



# **COUNTY OF SCOTT, IOWA**

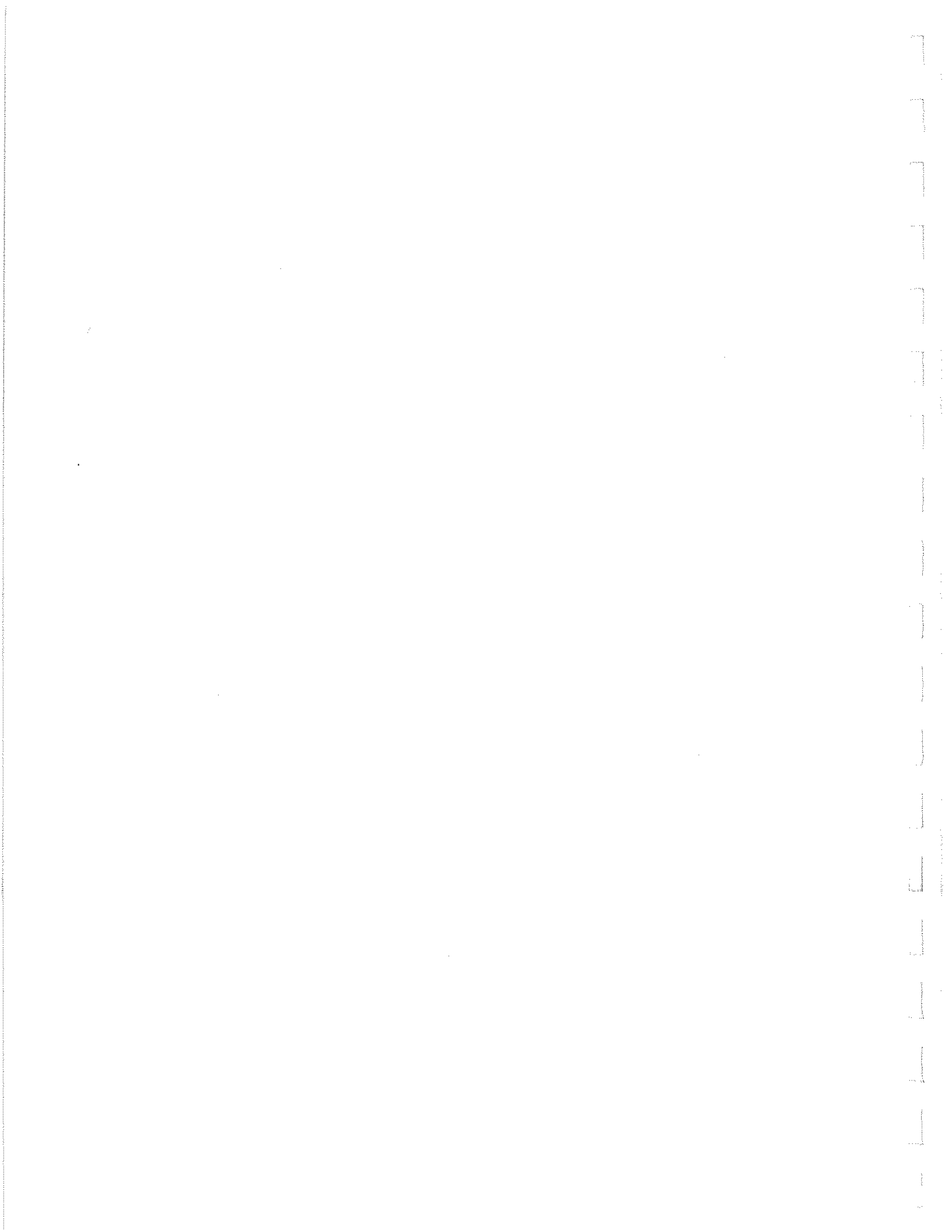
## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Year Ended June 30, 1996**

**Prepared by:  
Dawn Gunderson Kelly, Accounting Supervisor  
Office of County Auditor**

**Craig Hufford, Financial Management Supervisor  
Office of County Treasurer**

**C. Ray Wierson, Director  
Office of Budget and Information Processing**



# Introductory Section



# CONTENTS

## INTRODUCTION SECTION

---

Table of Contents	i - iii
County Officials	iv
Organization Chart	v
Certificate of Achievement for Excellence in Financial Reporting	vi
Transmittal Letter	vii - xviii

## FINANCIAL SECTION

---

Independent auditor's report	1
------------------------------	---

### GENERAL PURPOSE FINANCIAL STATEMENTS

Combined balance sheet, all fund types, account groups and discretely presented component units	2 - 5
Combined statement of revenue, expenditures and changes in fund balances, all governmental fund types, expendable trust funds, and discretely presented component units	6 - 7
Combined statement of revenue, expenditures and changes in fund balances, budget and actual, budgetary basis, all governmental fund types	8 - 11
Combined statement of revenue, expenses and changes in retained earnings (deficit), all proprietary fund types	12
Combined statement of cash flows, all proprietary fund types	13
Combining balance sheet, discretely presented component units	14 - 15
Combining statement of revenue, expenditures and changes in fund balances, discretely presented component units	16 - 17
Notes to financial statements	18 - 31

### SUPPLEMENTARY INFORMATION

General Fund:	
Schedule of revenue, expenditures and changes in fund balance, budget and actual, budgetary basis	32 - 35
Special revenue funds:	
Combining balance sheet	36
Combining statement of revenue, expenditures and changes in fund balances	37
Schedule of revenue, expenditures and changes in fund balance, budget and actual, budgetary basis:	
Rural Services Fund	38
Secondary Roads Fund	39
Internal service funds:	
Combining balance sheet	40
Combining statement of revenue, expenses and changes in retained earnings	41
Combining statement of cash flows	42

# CONTENTS

## FINANCIAL SECTION (continued)

---

Trust and agency fund:	
Combining balance sheet	43
Combining balance sheet, expendable trust funds	44
Combining statement of revenue, expenditures and changes in fund balance, expendable trust funds	45
Combining statement of changes in assets and liabilities, all agency funds	46 - 50
General fixed assets account group:	
Schedule of general fixed assets by funding source	51
Schedule of general fixed assets by function and activity	52 - 55
Schedule of changes in general fixed assets by function and activity	56

## STATISTICAL SECTION

---

General governmental expenditures by function	57 - 58
General governmental revenue by source	59
Property tax levies and collections	60 - 61
Assessed and taxable values of taxable property	62 - 63
Property tax rates per \$1,000 taxable valuation, all direct and overlapping governments	64 - 69
Ratio of outstanding general obligation bonded debt to assessed values and debt per capita	70
Computation of direct and overlapping debt	71
Ratio of annual debt service expenditures to total general governmental expenditures	72
Demographic statistics	73
Property value, construction and bank deposits	74 - 75
Ten principal taxpayers	76
Surety bonds of principal officials	77
Schedule of insurance in force	78 - 79
Miscellaneous statistics	80

## SINGLE AUDIT SECTION

---

Independent auditor's report on the schedule of federal financial assistance	81
Schedule of federal financial assistance	82 - 83
Independent auditor's report on internal control structure based on an audit of the general purpose financial statements	84

# CONTENTS

## SINGLE AUDIT SECTION (continued)

---

Independent auditor's report on internal control structure used in administering federal financial assistance programs	85 - 87
Independent auditor's report on compliance based on an audit of the general purpose financial statements	88 - 89
Independent auditor's report on compliance with the general requirements applicable to federal financial assistance programs	90
Independent auditor's report on compliance with specific requirements applicable to major federal financial assistance programs	91
Independent auditor's report on compliance requirements applicable to nonmajor federal financial assistance program transactions	92
Schedule of findings and questioned costs	93 - 94
Status of prior year findings	95

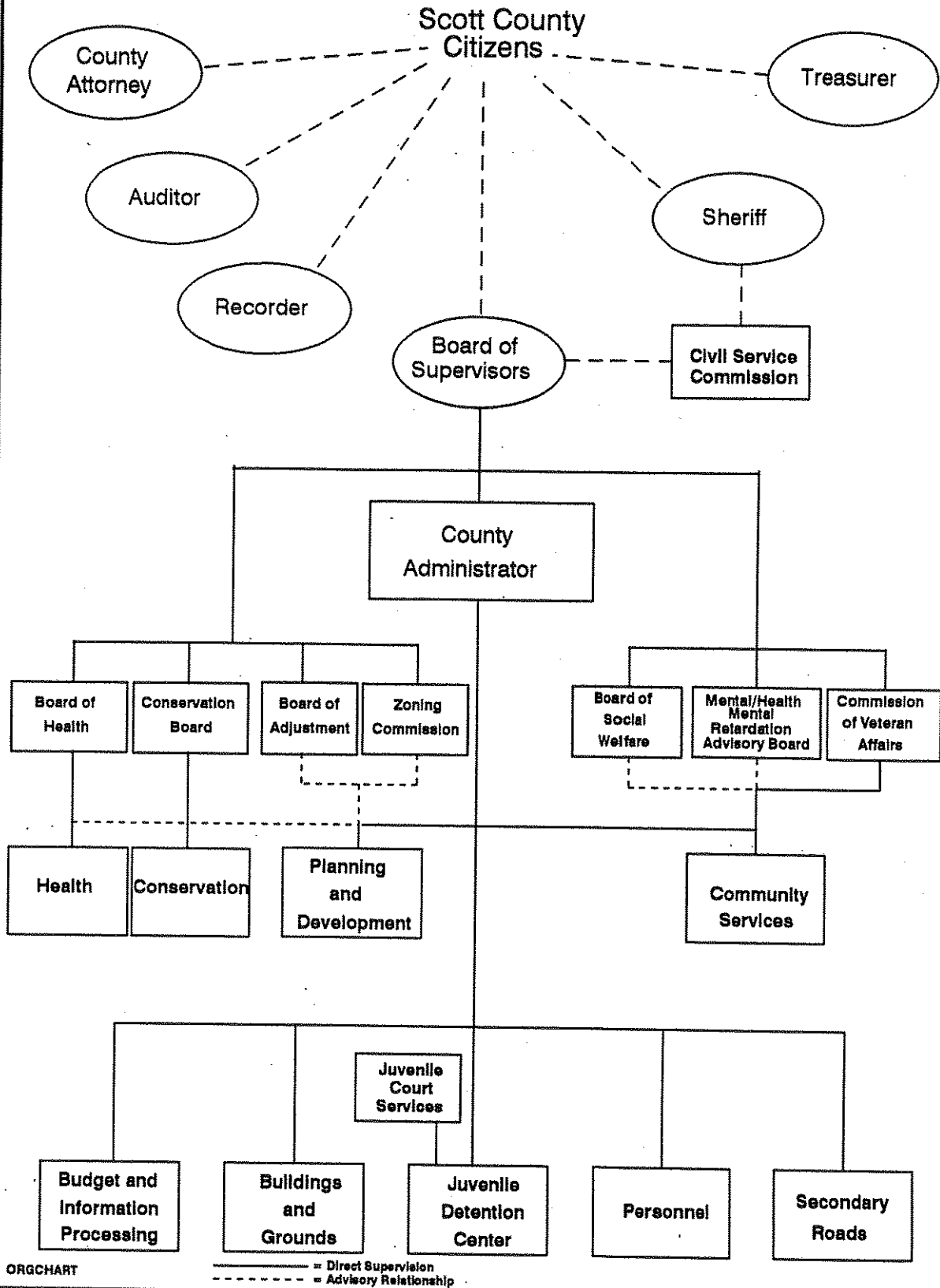
# COUNTY OF SCOTT, IOWA

## COUNTY OFFICIALS

Official Title	Official	Term Expiration Date Of Elected Officials
<b>Elected Officials</b>		
Supervisor, Chairman	Edwin G. Winborn	1998
Supervisor	Tom Otting	1996
Supervisor	Robert E. Petersen	1996
Supervisor	Otto Ewoldt	1998
Supervisor	Forrest Kilmer	1998
Attorney	William E. Davis	1998
Auditor	Karen L. Fitzsimmons	1996
Recorder	Richard F. Hagen	1998
Sheriff	Mike Bladel	1996
Treasurer	Bill Fennelly	1998
<b>Administration</b>		
County Administrator	F. Glen Erickson	
<b>Department Heads</b>		
Budget and Information Processing	C. Ray Wierson	
Buildings and Grounds	Dave Donovan	
Community Services	Mary Dubert	
Conservation	Dan Nagle	
County Engineer	Larry R. Mattusch	
Health	Lawrence Barker	
Personnel	Lisa Charnitz	
Planning and Development	Timothy Huey	
Juvenile Detention Center	Scott Monson	
<b>Other Officials</b>		
Davenport City Assessor	Nicholas Doenges	
County Assessor	Dale Denklau	
County Library Director	Ann Conner	
Emergency Management Agency Director	Ross Bergen	



# SCOTT COUNTY GOVERNMENT ORGANIZATIONAL CHART



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Scott,  
Iowa

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 1995

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Arthur R. Lynch*  
President

*Jeffrey L. Esler*  
Executive Director



December 15, 1996

Members of the Board of Supervisors  
and Citizens  
Scott County, Iowa:

The Comprehensive Annual Financial Report of the County of Scott, Iowa for the fiscal year ended June 30, 1996 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

This report is presented in four (4) sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the County's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the auditors' report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multiyear basis.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-128, Audits of State and Local Governments. Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations, and auditors' reports on the internal control structure and compliance with applicable laws and regulations, are included in the single audit section of this report.

This report includes all funds and account groups of the County. Scott County is a municipal corporation governed by an elected five member board. The County provides a full range of services. These services include law enforcement, health and social services, parks and cultural activities, planning and zoning, construction and maintenance of secondary roads, education and general administrative services. As required by generally accepted accounting principles, these

financial statements present Scott County (the primary government) and its component units. The component units discussed in Note 1 are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

## ECONOMIC CONDITION AND OUTLOOK

**Location and Population:** Scott County is part of a three county, bi-state, metropolitan area referred to as the Quad-Cities. The counties of Scott (Iowa), Rock Island and Henry (Illinois), contain the Davenport-Rock Island-Moline Metropolitan Statistical Area, with a 1995 U.S. Census Bureau estimated population of 358,243 which is a 2.1% increase over the 1990 census count of 350,861. The U.S. Census Bureau's estimated 1995 population of Scott County was 156,694 which is a 3.8% increase over the 1990 census count of 150,979. However, that estimated figure is still 2% less than the 1980 census count for Scott County which was 160,022 and only 9.8% greater than the 1970 census count of 142,687.

The Quad-Cities is more than the five major cities of Davenport, Bettendorf, Rock Island, Moline and East Moline. It is made up of fourteen contiguous communities on both sides of the Mississippi River that are generally bounded by the quadrangle formed by Interstates 80 and 280.

**Employment Data:** The Quad-Cities have been historically know as an industrial, retail/service and transportation center. In the last fifteen years the economy has shifted, showing a decline in the number of manufacturing jobs with a loss of approximately 20,000 jobs. There was a loss of 22,225 jobs in the durable goods manufacturing sector of the economy in the MSA from 1980 to 1995. However, this was offset by an increase of 2,250 jobs in the non-durable goods manufacturing sector, such as food products and publishing, for that same period.

The shift in the Quad-Cities area economy has been towards creation of service sector jobs in the professional, non-professional, retail and wholesale sectors of the economy. In the last fifteen years 27,000 jobs have been created in these sectors which represents a 30% increase. In the same time period, government sector jobs, Federal, State and local, have held fairly steady with a decrease of 1,300 jobs, which represents a decline of just under 5%. However the Department of Defense has announced that the Rock Island Arsenal will serve as one of the 21 satellite offices in the consolidation of its 320 finance and accounting offices. This will retain 200 existing jobs and could lead to 400-500 new jobs. Additionally, the decision to keep other Arsenal data processing and computer programming jobs has been made and there is potential for further expansion as other DOD facilities are closed or consolidated around the country.

During the years 1980-1995, the unemployment figures for the Quad-Cities MSA hit a high of 14.8% in 1983, with Scott County's unemployment rate at 10.8% that same year, following a Scott County high the year before of 11.2%. The rebound in creation of jobs in the service sectors and the manufacturing of non-durable goods has given the Quad-Cities MSA and Scott County a fifteen year low unemployment rate of 4.4% and 3.6%, respectively.

**New Housing Starts:** New residential construction is very strong in the Quad-Cities MSA. Fewer than 300 single family dwellings units per year were started in the years 1985-1987. Over 700 building permits per year for single family dwelling units have been issued from 1991-1995, with 1995 having a fifteen year high of over 900 single family units constructed in that year alone.

**Major Projects and Developments:** There have been a number of significant projects and developments that have occurred in 1995 and 1996 that affected the economic outlook for Scott County and the Quad-Cities in general:

#### Education

- \* Scott County Community College completed an \$8.9 million rehabilitation of the 10-story Kahl Building and the Capitol Theater in downtown Davenport to serve as a community education facility for students of all grade levels.
- \* North Scott School District has approved \$8.9 million in infrastructure improvements and expansion to its elementary and junior & senior high schools.
- \* Pleasant Valley School District has recently completed construction of a new \$1.7 million elementary school.

#### Retail/Service

- \* U.S. Postal Service established a new remote encoding Center employing 140 full-time and 450 part-time employees in Davenport.
- \* The 53rd Street corridor has seen a variety of new retail/office development, including a new 164,000 square foot Super Target store at the southwest corner of 53rd Street and Elmore Avenue in Davenport.
- \* Quad City Bank completed construction of its \$4.5 million bank headquarters building in Davenport.
- \* Scott County opened a \$2 million recycling facility that is able to accept most kinds of recyclable materials.

#### Industrial & Business Parks

- \* AAA Iowa announced plans for a nine acre office park in front of its existing Bettendorf headquarters. The project will develop the area as an upscale office park campus with up to 75,000 square feet of office space proposed.
- \* The Iowa Research, Commerce & Technology Park, a 160 acre business park located in the northwest quadrant of the I-80/U.S. 61 interchange, is under development.
- \* The 2.4 million square foot former Caterpillar, Inc. plant that has been for sale since it closed in 1988 has been purchased and renamed the River City Industrial Center and has leased 70% of the space to various industrial users and businesses.
- \* Mid-America Energy Company, the former Iowa-Illinois Gas & Electric, has purchased 450 acres in northeast Davenport between I-80 and 53rd Street with plans to develop a major industrial park.

## New Industrial Development

- \* IPSCO Steel, a Canadian company, is completing development of a \$375 million steel manufacturing facility just over the Scott County line in neighboring Muscatine County.
- \* Guardian Industries opened a \$110 million glass manufacturing plant in nearby DeWitt, Iowa with a work force of 250 employees.
- \* Aluminum Company of America (ALCOA) is investing \$50 million in improving the infrastructure of its plant located in Scott County. The plant manufactures large aircraft parts and a wide variety of other aluminum products.
- \* Genesis Systems Group, a manufacturer of robotic welding systems, is constructing a new manufacturing plant with plans to expand its work force from 100 employees to 150.
- \* Tri-City Fabricating & Welding is developing a new \$5 million manufacturing plant which will expand its current work force from 186 to 250 employees.
- \* Oscar Mayer Foods, a division of Kraft Foods, is investing \$2 million in capital equipment to upgrade and expand its Davenport plant in order to retain 1,760 existing jobs and create 50 new positions.

**Total Market Valuation:** The trends of market valuations is an important indicator of the economic health of any community or area. From 1990 until 1995 the total market valuation for all taxable properties in Scott County has grown from \$4 billion to \$5.6 billion, representing a 40 % increase in just a five year period.

**Transportation Network and Facilities:** Scott County has seen two major highway projects in 1995/96. First, U.S. 61 has been expanded from two lanes to a divided four lane road from I-280 to Muscatine County. River Road/U.S. 67 is under reconstruction to upgrade it to a four-lane with a center turn lane from Bettendorf to LeClaire.

There are five major bridges crossing the Mississippi River in the Quad Cities. The three bridges near the city centers are reaching capacity for traffic and the Government Bridge, is approaching 100 years of age. Discussion and planning has begun for a new bridge crossing the Mississippi River. It can be expected to take 20 years or more before a project of this magnitude comes to fruition.

The regional airport for the Quad Cities is on the Illinois side of the river in Moline. A group of investors are currently planning to start a regional airline to connect Iowa cities with airports on both the west and east coasts. The new airline, Access Air, would have its hub in Des Moines but the Quad Cities would be a connecting stop. Keeping the Quad Cities existing air service and having an opportunity to expand air service is a critical part of the economic development efforts of the area.

**Conclusion:** Overall the economic indicators for the Quad Cities appear to be strong. As long as interest rates stay low, building and construction activity can be expected to remain high. With

the new investment and the expansion of existing businesses the employment picture for the Quad Cities also remains bright. Economic development efforts for the Quad Cities continue to try to diversify the economy, while taking advantage of its unique location and the tremendous asset of the Mississippi River.

### MAJOR INITIATIVES

**For the Year.** During fiscal year 1995-96 Scott County completed the remodeling and renovation of several areas within the Courthouse complex and other County facilities including: first floor Clerk's office expansion project; lower level Courthouse remodeling project; expansion of the Courthouse security system; the installation of electrical surge protectors in the County's computer room; air handling unit renovation for the Juvenile Detention Center; door lock replacements throughout the Courthouse complex; and an outer door electronic entry control system at the Courthouse.

Computerized optical imaging equipment was purchased for the County Attorney's office and the Treasurer's Department eliminating the need to microfilm various documents while improving the speed and access to digitized documents. The Conservation Board expanded the Scott County Park area with the purchase of over 120 acres of additional land. The Board of Supervisors also continued with their multi-year RiverCity Place project funding toward the renovation of the convention center in downtown Davenport as well as funding toward the Kahl Education Center renovation project.

During the year the Board of Supervisors and the Scott County Sheriff developed a course of action to address long-term solutions to the Jail overcrowding problem. A consulting firm was selected to perform a comprehensive needs assessment study for the Scott County Jail and to project the future incarceration needs for Scott County government. Once this study is completed the Board of Supervisors will determine how to best meet the needs and goals of Scott County with regard to incarceration, jail solutions, long-range planning and its implementation.

The County's Health Safety and Benefits Committee consisting of a cross section of County employees, studied the County's existing health care benefit plan in FY 1995-96. As a result of their review and subsequent recommendation to receive bid proposals on HMO options, the County saved 10% below its previous premium levels with various options which place an emphasis on wellness and preventative care at a lower cost to County employees.

During FY 1995-96 the Board of Supervisors institutionalized a program originally started in 1994 called the Financial Initiatives Program. This program is now implemented every other year and encourages County departments and authorized agencies to hold staff meetings and brainstorming sessions to produce ideas to reduce on-going expenditures, increase revenues and improve productivity. Using team work and innovation County employees and agency staff members identified many initiatives in 1994 and 1995 totalling \$692,576 in cost reductions, and revenue enhancements were identified at a total of \$220,270. Also improvements to the productivity capacity of the work force equal to three full-time positions with a value of \$74,472 were identified due to changes in policies, procedures, scheduling and other work methods.

These fiscal strategies played a major role in eliminating the County's previous \$1 million budget deficit. The budget set for FY 1996-97 presented a balanced general fund operating budget primarily attributed to the hard work and dedication of County employees. Scott County won a National Association of Counties Achievement Award for its Financial Initiatives Program. The substantial increase in the amount of general fund undesignated balance over the past two years is directly attributed to this successful program.

Finally, Scott County remains the only Iowa County to hold the Government Finance Officers Association of the United States and Canada (GFOA) Distinguished Budget Presentation Award for its annual budget document. The County received its seventh consecutive award for its budget document for the fiscal year beginning July 1, 1996. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications medium.

**For The Future.** The Scott County Board of Supervisors and its management team of elected officials and appointed department heads hold planning sessions every two years for the purpose of setting target issues and developing action plans to successfully complete goals as identified and prioritized. These "leadership workshops" help in continuing to build the policy team of the Board of Supervisors, determining the future goals and direction for the County, refining the governance processes of the policy team, and on refining the tone for management and service delivery. The next scheduled target issue setting workshop will be held in January 1997.

At the present time work is beginning on the County's fiscal year 1997-98 operating budget. During their initial budget discussions the Board of Supervisors identified eight specific areas they wished to have reviewed during the 1997-98 budget preparation process:

1. Impact of State Managed Care contracts.
2. Impact of County Managed Care programs.
3. Jail Study results.
4. Continue monitoring impact of State mandates.
5. Impact of Welfare Reform on County programs.
6. Continue exploring new revenue sources.
7. Review status and reliability of outside funding sources. Communicating to the County about Federal and State cutbacks that will affect the agencies the County assists financially.
8. Results of Communications Study.

Preliminary assessed valuations from the City and County Assessors indicate that modest growth will be available in the property tax base for next fiscal year due to current state imposed rollback limitations on residential property taxable valuations. Additionally, the State of Iowa enacted legislation which limits the growth in property tax dollars which may be levied in FY 1993-94, FY 1994-95, FY 1995-96, FY 1996-97 and FY 1997-98.



Three of the four County labor union contracts are up for renegotiation for fiscal year 1997-98. Proposed wage increases, health care costs and economic impacts on other non-tax revenues will all add to the challenge of presenting a balanced budget for next fiscal year.

**Department Focus.** A wide range of services are offered through the Scott County Community Services Department. Various programs include the General Assistance Program, Representative Payee Program, Veterans Services, and the coordination of Mental Health and Developmental Disabilities Services.

Department staff consists of the Director, Veterans Director, Mental Health Coordinator, Mental Retardation and Developmental Disability Coordinator, Mental Health Advocate, Workfare Coordinator, four Case Aides, Office Manager, and two clerical staff.

General Assistance is available through the Community Services Department to families and individuals who are in need when such persons are not supported by their own means or other public or private resources. Community Services of Scott County ensures assistance is administered promptly, humanely and equitably so as to assist in providing decent and healthful living to poor and needy persons. Individuals are assisted who may be in need of rental or utility assistance, food, or medication. Persons in a crisis situation are seen on a first-come first-serve basis; others are given appointment times. Assistance also can be granted for individuals requesting assistance with funeral expenses. For able-bodied persons, participation in a Work Program is required prior to receipt of assistance.

Through the Representative Payee Program, Community Services receives social security and other government benefits for approximately 350 people who have had Community Services designated as their payee. Rent, utilities, and other bills are paid for these individuals while allowing them personal spending money.

The Veterans Services Program provides assistance to all veterans and their dependents in applying for federal benefits and other related matters concerning the federal government. The Veterans Assistance Program, funded by Scott County, provides assistance to wartime veterans with emergency needs.

The Mental Health Advocate attends mental health commitment hearings and ensures clients' rights and needs are being met. She follows individuals who are committed to various facilities and voices any concerns they may have.

Scott County has developed and implemented a County Management Plan which describes how persons with disabilities will receive appropriate services and supports within financial limitations. Staff assists in coordinating an array of cost effective mental health, mental retardation and other developmental disability services and supports which assist consumers to be as independent and productive as is possible.

## FINANCIAL INFORMATION

Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial

statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of the control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgements by management.

**Single Audit.** As a recipient of federal and state financial assistance, the County is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the County.

As a part of the County single audit, described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the County has complied with applicable laws and regulations. The results of the County's single audit for the fiscal year ended June 30, 1996 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

**Budgeting Controls.** In addition, the County maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County Board of Supervisors. The State of Iowa requires the passage of an annual budget of total County operating expenditures by major program service areas. Activities of the general fund, special revenue funds, capital projects fund and debt service fund are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the total program service area level. The County also maintains budgetary control beyond the State required program service area level at the major object of expenditure basis within each County department.

**General Government Functions.** The following schedule presents a summary of general fund, special revenue funds and debt service fund revenues for the fiscal year ended June 30, 1996 and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenue Source	Amount	Percent of Total	Increase (Decrease) From FY 1995	Percent Increase (Decrease) From FY 1995
Property Taxes/Interest & Penalties	\$18,487,705	48.4%	\$-1,428,243	-7.2%
Local Option Sales Tax	2,292,440	6.0%	-183,779	-7.4%
Other County Taxes	662,027	1.7%	125,702	23.4%
Intergovernmental	12,183,553	31.9%	1,479,919	13.8%
Licenses and Permits	249,440	0.6%	21,713	9.5%
Charges for Services	2,388,571	6.3%	108,703	4.8%
Interest and Rentals and Fees	1,553,220	4.1%	189,253	13.9%
Other	392,323	1.0%	-225,295	-36.5%
Total	\$38,209,279	100.0%	\$87,973	0.2%

The substantial reduction in property taxes was due primarily to the State Legislature providing property tax relief for mental health expenditures to Iowa counties. Beginning in FY 1996-97 all mental health costs have been removed from the general fund and moved to a special revenue fund. Local property tax dollar support and State funding for the new mental health special revenue fund are capped by the State of Iowa. The 7.4% reduction in local option sales tax proceeds was a result of the timing of State audits on retail vendors. The State had been behind in attributing the results of State sales tax audits back to the proper local option tax accounts. The results of this catch up effort by the State will be received by the County in FY 1996-97. The 23.4% increase in other County taxes was due to the continued increase in gaming boat revenues received from the boats docked in the cities of Bettendorf and Davenport. The 1.5 million dollar increase in intergovernmental revenues was the result of the aforementioned mental health property tax relief received from the State.

License and permit fee levels are reviewed on an on-going basis and reflect the 9.5% increase as shown. The 13.9% more interest and rental and fees income received by the County in 1995-96 was due to increased fund balances and slightly improved interest rates. Finally the reduction realized under other revenue was due to a one-time close out and transfer of an unused condemnation fund occurring last fiscal year.

The following schedule presents a summary of general fund, special revenue funds and debt service fund expenditures for the fiscal year ended June 30, 1996 and the percentage of increases and decreases in relation to prior year amounts.

Function	Amount	Percent of Total	Increase (Decrease) From FY 1995	Percent Increase (Decrease) From FY 1995
Public Safety	\$8,340,292	23.7%	\$-1,102,417	-11.7%
Court Services	1,367,381	3.9%	27,946	2.1%
Physical Health and Education	2,287,912	6.5%	101,403	4.6%
Mental Health	9,707,547	27.6%	-392,412	-3.9%
Social Services	1,079,838	3.1%	32,442	3.1%
County Environment	2,003,329	5.7%	55,465	2.8%
Roads and Transportation	2,566,390	7.3%	109,087	4.4%
State and Local Government	1,241,581	3.5%	41,796	3.5%
Interprogram	4,714,536	13.4%	140,079	3.1%
Debt Service	1,014,870	2.9%	596,368	142.5%
Capital	891,826	2.5%	334,963	60.1%
Total	\$35,215,502	100.0%	\$-55,280	-0.2%

The most significant decrease in expenditures in 1995-96 below the previous year was in the area of public safety. This decrease was due primarily to the County coming to the end of a multi-year flood recovery assistance program through the U.S. Department of Housing and Urban Development Community Development Block Grant program. The amount received in 1995-96 was

substantially less than the amount received the previous year. There was also a slight reduction in mental health costs below the previous year due primarily to lower State institutional costs billed during 1995-96.

The increase in the debt service expenditure was due to the County authorizing a general obligation solid waste disposal bond issue last year. The solid waste disposal bond issue is funded from revenues received by the County from the Scott Solid Waste Commission. The increase in capital expenditures was due to the timing and letting of various Secondary Road construction projects. All other expenditure areas saw moderate increases over the previous year.

**General Fund Balance.** The undesignated fund balance of the general fund increased by 30.9% in 1996. The Board has designated \$1,128,763 of the fund balance for future electronic equipment replacements, \$293,039 for future vehicle replacements, \$1,126,823 reserved for the loan advance to the enterprise fund, and \$20,815 for the recorder management fee. The remaining \$4,464,226 provides the County with a fund balance that meets cash flow needs prior to the collection of property taxes and should significantly reduce the likelihood of the County entering the short-term debt market to pay for current operating expenditures.

**Enterprise Operations.** The County's enterprise fund includes the operations of Glynn's Creek Golf Course located at Scott County Park. The Course finished its fourth fiscal year of operation on June 30, 1996 realizing a 41% increase in rounds played over the first fiscal year of operation. During the early years of operation the general fund is loaning funds to the enterprise fund to be repaid from future Course revenues with interest. At June 30, 1996 the loan amount due to the general fund totalled \$1,126,823.

**Debt Administration.** At June 30, 1996 the County had only two general obligation debt issues outstanding. The general obligation jail refunding bond issue totalled \$1,630,000 and the Solid Waste Disposal bonds totalled \$6,885,000. It is noted that the General Obligation County Solid Waste Disposal bonds are being paid by the Scott Area Solid Waste Management Commission under a financing agreement between the Commission and the County whereby the Commission is obligated to establish rates, charges and fees sufficient to pay the semi-annual debt service requirements of the bonds.

The County's bond rating from Moody's Investor Service on general obligation bond issues was revised in 1995 to an A1 rating from an AA rating due to State property tax limitations which were legislatively put in place by the State through fiscal year 1998 causing the County to use fund balances for various expenditures several years ago. The County notified State officials regarding this concern in addition to implementing a Financial Initiatives Program during the last two years to identify ideas and strategies to reduce expenditures and enhance revenues. *As a result of the very successful Financial Initiatives Program the County's undesignated general fund balance has increased 69% since 1994.*

Under State statutes the County's general obligation bond issuances are subject to a legal limitation based on 5% of its gross assessed valuation. As of June 30, 1996 the County's general obligation indebtedness of \$8,515,000 was well below the legal limit of \$244,041,258 and debt per capita equaled \$53.98.

**Cash Management.** Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, obligations of the U.S. Treasury, and other obligations guaranteed by the United States or its agencies. The average yield on investments was 5.5%. The County earned interest revenue in governmental funds of \$1,348,927 on all investments for the year ended June 30, 1996.

The County's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were insured by federal depository insurance or covered by the state's sinking fund. The majority of County investments during the year and at June 30, 1996, are classified in the category of lowest collateral risk as defined by the Governmental Accounting Standards Board.

**Risk Management.** The County's liability, property and workers compensation claims, insurance and administration program are accounted for in the Internal Service Fund. The program involves various risk control techniques, including educational programs for employees to prevent accidents, and provides funds to meet loss situations which do occur, using a blend of internal and external resources. Internal funding of losses is represented by a claims retention program in which an assumption of appropriate deductibles is made. During fiscal year 1996, the deductible for each liability and property claim was \$250,000 and for each workers compensation claim was \$300,000. External funding involves the purchase of insurance to finance those losses which the County cannot comfortably retain itself. Individual claims in excess of the deductible are insured up to \$5,750,000 for liability, replacement costs up to \$64,270,409 for property, and statutory amounts for workers compensation. The goals of the current risk management program are to lower long-term costs and to reduce dependence on the insurance market, which lessens the effect of annual rate increases and/or capacity crunches.

#### OTHER INFORMATION

**Independent Audit.** State statutes require an annual audit by the Auditor of State or by a certified public accountant. The County has complied with this requirement by contracting with McGladrey & Pullen, LLP to provide an independent audit. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of the Federal Single Audit Act of 1984 and related OMB Circular A-128. The auditors' report on the general purpose statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section.

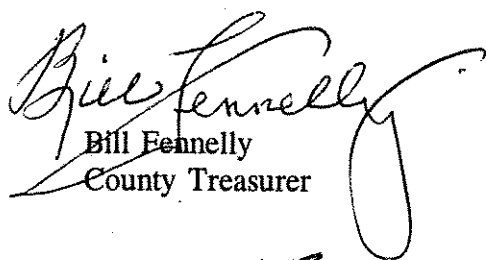
**Awards.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Scott, Iowa for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 1995. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

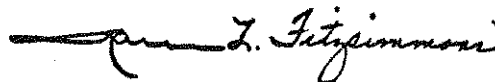
A Certificate of Achievement is valid for a period of one year only. The County of Scott, Iowa has received a Certificate of Achievement for the ninth consecutive year. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

**Acknowledgements.** The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated services of the Financial Management Supervisor in the Treasurer's Office, the Accounting Supervisor in the Auditor's Office, and the Director of Budget and Information Processing. We would like to express our appreciation to all members of our staff who assisted and contributed to its preparation. Appreciation is also expressed for the excellent assistance received from our independent accountants, McGladrey & Pullen, LLP. We would also like to thank the County Board of Supervisors for their interest and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

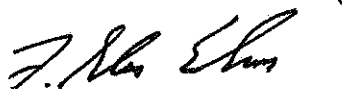
Respectfully submitted,



Bill Fennelly  
County Treasurer



Karen L. Fitzsimmons  
County Auditor



F. Glen Erickson  
County Administrator

# Financial Section







**McGLADREY & PULLEN, LLP**

Certified Public Accountants and Consultants

**INDEPENDENT AUDITOR'S REPORT**

Board of Supervisors  
County of Scott, Iowa  
Davenport, Iowa

We have audited the accompanying general purpose financial statements of the County of Scott, Iowa, as of and for the year ended June 30, 1996, as listed in the table of contents. These general purpose financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; "Government Auditing Standards" issued by the Comptroller General of the United States; and Chapter 11 of the Code of Iowa. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the County of Scott, Iowa, as of June 30, 1996, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the County of Scott, Iowa. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with "Government Auditing Standards" we have also issued a report dated October 25, 1996 on our consideration of the County of Scott, Iowa's internal control structure and a report dated October 25, 1996 on its compliance with laws and regulations.

*McGladrey & Pullen, LLP*

Davenport, Iowa  
October 25, 1996

# COUNTY OF SCOTT, IOWA

## COMBINED BALANCE SHEET

### ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS

June 30, 1996

ASSETS AND OTHER DEBITS	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Cash and investments	\$ 7,063,675	\$ 1,556,216	\$ 6,909,268	\$ 958,592
Cash and investments in escrow	-	-	-	-
Receivables:				
Property taxes	63,901	3,779	1,534	-
Accrued interest	271,604	-	-	-
Accounts	10,024	30,993	-	-
Due from other funds	265,312	789,400	-	-
Advance to other funds	1,126,823	-	-	-
Due from other governmental agencies	1,277,557	287,104	-	-
Inventories	-	-	-	-
Property and equipment:				
Land and improvements	-	-	-	-
Buildings and structures	-	-	-	-
Watering system and cart path	-	-	-	-
Furniture and fixtures	-	-	-	-
Equipment	-	-	-	-
Vehicles	-	-	-	-
Construction in progress	-	-	-	-
Accumulated depreciation	-	-	-	-
Amount available in debt service fund	-	-	-	-
Amount to be provided for the retirement of general long-term debt	-	-	-	-
<b>Total assets and other debits</b>	<b>\$ 10,078,896</b>	<b>\$ 2,667,492</b>	<b>\$ 6,910,802</b>	<b>\$ 958,592</b>

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Total (Memorandum Only)	Component Units	Total (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	Primary Government		Reporting Entity
\$ -	\$ 1,972,470	\$ 6,501,008	\$ -	\$ -	\$ 24,961,229	\$ 915,256	\$ 25,876,485
327,114	-	-	-	-	327,114	-	327,114
-	-	451,744	-	-	520,958	4,552	525,510
-	-	-	-	-	271,604	-	271,604
-	-	6,057	-	-	47,074	35	47,109
-	332,905	1,813	-	-	1,389,430	-	1,389,430
-	-	-	-	-	1,126,823	-	1,126,823
140	-	-	-	-	1,564,801	11,922	1,576,723
7,688	-	-	-	-	7,688	-	7,688
1,556,336	-	-	3,156,147	-	4,712,483	16,600	4,729,083
447,136	-	-	21,340,840	-	21,787,976	88,400	21,876,376
628,370	-	-	-	-	628,370	-	628,370
2,635	-	-	828,148	-	830,783	142,684	973,467
360,012	-	-	8,210,290	-	8,570,302	1,097,543	9,667,845
13,666	-	-	2,633,908	-	2,647,574	234,354	2,881,928
-	-	-	272,340	-	272,340	-	272,340
(390,410)	-	-	-	-	(390,410)	-	(390,410)
-	-	-	-	6,909,308	6,909,308	-	6,909,308
-	-	-	-	1,697,209	1,697,209	10,745	1,707,954
<b>\$ 2,952,687</b>	<b>\$ 2,305,375</b>	<b>\$ 6,960,622</b>	<b>\$ 36,441,673</b>	<b>\$ 8,606,517</b>	<b>\$ 77,882,656</b>	<b>\$ 2,522,091</b>	<b>\$ 80,404,747</b>

(Continued)

# COUNTY OF SCOTT, IOWA

## COMBINED BALANCE SHEET

### ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS

June 30, 1996

LIABILITIES, EQUITY AND OTHER CREDITS	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>Liabilities:</b>				
Accounts payable	\$ 800,180	\$ 1,007,297	\$ -	\$ 203,089
Accrued liabilities	243,971	31,461	-	-
Interest payable	-	-	-	-
Due to other funds	1,124,117	-	-	-
Advance from other funds	-	-	-	-
Due to other governmental agencies	-	-	-	-
Deferred compensation	-	-	-	-
Deferred revenue	237,868	3,592	1,494	-
Compensated absences	639,094	83,453	-	-
General obligation bonds	-	-	-	-
Note payable	-	-	-	-
Purchase contract	-	-	-	-
<b>Total liabilities</b>	<b>3,045,230</b>	<b>1,125,803</b>	<b>1,494</b>	<b>203,089</b>
<b>Equity and Other Credits:</b>				
Investment in general fixed assets	-	-	-	-
Contributed capital	-	-	-	-
Retained earnings (deficit)	-	-	-	-
<b>Fund balances:</b>				
Reserved for advance to other funds	1,126,823	-	-	-
<b>Unreserved:</b>				
Designated for vehicle purchases	293,039	-	-	-
Designated for equipment purchases	1,128,763	-	-	-
Designated for recorders management fee	20,815	-	-	-
Undesignated	4,464,226	1,541,689	6,909,308	755,503
<b>Total equity and other credits</b>	<b>7,033,666</b>	<b>1,541,689</b>	<b>6,909,308</b>	<b>755,503</b>
<b>Total liabilities and equity and other credits</b>	<b>\$ 10,078,896</b>	<b>\$ 2,667,492</b>	<b>\$ 6,910,802</b>	<b>\$ 958,592</b>

See Notes to Financial Statements.

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Total (Memorandum Only)	Component Units	Total (Memorandum Only) Reporting Entity
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	Primary Government		
\$ 31,705	\$ 896,006	\$ 160,442	\$ -	\$ -	\$ 3,098,719	\$ 65,467	\$ 3,164,186
10,629	101,022	-	-	-	387,083	13,281	400,364
207,165	-	-	-	-	207,165	-	207,165
-	-	265,313	-	-	1,389,430	-	1,389,430
1,126,823	-	-	-	-	1,126,823	-	1,126,823
7,536	-	4,468,930	-	-	4,476,466	-	4,476,466
-	-	1,829,288	-	-	1,829,288	-	1,829,288
-	-	-	-	-	242,954	4,318	247,272
13,520	-	-	-	91,517	827,584	55,337	882,921
-	-	-	-	8,515,000	8,515,000	-	8,515,000
-	-	-	-	-	-	10,745	10,745
3,257,735	-	-	-	-	3,257,735	-	3,257,735
4,655,113	997,028	6,723,973	-	8,606,517	25,358,247	149,148	25,507,395
-	-	-	36,441,673	-	36,441,673	1,579,581	38,021,254
-	1,098,877	-	-	-	1,098,877	-	1,098,877
(1,702,426)	209,470	-	-	-	(1,492,956)	-	(1,492,956)
-	-	-	-	-	1,126,823	-	1,126,823
-	-	-	-	-	293,039	-	293,039
-	-	-	-	-	1,128,763	-	1,128,763
-	-	-	-	-	20,815	-	20,815
-	-	236,649	-	-	13,907,375	793,362	14,700,737
(1,702,426)	1,308,347	236,649	36,441,673	-	52,524,409	2,372,943	54,897,352
<u>\$ 2,952,687</u>	<u>\$ 2,305,375</u>	<u>\$ 6,960,622</u>	<u>\$ 36,441,673</u>	<u>\$ 8,606,517</u>	<u>\$ 77,882,656</u>	<u>\$ 2,522,091</u>	<u>\$ 80,404,747</u>

# COUNTY OF SCOTT, IOWA

## COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS Year Ended June 30, 1996

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>Revenue:</b>				
Property taxes	\$ 16,374,346	\$ 1,423,695	\$ 395,239	\$ -
Local option sales tax	2,292,440	-	-	-
Other taxes	650,995	10,172	860	-
Interest and penalties on taxes	294,425	-	-	-
Intergovernmental	9,705,470	2,071,615	406,468	19,632
Charges for services	2,371,719	16,852	-	-
Interest	1,188,944	-	159,983	-
Licenses and permits	249,440	-	-	-
Rentals and fees	204,293	-	-	-
Other	385,488	6,835	-	4,657
<b>Total revenue</b>	<b>33,717,560</b>	<b>3,529,169</b>	<b>962,550</b>	<b>24,289</b>
<b>Expenditures:</b>				
<b>Current operating:</b>				
Public safety	8,340,292	-	-	-
Court services	1,367,381	-	-	-
Physical health and education	2,287,912	-	-	-
Mental health	8,760,065	947,482	-	-
Social services	1,079,838	-	-	-
County environment	2,003,329	-	-	-
Roads and transportation	-	2,566,390	-	-
State and local government services	1,241,581	-	-	-
Interprogram services	4,714,536	-	-	-
Nonprogram services	-	-	-	-
Capital outlay	-	891,826	-	1,556,445
<b>Debt service:</b>				
Principal	-	-	540,000	-
Interest	-	-	474,870	-
<b>Total expenditures</b>	<b>29,794,934</b>	<b>4,405,698</b>	<b>1,014,870</b>	<b>1,556,445</b>
<b>Excess (deficiency) of revenue over expenditures</b>	<b>3,922,626</b>	<b>(876,529)</b>	<b>(52,320)</b>	<b>(1,532,156)</b>
<b>Other financing sources (uses):</b>				
Operating transfers in	367,837	2,652,685	-	1,671,731
Operating transfers from primary government	-	-	-	-
Operating transfers out	(2,990,496)	(1,333,920)	-	-
Operating transfers to component unit	-	(259,353)	-	-
<b>Total other financing sources (uses)</b>	<b>(2,622,659)</b>	<b>1,059,412</b>	<b>-</b>	<b>1,671,731</b>
<b>Excess (deficiency) of revenue and financing sources over expenditures and other financing uses</b>	<b>1,299,967</b>	<b>182,883</b>	<b>(52,320)</b>	<b>139,575</b>
Fund balances, beginning	5,733,699	1,358,806	6,961,628	615,928
Fund balances, ending	\$ 7,033,666	\$ 1,541,689	\$ 6,909,308	\$ 755,503

See Notes to Financial Statements.

Fiduciary Fund Type	Total (Memo- randum Only) Primary Government	Component Units	Total (Memo- randum Only) Reporting Entity
Expendable Trusts			
\$ -	\$ 18,193,280	\$ 986,145	\$ 19,179,425
-	2,292,440	-	2,292,440
-	662,027	2,138	664,165
-	294,425	-	294,425
-	12,203,185	464,918	12,668,103
-	2,388,571	11,502	2,400,073
-	1,348,927	-	1,348,927
-	249,440	-	249,440
-	204,293	-	204,293
<u>2,825,588</u>	<u>3,222,568</u>	<u>20,176</u>	<u>3,242,744</u>
<u>2,825,588</u>	<u>41,059,156</u>	<u>1,484,879</u>	<u>42,544,035</u>
-	8,340,292	108,232	8,448,524
-	1,367,381	-	1,367,381
-	2,287,912	519,661	2,807,573
-	9,707,547	-	9,707,547
-	1,079,838	-	1,079,838
-	2,003,329	-	2,003,329
-	2,566,390	-	2,566,390
-	1,241,581	919,813	2,161,394
-	4,714,536	-	4,714,536
2,873,561	2,873,561	-	2,873,561
-	2,448,271	-	2,448,271
-	540,000	9,121	549,121
-	474,870	-	474,870
<u>2,873,561</u>	<u>39,645,508</u>	<u>1,556,827</u>	<u>41,202,335</u>
<u>(47,973)</u>	<u>1,413,648</u>	<u>(71,948)</u>	<u>1,341,700</u>
-	4,692,253	-	4,692,253
-	-	259,353	259,353
-	(4,324,416)	-	(4,324,416)
-	(259,353)	-	(259,353)
-	108,484	259,353	367,837
<u>(47,973)</u>	<u>1,522,132</u>	<u>187,405</u>	<u>1,709,537</u>
<u>284,622</u>	<u>14,954,683</u>	<u>605,957</u>	<u>15,560,640</u>
<u>\$ 236,649</u>	<u>\$ 16,476,815</u>	<u>\$ 793,362</u>	<u>\$ 17,270,177</u>

# COUNTY OF SCOTT, IOWA

## COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS - ALL GOVERNMENTAL FUND TYPES Year Ended June 30, 1996

	General		Variance Favorable (Unfavor- able)
	Budget	Actual	
<b>Revenue:</b>			
Property taxes	\$ 16,257,429	\$ 16,373,913	\$ 116,484
Local option sales tax	2,630,000	2,491,547	(138,453)
Other taxes	568,182	651,426	83,244
Interest and penalties on taxes	225,000	295,018	70,018
Intergovernmental	11,712,744	10,137,258	(1,575,486)
Charges for services	2,242,499	2,385,976	143,477
Interest	1,044,842	1,184,874	140,032
Licenses and permits	231,410	250,747	19,337
Rentals and fees	168,552	203,263	34,711
Other	281,091	387,851	106,760
<b>Total revenue</b>	<b>35,361,749</b>	<b>34,361,873</b>	<b>(999,876)</b>
<b>Expenditures:</b>			
Current operating:			
Public safety	9,905,677	8,162,280	1,743,397
Court services	1,425,388	1,368,317	57,071
Physical health and education	2,436,086	2,335,450	100,636
Mental health	10,457,943	9,841,454	616,489
Social services	1,258,793	1,093,176	165,617
County environment	2,356,566	1,996,533	360,033
Roads and transportation	-	-	-
State and local government services	1,302,959	1,212,954	90,005
Interprogram services	5,237,598	4,738,342	499,256
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
<b>Total expenditures</b>	<b>34,381,010</b>	<b>30,748,506</b>	<b>3,632,504</b>
<b>Excess (deficiency) of revenue over expenditures</b>	<b>980,739</b>	<b>3,613,367</b>	<b>2,632,628</b>
<b>Other financing sources (uses):</b>			
Operating transfers in	360,620	367,837	7,217
Operating transfers out	(2,129,991)	(2,201,096)	(71,105)
Operating transfers to component unit	-	-	-
Payment of bond proceeds to Scott Area Solid Waste Management Commission	-	-	-
<b>Total other financing sources (uses)</b>	<b>(1,769,371)</b>	<b>(1,833,259)</b>	<b>(63,888)</b>
<b>Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses</b>	<b>\$ (788,632)</b>	<b>1,780,108</b>	<b>\$ 2,568,740</b>
Fund balances, beginning		6,009,267	
Fund balances, ending		<u>\$ 7,789,375</u>	



Special Revenue			Debt Service		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 1,431,676	\$ 1,423,508	\$ (8,168)	\$ 393,345	\$ 395,199	\$ 1,854
-	-	-	-	-	-
11,812	10,173	(1,639)	943	860	(83)
-	-	-	-	-	-
1,675,057	1,871,058	196,001	620,582	406,468	(214,114)
20,500	16,852	(3,648)	-	-	-
-	-	-	283,880	128,061	(155,819)
-	-	-	-	-	-
-	-	-	-	-	-
23,500	6,073	(17,427)	-	-	-
<u>3,162,545</u>	<u>3,327,664</u>	<u>165,119</u>	<u>1,298,750</u>	<u>930,588</u>	<u>(368,162)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,691,100	2,521,552	169,548	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
880,000	891,760	(11,760)	-	-	-
-	-	-	540,000	540,000	-
-	-	-	474,800	474,870	(70)
<u>3,571,100</u>	<u>3,413,312</u>	<u>157,788</u>	<u>1,014,800</u>	<u>1,014,870</u>	<u>(70)</u>
<u>(408,555)</u>	<u>(85,648)</u>	<u>322,907</u>	<u>283,950</u>	<u>(84,282)</u>	<u>(368,232)</u>
1,863,285	1,863,285	-	-	-	-
(1,333,920)	(1,333,920)	-	-	-	-
(259,353)	(259,353)	-	-	-	-
-	-	-	(7,300,000)	(7,144,180)	155,820
<u>270,012</u>	<u>270,012</u>	<u>-</u>	<u>(7,300,000)</u>	<u>(7,144,180)</u>	<u>155,820</u>
<u>\$ (138,543)</u>	184,364	<u>\$ 322,907</u>	<u>\$ (7,016,050)</u>	(7,228,462)	<u>\$ (212,412)</u>
	<u>1,274,526</u>			<u>6,931,939</u>	
	<u>\$ 1,458,890</u>			<u>\$ (296,523)</u>	

(Continued)

# COUNTY OF SCOTT, IOWA

## COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BUDGETARY BASIS - ALL GOVERNMENTAL FUND TYPES (Continued) Year Ended June 30, 1996

	Capital Projects		Variance Favorable (Unfavor- able)
	Budget	Actual	
<b>Revenue:</b>			
Property taxes	\$ -	\$ -	\$ -
Local option sales tax	-	-	-
Other taxes	-	-	-
Interest and penalties on taxes	-	-	-
Intergovernmental	26,500	19,632	(6,868)
Charges for services	-	-	-
Interest	-	-	-
Licenses and permits	-	-	-
Rentals and fees	-	-	-
Other	-	4,657	4,657
<b>Total revenue</b>	<b>26,500</b>	<b>24,289</b>	<b>(2,211)</b>
<b>Expenditures:</b>			
<b>Current operating:</b>			
Public safety	-	-	-
Court services	-	-	-
Physical health and education	-	-	-
Mental health	-	-	-
Social services	-	-	-
County environment	-	-	-
Roads and transportation	-	-	-
State and local government services	-	-	-
Interprogram services	-	-	-
Capital outlay	1,805,290	1,422,771	382,519
<b>Debt service:</b>			
Principal	-	-	-
Interest	-	-	-
<b>Total expenditures</b>	<b>1,805,290</b>	<b>1,422,771</b>	<b>382,519</b>
<b>Excess (deficiency) of revenue over expenditures</b>	<b>(1,778,790)</b>	<b>(1,398,482)</b>	<b>380,308</b>
<b>Other financing sources (uses):</b>			
Operating transfers in	1,600,626	1,671,731	71,105
Operating transfers out	-	-	-
Operating transfers to component unit	-	-	-
Payment of bond proceeds to Scott Area Solid Waste Management Commission	-	-	-
<b>Total other financing sources (uses)</b>	<b>1,600,626</b>	<b>1,671,731</b>	<b>71,105</b>
<b>Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses</b>	<b>\$ (178,164)</b>	<b>273,249</b>	<b>\$ 451,413</b>
Fund balances, beginning		699,104	
Fund balances, ending		<u>\$ 972,353</u>	

See Notes to Financial Statements.

Totals (Memorandum Only)

Budget	Actual	Variance Favorable (Unfavorable)
\$ 18,082,450	\$ 18,192,620	\$ 110,170
2,630,000	2,491,547	(138,453)
580,937	662,459	81,522
225,000	295,018	70,018
14,034,883	12,434,416	(1,600,467)
2,262,999	2,402,828	139,829
1,328,722	1,312,935	(15,787)
231,410	250,747	19,337
168,552	203,263	34,711
304,591	398,581	93,990
<u>39,849,544</u>	<u>38,644,414</u>	<u>(1,205,130)</u>

9,905,677	8,162,280	1,743,397
1,425,388	1,368,317	57,071
2,436,086	2,335,450	100,636
10,457,943	9,841,454	616,489
1,258,793	1,093,176	165,617
2,356,566	1,996,533	360,033
2,691,100	2,521,552	169,548
1,302,959	1,212,954	90,005
5,237,598	4,738,342	499,256
2,685,290	2,314,531	370,759
540,000	540,000	-
474,800	474,870	(70)
<u>40,772,200</u>	<u>36,599,459</u>	<u>4,172,741</u>

<u>(922,656)</u>	<u>2,044,955</u>	<u>2,967,611</u>
------------------	------------------	------------------

3,824,531	3,902,853	78,322
(3,463,911)	(3,535,016)	(71,105)
(259,353)	(259,353)	-
<u>(7,300,000)</u>	<u>(7,144,180)</u>	<u>155,820</u>
<u>(7,198,733)</u>	<u>(7,035,696)</u>	<u>163,037</u>

<u>\$ (8,121,389)</u>	<u>(4,990,741)</u>	<u>\$ 3,130,648</u>
-----------------------	--------------------	---------------------

14,914,836  
\$ 9,924,095

# COUNTY OF SCOTT, IOWA

## COMBINED STATEMENT OF REVENUE, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT) ALL PROPRIETARY FUND TYPES Year Ended June 30, 1996

	Enterprise	Internal Service	Totals (Memo- randum Only)
<b>Operating revenue:</b>			
Charges for services	\$ 730,719	\$ 2,439,532	\$ 3,170,251
Sales, net of cost of goods sold of \$ 57,754	39,262	-	39,262
Other	751	50,203	50,954
<b>Total operating revenue</b>	<u>770,732</u>	<u>2,489,735</u>	<u>3,260,467</u>
<b>Operating expenses:</b>			
Claims and administration	-	2,057,262	2,057,262
Personnel	385,694	-	385,694
Depreciation	91,154	-	91,154
Other	269,376	-	269,376
<b>Total operating expenses</b>	<u>746,224</u>	<u>2,057,262</u>	<u>2,803,486</u>
<b>Operating income</b>	<u>24,508</u>	<u>432,473</u>	<u>456,981</u>
<b>Nonoperating income (expense):</b>			
Interest income	19,863	103,614	123,477
Interest expense	(271,569)	-	(271,569)
<b>Income (loss) before operating transfers</b>	<u>(227,198)</u>	<u>536,087</u>	<u>308,889</u>
Operating transfer (out)	-	(367,837)	(367,837)
<b>Net income (loss)</b>	<u>(227,198)</u>	<u>168,250</u>	<u>(58,948)</u>
Retained earnings (deficit), beginning	<u>(1,475,228)</u>	<u>41,220</u>	<u>(1,434,008)</u>
Retained earnings (deficit), ending	<u>\$ (1,702,426)</u>	<u>\$ 209,470</u>	<u>\$ (1,492,956)</u>

See Notes to Financial Statements.

# COUNTY OF SCOTT, IOWA

## COMBINED STATEMENT OF CASH FLOWS ALL PROPRIETARY FUND TYPES Year Ended June 30, 1996

	Enterprise	Internal Service	Totals (Memorandum Only)
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers	\$ 828,486	\$ -	\$ 828,486
Cash received from premiums allocated	-	871,173	871,173
Cash received from employee contributions	-	279,251	279,251
Cash received from employer contributions	-	1,478,971	1,478,971
Cash payments to acquire goods for resale	(59,860)	-	(59,860)
Cash payments for insurance premiums and services	-	(1,050,420)	(1,050,420)
Cash payments to suppliers for goods and services	(278,327)	-	(278,327)
Cash payments to employees for claims	-	(1,380,002)	(1,380,002)
Cash payments to employees for services	(384,469)	-	(384,469)
Other operating revenue	-	43,259	43,259
<b>Net cash provided by operating activities</b>	<b>105,830</b>	<b>242,232</b>	<b>348,062</b>
<b>Cash Flows from Noncapital Financing Activities:</b>			
Advance from other funds	242,710	-	242,710
Operating transfers out to other funds	-	(367,837)	(367,837)
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>242,710</b>	<b>(367,837)</b>	<b>(125,127)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Payments of purchase contract	(124,999)	-	(124,999)
Interest paid on purchase contract	(197,161)	-	(197,161)
Acquisition and construction of capital assets	(46,808)	-	(46,808)
<b>Net cash (used in) capital and related financing activities</b>	<b>(368,968)</b>	<b>-</b>	<b>(368,968)</b>
<b>Cash Flows from Investing Activities,</b> interest received	<b>19,863</b>	<b>103,614</b>	<b>123,477</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(565)</b>	<b>(21,991)</b>	<b>(22,556)</b>
<b>Cash and cash equivalents:</b>			
Beginning	327,679	1,994,461	2,322,140
Ending	\$ 327,114	\$ 1,972,470	\$ 2,299,584
<b>Reconciliation of Operating Income to Net Cash Provided By Operating Activities:</b>			
Operating income	\$ 24,508	\$ 432,473	\$ 456,981
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	91,154	-	91,154
(Increase) decrease in:			
Receivables and interfund receivables	(140)	81,898	81,758
Inventories	(2,106)	-	(2,106)
Increase (decrease) in:			
Accounts payable	(9,456)	(373,161)	(382,617)
Accrued liabilities	1,870	101,022	102,892
<b>Net cash provided by operating activities</b>	<b>\$ 105,830</b>	<b>\$ 242,232</b>	<b>\$ 348,062</b>

See Notes to Financial Statements.

# COUNTY OF SCOTT, IOWA

## COMBINING BALANCE SHEET DISCRETELY PRESENTED COMPONENT UNITS Year Ended June 30, 1996

<u>ASSETS AND OTHER DEBITS</u>	Emergency Manage- ment Agency	County Library
Cash and investments	\$ 94,429	\$ 196,362
Receivables:		
Property taxes	-	426
Accounts	-	-
Due from other governmental agencies	11,922	-
Property and equipment:		
Land and improvements	-	16,600
Buildings and structure	-	88,400
Furniture and fixtures	2,822	86,233
Equipment	49,384	1,012,360
Vehicles	70,795	117,663
Amount to be provided for the retirement of general long-term debt	-	10,745
<b>Total assets and other debits</b>	<b>\$ 229,352</b>	<b>\$ 1,528,789</b>
<u>LIABILITIES, EQUITY AND OTHER CREDITS</u>		
Liabilities:		
Accounts payable	\$ 1,950	\$ 32,324
Accrued liabilities	1,414	6,256
Deferred revenue	-	313
Compensated absences	3,690	11,061
Note payable	-	10,745
	<u>7,054</u>	<u>60,699</u>
Equity and Other Credits:		
Investments in general fixed assets	123,001	1,321,256
Fund balance	99,297	146,834
<b>Total equity and other credits</b>	<b>222,298</b>	<b>1,468,090</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 229,352</b>	<b>\$ 1,528,789</b>

See Notes to Financial Statements.

County Assessor	City Assessor	City Assessor Special	Total
\$ 377,611	\$ 211,417	\$ 35,437	\$ 915,256
497	3,221	408	4,552
-	35	-	35
-	-	-	11,922
-	-	-	16,600
-	-	-	88,400
20,780	32,849	-	142,684
1,651	34,148	-	1,097,543
-	45,896	-	234,354
-	-	-	10,745
<u>\$ 400,539</u>	<u>\$ 327,566</u>	<u>\$ 35,845</u>	<u>\$ 2,522,091</u>

\$ 6,522	\$ 22,888	\$ 1,783	\$ 65,467
5,611	-	-	13,281
466	3,157	382	4,318
15,059	25,527	-	55,337
-	-	-	10,745
<u>27,658</u>	<u>51,572</u>	<u>2,165</u>	<u>149,148</u>
22,431	112,893	-	1,579,581
350,450	163,101	33,680	793,362
<u>372,881</u>	<u>275,994</u>	<u>33,680</u>	<u>2,372,943</u>
<u>\$ 400,539</u>	<u>\$ 327,566</u>	<u>\$ 35,845</u>	<u>\$ 2,522,091</u>

# COUNTY OF SCOTT, IOWA

## COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES DISCRETELY PRESENTED COMPONENT UNITS Year Ended June 30, 1996

	Emergency Manage- ment Agency	County Library
<b>Revenue:</b>		
Property taxes	\$ -	\$ -
Other taxes	-	-
Intergovernmental	101,393	295,012
Charges for services	-	11,502
Other	17,122	2,937
<b>Total revenue</b>	<b>118,515</b>	<b>309,451</b>
<b>Expenditures:</b>		
Current operating:		
Public safety	108,232	-
Physical health and education	-	519,661
State and local governmental services	-	-
Debt service, principal	-	9,121
<b>Total expenditures</b>	<b>108,232</b>	<b>528,782</b>
<b>Excess (deficiency) of revenue over expenditures</b>	<b>10,283</b>	<b>(219,331)</b>
<b>Other financing sources:</b>		
Operating transfers from primary government	-	259,353
Operating transfers in	-	-
Operating transfers (out)	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>259,353</b>
<b>Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses</b>	<b>10,283</b>	<b>40,022</b>
Fund balances, beginning	89,014	106,812
Fund balances, ending	<b>\$ 99,297</b>	<b>\$ 146,834</b>

See Notes to Financial Statements.





**McGLADREY & PULLEN, LLP**  
Certified Public Accountants and Consultants

To the Board of Supervisors  
County of Scott, Iowa  
Davenport, Iowa

In connection with our audit of the general purpose financial statements of the County of Scott, Iowa for the year ended June 30, 1996, we have made certain observations. The purpose of this letter is to summarize those observations and provide recommendations which we believe will assist management in improving internal and administrative controls and operational efficiency.

- A reimbursement check dated June 10, 1996 from the state for the child support recovery act totaling \$15,072.50 made payable to the Scott County Auditors office was not entered into the miscellaneous receipts cycle until August 14, 1996.

The County should strengthen its controls and emphasize the importance of making timely deposits to ensure the Board and management of Scott County are managing cash and investments in a prudent manner.

- There are outstanding checks written on the health claims account which date back to July 1988.

Stale outstanding checks should be properly disposed of in accordance with the state escheat laws.

- The County of Scott is a pass through agent for many federal grants and the number of subrecipients continues to grow every year. Therefore we wish to clarify the responsibilities of the County in these instances to ensure the Board of Supervisors and management have a proper system in place to ensure compliance.

As a pass through agent, the County is responsible for monitoring its subrecipients throughout the year. The County is also responsible for obtaining a copy of each subrecipients audit report and reviewing the report for any internal control weaknesses or compliance findings. The County is then responsible for ensuring corrective action has been implemented within six months of receipt of a report that contains an internal control weakness or internal control finding.

Currently this responsibility falls on the department which is receiving the grant and passing it through to the subrecipient. We suggest that copies of the audit reports and any correspondence from the subrecipient be forwarded to the Budget and Information Processing department where they can be monitored for corrective action as required.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

---

### **Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies**

#### **Nature of operations:**

County of Scott, Iowa (The County) is incorporated and operates under the provisions of the Code of Iowa. The County is governed by a County Board and managed by the County Administrator. The powers and duties of the County Administrator are to coordinate and direct all administrative and management functions of the County government not otherwise vested by law in boards or commissions or in other elected officials. The County provides many functions and services to citizens, including law enforcement, health and social services, parks and cultural activities, planning and zoning, education, and general administrative services. Other activities include the operations of a road department and contracts with a third party to provide mental health services.

#### **Reporting entity:**

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. Generally accepted accounting principles require that general purpose financial statements present the County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of their operational significance and financial relationships with the County.

#### **Discretely presented component units:**

The component units column in the combined financial statements include the financial data of the County's discretely presented component units. They are reported in a separate column to emphasize that they are legally separate from the County, but are financially accountable to the County, or whose relationship to the County is such that exclusion would cause the County's financial statements to be misleading or incomplete. The County Board is a voting member of each of the governing bodies of all these component units except for the Scott County Library for which the County Board appoints all the Library trustees. Each component unit has a June 30 year-end.

#### **(a) Emergency Management Agency**

The Scott County Emergency Management Commission provides direction for the delivery of the emergency management services of planning, administration, coordination, training, and support for local governments and their departments. The Commission coordinates its services in the event of a disaster. The Commission receives its funding from the federal government, public utility companies and voluntary allocations from the participating governments.

#### **(b) County Library**

The Scott County Library Board of Trustees provides library services to all the cities within Scott County with the exception of the City of Bettendorf and the City of Davenport. In addition the Library provides services to the unincorporated residents of Scott County and also to the citizens of the City of Durant through a contractual arrangement. The Trustees annually direct the Board of Supervisors to levy property taxes to the unincorporated area in addition to providing tax levying amounts to each of the participating cities.

#### **(c) County Assessor**

The County Conference Board is responsible for the operations of the Scott County Assessor's Office including the assessment of all properties within Scott County with the exception of the City of Davenport. The County Conference Board is a separate tax certifying body. The County Assessor's Office provides services to the County, all incorporated cities in the County, except the City of Davenport, and school districts in the County.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

---

### (d) City Assessor

The City Conference Board is responsible for the operations of the City Assessor's Office, including the assessment of all properties within the City of Davenport. The City Conference Board is a separate tax certifying body. The Code of Iowa requires the County to be custodian of funds for the City Assessor and accounts for all transactions of the City Assessor in the books and records of the County. The City Assessor is included as a component unit of the County based on the significance of this relationship.

### (e) City Assessor Special

The City Assessor Special is also responsible to the City Conference Board to perform in-house revaluations for various classes of property. The Code of Iowa requires the County to be custodian of funds for the City Assessor Special and account for all transactions within the books and records of the County. The City Assessor Special is included as a component unit of the County based on the significance of this relationship.

Complete financial statements of the individual component units can be obtained from their respective administrative offices or from the office of Budget and Information Processing in the Courthouse at 416 W. 4th Street, Davenport, Iowa.

### Summary of significant accounting policies:

#### (a) Basis of Accounting, Measurement Focus and Basis of Presentation

The accounts of the County are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The County has the following fund types and account groups:

**Governmental Funds** are used to account for the County's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers all revenues available if they are collected within 60 days after year-end. Revenue not considered available is recognized as deferred revenue. Expenditures are recognized when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due.

Property taxes are recognized as revenue as they become both measurable and available, provided they are due by June 30 and collected within 60 days after year-end. Licenses and permits, rentals and fees, and other revenue are recognized as revenue when received in cash because they are generally not measurable until actually received. Charges for services and interest earnings on investments are recognized as they are earned.

Entitlements and shared revenues are recognized at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

---

### **Governmental funds include the following fund types:**

The **General Fund** is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund.

The **Special Revenue Funds** accounts for revenue sources that are legally restricted to expenditure for specific purposes.

The **Debt Service Fund** accounts for the servicing of general long-term debt not being financed by proprietary funds.

The **Capital Projects Fund** accounts for the acquisition of property and equipment or construction of major capital projects not being financed by proprietary funds.

**Proprietary Funds** are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Proprietary funds include the following fund types:

**Enterprise Funds** are used to account for those operations that are financed and operated in a manner similar to private business or where the County has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The operations of the Glynn's Creek Golf Course is the only activity accounted for as an enterprise fund.

**Internal Service Funds** account for operations that provide services to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis.

**Fiduciary Funds** account for assets held by the County in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the County under the terms of a formal trust agreement.

The **Expendable Trust Funds** are accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable trust funds account for assets where both the principal and interest may be spent.

The **Agency Funds** are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. These funds are used to account for assets that the County holds for others in an agency capacity.

**Account Groups.** The general fixed assets account group is used to account for fixed assets not accounted for in proprietary or trust funds. The general long-term debt account group is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

**Discretely Presented Component Units** are accounted for by the modified accrual basis of accounting.

### **(b) Budget procedures:**

The County uses the following procedures when establishing budgetary data reflected in the financial statements:

- ♦ Prior to January 15, each County Officer and department submits budget estimates for the coming fiscal year to the Director of Budget and Information Processing. The Director of Budget and Information Processing compiles the budget estimates received from the officers and departments and presents them to the County Board prior to January 20. The operating budget represents estimated cash expenditures and estimated cash receipts.
- ♦ Public hearings are conducted to obtain taxpayer comments.
- ♦ Prior to March 15 the budget is legally adopted by resolution of the County Board. The ultimate level of control is the governmental fund type in total.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

---

- ♦ The budget may be amended by majority approval of the County Board prior to May 31 after public notice has been published.
- ♦ The budget is adopted on a cash basis.
- ♦ Encumbrances are not recognized in the cash basis budget and appropriations lapse at year-end.

The budget is adopted for all governmental funds by fund and by 12 major classes of program expenditures. These 12 classes are: public safety, court services, physical health and education, mental health, social services, county environment, roads and transportation, state and local government services, interprogram services, nonprogram services, debt service and capital outlay.

In addition, the County Board must appropriate, by resolution, the budgets for each of the different County offices and departments. Emphasis is placed on monitoring budgets at the departmental level by major class of expenditures rather than by line item expenditure. County management can approve budget shifts within the major classes but not between major classes. During the year, two supplementary appropriations totaling \$10,299,400 were made. These additional appropriations are reflected in the budget amounts.

**(c) Investments:**

Investments, other than the investments of the deferred compensation plan, are stated at cost or amortized cost, which approximates market. Investments of the deferred compensation plan are stated at market.

**(d) Property taxes:**

Property taxes receivable represent the delinquent taxes from the tax levy. No property tax levy date is established by Iowa State statutes, however, the tax levy, which is due and collectible during the fiscal year ending June 30, 1996 was certified on March 15, 1995 based on the 1994 assessed valuations establishing a lien date of July 1, 1995. These taxes are to be recognized as a receivable on July 1 and are due in two installments, on September 30 and March 31, with a 1.5% per monthly penalty for delinquent payment. The portion of the taxes receivable which are not expected to be collected within sixty days following the year-end are not considered available and are shown as deferred revenue.

**(e) Inventories:**

Inventories are carried at cost, as determined using the first-in, first-out method.

**(f) General fixed assets:**

General fixed asset acquisitions are recorded as expenditures of the governmental funds and then capitalized at cost in the general fixed assets account group. Contributed fixed assets are recorded at their estimated fair value as of the date received.

Certain improvements such as roads, bridges, drainage systems and lighting systems are not capitalized. Such assets normally are immovable and of value only to the County. Therefore, the purpose of stewardship for capital expenditures is satisfied without recording these assets. Depreciation is not provided on general fixed assets.

**(g) Property and equipment - proprietary funds:**

Property and equipment of the enterprise fund is stated at cost or estimated historical cost.

Depreciation is provided using the straight-line method over the estimated useful lives ranging from 30 years for buildings and improvements, 10 years for equipment, and 15 to 20 years for the pump stations and watering system.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

---

**(h) Vacation and sick leave:**

County employees are granted vacation and sick leave in varying amounts based upon length of employment by the County. Vacation days accumulate up to two times the employee's yearly vacation rate and total accumulated vacation will be paid upon termination of employment. Sick leave accumulates without limit. Generally sick leave will be paid at 50% of an employee's total accumulated sick leave in excess of 720 hours up to a maximum of 1,680 hours upon retirement or death.

For governmental funds the vested vacation and sick leave, which are expected to be paid from available resources, are recognized as a liability of the fund from which it is to be paid with all remaining amounts accounted for as a liability of the general long-term debt account group.

**(i) Pooled cash and investment account:**

Separate bank accounts and investments are not maintained for all County funds, as certain funds maintain their cash and investment balances in a pooled account. Accounting records are maintained to show the portion of the pooled account attributable to each participating fund.

Earnings on the pooled account are allocated to the General Fund unless statutes require otherwise or the Board of Supervisors has authorized otherwise. These respective allocations are made based on the average balances by fund.

**(j) Cash flows:**

For purposes of cash flows, the County considers its pooled cash and investment accounts as cash equivalents since these accounts have the general characteristics of demand deposits. Also, all highly liquid investments, with a maturity of three months or less when purchased, are considered to be cash equivalents.

**(k) Advance to other funds:**

The \$1,126,823 advance to other funds by the General Fund is not considered available to pay current liabilities and therefore, the fund balance of the General Fund has been reserved by the amount equal to the advance.

**(l) Proprietary funds:**

The County is applying all applicable Government Accounting Standards Board (GASB) pronouncements as well as following all Financial Accounting Board Statements and Interpretations, Accounting Principles Board Opinion and Accounting Research Bulletins of the Committee on Accounting Procedure issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

**(m) Total columns:**

Total columns on the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Such data is not comparable to a consolidation since interfund eliminations have not been made.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

### Note 2. Budgetary and Appropriation Data

#### Budgetary Accounting:

A reconciliation of the excess (deficiency) of revenue and other financing sources over expenditures and other financing uses, as presented in accordance with generally accepted accounting principles (GAAP) basis, with the similar amounts presented on the budgetary (non-GAAP) basis is as follows:

	Excess (Deficiency) of Revenue and Other Financing Sources Over Expenditures and Other Financing Uses			
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund
GAAP basis	\$ 1,299,967	\$ 182,883	\$ (52,320)	\$ 139,575
Increase (decrease):				
Due to revenue:				
Received in cash during year but receivables (GAAP) as of June 30, 1995	3,423,680	116,779	(31,922)	-
Accrued as receivables, net of related deferrals, as of June 30, 1996 but not recognized in budget	(2,777,353)	(1,107,684)	(40)	-
Due to expenditures:				
Paid in cash during year but payables (GAAP) as of June 30, 1995	(2,973,548)	(129,825)	(7,144,180)	(69,415)
Accrued as expenditures as of June 30, 1996 but not recognized in budget	2,807,362	1,122,211	-	203,089
Budgetary basis	<u>\$ 1,780,108</u>	<u>\$ 184,364</u>	<u>\$ (7,228,462)</u>	<u>\$ 273,249</u>

	Fund Balance at End of Year			
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund
GAAP basis	\$ 7,033,666	\$ 1,541,689	\$ 6,909,308	\$ 755,503
Increase (decrease) in current year accruals net of prior year accruals	755,709	(82,799)	(6,612,785)	216,850
Budgetary basis	<u>\$ 7,789,375</u>	<u>\$ 1,458,890</u>	<u>\$ 296,523</u>	<u>\$ 972,353</u>

#### Fund Balance/Retained Earnings (Deficit) of Individual Funds:

The following fund had a retained earnings (deficit) as of June 30, 1996:

Fund	(Deficit) Balance
Glynn's Creek Golf Course Fund	\$ (1,702,426)

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

### Note 3. Cash and Investments

The County maintains a cash and investment pool that is available for use by all funds and includes the discretely presented component units since the County acts as custodian of their funds. In addition, investments are separately held by several of the County's funds.

In accordance with state statutes, the County maintains deposits within approved limits at those depositories authorized by the Board of Supervisors. State statutes require that all of the County's deposits be protected by insurance, surety bond or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds at savings and loans and credit unions and 10% at other approved financial institutions. State statutes require that securities pledged as collateral be held in safekeeping by the State Treasurer or in a financial institution other than that furnishing the collateral.

As of June 30, 1996, the carrying amount of the County's deposits, which includes certificates of deposit and excludes \$267,748 of cash on hand and undeposited receipts, totals \$11,967,193 with bank balances of \$11,896,800. The carrying amount and bank balances of the component units deposits totaled \$915,256. The entire bank balances were covered by federal depository insurance or collateralized with securities held by the entity or its agent in the entity's name.

The County is authorized by statute to invest in U.S. government and agency obligations, perfected repurchase agreements, and commercial paper rated within the two highest prime classification by at least one of the standard rating services. The County's investments are categorized below to give an indication of the level or risk assumed by the County. Category 1 includes securities that are insured, registered or held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered securities held by the counterparty's trust department or its agent in the County's name. Category 3 includes uninsured and unregistered securities held by the counterparty or by its trust or safekeeping department or its agent, but not in the County's name.

	Carrying Amount			Total	Market Value
	1	2	3		
U.S. government agency obligations	\$ 4,339,114	\$ -	\$ -	\$ 4,339,114	\$ 4,222,795
Scott Area Solid Waste Commission Revenue Bond	6,885,000	-	-	6,885,000	6,885,000
	<u>\$ 11,224,114</u>	<u>\$ -</u>	<u>\$ -</u>	<u>11,224,114</u>	<u>11,107,795</u>
Investments not subject to risk categorization, mutual funds, annuities and ICMA Retirement Trust				<u>1,829,288</u>	<u>1,829,288</u>
				<u>\$ 13,053,402</u>	<u>\$ 12,937,083</u>

The County's investments during the year did not vary significantly from those at year-end in level of risk.



# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

### Note 4. Interfund Account Balances

Individual due from and due to other fund balances as of June 30, 1996 are as follows:

	Due From Other Funds	Due To Other Funds
General	\$ 265,312	\$ 1,124,117
Internal service, Self-Insurance	332,905	-
Special revenue, Mental Health/Developmental Disabilities	789,400	-
Trust and agency:		
County Auditor Cash Pool	1,813	-
County Auditor	-	3,172
County Recorder	-	189,558
County Sheriff	-	312
County Conservation Board Escrow	-	18,289
Motor Vehicle Tax	-	50,663
Use Tax	-	3,319
<b>Total interfund accounts</b>	<b>\$ 1,389,430</b>	<b>\$ 1,389,430</b>

Advances from and to other funds as of June 30, 1996 were as follows:

	Advances From Other Funds	Advances To Other Funds
General	\$ -	\$ 1,126,823
Enterprise, Glynn's Creek Golf Course	1,126,823	-
	<b>\$ 1,126,823</b>	<b>\$ 1,126,823</b>

### Note 5. Changes in General Fixed Assets

A summary of the changes in general fixed assets of the County is as follows:

	Balance June 30, 1995	Reclass- ifications	Additions	Deletion	Balance June 30, 1996
Land and improvements	\$ 3,126,380	\$ -	\$ 53,267	\$ 23,500	\$ 3,156,147
Buildings and structures	21,231,892	20,937	93,937	5,926	21,340,840
Furniture and fixtures	817,162	-	162,244	151,258	828,148
Equipment	7,790,609	-	1,382,144	962,463	8,210,290
Vehicles	2,432,381	-	455,178	253,651	2,633,908
Construction in progress	186,386	(20,937)	106,891	-	272,340
	<b>\$ 35,584,810</b>	<b>\$ -</b>	<b>\$ 2,253,661</b>	<b>\$ 1,396,798</b>	<b>\$ 36,441,673</b>

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

A summary of the changes in general fixed assets of the discretely presented component units is as follows:

	Balance June 30, 1995	Additions	Deletion	Balance June 30, 1996
Land and improvements	\$ 16,600	\$ -	\$ -	\$ 16,600
Buildings	88,400	-	-	88,400
Furniture and fixtures	142,384	618	318	142,684
Equipment	1,081,783	74,020	58,260	1,097,543
Vehicles	279,354	-	45,000	234,354
	<u>\$ 1,608,521</u>	<u>\$ 74,638</u>	<u>\$ 103,578</u>	<u>\$ 1,579,581</u>

### Note 6. General Long-Term Debt

The following is a summary of changes in the County's general long-term debt for the year ended June 30, 1996:

	June 30, 1995	Additions	Retirements	June 30, 1996
General obligation bonds	\$ 9,055,000	\$ -	\$ 540,000	\$ 8,515,000
Compensated absences	66,739	24,778	-	91,517
	<u>\$ 9,121,739</u>	<u>\$ 24,778</u>	<u>\$ 540,000</u>	<u>\$ 8,606,517</u>

General obligation bonds outstanding as of June 30, 1996 consist of the following:

\$1,630,000 of County jail refunding bonds with interest at rates ranging from 4.9% to 5.25%.

\$6,885,000 of solid waste disposal bonds with interest at rates ranging from 4.9% to 5.7%.

The debt service requirements on the bonds outstanding as of June 30, 1996 are as follows:

Year ending June 30:	Principal	Interest	Total
1997	\$ 590,000	\$ 448,735	\$ 1,038,735
1998	620,000	419,825	1,039,825
1999	670,000	388,675	1,058,675
2000	720,000	354,375	1,074,375
2001	275,000	317,485	592,485
2002 and thereafter	5,640,000	2,523,093	8,163,093
<b>Total</b>	<u>\$ 8,515,000</u>	<u>\$ 4,452,188</u>	<u>\$ 12,967,188</u>

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

---

The computation of the County's legal margin as of June 30, 1996 is as follows:

Assessed value	<u>\$ 5,051,125,156</u>
Debt limit, 5% of assessed valuation (Iowa statutory limitation)	\$ 252,556,258
Total amount of debt applicable to debt margin	<u>8,515,000</u>
Legal debt margin	<u>\$ 244,041,258</u>

The note payable of a discretely presented component unit is due in monthly installments of \$760, including 9% interest, with the final installment due September 1997.

Following is a summary of debt service requirements on the note payable as of June 30, 1996:

Year ending June 30:	Principal	Interest	Total
1997	\$ 8,499	\$ 622	\$ 9,121
1998	2,246	34	2,280
<b>Total</b>	<u>\$ 10,745</u>	<u>\$ 656</u>	<u>\$ 11,401</u>

### Note 7. Golf Course Acquired Under Purchase Contract

In May 1990, the County entered into an agreement to lease certain land of the County to a golf course developer. The agreement, which expires April 30, 2030, required the developer to make a one-time payment to the County of \$10 and to make deposits into various escrow accounts to pay for the construction of the golf course on the leased ground.

Simultaneously, the County entered into a lease purchase contract with the developer for the acquisition of the golf course. This agreement, which was assigned to Chrysler Capital Public Finance Corp. and subsequently assigned to Boatman's First National Bank was to provide the financing for the project. The final agreement (as refinanced in 1993) between the County and Boatman's Trust Company requires the County to make varying semi-annual rental payments through May 1, 2013. The terms of the lease purchase contract provide, that should the County fail to make an annual appropriation for any year before the beginning of that year in an amount sufficient, together with amounts budgeted to be available for such purpose in the enterprise fund, for the scheduled payments coming due during that year, the agreement shall terminate as of the beginning of that year.

The County may at any time during this agreement pay the total prepayment price at which time the land lease is canceled.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

A schedule of annual principal and interest payments under this agreement and the prepayment price at the end of each year is as follows:

Year ending June 30:	Total Payment	Principal	Interest	Prepayment Price
1997	\$ 321,700	\$ 130,000	\$ 191,700	\$ 3,250,000
1998	321,175	135,000	186,175	3,115,000
1999	320,100	140,000	180,100	2,975,000
2000	318,520	145,000	173,520	2,830,000
2001	321,560	155,000	166,560	2,675,000
2002	318,965	160,000	158,965	2,515,000
2003	320,965	170,000	150,965	2,345,000
2004	322,210	180,000	142,210	2,165,000
2005	322,580	190,000	132,580	1,975,000
Thereafter	2,561,410	1,975,000	586,410	Various
Scheduled cash payments	5,449,185	3,380,000	2,069,185	
Unamortized discount	-	(122,265)	122,265	
	<u>\$ 5,449,185</u>	<u>\$ 3,257,735</u>	<u>\$ 2,191,450</u>	

### Note 8. Retirement System

The County and its component units are participating employers in the Iowa Public Employees Retirement System (IPERS), which is a cost-sharing multiple-employer public employees retirement system designed as a supplement to Social Security.

All employees, with certain exceptions, who do not participate in any other public retirement system in the State are eligible and must participate in IPERS. The pension plan provides retirement and death benefits which are established by State statute. Generally, a member may retire at the age of 65 or any time after age 62 with 30 years or more of service or when age plus years of service equals or exceeds 92, and receive full benefits. Members may also retire at the age of 55 or more at reduced benefits. Benefits vest after four years of service or after attaining the age of 55. Full benefits are equal to 60 percent of the average of the highest three years of covered wages times years of service divided by 30 for members retiring on or after July 1, 1995.

The plan is administered by the state of Iowa and the County's responsibility is limited to payment of contributions. During the year ended June 30, 1996, state statute requires contributions of 3.70% by the employee and 5.75% by the employer except for protection occupation subgroups, in which case the percentages are 6.01% and 9.02% and sheriffs and deputies, where the percentages are 6.85% and 10.27%, respectively. Contribution rates are applied on the first \$41,000 of compensation in calendar year 1995 and on the first \$44,000 of compensation in calendar year 1996. The contribution paid by the County for the year ended June 30, 1996 totaled \$706,867 and the contribution paid by employees totaled \$457,804. The total payroll for employees covered by IPERS for the year ended June 30, 1996 was \$11,281,120 and the total County payroll was \$15,031,317. The County's employer and employee contributions during the year ended June 30, 1996 represented .34 percent of total contributions of all participating entities.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

The amounts are broken down between regular employees and sheriff and deputy sheriff employees as follows:

	Regular Employees	Sheriff And Deputy Sheriff Employees
Total reporting entity payroll	\$ 13,466,336	\$ 1,564,981
Payroll earnings reported to and covered by IPERS	\$ 9,789,533	\$ 1,491,587
Reporting entity contributions	\$ 553,681	\$ 153,186
Employee contributions	\$ 355,630	\$ 102,174

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess IPERS' funding status on a going-concern basis, assess progress made in accumulation sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems and among employers. IPERS does not make separate measurements of assets and pension benefit obligation for individual employers. The pension benefit obligation as of June 30, 1996 for IPERS as a whole, determined through an actuarial valuation performed as of that date, was \$9,000,849,494. IPERS' net assets available for benefits on that date, at valued at market were \$9,587,104,982 leaving no unfunded pension benefit obligation.

Historical trend information showing IPERS' progress in accumulating sufficient assets to pay benefits when due is presented in its June 30, 1996 annual report. IPERS does not invest in obligations of the state of Iowa or its political subdivisions.

### Note 9. Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their current salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are until paid or made available to the employee or other beneficiary solely the property and rights of the County without being restricted to the provisions of benefits under the plan, subject only to the claims of the County's general creditors. Participants' rights under the plan are equal to those of general creditors of the County in an amount equal to the fair market value of the deferred compensation account for each participant.

It is the opinion of the County that it has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The County believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

Total investments of the deferred compensation plan at market value amounted to \$1,829,288 as of June 30, 1996.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

### Note 10. Risk Management and Insurance

The County is self-insured for general and automobile liability, property, health benefits and worker's compensation. The County's general and automobile liability, property, health benefits and worker's compensation premiums and claims are accounted for in the internal service funds. Charges are made to the operating funds based upon actual claims, historical claim experience, and estimated claims incurred and not yet reported for general and automobile liability, property, health benefits, and worker's compensation. Unemployment claims are charged quarterly to the applicable funds based upon actual claims as assessed by the State.

Self-insurance is in effect up to a stop loss amount of approximately \$250,000 per claim for general and automobile liability, \$100,000 per claim for property, \$75,000 per individual and \$1,577,110 in the aggregate for health benefits and \$300,000 per claim for worker's compensation. Coverage from a private insurance company is maintained for losses in excess of the aggregate stop loss amount with \$5,750,000 maximum coverage on general and automobile liability, \$64,270,409 maximum coverage on property, and unlimited coverage on health benefits and worker's compensation. All claims handling procedures are performed by independent claims administrators. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The changes in the aggregate liabilities for claims for the years ended June 30, 1996 and 1995 are as follows:

	1996		1995	
	Health Insurance	Self-Insurance	Health Insurance	Self-Insurance
Claims payable, beginning of year	\$ 283,167	\$ 986,000	\$ 138,000	\$ 1,028,000
Claims expense	1,335,841	542,173	1,603,994	926,807
Claims payments	(1,380,002)	(871,173)	(1,458,827)	(968,807)
Claims payable, end of year	\$ 239,006	\$ 657,000	\$ 283,167	\$ 986,000

### Note 11. Conduit Debt Obligations

In March 1996, the County issued two series of revenue bonds to provide financial assistance to Community Health Care, Inc., a not-for-profit corporation, for the construction of a health care facility deemed to be in the public interest. The bonds are collateralized by the property financed and are payable solely from the revenues of Community Health Care, Inc. Neither the County, the State nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying general purpose financial statements.

As of June 30, 1996, the aggregate principal balance of revenue bonds outstanding was \$2,210,000.

### Note 12. Scott Area Solid Waste Management Commission Agreement

In June 1995, the County issued \$7,100,000 in General Obligation County Solid Waste Disposal Bonds for which the County pledges its full faith and credit and power to levy direct general ad valorem taxes without limit as to rate or amount. The total amount of the bonds outstanding as of June 30, 1996 is \$6,885,000.

The County loaned the proceeds from the sale of the Bonds to the Scott Area Solid Waste Management Commission ("the Commission") for the acquisition, construction and equipping of a material recovery system, recovery facility, and a new landfill ("the Project") pursuant to the Financing Agreement by and between the County and the Commission. To obligate itself under the Financing Agreement, the Commission issued a \$7,100,000 Solid Waste Disposal Revenue Bond to the County pursuant to a resolution dated April 11, 1995. The repayment of the Revenue Bond corresponds to the payment of the Bonds by the County and \$6,885,000 remains outstanding as of June 30, 1996.

# COUNTY OF SCOTT, IOWA

## NOTES TO FINANCIAL STATEMENTS

---

Under the terms of the Financing Agreement, dated April 11, 1995, the Commission is obligated to establish rates, charges and fees sufficient to pay the cost of operations and maintenance of the Project and to leave Net Revenues sufficient to pay the semiannual debt service requirements of the Bonds. In the event that Net Revenues are insufficient to pay 100% of the debt service on the Bonds, the Commission is obligated to pay the County from other funds it has legally available, including the Reserve Fund, which is equal to the maximum annual debt service requirement on the Bonds due in any remaining fiscal year. If the Commission does not have sufficient funds to pay 100% of the debt service on the Bonds when due, the County is obligated to pay such deficiency from and of its funds legally available. Any amounts which are paid by the County for debt service payments on the Bonds must be reimbursed by the Commission out of future Net Revenues of the Project or other Commission funds which become available.

In the event future Net Revenues or other Commission funds are insufficient to repay the County, each of the Members of the Commission have obligated itself to repay the County its pro rata share of the deficiency from rates imposed on each property within its jurisdiction. The Financing Agreement may not be terminated so long as the Bonds are outstanding.

Financial statements of the Commission may be obtained by contacting Ms. Kathy Morris, Director, Scott Area Solid Waste Commission, 11555 110th Avenue, Davenport, Iowa 52804.

### **Note 13. Litigation**

The County is a defendant in several claims and lawsuits. In the opinion of the County Attorney and management, the resolution of these matters will not have a material adverse effect on the future financial statements of the County.





## **GENERAL FUND**

**The General Fund accounts for all revenue and expenditures which are not required to be accounted for in another fund.**

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL BUDGETARY BASIS

### GENERAL FUND

Year Ended June 30, 1996

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenue:</b>			
Property taxes	\$ 16,257,429	\$ 16,373,913	\$ 116,484
Local option sales tax	2,630,000	2,491,547	(138,453)
Other taxes	568,182	651,426	83,244
Interest and penalties on taxes	225,000	295,018	70,018
<b>Intergovernmental:</b>			
Replacement tax	3,945,810	3,868,336	(77,474)
Grants	6,906,603	5,792,283	(1,114,320)
Other	860,331	476,639	(383,692)
Charges for services	2,242,499	2,385,976	143,477
Interest	1,044,842	1,184,874	140,032
Licenses and permits	231,410	250,747	19,337
Rental and fees	168,552	203,263	34,711
Other	281,091	387,851	106,760
<b>Total revenue</b>	<b>35,361,749</b>	<b>34,361,873</b>	<b>(999,876)</b>
<b>Expenditures, current operating:</b>			
<b>Public safety:</b>			
<b>Law enforcement program:</b>			
Uniformed patrol services	1,261,504	1,350,315	(88,811)
Investigations	1,069,496	810,944	258,552
Law enforcement communications	610,220	575,838	34,382
Adult correctional services	2,843,631	2,780,536	63,095
Administration	205,656	226,248	(20,592)
<b>Legal services program:</b>			
Criminal prosecution	1,163,421	1,122,428	40,993
Child support recovery	185,201	175,460	9,741
Medical examinations	86,000	67,481	18,519
<b>Emergency services:</b>			
Ambulance services	127,794	76,130	51,664
Disaster services/flood	2,352,754	976,900	1,375,854
<b>Total public safety</b>	<b>9,905,677</b>	<b>8,162,280</b>	<b>1,743,397</b>
<b>Court services:</b>			
Assistance to judges and magistrates program, bailiffs	162,381	169,546	(7,165)
<b>Court proceedings program:</b>			
Court costs	92,298	95,779	(3,481)
Detention services	393,324	352,980	40,344
Service of civil papers	350,385	338,532	11,853
Juvenile justice administration program, court-appointed attorneys for juveniles	427,000	411,480	15,520
<b>Total court services</b>	<b>1,425,388</b>	<b>1,368,317</b>	<b>57,071</b>
<b>Physical health and education:</b>			
<b>Physical health services program:</b>			
Personal and family health services	789,400	760,923	28,477
Communicable disease prevention and control services	812,347	774,514	37,833
Sanitation	629,792	596,665	33,127
Health administration	134,547	133,348	1,199
Educational services program, fairgrounds	70,000	70,000	-
<b>Total physical health and education</b>	<b>2,436,086</b>	<b>2,335,450</b>	<b>100,636</b>

(Continued)

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL BUDGETARY BASIS (Continued)

### GENERAL FUND

Year Ended June 30, 1996

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Expenditures, current operating:</b>			
<b>Mental health:</b>			
Persons with mental health programs, mental illness:			
Advocacy and education	\$ 81,753	\$ 59,814	\$ 21,939
Community living skills	43,078	33,854	9,224
Coordination services	26,170	17,602	8,568
Personal and environmental support	18,222	9,829	8,393
Treatment services	725,918	577,201	148,717
Licensed or approved living	469,026	303,749	165,277
Persons with chronic mental illness:			
Advocacy and education	31,049	30,410	639
Community living skills	251,098	165,603	85,495
Coordination services	641,353	738,299	(96,946)
Personal and environmental support	55,606	55,846	(240)
Treatment services	470,663	464,005	6,658
Vocational services	69,274	138,112	(68,838)
Licensed or approved living	2,036,015	1,763,693	272,322
Persons with mental retardation:			
Advocacy and education	3,470	1,078	2,392
Community living skills	55,570	305,354	(249,784)
Coordination services	17,656	91,357	(73,701)
Personal and environmental support	50,956	36,800	14,156
Treatment services	1,284	1,860	(576)
Vocational services	830,398	972,730	(142,332)
Licensed or approved living	3,897,960	3,453,850	444,110
Persons with other development disabilities:			
Advocacy's education	3,045	968	2,077
Community living skills	-	11,816	(11,816)
Coordination services	3,743	2,142	1,601
Personal and environmental support	24,427	13,460	10,967
Vocational services	72,331	77,296	(4,965)
Licensed or approved living	210,324	162,645	47,679
Treatment services	-	-	-
Persons with chemical dependency:			
Treatment services	337,392	324,081	13,311
Preventive services	30,162	28,000	2,162
<b>Total mental health</b>	<b>10,457,943</b>	<b>9,841,454</b>	<b>616,489</b>
<b>Social services:</b>			
Services to poor program:			
Administration	64,241	89,702	(25,461)
General welfare services	864,848	756,031	108,817
Services to military veterans program:			
Administration	37,873	12,957	24,916
General services to veterans	129,034	71,532	57,502
Services to other adult programs, services to the elderly	162,797	162,954	(157)
<b>Total social services</b>	<b>1,258,793</b>	<b>1,093,176</b>	<b>165,617</b>

(Continued)

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL BUDGETARY BASIS (Continued)

### GENERAL FUND

Year Ended June 30, 1996

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Expenditures, current operating:</b>			
<b>County environment:</b>			
Environmental quality program:			
Natural resources conservation	\$ 47,500	\$ 24,502	\$ 22,998
Weed eradication	-	6,848	(6,848)
Solid waste disposal	89,454	36,472	52,982
Conservation and recreation services program:			
Administration	178,954	216,891	(37,937)
Maintenance and operations	1,361,302	1,276,665	84,637
Recreation and environmental education	91,637	82,967	8,670
Animal control program, animal shelter	23,725	23,725	-
County development program:			
Land use and building controls	199,271	145,672	53,599
Economic development	364,723	182,791	181,932
<b>Total County environment</b>	<b>2,356,566</b>	<b>1,996,533</b>	<b>360,033</b>
<b>State and local government services:</b>			
Representation services programs:			
Elections administration	100,542	100,774	(232)
Local elections	336,040	267,788	68,252
State administrative services program:			
Motor vehicle registration and licensing	461,408	458,455	2,953
Recording of public documents	404,969	385,937	19,032
<b>Total state and local government services</b>	<b>1,302,959</b>	<b>1,212,954</b>	<b>90,005</b>
<b>Interprogram services:</b>			
Policy and administration program:			
General County management	379,139	356,084	23,055
Administrative management services	666,459	643,349	23,110
Treasury management services	596,342	571,727	24,615
Other policy and administration	327,800	192,424	135,376
Central services program:			
General services	1,560,618	1,466,888	93,730
Data processing services	668,183	636,697	31,486
Risk management services program:			
Tort liability	814,486	605,937	208,549
Safety of workplace	188,806	233,196	(44,390)
Fidelity of public officers	5,290	2,271	3,019
Unemployment compensation	30,475	29,769	706
<b>Total interprogram services</b>	<b>5,237,598</b>	<b>4,738,342</b>	<b>499,256</b>
<b>Total expenditures</b>	<b>\$ 34,381,010</b>	<b>\$ 30,748,506</b>	<b>\$ 3,632,504</b>

(Continued)

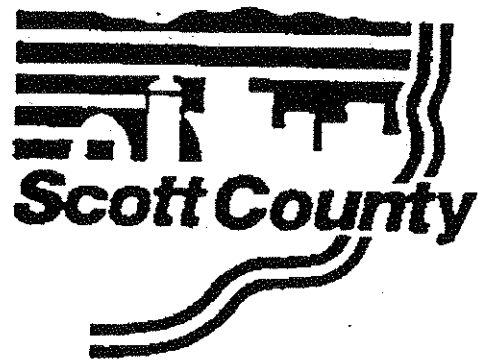
# COUNTY OF SCOTT, IOWA

## SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL BUDGETARY BASIS (Continued)

### GENERAL FUND

Year Ended June 30, 1996

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Excess of revenue over expenditures</b>	\$ 980,739	\$ 3,613,367	\$ 2,632,628
<b>Other financing sources (uses):</b>			
Operating transfers in	360,620	367,837	7,217
Operating transfers out	(2,129,991)	(2,201,096)	(71,105)
<b>Total other financing sources (uses)</b>	<u>(1,769,371)</u>	<u>(1,833,259)</u>	<u>(63,888)</u>
<b>Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses</b>	\$ <u>(788,632)</u>	1,780,108	\$ <u>2,568,740</u>
Fund balance, beginning		<u>6,009,267</u>	
Fund balance, ending		<u>\$ 7,789,375</u>	



## **SPECIAL REVENUE FUNDS**

**Special Revenue Funds** account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted by ordinance to expenditures for specified purposes. The special revenue funds of the County and their purposes are as follows:

**Rural Services Fund** - To account for taxes levied to benefit the rural residents of the County.

**Secondary Roads Fund** - To account for state revenue allocated to the County to be used to maintain and improve the County's roads.

**Mental Health/Developmental Disabilities Fund** - To account for state revenue allocated to the County to be used to provide mental health and disability services.





# COUNTY OF SCOTT, IOWA

## COMBINING BALANCE SHEET SPECIAL REVENUE FUNDS June 30, 1996

	Mental/Health Developmental Disabilities Fund	Rural Services Fund	Secondary Roads Fund	Total
<b>ASSETS</b>				
Cash and investments	\$ -	\$ 122,224	\$ 1,433,992	\$ 1,556,216
Receivables:				
Property taxes	-	3,779	-	3,779
Accounts	30,993	-	-	30,993
Due from other funds	789,400	-	-	789,400
Due from other governmental agencies	127,089	-	160,015	287,104
<b>Total assets</b>	<b>\$ 947,482</b>	<b>\$ 126,003</b>	<b>\$ 1,594,007</b>	<b>\$ 2,667,492</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 938,042	\$ -	\$ 69,255	\$ 1,007,297
Accrued liabilities	9,440	-	22,021	31,461
Deferred revenue	-	3,592	-	3,592
Compensated absences	-	-	83,453	83,453
<b>Total liabilities</b>	<b>947,482</b>	<b>3,592</b>	<b>174,729</b>	<b>1,125,803</b>
Fund Balances	-	122,411	1,419,278	1,541,689
<b>Total liabilities and fund balances</b>	<b>\$ 947,482</b>	<b>\$ 126,003</b>	<b>\$ 1,594,007</b>	<b>\$ 2,667,492</b>

# COUNTY OF SCOTT, IOWA

## COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES SPECIAL REVENUE FUNDS Year Ended June 30, 1996

	Mental/Health Developmental Disabilities Fund	Rural Services Fund	Secondary Roads Fund	Total
<b>Revenue:</b>				
Property taxes	\$ -	\$ 1,423,695	\$ -	\$ 1,423,695
Other taxes	-	10,172	-	10,172
Intergovernmental	157,320	155,978	1,758,317	2,071,615
Charges for services	-	-	16,852	16,852
Other	762	-	6,073	6,835
<b>Total revenue</b>	<b>158,082</b>	<b>1,589,845</b>	<b>1,781,242</b>	<b>3,529,169</b>
<b>Expenditures:</b>				
Current operating:				
Mental health	947,482	-	-	947,482
Current operating, roads and transportation	-	-	2,566,390	2,566,390
Capital outlay	-	-	891,826	891,826
<b>Total expenditures</b>	<b>947,482</b>	<b>-</b>	<b>3,458,216</b>	<b>4,405,698</b>
<b>Excess (deficiency) of revenue over expenditures</b>	<b>(789,400)</b>	<b>1,589,845</b>	<b>(1,676,974)</b>	<b>(876,529)</b>
<b>Other financing sources (uses):</b>				
Operating transfers in	789,400	-	1,863,285	2,652,685
Operating transfers out	-	(1,333,920)	-	(1,333,920)
Operating transfers to component unit	-	(259,353)	-	(259,353)
<b>Total other financing sources (uses)</b>	<b>789,400</b>	<b>(1,593,273)</b>	<b>1,863,285</b>	<b>1,059,412</b>
<b>Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses</b>	<b>-</b>	<b>(3,428)</b>	<b>186,311</b>	<b>182,883</b>
Fund balances, beginning	-	125,839	1,232,967	1,358,806
Fund balances, ending	\$ -	\$ 122,411	\$ 1,419,278	\$ 1,541,689

# COUNTY OF SCOTT, IOWA

**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
BUDGETARY BASIS  
RURAL SERVICES FUND  
Year Ended June 30, 1996**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenue:</b>			
Property taxes	\$ 1,431,676	\$ 1,423,508	\$ (8,168)
Other taxes	11,812	10,173	(1,639)
Intergovernmental	145,971	155,978	10,007
<b>Total revenue</b>	<u>1,589,459</u>	<u>1,589,659</u>	<u>200</u>
<b>Other financing (uses):</b>			
Operating transfers out	(1,333,920)	(1,333,920)	-
Operating transfers to component unit	(259,353)	(259,353)	-
	<u>(1,593,273)</u>	<u>(1,593,273)</u>	<u>-</u>
<b>(Deficiency) of revenue over other financing uses</b>	<u>\$ (3,814)</u>	<u>(3,614)</u>	<u>\$ 200</u>
Fund balance, beginning		<u>125,840</u>	
Fund balance, ending		<u>\$ 122,226</u>	

# COUNTY OF SCOTT, IOWA

**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
BUDGETARY BASIS  
SECONDARY ROADS FUND  
Year Ended June 30, 1996**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenue:</b>			
Intergovernmental, primarily road use taxes	\$ 1,529,086	\$ 1,715,080	\$ 185,994
Charges for services	20,500	16,852	(3,648)
Other	23,500	6,073	(17,427)
<b>Total revenue</b>	<u>1,573,086</u>	<u>1,738,005</u>	<u>164,919</u>
<b>Expenditures:</b>			
Current operating, roads and transportation	2,691,100	2,521,552	169,548
Capital outlay, buildings and equipment	880,000	891,760	(11,760)
<b>Total expenditures</b>	<u>3,571,100</u>	<u>3,413,312</u>	<u>157,788</u>
<b>(Deficiency) of revenue over expenditures</b>	<u>(1,998,014)</u>	<u>(1,675,307)</u>	<u>322,707</u>
Other financing sources, operating transfers in	<u>1,863,285</u>	<u>1,863,285</u>	-
<b>Excess (deficiency) of revenue and other financing sources over expenditures</b>	<u>\$ (134,729)</u>	<u>187,978</u>	<u>\$ 322,707</u>
Fund balance, beginning		<u>1,148,686</u>	
Fund balance, ending		<u>\$ 1,336,664</u>	

## INTERNAL SERVICE FUNDS

**Internal Service Funds** account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit on a cost-reimbursement basis. The funds included in this category and their purposes are as follows:

**Health Insurance Fund** - To account for the County's self-insurance for health insurance benefits provided by governmental funds to employees. Costs are billed to governmental funds based upon historical claims experience.

**Self-Insurance Fund** - To account for the County's self-insurance for general and automobile liability, property, and worker's compensation. Costs are billed to governmental funds based upon actual claims and estimated incurred and not yet reported claims.



# COUNTY OF SCOTT, IOWA

## COMBINING BALANCE SHEET INTERNAL SERVICE FUNDS June 30, 1996

	Health Insurance Fund	Self- Insurance Fund	Total
<b>ASSETS</b>			
Cash and investments	\$ 685,127	\$ 1,287,343	\$ 1,972,470
Due from other funds	-	332,905	332,905
<b>Total assets</b>	<b>\$ 685,127</b>	<b>\$ 1,620,248</b>	<b>\$ 2,305,375</b>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 239,006	\$ 657,000	\$ 896,006
Accrued liabilities	101,022	-	101,022
<b>Total liabilities</b>	<b>340,028</b>	<b>657,000</b>	<b>997,028</b>
<b>Fund Equity:</b>			
Contributed capital	261,164	837,713	1,098,877
Retained earnings	83,935	125,535	209,470
<b>Total fund equity</b>	<b>345,099</b>	<b>963,248</b>	<b>1,308,347</b>
<b>Total liabilities and fund equity</b>	<b>\$ 685,127</b>	<b>\$ 1,620,248</b>	<b>\$ 2,305,375</b>

# COUNTY OF SCOTT, IOWA

## COMBINING STATEMENT OF REVENUE, EXPENSES AND CHANGES IN RETAINED EARNINGS INTERNAL SERVICE FUNDS Year Ended June 30, 1996

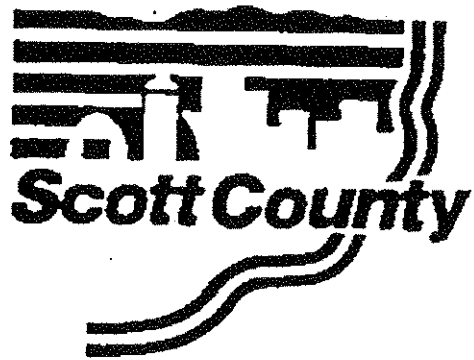
	Health Insurance Fund	Self- Insurance Fund	Total
<b>Operating revenue:</b>			
Charges for services	\$ 1,650,019	\$ 789,513	\$ 2,439,532
Other	30,590	19,613	50,203
<b>Total operating revenue</b>	<b>1,680,609</b>	<b>809,126</b>	<b>2,489,735</b>
<b>Operating expenses, claims and administrative expenses</b>	<b>1,515,089</b>	<b>542,173</b>	<b>2,057,262</b>
<b>Operating income</b>	<b>165,520</b>	<b>266,953</b>	<b>432,473</b>
<b>Nonoperating income, interest</b>	<b>27,319</b>	<b>76,295</b>	<b>103,614</b>
<b>Income before operating transfers</b>	<b>192,839</b>	<b>343,248</b>	<b>536,087</b>
<b>Operating transfers (out)</b>	<b>-</b>	<b>(367,837)</b>	<b>(367,837)</b>
<b>Net income (loss)</b>	<b>192,839</b>	<b>(24,589)</b>	<b>168,250</b>
<b>Retained earnings (deficit), beginning</b>	<b>(108,904)</b>	<b>150,124</b>	<b>41,220</b>
<b>Retained earnings, ending</b>	<b>\$ 83,935</b>	<b>\$ 125,535</b>	<b>\$ 209,470</b>



# COUNTY OF SCOTT, IOWA

## COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS Year Ended June 30, 1996

	Health Insurance Fund	Self- Insurance Fund	Total
<b>Cash Flows from Operating Activities:</b>			
Cash received from premiums allocated	\$ -	\$ 871,173	\$ 871,173
Cash received from employee contributions	279,251	-	279,251
Cash received from employer contributions	1,478,971	-	1,478,971
Cash payments for insurance premiums and services	(179,247)	(871,173)	(1,050,420)
Cash payments to employees for claims	(1,380,002)	-	(1,380,002)
Other operating revenue	23,646	19,613	43,259
<b>Net cash provided by operating activities</b>	<b>222,619</b>	<b>19,613</b>	<b>242,232</b>
<b>Cash Flows from Noncapital Financing Activities, operating transfers to other funds</b>			
	-	(367,837)	(367,837)
<b>Cash Flows from Investing Activities, interest received</b>			
	27,319	76,295	103,614
<b>Net increase (decrease) in cash</b>	<b>249,938</b>	<b>(271,929)</b>	<b>(21,991)</b>
<b>Cash:</b>			
Beginning	435,189	1,559,272	1,994,461
Ending	\$ 685,127	\$ 1,287,343	\$ 1,972,470
<b>Reconciliation of Operating Income to Net Cash Provided By Operating Activities:</b>			
Operating income	\$ 165,520	\$ 266,953	\$ 432,473
Adjustments to reconcile operating income to net cash provided by operating activities:			
Decrease in receivables and interfund receivables	238	81,660	81,898
(Decrease) in accounts payable	(44,161)	(329,000)	(373,161)
Increase in accrued liabilities	101,022	-	101,022
<b>Net cash provided by operating activities</b>	<b>\$ 222,619</b>	<b>\$ 19,613</b>	<b>\$ 242,232</b>



# COUNTY OF SCOTT, IOWA

## COMBINING BALANCE SHEET EXPENDABLE TRUST AND AGENCY FUNDS June 30, 1996

	Expendable Trust Funds	Agency Funds	Total
<b>ASSETS</b>			
Cash and investments	\$ 236,649	\$ 6,264,359	\$ 6,501,008
Receivables:			
Property taxes	-	451,744	451,744
Accounts	-	6,057	6,057
Due from other funds	-	1,813	1,813
<b>Total assets</b>	<b>\$ 236,649</b>	<b>\$ 6,723,973</b>	<b>\$ 6,960,622</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ -	\$ 160,442	\$ 160,442
Due to other funds	-	265,313	265,313
Due to other governmental agencies	-	4,468,930	4,468,930
Deferred compensation	-	1,829,288	1,829,288
<b>Total liabilities</b>	<b>-</b>	<b>6,723,973</b>	<b>6,723,973</b>
Fund Balances	236,649	-	236,649
<b>Total liabilities and fund balances</b>	<b>\$ 236,649</b>	<b>\$ 6,723,973</b>	<b>\$ 6,960,622</b>

# COUNTY OF SCOTT, IOWA

## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued) ALL AGENCY FUNDS Year Ended June 30, 1996

	Balance June 30, 1995	Additions	Deletions	Balance June 30, 1996
<b>Tax Sale Redemption Fund</b>				
<b>ASSETS, cash and investments</b>	\$ 52,294	\$ 7,733	\$ -	\$ 60,027
<b>LIABILITIES, due to other governmental agencies</b>	\$ 52,294	\$ 7,733	\$ -	\$ 60,027
<b>Use Tax Fund</b>				
<b>ASSETS, cash and investments</b>	\$ 1,130,116	\$ 11,586,845	\$ 11,639,418	\$ 1,077,543
<b>LIABILITIES</b>				
Due to other funds	\$ 3,747	\$ 37,715	\$ 38,143	\$ 3,319
Due to other governmental agencies	1,126,369	11,587,273	11,639,418	1,074,224
<b>Total liabilities</b>	\$ 1,130,116	\$ 11,624,988	\$ 11,677,561	\$ 1,077,543
<b>Total Combined Funds</b>				
<b>ASSETS</b>				
Cash and investments	\$ 5,884,169	\$ 147,922,531	\$ 147,542,341	\$ 6,264,359
Receivables:				
Property taxes	458,624	451,744	458,624	451,744
Accounts	12,803	6,057	12,803	6,057
Due from other funds	1,214	1,813	1,214	1,813
<b>Total assets</b>	\$ 6,356,810	\$ 148,382,145	\$ 148,014,982	\$ 6,723,973
<b>LIABILITIES</b>				
Accounts payable	\$ 205,984	\$ 1,453,799	\$ 1,499,341	\$ 160,442
Due to other funds	264,817	303,307	302,811	265,313
Due to other governmental agencies	4,365,251	144,227,939	144,124,260	4,468,930
Deferred compensation	1,520,758	414,386	105,856	1,829,288
<b>Total liabilities</b>	\$ 6,356,810	\$ 146,399,431	\$ 146,032,268	\$ 6,723,973

## **GENERAL FIXED ASSETS ACCOUNT GROUP**

**The General Fixed Assets Account Group is used to account for all County general fixed assets. The County excludes from its general fixed assets infrastructures such as bridges and roads.**

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY June 30, 1996

	Land and Improvements	Buildings and Structures	Furniture and Fixtures
<b>State and local government services:</b>			
Representation services	\$ -	\$ -	\$ 61,252
State administrative services	-	14,662	72,728
<b>Total state and local government services</b>	<b>-</b>	<b>14,662</b>	<b>133,980</b>
<b>Interprogram services:</b>			
Policy and administration	-	9,773	56,213
Central services	1,883,405	16,932,911	58,156
<b>Total interprogram services</b>	<b>1,883,405</b>	<b>16,942,684</b>	<b>114,369</b>
<b>Total general fixed assets</b>	<b>\$ 3,156,147</b>	<b>\$ 21,340,840</b>	<b>\$ 828,148</b>

Equipment	Vehicles	Construction In-Process	Total
\$ 322,613	\$ -	\$ -	\$ 383,865
49,428	-	-	136,818
<u>372,041</u>	<u>-</u>	<u>-</u>	<u>520,683</u>
106,063	-	-	172,049
2,213,878	62,469	-	21,150,819
<u>2,319,941</u>	<u>62,469</u>	<u>-</u>	<u>21,322,868</u>
<u>\$ 8,210,290</u>	<u>\$ 2,633,908</u>	<u>\$ 272,340</u>	<u>\$ 36,441,673</u>

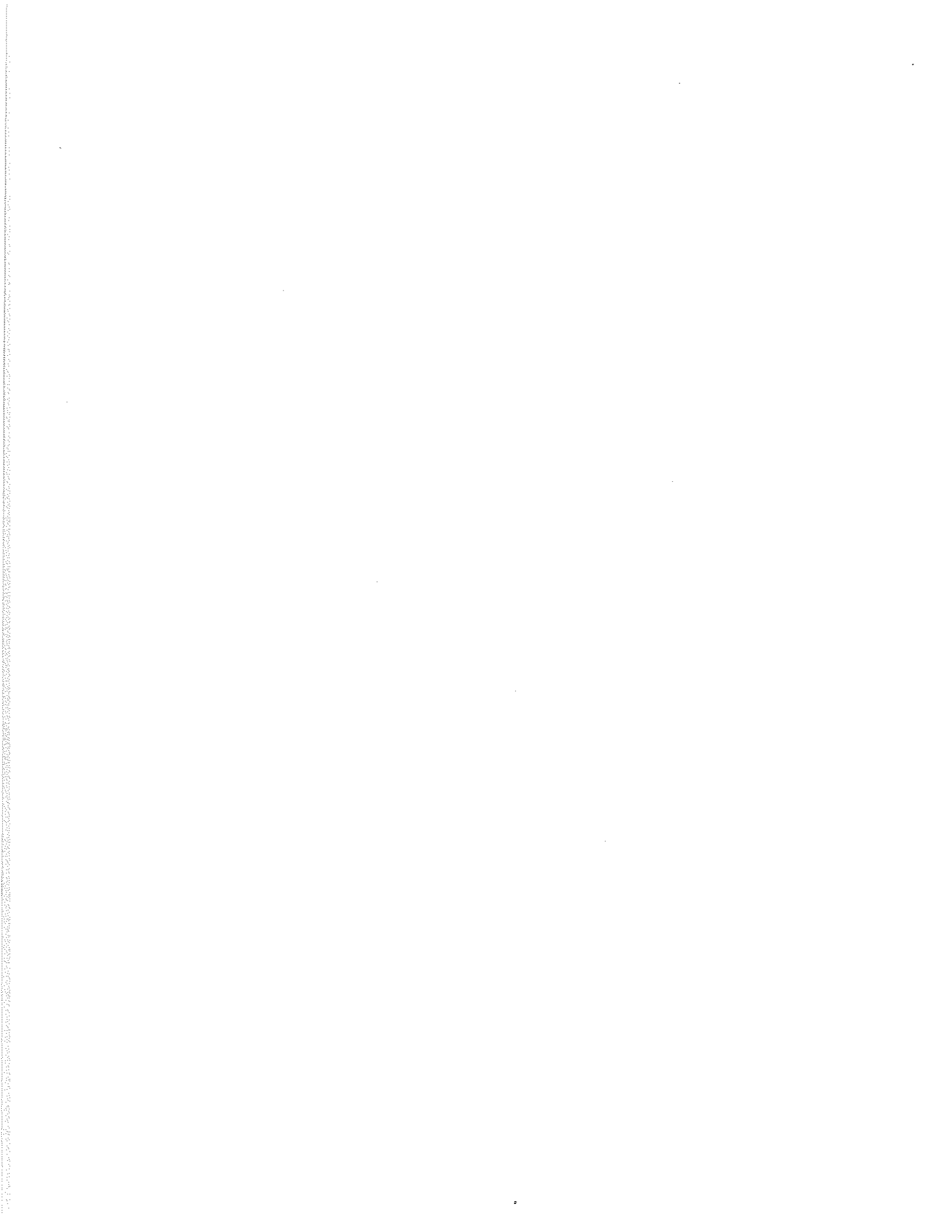
# COUNTY OF SCOTT, IOWA

## SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY Year Ended June 30, 1996

	Balance June 30, 1995	Additions	Deletions	Balance June 30, 1996
<b>Public safety:</b>				
Law enforcement	\$ 1,831,263	\$ 177,716	\$ 120,640	\$ 1,888,339
Legal services	229,367	4,055	95,115	138,307
<b>Total public safety</b>	<b>2,060,630</b>	<b>181,771</b>	<b>215,755</b>	<b>2,026,646</b>
<b>Court services:</b>				
Court proceedings	835,818	19,690	56,168	799,340
Records of court proceedings	-	-	-	-
Juvenile justice administration	27,506	370	4,347	23,529
<b>Total court services</b>	<b>863,324</b>	<b>20,060</b>	<b>60,515</b>	<b>822,869</b>
<b>Physical health services</b>	<b>331,643</b>	<b>39,029</b>	<b>58,665</b>	<b>312,007</b>
<b>Mental health:</b>				
Persons with mental illness	4,228	176	1,693	2,711
Persons with chronic mental illness	128,228	13,867	9,468	132,627
Persons with mental retardation	20,473	640	5,844	15,269
Persons with developmental disabilities	130	10	109	31
Persons with chemical dependencies	647	52	543	156
<b>Total mental health</b>	<b>153,706</b>	<b>14,745</b>	<b>17,657</b>	<b>150,794</b>
<b>Social services:</b>				
Services to poor	197,227	3,144	64,441	135,930
Services to military veterans	12,953	1,053	10,862	3,144
<b>Total social services</b>	<b>210,180</b>	<b>4,197</b>	<b>75,303</b>	<b>139,074</b>
<b>County environment:</b>				
Environmental quality	1,051	14	223	842
Conservation and recreation services	4,866,626	616,890	323,558	5,159,958
Animal control	700	9	148	561
County development	33,293	442	7,043	26,692
<b>Total county environment</b>	<b>4,901,670</b>	<b>617,355</b>	<b>330,972</b>	<b>5,188,053</b>
<b>Roads and transportation:</b>				
Secondary roads administration and engineering	293,691	20,948	16,706	297,933
Roadway maintenance	587,383	41,897	33,413	595,867
General roadway expenditures	4,992,761	356,123	284,005	5,064,879
<b>Total roads and transportation</b>	<b>5,873,835</b>	<b>418,968</b>	<b>334,124</b>	<b>5,958,679</b>
<b>State and local government services:</b>				
Representation services	424,131	6,552	46,818	383,865
State administrative services	234,036	3,162	100,380	136,818
<b>Total state and local government services</b>	<b>658,167</b>	<b>9,714</b>	<b>147,198</b>	<b>520,683</b>
<b>Interprogram services:</b>				
Policy and administration	254,222	7,226	89,399	172,049
Central services	20,277,433	940,596	67,210	21,150,819
<b>Total interprogram services</b>	<b>20,531,655</b>	<b>947,822</b>	<b>156,609</b>	<b>21,322,868</b>
<b>Total general fixed assets</b>	<b>\$ 35,584,810</b>	<b>\$ 2,253,661</b>	<b>\$ 1,396,798</b>	<b>\$ 36,441,673</b>



# Statistical Section





# COUNTY OF SCOTT, IOWA

## GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1) LAST TEN FISCAL YEARS

Fiscal Year	Public Safety	Court Services	Physical Health and Education	Mental Health	Social Services
1986-87	\$ 4,262,790	\$ 1,296,260	\$ 1,764,029	\$ 6,065,058	\$ 909,673
1987-88	4,614,475	839,698	2,017,879	6,132,574	851,899
1988-89	4,594,716	757,121	1,930,226	6,656,248	758,624
1989-90	4,974,294	698,328	2,029,798	6,605,965	837,299
1990-91	5,589,528	784,423	2,143,191	7,218,993	906,497
1991-92	6,201,652	829,974	2,213,705	7,903,235	852,115
1992-93	6,408,603	881,507	2,473,165	9,597,336	982,490
1993-94	6,456,396	1,189,016	2,039,121	9,256,524	896,626
1994-95	9,442,709	1,339,435	2,186,509	10,099,959	1,047,396
1995-96	8,340,292	1,367,381	2,287,912	9,707,547	1,079,838

(1) Includes all governmental funds.

County Environment	Roads And Trans- portation	State And Local Government Services	Inter- program Services	Capital Outlay	Debt Services	Total
\$ 1,202,106	\$ 2,464,165	\$ 1,684,956	\$ 4,689,268	\$ 1,782,262	\$ 469,737	\$ 26,590,304
1,092,255	2,320,477	1,734,187	4,987,182	1,578,020	484,250	26,652,896
1,140,713	2,597,159	1,640,202	4,796,221	1,591,473	496,971	26,959,674
1,230,761	2,640,384	1,770,082	3,787,506	2,429,839	456,471	27,460,727
1,497,513	2,781,354	1,818,496	3,641,730	1,688,903	452,596	28,523,224
1,665,984	2,417,860	1,934,887	4,215,310	3,288,497	501,554	32,024,773
1,925,512	2,875,998	2,038,421	4,176,940	1,744,020	441,296	33,545,288
2,049,726	2,776,994	1,184,405	4,541,523	2,159,733	445,975	32,996,039
1,947,864	2,457,303	1,199,785	4,574,457	2,396,637	418,502	37,110,556
<b>2,003,329</b>	<b>2,566,390</b>	<b>1,241,581</b>	<b>4,714,536</b>	<b>2,448,271</b>	<b>1,014,870</b>	<b>36,771,947</b>

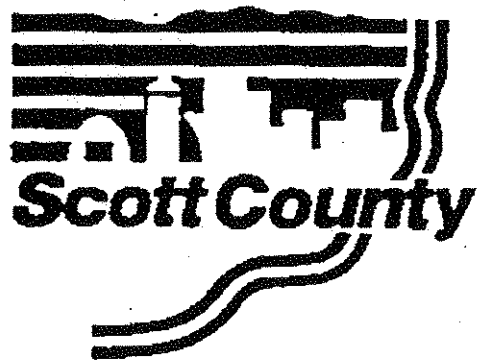
# COUNTY OF SCOTT, IOWA

## GENERAL GOVERNMENTAL REVENUE BY SOURCE (1) LAST TEN FISCAL YEARS

Fiscal Year	Taxes (2)	Intergovernmental	Licenses And Permits	Charges For Services	Interest	Miscellaneous	Total
1986-87	\$ 16,612,535	\$ 5,379,038	\$ 108,245	\$ 2,135,532	\$ 1,175,511	\$ 496,585	\$ 25,907,446
1987-88	16,545,238	5,986,920	129,131	1,712,234	1,159,860	996,366	26,529,749
1988-89	17,739,794	6,007,477	192,567	1,890,740	1,442,365	593,390	27,866,333
1989-90	19,527,676	5,613,765	139,618	1,645,154	1,484,737	578,273	28,989,223
1990-91	19,571,733	6,447,801	175,920	1,831,672	1,476,001	947,406	30,450,533
1991-92	21,296,484	6,143,486	201,399	2,282,180	881,619	785,536	31,590,704
1992-93	21,544,137	7,415,815	185,978	2,286,098	477,088	1,017,815	32,926,931
1993-94	21,412,890	7,422,455	218,255	2,428,849	774,711	599,270	32,856,430
1994-95	22,928,492	10,721,388	227,727	2,279,868	1,200,929	783,276	38,141,680
1995-96	21,442,172	12,203,185	249,440	2,388,571	1,348,927	601,273	38,233,568

(1) Includes all governmental funds.

(2) Taxes include property, local option sales and other taxes plus interest and penalties on delinquent property taxes.



# COUNTY OF SCOTT, IOWA

## PROPERTY TAX LEVIES AND COLLECTIONS Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent Of Levy Collected</u>
1986-87	\$ 100,966,300	\$ 97,898,235	96.96%
1987-88	98,114,196	95,272,772	97.10
1988-89	103,207,516	100,799,125	97.67
1989-90	101,222,824	98,306,858	97.12
1990-91	104,040,532	101,027,651	97.10
1991-92	108,414,694	106,915,018	98.62
1992-93	114,768,980	114,050,890	99.37
1993-94	119,358,290	118,632,767	99.39
1994-95	124,279,732	123,618,778	99.47
1995-96	127,689,138	127,056,457	99.50

(1) Total tax collections solely for Scott County were \$16,474,825 for 1986-87; \$16,042,741 for 1987-88; \$16,843,141 for 1988-89; \$16,441,760 for 1989-90; \$16,672,310 for 1990-91; \$17,204,133 for 1991-92; \$17,642,076 for 1992-93; \$18,254,428 for 1993-94; \$19,644,987 for 1994-95; and \$18,192,620 for 1995-96.



Delinquent Tax Collections	Total Tax Collections (I)	Total Collections As Percent Of Current Levy	Outstanding Delinquent Taxes	Delinquent As Percent Of Current Levy
\$ 2,354,976	\$ 100,253,211	99.29%	\$ 3,444,301	3.41%
1,942,357	97,215,129	99.08	3,161,214	3.22
2,225,153	103,024,278	99.82	2,929,646	2.84
2,500,810	100,807,668	99.59	3,065,318	3.03
2,654,488	103,682,139	99.66	3,838,707	3.69
2,788,294	109,703,312	101.19	1,096,048	1.01
922,717	114,973,607	100.18	302,598	0.26
25,677	118,658,444	99.41	474,076	0.40
69,259	123,688,037	99.52	331,532	0.27
126,402	127,182,859	99.60	325,723	0.26

# COUNTY OF SCOTT, IOWA

## ASSESSED AND TAXABLE VALUES OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Fiscal Year	Real Property		Personal Property	
	Taxable Value	Assessed Value (1)	Taxable Value	Assessed Value (1)
1986-87	\$ 2,932,832,796	\$ 3,565,812,492	\$ 372,262,165	\$ 372,262,165
1987-88	2,824,125,082	3,357,855,209	256,271,785	256,271,785
1988-89	2,844,170,888	3,304,899,820	277,102,605	277,102,605
1989-90	2,873,225,472	3,332,065,143	230,996,563	230,996,563
1990-91	2,907,022,392	3,387,929,609	222,604,849	222,604,849
1991-92	2,967,560,475	3,457,628,422	225,671,412	225,671,412
1992-93	3,040,151,368	3,748,334,422	237,164,071	237,164,071
1993-94	3,126,108,587	3,871,989,604	232,739,566	232,739,566
1994-95	3,309,530,239	4,295,968,674	252,058,644	252,058,644
1995-96	3,384,478,122	4,419,320,298	258,921,872	258,921,872

(1) Assessed value equals estimated actual value.

Utilities		Total		Ratio of Taxable to Assessed Value	Tax Increment Financing District Values
Taxable Value	Assessed Value (1)	Taxable Value	Assessed Value (1)		
\$ 305,281,804	\$ 306,045,303	\$ 3,610,376,765	\$ 4,244,119,960	85.1%	\$ 16,437,554
334,868,687	334,868,687	3,415,265,554	3,948,995,681	86.5	15,712,428
368,845,466	368,845,466	3,490,118,959	3,950,847,891	88.3	21,038,947
368,091,506	368,091,506	3,472,313,541	3,931,153,212	88.3	18,909,239
354,469,819	354,469,819	3,484,097,060	3,965,004,277	87.9	25,873,703
348,137,661	348,137,661	3,541,369,548	4,031,437,495	87.8	33,955,001
356,868,014	356,868,014	3,634,183,453	4,342,366,507	83.7	55,784,867
374,417,177	374,417,177	3,733,265,330	4,479,146,347	83.3	81,562,040
332,671,409	332,671,409	3,894,260,292	4,880,698,727	79.8	62,253,911
360,586,917	372,882,986	4,003,986,911	5,051,125,156	79.3	81,615,161

# COUNTY OF SCOTT, IOWA

## PROPERTY TAX RATES PER \$1,000 TAXABLE VALUATION - ALL DIRECT AND OVERLAPPING GOVERNMENTS LAST TEN FISCAL YEARS

	Bettendorf			Davenport	
	Bettendorf	North Scott	Pleasant Valley	Bettendorf	Davenport
<b>1995-96:</b>					
City	11.45562	11.45562	11.45562	13.95250	13.95250
Area IX Community College	0.51856	0.51856	0.51856	0.51856	0.51856
School District	16.72025	17.00862	14.95000	16.72025	16.65193
State	0.04246	0.04246	0.04246	0.04246	0.04246
Assessor (1)	0.22992	0.22992	0.22992	0.28729	0.28729
County	4.42243	4.42243	4.42243	4.42243	4.42243
<b>Total levy</b>	<b>33.38924</b>	<b>33.67761</b>	<b>31.61899</b>	<b>35.94349</b>	<b>35.87517</b>
<b>Ratio of Scott County to totals</b>	<b>0.13245</b>	<b>0.13132</b>	<b>0.13987</b>	<b>0.12304</b>	<b>0.12327</b>
<b>1994-95:</b>					
City	11.45553	11.45553	11.45553	13.95990	13.95990
Area IX Community College	0.52125	0.52125	0.52125	0.52125	0.52125
School District	16.47664	16.07552	14.95000	16.47664	16.58807
State	0.04352	0.04352	0.04352	0.04352	0.04352
Assessor (1)	0.20392	0.20392	0.20392	0.28684	0.28684
County	4.96037	4.96037	4.96037	4.96037	4.96037
<b>Total levy</b>	<b>33.66123</b>	<b>33.26011</b>	<b>32.13459</b>	<b>36.24852</b>	<b>36.35995</b>
<b>Ratio of Scott County to totals</b>	<b>0.14736</b>	<b>0.14914</b>	<b>0.15436</b>	<b>0.13684</b>	<b>0.13642</b>
<b>1993-94:</b>					
City	11.45555	11.45555	11.45555	13.95995	13.95995
Area IX Community College	0.51631	0.51631	0.51631	0.51631	0.51631
School District	16.19786	16.08908	14.95000	16.19786	16.59791
State	0.04438	0.04438	0.04438	0.04438	0.04438
Assessor (1)	0.21396	0.21396	0.21396	0.26782	0.26782
County	4.81460	4.81460	4.81460	4.81460	4.81460
<b>Total levy</b>	<b>33.24266</b>	<b>33.13388</b>	<b>31.99480</b>	<b>35.80092</b>	<b>36.20097</b>
<b>Ratio of Scott County to totals</b>	<b>0.14483</b>	<b>0.14531</b>	<b>0.15048</b>	<b>0.13448</b>	<b>0.13300</b>
<b>1992-93:</b>					
City	11.45555	11.45555	11.45555	14.21993	14.21993
Area IX Community College	0.51768	0.51768	0.51768	0.51768	0.51768
School District	15.90966	15.80695	14.95469	15.90966	16.53378
State	0.04627	0.04627	0.04627	0.04627	0.04627
Assessor (1)	0.21443	0.21443	0.21443	0.27170	0.27170
County	4.74843	4.74843	4.74843	4.74843	4.74843
<b>Total levy</b>	<b>32.89202</b>	<b>32.78931</b>	<b>31.93705</b>	<b>35.71367</b>	<b>36.33779</b>
<b>Ratio of Scott County to totals</b>	<b>0.14436</b>	<b>0.14482</b>	<b>0.14868</b>	<b>0.13296</b>	<b>0.13067</b>

Cities

Cities					Walcott	
North Scott	Blue Grass	Buffalo	Eldridge	LeClaire	Davenport	Durant
13.95250	13.55156	6.65001	8.57041	14.51839	6.15001	6.15001
0.51856	0.51856	0.51856	0.51856	0.51856	0.51856	0.51856
17.00862	16.65193	16.65193	17.00862	14.95000	16.65193	12.22675
0.04246	0.04246	0.04246	0.04246	0.04246	0.04246	0.04246
0.28729	0.22992	0.22992	0.22992	0.22992	0.22992	0.22992
4.42243	4.42243	4.42243	4.42243	4.42243	4.42243	4.42243
36.23186	35.41686	28.51531	30.79240	34.68176	28.01531	23.59013
0.12206	0.12487	0.15509	0.14362	0.12751	0.15786	0.18747
13.95990	9.08312	6.16514	8.55954	14.82652	5.31160	5.31160
0.52125	0.52125	0.52125	0.52125	0.52125	0.52125	0.52125
16.07552	16.58807	16.58807	16.07552	14.95000	16.58807	12.51050
0.04352	0.04352	0.04352	0.04352	0.04352	0.04352	0.04352
0.28684	0.20392	0.20392	0.20392	0.20392	0.20392	0.20392
4.96037	4.96037	4.96037	4.96037	4.96037	4.96037	4.96037
35.84740	31.40025	28.48227	30.36412	35.50558	27.62873	23.55116
0.13837	0.15797	0.17416	0.16336	0.13971	0.17954	0.21062
13.95995	9.31285	6.49009	9.05540	15.04782	5.92726	5.92726
0.51631	0.51631	0.51631	0.51631	0.51631	0.51631	0.51631
16.08908	16.59791	16.59791	16.08908	14.95000	16.59791	12.30869
0.04438	0.04438	0.04438	0.04438	0.04438	0.04438	0.04438
0.26782	0.21396	0.21396	0.21396	0.21396	0.21396	0.21396
4.81460	4.81460	4.81460	4.81460	4.81460	4.81460	4.81460
35.69214	31.50001	28.67725	30.73373	35.58707	28.11442	23.82520
0.13489	0.15284	0.16789	0.13529	0.13529	0.17125	0.20208
14.21993	8.86195	6.23486	9.03815	15.07378	5.97999	5.97999
0.51768	0.51768	0.51768	0.51768	0.51768	0.51768	0.51768
15.80695	16.53378	16.53378	15.80695	14.95469	16.53378	12.16454
0.04627	0.04627	0.04627	0.04627	0.04627	0.04627	0.04627
0.27170	0.21443	0.21443	0.21443	0.21443	0.21443	0.21443
4.74843	4.74843	4.74843	4.74843	4.74843	4.74843	4.74843
35.61096	30.92254	28.29545	30.37191	35.55528	28.04058	23.67134
0.13334	0.15356	0.16782	0.15634	0.13355	0.16934	0.20060

(Continued)

# COUNTY OF SCOTT, IOWA

## PROPERTY TAX RATES PER \$1,000 TAXABLE VALUATION - ALL DIRECT AND OVERLAPPING GOVERNMENTS (Continued) LAST TEN FISCAL YEARS

	Bettendorf			Davenport	
	Bettendorf	North Scott	Pleasant Valley	Bettendorf	Davenport
<b>1991-92:</b>					
City	11.45505	11.45505	11.45505	14.83000	14.83000
Area IX Community College School District	0.47884	0.47884	0.47884	0.47884	0.47884
State	15.86821	14.58938	14.42935	15.86821	15.30436
Assessor (1)	0.04736	0.04736	0.04736	0.04736	0.04736
County	0.20119	0.20119	0.20119	0.27446	0.27446
<b>Total levy</b>	<b>4.69606</b>	<b>4.69606</b>	<b>4.69606</b>	<b>4.69606</b>	<b>4.69606</b>
<b>Total levy</b>	<b>32.74671</b>	<b>31.46788</b>	<b>31.30785</b>	<b>36.19493</b>	<b>35.63108</b>
Ratio of Scott County to totals	0.14341	0.14923	0.15000	0.12974	0.13180
<b>1990-91:</b>					
City	11.45554	11.45554	11.45554	14.73922	14.73922
Area IX Community College School District	0.51707	0.51707	0.51707	0.51707	0.51707
State	15.87174	14.26774	13.90669	15.87174	14.71529
Assessor (1)	0.04805	0.04805	0.04805	0.04805	0.04805
County	0.17454	0.17454	0.17454	0.23686	0.23686
<b>Total levy</b>	<b>4.53733</b>	<b>4.53733</b>	<b>4.53733</b>	<b>4.53733</b>	<b>4.53733</b>
<b>Total levy</b>	<b>32.60427</b>	<b>31.00027</b>	<b>30.63922</b>	<b>35.95027</b>	<b>34.79382</b>
Ratio of Scott County to totals	0.13916	0.14636	0.14809	0.12621	0.13041
<b>1989-90:</b>					
City	10.47504	10.47504	10.47504	14.42000	14.42000
Area IX Community College School District	0.49692	0.49692	0.49692	0.49692	0.49692
State	15.87248	12.92379	13.82178	15.87248	14.74384
Assessor (1)	0.04819	0.04819	0.04819	0.04819	0.04819
County	0.20863	0.20863	0.20863	0.29198	0.29198
<b>Total levy</b>	<b>4.45656</b>	<b>4.45656</b>	<b>4.45656</b>	<b>4.45656</b>	<b>4.45656</b>
<b>Total levy</b>	<b>31.55782</b>	<b>28.60913</b>	<b>29.50712</b>	<b>35.58613</b>	<b>34.45749</b>
Ratio of Scott County to totals	0.14122	0.15577	0.15103	0.12523	0.12934
<b>1988-89:</b>					
City	11.68252	11.68252	11.68252	15.43499	15.43499
Area IX Community College School District	0.46145	0.46145	0.46145	0.46145	0.46145
State	15.95034	12.92535	13.15417	15.95034	14.22631
Assessor (1)	0.04600	0.04600	0.04600	0.04600	0.04600
County	0.21182	0.21182	0.21182	0.24710	0.24710
<b>Total levy</b>	<b>4.63883</b>	<b>4.63883</b>	<b>4.63883</b>	<b>4.63883</b>	<b>4.63883</b>
<b>Total levy</b>	<b>32.99096</b>	<b>29.96597</b>	<b>30.19479</b>	<b>36.77871</b>	<b>35.05468</b>
Ratio of Scott County to totals	0.14061	0.15480	0.15363	0.12613	0.13233

Cities

Cities					Walcott	
North Scott	Blue Grass	Buffalo	Eldridge	LeClaire	Davenport	Durant
14.83000	10.75525	6.18775	9.12502	5.97746	5.97746	5.97746
0.47884	0.47884	0.47884	0.47884	0.47884	0.47884	0.47884
14.58938	15.30436	15.30436	14.58938	15.30436	15.30436	12.02605
0.04736	0.04736	0.04736	0.04736	0.04736	0.04736	0.04736
0.27446	0.20119	0.20119	0.20119	0.20119	0.20119	0.20119
4.69606	4.69606	4.69606	4.69606	4.69606	4.69606	4.69606
34.91610	31.48306	26.91556	29.13785	26.70527	26.70527	23.42696
0.13450	0.14916	0.17447	0.16117	0.14486	0.17585	0.20046
14.73922	10.13833	6.18825	8.90597	12.07298	5.98000	5.98000
0.51707	0.51707	0.51707	0.51707	0.51707	0.51707	0.51707
14.26774	14.71529	14.71529	14.26774	13.90669	14.71529	11.64448
0.04805	0.04805	0.04805	0.04805	0.04805	0.04805	0.04805
0.23686	0.17454	0.17454	0.17454	0.17454	0.17454	0.17454
4.53733	4.53733	4.53733	4.53733	4.53733	4.53733	4.53733
34.34627	30.13061	26.18053	28.45070	31.25666	25.97228	22.90147
0.13211	0.15059	0.17331	0.15948	0.14516	0.17470	0.19812
14.42000	10.63357	6.21095	9.11048	11.51142	6.97998	6.97998
0.49692	0.49692	0.49692	0.49692	0.49692	0.49692	0.49692
12.92379	14.74384	14.74384	12.92379	13.82178	14.74384	11.62050
0.04819	0.04819	0.04819	0.04819	0.04819	0.04819	0.04819
0.29198	0.20863	0.20863	0.20863	0.20863	0.20863	0.20863
4.45656	4.45656	4.45656	4.45656	4.45656	4.45656	4.45656
32.63744	30.58771	26.16509	27.24457	30.54350	26.93412	23.81078
0.13655	0.14570	0.17033	0.16358	0.14591	0.16546	0.18717
15.43499	10.17667	6.52425	9.10988	14.28340	7.91503	7.91503
0.46145	0.46145	0.46145	0.46145	0.46145	0.46145	0.46145
12.92353	14.22631	14.22631	12.92535	13.15417	14.22631	11.41627
0.04600	0.04600	0.04600	0.04600	0.04600	0.04600	0.04600
0.24710	0.21182	0.21182	0.21182	0.21182	0.21182	0.21182
4.63883	4.63883	4.63883	4.63883	4.63883	4.63883	4.63883
33.75190	29.76108	26.10866	27.39333	32.79567	27.49944	24.68940
0.13743	0.15587	0.17767	0.16934	0.14145	0.16869	0.18789

(Continued)

# COUNTY OF SCOTT, IOWA

## PROPERTY TAX RATES PER \$1,000 TAXABLE VALUATION - ALL DIRECT AND OVERLAPPING GOVERNMENTS (Continued) LAST TEN FISCAL YEARS

	Bettendorf			Davenport	
	Bettendorf	North Scott	Pleasant Valley	Bettendorf	Davenport
<b>1987-88:</b>					
City	8.51663	8.51663	8.51663	15.62901	15.62901
Area IX Community College	0.48492	0.48492	0.48492	0.48492	0.48492
School District	15.36986	13.52995	13.34120	15.36986	14.33705
State	0.04688	0.04688	0.04688	0.04688	0.04688
Assessor (1)	0.18007	0.18007	0.18007	0.22521	0.22521
County	4.54676	4.54676	4.54676	4.54676	4.54676
<b>Total levy</b>	<b>29.14512</b>	<b>27.30521</b>	<b>27.11646</b>	<b>36.30264</b>	<b>35.26983</b>
<b>Ratio of Scott County to totals</b>	<b>0.15600</b>	<b>0.16652</b>	<b>0.16768</b>	<b>0.12525</b>	<b>0.12891</b>
<b>1986-87:</b>					
City	8.46431	8.46431	8.46431	14.92936	14.92936
Area IX Community College	0.44703	0.44703	0.44703	0.44703	0.44703
School District	15.76800	13.44570	13.34121	15.76800	14.72739
State	0.04482	0.04482	0.04482	0.04482	0.04482
Assessor (1)	0.17514	0.17514	0.17514	0.23958	0.23958
County	4.37586	4.37586	4.37586	4.37586	4.37586
<b>Total levy</b>	<b>29.27516</b>	<b>26.95286</b>	<b>26.84837</b>	<b>35.80465</b>	<b>34.76404</b>
<b>Ratio of Scott County to totals</b>	<b>0.14947</b>	<b>0.16235</b>	<b>0.16298</b>	<b>0.12221</b>	<b>0.12587</b>

(1) Assessor includes the County Assessor which is a component unit of the County.

All tax rates are expressed in dollars per thousand of taxable valuation.

Included in this report are the major cities and towns within Scott County.

Not shown are the Rural Services Fund of the County and the following taxing bodies over and above the cities listed:

- a. 10 cities (population under 1,000)
- b. 13 townships
- c. 6 benefitted fire districts
- d. 1 sanitary sewer district



Cities

North Scott	Blue Grass	Buffalo	Eldridge	LeClaire	Walcott	
					Davenport	Durant
15.62901	10.14517	6.20682	9.32008	13.95683	7.91493	7.91493
0.48492	0.48492	0.48492	0.48492	0.48492	0.48492	0.48492
13.52995	14.33705	14.33705	13.52995	13.34120	14.33705	11.12602
0.04688	0.04688	0.04688	0.04688	0.04688	0.04688	0.04688
0.22521	0.18007	0.18007	0.18007	0.18007	0.18007	0.18007
4.54676	4.54676	4.54676	4.54676	4.54676	4.54676	4.54676
34.46273	29.74085	25.80250	28.10866	32.55666	27.51061	24.29958
0.13193	0.15288	0.17621	0.16176	0.13966	0.16527	0.18711
14.92936	9.28623	6.40869	8.68003	13.53295	7.91496	7.91496
0.44703	0.44703	0.44703	0.44703	0.44703	0.44703	0.47703
13.44570	14.72739	14.72739	13.44570	13.34121	14.72739	11.38552
0.04482	0.04482	0.04482	0.04482	0.04482	0.04482	0.04482
0.23958	0.17514	0.17514	0.17514	0.17514	0.17514	0.17514
4.37586	4.37586	4.37586	4.37586	4.37586	4.37586	4.37586
33.48235	29.05647	26.17893	27.16858	31.91701	27.68520	24.34333
0.13069	0.15059	0.16715	0.16106	0.13710	0.15806	0.17976

# COUNTY OF SCOTT, IOWA

## RATIO OF OUTSTANDING GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUES AND DEBT PER CAPITA LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonded Debt Outstanding (3)	Assessed Value	Percent of Debt to Assessed Value	Estimated Population	Debt Per Capita
1986-87	\$ 3,685,000	\$ 4,244,119,960	0.09%	156,900 (1)	\$ 23.49
1987-88	3,480,000	3,948,995,681	0.09	156,100	22.29
1988-89	3,275,000	3,950,847,891	0.08	155,400	21.07
1989-90	3,100,000	3,931,153,212	0.08	150,134	20.65
1990-91	2,900,000	3,965,004,277	0.07	150,979 (2)	19.21
1991-92	2,735,000	4,031,437,495	0.07	150,979	18.16
1992-93	2,510,000	4,342,366,507	0.06	154,280	16.27
1993-94	2,260,000	4,479,146,346	0.05	155,210	14.61
1994-95	9,055,000	4,880,698,727	0.19	157,190	57.61
1995-96	8,515,000	5,051,125,156	0.17	157,783	53.98

(1) July 1986 estimate by U.S. Census Bureau.

(2) Actual 1990 U.S. Census Bureau figures. All other years are estimates of the Quad City Development Group.

(3) The fund balance of the debt service fund has been excluded due to the immateriality of such balances.

The computation of the County's legal margin as of June 30, 1996 is as follows:

Assessed value	<u>\$ 5,051,125,156</u>
Debt limit, 5% of assessed valuation (Iowa statutory limitation)	\$ 252,556,258
Total amount of debt applicable to debt margin	<u>8,515,000</u>
<b>Legal debt margin</b>	<u><b>\$ 244,041,258</b></u>

# COUNTY OF SCOTT, IOWA

## COMPUTATION OF DIRECT AND OVERLAPPING DEBT

	Amount Of Debt	Applicable to Scott County	
		Average Percent	Amount
Scott County	\$ 8,515,000	100.0%	\$ 8,515,000
<b>School districts:</b>			
Pleasant Valley Community	11,150,000	100.0	11,150,000
Wheatland Community	3,760,000	18.0	676,800
Eastern Iowa Community College	19,400,000	54.8	10,631,200
Davenport Community	5,000,000	99.3	4,965,000
<b>Cities:</b>			
Bettendorf	32,300,000	100.0	32,300,000
Blue Grass	85,250	100.0	85,250
Davenport	86,370,000	100.0	86,370,000
Durant	735,000	1.1	8,085
Eldridge	1,650,000	100.0	1,650,000
LeClaire	2,795,000	100.0	2,795,000
Princeton	306,886	100.0	306,886
Other districts, Parkview Sanitary District	10,580	100.0	10,580
<b>Total direct and overlapping debt</b>			<b>\$ 159,463,801</b>

# COUNTY OF SCOTT, IOWA

## RATIO OF ANNUAL DEBT SERVICE EXPENDITURES TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES LAST TEN FISCAL YEARS

Fiscal Year	Principal	Interest	Total Debt Service Expenditures	Total Govern- mental Expenditures	Percent of General Debt Service Expenditures To Total Govern- mental Expenditures
1986-87	\$ 180,000	\$ 289,737	\$ 469,737	\$ 26,590,304	1.77%
1987-88	205,000	279,250	484,250	26,652,896	1.82
1988-89	224,148	272,823	496,971	26,959,674	1.84
1989-90	194,537	261,934	456,471	27,460,727	1.66
1990-91	204,962	247,634	452,596	28,523,224	1.59
1991-92	230,428	232,968	463,396	32,024,773	1.45
1992-93	230,937	210,359	441,296	33,545,288	1.32
1993-94	250,000	195,975	445,975	32,996,039	1.35
1994-95	305,000	113,502	418,502	37,110,556	1.13
1995-96	540,000	474,870	1,014,870	36,771,947	2.76

# COUNTY OF SCOTT, IOWA

## DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Population</u>	<u>Per Capita Income</u>	<u>Median Age</u>	<u>Unemploy- ment Rate</u>	<u>School Enrollment</u>
1986-87	156,900	\$ N/A	30.2	8.1%	31,945
1987-88	156,100	11,470	30.8	6.8	30,910
1988-89	155,400	12,354	31.2	6.4	30,043
1989-90	150,134	17,461	31.1	5.6	30,000 (1)
1990-91	150,979	16,930	32.4	6.0	30,000 (1)
1991-92	150,979	19,197	32.4	4.0	31,237
1992-93	154,280	19,197	33.5	5.0	41,790
1993-94	155,210	19,184	34.0	4.5	45,051
1994-95	157,190	16,781	34.7	3.3	45,464
1995-96	157,783	17,204	34.5	3.3	45,176

Source: Bi-State Regional Commission, Iowa Bureau of Economic Development, Iowa Department of Employment Services, Mississippi Bend AEA.

(1) Estimated.

# COUNTY OF SCOTT, IOWA

**PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS  
LAST TEN FISCAL YEARS  
(DOLLARS IN THOUSANDS)  
June 30, 1996**

Fiscal Year	New Construction					Total
	Commercial	Residential	Industrial	Agricultural		
1986-87	\$ 21,538	\$ 31,914	\$ 2,302	\$ 943	\$	56,697
1987-88	16,532	24,884	2,147	354		43,917
1988-89	16,082	23,319	1,469	426		41,296
1989-90	16,532	24,884	2,147	1,024		44,587
1990-91	22,625	34,782	3,434	595		61,436
1991-92	25,637	44,700	10,032	1,491		81,860
1992-93	21,786	49,732	6,756	88		78,362
1993-94	21,517	71,697	2,233	305		95,752
1994-95	17,461	73,094	1,441	1,577		93,573
1995-96	23,761	75,083	5,115	1,585		105,544

- (1) Property value is the assessed value before any exemptions or state rollbacks. Personal property, personal property assessed as real and utilities are not included in the figures above.
- (2) Bank deposits for banks in Scott County as reported in the Iowa Bank Directory.

Property Value (1)					Bank Deposits (2)
Commercial	Residential	Industrial	Agricultural	Total	
\$ 748,544	\$ 2,290,462	\$ 257,415	\$ 266,866	\$ 3,563,287	\$ 1,277,588
717,055	2,159,165	223,851	254,884	3,354,955	1,309,860
718,339	2,137,052	222,920	223,933	3,302,244	1,368,140
718,404	2,158,501	228,303	224,498	3,329,706	1,460,200
768,129	2,171,077	247,457	198,610	3,385,273	1,559,232
785,487	2,217,280	253,704	198,501	3,454,972	1,588,000
813,063	2,492,382	254,244	185,990	3,745,679	1,506,000
831,340	2,599,334	252,783	185,876	3,869,333	618,000
888,384	2,975,451	235,868	193,610	4,293,313	772,000
908,559	3,077,752	237,261	193,092	4,416,664	741,762

# COUNTY OF SCOTT, IOWA

## TEN PRINCIPAL TAXPAYERS

June 30, 1996

	Taxable Value	Percentage Of Total Taxable Value
Iowa-Illinois Gas & Electric Co.	\$ 275,476,338	6.88%
Aluminum Company of America	196,453,287	4.91
Equitable Life Assurance Society	66,581,166	1.66
Davenport Water Co.	37,864,447	0.95
Deere & Company	37,414,868	0.93
U.S. West Communications	31,689,229	0.79
Davenport Cement Company	31,021,216	0.77
Oscar Mayer Foods Corp.	27,861,778	0.70
Quanex Corporation	24,931,586	0.62
Ralston Purina Company	19,693,595	0.49
<b>Total</b>	<b>\$ 748,987,510</b>	<b>18.70%</b>

Source: County tax rolls.



# COUNTY OF SCOTT, IOWA

## SURETY BONDS OF PRINCIPAL OFFICIALS

June 30, 1996

	1995-96 Annual Salary	Bonded Amount
County Auditor	\$ 46,300	\$ 20,000
County Attorney	65,000	20,000
County Recorder	46,300	20,000
Sheriff	56,000	20,000
Treasurer	46,300	50,000
Board of Supervisors	24,500	20,000
Chairman, Board of Supervisors	26,000	20,000

All officials and employees of Scott County are bonded in the amount of \$20,000.

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF INSURANCE IN FORCE

June 30, 1996

Insurance Company	Type of Coverage	Insured	Amount of Coverage
Northfield/Penco	Excess Liability -S/R	General, auto and law	\$750,000 in excess of \$250,000 S/R
St. Paul	Excess liability - S/R	General, auto and law	\$5,000,000 in excess of \$750,000
Genesis Reinsurance	Excess worker's compensation	Statutory worker's compensation	WC \$10,000,000/employers liability \$2,000,000 WC & combined = \$10,000,000
Redland Insurance Co.	Flood	Buffalo Shores area	\$120,000
St. Paul	Liability	Health Department	\$5,000,000 each claim \$5,000,000 annual aggregate
Aetna	Inland Marine/Property	Radio towers & transmitters/computer equipment	\$554,898 \$300,000 hardware \$50,000 software
Old Republic Surety	Surety bond	All employees except elected officials and county assessor	\$20,000
Hartford	Excess property	"All risk" building and contents	\$64,270,409
Aetna	Property	Contents of Cody Homestead & Pioneer Village	Total = \$226,303
USF&G	Property	4 buildings owned by conservation board	\$352,809
Hartford Steam Boiler	Boiler and machinery	Comprehensive 6 locations	\$10,000,000 per accident
Hartford	Property	Voting machines	\$368,000
West Bend Mutual	General liability Commercial auto  Property Worker's compensation	County library	\$500,000 general liability \$500,000 auto liability incl. phys. damage \$1,315,500 property & IM Statutory worker's compensation & EL \$100,000 per accident \$100,000 per employee \$500,000 total policy
Acceptance Insurance	Liquor liability	Glynns Creek Golf Course	\$1,000,000 each occurrence

Deductible	Policy Number	Expiration Date	Premium
\$250,000 underlying limit	AA01120	07/01/96	\$ 95,880
\$1,000,000 underlying limit	LCO5523647	07/01/96	78,540
\$300,000 underlying limit	X-7827D	07/01/96	40,420
\$500	RI00411694	03/21/97	359
N/A	FM8000371	07/01/96	10,664
\$250 or \$1,000	223631782FCA	07/01/96	6,883
\$100	RCB 448966	01/01/97	1,693
\$100,000	83XLSSD6282	07/01/96	28,000
\$250	IG6063043FCA	07/01/96	5,137
\$500	30013912502	12/19/96	2,372
\$1,000	BMICH916141209	12/04/96	5,922
N/A	83MSPH2631	07/01/96	1,049
N/A	CPJ012134608	07/01/96	1,239
\$50 - \$1,000	CPJ012134608	07/01/96	2,401
\$250	CPJ012134608	07/01/96	1,575
N/A	WCJ010523009	07/01/96	1,893
N/A	LQIA147953	11/01/96	3,329

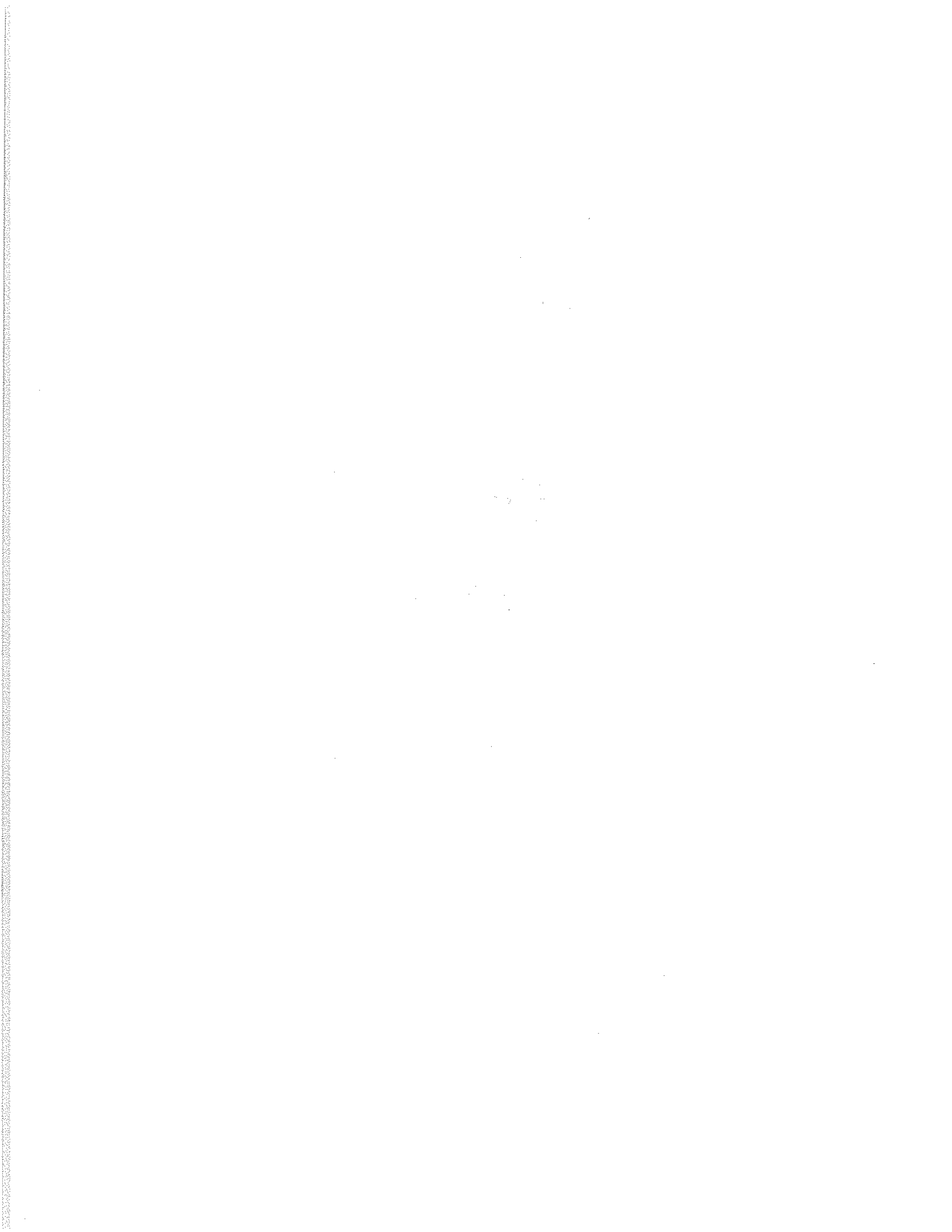
# COUNTY OF SCOTT, IOWA

## MISCELLANEOUS STATISTICS

June 30, 1996

Date of incorporation: December 31, 1837		Recreation:	
Form of government: County Board/County Administrator		Parks:	
Area: 447 Square Miles	Median age of population: 34.5	County parks	7
		Number of acres	2,348
		City parks	80
		Number of acres	1,960
Miles of roads and streets:		Golf courses:	
Interstate highways	43	Private	2
State highways	78	Public	7
County roads	556	Municipal	3
City street	726		
<b>Total miles</b>	<b>1,403</b>	Snowmobile trails, total miles	86
Acres of industrial lands	2,112	State wildlife preserve open to public hunting and fishing	2,799 acres
Farming acres	229,981	Number of lakes	5
Number of farms	1,407	Number of boat launches	4
County employees:		Number of beaches	1
Board members	5	Number of swimming pools	1
Elected officials	5	Number of zoos	1
Full and part-time	399	Number of baseball diamonds	2
Schools within the County:		Public safety:	
Public schools:		County sheriff department	1
Elementary	39	City police department	8
Junior high	9	Fire department:	
Senior high	6	Full-time	2
<b>Total students</b>	<b>28,352</b>	Volunteer	11
Nonpublic schools:		Rescue squads	2
K-8	8	Elections:	
High school	2	Last general election:	
<b>Total students</b>	<b>3,630</b>	Registered voters	88,691
Higher education:		Votes cast	48,856
University	2	Percent	55.0%
Colleges	1	Last municipal election:	
Junior college	1	Registered voters	83,950
Vocational schools	4	Votes cast	27,350
<b>Total students</b>	<b>18,868</b>	Percent	38.5%
		Building permits:	
		Issued in the year ended June 30, 1996	533
		Value of issued permits	\$15,468,790

# Single Audit Section





**McGLADREY & PULLEN, LLP**

Certified Public Accountants and Consultants

**INDEPENDENT AUDITOR'S REPORT  
ON THE SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

To the Board of Supervisors  
County of Scott, Iowa  
Davenport, Iowa

We have audited the general purpose financial statements of the County of Scott, Iowa, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 25, 1996. These general purpose financial statements are the responsibility of the management of the County. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; "Government Auditing Standards", issued by the Comptroller General of the United States; and Chapter 11 of the Code of Iowa. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit in accordance with those standards includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the County of Scott, Iowa, taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

*McGladrey & Pullen, LLP*

Davenport, Iowa  
October 25, 1996

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE Year Ended June 30, 1996

Federal Grant Pass-Through Grant/Program Title	CFDA Number	Pass-Through Grantor's Number	Program Expenditures
U.S. Department of Agricultural Food and Nutrition Services (Passed through Iowa Department of Human Services):			
National School Lunch Program	10.555	82-8029	\$ 31,124
Food Stamp Program	10.561	N/A	7,095
			<u>38,219</u>
Office of the Chief of Engineers, Department of the Army, Department of Defense (Passed through Iowa Office of Treasurer), Small Flood Control Project			
	12.106	N/A	<u>27,688</u>
U.S. Department of Housing and Urban Development (Passed through Iowa Department of Economic Development):			
Community Development Block Grant	14.228*	94-FR-001 95-QJ-09	891,571 56,741
			<u>948,312</u>
Emergency Shelter Grants	14.231	95-ES-024	117,190
			<u>1,065,502</u>
United States Department of Justice: (Passed through the Governor's Alliance on Substance Abuse), Bureau of Justice Assistance Drug Control and System Improvement Grant			
	16.579	945-0209 95-0209	3,844 109,934
			<u>113,778</u>
(Passed through Office of Community Oriented Policing Services) COPS FAST			
	16.726	95CFWX0165	28,718
			<u>142,496</u>
U.S. Department of Transportation, National Highway Traffic Safety Administration (Passed through Iowa Department of Public Safety- Governor's Traffic Safety Division), State and Community Highway Safety			
	20.600	PAP95/96-10 PAP96-410 PAP95/96-11 PAP95HLT-02 PAP96/96-11	3,371 5,719 4,674 6,818 1,756
			<u>22,338</u>
U.S. Environmental Protection Agency: (Passed through Iowa Department of Natural Resources) Air Pollution Control Program Support			
	66.101	N/A	<u>1,472</u>
Federal Emergency Management Agency (Passed through Iowa Disaster Services Division), Emergency Management Assistance Program (Passed through Iowa Emergency Management Division) Hazard Mitigation Grant Program			
	83.503	N/A	** 42,139
	83.516	996-82-02	158,275
			<u>200,414</u>



# COUNTY OF SCOTT, IOWA

## SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE Year Ended June 30, 1996

Federal Grant Pass-Through Grant/Program Title	CFDA Number	Pass-Through Grantor's Number	Program Expenditures
U.S. Department of Education, (Passed through the Division of Educational Services), Supported Employment	84.126	94-115 94-115-2	18,489 <u>118,497</u> <u>136,986</u>
U.S. Department of Health and Human Services: (Passed through Iowa Department of Health): Tuberculosis Elimination	93.116	5885TC02 5886TC02	9,519 <u>4,732</u> <u>14,251</u>
Acquired Immune Deficiency Syndrome (AIDS)	93.118	5885AP14 5886AP14	37,000 <u>17,233</u> <u>54,233</u>
Childhood Lead Poisoning Prevention	93.197	5886LP03	<u>100,000</u>
I-4 Project	93.268	5885I417 5886I417	20,969 <u>27,150</u> <u>48,119</u>
Preventative Health and Health Services Block Grant	93.991	5885AS02 5886AS02	2,000 <u>6,000</u> <u>8,000</u> <u>224,603</u>
(Passed through Iowa Department of Human Services):			
Family Support	93.020	N/A	83,867
Child Support Enforcement	93.023	N/A	118,195
Refugee and Entrant Assistance	93.026	N/A	548
Child Care Block Grant	93.037	N/A	1,722
Targeted Assistance Program	93.576	N/A	7,324
Foster Care	93.658	N/A	16,296
Adoption	93.659	N/A	4,858
Social Services Block Grant	93.667*	N/A	468,361
At-Risk Day Care	93.674	N/A	1,155
Medical Assistance	93.778	N/A	64,287
			<u>766,613</u>
			<u>991,216</u>
			<u>\$ 2,626,331</u>

\* Major Federal Financial Assistance Program.

\*\* Federal financial assistance of a discretely presented component unit.





**McGLADREY & PULLEN, LLP**

Certified Public Accountants and Consultants

**INDEPENDENT AUDITOR'S REPORT  
ON INTERNAL CONTROL STRUCTURE BASED ON AN  
AUDIT OF THE GENERAL PURPOSE FINANCIAL STATEMENTS**

To the Board of Supervisors  
County of Scott, Iowa  
Davenport, Iowa

We have audited the general purpose financial statements of the County of Scott, Iowa, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 25, 1996.

We conducted our audit in accordance with generally accepted auditing standards; "Government Auditing Standards", issued by the Comptroller General of the United States; and Chapter 11 of the Code of Iowa. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the County of Scott, Iowa, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of the County of Scott, Iowa as of and for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they were placed in operations, and we assessed control risk to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure. Accordingly, we do not express such an opinion.

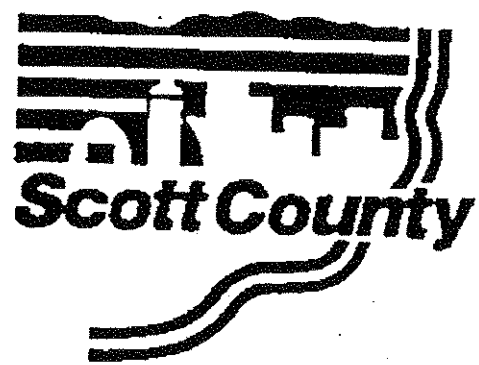
Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

We noted, however, other matters involving the internal control structure and its operation that we have reported to the management of County of Scott, Iowa, in a separate letter dated October 25, 1996.

This report is intended for the information of the Board of Supervisors, management and the Auditor, State of Iowa. However, this report is a matter of public record and its distribution is not limited.

*McGladrey & Pullen, LLP*

Davenport, Iowa  
October 25, 1996





**McGLADREY & PULLEN, LLP**

Certified Public Accountants and Consultants

**INDEPENDENT AUDITOR'S REPORT  
ON INTERNAL CONTROL STRUCTURE USED IN  
ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

To the Board of Supervisors  
County of Scott, Iowa  
Davenport, Iowa

We have audited the general purpose financial statements of the County of Scott, Iowa, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 25, 1996. We have also audited the County of Scott, Iowa's compliance with requirements applicable to major federal financial assistance programs and have issued our report thereon dated October 25, 1996.

We conducted our audits in accordance with generally accepted auditing standards; "Government Auditing Standards", issued by the Comptroller General of the United States; Chapter 11 of the Code of Iowa; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether the County of Scott, Iowa, complied with laws and regulations, noncompliance with which would be material to a federal financial assistance program.

In planning and performing our audits as of and for the year ended June 30, 1996 we considered the County's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the County's financial statements and on its compliance with requirements applicable to major federal financial assistance programs, and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the financial statements in a separate report dated October 25, 1996.

The management of the County of Scott, Iowa is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

**Accounting Controls:**

- ♦ Revenue/receipts cycle
- ♦ Purchasing/disbursements cycle
- ♦ Payroll cycle
- ♦ Cash and investments
- ♦ Property and equipment
- ♦ Financing
- ♦ Budgeting

**General Requirements:**

- ♦ Political activity
- ♦ Davis Bacon Act
- ♦ Civil rights
- ♦ Cash management
- ♦ Relocation assistance and real property acquisition
- ♦ Federal financial reports
- ♦ Allowable costs/cost principles
- ♦ Drug-free workplace
- ♦ Administration requirements

**Specific Requirements:**

- ♦ Types of services
- ♦ Eligibility
- ♦ Matching, level of effort or earmarking
- ♦ Reporting
- ♦ Special requirements
- ♦ Monitoring subrecipients

**Claims for Advances and Reimbursements**

**Amounts Claimed or Used for Matching**

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 1996, the County of Scott, Iowa expended 54% of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the major federal financial assistance programs which are identified in the accompanying schedule of federal financial assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

However, we noted other matters involving the internal control structure and its operations that we have reported to the management of County of Scott, Iowa, in a separate letter dated October 25, 1996.

This report is intended for the information of the County of Scott and the Office of State Auditor, State of Iowa. However, this report is a matter of public record and its distribution is not limited.

*McGladrey & Pullen, LLP*

Davenport, Iowa  
October 25, 1996







**McGLADREY & PULLEN, LLP**

Certified Public Accountants and Consultants

**INDEPENDENT AUDITOR'S REPORT  
ON COMPLIANCE BASED ON AN AUDIT OF THE  
GENERAL PURPOSE FINANCIAL STATEMENTS**

To the Board of Supervisors,  
County of Scott, Iowa  
Davenport, Iowa

We have audited the general purpose financial statements of the County of Scott, Iowa, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 25, 1996.

We conducted our audit in accordance with generally accepted auditing standards; "Government Auditing Standards", issued by the Comptroller General of the United States; and Chapter 11 of the Code of Iowa. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to the County of Scott, Iowa, is the responsibility of the County of Scott, Iowa's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the County of Scott, Iowa's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under "Government Auditing Standards".

The following comments about the County's operations for the year ended June 30, 1996 are based exclusively on knowledge obtained from procedures performed during our audit of the general purpose financial statements of the County as of and for the year ended June 30, 1996 and are submitted as required by the State of Iowa. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily examined. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

1. **Official Depositories** - A Resolution naming official depositories has been approved by the County. The maximum deposit amounts stated in the resolution were not exceeded during the year ended June 30, 1996.

2. **Certified Budget**

Expenditures for the year ended June 30, 1996 did not exceed the budgeted amounts.

3. **Questionable Disbursements**

We noted no expenditures for parties, banquets or other entertainment for employees that we believe may constitute an unlawful expenditure from public funds as this is defined in the Attorney General's opinion dated April 25, 1979.

4. **Travel Expense**

No expenditures of County money for travel expenses of spouses of County officials or employees were noted.

5. Business Transactions

No business transactions between the County and County officials or employees were noted.

6. Bond Coverage

Surety bond coverage of County officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that the coverage is adequate for current operations.

7. Board Minutes

No transactions were found that we believe should have been approved in the Board minutes but were not.

8. 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 County's investment policy.

9. Fund Deficit

The Glynn's Greek Golf Course Fund had a retained earnings deficit of \$1,702,426 as of June 30, 1996.

This report is intended for the information of the Board of Supervisors, the management and the Auditor, State of Iowa. However, this report is a matter of public record and its distribution is not limited.

*McGladrey & Pullen, LLP*

Davenport, Iowa  
October 25, 1996



**McGLADREY & PULLEN, LLP**

Certified Public Accountants and Consultants

**INDEPENDENT AUDITOR'S REPORT  
ON COMPLIANCE WITH THE GENERAL REQUIREMENTS APPLICABLE TO  
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

To the Board of Supervisors  
County of Scott, Iowa  
Davenport, Iowa

We have audited the general purpose financial statements of the County of Scott, Iowa, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 25, 1996.

We have applied procedures to test the County of Scott, Iowa's compliance with the following requirements applicable to its major federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1996:

- ♦ Political Activity
- ♦ Davis Bacon Act
- ♦ Civil Rights
- ♦ Cash Management
- ♦ Relocation Assistance and Real Property Acquisition
- ♦ Federal Financial Reports
- ♦ Drug-Free Workplace
- ♦ Allowable Costs/Cost Principles
- ♦ Administrative Requirements

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments". Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the County of Scott, Iowa's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. However, the results of our procedures disclosed immaterial instances of noncompliance with those requirements which are described in the accompanying schedule of findings and questioned costs. With respect to items not tested, nothing came to our attention that caused us to believe that the County of Scott, Iowa, had not complied in all material respects, with those requirements.

This report is intended for the information of the Board of Supervisors, management and the Auditor, State of Iowa. However, this report is a matter of public record and its distribution is not limited.

*McGladrey & Pullen, LLP*

Davenport, Iowa  
October 25, 1996





**McGLADREY & PULLEN, LLP**

Certified Public Accountants and Consultants

**INDEPENDENT AUDITOR'S REPORT  
ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO  
MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

To the Board of Supervisors  
County of Scott, Iowa  
Davenport, Iowa

We have audited the general purpose financial statements of the County of Scott, Iowa as of and for the year ended June 30, 1996 and have issued our report thereon dated October 25, 1996.

We have also audited the County of Scott, Iowa's compliance with the requirements governing:

- ♦ types of services allowed or unallowed
- ♦ eligibility
- ♦ reporting
- ♦ special tests and provisions consisting of:
  - ✓ appropriateness of timing of fund obligations and/or expenditure
  - ✓ completion of an environmental review
  - ✓ federal financial reports and reimbursements contain information that is supported by the books and records from which the basic financial statements have been prepared and

that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance, for the year ended June 30, 1996. The management of the County of Scott, Iowa is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with these requirements in accordance with generally accepted auditing standards; "Government Auditing Standards", issued by the Comptroller General of the United States; Chapter 11 of the Code of Iowa; and OMB Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed an immaterial instance of noncompliance with the requirements referred to above, which is described in the accompanying schedule of compliance findings and questioned costs. We considered the instance of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, the County of Scott, Iowa complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; reporting; special tests and provisions of appropriateness of timing of fund obligations and/or expenditure and completion of an environmental review and have determined the federal financial reports and claims for advances and reimbursements contained information that is supported by the books and records from which the basic financial statements have been prepared applicable to each of its major federal financial assistance programs for the year ended June 30, 1996.

This report is intended solely for the information of the Board of Supervisors, management and the Auditor, State of Iowa. However, this report is a matter of public record and its distribution is not limited.

*McGladrey & Pullen, LLP*

Davenport, Iowa  
October 25, 1996





**McGLADREY & PULLEN, LLP**

Certified Public Accountants and Consultants

**INDEPENDENT AUDITOR'S REPORT  
ON COMPLIANCE REQUIREMENTS APPLICABLE TO  
NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS**

To the Board of Supervisors  
County of Scott, Iowa  
Davenport, Iowa

We have audited the general purpose financial statements of the County of Scott, Iowa, as of and for the year ended June 30, 1996, and have issued our report thereon dated October 25, 1996.

In connection with our audit of the financial statements of the County of Scott, Iowa, and with our consideration of the County's internal control systems used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, "Audits of State and Local Governments", we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed, and eligibility, matching level of effort, reporting, claims for advances and reimbursements that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the County of Scott, Iowa's compliance with those requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the County of Scott, Iowa, had not complied, in all material respects, with those requirements.

This report is intended for the information of the Board of Supervisors, management and the Auditor, State of Iowa. However, this report is a matter of public record and its distribution is not limited.

*McGladrey & Pullen, LLP*

Davenport, Iowa  
October 25, 1996

# COUNTY OF SCOTT, IOWA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 1996

---

### General Requirements

#### Finding 1:

The Personnel Handbook Acknowledgment Form was not evident in several employee files.

#### Condition:

Four of the six files selected did not contain the Personnel Handbook Acknowledgment Form. The form is an integral piece of the County's system for complying with the federal requirement.

#### Criteria:

The Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments" specifies general requirements applicable to federal financial assistance programs. Of these requirements are civil rights which requires the County to inform its employees of grievance procedures and rights to a nondiscriminatory workplace and political activity which prohibits individual engaged in the performance of a grant from partaking in political activities.

#### Recommendation:

We recommend the County strengthen its system for complying with the federal requirement to ensure employee files include the proper documentation of receipt of the handbook.

#### County of Scott, Iowa's Corrective Action Plan:

County will examine federal requirements with regard to federal grants or financial assistance programs. In addition, the County will explore methods to ensure compliance which may include modification of the Personnel Handbook and distribution of same to current and future employees.



# COUNTY OF SCOTT, IOWA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 1996

---

### Specific Requirements

#### Finding 2:

U.S. Department of Housing and Urban Development passed through the Iowa Department of Economic Development Community Development Block Grant (CFDA 14.228).

The required monthly federal report "Status of Funds/Request for Payment" and the supporting documentation was not filed timely.

#### Questioned costs:

None

#### Condition:

The "status of funds/request for payment" is required to be filed by the 15th of each month. The report for the month ended May 30 was submitted on June 27 and the June month-end report was submitted July 30.

#### Criteria:

The Grant Agreement states the grantee shall submit the reports by the 15th of each month.

#### Recommendation:

We recommend the County review its current reporting structure to ensure reports are prepared and filed on a timely basis.

#### County of Scott, Iowa's corrective Action Plan:

Eastern Iowa Community College is acting as fiscal Agent on this grant and have been informed of this contract requirement. The College will comply with timely report filings in the future.

# COUNTY OF SCOTT, IOWA

## STATUS OF PRIOR YEAR FINDINGS Year Ended June 30, 1996

Item Number	Description of Condition	Status
1	The Drug-Free Workplace Acknowledgment Form was not evident in several employee files.	Resolved no similar finding in the current year.
2	The County settled a discrimination lawsuit. In addition, the County had two cases filed with the Equal Employment Opportunity Commission.	The County currently has several cases filed with the Equal Employment Opportunity Commission.
3	A required monthly federal report and supporting documentation could not be located by County officials.	The County obtained a copy of this report from the grant administrator.
4	A financial status report was not filed timely.	See similar finding in the current year.
5	The County was unable to identify a federally funded program.	The County implemented a new system for identifying federal program; no similar finding in the current year.
6	Several asset additions and disposals were added to the General Fixed Asset Account Group that were not previously identified.	Resolved no similar finding in the current year.