
CITY OF PARKERSBURG
PARKERSBURG, IOWA

INDEPENDENT AUDITORS' REPORTS
BASIC FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION
INTERNAL CONTROLS AND COMPLIANCE

JUNE 30, 2013

 **CARNEY,
ALEXANDER,
MAROLD & Co., L.L.P.**
Certified Public Accountants

CITY OF PARKERSBURG
PARKERSBURG, IOWA

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CITY OF PARKERSBURG
PARKERSBURG, IOWA

City Officials

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Perry Bernard	Mayor	January, 2014
Leon Thorne	Mayor Pro tem	January, 2016
Harlan Schuck	Council Member	January, 2014
Denny Kannegieter	Council Member	January, 2014
Klint C. Knock	Council Member	January, 2016
Dan Bruns	Council Member	January, 2016
Chris Luhring	City Clerk/City Administrator	Indefinite
Martin Petersen	Attorney	Indefinite

Independent Auditors' Report

To the Honorable Mayor and
Members of the City Council:

Report on the Financial Statements

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 City of Parkersburg, Iowa, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 City of Parkersburg as of June 30, 2013, and the respective changes in cash basis financial position for the year then ended in accordance with the basis of accounting described in Note 1.

Basis of Accounting

As described in Note 1, these financial statements were prepared on the basis of cash receipts and disbursements, which is a basis of accounting other than U.S. generally accepted accounting principles. Our opinion is not modified with respect to this matter.

Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Parkersburg's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the nine years ended June 30, 2012 (which are not presented herein) and expressed unqualified opinions on those financial statements which were prepared on the basis of cash receipts and disbursements. The supplementary information included in Schedules 1 through 5, including the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and No-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2014 on our consideration of City of Parkersburg'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* in considering City of Parkersburg's internal control over financial reporting and compliance.

Carnay, Alexander, Marold + Co., L.L.P.

Waterloo, Iowa
March 10, 2014

Management Discussion and Analysis

City of Parkersburg, Iowa 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, 2013. We encourage readers to consider this information in conjunction with the City's financial statements, which follow.

Fiscal Year 2013 Financial Highlights:

- Revenues of the City's governmental activities increased 4.6% or approximately \$146,972, from fiscal year 2012 to fiscal year 2013. Property tax receipts decreased approximately \$234,191 (including tax increment financing collections) in the same period of time.
- Disbursements increased 15%, or approximately \$419,734, in fiscal year 2013 from fiscal year 2012. Public works disbursements increased \$108,988 and community and economic development disbursements decreased \$228,513.
- The City's total cash basis net assets increased by \$648,386 from June 30, 2012 to June 30, 2013. Of this amount, the assets of the governmental activities increased \$505,815. A large portion of these funds are capital project funds and reserved bond proceeds for street improvement purposes. The assets of the business type activities increased by approximately \$142,571.

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

Other Supplementary Information provides detailed information about the non major 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 Position provides information that helps answer this question.

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

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

- Governmental Activities include public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service and capital projects. Property tax and state and federal grants finance most of these activities.
- Business Type Activities include the waterworks and the sanitary sewer system. 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 and Urban Renewal Tax Increment, 3) the Debt Service Fund, 4) the Capital Projects Fund and 5) the Permanent Fund. The governmental fund financial statements provide a detailed, short-term view of the City's general governmental 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. Enterprise Funds are used to report business type activities. The City maintains two Enterprise Funds to provide separate information for the water and sewer funds, considered to be major funds of the City.

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

Government-Wide Financial Analysis

Net Position may serve over time as a useful indicator of financial position. The City's cash balance for governmental activities increased from Fiscal Year 2012, increasing from \$616,000 to \$1,122,000 at the end of Fiscal Year 2013. The analysis that follows focuses on the changes in cash balances for governmental activities.

Changes in Cash Basis Net Position of Governmental Activities
(Expressed in Thousands)

	Year ended June 30,	
	2013	2012
Receipts and transfers:		
Program receipts:		
Charges for service	\$ 157	\$ 162
Operating grants, contributions and restricted interest	179	177
Capital grants, contributions and restricted interest	1,356	689
General receipts:		
Property tax	1,293	1,540
Local option sales tax	118	107
Unrestricted interest on investments	3	3
Bond proceeds	1,730	-
Bonds refunded	(1,078)	-
Miscellaneous	68	349
Transfers, net	(95)	(86)
Total receipts and transfers	3,731	2,941
Disbursements:		
Public safety	330	240
Public works	362	253
Health and social services	1	-
Culture and recreation	277	632
Community and economic development	413	603
General government	194	316
Debt service	174	210
Capital projects	1,474	551
Total disbursements	3,225	2,805
Increase in cash basis net position	506	136
Cash basis net position beginning of year	616	480
Cash basis net position end of year	\$ 1,122	\$ 616

During Fiscal Year 2013 the City's total receipts increased for governmental activities by 26.9% or \$790,000. The total cost of all programs and services performed by the city increased by \$420,000, or 15%. The increase in receipts was primarily due to bond proceeds for street improvement projects and also for increases in capital grants, contributions, and/or restricted interest from factors affected by the continued rebuilding of Parkersburg.

The City decreased the property tax levy from \$17.58232 / \$1000 valuation in Fiscal Year 2012 to \$15.97128 / \$1000 valuation in Fiscal Year 2013. Despite the levy rate decrease, the City's total general fund property tax receipts increased by \$132,244 during Fiscal Year 2013. For Fiscal Year 2014, the City decreased the tax levy rate from \$15.97128 / \$1000 valuation to \$15.79702 / \$1000 valuation. For Fiscal Year 2015, the levy rate will decrease again to \$15.13752 / \$1000. Based on increases in the total assessed valuations due to the rebuilding after the tornado, a change in the residential roll-back as determined by the State of Iowa, and the release of additional urban renewal valuation, total property tax receipts are still budgeted to increase in fiscal year 2014.

The cost of all governmental activities in Fiscal Year 2013 was \$3,225,000 compared to \$2,805,000 in Fiscal Year 2012.

Changes in Cash Basis Net Position of Business Type Activities
(Expressed in Thousands)

	Year ended June 30,	
	2013	2012
Receipts and transfers:		
Program receipts:		
Charges for service		
Water	\$ 247	\$ 192
Sewer	142	98
Transfers, net	95	86
Total receipts and transfers	484	376
Disbursements:		
Water	160	166
Sewer	95	101
Debt Service	86	85
Total disbursements	341	352
Increase in cash basis net position	143	24
Cash basis netposition beginning of year	125	101
Cash basis net position end of year	\$ 268	\$ 125

Total business type activities receipts for the Fiscal Year 2013 were \$484,000 compared to \$376,000 in the previous year. The cash balance increased by \$143,000 from Fiscal Year 2012. Total disbursements in Fiscal Year 2013 decreased to \$341,000 compared to \$352,000 in the previous year.

Individual Major Governmental Fund Analysis

As the City of Parkersburg completed the year, its governmental funds reported a combined fund balance of \$1,122,000, an increase of \$506,000 from Fiscal Year 2012's total of \$616,000. The following are the reasons for the changes in fund balances of the major funds from the prior year.

- The General Fund cash balance increased to \$513,108 from the prior year balance of \$95,372.
- The Road Use Tax Fund cash balance increased by \$8,853 to a balance of \$75,841 during Fiscal Year 2013.
- The TIF fund cash balance decreased by \$13,351 to \$372,949.
- The Capital Projects fund cash balance increased by \$94,130 to \$52,117.

Individual Major Business Type Fund Analysis

- The Water Fund cash balance increased by \$86,424 to \$159,084.
- The Sewer Fund cash balance increased by \$56,147 to \$108,579.

Budgetary Highlights

The City did amend its budget during the year.

Debt Administration

As of June 30, 2013, the City had approximately \$2,283,000 in bonds and other long-term debt, compared to approximately \$1,829,000 in the previous year, as shown below.

Outstanding Debt at Year-End
(Expressed in Thousands)

	Year ended June 30,	
	2013	2012
General obligation bonds - corporate purpose notes	\$ 40	\$ 80
General obligation bonds - corporate purpose bonds	145	890
General obligation bonds - corporate purpose bonds	-	425
General obligation bonds - corporate purpose notes	50	60
General obligation bonds - street improvement bonds	635	-
General obligation bonds - refunding bonds	1,095	-
Sewer revenue bonds	318	358
Notes payable	-	16
Total	<u>\$ 2,283</u>	<u>\$ 1,829</u>

Debt increased as a result of bonding for street improvement projects, including the expansion of the Parkersburg Industrial Park.

The Constitution of the State of Iowa limits the amount of general obligation debt cities can issue of 5% of the assessed value of all taxable property with the City's corporate limits. The City's outstanding general obligation debt of \$1,925,000 is below its constitutional debt limit of \$5,576,861.

Economic Factors and Next Year's Budgets and Rates:

The City of Parkersburg's elected and appointed officials considered many factors when setting the fiscal year 2014 budget. Some of which include the tax rates and fees for various city services and charges for other city amenities. After losing 288 homes in the Parkersburg Tornado, approximately 234 homes have been rebuilt as of June 30th, 2013. The City of Parkersburg continues to report strong residential and commercial building projects. Last year the city had twenty-eight building permits applied for valued in excess of \$2.37 million. Property tax is a major source of revenue and Parkersburg is fortunate that it has seen minor, but consistent increases in assessed and taxable valuations. Overall, recent home sales continue to show people value the homes we have here in Parkersburg, want to live here, and will pay more to do so. Our steady growth has allowed the City to maintain its high level of service to the citizens. The City projects a balanced budget in all categories in the future.

Fuel costs continue to remain high and the operating costs for providing all services, including the water and sewer departments, continue to rise. The City of Parkersburg has secured funding for many capital projects from several resources over the last several years. Two large capital improvement projects currently still in progress are nearing completion. The first capital project is an update to the Highway 14/57 corridor which includes the construction of a new roadway, curb and gutter, and pedestrian trail. The second is the expansion of the Parkersburg Industrial Park. While capital projects may pose difficulties during their construction phases, the benefits of these projects highlight Parkersburg's successful recovery and our desire to be a healthier, more sustainable community in the future.

These indicators were taken into account when adopting the budget for fiscal year 2014. Amounts available for appropriation in the Fiscal Year 2014 operating budget are \$2,293,250. The City Council and Mayor have made every effort to keep the City financially sound. The City's budgeted cash balance is expected to increase by the close of 2014. The City of Parkersburg continues to operate in the most efficient way possible. Parkersburg's future economic well-being is more optimistic than in the prior year because our continued recovery, the completion of capital projects in the last three years, the capital projects scheduled to be completed in the next twelve months, and the spirit of the community.

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 Chris Luhring, City Administrator, 608 Hwy 57, Parkersburg, Iowa.

Basic Financial Statements

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Statement of Activities and Net Position - Cash Basis

As of and for the year ended June 30, 2013

	Program Receipts		
Disbursements	Charges for Service	Operating Grants, Contributions, and Restricted Interest	Capital Grants, Contributions, and Restricted Interest
Primary Government:			
Functions/Programs:			
Governmental activities:			
Public safety	\$ 330,293	\$ -	\$ 135,277
Public works	361,815	133,381	-
Health and social services	729	-	-
Culture and recreation	276,724	23,501	13,047
Community and economic development	413,011	-	-
General government	193,993	-	-
Debt service	173,796	-	-
Capital projects	1,474,319	-	1,207,611
Total governmental activities	3,224,680	156,882	1,355,935
Business type activities:			
Water	160,358	246,782	-
Sewer	95,460	142,394	-
Debt service	85,469	-	-
Total business type activities	341,287	389,176	-
Total	\$ 3,565,967	\$ 546,058	\$ 1,355,935
Component Unit:			
Parkersburg Economic Development	\$ 108,777	\$ -	\$ 55,300
General Receipts:			
Property tax levied for:			
General purposes			
Tax increment financing			
Debt Service			
Local option sales tax			
Payment from City of Parkersburg			
Unrestricted interest on investments			
Bond proceeds			
Bonds refunded			
Miscellaneous			
Transfers			
Total general receipts and transfers			
Change in cash basis net position			
Cash basis net position beginning of year			
Cash basis net position end of year			
Cash Basis Net Position			
Restricted:			
Nonexpendable - cemetery perpetual care			
Expendable:			
Streets			
Urban renewal purposes			
Debt service			
Capital projects			
Other purposes			
Unrestricted			
Total cash basis net position			

See notes to financial statements.

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

Primary Government			
Governmental Activities	Business Type Activities	Total	Component Unit
\$ (195,016)	\$ -	\$ (195,016)	\$ -
(49,352)	-	(49,352)	-
(729)	-	(729)	-
(240,176)	-	(240,176)	-
(413,011)	-	(413,011)	-
(193,993)	-	(193,993)	-
(173,796)	-	(173,796)	-
(266,708)	-	(266,708)	-
<u>(1,532,781)</u>	<u>-</u>	<u>(1,532,781)</u>	<u>-</u>
-	86,424	86,424	-
-	46,934	46,934	-
-	(85,469)	(85,469)	-
<u>-</u>	<u>47,889</u>	<u>47,889</u>	<u>-</u>
<u>(1,532,781)</u>	<u>47,889</u>	<u>(1,484,892)</u>	<u>-</u>
-	-	-	(53,477)
675,120	-	675,120	-
449,660	-	449,660	-
168,578	-	168,578	-
117,618	-	117,618	-
-	-	-	64,055
2,504	-	2,504	393
1,730,000	-	1,730,000	-
(1,077,962)	-	(1,077,962)	-
67,760	-	67,760	-
(94,682)	94,682	-	-
<u>2,038,596</u>	<u>94,682</u>	<u>2,133,278</u>	<u>64,448</u>
505,815	142,571	648,386	10,971
615,960	125,092	741,052	172,817
<u>\$ 1,121,775</u>	<u>\$ 267,663</u>	<u>\$ 1,389,438</u>	<u>\$ 183,788</u>
\$ 61,403	\$ -	\$ 61,403	\$ -
75,841	-	75,841	-
372,949	-	372,949	-
-	-	-	-
52,117	-	52,117	-
54,344	-	54,344	183,788
505,121	267,663	772,784	-
<u>\$ 1,121,775</u>	<u>\$ 267,663</u>	<u>\$ 1,389,438</u>	<u>\$ 183,788</u>

**CITY OF PARKERSBURG
PARKERSBURG, IOWA**

**Statement of Cash Receipts, Disbursements
and Changes in Cash Balances
Governmental Funds**

As of and for the year ended June 30, 2013

	General	Special Revenue	
		Road Use Tax	Urban Renewal Tax Increment
Receipts:			
Property tax	\$ 484,469	\$ -	\$ -
Tax increment financing collections	-	-	449,660
Other city tax	4,291	-	-
Licenses and permits	9,170	-	-
Use of money and property	1,888	-	-
Intergovernmental	148,324	179,082	-
Charges for service	156,882	-	-
Special assessments	2,152	-	-
Miscellaneous	56,438	-	-
Total receipts	863,614	179,082	449,660
Disbursements:			
Operating:			
Public safety	329,880	-	-
Public works	160,525	201,290	-
Health and social services	729	-	-
Culture and recreation	276,724	-	-
Community and economic development	-	-	413,011
General government	193,993	-	-
Debt service	-	-	-
Capital projects	-	-	-
Total disbursements	961,851	201,290	413,011
Excess (deficiency) of receipts over (under) disbursements	(98,237)	(22,208)	36,649
Other financing sources (uses):			
Bond proceeds	1,730,000	-	-
Bonds refunded	(1,077,962)	-	-
Operating transfers in	197,050	31,061	-
Operating transfers out	(333,115)	-	(50,000)
Total other financing sources (uses)	515,973	31,061	(50,000)
Net change in cash balances	417,736	8,853	(13,351)
Cash balances beginning of year	95,372	66,988	386,300
Cash balances end of year	\$ 513,108	\$ 75,841	\$ 372,949
Cash Basis Fund Balances			
Nonspendable - Cemetery perpetual care	\$ -	\$ -	\$ -
Restricted for:			
Streets	-	75,841	-
Urban renewal purposes	-	-	372,949
Debt service	-	-	-
Capital projects	-	-	-
Other purposes	-	-	-
Unassigned	513,108	-	-
Total cash basis fund balances	\$ 513,108	\$ 75,841	\$ 372,949

See notes to financial statements.

Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total
\$ 166,998	\$ -	\$ 184,411	\$ 835,878
-	-	-	449,660
1,580	-	119,567	125,438
-	-	-	9,170
-	-	616	2,504
-	1,207,611	-	1,535,017
-	-	-	156,882
-	-	-	2,152
-	-	-	56,438
<u>168,578</u>	<u>1,207,611</u>	<u>304,594</u>	<u>3,173,139</u>
-	-	413	330,293
-	-	-	361,815
-	-	-	729
-	-	-	276,724
-	-	-	413,011
-	-	-	193,993
173,796	-	-	173,796
-	1,474,319	-	1,474,319
<u>173,796</u>	<u>1,474,319</u>	<u>413</u>	<u>3,224,680</u>
<u>(5,218)</u>	<u>(266,708)</u>	<u>304,181</u>	<u>(51,541)</u>
-	-	-	1,730,000
-	-	-	(1,077,962)
-	360,838	2,314	591,263
-	-	(302,830)	(685,945)
-	360,838	(300,516)	557,356
(5,218)	94,130	3,665	505,815
(2,089)	(42,013)	111,402	615,960
<u>\$ (7,307)</u>	<u>\$ 52,117</u>	<u>\$ 115,067</u>	<u>\$ 1,121,775</u>
\$ -	\$ -	\$ 61,403	\$ 61,403
-	-	-	75,841
-	-	-	372,949
-	-	-	-
-	52,117	-	52,117
-	-	54,344	54,344
(7,307)	-	(680)	505,121
<u>\$ (7,307)</u>	<u>\$ 52,117</u>	<u>\$ 115,067</u>	<u>\$ 1,121,775</u>

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Statement of Cash Receipts, Disbursements and Changes in Cash Balances
Proprietary Funds

As of and for the year ended June 30, 2013

	Enterprise Funds		
	Sewer Rental	Water	Total
Operating receipts:			
Charges for service			
Sale of water	\$ -	\$ 246,782	\$ 246,782
Sewer rental fees	142,394	-	142,394
Total operating receipts	<u>142,394</u>	<u>246,782</u>	<u>389,176</u>
Operating disbursements:			
Business type activities:			
Water	-	160,358	160,358
Sewer	95,460	-	95,460
Debt Service	85,469	-	85,469
Total operating disbursements	<u>180,929</u>	<u>160,358</u>	<u>341,287</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(38,535)</u>	<u>86,424</u>	<u>47,889</u>
Other financing sources:			
Operating transfers in	94,682	-	94,682
Total other financing sources	<u>94,682</u>	<u>-</u>	<u>94,682</u>
Net change in cash balances	56,147	86,424	142,571
Cash balances beginning year	<u>52,432</u>	<u>72,660</u>	<u>125,092</u>
Cash balances end of year	<u>\$ 108,579</u>	<u>\$ 159,084</u>	<u>\$ 267,663</u>
 Cash Basis Fund Balances			
Unrestricted	<u>\$ 108,579</u>	<u>\$ 159,084</u>	<u>\$ 267,663</u>
Total cash basis fund balances	<u>\$ 108,579</u>	<u>\$ 159,084</u>	<u>\$ 267,663</u>

See notes to financial statements.

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Notes to Financial Statements
June 30, 2013

(1) Summary of Significant Accounting Policies

The City of Parkersburg is a political subdivision of the State of Iowa located in Butler County. It was first incorporated in 1874 and operates under the Home Rule provisions of the Constitution of Iowa. The City operates under the Mayor-Council form of government with the Mayor and Council Members elected on a non-partisan basis. The City provides numerous services to citizens, including public safety, public works, health and social services, culture and recreation, community and economic development, and general government services. The City also provides water and sewer utilities for its citizens.

A. Reporting Entity

For financial reporting purposes, the City of Parkersburg has included all funds, organizations, agencies, boards, commissions and authorities. The City has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an Organization's governing body, and (1) the ability of the City to impose its will on that organization or (2) the potential for the Organization to provide specific benefits to or impose specific financial burdens on the City.

The government-wide financial statements present the City of Parkersburg (the primary government) and its component unit. The component unit discussed in Note 9 is included in the City's reporting entity because of the significance of its operational and financial relationship with the City. The component unit's cash receipts and disbursements are discretely presented on the City's financial statements and condensed information is presented in Note 10.

Jointly Governed Organization

The City participates in a jointly governed organization that provides goods or services to the citizenry of the City but does not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating government. An official is a member of the Butler County Joint E911 Service Board.

B. Basis of Presentation

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

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Notes to Financial Statements
June 30, 2013

(1) Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

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

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

Expendable restricted net position result when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions of enabling legislation.

Unrestricted net position consist of net position not meeting the definition of the preceding categories. Unrestricted net position often have constraints on resources imposed by management, which can be removed or modified.

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

Fund Financial Statements - Separate financial statements are provided for the 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 other 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 that are 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 the road use tax allocation from the State of Iowa to be used road construction and maintenance.

The Urban Renewal Tax Increment Fund is used to account for urban renewal projects financed by tax increment financing.

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Notes to Financial Statements
June 30, 2013

(1) Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

Fund Financial Statements (continued)

The City reports the following major governmental funds (continued):

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

The Capital Projects Fund is utilized to account for the expenditures of capital improvements for the City.

The City reports the following major proprietary funds:

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

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

C. Measurement Focus and Basis of Accounting

The City of Parkersburg 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.

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

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

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

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Notes to Financial Statements
June 30, 2013

(1) Summary of Significant Accounting Policies (continued)

D. Governmental Cash Basis Fund Balances:

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

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

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

Assigned - Amounts the council intends to use for specific purposes.

Unassigned - All amounts not included in other spendable classifications.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2013, disbursements exceed the amounts budgeted in the debt service function.

(2) Cash and Pooled Investments

The City's deposits in banks at June 30, 2013 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.

Interest rate risk. The City's investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) in instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days but the maturities shall be consistent with the needs and use of the City.

The City's investments at June 30, 2013 were certificates of deposit only.

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Notes to Financial Statements
June 30, 2013

(3) Bonds and Notes Payable

Annual debt service requirements to maturity for general obligation bonds, sewer revenue bonds and notes payable are as follows:

Year Ending June 30,	General Obligation Bonds							
	Corporate Purpose Loan Notes		Corporate Purpose Bonds		Corporate Purpose Loan Notes		Street Improvement Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 40,000	\$ 1,420	\$ 70,000	\$ 36,892	\$ 10,000	\$ 1,267	\$ 45,000	\$ 11,575
2015	-	-	75,000	33,988	10,000	1,014	45,000	11,238
2016	-	-	-	-	10,000	760	45,000	10,900
2017	-	-	-	-	10,000	508	35,000	10,562
2018	-	-	-	-	10,000	254	40,000	10,108
2019	-	-	-	-	-	-	40,000	9,587
2020	-	-	-	-	-	-	40,000	9,068
2021	-	-	-	-	-	-	40,000	8,307
2022	-	-	-	-	-	-	40,000	7,548
2023	-	-	-	-	-	-	40,000	6,787
2024	-	-	-	-	-	-	40,000	5,848
2025	-	-	-	-	-	-	45,000	4,907
2026	-	-	-	-	-	-	45,000	3,850
2027	-	-	-	-	-	-	45,000	2,613
2028	-	-	-	-	-	-	50,000	1,375
Total	\$ 40,000	\$ 1,420	\$ 145,000	\$ 70,880	\$ 50,000	\$ 3,803	\$ 635,000	\$ 114,273

Year Ending June 30,	General Obligation Bonds						Total General Obligation and Sewer Revenue Bonds	
	Refunding Bonds		General Obligation Total		Sewer Revenue Bonds		Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Interest		
2014	\$ 85,000	\$ 14,053	\$ 250,000	\$ 65,207	\$ 41,000	\$ 9,540	\$ 291,000	\$ 74,747
2015	90,000	13,500	220,000	59,740	42,000	8,310	262,000	68,050
2016	160,000	12,915	215,000	24,575	44,000	7,050	259,000	31,625
2017	170,000	11,715	215,000	22,785	45,000	5,730	260,000	28,515
2018	170,000	10,100	220,000	20,462	47,000	4,380	267,000	24,842
2019	90,000	8,230	130,000	17,817	49,000	2,970	179,000	20,787
2020	95,000	6,790	135,000	15,858	50,000	1,500	185,000	17,358
2021	95,000	5,270	135,000	13,577	-	-	135,000	13,577
2022	25,000	3,465	65,000	11,013	-	-	65,000	11,013
2023	25,000	2,990	65,000	9,777	-	-	65,000	9,777
2024	30,000	2,340	70,000	8,188	-	-	70,000	8,188
2025	30,000	1,560	75,000	6,467	-	-	75,000	6,467
2026	30,000	780	75,000	4,630	-	-	75,000	4,630
2027	-	-	45,000	2,613	-	-	45,000	2,613
2028	-	-	50,000	1,375	-	-	50,000	1,375
Total	\$1,095,000	\$ 93,708	\$1,965,000	\$ 284,084	\$ 318,000	\$ 39,480	\$2,283,000	\$ 323,564

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Notes to Financial Statements
June 30, 2013

(3) Bonds and Notes Payable (continued)

The general obligation street improvement bonds, series 2012A, were issued for the purpose of paying the cost, to that extent, of constructing street improvements of the City and to pay the cost of issuance of the bonds. The bonds will constitute valid and legally binding general obligations of the City, payable both as to principal and interest from unlimited ad valorem taxes levied against all property in the City.

The general obligation refunding bonds, series 2012B, were issued for the purpose of paying the cost, to that extent, of refunding certain principal maturities of the City's general obligation corporate purpose bonds, series 2006 and series 2007B, and to pay the cost of issuance of the bonds. The bonds will constitute valid and legally binding general obligations of the City, payable both as to principal and interest from unlimited ad valorem taxes levied against all property in the City.

(4) Pension and Retirement Benefits

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 supplementary 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 5.78% of their annual covered salary and the City is required to contribute 8.67% of annual covered payroll. Certain employees in special risk occupations and the City contribute an actuarially determined contribution rate. Contributions requirements are established by state statute. The City's contribution to IPERS for the years ended June 30, 2013, 2012 and 2011 were \$32,747, \$30,049 and \$27,362 respectively, equal to the required contributions for each year.

(5) Compensated Absences

Full time City employees accumulate vacation and sick leave hours for subsequent use. These accumulations are not recognized as disbursements by the City until used or paid.

Vacation hours not used as of June 30 each year are forfeited. The City has no liability for earned vacation payable to employees at June 30, 2013. Sick leave is payable only when used and not upon retirement or death.

Full time City employees qualify for overtime pay when hours worked in a specific week exceed 40 hours. The employee is entitled to be paid for the excess hours at one and one half their hourly rate or they may choose to accumulate comp time. At June 30, 2013, the accumulated comp time was \$16,546 using the rates of pay in effect at that time.

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Notes to Financial Statements
June 30, 2013

(6) Anticipatory Warrants

Anticipatory warrants are the warrants which are legally drawn on City funds but are not paid for lack of funds, in accordance with Chapter 74 of the Code of Iowa. The warrants bear interest at rates in effect at the time the warrants are first presented for redemption.

There was not any anticipatory warrant activity for the year ended June 30, 2013.

(7) Construction Commitments

At June 30, 2013, the City had approved construction projects totaling \$3,045,985. As of June 30, 2013, \$2,524,630 of these projects had been completed and had been paid. The remaining contract balances are to be completed and paid after June 30, 2013.

(8) Component Unit

The Statement of Activities and Net Assets - Cash Basis includes the discretely presented financial information of the City's component unit, Parkersburg Economic Development, whose relationship to the City is such that exclusion would cause the City's financial statements to be misleading or incomplete. Parkersburg Economic Development is governed by an eight-member board.

Included in the receipts of the component unit is \$64,055 which is from the City of Parkersburg. Likewise, in the financial statements of the City, disbursements of \$64,055 are included in the Special Revenue, Urban Renewal Tax Increment fund, under the community and economic development function.

Below, a condensed financial statement for the Parkersburg Economic Development is presented:

Receipts:	
Use of money and property	\$ 12,307
Miscellaneous	107,441
Total	<u>119,748</u>
Disbursements:	
Operating:	
Community and economic development	<u>108,777</u>
Total	<u>108,777</u>
Net change in cash balances	10,971
Cash balances beginning of year	<u>172,817</u>
Cash balances end of year	<u><u>\$ 183,788</u></u>

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Notes to Financial Statements
June 30, 2013

(9) Other Postemployment Benefits (OPEB)

Plan Description - The City operates a single employer benefit plan which provides medical/prescription drug/dental benefits for full time employees and their families, and for retirees and their spouses. There are presently 7 active and 0 retired members in the plan. Participants must be age 55 or older at retirement.

The medical/prescription drug/dental benefits are provided through a fully-insured plan with Wellmark and United Health Care. Retirees under age 65 pay the same premium for the medical/prescription drug/dental benefits as active employees.

Funding Policy - The contribution requirements of plan members are established and may be amended by the City. The City currently finances the retiree benefit plan on a pay-as-you-go basis. The most recent active member monthly premiums for the City and plan members are \$724 for single coverage and \$522 - \$1,836 for family coverage. The same monthly premiums would apply to retirees. For the year ended June 30, 2013, the City contributed \$96,485 and plan members eligible for benefits contributed \$0 to the plan.

(10) Interfund Transfers

The detail of interfund transfers for the year ended June 30, 2013 is as follows:

Transfer to:		Transfer from:	
General	\$ 23,660	Special Revenue: Local Option Sales Tax	\$ 118,298
Proprietary: Enterprise: Sewer Rental	94,682		
General	139,955	Special Revenue: Employee Benefits	171,016
Special Revenue: Road Use	31,061		
General	13,516	Special Revenue: Emergency Levy	13,516
Capital Projects	360,838	Special Revenue: Urban Renewal Tax Increment	50,000
		General	310,838
Permanent: Cemetery	<u>2,314</u>	General	<u>2,614</u>
Total	<u>\$ 666,026</u>		<u>\$ 666,282</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 PARKERSBURG
PARKERSBURG, IOWA

Notes to Financial Statements
June 30, 2013

(11) Related Party Transactions

The City had no business transactions between the City and City officials during the year ended June 30, 2013.

(12) Risk Management

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

(13) Deficit Fund Balance

The Debt Service fund had a deficit balance of \$7,037 at June 30, 2013. The City is investigating ways to eliminate this deficit.

(14) Subsequent Events

Management has evaluated subsequent events through March 10, 2014, the date on which the financial statements were available to be issued.

Other Information

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Budgetary Comparison Schedule of Receipts, Disbursements and Changes in Balances -
Budget and Actual (Cash Basis) - All Governmental Funds and Proprietary Funds

Required Supplementary Information

Year ended June 30, 2013

	Governmental Funds Actual	Proprietary Funds Actual	Less Funds not Required to be Budgeted
Receipts:			
Property tax	\$ 835,878	\$ -	\$ -
Tax increment financing collections	449,660	-	-
Other city tax	125,438	-	-
Licenses and permits	9,170	-	-
Use of money and property	2,504	-	-
Intergovernmental	1,535,017	-	-
Charges for service	156,882	389,176	-
Special assessments	2,152	-	-
Miscellaneous	56,438	-	-
Total receipts	<u>3,173,139</u>	<u>389,176</u>	<u>-</u>
Disbursements:			
Public safety	330,293	-	-
Public works	361,815	-	-
Health and social services	729	-	-
Culture and recreation	276,724	-	-
Community and economic development	413,011	-	-
General government	193,993	-	-
Debt service	173,796	-	-
Capital projects	1,474,319	-	-
Business type activities	-	341,287	-
Total disbursements	<u>3,224,680</u>	<u>341,287</u>	<u>-</u>
Excess (deficiency) of receipts over (under) disbursements	(51,541)	47,889	-
Other financing sources, net	<u>557,356</u>	<u>94,682</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	505,815	142,571	-
Balances beginning of year	<u>615,960</u>	<u>125,092</u>	<u>-</u>
Balances end of year	<u>\$ 1,121,775</u>	<u>\$ 267,663</u>	<u>\$ -</u>

See accompanying independent auditor's report.

Net	Budgeted Amounts		Final to Net Variance
	Original	Final	
\$ 835,878	\$ 835,245	\$ 835,245	\$ 633
449,660	459,000	459,000	(9,340)
125,438	117,972	142,972	(17,534)
9,170	6,150	6,150	3,020
2,504	300	300	2,204
1,535,017	213,600	2,259,428	(724,411)
546,058	475,500	589,500	(43,442)
2,152	5,000	5,000	(2,848)
56,438	20,300	37,300	19,138
<u>3,562,315</u>	<u>2,133,067</u>	<u>4,334,895</u>	<u>(772,580)</u>
330,293	323,725	340,285	9,992
361,815	339,925	379,925	18,110
729	5,000	5,000	4,271
276,724	272,576	322,576	45,852
413,011	576,905	576,905	163,894
193,993	214,995	214,995	21,002
173,796	170,441	170,441	(3,355)
1,474,319	-	2,200,000	725,681
341,287	355,698	355,698	14,411
<u>3,565,967</u>	<u>2,259,265</u>	<u>4,565,825</u>	<u>999,858</u>
(3,652)	(126,198)	(230,930)	227,278
-	-	652,038	(652,038)
(3,652)	(126,198)	421,108	(424,760)
<u>741,052</u>	<u>447,550</u>	<u>741,052</u>	-
<u>\$ 737,400</u>	<u>\$ 321,352</u>	<u>\$ 1,162,160</u>	<u>\$ (424,760)</u>

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Notes to Other Information - Budgetary Reporting

June 30, 2013

The budgetary comparison is presented as Required Supplementary 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 except Internal Service Funds and Fiduciary Funds. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control for the certified budget is based upon nine major classes of disbursements known as functions, not by fund. These nine functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects and business type activities. Function disbursements required to be budgeted include disbursements for the General Fund, the Special Revenue Funds, the Debt Service Fund, the Capital Projects Funds and the Enterprise Funds. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. During the year, a budget amendment increased the budgeted disbursements by \$2,306,560. The budget amendment is reflected in the final budgeted amounts.

During the year ended June 30, 2013, disbursements exceeded the amounts budgeted in the debt service function.

Supplementary Information

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Schedule of Cash Receipts, Disbursements
and Changes in Cash Balances -
Nonmajor Governmental Funds

As of and for the year ended June 30, 2013

	Special Revenue	
	Local Option Sales Tax	Employee Benefits
Receipts:		
Property tax	\$ -	\$ 171,038
Tax increment financing collections	-	-
Other city tax	117,618	1,806
Licenses and permits	-	-
Use of money and property	-	-
Intergovernmental	-	-
Charges for service	-	-
Miscellaneous	-	-
	117,618	172,844
Total receipts	117,618	172,844
Disbursements:		
Operating:		
Public safety	-	-
Public works	-	-
Health and social services	-	-
Culture and recreation	-	-
Community and economic development	-	-
General government	-	-
Debt service	-	-
Capital projects	-	-
	-	-
Total disbursements	-	-
Excess (deficiency) of receipts over (under) disbursements	117,618	172,844
Other financing sources (uses):		
Operating transfers in	-	-
Operating transfers out	(118,298)	(171,016)
	(118,298)	(171,016)
Total other financing sources (uses)	(118,298)	(171,016)
Net change in cash balances	(680)	1,828
Cash balances beginning of year	-	-
Cash balances end of year	\$ (680)	\$ 1,828
 Cash Balance Fund Balances		
Nonspendable - Cemetery perpetual care		
Restricted for:	\$ -	\$ -
Capital projects	-	-
Other purposes	-	1,828
Unassigned	(680)	-
	(680)	-
Total cash basis fund balances	\$ (680)	\$ 1,828

See accompanying independent auditors' report.

Emergency Levy	Projects			Permanent Cemetery Perpetual Care	Total
	Police Forfeiture	Historical House			
\$ 13,373	\$ -	\$ -	\$ -	\$ -	\$ 184,411
-	-	-	-	-	-
143	-	-	-	-	119,567
-	-	-	-	-	-
-	-	-	-	616	616
-	-	-	-	-	-
-	-	-	-	-	-
<u>13,516</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>616</u>	<u>304,594</u>
-	413	-	-	-	413
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>413</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>413</u>
<u>13,516</u>	<u>(413)</u>	<u>-</u>	<u>-</u>	<u>616</u>	<u>304,181</u>
-	-	-	-	2,314	2,314
<u>(13,516)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(302,830)</u>
<u>(13,516)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,314</u>	<u>(300,516)</u>
-	(413)	-	-	2,930	3,665
-	929	52,000	-	58,473	111,402
<u>\$ -</u>	<u>\$ 516</u>	<u>\$ 52,000</u>	<u>\$ -</u>	<u>\$ 61,403</u>	<u>\$ 115,067</u>
\$ -	\$ -	\$ -	\$ 61,403	\$ -	\$ 61,403
-	516	52,000	-	-	54,344
-	-	-	-	-	(680)
<u>\$ -</u>	<u>\$ 516</u>	<u>\$ 52,000</u>	<u>\$ 61,403</u>	<u>\$ -</u>	<u>\$ 115,067</u>

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Schedule of Indebtedness

Year ended June 30, 2013

<u>Obligation</u>	<u>Date of Issue</u>	<u>Interest Rates</u>	<u>Amount Originally Issued</u>
General Obligation Bonds:			
Corporate purpose loan notes, Series 2003	December 1, 2003	1.95% - 3.55%	\$ 350,000
Corporate purpose bonds, Series 2006	May 1, 2006	3.70% - 5.05%	\$ 1,250,000
Corporate purpose bonds, Series 2007B	June 1, 2007	3.70% - 5.05%	\$ 670,000
Corporate purpose notes, Series 2011	October 15, 2011	2.50%	\$ 60,000
Street improvement bonds, Series 2012A	September 20, 2012	.75% - 2.75%	\$ 635,000
Refunding bonds, Series 2012B	September 20, 2012	.65% - 2.60%	\$ 1,095,000
Sewer Revenue Bonds, State Revolving Loan Fund:			
Series 2000A	July 5, 2000	3.00%	\$ 757,000
Series 2000B	July 5, 2000	3.00%	\$ 144,000
Notes Payable:			
Iowa State Bank	June 29, 2007	4.05%	\$ 75,682

See accompanying independent auditor's report.

<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>
<u>\$ 80,000</u>	<u>\$ -</u>	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ 2,800</u>	<u>\$ -</u>
<u>\$ 890,000</u>	<u>\$ -</u>	<u>\$ 745,000</u>	<u>\$ 145,000</u>	<u>\$ 39,558</u>	<u>\$ -</u>
<u>\$ 425,000</u>	<u>\$ -</u>	<u>\$ 425,000</u>	<u>\$ -</u>	<u>\$ 18,023</u>	<u>\$ -</u>
<u>\$ 60,000</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 50,000</u>	<u>\$ 1,525</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 635,000</u>	<u>\$ -</u>	<u>\$ 635,000</u>	<u>\$ 8,070</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 1,095,000</u>	<u>\$ -</u>	<u>\$ 1,095,000</u>	<u>\$ 9,798</u>	<u>\$ -</u>
<u>\$ 286,000</u>	<u>\$ -</u>	<u>\$ 32,000</u>	<u>\$ 254,000</u>	<u>\$ 8,723</u>	<u>\$ -</u>
<u>\$ 72,000</u>	<u>\$ -</u>	<u>\$ 8,000</u>	<u>\$ 64,000</u>	<u>\$ 2,196</u>	<u>\$ -</u>
<u>\$ 16,390</u>	<u>\$ -</u>	<u>\$ 16,390</u>	<u>\$ -</u>	<u>\$ 682</u>	<u>\$ -</u>

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Bond and Note Maturities

Year ended June 30, 2013

General Obligation Bonds		
Corporate Purpose Loan Notes, Series 2003		
Issued December 1, 2003		
Year Ending June 30,	Interest Rates	Amount
2014	3.55%	\$ 40,000
		<u>\$ 40,000</u>

General Obligation Bonds		
Corporate Purpose Bonds, Series 2006		
Issued May 1, 2006		
Year Ending June 30,	Interest Rates	Amount
2014	4.15%	\$ 70,000
2015	4.20%	75,000
		<u>\$ 145,000</u>

General Obligation Bonds		
Corporate Purpose Loan Notes, Series 2011		
Issued October 15, 2011		
Year Ending June 30,	Interest Rates	Amount
2014	2.50%	\$ 10,000
2015	2.50%	10,000
2016	2.50%	10,000
2017	2.50%	10,000
2018	2.50%	10,000
		<u>\$ 50,000</u>

General Obligation Bonds		
Street Improvement Bonds, Series 2012A		
Issued September 20, 2012		
Year Ending June 30,	Interest Rates	Amount
2014	0.75%	\$ 45,000
2015	0.75%	45,000
2016	0.75%	45,000
2017	1.30%	35,000
2018	1.30%	40,000
2019	1.30%	40,000
2020	1.90%	40,000
2021	1.90%	40,000
2022	1.90%	40,000
2023	2.35%	40,000
2024	2.35%	40,000
2025	2.35%	45,000
2026	2.75%	45,000
2027	2.75%	45,000
2028	2.75%	50,000
		<u>\$ 635,000</u>

General Obligation Bonds		
Refunding Bonds, Series 2012B		
Issued September 20, 2012		
Year Ending June 30,	Interest Rates	Amount
2014	0.65%	\$ 85,000
2015	0.65%	90,000
2016	0.75%	160,000
2017	0.95%	170,000
2018	1.10%	170,000
2019	1.60%	90,000
2020	1.60%	95,000
2021	1.90%	95,000
2022	1.90%	25,000
2023	2.60%	25,000
2024	2.60%	30,000
2025	2.60%	30,000
2026	2.60%	30,000
		<u>\$ 1,095,000</u>

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Bond and Note Maturities

Year ended June 30, 2013

Sewer Revenue Bonds						
Series 2000 A			Series 2000 B			
Year Ending June 30,	Interest Rates	Amount	Year Ending June 30,	Interest Rates	Amount	Total
2014	3.00%	\$ 33,000	2014	3.00%	\$ 8,000	\$ 41,000
2015	3.00%	34,000	2015	3.00%	8,000	42,000
2016	3.00%	35,000	2016	3.00%	9,000	44,000
2017	3.00%	36,000	2017	3.00%	9,000	45,000
2018	3.00%	37,000	2018	3.00%	10,000	47,000
2019	3.00%	39,000	2019	3.00%	10,000	49,000
2020	3.00%	40,000	2020	3.00%	10,000	50,000
		\$ 254,000			\$ 64,000	\$ 318,000

See accompanying independent auditors' report.

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Schedule of Receipts by Source and Disbursements by Function
All Governmental Funds

For the Last Ten Years

	2013	2012	2011	2010
Receipts:				
Property tax	\$ 835,878	\$ 673,353	\$ 529,648	\$ 589,154
Tax increment financing collections	449,660	846,376	508,214	495,988
Other city tax	125,438	127,193	112,006	145,478
Licenses and permits	9,170	10,089	9,267	10,145
Use of money and property	2,504	2,625	3,111	9,055
Intergovernmental	1,535,017	862,068	786,652	2,024,492
Charges for service	156,882	161,599	256,935	224,287
Special assessments	2,152	4,168	15,714	6,601
Miscellaneous	56,438	338,696	269,761	88,518
Total	\$ 3,173,139	\$ 3,026,167	\$ 2,491,308	\$ 3,593,718
Disbursements:				
Operating:				
Public safety	\$ 330,293	\$ 240,536	\$ 233,191	\$ 291,403
Public works	361,815	306,397	298,763	321,554
Health and social services	729	1,265	1,635	1,229
Culture and recreation	276,724	295,696	202,909	179,825
Community and economic development	413,011	442,980	564,942	192,952
General government	193,993	325,627	306,324	254,677
Debt service	173,796	214,570	215,135	240,767
Capital projects	1,474,319	579,662	2,716,927	7,821,539
Total	\$ 3,224,680	\$ 2,406,733	\$ 4,539,826	\$ 9,303,946

See accompanying independent auditor's report.

2009	2008	2007	2006	2005	2004
\$ 580,287	\$ 564,080	\$ 549,392	\$ 419,154	\$ 421,344	\$ 418,955
422,459	353,214	337,820	319,977	179,965	171,733
143,515	124,241	117,175	105,552	105,208	91,216
37,271	11,851	3,104	2,562	2,419	3,682
16,564	7,101	15,380	19,483	8,845	11,709
8,371,066	244,062	269,538	245,016	406,221	271,635
206,012	204,089	217,650	208,989	186,558	195,070
7,181	34,715	38,502	-	-	-
943,728	57,967	23,132	11,405	26,103	32,199
<u>\$ 10,728,083</u>	<u>\$ 1,601,320</u>	<u>\$ 1,571,693</u>	<u>\$ 1,332,138</u>	<u>\$ 1,336,663</u>	<u>\$ 1,196,199</u>

\$ 314,598	\$ 195,431	\$ 238,251	\$ 205,499	\$ 236,808	\$ 163,742
275,097	725,875	351,046	322,919	285,723	317,277
11,385	2,102	5,332	3,342	7,664	6,336
178,518	182,197	196,486	190,838	172,847	149,170
242,516	549,569	444,721	238,725	686,526	164,592
261,254	204,187	221,612	192,283	190,728	148,766
254,078	193,174	104,503	101,138	131,722	135,860
203,267	787,769	-	-	-	-
<u>\$ 1,740,713</u>	<u>\$ 2,840,304</u>	<u>\$ 1,561,951</u>	<u>\$ 1,254,744</u>	<u>\$ 1,712,018</u>	<u>\$ 1,085,743</u>

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Schedule of Expenditures of Federal Awards

Year ended June 30, 2013

Grantor/Program	CFDA Number	Agency Pass-through Number	Program Expenditures
Indirect:			
U.S. Department of Housing and Urban Development:			
Iowa Department of Economic Development:			
Community Development Block Grants	14.228	08-DRI-245	\$ 1,058,998
Total U.S. Department of Homeland Security			1,058,998
U.S. Department of Transportation:			
Iowa Department of Transportation:			
Highway Planning and Construction Grants	20.205	HDP-014-7(036)--71-12	198,064
Total U.S. Department of Transportation			198,064
Total Expenditures of Federal Awards			\$ 1,257,062

Basis of Presentation

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Parkersburg and is presented in conformity with an other comprehensive basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

See accompanying independent auditors' report.

Internal Controls and Compliance



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

To the Honorable Mayor and
Members of the City Council:

We have audited in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the City of Parkersburg, Iowa, as of and for the year ended June 30, 2013, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 10, 2014. Our report expressed unmodified opinions on the financial statements which were prepared on the basis of cash receipts and disbursements, a basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Parkersburg's internal control over financial reporting to determine the audit procedures appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Parkersburg's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Parkersburg's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of the City of Parkersburg's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Parkersburg's financial statements are free of material misstatement, we 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 our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of non-compliance or other matters which are described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the City's operations for the year ended June 30, 2013 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 Parkersburg's Responses to Findings

City of Parkersburg's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. City of Parkersburg's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

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

Carney, Alexander, Maxwell & Co., L.L.P.

Waterloo, Iowa
March 10, 2014



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Independent Auditors' Report on Compliance
for Each Major Program, on Internal Control over Compliance
and on the Schedule of Expenditures of Federal Awards
Required by OMB Circular A-133

To the Honorable Mayor and
Members of the City Council:

Report on Compliance for Each Major Federal Program

We have audited the City of Parkersburg, Iowa's compliance with the types of compliance requirements described in U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on the City of Parkersburg's major federal program for the year ended June 30, 2013. The City of Parkersburg's major federal program is identified in Part I of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grant agreements applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the City of Parkersburg's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Parkersburg's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City of Parkersburg's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Parkersburg complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2013.

Report on Internal Control Over Compliance

The management of the City of Parkersburg is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Parkersburg's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Parkersburg's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be a material weakness, as defined above.

City of Parkersburg's Responses to Findings

The City of Parkersburg's response to the internal control over compliance finding identified in our audit is reported in the accompanying Schedule of Findings and Questioned Costs. The City of Parkersburg's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the City of Parkersburg as of and for the year ended June 30, 2013, and have issued our report dated March 10, 2014, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Carney, Alexander, Maxwell & Co., L.L.P.

Waterloo, Iowa
March 10, 2014

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Schedule of Findings and Questioned Costs
Year ended June 30, 2013

Part I: Summary of the Independent Auditors' Results

- (a) Unmodified opinions were issued on the financial statements which were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.
- (b) The audit did not disclose any significant deficiencies in internal control over financial reporting.
- (c) The audit did not disclose any noncompliance which is material to the financial statements.
- (d) The audit did not disclose any significant deficiencies in internal control over major programs.
- (e) An unmodified opinion was issued on compliance with requirements applicable to the major
- (f) The audit did not disclose any findings which were required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- (g) The major program was CFDA Number 14.228 - Community Development Block Grants.
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- (i) City of Parkersburg did not qualify as a low-risk auditee.

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Schedule of Findings and Questioned Costs
Year ended June 30, 2013

Part II: Findings Related to the Financial Statements:

INSTANCES OF NON-COMPLIANCE:

None noted

INTERNAL CONTROL DEFICIENCIES:

None noted

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Schedule of Findings and Questioned Costs
Year ended June 30, 2013

Part III: Findings and Questioned Costs for Federal Awards:

INSTANCES OF NON-COMPLIANCE:

None noted

INTERNAL CONTROL DEFICIENCIES:

None noted

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Schedule of Findings and Questioned Costs
Year ended June 30, 2013

Part IV: Other Findings Related to Statutory Reporting:

- II-A-13 Official Depositories - A resolution naming official depositories has been approved by the City. The maximum deposit amounts stated in that resolution were not exceeded during the year ended June 30, 2013.
- II-B-13 Certified Budget - Disbursements during the year ended June 30, 2013 exceeded the amounts budgeted in the debt service function. Chapter 384.20 of the Code of Iowa states in part that public monies may not be expended or encumbered except under an annual or continuing appropriation.
- Recommendation - The budget should have been amended in accordance with Chapter 384.18 of the Code of Iowa before disbursements were allowed to exceed the budget.
- Response - Expenditures will be monitored more closely so that the budget can be amended if
- Conclusion - Response accepted.
- II-C-13 Entertainment Expense - We noted no disbursements for parties, banquets or other entertainment for employees that we believe may constitute an unlawful expenditure from public funds as defined in an Attorney General's opinion dated April 25, 1979.
- II-D-13 Travel Expense - No disbursements of City money for travel expenses of spouses of City officials or employees were noted.
- II-E-13 Bond Coverage - Surety bond coverage of City officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to insure that the coverage is adequate for current operations.
- II-F-13 Council Minutes - No transactions were found that we believe should have been approved in the Council minutes but were not.
- The minutes of Council proceedings were published within fifteen days as required by Chapter 372.13(6) of the Code of Iowa.
- II-G-13 Business Transactions - We noted no business transactions between the City and City officials or employees.

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Schedule of Findings and Questioned Costs
Year ended June 30, 2013

Part IV: Other Findings Related to Statutory Reporting (continued):

II-H-13 Deposits and Investments - We noted 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.

II-I-13 Financial Condition - The Debt Service fund had a deficit balance at June 30, 2013 of \$7,037.

Recommendation - The City should investigate alternatives to eliminate this deficit in order to return to sound financial position.

Response - The City has budgeted to eliminate this deficit.

Conclusion - Response accepted.

CITY OF PARKERSBURG
PARKERSBURG, IOWA

Audit Staff

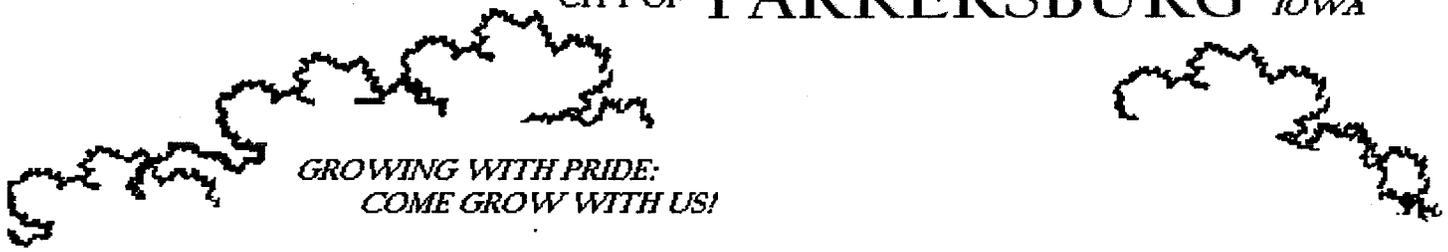
This audit was performed by:

Monica M. Haag, CPA, Audit Partner

Janel Ruzicka

Heidi Verhagen, CPA

Darren Johnson, CPA



Summary Schedule of Prior Federal Audit Findings

Year ended June 30, 2013

<u>Comment Reference</u>	<u>Comment Title</u>	<u>Status</u>	<u>If not corrected, provide planned corrective action or other explanation</u>
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There were no prior federal audit findings in the report for the year ended June 30, 2012.



*GROWING WITH PRIDE:
COME GROW WITH US!*

Corrective Action Plan for Federal Audit Findings

Year ended June 30, 2013

<u>Number</u>	<u>Comment Title</u>	<u>Corrective Action Plan</u>	Contact Person Title <u>Phone Number</u>	Anticipated Date of <u>Completion</u>
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There were no federal audit findings required to be reported in accordance with OMB Circular A-133 for the year ended June 30, 2013.