establish and verify better internal controls for financials.

Conclusion – Response accepted.

(B) Bank Reconciliation

Criteria – An effective internal control system provides for internal controls related to ensuring proper accounting for all funds by reconciling bank and book balances.

Condition – The cash balances in each bank account’s check register were reconciled to bank balances throughout the year. However, the Commission does not perform a comprehensive bank reconciliation of all bank accounts to the Commission’s book balance.

Cedar County Economic Development Commission

Schedule of Findings

Year ended June 30, 2021

Cause – Procedures have not been designed and implemented to ensure all accounts are reconciled and the amounts recorded in the books and bank accounts are complete and accurate to ensure proper accounting for all funds.

Effect – The lack of a complete bank to book reconciliation can result in unrecorded transactions, undetected errors and opportunity for misappropriation.

Recommendation – The Commission should prepare comprehensive monthly bank reconciliations of the general ledger to all bank accounts. Variances between book and bank balances should be documented and investigated and resolved in a timely manner. In addition, the bank reconciliations should be reviewed by an independent person and review should be documented by the signature or initials of the reviewer and date of review.

Response – The Cedar County Economic Development Commission will work to prepare comprehensive monthly bank reconciliation of the general ledger to all bank accounts. If variances are shown between book and bank balances, they will be documented and resolved to the satisfaction of the board. In addition, the bank reconciliations will be reviewed by an independent person and review will be documented by the signature or date of the reviewer and the date of the review.

Conclusion – Response accepted.

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

Cedar County Economic Development Commission

Schedule of Findings

Year ended June 30, 2021

Other Findings Related to Required Statutory Reporting:

- (1) 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.
- (2) Travel Expense – No disbursements of Commission money for travel expenses of spouses of Commission officials or employees were noted.
- (3) Restricted Donor Activity – No transactions were noted between the Commission, Commission officials, Commission employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.
- (4) Commission Minutes – No transactions were found that we believe should have been approved in the Commission minutes but were not. However, the minutes for two of five commission proceedings were not published within 20 days of meeting adjournment per Chapter 28E.6(3)(a) of the Code of Iowa. In addition, the Commission only held five of the six meetings required by the Commission's bylaws.

Recommendation – The Commission should comply with Chapter 28E.6(3)(a) of the Code of Iowa and ensure Commission minutes are published. The Commission should comply with its bylaws requiring a minimum of six meetings per year.

Response – The Commission will work to gain a better understanding of the Code of Iowa to help ensure we are in compliance. We will review current by-laws and adhere to the meeting policy moving forward.

Conclusion – Response accepted.

- (5) Deposits and Investments – A resolution naming official depositories has not been adopted by the Commission as required by Chapter 12C.2 of the Code of Iowa.

Recommendation – The Commission, by resolution, should approve amounts sufficient to cover anticipated balances at all approved depositories as required by Chapter 12C.2 of the Code of Iowa.

Response – The board will pass a depository resolution each fiscal year starting in fiscal year 2022.

- (6) Budget – The annual budget for the fiscal year ending June 30, 2021 was exceeded by \$9,871.

Recommendation – The budget should have been amended before disbursements were allowed to exceed the budget.

Response – The Board will pass budget amendments before expenditures exceed budgeted amounts in the future.

Conclusion – Response accepted.

Cedar County Economic Development Commission

Staff

This audit was performed by:

Ernest H. Ruben, Jr., CPA, Deputy
Gwen D. Fangman, CPA, Manager
William R. Bamber, Staff Auditor