

# **COUNTY OF SCOTT, IOWA**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Year Ended June 30, 2002**

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# **INTRODUCTORY**

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## INTRODUCTORY SECTION

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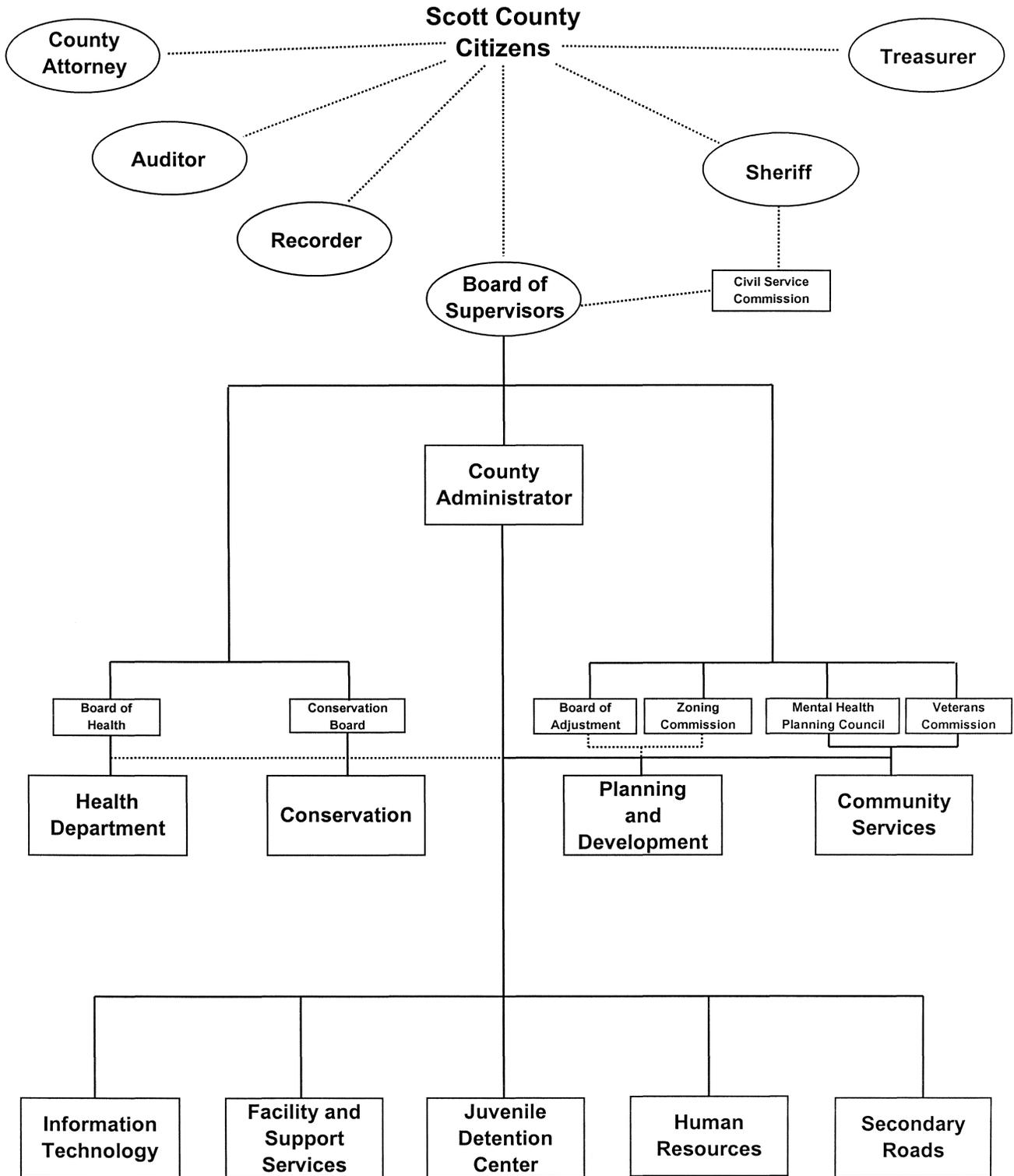
# COUNTY OF SCOTT, IOWA

## COUNTY OFFICIALS

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| Official Title                | Official             | Term Expiration<br>Date of Elected<br>Officials |
|-------------------------------|----------------------|---|
| <b>Elected Officials</b>      |                      |   |
| Supervisor, Chairperson       | Carol Schaefer       | 2004  |
| Supervisor                    | Otto L. Ewoldt       | 2002  |
| Supervisor                    | Pat Gibbs            | 2002  |
| Supervisor                    | Jim Hancock          | 2004  |
| Supervisor                    | Larry Minard         | 2002  |
| Attorney                      | William E. Davis     | 2002  |
| Auditor                       | Karen L. Fitzsimmons | 2004  |
| Recorder                      | Edwin G. Winborn     | 2002  |
| Sheriff                       | Dennis Conard        | 2004  |
| Treasurer                     | Bill Fennelly        | 2002  |
| <b>Administration</b>         |                      |   |
| County Administrator          | C. Ray Wierson       |   |
| <b>Department Heads</b>       |                      |   |
| Community Services            | Mary Dubert          |   |
| Conservation                  | Roger Kean           |   |
| Facility and Support Services | Dave Donovan         |   |
| Health                        | Lawrence Barker      |   |
| Human Resources               | Paul Greufe          |   |
| Information Technology        | Matt Hirst           |   |
| Juvenile Detention Center     | Scott Hobart         |   |
| Planning and Development      | Tim Huey             |   |
| Secondary Roads               | Larry Mattusch       |   |

# Scott County Government Organizational Chart



— Direct supervision  
 ..... Advisory relationship

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Scott,  
Iowa

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2001

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Timothy A. Drew*  
President

*Jeffrey L. Essler*  
Executive Director



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January 20, 2003

Members of the Board of Supervisors  
And Citizens of  
Scott County, Iowa:

The Comprehensive Annual Financial Report of the County of Scott, Iowa for the fiscal year ended June 30, 2002 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

This report is presented in four (4) sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the County's organizational chart and a list of principal officials. The financial section includes the general-purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the auditor's report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multiyear basis.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and U.S. Office of Management and Budget Circular A-133 Compliance Supplement. Information related to this single audit, including the schedule of expenditures of federal awards, schedule of findings and questioned costs, and auditor's reports on compliance and on internal control over financial reporting, and on compliance with requirements applicable to each major program and internal control over compliance, are included in the single audit section of this report.

This report includes all funds and account groups of the County. Scott County is a municipal corporation governed by an elected five-member board. The County provides a full range of services. These services include law enforcement, health and social services, parks and cultural activities, planning and zoning, construction and maintenance of secondary roads, education and general administrative services.

As required by accounting principles generally accepted in the United States of America, these financial statements present Scott County (the primary government) and its component units. The County's discreetly presented component units are as follows: Emergency Management Agency, which provides direction for the delivery of the emergency management services and planning, administration, coordination, training and support for local governments and their departments; County Library, which provides library services to all cities within Scott County with the exception of the City of Bettendorf

and the City of Davenport; County Assessor, which is responsible for the operations of the Scott County Assessor's office including the assessment of all properties within Scott County with the exception of the City of Davenport, County Assessor Special, which is responsible to the County Conference Board to perform in-house revaluations for various classes of property; City Assessor, which is responsible for the operations of the City Assessor's office, including assessment of all properties within the City of Davenport; City Assessor Special, which is responsible to the City Conference Board to perform in-house revaluations for various classes of property, and the City Assessor FICA, which allows for the levying of taxes to support the payment of social security taxes on employees of the City Assessor's Office as allowable under Iowa statute. These component units are discreetly presented in a separate column in the County Financial Statements to emphasize that they are legally separate from the County, but are financially accountable to the County, or whose relationship to the County are such that exclusion would cause the County's Financial Statements to be misleading or incomplete. The County Board is a voting member of each of the governing bodies of all component units except for the Scott County Library for which the County Board appoints all the Library Trustees. The component units are discussed further in Note 1.

## **ECONOMIC CONDITION AND OUTLOOK**

**Location and Population:** Scott County is part of a three county, bi-state, metropolitan area referred to as the Quad-Cities. The counties of Scott (Iowa), Rock Island and Henry (Illinois), contain the Davenport-Rock Island-Moline Metropolitan Statistical Area (MSA), with a 2000 U.S. Census Bureau count of 359,062 which is a 2.3% increase over the 1990 census count of 350,861. The U. S. Census Bureau's 2000 population of Scott County was 158,668, which is a 5.1% increase over the 1990 census count of 150,979. However, that figure is still under the 1980 census count for Scott County which was 160,022 and only 11.2% greater than the 1970 census count of 142,687.

The Quad-Cities is more than the five major cities of Davenport, Bettendorf, Rock Island, Moline and East Moline. It is made up of fourteen contiguous communities on both sides of the Mississippi River that are generally bounded by the quadrangle formed by Interstates 80 and 280.

**Employment Data:** The Quad-Cities has been historically known as an industrial, retail/service and transportation center. In the last twenty years the economy has shifted, showing a decline in the number of manufacturing sector jobs. In 1980, 29% of the area jobs were in manufacturing and 47% in the service sector. In 1990 that had changed to 19% manufacturing and 57% service sector. In 2000 the split was 17% manufacturing and 59% classified as service sector. The portion of government sector jobs has remained fairly even at 15.5% in 1980, to 16% in 1990 and 13.6% in 2000.

The shift in the Quad-Cities area economy towards creation of service sector jobs in the professional, non-professional, retail and wholesale sectors of the economy has been significant. In the last twenty years there has been a 31% increase in service sector jobs; which offsets the loss of over 20,000 durable goods manufacturing sector jobs, a 48% decrease over that same time period. The number of total manufacturing sector jobs was down only 36% due to an increase of 23% in jobs in the non-durable goods manufacturing sector which somewhat offset the loss in the durable goods sector. Construction and mining sector jobs have also seen a 30% increase from 1980 to 2000. Public utilities employment has seen a 51% increase over that same time period.

The annual average labor force in the Quad Cities MSA was 188,608 in 2001, which was a 6.3% increase from the 1980 figure of 177,383. The annual average labor force for Scott County was 85,800 in 2001, which was a 14.2% increase over the 1980 annual average labor force of 75,100 for the county. In 1980 the unemployment rate for the Quad Cities was 6.7%. In 1983 the unemployment rate for the Quad-Cities MSA hit a high of 14.8%. Scott County's unemployment rate in 1983 was 10.8%, following a Scott County high the year before in 1982 of 11.2%. The rebound in creation of jobs in the service sectors, construction, mining, and the manufacturing of non-durable goods has given the Quad-Cities MSA and Scott County in 1998 a nineteen year low unemployment rate of 3.4% and 2.7%, respectively. In 2001 the Quad Cities MSA unemployment rate was 5.0%, with Scott County's at 2.9%.

The median household income in Scott County has risen between 1980 and 1997, from \$20,767 in 1980 to \$29,979 in 1990 and \$40,920 in 1997. That is an increase of 97% over the seventeen-year period. The 1999 per capita personal income for Scott County was 103% of the statewide average and 93% of the national average at \$26,462.

**New Housing Starts:** New residential construction is very strong in the Quad-Cities MSA. Between 1985 and 1987, only 700 single family dwellings units were started in Scott County, with only 925 in the entire Quad Cities MSA over those same three years. 1546 building permits for new single family dwelling units have been issued in Scott County from 1998 through 2000. Over that same time period 2500 new house permits have been issued in the MSA. Between 1998 and 2000, of the new house permits issued in the Quad Cities, 62% have been in Scott County. This is an average for Scott County of over 500 permits a year over that three-year time period.

Even with a strong housing market the Quad Cities remains one of the most affordable housing markets in the country. The average sales price for homes in the Iowa Quad Cities was \$126,200 in June 2000 and \$129,600 one year later. On the Illinois side of the river the average sales price was \$90,400 in June 2000 and \$94,500 in June 2001. The median home values between 1980 and 1990 in Scott County only increased 3% from \$52,800 to \$54,400.

**Major Projects and Developments:** There have been a number of significant projects and developments that have occurred in 1996-2001 that effected the economic outlook for Scott County and the Quad-Cities in general:

### **Public Private Partnership**

- Following the approval of Scott County voters of a \$5 million bond issue for Scott County's contribution to the City of Davenport's River Renaissance on the Mississippi project, the Vision Iowa Board approved a \$20 million grant for the \$113.5 million downtown revitalization project. Key players in putting together the River Renaissance application and its funding include the city, the county, DavenportOne, the Museum of Art Foundation, the Riverboat Development Authority, Rhythm City Casino, Kaizen, Bechtel Trusts and Foundation, the Figge Family Foundation and the Adler Theater Foundation.

## **Education**

- A 1999 County wide referendum approved an increase in the local option sales tax for capital improvements for the County School Districts to share on a per capita basis.
- Davenport School District is completing significant remodel, additions and improvements to all three high schools in the district as well as a number of middle and elementary schools with the local option sales tax monies
- North Scott School District approved \$8.9 million in infrastructure improvements and expansion to its elementary and junior & senior high schools.
- Pleasant Valley School District recently completed construction of a new \$1.7 million elementary school.

## **Retail/Service**

- The Lady Luck Casino developed a 250 room convention center hotel with a \$33 million dollar investment of public and private monies for the hotel, parking garage, overpass and marina.
- The 53rd Street corridor has seen a variety of new retail/office development, including a new 25,000 square foot Borders book store and a new 18 movie theater complex on 53rd Street, east of I-74 in Davenport.
- Quad City Bank completed construction of its \$4.5 million bank headquarters building in Davenport.
- Scott County opened a \$2 million recycling facility that is able to accept most kinds of recyclable materials.

## **Industrial & Business Parks**

- The City of Davenport, Scott County, Mid-American Energy, and DavenportOne have combined to develop the first 220 acres of a large site heavy industrial park in northwest Davenport, with room for expansion to over 2000 acres.
- AAA Iowa begun developing a nine acre office park in front of its existing Bettendorf headquarters. An upscale office park campus with up to 75,000 square feet of office space is being constructed.
- The Iowa Research, Commerce & Technology Park, a 160 acre business park located in the northwest quadrant of the I-80/U.S. 61 interchange, is under development.
- The 2.4 million square foot former Caterpillar, Inc. plant that has been for sale since it closed in 1988 has been purchased and renamed the River City Industrial Center and has leased 70% of the space to various industrial users and businesses.

## **New Industrial Development**

- Grafco Plastics Manufacturing has built a new \$10 million manufacturing facility creating 50 new jobs in Bettendorf's industrial park.
- Solar Plastics, Inc. expanded its Davenport plant by 50,000 square feet, with a \$3.9 million investment and is expected to expand its workforce with 60 new jobs over the next three years.
- Olympic Steel also has developed a \$22 million steel handling facility, in Bettendorf, creating over 60 new jobs which is expected to grow to 200 jobs over the next five years.
- IPSCO Steel, a Canadian company, has completed development of a \$375 million steel manufacturing facility just over the Scott County line in neighboring Muscatine County.
- Roll and Hold, a local steel warehouse and distribution firm, will expand its existing workforce of 13 to 20 with the completion of its new 80,000 square foot building in Eldridge.
- Guardian Industries opened a \$110 million glass manufacturing plant in nearby DeWitt, Iowa with a work force of 250 employees.
- Aluminum Company of America (ALCOA) has recently invested \$50 million in improving the infrastructure of its plant located in Scott County. The plant manufactures large aircraft parts and a wide variety of other aluminum products.
- Nichols Aluminum, an aluminum castings manufacturer in Davenport, added 52,000 square feet and increased its Davenport workforce by 19 jobs.
- Genesis Systems Group, a manufacturer of robotic welding systems, has constructed a new manufacturing plant with plans to expand its work force from 100 employees to 150.
- Tri-City Fabricating & Welding is developing a new \$5 million manufacturing plant which will expand its current work force from 186 to 250 employees.
- M. A. Ford Manufacturing has completed a \$3.2 million expansion to its existing facility and will expand its current workforce of 160 and add an additional 50 jobs.
- Oscar Meyer Foods, a division of Kraft Foods, is investing \$2 million in capital equipment to upgrade and expand its Davenport plant in order to retain 1,760 existing jobs and create 50 new positions.

**Total Market Valuation:** The trends of market valuations is an important indicator of the economic health of any community or area. From 1990 until 2000 the total market valuation for all taxable properties in Scott County has grown from \$3.55 billion to \$4.37 billion, representing a 23 % increase in a ten-year period.

**Transportation Network and Facilities:** The Quad Cities are served by four interstate highways, five U.S. primary highways and an excellent secondary roads system. The expansion of U.S. 61 to four lanes from I-280 west to the county line has now been completed. There are more than 290 motor freight transporters which serve the area who can provide ready shipment of goods to regional markets in Chicago, St. Louis, Kansas City, Omaha and Minneapolis.

There are five major bridges crossing the Mississippi River in the Quad Cities. The three bridges near the city centers are reaching capacity for traffic and the Government Bridge, is over 100 years of age. A study for the expansion of I-74 bridge has been completed and is in the process of being implemented. Discussion and planning has also begun for a new bridge crossing the Mississippi River between Bettendorf and Moline. It can be expected to take 20 years or more before a project of this magnitude comes to fruition.

The regional airport for the Quad Cities is on the Illinois side of the river in Moline. The airport has recently completed a new 65,000 square foot, \$17 million, terminal expansion. The Quad Cities airport is served by TWA, with service to St Louis, United Express, with service to Chicago and Detroit, Northwest Airlines, with service to Minneapolis and Detroit, and Air Tran with service to Atlanta. Keeping the Quad Cities existing air service and having an opportunity to expand air service is a critical part of the economic development efforts of the area.

**Conclusion:** With the downturn in national economic indicators and the drop in consumer confidence the immediate outlook for the Quad Cities is not clear. There have been some recent layoffs and production slow downs at some of the areas largest employers. However, with interest and mortgage rates at record lows, building and construction activity is expected to remain steady. Economic development efforts for the Quad Cities continue to try to diversify the economy, while taking advantage of its unique location on major transportation corridors and the tremendous asset of the Mississippi River.

## **MAJOR INITIATIVES**

**For the Year.** During fiscal year 2001-2002 Scott County continued its implementation of a space utilization master plan for the County campus facilities. At the direction of the Scott County Board of Supervisors, a study was conducted several years ago to analyze space utilization needs in County campus facilities (excluding the jail) and to make recommendations for the building space in the future. The result of this study recommended that all non-court and public safety related functions be moved from the Courthouse to the Bi-Centennial Building. This will be a methodical ten-year process costing approximately \$17 million dollars funded on a pay as you go basis. The Board will minimize disruption and inconvenience to the general public as much as possible throughout the project. The project began during fiscal year 1999-2000. The renovation of the third, fourth and sixth floors of the Bi-Centennial Building were completed in fiscal year 2001-2002. The first and fifth floors are scheduled to be completed in fiscal year 2002-2003 along with the new community pavilion addition, which will serve as the new boardroom for the Board of Supervisors meetings.

The County also began the remodeling and expansion of the County's Juvenile Detention Center and the lower level of the Courthouse, which will house the Sheriff's Office administration and civil divisions in addition to the Information Technology Department.

The Board of Supervisors continued the County's multi-year funding toward various community capital projects including the Scott County Library renovation, Friends of Brady Street artificial turf installation, Putnam Museum IMAX project, DavenportOne D! Initiative, Scott County Family Y expansion projects, First Tee of the Quad Cities project. A one-time contribution toward the Buffalo Bill Museum expansion project was also made.

During the year the Board of Supervisors and the Scott County Sheriff continued on their course of action to address long-term solutions to the increasing inmate population at the Jail requiring inmates to be housed in facilities outside Scott County. A 1998 referendum for a new larger jail failed to achieve the 60% required super majority vote necessary, however the message is now clear to the citizens that a suitable Jail building replacement is needed. Following the failed referendum, a community summit was held soliciting input from numerous community leaders about the problem. This began a new community process to develop an acceptable solution to the increasing jail inmate problem.

The Board created a Community Jail and Alternatives Advisory Committee (CJAAC) consisting of citizens and stakeholders from the criminal justice, law enforcement, substance abuse, mental health, and County support staff areas. CJAAC's two-year goal is to develop long-term direction for facilities and programs to address detention space needs. The committee submitted its Phase I recommendations to the Scott County Board of Supervisors in the late fall of 2001. Phase II began in January 2002. Phase II has two tracks: Track One will identify any additional recommended alternatives to incarceration programs and which may reduce further the bed size identified in Phase I while Track Two will ultimately identify a "bricks and mortar" solution to the projected inmate count arrived at in Phase I as adjusted by any additional alternative programs.

During FY 2001-2002 the Board of Supervisors continued its Financial Initiatives Program started in 1994. This program is now implemented every other odd calendar year and encourages County departments to hold staff meetings and brainstorming sessions to produce ideas to reduce on-going expenditures, increase revenues and improve productivity. Using teamwork and innovation County employees identified many initiatives in 2001 totaling \$346,236 in cost reductions (\$201,281 on-going and \$38,000 one-time cost savings) with revenue enhancements identified at a total of \$102,985. Also improvements to the productivity capacity of the work force equal to 0.12 full-time positions with a value of \$3,970 were identified due to changes in policies, procedures, scheduling and other work methods.

These fiscal strategies have played a major role in eliminating the County's previous budget deficits and declining general fund undesignated balance amounts, which reached its lowest level in 1994. Over the past several years the consistency in the amount of the general fund undesignated balances is directly attributed to this successful program.

Finally, Scott County remains only one of two Iowa counties to hold the Government Finance Officers Association of the United States and Canada (GFOA) Distinguished Budget Presentation Award for its annual budget document. The County received its thirteenth consecutive award for its budget document for the fiscal year beginning July 1, 2002. In order to receive this award, a governmental unit must

publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications medium.

**For the Future:** The Scott County Board of Supervisors and its management team of elected officials and appointed department heads hold planning sessions every two years for the purpose of setting target issues and developing action plans to successfully complete goals as identified and prioritized. These "leadership workshops" help in continuing to build the policy team of the Board of Supervisors, determining the future goals and direction for the County, refining the governance processes of the policy team, and on refining the tone for management and service delivery. The latest target issue setting workshop was held in January 2001. The current 2001 and 2002 Policy Agenda Priorities and Action Plans are listed below:

## **TARGET ISSUES AND MANAGEMENT AGENDA FOR 2001-2002**

### Jail Direction

- Action Plan:**
1. *Foster inter-agency cooperation and monitor developments in Criminal Justice System.*
  2. *Conduct jail population needs assessment Phase I Study.*
  3. *Present finding of Needs Study to Board.*
  4. *Decision on Physical Facilities Study.*

### Transition to New County Administration

- Action Plan:**
1. *Define expectations for new County Administrator.*
  2. *Develop selection process for new County Administrator.*
  3. *Recruit and select new County Administrator.*
  4. *Recruit and select Assistant County Administrator.*
  5. *Develop and implement transition plan.*

### EMS Direction

- Action Plan:**
1. *Create a EMS Study Committee.*
  2. *Study current system and develop plan.*
  3. *Decision on future direction.*
  4. *Implementation of plan.*

### Employee Retention: Evaluation and Plan

- Action Plan:**
1. *Continue monitoring of employee retention action plan.*
  2. *Complete salary study.*
  3. *Review and revise employee appraisal system and bonus program.*
  4. *Review and revise employee orientation program.*
  5. *Develop employee mentor program.*
  6. *Implement employee training program.*

### Space Utilization

- Action Plan:**
1. *Complete schematic design for BiCentennial Building master plan improvements.*
  2. *Undertake master plan scheduled improvements for BiCentennial Building.*
  3. *Undertake master plan scheduled improvements for Courthouse.*

## TARGET ISSUES AND MANAGEMENT AGENDA FOR 2001-2002 (cont.)

### Computer/Technology: Strategy Action Plan

- Action Plan:**
1. Implementation of technology assessment report strategies.
  2. Prepare strategic plan on GIS implementation.

### Property Tax Limitation Strategy

- Action Plan:**
1. Monitor State Legislation for property tax limitation.
  2. Lobby for Scott County's position.

### "E-Commerce": Action Plan

- Action Plan:**
1. Create E-Commerce Task Force.
  2. Develop E-Commerce strategic plan.
  3. Present plan to Board and seek direction.

### Conservation Strategic Plan

- Action Plan:**
1. Develop strategic plan for Conservation.
  2. Review plan with Conservation Board.
  3. Review plan with Board of Supervisors.

### Financial Policies and Plan: Evaluation and Refinement

- Action Plan:**
1. Prepare recommendation for revision to Financial Policies.
  2. Board decision on revised Financial Policies.

### Law Enforcement Radio and Computer

- Action Plan:**
1. Implementation of automatic vehicle locator.
  2. Replace and implementation of Jail Management System.
  3. Replace and implementation of Civil Processing System.
  4. Transition of existing Computer Aided Dispatch (CAD) to City of Davenport CAD.
  5. Participating in developing plan for shared Law Enforcement Record System.

### Juvenile Detention Facility

- Action Plan:**
1. Engage design consultant.
  2. Program and design Juvenile Detention expansion project.
  3. Construct new addition.
  4. Renovate existing space.
  5. Develop staffing plan.
  6. Implementation staffing plan.

### Building Projects: Bi-Centennial Building/Courthouse Improvements

- Action Plan:**
1. Juvenile Court Services relocation.
  2. Complete Phase I renovation - 2<sup>nd</sup> and 3<sup>rd</sup> floor of Bi-Centennial.
  3. Complete Phase II renovation - 4<sup>th</sup> and 6<sup>th</sup> floor of Bi-Centennial.
  4. Complete Phase III renovation - 1<sup>st</sup> and 5<sup>th</sup> floor of Bi-Centennial.
  5. Complete elevator tower addition at Courthouse.
  6. Renovate lower level Courthouse.

## TARGET ISSUES AND MANAGEMENT AGENDA FOR 2001-2002 (cont.)

### Medical Examiner/Autopsies

- Action Plan:** 1. Approach Medical Society for potential pathologists.  
2. Recruit new Medical Examiner and assistants.

### GASB 34 (Accounting Practices)

- Action Plan:** 1. Develop compliance plan for new accounting reporting model (GASB).  
2. Implement plan.

### Co-Location Driver License and Vehicle

- Action Plan:** 1. Review Iowa Department of Transportation's proposal.  
2. Implement relocation.

### General Relief Guidelines: Review

- Action Plan:** 1. Review and revise General Relief guidelines.  
2. Present to Board for action.

At the present time, work is beginning on the County's fiscal year 2003-04 operating budget. During their initial budget discussions the Board of Supervisors identified five specific areas they wished to have reviewed during the 2003-04 budget preparation process.

#### Specific Budget Areas to Review During Budget Sessions:

1. Continued technology upgrades and training
  - Internet access
  - E-mail (internet and intranet)
  - Data base access
  - Public accessibility
2. Cost impact of increased jail inmate population and an outmoded jail facility
3. Space utilization plan implementation
4. Retention and development of employees
5. Impact of potential legislation

Preliminary assessed valuations from the City and County Assessors indicate that modest growth will be available in the property tax base for next fiscal year due to current state imposed rollback limitations on residential property taxable valuations. It is noted that although the State of Iowa's enacted legislation which limited growth in property tax dollars levied in FY'94 through FY'98 did sunset in June 1998 there has been a push by the Iowa Farm Bureau, Iowans for Tax Relief PAC, and various legislators to enact new property tax limitations on cities and counties during the last several legislative sessions. The

Iowa Farm Bureau and Iowans for Tax Relief PAC are strongly lobbying again for the State to enact property tax limitation legislation in 2003.

Two of the five County labor union contracts are up for renegotiations for fiscal year 2003-04 (one group, for wage adjustments only). Wage increases, health care costs, out of county inmate housing costs and economic impacts on other non-tax revenues such as lower interest income will all add to the challenge of presenting a balanced budget for next fiscal year.

**Department Focus.** The office of county auditor has been an integral part of county government in Iowa since the mid-1800s, and remains so to this day. Scott County's auditor, Karen L. Fitzsimmons, has held the position for a quarter of a century.

Most of the business of county government passes in some form or other through the auditor's office and, in many regards, the auditor's office serves as the hub of county government. Auditor Fitzsimmons is proud of her tenure in office and of her office's service to the citizens of the county. The statutory requirements of the auditor's office are many. The fifteen individuals in the office are annually responsible for maintaining files on more than 100,000 registered voters, handling the payroll duties for hundreds of employees throughout the year, processing many thousands of changes in real estate deeds, paying all claims against the county, and maintaining data on more than 65,000 parcels of real estate.

In addition to the internal business of county government the auditor acts as the Commissioner of Elections and, as such, is responsible for all of the elections that take place in the county. This includes countywide presidential and gubernatorial elections, school, city, township, and special elections for all entities. The auditor is very involved in voter registration, visiting schools to encourage participation and establishing satellite offices during peak election times to accommodate registrants and absentee balloting.

Whether it is financial management or elections, the auditor is an important member of the Scott County team.

## **FINANCIAL INFORMATION**

Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of the control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgements by management.

**Single Audit.** As a recipient of federal and state financial assistance, the County is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the County.

As a part of the County single audit, described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal awards, as well as to determine that the County has complied with applicable laws and regulations. The results of the County's single audit for the fiscal year ended June 30, 2002 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

**Budgeting Control.** In addition, the County maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County Board of Supervisors. The State of Iowa requires the passage of an annual budget of total County operating expenditures by major program service areas. Activities of the general fund, special revenue funds, capital projects fund and debt service fund are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the total program service area level. The County also maintains administrative budgetary control beyond the State required program service area level at the major object of expenditure basis within each County department.

**General Government Functions.** The following schedule presents a summary of general fund, special revenue funds and debt service fund revenues for the fiscal year ended June 30, 2002 and the amount and percentage of increases and decreases in relation to prior year revenues.

| Revenue Source                      | Amount       | Percent Of Total | Increase (Decrease) From FY2001 | % Incr (Decrease) From FY2001 |
|-------------------------------------|--------------|------------------|---------------------------------|-------------------------------|
| Property Taxes/Interest & Penalties | \$21,223,998 | 45.0%            | \$849,558                       | 4.2%                          |
| Local Option Sales Tax              | 3,195,497    | 6.8%             | -1,259                          | 0.0%                          |
| Other County Taxes                  | 1,157,618    | 2.4%             | -908                            | -0.1%                         |
| Intergovernmental                   | 15,540,979   | 33.0%            | 169,408                         | 1.1%                          |
| Licenses and Permits                | 418,998      | 0.9%             | 32,682                          | 8.5%                          |
| Charges for Services                | 4,181,051    | 8.9%             | 604,791                         | 16.9%                         |
| Interest and Rentals and Fees       | 1,067,691    | 2.2%             | -1,291,448                      | -54.7%                        |
| Other                               | 356,673      | 0.8%             | -31,172                         | -8.0                          |
| Total                               | \$47,142,505 | 100.0%           | \$331,652                       | 0.7%                          |

The increase in property taxes shows a slightly above inflationary increase of 4.2%. This increase is due to increased costs associated with housing inmates out of county as result of the increasing jail inmate population, lower interest income anticipated at budget time, increased health insurance costs and projected flat local option tax proceeds.

The slight decrease in local option tax proceeds reflects the downturn in the national and local economy. The local option tax amount that Scott County receives is based on a formula that includes both population and property tax effort. The new 2000 census will also impact future local option tax proceed levels for the County.

Intergovernmental revenues remained stable. However, current State budget revenue shortfalls may impact this area in subsequent fiscal years, especially in the Mental Health special revenue fund.

Licenses and permits increased due to a higher number of building permits issued as well as more food establishment permits, weapon permits, tanning bed licenses, and sewage system permits issued during the year. Charges for services increased dramatically due to higher revenues received for the recording of real estate documents due to lower interest rates that increased home purchases and refinancings in addition to increased centralized booking fees and civil paper service fees realized by the Sheriff's Office.

Interest earnings decreased dramatically due to lower fund balances and reduced investment revenues achieved when rates were lowered to historical lows by the Federal Reserve Bank chairman during the fiscal year. Other revenues fluctuate from year to year. For Fiscal year 2001 other revenues were lower due to the amount of insurance reimbursement proceeds received on subrogated claims versus the prior year.

The following schedule presents a summary of General Fund, special revenue funds and Debt Service Fund expenditures for the fiscal year ended June 30, 2002 and the percentage of increases and decreases in relation to prior year amounts.

| Function                      | Amount       | Percent Of Total | Increase (Decrease) From FY2001 | % Incr (Decrease) From FY2001 |
|-------------------------------|--------------|------------------|---------------------------------|-------------------------------|
| Public Safety                 | \$10,892,569 | 23.5%            | \$24,292                        | 0.2%                          |
| Court Services                | 1,598,060    | 3.4%             | 219,112                         | 15.9%                         |
| Physical Health and Education | 3,846,548    | 8.3%             | 356,896                         | 10.2%                         |
| Mental Health                 | 12,507,653   | 26.9%            | 892,361                         | 7.7%                          |
| Social Services               | 1,828,677    | 3.9%             | 12,979                          | 0.7%                          |
| County Environment            | 2,974,726    | 6.4%             | 373,567                         | 14.4%                         |
| Roads and Transportation      | 3,380,066    | 7.3%             | 139,291                         | 4.3%                          |
| State and Local Government    | 1,748,504    | 3.8%             | 89,982                          | 5.4%                          |
| Interprogram                  | 5,907,458    | 12.7%            | 83,283                          | 1.4%                          |
| Debt Service                  | 607,818      | 1.3%             | 15,333                          | 2.6%                          |
| Capital                       | 1,119,570    | 2.4%             | 299,945                         | 36.6%                         |
| Total                         | \$46,411,649 | 99.9%            | \$2,507,041                     | 5.7%                          |

Public Safety increased a modest 0.2% due to the Child Support Program being transferred to the State. Net of the aforementioned program transfer and other lower pass-through grant programs, Public Safety would have increased 4%. The increasing jail inmate population will continue to impact the Public Safety area. Out-of-county inmate housing costs have increased substantially above budgeted amounts in FY03. Court services increased 15.9% from 2001 primarily due to rental costs for Juvenile Court Services previously housed in the County's Bi-Centennial Building. There were also increases in Juvenile Detention Center staffing and increased bailiff costs.

The Physical Health and Education area increased 10.2% over the previous year due to additional health related grants received by the Scott County Health Department such as the Maternal and Child Health Care grant, Breast and Cervical cancer grant, and the tobacco use prevention and control grants. The Mental Health service area increased 7.7% due to increased costs in the areas of ICF/MR adult care and home and community based services (HCBS) waiver #2 costs. The Social Services area only experienced a modest 0.7% increase. However, general relief expenditures are expected to increase in FY03 as the local and national economy worsens.

County environment increased 14.4% due to a pass-through economic development career link grant. State and Local Government Services increased 5.4% due primarily to increased health insurance costs for employees and increased election costs for various special elections. Finally, the higher Capital service area costs are a result of the implementation of the County's 10-year space utilization master plan for the renovation of the Courthouse and the Bi-Centennial Building in addition to the renovation and expansion of the Juvenile Detention Center.

**General Fund Balance.** The undesignated fund balance of the General Fund increased by 11.9% or \$639,401 in 2002 primarily as a result of one-time planned transfers to the General Fund from the County's two internal service funds as recommended in the prior year's management letter. However, the County's undesignated fund balance will be impacted in subsequent fiscal years as a result of reductions in interest income due to historically low interest rates and the volatile cost of housing inmates in out-of-county facilities as the community develops a solution to the existing jail capacity and functionality limitations. The Board has \$1,423,314 reserved for the loan advance to the enterprise fund in addition to \$1,051,977 designated for claim liabilities and \$60,254 reserved for loans made to various municipalities in Scott County for implementation of an 800 MHz radio system. The remaining \$6,012,505 provides the County with a fund balance that meets cash flow needs prior to the collection of property taxes and significantly reduces the likelihood of the County entering the short-term debt market to pay for current operating expenditures. The amount of undesignated fund balance of the general fund exceeds the minimum amount designated by the County's Financial Management policies. The Board will use the excess amount for one time capital outlays and reacting to economic and operational uncertainties discussed above.

**Enterprise Operations.** The County's enterprise fund includes the operations of Glynn's Creek Golf Course located at Scott County Park. The Course finished its tenth year of operation on June 30, 2002 realizing a 64% increase in rounds played over the first fiscal year of operation and a 7% decrease below the previous year. During the early years of operation the General Fund loaned funds to the enterprise fund to be repaid from future Course revenues with interest. At June 30, 2002 the loan amount due to the General Fund totaled \$1,423,314. FY 2001-2002 was the fifth consecutive year that an additional loan advance was not necessary.

**Debt Administration.** At June 30, 2002 the County had two general obligation debt issues outstanding. The Solid Waste Disposal outstanding bonds totaled \$5,350,000. It is noted that the General Obligation County Solid Waste Disposal bonds are being paid by the Scott Area Solid Waste Management Commission under a financing agreement between the Commission and the County whereby the Commission is obligated to establish rates, charges and fees sufficient to pay the semi-annual debt service requirements of the bonds. The other outstanding general obligation debt issue consisted of \$5,085,000 of general obligation urban renewal bonds as a result of an overwhelming successful referendum vote (73%) in October 2001 for the Vision Iowa River Renaissance downtown redevelopment project in Davenport.

The County's bond rating from Moody's Investor Service on general obligation bond issues was revised in 1995 to an A1 rating from a AA rating due to State property tax limitations which was legislatively put in place by the State through fiscal year 1998 causing the County to use fund balances for various expenditures several years ago. The County notified State officials regarding this concern in addition to implementing a Financial Initiatives Program during the last several years to identify ideas and strategies to reduce expenditures and enhance revenues. As a result of the very successful Financial Initiatives Program the County's undesignated general fund balance exceeds the minimum balance required under the County's written Financial Management Policies. Moody's reaffirmed this rating for the County's 2002 general obligation urban renewal bond issue.

Under State statutes the County's general obligation bond issuances are subject to a legal limitation based on 5% of its gross assessed valuation. As of June 30, 2002 the County's general obligation indebtedness of \$10,435,000 was well below the legal limit of \$352,203,470 and debt per capita equaled \$65.77.

**Cash Management.** Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, obligations of the U.S. Treasury, and other obligations guaranteed by the United States or its agencies. The average yield on investments was 2.46% down 57% below the prior year's average yield of 5.84% due to historically low interest rates. The County earned interest revenue in governmental funds of \$956,679 on all investments for the year ended June 30, 2002.

The County's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were insured by federal depository insurance or covered by the state's sinking fund. All of County investments during the year and at June 30, 2002 are classified in the category of lowest collateral risk as defined by the Governmental Accounting Standards Board.

**Risk Management.** The County's liability, property and workers compensation claims, insurance and administration program are accounted for in the Internal Service Fund. The program involves various risk control techniques, including educational programs for employees to prevent accidents, and provides funds to meet loss situations which do occur, using a blend of internal and external resources. Internal funding of losses is represented by a claims retention program in which an assumption of appropriate deductibles is made. During fiscal year 2002, the deductible for each liability and property claim was \$250,000 and for each workers compensation claim was \$300,000. External funding involves

the purchase of insurance to finance those losses which the County cannot comfortably retain itself. Individual claims in excess of the deductible are insured up to \$9,750,000 for liability, replacement costs up to \$68,017,523 for property, and statutory amounts for workers compensation. The goals of the current risk management program are to lower long-term costs and to reduce dependence on the insurance market, which lessens the effect of annual rate increases and/or capacity crunches.

## **OTHER INFORMATION**

**Independent Audit.** State statutes require an annual audit by the Auditor of State or by a certified public accountant. The County has complied with this requirement by contracting with McGladrey & Pullen, LLP to provide an independent audit. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of the Federal Single Audit Act and related OMB Circular A-133. The auditor's report on the general purpose statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section.

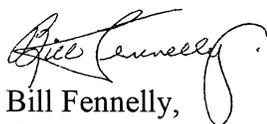
**Awards.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Scott, Iowa for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2001. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such CAFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

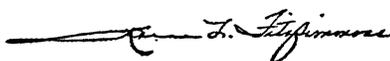
A Certificate of Achievement is valid for a period of one year only. The County of Scott, Iowa has received a Certificate of Achievement for the fourteenth consecutive year. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

**Acknowledgements.** The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated services of the Financial Management Supervisor in the Treasurer's Office, the Accounting Supervisor in the Auditor's Office, and the Budget Coordinator in the Office of County Administrator. We would like to express our appreciation to all members of our staff who assisted and contributed to its preparation. Appreciation is also expressed for the excellent assistance received from our independent accountants, McGladrey & Pullen, LLP. We would also like to thank the County Board of Supervisors for their interest and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,



Bill Fennelly,  
County Treasurer



Karen L. Fitzsimmons,  
County Auditor



C. Ray Wierson,  
County Administrator



# **FINANCIAL**

# McGladrey & Pullen

Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors  
County of Scott, Iowa  
Davenport, Iowa

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Chapter 11 of the Code of Iowa. Those standards 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.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the County of Scott, Iowa, as of June 30, 2002, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

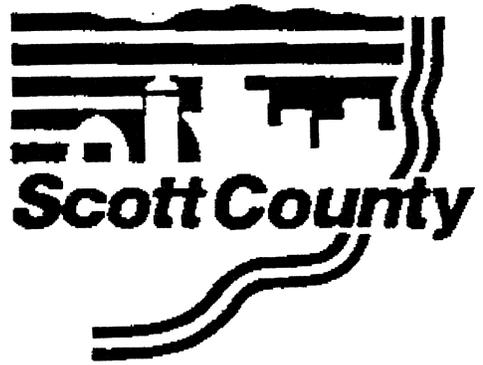
In accordance with *Government Auditing Standards*, we have also issued a report dated January 20, 2003 on our consideration of the County of Scott, Iowa's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That 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 general purpose financial statements of the County of Scott, Iowa, taken as a whole. The combining and individual fund financial statements and other schedules, listed in the table of contents as supplemental information are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of County of Scott, Iowa. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

The accompanying statistical section, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. This information has not been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, accordingly, we express no opinion on it.

*McGladrey & Pullen, LLP*

Davenport, Iowa  
September 27, 2002, except for Note 19 for which  
the date is January 20, 2003



**Scott County**

# COUNTY OF SCOTT, IOWA

## COMBINED BALANCE SHEET

### ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS

June 30, 2002

| ASSETS AND OTHER DEBITS  | Governmental Fund Types |                     |                     |                     |
|--|-------------------------|---------------------|---------------------|---------------------|
|  | General                 | Special Revenue     | Debt Service        | Capital Projects    |
| Cash and investments   | \$ 8,946,684            | \$ 3,607,959        | \$ 5,426,805        | \$ 6,768,681        |
| Cash and investments in escrow                                     | -                       | -                   | -                   | -                   |
| Receivables:   |                         |                     |                     |                     |
| Property taxes   | 19,287,678              | 5,314,212           | 517,953             | -                   |
| Accrued interest   | 272,821                 | -                   | -                   | -                   |
| Accounts   | 140,311                 | 13,243              | -                   | 23,615              |
| Notes  | 60,254                  | -                   | -                   | -                   |
| Due from other funds   | 50,299                  | -                   | -                   | -                   |
| Advance to other funds   | 1,423,314               | -                   | -                   | -                   |
| Due from other governmental agencies                               | 1,108,762               | 427,301             | -                   | 62,562              |
| Inventories  | -                       | -                   | -                   | -                   |
| Property and equipment:  |                         |                     |                     |                     |
| Land and improvements  | -                       | -                   | -                   | -                   |
| Buildings and structures   | -                       | -                   | -                   | -                   |
| Watering system and cart path                                      | -                       | -                   | -                   | -                   |
| Furniture and fixtures   | -                       | -                   | -                   | -                   |
| Equipment  | -                       | -                   | -                   | -                   |
| Vehicles   | -                       | -                   | -                   | -                   |
| Construction-in-progress   | -                       | -                   | -                   | -                   |
| Accumulated depreciation   | -                       | -                   | -                   | -                   |
| Amount available in debt service fund                              | -                       | -                   | -                   | -                   |
| Amount to be provided for the retirement of general long-term debt | -                       | -                   | -                   | -                   |
| <b>Total assets and other debits</b>                               | <b>\$ 31,290,123</b>    | <b>\$ 9,362,715</b> | <b>\$ 5,944,758</b> | <b>\$ 6,854,858</b> |

| Proprietary<br>Fund Type | Fiduciary<br>Fund Types | Account Groups          |                            | Total<br>(Memorandum<br>Only) Primary<br>Government | Component<br>Units  | Total<br>(Memorandum<br>Only)<br>Reporting<br>Entity |
|--------------------------|-------------------------|-------------------------|----------------------------|---|---------------------|--|
|                          |                         | General Fixed<br>Assets | General Long-<br>Term Debt |   |                     |  |
| Enterprise               | Trust and<br>Agency     |                         |                            |   |                     |  |
| \$ 13,696                | \$ 5,171,634            | \$ -                    | \$ -                       | \$ 29,935,459                                       | \$ 1,425,239        | \$ 31,360,698  |
| 325,403                  | -                       | -                       | -                          | 325,403   | -                   | 325,403  |
| -                        | 152,719,670             | -                       | -                          | 177,839,513   | 2,103,554           | 179,943,067  |
| -                        | -                       | -                       | -                          | 272,821   | -                   | 272,821  |
| 29,856                   | 11,551                  | -                       | -                          | 218,576   | 179                 | 218,755  |
| -                        | -                       | -                       | -                          | 60,254  | -                   | 60,254   |
| -                        | -                       | -                       | -                          | 50,299  | -                   | 50,299   |
| -                        | -                       | -                       | -                          | 1,423,314   | -                   | 1,423,314  |
| -                        | -                       | -                       | -                          | 1,598,625   | 121,542             | 1,720,167  |
| 18,412                   | -                       | -                       | -                          | 18,412  | -                   | 18,412   |
| 1,556,336                | -                       | 3,384,673               | -                          | 4,941,009   | 16,600              | 4,957,609  |
| 506,490                  | -                       | 22,768,930              | -                          | 23,275,420  | 165,400             | 23,440,820   |
| 628,370                  | -                       | -                       | -                          | 628,370   | -                   | 628,370  |
| -                        | -                       | 192,249                 | -                          | 192,249   | 50,031              | 242,280  |
| 457,559                  | -                       | 7,554,473               | -                          | 8,012,032   | 18,699              | 8,030,731  |
| 39,162                   | -                       | 3,444,000               | -                          | 3,483,162   | 209,896             | 3,693,058  |
| -                        | -                       | 4,736,058               | -                          | 4,736,058   | -                   | 4,736,058  |
| (773,329)                | -                       | -                       | -                          | (773,329)   | -                   | (773,329)  |
| -                        | -                       | -                       | 5,426,805                  | 5,426,805   | -                   | 5,426,805  |
| -                        | -                       | -                       | 6,284,393                  | 6,284,393   | -                   | 6,284,393  |
| <u>\$ 2,801,955</u>      | <u>\$ 157,902,855</u>   | <u>\$ 42,080,383</u>    | <u>\$ 11,711,198</u>       | <u>\$ 267,948,845</u>                               | <u>\$ 4,111,140</u> | <u>\$ 272,059,985</u>                                |

(Continued)

# COUNTY OF SCOTT, IOWA

## COMBINED BALANCE SHEET

### ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS (Continued)

June 30, 2002

| LIABILITIES, EQUITY AND OTHER CREDITS                 | Governmental Fund Types |                     |                     |                     |
|---|-------------------------|---------------------|---------------------|---------------------|
|   | General                 | Special Revenue     | Debt Service        | Capital Projects    |
| Liabilities:  |                         |                     |                     |                     |
| Accounts payable                                      | \$ 1,167,907            | \$ 1,759,391        | \$ -                | \$ 938,563          |
| Claims payable  | 7,574                   | -                   | -                   | -                   |
| Accrued liabilities                                   | 919,537                 | 90,722              | -                   | -                   |
| Interest payable                                      | -                       | -                   | -                   | -                   |
| Due to other funds                                    | -                       | -                   | -                   | -                   |
| Advance from other funds                              | -                       | -                   | -                   | -                   |
| Due to other governmental agencies                    | -                       | -                   | -                   | -                   |
| Deferred revenue                                      | 19,709,834              | 5,313,228           | 517,953             | -                   |
| Compensated absences                                  | 937,221                 | 143,547             | -                   | -                   |
| General obligation bonds                              | -                       | -                   | -                   | -                   |
| Purchase contract                                     | -                       | -                   | -                   | -                   |
| <b>Total liabilities</b>                              | <b>22,742,073</b>       | <b>7,306,888</b>    | <b>517,953</b>      | <b>938,563</b>      |
| Equity and Other Credits:                             |                         |                     |                     |                     |
| Investment in general fixed assets                    | -                       | -                   | -                   | -                   |
| Retained earnings (deficit)                           | -                       | -                   | -                   | -                   |
| Fund balances:  |                         |                     |                     |                     |
| Reserved for advance to other funds                   | 1,423,314               | -                   | -                   | -                   |
| Reserved for notes receivable                         | 60,254                  | -                   | -                   | -                   |
| Unreserved:   |                         |                     |                     |                     |
| Designated for claim liabilities                      | 1,051,977               | -                   | -                   | -                   |
| Undesignated  | 6,012,505               | 2,055,827           | 5,426,805           | 5,916,295           |
| <b>Total equity and other credits</b>                 | <b>8,548,050</b>        | <b>2,055,827</b>    | <b>5,426,805</b>    | <b>5,916,295</b>    |
| <b>Total liabilities and equity and other credits</b> | <b>\$ 31,290,123</b>    | <b>\$ 9,362,715</b> | <b>\$ 5,944,758</b> | <b>\$ 6,854,858</b> |

See Notes to Financial Statements.

| Proprietary<br>Fund Type | Fiduciary<br>Fund Types | Account Groups          |                            | Total<br>(Memorandum<br>Only) Primary<br>Government | Component<br>Units  | Total<br>(Memorandum<br>Only)<br>Reporting<br>Entity |
|--------------------------|-------------------------|-------------------------|----------------------------|---|---------------------|--|
|                          |                         | General Fixed<br>Assets | General Long-<br>Term Debt |   |                     |  |
| Enterprise               | Trust and<br>Agency     |                         |                            |   |                     |  |
| \$ 30,558                | \$ 366,964              | \$ -                    | \$ -                       | \$ 4,263,383  | \$ 126,060          | \$ 4,389,443   |
| -                        | -                       | -                       | 1,051,977                  | 1,059,551   | -                   | 1,059,551  |
| 29,109                   | -                       | -                       | -                          | 1,039,368   | 40,926              | 1,080,294  |
| 233,592                  | -                       | -                       | -                          | 233,592   | -                   | 233,592  |
| -                        | 50,299                  | -                       | -                          | 50,299  | -                   | 50,299   |
| 1,423,314                | -                       | -                       | -                          | 1,423,314   | -                   | 1,423,314  |
| -                        | 5,367,727               | -                       | -                          | 5,367,727   | -                   | 5,367,727  |
| 6,320                    | 151,797,710             | -                       | -                          | 177,345,045   | 2,103,050           | 179,448,095  |
| 17,602                   | -                       | -                       | 224,221                    | 1,322,591   | 95,420              | 1,418,011  |
| -                        | -                       | -                       | 10,435,000                 | 10,435,000  | -                   | 10,435,000   |
| 2,564,023                | -                       | -                       | -                          | 2,564,023   | -                   | 2,564,023  |
| <u>4,304,518</u>         | <u>157,582,700</u>      | <u>-</u>                | <u>11,711,198</u>          | <u>205,103,893</u>                                  | <u>2,365,456</u>    | <u>207,469,349</u>                                   |
| -                        | -                       | 42,080,383              | -                          | 42,080,383  | 460,626             | 42,541,009   |
| (1,502,563)              | -                       | -                       | -                          | (1,502,563)   | -                   | (1,502,563)  |
| -                        | -                       | -                       | -                          | 1,423,314   | -                   | 1,423,314  |
| -                        | -                       | -                       | -                          | 60,254  | -                   | 60,254   |
| -                        | -                       | -                       | -                          | 1,051,977   | -                   | 1,051,977  |
| -                        | 320,155                 | -                       | -                          | 19,731,587  | 1,285,058           | 21,016,645   |
| <u>(1,502,563)</u>       | <u>320,155</u>          | <u>42,080,383</u>       | <u>-</u>                   | <u>62,844,952</u>                                   | <u>1,745,684</u>    | <u>64,590,636</u>                                    |
| <u>\$ 2,801,955</u>      | <u>\$ 157,902,855</u>   | <u>\$ 42,080,383</u>    | <u>\$ 11,711,198</u>       | <u>\$ 267,948,845</u>                               | <u>\$ 4,111,140</u> | <u>\$ 272,059,985</u>                                |

# COUNTY OF SCOTT, IOWA

## COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS Year Ended June 30, 2002

|  | Governmental Fund Types |                     |                     |
|--|-------------------------|---------------------|---------------------|
|  | General                 | Special Revenue     | Debt Service        |
| <b>Revenue:</b>  |                         |                     |                     |
| Property taxes   | \$ 15,913,330           | \$ 4,730,717        | \$ -                |
| Local option sales tax   | 3,195,497               | -                   | -                   |
| Other taxes  | 926,784                 | 230,834             | -                   |
| Interest and penalties on taxes  | 579,951                 | -                   | -                   |
| Intergovernmental  | 4,779,759               | 10,457,210          | 304,010             |
| Charges for services   | 4,044,976               | 136,075             | -                   |
| Investment income  | 921,420                 | 4,221               | -                   |
| Licenses and permits   | 417,233                 | 1,765               | -                   |
| Rentals and fees   | 142,050                 | -                   | -                   |
| Other  | 318,561                 | 38,112              | -                   |
| <b>Total revenue</b>   | <b>31,239,561</b>       | <b>15,598,934</b>   | <b>304,010</b>      |
| <b>Expenditures:</b>   |                         |                     |                     |
| <b>Current operating:</b>  |                         |                     |                     |
| Public safety  | 10,892,569              | -                   | -                   |
| Court services   | 1,598,060               | -                   | -                   |
| Physical health and education  | 3,494,448               | 352,100             | -                   |
| Mental health  | -                       | 12,507,653          | -                   |
| Social services  | 1,828,677               | -                   | -                   |
| County environment   | 2,974,726               | -                   | -                   |
| Roads and transportation   | -                       | 3,380,066           | -                   |
| State and local government services  | 1,748,504               | -                   | -                   |
| Interprogram services  | 5,907,458               | -                   | -                   |
| Capital outlay   | -                       | 1,119,570           | -                   |
| <b>Debt service:</b>   |                         |                     |                     |
| Principal  | -                       | -                   | 290,000             |
| Interest   | -                       | -                   | 317,818             |
| <b>Total expenditures</b>  | <b>28,444,442</b>       | <b>17,359,389</b>   | <b>607,818</b>      |
| <b>Excess (deficiency) of revenue over expenditures</b>  | <b>2,795,119</b>        | <b>(1,760,455)</b>  | <b>(303,808)</b>    |
| <b>Other financing sources (uses):</b>   |                         |                     |                     |
| Operating transfers in   | 23,747                  | 2,163,744           | -                   |
| Operating transfers out  | (3,051,489)             | (1,676,942)         | -                   |
| Proceeds from bonds, net of bond issuance costs of \$ 43,223   | -                       | -                   | 41,777              |
| <b>Total other financing sources (uses)</b>  | <b>(3,027,742)</b>      | <b>486,802</b>      | <b>41,777</b>       |
| <b>Excess (deficiency) of revenue and other financing sources over expenditures and other financing (uses)</b> | <b>(232,623)</b>        | <b>(1,273,653)</b>  | <b>(262,031)</b>    |
| Fund balances, beginning   | 6,916,925               | 3,329,480           | 5,688,836           |
| Residual equity transfer in  | 1,863,748               | -                   | -                   |
| <b>Fund balances, ending</b>   | <b>\$ 8,548,050</b>     | <b>\$ 2,055,827</b> | <b>\$ 5,426,805</b> |

See Notes to Financial Statements.

| Capital Projects | Fiduciary<br>Fund Type<br>Expendable<br>Trusts | Total<br>(Memorandum<br>Only) Primary<br>Government | Component<br>Units | Total<br>(Memorandum<br>Only) Reporting<br>Entity |
|------------------|--|---|--------------------|---|
| \$ -             | \$ -   | \$ 20,644,047                                       | \$ 1,725,954       | \$ 22,370,001                                     |
| -                | -  | 3,195,497   | -                  | 3,195,497   |
| 822,996          | -  | 1,980,614   | 83,611             | 2,064,225   |
| -                | -  | 579,951   | -                  | 579,951   |
| 354,662          | -  | 15,895,641  | 814,851            | 16,710,492  |
| -                | -  | 4,181,051   | 14,287             | 4,195,338   |
| 31,038           | -  | 956,679   | -                  | 956,679   |
| -                | -  | 418,998   | -                  | 418,998   |
| -                | -  | 142,050   | -                  | 142,050   |
| 428,051          | 3,857,486                                      | 4,642,210   | 89,251             | 4,731,461   |
| 1,636,747        | 3,857,486                                      | 52,636,738  | 2,727,954          | 55,364,692  |
| -                | -  | 10,892,569  | 85,477             | 10,978,046  |
| -                | -  | 1,598,060   | -                  | 1,598,060   |
| -                | -  | 3,846,548   | 689,084            | 4,535,632   |
| -                | -  | 12,507,653  | -                  | 12,507,653  |
| -                | -  | 1,828,677   | -                  | 1,828,677   |
| -                | -  | 2,974,726   | -                  | 2,974,726   |
| -                | -  | 3,380,066   | -                  | 3,380,066   |
| -                | -  | 1,748,504   | 1,624,014          | 3,372,518   |
| -                | 3,965,445                                      | 9,872,903   | -                  | 9,872,903   |
| 12,269,137       | -  | 13,388,707  | -                  | 13,388,707  |
| -                | -  | 290,000   | -                  | 290,000   |
| -                | -  | 317,818   | -                  | 317,818   |
| 12,269,137       | 3,965,445                                      | 62,646,231  | 2,398,575          | 65,044,806  |
| (10,632,390)     | (107,959)                                      | (10,009,493)  | 329,379            | (9,680,114)                                       |
| 3,731,558        | -  | 5,919,049   | -                  | 5,919,049   |
| (1,190,618)      | -  | (5,919,049)   | -                  | (5,919,049)                                       |
| 5,000,000        | -  | 5,041,777   | -                  | 5,041,777   |
| 7,540,940        | -  | 5,041,777   | -                  | 5,041,777   |
| (3,091,450)      | (107,959)                                      | (4,967,716)   | 329,379            | (4,638,337)                                       |
| 9,007,745        | 428,114  | 25,371,100  | 955,679            | 26,326,779  |
| -                | -  | 1,863,748   | -                  | 1,863,748   |
| \$ 5,916,295     | \$ 320,155                                     | \$ 22,267,132                                       | \$ 1,285,058       | \$ 23,552,190                                     |

# COUNTY OF SCOTT, IOWA

## COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - ALL GOVERNMENTAL FUND TYPES Year Ended June 30, 2002

|  | General               |                     | Variance<br>Favorable<br>(Unfavorable) |
|--|-----------------------|---------------------|--|
|  | Budget                | Actual              |  |
| Revenue:   |                       |                     |  |
| Property taxes   | \$ 16,083,890         | \$ 15,913,330       | \$ (170,560)                           |
| Local option sales tax   | 3,457,316             | 3,195,497           | (261,819)                              |
| Other taxes  | 911,034               | 926,784             | 15,750                                 |
| Interest and penalties on taxes  | 497,078               | 579,951             | 82,873                                 |
| Intergovernmental  | 4,817,156             | 4,779,759           | (37,397)                               |
| Charges for services   | 3,171,475             | 4,044,976           | 873,501                                |
| Investment income  | 2,057,847             | 921,420             | (1,136,427)                            |
| Licenses and permits   | 416,730               | 417,233             | 503                                    |
| Rentals and fees   | 135,962               | 142,050             | 6,088                                  |
| Other  | 298,939               | 318,561             | 19,622                                 |
| <b>Total revenue</b>   | <b>31,847,427</b>     | <b>31,239,561</b>   | <b>(607,866)</b>                       |
| Expenditures:  |                       |                     |  |
| Current operating:   |                       |                     |  |
| Public safety  | 11,963,468            | 10,892,569          | 1,070,899                              |
| Court services   | 1,650,516             | 1,598,060           | 52,456                                 |
| Physical health and education  | 3,517,697             | 3,494,448           | 23,249                                 |
| Mental health  | -                     | -                   | -                                      |
| Social services  | 2,162,613             | 1,828,677           | 333,936                                |
| County environment   | 3,162,027             | 2,974,726           | 187,301                                |
| Roads and transportation   | -                     | -                   | -                                      |
| State and local government services  | 1,804,247             | 1,748,504           | 55,743                                 |
| Interprogram services  | 6,554,617             | 5,907,458           | 647,159                                |
| Capital outlay   | -                     | -                   | -                                      |
| Debt service:  |                       |                     |  |
| Principal  | -                     | -                   | -                                      |
| Interest   | -                     | -                   | -                                      |
| <b>Total expenditures</b>  | <b>30,815,185</b>     | <b>28,444,442</b>   | <b>2,370,743</b>                       |
| <b>Excess (deficiency) of revenue over expenditures</b>  | <b>1,032,242</b>      | <b>2,795,119</b>    | <b>1,762,877</b>                       |
| Other financing sources (uses):  |                       |                     |  |
| Operating transfers in   | -                     | 23,747              | 23,747                                 |
| Operating transfers out  | (3,101,242)           | (3,051,489)         | 49,753                                 |
| Proceeds from bonds  | -                     | -                   | -                                      |
| <b>Total other financing sources (uses)</b>  | <b>(3,101,242)</b>    | <b>(3,027,742)</b>  | <b>73,500</b>                          |
| <b>Excess (deficiency) of revenue and other financing sources over expenditures and other financing (uses)</b> | <b>\$ (2,069,000)</b> | <b>(232,623)</b>    | <b>\$ 1,836,377</b>                    |
| Fund balances, beginning   |                       | 6,916,925           |  |
| Residual equity transfer in  |                       | 1,863,748           |  |
| Fund balances, ending  |                       | <u>\$ 8,548,050</u> |  |

| Special Revenue       |                     |                                  | Debt Service        |                     |                                  |
|-----------------------|---------------------|----------------------------------|---------------------|---------------------|----------------------------------|
| Budget                | Actual              | Variance Favorable (Unfavorable) | Budget              | Actual              | Variance Favorable (Unfavorable) |
| \$ 4,739,734          | \$ 4,730,717        | \$ (9,017)                       | \$ -                | \$ -                | \$ -                             |
| -                     | -                   | -                                | -                   | -                   | -                                |
| 237,407               | 230,834             | (6,573)                          | -                   | -                   | -                                |
| -                     | -                   | -                                | -                   | -                   | -                                |
| 10,548,367            | 10,457,210          | (91,157)                         | 304,010             | 304,010             | -                                |
| 96,198                | 136,075             | 39,877                           | -                   | -                   | -                                |
| 4,000                 | 4,221               | 221                              | -                   | -                   | -                                |
| 1,000                 | 1,765               | 765                              | -                   | -                   | -                                |
| -                     | -                   | -                                | -                   | -                   | -                                |
| 10,000                | 38,112              | 28,112                           | -                   | -                   | -                                |
| 15,636,706            | 15,598,934          | (37,772)                         | 304,010             | 304,010             | -                                |
| -                     | -                   | -                                | -                   | -                   | -                                |
| -                     | -                   | -                                | -                   | -                   | -                                |
| 352,100               | 352,100             | -                                | -                   | -                   | -                                |
| 12,875,889            | 12,507,653          | 368,236                          | -                   | -                   | -                                |
| -                     | -                   | -                                | -                   | -                   | -                                |
| -                     | -                   | -                                | -                   | -                   | -                                |
| 3,475,100             | 3,380,066           | 95,034                           | -                   | -                   | -                                |
| -                     | -                   | -                                | -                   | -                   | -                                |
| -                     | -                   | -                                | -                   | -                   | -                                |
| 1,120,000             | 1,119,570           | 430                              | -                   | -                   | -                                |
| -                     | -                   | -                                | 290,000             | 290,000             | -                                |
| -                     | -                   | -                                | 564,010             | 317,818             | 246,192                          |
| 17,823,089            | 17,359,389          | 463,700                          | 854,010             | 607,818             | 246,192                          |
| (2,186,383)           | (1,760,455)         | 425,928                          | (550,000)           | (303,808)           | (246,192)                        |
| 2,163,744             | 2,163,744           | -                                | -                   | -                   | -                                |
| (1,707,322)           | (1,676,942)         | 30,380                           | -                   | -                   | -                                |
| -                     | -                   | -                                | 260,000             | 41,777              | (218,223)                        |
| 456,422               | 486,802             | 30,380                           | 260,000             | 41,777              | (218,223)                        |
| <u>\$ (1,729,961)</u> | <u>(1,273,653)</u>  | <u>\$ 456,308</u>                | <u>\$ (290,000)</u> | <u>(262,031)</u>    | <u>\$ (464,415)</u>              |
|                       | 3,329,480           |                                  |                     | 5,688,836           |                                  |
|                       | -                   |                                  |                     | -                   |                                  |
|                       | <u>\$ 2,055,827</u> |                                  |                     | <u>\$ 5,426,805</u> |                                  |

(Continued)

# COUNTY OF SCOTT, IOWA

## COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - ALL GOVERNMENTAL FUND TYPES (Continued) Year Ended June 30, 2002

|  | Capital Projects      |                     |  |
|--|-----------------------|---------------------|--|
|  | Budget                | Actual              | Variance<br>Favorable<br>(Unfavorable) |
| Revenue:   |                       |                     |  |
| Property taxes   | \$ -                  | \$ -                | \$ -                                   |
| Local option sales tax   | -                     | -                   | -                                      |
| Other taxes  | 785,000               | 822,996             | 37,996                                 |
| Interest and penalties on taxes  | -                     | -                   | -                                      |
| Intergovernmental  | 198,788               | 354,662             | 155,874                                |
| Charges for services   | -                     | -                   | -                                      |
| Investment income  | 53,253                | 31,038              | (22,215)                               |
| Licenses and permits   | -                     | -                   | -                                      |
| Rentals and fees   | -                     | -                   | -                                      |
| Other  | 105,000               | 428,051             | 323,051                                |
| <b>Total revenue</b>   | <b>1,142,041</b>      | <b>1,636,747</b>    | <b>494,706</b>                         |
| Expenditures:  |                       |                     |  |
| Current operating:   |                       |                     |  |
| Public safety  | -                     | -                   | -                                      |
| Court services   | -                     | -                   | -                                      |
| Physical health and education  | -                     | -                   | -                                      |
| Mental health  | -                     | -                   | -                                      |
| Social services  | -                     | -                   | -                                      |
| County environment   | -                     | -                   | -                                      |
| Roads and transportation   | -                     | -                   | -                                      |
| State and local government services  | -                     | -                   | -                                      |
| Interprogram services  | -                     | -                   | -                                      |
| Capital outlay   | 14,407,965            | 12,269,137          | 2,138,828                              |
| Debt service:  |                       |                     |  |
| Principal  | -                     | -                   | -                                      |
| Interest   | -                     | -                   | -                                      |
| <b>Total expenditures</b>  | <b>14,407,965</b>     | <b>12,269,137</b>   | <b>2,138,828</b>                       |
| <b>Excess (deficiency) of revenue over expenditures</b>  | <b>(13,265,924)</b>   | <b>(10,632,390)</b> | <b>2,633,534</b>                       |
| Other financing sources (uses):  |                       |                     |  |
| Operating transfers in   | 3,925,419             | 3,731,558           | (193,861)                              |
| Operating transfers out  | (1,280,599)           | (1,190,618)         | 89,981                                 |
| Proceeds from bonds, net of bond issuance costs of \$43,223  | 5,000,000             | 5,000,000           | -                                      |
| <b>Total other financing sources (uses)</b>  | <b>7,644,820</b>      | <b>7,540,940</b>    | <b>(103,880)</b>                       |
| <b>Excess (deficiency) of revenue and other financing sources over expenditures and other financing (uses)</b> | <b>\$ (5,621,104)</b> | <b>(3,091,450)</b>  | <b>\$ 2,529,654</b>                    |
| Fund balances, beginning   |                       | 9,007,745           |  |
| Residual equity transfer in  |                       | -                   |  |
| Fund balances, ending  |                       | <u>\$ 5,916,295</u> |  |

See Notes to Financial Statements.

| Totals (Memorandum Only) |                      |  |  |
|--------------------------|----------------------|--|--|
| Budget                   | Actual               | Variance<br>Favorable<br>(Unfavorable) |  |
| \$ 20,823,624            | \$ 20,644,047        | \$ (179,577)                           |  |
| 3,457,316                | 3,195,497            | (261,819)                              |  |
| 1,933,441                | 1,980,614            | 47,173                                 |  |
| 497,078                  | 579,951              | 82,873                                 |  |
| 15,868,321               | 15,895,641           | 27,320                                 |  |
| 3,267,673                | 4,181,051            | 913,378                                |  |
| 2,115,100                | 956,679              | (1,158,421)                            |  |
| 417,730                  | 418,998              | 1,268                                  |  |
| 135,962                  | 142,050              | 6,088                                  |  |
| 413,939                  | 784,724              | 370,785                                |  |
| <u>48,930,184</u>        | <u>48,779,252</u>    | <u>(150,932)</u>                       |  |
| 11,963,468               | 10,892,569           | 1,070,899                              |  |
| 1,650,516                | 1,598,060            | 52,456                                 |  |
| 3,869,797                | 3,846,548            | 23,249                                 |  |
| 12,875,889               | 12,507,653           | 368,236                                |  |
| 2,162,613                | 1,828,677            | 333,936                                |  |
| 3,162,027                | 2,974,726            | 187,301                                |  |
| 3,475,100                | 3,380,066            | 95,034                                 |  |
| 1,804,247                | 1,748,504            | 55,743                                 |  |
| 6,554,617                | 5,907,458            | 647,159                                |  |
| 15,527,965               | 13,388,707           | 2,139,258                              |  |
| 290,000                  | 290,000              | -                                      |  |
| 564,010                  | 317,818              | 246,192                                |  |
| <u>63,900,249</u>        | <u>58,680,786</u>    | <u>5,219,463</u>                       |  |
| <u>(14,970,065)</u>      | <u>(9,901,534)</u>   | <u>5,068,531</u>                       |  |
| 6,089,163                | 5,919,049            | (170,114)                              |  |
| (6,089,163)              | (5,919,049)          | 170,114                                |  |
| 5,260,000                | 5,041,777            | (218,223)                              |  |
| <u>5,260,000</u>         | <u>5,041,777</u>     | <u>(218,223)</u>                       |  |
| <u>\$ (9,710,065)</u>    | <u>(4,859,757)</u>   | <u>\$ 4,850,308</u>                    |  |
|                          | 24,942,986           |  |  |
|                          | 1,863,748            |  |  |
|                          | <u>\$ 21,946,977</u> |  |  |

# COUNTY OF SCOTT, IOWA

## COMBINED STATEMENT OF REVENUE, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT) ALL PROPRIETARY FUND TYPES Year Ended June 30, 2002

|  | Enterprise            | Internal<br>Service | Totals<br>(Memorandum<br>Only) |
|--|-----------------------|---------------------|--------------------------------|
| Operating revenue:                           |                       |                     |                                |
| Charges for services                         | \$ 928,518            | \$ 669,745          | \$ 1,598,263                   |
| Sales, net of cost of goods sold of \$62,045 | 133,898               | -                   | 133,898                        |
| Other  | 1,262                 | -                   | 1,262                          |
| <b>Total operating revenue</b>               | <b>1,063,678</b>      | <b>669,745</b>      | <b>1,733,423</b>               |
| Operating expenses:                          |                       |                     |                                |
| Claims and administration                    | -                     | 747,072             | 747,072                        |
| Personnel                                    | 436,918               | -                   | 436,918                        |
| Depreciation                                 | 108,641               | -                   | 108,641                        |
| Other  | 189,596               | -                   | 189,596                        |
| <b>Total operating expenses</b>              | <b>735,155</b>        | <b>747,072</b>      | <b>1,482,227</b>               |
| <b>Operating income (loss)</b>               | <b>328,523</b>        | <b>(77,327)</b>     | <b>251,196</b>                 |
| Nonoperating income (expense):               |                       |                     |                                |
| Investment income                            | 6,220                 | -                   | 6,220                          |
| Interest expense                             | (213,483)             | -                   | (213,483)                      |
|  | (207,263)             | -                   | (207,263)                      |
| <b>Net income (loss)</b>                     | <b>121,260</b>        | <b>(77,327)</b>     | <b>43,933</b>                  |
| Retained earnings (deficit), beginning       | (1,623,823)           | (209,779)           | (1,833,602)                    |
| Residual equity transfer in                  | -                     | 287,106             | 287,106                        |
| Retained earnings (deficit), ending          | <b>\$ (1,502,563)</b> | <b>\$ -</b>         | <b>\$ (1,502,563)</b>          |

See Notes to Financial Statements.

# COUNTY OF SCOTT, IOWA

## COMBINED STATEMENT OF CASH FLOWS

### ALL PROPRIETARY FUND TYPES

Year Ended June 30, 2002

|   | Enterprise        | Internal<br>Service | Totals<br>(Memorandum<br>Only) |
|---|-------------------|---------------------|--------------------------------|
| <b>Cash Flows from Operating Activities:</b>  |                   |                     |                                |
| Cash received from customers  | \$ 1,151,607      | \$ -                | \$ 1,151,607                   |
| Cash received from premiums allocated   | -                 | 669,617             | 669,617                        |
| Cash received from employee contributions   | -                 | 128                 | 128                            |
| Cash payments to acquire goods for resale   | (75,011)          | -                   | (75,011)                       |
| Cash payments for insurance premiums and services   | -                 | (670,081)           | (670,081)                      |
| Cash payments to suppliers for goods and services   | (209,011)         | -                   | (209,011)                      |
| Cash payments to employees for services   | (435,085)         | -                   | (435,085)                      |
| Other operating (expense)   | -                 | (4,042)             | (4,042)                        |
| <b>Net cash provided by (used in) operating activities</b>  | <b>432,500</b>    | <b>(4,378)</b>      | <b>428,122</b>                 |
| <b>Cash Flows from Capital and Related Financing Activities:</b>  |                   |                     |                                |
| Payments of purchase contract   | (160,000)         | -                   | (160,000)                      |
| Interest paid on purchase contract  | (167,383)         | -                   | (167,383)                      |
| Acquisition and construction of capital assets  | (64,030)          | -                   | (64,030)                       |
| <b>Net cash (used in) capital and related financing activities</b>  | <b>(391,413)</b>  | <b>-</b>            | <b>(391,413)</b>               |
| <b>Cash Flows from Noncapital Financing Activities:</b>   |                   |                     |                                |
| Interest paid on advance from other funds   | (40,170)          | -                   | (40,170)                       |
| Residual equity transfer of cash to other funds   | -                 | (1,881,902)         | (1,881,902)                    |
| <b>Net cash (used in) noncapital financing activities</b>   | <b>(40,170)</b>   | <b>(1,881,902)</b>  | <b>(1,922,072)</b>             |
| Cash Flows from Investing Activities, interest received   | 6,220             | -                   | 6,220                          |
| <b>Net increase (decrease) in cash and cash equivalents</b>   | <b>7,137</b>      | <b>(1,886,280)</b>  | <b>(1,879,143)</b>             |
| <b>Cash and cash equivalents:</b>   |                   |                     |                                |
| Beginning   | 331,962           | 1,886,048           | 2,218,010                      |
| Ending  | <u>\$ 339,099</u> | <u>\$ (232)</u>     | <u>\$ 338,867</u>              |
| <b>Reconciliation of Operating Income (Loss) to Net Cash</b>  |                   |                     |                                |
| <b>Provided by (Used In) Operating Activities:</b>  |                   |                     |                                |
| Operating income (loss)   | \$ 328,523        | \$ (77,327)         | \$ 251,196                     |
| <b>Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:</b> |                   |                     |                                |
| Depreciation  | 108,641           | -                   | 108,641                        |
| <b>(Increase) decrease in:</b>  |                   |                     |                                |
| Receivables   | 25,794            | -                   | 25,794                         |
| Inventories   | (12,966)          | -                   | (12,966)                       |
| <b>Increase (decrease) in:</b>  |                   |                     |                                |
| Accounts payable  | (19,415)          | 77,223              | 57,808                         |
| Accrued liabilities   | 1,833             | (4,042)             | (2,209)                        |
| Deferred revenue  | 90                | -                   | 90                             |
| <b>Net cash provided by (used in) operating activities</b>  | <b>\$ 432,500</b> | <b>\$ (4,146)</b>   | <b>\$ 428,354</b>              |
| <b>Noncash capital and related financing activities:</b>  |                   |                     |                                |
| Amortization of bond issuance costs and discount on purchase contract   | \$ 7,263          | \$ -                | \$ 7,263                       |
| Residual equity transfer of liabilities to other funds  | -                 | 18,154              | 18,154                         |
| Residual equity transfer of claims payable to other account groups  | -                 | 1,051,977           | 1,051,977                      |
| Reduction of contributed capital through residual equity transfer of fund                                       | -                 | (1,098,877)         | (1,098,877)                    |

See Notes to Financial Statements.

# COUNTY OF SCOTT, IOWA

## COMBINING BALANCE SHEET DISCRETELY PRESENTED COMPONENT UNITS June 30, 2002

| ASSETS   | Emergency<br>Manage-<br>ment<br>Agency | County<br>Library   | County<br>Assessor |
|--|--|---------------------|--------------------|
| Cash and investments                               | \$ 159,855                             | \$ 475,977          | \$ 261,459         |
| Receivables:                                       |  |                     |                    |
| Property taxes                                     | -                                      | 265,176             | 542,423            |
| Accounts   | 122                                    | 57                  | -                  |
| Due from other governmental agencies               | 9,042                                  | 112,500             | -                  |
| Property and equipment:                            |  |                     |                    |
| Land and improvements                              | -                                      | 16,600              | -                  |
| Buildings and structure                            | -                                      | 165,400             | -                  |
| Furniture and fixtures                             | -                                      | 23,160              | 8,613              |
| Equipment  | -                                      | 12,619              | -                  |
| Vehicles   | 42,046                                 | 113,663             | -                  |
| <b>Total assets</b>                                | <b>\$ 211,065</b>                      | <b>\$ 1,185,152</b> | <b>\$ 812,495</b>  |
| <br>   |  |                     |                    |
| <b>LIABILITIES, EQUITY AND OTHER CREDITS</b>       |  |                     |                    |
| Liabilities:                                       |  |                     |                    |
| Accounts payable                                   | \$ 556                                 | \$ 43,629           | \$ 6,636           |
| Accrued liabilities                                | 3,124                                  | 19,089              | 18,713             |
| Deferred revenue                                   | -                                      | 265,106             | 542,350            |
| Compensated absences                               | 5,260                                  | 11,252              | 31,754             |
| <b>Total liabilities</b>                           | <b>8,940</b>                           | <b>339,076</b>      | <b>599,453</b>     |
| Equity and Other Credits:                          |  |                     |                    |
| Investments in general fixed assets                | 42,046                                 | 331,442             | 8,613              |
| Fund balance, unreserved, undesignated             | 160,079                                | 514,634             | 204,429            |
| <b>Total equity and other credits</b>              | <b>202,125</b>                         | <b>846,076</b>      | <b>213,042</b>     |
| <b>Total liabilities, equity and other credits</b> | <b>\$ 211,065</b>                      | <b>\$ 1,185,152</b> | <b>\$ 812,495</b>  |

See Notes to Financial Statements.

| County Assessor Special | City Assessor       | City Assessor Special | City Assessor FICA | Total               |
|-------------------------|---------------------|-----------------------|--------------------|---------------------|
| \$ 236,626              | \$ 182,770          | \$ 66,754             | \$ 41,798          | \$ 1,425,239        |
| 217,018                 | 754,273             | 324,664               | -                  | 2,103,554           |
| -                       | -                   | -                     | -                  | 179                 |
| -                       | -                   | -                     | -                  | 121,542             |
| -                       | -                   | -                     | -                  | 16,600              |
| -                       | -                   | -                     | -                  | 165,400             |
| -                       | 18,258              | -                     | -                  | 50,031              |
| -                       | 6,080               | -                     | -                  | 18,699              |
| -                       | 54,187              | -                     | -                  | 209,896             |
| <u>\$ 453,644</u>       | <u>\$ 1,015,568</u> | <u>\$ 391,418</u>     | <u>\$ 41,798</u>   | <u>\$ 4,111,140</u> |

|                |                |                |          |                  |
|----------------|----------------|----------------|----------|------------------|
| \$ 21,142      | \$ 41,583      | \$ 12,514      | \$ -     | \$ 126,060       |
| -              | -              | -              | -        | 40,926           |
| 216,989        | 754,041        | 324,564        | -        | 2,103,050        |
| -              | 47,154         | -              | -        | 95,420           |
| <u>238,131</u> | <u>842,778</u> | <u>337,078</u> | <u>-</u> | <u>2,365,456</u> |

|                |                |               |               |                  |
|----------------|----------------|---------------|---------------|------------------|
| -              | 78,525         | -             | -             | 460,626          |
| 215,513        | 94,265         | 54,340        | 41,798        | 1,285,058        |
| <u>215,513</u> | <u>172,790</u> | <u>54,340</u> | <u>41,798</u> | <u>1,745,684</u> |

|                   |                     |                   |                  |                     |
|-------------------|---------------------|-------------------|------------------|---------------------|
| <u>\$ 453,644</u> | <u>\$ 1,015,568</u> | <u>\$ 391,418</u> | <u>\$ 41,798</u> | <u>\$ 4,111,140</u> |
|-------------------|---------------------|-------------------|------------------|---------------------|

# COUNTY OF SCOTT, IOWA

## COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES DISCRETELY PRESENTED COMPONENT UNITS

Year Ended June 30, 2002

|   | Emergency<br>Manage-<br>ment<br>Agency | County<br>Library | County<br>Assessor |
|---|--|-------------------|--------------------|
| Revenue:  |  |                   |                    |
| Property taxes  | \$ -                                   | \$ 243,013        | \$ 462,798         |
| Other taxes   | -                                      | 6,759             | 21,627             |
| Intergovernmental   | 55,333                                 | 644,674           | 47,922             |
| Charges for services  | -                                      | 11,077            | 3,210              |
| Other   | 50,095                                 | 32,616            | 12                 |
| <b>Total revenue</b>  | <b>105,428</b>                         | <b>938,139</b>    | <b>535,569</b>     |
| Expenditures:   |  |                   |                    |
| Current operating:  |  |                   |                    |
| Public safety   | 85,477                                 | -                 | -                  |
| Physical health and education                               | -                                      | 689,084           | -                  |
| State and local governmental services                       | -                                      | -                 | 478,512            |
| <b>Total expenditures</b>                                   | <b>85,477</b>                          | <b>689,084</b>    | <b>478,512</b>     |
| <b>Excess (deficiency) of revenue<br/>over expenditures</b> | <b>19,951</b>                          | <b>249,055</b>    | <b>57,057</b>      |
| Fund balances, beginning                                    | 140,128                                | 265,579           | 147,372            |
| Fund balances, ending                                       | \$ 160,079                             | \$ 514,634        | \$ 204,429         |

See Notes to Financial Statements.

| County Assessor Special | City Assessor | City Assessor Special | City Assessor FICA | Total        |
|-------------------------|---------------|-----------------------|--------------------|--------------|
| \$ 194,594              | \$ 621,831    | \$ 203,718            | \$ -               | \$ 1,725,954 |
| 9,093                   | 34,749        | 11,383                | -                  | 83,611       |
| 16,248                  | 40,589        | 10,085                | -                  | 814,851      |
| -                       | -             | -                     | -                  | 14,287       |
| -                       | 6,528         | -                     | -                  | 89,251       |
| 219,935                 | 703,697       | 225,186               | -                  | 2,727,954    |
| -                       | -             | -                     | -                  | 85,477       |
| -                       | -             | -                     | -                  | 689,084      |
| 262,002                 | 654,161       | 229,339               | -                  | 1,624,014    |
| 262,002                 | 654,161       | 229,339               | -                  | 2,398,575    |
| (42,067)                | 49,536        | (4,153)               | -                  | 329,379      |
| 257,580                 | 44,729        | 58,493                | 41,798             | 955,679      |
| \$ 215,513              | \$ 94,265     | \$ 54,340             | \$ 41,798          | \$ 1,285,058 |

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies

#### Nature of operations:

The County of Scott, Iowa (The County) is incorporated and operates under the provisions of the Code of Iowa. The County is governed by a County Board and managed by the County Administrator. The powers and duties of the County Administrator are to coordinate and direct all administrative and management functions of the County government not otherwise vested by law in boards or commissions or in other elected officials. The County provides many functions and services to citizens, including law enforcement, health and social services, parks and cultural activities, planning and zoning, education and general administrative services. Other activities include the operation of a road department and contracts with a third party to provide mental health services.

#### Reporting entity:

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. Accounting principles generally accepted in the United States of America require that general purpose financial statements present the County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of their operational significance and financial relationships with the County.

#### Discretely presented component units:

The component units column in the combined financial statements include the financial data of the County's discretely presented component units. They are reported in a separate column to emphasize that they are legally separate from the County, but are financially accountable to the County, or whose relationship to the County is such that exclusion would cause the County's financial statements to be misleading or incomplete. The County Board is a voting member of each of the governing bodies of all these component units, except for the Scott County Library for which the County Board appoints all the Library trustees. Each component unit has a June 30 year-end.

##### a. Emergency Management Agency:

The Scott County Emergency Management Commission provides direction for the delivery of the emergency management services of planning, administration, coordination, training and support for local governments and their departments. The Commission coordinates its services in the event of a disaster. The Commission receives its funding from the federal government, public utility companies and voluntary allocations from the participating governments.

##### b. County Library:

The Scott County Library Board of Trustees provides library services to all the cities within Scott County with the exception of the City of Bettendorf and the City of Davenport. In addition, the Library provides services to the unincorporated residents of Scott County and also to the citizens of the City of Durant through a contractual arrangement. The Trustees annually direct the Board of Supervisors to levy property taxes to the unincorporated area, in addition to providing tax levying amounts to each of the participating cities.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

**c. County Assessor:**

The County Conference Board is responsible for the operations of the Scott County Assessor's Office, including the assessment of all properties within Scott County with the exception of the City of Davenport. The County Conference Board is a separate tax certifying body. The County Assessor's Office provides services to the County, all incorporated cities in the County, except the City of Davenport, and school districts in the County.

**d. County Assessor Special:**

The County Assessor Special is responsible to the City Conference Board to perform in-house revaluations for various classes of property. The Code of Iowa requires the County to be custodian of funds for the County Assessor Special and account for all transactions within the books and records of the County. The County Assessor Special is included as a component unit of the County based on the significance of this relationship.

**e. City Assessor:**

The City Conference Board is responsible for the operations of the City Assessor's Office, including the assessment of all properties within the City of Davenport. The City Conference Board is a separate tax certifying body. The Code of Iowa requires the County to be custodian of funds for the City Assessor and accounts for all transactions of the City Assessor in the books and records of the County. The City Assessor is included as a component unit of the County based on the significance of this relationship.

**f. City Assessor Special:**

The City Assessor Special is also responsible to the City Conference Board to perform in-house revaluations for various classes of property. The Code of Iowa requires the County to be custodian of funds for the City Assessor Special and account for all transactions within the books and records of the County. The City Assessor Special is included as a component unit of the County based on the significance of this relationship.

**g. City Assessor FICA:**

The City Assessor FICA allows for the levying of taxes to support the payment of social security taxes on employees of the City's Assessor's Office as allowable under Iowa statute. The Code of Iowa requires the County to be custodian of funds for the City Assessor FICA and account for all transactions within the books and records of the County. The City Assessor FICA is included as a component unit of the County based on the significance of this relationship.

Complete financial statements of the individual component units can be obtained from their respective administrative offices or from the office of the County Administrator in the Bi-Centennial Building, 428 Western Avenue, Davenport, Iowa.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Summary of significant accounting policies:

**a. Basis of accounting, measurement focus and basis of presentation:**

The accounts of the County are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The County has the following fund types and account groups:

**Governmental Funds** are used to account for the County's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers all revenues available if they are collected within 60 days after year-end. Revenue not considered available is recognized as deferred revenue. Expenditures are recognized when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due.

Property taxes are recognized as revenue as they become both measurable and available, provided they are due by June 30 and collected within 60 days after year-end. Licenses and permits, rentals and fees and other revenue are recognized as revenue when received in cash because they are generally not measurable until actually received. Charges for services and interest earnings on investments are recognized as they are earned.

Entitlements and shared revenues are recognized at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and when the revenue becomes both measurable and available.

**Governmental funds include the following fund types:**

The **General Fund** is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund.

The **Special Revenue Funds** account for revenue sources that are legally restricted to expenditures for specific purposes.

The **Debt Service Fund** accounts for the servicing of general long-term debt not being financed by proprietary funds.

The **Capital Projects Fund** accounts for the acquisition of property and equipment or construction of major capital projects not being financed by proprietary funds.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

**Proprietary Funds** are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Proprietary funds include the following fund types:

**Enterprise Funds** are used to account for those operations that are financed and operated in a manner similar to private business or where the County has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The operations of the Glynms Creek Golf Course is the only activity accounted for as an enterprise fund.

**Internal Service Funds** account for operations that provide services to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis.

**Fiduciary Funds** account for assets held by the County in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the County under the terms of a formal trust agreement.

The **Expendable Trust Funds** are accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable trust funds account for assets where both the principal and interest may be spent.

The **Agency Funds** are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. These funds are used to account for assets that the County holds for others in an agency capacity.

**Account Groups.** The general fixed assets account group is used to account for fixed assets not accounted for in proprietary or trust funds. The general long-term debt account group is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

**Discretely Presented Component Units** are accounted for by the modified accrual basis of accounting.

#### b. Budget procedures:

Budgets are prepared using the same accounting basis and practices as are used to account for and prepare financial reports for the funds; thus, budgets presented in this report for comparison to actual amounts are presented in accordance with accounting principles generally accepted in the United States of America.

The County uses the following procedures when establishing their operational budget:

- Prior to January 15, each County Officer and department submits budget estimates for the coming fiscal year to the Director of Budget and Information Processing. The Director of Budget and Information Processing compiles the budget estimates received from the officers and departments and presents them to the County Board prior to January 20.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

- Public hearings are conducted to obtain taxpayer comments.
- Prior to March 15, the budget is legally adopted by resolution of the County Board. The ultimate level of control is the governmental fund type in total.
- The budget may be amended by majority approval of the County Board prior to May 31 after public notice has been published.
- Encumbrances are not recognized in the budget and appropriations lapse at year-end.

The budget is adopted for all governmental funds by fund and by 12 major classes of program expenditures. The legal level of control is at the program expenditure level. These 12 classes are: public safety, court services, physical health and education, mental health, social services, county environment, roads and transportation, state and local government services, inter-program services, nonprogram services, debt service and capital outlay.

In addition, the County Board must appropriate, by resolution, the budgets for each of the different County offices and departments. Emphasis is placed on monitoring budgets at the departmental level by major class of expenditures, rather than by line item expenditure. County management can approve budget shifts within the major classes but not between major classes. During the year, there were no supplementary appropriations.

#### c. Investments:

Investments are reported at fair value. Short-term investments are reported at cost which approximates fair value. Securities traded on the national or international exchange are valued at the last reported sales price at current exchange rates.

#### d. Property taxes:

Property taxes are recognized at the time an enforceable legal claim is established. This is determined to occur when the budget is certified. The current tax levy recognized in revenue was certified on March 12, 2001, based on the 2000 assessed valuations. These taxes are due in two installments, on September 30 and March 31, with a 1.5% per month penalty for delinquent payment. The portion of the taxes receivable which are not expected to be collected within sixty days following the year-end are not considered available and are shown as deferred revenue.

#### e. Inventories:

Inventories are carried at cost, as determined using the first-in, first-out method.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

#### f. General fixed assets:

General fixed asset acquisitions are recorded as expenditures of the governmental funds and then capitalized at cost in the general fixed assets account group. Contributed fixed assets are recorded at their estimated fair value as of the date received. Interest related to construction of property and equipment is not capitalized.

Certain improvements such as roads, bridges, drainage systems and lighting systems are not capitalized. Such assets normally are immovable and of value only to the County. Therefore, the purpose of stewardship for capital expenditures is satisfied without recording these assets. Depreciation is not provided on general fixed assets.

#### g. Property and equipment - proprietary funds:

Property and equipment of the enterprise fund is stated at cost or estimated historical cost.

Depreciation is provided using the straight-line method over the estimated useful lives ranging from 30 years for buildings and improvements, 10 years for equipment and 15 to 20 years for the pump stations and watering system.

#### h. Vacation and sick leave:

County employees are granted vacation and sick leave in varying amounts based upon length of employment by the County. Vacation days accumulate up to two times the employee's yearly vacation rate, and total accumulated vacation will be paid upon termination of employment. Sick leave accumulates without limit. Employees hired before July 1, 2000 have an option of being paid 50% of all hours above 720 up to a maximum of 1,680 hours or to be paid 25% of all hours available up to a maximum of 1,680 hours. Payment should not exceed 480 hours. The option is not selected until retirement. Employees hired after July 1, 2000 are paid 25% of all hours available up to a maximum of 1,680. Payment should not exceed 420 hours.

For governmental funds, the earned vacation and sick leave, which are expected to be paid from available resources, are recognized as a liability of the fund from which it is to be paid with all remaining amounts accounted for as a liability of the general long-term debt account group.

#### i. Pooled cash and investment account:

Separate bank accounts and investments are not maintained for all County funds, as certain funds maintain their cash and investment balances in a pooled account. Accounting records are maintained to show the portion of the pooled account attributable to each participating fund.

Earnings on the pooled account are allocated to the General Fund unless statutes require otherwise or the Board of Supervisors has authorized otherwise. These respective allocations are made based on the average balances by fund.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

#### j. Cash flows:

For purposes of cash flows, the County considers its pooled cash and investment accounts as cash equivalents since these accounts have the general characteristics of demand deposits. Also, all highly liquid investments, with a maturity of three months or less when purchased, are considered to be cash equivalents.

#### k. Reservation of Fund Balance:

The \$1,423,314 advance to other funds and notes receivable of \$60,254 of the General Fund are not considered available to pay current liabilities and, therefore, the fund balance of the General Fund has been reserved by the amount equal to the advance and note receivable.

#### l. Proprietary funds:

The County is applying all applicable Government Accounting Standards Board (GASB) pronouncements, as well as following all Financial Accounting Board Statements and Interpretations, Accounting Principles Board Opinion and Accounting Research Bulletins of the Committee on Accounting Procedure issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

#### m. Bond issue costs:

Bond issue costs associated with proprietary debt are amortized over the life of the contract using a method which approximates the interest method.

#### n. Total columns:

Total columns on the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with accounting principles generally accepted in the United States of America. Such data is not comparable to a consolidation since interfund eliminations have not been made.

### Note 2. Deficit Retained Earnings

#### Retained Earnings Deficit of Individual Funds:

The Enterprise Fund, Glynn's Creek Golf Course, had a retained earnings deficit of \$1,502,563 as of June 30, 2002.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

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### Note 3. Cash and Investments

The County maintains a cash and investment pool that is available for use by all funds and includes the discretely presented component units since the County acts as custodian of their funds. In addition, investments are separately held by several of the County's funds.

In accordance with state statutes, the County maintains deposits within approved limits at those depositories authorized by the Board of Supervisors. State statutes require that all of the County's deposits be protected by insurance, surety bond or collateral. The fair value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds at credit unions. State statutes require that securities pledged as collateral be held in safekeeping by the State Treasurer or in a financial institution other than that furnishing the collateral.

As of June 30, 2002, the carrying amount of the County's deposits, which includes certificates of deposit and excludes \$228,782 of cash on hand and undeposited receipts, totals \$24,552,340 with bank balances of \$24,980,286. The carrying amount and bank balances of the component units' deposits totaled \$1,425,239. The entire bank balances of the County and the component units were covered by federal depository insurance or collateralized with securities held by the entity or its agent in the entity's name.

The County is authorized by statute to invest in U.S. government and agency obligations, perfected repurchase agreements and commercial paper rated within the two highest prime classifications by at least one of the standard rating services. The County's investments are categorized below to give an indication of the level of risk assumed by the County. Category 1 includes securities that are insured, registered or held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered securities held by the counterparty's trust department or its agent in the County's name. Category 3 includes uninsured and unregistered securities held by the counterparty or by its trust or safekeeping department or its agent, but not in the County's name.

|   | Category            |             |             | Total               |
|---|---------------------|-------------|-------------|---------------------|
|   | 1                   | 2           | 3           |                     |
| U.S. government agency obligations                | \$ 129,740          | \$ -        | \$ -        | \$ 129,740          |
| Scott Area Solid Waste Commission<br>Revenue Bond | 5,350,000           | -           | -           | 5,350,000           |
|   | <u>\$ 5,479,740</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 5,479,740</u> |

The County's investments during the year did not vary significantly from those at year-end in amounts or level of risk.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

### Note 4. Interfund Account Balances

Individual due from and due to other fund balances as of June 30, 2002 are as follows:

|  | Due From Other<br>Funds | Due To Other<br>Funds |
|--|-------------------------|-----------------------|
| General  | \$ 50,299               | \$ -                  |
| Trust and agency, County Conservation Board Escrow | -                       | 50,299                |
|  | <u>\$ 50,299</u>        | <u>\$ 50,299</u>      |

Advances from and to other funds as of June 30, 2002 were as follows:

|                                       | Advances To<br>Other Funds | Advances From<br>Other Funds |
|---------------------------------------|----------------------------|------------------------------|
| General                               | \$ 1,423,314               | \$ -                         |
| Enterprise, Glynn's Creek Golf Course | -                          | 1,423,314                    |
|                                       | <u>\$ 1,423,314</u>        | <u>\$ 1,423,314</u>          |

Any excess funds generated by the golf course are used to repay interest on this advance.

Effective June 30, 2002, the County discontinued the use of the Health Insurance and Self Insurance Internal Service Funds. Risk management and insurance will be accounted for in the General Fund. The following serves as a reconciliation of the residual equity transfers:

| Internal Service   | Health Insurance   | Self Insurance        | Total                 |
|--|--------------------|-----------------------|-----------------------|
| Cash   | \$ (96,600)        | \$ (1,785,302)        | \$ (1,881,902)        |
| Liabilities  | 10,580             | 7,574                 | 18,154                |
| <b>Transfer to General Fund</b>                                  | <u>\$ (86,020)</u> | <u>\$ (1,777,728)</u> | <u>\$ (1,863,748)</u> |
| Residual equity transfer in                                      | \$ 175,144         | \$ 111,962            | \$ 287,106            |
| Liability transferred to general long-term<br>debt account group | -                  | (1,051,977)           | (1,051,977)           |
| Reduction of contributed capital                                 | (261,164)          | (837,713)             | (1,098,877)           |
|  | <u>\$ (86,020)</u> | <u>\$ (1,777,728)</u> | <u>\$ (1,863,748)</u> |

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

### Note 5. Loans Receivable

As of June 30, 2002, the County has the following outstanding loans receivable:

Loans issued to municipal governments for the purpose of funding law enforcement 800 MHZ radio equipment, due in annual installments with 0% interest and with the final installments due as follows:

| Annual<br>Installment | Final Payment | Outstanding<br>Balance |
|-----------------------|---------------|------------------------|
| \$ 7,723              | July 2003     | \$ 7,723               |
| 16,595                | July 2003     | 16,595                 |
| 15,703                | July 2003     | 15,703                 |
| 7,723                 | July 2003     | 7,723                  |
| 5,063                 | July 2003     | 5,063                  |
| 1,458                 | July 2003     | 1,458                  |
| 3,605                 | July 2003     | 3,605                  |
| 2,384                 | July 2003     | 2,384                  |
|                       |               | \$ 60,254              |

### Note 6. Changes in General Fixed Assets

A summary of the changes in general fixed assets of the County is as follows:

|                          | Balance<br>June 30, 2001 | Additions    | Deletion     | Balance<br>June 30, 2002 |
|--------------------------|--------------------------|--------------|--------------|--------------------------|
| Land and improvements    | \$ 3,384,673             | \$ -         | \$ -         | \$ 3,384,673             |
| Buildings and structures | 22,501,636               | 267,294      | -            | 22,768,930               |
| Furniture and fixtures   | 192,249                  | -            | -            | 192,249                  |
| Equipment                | 7,207,521                | 689,017      | 342,065      | 7,554,473                |
| Vehicles                 | 3,689,634                | 632,750      | 878,384      | 3,444,000                |
| Construction-in-progress | 1,741,693                | 3,059,625    | 65,260       | 4,736,058                |
|                          | \$ 38,717,406            | \$ 4,648,686 | \$ 1,285,709 | \$ 42,080,383            |

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

### Note 6. Changes in General Fixed Assets (Continued)

A summary of the changes in general fixed assets of the discretely presented component units is as follows:

|                         | Balance<br>June 30, 2001 | Additions   | Deletion            | Balance<br>June 30, 2002 |
|-------------------------|--------------------------|-------------|---------------------|--------------------------|
| Land and improvements   | \$ 16,600                | -           | \$ -                | \$ 16,600                |
| Buildings and structure | 165,400                  | -           | -                   | 165,400                  |
| Furniture and fixtures  | 50,031                   | -           | -                   | 50,031                   |
| Equipment               | 1,060,746                | -           | 1,042,047           | 18,699                   |
| Vehicles                | 219,346                  | -           | 9,450               | 209,896                  |
|                         | <u>\$ 1,512,123</u>      | <u>\$ -</u> | <u>\$ 1,051,497</u> | <u>\$ 460,626</u>        |

### Note 7. General Long-Term Debt

The following is a summary of changes in the County's general long-term debt for the year ended June 30, 2002:

|                          | June 30, 2001       | Additions           | Retirements       | June 30, 2002        |
|--------------------------|---------------------|---------------------|-------------------|----------------------|
| General obligation bonds | \$ 5,640,000        | \$ 5,085,000        | \$ 290,000        | \$ 10,435,000        |
| Compensated absences     | 785,927             | -                   | 561,706           | 224,221              |
| Claims payable           | -                   | 1,051,977           | -                 | 1,051,977            |
|                          | <u>\$ 6,425,927</u> | <u>\$ 6,136,977</u> | <u>\$ 851,706</u> | <u>\$ 11,711,198</u> |

General obligation bonds outstanding as of June 30, 2002 consist of \$5,350,000 of solid waste disposal bonds with interest at rates ranging from 4.9% to 5.7% and \$5,085,000 of general obligation urban renewal bonds with interest at rates ranging from 2% to 4.6%.

The claims payable of \$1,051,977 are a result of a residual equity transfer in from the self- insurance fund. The County has designated \$1,051,977 of General Fund fund balance for payment of these future claims liability.

The debt service requirements on the bonds outstanding as of June 30, 2002 are as follows:

| <u>Year ending June 30:</u> | <u>Principal</u>     | <u>Interest</u>     | <u>Total</u>         |
|-----------------------------|----------------------|---------------------|----------------------|
| 2003                        | \$ 610,000           | \$ 495,961          | \$ 1,105,961         |
| 2004                        | 580,000              | 458,905             | 1,038,905            |
| 2005                        | 610,000              | 436,925             | 1,046,925            |
| 2006                        | 635,000              | 412,075             | 1,047,075            |
| 2007                        | 670,000              | 385,105             | 1,055,105            |
| 2008 and thereafter         | 7,330,000            | 1,863,728           | 9,193,728            |
| <b>Total</b>                | <u>\$ 10,435,000</u> | <u>\$ 4,052,699</u> | <u>\$ 14,487,699</u> |

**COUNTY OF SCOTT, IOWA**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 7. General Long-Term Debt (Continued)**

The computation of the County's legal margin as of June 30, 2002 is as follows:

|  |                              |
|--|------------------------------|
| Assessed value   | <u>\$ 7,044,069,397</u>      |
| Debt limit, 5% of assessed valuation (Iowa statutory limitation) | \$ 352,203,470               |
| Total amount of debt applicable to debt margin                   | <u>10,435,000</u>            |
| <b>Legal debt margin</b>   | <u><b>\$ 341,768,470</b></u> |

**Note 8. Golf Course Acquired Under Purchase Contract**

In May 1990, the County entered into an agreement to lease certain land of the County to a golf course developer. The agreement, which expires April 30, 2030, required the developer to make a one-time payment to the County of \$10 and to make deposits into various escrow accounts to pay for the construction of the golf course on the leased ground.

Simultaneously, the County entered into a lease purchase contract with the developer for the acquisition of the golf course. This agreement was to provide the financing for the project. The final agreement (as refinanced in 1993) between the County and Boatmen's Trust Company requires the County to make varying semiannual rental payments through May 1, 2013. The terms of the lease purchase contract provide that should the County fail to make an annual appropriation for any year before the beginning of that year in an amount sufficient, together with amounts budgeted to be available for such purpose in the enterprise fund, for the scheduled payments coming due during that year, the agreement shall terminate as of the beginning of that year.

The County may at any time during this agreement pay the total prepayment price at which time the land lease is canceled.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

### Note 8. Golf Course Acquired Under Purchase Contract (Continued)

A schedule of annual principal and interest payments under this agreement and the prepayment price at the end of each year is as follows:

| Year Ending June 30:                      | Total Payment       | Principal           | Interest            | Prepayment Price |
|---|---------------------|---------------------|---------------------|------------------|
| 2003                                      | \$ 320,965          | \$ 170,000          | \$ 150,965          | \$ 2,345,000     |
| 2004                                      | 322,210             | 180,000             | 142,210             | 2,165,000        |
| 2005                                      | 362,580             | 190,000             | 172,580             | 1,975,000        |
| 2006                                      | 321,180             | 200,000             | 121,180             | 1,775,000        |
| 2007                                      | 319,180             | 210,000             | 109,180             | 1,565,000        |
| 2008                                      | 321,580             | 225,000             | 96,580              | 1,340,000        |
| 2009                                      | 318,080             | 235,000             | 83,080              | 1,105,000        |
| 2010                                      | 318,510             | 250,000             | 68,510              | 855,000          |
| 2011                                      | 323,010             | 270,000             | 53,010              | 585,000          |
| Thereafter                                | 639,870             | 585,000             | 54,870              | Various          |
| Scheduled cash payments                   | 3,567,165           | 2,515,000           | 1,052,165           |                  |
| Unamortized discount and bond issue costs | -                   | (78,686)            | 78,686              |                  |
|   | <u>\$ 3,567,165</u> | <u>\$ 2,436,314</u> | <u>\$ 1,130,851</u> |                  |

The original contract included a capital lease for certain equipment. This lease was refinanced in 2001. The lease agreement required annual payments of \$46,952, including interest of 4.95% through July 2004. A schedule of annual principal and interest payments under this agreement at the end of each year is as follows:

| Year Ending June 30: | Total Payment     | Principal         | Interest         |
|----------------------|-------------------|-------------------|------------------|
| 2003                 | \$ 46,952         | \$ 40,485         | \$ 6,467         |
| 2004                 | 46,952            | 42,535            | 4,417            |
| 2005                 | 46,952            | 44,689            | 2,263            |
|                      | <u>\$ 140,856</u> | <u>\$ 127,709</u> | <u>\$ 13,147</u> |

### Note 9. Retirement System

The County and its component units contribute 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 County is required to contribute 5.75% of annual covered payroll, except for law enforcement employees, in which case the percentages are 5.50% and 8.25%, respectively. Contribution requirements are established by state statute. The County's contributions to IPERS for the years ended June 30, 2002, 2001 and 2000 were \$965,752, \$941,270 and \$878,103, respectively, equal to the required contributions for each year.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

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### **Note 10. Deferred Compensation Plan**

The County (and its component units) offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County (and component unit) employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Effective January 1, 1997, the plan was amended to comply with IRC Section 457(g) which provides for the assets to be placed in trust for the exclusive benefit of participants and their beneficiaries. Under these new requirements, the County is no longer fiduciarily accountable for the amount deferred by employees and, therefore, the liability and corresponding investment are not reflected in the financial statements.

### **Note 11. Risk Management and Insurance**

The County is self-insured for general and automobile liability, property and workers' compensation. The County's general and automobile claims, property and workers' compensation premiums and claims were accounted for in the internal service funds throughout the year. Charges were made to the operating funds based upon actual claims, historical claim experience and estimated claims incurred and not yet reported for general and automobile liability, property and worker's compensation. Unemployment claims were charged quarterly to the applicable funds based upon actual claims as assessed by the state. As of June 30, 2002, the County closed out the internal service funds and transferred any assets, liabilities, and fund equity remaining at year-end to the General Fund and general long-term debt account group. Claim settlement and loss expenses are accrued in the General Fund, for the estimated settlement value of general, automobile liability, property and workers' compensation claims reported and unreported arising from incidents during the year except for the long-term portion of such estimated claim settlements which are recorded in the general long-term debt account group until amounts are due.

Self-insurance is in effect up to a stop loss amount of approximately \$250,000 per claim for general and automobile liability, \$100,000 per claim for property and \$300,000 per claim for workers' compensation. Coverage from a private insurance company is maintained for losses in excess of the aggregate stop loss amount with \$9,750,000 maximum coverage on general and automobile liability, \$68,017,523 maximum coverage on property and unlimited coverage on workers' compensation. All claim's handling procedures are performed by the County.

The County is commercially insured for health benefits. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

As of June 30, 2002, the amount of liabilities recorded for estimated claim settlements for general, automobile, property, and workers' compensation liability claims was \$1,059,551 of which \$7,574 was recorded in the General Fund and \$1,051,977 was recorded in the general long-term debt account group. The County has designated 1,051,977 of General Fund balance for payment of future claims liability.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

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### Note 11. Risk Management and Insurance (Continued)

The changes in the aggregate liabilities for claims for the years ended June 30, 2002 and 2001 are as follows:

|                                   | Self-Insurance      |                   |
|-----------------------------------|---------------------|-------------------|
|                                   | 2002                | 2001              |
| Claims payable, beginning of year | \$ 982,328          | \$ 760,235        |
| Claims expense                    | 747,072             | 1,003,137         |
| Claims payments                   | (669,849)           | (781,044)         |
| Claims payable, end of year       | <u>\$ 1,059,551</u> | <u>\$ 982,328</u> |

The Emergency Management Agency, County Library, County Assessor, County Assessor Special, City Assessor, City Assessor Special and City Assessor FICA component units of the County have transferred risk by purchasing commercial insurance.

### Note 12. Conduit Debt Obligations

From time to time, the County has issued revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the County, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2002, there were six series of revenue bonds outstanding. The aggregate principal balance of the revenue bonds outstanding is \$26,440,000.

### Note 13. Scott Area Solid Waste Management Commission Agreement

In June 1995, the County issued \$7,100,000 in General Obligation County Solid Waste Disposal Bonds for which the County pledged its full faith and credit and power to levy direct general ad valorem taxes without limit as to rate or amount. The total amount of the bonds outstanding as of June 30, 2002 is \$5,350,000.

The County loaned the proceeds from the sale of the bonds to the Scott Area Solid Waste Management Commission ("the Commission") for the acquisition, construction and equipping of a material recovery system, recovery facility and a new landfill ("the Project") pursuant to the Financing Agreement by and between the County and the Commission. To obligate itself under the Financing Agreement, the Commission issued a \$7,100,000 Solid Waste Disposal Revenue Bond to the County pursuant to a resolution dated April 11, 1995. The repayment of the Revenue Bond corresponds to the payment of the Bonds by the County and \$5,350,000 remains outstanding as of June 30, 2002.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

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### **Note 13. Scott Area Solid Waste Management Commission Agreement (Continued)**

Under the terms of the Financing Agreement, dated April 11, 1995, the Commission is obligated to establish rates, charges and fees sufficient to pay the cost of operations and maintenance of the Project and to leave net revenues sufficient to pay the semiannual debt service requirements of the bonds. In the event that net revenues are insufficient to pay 100% of the debt service on the bonds, the Commission is obligated to pay the County from other funds it has legally available, including the Reserve Fund, which is equal to the maximum annual debt service requirement on the bonds due in any remaining fiscal year. If the Commission does not have sufficient funds to pay 100% of the debt service on the bonds when due, the County is obligated to pay such deficiency from and of its funds legally available. Any amounts which are paid by the County for debt service payments on the bonds must be reimbursed by the Commission out of future net revenues of the Project or other Commission funds which become available.

In the event future net revenues or other Commission funds are insufficient to repay the County, each of the Members of the Commission have obligated itself to repay the County its pro rata share of the deficiency from rates imposed on each property within its jurisdiction. The Financing Agreement may not be terminated so long as the bonds are outstanding.

Financial statements of the Commission may be obtained by contacting Ms. Kathy Morris, Director, Scott Area Solid Waste Commission, 11555 110th Avenue, Davenport, Iowa 52804.

### **Note 14. Litigation**

The County is a defendant in several claims and lawsuits. In the opinion of the County Attorney and management, the resolution of these matters will not have a material adverse effect on the future financial statements of the County.

### **Note 15. Commitments**

The County has financial commitments relating to various road and bridge construction and maintenance projects that are estimated to be approximately \$262,268.

### **Note 16. Operating Lease Commitments**

The County leases office space for juvenile court services under a non-cancelable operating lease agreement, which expires March 31, 2011. Rents are based on a price per square foot for the basic shell including common areas, which increases annually, plus a price per square foot for property taxes, insurance, and normal maintenance of the property. The total rentals paid under this agreement amounted to \$60,446 for the year ended June 30, 2002.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

### Note 16. Operating Lease Commitments (Continued)

The total minimum lease commitment as of June 30, 2002 is as follows:

Year ending June 30:

|                     |                   |
|---------------------|-------------------|
| 2003                | \$ 68,198         |
| 2004                | 73,502            |
| 2005                | 76,533            |
| 2006                | 79,564            |
| 2007                | 82,595            |
| 2008 and thereafter | 336,441           |
|                     | <u>\$ 716,833</u> |

### Note 17. Contributed Capital

The changes in the County's contributed capital accounts for its proprietary funds were as follows:

|                          | <u>Internal Service</u> |                       | Total        |
|--------------------------|-------------------------|-----------------------|--------------|
|                          | <u>Health Insurance</u> | <u>Self Insurance</u> |              |
| Beginning balance        | \$ 261,164              | \$ 837,713            | \$ 1,098,877 |
| Residual equity transfer | (261,164)               | (837,713)             | (1,098,877)  |
| Ending balance           | <u>\$ -</u>             | <u>\$ -</u>           | <u>\$ -</u>  |

### Note 18. Pending GASB Statements

As of June 30, 2002, the Governmental Accounting Standards Board (GASB) also had issued several statements not yet implemented by the County. The statements which might impact the County are as follows:

Statement No. 34, *Basic Financial Statements - and Management Discussion and Analysis - For State and Local Governments*, issued June 1999 and GASB Interpretation No. 6 *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, issued March 2000, will be effective for the County for the fiscal year ending June 30, 2003. Statement No. 34 and Interpretation No. 6, imposes new standards for financial reporting. Management has not yet completed their assessment of this statement; however, it will have a material effect on the overall financial statement presentation of the County.

Statement No. 37, *Basic Financial Statements- and Management's Discussion and Analysis- For State and Local Governments: Omnibus*, issued June 2001, will be effective for the County simultaneously with the implementation of GASB Statement No. 34. This Statement amends certain provisions of Statement No. 34 and Statement No. 21, *Accounting for Escheat Property*.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

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### Note 18. Pending GASB Statements (Continued)

Statement No. 38, *Certain Financial Statement Note Disclosures* issued June 2001, will be effective for the County simultaneously with the implementation of GASB Statement No. 34. This Statement modifies, establishes and rescinds certain financial statement disclosure requirements.

Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, issued May 2002, will be effective for the County beginning with its year ending June 30, 2004. This statement amends Statement No. 14 to provide additional guidance to determine whether certain organizations for which the primary government is not financially accountable should be reported as a component unit based on the nature and significance of their relationship with the primary government.

The County's management has not yet determined the effect these Statements will have on the County's financial statements.

### Note 19. Uncertainty

Subsequent to year-end, management became aware of the existence of certain unauthorized transactions within a department of the County. The transactions, which are accounted for and reported through a fiduciary fund of the County, are currently under investigation. The investigation is currently in an early stage and management is uncertain regarding the total amount of the unauthorized transactions and the extent of any potential recovery. However, at this time, management does not believe the effect of these transactions would be material to the financial statements.



# **GENERAL FUND**

The General Fund accounts for all revenue and expenditures which are not required to be accounted for in another fund.

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND Year Ended June 30, 2002

|  | Budget            | Actual            | Variance<br>Favorable<br>(Unfavorable) |
|--|-------------------|-------------------|--|
| Revenue:   |                   |                   |  |
| Property taxes   | \$ 16,083,890     | \$ 15,913,330     | \$ (170,560)                           |
| Local option sales tax   | 3,457,316         | 3,195,497         | (261,819)                              |
| Other taxes  | 911,034           | 926,784           | 15,750                                 |
| Interest and penalties on taxes  | 497,078           | 579,951           | 82,873                                 |
| Intergovernmental:   |                   |                   |  |
| State shared revenue   | 130,000           | 63,466            | (66,534)                               |
| Replacement tax  | 1,325,644         | 1,558,533         | 232,889                                |
| Grants   | 3,080,461         | 2,739,173         | (341,288)                              |
| Other  | 281,051           | 418,587           | 137,536                                |
| Charges for services   | 3,171,475         | 4,044,976         | 873,501                                |
| Investment income  | 2,057,847         | 921,420           | (1,136,427)                            |
| Licenses and permits   | 416,730           | 417,233           | 503                                    |
| Rentals and fees   | 135,962           | 142,050           | 6,088                                  |
| Other  | 298,939           | 318,561           | 19,622                                 |
| <b>Total revenue</b>   | <b>31,847,427</b> | <b>31,239,561</b> | <b>(607,866)</b>                       |
| Expenditures, current operating:   |                   |                   |  |
| Public safety:   |                   |                   |  |
| Law enforcement program:   |                   |                   |  |
| Uniformed patrol services  | 1,980,596         | 1,982,181         | (1,585)                                |
| Investigations   | 672,722           | 634,595           | 38,127                                 |
| Law enforcement communications   | 961,623           | 938,288           | 23,335                                 |
| Adult correctional services  | 5,527,678         | 4,923,457         | 604,221                                |
| Administration   | 224,310           | 156,513           | 67,797                                 |
| Legal services program:  |                   |                   |  |
| Criminal prosecution   | 1,885,092         | 1,842,360         | 42,732                                 |
| Child support recovery   | 273,424           | 3                 | 273,421                                |
| Medical examinations   | 166,625           | 161,991           | 4,634                                  |
| Emergency services:  |                   |                   |  |
| Ambulance services   | 246,041           | 214,044           | 31,997                                 |
| Disaster services/flood  | 25,357            | 26,637            | (1,280)                                |
| Fire protection services   | -                 | 12,500            | (12,500)                               |
| <b>Total public safety</b>   | <b>11,963,468</b> | <b>10,892,569</b> | <b>1,070,899</b>                       |
| Court services:  |                   |                   |  |
| Assistance to district court system:   |                   |                   |  |
| Bailiff  | 377,281           | 374,498           | 2,783                                  |
| Physical operations  | 70,000            | 60,446            | 9,554                                  |
| Court proceedings program:   |                   |                   |  |
| Juries and witnesses   | 23,566            | 23,157            | 409                                    |
| Detention services   | 648,696           | 637,235           | 11,461                                 |
| Court costs  | 2,800             | 3,305             | (505)                                  |
| Service of civil papers  | 479,473           | 454,561           | 24,912                                 |
| Juvenile justice administration program, court-<br>appointed attorneys for juveniles | 48,700            | 44,858            | 3,842                                  |
| <b>Total court services</b>  | <b>1,650,516</b>  | <b>1,598,060</b>  | <b>52,456</b>                          |

(Continued)

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued) GENERAL FUND Year Ended June 30, 2002

|  | Budget           | Actual           | Variance<br>Favorable<br>(Unfavorable) |
|--|------------------|------------------|--|
| Expenditures, current operating (continued):         |                  |                  |  |
| Physical health and education:                       |                  |                  |  |
| Physical health services program:                    |                  |                  |  |
| Personal and family health services                  | \$ 1,783,501     | \$ 1,827,900     | \$ (44,399)                            |
| Communicable disease prevention and control services | 490,688          | 518,282          | (27,594)                               |
| Sanitation   | 657,924          | 577,661          | 80,263                                 |
| Health administration                                | 560,584          | 545,605          | 14,979                                 |
| Educational services program, fairgrounds            | 25,000           | 25,000           | -                                      |
| <b>Total physical health and education</b>           | <b>3,517,697</b> | <b>3,494,448</b> | <b>23,249</b>                          |
| Social services:                                     |                  |                  |  |
| Services to poor program:                            |                  |                  |  |
| Administration                                       | 161,793          | 75,045           | 86,748                                 |
| General welfare services                             | 1,020,716        | 837,904          | 182,812                                |
| Services to military veterans program:               |                  |                  |  |
| Administration                                       | 39,454           | 38,941           | 513                                    |
| General services to veterans                         | 81,550           | 60,622           | 20,928                                 |
| Children's and family services:                      |                  |                  |  |
| Youth guidance                                       | 57,000           | -                | 57,000                                 |
| Services to other adults:                            |                  |                  |  |
| Services to the elderly                              | 204,691          | 204,057          | 634                                    |
| Other social services                                | 11,557           | 11,199           | 358                                    |
| Chemical dependency:                                 |                  |                  |  |
| Treatment services                                   | 545,852          | 560,909          | (15,057)                               |
| Preventative services                                | 40,000           | 40,000           | -                                      |
| <b>Total social services</b>                         | <b>2,162,613</b> | <b>1,828,677</b> | <b>333,936</b>                         |
| County environment:                                  |                  |                  |  |
| Environmental quality program:                       |                  |                  |  |
| Natural resources conservation                       | 25,000           | 24,449           | 551                                    |
| Weed eradication                                     | 11,381           | 6,657            | 4,724                                  |
| Environmental restoration                            | -                | 30               | (30)                                   |
| Conservation and recreation services program:        |                  |                  |  |
| Administration                                       | 305,656          | 306,025          | (369)                                  |
| Maintenance and operations                           | 1,121,767        | 1,070,981        | 50,786                                 |
| Recreation and environmental education               | 806,753          | 846,640          | (39,887)                               |
| Animal control program, animal shelter               | 26,319           | 26,319           | -                                      |
| County development program:                          |                  |                  |  |
| Land use and building controls                       | 286,889          | 277,149          | 9,740                                  |
| Economic development                                 | 578,262          | 416,476          | 161,786                                |
| <b>Total County environment</b>                      | <b>3,162,027</b> | <b>2,974,726</b> | <b>187,301</b>                         |

(Continued)

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued) GENERAL FUND Year Ended June 30, 2002

|  | Budget                | Actual              | Variance<br>Favorable<br>(Unfavorable) |
|--|-----------------------|---------------------|--|
| Expenditures, current operating (continued):   |                       |                     |  |
| State and local government services:   |                       |                     |  |
| Representation services programs:  |                       |                     |  |
| Elections administration   | \$ 402,529            | \$ 355,157          | \$ 47,372                              |
| Local elections  | 129,424               | 161,919             | (32,495)                               |
| Township officials   | 7,860                 | 3,290               | 4,570                                  |
| State administrative services program:   |                       |                     |  |
| Motor vehicle registration and licensing   | 679,853               | 645,181             | 34,672                                 |
| Recording of public documents  | 584,581               | 582,957             | 1,624                                  |
| <b>Total state and local government services</b>   | <b>1,804,247</b>      | <b>1,748,504</b>    | <b>55,743</b>                          |
| Interprogram services:   |                       |                     |  |
| Policy and administration program:   |                       |                     |  |
| General County management  | 969,134               | 1,044,373           | (75,239)                               |
| Administrative management services   | 607,799               | 611,603             | (3,804)                                |
| Treasury management services   | 775,124               | 752,130             | 22,994                                 |
| Other policy and administration  | 306,900               | 108,542             | 198,358                                |
| Central services program:  |                       |                     |  |
| General services   | 2,013,652             | 1,858,506           | 155,146                                |
| Data processing services   | 973,400               | 862,687             | 110,713                                |
| Risk management services program:  |                       |                     |  |
| Tort liability   | 372,808               | 432,166             | (59,358)                               |
| Safety of workplace  | 504,500               | 222,330             | 282,170                                |
| Fidelity of public officers  | 6,300                 | 663                 | 5,637                                  |
| Unemployment compensation  | 25,000                | 14,458              | 10,542                                 |
| <b>Total interprogram services</b>   | <b>6,554,617</b>      | <b>5,907,458</b>    | <b>647,159</b>                         |
| <b>Total expenditures</b>  | <b>30,815,185</b>     | <b>28,444,442</b>   | <b>2,370,743</b>                       |
| <b>Excess of revenue over expenditures</b>   | <b>1,032,242</b>      | <b>2,795,119</b>    | <b>1,762,877</b>                       |
| Other financing sources (uses):  |                       |                     |  |
| Operating transfers in   | -                     | 23,747              | 23,747                                 |
| Operating transfers out  | (3,101,242)           | (3,051,489)         | 49,753                                 |
| <b>Total other financing sources (uses)</b>  | <b>(3,101,242)</b>    | <b>(3,027,742)</b>  | <b>73,500</b>                          |
| <b>Excess (deficiency) of revenue and other financing sources over expenditures and other financing (uses)</b> | <b>\$ (2,069,000)</b> | <b>(232,623)</b>    | <b>\$ 1,836,377</b>                    |
| Fund balance, beginning  |                       | 6,916,925           |  |
| Residual equity transfers in   |                       | 1,863,748           |  |
| Fund balance, ending   |                       | <b>\$ 8,548,050</b> |  |



## SPECIAL REVENUE FUNDS

**Special Revenue Funds** account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted by ordinance to expenditures for specified purposes. The special revenue funds of the County and their purposes are as follows:

**Mental Health/Developmental Disabilities Fund** - To account for state revenue allocated to the County to be used to provide mental health and disability services.

**Rural Services Fund** - To account for taxes levied to benefit the rural residents of the County.

**Secondary Roads Fund** - To account for state revenue allocated to the County to be used to maintain and improve the County's roads.

**Recorders Management Fees Fund** - To account for one dollar fee collected for each recorded transaction to be used for the purpose of preserving and maintaining public records.



# COUNTY OF SCOTT, IOWA

## COMBINING BALANCE SHEET

### SPECIAL REVENUE FUNDS

June 30, 2002

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|  | Mental Health/<br>Developmental<br>Disabilities<br>Fund | Rural<br>Services<br>Fund |
|--|---|---------------------------|
| <b>ASSETS</b>                              |   |                           |
| Cash and investments                       | \$ 2,720,810  | \$ 83,672                 |
| Receivables:                               |   |                           |
| Property taxes                             | 3,328,528   | 1,985,684                 |
| Accounts                                   | 12,987  | -                         |
| Due from other governmental agencies       | 127,503   | -                         |
| <b>Total assets</b>                        | <u>\$ 6,189,828</u>                                     | <u>\$ 2,069,356</u>       |
| <br>                                       |   |                           |
| <b>LIABILITIES AND FUND BALANCES</b>       |   |                           |
| Liabilities:                               |   |                           |
| Accounts payable                           | \$ 1,630,679  | \$ -                      |
| Accrued liabilities                        | 9,887   | -                         |
| Deferred revenue                           | 3,327,761   | 1,985,467                 |
| Compensated absences                       | 3,268   | -                         |
| <b>Total liabilities</b>                   | <u>4,971,595</u>  | <u>1,985,467</u>          |
| <br>                                       |   |                           |
| Fund balances, unreserved, undesignated    | <u>1,218,233</u>  | <u>83,889</u>             |
| <br>                                       |   |                           |
| <b>Total liabilities and fund balances</b> | <u>\$ 6,189,828</u>                                     | <u>\$ 2,069,356</u>       |

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| Secondary<br>Roads Fund | Recorders<br>Management<br>Fees Fund | Total               |
|-------------------------|--------------------------------------|---------------------|
| \$ 611,474              | \$ 192,003                           | \$ 3,607,959        |
| -                       | -                                    | 5,314,212           |
| -                       | 256                                  | 13,243              |
| 299,798                 | -                                    | 427,301             |
| <u>\$ 911,272</u>       | <u>\$ 192,259</u>                    | <u>\$ 9,362,715</u> |

|                   |                   |                     |
|-------------------|-------------------|---------------------|
| \$ 128,712        | \$ -              | \$ 1,759,391        |
| 80,835            | -                 | 90,722              |
| -                 | -                 | 5,313,228           |
| 140,279           | -                 | 143,547             |
| <u>349,826</u>    | <u>-</u>          | <u>7,306,888</u>    |
| <u>561,446</u>    | <u>192,259</u>    | <u>2,055,827</u>    |
| <u>\$ 911,272</u> | <u>\$ 192,259</u> | <u>\$ 9,362,715</u> |

# COUNTY OF SCOTT, IOWA

## COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES

### SPECIAL REVENUE FUNDS

Year Ended June 30, 2002

|  | Mental Health/<br>Developmental<br>Disabilities<br>Fund | Rural<br>Services<br>Fund |
|--|---|---------------------------|
| Revenue:   |   |                           |
| Property taxes   | \$ 2,992,633  | \$ 1,738,084              |
| Other taxes  | 154,753   | 76,081                    |
| Intergovernmental  | 8,367,499   | 147,134                   |
| Charges for services   | 43,516  | -                         |
| Investment income  | -   | -                         |
| Licenses and permits   | -   | -                         |
| Other  | 747   | -                         |
| <b>Total revenue</b>   | 11,559,148  | 1,961,299                 |
| Expenditures:  |   |                           |
| Current operating:   |   |                           |
| Physical health and education  | -   | 352,100                   |
| Mental health  | 12,507,653  | -                         |
| Roads and transportation   | -   | -                         |
| Capital outlay   | -   | -                         |
| <b>Total expenditures</b>  | 12,507,653  | 352,100                   |
| <b>Excess (deficiency) of revenue<br/>over expenditures</b>  | (948,505)   | 1,609,199                 |
| Other financing sources (uses):  |   |                           |
| Operating transfers in   | -   | -                         |
| Operating transfers out  | -   | (1,657,322)               |
| <b>Total other financing sources (uses)</b>  | -   | (1,657,322)               |
| <b>Excess (deficiency) of revenue and<br/>other financing sources over expenditures<br/>and other financing (uses)</b> | (948,505)   | (48,123)                  |
| Fund balances, beginning   | 2,166,738   | 132,012                   |
| Fund balances, ending  | \$ 1,218,233  | \$ 83,889                 |

| Secondary<br>Roads Fund | Recorders<br>Management<br>Fees Fund | Total               |
|-------------------------|--------------------------------------|---------------------|
| \$ -                    | \$ -                                 | \$ 4,730,717        |
| -                       | -                                    | 230,834             |
| 1,942,577               | -                                    | 10,457,210          |
| 39,783                  | 52,776                               | 136,075             |
| -                       | 4,221                                | 4,221               |
| 1,765                   | -                                    | 1,765               |
| 37,365                  | -                                    | 38,112              |
| <u>2,021,490</u>        | <u>56,997</u>                        | <u>15,598,934</u>   |
| -                       | -                                    | 352,100             |
| -                       | -                                    | 12,507,653          |
| 3,380,066               | -                                    | 3,380,066           |
| 1,119,570               | -                                    | 1,119,570           |
| <u>4,499,636</u>        | <u>-</u>                             | <u>17,359,389</u>   |
| <u>(2,478,146)</u>      | <u>56,997</u>                        | <u>(1,760,455)</u>  |
| 2,163,744               | -                                    | 2,163,744           |
| -                       | (19,620)                             | (1,676,942)         |
| <u>2,163,744</u>        | <u>(19,620)</u>                      | <u>486,802</u>      |
| (314,402)               | 37,377                               | (1,273,653)         |
| 875,848                 | 154,882                              | 3,329,480           |
| <u>\$ 561,446</u>       | <u>\$ 192,259</u>                    | <u>\$ 2,055,827</u> |

# COUNTY OF SCOTT, IOWA

**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 MENTAL HEALTH/DEVELOPMENTAL DISABILITIES FUND  
 Year Ended June 30, 2002**

|   | Budget                | Actual              | Variance<br>Favorable<br>(Unfavorable) |
|---|-----------------------|---------------------|--|
| Revenue:  |                       |                     |  |
| Property taxes  | \$ 3,000,261          | \$ 2,992,633        | \$ (7,628)                             |
| Other taxes   | 158,491               | 154,753             | (3,738)                                |
| Intergovernmental   | 8,444,689             | 8,367,499           | (77,190)                               |
| Charges for services  | 42,198                | 43,516              | 1,318                                  |
| Other   | -                     | 747                 | 747                                    |
| <b>Total revenue</b>  | <u>11,645,639</u>     | <u>11,559,148</u>   | <u>(86,491)</u>                        |
| Expenditures, current operating, mental health              | <u>12,875,889</u>     | <u>12,507,653</u>   | <u>368,236</u>                         |
| <b>Excess (deficiency) of revenue<br/>over expenditures</b> | <u>\$ (1,230,250)</u> | <u>(948,505)</u>    | <u>\$ 281,745</u>                      |
| Fund balance, beginning                                     |                       | <u>2,166,738</u>    |  |
| Fund balance, ending  |                       | <u>\$ 1,218,233</u> |  |

# COUNTY OF SCOTT, IOWA

**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
RURAL SERVICES FUND  
Year Ended June 30, 2002**

|   | Budget           | Actual           | Variance<br>Favorable<br>(Unfavorable) |
|---|------------------|------------------|--|
| Revenue:  |                  |                  |  |
| Property taxes  | \$ 1,739,473     | \$ 1,738,084     | \$ (1,389)                             |
| Other taxes   | 78,916           | 76,081           | (2,835)                                |
| Intergovernmental   | 191,033          | 147,134          | (43,899)                               |
| <b>Total revenue</b>  | <b>2,009,422</b> | <b>1,961,299</b> | <b>(48,123)</b>                        |
| Expenditures, current operating, physical health and education              | 352,100          | 352,100          | -                                      |
| <b>Excess (deficiency) of revenue over expenditures</b>                     | <b>1,657,322</b> | <b>1,609,199</b> | <b>(48,123)</b>                        |
| Other financing (uses), operating transfers out                             | (1,657,322)      | (1,657,322)      | -                                      |
| <b>(Deficiency) of revenue over expenditures and other financing (uses)</b> | <b>\$ -</b>      | <b>(48,123)</b>  | <b>\$ (48,123)</b>                     |
| Fund balance, beginning   |                  | 132,012          |  |
| Fund balance, ending  |                  | <b>\$ 83,889</b> |  |

# COUNTY OF SCOTT, IOWA

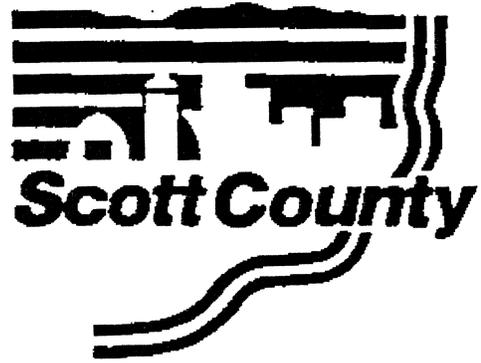
## SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL SECONDARY ROADS FUND Year Ended June 30, 2002

|   | Budget              | Actual             | Variance<br>Favorable<br>(Unfavorable) |
|---|---------------------|--------------------|--|
| <b>Revenue:</b>   |                     |                    |  |
| Intergovernmental, primarily road use taxes   | \$ 1,912,645        | \$ 1,942,577       | \$ 29,932                              |
| Charges for services  | 9,000               | 39,783             | 30,783                                 |
| Licenses and permits  | 1,000               | 1,765              | 765                                    |
| Other   | 10,000              | 37,365             | 27,365                                 |
| <b>Total revenue</b>  | <u>1,932,645</u>    | <u>2,021,490</u>   | <u>88,845</u>                          |
| <b>Expenditures:</b>  |                     |                    |  |
| Current operating, roads and transportation   | 3,475,100           | 3,380,066          | 95,034                                 |
| Capital outlay, buildings and equipment   | 1,120,000           | 1,119,570          | 430                                    |
| <b>Total expenditures</b>   | <u>4,595,100</u>    | <u>4,499,636</u>   | <u>95,464</u>                          |
| <b>Excess (deficiency) of revenue<br/>over expenditures</b>                                 | <u>(2,662,455)</u>  | <u>(2,478,146)</u> | <u>184,309</u>                         |
| Other financing sources, operating transfers in   | <u>2,163,744</u>    | <u>2,163,744</u>   | <u>-</u>                               |
| <b>Excess (deficiency) of revenue and<br/>other financing sources over<br/>expenditures</b> | <u>\$ (498,711)</u> | <u>(314,402)</u>   | <u>\$ 184,309</u>                      |
| Fund balance, beginning   |                     | 875,848            |  |
| Fund balance, ending  |                     | <u>\$ 561,446</u>  |  |

# COUNTY OF SCOTT, IOWA

**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
RECORDERS MANAGEMENT FEES FUND  
Year Ended June 30, 2002**

|   | Budget            | Actual            | Variance<br>Favorable<br>(Unfavorable) |
|---|-------------------|-------------------|--|
| Revenue:  |                   |                   |  |
| Charges for services  | \$ 45,000         | \$ 52,776         | \$ 7,776                               |
| Investment income   | 4,000             | 4,221             | 221                                    |
| <b>Total revenue</b>  | <u>49,000</u>     | <u>56,997</u>     | <u>7,997</u>                           |
| Other financing (uses), operating transfers out                       | (50,000)          | (19,620)          | 30,380                                 |
| <b>Excess (deficiency) of revenue over<br/>other financing (uses)</b> | <u>\$ (1,000)</u> | 37,377            | <u>\$ 38,377</u>                       |
| Fund balance, beginning   |                   | 154,882           |  |
| Fund balance, ending  |                   | <u>\$ 192,259</u> |  |



## INTERNAL SERVICE FUNDS

**Internal Service Funds** account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit on a cost-reimbursement basis. The funds included in this category and their purposes are as follows:

**Health Insurance Fund** - To account for the County's self-insurance for health insurance benefits provided by governmental funds to employees. Costs are billed to governmental funds based upon historical claims experience.

**Self-Insurance Fund** - To account for the County's self-insurance for general and automobile liability, property and workers' compensation. Costs are billed to governmental funds based upon actual claims and estimated incurred and not yet reported claims.

# COUNTY OF SCOTT, IOWA

## COMBINING STATEMENT OF REVENUE, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT) INTERNAL SERVICE FUNDS

Year Ended June 30, 2002

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|   | Health<br>Insurance<br>Fund | Self-<br>Insurance<br>Fund | Total      |
|---|-----------------------------|----------------------------|------------|
| Operating revenue, charges for services       | \$ 128                      | \$ 669,617                 | \$ 669,745 |
| Operating expenses, claims and administration | 232                         | 746,840                    | 747,072    |
| <b>Net (loss)</b>                             | (104)                       | (77,223)                   | (77,327)   |
| Retained earnings (deficit), beginning        | (175,040)                   | (34,739)                   | (209,779)  |
| Residual equity transfer in                   | 175,144                     | 111,962                    | 287,106    |
| Retained earnings, ending                     | \$ -                        | \$ -                       | \$ -       |

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# COUNTY OF SCOTT, IOWA

## COMBINING STATEMENT OF CASH FLOWS

### INTERNAL SERVICE FUNDS

Year Ended June 30, 2002

|   | Health<br>Insurance<br>Fund | Self-<br>Insurance<br>Fund | Total             |
|---|-----------------------------|----------------------------|-------------------|
| <b>Cash Flows from Operating Activities:</b>  |                             |                            |                   |
| Cash received from premiums allocated   | \$ -                        | \$ 669,617                 | \$ 669,617        |
| Cash received from employee contributions   | 128                         | -                          | 128               |
| Cash payments for insurance premiums<br>and services  | (232)                       | (669,849)                  | (670,081)         |
| Other operating (expense)   | (4,042)                     | -                          | (4,042)           |
| <b>Net cash (used in) operating activities</b>  | <b>(4,146)</b>              | <b>(232)</b>               | <b>(4,378)</b>    |
| <b>Cash Flows From Noncapital Financing Activities,<br/>residual equity transfer of cash to other funds</b> |                             |                            |                   |
|   | (96,600)                    | (1,785,302)                | (1,881,902)       |
| <b>Cash:</b>  |                             |                            |                   |
| Beginning   | 100,746                     | 1,785,302                  | 1,886,048         |
| Ending  | \$ -                        | \$ (232)                   | \$ (232)          |
| <b>Reconciliation of Operating (Loss) to Net Cash<br/>(Used In) Operating Activities:</b>                   |                             |                            |                   |
| Operating (loss)  | \$ (104)                    | \$ (77,223)                | \$ (77,327)       |
| Adjustments to reconcile operating (loss) to net<br>cash (used in) operating activities:                    |                             |                            |                   |
| Increase in accounts payable  | -                           | 77,223                     | 77,223            |
| (Decrease) in accrued liabilities   | (4,042)                     | -                          | (4,042)           |
| <b>Net cash (used in) operating<br/>activities</b>  | <b>\$ (4,146)</b>           | <b>\$ -</b>                | <b>\$ (4,146)</b> |
| <b>Noncash capital and related financing activities:</b>  |                             |                            |                   |
| Residual equity transfer of liabilities to other funds  | 10,580                      | 7,574                      | 18,154            |
| Residual equity transfer of claims payable to other<br>account groups                                       | -                           | 1,051,977                  | 1,051,977         |
| Reduction of contributed capital through residual<br>equity transfer of fund                                | (261,164)                   | (837,713)                  | (1,098,877)       |

# TRUST AND AGENCY FUNDS

**Trust and Agency Funds** are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. The funds included in this category and their purposes are as follows:

## **Expendable Trust Funds:**

**Community Services Fund** - To account for the funds of individuals incapable of managing their own affairs as designated by the courts.

**Jail General Trust Fund** - To account for the funds from the sale of commissary items to inmates restricted to be used to improve jail facilities.

## **Agency Funds:**

**Taxing Districts** - The County collects property and related state replacement taxes for other local governments. Collected taxes are apportioned and remitted to the appropriate local governments. Funds included in this category are as follows:

- Agricultural Extension Service Fund
- Bangs Eradication Fund
- City Taxing Districts Fund
- Community College Taxing District Fund
- Fire Taxing District Fund
- School Taxing District Fund
- Township Taxing District Fund
- Other Taxing Districts Fund

**City Special Assessments Fund** - To account for receipts on special assessments of cities within the County and the related apportionment to such cities.

**County Offices** - To account for funds received by various County offices which have not been remitted to the County Treasurer, who acts as trustee for all pooled cash and investments of the County, or to other individuals and private entities or other governments. Funds included in this category are as follows:

- County Auditor Agency Fund
- County Recorder Agency Fund
- County Sheriff Agency Fund

**County Conservation Board Escrow Fund** - To account for funds deposited with the County and disbursed for conservation purposes.

**Agency Pass-Through Grants Fund** - To account for grant monies administered by various local agencies.

**Motor Vehicle Tax Fund** - To account for motor vehicle taxes collected for the state of Iowa.

**Original Bond Issue Escrow Fund** - To account for funds received from the trustee of refundable debt of the County and the related payment of principal and interest. The County acts as the paying agent for such bonds.

**Tax Sale Redemption Fund** - To account for interest and penalties received from taxpayers for delinquent property taxes sold to individuals and private entities.

**Use Tax Fund** - To account for sales use tax collected for the state of Iowa.

# COUNTY OF SCOTT, IOWA

## COMBINING BALANCE SHEET EXPENDABLE TRUST AND AGENCY FUNDS June 30, 2002

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|  | Expendable<br>Trust<br>Funds | Agency<br>Funds       | Total                 |
|--|------------------------------|-----------------------|-----------------------|
| <b>ASSETS</b>                              |                              |                       |                       |
| Cash and investments                       | \$ 320,155                   | \$ 4,851,479          | \$ 5,171,634          |
| Receivables:                               |                              |                       |                       |
| Property taxes                             | -                            | 152,719,670           | 152,719,670           |
| Accounts                                   | -                            | 11,551                | 11,551                |
| <b>Total assets</b>                        | <b>\$ 320,155</b>            | <b>\$ 157,582,700</b> | <b>\$ 157,902,855</b> |
| <b>LIABILITIES AND FUND BALANCES</b>       |                              |                       |                       |
| Liabilities:                               |                              |                       |                       |
| Accounts payable                           | \$ -                         | \$ 366,964            | \$ 366,964            |
| Due to other funds                         | -                            | 50,299                | 50,299                |
| Due to other governmental agencies         | -                            | 5,367,727             | 5,367,727             |
| Deferred revenue                           | -                            | 151,797,710           | 151,797,710           |
| <b>Total liabilities</b>                   | <b>-</b>                     | <b>157,582,700</b>    | <b>157,582,700</b>    |
| Fund Balances, unreserved, undesignated    | 320,155                      | -                     | 320,155               |
| <b>Total liabilities and fund balances</b> | <b>\$ 320,155</b>            | <b>\$ 157,582,700</b> | <b>\$ 157,902,855</b> |

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**COUNTY OF SCOTT, IOWA**

**COMBINING BALANCE SHEET  
EXPENDABLE TRUST FUNDS**

June 30, 2002

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|   | Community<br>Services<br>Fund | Jail General<br>Trust Fund | Total      |
|---|-------------------------------|----------------------------|------------|
| <b>ASSETS</b>                           |                               |                            |            |
| Cash and investments                    | \$ 288,137                    | \$ 32,018                  | \$ 320,155 |
| <b>LIABILITIES AND FUND BALANCES</b>    |                               |                            |            |
| Fund balances, unreserved, undesignated | \$ 288,137                    | \$ 32,018                  | \$ 320,155 |

# COUNTY OF SCOTT, IOWA

## COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

### EXPENDABLE TRUST FUNDS

Year Ended June 30, 2002

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|   | Community<br>Services<br>Fund | Jail General<br>Trust Fund | Total             |
|---|-------------------------------|----------------------------|-------------------|
| Revenue, other  | \$ 3,483,191                  | \$ 374,295                 | \$ 3,857,486      |
| Expenditures, current operating,<br>interprogram services   | 3,591,736                     | 373,709                    | 3,965,445         |
| <b>Excess (deficiency) of revenue over<br/>expenditures</b> | (108,545)                     | 586                        | (107,959)         |
| Fund balances, beginning                                    | 396,682                       | 31,432                     | 428,114           |
| Fund balances, ending                                       | <u>\$ 288,137</u>             | <u>\$ 32,018</u>           | <u>\$ 320,155</u> |

# COUNTY OF SCOTT, IOWA

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES ALL AGENCY FUNDS Year Ended June 30, 2002

|   | Balance<br>June 30,<br>2001 | Additions             | Deletions             | Balance<br>June 30,<br>2002 |
|---|-----------------------------|-----------------------|-----------------------|-----------------------------|
| <b>Agricultural Extension Service Fund</b>    |                             |                       |                       |                             |
| <b>ASSETS</b>                                 |                             |                       |                       |                             |
| Cash and investments                          | \$ 3,491                    | \$ 318,163            | \$ 318,225            | \$ 3,429                    |
| Receivables, property taxes                   | 314,842                     | 301,931               | 314,842               | 301,931                     |
| <b>Total assets</b>                           | <b>\$ 318,333</b>           | <b>\$ 620,094</b>     | <b>\$ 633,067</b>     | <b>\$ 305,360</b>           |
| <b>LIABILITIES</b>                            |                             |                       |                       |                             |
| Due to other governmental agencies            | \$ 4,287                    | \$ 320,256            | \$ 319,162            | \$ 5,381                    |
| Deferred revenue                              | 314,046                     | 299,979               | 314,046               | 299,979                     |
| <b>Total liabilities</b>                      | <b>\$ 318,333</b>           | <b>\$ 620,235</b>     | <b>\$ 633,208</b>     | <b>\$ 305,360</b>           |
| <b>Bangs Eradication Fund</b>                 |                             |                       |                       |                             |
| <b>ASSETS</b>                                 |                             |                       |                       |                             |
| Cash and investments                          | \$ 12,152                   | \$ 25,291             | \$ 37,202             | \$ 241                      |
| Receivables, property taxes                   | 25,044                      | 20,644                | 25,044                | 20,644                      |
| <b>Total assets</b>                           | <b>\$ 37,196</b>            | <b>\$ 45,935</b>      | <b>\$ 62,246</b>      | <b>\$ 20,885</b>            |
| <b>LIABILITIES</b>                            |                             |                       |                       |                             |
| Due to other governmental agencies            | \$ 12,216                   | \$ 25,452             | \$ 37,272             | \$ 396                      |
| Deferred revenue                              | 24,980                      | 20,489                | 24,980                | 20,489                      |
| <b>Total liabilities</b>                      | <b>\$ 37,196</b>            | <b>\$ 45,941</b>      | <b>\$ 62,252</b>      | <b>\$ 20,885</b>            |
| <b>City Taxing Districts Fund</b>             |                             |                       |                       |                             |
| <b>ASSETS</b>                                 |                             |                       |                       |                             |
| Cash and investments                          | \$ 621,902                  | \$ 62,982,728         | \$ 63,003,680         | \$ 600,950                  |
| Receivables, property taxes                   | 63,068,601                  | 65,649,681            | 63,068,601            | 65,649,681                  |
| <b>Total assets</b>                           | <b>\$ 63,690,503</b>        | <b>\$ 128,632,409</b> | <b>\$ 126,072,281</b> | <b>\$ 66,250,631</b>        |
| <b>LIABILITIES</b>                            |                             |                       |                       |                             |
| Due to other governmental agencies            | \$ 794,183                  | \$ 63,402,977         | \$ 63,175,961         | \$ 1,021,199                |
| Deferred revenue                              | 62,896,320                  | 65,229,432            | 62,896,320            | 65,229,432                  |
| <b>Total liabilities</b>                      | <b>\$ 63,690,503</b>        | <b>\$ 128,632,409</b> | <b>\$ 126,072,281</b> | <b>\$ 66,250,631</b>        |
| <b>Community College Taxing District Fund</b> |                             |                       |                       |                             |
| <b>ASSETS</b>                                 |                             |                       |                       |                             |
| Cash and investments                          | \$ 33,953                   | \$ 3,084,441          | \$ 3,085,477          | \$ 32,917                   |
| Receivables, property taxes                   | 3,058,103                   | 3,331,052             | 3,058,103             | 3,331,052                   |
| <b>Total assets</b>                           | <b>\$ 3,092,056</b>         | <b>\$ 6,415,493</b>   | <b>\$ 6,143,580</b>   | <b>\$ 3,363,969</b>         |
| <b>LIABILITIES</b>                            |                             |                       |                       |                             |
| Due to other governmental agencies            | \$ 45,318                   | \$ 3,108,149          | \$ 3,098,195          | \$ 55,272                   |
| Deferred revenue                              | 3,046,738                   | 3,308,697             | 3,046,738             | 3,308,697                   |
| <b>Total liabilities</b>                      | <b>\$ 3,092,056</b>         | <b>\$ 6,416,846</b>   | <b>\$ 6,144,933</b>   | <b>\$ 3,363,969</b>         |

(Continued)

# COUNTY OF SCOTT, IOWA

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)

### ALL AGENCY FUNDS

Year Ended June 30, 2002

|                                       | Balance<br>June 30,<br>2001 | Additions             | Deletions             | Balance<br>June 30,<br>2002 |
|---------------------------------------|-----------------------------|-----------------------|-----------------------|-----------------------------|
| <b>Fire Taxing District Fund</b>      |                             |                       |                       |                             |
| <b>ASSETS</b>                         |                             |                       |                       |                             |
| Cash and investments                  | \$ 3,534                    | \$ 246,378            | \$ 246,154            | \$ 3,758                    |
| Receivables, property taxes           | 248,281                     | 258,474               | 248,281               | 258,474                     |
| <b>Total assets</b>                   | <b>\$ 251,815</b>           | <b>\$ 504,852</b>     | <b>\$ 494,435</b>     | <b>\$ 262,232</b>           |
| <b>LIABILITIES</b>                    |                             |                       |                       |                             |
| Due to other governmental liabilities | \$ 4,059                    | \$ 247,742            | \$ 246,694            | \$ 5,107                    |
| Deferred revenue                      | 247,756                     | 257,125               | 247,756               | 257,125                     |
| <b>Total liabilities</b>              | <b>\$ 251,815</b>           | <b>\$ 504,867</b>     | <b>\$ 494,450</b>     | <b>\$ 262,232</b>           |
| <b>School Taxing District Fund</b>    |                             |                       |                       |                             |
| <b>ASSETS</b>                         |                             |                       |                       |                             |
| Cash and investments                  | \$ 855,932                  | \$ 76,094,407         | \$ 76,124,955         | \$ 825,384                  |
| Receivables, property taxes           | 75,640,063                  | 82,985,086            | 75,640,063            | 82,985,086                  |
| <b>Total assets</b>                   | <b>\$ 76,495,995</b>        | <b>\$ 159,079,493</b> | <b>\$ 151,765,018</b> | <b>\$ 83,810,470</b>        |
| <b>LIABILITIES</b>                    |                             |                       |                       |                             |
| Due to other governmental agencies    | \$ 1,055,215                | \$ 76,606,840         | \$ 76,361,585         | \$ 1,300,470                |
| Deferred revenue                      | 75,440,780                  | 82,510,000            | 75,440,780            | 82,510,000                  |
| <b>Total liabilities</b>              | <b>\$ 76,495,995</b>        | <b>\$ 159,116,840</b> | <b>\$ 151,802,365</b> | <b>\$ 83,810,470</b>        |
| <b>Township Taxing District Fund</b>  |                             |                       |                       |                             |
| <b>ASSETS</b>                         |                             |                       |                       |                             |
| Cash and investments                  | \$ 2,060                    | \$ 149,853            | \$ 149,788            | \$ 2,125                    |
| Receivables, property taxes           | 150,160                     | 149,802               | 150,159               | 149,803                     |
| <b>Total assets</b>                   | <b>\$ 152,220</b>           | <b>\$ 299,655</b>     | <b>\$ 299,947</b>     | <b>\$ 151,928</b>           |
| <b>LIABILITIES</b>                    |                             |                       |                       |                             |
| Due to other governmental agencies    | \$ 2,608                    | \$ 150,667            | \$ 150,335            | \$ 2,940                    |
| Deferred revenue                      | 149,612                     | 148,988               | 149,612               | 148,988                     |
| <b>Total liabilities</b>              | <b>\$ 152,220</b>           | <b>\$ 299,655</b>     | <b>\$ 299,947</b>     | <b>\$ 151,928</b>           |
| <b>Other Taxing Districts Fund</b>    |                             |                       |                       |                             |
| <b>ASSETS</b>                         |                             |                       |                       |                             |
| Cash and investments                  | \$ 8,503                    | \$ 10,969,286         | \$ 10,963,250         | \$ 14,539                   |
| Receivables:                          |                             |                       |                       |                             |
| Property taxes                        | 22,000                      | 23,000                | 22,000                | 23,000                      |
| Accounts                              | -                           | 51,894                | 51,894                | -                           |
| <b>Total assets</b>                   | <b>\$ 30,503</b>            | <b>\$ 11,044,180</b>  | <b>\$ 11,037,144</b>  | <b>\$ 37,539</b>            |
| <b>LIABILITIES</b>                    |                             |                       |                       |                             |
| Accounts payable                      | \$ (939)                    | \$ 34,773             | \$ 26,067             | \$ 7,767                    |
| Due to other governmental agencies    | 9,442                       | 10,943,392            | 10,946,062            | 6,772                       |
| Deferred revenue                      | 22,000                      | 23,000                | 22,000                | 23,000                      |
| <b>Total liabilities</b>              | <b>\$ 30,503</b>            | <b>\$ 11,001,165</b>  | <b>\$ 10,994,129</b>  | <b>\$ 37,539</b>            |

(Continued)

# COUNTY OF SCOTT, IOWA

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)

### ALL AGENCY FUNDS

Year Ended June 30, 2002

|   | Balance<br>June 30,<br>2001 | Additions    | Deletions    | Balance<br>June 30,<br>2002 |
|---|-----------------------------|--------------|--------------|-----------------------------|
| <b>City Special Assessments Fund</b>            |                             |              |              |                             |
| ASSETS, cash and investments                    | \$ 288,596                  | \$ 1,117,752 | \$ 1,147,577 | \$ 258,771                  |
| LIABILITIES, due to other governmental agencies | \$ 288,596                  | \$ 1,117,752 | \$ 1,147,577 | \$ 258,771                  |
| <b>County Auditor Agency Fund</b>               |                             |              |              |                             |
| ASSETS, cash and investments                    | \$ 101,171                  | \$ 3,375     | \$ -         | \$ 104,546                  |
| LIABILITIES, accounts payable                   | \$ 101,171                  | \$ 3,375     | \$ -         | \$ 104,546                  |
| <b>County Recorder Agency Fund</b>              |                             |              |              |                             |
| <b>ASSETS</b>                                   |                             |              |              |                             |
| Cash and investments                            | \$ 115,071                  | \$ 1,038,167 | \$ 1,072,410 | \$ 80,828                   |
| Receivable, accounts                            | -                           | 1,080,552    | 1,069,043    | 11,509                      |
| <b>Total assets</b>                             | \$ 115,071                  | \$ 2,118,719 | \$ 2,141,453 | \$ 92,337                   |
| LIABILITIES, due to other governmental agencies | \$ 115,071                  | \$ 1,049,676 | \$ 1,072,410 | \$ 92,337                   |
| <b>County Sheriff Agency Fund</b>               |                             |              |              |                             |
| <b>ASSETS</b>                                   |                             |              |              |                             |
| Cash and investments                            | \$ 98,951                   | \$ 1,992,548 | \$ 2,009,106 | \$ 82,393                   |
| Receivable, accounts                            | 49                          | 415          | 422          | 42                          |
| <b>Total assets</b>                             | \$ 99,000                   | \$ 1,992,963 | \$ 2,009,528 | \$ 82,435                   |
| LIABILITIES, accounts payable                   | \$ 99,000                   | \$ 1,992,607 | \$ 2,009,172 | \$ 82,435                   |
| <b>County Conservation Board Escrow Fund</b>    |                             |              |              |                             |
| ASSETS, cash and investments                    | \$ 231,353                  | \$ 1,847,871 | \$ 1,858,510 | \$ 220,714                  |
| <b>LIABILITIES</b>                              |                             |              |              |                             |
| Accounts payable                                | \$ 191,941                  | \$ 1,847,870 | \$ 1,869,396 | \$ 170,415                  |
| Due to other funds                              | 39,412                      | 10,887       | -            | 50,299                      |
| <b>Total liabilities</b>                        | \$ 231,353                  | \$ 1,858,757 | \$ 1,869,396 | \$ 220,714                  |
| <b>Agency Pass-Through Grants Fund</b>          |                             |              |              |                             |
| ASSETS, cash and investments                    | \$ -                        | \$ -         | \$ -         | \$ -                        |
| LIABILITIES, due to other governmental agencies | \$ -                        | \$ 2,218     | \$ 2,218     | \$ -                        |

(Continued)

# COUNTY OF SCOTT, IOWA

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)

### ALL AGENCY FUNDS

Year Ended June 30, 2002

|   | Balance<br>June 30,<br>2001 | Additions      | Deletions      | Balance<br>June 30,<br>2002 |
|---|-----------------------------|----------------|----------------|-----------------------------|
| <b>Motor Vehicle Tax Fund</b>                   |                             |                |                |                             |
| ASSETS, cash and investments                    | \$ 1,397,786                | \$ 17,316,042  | \$ 17,369,096  | \$ 1,344,732                |
| <b>LIABILITIES</b>                              |                             |                |                |                             |
| Due to other funds                              | \$ 79,423                   | \$ -           | \$ 79,423      | \$ -                        |
| Due to other governmental agencies              | 1,318,363                   | 17,316,042     | 17,289,673     | 1,344,732                   |
| <b>Total liabilities</b>                        | \$ 1,397,786                | \$ 17,316,042  | \$ 17,369,096  | \$ 1,344,732                |
| <b>Original Bond Issue Escrow Fund</b>          |                             |                |                |                             |
| ASSETS, cash and investments                    | \$ 1,800                    | \$ -           | \$ -           | \$ 1,800                    |
| LIABILITIES, accounts payable                   | \$ 1,800                    | \$ -           | \$ -           | \$ 1,800                    |
| <b>Tax Sale Redemption Fund</b>                 |                             |                |                |                             |
| ASSETS, cash and investments                    | \$ 52,879                   | \$ 142,052     | \$ 141,369     | \$ 53,562                   |
| LIABILITIES, due to other governmental agencies | \$ 52,879                   | \$ 142,052     | \$ 141,369     | \$ 53,562                   |
| <b>Use Tax Fund</b>                             |                             |                |                |                             |
| <b>ASSETS</b>                                   |                             |                |                |                             |
| Cash and investments                            | \$ 1,322,401                | \$ 15,323,423  | \$ 15,425,038  | \$ 1,220,786                |
| Due from other funds                            | 12,992                      | -              | 12,992         | -                           |
| <b>Total assets</b>                             | \$ 1,335,393                | \$ 15,323,423  | \$ 15,438,030  | \$ 1,220,786                |
| LIABILITIES, due to other governmental agencies | \$ 1,335,393                | \$ 15,310,431  | \$ 15,425,038  | \$ 1,220,786                |
| <b>Total Combined Funds</b>                     |                             |                |                |                             |
| <b>ASSETS</b>                                   |                             |                |                |                             |
| Cash and investments                            | \$ 5,151,539                | \$ 192,651,777 | \$ 192,951,837 | \$ 4,851,479                |
| Receivables:                                    |                             |                |                |                             |
| Property taxes                                  | 142,527,093                 | 152,719,670    | 142,527,093    | 152,719,670                 |
| Accounts  | 49                          | 1,132,861      | 1,121,359      | 11,551                      |
| Due from other funds                            | 12,992                      | -              | 12,992         | -                           |
| <b>Total assets</b>                             | \$ 147,691,673              | \$ 346,504,308 | \$ 336,613,281 | \$ 157,582,700              |
| <b>LIABILITIES</b>                              |                             |                |                |                             |
| Accounts payable                                | \$ 392,974                  | \$ 3,880,843   | \$ 3,906,853   | \$ 366,964                  |
| Due to other funds                              | 118,835                     | 10,887         | 79,423         | 50,299                      |
| Due to other governmental agencies              | 5,037,632                   | 189,743,646    | 189,413,551    | 5,367,727                   |
| Deferred revenue                                | 142,142,232                 | 151,797,710    | 142,142,232    | 151,797,710                 |
| <b>Total liabilities</b>                        | \$ 147,691,673              | \$ 345,433,086 | \$ 335,542,059 | \$ 157,582,700              |



## **GENERAL FIXED ASSETS ACCOUNT GROUP**

The **General Fixed Assets Account Group** is used to account for all County general fixed assets. The County excludes from its general fixed assets infrastructures such as bridges and roads.

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF GENERAL FIXED ASSETS BY FUNDING SOURCE

Year Ended June 30, 2002

|   | Balance<br>June 30,<br>2001 | Additions           | Deletions           | Balance<br>June 30,<br>2002 |
|---|-----------------------------|---------------------|---------------------|-----------------------------|
| <b>ASSETS</b>   |                             |                     |                     |                             |
| Land and improvements                                     | \$ 3,384,673                | \$ -                | \$ -                | \$ 3,384,673                |
| Buildings and structures                                  | 22,501,636                  | 267,294             | -                   | 22,768,930                  |
| Furniture and fixtures                                    | 192,249                     | -                   | -                   | 192,249                     |
| Equipment   | 7,207,521                   | 689,017             | 342,065             | 7,554,473                   |
| Vehicles  | 3,689,634                   | 632,750             | 878,384             | 3,444,000                   |
| Construction in progress                                  | 1,741,693                   | 3,059,625           | 65,260              | 4,736,058                   |
|   | <u>\$ 38,717,406</u>        | <u>\$ 4,648,686</u> | <u>\$ 1,285,709</u> | <u>\$ 42,080,383</u>        |
| <b>FUNDING SOURCE</b>                                     |                             |                     |                     |                             |
| General Fund  | \$ 20,379,955               | \$ 4,245,019        | \$ 813,420          | \$ 23,811,554               |
| Special revenue funds (excluding federal revenue sharing) | 5,395,746                   | 403,667             | 472,289             | 5,327,124                   |
| Capital projects fund:                                    |                             |                     |                     |                             |
| General obligation bonds proceeds                         | 5,600,000                   | -                   | -                   | 5,600,000                   |
| Federal grants  | 7,341,705                   | -                   | -                   | 7,341,705                   |
|   | <u>\$ 38,717,406</u>        | <u>\$ 4,648,686</u> | <u>\$ 1,285,709</u> | <u>\$ 42,080,383</u>        |

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF GENERAL FIXED ASSETS

### BY FUNCTION AND ACTIVITY

June 30, 2002

|  | Land and<br>Improvements | Buildings and<br>Structures | Furniture and<br>Fixtures |
|--|--------------------------|-----------------------------|---------------------------|
| Public safety:                                 |                          |                             |                           |
| Law enforcement                                | \$ 12,373                | \$ 298,226                  | \$ 18,048                 |
| Legal services                                 | -                        | -                           | 37,663                    |
| <b>Total public safety</b>                     | <b>12,373</b>            | <b>298,226</b>              | <b>55,711</b>             |
| Court services:                                |                          |                             |                           |
| Court proceedings                              | 1,375                    | 33,137                      | 50,951                    |
| Juvenile justice administration                | -                        | -                           | -                         |
| <b>Total court services</b>                    | <b>1,375</b>             | <b>33,137</b>               | <b>50,951</b>             |
| Physical health services                       | -                        | -                           | -                         |
| Mental health:                                 |                          |                             |                           |
| Persons with mental illness                    | -                        | -                           | 53                        |
| Persons with chronic mental illness            | -                        | -                           | 207                       |
| Persons with mental retardation                | -                        | -                           | 318                       |
| Persons with developmental disabilities        | -                        | -                           | -                         |
| <b>Total mental health</b>                     | <b>-</b>                 | <b>-</b>                    | <b>578</b>                |
| Social services:                               |                          |                             |                           |
| Services to poor                               | -                        | -                           | -                         |
| Services to military veterans                  | -                        | -                           | 1                         |
| Chemical dependency program                    | -                        | -                           | -                         |
| <b>Total social services</b>                   | <b>-</b>                 | <b>-</b>                    | <b>1</b>                  |
| County environment:                            |                          |                             |                           |
| Environmental quality                          | -                        | -                           | -                         |
| Conservation and recreation services           | 1,235,194                | 2,989,539                   | 5,876                     |
| Animal control                                 | -                        | -                           | -                         |
| County development                             | -                        | -                           | -                         |
| <b>Total County environment</b>                | <b>1,235,194</b>         | <b>2,989,539</b>            | <b>5,876</b>              |
| Roads and transportation:                      |                          |                             |                           |
| Secondary roads administration and engineering | 5,680                    | 98,899                      | -                         |
| Roadway maintenance                            | 11,360                   | 197,799                     | -                         |
| General roadway expenditures                   | 96,564                   | 1,681,285                   | -                         |
| <b>Total roads and transportation</b>          | <b>113,604</b>           | <b>1,977,983</b>            | <b>-</b>                  |

| Equipment    | Vehicles   | Construction-<br>In-Progress | Total        |
|--------------|------------|------------------------------|--------------|
| \$ 1,035,120 | \$ 915,645 | \$ 78,179                    | \$ 2,357,591 |
| 59,617       | -          | -                            | 97,280       |
| 1,094,737    | 915,645    | 78,179                       | 2,454,871    |
| 129,197      | 101,736    | 8,687                        | 325,083      |
| -            | -          | -                            | -            |
| 129,197      | 101,736    | 8,687                        | 325,083      |
| 22,559       | 233,825    | -                            | 256,384      |
| 2,598        | -          | -                            | 2,651        |
| 36,588       | 36,030     | -                            | 72,825       |
| 15,068       | -          | -                            | 15,386       |
| 19           | -          | -                            | 19           |
| 54,273       | 36,030     | -                            | 90,881       |
| 31,538       | -          | -                            | 31,538       |
| 1,968        | -          | -                            | 1,969        |
| 99           | -          | -                            | 99           |
| 33,605       | -          | -                            | 33,606       |
| -            | 1,253      | -                            | 1,253        |
| 1,003,492    | 792,806    | 556,176                      | 6,583,083    |
| -            | 836        | -                            | 836          |
| -            | 39,702     | -                            | 39,702       |
| 1,003,492    | 834,597    | 556,176                      | 6,624,874    |
| 170,447      | 61,937     | -                            | 336,963      |
| 340,890      | 123,876    | -                            | 673,925      |
| 2,794,154    | 1,052,953  | -                            | 5,624,956    |
| 3,305,491    | 1,238,766  | -                            | 6,635,844    |

(Continued)

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY (Continued) June 30, 2002

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|  | Land and<br>Improvements | Buildings and<br>Structures | Furniture and<br>Fixtures |
|--|--------------------------|-----------------------------|---------------------------|
| State and local government services:             |                          |                             |                           |
| Representation services                          | \$ -                     | \$ -                        | \$ 8,640                  |
| State administrative services                    | -                        | 14,662                      | 25,784                    |
| <b>Total state and local government services</b> | <b>-</b>                 | <b>14,662</b>               | <b>34,424</b>             |
| Interprogram services:                           |                          |                             |                           |
| Policy and administration                        | -                        | 9,773                       | 12,418                    |
| Central services                                 | 2,022,127                | 17,445,610                  | 32,290                    |
| <b>Total interprogram services</b>               | <b>2,022,127</b>         | <b>17,455,383</b>           | <b>44,708</b>             |
| <b>Total general fixed assets</b>                | <b>\$ 3,384,673</b>      | <b>\$ 22,768,930</b>        | <b>\$ 192,249</b>         |

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| Equipment    | Vehicles     | Construction-<br>In-Progress | Total         |
|--------------|--------------|------------------------------|---------------|
| \$ 390,596   | \$ -         | \$ -                         | \$ 399,236    |
| 24,431       | -            | -                            | 64,877        |
| 415,027      | -            | -                            | 464,113       |
| 110,009      | 14,678       | -                            | 146,878       |
| 1,386,083    | 68,723       | 4,093,016                    | 25,047,849    |
| 1,496,092    | 83,401       | 4,093,016                    | 25,194,727    |
| \$ 7,554,473 | \$ 3,444,000 | \$ 4,736,058                 | \$ 42,080,383 |

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY Year Ended June 30, 2002

|  | Balance<br>June 30,<br>2001 | Additions           | Deletions           | Balance<br>June 30,<br>2002 |
|--|-----------------------------|---------------------|---------------------|-----------------------------|
| Public safety:                                   |                             |                     |                     |                             |
| Law enforcement                                  | \$ 2,283,091                | \$ 397,289          | \$ 322,789          | \$ 2,357,591                |
| Legal services                                   | 97,280                      | -                   | -                   | 97,280                      |
| <b>Total public safety</b>                       | <b>2,380,371</b>            | <b>397,289</b>      | <b>322,789</b>      | <b>2,454,871</b>            |
| Court services:                                  |                             |                     |                     |                             |
| Court proceedings                                | 316,805                     | 44,143              | 35,865              | 325,083                     |
| Juvenile justice administration                  | -                           | -                   | -                   | -                           |
| <b>Total court services</b>                      | <b>316,805</b>              | <b>44,143</b>       | <b>35,865</b>       | <b>325,083</b>              |
| Physical health services                         | 234,091                     | 41,145              | 18,852              | 256,384                     |
| Mental health:                                   |                             |                     |                     |                             |
| Persons with mental illness                      | 2,546                       | 105                 | -                   | 2,651                       |
| Persons with chronic mental illness              | 67,865                      | 24,583              | 19,623              | 72,825                      |
| Persons with mental retardation                  | 14,744                      | 642                 | -                   | 15,386                      |
| Persons with developmental disabilities          | 19                          | -                   | -                   | 19                          |
| <b>Total mental health</b>                       | <b>85,174</b>               | <b>25,330</b>       | <b>19,623</b>       | <b>90,881</b>               |
| Social services:                                 |                             |                     |                     |                             |
| Services to poor                                 | 31,538                      | -                   | -                   | 31,538                      |
| Services to military veterans                    | 1,969                       | -                   | -                   | 1,969                       |
| Chemical dependency program                      | 99                          | -                   | -                   | 99                          |
| <b>Total social services</b>                     | <b>33,606</b>               | <b>-</b>            | <b>-</b>            | <b>33,606</b>               |
| County environment:                              |                             |                     |                     |                             |
| Environmental quality                            | 869                         | 384                 | -                   | 1,253                       |
| Conservation and recreation services             | 6,388,842                   | 468,726             | 274,485             | 6,583,083                   |
| Animal control                                   | 580                         | 256                 | -                   | 836                         |
| County development                               | 27,543                      | 12,159              | -                   | 39,702                      |
| <b>Total County environment</b>                  | <b>6,417,834</b>            | <b>481,525</b>      | <b>274,485</b>      | <b>6,624,874</b>            |
| Roads and transportation:                        |                             |                     |                     |                             |
| Secondary roads administration and engineering   | 342,749                     | 20,184              | 25,970              | 336,963                     |
| Roadway maintenance                              | 685,496                     | 40,366              | 51,937              | 673,925                     |
| General roadway expenditures                     | 5,723,319                   | 343,117             | 441,480             | 5,624,956                   |
| <b>Total roads and transportation</b>            | <b>6,751,564</b>            | <b>403,667</b>      | <b>519,387</b>      | <b>6,635,844</b>            |
| State and local government services:             |                             |                     |                     |                             |
| Representation services                          | 381,726                     | 17,510              | -                   | 399,236                     |
| State administrative services                    | 56,584                      | 15,658              | 7,365               | 64,877                      |
| <b>Total state and local government services</b> | <b>438,310</b>              | <b>33,168</b>       | <b>7,365</b>        | <b>464,113</b>              |
| Interprogram services:                           |                             |                     |                     |                             |
| Policy and administration                        | 142,209                     | 4,669               | -                   | 146,878                     |
| Central services                                 | 21,917,442                  | 3,217,750           | 87,343              | 25,047,849                  |
| <b>Total interprogram services</b>               | <b>22,059,651</b>           | <b>3,222,419</b>    | <b>87,343</b>       | <b>25,194,727</b>           |
| <b>Total general fixed assets</b>                | <b>\$ 38,717,406</b>        | <b>\$ 4,648,686</b> | <b>\$ 1,285,709</b> | <b>\$ 42,080,383</b>        |

**STATISTICAL**



# COUNTY OF SCOTT, IOWA

## GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1) LAST TEN FISCAL YEARS

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| Fiscal Year    | Public<br>Safety  | Court<br>Services | Physical<br>Health and<br>Education | Mental<br>Health  | Social<br>Services |
|----------------|-------------------|-------------------|-------------------------------------|-------------------|--------------------|
| 1992-93        | \$ 6,408,603      | \$ 881,507        | \$ 2,473,165                        | \$ 9,597,336      | \$ 982,490         |
| 1993-94        | 6,456,396         | 1,189,016         | 2,039,121                           | 9,256,524         | 896,626            |
| 1994-95        | 9,442,709         | 1,339,435         | 2,186,509                           | 10,099,959        | 1,047,396          |
| 1995-96        | 8,340,292         | 1,367,381         | 2,287,912                           | 9,707,547         | 1,079,838          |
| 1996-97        | 7,840,630         | 1,341,750         | 2,348,643                           | 9,829,781         | 1,161,225          |
| 1997-98        | 7,925,744         | 1,526,426         | 3,139,497                           | 10,072,368        | 1,290,668          |
| 1998-99        | 8,658,629         | 1,619,084         | 2,443,397                           | 9,903,740         | 1,769,356          |
| 1999-00        | 9,357,445         | 1,267,778         | 2,822,211                           | 10,574,774        | 1,671,305          |
| 2000-01        | 10,868,277        | 1,378,948         | 3,489,652                           | 11,615,292        | 1,815,698          |
| <b>2001-02</b> | <b>10,892,569</b> | <b>1,598,060</b>  | <b>3,846,548</b>                    | <b>12,507,653</b> | <b>1,828,677</b>   |

(1) Includes all governmental funds.

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| County<br>Environment | Roads<br>and Trans-<br>portation | State<br>and Local<br>Government<br>Services | Inter-<br>program<br>Services | Capital<br>Outlay | Debt<br>Services | Total             |
|-----------------------|----------------------------------|--|-------------------------------|-------------------|------------------|-------------------|
| \$ 1,925,512          | \$ 2,875,998                     | \$ 2,038,421                                 | \$ 4,176,940                  | \$ 1,744,020      | \$ 441,296       | \$ 33,545,288     |
| 2,049,726             | 2,776,994                        | 1,184,405                                    | 4,541,523                     | 2,159,733         | 445,975          | 32,996,039        |
| 1,947,864             | 2,457,303                        | 1,199,785                                    | 4,574,457                     | 2,396,637         | 418,502          | 37,110,556        |
| 2,003,329             | 2,566,390                        | 1,241,581                                    | 4,714,536                     | 2,448,271         | 1,014,870        | 36,771,947        |
| 2,251,761             | 3,141,328                        | 1,348,174                                    | 4,594,126                     | 2,745,124         | 1,038,735        | 37,641,277        |
| 2,248,617             | 2,964,738                        | 1,453,858                                    | 5,028,129                     | 3,383,005         | 1,039,825        | 40,072,875        |
| 2,233,586             | 3,047,814                        | 1,449,209                                    | 4,478,582                     | 3,155,483         | 1,058,675        | 39,817,555        |
| 2,336,675             | 3,215,371                        | 1,509,901                                    | 5,439,162                     | 3,408,430         | 1,074,375        | 42,677,427        |
| 2,601,159             | 3,240,775                        | 1,658,522                                    | 5,824,175                     | 4,128,588         | 592,485          | 47,213,571        |
| <b>2,974,726</b>      | <b>3,380,066</b>                 | <b>1,748,504</b>                             | <b>5,907,458</b>              | <b>13,388,707</b> | <b>607,818</b>   | <b>58,680,786</b> |

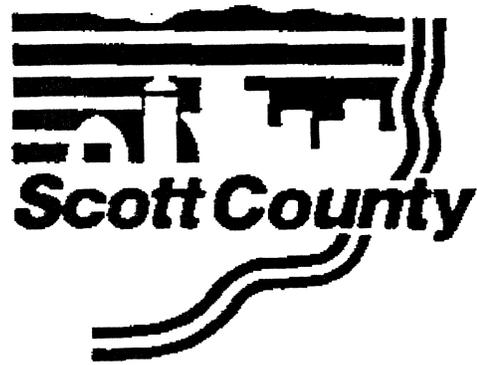
# COUNTY OF SCOTT, IOWA

## GENERAL GOVERNMENTAL REVENUE BY SOURCE (1) LAST TEN FISCAL YEARS

| Fiscal Year    | Taxes (2)         | Intergovernmental | Licenses and Permits | Charges for Services | Investment Income | Miscellaneous  | Total             |
|----------------|-------------------|-------------------|----------------------|----------------------|-------------------|----------------|-------------------|
| 1992-93        | \$ 21,544,137     | \$ 7,415,815      | \$ 185,978           | \$ 2,286,098         | \$ 477,088        | \$ 1,017,815   | \$ 32,926,931     |
| 1993-94        | 21,412,890        | 7,422,455         | 218,255              | 2,428,849            | 774,711           | 599,270        | 32,856,430        |
| 1994-95        | 22,928,492        | 10,721,388        | 227,727              | 2,279,868            | 1,200,929         | 783,276        | 38,141,680        |
| 1995-96        | 21,442,172        | 12,203,185        | 249,440              | 2,388,571            | 1,348,927         | 601,273        | 38,233,568        |
| 1996-97        | 22,635,375        | 12,912,534        | 306,103              | 2,634,903            | 1,367,732         | 752,424        | 40,609,071        |
| 1997-98        | 21,763,513        | 13,908,755        | 324,532              | 3,048,139            | 1,699,696         | 551,808        | 41,296,443        |
| 1998-99        | 22,809,910        | 13,586,119        | 362,164              | 3,336,418            | 1,751,709         | 623,097        | 42,469,417        |
| 1999-00        | 24,016,948        | 13,670,627        | 428,267              | 3,172,085            | 2,097,176         | 649,021        | 44,034,124        |
| 2000-01        | 25,447,884        | 15,491,941        | 386,316              | 3,576,260            | 2,286,576         | 555,749        | 47,744,726        |
| <b>2001-02</b> | <b>26,400,109</b> | <b>15,895,641</b> | <b>418,998</b>       | <b>4,181,051</b>     | <b>956,679</b>    | <b>926,774</b> | <b>48,779,252</b> |

(1) Includes all governmental funds.

(2) Taxes include property, local option sales and other taxes, plus interest and penalties on delinquent property taxes.



# COUNTY OF SCOTT, IOWA

## PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

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| Fiscal Year    | Total<br>Tax Levy  | Current Tax<br>Collections | Percent<br>Of Levy<br>Collected | Delinquent<br>Tax<br>Collections |
|----------------|--------------------|----------------------------|---------------------------------|----------------------------------|
| 1992-93        | \$ 114,768,980     | \$ 114,050,890             | 99.37%                          | \$ 922,717                       |
| 1993-94        | 119,358,290        | 118,632,767                | 99.39                           | 25,677                           |
| 1994-95        | 124,279,732        | 123,618,778                | 99.47                           | 69,259                           |
| 1995-96        | 127,689,138        | 127,056,457                | 99.50                           | 126,402                          |
| 1996-97        | 127,684,330        | 126,877,840                | 99.37                           | 123,797                          |
| 1997-98        | 128,794,368        | 128,168,403                | 99.51                           | (86,183)                         |
| 1998-99        | 138,308,158        | 137,499,635                | 99.42                           | 50,202                           |
| 1999-00        | 141,568,042        | 140,229,377                | 99.05                           | 117,589                          |
| 2000-01        | 146,117,608        | 145,193,712                | 99.37                           | 119,615                          |
| <b>2001-02</b> | <b>152,133,150</b> | <b>151,191,798</b>         | <b>99.38</b>                    | <b>75,947</b>                    |

- (1) Total tax collections solely for Scott County were \$17,642,076 for 1992-93; \$18,254,428 for 1993-94; \$19,644,987 for 1994-95; \$18,192,620 for 1995-96; \$18,341,573 for 1996-97; \$18,126,909 for 1997-98; \$18,177,319 for 1998-99; \$19,283,597 for 1999-2000; \$19,852,285 for 2000-2001 and \$20,644,047 for 2001-02.

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| Total Tax<br>Collections<br>(1) | Total<br>Collections<br>as Percent<br>of Current<br>Levy | Outstanding<br>Delinquent<br>Taxes | Delinquent<br>as Percent<br>of Current<br>Levy |
|---------------------------------|--|------------------------------------|--|
| \$ 114,973,607                  | 100.18%  | \$ 302,598                         | 0.26%  |
| 118,658,444                     | 99.41  | 474,076                            | 0.40   |
| 123,688,037                     | 99.52  | 331,532                            | 0.27   |
| 127,182,859                     | 99.60  | 325,723                            | 0.26   |
| 127,001,637                     | 99.47  | 248,744                            | 0.19   |
| 128,082,220                     | 99.45  | 176,244                            | 0.14   |
| 137,549,837                     | 99.45  | 176,505                            | 0.13   |
| 140,346,966                     | 99.14  | 192,803                            | 0.14   |
| 145,313,327                     | 99.45  | 279,914                            | 0.19   |
| <b>151,267,745</b>              | <b>99.44</b>   | <b>332,007</b>                     | <b>0.22</b>                                    |

# COUNTY OF SCOTT, IOWA

## ASSESSED AND TAXABLE VALUES OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

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| Fiscal Year    | Real Property        |                      | Personal Property  |                    |
|----------------|----------------------|----------------------|--------------------|--------------------|
|                | Taxable Value        | Assessed Value (1)   | Taxable Value      | Assessed Value (1) |
| 1992-93        | \$ 3,040,151,368     | \$ 3,748,334,422     | \$237,164,071      | \$237,164,071      |
| 1993-94        | 3,126,108,587        | 3,871,989,604        | 232,739,566        | 232,739,566        |
| 1994-95        | 3,309,530,239        | 4,295,968,674        | 252,058,644        | 252,058,644        |
| 1995-96        | 3,384,478,122        | 4,419,320,298        | 258,921,872        | 258,921,872        |
| 1996-97        | 3,502,340,089        | 4,982,800,925        | 270,794,085        | 270,794,085        |
| 1997-98        | 3,593,077,609        | 5,094,524,701        | 267,715,978        | 267,715,978        |
| 1998-99        | 3,807,643,337        | 5,668,827,370        | 255,956,108        | 255,956,108        |
| 1999-00        | 3,993,773,850        | 5,777,153,288        | 244,123,480        | 244,123,480        |
| 2000-01        | 4,304,167,224        | 6,382,142,701        | 190,103,913        | 191,387,931        |
| <b>2001-02</b> | <b>4,514,894,846</b> | <b>6,542,552,088</b> | <b>128,389,476</b> | <b>128,389,476</b> |

(1) Assessed value equals estimated actual value.

| Railroad and Utilities* |                    | Gas & Electric     |                    |
|-------------------------|--------------------|--------------------|--------------------|
| Taxable Value           | Assessed Value (1) | Taxable Value      | Assessed Value (1) |
| \$ 356,868,014          | \$ 356,868,014     | *                  | *                  |
| 374,417,177             | 374,417,177        | *                  | *                  |
| 332,671,409             | 332,671,409        | *                  | *                  |
| 360,586,917             | 372,882,986        | *                  | *                  |
| 343,109,441             | 343,726,116        | *                  | *                  |
| 332,821,148             | 332,821,148        | *                  | *                  |
| 390,533,049             | 390,444,779        | *                  | *                  |
| 360,261,226             | 360,261,226        | *                  | *                  |
| 131,809,001             | 131,905,709        | 235,680,620        | 235,680,620        |
| <b>143,708,855</b>      | <b>143,708,855</b> | <b>229,418,978</b> | <b>229,418,978</b> |

| Fiscal Year    | Total                |                      | Ratio of Taxable to Assessed Value | Tax Increment Financing District Values |
|----------------|----------------------|----------------------|------------------------------------|---|
|                | Taxable Value        | Assessed Value (1)   |                                    |   |
| 1992-93        | \$ 3,634,183,453     | \$ 4,342,366,507     | 83.7%                              | \$ 55,784,867                           |
| 1993-94        | 3,733,265,330        | 4,479,146,347        | 83.3                               | 81,562,040                              |
| 1994-95        | 3,894,260,292        | 4,880,698,727        | 79.8                               | 62,253,911                              |
| 1995-96        | 4,003,986,911        | 5,051,125,156        | 79.3                               | 81,615,161                              |
| 1996-97        | 4,116,243,615        | 5,597,321,126        | 73.5                               | 117,883,768                             |
| 1997-98        | 4,193,614,735        | 5,695,061,827        | 73.6                               | 94,850,981                              |
| 1998-99        | 4,454,132,494        | 6,315,228,257        | 70.7                               | 116,708,030                             |
| 1999-00        | 4,598,158,556        | 6,381,537,994        | 72.1                               | 191,814,278                             |
| 2000-01        | 4,861,760,758        | 6,941,116,961        | 70.0                               | 196,484,536                             |
| <b>2001-02</b> | <b>5,016,412,155</b> | <b>7,044,069,397</b> | <b>71.2</b>                        | <b>210,368,130</b>                      |

\* Gas and Electric was broken out of the total utilities in fiscal year 2001 due to a change in state law. Gas and electric is no longer subject to property tax, but instead pay utility replacement taxes.

# COUNTY OF SCOTT, IOWA

## PROPERTY TAX RATES PER \$1,000 TAXABLE VALUATION - ALL DIRECT AND OVERLAPPING GOVERNMENTS LAST TEN FISCAL YEARS

|   | Bettendorf      |                 |                 | Davenport       |                 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
|   | Bettendorf      | North Scott     | Pleasant Valley | Bettendorf      | Davenport       |
| <b>2001-02:</b>                           |                 |                 |                 |                 |                 |
| City                                      | 11.45555        | 11.45555        | 11.45555        | 14.60301        | 14.60301        |
| Area IX Community College School District | 0.60382         | 0.60382         | 0.60382         | 0.60382         | 0.60382         |
| State                                     | 0.06790         | 0.06790         | 0.06790         | 0.06790         | 0.06790         |
| Assessor (1)                              | 0.31830         | 0.31830         | 0.31830         | 0.33488         | 0.33488         |
| County                                    | 4.17307         | 4.17307         | 4.17307         | 4.17307         | 4.17307         |
| <b>Total levy</b>                         | <b>31.18084</b> | <b>32.28029</b> | <b>30.07817</b> | <b>34.34488</b> | <b>35.25026</b> |
| <b>Ratio of Scott County to totals</b>    | <b>0.13383</b>  | <b>0.12928</b>  | <b>0.13874</b>  | <b>0.12150</b>  | <b>0.11838</b>  |
| <b>2000-01:</b>                           |                 |                 |                 |                 |                 |
| City                                      | 11.46317        | 11.46317        | 11.46317        | 14.63429        | 14.63429        |
| Area IX Community College School District | 0.60302         | 0.60302         | 0.60302         | 0.60302         | 0.60302         |
| State                                     | 0.06700         | 0.06700         | 0.06700         | 0.06700         | 0.06700         |
| Assessor (1)                              | 0.31843         | 0.31843         | 0.31843         | 0.31303         | 0.31303         |
| County                                    | 4.16147         | 4.16147         | 4.16147         | 4.16147         | 4.16147         |
| <b>Total levy</b>                         | <b>31.19260</b> | <b>32.32054</b> | <b>30.06898</b> | <b>34.35832</b> | <b>35.28848</b> |
| <b>Ratio of Scott County to totals</b>    | <b>0.13341</b>  | <b>0.12876</b>  | <b>0.13840</b>  | <b>0.12112</b>  | <b>0.11793</b>  |
| <b>1999-00:</b>                           |                 |                 |                 |                 |                 |
| City                                      | 11.49320        | 11.49320        | 11.49320        | 13.95123        | 13.95123        |
| Area IX Community College School District | 0.54709         | 0.54709         | 0.54709         | 0.54709         | 0.54709         |
| State                                     | 0.06732         | 0.06732         | 0.06732         | 0.06732         | 0.06732         |
| Assessor (1)                              | 0.22997         | 0.22997         | 0.22997         | 0.29311         | 0.29311         |
| County                                    | 4.06203         | 4.06203         | 4.06203         | 4.06203         | 4.06203         |
| <b>Total levy</b>                         | <b>31.21409</b> | <b>32.16046</b> | <b>29.81080</b> | <b>33.73526</b> | <b>33.84976</b> |
| <b>Ratio of Scott County to totals</b>    | <b>0.13014</b>  | <b>0.12631</b>  | <b>0.13626</b>  | <b>0.12041</b>  | <b>0.12000</b>  |
| <b>1998-99:</b>                           |                 |                 |                 |                 |                 |
| City                                      | 11.45555        | 11.45555        | 11.45555        | 13.96012        | 13.96012        |
| Area IX Community College School District | 0.57182         | 0.57182         | 0.57182         | 0.57182         | 0.57182         |
| State                                     | 0.03868         | 0.03868         | 0.03868         | 0.03868         | 0.03868         |
| Assessor (1)                              | 0.25072         | 0.25072         | 0.25072         | 0.29389         | 0.29389         |
| County                                    | 3.91472         | 3.91472         | 3.91472         | 3.91472         | 3.91472         |
| <b>Total levy</b>                         | <b>31.80256</b> | <b>33.96397</b> | <b>30.91957</b> | <b>34.35030</b> | <b>34.04530</b> |
| <b>Ratio of Scott County to totals</b>    | <b>0.12309</b>  | <b>0.11526</b>  | <b>0.12661</b>  | <b>0.11074</b>  | <b>0.11499</b>  |

| Cities          |                 |                 |                 |                 |                 |                 |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| North Scott     | Blue Grass      | Buffalo         | Eldridge        | LeClaire        | Walcott         |                 |
|                 |                 |                 |                 |                 | Davenport       | Durant          |
| <b>14.60301</b> | <b>11.56925</b> | <b>6.99999</b>  | <b>6.37553</b>  | <b>14.69771</b> | <b>10.00001</b> | <b>10.00001</b> |
| <b>0.60382</b>  |
| <b>15.66165</b> | <b>15.46758</b> | <b>15.46758</b> | <b>15.66165</b> | <b>13.45953</b> | <b>15.46780</b> | <b>12.18444</b> |
| <b>0.06790</b>  |
| <b>0.33488</b>  | <b>0.31830</b>  | <b>0.31830</b>  | <b>0.31830</b>  | <b>0.31830</b>  | <b>0.31830</b>  | <b>0.31830</b>  |
| <b>4.17307</b>  |
| <b>35.44433</b> | <b>32.19992</b> | <b>27.63066</b> | <b>27.20027</b> | <b>33.32033</b> | <b>30.63090</b> | <b>27.34754</b> |
| <b>0.11774</b>  | <b>0.12960</b>  | <b>0.15103</b>  | <b>0.15342</b>  | <b>0.12524</b>  | <b>0.13624</b>  | <b>0.15259</b>  |
| 14.63429        | 11.14846        | 7.00003         | 6.37566         | 14.69772        | 10.50225        | 10.50225        |
| 0.60302         | 0.60302         | 0.60302         | 0.60302         | 0.60302         | 0.60302         | 0.60302         |
| 15.70745        | 15.50967        | 15.50967        | 15.70745        | 13.45589        | 15.50967        | 12.11375        |
| 0.06700         | 0.06700         | 0.06700         | 0.06700         | 0.06700         | 0.06700         | 0.06700         |
| 0.31303         | 0.31843         | 0.31843         | 0.31843         | 0.31843         | 0.31843         | 0.31843         |
| 4.16147         | 4.16147         | 4.16147         | 4.16147         | 4.16147         | 4.16147         | 4.16147         |
| 35.48626        | 31.80805        | 27.65962        | 27.23303        | 33.30353        | 31.16184        | 27.76592        |
| 0.11727         | 0.13083         | 0.15045         | 0.15281         | 0.12496         | 0.13354         | 0.14988         |
| 13.95123        | 10.38054        | 6.65000         | 6.46747         | 14.44722        | 10.09000        | 10.09000        |
| 0.54709         | 0.54709         | 0.54709         | 0.54709         | 0.54709         | 0.54709         | 0.54709         |
| 15.76085        | 14.92898        | 14.92898        | 15.76085        | 13.41119        | 14.92898        | 10.95551        |
| 0.06732         | 0.06732         | 0.06732         | 0.06732         | 0.06732         | 0.06732         | 0.06732         |
| 0.29311         | 0.22997         | 0.22997         | 0.22997         | 0.22997         | 0.22997         | 0.22997         |
| 4.06203         | 4.06203         | 4.06203         | 4.06203         | 4.06203         | 4.06203         | 4.06203         |
| 34.68163        | 30.21593        | 26.48539        | 27.13473        | 32.76482        | 29.92539        | 25.95192        |
| 0.11712         | 0.13443         | 0.15337         | 0.14970         | 0.12398         | 0.13574         | 0.15652         |
| 13.96012        | 10.57459        | 6.65000         | 7.16197         | 14.94376        | 8.14002         | 8.14002         |
| 0.57182         | 0.57182         | 0.57182         | 0.57182         | 0.57182         | 0.57182         | 0.57182         |
| 17.73248        | 15.26607        | 15.26607        | 17.73248        | 14.68808        | 15.26607        | 11.14827        |
| 0.03868         | 0.03868         | 0.03868         | 0.03868         | 0.03868         | 0.03868         | 0.03868         |
| 0.29389         | 0.25072         | 0.25072         | 0.25072         | 0.25072         | 0.25072         | 0.25072         |
| 3.91472         | 3.91472         | 3.91472         | 3.91472         | 3.91472         | 3.91472         | 3.91472         |
| 36.51171        | 30.61660        | 26.69201        | 29.67039        | 34.40778        | 28.18203        | 24.06423        |
| 0.10722         | 0.12786         | 0.14666         | 0.13194         | 0.11377         | 0.13891         | 0.16268         |

(Continued)

# COUNTY OF SCOTT, IOWA

## PROPERTY TAX RATES PER \$1,000 TAXABLE VALUATION - ALL DIRECT AND OVERLAPPING GOVERNMENTS (Continued) LAST TEN FISCAL YEARS

|                                 | Bettendorf |             |                 | Davenport  |           |
|---------------------------------|------------|-------------|-----------------|------------|-----------|
|                                 | Bettendorf | North Scott | Pleasant Valley | Bettendorf | Davenport |
| 1997-98:                        |            |             |                 |            |           |
| City                            | 11.45630   | 11.45630    | 11.45630        | 13.96012   | 13.96012  |
| Area IX Community College       | 0.58671    | 0.58671     | 0.58671         | 0.58671    | 0.58671   |
| School District                 | 15.46181   | 15.98307    | 14.05556        | 15.46181   | 15.19448  |
| State                           | 0.04077    | 0.04077     | 0.04077         | 0.04077    | 0.04077   |
| Assessor (1)                    | 0.23867    | 0.23867     | 0.23867         | 0.34669    | 0.34669   |
| County                          | 4.19239    | 4.19239     | 4.19239         | 4.19239    | 4.19239   |
| Total levy                      | 31.97665   | 32.49791    | 30.57040        | 34.58849   | 34.32116  |
| Ratio of Scott County to totals | 0.13111    | 0.12900     | 0.13714         | 0.12121    | 0.12215   |
| 1996-97:                        |            |             |                 |            |           |
| City                            | 11.45613   | 11.45613    | 11.45613        | 13.96012   | 13.96012  |
| Area IX Community College       | 0.51543    | 0.51543     | 0.51543         | 0.51543    | 0.51543   |
| School District                 | 15.58368   | 15.77880    | 13.81073        | 15.58368   | 15.33816  |
| State                           | 0.04144    | 0.04144     | 0.04144         | 0.04144    | 0.04144   |
| Assessor (1)                    | 0.23869    | 0.23869     | 0.23869         | 0.34674    | 0.34674   |
| County                          | 4.32681    | 4.32681     | 4.32681         | 4.32681    | 4.32681   |
| Total levy                      | 32.16218   | 32.35730    | 30.38923        | 34.77422   | 34.52870  |
| Ratio of Scott County to totals | 0.13453    | 0.13372     | 0.14238         | 0.12443    | 0.12531   |
| 1995-96:                        |            |             |                 |            |           |
| City                            | 11.45562   | 11.45562    | 11.45562        | 13.95250   | 13.95250  |
| Area IX Community College       | 0.51856    | 0.51856     | 0.51856         | 0.51856    | 0.51856   |
| School District                 | 16.72025   | 17.00862    | 14.95000        | 16.72025   | 16.65193  |
| State                           | 0.04246    | 0.04246     | 0.04246         | 0.04246    | 0.04246   |
| Assessor (1)                    | 0.22992    | 0.22992     | 0.22992         | 0.28729    | 0.28729   |
| County                          | 4.42243    | 4.42243     | 4.42243         | 4.42243    | 4.42243   |
| Total levy                      | 33.38924   | 33.67761    | 31.61899        | 35.94349   | 35.87517  |
| Ratio of Scott County to totals | 0.13245    | 0.13132     | 0.13987         | 0.12304    | 0.12327   |
| 1994-95:                        |            |             |                 |            |           |
| City                            | 11.45553   | 11.45553    | 11.45553        | 13.95990   | 13.95990  |
| Area IX Community College       | 0.52125    | 0.52125     | 0.52125         | 0.52125    | 0.52125   |
| School District                 | 16.47664   | 16.07552    | 14.95000        | 16.47664   | 16.58807  |
| State                           | 0.04352    | 0.04352     | 0.04352         | 0.04352    | 0.04352   |
| Assessor (1)                    | 0.20392    | 0.20392     | 0.20392         | 0.28684    | 0.28684   |
| County                          | 4.96037    | 4.96037     | 4.96037         | 4.96037    | 4.96037   |
| Total levy                      | 33.66123   | 33.26011    | 32.13459        | 36.24852   | 36.35995  |
| Ratio of Scott County to totals | 0.14736    | 0.14914     | 0.15436         | 0.13684    | 0.13642   |

| Cities      |            |          |          |          |           |          |
|-------------|------------|----------|----------|----------|-----------|----------|
| North Scott | Blue Grass | Buffalo  | Eldridge | LeClaire | Walcott   |          |
|             |            |          |          |          | Davenport | Durant   |
| 13.96012    | 11.60248   | 6.65000  | 8.05589  | 13.66101 | 6.70018   | 6.70018  |
| 0.58671     | 0.58671    | 0.58671  | 0.58671  | 0.58671  | 0.58671   | 0.58671  |
| 15.98307    | 15.19448   | 15.19448 | 15.98307 | 14.05556 | 15.19448  | 11.18477 |
| 0.04077     | 0.04077    | 0.04077  | 0.04077  | 0.04077  | 0.04077   | 0.04077  |
| 0.34669     | 0.23867    | 0.23867  | 0.23867  | 0.23867  | 0.23867   | 0.23867  |
| 4.19239     | 4.19239    | 4.19239  | 4.19239  | 4.19239  | 4.19239   | 4.19239  |
| 35.10975    | 31.85550   | 26.90302 | 29.09750 | 32.77511 | 26.95320  | 22.94349 |
| 0.11941     | 0.13161    | 0.15583  | 0.14408  | 0.12791  | 0.15554   | 0.18273  |
| 13.96012    | 11.62014   | 6.64999  | 8.05711  | 14.18106 | 6.50002   | 6.50002  |
| 0.51543     | 0.51543    | 0.51543  | 0.51543  | 0.51543  | 0.51543   | 0.51543  |
| 15.77880    | 15.33816   | 15.33816 | 15.77880 | 13.81073 | 15.33816  | 11.31620 |
| 0.04144     | 0.04144    | 0.04144  | 0.04144  | 0.04144  | 0.04144   | 0.04144  |
| 0.34674     | 0.23869    | 0.23869  | 0.23869  | 0.23869  | 0.23869   | 0.23869  |
| 4.32681     | 4.32681    | 4.32681  | 4.32681  | 4.32681  | 4.32681   | 4.32681  |
| 34.96934    | 32.08067   | 27.11052 | 28.95828 | 33.11416 | 26.96055  | 22.93859 |
| 0.12373     | 0.13487    | 0.15960  | 0.14942  | 0.13066  | 0.16049   | 0.18863  |
| 13.95250    | 13.55156   | 6.65001  | 8.57041  | 14.51839 | 6.15001   | 6.15001  |
| 0.51856     | 0.51856    | 0.51856  | 0.51856  | 0.51856  | 0.51856   | 0.51856  |
| 17.00862    | 16.65193   | 16.65193 | 17.00862 | 14.95000 | 16.65193  | 12.22675 |
| 0.04246     | 0.04246    | 0.04246  | 0.04246  | 0.04246  | 0.04246   | 0.04246  |
| 0.28729     | 0.22992    | 0.22992  | 0.22992  | 0.22992  | 0.22992   | 0.22992  |
| 4.42243     | 4.42243    | 4.42243  | 4.42243  | 4.42243  | 4.42243   | 4.42243  |
| 36.23186    | 35.41686   | 28.51531 | 30.79240 | 34.68176 | 28.01531  | 23.59013 |
| 0.12206     | 0.12487    | 0.15509  | 0.14362  | 0.12751  | 0.15786   | 0.18747  |
| 13.95990    | 9.08312    | 6.16514  | 8.55954  | 14.82652 | 5.31160   | 5.31160  |
| 0.52125     | 0.52125    | 0.52125  | 0.52125  | 0.52125  | 0.52125   | 0.52125  |
| 16.07552    | 16.58807   | 16.58807 | 16.07552 | 14.95000 | 16.58807  | 12.51050 |
| 0.04352     | 0.04352    | 0.04352  | 0.04352  | 0.04352  | 0.04352   | 0.04352  |
| 0.28684     | 0.20392    | 0.20392  | 0.20392  | 0.20392  | 0.20392   | 0.20392  |
| 4.96037     | 4.96037    | 4.96037  | 4.96037  | 4.96037  | 4.96037   | 4.96037  |
| 35.84740    | 31.40025   | 28.48227 | 30.36412 | 35.50558 | 27.62873  | 23.55116 |
| 0.13837     | 0.15797    | 0.17416  | 0.16336  | 0.13971  | 0.17954   | 0.21062  |

(Continued)

# COUNTY OF SCOTT, IOWA

## PROPERTY TAX RATES PER \$1,000 TAXABLE VALUATION - ALL DIRECT AND OVERLAPPING GOVERNMENTS (Continued) LAST TEN FISCAL YEARS

|                                 | Bettendorf      |                 | Pleasant<br>Valley | Davenport       |                 |
|---------------------------------|-----------------|-----------------|--------------------|-----------------|-----------------|
|                                 | Bettendorf      | North Scott     |                    | Bettendorf      | Davenport       |
| 1993-94:                        |                 |                 |                    |                 |                 |
| City                            | 11.45555        | 11.45555        | 11.45555           | 13.95995        | 13.95995        |
| Area IX Community College       | 0.51631         | 0.51631         | 0.51631            | 0.51631         | 0.51631         |
| School District                 | 16.19786        | 16.08908        | 14.95000           | 16.19786        | 16.59791        |
| State                           | 0.04438         | 0.04438         | 0.04438            | 0.04438         | 0.04438         |
| Assessor (1)                    | 0.21396         | 0.21396         | 0.21396            | 0.26782         | 0.26782         |
| County                          | 4.81460         | 4.81460         | 4.81460            | 4.81460         | 4.81460         |
| <b>Total levy</b>               | <b>33.24266</b> | <b>33.13388</b> | <b>31.99480</b>    | <b>35.80092</b> | <b>36.20097</b> |
| Ratio of Scott County to totals | 0.14483         | 0.14531         | 0.15048            | 0.13448         | 0.133           |
| 1992-93:                        |                 |                 |                    |                 |                 |
| City                            | 11.45555        | 11.45555        | 11.45555           | 14.21993        | 14.21993        |
| Area IX Community College       | 0.51768         | 0.51768         | 0.51768            | 0.51768         | 0.51768         |
| School District                 | 15.90966        | 15.80695        | 14.95469           | 15.90966        | 16.53378        |
| State                           | 0.04627         | 0.04627         | 0.04627            | 0.04627         | 0.04627         |
| Assessor (1)                    | 0.21443         | 0.21443         | 0.21443            | 0.27170         | 0.27170         |
| County                          | 4.74843         | 4.74843         | 4.74843            | 4.74843         | 4.74843         |
| <b>Total levy</b>               | <b>32.89202</b> | <b>32.78931</b> | <b>31.93705</b>    | <b>35.71367</b> | <b>36.33779</b> |
| Ratio of Scott County to totals | 0.14436         | 0.14482         | 0.14868            | 0.13296         | 0.13067         |

(1) Assessor includes the County Assessor which is a component unit of the County.

All tax rates are expressed in dollars per thousand of taxable valuation.

Included in this report are the major cities and towns within Scott County.

Not shown are the Rural Services Fund of the County and the following taxing bodies over and above the cities listed:

- a. 10 cities (population under 1,000)
- b. 13 townships
- c. 6 benefited fire districts
- d. 1 sanitary sewer district

| Cities      |            |          |          |          |           |          |
|-------------|------------|----------|----------|----------|-----------|----------|
| North Scott | Blue Grass | Buffalo  | Eldridge | LeClaire | Walcott   |          |
|             |            |          |          |          | Davenport | Durant   |
| 13.95995    | 9.31285    | 6.49009  | 9.05540  | 15.04782 | 5.92726   | 5.92726  |
| 0.51631     | 0.51631    | 0.51631  | 0.51631  | 0.51631  | 0.51631   | 0.51631  |
| 16.08908    | 16.59791   | 16.59791 | 16.08908 | 14.95000 | 16.59791  | 12.30869 |
| 0.04438     | 0.04438    | 0.04438  | 0.04438  | 0.04438  | 0.04438   | 0.04438  |
| 0.26782     | 0.21396    | 0.21396  | 0.21396  | 0.21396  | 0.21396   | 0.21396  |
| 4.81460     | 4.81460    | 4.81460  | 4.81460  | 4.81460  | 4.81460   | 4.81460  |
| 35.69214    | 31.50001   | 28.67725 | 30.73373 | 35.58707 | 28.11442  | 23.82520 |
| 0.13489     | 0.15284    | 0.16789  | 0.15665  | 0.13529  | 0.17125   | 0.20208  |
| 14.21993    | 8.86195    | 6.23486  | 9.03815  | 15.07378 | 5.97999   | 5.97999  |
| 0.51768     | 0.51768    | 0.51768  | 0.51768  | 0.51768  | 0.51768   | 0.51768  |
| 15.80695    | 16.53378   | 16.53378 | 15.80695 | 14.95469 | 16.53378  | 12.16454 |
| 0.04627     | 0.04627    | 0.04627  | 0.04627  | 0.04627  | 0.04627   | 0.04627  |
| 0.27170     | 0.21443    | 0.21443  | 0.21443  | 0.21443  | 0.21443   | 0.21443  |
| 4.74843     | 4.74843    | 4.74843  | 4.74843  | 4.74843  | 4.74843   | 4.74843  |
| 35.61096    | 30.92254   | 28.29545 | 30.37191 | 35.55528 | 28.04058  | 23.67134 |
| 0.13334     | 0.15356    | 0.16782  | 0.15634  | 0.13355  | 0.16934   | 0.2006   |

# COUNTY OF SCOTT, IOWA

## RATIO OF OUTSTANDING GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUES AND DEBT PER CAPITA LAST TEN FISCAL YEARS

| Fiscal Year    | General<br>Obligation<br>Bonded Debt<br>Outstanding<br>(1) | Assessed<br>Value    | Percent of<br>Debt to<br>Assessed<br>Value | Estimated<br>Population | Debt Per<br>Capita |
|----------------|--|----------------------|--|-------------------------|--------------------|
| 1992-93        | \$ 2,510,000   | \$ 4,342,366,507     | 0.06%                                      | \$ 154,280              | \$ 16.27           |
| 1993-94        | 2,260,000  | 4,479,146,346        | 0.05                                       | 155,210                 | 14.56              |
| 1994-95        | 9,055,000  | 4,880,698,727        | 0.19                                       | 157,190                 | 57.61              |
| 1995-96        | 8,515,000  | 5,051,125,156        | 0.17                                       | 157,783                 | 53.98              |
| 1996-97        | 7,925,000  | 5,597,321,126        | 0.14                                       | 158,416                 | 50.03              |
| 1997-98        | 7,305,000  | 5,695,061,827        | 0.13                                       | 157,433                 | 46.40              |
| 1998-99        | 6,635,000  | 6,315,228,257        | 0.11                                       | 158,591                 | 41.84              |
| 1999-00        | 5,915,000  | 6,381,537,994        | 0.10                                       | 159,458                 | 37.09              |
| 2000-01        | 5,640,000  | 6,941,116,961        | 0.08                                       | 158,668                 | 35.55              |
| <b>2001-02</b> | <b>10,435,000</b>  | <b>7,044,069,397</b> | <b>0.15</b>                                | <b>158,668</b>          | <b>65.77</b>       |

(1) The fund balance of the Debt Service Fund has been excluded due to the immateriality of such balances.

The computation of the County's legal margin as of June 30, 2002 is as follows:

|  |                              |
|--|------------------------------|
| Assessed value   | <u>\$ 7,044,069,397</u>      |
| Debt limit, 5% of assessed valuation (Iowa statutory limitation) | \$ 352,203,470               |
| Total amount of debt applicable to debt margin                   | <u>10,435,000</u>            |
| <b>Legal debt margin</b>   | <u><u>\$ 341,768,470</u></u> |

# COUNTY OF SCOTT, IOWA

## COMPUTATION OF DIRECT AND OVERLAPPING DEBT

|  | Amount<br>of Debt     | Applicable to Scott County |                       |
|--|-----------------------|----------------------------|-----------------------|
|  |                       | Average<br>Percent         | Amount                |
| Scott County                             | \$ 10,435,000         | 100.0%                     | \$ 10,435,000         |
| School Districts:                        |                       |                            |                       |
| Bettendorf Community                     | 7,460,000             | 100.0                      | 7,460,000             |
| Durant Community                         | 2,860,000             | 28.0                       | 800,800               |
| North Scott Community                    | 10,060,000            | 100.0                      | 10,060,000            |
| Pleasant Valley Community                | 5,500,000             | 100.0                      | 5,500,000             |
| Wheatland Community                      | 3,953,000             | 8.7                        | 343,911               |
| Eastern Iowa Community College           | 35,040,000            | 55.3                       | 19,377,120            |
| Cities:                                  |                       |                            |                       |
| Bettendorf                               | 46,245,000            | 100.0                      | 46,245,000            |
| Blue Grass                               | 231,000               | 100.0                      | 231,000               |
| Buffalo                                  | 545,000               | 100.0                      | 545,000               |
| Davenport                                | 99,565,000            | 100.0                      | 99,565,000            |
| Eldridge                                 | 1,010,000             | 100.0                      | 1,010,000             |
| Le Claire                                | 4,490,406             | 100.0                      | 4,490,406             |
| Princeton                                | 195,000               | 100.0                      | 195,000               |
| Walcott                                  | 995,000               | 100.0                      | 995,000               |
|  | <u>218,149,406</u>    |                            | <u>196,818,237</u>    |
| <b>Total direct and overlapping debt</b> | <u>\$ 228,584,406</u> |                            | <u>\$ 207,253,237</u> |

# COUNTY OF SCOTT, IOWA

## RATIO OF ANNUAL DEBT SERVICE EXPENDITURES TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES LAST TEN FISCAL YEARS

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| Fiscal Year    | Principal      | Interest       | Total<br>Debt Service<br>Expenditures | Total<br>Govern-<br>mental<br>Expenditures | Percent of<br>General Debt<br>Service<br>Expenditures<br>to Total<br>Govern-<br>mental<br>Expenditures |
|----------------|----------------|----------------|---------------------------------------|--|--|
| 1992-93        | \$ 230,937     | \$ 210,359     | \$ 441,296                            | \$ 33,545,288                              | 1.32%  |
| 1993-94        | 250,000        | 195,975        | 445,975                               | 32,996,039                                 | 1.35   |
| 1994-95        | 305,000        | 113,502        | 418,502                               | 37,110,556                                 | 1.13   |
| 1995-96        | 540,000        | 474,870        | 1,014,870                             | 36,771,947                                 | 2.76   |
| 1996-97        | 590,000        | 448,735        | 1,038,735                             | 37,641,277                                 | 2.76   |
| 1997-98        | 620,000        | 419,825        | 1,039,825                             | 40,072,875                                 | 2.59   |
| 1998-99        | 670,000        | 388,675        | 1,058,675                             | 39,817,555                                 | 2.66   |
| 1999-00        | 720,000        | 354,375        | 1,074,375                             | 42,677,427                                 | 2.52   |
| 2000-01        | 275,000        | 317,485        | 592,485                               | 47,213,571                                 | 1.25   |
| <b>2001-02</b> | <b>290,000</b> | <b>317,818</b> | <b>607,818</b>                        | <b>58,680,786</b>                          | <b>1.04</b>  |

# COUNTY OF SCOTT, IOWA

## DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

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| Fiscal Year    | Population     | Per Capita<br>Income | Median<br>Age | Unemploy-<br>ment Rate | School<br>Enrollment |
|----------------|----------------|----------------------|---------------|------------------------|----------------------|
| 1992-93        | 154,280        | \$ 19,197            | 34            | 5.0%                   | 41,790               |
| 1993-94        | 155,210        | 19,184               | 34            | 4.5                    | 45,051               |
| 1994-95        | 157,190        | 16,781               | 35            | 3.3                    | 45,464               |
| 1995-96        | 157,783        | 17,204               | 35            | 3.3                    | 45,176               |
| 1996-97        | 158,416        | 17,621               | 34            | 3.1                    | 50,431               |
| 1997-98        | 157,433        | 22,931               | 32            | 2.8                    | 49,375               |
| 1998-99        | 158,591        | 23,120               | 37            | 3.2                    | 47,347               |
| 1999-00        | 159,458        | 25,313               | 32            | 2.4                    | 48,587               |
| 2000-01        | 158,668        | 26,462               | 35            | 2.9                    | 44,014               |
| <b>2001-02</b> | <b>158,668</b> | <b>21,310</b>        | <b>35</b>     | <b>4.0</b>             | <b>44,009</b>        |

Source: Bi-State Regional Commission, Iowa Bureau of Economic Development, Iowa Department of Employment Services, Mississippi Bend AEA.

# COUNTY OF SCOTT, IOWA

## PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS

### LAST TEN FISCAL YEARS

(DOLLARS IN THOUSANDS)

June 30, 2002

| Fiscal Year    | New Construction |                |              |              | Total          |
|----------------|------------------|----------------|--------------|--------------|----------------|
|                | Commercial       | Residential    | Industrial   | Agricultural |                |
| 1992-93        | \$ 21,786        | \$ 49,732      | \$ 6,756     | \$ 88        | \$ 78,362      |
| 1993-94        | 21,517           | 71,697         | 2,233        | 305          | 95,752         |
| 1994-95        | 17,461           | 73,094         | 1,441        | 1,577        | 93,573         |
| 1995-96        | 23,761           | 75,083         | 5,115        | 1,585        | 105,544        |
| 1996-97        | 26,257           | 67,918         | 14,842       | 814          | 109,831        |
| 1997-98        | 42,210           | 60,247         | 7,123        | 585          | 110,165        |
| 1998-99        | 21,957           | 57,236         | 8,623        | 2,582        | 90,398         |
| 1999-00        | 63,072           | 82,635         | 10,400       | 1,716        | 157,823        |
| 2000-01        | 70,614           | 94,117         | 15,244       | 2,597        | 182,572        |
| <b>2001-02</b> | <b>48,001</b>    | <b>114,456</b> | <b>3,241</b> | <b>2,157</b> | <b>167,855</b> |

(1) Property value is the assessed value for real property before any exemptions or state rollbacks. Personal property, assessed as real and utilities are not included in the figures above.

(2) Bank deposits for banks in Scott County as reported in the Iowa Bank Directory.

(3) Bank deposits for banks in Scott County estimated for 1998-99.

(4) Most recent data available from the FDIC.

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| Property Value (1) |                  |                |                |                  | Bank Deposits (2) |
|--------------------|------------------|----------------|----------------|------------------|-------------------|
| Commercial         | Residential      | Industrial     | Agricultural   | Total            |                   |
| \$ 813,063         | \$ 2,492,382     | \$ 254,244     | \$ 185,990     | \$ 3,745,679     | \$ 1,506,000      |
| 831,340            | 2,599,334        | 252,783        | 185,876        | 3,869,333        | 618,000           |
| 888,384            | 2,975,451        | 235,868        | 193,610        | 4,293,313        | 772,000           |
| 908,559            | 3,077,752        | 237,261        | 193,092        | 4,416,664        | 741,762           |
| 1,058,430          | 3,471,115        | 243,859        | 206,740        | 4,980,144        | 1,183,000         |
| 1,086,795          | 3,552,365        | 248,706        | 206,659        | 5,094,525        | 1,179,667         |
| 1,247,253          | 3,938,355        | 256,096        | 227,035        | 5,668,739        | 1,297,634 (3)     |
| 1,608,327          | 4,284,721        | 260,831        | 227,659        | 6,381,538        | 2,029,485 (4)     |
| 1,556,962          | 4,490,767        | 276,934        | 250,736        | 6,575,399        | 2,067,654 (4)     |
| <b>1,533,499</b>   | <b>4,616,245</b> | <b>276,725</b> | <b>246,687</b> | <b>6,673,156</b> | <b>2,185,649</b>  |

# COUNTY OF SCOTT, IOWA

## TEN PRINCIPAL TAXPAYERS

June 30, 2002

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|                              | Taxable<br>Value      | Percentage<br>of Total<br>Taxable<br>Value |
|------------------------------|-----------------------|--|
| Mid-American Energy          | \$ 220,409,567        | 4.39%                                      |
| Aluminum Company of America  | 118,406,074           | 2.36                                       |
| SDG Macerich Properties      | 65,105,400            | 1.30                                       |
| Davenport Water Co.          | 51,746,558            | 1.03                                       |
| Isle of Capri                | 39,792,199            | 0.79                                       |
| Genventures                  | 31,582,712            | 0.63                                       |
| Qwest                        | 29,689,560            | 0.59                                       |
| Northern Border Pipeline Co. | 26,727,776            | 0.53                                       |
| Lafarge Corporation          | 23,234,916            | 0.46                                       |
| Petersen Properties L C      | 20,894,352            | 0.42                                       |
| <b>Total</b>                 | <b>\$ 627,589,114</b> | <b>8.16%</b>                               |

# COUNTY OF SCOTT, IOWA

## SURETY BONDS OF PRINCIPAL OFFICIALS

June 30, 2002

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|                                | 2001-02<br>Annual<br>Salary | Bonded<br>Amount |
|--------------------------------|-----------------------------|------------------|
| County Auditor                 | \$ 59,999                   | \$ 20,000        |
| County Attorney                | 85,800                      | 20,000           |
| County Recorder                | 59,999                      | 20,000           |
| Sheriff                        | 76,200                      | 20,000           |
| Treasurer                      | 59,999                      | 50,000           |
| Board of Supervisors           | 31,000                      | 20,000           |
| Chairman, Board of Supervisors | 33,999                      | 20,000           |

All officials and employees of Scott County are bonded in the amount of \$20,000.

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF INSURANCE IN FORCE

June 30, 2002

| Insurance Company     | Type of Coverage                           | Insured  | Amount of Coverage   |
|-----------------------|--|--|--|
| Genesis               | Excess liability -SIR                      | General, auto and law  | \$9,750,000 in excess of Self-Insured Retention  |
|                       | Excess liability - SIR                     | Public official  | \$4,900,000 in excess of Self-Insured Retention  |
| Genesis               | Excess workers' compensation               | Specific Excess Workers' compensation & employers liability in excess of SIR   | Statutory Workers Compensation Employers Liability \$2,000,000   |
| Hartford              | Excess property/<br>inland marine/property | Combined Bldg. & Per. Property<br>Contractor's Equipment<br>Auto Physical Damage<br>Historical Bldgs.<br>Radio Towers<br>Earthquake<br>Fine Arts | \$58,372,852<br>\$5,000,000<br>\$4,000,000<br>\$736,432<br>\$554,898<br>\$25,000,000<br>\$300,000                                |
| Hartford Steam Boiler | Boiler and machinery                       | Comprehensive - 10 locations   | \$17,000,000 per accident  |
| Selective             | Surety bond                                | All employees except elected officials and county assessor   | \$1,000,000  |
| St. Paul              | Professional liability                     | Health department  | \$5,000,000 each claim<br>\$5,000,000 annual aggregate   |
| St. Paul              | Professional liability                     | Dr. Scott Ludwig   | \$1,000,000 each claim<br>\$3,000,000 annual aggregate   |
| Hartford              | Property                                   | Voting machines  | \$535,150  |
| Employers Mutual      | Property                                   | Dwellings owned by conservation board  | \$598,000  |
| Selective             | Flood                                      | Buffalo Shores Recreation Area   | \$175,670  |
| Taylor                | Liquor liability                           | Glynns Creek Golf Course   | \$1,000,000 each occurrence  |
| West Bend Mutual      | Commercial package                         | County library   | \$500,000 GL aggregate<br>\$500,000 auto liability incl. physical damage<br>\$1,576,959 property , EDP, & IM Equipment Breakdown |

| Deductible  | Policy Number  | Expiration<br>Date | Premium            |
|---|----------------|--------------------|--------------------|
| \$250,000 SIR   | YXB300610      | 07/01/2002         | \$ 175,000         |
| \$100,000 SIR   |                |                    |                    |
| \$300,000 SIR   | GDX007827      | 07/01/2002         | \$ 36,625          |
| \$100,000   | GX0000028      | 07/01/2002         | \$ 65,757          |
| \$1,500 direct/24 hrs. indirect<br>\$2,500 Transformers<br>\$5,000 AC/Refrigeration Equip | FBP2206942     | 07/01/2002         | \$ 7,550           |
| \$250   | B400935        | 07/01/2002         | \$ 5,123           |
| N/A   | FM08000642     | 07/01/2002         | \$ 11,557          |
| N/A   | DM06627259     | 10/01/2002         | \$ 7,088           |
| \$250/1,000 breakdown   | 83MSPH2631     | 07/01/2002         | 2yr. Ext. pd. 2000 |
| \$500   | 1X5584501      |                    | \$ 3,583           |
| \$500   | 90021          | 03/21/2003         | \$ 602             |
| N/A   | LLP194427697   | 11/01/2002         | \$ 2,583           |
| N/A<br>Plymouth 50/250<br>Bookmobile 100/1,000<br>\$250/1,000 breakdown                   | CP101213461-14 | 07/01/2002         | \$ 5,596           |

(Continued)

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF INSURANCE IN FORCE (Continued)

June 30, 2002

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| Insurance Company | Type of Coverage              | Insured         | Amount of Coverage   |
|-------------------|-------------------------------|-----------------|--|
| West Bend Mutual  | Workers' compensation         | County library  | Statutory workers' compensation and EL<br>\$100,000 per accident<br>\$100,000 per employee<br>\$500,000 total policy                               |
| West Bend Mutual  | Commercial package - assessor | County assessor | \$1,000,000 GL aggregate<br>\$1,000,000 H/NO auto<br>\$155,000 BPP<br>\$500,000 valuable papers<br>\$200,000 valuable papers away<br>\$200,000 EDP |
| West Bend Mutual  | Worker's comp. - assessor     | County assessor | Coverage A - per statute<br>Coverage B - 500/500/500   |

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| Deductible | Policy Number | Expiration<br>Date | Premium  |
|------------|---------------|--------------------|----------|
| N/A        | WC10105230-15 | 07/01/2002         | \$ 1,897 |
| N/A        | CPI0218863    | 07/01/2002         | \$ 2,641 |
| N/A        |               |                    | Included |
| \$250      |               |                    | Included |
| \$250      |               |                    | Included |
| \$250      |               |                    | Included |
| \$1,000    |               |                    | Included |
|            | WCI0216749    | 07/01/2002         | \$ 2,144 |

# COUNTY OF SCOTT, IOWA

## MISCELLANEOUS STATISTICS

June 30, 2002

|   |                                |  |               |
|---|--------------------------------|--|---------------|
| Date of incorporation: December 21, 1837              |                                | Recreation:  |               |
| Form of government: County Board/County Administrator |                                | Parks:   |               |
|   |                                | County parks   | 7             |
| Area: 447 Square Miles                                | Median age of population: 35.4 | Number of acres  | 2,348         |
| Miles of roads and streets:                           |                                |  |               |
| Interstate highways                                   | 43                             | Golf courses:  |               |
| State highways  | 78                             | Private  | 2             |
| County roads  | 556                            | Public   | 7             |
| City street   | 727                            | Municipal  | 3             |
| <b>Total miles</b>                                    | <u>1,404</u>                   |  |               |
| Acres of industrial lands                             | 800                            | Snowmobile trails, total miles                             | 77            |
| Farming acres   | 227,286                        | State wildlife preserve open to public hunting and fishing | 2,785 acres   |
| Number of farms                                       | 1,375                          | Number of lakes  | 5             |
| County employees:                                     |                                | Number of boat launches                                    | 4             |
| Board members   | 5                              | Number of beaches  | 1             |
| Elected officials                                     | 5                              | Number of swimming pools                                   | 1             |
| Full- and part-time                                   | 415                            | Number of zoos   | 0             |
| Schools within the County:                            |                                | Number of baseball diamonds                                | 2             |
| Public schools:                                       |                                | Public safety:   |               |
| Elementary  | 39                             | County sheriff department                                  | 1             |
| Junior high   | 9                              | City police department                                     | 8             |
| Senior high   | 6                              | Fire department:   |               |
| <b>Total students</b>                                 | <b>27,093</b>                  | Full-time  | 2             |
| Nonpublic schools:                                    |                                | Volunteers   | 11            |
| K-8   | 8                              | Rescue squads  | 2             |
| High school   | 2                              | Building permits:  |               |
| <b>Total students</b>                                 | <b>3,005</b>                   | Issued in the year ended June 30, 2002                     | 751           |
| Higher education:                                     |                                | Value of issued permits                                    | \$ 19,145,393 |
| University  | 1                              |  |               |
| Colleges  | 1                              |  |               |
| Junior college  | 1                              |  |               |
| Vocational schools                                    | 4                              |  |               |
| <b>Total students</b>                                 | <b>13,911</b>                  |  |               |

# **SINGLE AUDIT**

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2002

| Federal Grantor<br>Pass-Through Grantor/Program Title                            | Federal<br>CFDA<br>Number | Pass-Through<br>Grantor's<br>Identifying<br>Number | Federal<br>Expenditures |
|--|---------------------------|--|-------------------------|
| U.S. Department of Agricultural Food and Nutrition Services                      |                           |  |                         |
| (Passed through Iowa Department of Human Services):                              |                           |  |                         |
| National School Breakfast Program  | 10.553                    | 82-8029  | \$ 448                  |
| National School Lunch Program  | 10.555                    | 82-8029  | 7,803                   |
| Food Stamp Program   | 10.561                    | N/A  | 45,348                  |
|  |                           |  | <u>53,599</u>           |
| (Passed through Iowa Department of Public Health),                               |                           |  |                         |
| Special Supplemental Nutrition Program For Women, Infants,<br>and Children (WIC) | 10.557                    | 5881A036   | 123,271                 |
| Special Supplemental Nutrition Program For Women, Infants,<br>and Children (WIC) | 10.557                    | 5582A036   | 369,739                 |
|  |                           |  | <u>493,010</u>          |
| <b>Total U.S. Department of Agricultural Food<br/>and Nutrition Services</b>     |                           |  | <u><b>546,609</b></u>   |
| U.S. Department of Housing and Urban Development                                 |                           |  |                         |
| (Passed through Iowa Department of Economic Development),                        |                           |  |                         |
| Community Development Block Grant, Career Link Program                           | 14.228                    | 00-CRL-002   | 312,654                 |
| <b>Total U.S. Department of Housing and Urban<br/>Development</b>                |                           |  | <u><b>312,654</b></u>   |
| U.S. Department of Justice:  |                           |  |                         |
| (Passed through the Governor's Alliance on Substance Abuse):                     |                           |  |                         |
| Bureau of Justice Assistance Drug Control<br>and System Improvement Grant        | 16.579                    | 01A-0257   | 129,420                 |
| Edward Byrne Memorial State and Local Enforcement<br>Assistance Program          | 16.579                    | 00B-1162   | 16,278                  |
| Edward Byrne Memorial State and Local Enforcement<br>Assistance Program          | 16.579                    | 01B-1187   | 36,110                  |
| Stop Violence Against Women  | 16.588                    | 01V-0203   | 30,854                  |
|  |                           |  | <u>212,662</u>          |
| (Direct) Bulletproof Vest Partnership Program                                    | 16.607                    | N/A  | 1,759                   |
| (Passed through the Office of Community Oriented Policing Services):             |                           |  |                         |
| COPS in School   | 16.710                    | 1999SHWX0537                                       | 45,221                  |
| (Passed through the City of Davenport, Iowa),                                    |                           |  |                         |
| Local Law Enforcement Block Grant  | 16.592                    | 2000LBBX0725                                       | 32,000                  |
| Local Law Enforcement Block Grant  | 16.592                    | 2001LBBX1042                                       | 36,500                  |
|  |                           |  | <u>68,500</u>           |
| (Passed through the Office of Drug Control Policy),                              |                           |  |                         |
| Local Law Enforcement Block Grant  | 16.592                    | 01LE-0111  | 9,999                   |
| (Passed through Iowa Department of Human Services),                              |                           |  |                         |
| Juvenile Justice Youth Development Program                                       | 16.523                    | JJYD-S02-36  | 18,445                  |
| <b>Total U.S. Department of Justice</b>  |                           |  | <u><b>356,586</b></u>   |

(Continued)

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

Year Ended June 30, 2002

| Federal Grantor<br>Pass-Through Grantor/Program Title                                     | Federal<br>CFDA<br>Number | Pass-Through<br>Grantor's<br>Identifying<br>Number | Federal<br>Expenditures |
|---|---------------------------|--|-------------------------|
| U.S. Department of Transportation,  |                           |  |                         |
| National Highway Traffic Safety Administration  |                           |  |                         |
| (Passed through Iowa Department of Public Safety-<br>Governor's Traffic Safety Division): |                           |  |                         |
| Police Traffic Services   | 20.600                    | PAP01-02, Task 25                                  | 6,812                   |
| Police Traffic Services   | 20.600                    | PAP02-02, Task 25                                  | 5,108                   |
|   |                           |  | <u>11,920</u>           |
| (Passed through Iowa Department of Public Defense)  |                           |  |                         |
| Police Traffic Services   | 20.703                    | N/A  | 2,010                   |
|   |                           |  | <u>13,930</u>           |
| <b>Total U.S. Department of Transportation</b>  |                           |  |                         |
| Federal Emergency Management Agency,  |                           |  |                         |
| (Passed through Iowa Disaster Services Division):   |                           |  |                         |
| Emergency Management Performance Grant  | 83.552                    | N/A  | 24,140                  |
| (Passed through Iowa Department of Public Defense):                                       |                           |  |                         |
| Federal Emergency Management Agency   | 83.544                    | 163-99163-00                                       | 175,225                 |
|   |                           |  | <u>199,365</u>          |
| <b>Total Federal Emergency Management Agency</b>  |                           |  |                         |
| U.S. Department of Education:   |                           |  |                         |
| (Passed through the Division of Educational Services),                                    |                           |  |                         |
| Supported Employment  | 84.126                    | 01-CPSE-17   | 9,054                   |
| Supported Employment  | 84.126                    | 02-CPSE-17   | 40,365                  |
|   |                           |  | <u>49,419</u>           |
| <b>Total U.S. Department of Education</b>   |                           |  |                         |
| U.S. Department of Health and Human Services:   |                           |  |                         |
| (Passed through Iowa Department of Health):   |                           |  |                         |
| HIV Testing and Counseling Acquired   |                           |  |                         |
| Immune Deficiency Syndrome (AIDS)   |                           |  |                         |
| HIV Testing and Counseling Acquired   | 93.118                    | 5881AP14   | 14,141                  |
| Immune Deficiency Syndrome (AIDS)   |                           |  |                         |
| HIV Testing and Counseling Acquired   | 93.118                    | 5882AP14   | 17,678                  |
|   |                           |  | <u>31,819</u>           |
| Childhood Lead Poisoning Prevention   |                           |  |                         |
|   | 93.197                    | 5882LP15   | 52,631                  |
| Abstinence Only Education   |                           |  |                         |
|   | 93.235                    | 5881AB18   | 931                     |
| Abstinence Only Education   | 93.235                    | 5882AB18   | 7,764                   |
|   |                           |  | <u>8,695</u>            |
| I-4 Project   | 93.268                    | 5882I417   | 11,479                  |
| I-4 Project   | 93.268                    | 5881I417   | 4,838                   |
|   |                           |  | <u>16,317</u>           |

(Continued)

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

Year Ended June 30, 2002

| Federal Grantor<br>Pass-Through Grantor/Program Title     | Federal<br>CFDA<br>Number | Pass-Through<br>Grantor's<br>Identifying<br>Number | Federal<br>Expenditures    |
|---|---------------------------|--|----------------------------|
| Health Breast/Cervical Cancer Early Detection             | 93.919                    | 5881NB19   | \$ 9,120                   |
| Health Breast/Cervical Cancer Early Detection             | 93.919                    | 5882NB19   | 60,740                     |
|   |                           |  | <u>69,860</u>              |
| Preventative Health and Health Services Block Grant       | 93.991                    | 5881AS02   | 1,850                      |
| Preventative Health and Health Services Block Grant       | 93.991                    | 5882AS02   | 5,362                      |
|   |                           |  | <u>7,212</u>               |
| Child Health Grant  | 93.994                    | 5881AO36   | 33,914                     |
| Child Health Grant  | 93.994                    | 5882AO36   | 78,902                     |
| Maternal Health Grant                                     | 93.994                    | 5882AO36   | 50,947                     |
| Dental Health Grant                                       | 93.994                    | 5882AO36   | 6,444                      |
| Dental Health Grant                                       | 93.994                    | 5881AO36   | 5,599                      |
|   |                           |  | <u>175,806</u>             |
| (Passed through Iowa Department of Human Services):       |                           |  |                            |
| Refugee and Entrant Assistance                            | 93.026                    | N/A  | 329                        |
| Temporary Assistance for Needy Families                   | 93.558                    | N/A  | 72,066                     |
| Child Care Development Fund                               | 93.596                    | N/A  | 8,940                      |
| Foster Care   | 93.658                    | N/A  | 23,845                     |
| Adoption  | 93.659                    | N/A  | 8,032                      |
| Social Services Block Grant                               | 93.667                    | N/A  | 823,539                    |
| Medical Assistance  | 93.778                    | N/A  | 72,927                     |
|   |                           |  | <u>1,009,678</u>           |
| <b>Total U.S. Department of Health and Human Services</b> |                           |  | <b><u>1,372,018</u></b>    |
| <b>Total expenditures of federal awards</b>               |                           |  | <b><u>\$ 2,850,581</u></b> |

See Notes to Schedule of Expenditures of Federal Awards.

# COUNTY OF SCOTT, IOWA

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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### Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the County of Scott, Iowa and its discretely presented component units and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States and Local Governments and Nonprofit Organizations*. Therefore, some amounts presented in the schedule may differ from amounts presented in or used in the preparation of the general purpose financial statements.

### Note 2. Significant Accounting Policies

Revenue from federal awards is recognized when the County has done everything necessary to establish its right to revenue. For governmental funds, revenue from federal grants is recognized when they become both measurable and available. Expenditures of federal awards are recognized in the accounting period when the liability is incurred.

### Note 3. Pass-Through Funding

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows:

| Program Title   | Federal CFDA<br>Number | Amount<br>Provided to<br>Subrecipient |
|---|------------------------|---------------------------------------|
| Bureau of Justice Assistance Drug Control and System<br>Improvement Grant       | 16.579                 | \$ 87,874                             |
| Special Supplemental Nutrition Program for Women,<br>Infants and Children (WIC) | 10.557                 | 481,390                               |
| Community Development Block Grant, Career<br>Link Program                       | 14.228                 | 312,654                               |

# COUNTY OF SCOTT, IOWA

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended June 30, 2002

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| Finding | Status | Corrective Action Plan or<br>Other Explanation |
|---------|--------|--|
|---------|--------|--|

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### Instances of Noncompliance

|          |  |                         |
|----------|--|-------------------------|
| 01-III-A | The County did not have proper documentation for payroll costs charged to the WIC program. | Corrective action taken |
|----------|--|-------------------------|

### Statutory Reporting

|         |   |                         |
|---------|---|-------------------------|
| 01-IV-F | Surety bond coverage was not properly maintained for the County Sheriff, Chairman-Board of Supervisors, and the County Auditor. | Corrective action taken |
|---------|---|-------------------------|



# McGladrey & Pullen

Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Supervisors  
County of Scott, Iowa  
Davenport, Iowa

We have audited the financial statements of the County of Scott, Iowa, as of and for the year ended June 30, 2002, and have issued our report thereon dated September 27, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 11 of the Iowa Code.

### Compliance

As part of obtaining reasonable assurance about whether the County of Scott, Iowa's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance 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 noncompliance that are required to be reported under *Government Auditing Standards*.

Comments involving statutory and other legal matters about the County's operations for the year ended June 30, 2002 are based exclusively on knowledge obtained from procedures performed during our audit of the general purpose financial statements of the County. 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 interpretation of those statutes.

## Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County of Scott, Iowa'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 a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the County's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as items 02-II-A.

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

We also noted other matters involving the internal control over financial reporting which we have reported to management of the County in separate letters dated September 27, 2002 and December 19, 2002.

This report is intended solely for the information and use of the Board of Supervisors, management and the auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

*McGladrey & Pullen, LLP*

Davenport, Iowa  
January 20, 2003

# McGladrey & Pullen

Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Supervisors  
County of Scott, Iowa  
Davenport, Iowa

### Compliance

We have audited the compliance of the County of Scott, Iowa with the types of compliance requirements that are described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2002. The County of Scott, Iowa's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs are the responsibility of the County of Scott, Iowa's management. Our responsibility is to express an opinion on the County of Scott, Iowa's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Chapter 11 of the Code of Iowa and OMB Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance 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 County of Scott, Iowa'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 County of Scott, Iowa's compliance with those requirements.

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

## Internal Control Over Compliance

The management of the County of Scott, Iowa 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 County of Scott, Iowa'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 the internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance 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 compliance that, in our judgment, could adversely affect the County's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 02-III-A and 02-III-B.

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 noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all 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.

This report is intended solely for the information and use of the Board of Supervisors, management and the auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

*McGladrey & Pullen, LLP*

Davenport, Iowa  
September 27, 2002

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2002

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### I. SUMMARY OF THE INDEPENDENT AUDITOR'S RESULTS

#### Financial Statements

Type of auditor's report issued: Unqualified

#### Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Reportable condition(s) identified that are not considered to be material weaknesses?  Yes  None Reported
- Noncompliance material to financial statements noted?  Yes  No

#### Federal Awards

#### Internal control over major programs:

- Material weakness(es) identified?  Yes  No
- Reportable condition(s) identified that are not considered to be material weaknesses?  Yes  None Reported

#### Type of auditor's report issued on compliance for major programs: Unqualified

- Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?  Yes  No

#### Identification of major program:

| CFDA Number | Name of Federal Program or Cluster  |
|-------------|---|
| 14.228      | Community Development Block Grant - Career Link Program                       |
| 10.557      | Special Supplemental Nutrition Program For Women, Infants, and Children (WIC) |

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?  Yes  No

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2002

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### II. FINDINGS RELATED TO THE FINANCIAL STATEMENT AUDIT AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS

#### A. Reportable Conditions in Internal Control

##### 02-II-A

Finding: A good internal control contemplates an adequate segregation of duties so that no one individual handles a transaction from its inception to its completion. The County of Scott, Iowa's Community Services Department has an improper segregation of duties over the revenue transaction cycle and the cash disbursement cycle.

Condition: Several employees within the Department have the capability of adding new clients to the system and are responsible for the verification and posting of direct deposit and miscellaneous receipts to the system. These same employees have check signing capabilities, access to check stock, the ability to post to the accounts and are responsible for the check disbursement function.

Effect: Transaction errors occurred and were not detected in a timely manner.

Recommendation: We recommend the capability of adding new clients to the system be restricted from employees with the capability of posting to the system. In addition, the duties of check signing and access to blank check stock should be removed from employees with the capability of posting cash disbursements to the system.

Response and Corrective Action Planned: The County will reassign and realign duties to establish an effective segregation of duties.

#### B. Compliance Findings

None

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2002

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### III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

#### A. Reportable Conditions in Administering Federal Awards

##### U.S. Department of Agricultural Food and Nutrition Services:

##### Special Supplemental Nutrition Program For Women, Infants, and Children (WIC) (CFDA 10.557)

##### 02-III-A

Finding: The County does not have an adequate system in place for monitoring the subrecipient's activities of Edgerton Women's Health Center in regards to eligibility and expenditures to provide reasonable assurance that the subrecipient is administering Federal awards in compliance with Federal requirements.

Questioned Costs: None

Condition: The County is not monitoring the subrecipient to determine that eligibility requirements are being met of applicants seen by the subrecipient. The County relies on the state for this monitoring because the information is sent nightly via the upload to the State. In addition, the County does not receive supporting documentation of costs incurred by the subrecipient and requested for reimbursement. Currently, the subrecipient only sends a summarized spreadsheet, including a breakout of money that the subrecipient spent on salaries, nutrition education, promotional items, training, and supplies, to the County Health Department of all expenditures incurred on a monthly basis.

Criteria: OMB Circular A-133 requires a pass-through entity to "monitor the activities of subrecipients as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved." The pass through entity is accountable for the federal awards even though they are administered by the subrecipient.

Recommendation: We recommend the County gain an understanding of the subrecipients controls in place for meeting eligibility requirements as well as making periodic visits to the subrecipient locations to review patient files to ensure eligibility requirements are being met. In addition, we recommend all supporting documentation of expenditures being requested for reimbursement by the subrecipient be sent to the County for review.

Response and Corrective Action Planned: Beginning September 2002, the subrecipient is sending detail for the expenditures requested for reimbursement. The Scott County Health Department will conduct an annual audit of the Edgerton Women's Health Center Special Supplemental Program for Women, Infants and Children (WIC) to determine that eligibility requirements are being met by clients seen by the Edgerton WIC program. This audit will include a chart review and observation of the client intake process.

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2002

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### III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)

U.S. Department of Housing and Urban Development:

Community Development Block Grant – Career Link Program (CFDA 14.228)

02-III-B

Finding: The County does not have an adequate system in place for monitoring the subrecipient's activities to provide reasonable assurance that the subrecipient is administering Federal awards in compliance with Federal requirements.

Questioned Costs: None

Condition: Currently, the only monitoring procedures performed by the County over the subrecipient is checking for mathematical accuracy of the reimbursement request summaries submitted by the subrecipient.

Criteria: OMB Circular A-133 requires a pass-through entity to "monitor the activities of subrecipients as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved." The pass through entity is accountable for the federal awards even though they are administered by the subrecipient.

Recommendation: We recommend the County gain an understanding of the subrecipients controls in place for meeting all requirements of the grant agreement. In addition, we recommend supporting documentation of expenditures being requested for reimbursement by the subrecipient be sent to the County for review as well as documentation to support that the subrecipient is meeting the eligibility and reporting requirements. The County should consider obtaining a copy of any state on-site visit reports or any audit reports performed in accordance with OMB Circular A-133 from the subrecipient and ensure that any finding are being corrected by the subrecipient. The County should also consider performing site visits to the subrecipients to review financial and programmatic records and observe operations.

Response and Corrective Action Planned: Scott County Planning and Development will obtain copies of State on-site visit reports and/or any audit reports to ensure compliance of grant requirements. Planning and Development will perform random site visits to review financial and programmatic records. Scott County Planning and Development will also request supporting documentation of expenditures being requested for reimbursements, including participant income guidelines and completion information.

B. Instances of Noncompliance

None

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2002

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### IV. OTHER FINDINGS RELATED TO REQUIRED STATUTORY REPORTING

**02-IV-A Official Depositories:** A resolution naming official depositories has been adopted by the Board. The maximum deposit amounts stated in the resolution were not exceeded during the year.

**02-IV-B Certified Budget:** Expenditures for the year ended June 30, 2002 did not exceed the budgeted amounts.

**02-IV-C Questionable Expenditures:** No expenditures were noted that may not meet the requirements of public purpose as defined in the Attorney General's opinion dated April 25, 1979.

**02-IV-D Travel Expense:** No expenditures of County money for travel expenses of spouses of County officials or employees were noted.

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

**02-IV-F Bond Coverage:** Surety bond coverage of County officials and employees is in accordance with statutory provisions.

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

**02-IV-H Deposits and Investments:** No instances of noncompliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the County's investment policy were noted.

**02-IV-I Resource Enhancement and Protection Certification:** The County properly dedicated property tax revenue to conservation purposes as required by Chapter 4SSA.19(1)(b) of the Code of Iowa in order to receive the additional REAP funds allocated in accordance with Subsections (b)(2) and (b)(3).

**02-IV-J Economic Development:** During the year ended June 30, 2002, expenditures incurred for economic development appear appropriate and adequately documented by the County for public purposes in accordance with Chapter 15A of the Code of Iowa.

**02-IV-K Capital Lease Purchase Agreements:** During the year ended June 30, 2002, the County did not enter into a lease purchase agreement.

**02-IV-L County Extension Office:** The County extension office is operated under the Authority of Chapter 176A of the Code of Iowa and serves as an agency of the state of Iowa. This fund is administered by an extension council separate and distinct from County operations. Expenditures during the year ended June 30, 2002 for the County extension office did not exceed the amount budgeted.

# COUNTY OF SCOTT, IOWA

## CORRECTIVE ACTION PLAN

Year Ended June 30, 2002

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| Current Number   | Comment  | Corrective Action Plan                              | Anticipated Date of Completion | Contact Person |
|--|--|---|--------------------------------|----------------|
| <b>Reportable Conditions:</b>                                |  |   |                                |                |
| 02-II-A  | The County does not have an adequate segregation of duties over the revenue transaction cycle and the cash disbursement cycle. | See response and corrective action plan at 02-II-A  | July 2003                      | Mary Dubert    |
| <b>Reportable Conditions in Administering Federal Awards</b> |  |   |                                |                |
| 02-III-A   | The County does not have an adequate system in place for monitoring subrecipient activities.                                   | See response and corrective action plan at 02-III-A | July 2003                      | Carol Schnyder |
| 02-III-B   | The County does not have an adequate system in place for monitoring subrecipient activities.                                   | See response and corrective action plan at 02-III-B | July 2003                      | Tim Huey       |