



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

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Auditor of State

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Warren G. Jenkins, CPA
Chief Deputy Auditor of State

NEWS RELEASE

FOR RELEASE _____ December 9, 2002

Contact: Andy Nielsen
515/281-5515

Auditor of State Richard Johnson today released an audit report on the City of Bloomfield, Iowa.

Johnson reported that the City's receipts totaled \$6,408,100 for the year ended June 30, 2002, a three percent decrease from 2001. The receipts included \$576,651 in property tax, \$104,117 in tax increment financing collections, \$301,233 from the state, \$456,613 from the federal government and \$166,449 in interest on investments.

Disbursements for the year totaled \$6,408,160, a 22 percent decrease from the prior year, and included \$531,660 for community protection, \$270,927 for human development, \$5,479,193 for home and community environment, and \$126,380 for policy and administration. The significant decrease in disbursements is due primarily to the refinancing of water revenue bonds in fiscal year 2001.

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

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CITY OF BLOOMFIELD

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

JUNE 30, 2002

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City of Bloomfield

Officials

| <u>Name</u> | <u>Title</u> | <u>Term Expires</u> |
|------------------------------|-----------------|---------------------|
| (Before January 2002) | | |
| James Reyes | Mayor | Jan 2002 |
| Donald Smith | Mayor Pro tem | Jan 2002 |
| David Thordarson | Council Member | Jan 2002 |
| Dale Blumhagen | Council Member | Jan 2004 |
| Foster Grant II | Council Member | Jan 2004 |
| Terry Nelson | Council Member | Jan 2004 |
| Betsy J. Bassett | Clerk/Treasurer | Jan 2002 |
| John Martin | Attorney | Jan 2002 |
| (After January 2002) | | |
| Sam Eakins | Mayor | Jan 2006 |
| Donald Smith | Mayor Pro tem | Jan 2006 |
| Dale Blumhagen | Council Member | Jan 2004 |
| Foster Grant II | Council Member | Jan 2004 |
| Terry Nelson | Council Member | Jan 2004 |
| David Thordarson | Council Member | Jan 2006 |
| Betsy J. Bassett | Clerk/Treasurer | Jan 2004 |
| John Martin | Attorney | Jan 2004 |

City of Bloomfield



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Warren G. Jenkins, CPA
Chief Deputy Auditor of State

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council:

We have audited the accompanying financial statements, listed as exhibits in the table of contents of this report, of the City of Bloomfield, Iowa, as of and for the year ended June 30, 2002. These financial statements are the responsibility of the City of Bloomfield's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards, Chapter 11 of the Code of Iowa and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in note 1, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the results of the cash transactions of the funds of the City of Bloomfield as of and for the year ended June 30, 2002, and its indebtedness at June 30, 2002, on the basis of accounting described in note 1.

In accordance with Government Auditing Standards, we have also issued our reports dated September 13, 2002 on our consideration of the City of Bloomfield's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. These reports are an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the aforementioned financial statements taken as a whole. We previously audited, in accordance with the standards referred to in the second paragraph of this report, the financial statements for the three years ended June 30, 2001 (none of which are presented herein) and expressed unqualified opinions on those financial statements. The supplemental information included in Schedules 1 through 9, including the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget (OMB) Circular A-133, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in our audit of the aforementioned financial statements and, in our opinion, is fairly stated in all material respects in relation to the aforementioned financial statements taken as a whole.

RICHARD D. JOHNSON, CPA
Auditor of State

WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

September 13, 2002

City of Bloomfield

Financial Statements

City of Bloomfield
 Combined Statement of Cash Transactions
 All Fund Types
 Year ended June 30, 2002

| | Governmental | |
|--|-------------------|--------------------|
| | General | Special Revenue |
| Receipts: | | |
| Property tax | \$ 352,637 | 170,805 |
| Tax increment financing collections | - | 104,117 |
| Other City tax | 15,528 | - |
| Licenses and permits | 4,921 | - |
| Use of money and property | 15,089 | 5,639 |
| Intergovernmental | 86,173 | 234,588 |
| Charges for service | 234,057 | - |
| Miscellaneous | 15,568 | 81,812 |
| Total receipts | <u>723,973</u> | <u>596,961</u> |
| Disbursements: | | |
| Community Protection Program | 435,542 | 96,118 |
| Human Development Program | 217,865 | 43,049 |
| Home and Community Environment Program | 368,562 | 423,606 |
| Policy and Administration Program | 111,685 | 14,695 |
| Total disbursements | <u>1,133,654</u> | <u>577,468</u> |
| Excess (deficiency) of receipts over (under) disbursements | <u>(409,681)</u> | <u>19,493</u> |
| Other financing sources (uses): | | |
| Sale of fixed assets | 25,695 | - |
| Operating transfers in | 342,945 | 1,075 |
| Operating transfers out | (3,231) | (12,811) |
| Total other financing sources (uses) | <u>365,409</u> | <u>(11,736)</u> |
| Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses | (44,272) | 7,757 |
| Balance beginning of year | <u>399,185</u> | <u>481,159</u> |
| Balance end of year | <u>\$ 354,913</u> | <u>488,916</u> |

See notes to financial statements.

| Fund Types | | Proprietary | Fiduciary | Total |
|------------|-----------|-------------|-----------|-------------|
| Debt | Capital | Fund Type | Fund Type | (Memorandum |
| Service | Projects | Enterprise | Trust | Only) |
| 53,209 | - | - | - | 576,651 |
| - | - | - | - | 104,117 |
| - | - | - | - | 15,528 |
| - | - | - | - | 4,921 |
| - | 42,713 | 157,560 | 2,058 | 223,059 |
| - | - | 452,859 | - | 773,620 |
| - | - | 4,029,664 | - | 4,263,721 |
| - | 172 | 335,614 | 13,317 | 446,483 |
| 53,209 | 42,885 | 4,975,697 | 15,375 | 6,408,100 |
| - | - | - | - | 531,660 |
| - | - | - | 10,013 | 270,927 |
| 56,550 | 16,000 | 4,614,475 | - | 5,479,193 |
| - | - | - | - | 126,380 |
| 56,550 | 16,000 | 4,614,475 | 10,013 | 6,408,160 |
| (3,341) | 26,885 | 361,222 | 5,362 | (60) |
| - | - | - | - | 25,695 |
| - | 33,641 | 434,351 | - | 812,012 |
| - | (37,791) | (757,465) | (714) | (812,012) |
| - | (4,150) | (323,114) | (714) | 25,695 |
| (3,341) | 22,735 | 38,108 | 4,648 | 25,635 |
| 211,393 | (241,797) | 3,131,568 | 94,090 | 4,075,598 |
| 208,052 | (219,062) | 3,169,676 | 98,738 | 4,101,233 |

City of Bloomfield
Comparison of Receipts, Disbursements and Changes in Balances -
Actual to Budget
Year ended June 30, 2002

| | Actual | Less Funds Not Required to be Budgeted |
|---|---------------------|---|
| Receipts: | | |
| Property tax | \$ 576,651 | - |
| Tax increment financing collections | 104,117 | - |
| Other City tax | 15,528 | - |
| Licenses and permits | 4,921 | - |
| Use of money and property | 223,059 | - |
| Intergovernmental | 773,620 | - |
| Charges for service | 4,263,721 | - |
| Special assessments | - | - |
| Miscellaneous | 446,483 | 2,338 |
| Total receipts | 6,408,100 | 2,338 |
| Disbursements: | | |
| Community Protection Program | 531,660 | - |
| Human Development Program | 270,927 | 2,667 |
| Home and Community Environment Program | 5,479,193 | - |
| Policy and Administration Program | 126,380 | - |
| Total disbursements | 6,408,160 | 2,667 |
| Excess (deficiency) of receipts over (under) disbursements | (60) | (329) |
| Other financing sources, net | 25,695 | - |
| Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses | 25,635 | (329) |
| Balance beginning of year | 4,075,598 | 8,428 |
| Balance end of year | \$ 4,101,233 | 8,099 |

See notes to financial statements.

| Net | Amended Budget | Variance Favorable (Unfavorable) | Net as % of Amended Budget |
|------------------|-------------------|--|-------------------------------------|
| 576,651 | 570,648 | 6,003 | 101% |
| 104,117 | 97,966 | 6,151 | 106% |
| 15,528 | 246 | 15,282 | 6312% |
| 4,921 | 16,900 | (11,979) | 29% |
| 223,059 | 212,170 | 10,889 | 105% |
| 773,620 | 909,894 | (136,274) | 85% |
| 4,263,721 | 4,753,004 | (489,283) | 90% |
| - | 2,000 | (2,000) | |
| 444,145 | 23,250 | 420,895 | 1910% |
| <u>6,405,762</u> | <u>6,586,078</u> | <u>(180,316)</u> | <u>97%</u> |
| 531,660 | 561,175 | 29,515 | 95% |
| 268,260 | 304,572 | 36,312 | 88% |
| 5,479,193 | 6,081,562 | 602,369 | 90% |
| 126,380 | 136,751 | 10,371 | 92% |
| <u>6,405,493</u> | <u>7,084,060</u> | <u>678,567</u> | <u>90%</u> |
| 269 | (497,982) | | |
| <u>25,695</u> | - | | |
| 25,964 | (497,982) | | |
| <u>4,067,170</u> | <u>3,730,691</u> | | |
| <u>4,093,134</u> | <u>3,232,709</u> | | |

City of Bloomfield
Statement of Indebtedness
Year ended June 30, 2002

| Obligation | Date of Issue | Interest Rates | Amount Originally Issued |
|--|------------------|-------------------|--------------------------------|
| General obligation bonds: Essential corporate purpose | Aug 1, 1993 | 5.00% | \$ 595,000 |
| Revenue notes (note 4): Water revenue refunding capital loan notes | May 1, 2001 | 4.25-5.15% | \$ 1,265,000 |
| Lease purchase agreement (note 4): Computer network equipment | Nov 1, 2000 | 18.65% | \$ 16,318 |

See notes to financial statements.

| Balance Beginning of Year | Redeemed During Year | Balance End of Year | Interest Paid |
|---------------------------------|----------------------------|---------------------------|------------------|
| 325,000 | 40,000 | 285,000 | 16,250 |
| 1,265,000 | 90,000 | 1,175,000 | 65,228 |
| 13,477 | 4,505 | 8,972 | 1,977 |

City of Bloomfield

Notes to Financial Statements

June 30, 2002

(1) Summary of Significant Accounting Policies

The City of Bloomfield is a political subdivision of the State of Iowa located in Davis County. It was first incorporated in 1850 and operates under the Home Rule provisions of the Constitution of Iowa. The City operates under the Mayor-Council form of government with the Mayor and Council Members elected on a non-partisan basis. The City provides numerous services to citizens including public safety, public works, culture, recreation, public improvements and general administrative services.

A. Reporting Entity

For financial reporting purposes, the City of Bloomfield 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 Bloomfield (the primary government) and its component unit. The component unit discussed below is included in the City's reporting entity because of the significance of its operational or financial relationship with the City.

Blended Component Unit

The Friends of the Bloomfield Library was established as a non-profit corporation in accordance with Chapter 504A of the Code of Iowa. The Friends of the Bloomfield Library is legally separate from the City but is so intertwined with the City that it is, in substance, the same as the City. It is reported as part of the City and blended into the Special Revenue Fund. Although the Friends of the Bloomfield Library is legally separate from the City, its purpose is to benefit the City of Bloomfield (the primary government) by soliciting contributions and managing those funds.

Joint Ventures

The City participates in the Mutchler Community Center Commission. The Commission was developed under a 28E agreement with Davis County for the construction, operation and maintenance of a community center.

Jointly Governed Organizations

The City also participates in several jointly governed organizations for which the City is not financially accountable or that the nature and significance of the relationship with the City are such that exclusion does not cause the City's financial statements to be misleading or incomplete. City officials are members of the following boards and commissions: Davis County Assessor's Conference Board, Davis County E911 Joint Service Board and Davis County Emergency Management Commission. The City also participates in the Davis County Regional Service Agency, a jointly governed organization established pursuant to Chapter 28E of the Code of Iowa.

B. Fund Accounting

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

Governmental Funds

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

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

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

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

Proprietary Funds

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

Fiduciary Funds

Trust Funds - The Trust Funds are utilized to account for monies and properties received and held by the City in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These include expendable and non-expendable trust funds.

C. Basis of Accounting

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

D. Budgets and Budgetary Accounting

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

Formal and legal budgetary control is based upon four major classes of disbursements, known as programs, not by fund. These four programs are community protection, human development, home and community environment and policy and administration.

E. Total (Memorandum Only)

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

(2) Cash and Pooled Investments

The City's deposits in banks at June 30, 2002 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

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

(3) Pension and Retirement Benefits

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

Plan members are required to contribute 3.70% of their annual covered salary and the City is required to contribute 5.75% of annual covered payroll except for police employees, in which case the percentages are 6.20% and 9.29%, respectively. Contribution requirements are established by state statute. The City's contribution to IPERS for the years ended June 30, 2002, 2001, and 2000 were \$61,932, \$58,470, and \$56,167, respectively, equal to the required contributions for each year.

(4) Long-Term Debt

Bonds and Notes Payable

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

| Year Ending June 30, | General Obligation Bonds | | Revenue Notes | | Total | |
|----------------------------|-----------------------------|---------------|------------------|----------------|------------------|----------------|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2003 | \$ 40,000 | 14,250 | 95,000 | 56,385 | 135,000 | 70,635 |
| 2004 | 45,000 | 12,250 | 100,000 | 52,253 | 145,000 | 64,503 |
| 2005 | 45,000 | 10,000 | 105,000 | 47,803 | 150,000 | 57,803 |
| 2006 | 50,000 | 7,750 | 105,000 | 43,025 | 155,000 | 50,775 |
| 2007 | 50,000 | 5,250 | 115,000 | 38,142 | 165,000 | 43,392 |
| 2008 | 55,000 | 2,750 | 120,000 | 32,738 | 175,000 | 35,488 |
| 2009 | - | - | 125,000 | 26,977 | 125,000 | 26,977 |
| 2010 | - | - | 130,000 | 20,853 | 130,000 | 20,853 |
| 2011 | - | - | 135,000 | 14,352 | 135,000 | 14,352 |
| 2012 | - | - | 145,000 | 7,467 | 145,000 | 7,467 |
| Total | \$ 285,000 | 52,250 | 1,175,000 | 339,995 | 1,460,000 | 392,245 |

The resolution providing for the issuance of the revenue notes includes the following provisions.

- (a) The notes will only be redeemed from the future earnings of the enterprise activity and the note holders hold a lien on the future earnings of the funds.
- (b) Sufficient monthly transfers shall be made to a water revenue note sinking account for the purpose of making the note principal and interest payments when due.
- (c) An amount equal to 25% of the monthly transfer to the sinking account shall be made to a water reserve account until a specified amount is accumulated and maintained. The water reserve account is required to accumulate the lesser of the principal plus interest due in any succeeding year or \$126,500.
- (d) Additional monthly transfers of \$4,000 to a water improvements account shall be made until a minimum balance of \$400,000 is accumulated. This account is restricted for the purpose of paying for any deficiencies in the revenue note sinking account, then for capital improvements, renewals and replacements and extraordinary repairs.

The City has established the sinking, reserve and improvements accounts required by the note resolution and has complied with the related provisions.

Lease Purchase Agreement

On October 20, 2000, the City entered into a lease-purchase agreement to purchase a computer network. The total cost was \$16,318 with monthly lease payments of \$540 for 3 years. An interest rate was not stated and has been imputed at an effective rate of 18.65%. The following is a schedule of the future minimum lease payments, interest and the present value of net minimum lease payments under agreements in effect at June 30, 2002.

| Year Ending June 30, | Minimum Lease Payments | Less Amount Representing Interest | Present Value of Net Minimum Lease Payments |
|----------------------|------------------------|-----------------------------------|---|
| 2003 | \$ 6,482 | 1,136 | 5,346 |
| 2004 | 3,792 | 166 | 3,626 |
| Total | \$ 10,274 | 1,302 | 8,972 |

(5) Compensated Absences

City employees accumulate a limited amount of earned but unused vacation, compensatory time and sick leave 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 liability is computed based on the rate of pay as of June 30, 2002. The City's approximate liability for earned compensated absences payable to employees at June 30, 2002, primarily relating to the General Fund, is as follows:

| Type of Benefit | Amount |
|-------------------|------------------|
| Compensatory time | \$ 13,000 |
| Vacation | 35,200 |
| Sick leave | <u>48,700</u> |
| Total | <u>\$ 96,900</u> |

Sick leave is payable when used or, after an employment period of ten (10) years, upon termination, retirement or death. The above liability has been computed based on rates of pay in effect at June 30, 2002.

(6) Industrial Development Loan and Rebate Agreement

On May 11, 1992, the City entered into a loan agreement, under the provisions of Chapter 403 of the Code of Iowa, with Chevron Chemical Company totaling \$425,000 to provide funds for the purpose of defraying a portion of the costs of carrying out an urban renewal development project of the City. The loan principal plus interest thereon at the rate of 8.50% per annum were payable commencing October 15, 1994 and ending April 15, 2004. The principal amount and related interest were payable solely from tax increment financing property tax collections.

On June 19, 2000, the City and Chevron Chemical Company amended the original agreement whereby the City is no longer required to repay the \$425,000. The City agreed to rebate incremental taxes paid by the developer in exchange for infrastructure improvements constructed by the developer as set forth in the amendment, with the condition that the company maintains a specified level of full-time equivalent positions for the term of the agreement. The incremental taxes that otherwise would have been received by the City under Chapter 403.19 of the Code of Iowa from the developer are to be rebated for a period of nine years beginning May 1, 2001. During the year, the City rebated taxes totaling \$28,727 to Chevron Chemical Company.

(7) Risk Management

The City of Bloomfield 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.

(8) Economic Development Loans

On April 1, 2001, the City of Bloomfield loaned \$300,000 to a local business to construct and equip an assisted and independent living facility to be located in the City. The loan bears interest at 7% and is to be repaid to the City in annual installments of \$30,000 from April 1, 2001 through April 1, 2011.

(9) Deficit Balances

The Capital Projects Fund, Place's Economic Development Account, had a deficit balance of \$75,778 at June 30, 2002. The deficit is the result of project costs incurred prior to availability of funds. The deficit balance will be eliminated upon receipt of urban renewal tax increment financing collections.

The Capital Projects Fund, R & L Tool and Die Economic Development Account had a deficit balance of \$24,256 at June 30, 2002. This deficit will be eliminated through tax increment financing receipts.

The Capital Projects Fund, ABCM Corporation Account had a deficit balance of \$257,287 at June 30, 2002. This deficit is the result of an economic development loan made to ABCM Corporation for construction of an assisted and independent living facility. This deficit will be eliminated through annual installments paid to the City by ABCM Corporation.

(10) Health Insurance

The City has a group insurance policy which provides comprehensive medical coverage for eligible employees and, if elected, their spouses and dependents. The City's group insurance is a partial self-funded health plan. Under the partial self-funded plan, the City will reimburse an eligible employee for half of the deductible as well as half of out-of-pocket expenses. The amount of the deductibles and out-of-pocket expenses for the employees are as follows:

| | Deductible | |
|----------|------------|--------|
| | Single | Family |
| Employee | \$ 500 | 1,000 |

| | Out-of-Pocket | |
|----------|---------------|--------|
| | Single | Family |
| Employee | \$ 500 | 1,000 |

City of Bloomfield

Supplemental Information

City of Bloomfield
Combining Schedule of Cash Transactions
General Fund
Year ended June 30, 2002

| | General | Community Development |
|-----------------------------------|----------------|--------------------------|
| Receipts: | | |
| Property tax | \$ 352,637 | - |
| Other City tax: | | |
| Cable franchise fees | 15,528 | - |
| Licenses and permits: | | |
| Beer | 1,550 | - |
| Liquor | 2,052 | - |
| Cigarette | 544 | - |
| Building | 775 | - |
| | <u>4,921</u> | <u>-</u> |
| Use of money and property: | | |
| Interest on investments | 6,262 | - |
| Rent | 3,227 | - |
| | <u>9,489</u> | <u>-</u> |
| Intergovernmental: | | |
| State allocation | 48,136 | - |
| Bank franchise tax | 7,298 | - |
| County library allocation | 11,188 | - |
| Selt belt grant | 3,754 | - |
| Airport grant | 11,211 | - |
| Township fire protection | 4,586 | - |
| | <u>86,173</u> | <u>-</u> |
| Charges for service: | | |
| Garbage collection | 142,755 | - |
| Fire protection | 1,431 | - |
| Parks and recreation | 42,365 | - |
| Library | 3,141 | - |
| Auto salvage inspection fee | 12,900 | - |
| Cemetery | 31,465 | - |
| | <u>234,057</u> | <u>-</u> |

| Public Service | Swimming Pool Filters | Drug Awareness Resistance Education | Game Court Savings | Total |
|----------------|-----------------------|-------------------------------------|--------------------|---------|
| - | - | - | - | 352,637 |
| - | - | - | - | 15,528 |
| - | - | - | - | 1,550 |
| - | - | - | - | 2,052 |
| - | - | - | - | 544 |
| - | - | - | - | 775 |
| - | - | - | - | 4,921 |
| - | 126 | 5,437 | 37 | 11,862 |
| - | - | - | - | 3,227 |
| - | 126 | 5,437 | 37 | 15,089 |
| - | - | - | - | 48,136 |
| - | - | - | - | 7,298 |
| - | - | - | - | 11,188 |
| - | - | - | - | 3,754 |
| - | - | - | - | 11,211 |
| - | - | - | - | 4,586 |
| - | - | - | - | 86,173 |
| - | - | - | - | 142,755 |
| - | - | - | - | 1,431 |
| - | - | - | - | 42,365 |
| - | - | - | - | 3,141 |
| - | - | - | - | 12,900 |
| - | - | - | - | 31,465 |
| - | - | - | - | 234,057 |

City of Bloomfield
Combining Schedule of Cash Transactions
General Fund
Year ended June 30, 2002

| | General | Community Development |
|-------------------------------|----------------|--------------------------|
| Receipts (continued): | | |
| Miscellaneous: | | |
| Court fines | 5,321 | - |
| Refunds and reimbursements | 7,129 | - |
| Donations and contributions | - | - |
| Miscellaneous | 1,981 | - |
| | <u>14,431</u> | <u>-</u> |
| Total receipts | <u>717,236</u> | <u>-</u> |
| Disbursements: | | |
| Community Protection Program: | | |
| Police: | | |
| Personal services | 193,991 | - |
| Contractual services | 68,575 | - |
| Commodities | 16,194 | - |
| Capital outlay | 26,905 | - |
| | <u>305,665</u> | <u>-</u> |
| Public Safety: | | |
| Personal services | 65,870 | - |
| Contractual services | 21,936 | - |
| Commodities | 1,950 | - |
| Capital outlay | 2,000 | - |
| | <u>91,756</u> | <u>-</u> |
| Fire: | | |
| Personal services | 19,699 | - |
| Contractual services | 9,342 | - |
| Commodities | 5,710 | - |
| Capital outlay | 920 | - |
| | <u>35,671</u> | <u>-</u> |
| | <u>433,092</u> | <u>-</u> |
| Human Development Program: | | |
| Animal control | 1,396 | - |

| Public Service | Swimming Pool Filters | Drug Awareness Resistance Education | Game Court Savings | Total |
|----------------|-----------------------|-------------------------------------|--------------------|---------|
| - | - | - | - | 5,321 |
| - | - | - | - | 7,129 |
| 1,137 | - | - | - | 1,137 |
| - | - | - | - | 1,981 |
| 1,137 | - | - | - | 15,568 |
| 1,137 | 126 | 5,437 | 37 | 723,973 |
| - | - | - | - | 193,991 |
| - | - | - | - | 68,575 |
| - | - | - | - | 16,194 |
| - | - | - | - | 26,905 |
| - | - | - | - | 305,665 |
| - | - | 2,450 | - | 68,320 |
| - | - | - | - | 21,936 |
| - | - | - | - | 1,950 |
| - | - | - | - | 2,000 |
| - | - | 2,450 | - | 94,206 |
| - | - | - | - | 19,699 |
| - | - | - | - | 9,342 |
| - | - | - | - | 5,710 |
| - | - | - | - | 920 |
| - | - | - | - | 35,671 |
| - | - | 2,450 | - | 435,542 |
| - | - | - | - | 1,396 |

City of Bloomfield
Combining Schedule of Cash Transactions
General Fund
Year ended June 30, 2002

| | General | Community Development |
|---|---------|--------------------------|
| Disbursements (continued): | | |
| Human Development Program: | | |
| Library: | | |
| Personal services | 45,183 | - |
| Contractual services | 16,681 | - |
| Commodities | 5,529 | - |
| Capital outlay | 848 | - |
| | 68,241 | - |
| Parks and recreation: | | |
| Personal services | 34,454 | - |
| Contractual services | 8,166 | - |
| Commodities | 3,753 | - |
| Capital outlay | 21,491 | - |
| | 67,864 | - |
| Swimming pool: | | |
| Personal services | 27,778 | - |
| Contractual services | 19,637 | - |
| Commodities | 4,951 | - |
| Capital outlay | 8,098 | - |
| | 60,464 | - |
| | 197,965 | - |
| Home and Community Environment Program: | | |
| Street maintenance: | | |
| Personal services | 55,328 | - |
| Contractual services | 21,887 | - |
| Commodities | 38,923 | - |
| Capital outlay | 3,454 | - |
| | 119,592 | - |
| Snow removal | 2,733 | - |
| Public service | - | - |

| Public Service | Swimming Pool Filters | Drug Awareness Resistance Education | Game Court Savings | Total |
|----------------|-----------------------|-------------------------------------|--------------------|---------|
| - | - | - | - | 45,183 |
| - | - | - | - | 16,681 |
| - | - | - | - | 5,529 |
| - | - | - | - | 848 |
| - | - | - | - | 68,241 |
| - | - | - | - | 34,454 |
| - | - | - | - | 8,166 |
| - | - | - | - | 3,753 |
| - | - | - | 4,900 | 26,391 |
| - | - | - | 4,900 | 72,764 |
| - | - | - | - | 27,778 |
| - | - | - | - | 19,637 |
| - | - | - | - | 4,951 |
| - | 15,000 | - | - | 23,098 |
| - | 15,000 | - | - | 75,464 |
| - | 15,000 | - | 4,900 | 217,865 |
| - | - | - | - | 55,328 |
| - | - | - | - | 21,887 |
| - | - | - | - | 38,923 |
| - | - | - | - | 3,454 |
| - | - | - | - | 119,592 |
| - | - | - | - | 2,733 |
| 590 | - | - | - | 590 |

City of Bloomfield
Combining Schedule of Cash Transactions
General Fund
Year ended June 30, 2002

| | General | Community Development |
|---|---------|--------------------------|
| Disbursements (continued): | | |
| Home and Community Environment Program: | | |
| Airport: | | |
| Contractual services | 21,130 | - |
| Commodities | 1,157 | - |
| Capital outlay | 5,202 | - |
| | 27,489 | - |
| Solid waste: | | |
| Contractual services | 131,455 | - |
| Cemetery: | | |
| Personal services | 16,397 | - |
| Contractual services | 21,116 | - |
| Commodities | 2,940 | - |
| Capital outlay | 7,250 | - |
| | 47,703 | - |
| Economic development | - | 39,000 |
| | 328,972 | 39,000 |
| Policy and Administration Program: | | |
| Mayor and Council Members: | | |
| Personal services | 13,010 | - |
| Financial Administration: | | |
| Personal services | 23,122 | - |
| Contractual services | 18,330 | - |
| Commodities | 943 | - |
| | 42,395 | - |
| Insurance | 47,182 | - |
| Election expense | 3,570 | - |
| City Hall: | | |
| Contractual services | 439 | - |
| Capital outlay | 4,008 | - |
| | 4,447 | - |

| Public Service | Swimming Pool Filters | Drug Awareness Resistance Education | Game Court Savings | Total |
|----------------|-----------------------|-------------------------------------|--------------------|---------|
| - | - | - | - | 21,130 |
| - | - | - | - | 1,157 |
| - | - | - | - | 5,202 |
| - | - | - | - | 27,489 |
| - | - | - | - | 131,455 |
| - | - | - | - | 16,397 |
| - | - | - | - | 21,116 |
| - | - | - | - | 2,940 |
| - | - | - | - | 7,250 |
| - | - | - | - | 47,703 |
| - | - | - | - | 39,000 |
| 590 | - | - | - | 368,562 |
| - | - | - | - | 13,010 |
| - | - | - | - | 23,122 |
| - | - | - | - | 18,330 |
| - | - | - | - | 943 |
| - | - | - | - | 42,395 |
| - | - | - | - | 47,182 |
| - | - | - | - | 3,570 |
| - | - | - | - | 439 |
| - | - | - | - | 4,008 |
| - | - | - | - | 4,447 |

City of Bloomfield
Combining Schedule of Cash Transactions
General Fund
Year ended June 30, 2002

| | General | Community Development |
|---|------------|--------------------------|
| Disbursements (continued): | | |
| Policy and Administration Program: | | |
| Debt Service: | | |
| Principal redemption | 751 | - |
| Interest payments | 330 | - |
| | 1,081 | - |
| | 111,685 | - |
| Total disbursements | 1,071,714 | 39,000 |
| Excess (deficiency) of receipts over (under) disbursements | (354,478) | (39,000) |
| Other financing sources (uses): | | |
| Sale of fixed assets | 25,695 | - |
| Operating transfers in (out): | | |
| General: | | |
| General | - | - |
| Swimming Pool Filters | 3,231 | - |
| Enterprise: | | |
| Electric Plant Operating | 300,000 | 39,000 |
| Non-expendable Trust: | | |
| Cemetery Perpetual Care | 620 | - |
| Expendable Trust: | | |
| K-9 Trust | - | - |
| Tennis Courts | 50 | - |
| Total other financing sources (uses) | 329,596 | 39,000 |
| Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses | (24,882) | - |
| Balance beginning of year | 374,693 | - |
| Balance end of year | \$ 349,811 | - |

See accompanying independent auditor's report.

| Public Service | Swimming Pool Filters | Drug Awareness Resistance Education | Game Court Savings | Total |
|----------------|-----------------------|-------------------------------------|--------------------|-----------|
| - | - | - | - | 751 |
| - | - | - | - | 330 |
| - | - | - | - | 1,081 |
| - | - | - | - | 111,685 |
| 590 | 15,000 | 2,450 | 4,900 | 1,133,654 |
| 547 | (14,874) | 2,987 | (4,863) | (409,681) |
| - | - | - | - | 25,695 |
| - | (3,231) | - | - | (3,231) |
| - | - | - | - | 3,231 |
| - | - | - | - | 339,000 |
| - | - | - | - | 620 |
| - | - | 44 | - | 44 |
| - | - | - | - | 50 |
| - | (3,231) | 44 | - | 365,409 |
| 547 | (18,105) | 3,031 | (4,863) | (44,272) |
| 587 | 18,105 | 800 | 5,000 | 399,185 |
| 1,134 | - | 3,831 | 137 | 354,913 |

City of Bloomfield
Combining Schedule of Cash Transactions
Special Revenue Funds
Year ended June 30, 2002

| | Road Use Tax | Employee Benefits | Chevron Tax Increment Financing |
|--|--------------------|----------------------|--|
| Receipts: | | | |
| Property tax | \$ - | 170,805 | - |
| Tax increment financing collections | - | - | 29,737 |
| Use of money and property: | | | |
| Interest on investments | - | - | - |
| Intergovernmental: | | | |
| Road use tax allocation | 208,334 | - | - |
| Local housing assistance | - | - | - |
| | 208,334 | - | - |
| Miscellaneous: | | | |
| Fundraisers and donations | - | - | - |
| Refunds and reimbursements | 719 | - | - |
| | 719 | - | - |
| Total receipts | 209,053 | 170,805 | 29,737 |
| Disbursements: | | | |
| Community Protection Program: | | | |
| Personal services | - | 96,118 | - |
| Human Development Program: | | | |
| Personal services | - | 40,382 | - |
| Commodities | - | - | - |
| | - | 40,382 | - |
| Home and Community Environment Program: | | | |
| Personal services | 63,245 | 35,829 | - |
| Contractual services | 1,046 | - | - |
| Commodities | 39,854 | - | - |
| Capital outlay | 182,799 | - | - |
| Tax rebated to Chevron Chemical Company | - | - | 28,727 |
| | 286,944 | 35,829 | 28,727 |

| Place's Tax Increment Financing | Other Tax Increment Financing | Friends of the Bloomfield Library | Housing Rehabil- itation | Local Housing Assistance Program | Total |
|--|--|--|--------------------------------|---|---------|
| - | - | - | - | - | 170,805 |
| 12,149 | 62,231 | - | - | - | 104,117 |
| - | - | - | - | 5,639 | 5,639 |
| - | - | - | - | - | 208,334 |
| - | - | - | - | 26,254 | 26,254 |
| - | - | - | - | 26,254 | 234,588 |
| - | - | 2,338 | - | - | 2,338 |
| - | - | - | - | 78,755 | 79,474 |
| - | - | 2,338 | - | 78,755 | 81,812 |
| 12,149 | 62,231 | 2,338 | - | 110,648 | 596,961 |
| - | - | - | - | - | 96,118 |
| - | - | - | - | - | 40,382 |
| - | - | 2,667 | - | - | 2,667 |
| - | - | 2,667 | - | - | 43,049 |
| - | - | - | - | - | 99,074 |
| - | - | - | 93 | 72,013 | 73,152 |
| - | - | - | - | - | 39,854 |
| - | - | - | - | - | 182,799 |
| - | - | - | - | - | 28,727 |
| - | - | - | 93 | 72,013 | 423,606 |

City of Bloomfield
Combining Schedule of Cash Transactions
Special Revenue Funds
Year ended June 30, 2002

| | Road Use Tax | Employee Benefits | Chevron Tax Increment Financing |
|---|--------------------|----------------------|--|
| Disbursements (continued): | | | |
| Policy and Administration Program: | | | |
| Personal services | - | 13,614 | - |
| Debt Service: | | | |
| Principal redemption | 750 | - | - |
| Interest payments | 331 | - | - |
| | 1,081 | - | - |
| | 1,081 | 13,614 | - |
| Total disbursements | 288,025 | 185,943 | 28,727 |
| Excess (deficiency) of receipts over (under) disbursements | (78,972) | (15,138) | 1,010 |
| Other financing sources (uses): | | | |
| Operating transfers in (out): | | | |
| Special Revenue: | | | |
| Other Tax Increment Financing | - | - | - |
| Housing Rehabilitation | - | - | - |
| Capital Projects: | | | |
| Place's Economic Development | - | - | - |
| Total other financing sources (uses) | - | - | - |
| Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses | (78,972) | (15,138) | 1,010 |
| Balance beginning of year | 89,131 | 170,467 | 11,506 |
| Balance end of year | \$ 10,159 | 155,329 | 12,516 |

See accompanying independent auditor's report.

| Place's Tax Increment Financing | Other Tax Increment Financing | Friends of the Bloomfield Library | Housing Rehabil- itation | Local Housing Assistance Program | Total |
|--|--|--|--------------------------------|---|----------|
| - | - | - | - | - | 13,614 |
| - | - | - | - | - | 750 |
| - | - | - | - | - | 331 |
| - | - | - | - | - | 1,081 |
| - | - | - | - | - | 14,695 |
| - | - | 2,667 | 93 | 72,013 | 577,468 |
| 12,149 | 62,231 | (329) | (93) | 38,635 | 19,493 |
| - | - | - | 1,075 | - | 1,075 |
| - | (1,075) | - | - | - | (1,075) |
| (11,736) | - | - | - | - | (11,736) |
| (11,736) | (1,075) | - | 1,075 | - | (11,736) |
| 413 | 61,156 | (329) | 982 | 38,635 | 7,757 |
| 3,455 | 39,726 | 8,428 | (982) | 159,428 | 481,159 |
| 3,868 | 100,882 | 8,099 | - | 198,063 | 488,916 |

City of Bloomfield

City of Bloomfield
 Schedule of Cash Transactions
 Debt Service Fund
 Year ended June 30, 2002

| | General Obligation Bonds |
|--|--------------------------------|
| Receipts: | |
| Property tax | \$ 53,209 |
| Disbursements: | |
| Home and Community Environment Program: | |
| Debt Service: | |
| Principal redemption | 40,000 |
| Interest payments | 16,250 |
| Administration fee | 300 |
| Total disbursements | 56,550 |
| Deficiency of receipts under disbursements | (3,341) |
| Balance beginning of year | 211,393 |
| Balance end of year | \$ 208,052 |

See accompanying independent auditor's report.

City of Bloomfield
Combining Schedule of Cash Transactions
Capital Projects Funds
Year ended June 30, 2002

| | Fire Station | SPEC Building | Place's Economic Develop- ment |
|---|-----------------|------------------|---|
| Receipts: | | | |
| Use of money and property: | | | |
| Repayment of ABCM Loan: | | | |
| Principal | \$ - | - | - |
| Interest | - | - | - |
| | - | - | - |
| Miscellaneous: | 172 | - | - |
| Total receipts | 172 | - | - |
| Disbursements: | | | |
| Home and Community Environment Program: | | | |
| Capital outlay | - | - | - |
| Excess (deficiency) of receipts over (under) disbursements | 172 | - | - |
| Other financing sources (uses): | | | |
| Operating transfers in: | | | |
| Special Revenue: | | | |
| Place's Tax Increment Financing | - | - | 11,736 |
| Enterprise: | | | |
| Electric Plant Operating | (37,791) | - | - |
| Water Improvements | - | - | - |
| Total other financing sources (uses) | (37,791) | - | 11,736 |
| Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses | (37,619) | - | 11,736 |
| Balance beginning of year | 37,619 | 138,259 | (87,514) |
| Balance end of year | \$ - | 138,259 | (75,778) |

See accompanying independent auditor's report.

| Lake Fisher Project | Lake Fisher Road Project | R & L Tool and Die Economic Development | ABC Corporation Economic Development | Total |
|---------------------|--------------------------|---|--------------------------------------|-----------|
| - | - | - | 30,000 | 30,000 |
| - | - | - | 12,713 | 12,713 |
| - | - | - | 42,713 | 42,713 |
| - | - | - | - | 172 |
| - | - | - | 42,713 | 42,885 |
| - | 16,000 | - | - | 16,000 |
| - | (16,000) | - | 42,713 | 26,885 |
| - | - | - | - | 11,736 |
| - | - | - | - | (37,791) |
| 4,793 | 17,112 | - | - | 21,905 |
| 4,793 | 17,112 | - | - | (4,150) |
| 4,793 | 1,112 | - | 42,713 | 22,735 |
| (4,793) | (1,112) | (24,256) | (300,000) | (241,797) |
| - | - | (24,256) | (257,287) | (219,062) |

City of Bloomfield
Combining Schedule of Cash Transactions
Enterprise Funds
Year ended June 30, 2002

| | Water Works Operating | Water Reserve | Water Revenue Note Sinking | Water Improve- ments | Sewer Rental |
|-------------------------------|-----------------------------|------------------|----------------------------------|----------------------------|-----------------|
| Receipts: | | | | | |
| Use of money and property: | | | | | |
| Interest on investments | \$ 19,219 | - | - | - | 37,175 |
| Rent | - | - | - | - | 240 |
| | <u>19,219</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>37,415</u> |
| Intergovernmental: | | | | | |
| Community Development | | | | | |
| Block grant | - | - | - | | 452,859 |
| Charges for service: | | | | | |
| Sale of water | 561,688 | - | - | - | - |
| Sewer rental fees | - | - | - | - | 307,106 |
| Sale of electricity | - | - | - | - | - |
| Sale of gas | - | - | - | - | - |
| Interdepartmental sales | 1,158 | - | - | - | 1,217 |
| Customer penalty | 1,208 | - | - | - | - |
| | <u>564,054</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>308,323</u> |
| Miscellaneous: | | | | | |
| Refunds and reimbursements | 1,427 | - | - | - | 1,873 |
| Merchandise sales and service | 1,765 | - | - | - | 683 |
| Capacity sales | - | - | - | - | - |
| Sales tax collected | 25,586 | - | - | - | 2,563 |
| Customer deposits | 2,870 | - | - | - | - |
| Miscellaneous | - | - | - | - | 60 |
| | <u>31,648</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>5,179</u> |
| Total receipts | <u>614,921</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>803,776</u> |
| Disbursements: | | | | | |
| Home and Community | | | | | |
| Environment Program: | | | | | |
| Plant: | | | | | |
| Personal services | 95,270 | - | - | - | 64,230 |
| Contractual services | 29,134 | - | - | - | 34,905 |
| Commodities | 44,613 | - | - | - | 5,557 |
| Capital outlay | 5,360 | - | - | - | 17,437 |
| | <u>174,377</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>122,129</u> |

| Electric Plant Operating | Electric Deprecia- tion | Electric Improve- ments | Gas Plant Operating | Gas Deprecia- tion | Gas Improve- ments | Total |
|--------------------------------|-------------------------------|-------------------------------|---------------------------|--------------------------|--------------------------|-----------|
| 52,741 | - | - | 37,755 | - | - | 146,890 |
| 10,430 | - | - | - | - | - | 10,670 |
| 63,171 | - | - | 37,755 | - | - | 157,560 |
| - | - | - | - | - | - | 452,859 |
| - | - | - | - | - | - | 561,688 |
| - | - | - | - | - | - | 307,106 |
| 1,877,805 | - | - | - | - | - | 1,877,805 |
| - | - | - | 1,214,558 | - | - | 1,214,558 |
| 41,362 | - | - | 18,764 | - | - | 62,501 |
| 2,899 | - | - | 1,899 | - | - | 6,006 |
| 1,922,066 | - | - | 1,235,221 | - | - | 4,029,664 |
| 30,505 | - | - | 813 | - | - | 34,618 |
| 1,022 | - | - | 4,970 | - | - | 8,440 |
| 135,000 | - | - | - | - | - | 135,000 |
| 68,865 | - | - | 37,154 | - | - | 134,168 |
| 12,206 | - | - | 7,795 | - | - | 22,871 |
| 27 | - | - | 430 | - | - | 517 |
| 247,625 | - | - | 51,162 | - | - | 335,614 |
| 2,232,862 | - | - | 1,324,138 | - | - | 4,975,697 |
| 122,336 | - | - | - | - | - | 281,836 |
| 22,725 | - | - | 1,145 | - | - | 87,909 |
| 8,232 | - | - | - | - | - | 58,402 |
| 11,081 | - | - | - | 3,236 | - | 37,114 |
| 164,374 | - | - | 1,145 | 3,236 | - | 465,261 |

City of Bloomfield
Combining Schedule of Cash Transactions
Enterprise Funds
Year ended June 30, 2002

| | Water Works Operating | Water Reserve | Water Revenue Note Sinking | Water Improve- ments | Sewer Rental |
|--|-----------------------------|------------------|----------------------------------|----------------------------|-----------------|
| Disbursements (continued): | | | | | |
| Home and Community Environment Program: | | | | | |
| Distribution: | | | | | |
| Personal services | 56,371 | - | - | - | - |
| Contractual services | 9,489 | - | - | - | 803,338 |
| Commodities | 10,966 | - | - | - | - |
| Capital outlay | 57,800 | - | - | - | - |
| | 134,626 | - | - | - | 803,338 |
| Accounting and collection: | | | | | |
| Personal services | 74,149 | - | - | - | 16,556 |
| Contractual services | 29,843 | - | - | - | 9,605 |
| Commodities | 1,370 | - | - | - | 1,303 |
| Capital outlay | 4,350 | - | - | - | 3,748 |
| | 109,712 | - | - | - | 31,212 |
| Administration: | | | | | |
| Contractual services | 17,329 | - | - | - | 1,410 |
| Debt Service: | | | | | |
| Principal redemption | 751 | - | 90,000 | - | 751 |
| Interest payments | 329 | - | 65,228 | - | 329 |
| Administration fee | - | - | 300 | - | - |
| Bond issue costs | - | - | 4,878 | - | - |
| | 1,080 | - | 155,528 | - | 1,080 |
| Miscellaneous: | | | | | |
| Refunds | 2,800 | - | - | - | - |
| Purchased power/gas | - | - | - | - | - |
| Total disbursements | 439,924 | - | 155,528 | - | 959,169 |
| Excess (deficiency) of receipts over (under) disbursements | 174,997 | - | (155,528) | - | (155,393) |

| Electric Plant Operating | Electric Deprecia- tion | Electric Improve- ments | Gas Plant Operating | Gas Deprecia- tion | Gas Improve- ments | Total |
|--------------------------------|-------------------------------|-------------------------------|---------------------------|--------------------------|--------------------------|-----------|
| 142,074 | - | - | 61,244 | - | - | 259,689 |
| 29,762 | - | - | 19,244 | - | - | 861,833 |
| 20,952 | - | - | 6,338 | - | - | 38,256 |
| 11,754 | - | 15,507 | 6,095 | - | - | 91,156 |
| 204,542 | - | 15,507 | 92,921 | - | - | 1,250,934 |
| 74,280 | - | - | 69,041 | - | - | 234,026 |
| 77,937 | - | - | 42,583 | - | - | 159,968 |
| 1,418 | - | - | 1,584 | - | - | 5,675 |
| 4,350 | - | - | 4,085 | - | - | 16,533 |
| 157,985 | - | - | 117,293 | - | - | 416,202 |
| 6,994 | - | - | 5,845 | - | - | 31,578 |
| 751 | - | - | 751 | - | - | 93,004 |
| 329 | - | - | 329 | - | - | 66,544 |
| - | - | - | - | - | - | 300 |
| - | - | - | - | - | - | 4,878 |
| 1,080 | - | - | 1,080 | - | - | 164,726 |
| 9,292 | - | - | 6,350 | - | - | 18,442 |
| 1,126,879 | - | - | 1,140,453 | - | - | 2,267,332 |
| 1,671,146 | - | 15,507 | 1,365,087 | 3,236 | - | 4,614,475 |
| 561,716 | - | (15,507) | (40,949) | (3,236) | - | 361,222 |

City of Bloomfield
Combining Schedule of Cash Transactions
Enterprise Funds
Year ended June 30, 2002

| | Water Works Operating | Water Reserve | Water Revenue Note Sinking | Water Improve- ments | Sewer Rental |
|--|-----------------------------|------------------|----------------------------------|----------------------------|-----------------|
| Other financing sources (uses): | | | | | |
| Operating transfers in (out): | | | | | |
| General: | | | | | |
| General | - | - | - | - | - |
| Community Development | - | - | - | - | - |
| Capital Projects: | | | | | |
| Fire Station | - | - | - | - | - |
| Lake Fisher Project | - | - | - | (4,793) | - |
| Lake Fisher Road Project | - | - | - | (17,112) | - |
| Enterprise: | | | | | |
| Waterworks Operating | - | - | 116,421 | - | - |
| Water Revenue Note Sinking | (116,421) | - | - | - | - |
| Electric Plant Operating | - | - | - | - | - |
| Electric Depreciation | - | - | - | - | - |
| Electric Improvements | - | - | - | - | - |
| Gas Plant Operating | - | - | - | - | - |
| Gas Depreciation | - | - | - | - | - |
| Gas Improvements | - | - | - | - | - |
| Total other financing sources (uses) | (116,421) | - | 116,421 | (21,905) | - |
| Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses | 58,576 | - | (39,107) | (21,905) | (155,393) |
| Balance beginning of year | 158,387 | 169,238 | 105,696 | 407,658 | 411,558 |
| Balance end of year | \$ 216,963 | 169,238 | 66,589 | 385,753 | 256,165 |

See accompanying independent auditor's report.

| Electric Plant Operating | Electric Deprecia- tion | Electric Improve- ments | Gas Plant Operating | Gas Deprecia- tion | Gas Improve- ments | Total |
|--------------------------------|-------------------------------|-------------------------------|---------------------------|--------------------------|--------------------------|-----------|
| (300,000) | - | - | - | - | - | (300,000) |
| (39,000) | - | - | - | - | - | (39,000) |
| 37,791 | - | - | - | - | - | 37,791 |
| - | - | - | - | - | - | (4,793) |
| - | - | - | - | - | - | (17,112) |
| - | - | 18,000 | - | - | - | 134,421 |
| - | - | - | - | - | - | (116,421) |
| - | 36,000 | - | - | - | - | 36,000 |
| (36,000) | - | 224,430 | - | - | - | 188,430 |
| (18,000) | (224,430) | - | - | - | - | (242,430) |
| - | - | - | - | 6,000 | - | 6,000 |
| - | - | - | (6,000) | - | 37,709 | 31,709 |
| - | - | - | - | (37,709) | - | (37,709) |
| (355,209) | (188,430) | 242,430 | (6,000) | (31,709) | 37,709 | (323,114) |
| 206,507 | (188,430) | 226,923 | (46,949) | (34,945) | 37,709 | 38,108 |
| 900,509 | 188,430 | 125,757 | 616,445 | 34,945 | 12,945 | 3,131,568 |
| 1,107,016 | - | 352,680 | 569,496 | - | 50,654 | 3,169,676 |

City of Bloomfield
Combining Schedule of Cash Transactions
Trust Funds
Year ended June 30, 2002

| | Expendable Trusts | | | |
|--|--------------------|------------------|---------------------|--------------|
| | Avenue of Flags | Tennis Courts | Library Memorial | K-9 Trust |
| Receipts: | | | | |
| Use of money and property: | | | | |
| Interest on investments | \$ - | - | 1,193 | - |
| Miscellaneous: | | | | |
| Perpetual care payments | - | - | - | - |
| Donations | - | - | 9,847 | - |
| Total receipts | - | - | 11,040 | - |
| Disbursements: | | | | |
| Human Development Program: | | | | |
| Commodities | - | - | 10,013 | - |
| Excess of receipts over disbursements | - | - | 1,027 | - |
| Other financing uses: | | | | |
| Operating transfers out: | | | | |
| General: | | | | |
| General | - | (50) | - | - |
| Drug Awareness Resistance Education | - | - | - | (44) |
| Total other financing uses | - | (50) | - | (44) |
| Excess (deficiency) of receipts over (under) disbursements and other financing uses | - | (50) | 1,027 | (44) |
| Balance beginning of year | 47 | 50 | 22,800 | 44 |
| Balance end of year | \$ 47 | - | 23,827 | - |

See accompanying independent auditor's report.

| Non-Expendable Trusts | | | |
|-------------------------------|-------------------------------|--------------------|--------|
| IOOF | | | |
| Cemetery Perpetual Care | Cemetery Perpetual Care | Library Bequest | Total |
| 865 | - | - | 2,058 |
| 3,470 | - | - | 3,470 |
| - | - | - | 9,847 |
| 3,470 | - | - | 13,317 |
| 4,335 | - | - | 15,375 |
| - | - | - | 10,013 |
| 4,335 | - | - | 5,362 |
| - | (620) | - | (670) |
| - | - | - | (44) |
| - | (620) | - | (714) |
| 4,335 | (620) | - | 4,648 |
| 65,529 | 620 | 5,000 | 94,090 |
| 69,864 | - | 5,000 | 98,738 |

City of Bloomfield
 Bond and Note Maturities
 June 30, 2002

| Year Ending June 30, | General | | Revenue Notes | |
|----------------------------|--------------------------------|-------------------|--------------------|---------------------|
| | Obligation Bonds | | Water | |
| | Essential Corporate Purpose | | Issued May 1, 2001 | |
| | Issued Aug 1, 1993 | | Interest | |
| | Interest Rates | Amount | Interest Rates | Amount |
| 2003 | 5.00% | \$ 40,000 | 4.25% | \$ 95,000 |
| 2004 | 5.00 | 45,000 | 4.45 | 100,000 |
| 2005 | 5.00 | 45,000 | 4.55 | 105,000 |
| 2006 | 5.00 | 50,000 | 4.65 | 105,000 |
| 2007 | 5.00 | 50,000 | 4.70 | 115,000 |
| 2008 | 5.00 | 55,000 | 4.80 | 120,000 |
| 2009 | | - | 4.90 | 125,000 |
| 2010 | | - | 5.00 | 130,000 |
| 2011 | | - | 5.10 | 135,000 |
| 2012 | | - | 5.15 | 145,000 |
| Total | | <u>\$ 285,000</u> | | <u>\$ 1,175,000</u> |

See accompanying independent auditor's report.

City of Bloomfield
Comparison of Taxes and Intergovernmental Receipts

| | Years ended June 30, | | | |
|-------------------------------------|----------------------|------------------|------------------|------------------|
| | 2002 | 2001 | 2000 | 1999 |
| Property tax | \$ 576,651 | 596,008 | 620,209 | 615,082 |
| Tax increment financing collections | 104,117 | 101,128 | 113,476 | 123,668 |
| Other city tax: | | | | |
| Cable franchise fees | 15,528 | 15,131 | 14,660 | 14,950 |
| Intergovernmental: | | | | |
| State allocation | 48,136 | 51,195 | 51,345 | 49,995 |
| Road use tax | 208,334 | 207,475 | 209,277 | 197,894 |
| Bank franchise tax | 7,298 | 9,819 | 9,329 | 10,829 |
| Community Development Block grant | 452,859 | 206,054 | 669,113 | 75,680 |
| State reimbursement | 41,219 | 236,727 | 99,926 | 66,692 |
| County library allocation | 11,188 | 11,188 | 11,188 | 12,494 |
| Miscellaneous | 4,586 | 66,512 | 11,869 | 1,737 |
| | <u>773,620</u> | <u>788,970</u> | <u>1,062,047</u> | <u>415,321</u> |
| Total | <u>\$ 1,469,916</u> | <u>1,501,237</u> | <u>1,810,392</u> | <u>1,169,021</u> |

See accompanying independent auditor's report.

Schedule 9

City of Bloomfield
Schedule of Expenditures of Federal Awards
Year ended June 30, 2002

| Grantor/Program | CFDA Number | Agency Pass-through Number | Program Expendi- tures |
|--|----------------|----------------------------------|------------------------------|
| Indirect: | | | |
| U.S Department of Housing and Urban Development: | | | |
| Iowa Department of Economic Development: | | | |
| Community Development Block Grants/ State's Program | 14.228 | 00-WS-056 | \$ 479,101 |
| U.S Department of Transportation: | | | |
| Iowa Department of Public Safety: | | | |
| Safety Incentive Grants for Use of Seat Belts | 20.604 | 02-157, TASK 13 | <u>1,937</u> |
| Total | | | <u><u>\$ 481,038</u></u> |

Basis of Presentation – The Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Bloomfield and is presented in conformity with an other comprehensive basis of accounting. The information on this schedule is presented in accordance with the requirements of OMBV Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

See accompanying independent auditor's report.



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

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Warren G. Jenkins, CPA
Chief Deputy Auditor of State

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

To the Honorable Mayor and
Members of the City Council:

We have audited the financial statements of the City of Bloomfield, Iowa, as of and for the year ended June 30, 2002, and have issued our report thereon dated September 13, 2002. Our report expressed an unqualified opinion on the financial statements which were prepared in conformity with an other comprehensive basis of accounting. We conducted our audit in accordance with U.S. generally accepted auditing standards, Chapter 11 of the Code of Iowa, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of Bloomfield's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of non-compliance that are described in the accompanying Schedule of Findings.

Comments involving statutory and other legal matters about the City's operations for the year ended June 30, 2002 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. Prior year statutory comments have been resolved except for items IV-I-02 and IV-J-02.

Internal Control Over Financial Reporting

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

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above is a material weakness. The prior year's reportable condition has not been resolved and is repeated as item II-A-02.

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

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

RICHARD D. JOHNSON, CPA
Auditor of State

WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

September 13, 2002



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

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Warren G. Jenkins, CPA
Chief Deputy Auditor of State

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

To the Honorable Mayor and
Members of the City Council:

Compliance

We have audited the compliance of the City of Bloomfield, Iowa, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended June 30, 2002. The City of Bloomfield's major federal program is identified in Part I of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City of Bloomfield's management. Our responsibility is to express an opinion on the City of Bloomfield's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards, Chapter 11 of the code of Iowa, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Bloomfield's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Bloomfield's compliance with those requirements.

In our opinion, the City of Bloomfield complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2002.

Internal Control Over Financial Reporting

The management of the City of Bloomfield is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Bloomfield's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that non-compliance with applicable requirements of laws, regulations contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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

RICHARD D. JOHNSON, CPA
Auditor of State

WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

September 13, 2002

City of Bloomfield

Schedule of Findings and Questioned Costs

Year ended June 30, 2002

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

- (a) An unqualified opinion was issued on the financial statements which were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.
- (b) Reportable conditions in internal control over financial reporting were disclosed by the audit of the financial statements. No material weaknesses in internal control over financial reporting were identified.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) No material weaknesses in internal control over the major program were identified.
- (e) An unqualified opinion was issued on compliance with requirements applicable to the major program.
- (f) The audit disclosed no audit findings which are required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- (g) The major program was CFDA Number 14.228 - Community Development Block grants/State's Program.
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- (i) The City of Bloomfield did not qualify as a low-risk auditee.

City of Bloomfield
Schedule of Findings and Questioned Costs
Year ended June 30, 2002

Part II: Findings Related to the Financial Statements:

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

REPORTABLE CONDITIONS:

II-A-02 Reconciliation of Utility Billings, Collections and Delinquencies - Utility billings and collections were not adequately reconciled for the months of April, May and June.

Recommendation - Procedures should be established to reconcile utility billings and collections for each billing period. The Council or a Council-designated independent person should review the reconciliations to monitor for variances.

Response - A new utility billing software has been installed which should assist with reconciliation of utility billings and collections. This will be done on a monthly basis.

Conclusion - Response accepted.

II-B-02 Electronic Data Processing Systems - During our review of internal control, the existing control activities in the City's computer-based systems were evaluated in order to determine that activities, from a control standpoint, were designed to provide a reasonable assurance regarding the achievement of objectives in the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. The following weaknesses in the City's computer based systems were noted:

The City does not have written policies for:

- Password privacy and confidentiality
- Requiring password changes because software does not require the user to change log-ins/passwords periodically.
- Ensuring that only software licensed to the City is installed on computers.
- Usage of the internet.
- Personal use of computer equipment and software.

Also, the City does not have a written disaster recovery plan.

Recommendation - The City should develop written policies addressing the above items in order to improve the City's control over computer-based systems.

City of Bloomfield

Schedule of Findings and Questioned Costs

Year ended June 30, 2002

Response – The City will begin the process of developing written policies associated with computer usage and will work to establish a written disaster recovery plan.

Conclusion – Response accepted.

II-C-02 Accounting Policies and Procedures Manual – The City does not have an accounting policies and procedures manual.

Recommendation – An accounting policies and procedures manual should be developed to provide the following benefits.

1. Aid in training additional or replacement personnel and act as a quick reference to staff members and officials.
2. Helps streamline accounting operations by achieving uniformity in accounting and in the application of policies and procedures.
3. Saves supervisory time by recording decisions so that they will not have to be made each time the same, or similar, situation arises.
4. Helps preserve the key elements in the government's internal control structure.
5. Increases effectiveness and efficiency in your organization.

Response – The City Clerk and office staff will begin preparation of an accounting policies and procedures manual.

Conclusion – Response accepted.

II-D-02 Job Descriptions – The City does not maintain written job descriptions.

Recommendation – The City should develop written job descriptions to aid in training additional or replacement personnel and act as a quick reference to staff members and officials.

Response – The City will begin the process of developing written job descriptions.

Conclusion – Response accepted.

City of Bloomfield
Schedule of Findings and Questioned Costs
Year ended June 30, 2002

Part III: Findings and Questioned Costs For Federal Awards:

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

REPORTABLE CONDITIONS:

No material weaknesses in internal control over major programs were identified.

City of Bloomfield

Schedule of Findings and Questioned Costs

Year ended June 30, 2002

Part IV: Findings Related to Required Statutory Reporting:

IV-A-02 Official Depositories - A resolution naming official depositories has been approved by the Council. The maximum deposit amounts stated in the resolution were not exceeded during the year ended June 30, 2002.

IV-B-02 Certified Budget - Disbursements exceeded the amounts budgeted in the Community Protection Program before the amendment to the program budget was adopted. Also, the City budget was not amended by May 31 of the current fiscal year. Chapter 384.20 of the Code of Iowa states in part that public monies may not be expended or encumbered except under annual or continuing appropriation.

Recommendation - The budget should have been amended in sufficient amounts in accordance with Chapter 384.18 of the Code of Iowa before disbursements were allowed to exceed the budget. And, the City's budget should be amended by May 31 of the current fiscal year to allow time for a protest hearing to be held and a decision rendered before June 30.

Response - The budget will be monitored more closely regarding amendments.

Conclusion - Response accepted.

IV-C-02 Questionable Disbursements - No disbursements that we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.

IV-D-02 Travel Expense - No disbursements of City money for travel expenses of spouses of City officials or employees were noted.

IV-E-02 Business Transactions - No business transactions between the City and City officials or employees were noted.

IV-F-02 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 that coverage is adequate for current operations.

IV-G-02 Council Minutes - No transactions were found that we believe should have been approved in the Council minutes but were not.

IV-H-02 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.

City of Bloomfield

Schedule of Findings and Questioned Costs

Year ended June 30, 2002

IV-I-02 Health Insurance - The City purchases health insurance for employees which has a deductible. The City reimburses employees for the deductible amount above \$500 through a self-insured benefit plan. Chapter 509A.15 of the Code of Iowa requires the City to obtain an actuarial opinion issued by a fellow of the Society of Actuaries which attests to the adequacy of reserves, rates and the financial condition of the plan.

Recommendation - The City should obtain an actuarial opinion, issued by a fellow of the Society of Actuaries, as required.

Response - The City will check with other cities that have implemented similar procedures and will then consult the City Attorney for recommendations.

Conclusion - Response accepted.

IV-J-02 Financial Condition - The following accounts had deficit balances at June 30, 2002:

Capital Projects Funds:

| | |
|---|-----------|
| Place's Economic Development | \$ 75,778 |
| R & L Tool and Die Economic Development | 24,256 |
| ABCM Corporation Economic Development | 257,287 |

Recommendation - The City should investigate alternatives to eliminate these deficits in order to return these accounts to a sound financial condition.

Response - Urban renewal tax increment financing tax collections should eliminate the Places Economic Development and R & L Tool and Die Economic Development account deficits.

The deficit in the ABCM Corporation Economic Development account will be eliminated through annual installments paid to the City by ABCM Corporation.

Conclusion - Response accepted.

IV-K-02 Travel Reimbursement for Taxable Meals - The City does not identify or report the travel reimbursement for taxable meals in accordance with IRS rules.

Recommendation - Procedures should be established to identify and report travel reimbursement for taxable meals in accordance with IRS rules.

Response - The City will review this matter in more detail.

Conclusion - Response accepted.

City of Bloomfield

Schedule of Findings and Questioned Costs

Year ended June 30, 2002

IV-L-02 Other Information Required by the Note Resolutions

Revenue Notes - The City has complied with the provisions of the revenue note indentures.

Insurance - The following insurance policies were in force at June 30, 2002:

| Insurer | Description | Amount | Expiration Date |
|---|---|--------------|-----------------|
| Employers Mutual | Property | \$ 4,003,966 | Apr 1, 2003 |
| Employers Mutual | General Liability - Each Occurrence | 1,000,000 | Apr 1, 2003 |
| | Aggregate | 2,000,000 | |
| Employers Mutual | Inland Marine | 346,052 | Apr 1, 2003 |
| Employers Mutual | Automobile Coverage - Bodily Injury Liability | 1,000,000 | Apr 1, 2003 |
| | Uninsured/Underinsured Motorists | 1,000,000 | |
| Employers Mutual | Automobile Coverage - Collision Coverage - Actual Cash Value Less \$100 Deductible | | Apr 1, 2003 |
| Employers Mutual | Commercial Output Program | 9,845,898 | Apr 1, 2003 |
| Employers Mutual | Computer inland marine | 86,900 | Apr 1, 2003 |
| Employers Mutual | Umbrella Liability | 4,000,000 | Apr 1, 2003 |
| Employers Mutual | Linebacker - Errors and Omissions | 1,000,000 | Apr 1, 2003 |
| Iowa Municipalities Workers Compensation Association | Workers Compensation | 1,000,000 | Jul 1, 2002 |
| Hartford | Boiler | 300,000 | Mar 7, 2003 |
| | Business Interruption | 75,000 | |
| United Fire & Casualty Co. | Surety Bond Coverage - Blanket | 50,000 | Jan 1, 2003 |
| Great America Insurance Co. | Airport Bodily Injury | 1,000,000 | Oct 30, 2002 |

City of Bloomfield

Schedule of Findings and Questioned Costs

Year ended June 30, 2002

Statistical Information

| | Sewer | Water |
|---|----------|----------|
| Number of Customers | 1,248 | 1,323 |
| Sewer Rate Schedule - Monthly | | |
| \$15 Basic Charge Plus \$1.10 Per | | |
| 500 Gallons of Water Used Over | | |
| 3,000 Gallons Monthly | | |
| | | Rate Per |
| | | \$1,000 |
| | | Gallons |
| Water Rate Schedule - Monthly | | |
| Residential - | | |
| First 1,000 Gallons (Also Minimum Charge) | \$ 10.54 | |
| Next 19,000 Gallons | 6.55 | |
| Excess Over 20,000 Gallons | 6.18 | |
| Rural - | | |
| First 1,000 Gallons (Also Minimum Charge) | 14.31 | |
| Next 19,000 Gallons | 7.95 | |
| Excess Over 20,000 Gallons | 4.77 | |
| Commercial - | | |
| First 1,000 Gallons (Also Minimum Charge) | 11.54 | |
| Next 19,000 Gallons | 7.80 | |
| Excess Over 20,000 Gallons | 6.18 | |

City of Bloomfield

Staff

This audit was performed by:

Steven M. Nottger, CPA, Manager
Karen L. Brustkern, Senior Auditor
Jodi L. Simon, Staff Auditor

Andrew E. Nielsen, CPA
Deputy Auditor of State