BREMER-WAVERLY LAW ENFORCEMENT BOARD

Independent Auditor's Report
Financial Statements
Auditor's Report on Compliance
& Internal Control

June 30, 2012 & 2011

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BREMER-WAVERLY LAW ENFORCEMENT BOARD

BOARD OF DIRECTORS
At June 30, 2012

VOTING MEMBERS:

Gary Boorom	Chairman	Member-Waverly City Council
Ken Kammeyer	Vice-Chairman	Member-Bremer County Board of Supervisors
Kathy Olson	Board Member	Member-Waverly City Council
Tim Neil	Board Member	Member-Bremer County Board of Supervisors
Jay Ranard	Board Member	Member-at-Large (City of Tripoli)

NON-VOTING ADVISORY MEMBERS:

Duane Hildebrandt	Secretary/Treasurer	Bremer County Sheriff
Richard Pursell	Advisory Member	Waverly Chief of Police

Keith Oltrogge, CPA, P.C.

201 East Main Street
P.O. Box 310
Denver, Iowa 50622
(319) 984-5292
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Independent Auditor's Report

To the Board of Directors
Bremer-Waverly Law Enforcement Board

I have audited the accompanying financial statements of the governmental activities which comprise the Board's basic financial statements listed as exhibits in the table of contents of this report, of the Bremer-Waverly Law Enforcement Board as of June 30, 2012 and for the years ended June 30, 2012 and 2011. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with U.S. generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I 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. I believe that my audits provide a reasonable basis for my opinion.

The Organization has not maintained a record of its general fixed assets at cost and, accordingly, a statement of general fixed assets at cost, required by U.S. generally accepted accounting principles, is not included. Also, as described in Note 1, the Organization's financial statements are prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

In my opinion, the financial statements referred to above present fairly in all material respects except for fixed asset balances, the respective cash basis financial position of the governmental activities of the Bremer-Waverly Law Enforcement Board at June 30, 2012, and the respective changes in cash basis financial position for the years ended June 30, 2012 and 2011 on the basis of accounting described in Note 1.

In accordance with Government Auditing Standards, I have also issued my report dated October 9, 2012 on my consideration of Bremer-Waverly Law Enforcement Board's internal control over financial reporting and my 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 my 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 my audit.

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Management's Discussion and Analysis and budgetary comparison information on pages 4 through 7 and 13 through 14 are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. I applied limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. I did not audit the information and express no opinion on it.

My audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise Bremer-Waverly Law Enforcement Board's basic financial statements. Other supplementary information included in Schedule 1 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 my audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Keith Oltrogge CPA PC

Keith Oltrogge
Certified Public Accountant

October 9, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

Bremer-Waverly Law Enforcement Board 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, 2012. We encourage readers to consider this information in conjunction with the Board's financial statements, which follow.

2012 FINANCIAL HIGHLIGHTS

- Revenues of the Board's governmental activities decreased 8.36%, or approximately $22,000, from fiscal 2011 to fiscal 2012. Bremer County support decreased approximately $23,000 and City of Waverly support increased approximately $100.
- Disbursements decreased 14.98%, or approximately $37,000, in fiscal 2012 from fiscal 2011. Equipment purchased decreased by $9,000 and miscellaneous increased by $1,400, approximately.
- The Board's total cash basis net assets increased 25.22%, or approximately $32,000, from June 30, 2011 to June 30, 2012.

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 Board'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 Board as a whole and presents an overall view of the Board's finances.

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

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

Basis of Accounting

The Board maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the Board 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. 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 BOARD'S FINANCIAL ACTIVITIES

Government-wide Financial Statement

One of the most important questions asked about the Board's finances is, "Is the Board 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.

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

The Statement of Activities and Net Assets is from one activity:

- Governmental Activities include public safety, general government, and capital projects. County and City grants finance most of these activities.

Fund Financial Statements

The Board has one fund:

- A governmental fund accounts for all of the Board's basic services. This fund focuses on how money flows into and out of the fund and the balance at year-end that is available for spending. The governmental fund is the General Fund. The governmental fund financial statements provide a detailed, short-term view of the Board'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 Board's programs.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of financial position. The Board's cash balance increased from a year ago, increasing from $127,361 to $159,481. The analysis that follows focuses on the changes in cash balances.

Changes in Cash Basis Net Assets

	Year Ended June 30,		
	2012	2011	2010
Receipts	$ 240,345	$ 262,270	$ 218,026
Disbursements	$ 208,225	$ 244,914	$ 251,267
Increase (decrease) in cash basis net assets	$ 32,120	$ 17,356	$ -33,241
Cash basis net assets beginning of year	127,361	110,005	143,246
Cash Basis Net Assets End of Year	$ 159,481	$ 127,361	$ 110,005

The Board's total receipts decreased by 8.36%, or $22,000. The total cost of all services decreased by $37,000, or 14.98%. The decrease in expenses was primarily the result of the decrease in Mobile Data System costs and the decrease in equipment purchased during the year.

NEXT YEAR'S BUDGET

The Bremer-Waverly Law Enforcement Board expects revenues from the City of Waverly and Bremer County to be similar to this year. Revenues are expected to decrease approximately 0.2% or $600. Expenses are expected to increase approximately 15% or $30,000. If these estimates are realized, the Board's cash balance is expected to remain approximately the same by year-end June 30, 2013.

CONTACTING THE BOARD'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Board's finances and to show the Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Duane Hildebrandt, Bremer County Sheriff, 111 4th Street NE, Waverly IA 50677.

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

STATEMENT OF ACTIVITIES AND NET ASSETS-CASH BASIS
At June 30, 2012

Functions/Programs	Disbursements	Program Receipts: Charges For Services	Program Receipts: Operating Grants
Governmental Activities:			
Public Safety	$ 208,225	$ 2,094	$ 237,295
General Receipts:			
Miscellaneous			
Total general receipts			
Change in cash basis net assets			
Cash basis net assets beginning of year			
Cash basis net assets end of year			
Cash Basis Net Assets			
Unrestricted			

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

Net (Disbursement) Receipts and Changes in Cash Basis Net Assets	
Governmental Activities	Total
$ 31,164	$ 31,164
$ 956	$ 956
$ 956	$ 956
$ 32,120	$ 32,120
127,361	127,361
$ 159,481	$ 159,481
$ 159,481	$ 159,481

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

STATEMENTS OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES ARISING FROM CASH TRANSACTIONS
For the Years Ended June 30, 2012 and 2011

	2012	2011
Receipts:		
Operating Grants:		
Bremer County	$ 158,426	$ 181,267
City of Waverly	78,869	78,769
Charges for Services:		
Drivers Records	2,094	1,236
Miscellaneous	956	998
Total Receipts	$ 240,345	$ 262,270
Disbursements:		
Public Safety:		
Supplies – Custodial	$ 3,042	$ 2,862
Office Supplies & Postage	3,918	3,979
Telephone	10,926	10,844
Utilities	46,919	53,700
Repairs & Maintenance	24,571	23,364
Insurance	790	12,010
Audit Fee	1,750	1,650
Miscellaneous	1,887	497
Equipment Purchased	15,174	24,510
Contract Labor & Benefits	65,016	61,838
Computer Support	24,682	23,440
Code Red Emergency System	-	9,000
Mobile Data System	9,550	17,220
Total Disbursements	$ 208,225	$ 244,914
Excess (Deficiency) of Receipts Over (Under) Disbursements	$ 32,120	$ 17,356
Cash Balance-Beginning of Year	127,361	110,005
Cash Balance-End of Year	$ 159,481	$ 127,361

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Law Enforcement Board is a non-profit organization established as the owner and caretaker of the Bremer-Waverly Law Center Building as a joint undertaking of Bremer County and the City of Waverly as authorized by Chapter 28E of the Code of Iowa. The Law Center Building was reconstructed in 2005 and 2006, at a cost of $3.7 million. Cost of reconstruction was funded by local option sales tax revenue bonds being administered by Bremer County. Bond activity and repayment is reflected at the County level.

The Law Enforcement Board is exempt from income tax under the Internal Revenue Code and the Iowa income tax law, which provide tax exemption for governmental entities.

B. Basis of Presentation

Government-wide Financial Statements-The Statement of Activities and Net Assets reports information on all of the non-fiduciary activities of the Board. For the most part, the effect of inter-fund activity has been removed from this statement.

The Statement of Activities and Net Assets presents the Board's non-fiduciary 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 disbursements of a given function are offset by program receipts. Direct disbursements are those clearly identifiable with a specific function. Program receipts include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants, contributions and interest on investments restricted to meeting the operational or capital requirements of a particular function. Other items not included among program receipts are reported instead as general receipts.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The Board reports the following major governmental fund:

The General Fund is the general operating fund of the Board. All receipts are accounted for in this fund. From the fund are paid the general operating disbursements, the fixed charges and the capital improvement costs.

C. Measurement Focus and Basis of Accounting

Basis of accounting refers to when receipts and disbursements are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The Bremer-Waverly Law Enforcement Board maintains its financial records on the cash 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 such funds in accordance with U.S. generally accepted accounting principles.

D. Budgets and Budgetary Accounting

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

NOTE 2 – RELATED PARTIES

The Bremer-Waverly Law Enforcement Board establishes an operating budget each year for the Law Center Building operating expenses. The City of Waverly and Bremer County share the operating expenses. The City of Waverly pays approximately 27% of the budget and Bremer County pays approximately 73% of the budget for the Law Center Building. Two City Council members and two County Board of Supervisors members are members of the Law Enforcement Board's Board of Directors.

NOTE 3 – RISK MANAGEMENT

The Bremer-Waverly Law Enforcement Board is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 4 – CASH AND POOLED INVESTMENTS

The Board's deposits in banks at June 30, 2012 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 Board 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 Board of Directors; 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.

At June 30, 2012, the Board only has a checking account.

NOTE 5 – PENSION AND RETIREMENT BENEFITS

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

Most regular plan members are required to contribute 5.38% of their annual covered salary and the Board is required to contribute 8.07% of covered salary. Contribution requirements are established by state statute. The Board's contributions to IPERS for the years ended June 30, 2012 and 2011 were $2,899 and $2,403, respectively, equal to the required contributions for each year.

NOTE 6 – SUBSEQUENT EVENTS

Subsequent events were evaluated through October 9, 2012, which is the date the financial statements were available to be issued.

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

BUDGETARY COMPARISON SCHEDULE OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCE
Year Ended June 30, 2012

	2012 Actual	2012 Budgeted Amounts	Net Variance	Actual % Of Budget
Receipts	$ 240,345	$ 234,872	$ 5,473	102 %
Disbursements:				
Support Services-Administration:				
Supplies - Custodial	$ 3,042	$ 6,000	$ 2,958	51 %
Office Supplies & Postage	3,918	7,600	3,682	52 %
Telephone	10,926	14,000	3,074	78 %
Utilities	46,919	60,500	13,581	78 %
Repairs & Maintenance	24,571	32,939	8,368	75 %
Insurance	790	6,447	5,657	12 %
Audit Fee	1,750	1,700	-50	103 %
Miscellaneous	1,887	1,124	-763	168 %
Equipment Purchased	15,174	10,500	-4,674	145 %
Contract Labor	65,016	66,061	1,045	98 %
Computer Support	24,682	18,780	-5,902	131 %
Mobile Data System	9,550	9,220	-330	104 %
Total Disbursements	$ 208,225	$ 234,871	$ 26,646	
Excess (Deficiency) of Receipts Over (Under)Disbursements	$ 32,120	$ 1	$ 32,119	
Balance Beginning of Year	127,361			
Balance End of Year	$ 159,481			

See accompanying independent auditor's report.

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – BUDGETARY REPORTING
June 30, 2012

The budgetary comparison is presented as Required Supplementary Information in accordance with Governmental Accounting Standards Board Statement No 41.

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

Formal and legal budgetary control is based upon nine major classes of disbursements known as functions, not by fund. These nine functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt services, capital projects and business type activities.

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

SCHEDULE OF RECEIPTS BY SOURCE AND DISBURSEMENTS BY FUNCTIONS –
ALL GOVERNMENTAL FUNDS
For the Last Three Years

	2012	2011	2010
Receipts:			
Intergovernmental	$ 237,295	$ 260,036	$ 215,837
Charges for service	2,094	1,236	1,412
Miscellaneous	956	998	777
Total	$ 240,345	$ 262,270	$ 218,026
Disbursements:			
Operating:			
Public safety	$ 208,225	$ 244,914	$ 251,267

See accompanying independent auditor's report.

Keith Oltrogge, CPA, P.C.

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

To the Board of Directors
Bremer-Waverly Law Enforcement Board

I have audited the accompanying financial statements of the governmental activities of the Bremer-Waverly Law Enforcement Board as of and for the year ended June 30, 2012, which collectively comprise the Law Enforcement Board's basic financial statements listed in the table of contents and have issued my report thereon dated October 9, 2012. My report expressed an unqualified opinion on the financial statements, which were prepared in conformity with another comprehensive basis of accounting. I conducted my audit in accordance with U.S. generally accepted auditing standards 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 my audit, I considered the Bremer-Waverly Law Enforcement Board's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing my opinion on the effectiveness of the Bremer-Waverly Law Enforcement Board's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of Bremer-Waverly Law Enforcement Boards internal control over financial reporting.

My consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings, I identified a deficiency in internal control over financial reporting that I consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Bremer-Waverly Law Enforcement Board's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings I-A-12 to be a material weakness.

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A significant deficiency is a deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. I did not identify any deficiencies in internal control over financial reporting that I consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Bremer-Waverly Law Enforcement Board's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards. However, I noted certain immaterial instances for non-compliance or other matters that are described in Part II of the accompanying Schedule of Findings.

Comments involving statutory and other legal matters about the Board's operations for the year ended June 30, 2012 are based exclusively on knowledge obtained from procedures performed during my audit of the financial statements of the Board. Since my 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.

Bremer-Waverly Law Enforcement Board's responses to findings identified in my audit are described in the accompanying Schedule of Findings. While I have expressed my conclusions on the Board's responses, I did not audit Bremer-Waverly Law Enforcement Board's responses and, accordingly, I express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of Bremer County and the City of Waverly and other parties to whom the Bremer-Waverly Law Enforcement Board may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

I would like to acknowledge the many courtesies and assistance extended to me by personnel of the Bremer-Waverly Law Enforcement Board during the course of my audit. Should you have any questions concerning any of the above matters, I shall be pleased to discuss them with you at your convenience.

Keith Oltrogge CPA PC

Keith Oltrogge
Certified Public Accountant

October 9, 2012

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

SCHEDULE OF FINDINGS
Year Ending June 30, 2012

Part I – Findings Related to the Financial Statements

Material Weaknesses:

I-A-12 The ability to apply generally accepted accounting principles to the financial statements and determines the sufficiency of the footnote disclosures is a necessary aspect of internal control over the Board's financial reporting process.

Condition – The Board does not possess an individual with the appropriate expertise to apply generally accepted accounting principles to the financial statements to draft and determine the sufficiency of the necessary disclosures.

Cause – The Board has a limited number of employees and it is not cost beneficial to employ an individual with this type of expertise and knowledge.

Effect – The internal financial statements prepared by the Board are not prepared in accordance with generally accepted accounting principles and do not contain the required footnote disclosures.

Recommendation –This is a common control deficiency of most small organizations and is often not corrected due to cost benefit considerations. I could assist you in gaining the necessary knowledge and skills if you determine that this is a control deficiency that the Board would like to address.

Response – We will consult with you as needed on financial statement considerations.

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

SCHEDULE OF FINDINGS
Year Ending June 30, 2012

Part II – Other Findings Related to Required Statutory Reporting:

II-A-12 Electronic Check Retention –Chapter 554D.114 of the Code of Iowa allows the Board to retain cancelled checks in an electronic format and requires retention in this manner to include an image of both the front and back of each cancelled check. The Board retains cancelled checks through electronic image, but does not obtain an image of the back of each cancelled check as required.

Recommendation – The Board should obtain and retain an image of both the front and back of each cancelled check as required.

Response – The Board will obtain and retain images of both front and back of cancelled checks as required.

Conclusion – Response accepted.

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

II-C-12 Questionable Expenditures – No expenditures we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.

II-D-12 Travel Expense – No expenditures of Board money for travel expenses of spouses of Board officials or employees were noted. No travel advances to Board officials or employees were noted.

II-E-12 Business Transactions – No business transactions between the Board and Board official or employees were noted.

II-F-12 Bond Coverage – Surety bond coverage of Board officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to insure the coverage is adequate for current operations.

BREMER-WAVERLY LAW ENFORCEMENT BOARD
Waverly, Iowa

SCHEDULE OF FINDINGS
Year Ending June 30, 2012

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

II-G-12 Board Minutes – No transactions were found that I believe should have been approved in the Board minutes but were not.