



CITY OF CAMANCHE, IOWA

FINANCIAL STATEMENTS
June 30, 2007



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CITY OF CAMANCHE

OFFICIALS

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
<u>City Council</u>		
James Robertson	Mayor	January 2008
Steve Cundiff	Mayor Pro-Tem	January 2008
Ken Fahlbeck	Council Member	January 2008
Linda Kramer	Council Member	January 2010
Ron Wehde	Council Member	January 2010
Trevor Willis	Council Member	January 2010
<u>City Officials</u>		
Thomas Roth	City Administrator	Indefinite
Carol A. Lamont	City Clerk/Treasurer	Indefinite
Thomas Lonergan	Attorney	January 2008
Robert Houzenga	Chief of Police	Indefinite
David Schutte	Fire Chief	Indefinite
Sherry Letchford	Library Board - Chair	July 2008
Linda Foster	Library Board Trustee	July 2010
Abijah Morgan	Library Board Trustee	July 2010
Curtis Cooley	Library Board Trustee	July 2012
Kevin King	Library Board Trustee	July 2012
Tom Kramer	Board of Recreation - Chair	July 2009
Lori Bigwood	Board of Recreation Commissioner	July 2008
Dan French	Board of Recreation Commissioner	July 2008
Kim Willis	Board of Recreation Commissioner	July 2008
Matthew Peterson	Board of Recreation Commissioner	July 2009

CITY OF CAMANCHE

OFFICIALS (CONTINUED)

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Greg Nelson	Board of Adjustment - Chair	January 2008
Dave Langfitt	Board of Adjustment Member	January 2009
Frank Grage	Board of Adjustment Member	January 2010
Mike McDanel	Board of Adjustment Member	January 2011
William Simpson	Board of Adjustment Member	January 2012
Ruth Evans	Historical Board - Chair	July 2008
George Current	Historical Board Member	July 2008
Jane Jordan	Historical Board Member	July 2008
Carma Sinkey	Historical Board Member	July 2008
Donna Current	Historical Board Member	July 2009
Bob Jordan	Historical Board Member	July 2009
John Lind	Historical Board Member	July 2009
George Current	Cemetery Board - Chair	January 2012
Ann Wiebers	Cemetery Board Member	January 2008
Lester Shadle	Cemetery Board Member	January 2009
George Andresen	Cemetery Board Member	January 2010
Karla Morgan	Cemetery Board Member	January 2011
Ray Gruver	Planning Commission - Chair	January 2012
Vacant	Planning Commission Member	January 2008
Vacant	Planning Commission Member	January 2009
Melvin Albrecht	Planning Commission Member	January 2010
Yvonne Henn	Planning Commission Member	January 2011
Raymond Johnson Jr.	Planning Commission Member	January 2011
Tom Hixson	Planning Commission Member	January 2012
John Lee	Civil Service Commission - Chair	April 2010
Michael Sparks	Civil Service Commission Member	April 2008
Grant Henry	Civil Service Commission Member	April 2009

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the City of Camanche as of and for the year ended June 30, 2007, which collectively comprise the City of Camanche's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Camanche's management. Our responsibility is to express opinions on these 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. 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 opinions.

As described in Note 1, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principals generally accepted in the United States of America.

In our opinion, the financial statements referred to above 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 as of June 30, 2007, and the respective changes in cash basis financial position for the year then ended in conformity with the basis of accounting described in the Summary of Significant Accounting Policies.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2007, on our consideration of the City of Camanche'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis and budgetary comparison information on pages 5 through 12 and 26 through 28 are not a required part of the basic financial statements but are supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. We did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Camanche's basic financial statements. We previously audited, in accordance with the standards referred to in the second paragraph on this report, the financial statements for the three years ended June 30, 2006 (none of which are presented herein) and expressed unqualified opinions on those financial statements which were prepared in conformity with an other comprehensive basis of accounting. The other supplemental information included in Schedules 1 through 23, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Clifton Henderson LLP

Clinton, Iowa
December 20, 2007

**CITY OF CAMANCHE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2007**

The City of Camanche provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2007. We encourage readers to consider this information in conjunction with the City's financial statements, which follow.

2007 FINANCIAL HIGHLIGHTS

- Revenues of the City's governmental activities increased 12.7%, or approximately \$311,000 from fiscal 2006 to fiscal 2007. Charges for service increased approximately \$57,000. Operating grants, contributions, and restricted interest decreased approximately \$51,000. Capital grants, contributions, and restricted interest decreased approximately \$218,000. Property taxes increased approximately \$382,000.
- Revenues of the City's business type activities increased 6.3%, or approximately \$44,000 mostly in the Sewer Utility Fund. The increase is due to a new commercial consumer being charged.
- Total disbursements decreased 11.1%, or approximately \$370,000, in fiscal year 2007 from fiscal year 2006. Public safety disbursements increased approximately \$12,000 due to the purchase of new equipment. Public works disbursements decreased approximately \$104,000 due to not as much salary being taken out of Road Use Tax. Community and economic development disbursements decreased approximately \$217,000 due to a one-time only Day Care grant not being in the current year budget. The grant was awarded in the prior year. General government disbursements decreased approximately \$81,000 due to less engineering service costs. Water disbursements decreased approximately \$5,200 due mainly to lower costs attributed to water this year.
- The City's total cash basis net assets increased 23.7%, or approximately \$547,000 from June 30, 2006 to June 30, 2007. Of this amount, the net assets of the governmental activities increased approximately \$481,000 and the net assets of the business type activities increased by approximately \$66,000.

CITY OF CAMANCHE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2007

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the City's financial activities.

The Government-wide Financial Statement consists of a Statement of Activities and Net Assets. This statement provides information about the activities of the City as a whole and presents an overall view of the City's finances.

The Fund Financial Statements tell how governmental services were financed in the short-term as well as what remains for future spending. Fund financial statements report the City's operations in more detail than the government-wide statement by providing information about the most significant funds.

Notes to financial statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplemental Information further explains and supports the financial statements with a comparison of the City's budget for the year.

Other Supplemental Information provides detailed information about the nonmajor governmental funds.

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 accounting principles generally accepted in the United States of America. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the cash basis of accounting.

REPORTING THE CITY'S FINANCIAL ACTIVITIES

Government-wide Financial Statement

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Activities and Net Assets reports information which helps answer this question.

CITY OF CAMANCHE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2007

The Statement of Activities and Net Assets presents the City's net assets. Over time, increases or decreases in the City's net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities and Net Assets is divided into two kinds of activities:

- Governmental Activities include public safety, public works, culture and recreation, community and economic development, general government, and debt service. Property tax and state grants finance most of these activities.
- Business Type Activities include the water, sewer, and solid waste systems. These activities are financed primarily by user charges.

Fund Financial Statements

The City has two kinds of funds:

- 1) Governmental funds account for most of the City's basic services. These focus on how money flows into and out of those funds, and the balances at year-end that are available for spending. The governmental funds include: 1) the General Fund, 2) the Special Revenue Funds, such as Road Use Tax, Police and Fire Pension Accumulation, Cemetery Perpetual Care, and Robert Howson Estate, 3) the Debt Service Fund, and 4) the Capital Projects Fund. The governmental fund financial statements provide a detailed, short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

The required financial statements for governmental funds include a statement of cash receipts, disbursements and changes in cash balances.

- 2) Proprietary funds account for the City's Enterprise Funds and for the Internal Service Fund. Enterprise Funds are used to report business type activities. The City maintains four Enterprise Funds to provide separate information for water, sewer, and solid waste. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

The required financial statements for proprietary funds include a statement of cash receipts, disbursements and changes in cash balances.

**CITY OF CAMANCHE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2007**

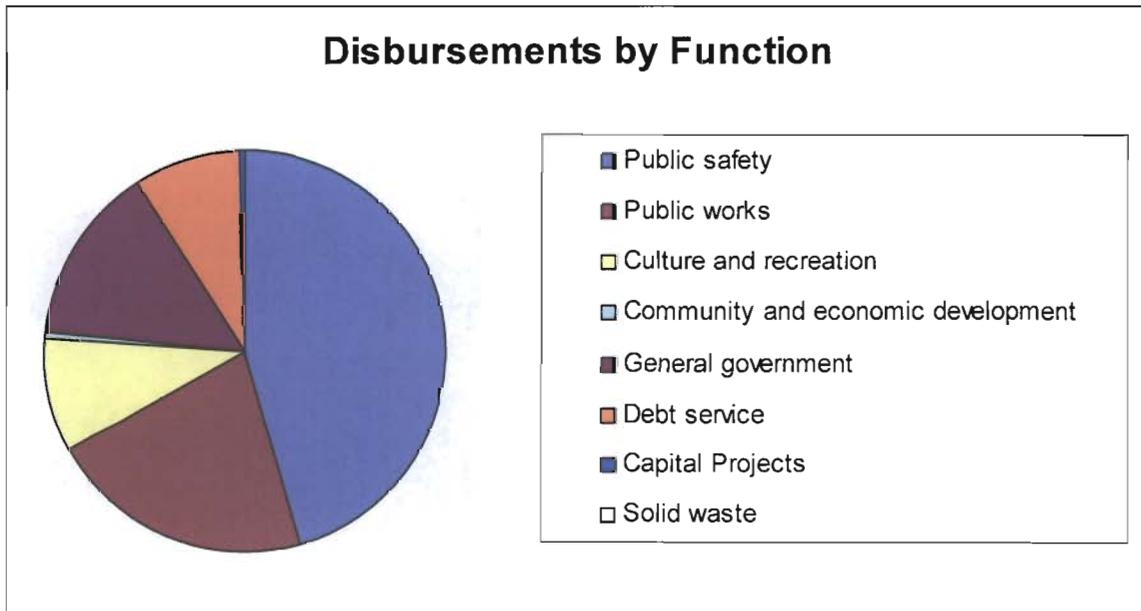
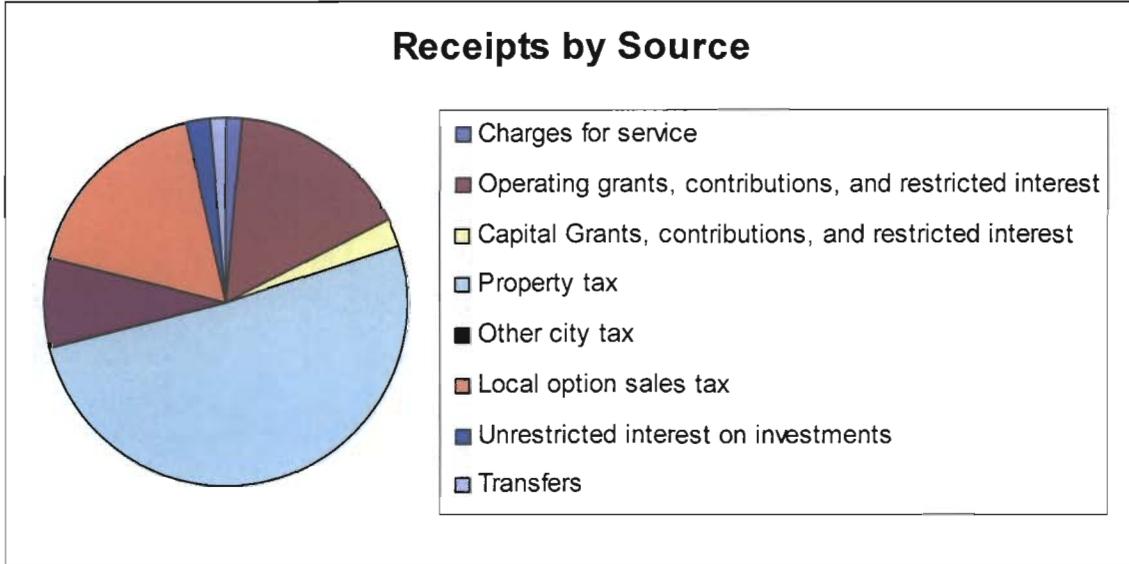
GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of financial position. The City's cash balance for governmental activities increased from a year ago, increasing from \$1,735,530 to \$2,216,317. The analysis that follows focuses on the changes in cash balances for governmental activities.

Changes in Cash Basis Net Assets of Governmental Activities

	<u>2007</u>	<u>2006</u>
Receipts and transfers:		
Program receipts:		
Charges for service	\$ 39,512	\$ 26,693
Operating grants, contributions, and restricted interest	448,736	499,513
Capital grants, contributions, and restricted interest	74,114	292,383
General receipts:		
Property tax	1,425,567	1,043,139
Utility tax replacement	170,835	140,667
Utility franchise tax - cablevision	42,646	49,394
Mobile home tax	7,147	7,359
Local option sales tax	483,300	337,315
Unrestricted interest on investments	66,503	51,370
Transfers, net	<u>37,130</u>	<u>38,735</u>
Total receipts and transfers	<u>2,795,490</u>	<u>2,486,568</u>
Disbursements:		
Public safety	1,054,362	1,041,629
Public works	494,600	598,934
Culture and recreation	213,114	200,975
Community and economic development	10,000	226,863
General government	330,811	411,967
Debt service	199,015	200,723
Capital projects	10,205	-
Solid waste	<u>2,596</u>	<u>3,289</u>
Total disbursements	<u>2,314,703</u>	<u>2,684,380</u>
Increase (decrease) in cash basis net assets	480,787	(197,812)
Cash basis net assets, beginning of year	<u>1,735,530</u>	<u>1,933,342</u>
Cash basis net assets, end of year	<u>\$2,216,317</u>	<u>\$1,735,530</u>

**CITY OF CAMANCHE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2007**



The City's total receipts for governmental activities increased by 12.7%, or \$310,527. Program receipts decreased \$256,227 while general receipts increased \$566,754. Program receipts decreased primarily due to a one-time CDBG grant received for daycare in the prior year. The increase in general receipts is attributable to the increase in property taxes and unrestricted investment earnings from the prior year.

**CITY OF CAMANCHE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2007**

The cost of all governmental activities this year was \$2,314,703 compared to \$2,684,380 last year. As shown in the Statement of Activities and Net Assets on pages 14-15, the amount taxpayers ultimately financed for these activities was \$1,752,341. Some of the cost was paid by those that directly benefited from the programs (\$39,512) or by other governments and organizations that subsidized certain programs with grants, contributions and restricted interest (\$522,850). Overall, the City's governmental activities receipts, including intergovernmental aid and fees for service, increased in 2007 from approximately \$2,448,000 to approximately \$2,758,000.

Changes in Cash Basis Net Assets of Business Type Activities

	<u>2007</u>	<u>2006</u>
Receipts:		
Program receipts:		
Charges for service:		
Water	\$ 226,849	\$ 229,678
Sewer	303,658	257,427
Solid waste	<u>206,982</u>	<u>206,210</u>
Total receipts	<u>737,489</u>	<u>693,315</u>
Disbursements and transfers:		
Water	172,586	177,812
Sewer	259,560	258,513
Solid waste	201,650	197,750
Transfers, net	<u>37,130</u>	<u>38,735</u>
Total disbursements and transfers	<u>670,926</u>	<u>672,810</u>
Increase in cash balance	66,563	20,505
Cash basis net assets, beginning of year	<u>572,554</u>	<u>552,049</u>
Cash basis net assets, end of year	<u>\$ 639,117</u>	<u>\$ 572,554</u>

Total business type activities receipts for the fiscal year were \$737,489 compared to \$693,315 last year. Total disbursements and transfers for the fiscal year decreased by 2.8% to a total of \$670,926.

**CITY OF CAMANCHE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2007**

INDIVIDUAL MAJOR GOVERNMENTAL FUND ANALYSIS

As the City of Camanche completed the year, its governmental funds reported a combined fund balance of \$2,216,317, an increase of more than \$480,000 over last year's total of \$1,735,530. The following are the major reasons for the changes in fund balances of the major funds from the prior year.

- The General Fund cash balance increased \$439,860 from the prior year to \$1,753,524. This increase is due to some expected expenses not being realized, adding to the cash balance.
- The Road Use Tax Fund cash balance increased by \$50,542 to \$289,660 during the fiscal year. This increase is attributable to less salary and engineering fees for the fiscal year.
- The Debt Service Fund cash balance increased by \$4,834 during the fiscal year. This is due to receiving a lower interest payment on a Sewerage Treatment Works Revolving Loan Fund.

INDIVIDUAL MAJOR BUSINESS TYPE FUND ANALYSIS

- The Water Utility Fund cash balance increased by \$7,228 to \$197,715, due to lower costs for the Water Utility Fund.
- The Sewer Utility Fund cash balance increased by \$47,401 to \$326,486, due to increased commercial usage.
- The Solid Waste Fund cash balance increased by \$5,332 to \$41,447 at year end.

BUDGETARY HIGHLIGHTS

Over the course of the year, the City amended its budget one time. The amendment was approved on March 6, 2007, and resulted in revenues being increased to account for fire department grants and Enrich Iowa money for the Library. Expenditures were increased to account for new fire department equipment, and new library books and engineering fees.

**CITY OF CAMANCHE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2007**

DEBT ADMINISTRATION

At June 30, 2007, the City had \$1,183,000 in general obligation notes, compared to \$1,318,000 last year. Debt decreased as a result of current year debt principal payments and there being no new debt issued in the current year.

The Constitution of the State of Iowa limits the amount of general obligation debt cities can issue to 5% of the assessed value of all taxable property within the City's corporate limits. The City's outstanding general obligation debt of \$1,183,000 is considerably lower than its constitutional debt limit of \$11.3 million.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City of Camanche's elected and appointed officials took a conservative approach when setting the fiscal year 2007/2008 budget. Not knowing if the state would impose further cuts on cities was a big factor in setting the budget. Due to some foresight of past councils, the City of Camanche has a good reserve of cash, which can be used to offset some of the budgeted wage increases and health costs. The City continues to levy in Trust and Agency for benefits. Also, the City created a new City Administrator position which will be funded from cash reserves.

The 9th Street Bridge project is an 80/20 DOT/City project and the City hopes to have federal funding to complete the Washington Boulevard project.

The City's budgeted cash balance is expected to decrease by approximately \$156,280 by the close of 2008. This will come from cash reserves.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Carol A. Lamont, City Clerk, 917 Third Street, Camanche, Iowa.

BASIC FINANCIAL STATEMENTS

CITY OF CAMANCHE
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH BASIS
As of and for the Year Ended June 30, 2007

		Program Receipts		
<u>Disbursements</u>	<u>Charges for Service</u>	<u>Operating Grants, Contributions, and Restricted Interest</u>	<u>Capital Grants, Contributions, and Restricted Interest</u>	
FUNCTIONS/PROGRAMS				
Governmental activities:				
Public safety	\$ 1,054,362	\$ 15,907	\$ -	\$ 63,909
Public works	494,600	-	351,299	-
Culture and recreation	213,114	15,898	16,405	-
Community and economic development	10,000	-	-	-
General government	330,811	7,707	81,032	-
Debt service	199,015	-	-	-
Capital projects	10,205	-	-	10,205
Solid waste	2,596	-	-	-
Total governmental activities	2,314,703	39,512	448,736	74,114
Business type activities:				
Water	172,586	226,849	-	-
Sewer	259,560	303,658	-	-
Solid waste	201,650	206,982	-	-
Total business type activities	633,796	737,489	-	-
Total	\$ 2,948,499	\$ 777,001	\$ 448,736	\$ 74,114

General receipts:

Property tax levied for:
 General purposes
 Debt service
Utility tax replacement
Utility franchise tax - cablevision
Mobile home tax
Local option sales tax
Unrestricted interest on investments
Transfers

Total general receipts and transfers

CHANGE IN CASH BASIS NET ASSETS

CASH BASIS NET ASSETS, BEGINNING OF YEAR

CASH BASIS NET ASSETS, END OF YEAR

CASH BASIS NET ASSETS

Restricted:
 Streets
 Debt service
 Other purposes
Unrestricted

Total cash basis net assets

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

Governmental Activities	Business Type Activities	Total
\$ (974,546)	\$ -	\$ (974,546)
(143,301)	-	(143,301)
(180,811)	-	(180,811)
(10,000)	-	(10,000)
(242,072)	-	(242,072)
(199,015)	-	(199,015)
-	-	-
(2,596)	-	(2,596)
<u>(1,752,341)</u>	<u>-</u>	<u>(1,752,341)</u>
-	54,263	54,263
-	44,098	44,098
-	5,332	5,332
<u>-</u>	<u>103,693</u>	<u>103,693</u>
<u>(1,752,341)</u>	<u>103,693</u>	<u>(1,648,648)</u>
1,282,505	-	1,282,505
143,062	-	143,062
170,835	-	170,835
42,646	-	42,646
7,147	-	7,147
483,300	-	483,300
66,503	-	66,503
37,130	(37,130)	-
<u>2,233,128</u>	<u>(37,130)</u>	<u>2,195,998</u>
480,787	66,563	547,350
<u>1,735,530</u>	<u>572,554</u>	<u>2,308,084</u>
<u>\$ 2,216,317</u>	<u>\$ 639,117</u>	<u>\$ 2,855,434</u>
\$ 289,660	\$ -	\$ 289,660
52,740	-	52,740
120,393	-	120,393
<u>1,753,524</u>	<u>639,117</u>	<u>2,392,641</u>
<u>\$ 2,216,317</u>	<u>\$ 639,117</u>	<u>\$ 2,855,434</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CAMANCHE
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
GOVERNMENTAL FUNDS
As of and for the Year Ended June 30, 2007

	<u>General</u>	<u>Special Revenue Road Use Tax</u>	<u>Debt Service</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total</u>
RECEIPTS:					
Property taxes	\$ 983,212	\$ -	\$ 143,062	\$ 299,293	\$ 1,425,567
Other city taxes	650,450	-	17,051	36,427	703,928
Licenses and permits	11,832	-	-	-	11,832
Use of money and property	71,089	-	-	6	71,095
Intergovernmental	73,668	351,299	-	10,205	435,172
Charges for services	9,432	-	-	-	9,432
Miscellaneous	99,834	-	-	1,500	101,334
Total receipts	<u>1,899,517</u>	<u>351,299</u>	<u>160,113</u>	<u>347,431</u>	<u>2,758,360</u>
DISBURSEMENTS:					
Operating:					
Public safety	925,523	-	-	128,839	1,054,362
Public works	204,243	290,357	-	-	494,600
Culture and recreation	213,086	-	-	28	213,114
Community and economic development	10,000	-	-	-	10,000
General government	330,811	-	-	-	330,811
Debt service	-	-	199,015	-	199,015
Capital projects	-	-	-	10,205	10,205
Solid waste	2,596	-	-	-	2,596
Total disbursements	<u>1,686,259</u>	<u>290,357</u>	<u>199,015</u>	<u>139,072</u>	<u>2,314,703</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>213,258</u>	<u>60,942</u>	<u>(38,902)</u>	<u>208,359</u>	<u>443,657</u>
OTHER FINANCING SOURCES (USES):					
Operating transfers in	419,257	-	43,736	-	462,993
Operating transfers out	(192,655)	(10,400)	-	(222,808)	(425,863)
Total other financing sources (uses)	<u>226,602</u>	<u>(10,400)</u>	<u>43,736</u>	<u>(222,808)</u>	<u>37,130</u>
NET CHANGE IN CASH BALANCES	439,860	50,542	4,834	(14,449)	480,787
CASH BALANCES, BEGINNING OF YEAR	<u>1,313,664</u>	<u>239,118</u>	<u>47,906</u>	<u>134,842</u>	<u>1,735,530</u>
CASH BALANCES, END OF YEAR	<u>\$ 1,753,524</u>	<u>\$ 289,660</u>	<u>\$ 52,740</u>	<u>\$ 120,393</u>	<u>\$ 2,216,317</u>
CASH BASIS FUND BALANCES					
Reserved:					
Debt service	\$ -	\$ -	\$ 52,740	\$ -	\$ 52,740
Unreserved:					
General fund	1,753,524	-	-	-	1,753,524
Special revenue funds	-	289,660	-	114,393	404,053
Capital projects fund	-	-	-	6,000	6,000
Total cash basis fund balances	<u>\$ 1,753,524</u>	<u>\$ 289,660</u>	<u>\$ 52,740</u>	<u>\$ 120,393</u>	<u>\$ 2,216,317</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CAMANCHE
 STATEMENT OF CASH RECEIPTS, DISBURSEMENTS
 AND CHANGES IN CASH BALANCES
 PROPRIETARY FUNDS
 As of and for the Year Ended June 30, 2007

EXHIBIT C

	Enterprise Funds				Total	Internal Service Fund
	Water Utility	Sewer Utility	Solid Waste	Other Nonmajor Proprietary Funds		Payroll Clearing
OPERATING RECEIPTS:						
Use of money and property	\$ 5,242	\$ 11,023	\$ -	\$ -	\$ 16,265	\$ -
Charges for services	214,771	282,309	206,982	-	704,062	-
Miscellaneous	234	10,326	-	6,602	17,162	1,151,254
Total operating receipts	<u>220,247</u>	<u>303,658</u>	<u>206,982</u>	<u>6,602</u>	<u>737,489</u>	<u>1,151,254</u>
OPERATING DISBURSEMENTS:						
Business type activities:						
Water	172,586	-	-	-	172,586	-
Sewer	-	259,560	-	-	259,560	-
Solid waste	-	-	201,650	-	201,650	-
Non-program	-	-	-	-	-	1,151,254
Total operating disbursements	<u>172,586</u>	<u>259,560</u>	<u>201,650</u>	<u>-</u>	<u>633,796</u>	<u>1,151,254</u>
EXCESS OF RECEIPTS OVER DISBURSEMENTS	<u>47,661</u>	<u>44,098</u>	<u>5,332</u>	<u>6,602</u>	<u>103,693</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):						
Operating transfers in	-	3,303	-	-	3,303	-
Operating transfers out	(40,433)	-	-	-	(40,433)	-
Total other financing sources (uses)	<u>(40,433)</u>	<u>3,303</u>	<u>-</u>	<u>-</u>	<u>(37,130)</u>	<u>-</u>
NET CHANGE IN CASH BALANCES	7,228	47,401	5,332	6,602	66,563	-
CASH BALANCES, BEGINNING OF YEAR	<u>190,487</u>	<u>279,085</u>	<u>36,115</u>	<u>66,867</u>	<u>572,554</u>	<u>-</u>
CASH BALANCES, END OF YEAR	<u>\$ 197,715</u>	<u>\$ 326,486</u>	<u>\$ 41,447</u>	<u>\$ 73,469</u>	<u>\$ 639,117</u>	<u>\$ -</u>
CASH BASIS FUND BALANCES						
Unreserved	<u>\$ 197,715</u>	<u>\$ 326,486</u>	<u>\$ 41,447</u>	<u>\$ 73,469</u>	<u>\$ 639,117</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CAMANCHE
NOTES TO FINANCIAL STATEMENTS
June 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

B. Basis of Presentation

Government-wide Financial Statements - The Statement of Activities and Net Assets report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are supported by property tax and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for services.

CITY OF CAMANCHE
NOTES TO FINANCIAL STATEMENTS
June 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Statement of Activities and Net Assets presents the City's nonfiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in two categories:

Restricted net assets result when constraints placed on net asset use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets consist of net assets that do not meet the definition of the preceding category. Unrestricted net assets often have constraints on resources imposed by management, which can be removed or modified.

The Statement of Activities and Net Assets demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues 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 restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

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 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 that are not paid from other funds.

Special Revenue:

The Road Use Tax Fund is used to account for road construction and maintenance.

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

CITY OF CAMANCHE
NOTES TO FINANCIAL STATEMENTS
June 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City reports the following major proprietary funds:

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

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

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

The City also reports the following additional proprietary fund:

An Internal Service Fund is composed of a payroll clearing account.

C. Measurement Focus and Basis of Accounting

The City of Camanche 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.

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.

D. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplemental Information.

**CITY OF CAMANCHE
NOTES TO FINANCIAL STATEMENTS
June 30, 2007**

NOTE 2 - CASH AND INVESTMENTS

The City's deposits in banks at June 30, 2007 were entirely covered by Federal depository insurance, or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

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

The City had no investments at June 30, 2007.

NOTE 3 - NOTES PAYABLE

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

<u>Year Ending June 30,</u>	<u>General Obligation Notes</u>	
	<u>Principal</u>	<u>Interest</u>
2008	\$ 135,000	\$ 57,622
2009	145,000	51,593
2010	158,000	45,097
2011	135,000	37,920
2012-2016	<u>610,000</u>	<u>93,698</u>
Total	<u>\$1,183,000</u>	<u>\$ 285,930</u>

On December 28, 1990, the City executed an agreement with the Iowa Department of Natural Resources for a loan of up to \$336,000 for the purpose of paying costs in connection with the construction of works and facilities useful for the collection, treatment, and disposal of sewage and industrial wastes in a sanitary manner. The loan originally had interest at a rate of 4.864% per annum, payable semi-annually, and principal is payable in twenty annual installments due on June 1st of each year. Effective December 1, 2005 the interest rate was reduced to 3.000%. The principal balance of this loan at June 30, 2007 was \$73,000.

On November 1, 1996, the City executed an agreement with the Clinton National Bank for a loan of up to \$395,000 for the purpose of paying costs in connection with the well and water main project. The loan bears interest at a rate of 5.35% per annum, payable semi-annually, and principal is payable in fifteen annual installments due on June 1st of each year. The principal balance of this loan at June 30, 2007 was \$165,000.

CITY OF CAMANCHE
NOTES TO FINANCIAL STATEMENTS
June 30, 2007

NOTE 3 - NOTES PAYABLE (CONTINUED)

On September 1, 2001, the City executed an agreement with Ruan Securities Corporation, Des Moines, Iowa, for a loan of up to \$1,330,000 for the purpose of paying costs in connection with the storm sewer improvement project. The loan bears interest at rates from 4.50% to 5.30% per annum, payable semi-annually, and principal is payable in fourteen annual installments due on June 1st of each year. The principal balance of this loan at June 30, 2007 was \$945,000.

NOTE 4 - PENSION AND RETIREMENT BENEFITS

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

Most regular plan members are required to contribute 3.70% of their annual covered salary and the City is required to contribute 5.75% of covered salary. Certain employees in special risk occupations and the City contribute an actuarially determined contribution rate. Contribution requirements are established by State statute. The City's contributions to IPERS for the years ended June 30, 2007, 2006, and 2005 were \$28,797, \$28,324, and \$27,128 respectively, equal to the required contributions for each year.

Municipal Fire and Police Retirement System of Iowa - The City contributes to the Municipal Fire and Police Retirement System of Iowa (the Plan), which is a cost-sharing, multiple-employer defined benefit pension plan administered by a Board of Trustees. The Plan provides retirement, disability, and death benefits established by State statute to plan members and beneficiaries. The Plan issues a publicly available financial report that includes financial statements and required supplemental information. The report may be obtained by writing to Municipal Fire and Police Retirement System of Iowa, 2836 104th St., Des Moines, Iowa 50322.

Plan members are required to contribute 9.35% of earnable compensation and the City's contribution rate, based upon an actuarially determined normal contribution rate, can not be less than 17% of earnable compensation. Contribution requirements are established by State statute. The City's contribution to the Plan for the years ended June 30, 2007, 2006, and 2005 were \$112,354, \$115,221, and \$103,197, respectively, which met the required minimum contribution for each year.

CITY OF CAMANCHE
NOTES TO FINANCIAL STATEMENTS
June 30, 2007

NOTE 5 - COMPENSATED ABSENCES

City employees accumulate earned but unused vacation and sick leave hours for subsequent use or payment upon termination, retirement or death. These accumulations are not recognized as disbursements by the City until used or paid. The City's approximate maximum liability for earned vacation and sick leave hours at June 30, 2007, primarily relating to the General Fund, is as follows:

<u>Type of Benefit</u>	<u>Amount</u>
Vacation	\$ 50,000
Sick leave	<u>250,100</u>
Total	<u>\$ 300,100</u>

This liability has been computed based on rates of pay as of June 30, 2007.

NOTE 6 - INTERFUND TRANSFERS

The detail of interfund transfers for the year ended June 30, 2007 is as follows:

<u>Transfer to</u>	<u>Transfer from</u>	<u>Amount</u>
General: General	Special Revenue: Road Use Tax	\$ 10,400
General: General	Special Revenue: Employee Benefits	222,808
General: Cemetery	General: General	9,912
General: Library	General: General	113,520
General: Park and recreation	General: General	62,617
Debt service	General: General	3,303
Debt service	Enterprise: Water utility	40,433
Enterprise: Sewer utility	General: General	<u>3,303</u>
Total		<u>\$ 466,296</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
NOTES TO FINANCIAL STATEMENTS
June 30, 2007

NOTE 7 - RISK MANAGEMENT

The City of Camanche is exposed to various risks of loss related to torts; theft, damage, 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 8 - 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.

NOTE 9 - COMMITTED CONSTRUCTION

As of June 30, 2007, the City had the following committed construction:

<u>Project</u>	<u>Total Contract Amount</u>	<u>Committed June 30, 2007</u>
2007 Street Project	<u>\$ 99,578</u>	<u>\$ 99,578</u>

This information is an integral part of the accompanying financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

**CITY OF CAMANCHE
 BUDGETARY COMPARISON SCHEDULE OF
 RECEIPTS, DISBURSEMENTS AND CHANGES IN BALANCES -
 BUDGET AND ACTUAL (CASH BASIS) - ALL GOVERNMENTAL FUNDS AND PROPRIETARY FUNDS
 For the Year Ended June 30, 2007**

	Governmental Funds <u>Actual</u>	Proprietary Funds <u>Actual</u>	Less Funds Not Required to be <u>Budgeted</u>
RECEIPTS:			
Property taxes	\$ 1,425,567	\$ -	\$ -
Other city taxes	703,928	-	-
Licenses and permits	11,832	-	-
Use of money and property	71,095	16,265	-
Intergovernmental	435,172	-	-
Charges for services	9,432	704,062	-
Miscellaneous	101,334	1,168,416	1,151,254
	<u>2,758,360</u>	<u>1,888,743</u>	<u>1,151,254</u>
Total receipts	<u>2,758,360</u>	<u>1,888,743</u>	<u>1,151,254</u>
DISBURSEMENTS:			
Public safety	1,054,362	-	-
Public works	494,600	-	-
Culture and recreation	213,114	-	-
Community and economic development	10,000	-	-
General government	330,811	-	-
Debt service	199,015	-	-
Capital projects	10,205	-	-
Business type activities	2,596	1,785,050	1,151,254
	<u>2,314,703</u>	<u>1,785,050</u>	<u>1,151,254</u>
Total disbursements	<u>2,314,703</u>	<u>1,785,050</u>	<u>1,151,254</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	443,657	103,693	-
OTHER FINANCING SOURCES (USES), NET	<u>37,130</u>	<u>(37,130)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF RECEIPTS AND OTHER FINANCING SOURCES OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING USES	480,787	66,563	-
BALANCES, BEGINNING OF YEAR	<u>1,735,530</u>	<u>572,554</u>	<u>-</u>
BALANCES, END OF YEAR	<u>\$ 2,216,317</u>	<u>\$ 639,117</u>	<u>\$ -</u>

<u>Net</u>	<u>Budgeted Amounts</u>		<u>Final to Net Variance</u>
	<u>Original</u>	<u>Final</u>	
\$ 1,425,567	\$ 1,408,478	\$ 1,408,478	\$ 17,089
703,928	500,906	500,906	203,022
11,832	20,425	20,425	(8,593)
87,360	52,139	52,139	35,221
435,172	1,732,615	1,732,615	(1,297,443)
713,494	781,050	781,050	(67,556)
<u>118,496</u>	<u>40,795</u>	<u>126,367</u>	<u>(7,871)</u>
<u>3,495,849</u>	<u>4,536,408</u>	<u>4,621,980</u>	<u>(1,126,131)</u>
1,054,362	1,208,201	1,301,682	247,320
494,600	1,173,934	1,182,934	688,334
213,114	225,008	232,767	19,653
10,000	10,100	10,100	100
330,811	348,390	370,080	39,269
199,015	200,759	200,759	1,744
10,205	1,430,465	1,430,465	1,420,260
<u>636,392</u>	<u>724,654</u>	<u>750,860</u>	<u>114,468</u>
<u>2,948,499</u>	<u>5,321,511</u>	<u>5,479,647</u>	<u>2,531,148</u>
547,350	(785,103)	(857,667)	1,405,017
<u>-</u>	<u>497,975</u>	<u>497,975</u>	<u>(497,975)</u>
547,350	(287,128)	(359,692)	907,042
<u>2,308,084</u>	<u>2,070,040</u>	<u>2,070,040</u>	<u>238,044</u>
<u>\$ 2,855,434</u>	<u>\$ 1,782,912</u>	<u>\$ 1,710,348</u>	<u>\$ 1,145,086</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CAMANCHE
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION -
BUDGETARY REPORTING
June 30, 2007

The budgetary comparison is presented as Required Supplemental Information in accordance with Government 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. Encumbrances are not recognized on the cash basis budget and appropriations lapse at year end.

Formal and legal budgetary control is based upon nine major classes of disbursements known as functions, not by fund or fund type. 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, special revenue funds, debt service fund, capital projects fund and 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, one budget amendment increased budgeted disbursements by \$158,136. This budget amendment is reflected in the final budgeted amounts.

OTHER SUPPLEMENTAL INFORMATION

CITY OF CAMANCHE
COMBINING SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
GENERAL FUND

As of and for the Year Ended June 30, 2007

	<u>General</u>	<u>Cemetery</u>	<u>Library</u>	<u>Park and Recreation</u>	<u>Total</u>
RECEIPTS					
Property taxes	\$ 983,212	\$ -	\$ -	\$ -	\$ 983,212
Other city taxes	650,450	-	-	-	650,450
Licenses and permits	11,832	-	-	-	11,832
Use of money and property	65,034	3,145	-	2,910	71,089
Intergovernmental	66,379	-	7,289	-	73,668
Charges for services	360	7,480	1,592	-	9,432
Miscellaneous	86,358	4,623	2,421	6,432	99,834
Total receipts	<u>1,863,625</u>	<u>15,248</u>	<u>11,302</u>	<u>9,342</u>	<u>1,899,517</u>
DISBURSEMENTS					
Public safety	925,523	-	-	-	925,523
Public works	204,243	-	-	-	204,243
Culture and recreation	-	33,165	118,506	61,415	213,086
Community and economic development	10,000	-	-	-	10,000
General government	330,811	-	-	-	330,811
Solid waste	2,596	-	-	-	2,596
Total disbursements	<u>1,473,173</u>	<u>33,165</u>	<u>118,506</u>	<u>61,415</u>	<u>1,686,259</u>
Excess (deficiency) of receipts over (under) disbursements	<u>390,452</u>	<u>(17,917)</u>	<u>(107,204)</u>	<u>(52,073)</u>	<u>213,258</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	233,208	9,912	113,520	62,617	419,257
Operating transfers out	<u>(192,655)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(192,655)</u>
Total other financing sources (uses)	<u>40,553</u>	<u>9,912</u>	<u>113,520</u>	<u>62,617</u>	<u>226,602</u>
NET CHANGE IN CASH BALANCES	431,005	(8,005)	6,316	10,544	439,860
CASH BALANCES, BEGINNING OF YEAR	<u>1,206,070</u>	<u>28,915</u>	<u>36,868</u>	<u>41,811</u>	<u>1,313,664</u>
CASH BALANCES, END OF YEAR	<u>\$ 1,637,075</u>	<u>\$ 20,910</u>	<u>\$ 43,184</u>	<u>\$ 52,355</u>	<u>\$ 1,753,524</u>
CASH BASIS FUND BALANCES					
Unreserved	<u>\$ 1,637,075</u>	<u>\$ 20,910</u>	<u>\$ 43,184</u>	<u>\$ 52,355</u>	<u>\$ 1,753,524</u>

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
GENERAL FUND - GENERAL
As of and for the Years Ended June 30, 2007 and 2006

	2007		2006
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Property taxes			
General	\$ 969,827	\$ 983,212	\$ 798,932
Other city taxes			
Utility tax replacement	118,092	117,357	107,657
Utility franchise tax - cablevision	23,000	42,646	49,394
Mobile home tax	9,000	7,147	7,359
Local option sales tax	320,000	483,300	337,315
Overallocated budget	(23,000)	-	-
Total other city tax	<u>447,092</u>	<u>650,450</u>	<u>501,725</u>
Licenses and permits			
Beer	775	628	700
Cigarette	300	300	300
Business	300	323	492
Building	10,000	9,703	-
Dog	1,100	878	-
Underallocated budget	7,950	-	-
Total licenses and permits	<u>20,425</u>	<u>11,832</u>	<u>1,492</u>
Use of money and property			
Interest	37,000	61,408	48,239
Sale of equipment	-	3,626	1,026
Underallocated budget	9,080	-	-
Total use of money and property	<u>46,080</u>	<u>65,034</u>	<u>49,265</u>
Intergovernmental			
FEMA Grant and other state aid	441,438	63,909	75,591
Liquor licenses	2,470	2,470	2,470
Total intergovernmental	<u>443,908</u>	<u>66,379</u>	<u>78,061</u>
Charges for services			
Miscellaneous service charges	400	360	344
Underallocated budget	30,650	-	-
Total charges for services	<u>31,050</u>	<u>360</u>	<u>344</u>
Miscellaneous			
Court fines	3,200	3,886	4,242
Parking fines	1,560	1,440	2,535
Miscellaneous	28,580	81,032	118,285
Underallocated budget	80,892	-	-
Total miscellaneous	<u>114,232</u>	<u>86,358</u>	<u>125,062</u>
 Total receipts	 <u>2,072,614</u>	 <u>1,863,625</u>	 <u>1,554,881</u>

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
GENERAL FUND - GENERAL
As of and for the Years Ended June 30, 2007 and 2006

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
DISBURSEMENTS			
Public safety			
Police department			
Personal services			
Police salaries	\$ 325,215	\$ 287,574	\$ 312,283
Janitor service	662	633	622
Overtime, holiday pay	51,927	41,476	29,977
Shift differential	1,995	1,781	1,630
School crossing guards	1,700	1,463	1,694
City's contribution -			
FICA and IPERS	3,753	3,388	3,545
Group insurance	144,346	102,440	147,545
Clothing allowance	17,000	15,851	7,776
Other expenses			
Police school and training	15,530	15,319	10,507
Motor vehicle operation	14,000	11,787	12,149
Repair and maintenance	7,281	6,000	4,475
Radio and radar repair	4,000	1,772	1,677
Utilities	8,000	4,264	4,152
Telephone	12,800	12,531	10,932
Communication consolidation	69,420	69,420	60,789
Miscellaneous operating supplies	10,250	10,108	10,038
Police computer	4,000	3,879	3,503
Capital outlay	43,826	18,826	89,691
Flood control			
Other expenses	10,000	-	-

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
GENERAL FUND - GENERAL
As of and for the Years Ended June 30, 2007 and 2006

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
DISBURSEMENTS (Continued)			
Public safety (continued)			
Fire department			
Personal services			
Salaries - fire chief and firemen	\$ 110,302	\$ 110,229	\$ 86,995
Overtime	10,491	10,189	9,960
City's contribution - FICA	8,053	5,757	5,447
Group insurance	44,868	32,061	31,819
Clothing allowance	4,200	3,757	2,658
Uniforms, clothing, and badges	1,592	1,592	1,229
Other expenses			
Schools	8,053	8,053	7,311
Fire prevention	2,494	2,478	2,175
Gas and oil	3,080	2,937	2,389
Equipment maintenance	8,500	8,484	9,550
Utilities	8,313	7,676	6,903
Telephone and radio maintenance	6,990	6,990	6,650
Professional fees	1,153	1,152	529
Firemen's fund	6,000	6,000	6,000
Hydrant rental	6,000	6,000	6,000
Operating supplies	6,205	6,205	3,014
Miscellaneous	9,555	9,555	8,204
Station improvements	2,000	2,000	2,072
Capital outlay	150,762	75,762	-
Building inspections			
Personal services			
Salaries	8,710	8,281	8,239
City's contribution - FICA and IPERS	1,219	1,110	1,104
Other expenses			
Operating supplies	100	88	4
Animal control			
Other expenses	1,000	655	530
Total public safety	<u>1,155,345</u>	<u>925,523</u>	<u>921,767</u>

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
GENERAL FUND - GENERAL
As of and for the Years Ended June 30, 2007 and 2006

	2007		2006
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
DISBURSEMENTS (Continued)			
Public works			
Roadway maintenance			
Other expenses			
Salaries	\$ 23,052	\$ 23,052	\$ -
City's contribution - FICA and IPERS	3,285	3,089	-
Gas and oil	11,414	9,514	10,034
Utilities city garage	7,000	6,143	6,052
Supplies, repairs, and miscellaneous	14,000	13,403	14,669
Rock and sand	400	339	140
Streets	620,435	39,368	2,751
Capital outlay	15,212	15,211	39,259
Traffic safety			
Other expenses			
Supplies and repairs	10,500	10,384	16,641
Administration			
Personal services			
Salary - public works director	64,586	59,862	59,708
City's contribution - FICA and IPERS	9,042	8,022	8,001
Group insurance	15,500	14,503	7,311
Employee benefit	1,353	1,353	674
Underallocated budget	4,000	-	-
Total public works	799,779	204,243	165,240
Community and economic development			
Community betterment	100	-	71
Economic development	10,000	10,000	10,000
Total community and economic development	10,100	10,000	10,071

**SCHEDULE 2
(CONTINUED)**

**CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
GENERAL FUND - GENERAL
As of and for the Years Ended June 30, 2007 and 2006**

	2007		2006
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
DISBURSEMENTS (Continued)			
General government			
Mayor and council			
Personal services			
Salaries - council members	\$ 3,000	\$ 2,975	\$ 2,700
City's contribution - FICA	229	228	207
Salary - mayor	3,000	3,000	3,000
City's contribution - FICA	443	442	300
Other expense			
Mayor expense	300	300	300
Financial administration			
Personal services			
Salaries	88,923	87,005	83,830
City's contribution - FICA and IPERS	12,450	11,659	11,233
Group insurance	37,471	36,201	32,768
Elections	700	-	6,029
Legal services and city attorney	34,000	23,461	38,116
City hall			
Personal services			
Janitor	854	782	774
City's contribution - FICA and IPERS	119	105	104
Other expenses			
Electricity	3,000	1,645	1,697
Telephone	2,300	1,491	1,981
Heating	3,600	2,799	3,091
Buildings and grounds	2,000	854	1,372
Association dues	3,191	3,184	3,091
Travel, training, and workshop	5,747	5,746	3,773
Audit	7,495	7,495	7,150
Engineering	35,258	35,258	106,511
General insurance	94,000	79,704	77,816

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
GENERAL FUND - GENERAL
As of and for the Years Ended June 30, 2007 and 2006

SCHEDULE 2
(CONTINUED)

	2007		2006
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
DISBURSEMENTS (Continued)			
General government (continued)			
Other general government			
Other expenses			
Legal publications	\$ 7,000	\$ 6,579	\$ 5,320
Office supplies	8,000	6,875	7,389
Miscellaneous	14,000	13,023	13,415
Capital outlay	3,000	-	-
Total general government	<u>370,080</u>	<u>330,811</u>	<u>411,967</u>
Solid waste			
Other expenses			
Landfill fees	<u>4,000</u>	<u>2,596</u>	<u>3,289</u>
Total disbursements	<u>2,339,304</u>	<u>1,473,173</u>	<u>1,512,334</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(266,690)</u>	<u>390,452</u>	<u>42,547</u>
 OTHER FINANCING SOURCES (USES)			
Operating transfers in			
Special Revenue Fund			
Road Use	159,562	10,400	-
Special Revenue Fund			
Employee Benefits	225,220	222,808	-
Operating transfers out			
General			
Cemetery	(9,912)	(9,912)	(11,171)
Library	(113,520)	(113,520)	(90,307)
Park and recreation	(62,617)	(62,617)	(47,880)
Debt service	(5,303)	(3,303)	(3,303)
Enterprise			
Sewer utility	(5,303)	(3,303)	(3,303)
Proceeds of capital asset sales	4,000	-	-
Total other financing sources (uses)	<u>192,127</u>	<u>40,553</u>	<u>(155,964)</u>
 NET CHANGE IN CASH BALANCES	<u>\$ (74,563)</u>	<u>431,005</u>	<u>(113,417)</u>
 CASH BALANCES, BEGINNING OF YEAR		<u>1,206,070</u>	<u>1,319,487</u>
 CASH BALANCES, END OF YEAR		<u>\$ 1,637,075</u>	<u>\$ 1,206,070</u>
 CASH BASIS FUND BALANCES			
Unreserved		<u>\$ 1,637,075</u>	<u>\$ 1,206,070</u>

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
GENERAL FUND - MUSEUM
As of and for the Years Ended June 30, 2007 and 2006

	2007		2006
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
None	\$ -	\$ -	\$ -
DISBURSEMENTS			
Culture and recreation Historical board	-	-	1,499
NET CHANGE IN CASH BALANCES	\$ -	-	(1,499)
CASH BALANCES, BEGINNING OF YEAR		-	1,499
CASH BALANCES, END OF YEAR		\$ -	\$ -
CASH BASIS FUND BALANCES			
Unreserved		\$ -	\$ -

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
GENERAL FUND - CEMETERY
As of and for the Years Ended June 30, 2007 and 2006

SCHEDULE 4

	2007		2006
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Use of money and property			
Interest	\$ 700	\$ 3,145	\$ 2,039
Charges for services			
Burials and soldiers care	5,500	7,480	4,945
Miscellaneous			
Lot sales	4,000	4,500	5,500
Miscellaneous	120	123	120
Total miscellaneous	4,120	4,623	5,620
 Total receipts	<u>10,320</u>	<u>15,248</u>	<u>12,604</u>
 DISBURSEMENTS			
Culture and recreation			
Personal services			
Salaries	16,800	15,824	14,401
City's contribution - FICA and IPERS	2,389	2,121	1,902
Other expense			
Supplies, repairs, and miscellaneous	9,600	7,180	3,673
Capital outlay	11,040	8,040	337
 Total disbursements	<u>39,829</u>	<u>33,165</u>	<u>20,313</u>
 Deficiency of receipts under disbursements	 (29,509)	 (17,917)	 (7,709)
 OTHER FINANCING SOURCES			
Operating transfers in			
General			
General	9,912	9,912	11,171
 NET CHANGE IN CASH BALANCES	<u>\$ (19,597)</u>	<u>(8,005)</u>	<u>3,462</u>
 CASH BALANCES, BEGINNING OF YEAR		<u>28,915</u>	<u>25,453</u>
 CASH BALANCES, END OF YEAR		<u>\$ 20,910</u>	<u>\$ 28,915</u>
 CASH BASIS FUND BALANCES			
 Unreserved		<u>\$ 20,910</u>	<u>\$ 28,915</u>

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
GENERAL FUND - LIBRARY

SCHEDULE 5

As of and for the Years Ended June 30, 2007 and 2006

	2007		2006
RECEIPTS	Budget	Actual	Actual
Intergovernmental			
County share of non-resident reimbursements	\$ 3,000	\$ 3,709	\$ 8,666
Enrich Iowa state funding	-	3,580	4,344
Total intergovernmental	3,000	7,289	13,010
Charges for services			
Copies	700	787	715
Miscellaneous	800	805	1,191
Total charges for services	1,500	1,592	1,906
Miscellaneous			
Fines and fees	1,950	2,326	2,233
Book sales and film rentals	65	95	69
Total miscellaneous	2,015	2,421	2,302
Total receipts	6,515	11,302	17,218
 DISBURSEMENTS			
Culture and recreation			
Library services			
Personal services			
Salaries - librarian and assistants	53,496	52,799	59,211
Janitor	2,874	2,746	2,682
City's contribution - FICA, IPERS, and group insurance	15,603	13,295	15,342
Other expenses			
Travel and conference	300	242	168
Repairs and maintenance	3,700	3,101	2,419
Electricity	3,200	2,859	3,049
Telephone	900	266	509
Heating	3,685	3,454	3,734
Contract maintenance	276	276	252
Books and periodicals	29,678	29,677	26,265
Office supplies	3,200	3,200	3,006
Miscellaneous expense	2,757	2,757	500
Postage	2,350	2,245	1,518
Cleaning supplies	150	144	180
Capital outlay	1,445	1,445	2,965
Total disbursements	123,614	118,506	121,800
 Deficiency of receipts under disbursements	(117,099)	(107,204)	(104,582)
 OTHER FINANCING SOURCES			
Operating transfers in			
General			
General	113,520	113,520	90,307
 NET CHANGE IN CASH BALANCES	\$ (3,579)	6,316	(14,275)
 CASH BALANCES, BEGINNING OF YEAR		36,868	51,143
 CASH BALANCES, END OF YEAR		\$ 43,184	\$ 36,868
 CASH BASIS FUND BALANCES			
Unreserved		\$ 43,184	\$ 36,868

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
GENERAL FUND - PARK AND RECREATION
As of and for the Years Ended June 30, 2007 and 2006

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Use of money and property			
Interest	\$ 155	\$ 1,950	\$ 1,092
Garner Hall donations	1,500	960	1,102
Total use of money and property	<u>1,655</u>	<u>2,910</u>	<u>2,194</u>
Miscellaneous	<u>6,000</u>	<u>6,432</u>	<u>6,115</u>
Total receipts	<u>7,655</u>	<u>9,342</u>	<u>8,309</u>
DISBURSEMENTS			
Culture and recreation			
Parks			
Personal services			
Salaries	23,700	23,247	23,331
City's contribution - FICA and IPERS	3,155	3,070	3,089
Other expenses			
Maintenance city parks	9,039	9,039	8,493
Capital outlay	15,530	9,530	3,800
Recreation			
Personal services			
Salaries	7,255	6,858	5,402
City's contribution - FICA and IPERS	996	854	724
Other expenses			
Maintenance - boat ramp	500	488	222
Maintenance - Garner Hall	5,000	4,789	5,296
Mardi Gras	-	-	200
Summer recreation	400	382	2,400
Sharing tree	500	-	-
Boy's baseball	1,400	1,398	1,400
Girl's softball	1,400	1,400	1,400
Senior citizens	421	360	483
Community recreation center	-	-	1,096
Total disbursements	<u>69,296</u>	<u>61,415</u>	<u>57,336</u>
Deficiency of receipts under disbursements	(61,641)	(52,073)	(49,027)

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
GENERAL FUND - PARK AND RECREATION
As of and for the Years Ended June 30, 2007 and 2006

	2007		2006
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
OTHER FINANCING SOURCES			
Operating transfers in			
General	\$ 62,617	\$ 62,617	\$ 47,880
NET CHANGE IN CASH BALANCES	<u>\$ 976</u>	10,544	(1,147)
CASH BALANCES, BEGINNING OF YEAR		<u>41,811</u>	<u>42,958</u>
CASH BALANCES, END OF YEAR		<u>\$ 52,355</u>	<u>\$ 41,811</u>
CASH BASIS FUND BALANCES			
Unreserved		<u>\$ 52,355</u>	<u>\$ 41,811</u>

CITY OF CAMANCHE
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
SPECIAL REVENUE FUND - ROAD USE TAX
As of and for the Years Ended June 30, 2007 and 2006

SCHEDULE 7

	2007		2006
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Intergovernmental			
Road use tax	\$ 353,217	\$ 351,299	\$ 352,903
DISBURSEMENTS			
Public works			
Roads, bridges, sidewalks			
Personal services			
Salaries	23,464	23,403	83,203
City's contribution - FICA	1,795	1,790	6,365
City's contribution - IPERS	1,490	1,346	4,784
Group insurance	56,207	45,254	48,104
Employee benefit	3,150	2,191	2,518
Other expenses			
Maintenance contracts	100,000	24,267	79,290
Maintenance supplies and expense	700	591	233
Capital outlay	140,254	135,542	150,094
Street lighting			
Other expenses			
Street lighting	19,000	18,881	35,330
Snow removal			
Personal services			
Salaries	24,930	24,930	12,436
City's contribution - FICA	1,908	1,907	951
City's contribution - IPERS	1,434	1,433	715
Other expense			
Salt and repairs	8,823	8,822	9,671
Total disbursements	383,155	290,357	433,694
Excess (deficiency) of receipts over (under) disbursements	(29,938)	60,942	(80,791)
OTHER FINANCING USES			
Operating transfers out			
General			
General	(159,562)	(10,400)	-
NET CHANGE IN CASH BALANCES	\$ (189,500)	50,542	(80,791)
CASH BALANCES, BEGINNING OF YEAR		239,118	319,909
CASH BALANCES, END OF YEAR		\$ 289,660	\$ 239,118
CASH BASIS FUND BALANCES			
Unreserved		\$ 289,660	\$ 239,118

CITY OF CAMANCHE
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
DEBT SERVICE FUND - DEBT SERVICE
As of and for the Years Ended June 30, 2007 and 2006

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Property taxes	\$ 139,865	\$ 143,062	\$ 134,946
Other city taxes			
Utility tax replacement	<u>17,158</u>	<u>17,051</u>	<u>18,230</u>
Total receipts	<u>157,023</u>	<u>160,113</u>	<u>153,176</u>
DISBURSEMENTS			
Debt service			
Storm sewer improvement note principal	85,000	85,000	80,000
Storm sewer improvement note interest	50,745	50,745	54,185
Water note principal	30,000	30,000	30,000
Water note interest	10,433	10,433	12,038
IDNR state revolving loan principal	20,000	20,000	20,000
IDNR state revolving loan interest	<u>4,581</u>	<u>2,837</u>	<u>4,500</u>
Total disbursements	<u>200,759</u>	<u>199,015</u>	<u>200,723</u>
Deficiency of receipts under disbursements	<u>(43,736)</u>	<u>(38,902)</u>	<u>(47,547)</u>
OTHER FINANCING SOURCES			
Operating transfers in			
General			
General	3,303	3,303	3,303
Enterprise			
Water utility	<u>40,433</u>	<u>40,433</u>	<u>42,038</u>
Total other financing sources	<u>43,736</u>	<u>43,736</u>	<u>45,341</u>
NET CHANGE IN CASH BALANCES	<u>\$ -</u>	4,834	(2,206)
CASH BALANCES, BEGINNING OF YEAR		<u>47,906</u>	<u>50,112</u>
CASH BALANCES, END OF YEAR		<u>\$ 52,740</u>	<u>\$ 47,906</u>
CASH BASIS FUND BALANCES			
Reserved		<u>\$ 52,740</u>	<u>\$ 47,906</u>

CITY OF CAMANCHE
COMBINING SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
NONMAJOR GOVERNMENTAL FUNDS
As of and for the Year Ended June 30, 2007

	Special Revenue				Capital Projects		Total
	Police and Fire Pension Accumulation	Employee Benefits	Cemetery Perpetual Care	Robert Howson Estate	CDBG	Storm Sewer Improvement	
RECEIPTS							
Property taxes	\$ 100,942	\$ 198,351	\$ -	\$ -	\$ -	\$ -	\$ 299,293
Other city taxes	11,970	24,457	-	-	-	-	36,427
Use of money and property	-	-	-	6	-	-	6
Intergovernmental	-	-	-	-	-	10,205	10,205
Miscellaneous	-	-	1,500	-	-	-	1,500
Total receipts	112,912	222,808	1,500	6	-	10,205	347,431
DISBURSEMENTS							
Public safety	128,839	-	-	-	-	-	128,839
Culture and recreation	-	-	-	28	-	-	28
Capital Projects	-	-	-	-	-	10,205	10,205
Total disbursements	128,839	-	-	28	-	10,205	139,072
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	(15,927)	222,808	1,500	(22)	-	-	208,359
OTHER FINANCING USES:							
Operating transfers out	-	(222,808)	-	-	-	-	(222,808)
NET CHANGE IN CASH BALANCES	(15,927)	-	1,500	(22)	-	-	(14,449)
CASH BALANCES, BEGINNING OF YEAR	72,535	-	55,410	897	6,000	-	134,842
CASH BALANCES, END OF YEAR	\$ 56,608	\$ -	\$ 56,910	\$ 875	\$ 6,000	\$ -	\$ 120,393
CASH BASIS FUND BALANCES							
Unreserved:							
Special revenue funds	\$ 56,608	\$ -	\$ 56,910	\$ 875	\$ -	\$ -	\$ 114,393
Capital projects fund	-	-	-	-	6,000	-	6,000
	\$ 56,608	\$ -	\$ 56,910	\$ 875	\$ 6,000	\$ -	\$ 120,393

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
SPECIAL REVENUE FUNDS
POLICE AND FIRE PENSION ACCUMULATION
As of and for the Years Ended June 30, 2007 and 2006

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Property taxes	\$ 98,177	\$ 100,942	\$ 109,261
Other city taxes			
Utility tax replacement	<u>12,045</u>	<u>11,970</u>	<u>14,780</u>
Total receipts	<u>110,222</u>	<u>112,912</u>	<u>124,041</u>
DISBURSEMENTS			
Public safety			
City's contribution			
Civil Service	129,852	112,354	116,114
Miscellaneous	<u>16,485</u>	<u>16,485</u>	<u>3,748</u>
Total disbursements	<u>146,337</u>	<u>128,839</u>	<u>119,862</u>
NET CHANGE IN CASH BALANCES	<u>\$ (36,115)</u>	(15,927)	4,179
CASH BALANCES, BEGINNING OF YEAR		<u>72,535</u>	<u>68,356</u>
CASH BALANCES, END OF YEAR		<u>\$ 56,608</u>	<u>\$ 72,535</u>
CASH BASIS FUND BALANCES			
Unreserved		<u>\$ 56,608</u>	<u>\$ 72,535</u>

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
SPECIAL REVENUE FUNDS
EMPLOYEE BENEFITS FUND
As of and for the Years Ended June 30, 2007 and 2006

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Property taxes	\$ 200,609	\$ 198,351	\$ -
Other city taxes			
Utility tax replacement	<u>24,611</u>	<u>24,457</u>	<u>-</u>
Total receipts	225,220	222,808	-
DISBURSEMENTS			
None	<u>-</u>	<u>-</u>	<u>-</u>
Excess of receipts over disbursements	225,220	222,808	-
OTHER FINANCING USES			
Operating transfers out General			
General	<u>(225,220)</u>	<u>(222,808)</u>	<u>-</u>
NET CHANGE IN CASH BALANCES	<u>\$ -</u>	-	-
CASH BALANCES, BEGINNING OF YEAR		<u>-</u>	<u>-</u>
CASH BALANCES, END OF YEAR		<u>\$ -</u>	<u>\$ -</u>
CASH BASIS FUND BALANCES			
Unreserved		<u>\$ -</u>	<u>\$ -</u>

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
SPECIAL REVENUE FUNDS
CEMETERY PERPETUAL CARE
As of and for the Years Ended June 30, 2007 and 2006

	2007		2006
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Miscellaneous Contributions	\$ -	\$ 1,500	\$ 1,900
DISBURSEMENTS			
None	-	-	-
NET CHANGE IN CASH BALANCES	\$ -	1,500	1,900
CASH BALANCES, BEGINNING OF YEAR		55,410	53,510
CASH BALANCES, END OF YEAR		\$ 56,910	\$ 55,410
CASH BASIS FUND BALANCES			
Unreserved		\$ 56,910	\$ 55,410

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
SPECIAL REVENUE FUNDS
ROBERT HOWSON ESTATE
As of and for the Years Ended June 30, 2007 and 2006

	2007		2006
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Use of money and property			
Interest	\$ 4	\$ 6	\$ 9
DISBURSEMENTS			
Culture and recreation			
Flowers and memorials	<u>28</u>	<u>28</u>	<u>27</u>
NET CHANGE IN CASH BALANCES	<u>\$ (24)</u>	(22)	(18)
CASH BALANCES, BEGINNING OF YEAR		<u>897</u>	<u>915</u>
CASH BALANCES, END OF YEAR		<u>\$ 875</u>	<u>\$ 897</u>
CASH BASIS FUND BALANCES			
Unreserved		<u>\$ 875</u>	<u>\$ 897</u>

**CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
CAPITAL PROJECTS FUND - CDBG
As of and for the Years Ended June 30, 2007 and 2006**

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Intergovernmental			
Federal grant - CDBG	\$ 332,490	\$ -	\$ 216,792
Miscellaneous			
Contribution from private source	<u>-</u>	<u>-</u>	<u>6,000</u>
Total receipts	<u>332,490</u>	<u>-</u>	<u>222,792</u>
DISBURSEMENTS			
Daycare Center	319,490	-	216,792
CDBG administration fees	<u>17,000</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>336,490</u>	<u>-</u>	<u>216,792</u>
Excess (deficiency) of receipts over (under) disbursements	(4,000)	-	6,000
OTHER FINANCING SOURCES			
Operating transfers in			
General			
General	<u>4,000</u>	<u>-</u>	<u>-</u>
NET CHANGE IN CASH BALANCES	<u>\$ -</u>	<u>-</u>	<u>6,000</u>
CASH BALANCES, BEGINNING OF YEAR		<u>6,000</u>	<u>-</u>
CASH BALANCES, END OF YEAR		<u>\$ 6,000</u>	<u>\$ 6,000</u>
CASH BASIS FUND BALANCES			
Unreserved		<u>\$ 6,000</u>	<u>\$ 6,000</u>

**CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
CAPITAL PROJECTS FUND - STORM SEWER IMPROVEMENT
As of and for the Years Ended June 30, 2007 and 2006**

	2007		2006
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Intergovernmental			
Federal grant - CDBG	\$ 600,000	\$ 10,205	\$ -
DISBURSEMENTS			
CDBG administration fees	20,500	1,467	-
Wastewater improvements	1,073,475	8,738	-
Total disbursements	1,093,975	10,205	-
Deficiency of receipts under disbursements	(493,975)	-	-
OTHER FINANCING SOURCES			
Proceeds of debt			
IDNR-SRL	493,975	-	-
NET CHANGE IN CASH BALANCES	\$ -	-	-
CASH BALANCES, BEGINNING OF YEAR		-	-
CASH BALANCES, END OF YEAR		\$ -	\$ -
CASH BASIS FUND BALANCES			
Unreserved		\$ -	\$ -

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
ENTERPRISE FUNDS - WATER UTILITY
As of and for the Years Ended June 30, 2007 and 2006

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Use of money and property			
Interest	\$ 1,200	\$ 5,242	\$ 2,967
Charges for services			
Water sales	250,000	198,959	205,926
Penalties	3,500	4,172	3,627
Water taps	5,700	4,600	5,600
Rental water tower lease	6,900	7,040	6,900
Total charges for services	<u>266,100</u>	<u>214,771</u>	<u>222,053</u>
Miscellaneous			
Net sales tax collected (paid)	<u>-</u>	<u>234</u>	<u>(392)</u>
Total receipts	<u>267,300</u>	<u>220,247</u>	<u>224,628</u>
DISBURSEMENTS			
Water			
Plant operations			
Personal services			
Salaries	7,500	7,450	7,525
City's contribution - FICA	574	570	576
City's contribution - IPERS	476	428	433
Other expenses			
Utilities	18,867	16,068	17,994
Chemicals	14,000	13,624	11,281
Plant maintenance			
Personal services			
Salaries	5,000	4,695	5,931
City's contribution - FICA	383	359	454
City's contribution - IPERS	318	270	341
Other expense			
Tank maintenance	-	-	2,506
Distribution operation			
Personal services			
Salaries	4,000	3,970	7,832
City's contribution - FICA	306	304	599
City's contribution - IPERS	254	228	450
Other expense	12,000	11,841	6,200

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
ENTERPRISE FUNDS - WATER UTILITY
As of and for the Years Ended June 30, 2007 and 2006

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
DISBURSEMENTS (Continued)			
Water (continued)			
Distribution maintenance			
Personal services			
Salaries	\$ 25,966	\$ 25,653	\$ 2,619
City's contribution - FICA	1,986	1,962	200
City's contribution - IPERS	1,649	1,475	151
Other expense			
Other utility expense	7,000	5,983	5,768
Accounting and collection			
Personal services			
Salaries	31,863	30,456	29,521
City's contribution - FICA	2,438	2,330	2,259
City's contribution - IPERS	2,023	1,751	1,697
Group insurance	18,736	14,857	15,037
Other expense	4,500	3,851	4,829
Capital outlay	42,133	24,461	53,609
Underallocated budget	20,000	-	-
	<u>221,972</u>	<u>172,586</u>	<u>177,812</u>
Excess of receipts over disbursements	45,328	47,661	46,816
OTHER FINANCING USES			
Operating transfers out			
Debt service	<u>(40,433)</u>	<u>(40,433)</u>	<u>(42,038)</u>
NET CHANGE IN CASH BALANCES	<u>\$ 4,895</u>	7,228	4,778
CASH BALANCES, BEGINNING OF YEAR		<u>190,487</u>	<u>185,709</u>
CASH BALANCES, END OF YEAR		<u>\$ 197,715</u>	<u>\$ 190,487</u>
CASH BASIS FUND BALANCES			
Unreserved		<u>\$ 197,715</u>	<u>\$ 190,487</u>

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
ENTERPRISE FUNDS - SEWER UTILITY
As of and for the Years Ended June 30, 2007 and 2006

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Use of money and property			
Interest	\$ 2,500	\$ 11,023	\$ 3,840
Charges for services			
Sewer rentals collected	260,000	263,418	230,586
Penalties	10,000	14,444	17,640
Overpayments	2,000	1,697	2,173
Sewer taps	3,250	2,750	3,375
Total charges for services	<u>275,250</u>	<u>282,309</u>	<u>253,774</u>
Miscellaneous			
Refunds	-	10,204	21
Net sales tax collected (paid)	-	122	(208)
Total miscellaneous	<u>-</u>	<u>10,326</u>	<u>(187)</u>
 Total receipts	 <u>277,750</u>	 <u>303,658</u>	 <u>257,427</u>
DISBURSEMENTS			
Sewer			
Personal services			
Salaries	107,466	97,608	85,223
City's contribution - FICA	8,221	7,467	6,519
City's contribution - IPERS	6,824	5,612	4,900
Group insurance	32,796	31,297	28,878
Employee benefit	2,100	1,580	1,488
Other expenses			
Repairs and maintenance - building and equipment	14,675	14,674	7,345
Electricity	42,000	31,254	33,500
Telephone	1,900	1,435	1,763
Heating	10,500	8,294	12,585
Engineering	25,238	11,214	13,065
Contracted items	28,000	27,332	30,939
Chemicals and supplies	1,550	1,204	2,311
Miscellaneous expense	18,589	18,588	19,678
Other expense	379	339	83

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
ENTERPRISE FUNDS - SEWER UTILITY
As of and for the Years Ended June 30, 2007 and 2006

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
DISBURSEMENTS (Continued)			
Sewer (continued)			
Capital outlay			
Capital outlay	\$ 8,000	\$ 900	\$ 3,760
Sewer utility replacement	<u>15,000</u>	<u>762</u>	<u>6,476</u>
Total disbursements	<u>323,238</u>	<u>259,560</u>	<u>258,513</u>
Excess (deficiency) of receipts over (under) disbursements	(45,488)	44,098	(1,086)
OTHER FINANCING SOURCES			
Operating transfers in			
General			
General	<u>3,303</u>	<u>3,303</u>	<u>3,303</u>
NET CHANGE IN CASH BALANCES	<u>\$ (42,185)</u>	47,401	2,217
CASH BALANCES, BEGINNING OF YEAR		<u>279,085</u>	<u>276,868</u>
CASH BALANCES, END OF YEAR		<u>\$ 326,486</u>	<u>\$ 279,085</u>
CASH BASIS FUND BALANCES			
Unreserved		<u>\$ 326,486</u>	<u>\$ 279,085</u>

CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
ENTERPRISE FUNDS - SOLID WASTE
As of and for the Years Ended June 30, 2007 and 2006

	2007		2006
	Budget	Actual	Actual
RECEIPTS			
Charges for services			
Solid waste fees	\$ 201,650	\$ 206,982	\$ 206,210
DISBURSEMENTS			
Solid waste			
Solid waste assessment	42,150	42,150	42,150
Waste disposal contract	159,500	159,500	155,600
Total disbursements	201,650	201,650	197,750
NET CHANGE IN CASH BALANCES	\$ -	5,332	8,460
CASH BALANCES, BEGINNING OF YEAR		36,115	27,655
CASH BALANCES, END OF YEAR		\$ 41,447	\$ 36,115
CASH BASIS FUND BALANCES			
Unreserved		\$ 41,447	\$ 36,115

**CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
ENTERPRISE FUNDS - WATER METER DEPOSIT
As of and for the Years Ended June 30, 2007 and 2006**

	2007		2006
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Miscellaneous			
Customer deposits	\$ -	\$ 6,602	\$ 5,050
DISBURSEMENTS			
None	-	-	-
NET CHANGE IN CASH BALANCES	\$ -	6,602	5,050
CASH BALANCES, BEGINNING OF YEAR		66,867	61,817
CASH BALANCES, END OF YEAR		\$ 73,469	\$ 66,867
CASH BASIS FUND BALANCES			
Unreserved		\$ 73,469	\$ 66,867

CITY OF CAMANCHE
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
INTERNAL SERVICE FUND - PAYROLL CLEARING
As of and for the Years Ended June 30, 2007 and 2006

	2007		2006
	Budget	Actual	Actual
RECEIPTS			
Miscellaneous			
Gross payroll	\$ -	\$ 962,380	\$ 945,427
Employer share of payroll tax	-	188,874	190,273
	-	1,151,254	1,135,700
Total receipts			
DISBURSEMENTS			
Non-program			
Net payroll checks issued	-	658,732	656,804
Remittance of taxes			
Federal withholding	-	111,476	101,039
FICA taxes and Medicare	-	95,444	93,456
IPERS	-	47,328	46,550
State withholding	-	36,309	32,522
Civil service	-	150,210	153,719
Other	-	51,755	51,610
	-	1,151,254	1,135,700
Total disbursements			
NET CHANGE IN CASH BALANCES	\$ -	-	-
CASH BALANCES, BEGINNING OF YEAR		-	-
CASH BALANCES, END OF YEAR		\$ -	\$ -
CASH BASIS FUND BALANCES			
Unreserved		\$ -	\$ -

**CITY OF CAMANCHE
SCHEDULE OF INDEBTEDNESS
As of and for the Years Ended June 30, 2007**

OBLIGATION	<u>Date of Issue</u>	<u>Interest Rates</u>	<u>Amount Originally Issued</u>	<u>Balance, Beginning of Year</u>	<u>Issued During Year</u>	<u>Redeemed During Year</u>	<u>Balance, End of Year</u>	<u>Interest Paid</u>	<u>Interest Due and Unpaid</u>
GENERAL OBLIGATION NOTES									
Iowa Department of Natural Resources (IDNR) Sewage Treatment Works Revolving Loan	4/30/1991	3.000%	\$ 323,000	\$ 93,000	\$ -	\$ 20,000	\$ 73,000	\$ 2,837	\$ -
Water Note	11/1/1996	5.35%	395,000	195,000	-	30,000	165,000	10,433	-
Storm Sewer Improvement Note	9/1/2001	4.00% to 5.30%	1,330,000	<u>1,030,000</u>	<u>-</u>	<u>85,000</u>	<u>945,000</u>	<u>50,745</u>	<u>-</u>
TOTAL GENERAL OBLIGATION NOTES				<u>\$1,318,000</u>	<u>\$ -</u>	<u>\$ 135,000</u>	<u>\$ 1,183,000</u>	<u>\$ 64,015</u>	<u>\$ -</u>

**CITY OF CAMANCHE
NOTE MATURITIES
June 30, 2007**

<u>Year Ending June 30,</u>	<u>General Obligation Notes</u>							<u>Total</u>
	<u>IDNR Loan</u>		<u>Water Note</u>		<u>Storm Sewer Improvement Note</u>			
	<u>Issued</u>		<u>Issued</u>		<u>Issued</u>			
	<u>April 30, 1991</u>		<u>November 1, 1996</u>		<u>September 1, 2001</u>			
	<u>Interest Rates</u>	<u>Amount</u>	<u>Interest Rates</u>	<u>Amount</u>	<u>Interest Rates</u>	<u>Amount</u>		
2008	3.000%	\$ 20,000	5.35%	\$ 30,000	4.50%	\$ 85,000	\$ 135,000	
2009	3.000%	25,000	5.35%	30,000	4.60%	90,000	145,000	
2010	3.000%	28,000	5.35%	35,000	4.70%	95,000	158,000	
2011		-	5.35%	35,000	4.80%	100,000	135,000	
2012		-	5.35%	35,000	4.90%	105,000	140,000	
2013		-		-	5.00%	110,000	110,000	
2014		-		-	5.10%	115,000	115,000	
2015		-		-	5.20%	120,000	120,000	
2016		-		-	5.30%	125,000	125,000	
TOTALS		<u>\$ 73,000</u>		<u>\$ 165,000</u>		<u>\$ 945,000</u>	<u>\$ 1,183,000</u>	

CITY OF CAMANCHE
SCHEDULE OF RECEIPTS BY SOURCE AND
DISBURSEMENTS BY FUNCTION -
ALL GOVERNMENTAL FUNDS
For the Last Four Years

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
RECEIPTS				
Property taxes	\$ 1,425,567	\$ 1,043,139	\$ 1,030,851	\$ 1,062,383
Other city taxes	703,928	534,735	529,694	547,174
Licenses and permits	11,832	1,492	10,090	8,650
Use of money and property	71,095	53,507	29,787	41,611
Intergovernmental	435,172	660,766	507,298	362,574
Charges for services	9,432	7,195	10,156	28,395
Miscellaneous	<u>101,334</u>	<u>146,999</u>	<u>60,570</u>	<u>57,682</u>
TOTAL RECEIPTS	<u>\$ 2,758,360</u>	<u>\$ 2,447,833</u>	<u>\$ 2,178,446</u>	<u>\$ 2,108,469</u>
DISBURSEMENTS				
Operating:				
Public safety	\$ 1,054,362	\$ 1,041,629	\$ 1,097,986	\$ 925,217
Public works	494,600	598,934	461,459	504,269
Culture and recreation	213,114	200,975	197,935	201,997
Community and economic development	10,000	226,863	4,000	5,084
General government	330,811	411,967	301,113	256,520
Debt service	199,015	200,723	197,246	245,716
Capital projects	10,205	-	-	-
Solid waste	<u>2,596</u>	<u>3,289</u>	<u>2,305</u>	<u>-</u>
TOTAL DISBURSEMENTS	<u>\$ 2,314,703</u>	<u>\$ 2,684,380</u>	<u>\$ 2,262,044</u>	<u>\$ 2,138,803</u>



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

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

We have audited the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of City of Camanche as of and for the year ended June 30, 2007, which collectively comprise City of Camanche's basic financial statements and have issued our report thereon dated December 20, 2007. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered City of Camanche's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Responses as items II-A-07 and II-B-07 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Camanche's financial statements are free of 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 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 or other matters that are required to be reported under *Government Auditing Standards*.

Comments involving statutory and other legal matters about the City's operations for the year ended June 30, 2007 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the City. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

City of Camanche's responses to findings identified in our audit are described in the accompanying Schedule of Findings and Responses. While we have expressed our conclusions on the City's responses, we did not audit City of Camanche's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the Mayor and Members of the City Council, and is not intended to be and should not be used by anyone other than these specified parties.

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

Clifton Henderson LLP

Clinton, Iowa
December 20, 2007

**CITY OF CAMANCHE
SCHEDULE OF FINDINGS AND RESPONSES
As of and for the Year Ended June 30, 2007**

Part I: Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued: Unqualified opinion - cash basis

Internal control over financial reporting:

- Material weakness(es) identified? yes x no
- Significant deficiency(s) identified that are not
 considered to be material weaknesses? x yes none reported
- Noncompliance material to financial statements noted? yes x no

INSTANCES OF NON-COMPLIANCE:

No matters were reported

CITY OF CAMANCHE
SCHEDULE OF FINDINGS AND RESPONSES
As of and for the Year Ended June 30, 2007

Part II: Findings Related to the Financial Statements:

SIGNIFICANT DEFICIENCIES:

II-A-07 Financial Statement Preparation

Criteria:

The City engages Clifton Gunderson to assist in preparing its financial statements and accompanying disclosures. However, as independent auditors, Clifton Gunderson cannot be considered part of the entity's internal control system. To establish proper internal control over the preparation of its financial statements, including disclosures, the entity should design and implement a comprehensive review procedure to ensure that the financial statements, including disclosures, are complete and accurate.

Condition:

The City has not implemented procedures, to the degree necessary, to perform a review and assume responsibility of the City's financial statements and related disclosures to provide a high level of assurance that potential omissions or other errors that are less than material, but more than inconsequential, would be identified and corrected.

Effect:

Management or employees in the normal course of performing their assigned functions may not prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

Cause:

The entity has relied on independent auditor's to some degree to provide assurance that the financial statements, including disclosures, are not materially misstated.

Recommendation:

Management should perform a comprehensive review of the financial statements to ensure that the financial statements, including disclosures, are complete and accurate.

Response:

Management will perform a comprehensive review of the financial statements to ensure that the financial statements, including disclosures, are complete and accurate.

Conclusion:

Response accepted.

CITY OF CAMANCHE
SCHEDULE OF FINDINGS AND RESPONSES
As of and for the Year Ended June 30, 2007

Part II: Findings Related to the Financial Statements: (CONTINUED)

II-B-07 Segregation of Duties

Criteria:

Internal controls should be in place to reduce to a relatively low risk the likelihood a material misstatement to the financial statements could occur and not be detected in a timely period by employees in the normal course of performing their assigned functions. A good system of internal controls contemplates an adequate segregation of duties so that no one individual handles a transaction from its inception to its completion.

Condition:

Currently, one person records entries to the general ledger, cash receipts and sales journals, accounts receivable detail records, accounts payable detail records, and the disbursement journal.

Effect:

As result of this condition, there is a higher risk that errors or irregularities could occur and not be detected within a timely period.

Cause:

The entity has a limited number of personnel performing accounting functions.

Recommendation:

The City should be aware of the lack of segregation of duties and regularly review controls which could be put in place to mitigate the risk that misstatements could occur and not be detected.

Response:

The City concurs with the recommendations; however, believes the supervision by the Mayor and members of the City Council are considered mitigating factors in the lack of segregation of duties condition. The City recognizes that it would not be cost effective to hire additional personnel to maximize the segregation of accounting duties due to the size of the City. The City is aware of the condition and will continue to monitor and implement compensating controls.

Conclusion:

Response acknowledged. The City should segregate duties to the extent possible with existing personnel.

CITY OF CAMANCHE
SCHEDULE OF FINDINGS AND RESPONSES
As of and for the Year Ended June 30, 2007

Part III: Other Findings Related to Required Statutory Reporting:

- III-A-07 Certified Budget
Disbursements during the year ended June 30, 2007 did not exceed the amount budgeted in any function.
- III-B-07 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.
- III-C-07 Travel Expense
No disbursements of City money for travel expenses of spouses of City officials or employees were noted.
- III-D-07 Business Transactions
We noted no business transactions between the City and City officials or employees.
- III-E-07 Bond Coverage
Surety bond coverage of City officials and employees is in accordance with statutory provisions. The amount of coverage is reviewed annually to insure that the coverage is adequate for current operations.
- III-F-07 Council Minutes
No transactions were found that we believe should have been approved in the council minutes but were not.
- III-G-07 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 City's investment policy were noted.