



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

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NEWS RELEASE

FOR RELEASE February 6, 2003

Contact: Andy Nielsen
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The Office of Auditor of State today released an audit report on the City of Shenandoah, Iowa.

The City's receipts totaled \$6,551,935 for the year ended June 30, 2002, a 13% percent decrease from 2001. The receipts included \$1,671,233 in property tax, \$421,228 in local option sales tax, \$26,000 in tax increment financing collections, \$592,958 from the state, \$43,560 from the federal government and \$60,519 in interest on investments. The decrease in receipts was due primarily to a decrease in tax increment financing collections, grants and donations.

Disbursements for the year totaled \$7,994,404, a 20 percent decrease from the prior year, and included \$1,138,749 for community protection, \$876,726 for human development, \$3,995,144 for home and community environment, \$283,956 for policy and administration and \$1,699,829 for non-program. The significant decrease in disbursements was due primarily to the substantial completion of various capital projects in the prior year, including the Shenandoah Magic Downtown Development and public safety center projects.

This report contains recommendations to the City Council and other City officials. For example, the City should comply with the resolutions providing for the issuance of revenue notes and bonds. The City should also investigate alternatives to eliminate fund deficits in certain capital projects and enterprise funds. The City responded favorably to the recommendations.

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 SHENANDOAH
INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION
SCHEDULE OF FINDINGS
JUNE 30, 2002

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City of Shenandoah

Officials

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
(Before January 2002)		
Gregg Connell	Mayor	Jan 2002
Raymond Bryant	Mayor Pro tem	Jan 2002
Lee Gingery	Council Member	Jan 2002
Charles Maxine	Council Member	Jan 2002
E. J. Teachout	Council Member	Jan 2004
Robert Burchett	Council Member	Jan 2004
(After January 2002)		
Gregg Connell	Mayor	Jan 2006
Raymond Bryant	Mayor Pro tem	Jan 2006
E. J. Teachout	Council Member	Jan 2004
Robert Burchett	Council Member	Jan 2004
Lee Gingery	Council Member	Jan 2006
Marvin Adcock	Council Member	Jan 2006
Byron Harris	Administrator	Jan 2004
Merrill J. Kruse	Manager/Clerk	Jan 2004
James Winegardner	Treasurer	Jan 2004
Robert Norris	Attorney	Jan 2004

City of Shenandoah



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Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council:

We have audited the accompanying financial statements, listed as exhibits in the table of contents of this report, of the City of Shenandoah, Iowa, as of and for the year ended June 30, 2002. These financial statements are the responsibility of the City of Shenandoah'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 the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

These financial statements also include financial data only for the primary government. A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. Inclusion of financial data of the City's component units would be required if the City intended to present financial statements in accordance with U.S. generally accepted accounting principles.

In our opinion, the aforementioned financial statements present fairly, in all material respects, the results of the cash transactions of the funds of the City of Shenandoah 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 report dated October 22, 2002 on our consideration of the City of Shenandoah's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is 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 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.

WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

October 22, 2002

Financial Statements

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

	Governmental	
	General	Special Revenue
Receipts:		
Property tax	\$ 821,995	449,171
Tax increment financing collections	-	26,000
Other city tax	68,299	442,107
Licenses and permits	11,458	-
Use of money and property	35,851	5,098
Intergovernmental	129,117	444,222
Charges for service	534,391	-
Miscellaneous	49,675	26,337
Total receipts	1,650,786	1,392,935
Disbursements:		
Community Protection Program	711,427	215,922
Human Development Program	492,140	106,990
Home and Community Environment Program	517,204	784,347
Policy and Administration Program	159,235	90,883
Non-program	-	-
Total disbursements	1,880,006	1,198,142
Excess (deficiency) of receipts over (under) disbursements	(229,220)	194,793
Other financing sources (uses):		
Operating transfers in	288,053	3,051
Operating transfers out	-	(668,630)
Total other financing sources (uses)	288,053	(665,579)
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	58,833	(470,786)
Balances beginning of year	68,413	603,768
Balances end of year	\$ 127,246	132,982

See notes to financial statements.

Fund Types		Proprietary Fund Types		Fiduciary	Total
Debt	Capital		Internal	Fund Type	(Memorandum
Service	Projects	Enterprise	Service	Trust	Only)
400,067	-	-	-	-	1,671,233
-	-	-	-	-	26,000
18,020	-	-	-	-	528,426
-	-	-	-	-	11,458
2,520	5,261	12,008	-	35,026	95,764
-	80,076	-	-	-	653,415
-	-	808,735	-	3,050	1,346,176
-	118,091	48,698	1,699,728	276,934	2,219,463
420,607	203,428	869,441	1,699,728	315,010	6,551,935
53,606	80,689	-	-	77,105	1,138,749
171,195	-	-	-	106,401	876,726
453,767	1,272,278	967,548	-	-	3,995,144
33,838	-	-	-	-	283,956
-	-	-	1,699,829	-	1,699,829
712,406	1,352,967	967,548	1,699,829	183,506	7,994,404
(291,799)	(1,149,539)	(98,107)	(101)	131,504	(1,442,469)
295,704	351,054	406,040	-	2,500	1,346,402
(344)	(24,814)	(351,573)	-	(301,041)	(1,346,402)
295,360	326,240	54,467	-	(298,541)	-
3,561	(823,299)	(43,640)	(101)	(167,037)	(1,442,469)
37,735	330,226	165,503	278	1,239,840	2,445,763
41,296	(493,073)	121,863	177	1,072,803	1,003,294

City of Shenandoah

Comparison of Receipts, Disbursements and Changes in Balances-
Actual to Budget

Year ended June 30, 2002

	<u>Actual</u>
Receipts:	
Property tax	\$ 1,671,233
Tax increment financing collections	26,000
Other city tax	528,426
Licenses and permits	11,458
Use of money and property	95,764
Intergovernmental	653,415
Charges for service	1,346,176
Miscellaneous	2,219,463
Total receipts	<u>6,551,935</u>
Disbursements:	
Community Protection Program	1,138,749
Human Development Program	876,726
Home and Community Environment Program	3,995,144
Policy and Administration	283,956
Non-program	1,699,829
Total disbursements	<u>7,994,404</u>
Excess (deficiency) of receipts over (under) disbursements	(1,442,469)
Other financing sources, net	<u>-</u>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(1,442,469)
Balance beginning of year	<u>2,445,763</u>
Balance end of year	<u>\$ 1,003,294</u>

See notes to financial statements.

Less Funds Not Required to be Budgeted	Net	Amended Budget	Variance Favorable (Unfavorable)	Net as % of Amended Budget
-	1,671,233	1,669,226	2,007	100%
-	26,000	26,000	-	100%
-	528,426	291,640	236,786	181%
-	11,458	12,275	(817)	93%
7,026	88,738	239,950	(151,212)	37%
-	653,415	1,485,284	(831,869)	44%
3,050	1,343,126	1,455,541	(112,415)	92%
1,699,728	519,735	1,120,493	(600,758)	46%
1,709,804	4,842,131	6,300,409	(1,458,278)	77%
-	1,138,749	1,070,284	(68,465)	106%
-	876,726	887,213	10,487	99%
-	3,995,144	4,025,525	30,381	99%
-	283,956	306,765	22,809	93%
1,699,829	-	-	-	-
1,699,829	6,294,575	6,289,787	(4,788)	100%
9,975	(1,452,444)	10,622		
(7,026)	7,026	302,113		
2,949	(1,445,418)	312,735		
132,722	2,313,041	2,790,427		
135,671	867,623	3,103,162		

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

Obligation	Date of Issue	Interest Rates	Amount Originally Issued
General obligation bonds:			
Essential corporate purpose	Jun 1, 1992	5.75%	\$ 900,000
Essential corporate purpose	Jun 1, 1995	4.90-5.00	410,000
Essential and general corporate purpose	Jun 1, 1997	4.75-5.05	575,000
Essential corporate purpose	Oct 1, 1997	4.60-4.90	200,000
Total			
General obligation notes:			
Essential corporate purpose	May 1, 1999	4.10-4.55%	\$ 1,500,000
Essential corporate purpose	Jul 1, 1999	4.10-4.55	210,000
Essential corporate purpose	Jun 1, 2000	5.20-5.70	345,000
General corporate purpose	Jul 1, 2000	5.95	400,000
Essential corporate purpose	Jun 15, 2001	5.95	110,000
Total			
Revenue bonds:			
Water	Feb 1, 1998	4.50%	\$ 200,000
Local option sales and services tax revenue bonds			
	Jun 1, 1997	4.90-5.25%	\$ 450,000
Revenue notes:			
Swimming pool	Aug 11, 1997	Varies	\$ 720,000
Special assessment bonds:			
Street improvement	Dec 1, 1980	9.50-9.75%	\$ 43,000
Capital lease commitments:			
Street sweeper	Jun 10, 1999	5.10%	\$ 77,031
Fire truck	May 17, 2002	5.56	485,000
Total			

See notes to financial statements.

	Balance Beginning of Year	Issued During Year	Redeemed During Year	Balance End of Year	Interest Paid	Bonds Due and Unpaid	Interest Due and Unpaid
	280,000	-	135,000	145,000	16,100	-	-
	205,000	-	55,000	150,000	10,165	-	-
	430,000	-	55,000	375,000	21,105	-	-
	150,000	-	20,000	130,000	7,127	-	-
\$	1,065,000	-	265,000	800,000	54,497	-	-
	1,405,000	-	100,000	1,305,000	60,773	-	-
	195,000	-	20,000	175,000	13,837	-	-
	320,000	-	30,000	290,000	17,503	-	-
	375,000	-	25,000	350,000	22,312	-	-
	110,000	-	-	110,000	6,294	-	-
\$	2,405,000	-	175,000	2,230,000	120,719	-	-
	150,000	-	20,000	130,000	6,750	-	-
	315,000	-	40,000	275,000	16,070	-	-
	315,386	-	21,611	293,775	17,409	-	-
	1,000	-	-	1,000	-	1,000	195
	31,530	-	15,367	16,163	1,633	-	-
	-	485,000	-	485,000	-	-	-
\$	31,530	485,000	15,367	501,163	1,633	-	-

City of Shenandoah

Notes to Financial Statements

June 30, 2002

(1) Summary of Significant Accounting Policies

The City of Shenandoah is a political subdivision of the State of Iowa located in Page and Fremont Counties. It was first incorporated in 1871 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 Shenandoah 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 Shenandoah (the primary government) and exclude all component units. The following component unit is an entity which is legally separate from the City, but is so intertwined with the City that it is, in substance, part of the City. However, the financial transactions of this component unit have not been displayed because they were not made available.

The Shenandoah Public Library Foundation (Foundation) has been incorporated under Chapter 504A of the Code of Iowa to receive donations for the benefit of the Shenandoah Public Library. The donations are to be used to purchase items which are not included in the City's budget. The Foundation, a component unit, is legally separate from the City, but is so intertwined with the City that it is, in substance, part of the City.

Jointly Governed Organizations

The City participates in several jointly governed organizations that provide goods or services to the citizenry of the City but do not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. City officials are members of or appoint representatives to the following boards and commissions: Page County Assessor's Conference Board, Page County Landfill Association, and SWIPCO - Regional Planning Commission.

Related Organization

The City Council Members are also responsible for appointing the members of the Low Rent Housing Board, but the City's accountability for this organization does not extend beyond making the appointments.

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 revenues 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 expenses, 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 revenues 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 special assessment 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.

Internal Service Funds - The Internal Service Funds are utilized to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis.

Fiduciary Funds

Trust Funds - The Trust Funds are used to account for monies and properties received and held by the City in a trustee capacity. These include expendable trust funds and non-expendable trust funds.

C. Basis of Accounting

The City of Shenandoah 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 internal service and non-expendable trust funds. 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.

The City had investments in the Iowa Public Agency Investment Trust which are valued at an amortized cost of \$336,838 pursuant to Rule 2a-7 under the Investment Company Act of 1940 and are not subject to risk categorization.

The City had four certificates of deposit that were held in depositories outside the State of Iowa.

(3) Bonds and Notes Payable

Annual debt service requirements to maturity for general obligation bonds and notes, revenue bonds, local option sales and services tax revenue bonds and revenue notes are as follows:

Year Ending June 30,	General Obligation Bonds		General Obligation Notes		Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2003	\$ 280,000	40,507	180,000	112,462	20,000	5,850
2004	170,000	25,640	250,000	103,628	20,000	4,950
2005	80,000	17,290	265,000	91,540	20,000	4,050
2006	85,000	13,400	265,000	78,720	20,000	3,150
2007	90,000	9,223	260,000	65,785	25,000	2,250
2008	95,000	4,760	270,000	53,000	25,000	1,125
2009	-	-	270,000	39,370	-	-
2010	-	-	290,000	25,670	-	-
2011	-	-	40,000	10,710	-	-
2012	-	-	40,000	8,353	-	-
2013	-	-	25,000	5,950	-	-
2014	-	-	25,000	4,462	-	-
2015	-	-	25,000	2,975	-	-
2016	-	-	25,000	1,492	-	-
Total	\$ 800,000	110,820	2,230,000	604,117	130,000	21,375

Year Ending June 30,	Local Option Sales and Services Tax Revenue Bonds		Revenue Notes		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2003	40,000	14,110	22,803	16,216	542,803	189,145
2004	45,000	12,110	24,021	14,999	509,021	161,327
2005	45,000	9,837	25,388	13,632	435,388	136,349
2006	45,000	7,543	26,790	12,230	441,790	115,043
2007	50,000	5,225	28,268	10,752	453,268	93,235
2008	50,000	2,625	29,803	9,216	469,803	70,726
2009	-	-	31,474	7,546	301,474	46,916
2010	-	-	33,211	5,809	323,211	31,479
2011	-	-	35,044	3,975	75,044	14,685
2012	-	-	36,973	2,047	76,973	10,400
2013	-	-	-	-	25,000	5,950
2014	-	-	-	-	25,000	4,462
2015	-	-	-	-	25,000	2,975
2016	-	-	-	-	25,000	1,492
Total	275,000	51,450	293,775	96,422	3,728,775	884,184

Revenue Bonds

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

- (a) The bonds will only be redeemed from the future earnings of the enterprise activity and the bond holders hold a lien on the future earnings of the funds.
- (b) Sufficient monthly transfers shall be made to a separate water sinking account for the purpose of making the bond principal and interest payments when due.
- (c) A separate water reserve account shall be established with specific established balances. This account is restricted for the purpose of paying for principal and interest when funds in the sinking account is inadequate.
- (d) Monthly transfers of \$2,000 shall be made to the water improvement reserve account until \$100,000 has been accumulated. This account is restricted for the purpose of paying for capital improvements and extensions to the Municipal Water Utility or for principal and interest payments which the sinking and reserve accounts might be unable to make.

Local Option Sales and Services Tax Revenue Bonds

The local option sales and services tax revenue bonds were issued for the purpose of defraying a portion of the costs of the construction and equipping of a municipal swimming pool and aquatic center. The bonds are payable solely from the proceeds of the local option sales tax revenues received by the City in accordance with Chapter 422B.12(3) of the Code of Iowa. The bonds are not a general obligation of the City, but the debt is subject to the constitutional debt limitation of the City.

The resolution providing for the issuance of the local option sales and services tax revenue bonds include the following provisions:

- (a) The bonds will only be redeemed from the future earnings of the local option sales tax revenues received by the City and the bond holders hold a lien on the future revenues received.
- (b) Sufficient quarterly deposits shall be made to the swimming pool revenue sinking account for the purpose of making the bond principal and interest payments when due.
- (c) Additional quarterly deposits of \$3,750 shall be made to the swimming pool revenue account until a specific minimum balance has been accumulated. This account is restricted for the purpose of correcting any deficiencies in the swimming pool revenue sinking account.

Revenue Notes

The resolutions providing for the issuance of the revenue notes include the following provisions:

- (a) The notes will be redeemed from the future earnings of the enterprise activity and from Wilson Trust Revenues and the note holders hold a lien on the future earnings of the funds. Wilson Trust Revenues represent payments from a Trust under an agreement between the City and the Trust pursuant to Iowa Code Chapter 28E and which, by the terms of said agreement, are restricted to the payment of the notes.
- (b) Future earnings of the enterprise activity will be distributed as follows:
 - (1) First to an operations and maintenance account for the payment of current expenses. The City accounts for this activity within a separate sub-account of the General Fund.
 - (2) Next to an improvement account at a rate of \$200 each June, July and August up to a maximum of \$5,000 for the purpose of making the note principal and interest payments when the sinking account is insufficient and to pay the cost of extraordinary maintenance, repairs, and replacements not included in the annual enterprise budget, as well as rentals, enterprise property and capital improvements. The City accounts for this activity within a separate enterprise account.
 - (3) Next to a separate sinking account for the purpose of making the note principal and interest payments when due. The City accounts for this activity within a separate enterprise account.

(4) Pension and Retirement Benefits

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

Plan members are required to contribute 3.70% of their annual 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 \$89,377, \$86,537 and \$88,540, respectively, which met the required contributions for each year.

(5) Compensated Absences

City employees accumulate a limited amount of earned but unused vacation and sick leave hours for subsequent use. Employees separated from City employment are paid for unused vacation leave earned. However, sick leave days are lost upon resignation, retirement or death. These accumulations are not recognized as disbursements by the City until used or paid. The City's approximate liability for earned vacation termination payments payable to employees at June 30, 2002, primarily relating to the General Fund, was \$63,000. This liability has been computed based on rates of pay in effect at June 30, 2002.

(6) Budget Overexpenditure

Per the Code of Iowa, disbursements may not legally exceed budgeted appropriations at the program level. During the year ended June 30, 2002, disbursements in the Community Protection Program exceeded the amount budgeted.

(7) Related Party Transactions

The City had business transactions totaling \$7,341 between the City and City officials during the year ended June 30, 2002.

(8) Industrial Development Revenue Bonds

The City has issued a total of \$4,165,000 of industrial development refunding revenue bonds under the provisions of Chapter 419 of the Code of Iowa, of which \$3,465,000 is outstanding at June 30, 2002. The bonds and related interest are payable solely from the rents payable by tenants of the properties constructed, and the bond principal and interest do not constitute liabilities of the City.

(9) Capital Lease Commitments

The City has entered into agreements to lease a street sweeper and a fire truck under non-cancelable capital leases. The following is a schedule of the future minimum lease payments, including interest of 5.10% and 5.56% per annum, and the present value of net minimum lease payments under the agreements in effect at June 30, 2002:

Year Ending June 30,	Street Sweeper	Fire Truck
2003	\$ 17,000	64,529
2004	-	64,529
2005	-	64,529
2006	-	64,529
2007	-	64,529
2008	-	64,529
2009	-	64,529
2010	-	64,529
2011	-	64,529
2012	-	64,530
Total minimum lease payments	17,000	645,291
Less amount representing interest	(837)	(160,291)
Present value of net minimum lease payments	<u>\$ 16,163</u>	<u>485,000</u>

During the year ended June 30, 2002, \$17,000 was paid under the street sweeper lease and no payments were made under the fire truck lease.

(10) Risk Management

The City of Shenandoah 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.

(11) Deficit Fund Balance

The Capital Projects Funds, Airport Improvement Bond Account, School Street Project Account, Airport FEMA A/D/S Account and USDA Well Rehabilitation Account had deficit balances of \$6,272, \$558,765, \$10,300 and \$18,553, respectively, at June 30, 2002. The deficits will be eliminated through the sale of general obligation and special assessment notes and grant receipts.

The Enterprise Funds, Sewer Rental Account and Sewer Bond Sinking Account had deficit balances of \$19,940 and \$69,310, respectively, at June 30, 2002. These deficits will be eliminated through increases in revenues as a result of an increase in sewer rates.

The Enterprise Funds, Water Account and Water Bond Sinking Account had deficit balances of \$1,528 and \$112,407, respectively, at June 30, 2002. These deficits will be eliminated through increases in revenues as a result of an increase in water rates. These deficits may be considered net earnings violations in accordance with existing revenue bond resolutions.

(12) Construction Contracts

The City has entered into various construction contracts. Airport improvement construction commitments totaled \$829,264 at June 30, 2002. These commitments will be paid as construction on the projects progresses.

(13) Economic Development Revolving Loan Fund

During fiscal year 2002, the City approved two loan applications totaling \$55,000 for economic development projects. Conditions of the loans are determined by the Loan Review Committee on a case by case basis with final approval by the City Council. Current loans are for a period of five to fifteen years, bear interest rates that range from 1% to 4%, and are to be repaid in either monthly or quarterly installments. During the year ended June 30, 2002, collections of \$34,302 were received. The outstanding loan principal balance at June 30, 2002 was \$265,400.

(14) Subsequent Event

In August 2002, the City issued \$115,000 in general obligation notes for a township fire truck and \$624,000 in special assessment notes to pay for the school street paving project.

City of Shenandoah

Supplemental Information

City of Shenandoah

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

	General	Tree Board	Total
Receipts:			
Property tax	\$ 821,995	-	821,995
Other city tax:			
Utility tax replacement excise tax	38,227	-	38,227
Cable franchise fees	30,072	-	30,072
	<u>68,299</u>	-	<u>68,299</u>
Licenses and permits:			
Building	1,860	-	1,860
Cigarette	1,331	-	1,331
Beer	2,200	-	2,200
Business	90	-	90
Dog	2,012	-	2,012
Liquor	3,965	-	3,965
	<u>11,458</u>	-	<u>11,458</u>
Use of money and property:			
Interest on investments	-	606	606
Cemetery lots	12,200	-	12,200
Rent:			
Parking lot	195	-	195
Equipment	10,344	-	10,344
Hangar	4,125	-	4,125
Armory	8,271	-	8,271
Park	110	-	110
	<u>35,245</u>	<u>606</u>	<u>35,851</u>
Intergovernmental:			
State allocation	88,705	-	88,705
Bank franchise tax	9,627	-	9,627
Library open-access program	6,507	-	6,507
Township library allocation	14,500	-	14,500
County veterans funding	2,397	-	2,397
Underground storage tank reimbursement	7,381	-	7,381
	<u>129,117</u>	-	<u>129,117</u>

Schedule 1

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

	General	Tree Board	Total
Receipts (continued):			
Charges for service:			
Police fees	2,588	-	2,588
Grave openings	22,479	-	22,479
Landfill fees	389,311	-	389,311
Swimming pool	79,875	-	79,875
Recreation fees	33,251	-	33,251
Library fees	6,887	-	6,887
	<u>534,391</u>	-	<u>534,391</u>
Miscellaneous:			
Sale of equipment and materials	16,214	-	16,214
Refunds and reimbursements	8,582	-	8,582
Insurance settlements	16,963	-	16,963
Donations	100	80	180
Miscellaneous	7,736	-	7,736
	<u>49,595</u>	<u>80</u>	<u>49,675</u>
Total receipts	<u>1,650,100</u>	<u>686</u>	<u>1,650,786</u>
Disbursements:			
Community Protection Program:			
Police:			
Personal services	407,299	-	407,299
Contractual services	37,682	-	37,682
Commodities	44,552	-	44,552
Capital outlay	6,955	-	6,955
	<u>496,488</u>	-	<u>496,488</u>
Fire:			
Personal services	77,790	-	77,790
Contractual services	15,813	-	15,813
Commodities	24,185	-	24,185
Capital outlay	1,172	-	1,172
	<u>118,960</u>	-	<u>118,960</u>

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

	General	Tree Board	Total
Disbursements (continued):			
Community Protection Program:			
Ambulance	64,557	-	64,557
Chemical Dependency Coordinator:			
Personal services	26,221	-	26,221
Contractual services	2,659	-	2,659
Commodities	2,542	-	2,542
	<u>31,422</u>	-	<u>31,422</u>
	<u>711,427</u>	-	<u>711,427</u>
Human Development Program:			
Armory:			
Personal services	22,538	-	22,538
Contractual services	7,463	-	7,463
Commodities	7,038	-	7,038
Capital outlay	193	-	193
	<u>37,232</u>	-	<u>37,232</u>
Library:			
Personal services	123,480	-	123,480
Contractual services	25,220	-	25,220
Commodities	77,097	-	77,097
	<u>225,797</u>	-	<u>225,797</u>
Park:			
Personal services	72,891	-	72,891
Contractual services	10,766	-	10,766
Commodities	19,925	-	19,925
Capital outlay	348	-	348
	<u>103,930</u>	-	<u>103,930</u>
Swimming pool:			
Personal services	40,409	-	40,409
Contractual services	6,238	-	6,238
Commodities	39,696	-	39,696
	<u>86,343</u>	-	<u>86,343</u>

Schedule 1

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

	General	Tree Board	Total
Disbursements (continued):			
Human Development Program:			
Miscellaneous:			
Personal services	19,160	-	19,160
Commodities	19,434	244	19,678
	<u>38,594</u>	<u>244</u>	<u>38,838</u>
	<u>491,896</u>	<u>244</u>	<u>492,140</u>
Home and Community Environment Program:			
Landfill:			
Contractual services	362,605	-	362,605
Cemetery:			
Personal services	54,031	-	54,031
Contractual services	23,075	-	23,075
Commodities	13,169	-	13,169
Capital outlay	6,319	-	6,319
	<u>96,594</u>	<u>-</u>	<u>96,594</u>
Airport:			
Personal services	18,397	-	18,397
Contractual services	17,257	-	17,257
Commodities	20,951	-	20,951
Capital outlay	1,400	-	1,400
	<u>58,005</u>	<u>-</u>	<u>58,005</u>
	<u>517,204</u>	<u>-</u>	<u>517,204</u>
Policy and Administration Program:			
Personal services	40,676	-	40,676
Contractual services	87,100	-	87,100
Commodities	31,459	-	31,459
	<u>159,235</u>	<u>-</u>	<u>159,235</u>
Total disbursements	<u>1,879,762</u>	<u>244</u>	<u>1,880,006</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(229,662)</u>	<u>442</u>	<u>(229,220)</u>

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

	General	Tree Board	Total
Other financing sources:			
Operating transfers in:			
Special Revenue:			
Emergency	15,000	-	15,000
Local Option Sales Tax:			
Property Tax Relief	160,000	-	160,000
Community Betterment	20,000	-	20,000
Community Planning	13,000	-	13,000
Debt Service	344	-	344
Non-Expendable Trust:			
Cemetery Perpetual Care	7,026	-	7,026
Expendable Trust:			
Gidley Park Trust	17,683	-	17,683
Wilson Trust- Library	30,000	-	30,000
Wilson Trust- Other	25,000	-	25,000
Total financing sources	<u>288,053</u>	<u>-</u>	<u>288,053</u>
Excess of receipts and other financing sources over disbursements	58,391	442	58,833
Balance beginning of year	<u>61,523</u>	<u>6,890</u>	<u>68,413</u>
Balance end of year	<u>\$ 119,914</u>	<u>7,332</u>	<u>127,246</u>

See accompanying independent auditor's report.

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

	Road Use Tax	Employees' Benefits	Emergency	Urban Renewal District I
Receipts:				
Property tax	\$ -	423,085	26,086	-
Tax increment financing collections	-	-	-	-
Other City tax:				
Utility tax replacement excise tax	-	19,665	1,214	-
Local option sales tax	-	-	-	-
	-	19,665	1,214	-
Use of money and property:				
Interest on investments	-	-	921	201
Intergovernmental:				
Road use tax allocation	444,222	-	-	-
Miscellaneous				
	-	22,337	-	-
Total receipts	444,222	465,087	28,221	201
Disbursements:				
Community Protection Program:				
Personal services	-	215,311	-	-
Commodities	-	-	611	-
	-	215,311	611	-
Human Development Program:				
Personal services	-	106,990	-	-
Home and Community Environment Program:				
Personal services	173,997	107,246	-	-
Contractual services	93,943	-	-	-
Commodities	163,755	-	8,534	-
Capital outlay	12,571	-	-	-
Debt service:				
Principal redemption	15,367	-	-	-
Interest payments	1,633	-	-	-
Bond registrar fees	-	-	-	-
	461,266	107,246	8,534	-

Ward I House Rehabilitation	Local Option Sales Tax (LOST)						TIF Co-op Loan	Total
	Property Tax Relief	Community Betterment	Community Planning	Economic Development	Bond Sinking	Bond Reserve		
-	-	-	-	-	-	-	-	449,171
-	-	-	-	-	-	-	26,000	26,000
-	-	-	-	-	-	-	-	20,879
-	252,293	84,837	42,049	42,049	-	-	-	421,228
-	252,293	84,837	42,049	42,049	-	-	-	442,107
-	2,749	839	388	-	-	-	-	5,098
-	-	-	-	-	-	-	-	444,222
3,965	-	35	-	-	-	-	-	26,337
3,965	255,042	85,711	42,437	42,049	-	-	26,000	1,392,935
-	-	-	-	-	-	-	-	215,311
-	-	-	-	-	-	-	-	611
-	-	-	-	-	-	-	-	215,922
-	-	-	-	-	-	-	-	106,990
-	-	-	-	-	-	-	-	281,243
8,185	-	-	-	-	-	-	-	102,128
3,965	-	-	-	-	-	-	-	176,254
24,844	62,071	29,556	35,716	42,514	-	-	-	207,272
-	-	-	-	-	-	-	-	15,367
-	-	-	-	-	-	-	-	1,633
-	300	150	-	-	-	-	-	450
36,994	62,371	29,706	35,716	42,514	-	-	-	784,347

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

	Road Use Tax	Employees' Benefits	Emergency	Urban Renewal District I
Disbursements (continued):				
Policy and Administration Program:				
Personal services	-	88,883	-	-
Contractual services	-	-	2,000	-
	-	88,883	2,000	-
Total disbursements	461,266	518,430	11,145	-
Excess (deficiency) of receipts over (under) disbursements	(17,044)	(53,343)	17,076	201
Other financing sources (uses):				
Operating transfers in (out):				
General:				
General	-	-	(15,000)	-
Debt Service	-	-	(6,294)	-
Capital Projects:				
Public Safety Center	-	-	(10,000)	-
Airport Improvement Bond	-	-	-	-
Revolving Loan	-	-	-	-
Aquatic Center Park	-	-	-	3,051
Shenandoah Magic Downtown Development	-	-	-	(58,419)
Theatre Project	-	-	-	-
Butterfly Garden Paving	-	-	-	-
Sack 'N Save	-	-	-	-
Enterprise:				
Swimming Pool Revenue Sinking	-	-	-	-
Expendable Trust:				
Wilson Trust - Other	-	-	-	-
Total other financing sources (uses)	-	-	(31,294)	(55,368)
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(17,044)	(53,343)	(14,218)	(55,167)
Balance beginning of year	31,543	113,404	25,643	55,167
Balance end of year	\$ 14,499	60,061	11,425	-

See accompanying independent auditor's report.

Ward I House Rehabilitation	Local Option Sales Tax (LOST)						TIF	Total
	Property Tax Relief	Community Betterment	Community Planning	Economic Development	Bond Sinking	Bond Reserve	Co-op Loan	
-	-	-	-	-	-	-	-	88,883
-	-	-	-	-	-	-	-	2,000
-	-	-	-	-	-	-	-	90,883
36,994	62,371	29,706	35,716	42,514	-	-	-	1,198,142
(33,029)	192,671	56,005	6,721	(465)	-	-	26,000	194,793
-	(160,000)	(20,000)	(13,000)	-	-	-	-	(208,000)
-	(98,955)	(56,220)	-	-	-	-	-	(161,469)
-	-	-	-	-	-	-	-	(10,000)
-	-	-	-	-	-	-	(17,333)	(17,333)
-	-	-	-	-	-	-	(8,667)	(8,667)
-	-	-	-	-	-	-	-	3,051
-	(83,545)	-	-	-	-	-	-	(141,964)
-	-	(2,700)	-	-	-	-	-	(2,700)
-	-	(4,442)	(2,730)	-	-	-	-	(7,172)
-	(6,455)	-	-	-	-	-	-	(6,455)
-	-	-	-	-	(57,370)	(45,000)	-	(102,370)
(2,500)	-	-	-	-	-	-	-	(2,500)
(2,500)	(348,955)	(83,362)	(15,730)	-	(57,370)	(45,000)	(26,000)	(665,579)
(35,529)	(156,284)	(27,357)	(9,009)	(465)	(57,370)	(45,000)	-	(470,786)
35,529	174,956	41,935	19,615	3,606	57,370	45,000	-	603,768
-	18,672	14,578	10,606	3,141	-	-	-	132,982

Schedule 3

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

	<u>General Obligation</u>
Receipts:	
Property tax	\$ 400,067
Other city tax:	
Utility tax replacement excise tax	18,020
Use of money and property:	
Interest on investments	2,520
Total receipts	<u>420,607</u>
Disbursements:	
Community Protection Program:	
Debt Service:	
Principal redemption	25,000
Interest payments	28,606
	<u>53,606</u>
Human Development Program:	
Debt Service:	
Principal redemption	116,611
Interest payments	54,584
	<u>171,195</u>
Home and Community Environment Program:	
Debt Service:	
Principal redemption	340,000
Interest payments	111,667
Bond registrar fees	2,100
	<u>453,767</u>
Policy and Administration Program:	
Debt Service:	
Principal redemption	20,000
Interest payments	13,838
	<u>33,838</u>
Total disbursements	<u>712,406</u>
Deficiency of receipts under disbursements	<u>(291,799)</u>

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

	General Obligation
Other financing sources (uses):	
Operating transfers in (out):	
General:	
General	(344)
Special Revenue:	
Emergency	6,294
Local Option Sales Tax:	
Property Tax Relief	98,955
Community Betterment	56,220
Enterprise:	
Water Bond Sinking	23,951
Sewer Bond Sinking	23,952
Expendable Trust:	
Wilson Trust - Other	86,332
Total other financing sources (uses)	295,360
Excess of receipts and other financing sources over disbursements and other financing uses	3,561
Balance beginning of year	37,735
Balance end of year	\$ 41,296

See accompanying independent auditor's report.

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

	Airport Improve- ment Bond	Revolving Loan	Cemetery Development	Public Safety Center	Aquatic Center Park
Receipts:					
Use of money and property:					
Interest on investments	\$ 1,047	554	506	298	2,608
Intergovernmental:					
State airport improvement program grant	36,516	-	-	-	-
FEMA Airport Buy-out program	-	-	-	-	-
	<u>36,516</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Miscellaneous:					
Economic development loan repayments	-	34,302	-	-	-
Donations	-	-	-	24,000	-
Miscellaneous	10,816	-	-	-	-
	<u>10,816</u>	<u>34,302</u>	<u>-</u>	<u>24,000</u>	<u>-</u>
Total receipts	<u>48,379</u>	<u>34,856</u>	<u>506</u>	<u>24,298</u>	<u>2,608</u>
Disbursements:					
Community Protection Program:					
Contractual services	-	-	-	28,175	-
Commodities	-	-	-	16,619	-
Capital outlay	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,794</u>	<u>-</u>
Home and Community Environment Program:					
Contractual services	79,892	122,736	-	-	-
Commodities	7,401	-	-	-	-
Capital outlay	55,009	-	-	-	-
	<u>142,302</u>	<u>122,736</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>142,302</u>	<u>122,736</u>	<u>-</u>	<u>44,794</u>	<u>-</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(93,923)</u>	<u>(87,880)</u>	<u>506</u>	<u>(20,496)</u>	<u>2,608</u>

Shenandoah Magic Downtown Development	School Street Project	Airport FEMA A/D/S	West Ridge Water and Sewer Improvement	Theatre Project	Butterfly Garden Paving	USDA Well Rehabilitation	Sack 'n Save Cleanup	Police/Fire Equipment	Total
248	-	-	-	-	-	-	-	-	5,261
-	-	-	-	-	-	-	-	-	36,516
-	-	43,560	-	-	-	-	-	-	43,560
-	-	43,560	-	-	-	-	-	-	80,076
-	-	-	-	-	-	-	-	-	34,302
34,486	-	-	-	-	-	-	-	13,487	71,973
1,000	-	-	-	-	-	-	-	-	11,816
35,486	-	-	-	-	-	-	-	13,487	118,091
35,734	-	43,560	-	-	-	-	-	13,487	203,428
-	-	-	-	-	-	-	-	-	28,175
-	-	-	-	-	-	-	-	-	16,619
-	-	-	-	-	-	-	-	35,895	35,895
-	-	-	-	-	-	-	-	35,895	80,689
28,254	30,036	73,704	7,564	2,700	5,592	500	48,951	-	399,929
13,193	196	2,116	6	375	3,116	-	1,720	-	28,123
242,631	528,533	-	-	-	-	18,053	-	-	844,226
284,078	558,765	75,820	7,570	3,075	8,708	18,553	50,671	-	1,272,278
284,078	558,765	75,820	7,570	3,075	8,708	18,553	50,671	35,895	1,352,967
(248,344)	(558,765)	(32,260)	(7,570)	(3,075)	(8,708)	(18,553)	(50,671)	(22,408)	(1,149,539)

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

	Airport Improve- ment Bond	Revolving Loan	Cemetery Development	Public Safety Center	Aquatic Center Park
Other financing sources (uses):					
Operating transfers in (out):					
Special Revenue:					
Emergency	-	-	-	10,000	-
Urban Renewal District I	-	-	-	-	(3,051)
Local Option Sales Tax:					
Property Tax Relief	-	-	-	-	-
Community Betterment	-	-	-	-	-
Community Planning	-	-	-	-	-
TIF Co-op Loan	17,333	8,667	-	-	-
Capital Projects:					
Airport Improvement Bond	-	5,636	-	-	-
Revolving Loan	(5,636)	-	-	-	-
Aquatic Center Park	-	-	-	-	-
Shenandoah Magic Downtown Development	-	-	-	-	-
Theatre Project	-	-	-	-	-
Butterfly Garden Paving	-	-	-	-	-
Sack 'N Save Cleanup	-	-	-	-	(14,059)
Expendable Trust:					
Bricker Trust	-	-	-	30,000	-
Total other financing sources (uses)	11,697	14,303	-	40,000	(17,110)
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(82,226)	(73,577)	506	19,504	(14,502)
Balance beginning of year	75,954	96,835	5,752	6,730	35,584
Balance end of year	\$ (6,272)	23,258	6,258	26,234	21,082

See accompanying independent auditor's report.

Shenandoah	West Ridge								Total
Magic	School	Airport	Water and	Butterfly	USDA	Sack 'n	Police/Fire		
Downtown	Street	FEMA	Sewer	Theatre	Garden	Well	Save	Equipment	
Development	Project	A/D/S	mprovement	Project	Paving	Rehabilitation	Cleanup		
-	-	-	-	-	-	-	-	-	10,000
58,419	-	-	-	-	-	-	-	-	55,368
83,545	-	-	-	-	-	-	6,455	-	90,000
-	-	-	-	2,700	4,442	-	-	-	7,142
-	-	-	-	-	2,730	-	-	-	2,730
-	-	-	-	-	-	-	-	-	26,000
-	-	-	-	-	-	-	-	-	5,636
-	-	-	-	-	-	-	-	-	(5,636)
-	-	-	-	-	-	-	14,059	-	14,059
-	-	-	-	375	1,536	-	157	-	2,068
(375)	-	-	-	-	-	-	-	-	(375)
(1,536)	-	-	-	-	-	-	-	-	(1,536)
(157)	-	-	-	-	-	-	-	-	(14,216)
75,000	-	-	-	-	-	-	30,000	-	135,000
214,896	-	-	-	3,075	8,708	-	50,671	-	326,240
(33,448)	(558,765)	(32,260)	(7,570)	-	-	(18,553)	-	(22,408)	(823,299)
55,959	-	21,960	8,886	-	-	-	-	22,566	330,226
22,511	(558,765)	(10,300)	1,316	-	-	(18,553)	-	158	(493,073)

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

	Water	Water Bond Sinking	Water Sinking Reserve
Receipts:			
Use of money and property:			
Interest on investments	\$ -	9,835	-
Charges for service:			
Sale of water	504,428	4,645	-
Meter repair	373	-	-
Taps	395	-	-
Customer deposits	-	-	-
Sewer rental fees	-	-	-
	<u>505,196</u>	<u>4,645</u>	<u>-</u>
Miscellaneous:			
Sales tax collected	36,716	-	-
Merchandise sales	1,451	-	-
Insurance settlement	2,680	-	-
Miscellaneous	4,819	-	-
	<u>45,666</u>	<u>-</u>	<u>-</u>
Total receipts	<u>550,862</u>	<u>14,480</u>	<u>-</u>
Disbursements:			
Home and Community Environment Program:			
Plant and collection:			
Personal services	281,797	-	-
Contractual services	187,000	-	-
Commodities	95,652	46,927	-
Capital outlay	6,239	-	-
	<u>570,688</u>	<u>46,927</u>	<u>-</u>

Water Improve- ment Reserve	Meter Deposit	Sewer Rental	Sewer Bond Sinking	Sewer Sinking Reserve	Swimming Pool Revenue Sinking	Swimming Pool Improvement	Total
-	-	-	888	-	1,285	-	12,008
-	-	-	-	-	-	-	509,073
-	-	-	-	-	-	-	373
-	-	619	-	-	-	-	1,014
-	14,687	-	-	-	-	-	14,687
-	-	283,588	-	-	-	-	283,588
-	14,687	284,207	-	-	-	-	808,735
-	-	-	-	-	-	-	36,716
-	-	-	-	-	-	-	1,451
-	-	1,780	-	-	-	-	4,460
-	-	1,252	-	-	-	-	6,071
-	-	3,032	-	-	-	-	48,698
-	14,687	287,239	888	-	1,285	-	869,441
-	-	193,723	-	-	-	-	475,520
-	11,679	58,683	-	-	-	-	257,362
-	-	38,431	16,801	-	-	-	197,811
-	-	3,741	-	-	-	-	9,980
-	11,679	294,578	16,801	-	-	-	940,673

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

	Water	Water Bond Sinking	Water Sinking Reserve
Disbursements (continued):			
Home and Community Environment Program:			
Debt Service:			
Principal redemption	-	10,000	-
Interest payments	-	3,375	-
Bond registrar fees	-	-	-
	-	13,375	-
Total disbursements	570,688	60,302	-
Excess (deficiency) of receipts over (under) disbursements	(19,826)	(45,822)	-
Other financing sources (uses):			
Operating transfers in (out):			
Special Revenue:			
Local Option Sales Tax:			
Bond Sinking	-	-	-
Bond Reserve	-	-	-
Debt Service	-	(23,951)	-
Enterprise:			
Water	-	42,000	-
Water	-	(154,670)	-
Water Bond Sinking	(42,000)	-	-
Water Bond Sinking	154,670	-	-
Sewer Rental	-	-	-
Sewer Rental	-	-	-
Sewer Bond Sinking	-	-	-
Sewer Bond Sinking	-	-	-
Swimming Pool Revenue Sinking	-	-	-
Swimming Pool Improvement	-	-	-
Total other financing sources (uses)	112,670	(136,621)	-
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	92,844	(182,443)	-
Balance beginning of year	(94,372)	70,036	62,072
Balance end of year	\$ (1,528)	(112,407)	62,072

See accompanying independent auditor's report.

Water Improve- ment Reserve	Meter Deposit	Sewer Rental	Sewer Bond Sinking	Sewer Sinking Reserve	Swimming Pool Revenue Sinking	Swimming Pool Improvement	Total
-	-	-	10,000	-	-	-	20,000
-	-	-	3,375	-	-	-	6,750
-	-	-	125	-	-	-	125
-	-	-	13,500	-	-	-	26,875
-	11,679	294,578	30,301	-	-	-	967,548
-	3,008	(7,339)	(29,413)	-	1,285	-	(98,107)
-	-	-	-	-	57,370	-	57,370
-	-	-	-	-	45,000	-	45,000
-	-	-	(23,952)	-	-	-	(47,903)
-	-	-	-	-	-	-	42,000
-	-	-	-	-	-	-	(154,670)
-	-	-	-	-	-	-	(42,000)
-	-	-	-	-	-	-	154,670
-	-	-	42,000	-	-	-	42,000
-	-	-	(60,000)	-	-	-	(60,000)
-	-	(42,000)	-	-	-	-	(42,000)
-	-	60,000	-	-	-	-	60,000
-	-	-	-	-	-	(5,000)	(5,000)
-	-	-	-	-	5,000	-	5,000
-	-	18,000	(41,952)	-	107,370	(5,000)	54,467
-	3,008	10,661	(71,365)	-	108,655	(5,000)	(43,640)
87,211	36,454	(30,601)	2,055	80,000	(52,352)	5,000	165,503
87,211	39,462	(19,940)	(69,310)	80,000	56,303	-	121,863

City of Shenandoah

City of Shenandoah
Combining Schedule of Cash Transactions
Internal Service Funds
Year ended June 30, 2002

	Internal Service Funds		
	Payroll Revolving	Supply Revolving	Total
Receipts:			
Miscellaneous:			
Postage reimbursements from operating funds	\$ -	9,370	9,370
Personal service costs from operating funds	1,690,358	-	1,690,358
Total receipts	<u>1,690,358</u>	<u>9,370</u>	<u>1,699,728</u>
Disbursements:			
Non-program:			
Personal services	1,690,379	-	1,690,379
Commodities	-	9,450	9,450
Total disbursements	<u>1,690,379</u>	<u>9,450</u>	<u>1,699,829</u>
Deficiency of receipts under disbursements	(21)	(80)	(101)
Balance beginning of year	<u>91</u>	<u>187</u>	<u>278</u>
Balance end of year	<u>\$ 70</u>	<u>107</u>	<u>177</u>

See accompanying independent auditor's report.

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

	Non- Expendable Trust	Expendable Trusts		
	Cemetery Perpetual Care	Gidley Park Trust	Esden Trust	Holiday Dinners
Receipts:				
Use of money and property:				
Interest on investments	\$ 7,026	2,594	1,422	-
Charges for service:				
Perpetual care payments	3,050	-	-	-
Miscellaneous:				
Donations	-	42,468	-	1,484
Total receipts	<u>10,076</u>	<u>45,062</u>	<u>1,422</u>	<u>1,484</u>
Disbursements:				
Community Protection Program:				
Capital outlay	-	-	-	-
Human Development Program:				
Contractual services	-	-	-	700
Capital outlay	-	35,703	880	-
Total disbursements	<u>-</u>	<u>35,703</u>	<u>880</u>	<u>700</u>
Excess (deficiency) of receipts over (under) disbursements	<u>10,076</u>	<u>9,359</u>	<u>542</u>	<u>784</u>
Other financing sources (uses):				
Operating transfers in (out):				
General:				
General	(7,026)	(17,683)	-	-
Special Revenue:				
Ward I Housing Rehab	-	-	-	-
Debt Service	-	-	-	-
Capital Projects:				
Public Safety Center	-	-	-	-
Shenandoah Magic Downtown Development	-	-	-	-
Sack 'N Save Cleanup	-	-	-	-
Total other financing sources (uses)	<u>(7,026)</u>	<u>(17,683)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	<u>3,050</u>	<u>(8,324)</u>	<u>542</u>	<u>784</u>
Balance beginning of year	<u>132,444</u>	<u>71,861</u>	<u>22,405</u>	<u>-</u>
Balance end of year	<u>\$ 135,494</u>	<u>63,537</u>	<u>22,947</u>	<u>784</u>

See accompanying independent auditor's report.

Ambulance Trust	Wilson Trust		Bricker Trust	CABA Trust	Kay M. Anderson Foundation	Simons Trust Library	Total
	Library	Other					
658	1,681	188	12,011	113	-	9,333	35,026
-	-	-	-	-	-	-	3,050
76,730	45,052	102,118	4,979	2,922	1,094	87	276,934
77,388	46,733	102,306	16,990	3,035	1,094	9,420	315,010
77,105	-	-	-	-	-	-	77,105
-	-	600	-	3,656	-	-	4,956
-	12,134	-	5,934	-	1,031	45,763	101,445
-	12,134	600	5,934	3,656	1,031	45,763	106,401
77,105	12,134	600	5,934	3,656	1,031	45,763	183,506
283	34,599	101,706	11,056	(621)	63	(36,343)	131,504
-	(30,000)	(25,000)	-	-	-	-	(79,709)
-	-	2,500	-	-	-	-	2,500
-	-	(86,332)	-	-	-	-	(86,332)
-	-	-	(30,000)	-	-	-	(30,000)
-	-	-	(75,000)	-	-	-	(75,000)
-	-	-	(30,000)	-	-	-	(30,000)
-	(30,000)	(108,832)	(135,000)	-	-	-	(298,541)
283	4,599	(7,126)	(123,944)	(621)	63	(36,343)	(167,037)
-	72,298	15,771	642,800	2,050	-	280,211	1,239,840
283	76,897	8,645	518,856	1,429	63	243,868	1,072,803

City of Shenandoah
Bond and Note Maturities
June 30, 2002

Year Ending June 30,	General Obligation Bonds									
	Essential Corporate Purpose		Essential Corporate Purpose		Essential and General Corporate Purpose		Essential Corporate Purpose		Total	
	Issued Jun 1, 1992		Issued Jun 1, 1995		Issued Jun 1, 1997		Issued Oct 1, 1997			
	Interest Rates	Amount	Interest Rates	Amount	Interest Rates	Amount	Interest Rates	Amount		
2003	5.75%	\$ 145,000	4.95%	\$ 60,000	4.80%	\$ 55,000	4.60%	\$ 20,000	\$ 280,000	
2004		-	5.00	90,000	4.85	60,000	4.70	20,000	170,000	
2005		-		-	4.90	60,000	4.75	20,000	80,000	
2006		-		-	4.95	65,000	4.80	20,000	85,000	
2007		-		-	5.00	65,000	4.85	25,000	90,000	
2008		-		-	5.05	70,000	4.90	25,000	95,000	
2009		-		-		-		-	-	
2010		-		-		-		-	-	
2011		-		-		-		-	-	
2012		-		-		-		-	-	
2013		-		-		-		-	-	
2014		-		-		-		-	-	
2015		-		-		-		-	-	
2016		-		-		-		-	-	
Total		<u>\$ 145,000</u>		<u>\$ 150,000</u>		<u>\$ 375,000</u>		<u>\$ 130,000</u>	<u>\$ 800,000</u>	

Year Ending June 30,	Local Option Sales and Services Tax					
	Revenue Bonds Water		Revenue Bonds		Swimming Pool Revenue Notes	
	Issued Feb 1, 1998		Issued Jun 1, 1997		Issued Aug 11, 1997	
	Interest Rates	Amount	Interest Rates	Amount	Interest Rates	Amount
2003	4.50%	\$ 20,000	5.00%	\$ 40,000	5.52%	\$ 22,803
2004	4.50	20,000	5.05	45,000	5.52	24,021
2005	4.50	20,000	5.10	45,000	5.52	25,388
2006	4.50	20,000	5.15	45,000	5.52	26,790
2007	4.50	25,000	5.20	50,000	5.52	28,268
2008	4.50	25,000	5.25	50,000	5.52	29,803
2009		-		-	5.52	31,474
2010		-		-	5.52	33,211
2011		-		-	5.52	35,044
2012		-		-	5.52	36,973
		<u>\$ 130,000</u>		<u>\$ 275,000</u>		<u>\$293,775</u>

See accompanying independent auditor's report.

General Obligation Notes										
Essential Corporate Purpose Issued May 1, 1999		Essential Corporate Purpose Issued July 1, 1999		Essential Corporate Purpose Issued June 1, 2000		Essential Corporate Purpose Issued July 1, 2000		Essential Corporate Purpose Issued June 15, 2001		
Interest Rates	Amount	Interest Rates	Amount	Interest Rates	Amount	Interest Rates	Amount	Interest Rates	Amount	Total
4.15%	100,000	4.15%	\$ 20,000	5.30%	\$ 30,000	5.95%	\$ 25,000	5.95%	\$ 5,000	\$ 180,000
4.20	165,000	4.20	20,000	5.35	30,000	5.95	25,000	5.95	10,000	250,000
4.25	175,000	4.25	20,000	5.40	35,000	5.95	25,000	5.95	10,000	265,000
4.30	175,000	4.30	20,000	5.45	35,000	5.95	25,000	5.95	10,000	265,000
4.35	170,000	4.35	20,000	5.50	35,000	5.95	25,000	5.95	10,000	260,000
4.40	170,000	4.40	25,000	5.55	40,000	5.95	25,000	5.95	10,000	270,000
4.45	170,000	4.45	25,000	5.60	40,000	5.95	25,000	5.95	10,000	270,000
4.55	180,000	4.55	25,000	5.70	45,000	5.95	25,000	5.95	15,000	290,000
-	-	-	-	-	-	5.95	25,000	5.95	15,000	40,000
-	-	-	-	-	-	5.95	25,000	5.95	15,000	40,000
-	-	-	-	-	-	5.95	25,000	-	-	25,000
-	-	-	-	-	-	5.95	25,000	-	-	25,000
-	-	-	-	-	-	5.95	25,000	-	-	25,000
	<u>\$ 1,305,000</u>		<u>\$ 175,000</u>		<u>\$ 290,000</u>		<u>\$ 350,000</u>		<u>\$ 110,000</u>	<u>\$2,230,000</u>

Schedule 9

City of Shenandoah

Comparison of Taxes and Intergovernmental Receipts

	Years ended June 30,			
	2002	2001	2000	1999
Property tax	\$ 1,671,233	1,567,907	1,592,847	1,570,555
Tax increment financing collections	26,000	281,921	274,731	251,884
Other city tax:				
Local option sales tax	421,228	449,519	463,926	427,902
Utility tax replacement excise tax	77,126	76,048	-	-
Cable franchise fees	30,072	29,847	29,566	27,386
	528,426	555,414	493,492	455,288
Intergovernmental:				
Road use tax	444,222	449,124	455,055	430,305
State allocation	88,705	95,750	104,216	95,955
Grants	87,457	357,465	141,118	301,413
Other	33,031	29,357	33,499	30,360
	653,415	931,696	733,888	858,033
Total	\$ 2,879,074	3,336,938	3,094,958	3,135,760

See accompanying independent auditor's report.



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

To the Honorable Mayor and
Members of the City Council:

We have audited the financial statements of the City of Shenandoah, Iowa, as of and for the year ended June 30, 2002, and have issued our report thereon dated October 22, 2002. Our report expressed an unqualified opinion on the financial statements which were prepared in accordance 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 Shenandoah'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 1, 2, 8, 9 and 11.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Shenandoah'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.

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 report all reportable conditions that are also considered to be material weaknesses. We noted no matters involving the internal control over financial reporting 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 Shenandoah and other parties to whom the City of Shenandoah 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 Shenandoah 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.

WARREN G. JENKINS, CPA
Chief Deputy Auditor of State

October 22, 2002

City of Shenandoah
Schedule of Findings
Year ended June 30, 2002

Findings Related to the Financial Statements:

INSTANCES OF NON-COMPLIANCE:

No matters were reported.

REPORTABLE CONDITIONS:

No material weaknesses in internal control over financial reporting were identified.

Findings Related to Required Statutory Reporting:

- (1) Official Depositories – A resolution naming official depositories has been adopted by the Council. The maximum deposit amounts stated in the resolution were not exceeded during the year ended June 30, 2002.

The City had four certificates of deposit that were held in depositories outside the State of Iowa.

Recommendation – Chapters 12C.4 and 12C.5 of the Code of Iowa state in part that “deposits must be held in the County, or adjoining County in which the City is located unless deposits are refused, then the deposits must be held in depositories within the State of Iowa.” The City should deposit funds in allowable depositories.

Response – We will instruct the Treasurer to discontinue purchasing investments from out of state.

Conclusion – Response accepted.

- (2) Certified Budget – Disbursements during the year ended June 30, 2002, exceeded the amounts budgeted in the Community Protection Program. Chapter 384.20 of the Code of Iowa states in part that public monies may not be expended or encumbered except under an annual or continuing appropriation.

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

Response – The budget will be amended in the future, if applicable.

Conclusion – Response accepted.

- (3) 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.

- (4) Travel Expense – No disbursements of City money for travel expenses of spouses of City officials or employees were noted.

City of Shenandoah

Schedule of Findings

Year ended June 30, 2002

- (5) Business Transactions - Business transactions between the City and City officials or employees are detailed as follows:

<u>Name, Title, and Business Connection</u>	<u>Transaction Description</u>	<u>Amount</u>
Charles Maxine, Council Member, owner of Triple K Manufacturing	Soda ash, per bid	\$ 5,357
Darrel Saner, Assistant Fire Chief, owner of Shenweld	Welding and maintenance, per bid	1,984

In accordance with Chapter 362.5(10) of the Code of Iowa, these transactions do not appear to represent conflicts of interest since they were entered into through competitive bidding.

- (6) 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 the coverage is adequate for current operations.
- (7) Council Minutes - No transactions were found that we believe should have been approved in the Council minutes but were not.
- (8) Deposits and Investments - In addition to the item noted in Comment (1), the City has not adopted a written investment policy as required by Chapter 12B.10B of the Code of Iowa.

Recommendation - The City should adopt a written investment policy that complies with the provisions of Chapter 12B.10B of the Code of Iowa.

Response - We will adopt a policy as soon as possible.

Conclusion - Response accepted.

- (9) Revenue Bonds and Notes - The City is in compliance with the resolutions providing for the issuance of the water revenue bonds, local option sales and services tax revenue bonds and swimming pool revenue notes except for the following. Local option sales and services tax revenue bonds and swimming pool revenue notes were paid from the Debt Service Fund. The resolutions providing for the revenue bond and note require that debt payments be paid from separate sinking funds. The revenue bond and note resolutions also require separate reserve and improvement funds. The City did not make the required transfers to the Enterprise Fund, Water Improvement Reserve Account and closed the Special Revenue Fund, LOST Bond Reserve Account and the Enterprise Fund, Swimming Pool Improvement Account to other accounts. In addition, the deficit balance in the Enterprise Funds, Water Account and Water Bond Sinking Account appear to violate provisions of the water revenue bond resolution which state that the bonds and interest are payable solely and only from the net earnings of the water enterprise.

City of Shenandoah

Schedule of Findings

Year ended June 30, 2002

Recommendation - The City should transfer the required future funding contributions from the Expendable Trust Fund, Wilson Trust Other Account to the Enterprise Fund, Swimming Pool Revenue Sinking Account and from the Special Revenue Fund, Local Option Sales Tax (LOST) Community Betterment Account to the Special Revenue Fund, LOST Bond Sinking Account. The principal and interest should then be paid from the appropriate sinking account. The City should also make the required transfers to the Enterprise Fund, Water Improvement Reserve Account and re-establish the Special Revenue Fund, LOST Bond Reserve Account of \$45,000 and the Enterprise Fund, Swimming Pool Improvement Account of \$5,000. In addition, the City should periodically review the Enterprise Funds, Water Account and Water Bond Sinking Account to ensure that the required transfers have been made and that established rates will result in sufficient funds to meet future obligations.

Response - We tried to combine similar accounts into one account. We will re-establish these and transfer and pay debt from the sinking account as required. Also, water rates have recently been increased to address deficit balances.

Conclusion - Response accepted.

- (10) **Corrective Transfer** - Certain water revenue bonds were paid from the Enterprise Fund, Sewer Revenue Bond Sinking Account. All water revenue bonds should be paid from the Enterprise Fund, Water Bond Sinking Account. In addition, insurance levy receipts were deposited to the General Fund, but the associated insurance payments were paid from to the Special Revenue Fund, Employees' Benefits Account.

Recommendation - The City should transfer \$13,500 from the Enterprise Fund, Water Bond Sinking Account to the Enterprise Fund, Sewer Revenue Bond Sinking Account. The bonds should then be paid from the Enterprise Fund, Water Bond Sinking Account in the future. The Enterprise Fund, Sewer Revenue Bond Sinking Account should be closed since the sewer revenue bonds have been paid. In addition, the City should transfer \$35,000 to the Special Revenue Fund, Employees' Benefits Account from the General Fund.

Response - We intended to pay revenue bond debt from both sinking accounts due to the benefit to both water and sewer. We will make the insurance levy transfer.

Conclusion - Response acknowledged. The water revenue bond resolution requires payment from net revenues of the water operation.

- (11) **Financial Condition** - The Capital Project Funds, Airport Improvement Bond Account, School Street Project Account, Airport FEMA A/D/S Account and USDA Well Rehabilitation Account had deficit balances of \$6,272, \$558,765, \$10,300 and \$18,553, respectively, at June 30, 2002. The deficits will be eliminated through the sale of general obligation and special assessment notes and grant receipts. The Enterprise Funds, Water Account, Water Bond Sinking Account, Sewer Rental Account and Sewer Revenue Bond Sinking Account had deficit balances of \$1,528, \$112,407, \$19,940 and \$69,310, respectively, at June 30, 2002.

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

City of Shenandoah

Schedule of Findings

Year ended June 30, 2002

Response - Water and sewer rates have recently been increased. Also, general obligation and special assessment notes were sold in August, 2002.

Conclusion - Response accepted.

(12) Other Information Required by the Revenue Bond and Note Resolutions

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

Insurer	Description	Amount	Expiration Date
Employers Mutual Casualty Company	Property coverage: 01, 02 and 03 buildings	\$ 16,982,882	Apr 1, 2003
Employers Mutual Casualty Company	Comprehensive general liability: Each occurrence Aggregate	1,000,000 2,000,000	Apr 1, 2003
Employers Mutual Casualty Company	Inland Marine: Contractors' equipment Electronic data processing equipment Property floater	472,654 128,286 58,490	Apr 1, 2003
Employers Mutual Casualty Company	Automobile coverage: Liability Uninsured motorists	500,000 40,000	Apr 1, 2003
Employers Mutual Casualty Company	Linebacker - each loss and in aggregate	1,000,000	Apr 1, 2003
Employers Mutual Casualty Company	Workers' compensation	500,000	Apr 1, 2003
Employers Mutual Casualty Company	Commercial umbrella Retained Each occurrence Aggregate	10,000 5,000,000 5,000,000	Apr 1, 2003
Employers Mutual Casualty Company	Employee dishonesty Blanket bond Alteration	100,000 10,000	Apr 1, 2003
Employers Mutual Casualty Company	Commercial crime: inside/outside premises	10,000	Apr 1, 2003

City of Shenandoah
Schedule of Findings
Year ended June 30, 2002

Statistical Information:

Description	Amount
Swimming pool customers served in 2002 season	23,448
Swimming pool rates in effect at June 30, 2002:	
Daily admission	\$ 4
Single season pass	45
Family plan	100-125

City of Shenandoah

Staff

This audit was performed by:

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Paul F. Kearney, CGFM, Senior Auditor
Erin M. Scharingson, Staff Auditor

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