

CITY OF CAMANCHE, IOWA

INDEPENDENT AUDITOR'S REPORTS
BASIC FINANCIAL STATEMENTS
SUPPLEMENTARY AND OTHER INFORMATION
SCHEDULE OF FINDINGS AND RESPONSES

June 30, 2022

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CITY OF CAMANCHE, IOWA

OFFICIALS

(Before January 2022)

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Trevor Willis	Mayor	January 2022
Paul Varner	Mayor Pro-Tem	January 2024
Brent Brightman	Council Member	January 2022
Dave Bowman	Council Member	January 2022
Danny Weller	Council Member	January 2022
Marty Schnoor	Council Member	January 2024

(After January 2022)

Austin Pruett	Mayor	January 2024
Paul Varner	Mayor Pro-Tem	January 2024
Marty Schnoor	Council Member	January 2024
Dave Bowman	Council Member	January 2026
Robert Determann	Council Member	January 2026
Danny Weller	Council Member	January 2026
Andrew Kida	City Administrator	Indefinite
Toni Schneider	City Clerk/Treasurer	Indefinite
Frey, Haufe & Current, PLC	Attorney	Indefinite
Richard Schmitz, Jr.	Chief of Police	Indefinite
David Schutte	Fire Chief	Indefinite

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of Camanche, Iowa

Report on the Audit of the Financial Statements

Opinions

We have audited the cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Camanche, Iowa, as of and for the year ended June 30, 2022 and the related notes to the financial statements which collectively comprise the City of Camanche, Iowa's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Camanche, Iowa as of June 30, 2022, and the respective changes in financial position-cash basis thereof for the year then ended in accordance with the cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Camanche, Iowa and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Camanche, Iowa's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Camanche, Iowa's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Camanche, Iowa's basic financial statements. We previously audited, in accordance with the standards referred to in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report, the financial statements for the nine years ended June 30, 2021 (which are not presented herein) and expressed unmodified opinions on those financial statements which are prepared on the cash basis of accounting. The supplementary information included in schedules 1 and 2 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Budgetary Comparison Information, the Schedule of the City's Proportionate Share of the Net Pension Liability and the Schedule of City Contributions on pages 29 through 36, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2022 on our consideration of the City of Camanche, Iowa's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Camanche, Iowa's internal control over financial reporting and compliance.

Winkel, Parker & Foster, CPA PC

Clinton, Iowa
November 22, 2022

BASIC FINANCIAL STATEMENTS

CITY OF CAMANCHE, IOWA
CASH BASIS STATEMENT OF ACTIVITIES AND NET POSITION
As of and for the Year Ended June 30, 2022

FUNCTIONS/PROGRAMS	Disbursements	Charges for Service	Program Receipts	
			Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest
Governmental activities:				
Public safety	\$ 2,129,868	\$ 304,682	\$ -	\$ -
Public works	924,459	-	628,686	-
Health and social services	1,375	-	-	-
Culture and recreation	377,554	40,540	12,514	-
Community and economic development	95,487	-	-	-
General government	507,681	48,748	42,767	-
Debt service	645,278	-	-	-
Capital projects	1,083,905	-	-	536,156
Total governmental activities	5,765,607	393,970	683,967	536,156
Business type activities:				
Water	267,472	377,585	-	-
Sewer	510,608	568,170	-	-
Solid waste	393,739	377,307	-	-
Total business type activities	1,171,819	1,323,062	-	-
Total	\$ 6,937,426	\$ 1,717,032	\$ 683,967	\$ 536,156

GENERAL RECEIPTS AND TRANSFERS

Property and other city tax levied for:
General purposes
Debt service
Tax increment financing
Local option sales tax
Commercial/industrial tax replacement
Utility tax replacement
Utility franchise tax - cablevision
Mobile home tax
Unrestricted interest on investments
Miscellaneous
Proceeds from the issuance of debt
Premium on issuance
Transfers
Total general receipts and transfers

CHANGE IN CASH BASIS NET POSITION

CASH BASIS NET POSITION BEGINNING OF YEAR

CASH BASIS NET POSITION END OF YEAR

CASH BASIS NET POSITION

Restricted:
Nonexpendable:
Cemetery perpetual care
Expendable:
Debt service
Streets
Capital improvements
Other purposes
Unrestricted
Total cash basis net position

See notes to financial statements.

**Net (Disbursements) Receipts and
Changes in Cash Basis Net Position**

Governmental Activities	Business-type Activities	Total
\$ (1,825,186)	\$ -	\$ (1,825,186)
(295,773)	-	(295,773)
(1,375)	-	(1,375)
(324,500)	-	(324,500)
(95,487)	-	(95,487)
(416,166)	-	(416,166)
(645,278)	-	(645,278)
(547,749)	-	(547,749)
<u>(4,151,514)</u>	<u>-</u>	<u>(4,151,514)</u>
-	110,113	110,113
-	57,562	57,562
-	(16,432)	(16,432)
-	<u>151,243</u>	<u>151,243</u>
<u>(4,151,514)</u>	<u>151,243</u>	<u>(4,000,271)</u>
1,822,128	-	1,822,128
391,306	-	391,306
103,681	-	103,681
691,556	-	691,556
108,621	-	108,621
125,678	-	125,678
122,929	-	122,929
45,468	-	45,468
15,180	1,048	16,228
56,561	3,603	60,164
2,775,000	-	2,775,000
31,007	-	31,007
114,758	(114,758)	-
<u>6,403,873</u>	<u>(110,107)</u>	<u>6,293,766</u>
2,252,359	41,136	2,293,495
<u>2,597,476</u>	<u>874,699</u>	<u>3,472,175</u>
<u>\$ 4,849,835</u>	<u>\$ 915,835</u>	<u>\$ 5,765,670</u>
\$ 83,940	\$ -	\$ 83,940
111,282	-	111,282
377,383	-	377,383
2,809,014	-	2,809,014
321,572	-	321,572
1,146,644	915,835	2,062,479
<u>\$ 4,849,835</u>	<u>\$ 915,835</u>	<u>\$ 5,765,670</u>

CITY OF CAMANCHE, IOWA
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
GOVERNMENTAL FUNDS
As of and for the Year Ended June 30, 2022

	General	Special Revenue Road Use Tax	Debt Service	Capital Projects 9th Street Project	Nonmajor Governmental Funds	Total
RECEIPTS						
Property tax	\$ 1,457,581	\$ -	\$ 391,306	\$ -	\$ 364,547	\$ 2,213,434
Tax increment financing	-	-	-	-	103,681	103,681
Other city tax	930,853	-	27,314	-	27,465	985,632
Licenses and permits	26,706	-	-	-	-	26,706
Use of money and property	45,293	-	-	-	1	45,294
Intergovernmental	175,345	628,686	18,863	-	554,136	1,377,030
Charges for service	272,794	-	-	-	-	272,794
Miscellaneous	70,130	-	-	-	2,500	72,630
Total receipts	<u>2,978,702</u>	<u>628,686</u>	<u>437,483</u>	<u>-</u>	<u>1,052,330</u>	<u>5,097,201</u>
DISBURSEMENTS						
Operating:						
Public safety	1,844,469	-	-	-	285,399	2,129,868
Public works	206,416	682,448	-	-	35,595	924,459
Health and social services	1,375	-	-	-	-	1,375
Culture and recreation	348,945	-	-	-	30,609	377,554
Community and economic development	12,144	-	-	-	83,343	95,487
General government	487,811	-	-	-	19,870	507,681
Debt service	-	-	645,278	-	-	645,278
Capital projects	-	-	-	12,765	1,071,140	1,083,905
Total disbursements	<u>2,899,160</u>	<u>682,448</u>	<u>645,278</u>	<u>12,765</u>	<u>1,525,956</u>	<u>5,765,607</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>79,542</u>	<u>(53,762)</u>	<u>(207,795)</u>	<u>(12,765)</u>	<u>(473,626)</u>	<u>(668,406)</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from the issuance of debt	-	-	-	2,250,000	525,000	2,775,000
Premium on issuance	-	-	-	31,007	-	31,007
Operating transfers in	3,850	-	231,362	-	-	235,212
Operating transfers out	(43,810)	(76,644)	-	-	-	(120,454)
Total other financing sources (uses)	<u>(39,960)</u>	<u>(76,644)</u>	<u>231,362</u>	<u>2,281,007</u>	<u>525,000</u>	<u>2,920,765</u>
CHANGE IN CASH BALANCES	39,582	(130,406)	23,567	2,268,242	51,374	2,252,359
CASH BALANCES BEGINNING OF YEAR	<u>1,107,062</u>	<u>507,789</u>	<u>87,715</u>	<u>-</u>	<u>894,910</u>	<u>2,597,476</u>
CASH BALANCES END OF YEAR	<u>\$ 1,146,644</u>	<u>\$ 377,383</u>	<u>\$ 111,282</u>	<u>\$ 2,268,242</u>	<u>\$ 946,284</u>	<u>\$ 4,849,835</u>
CASH BASIS FUND BALANCES						
Nonspendable - Cemetery perpetual care	\$ -	\$ -	\$ -	\$ -	\$ 83,940	\$ 83,940
Restricted for:						
Debt service	-	-	111,282	-	-	111,282
Streets	-	377,383	-	-	-	377,383
Capital improvements	-	-	-	2,268,242	540,772	2,809,014
Other purposes	-	-	-	-	321,572	321,572
Assigned for:						
Cemetery	28,075	-	-	-	-	28,075
Library	79,142	-	-	-	-	79,142
Park and recreation	94,827	-	-	-	-	94,827
Unassigned	944,600	-	-	-	-	944,600
Total cash basis fund balances	<u>\$ 1,146,644</u>	<u>\$ 377,383</u>	<u>\$ 111,282</u>	<u>\$ 2,268,242</u>	<u>\$ 946,284</u>	<u>\$ 4,849,835</u>

See notes to financial statements.

CITY OF CAMANCHE, IOWA
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
PROPRIETARY FUNDS
As of and for the Year Ended June 30, 2022

	Enterprise				Total
	Water Utility	Sewer Utility	Solid Waste	Nonmajor Water Meter Deposit	
OPERATING RECEIPTS					
Charges for service	\$ 363,531	\$ 568,170	\$ 377,307	\$ 14,054	\$ 1,323,062
OPERATING DISBURSEMENTS					
Business type activities:					
Water	267,472	-	-	-	267,472
Sewer	-	510,608	-	-	510,608
Solid waste	-	-	393,739	-	393,739
Total operating disbursements	<u>267,472</u>	<u>510,608</u>	<u>393,739</u>	<u>-</u>	<u>1,171,819</u>
EXCESS (DEFICIENCY) OF OPERATING RECEIPTS OVER (UNDER) OPERATING DISBURSEMENTS	<u>96,059</u>	<u>57,562</u>	<u>(16,432)</u>	<u>14,054</u>	<u>151,243</u>
NON-OPERATING RECEIPTS					
Interest on investments	1,048	-	-	-	1,048
Miscellaneous	3,577	26	-	-	3,603
Total net non-operating receipts	<u>4,625</u>	<u>26</u>	<u>-</u>	<u>-</u>	<u>4,651</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>100,684</u>	<u>57,588</u>	<u>(16,432)</u>	<u>14,054</u>	<u>155,894</u>
OTHER FINANCING USES					
Operating transfers out	(2,050)	(112,708)	-	-	(114,758)
CHANGE IN CASH BALANCES	98,634	(55,120)	(16,432)	14,054	41,136
CASH BALANCES BEGINNING OF YEAR	<u>630,875</u>	<u>57,888</u>	<u>20,359</u>	<u>165,577</u>	<u>874,699</u>
CASH BALANCES END OF YEAR	<u>\$ 729,509</u>	<u>\$ 2,768</u>	<u>\$ 3,927</u>	<u>\$ 179,631</u>	<u>\$ 915,835</u>
CASH BASIS FUND BALANCES					
Unrestricted	<u>\$ 729,509</u>	<u>\$ 2,768</u>	<u>\$ 3,927</u>	<u>\$ 179,631</u>	<u>\$ 915,835</u>

See notes to financial statements.

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Camanche, Iowa is a political subdivision of the State of Iowa located in Clinton County. It operates under the Home Rule provisions of the Constitution of Iowa. The City operates under the Mayor-Council form of government with the Mayor and Council Members elected on a non-partisan basis. The City provides numerous services to citizens, including public safety, public works, health and social services, culture and recreation, community and economic development and general government services. The City also provides water, sewer and solid waste utilities for its citizens.

A. Reporting Entity

For financial reporting purposes, the City of Camanche, Iowa has included all funds, organizations, agencies, boards, commissions and authorities. The City has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the City. The City has no component units which meet the Governmental Accounting Standards Board criteria.

Jointly Governed Organizations

The City participates in several jointly governed organizations that provide goods or services to the citizenry of the City but do not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The City and City officials are members of the following boards, commissions and organizations: Clinton County Area Solid Waste Agency, Clinton County Emergency Management Commission, Clinton County Communications Board, Clinton County Joint E911 Service Board, East Central Intergovernmental Association, Eastern Iowa Regional Housing Authority and Regional Planning Authority, Clinton Regional Development Corporation and the Clinton Area Chamber of Commerce.

B. Basis of Presentation

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

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

The City reports the following major governmental funds:

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

Special Revenue:

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

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The 9th Street Project Capital Projects Fund is used to account for all resources used in the acquisition and construction of capital facilities with the exception of those financed through Enterprise Funds.

The City reports the following major proprietary funds:

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

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

The Enterprise, Solid Waste Fund accounts for the operation and maintenance of the City's waste disposal.

C. Measurement Focus and Basis of Accounting

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

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

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

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

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Property Taxes and Governmental Cash Basis Fund Balances

The following accounting policies are followed in preparing the financial statements:

Property tax revenues recognized in these funds become due and collectible in September and March of the current fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2020 assessed property valuations; is for the tax accrual period July 1, 2021 through June 30, 2022 and reflects tax asking contained in the budget certified to the City Council in March 2021.

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

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

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

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

Unassigned - All amounts not included in the preceding classifications.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Other Information. During the year ended June 30, 2022, disbursements exceeded the amount budgeted in the business-type activities function.

F. Subsequent Events

Management has evaluated subsequent events through November 22, 2022, the date the financial statements were available to be issued.

NOTE 2 - CASH AND POOLED INVESTMENTS

The City's deposits in banks at June 30, 2022 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 2 - CASH AND POOLED INVESTMENTS (CONTINUED)

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

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

NOTE 3 - BONDS AND NOTES PAYABLE

A summary of changes in bonds and notes payable for the year ended June 30, 2022 is as follows:

	Beginning Balances	Increases	Decreases	Ending Balances	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 3,660,000	\$ 2,250,000	\$ 465,000	\$ 5,445,000	\$ 555,000
General obligation notes	824,451	525,000	71,631	1,277,820	118,810
Total	\$ 4,484,451	\$ 2,775,000	\$ 536,631	\$ 6,722,820	\$ 673,810

General Obligation Bonds

A summary of the City's June 30, 2022 general obligation bonds payable is as follows:

Year Ending June 30,	GO Street Improvement Bonds, Series 2012 Issued March 5, 2012			GO Refunding Bonds, Series 2012B Issued September 17, 2012			GO Street Improvement Bonds, Series 2016 Issued August 11, 2016			GO Corporate Purpose Bonds, Series 2022 Issued June 22, 2022			Total		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest	Principal	Interest	Total
2023	2.200%	\$ 325,000	\$ 40,890	2.300%	\$ 90,000	\$ 25,173	1.500%	\$ 60,000	\$ 13,944	2.300%	\$ 80,000	72,459	\$ 555,000	\$ 152,466	\$ 707,466
2024	2.250%	330,000	33,740	2.500%	90,000	23,103	1.500%	65,000	12,744	2.600%	80,000	75,108	565,000	144,695	709,695
2025	2.400%	340,000	26,315	2.600%	95,000	20,853	2.000%	65,000	11,444	2.300%	85,000	73,268	585,000	131,880	716,880
2026	2.550%	350,000	18,155	2.750%	95,000	18,383	2.000%	65,000	10,144	2.500%	90,000	71,313	600,000	117,995	717,995
2027	2.600%	355,000	9,230	2.900%	100,000	15,770	2.000%	65,000	8,681	2.500%	90,000	69,063	610,000	102,744	712,744
2028-2032	-	-	-	3.000% - 3.150%	420,000	32,923	2.250% - 2.625%	285,000	18,637	2.500-3.000%	520,000	307,238	1,225,000	356,798	1,581,798
2033-2037	-	-	-	-	-	-	-	-	-	4.000%	605,000	214,200	605,000	214,200	819,200
2038-2042	-	-	-	-	-	-	-	-	-	4.000%	700,000	85,997	700,000	85,997	785,997
Total		\$ 1,700,000	\$ 128,330		\$ 890,000	\$ 136,205		\$ 605,000	\$ 75,594		\$ 2,250,000	968,646	\$ 5,445,000	\$ 1,308,775	\$ 6,753,775

On March 5, 2012, the City issued \$4,195,000 of General Obligation Bonds for the purpose of paying for the cost of street improvements. The bonds bear interest at rates ranging from 0.450% to 2.600%, payable semi-annually, and principal is payable in annual installments due on June 1st of each year. During the year ended June 30, 2022, the City paid \$320,000 of principal and \$47,450 of interest on the bonds.

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 3 - BONDS AND NOTES PAYABLE (CONTINUED)

On September 17, 2012, the City issued \$1,695,000 of General Obligation Refunding Bonds for the purpose of refunding the City's 2009 Sewer Revenue Bonds, dated November 18, 2009 with interest rates of 3.000%. The bonds bear interest at rates ranging from 2.000% to 3.150%, payable semi-annually, and principal is payable in annual installments due on June 1st of each year. During the year ended June 30, 2022, the City paid \$85,000 of principal and \$26,957 of interest on the bonds. The current refunding decreased total debt service payments over the next 18 years by \$74,480. This resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$61,667.

On August 11, 2016 the City issued \$960,000 of General Obligation Bonds for the purpose of paying for the cost of street improvements. The bonds bear interest at rates ranging from 1.000% to 2.625%, payable semi-annually, and principal is payable in annual installments due on June 1st of each year. During the year ended June 30, 2022, the City paid \$60,000 of principal and \$14,844 of interest on the bonds.

On June 22, 2022 the City issued \$2,250,000 of General Obligation Bonds for the purpose of paying for the cost of street improvements. The bonds bear interest at rates ranging from 2.300% to 4.000%, payable semi-annually, and principal is payable in annual installments due on June 1st of each year. During the year ended June 30, 2022, no principal or interest payments were made on the bonds.

General Obligation Notes

A summary of the City's June 30, 2022 general obligation notes payable is as follows:

Year Ending June 30,	GO Community Center Notes, Series 2018 Issued January 24, 2018			GO City Hall Expansion Notes, Series 2020A Issued September 1, 2020			GO City Hall Expansion Notes, Series 2020B Issued September 1, 2020			GO Corporate Purpose Notes, Series 2022 Issued April 29, 2022			Total		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest	Principal	Interest	Total
2023	3.500%	\$ 35,993	\$ 7,947	1.550%	\$ 24,544	\$ 5,433	1.550%	\$ 12,273	\$ 2,716	2.440%	\$ 46,000	\$ 14,091	\$ 118,810	\$ 30,187	\$ 148,997
2024	3.500%	36,610	6,698	1.550%	24,925	5,052	1.550%	12,463	2,526	2.440%	49,000	11,888	122,998	25,964	148,962
2025	3.500%	37,261	5,398	1.550%	25,311	4,866	1.550%	12,656	2,333	2.440%	50,000	10,492	125,228	22,889	148,117
2026	3.500%	37,910	4,102	1.550%	25,703	4,274	1.550%	12,852	2,137	2.440%	51,000	9,272	127,465	19,785	147,250
2027	3.500%	38,572	2,775	1.550%	26,102	3,875	1.550%	13,051	1,938	2.440%	52,000	8,028	129,725	16,616	146,341
2028-2032	3.500%	40,720	715	1.550%	136,704	13,181	1.550%	89,385	8,690	2.440%	277,000	20,593	522,779	41,079	563,858
2033-2035	3.500%	-	-	1.550%	87,214	2,717	1.550%	43,801	1,366	2.440%	-	-	130,815	4,083	134,898
Total		\$ 227,066	\$ 27,635		\$ 350,503	\$ 39,198		\$ 175,251	\$ 19,606		\$ 525,000	\$ 74,184	\$ 1,277,820	\$ 160,603	\$ 1,438,423

On January 24, 2018 the City issued \$400,000 of General Obligation Notes for the purpose of paying for a portion of the cost of constructing a community center and parking lot. The notes bear interest at a rate of 3.500%, payable semi-annually, and principal is payable in annual installments due on June 1st of each year. During the year ended June 30, 2022, the City paid \$35,376 of principal and \$9,185 of interest on the notes.

On September 1, 2020 the City issued \$400,000 of General Obligation Notes, Series 2020A and \$200,000 of General Obligation Notes, Series 2020B for the purpose of paying costs related the City Hall expansion project. The notes bear interest at a rate of 1.550%, with principal and interest being payable in annual installments due on June 1st of each year. During the year ended June 30, 2022, the City paid \$36,255 of principal and \$8,711 of interest on the notes.

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 3 - BONDS AND NOTES PAYABLE (CONTINUED)

On April 29, 2022 the City issued \$525,000 of General Obligation Notes for the purpose of paying for the cost of street improvements. The notes bear interest at a rate of 2.440%, payable semi-annually, and principal is payable in annual installments due on June 1st of each year. During the year ended June 30, 2022, no principal or interest payments were made on the notes.

NOTE 4 - PENSION AND RETIREMENT BENEFITS

Iowa Public Employee Retirement System (IPERS)

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

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

Pension Benefits - A Regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member's first month of entitlement to benefits.

Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member's monthly IPERS benefit includes:

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

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

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 4 - PENSION AND RETIREMENT BENEFITS (CONTINUED)

Iowa Public Employee Retirement System (IPERS) (continued)

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

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

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

In fiscal year 2022, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the City contributed 9.44% of covered payroll, for a total rate of 15.73%.

The City's contributions to IPERS for the year ended June 30, 2022 totaled \$65,990.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2022, the City reported a liability of \$10,247 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2021, the City's proportion was -0.002968%, which was a decrease of 0.010199% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the City's pension expense, deferred outflows of resources and deferred inflows of resources totaled \$(35,625), \$67,436 and \$432,016 respectively.

There were no non-employer contributing entities to IPERS.

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 4 - PENSION AND RETIREMENT BENEFITS (CONTINUED)

Iowa Public Employee Retirement System (IPERS) (continued)

Actuarial Assumptions - The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, as follows:

Rate of Inflation (effective June 30, 2017)	2.60% per annum.
Rates of salary increase (effective June 30, 2017)	3.25% to 16.25% average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 2017)	7.00% compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2017)	3.25% per annum, based on 2.60% inflation and 0.65% real wage inflation.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study dated March 24, 2017 and a demographic assumption study dated June 28, 2018.

Mortality rates used in the 2021 valuation were based on the RP-2014 Employee and Healthy Annuitant Tables with MP-2017 generational adjustments.

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

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity	22.00%	4.43%
International equity	17.50	6.01
Global smart beta equity	6.00	5.10
Core-plus fixed income	26.00	0.29
Public credit	4.00	2.08
Cash	1.00	(0.25)
Private equity	13.00	9.51
Private real assets	7.50	4.63
Private credit	3.00	2.87
Total	<u>100.00%</u>	

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 4 - PENSION AND RETIREMENT BENEFITS (CONTINUED)

Iowa Public Employee Retirement System (IPERS) (continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the City will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on IPERS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1.00% lower (6.00%) or 1.00% higher (8.00%) than the current rate.

	1.00% Decrease (6.00%)	Discount Rate (7.00%)	1.00% Increase (8.00%)
City's proportionate share of the net pension liability	\$362,661	\$10,247	\$(285,099)

IPERS' Fiduciary Net Position - Detailed information about IPERS' fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at www.ipers.org.

Municipal Fire and Police Retirement System of Iowa (MFPRSI)

Plan Description - MFPRSI membership is mandatory for fire fighters and police officers covered by the provisions of Chapter 411 of the Code of Iowa. Employees of the City are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by MFPRSI. MFPRSI issues a stand-alone financial report which is available to the public by mail at 7155 Lake Drive, Suite #201, West Des Moines, Iowa 50266 or at www.mfprsi.org.

MFPRSI benefits are established under Chapter 411 of the Code of Iowa and the administrative rules thereunder. Chapter 411 of the Code of Iowa and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 4 - PENSION AND RETIREMENT BENEFITS (CONTINUED)

Municipal Fire and Police Retirement System of Iowa (MFPRSI) (continued)

Pension Benefits - Members with 4 or more years of service are entitled to pension benefits beginning at age 55. Full service retirement benefits are granted to members with 22 years of service, while partial benefits are available to those members with 4 to 22 years of service based on the ratio of years completed to years required (i.e., 22 years). Members with less than 4 years of service are entitled to a refund of their contribution only, with interest, for the period of employment.

Benefits are calculated based upon the member's highest 3 years of compensation. The average of these 3 years becomes the member's average final compensation. The base benefit is 66% of the member's average final compensation. Members who perform more than 22 years of service receive an additional 2% of the member's average final compensation for each additional year of service, up to a maximum of 8 years. Survivor benefits are available to the beneficiary of a retired member according to the provisions of the benefit option chosen, plus an additional benefit for each child. Survivor benefits are subject to a minimum benefit for those members who chose the basic benefit with a 50% surviving spouse benefit.

Active members at least 55 years of age with 22 or more years of service have the option to participate in the Deferred Retirement Option Program (DROP). The DROP is an arrangement whereby a member who is otherwise eligible to retire and commence benefits opts to continue to work. A member can elect a 3, 4 or 5 year DROP period. When electing to participate in DROP, the member signs a contract stating the member will retire at the end of the selected DROP period. During the DROP period, the member's retirement benefit is frozen and a DROP benefit is credited to a DROP account established for the member. Assuming the member completes the DROP period, the DROP benefit is equal to 52% of the member's retirement benefit at the member's earliest date eligible and 100% if the member delays enrollment for 24 months. At the member's actual date of retirement, the member's DROP account will be distributed to the member in the form of a lump sum or rollover to an eligible plan.

Disability and Death Benefits - Disability benefits may be either accidental or ordinary. Accidental disability is defined as a permanent disability incurred in the line of duty, with benefits equivalent to the greater of 60% of the member's average final compensation or the member's service retirement benefit calculation amount. Ordinary disability occurs outside the call of duty and pays benefits equivalent to the greater of 50% of the member's average final compensation for those with 5 or more years of service or the member's service retirement benefit calculation amount and 25% of average final compensation for those with less than 5 years of service.

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 4 - PENSION AND RETIREMENT BENEFITS (CONTINUED)

Municipal Fire and Police Retirement System of Iowa (MFPRSI) (continued)

Death benefits are similar to disability benefits. Benefits for accidental death are 50% of the average final compensation of the member plus an additional amount for each child, or the provisions for ordinary death. Ordinary death benefits consist of a pension equal to 40% of the average final compensation of the member plus an additional amount for each child, or a lump-sum distribution to the designated beneficiary equal to 50% of the previous year's earnable compensation of the member or equal to the amount of the member's total contributions plus interest.

Benefits are increased annually in accordance with Chapter 411.6 of the Code of Iowa, which provides a standard formula for the increases.

The surviving spouse or dependents of an active member who dies due to a traumatic personal injury incurred in the line of duty receives a \$100,000 lump-sum payment.

Contributions - Member contribution rates are set by state statute. In accordance with Chapter 411 of the Code of Iowa, the contribution rate was 9.40% of earnable compensation for the year ended June 30, 2022.

Employer contribution rates are based upon an actuarially determined normal contribution rate and set by state statute. The required actuarially determined contributions are calculated on the basis of the entry age normal method as adopted by the Board of Trustees as permitted under Chapter 411 of the Code of Iowa. The normal contribution rate is provided by state statute to be the actuarial liabilities of the plan less current plan assets, with such total divided by 1.00% of the actuarially determined present value of prospective future compensation of all members, further reduced by member contributions and state appropriations. Under the Code of Iowa, the City's contribution rate cannot be less than 17.00% of earnable compensation. The contribution rate was 26.18% for the year ended June 30, 2022.

The City's contributions to MFPRSI for the year ended June 30, 2022 totaled \$253,764.

If approved by the State Legislature, state appropriations may further reduce the City's contribution rate, but not below the minimum statutory contribution rate of 17.00% of earnable compensation. The State of Iowa, therefore, is considered to be a non-employer contributing entity in accordance with the provisions of Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*.

There were no state appropriations to MFPRSI during the year ended June 30, 2022.

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 4 - PENSION AND RETIREMENT BENEFITS (CONTINUED)

Municipal Fire and Police Retirement System of Iowa (MFPRSI) (continued)

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2022, the City reported a liability of \$672,613 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to the MFPRSI relative to the contributions of all MFPRSI participating employers. At June 30, 2021, the City's proportion was 0.252754%, which was an increase of 0.046752% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the City's pension expense, deferred outflows of resources and deferred inflows of resources totaled \$18,612, \$404,103 and \$1,432,174 respectively.

Actuarial Assumptions - The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation	3.00%.
Salary increases	3.75% to 15.11%, including inflation.
Investment rate of return	7.50%, net of investment expense, including inflation.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2007 through June 30, 2017.

Postretirement mortality rates were based on the RP-2014 Blue Collar Combined Healthy Annuitant Table with males set forward zero years, females set forward two years and disabled individuals set-forward three years (male only rates), with generational projection of future mortality improvement with 50% of Scale BB beginning in 2017.

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

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 4 - PENSION AND RETIREMENT BENEFITS (CONTINUED)

Municipal Fire and Police Retirement System of Iowa (MFPRSI) (continued)

The best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
Large cap	7.40%
Small cap	8.10
International large cap	7.20
Emerging markets	7.90
Global infrastructure	7.50
Private non-core real estate	11.50
Private credit	6.40
Private equity	10.80
Core plus fixed income	4.00
Private core real estate	7.20

Discount Rate - The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that contributions will be made at 9.40% of covered payroll and the City's contributions will be made at rates equal to the difference between actuarially determined rates and the member rate. Based on those assumptions, the MFPRSI's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on MFPRSI's investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate 1.00% lower (6.50%) or 1.00% higher (8.50%) than the current rate.

	1.00% Decrease (6.50%)	Discount Rate (7.50%)	1.00% Increase (8.50%)
City's proportionate share of the net pension liability	\$1,990,403	\$672,613	\$(421,076)

MFPRSI's Fiduciary Net Position - Detailed information about MFPRSI's fiduciary net position is available in the separately issued MFPRSI financial report which is available on MFPRSI's website at www.mfprsi.org.

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 5 - COMPENSATED ABSENCES

City employees accumulate a limited amount of earned but unused vacation and sick leave hours for subsequent use or for payment upon termination, retirement or death. These accumulations are not recognized as disbursements by the City until used or paid. The City's approximate liability for earned vacation and sick leave payable to employees at June 30, 2022, primarily relating to the General Fund, is as follows:

<u>Type of Benefit</u>	<u>Amount</u>
Vacation	\$ 117,523
Sick leave	386,895
Total	<u>\$ 504,418</u>

This liability has been computed based on rates of pay in effect at June 30, 2022.

NOTE 6 - INTERFUND TRANSFERS

The details of interfund transfers for the year ended June 30, 2022 is as follows:

<u>Transfer to</u>	<u>Transfer from</u>	<u>Amount</u>
General	Special Revenue:	
	Road Use Tax	\$ 1,800
	Enterprise:	
	Water Utility	<u>2,050</u>
		<u>3,850</u>
Debt Service	General	43,810
	Special Revenue:	
	Road Use Tax	74,844
	Enterprise:	
	Sewer Utility	<u>112,708</u>
		<u>231,362</u>
	Total	<u>\$ 235,212</u>

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

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description - The City operates a single-employer health benefit plan which provides medical/prescription drug benefits for employees, retirees and their spouses. The medical/prescription drug benefits are provided through a fully-insured plan with Wellmark. The most recent active member and retiree monthly premiums for the City and plan members vary and are based on age, number of dependents and other various factors and range from \$231 for single coverage to \$1,383 for family coverage. For the year ended June 30, 2022, the City contributed \$243,344 and plan members eligible for benefits contributed \$16,774 to the plan. At June 30, 2022, no assets have been accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

OPEB Benefits - Individuals who are employed by the City and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for the medical/prescription drug benefits as active employees, which results in an implicit rate subsidy.

Civil service participants must be age 55 or older at retirement. All other participants must be age 60 or older at retirement. At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	6
Active employees	<u>23</u>
Total	<u>29</u>

NOTE 8 - RISK MANAGEMENT

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

NOTE 9 - CONTINGENT LIABILITY

In accordance with Iowa Code, the City has elected to reimburse the Iowa Employment Security Commission for benefits paid by the commission to former employees of the City. This election is in lieu of the City making deposits with the Commission based on a predetermined contribution rate. The amount of the contingent liability for future payments is indeterminable.

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 10 - COMMITTED CONSTRUCTION

As of June 30, 2022, the City had the following committed construction:

<u>Project</u>	<u>Total Contract Amount</u>	<u>Paid to Date</u>	<u>Committed at June 30, 2022</u>
City Hall Expansion Project	\$ 686,795	\$ 606,438	\$ 80,357
Phase 3 Street Improvement Plan	480,172	172,913	307,259
Storm Sewer Master Plan	45,000	15,750	29,250
Street Sweeping Events	10,500	-	10,500
Splashpad	8,500	-	8,500
Roundabout Project	1,255,849	-	1,255,849
Street Striping	18,380	-	18,380
Total	<u>\$ 2,505,196</u>	<u>\$ 795,101</u>	<u>\$ 1,710,095</u>

NOTE 11 - DEVELOPMENT AGREEMENTS

The City has entered into development agreements authorizing the payment of economic development tax rebate payments. The maximum amount to be paid to recipients under these agreements at June 30, 2022 totaled \$1,808,493. Payments are subject to annual appropriation by the City Council and developer compliance with the terms of the agreement.

During the year ended June 30, 2022, the City rebated \$67,963 of incremental property tax to developers. The remaining balance to be paid on the agreements at June 30, 2022 was \$1,740,530.

NOTE 12 - TAX ABATEMENTS

Governmental Accounting Standards Board Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax receipts to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

City Tax Abatements

The City provides tax abatements for urban renewal and economic development projects with tax increment financing as provided for in Chapters 15A and 403 of the Code of Iowa. For these types of projects, the City enters into agreements with developers which require the City, after developers meet the terms of the agreements, to rebate a portion of the property tax paid by the developers, or to pay the developers a predetermined dollar amount. No other commitments were made by the City as part of these agreements. For the year ended June 30, 2022, \$24,581 of property tax was diverted from the City under the urban renewal and economic development agreements.

CITY OF CAMANCHE, IOWA
NOTES TO FINANCIAL STATEMENTS
June 30, 2022

NOTE 13 - COVID-19

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

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

NOTE 14 - SUBSEQUENT EVENTS

In October of 2022, the City Council approved a proposal from Automatic Systems Inc. totaling \$89,871 for a SCADA System upgrade.

OTHER INFORMATION

CITY OF CAMANCHE, IOWA
BUDGETARY COMPARISON SCHEDULE
OF RECEIPTS, DISBURSEMENTS AND CHANGES IN BALANCES -
BUDGET AND ACTUAL (CASH BASIS) - ALL GOVERNMENTAL FUNDS AND PROPRIETARY FUNDS
OTHER INFORMATION
Year Ended June 30, 2022

	Governmental Funds <u>Actual</u>	Proprietary Funds <u>Actual</u>	<u>Total</u>	Budgeted Amounts		Final to Total <u>Variance</u>
				<u>Original</u>	<u>Final</u>	
RECEIPTS						
Property tax	\$ 2,213,434	\$ -	\$ 2,213,434	\$ 2,334,663	\$ 2,334,663	\$ (121,229)
Tax increment financing	103,681	-	103,681	103,600	103,600	81
Other city tax	985,632	-	985,632	806,773	886,773	98,859
Licenses and permits	26,706	-	26,706	23,600	23,600	3,106
Use of money and property	45,294	1,048	46,342	25,000	25,000	21,342
Intergovernmental	1,377,030	-	1,377,030	995,680	1,335,824	41,206
Charges for service	272,794	1,323,062	1,595,856	1,810,691	1,812,391	(216,535)
Miscellaneous	72,630	3,603	76,233	-	-	76,233
Total receipts	<u>5,097,201</u>	<u>1,327,713</u>	<u>6,424,914</u>	<u>6,100,007</u>	<u>6,521,851</u>	<u>(96,937)</u>
DISBURSEMENTS						
Public safety	2,129,868	-	2,129,868	2,137,998	2,159,983	30,115
Public works	924,459	-	924,459	833,195	1,015,246	90,787
Health and social services	1,375	-	1,375	1,375	1,375	-
Culture and recreation	377,554	-	377,554	378,845	415,595	38,041
Community and economic development	95,487	-	95,487	132,599	132,599	37,112
General government	507,681	-	507,681	441,310	546,310	38,629
Debt service	645,278	-	645,278	645,413	645,413	135
Capital projects	1,083,905	-	1,083,905	-	1,319,507	235,602
Business-type activities	-	1,171,819	1,171,819	1,157,951	1,157,951	(13,868)
Total disbursements	<u>5,765,607</u>	<u>1,171,819</u>	<u>6,937,426</u>	<u>5,728,686</u>	<u>7,393,979</u>	<u>456,553</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	(668,406)	155,894	(512,512)	371,321	(872,128)	359,616
OTHER FINANCING SOURCES (USES), NET	<u>2,920,765</u>	<u>(114,758)</u>	<u>2,806,007</u>	<u>-</u>	<u>532,085</u>	<u>2,273,922</u>
CHANGE IN CASH BALANCES	2,252,359	41,136	2,293,495	371,321	(340,043)	2,633,538
BALANCES BEGINNING OF YEAR	<u>2,597,476</u>	<u>874,699</u>	<u>3,472,175</u>	<u>2,883,177</u>	<u>2,883,177</u>	<u>588,998</u>
BALANCES END OF YEAR	<u>\$ 4,849,835</u>	<u>\$ 915,835</u>	<u>\$ 5,765,670</u>	<u>\$ 3,254,498</u>	<u>\$ 2,543,134</u>	<u>\$ 3,222,536</u>

See accompanying independent auditor's report.

CITY OF CAMANCHE, IOWA
NOTES TO OTHER INFORMATION - BUDGETARY REPORTING
June 30, 2022

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

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

Formal and legal budgetary control is based upon nine major classes of disbursements known as functions, not by fund. These nine functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects and business type activities. Function disbursements required to be budgeted include disbursements for the General Fund, the Special Revenue Funds, the Debt Service Fund, the Capital Projects Fund and the Enterprise Funds. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. During the year, two budget amendments increased budgeted revenues by \$421,844 and disbursements by \$1,665,293. The budget amendments are reflected in the final budgeted amounts.

During the year ended June 30, 2022, disbursements exceeded the amounts budgeted in the business-type activities function.

**CITY OF CAMANCHE, IOWA
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
FOR THE LAST EIGHT YEARS***

OTHER INFORMATION

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's proportion of the net pension liability	-0.002968%	0.007231%	0.007467%	0.007550%	0.007443%	0.007807%	0.008238%	0.008631%
City's proportionate share of the net pension liability	\$ 10,247	\$ 507,924	\$ 432,379	\$ 477,797	\$ 495,788	\$ 491,320	\$ 406,987	\$ 342,308
City's covered payroll	\$ 593,210	\$ 573,824	\$ 568,252	\$ 567,469	\$ 555,577	\$ 560,605	\$ 564,367	\$ 564,793
City's proportionate share of the net pension liability as a percentage of its covered payroll	1.73%	88.52%	76.09%	84.20%	89.24%	87.64%	72.11%	60.61%
IPERS' net position as a percentage of the total pension liability	100.81%	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

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

See accompanying independent auditor's report.

**CITY OF CAMANCHE, IOWA
SCHEDULE OF CITY CONTRIBUTIONS**

**IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
FOR THE LAST TEN YEARS**

OTHER INFORMATION

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Statutorily required contribution	\$ 65,990	\$ 55,999	\$ 54,169	\$ 53,643	\$ 50,675	\$ 49,613	\$ 50,062	\$ 50,398	\$ 50,436	\$ 47,525
Contributions in relation to the statutorily required contribution	<u>(65,990)</u>	<u>(55,999)</u>	<u>(54,169)</u>	<u>(53,643)</u>	<u>(50,675)</u>	<u>(49,613)</u>	<u>(50,062)</u>	<u>(50,398)</u>	<u>(50,436)</u>	<u>(47,525)</u>
Contribution deficiency (excess)	<u>\$ -</u>									
City's covered payroll	\$ 699,047	\$ 593,210	\$ 573,824	\$ 568,252	\$ 567,469	\$ 555,577	\$ 560,605	\$ 564,367	\$ 564,793	\$ 548,155
Contributions as a percentage of covered payroll	9.44%	9.44%	9.44%	9.44%	8.93%	8.93%	8.93%	8.93%	8.93%	8.67%

See accompanying independent auditor's report.

CITY OF CAMANCHE, IOWA
NOTES TO OTHER INFORMATION - PENSION LIABILITY
IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Year Ended June 30, 2022

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

The 2018 valuation implemented the following refinements as a result of a demographic assumption study dated June 28, 2018:

- Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
- Adjusted the merit component of the salary increase assumption.

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption from 4.00% to 3.25%.

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

- Decreased the inflation assumption from 3.25% to 3.00%.
- Decreased the assumed rate of interest on member accounts from 4.00% to 3.75% per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Moved from an open 30-year amortization period to a closed 30-year amortization period for the UAL (unfunded actuarial liability) beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20-year period.

CITY OF CAMANCHE, IOWA
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

MUNICIPAL FIRE AND POLICE RETIREMENT SYSTEM OF IOWA
 FOR THE LAST EIGHT YEARS*

OTHER INFORMATION

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's proportion of the net pension liability	0.299506%	0.252754%	0.234263%	0.213589%	0.211978%	0.243648%	0.261914%	0.257577%
City's proportionate share of the net pension liability	\$ 672,613	\$ 2,015,967	\$ 1,536,593	\$ 1,271,716	\$ 1,243,198	\$ 1,523,436	\$ 1,230,510	\$ 933,714
City's covered payroll	\$ 973,256	\$ 804,613	\$ 709,147	\$ 620,819	\$ 600,370	\$ 660,269	\$ 686,856	\$ 657,776
City's proportionate share of the net pension liability as a percentage of its covered payroll	69.11%	250.55%	216.68%	204.84%	207.07%	230.73%	179.15%	141.95%
Plan fiduciary net position as a percentage of the total pension liability	93.62%	76.47%	79.94%	81.07%	80.60%	78.20%	83.04%	86.27%

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

See accompanying independent auditor's report.

**CITY OF CAMANCHE, IOWA
SCHEDULE OF CITY CONTRIBUTIONS**

**MUNICIPAL FIRE AND POLICE RETIREMENT SYSTEM OF IOWA
FOR THE LAST 10 YEARS**

OTHER INFORMATION

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Statutorily required contribution	\$ 253,764	\$ 246,331	\$ 196,406	\$ 184,520	\$ 159,426	\$ 155,616	\$ 183,357	\$ 208,873	\$ 198,122	\$ 160,702
Contributions in relation to the statutorily required contribution	<u>(253,764)</u>	<u>(246,331)</u>	<u>(196,406)</u>	<u>(184,520)</u>	<u>(159,426)</u>	<u>(155,616)</u>	<u>(183,357)</u>	<u>(208,873)</u>	<u>(198,122)</u>	<u>(160,702)</u>
Contribution deficiency (excess)	<u>\$ -</u>									
City's covered payroll	\$ 969,305	\$ 973,256	\$ 804,613	\$ 709,147	\$ 620,819	\$ 600,370	\$ 660,269	\$ 686,856	\$ 657,776	\$ 615,245
Contributions as a percentage of covered payroll	26.18%	25.31%	24.41%	26.02%	25.68%	25.92%	27.77%	30.41%	30.12%	26.12%

See accompanying independent auditor's report.

CITY OF CAMANCHE, IOWA
NOTES TO OTHER INFORMATION - PENSION LIABILITY
MUNICIPAL FIRE AND POLICE RETIREMENT SYSTEM OF IOWA
Year Ended June 30, 2022

Changes of benefit terms:

There were no significant changes of benefit terms.

Changes of assumptions:

The 2018 valuation changed postretirement mortality rates to the RP-2014 Blue Collar Healthy Annuitant Table with males set-forward zero years, females set-forward two years and disabled individuals set-forward three years (male only rates), with generational projection of future mortality improvement with 50% of Scale BB beginning in 2017.

The 2017 valuation added five years projection of future mortality improvement with Scale BB.

The 2016 valuation changed postretirement mortality rates to the RP-2000 Blue Collar Combined Healthy Mortality Table with males set-back two years, females set-forward one year and disabled individuals set-forward one year (male only rates), with no projection of future mortality improvement.

The 2015 valuation phased in the 1994 Group Annuity Mortality Table for postretirement mortality. This resulted in a weighting of 1/12 of the 1971 Group Annuity Mortality Table and 11/12 of the 1994 Group Annuity Mortality Table.

The 2014 valuation phased in the 1994 Group Annuity Mortality Table for post-retirement mortality. This resulted in a weighting of 2/12 of the 1971 Group Annuity Mortality Table and 10/12 of the 1994 Group Annuity Mortality Table.

SUPPLEMENTARY INFORMATION

CITY OF CAMANCHE, IOWA
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
NONMAJOR GOVERNMENTAL FUNDS
As of and for the Year Ended June 30, 2022

	Special Revenue				
	Police and Fire Pension <u>Accumulation</u>	Employee Benefits	Robert Howson <u>Estate</u>	Edens TIF <u>Rebate</u>	Cross TIF <u>Rebate</u>
RECEIPTS					
Property tax	\$ 240,601	\$ 123,946	\$ -	\$ -	\$ -
Tax increment financing	-	-	-	53,216	14,747
Other city tax	18,127	9,338	-	-	-
Use of money and property	-	-	1	-	-
Intergovernmental	11,866	6,113	-	-	-
Miscellaneous	-	-	-	-	-
Total receipts	<u>270,594</u>	<u>139,397</u>	<u>1</u>	<u>53,216</u>	<u>14,747</u>
DISBURSEMENTS					
Operating:					
Public safety	262,383	23,016	-	-	-
Public works	-	35,595	-	-	-
Culture and recreation	-	30,603	6	-	-
Community and economic development	-	-	-	53,216	14,747
General government	-	19,870	-	-	-
Capital projects	-	-	-	-	-
Total disbursements	<u>262,383</u>	<u>109,084</u>	<u>6</u>	<u>53,216</u>	<u>14,747</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>8,211</u>	<u>30,313</u>	<u>(5)</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES					
Proceeds from the issuance of debt	-	-	-	-	-
CHANGE IN CASH BALANCES	8,211	30,313	(5)	-	-
CASH BALANCES BEGINNING OF YEAR	<u>89,818</u>	<u>126,859</u>	<u>366</u>	<u>-</u>	<u>-</u>
CASH BALANCES END OF YEAR	<u>\$ 98,029</u>	<u>\$ 157,172</u>	<u>\$ 361</u>	<u>\$ -</u>	<u>\$ -</u>
CASH BASIS FUND BALANCES					
Nonspendable - Cemetery perpetual care	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted for:					
Capital improvements	-	-	-	-	-
Other purposes	98,029	157,172	361	-	-
Total cash basis fund balances	<u>\$ 98,029</u>	<u>\$ 157,172</u>	<u>\$ 361</u>	<u>\$ -</u>	<u>\$ -</u>

Special Revenue		Capital Projects				Permanent	
Edens 9th to 9th LMI	Cross TIF LMI	9th Avenue Project	American Rescue Plan	Phase III SIP	City Hall Expansion	Cemetery Perpetual Care	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 364,547
27,184	8,534	-	-	-	-	-	103,681
-	-	-	-	-	-	-	27,465
-	-	-	-	-	-	-	1
-	-	209,823	326,334	-	-	-	554,136
-	-	-	-	-	-	2,500	2,500
<u>27,184</u>	<u>8,534</u>	<u>209,823</u>	<u>326,334</u>	<u>-</u>	<u>-</u>	<u>2,500</u>	<u>1,052,330</u>
-	-	-	-	-	-	-	285,399
-	-	-	-	-	-	-	35,595
-	-	-	-	-	-	-	30,609
15,380	-	-	-	-	-	-	83,343
-	-	-	-	-	-	-	19,870
-	-	209,327	117,819	193,239	550,755	-	1,071,140
<u>15,380</u>	<u>-</u>	<u>209,327</u>	<u>117,819</u>	<u>193,239</u>	<u>550,755</u>	<u>-</u>	<u>1,525,956</u>
<u>11,804</u>	<u>8,534</u>	<u>496</u>	<u>208,515</u>	<u>(193,239)</u>	<u>(550,755)</u>	<u>2,500</u>	<u>(473,626)</u>
-	-	-	-	525,000	-	-	525,000
11,804	8,534	496	208,515	331,761	(550,755)	2,500	51,374
<u>39,420</u>	<u>6,252</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>550,755</u>	<u>81,440</u>	<u>894,910</u>
<u>\$ 51,224</u>	<u>\$ 14,786</u>	<u>\$ 496</u>	<u>\$ 208,515</u>	<u>\$ 331,761</u>	<u>\$ -</u>	<u>83,940</u>	<u>\$ 946,284</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83,940	\$ 83,940
-	-	496	208,515	331,761	-	-	540,772
<u>51,224</u>	<u>14,786</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>321,572</u>
<u>\$ 51,224</u>	<u>\$ 14,786</u>	<u>\$ 496</u>	<u>\$ 208,515</u>	<u>\$ 331,761</u>	<u>\$ -</u>	<u>83,940</u>	<u>\$ 946,284</u>

CITY OF CAMANCHE, IOWA
 SCHEDULE OF RECEIPTS BY SOURCE AND DISBURSEMENTS BY FUNCTION
 ALL GOVERNMENTAL FUNDS
 For the Last Ten Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
RECEIPTS										
Property tax	\$ 2,213,434	\$ 2,129,610	\$ 1,997,264	\$ 1,967,526	\$ 1,913,223	\$ 1,831,841	\$ 1,809,902	\$ 1,818,054	\$ 1,844,968	\$ 1,781,483
Tax increment financing	103,681	77,653	33,601	11,276	18,508	13,682	10,880	-	-	-
Other city tax	985,632	936,747	770,141	727,089	692,498	704,071	665,403	685,626	664,943	622,988
Licenses and permits	26,706	20,146	15,000	11,428	15,838	12,156	12,832	12,795	9,195	9,104
Use of money and property	45,294	47,494	61,718	53,872	29,087	25,336	20,898	21,670	23,292	36,533
Intergovernmental	1,377,030	982,810	965,514	719,372	658,161	729,614	980,339	640,933	1,003,924	597,592
Charges for service	272,794	311,646	256,593	181,307	141,302	131,202	146,095	122,549	119,593	107,284
Miscellaneous	72,630	70,762	68,337	72,599	46,430	79,080	66,286	118,225	193,033	139,995
TOTAL RECEIPTS	\$ 5,097,201	\$ 4,576,868	\$ 4,168,168	\$ 3,744,469	\$ 3,515,047	\$ 3,526,982	\$ 3,712,635	\$ 3,419,852	\$ 3,858,948	\$ 3,294,979
DISBURSEMENTS										
Operating:										
Public safety	\$ 2,129,868	\$ 2,095,131	\$ 2,568,030	\$ 1,857,572	\$ 1,391,335	\$ 1,291,491	\$ 1,420,246	\$ 1,484,372	\$ 1,431,797	\$ 1,358,397
Public works	924,459	611,760	772,893	1,284,385	571,445	478,612	647,915	620,994	749,527	452,068
Health and social services	1,375	1,375	1,375	1,375	1,375	1,375	-	-	1,375	-
Culture and recreation	377,554	391,089	295,009	333,714	279,767	286,596	313,598	299,019	359,390	304,939
Community and economic development	95,487	67,855	33,676	21,558	17,509	18,782	13,980	10,682	18,848	12,000
General government	507,681	401,670	431,600	447,830	506,054	462,952	448,885	391,926	437,685	400,328
Debt service	645,278	644,209	602,489	604,701	594,297	556,312	477,186	482,490	482,110	481,806
Capital projects	1,083,905	138,466	-	78,555	188,044	1,027,282	601,033	358,248	1,368,623	2,974,990
TOTAL DISBURSEMENTS	\$ 5,765,607	\$ 4,351,555	\$ 4,705,072	\$ 4,429,690	\$ 3,549,826	\$ 4,123,402	\$ 3,922,843	\$ 3,647,731	\$ 4,849,355	\$ 5,984,528

See accompanying independent auditor's report.

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

To the Honorable Mayor and
Members of the City Council
City of Camanche, Iowa

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Camanche, Iowa as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Camanche, Iowa's basic financial statements, and have issued our report thereon dated November 22, 2022. Our report expressed unmodified opinions on the financial statements which were prepared on the basis of cash receipts and disbursements, a basis of accounting other than U.S. generally accepted accounting principles.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Camanche, Iowa's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Camanche, Iowa's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Camanche, Iowa's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2022-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Camanche, Iowa's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 or other matters that are required to be reported under *Government Auditing Standards*, however, we did note certain immaterial instances of non-compliance or other matters which are described in Part III of the accompanying schedule of findings and responses.

Comments involving statutory and other legal matters about the City of Camanche, Iowa's operations for the year ended June 30, 2022 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the City of Camanche, Iowa. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

City of Camanche, Iowa's Responses to Findings

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

Purpose of this Report

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

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the City of Camanche, Iowa during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

Winkel, Parker & Foster, CPA PC

Clinton, Iowa
November 22, 2022

**CITY OF CAMANCHE, IOWA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2022**

Part I: Summary of Independent Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified opinion

Internal control over financial reporting:

- Material weakness(es) identified? yes x none reported
- Significant deficiency(ies) identified? x yes no

Noncompliance material to financial statements noted? yes x no

**CITY OF CAMANCHE, IOWA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2022**

Part II: Findings Related to the Financial Statements

INTERNAL CONTROL DEFICIENCIES:

2022-001 Formal Review Procedures

Criteria - Internal controls should be in place to reduce to a relatively low risk the likelihood a material misstatement could occur and not be detected and corrected in a timely period.

Condition - There is no formal, detailed review of bank statements, bank reconciliations or reconciling items. In addition, journal entries are not reviewed by someone other than the preparer.

Effect - As a result, there is a higher risk that misstatements could occur in the financial statements and not be detected and corrected in a timely period.

Cause - The City does not have any formal review procedures in place to document the review and approval of bank statements, bank reconciliations or journal entries.

Recommendation - All bank statements, bank reconciliations (including reconciling items) and journal entries should be reviewed and approved on a monthly basis. The reviewer should then document the review by signing and dating the statements, bank reconciliations and journal entries as an indication of formal approval.

Response - The City has implemented additional controls and formal review procedures are now being performed.

Conclusion - Response accepted.

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

CITY OF CAMANCHE, IOWA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2022

Part III: Other Findings Related to Required Statutory Reporting

2022-002 Certified Budget - Disbursements for the year ended June 30, 2022 exceeded the amount budgeted in the business-type activities function. Chapter 384.20 of the Code of Iowa states, in part, "Public monies may not be expended or encumbered except under an annual or continuing appropriation."

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

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

Conclusion - Response accepted.

2022-003 Questionable Disbursements - We noted no disbursements that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.

2022-004 Travel Expense - No disbursements of City money for travel expenses of spouses of City officials or employees were noted.

2022-005 Business Transactions - We noted no business transactions between the City and City officials or employees.

2022-006 Restricted Donor Activity - No transactions were noted between the City, City officials, City employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

2022-007 Bond Coverage - Surety bond coverage of City officials and employees is in accordance with statutory provisions. The amount of coverage is reviewed annually to ensure that the coverage is adequate for current operations.

2022-008 City Council Minutes - No transactions were found that we believe should have been approved in the City Council minutes but were not.

2022-009 Deposits and Investments - No instances of non-compliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the City's investment policy were noted.

CITY OF CAMANCHE, IOWA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2022

Part III: Other Findings Related to Required Statutory Reporting (continued)

2022-010 Tax Increment Financing - The Special Revenue Funds, Edens TIF Rebate and Cross TIF Rebate properly disbursed payments for TIF rebates. Also, the City properly completed the Tax Increment Debt Certificate Forms to request TIF property taxes.

2022-011 Annual Urban Renewal Report - The Annual Urban Renewal Report was certified to the Iowa Department of Management on or before December 1. However, the amount reported by the City on the Levy Authority Summary as TIF debt outstanding was understated.

Recommendation - The City should ensure that debt amounts reported on the Levy Authority Summary agree with City records.

Response - The City will correct these items on next year's report.

Conclusion - Response accepted.