



CITY OF CAMANCHE, IOWA

FINANCIAL STATEMENTS
June 30, 2008



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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 2011
Trevor Willis	Mayor Pro-Tem	January 2011
Linda Kramer	Council Member	January 2010
Ron Wehde	Council Member	January 2010
Trevor Willis	Council Member	January 2010
Ken Fahlbeck	Council Member	January 2011
Paul Varner	Council Member	January 2011
<u>City Officials</u>		
Thomas Roth	City Administrator	Indefinite
Sheryl Jindrich	City Clerk/Treasurer	Indefinite
Thomas Lonergan	Attorney	January 2008
Robert Houzenga	Chief of Police	Indefinite
David Schutte	Fire Chief	Indefinite
Linda Foster	Library Board - Chair	July 2010
Abijah Morgan	Library Board Trustee	July 2010
Curtis Cooley	Library Board Trustee	July 2012
Kevin King	Library Board Trustee	July 2012
Jeff Swalve	Library Board Trustee	July 2014
Tom Kramer	Board of Recreation - Chair	July 2009
Vacant	Board of Recreation Commissioner	July 2009
Lori Bigwood	Board of Recreation Commissioner	July 2010
Dan French	Board of Recreation Commissioner	July 2010
Shirley Varner	Board of Recreation Commissioner	July 2010

CITY OF CAMANCHE

OFFICIALS (CONTINUED)

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
William Simpson	Board of Adjustment - Chair	January 2012
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
Joe Carstensen	Board of Adjustment Member	January 2013
Ruth Evans	Historical Board - Chair	July 2010
Donna Current	Historical Board Member	July 2009
Bob Jordan	Historical Board Member	July 2009
Karla Morgan	Historical Board Member	July 2009
George Current	Historical Board Member	July 2010
Sherry Emerson	Historical Board Member	July 2010
Jane Jordan	Historical Board Member	July 2010
George Current	Cemetery Board - Chair	January 2012
Lester Shadle	Cemetery Board Member	January 2009
George Andresen	Cemetery Board Member	January 2010
Karla Morgan	Cemetery Board Member	January 2011
Ann Wiebers	Cemetery Board Member	January 2013
Ray Gruver	Planning Commission - Chair	January 2012
Alan Murphy	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
Vacant	Planning Commission Member	January 2013
John Lee	Civil Service Commission - Chair	April 2010
Grant Henry	Civil Service Commission Member	April 2009
Danny Weller	Civil Service Commission Member	April 2012

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, 2008, 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, 2008, 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 January 2, 2009, 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, 2007 (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 Gundersen LLP

Clinton, Iowa
January 2, 2009

**CITY OF CAMANCHE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

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, 2008. We encourage readers to consider this information in conjunction with the City's financial statements, which follow.

2008 FINANCIAL HIGHLIGHTS

- Revenues of the City's governmental activities increased 7.1%, or approximately \$199,000 from fiscal 2007 to fiscal 2008. Charges for service decreased approximately \$2,000. Operating grants, contributions, and restricted interest increased approximately \$335,000. Capital grants, contributions, and restricted interest decreased approximately \$56,000. General revenues decreased approximately \$78,000.
- Revenues of the City's business type activities increased 2.7%, or approximately \$20,000.
- Total disbursements increased 16.0%, or approximately \$423,000, in fiscal year 2008 from fiscal year 2007. Public safety disbursements increased approximately \$314,000 due to the purchase of a new fire truck. General government disbursements increased approximately \$54,000 due to the hiring of a new City Administrator and unanticipated increases in health insurance premiums. Capital projects disbursements increased approximately \$59,000 due to continuing work on the 9th Street Bridge Project and the water system improvement project. Sewer disbursements increased approximately \$45,000 due to continuing work on the wastewater system upgrade.
- The City's total cash basis net assets increased 9.4%, or approximately \$267,000 from June 30, 2007 to June 30, 2008. Of this amount, the net assets of the governmental activities increased approximately \$256,000 and the net assets of the business type activities increased by approximately \$11,000.

**CITY OF CAMANCHE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

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, 2008**

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, 2008**

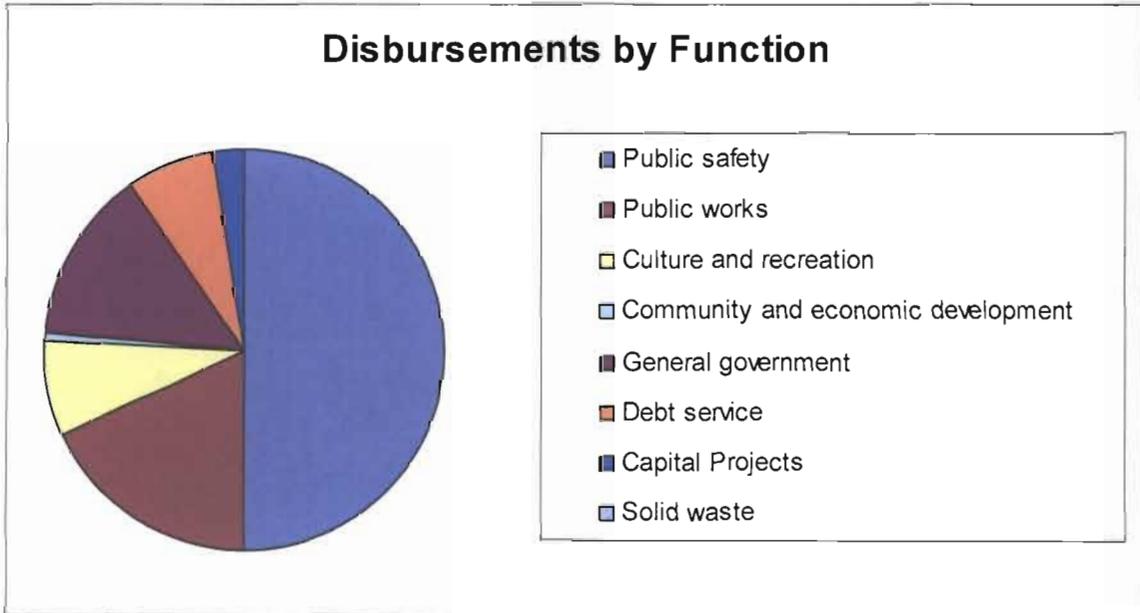
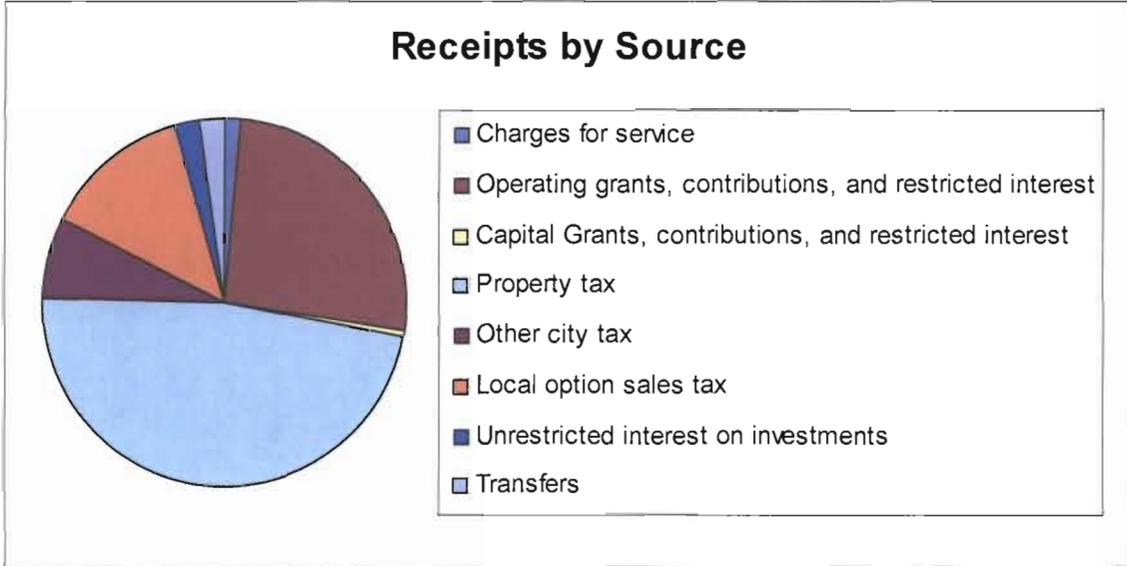
GOVERNMENT-WIDE FINANCIAL ANALYSIS

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 \$2,216,317 to \$2,472,482. The analysis that follows focuses on the changes in cash balances for governmental activities.

Changes in Cash Basis Net Assets of Governmental Activities

	<u>2008</u>	<u>2007</u>
Receipts and transfers:		
Program receipts:		
Charges for service	\$ 37,552	\$ 39,512
Operating grants, contributions, and restricted interest	783,431	448,736
Capital grants, contributions, and restricted interest	17,775	74,114
General receipts:		
Property tax	1,417,818	1,425,567
Utility tax replacement	159,971	170,835
Utility franchise tax - cablevision	50,487	42,646
Mobile home tax	7,130	7,147
Local option sales tax	388,059	483,300
Unrestricted interest on investments	69,274	66,503
Transfers, net	<u>62,748</u>	<u>37,130</u>
Total receipts and transfers	<u>2,994,245</u>	<u>2,795,490</u>
Disbursements:		
Public safety	1,368,424	1,054,362
Public works	498,240	494,600
Culture and recreation	212,056	213,114
Community and economic development	10,000	10,000
General government	384,852	330,811
Debt service	193,060	199,015
Capital projects	68,928	10,205
Solid waste	<u>2,520</u>	<u>2,596</u>
Total disbursements	<u>2,738,080</u>	<u>2,314,703</u>
Increase (decrease) in cash basis net assets	256,165	480,787
Cash basis net assets, beginning of year	<u>2,216,317</u>	<u>1,735,530</u>
Cash basis net assets, end of year	<u>\$2,472,482</u>	<u>\$2,216,317</u>

**CITY OF CAMANCHE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**



The City's total receipts for governmental activities increased by 7.1%, or \$198,755. Program receipts increased \$276,396 while general receipts decreased \$77,641. The increase in program receipts is due largely to the receipt of a private grant to design water system improvements. General receipts decreased due to a reduction in grant funds that were received in the previous year.

**CITY OF CAMANCHE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

The cost of all governmental activities this year was \$2,738,080 compared to \$2,314,703 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 \$1,899,322. Some of the cost was paid by those that directly benefited from the programs (\$37,552) or by other governments and organizations that subsidized certain programs with grants, contributions and restricted interest (\$801,206). Overall, the City's governmental activities receipts, including intergovernmental aid and fees for service, increased in 2008 from approximately \$2,758,000 to approximately \$2,931,000.

Changes in Cash Basis Net Assets of Business Type Activities

	<u>2008</u>	<u>2007</u>
Receipts:		
Program receipts:		
Charges for service:		
Water	\$ 216,236	\$ 226,849
Sewer	330,943	303,658
Solid waste	<u>210,325</u>	<u>206,982</u>
Total receipts	<u>757,504</u>	<u>737,489</u>
 Disbursements and transfers:		
Water	174,731	172,586
Sewer	304,450	259,560
Solid waste	204,229	201,650
Transfers, net	<u>62,748</u>	<u>37,130</u>
Total disbursements and transfers	<u>746,158</u>	<u>670,926</u>
 Increase in cash balance	11,346	66,563
 Cash basis net assets, beginning of year	<u>639,117</u>	<u>572,554</u>
 Cash basis net assets, end of year	<u>\$ 650,463</u>	<u>\$ 639,117</u>

Total business type activities receipts for the fiscal year were \$757,504 compared to \$737,489 last year. Total disbursements and transfers for the fiscal year increased by 11.2% to a total of \$746,158.

**CITY OF CAMANCHE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

INDIVIDUAL MAJOR GOVERNMENTAL FUND ANALYSIS

As the City of Camanche completed the year, its governmental funds reported a combined fund balance of \$2,472,482, an increase of more than \$256,000 over last year's total of \$2,216,317. 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 decreased \$26,698 from the prior year to \$1,726,826. This decrease is attributed to the purchase of a new fire truck and associated equipment as well as unanticipated increases in operating expenses.
- The Road Use Tax Fund cash balance increased by \$40,956 to \$330,616 during the fiscal year. This increase is attributable to lower than anticipated expenditures, particularly in the area of road repairs.
- The Debt Service Fund cash balance increased by \$1,806 to \$54,546 during the fiscal year. This is due to higher than anticipated revenues.

INDIVIDUAL MAJOR BUSINESS TYPE FUND ANALYSIS

- The Water Utility Fund cash balance decreased by \$11,479 to \$186,236, due to lower revenues than were anticipated.
- The Sewer Utility Fund cash balance increased by \$11,885 to \$338,371, due to a rate increase and funds being reserved for capital improvements.
- The Solid Waste Fund cash balance increased by \$6,096 to \$47,543 at year end due to higher revenues than were anticipated.

BUDGETARY HIGHLIGHTS

Over the course of the year, the City amended its budget one time. The amendment was approved on November 20, 2007, and resulted in revenues being increased to account for financing for the sewer project, DOT funds for the 9th Street Bridge project, and transfers. Expenditures were increased to account for the sewer project, 9th Street Bridge project, a new fire truck, increased in health insurance, gas, and utility costs.

**CITY OF CAMANCHE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2008**

DEBT ADMINISTRATION

At June 30, 2008, the City had \$1,048,000 in general obligation notes, compared to \$1,183,000 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 \$1,048,000 is considerably lower than its constitutional debt limit of \$11.6 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 2008/2009 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.

The City anticipates significant progress on a number of large, capital projects in FYE 2009. Among them are: the Mississippi River Trail, which is funded on an 80/20 basis with a DOT grant and local reserves, the 9th Street bridge replacement, funded by a DOT grant and Road Use Tax reserves, the water tower/distribution project, funded entirely by a private grant, and the wastewater treatment system upgrade, funded on a 75/25 basis with a CDBG and local funds. The City anticipates borrowing for the wastewater treatment project, while the matching funds for the bridge and MRT projects will be taken from existing reserves. The City plans to draw down existing reserves about \$300,000 to fund these projects.

Sewer rates and garbage rates were increased in FYE 2008. Garbage rates were set for a three year period and no additional increases are contemplated at this time. Sewer rates were increased about half way to a targeted cash flow. It is anticipated that a similar rate increase will occur in FYE 2009, at which time sewer rates will have been adjusted to provide sufficient cash flow for operations and debt service. The City has not examined water rates, but it would not be unreasonable to assume a water rate increase may be in order.

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 Sheryl Judrich, 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, 2008

	<u>Disbursements</u>	<u>Charges for Service</u>	<u>Program Receipts</u>	
			<u>Operating Grants, Contributions, and Restricted Interest</u>	<u>Capital Grants, Contributions, and Restricted Interest</u>
FUNCTIONS/PROGRAMS				
Governmental activities:				
Public safety	\$ 1,368,424	\$ 14,669	\$ -	\$ -
Public works	498,240	-	361,110	-
Culture and recreation	212,056	17,593	311,152	-
Community and economic development	10,000	-	-	-
General government	384,852	5,290	111,169	-
Debt service	193,060	-	-	-
Capital projects	68,928	-	-	17,775
Solid waste	2,520	-	-	-
Total governmental activities	2,738,080	37,552	783,431	17,775
Business type activities:				
Water	174,731	216,236	-	-
Sewer	304,450	330,943	-	-
Solid waste	204,229	210,325	-	-
Total business type activities	683,410	757,504	-	-
Total	\$ 3,421,490	\$ 795,056	\$ 783,431	\$ 17,775

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
\$ (1,353,755)	\$ -	\$ (1,353,755)
(137,130)	-	(137,130)
116,689	-	116,689
(10,000)	-	(10,000)
(268,393)	-	(268,393)
(193,060)	-	(193,060)
(51,153)	-	(51,153)
(2,520)	-	(2,520)
<u>(1,899,322)</u>	<u>-</u>	<u>(1,899,322)</u>
-	41,505	41,505
-	26,493	26,493
-	6,096	6,096
<u>-</u>	<u>74,094</u>	<u>74,094</u>
<u>(1,899,322)</u>	<u>74,094</u>	<u>(1,825,228)</u>
1,280,599	-	1,280,599
137,219	-	137,219
159,971	-	159,971
50,487	-	50,487
7,130	-	7,130
388,059	-	388,059
69,274	-	69,274
62,748	(62,748)	-
<u>2,155,487</u>	<u>(62,748)</u>	<u>2,092,739</u>
256,165	11,346	267,511
<u>2,216,317</u>	<u>639,117</u>	<u>2,855,434</u>
<u>\$ 2,472,482</u>	<u>\$ 650,463</u>	<u>\$ 3,122,945</u>
\$ 330,616	\$ -	\$ 330,616
54,546	-	54,546
360,494	-	360,494
<u>1,726,826</u>	<u>650,463</u>	<u>2,377,289</u>
<u>\$ 2,472,482</u>	<u>\$ 650,463</u>	<u>\$ 3,122,945</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, 2008

	<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	\$ 993,776	\$ -	\$ 137,219	\$ 286,823	\$ 1,417,818
Other city taxes	557,707	-	15,516	32,424	605,647
Licenses and permits	9,080	-	-	-	9,080
Use of money and property	70,925	-	-	3	70,928
Intergovernmental	12,718	361,110	-	17,775	391,603
Charges for services	10,962	-	-	-	10,962
Miscellaneous	141,358	-	-	284,101	425,459
Total receipts	<u>1,796,526</u>	<u>361,110</u>	<u>152,735</u>	<u>621,126</u>	<u>2,931,497</u>
DISBURSEMENTS:					
Operating:					
Public safety	1,247,146	-	-	121,278	1,368,424
Public works	197,292	300,948	-	-	498,240
Culture and recreation	212,051	-	-	5	212,056
Community and economic development	10,000	-	-	-	10,000
General government	384,852	-	-	-	384,852
Debt service	-	-	193,060	-	193,060
Capital projects	-	-	-	68,928	68,928
Solid waste	2,520	-	-	-	2,520
Total disbursements	<u>2,053,861</u>	<u>300,948</u>	<u>193,060</u>	<u>190,211</u>	<u>2,738,080</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>(257,335)</u>	<u>60,162</u>	<u>(40,325)</u>	<u>430,915</u>	<u>193,417</u>
OTHER FINANCING SOURCES (USES):					
Operating transfers in	425,146	-	42,131	-	467,277
Operating transfers out	(194,509)	(19,206)	-	(190,814)	(404,529)
Total other financing sources (uses)	<u>230,637</u>	<u>(19,206)</u>	<u>42,131</u>	<u>(190,814)</u>	<u>62,748</u>
NET CHANGE IN CASH BALANCES	(26,698)	40,956	1,806	240,101	256,165
CASH BALANCES, BEGINNING 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 BALANCES, END OF YEAR	<u>\$ 1,726,826</u>	<u>\$ 330,616</u>	<u>\$ 54,546</u>	<u>\$ 360,494</u>	<u>\$ 2,472,482</u>
CASH BASIS FUND BALANCES					
Reserved:					
Debt service	\$ -	\$ -	\$ 54,546	\$ -	\$ 54,546
Unreserved:					
General fund	1,726,826	-	-	-	1,726,826
Special revenue funds	-	330,616	-	123,147	453,763
Capital projects fund	-	-	-	237,347	237,347
Total cash basis fund balances	<u>\$ 1,726,826</u>	<u>\$ 330,616</u>	<u>\$ 54,546</u>	<u>\$ 360,494</u>	<u>\$ 2,472,482</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, 2008

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	\$ 5,761	\$ 12,802	\$ -	\$ -	\$ 18,563	\$ -
Charges for services	206,001	308,174	210,325	-	724,500	-
Miscellaneous	(370)	9,967	-	4,844	14,441	1,255,383
Total operating receipts	<u>211,392</u>	<u>330,943</u>	<u>210,325</u>	<u>4,844</u>	<u>757,504</u>	<u>1,255,383</u>
OPERATING DISBURSEMENTS:						
Business type activities:						
Water	174,731	-	-	-	174,731	-
Sewer	-	304,450	-	-	304,450	-
Solid waste	-	-	204,229	-	204,229	-
Non-program	-	-	-	-	-	1,255,383
Total operating disbursements	<u>174,731</u>	<u>304,450</u>	<u>204,229</u>	<u>-</u>	<u>683,410</u>	<u>1,255,383</u>
EXCESS OF RECEIPTS OVER DISBURSEMENTS	<u>36,661</u>	<u>26,493</u>	<u>6,096</u>	<u>4,844</u>	<u>74,094</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):						
Operating transfers in	-	3,303	-	-	3,303	-
Operating transfers out	(48,140)	(17,911)	-	-	(66,051)	-
Total other financing sources (uses)	<u>(48,140)</u>	<u>(14,608)</u>	<u>-</u>	<u>-</u>	<u>(62,748)</u>	<u>-</u>
NET CHANGE IN CASH BALANCES	(11,479)	11,885	6,096	4,844	11,346	-
CASH BALANCES, BEGINNING 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 BALANCES, END OF YEAR	<u>\$ 186,236</u>	<u>\$ 338,371</u>	<u>\$ 47,543</u>	<u>\$ 78,313</u>	<u>\$ 650,463</u>	<u>\$ -</u>
CASH BASIS FUND BALANCES						
Unreserved	<u>\$ 186,236</u>	<u>\$ 338,371</u>	<u>\$ 47,543</u>	<u>\$ 78,313</u>	<u>\$ 650,463</u>	<u>\$ -</u>

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

CITY OF CAMANCHE
NOTES TO FINANCIAL STATEMENTS
June 30, 2008

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, 2008

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, 2008

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, 2008**

NOTE 2 - CASH AND INVESTMENTS

The City's deposits in banks at June 30, 2008 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, 2008.

NOTE 3 - NOTES PAYABLE

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

Year Ending June 30,	General Obligation Notes	
	Principal	Interest
2009	\$ 145,000	\$ 51,593
2010	158,000	45,098
2011	135,000	37,920
2012	140,000	31,247
2013	110,000	24,230
2014-2016	<u>360,000</u>	<u>38,220</u>
Total	<u>\$1,048,000</u>	<u>\$ 228,308</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, 2008 was \$53,000.

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, 2008 was \$135,000.

CITY OF CAMANCHE
NOTES TO FINANCIAL STATEMENTS
June 30, 2008

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 sanitary sewer improvement project. The loan bears interest at rates from 4.00% 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, 2008 was \$860,000.

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 3.90% of their annual covered salary and the City is required to contribute 6.05% 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, 2008, 2007, and 2006 were \$34,431, \$28,797, and \$28,324 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, 2008, 2007, and 2006 were \$118,533, \$112,354, and \$115,221, respectively, which met the required minimum contribution for each year.

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

**CITY OF CAMANCHE
NOTES TO FINANCIAL STATEMENTS
June 30, 2008**

NOTE 5 - COMPENSATED ABSENCES (CONTINUED)

vacation and sick leave hours at June 30, 2008, primarily relating to the General Fund, is as follows:

<u>Type of Benefit</u>	<u>Amount</u>
Vacation	\$ 60,100
Sick leave	261,900
Total	<u>\$ 322,000</u>

This liability has been computed based on rates of pay as of June 30, 2008.

NOTE 6 - INTERFUND TRANSFERS

The detail of interfund transfers for the year ended June 30, 2008 is as follows:

<u>Transfer to</u>	<u>Transfer from</u>	<u>Amount</u>
General:	General:	
General	Library	\$ 3,256
	Special Revenue:	
	Road Use Tax	19,206
	Employee Benefits	190,814
	Enterprise:	
	Water utility	9,312
	Sewer utility	17,911
General:	General:	
Cemetery	General	19,893
General:	General:	
Library	General	110,540
General:	General:	
Park and recreation	General	54,214
Debt service	General:	
	General	3,303
	Enterprise:	
	Water utility	38,828
Enterprise:	General:	
Sewer utility	General	<u>3,303</u>
Total		<u>\$ 470,580</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, 2008

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 - DEFICIT BALANCE

The Sanitary Sewer Improvement Fund had a deficit balance of \$51,153 at June 30, 2008. The deficit balance was a result of project costs incurred prior to the availability of funds. The deficit will be eliminated upon the receipt of funds for the project.

NOTE 9 - CONTINGENT LIABILITY

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

NOTE 10 - COMMITTED CONSTRUCTION

As of June 30, 2008, the City had the following committed construction:

<u>Project</u>	<u>Total Contract Amount</u>	<u>Committed June 30, 2008</u>
9 th Street Water Main Extension	\$ 565,000	\$ 565,000
9 th Street Bridge Replacement	107,750	39,750
WWTP Project	<u>235,000</u>	<u>169,200</u>
	<u>\$ 907,750</u>	<u>\$ 773,950</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, 2008**

	Governmental Funds <u>Actual</u>	Proprietary Funds <u>Actual</u>	Less Funds Not Required to be <u>Budgeted</u>
RECEIPTS:			
Property taxes	\$ 1,417,818	\$ -	\$ -
Other city taxes	605,647	-	-
Licenses and permits	9,080	-	-
Use of money and property	70,928	18,563	-
Intergovernmental	391,603	-	-
Charges for services	10,962	724,500	-
Miscellaneous	<u>425,459</u>	<u>1,269,824</u>	<u>1,255,383</u>
Total receipts	<u>2,931,497</u>	<u>2,012,887</u>	<u>1,255,383</u>
DISBURSEMENTS:			
Public safety	1,368,424	-	-
Public works	498,240	-	-
Culture and recreation	212,056	-	-
Community and economic development	10,000	-	-
General government	384,852	-	-
Debt service	193,060	-	-
Capital projects	68,928	-	-
Business type activities	<u>2,520</u>	<u>1,938,793</u>	<u>1,255,383</u>
Total disbursements	<u>2,738,080</u>	<u>1,938,793</u>	<u>1,255,383</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	193,417	74,094	-
OTHER FINANCING SOURCES (USES), NET	<u>62,748</u>	<u>(62,748)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF RECEIPTS AND OTHER FINANCING SOURCES OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING USES	256,165	11,346	-
BALANCES, BEGINNING OF YEAR	<u>2,216,317</u>	<u>639,117</u>	<u>-</u>
BALANCES, END OF YEAR	<u>\$ 2,472,482</u>	<u>\$ 650,463</u>	<u>\$ -</u>

<u>Net</u>	<u>Budgeted Amounts</u>		<u>Final to Net Variance</u>
	<u>Original</u>	<u>Final</u>	
\$ 1,417,818	\$ 1,402,831	\$ 1,402,831	\$ 14,987
605,647	519,652	519,652	85,995
9,080	19,591	19,591	(10,511)
89,491	54,722	54,722	34,769
391,603	695,797	695,797	(304,194)
735,462	787,050	787,050	(51,588)
439,900	354,638	2,717,338	(2,277,438)
<u>3,689,001</u>	<u>3,834,281</u>	<u>6,196,981</u>	<u>(2,507,980)</u>
1,368,424	1,150,026	1,405,659	37,235
498,240	842,286	1,327,586	829,346
212,056	228,505	229,215	17,159
10,000	10,000	10,000	-
384,852	445,817	472,817	87,965
193,060	193,080	193,080	20
68,928	336,490	2,336,490	2,267,562
685,930	788,157	801,157	115,227
<u>3,421,490</u>	<u>3,994,361</u>	<u>6,776,004</u>	<u>3,354,514</u>
267,511	(160,080)	(579,023)	846,534
-	3,800	3,800	(3,800)
267,511	(156,280)	(575,223)	842,734
<u>2,855,434</u>	<u>2,339,790</u>	<u>2,339,790</u>	<u>515,644</u>
<u>\$ 3,122,945</u>	<u>\$ 2,183,510</u>	<u>\$ 1,764,567</u>	<u>\$ 1,358,378</u>

CITY OF CAMANCHE
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION -
BUDGETARY REPORTING
June 30, 2008

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 \$2,781,643. 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

SCHEDULE 1

As of and for the Year Ended June 30, 2008

	<u>General</u>	<u>Cemetery</u>	<u>Library</u>	<u>Park and Recreation</u>	<u>Total</u>
RECEIPTS					
Property taxes	\$ 993,776	\$ -	\$ -	\$ -	\$ 993,776
Other city taxes	557,707	-	-	-	557,707
Licenses and permits	9,080	-	-	-	9,080
Use of money and property	66,417	2,144	-	2,364	70,925
Intergovernmental	3,463	-	9,255	-	12,718
Charges for services	400	7,225	3,337	-	10,962
Miscellaneous	117,484	4,876	2,321	16,677	141,358
Total receipts	<u>1,748,327</u>	<u>14,245</u>	<u>14,913</u>	<u>19,041</u>	<u>1,796,526</u>
DISBURSEMENTS					
Public safety	1,247,146	-	-	-	1,247,146
Public works	197,292	-	-	-	197,292
Culture and recreation	-	25,415	122,801	63,835	212,051
Community and economic development	10,000	-	-	-	10,000
General government	384,852	-	-	-	384,852
Solid waste	2,520	-	-	-	2,520
Total disbursements	<u>1,841,810</u>	<u>25,415</u>	<u>122,801</u>	<u>63,835</u>	<u>2,053,861</u>
Deficiency of receipts under disbursements	<u>(93,483)</u>	<u>(11,170)</u>	<u>(107,888)</u>	<u>(44,794)</u>	<u>(257,335)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	240,499	19,893	110,540	54,214	425,146
Operating transfers out	<u>(191,253)</u>	<u>-</u>	<u>(3,256)</u>	<u>-</u>	<u>(194,509)</u>
Total other financing sources (uses)	<u>49,246</u>	<u>19,893</u>	<u>107,284</u>	<u>54,214</u>	<u>230,637</u>
NET CHANGE IN CASH BALANCES	(44,237)	8,723	(604)	9,420	(26,698)
CASH BALANCES, BEGINNING 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 BALANCES, END OF YEAR	<u>\$ 1,592,838</u>	<u>\$ 29,633</u>	<u>\$ 42,580</u>	<u>\$ 61,775</u>	<u>\$ 1,726,826</u>
CASH BASIS FUND BALANCES					
Unreserved	<u>\$ 1,592,838</u>	<u>\$ 29,633</u>	<u>\$ 42,580</u>	<u>\$ 61,775</u>	<u>\$ 1,726,826</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, 2008 and 2007

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Property taxes			
General	\$ 984,575	\$ 993,776	\$ 983,212
Other city taxes			
Utility tax replacement	112,508	112,031	117,357
Utility franchise tax - cablevision	50,000	50,487	42,646
Mobile home tax	9,000	7,130	7,147
Local option sales tax	350,000	388,059	483,300
Overallocated budget	(50,000)	-	-
Total other city tax	<u>471,508</u>	<u>557,707</u>	<u>650,450</u>
Licenses and permits			
Beer	775	400	628
Cigarette	300	150	300
Business	416	176	323
Building	9,000	6,463	9,703
Dog	1,100	1,891	878
Underallocated budget	8,000	-	-
Total licenses and permits	<u>19,591</u>	<u>9,080</u>	<u>11,832</u>
Use of money and property			
Interest	40,000	65,716	61,408
Sale of equipment	-	701	3,626
Underallocated budget	6,010	-	-
Total use of money and property	<u>46,010</u>	<u>66,417</u>	<u>65,034</u>
Intergovernmental			
FEMA Grant and other state aid	-	-	63,909
Liquor licenses	2,470	3,463	2,470
Total intergovernmental	<u>2,470</u>	<u>3,463</u>	<u>66,379</u>
Charges for services			
Miscellaneous service charges	300	400	360
Underallocated budget	55,700	-	-
Total charges for services	<u>56,000</u>	<u>400</u>	<u>360</u>
Miscellaneous			
Court fines	4,300	5,715	3,886
Parking fines	1,000	600	1,440
Miscellaneous	338,710	111,169	81,032
Underallocated budget	2,361,190	-	-
Total miscellaneous	<u>2,705,200</u>	<u>117,484</u>	<u>86,358</u>
 Total receipts	 <u>4,285,354</u>	 <u>1,748,327</u>	 <u>1,863,625</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, 2008 and 2007

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
DISBURSEMENTS			
Public safety			
Police department			
Personal services			
Police salaries	\$ 330,891	\$ 333,243	\$ 287,574
Janitor service	700	681	633
Overtime, holiday pay	35,000	34,370	41,476
Shift differential	2,550	2,182	1,781
School crossing guards	1,700	822	1,463
City's contribution -			
FICA and IPERS	4,480	4,598	3,388
Group insurance	134,000	114,991	102,440
Clothing allowance	17,500	17,569	15,851
Other expenses			
Police school and training	14,500	19,836	15,319
Motor vehicle operation	23,000	19,701	11,787
Repair and maintenance	6,355	6,450	6,000
Radio and radar repair	4,000	1,960	1,772
Utilities	8,000	4,613	4,264
Telephone	12,000	10,625	12,531
Communication consolidation	77,598	64,359	69,420
Miscellaneous operating supplies	10,000	8,435	10,108
Police computer	4,000	2,124	3,879
Capital outlay	40,400	32,606	18,826
Flood control			
Other expenses	9,320	-	-

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, 2008 and 2007

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
DISBURSEMENTS (Continued)			
Public safety (continued)			
Fire department			
Personal services			
Salaries - fire chief and firemen	\$ 111,000	\$ 113,355	\$ 110,229
Overtime	9,500	9,734	10,189
City's contribution - FICA	6,500	5,860	5,757
Group insurance	35,000	26,946	32,061
Clothing allowance	4,600	2,729	3,757
Uniforms, clothing, and badges	1,500	1,246	1,592
Other expenses			
Schools	8,000	7,462	8,053
Fire prevention	2,500	2,522	2,478
Gas and oil	4,500	4,251	2,937
Equipment maintenance	7,500	8,126	8,484
Utilities	6,000	7,899	7,676
Telephone and radio maintenance	7,000	7,089	6,990
Professional fees	2,000	1,878	1,152
Firemen's fund	6,000	6,000	6,000
Hydrant rental	6,000	6,008	6,000
Operating supplies	7,000	7,000	6,205
Miscellaneous	10,000	14,097	9,555
Station improvements	2,000	2,000	2,000
Capital outlay	295,128	323,128	75,762
Building inspections			
Personal services			
Salaries	8,300	8,723	8,281
City's contribution - FICA and IPERS	1,137	1,195	1,110
Other expenses			
Operating supplies	100	-	88
Animal control			
Other expenses	<u>1,500</u>	<u>733</u>	<u>655</u>
Total public safety	<u>1,278,759</u>	<u>1,247,146</u>	<u>925,523</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, 2008 and 2007

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
DISBURSEMENTS (Continued)			
Public works			
Roadway maintenance			
Other expenses			
Salaries	\$ 24,170	\$ 26,408	\$ 23,052
City's contribution - FICA and IPERS	5,037	4,925	3,089
Gas and oil	11,000	11,120	9,514
Utilities city garage	6,000	6,469	6,143
Supplies, repairs, and miscellaneous	13,000	17,184	13,403
Rock and sand	1,100	803	339
Streets	821,600	30,175	39,368
Capital outlay	15,000	4,577	15,211
Traffic safety			
Other expenses			
Supplies and repairs	10,000	8,950	10,384
Administration			
Personal services			
Salary - public works director	60,000	61,089	59,862
City's contribution - FICA and IPERS	8,220	8,369	8,022
Group insurance	19,500	16,209	14,503
Employee benefit	1,150	1,014	1,353
Underallocated budget	4,000	-	-
Total public works	<u>999,777</u>	<u>197,292</u>	<u>204,243</u>
Community and economic development			
Economic development	<u>10,000</u>	<u>10,000</u>	<u>10,000</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, 2008 and 2007

	2008		2007
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
DISBURSEMENTS (Continued)			
General government			
Mayor and council			
Personal services			
Salaries - council members	\$ 3,000	\$ 3,000	\$ 2,975
City's contribution - FICA	230	230	228
Salary - mayor	3,000	3,000	3,000
City's contribution - FICA	452	452	442
Other expense			
Mayor expense	300	300	300
Financial administration			
Personal services			
Salaries	185,000	137,319	87,005
City's contribution - FICA and IPERS	20,962	18,891	11,659
Group insurance	43,000	24,186	36,201
Allowances	3,000	2,750	-
Other benefits	11,368	4,018	-
Elections	6,500	3,273	-
Legal services and city attorney	30,000	21,989	23,461
City hall			
Personal services			
Janitor	800	846	782
City's contribution - FICA and IPERS	109	116	105
Other expenses			
Electricity	2,000	1,760	1,645
Telephone	2,000	1,564	1,491
Heating	2,800	2,712	2,799
Buildings and grounds	2,000	3,853	854
Association dues	3,344	3,504	3,184
Travel, training, and workshop	4,000	7,034	5,746
Audit	8,050	8,175	7,495
Engineering	19,700	16,398	35,258
General insurance	89,952	74,854	79,704

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, 2008 and 2007

SCHEDULE 2
(CONTINUED)

	2008		2007
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
DISBURSEMENTS (Continued)			
General government (continued)			
Other general government			
Other expenses			
Legal publications	\$ 5,500	\$ 4,138	\$ 6,579
Office supplies	8,250	8,967	6,875
Miscellaneous	14,500	18,615	13,023
Deductibles/copays	-	12,908	-
Capital outlay	3,000	-	-
Total general government	472,817	384,852	330,811
Solid waste			
Other expenses			
Landfill fees	4,000	2,520	2,596
Total disbursements	2,765,353	1,841,810	1,473,173
Excess (deficiency) of receipts over (under) disbursements	1,520,001	(93,483)	390,452
OTHER FINANCING SOURCES (USES)			
Operating transfers in			
General			
Library	-	3,256	-
Special Revenue Fund			
Road Use	120,440	19,206	10,400
Employee Benefits	188,551	190,814	222,808
Enterprise			
Water utility	-	9,312	-
Sewer utility	-	17,911	-
Operating transfers out			
General			
Cemetery	(19,893)	(19,893)	(9,912)
Library	(110,540)	(110,540)	(113,520)
Park and recreation	(54,214)	(54,214)	(62,617)
Debt service	(3,303)	(3,303)	(3,303)
Capital Projects Fund			
CDBG	(4,000)	-	-
Enterprise			
Sewer utility	(3,303)	(3,303)	(3,303)
Proceeds of capital asset sales	3,800	-	-
Total other financing sources (uses)	117,538	49,246	40,553
NET CHANGE IN CASH BALANCES	\$ 1,637,539	(44,237)	431,005
CASH BALANCES, BEGINNING OF YEAR		1,637,075	1,206,070
CASH BALANCES, END OF YEAR		\$ 1,592,838	\$ 1,637,075
CASH BASIS FUND BALANCES			
Unreserved		\$ 1,592,838	\$ 1,637,075

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, 2008 and 2007

SCHEDULE 3

	2008		2007
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Use of money and property			
Interest	\$ 550	\$ 2,144	\$ 3,145
Charges for services			
Burials and soldiers care	5,500	7,225	7,480
Miscellaneous			
Lot sales	3,800	4,750	4,500
Miscellaneous	120	126	123
Total miscellaneous	3,920	4,876	4,623
Total receipts	9,970	14,245	15,248
DISBURSEMENTS			
Culture and recreation			
Personal services			
Salaries	18,025	16,101	15,824
City's contribution - FICA and IPERS	2,470	2,206	2,121
Other expense			
Supplies, repairs, and miscellaneous	9,850	6,626	7,180
Capital outlay	3,850	482	8,040
Total disbursements	34,195	25,415	33,165
Deficiency of receipts under disbursements	(24,225)	(11,170)	(17,917)
OTHER FINANCING SOURCES			
Operating transfers in			
General			
General	19,893	19,893	9,912
NET CHANGE IN CASH BALANCES	\$ (4,332)	8,723	(8,005)
CASH BALANCES, BEGINNING OF YEAR		20,910	28,915
CASH BALANCES, END OF YEAR		\$ 29,633	\$ 20,910
CASH BASIS FUND BALANCES			
Unreserved		\$ 29,633	\$ 20,910

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

SCHEDULE 4

As of and for the Years Ended June 30, 2008 and 2007

	2008		2007
RECEIPTS	Budget	Actual	Actual
Intergovernmental			
County share of non-resident reimbursements	\$ 3,000	\$ 5,319	\$ 3,709
Enrich Iowa state funding	2,091	3,936	3,580
Total intergovernmental	5,091	9,255	7,289
Charges for services			
Copies	700	868	787
Miscellaneous	800	2,469	805
Total charges for services	1,500	3,337	1,592
Miscellaneous			
Fines and fees	1,950	2,281	2,326
Book sales and film rentals	65	40	95
Total miscellaneous	2,015	2,321	2,421
Total receipts	8,606	14,913	11,302
 DISBURSEMENTS			
Culture and recreation			
Library services			
Personal services			
Salaries - librarian and assistants	62,329	55,466	52,799
Janitor	2,960	2,813	2,746
City's contribution - FICA, IPERS, and group insurance	17,348	13,687	13,295
Other expenses			
Travel and conference	400	277	242
Repairs and maintenance	2,100	2,258	3,101
Electricity	3,360	2,661	2,859
Telephone	500	154	266
Heating	4,000	3,991	3,454
Contract maintenance	276	276	276
Books and periodicals	26,000	32,694	29,677
Office supplies	3,100	3,062	3,200
Miscellaneous expense	1,500	1,968	2,757
Postage	2,300	2,584	2,245
Cleaning supplies	150	160	144
Capital outlay	750	750	1,445
Total disbursements	127,073	122,801	118,506
Deficiency of receipts under disbursements	(118,467)	(107,888)	(107,204)
 OTHER FINANCING SOURCES (USES)			
Operating transfers in			
General	110,540	110,540	113,520
Operating transfers out			
General	-	(3,256)	-
Total other financing sources (uses)	110,540	107,284	113,520
 NET CHANGE IN CASH BALANCES	\$ (7,927)	(604)	6,316
 CASH BALANCES, BEGINNING OF YEAR		43,184	36,868
 CASH BALANCES, END OF YEAR		\$ 42,580	\$ 43,184
 CASH BASIS FUND BALANCES			
Unreserved		\$ 42,580	\$ 43,184

**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, 2008 and 2007**

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Use of money and property			
Interest	\$ -	\$ 1,414	\$ 1,950
Garner Hall donations	1,000	950	960
Total use of money and property	1,000	2,364	2,910
Miscellaneous	6,203	16,677	6,432
Total receipts	<u>7,203</u>	<u>19,041</u>	<u>9,342</u>
DISBURSEMENTS			
Culture and recreation			
Parks			
Personal services			
Salaries	23,000	23,219	23,247
City's contribution - FICA and IPERS	3,152	3,156	3,070
Other expenses			
Maintenance city parks	8,000	12,207	9,039
Capital outlay	14,500	9,205	9,530
Recreation			
Personal services			
Salaries	7,300	7,392	6,858
City's contribution - FICA and IPERS	1,000	1,013	854
Other expenses			
Maintenance - boat ramp	1,000	183	488
Maintenance - Garner Hall	4,000	4,512	4,789
Mardi Gras	200	200	-
Summer recreation	1,000	-	382
Sharing tree	500	500	-
Boy's baseball	1,400	1,400	1,398
Girl's softball	1,400	-	1,400
Camanche Days	460	460	-
Senior citizens	1,000	388	360
Total disbursements	<u>67,912</u>	<u>63,835</u>	<u>61,415</u>
Deficiency of receipts under disbursements	(60,709)	(44,794)	(52,073)

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, 2008 and 2007

	2008		2007
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
OTHER FINANCING SOURCES			
Operating transfers in			
General			
General	\$ 54,214	\$ 54,214	\$ 62,617
NET CHANGE IN CASH BALANCES	<u>\$ (6,495)</u>	9,420	10,544
CASH BALANCES, BEGINNING OF YEAR		<u>52,355</u>	<u>41,811</u>
CASH BALANCES, END OF YEAR		<u>\$ 61,775</u>	<u>\$ 52,355</u>
CASH BASIS FUND BALANCES			
Unreserved		<u>\$ 61,775</u>	<u>\$ 52,355</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, 2008 and 2007

SCHEDULE 6

	2008		2007
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Intergovernmental			
Road use tax	\$ 355,746	\$ 361,110	\$ 351,299
DISBURSEMENTS			
Public works			
Roads, bridges, sidewalks			
Personal services			
Salaries	24,168	25,286	23,403
City's contribution - FICA	1,849	1,935	1,790
City's contribution - IPERS	1,462	1,530	1,346
Group insurance	50,000	44,171	45,254
Employee benefit	1,725	1,379	2,191
Other expenses			
Maintenance contracts	50,000	43,577	24,267
Maintenance supplies and expense	700	1,521	591
Capital outlay	122,500	99,578	135,542
Street lighting			
Other expenses			
Street lighting	20,000	18,951	18,881
Snow removal			
Personal services			
Salaries	33,386	28,476	24,930
City's contribution - FICA	2,907	2,178	1,907
City's contribution - IPERS	2,112	1,723	1,433
Other expense			
Salt and repairs	17,000	30,643	8,822
Total disbursements	327,809	300,948	290,357
Excess of receipts over disbursements	27,937	60,162	60,942
OTHER FINANCING USES			
Operating transfers out			
General			
General	(120,440)	(19,206)	(10,400)
NET CHANGE IN CASH BALANCES	\$ (92,503)	40,956	50,542
CASH BALANCES, BEGINNING OF YEAR		289,660	239,118
CASH BALANCES, END OF YEAR		\$ 330,616	\$ 289,660
CASH BASIS FUND BALANCES			
Unreserved		\$ 330,616	\$ 289,660

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, 2008 and 2007

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Property taxes	\$ 135,367	\$ 137,219	\$ 143,062
Other city taxes			
Utility tax replacement	15,582	15,516	17,051
Total receipts	<u>150,949</u>	<u>152,735</u>	<u>160,113</u>
DISBURSEMENTS			
Debt service			
Sanitary Sewer improvement note principal	85,000	85,000	85,000
Sanitary sewer improvement note interest	47,005	47,005	50,745
Water note principal	30,000	30,000	30,000
Water note interest	8,828	8,828	10,433
IDNR state revolving loan principal	20,000	20,000	20,000
IDNR state revolving loan interest	2,247	2,227	2,837
Total disbursements	<u>193,080</u>	<u>193,060</u>	<u>199,015</u>
Deficiency of receipts under disbursements	<u>(42,131)</u>	<u>(40,325)</u>	<u>(38,902)</u>
OTHER FINANCING SOURCES			
Operating transfers in			
Enterprise			
Water utility	38,828	38,828	3,303
General			
General	3,303	3,303	40,433
Total other financing sources	<u>42,131</u>	<u>42,131</u>	<u>43,736</u>
NET CHANGE IN CASH BALANCES	<u>\$ -</u>	1,806	4,834
CASH BALANCES, BEGINNING OF YEAR		<u>52,740</u>	<u>47,906</u>
CASH BALANCES, END OF YEAR		<u>\$ 54,546</u>	<u>\$ 52,740</u>
CASH BASIS FUND BALANCES			
Reserved		<u>\$ 54,546</u>	<u>\$ 52,740</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, 2008

	Special Revenue				Capital Projects			Total
	Police and Fire Pension Accumulation	Employee Benefits	Cemetery Perpetual Care	Robert Howson Estate	CDBG	Sanitary Sewer Improvement	ACC/GCC	
RECEIPTS								
Property taxes	\$ 115,389	\$ 171,434	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 286,823
Other city taxes	13,044	19,380	-	-	-	-	-	32,424
Use of money and property	-	-	-	3	-	-	-	3
Intergovernmental	-	-	-	-	-	17,775	-	17,775
Miscellaneous	-	-	1,601	-	-	-	282,500	284,101
Total receipts	128,433	190,814	1,601	3	-	17,775	282,500	621,126
DISBURSEMENTS								
Public safety	121,278	-	-	-	-	-	-	121,278
Culture and recreation	-	-	-	5	-	-	-	5
Capital projects	-	-	-	-	-	68,928	-	68,928
Total disbursements	121,278	-	-	5	-	68,928	-	190,211
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	7,155	190,814	1,601	(2)	-	(51,153)	282,500	430,915
OTHER FINANCING USES								
Operating transfers out	-	(190,814)	-	-	-	-	-	(190,814)
NET CHANGE IN CASH BALANCES	7,155	-	1,601	(2)	-	(51,153)	282,500	240,101
CASH BALANCES, BEGINNING OF YEAR	56,608	-	56,910	875	6,000	-	-	120,393
CASH BALANCES, END OF YEAR	\$ 63,763	\$ -	\$ 58,511	\$ 873	\$ 6,000	\$ (51,153)	\$ 282,500	\$ 360,494
CASH BASIS FUND BALANCES								
Unreserved:								
Special revenue funds	\$ 63,763	\$ -	\$ 58,511	\$ 873	\$ -	\$ -	\$ -	\$ 123,147
Capital projects fund	-	-	-	-	6,000	(51,153)	282,500	237,347
	\$ 63,763	\$ -	\$ 58,511	\$ 873	\$ 6,000	\$ (51,153)	\$ 282,500	\$ 360,494

**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, 2008 and 2007**

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Property taxes	\$ 113,801	\$ 115,389	\$ 100,942
Other city taxes			
Utility tax replacement	<u>13,099</u>	<u>13,044</u>	<u>11,970</u>
Total receipts	<u>126,900</u>	<u>128,433</u>	<u>112,912</u>
DISBURSEMENTS			
Public safety			
City's contribution			
Civil Service	116,900	118,533	112,354
Miscellaneous	<u>10,000</u>	<u>2,745</u>	<u>16,485</u>
Total disbursements	<u>126,900</u>	<u>121,278</u>	<u>128,839</u>
NET CHANGE IN CASH BALANCES	<u>\$ -</u>	7,155	(15,927)
CASH BALANCES, BEGINNING OF YEAR		<u>56,608</u>	<u>72,535</u>
CASH BALANCES, END OF YEAR		<u>\$ 63,763</u>	<u>\$ 56,608</u>
CASH BASIS FUND BALANCES			
Unreserved		<u>\$ 63,763</u>	<u>\$ 56,608</u>

**CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
SPECIAL REVENUE FUNDS
EMPLOYEE BENEFITS
As of and for the Years Ended June 30, 2008 and 2007**

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Property taxes	\$ 169,088	\$ 171,434	\$ 198,351
Other city taxes			
Utility tax replacement	<u>19,463</u>	<u>19,380</u>	<u>24,457</u>
Total receipts	188,551	190,814	222,808
DISBURSEMENTS			
None	<u>-</u>	<u>-</u>	<u>-</u>
Excess of receipts over disbursements	188,551	190,814	222,808
OTHER FINANCING USES			
Operating transfers out			
General			
General	<u>(188,551)</u>	<u>(190,814)</u>	<u>(222,808)</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, 2008 and 2007

	2008		2007
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Miscellaneous Contributions	\$ -	\$ 1,601	\$ 1,500
DISBURSEMENTS			
None	-	-	-
NET CHANGE IN CASH BALANCES	\$ -	1,601	1,500
CASH BALANCES, BEGINNING OF YEAR		56,910	55,410
CASH BALANCES, END OF YEAR		\$ 58,511	\$ 56,910
CASH BASIS FUND BALANCES			
Unreserved		\$ 58,511	\$ 56,910

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, 2008 and 2007

	2008		2007
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Use of money and property			
Interest	\$ 4	\$ 3	\$ 6
DISBURSEMENTS			
Culture and recreation			
Flowers and memorials	<u>35</u>	<u>5</u>	<u>28</u>
NET CHANGE IN CASH BALANCES	<u>\$ (31)</u>	(2)	(22)
CASH BALANCES, BEGINNING OF YEAR		<u>875</u>	<u>897</u>
CASH BALANCES, END OF YEAR		<u>\$ 873</u>	<u>\$ 875</u>
CASH BASIS FUND BALANCES			
Unreserved		<u>\$ 873</u>	<u>\$ 875</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, 2008 and 2007**

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Intergovernmental			
Federal grant - CDBG	\$ 332,490	\$ -	\$ -
Miscellaneous			
Contribution from private source	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>332,490</u>	<u>-</u>	<u>-</u>
DISBURSEMENTS			
Daycare Center	319,490	-	-
CDBG administration fees	<u>17,000</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>336,490</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over (under) disbursements	(4,000)	-	-
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>-</u>
CASH BALANCES, BEGINNING OF YEAR		<u>6,000</u>	<u>6,000</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 - SANITARY SEWER IMPROVEMENT
As of and for the Years Ended June 30, 2008 and 2007

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Intergovernmental			
Federal grant - CDBG	\$ -	\$ 17,775	\$ 10,205
DISBURSEMENTS			
CDBG administration fees	-	1,644	1,467
Engineering services	-	67,284	-
Wastewater improvements	<u>2,000,000</u>	<u>-</u>	<u>8,738</u>
Total disbursements	2,000,000	68,928	10,205
Deficiency of receipts under disbursements	<u>(2,000,000)</u>	<u>(51,153)</u>	<u>-</u>
OTHER FINANCING SOURCES			
Proceeds of debt IDNR-SRL	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN CASH BALANCES	<u>\$ (2,000,000)</u>	<u>(51,153)</u>	<u>-</u>
CASH BALANCES, BEGINNING OF YEAR		<u>-</u>	<u>-</u>
CASH BALANCES, END OF YEAR		<u>\$ (51,153)</u>	<u>\$ -</u>
CASH BASIS FUND BALANCES			
Unreserved		<u>\$ (51,153)</u>	<u>\$ -</u>

**CITY OF CAMANCHE
SCHEDULES OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
CAPITAL PROJECTS FUND
ACC/GCC**

As of and for the Years Ended June 30, 2008 and 2007

	2008		2007
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Miscellaneous	\$ -	\$ 282,500	\$ -
DISBURSEMENTS			
None	-	-	-
NET CHANGE IN CASH BALANCES	<u>\$ -</u>	<u>282,500</u>	<u>-</u>
CASH BALANCES, BEGINNING OF YEAR		-	-
CASH BALANCES, END OF YEAR		<u>\$ 282,500</u>	<u>\$ -</u>
CASH BASIS FUND BALANCES			
Unreserved		<u>\$ 282,500</u>	<u>\$ -</u>

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, 2008 and 2007

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Use of money and property			
Interest	\$ 2,500	\$ 5,761	\$ 5,242
Charges for services			
Water sales	225,000	189,279	198,959
Yard meters	-	2,605	-
Penalties	3,500	3,272	4,172
Water taps	5,700	3,800	4,600
Rental water tower lease	6,900	7,045	7,040
Total charges for services	<u>241,100</u>	<u>206,001</u>	<u>214,771</u>
Miscellaneous			
Net sales tax collected (paid)	<u>-</u>	<u>(370)</u>	<u>234</u>
Total receipts	<u>243,600</u>	<u>211,392</u>	<u>220,247</u>
DISBURSEMENTS			
Water			
Plant operations			
Personal services			
Salaries	7,500	7,500	7,450
City's contribution - FICA	574	573	570
City's contribution - IPERS	454	453	428
Other expenses			
Utilities	25,000	18,875	16,068
Chemicals	10,000	11,726	13,624
Plant maintenance			
Personal services			
Salaries	5,000	5,000	4,695
City's contribution - FICA	383	381	359
City's contribution - IPERS	303	302	270
Distribution operation			
Personal services			
Salaries	4,000	3,994	3,970
City's contribution - FICA	306	306	304
City's contribution - IPERS	242	212	228
Other expense	5,000	5,465	11,841

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, 2008 and 2007

	2008		2007
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
DISBURSEMENTS (Continued)			
Water (continued)			
Distribution maintenance			
Personal services			
Salaries	\$ 26,745	\$ 26,738	\$ 25,653
City's contribution - FICA	2,046	2,046	1,962
City's contribution - IPERS	1,618	1,629	1,475
Other expense			
Other utility expense	5,000	4,441	5,983
Accounting and collection			
Personal services			
Salaries	32,819	32,527	30,456
City's contribution - FICA	2,511	2,427	2,330
City's contribution - IPERS	1,986	1,919	1,751
Group insurance	16,500	13,860	14,857
Other expense	5,000	4,139	3,851
Capital outlay	70,000	30,218	24,461
Underallocated budget	18,000	-	-
	<u>240,987</u>	<u>174,731</u>	<u>172,586</u>
Excess of receipts over disbursements	<u>2,613</u>	<u>36,661</u>	<u>47,661</u>
OTHER FINANCING USES			
Operating transfers out			
General	-	(9,312)	(40,433)
Debt service	<u>(38,828)</u>	<u>(38,828)</u>	<u>-</u>
Total other financing uses	(38,828)	(48,140)	(40,433)
NET CHANGE IN CASH BALANCES	<u>\$ (36,215)</u>	(11,479)	7,228
CASH BALANCES, BEGINNING OF YEAR		<u>197,715</u>	<u>190,487</u>
CASH BALANCES, END OF YEAR		<u>\$ 186,236</u>	<u>\$ 197,715</u>
CASH BASIS FUND BALANCES			
Unreserved		<u>\$ 186,236</u>	<u>\$ 197,715</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, 2008 and 2007

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Use of money and property			
Interest	\$ 4,658	\$ 12,802	\$ 11,023
Charges for services			
Sewer rentals collected	265,000	267,216	263,418
Penalties	11,000	36,068	14,444
Overpayments	2,000	3,265	1,697
Sewer taps	3,300	1,625	2,750
Total charges for services	<u>281,300</u>	<u>308,174</u>	<u>282,309</u>
Miscellaneous			
Refunds	-	9,998	10,204
Net sales tax collected (paid)	-	(31)	122
Total miscellaneous	<u>-</u>	<u>9,967</u>	<u>10,326</u>
 Total receipts	 <u>285,958</u>	 <u>330,943</u>	 <u>303,658</u>
DISBURSEMENTS			
Sewer			
Personal services			
Salaries	109,680	111,414	97,608
City's contribution - FICA	8,415	8,523	7,467
City's contribution - IPERS	6,655	6,741	5,612
Group insurance	32,000	26,209	31,297
Employee benefit	2,500	1,342	1,580
Other expenses			
Repairs and maintenance - building and equipment	10,000	12,266	14,674
Electricity	46,000	33,362	31,254
Telephone	1,900	1,426	1,435
Heating	8,000	9,831	8,294
Engineering	50,000	8,267	11,214
Contracted items	31,000	33,733	27,332
Chemicals and supplies	2,800	1,751	1,204
Miscellaneous expense	22,000	26,399	18,588
Other expense	570	584	339

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, 2008 and 2007

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
DISBURSEMENTS (Continued)			
Sewer (continued)			
Capital outlay			
Capital outlay	\$ 10,000	\$ -	\$ 900
Sewer utility replacement	<u>13,000</u>	<u>22,602</u>	<u>762</u>
Total disbursements	<u>354,520</u>	<u>304,450</u>	<u>259,560</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(68,562)</u>	<u>26,493</u>	<u>44,098</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in			
General	3,303	3,303	3,303
Operating transfers out			
General	<u>-</u>	<u>(17,911)</u>	<u>-</u>
Total other financing sources (uses)	<u>3,303</u>	<u>(14,608)</u>	<u>3,303</u>
NET CHANGE IN CASH BALANCES	<u>\$ (65,259)</u>	11,885	47,401
CASH BALANCES, BEGINNING OF YEAR		<u>326,486</u>	<u>279,085</u>
CASH BALANCES, END OF YEAR		<u>\$ 338,371</u>	<u>\$ 326,486</u>
CASH BASIS FUND BALANCES			
Unreserved		<u>\$ 338,371</u>	<u>\$ 326,486</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, 2008 and 2007

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Charges for services			
Solid waste fees	\$ 201,650	\$ 210,325	\$ 206,982
DISBURSEMENTS			
Solid waste			
Solid waste assessment	42,150	42,150	42,150
Waste disposal contract	<u>159,500</u>	<u>162,079</u>	<u>159,500</u>
Total disbursements	<u>201,650</u>	<u>204,229</u>	<u>201,650</u>
NET CHANGE IN CASH BALANCES	<u>\$ -</u>	6,096	5,332
CASH BALANCES, BEGINNING OF YEAR		<u>41,447</u>	<u>36,115</u>
CASH BALANCES, END OF YEAR		<u>\$ 47,543</u>	<u>\$ 41,447</u>
CASH BASIS FUND BALANCES			
Unreserved		<u>\$ 47,543</u>	<u>\$ 41,447</u>

**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, 2008 and 2007**

	2008		2007
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Miscellaneous			
Customer deposits	\$ -	\$ 4,844	\$ 6,602
DISBURSEMENTS			
None	-	-	-
NET CHANGE IN CASH BALANCES	\$ -	4,844	6,602
CASH BALANCES, BEGINNING OF YEAR		73,469	66,867
CASH BALANCES, END OF YEAR		\$ 78,313	\$ 73,469
CASH BASIS FUND BALANCES			
Unreserved		\$ 78,313	\$ 73,469

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, 2008 and 2007

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
RECEIPTS			
Miscellaneous			
Gross payroll	\$ -	\$ 1,080,224	\$ 962,380
Employer share of payroll tax	-	175,159	188,874
	<u>-</u>	<u>1,255,383</u>	<u>1,151,254</u>
DISBURSEMENTS			
Non-program			
Net payroll checks issued	-	729,374	658,732
Remittance of taxes			
Federal withholding	-	128,445	111,476
FICA taxes and Medicare	-	76,993	95,444
IPERS	-	56,626	47,328
State withholding	-	48,096	36,309
Civil service	-	162,029	150,210
Other	-	53,820	51,755
	<u>-</u>	<u>1,255,383</u>	<u>1,151,254</u>
NET CHANGE IN CASH BALANCES	<u>\$ -</u>	<u>-</u>	<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
SCHEDULE OF INDEBTEDNESS
As of and for the Year Ended June 30, 2008**

<u>General Obligation Notes</u>	<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>
Iowa Department of Natural Resources (IDNR) Sewage Treatment Works Revolving Loan	4/30/1991	3.000%	\$ 323,000	\$ 73,000	\$ -	\$ 20,000	\$ 53,000	\$ 2,227	\$ -
Water Note	11/1/1996	5.35%	395,000	165,000	-	30,000	135,000	8,828	-
Sanitary Sewer Improvement Note	9/1/2001	4.00% to 5.30%	1,330,000	<u>945,000</u>	<u>-</u>	<u>85,000</u>	<u>860,000</u>	<u>47,005</u>	<u>-</u>
TOTAL GENERAL OBLIGATION NOTES				<u>\$ 1,183,000</u>	<u>\$ -</u>	<u>\$ 135,000</u>	<u>\$ 1,048,000</u>	<u>\$ 58,060</u>	<u>\$ -</u>

CITY OF CAMANCHE
 NOTE MATURITIES
 June 30, 2008

Year Ending June 30,	General Obligation Notes							Total
	IDNR Loan		Water Note		Sanitary Sewer Improvement Note			
	Issued		Issued		Issued			
	April 30, 1991		November 1, 1996		September 1, 2001			
	Interest Rates	Amount	Interest Rates	Amount	Interest Rates	Amount		
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>\$ 53,000</u>		<u>\$ 135,000</u>		<u>\$ 860,000</u>	<u>\$ 1,048,000</u>	

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

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
RECEIPTS					
Property taxes	\$ 1,417,818	\$ 1,425,567	\$ 1,043,139	\$ 1,030,851	\$ 1,062,383
Other city taxes	605,647	703,928	534,735	529,694	547,174
Licenses and permits	9,080	11,832	1,492	10,090	8,650
Use of money and property	70,928	71,095	53,507	29,787	41,611
Intergovernmental	391,603	435,172	660,766	507,298	362,574
Charges for services	10,962	9,432	7,195	10,156	28,395
Miscellaneous	425,459	101,334	146,999	60,570	57,682
TOTAL RECEIPTS	<u>\$ 2,931,497</u>	<u>\$ 2,758,360</u>	<u>\$ 2,447,833</u>	<u>\$ 2,178,446</u>	<u>\$ 2,108,469</u>
DISBURSEMENTS					
Operating:					
Public safety	\$ 1,368,424	\$ 1,054,362	\$ 1,041,629	\$ 1,097,986	\$ 925,217
Public works	498,240	494,600	598,934	461,459	504,269
Culture and recreation	212,056	213,114	200,975	197,935	201,997
Community and economic development	10,000	10,000	226,863	4,000	5,084
General government	384,852	330,811	411,967	301,113	256,520
Debt service	193,060	199,015	200,723	197,246	245,716
Capital projects	68,928	10,205	-	-	-
Solid waste	2,520	2,596	3,289	2,305	-
TOTAL DISBURSEMENTS	<u>\$ 2,738,080</u>	<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, 2008, which collectively comprise City of Camanche's basic financial statements and have issued our report thereon dated January 2, 2009. 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-08 and II-B-08 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, 2008 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 Gundersen LLP

Clinton, Iowa
January 2, 2009

**CITY OF CAMANCHE
SCHEDULE OF FINDINGS AND RESPONSES
As of and for the Year Ended June 30, 2008**

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, 2008

Part II: Findings Related to the Financial Statements:

SIGNIFICANT DEFICIENCIES:

II-A-08 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, 2008**

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

II-B-08 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 a 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, 2008**

Part III: Other Findings Related to Required Statutory Reporting:

- III-A-08 Certified Budget
Disbursements during the year ended June 30, 2008 did not exceed the amount budgeted in any function.
- III-B-08 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-08 Travel Expense
No disbursements of City money for travel expenses of spouses of City officials or employees were noted.
- III-D-08 Business Transactions
We noted no business transactions between the City and City officials or employees.
- III-E-08 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-08 Council Minutes
No transactions were found that we believe should have been approved in the council minutes but were not.
- III-G-08 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.
- III-H-08 Financial Condition
The Sanitary Sewer Improvement Fund had a deficit balance at June 30, 2008 of \$51,153.

Recommendation

The City should investigate alternatives to eliminate this deficit in order to return this fund to a sound financial condition.

Response

The deficit was due to project costs incurred prior to the availability of funds. The deficit will be eliminated upon receipt of funds.

Conclusion

Response accepted.