



COUNTY OF SCOTT, IOWA

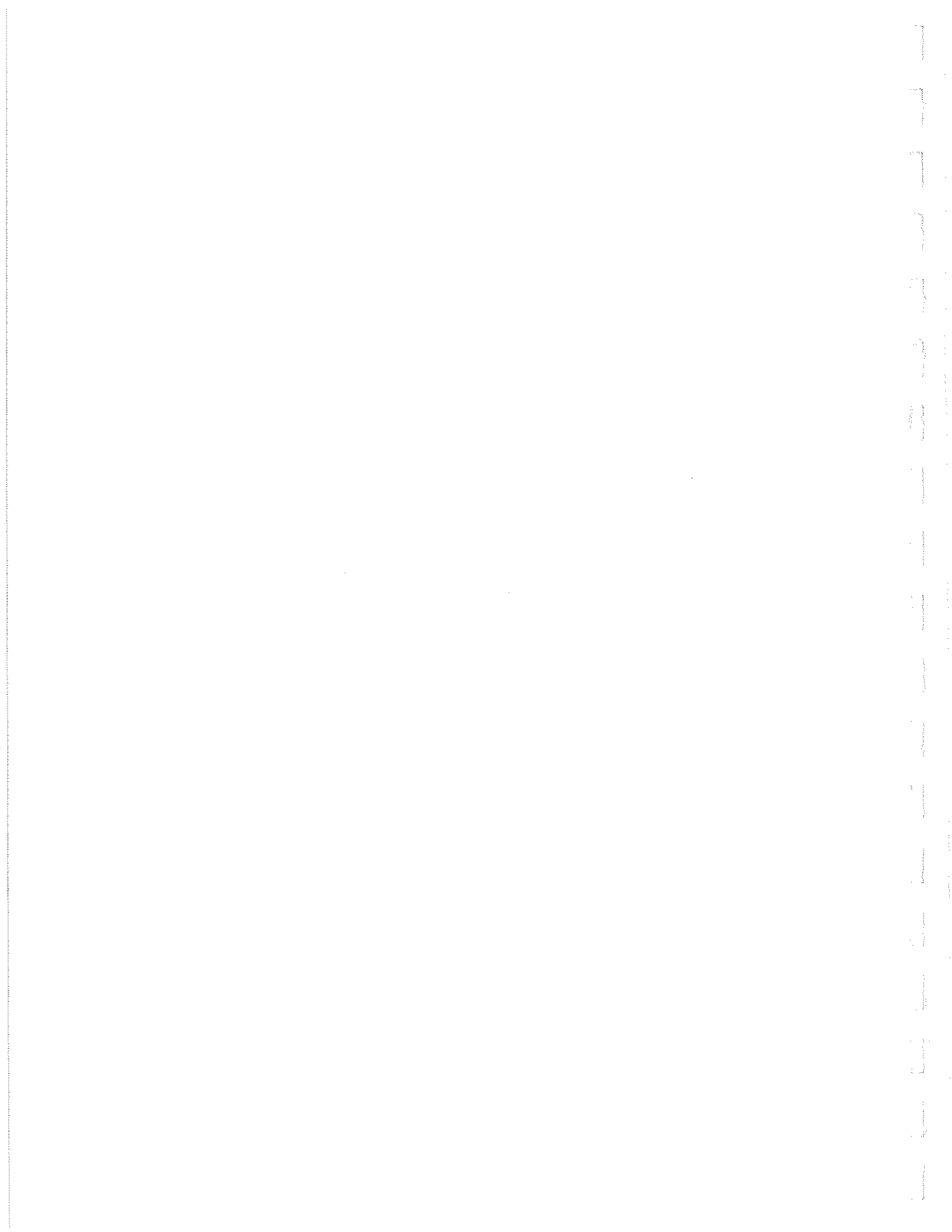
COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended June 30, 1999

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Office of County Treasurer**

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Office of Budget and Information Processing**



Introductory Section



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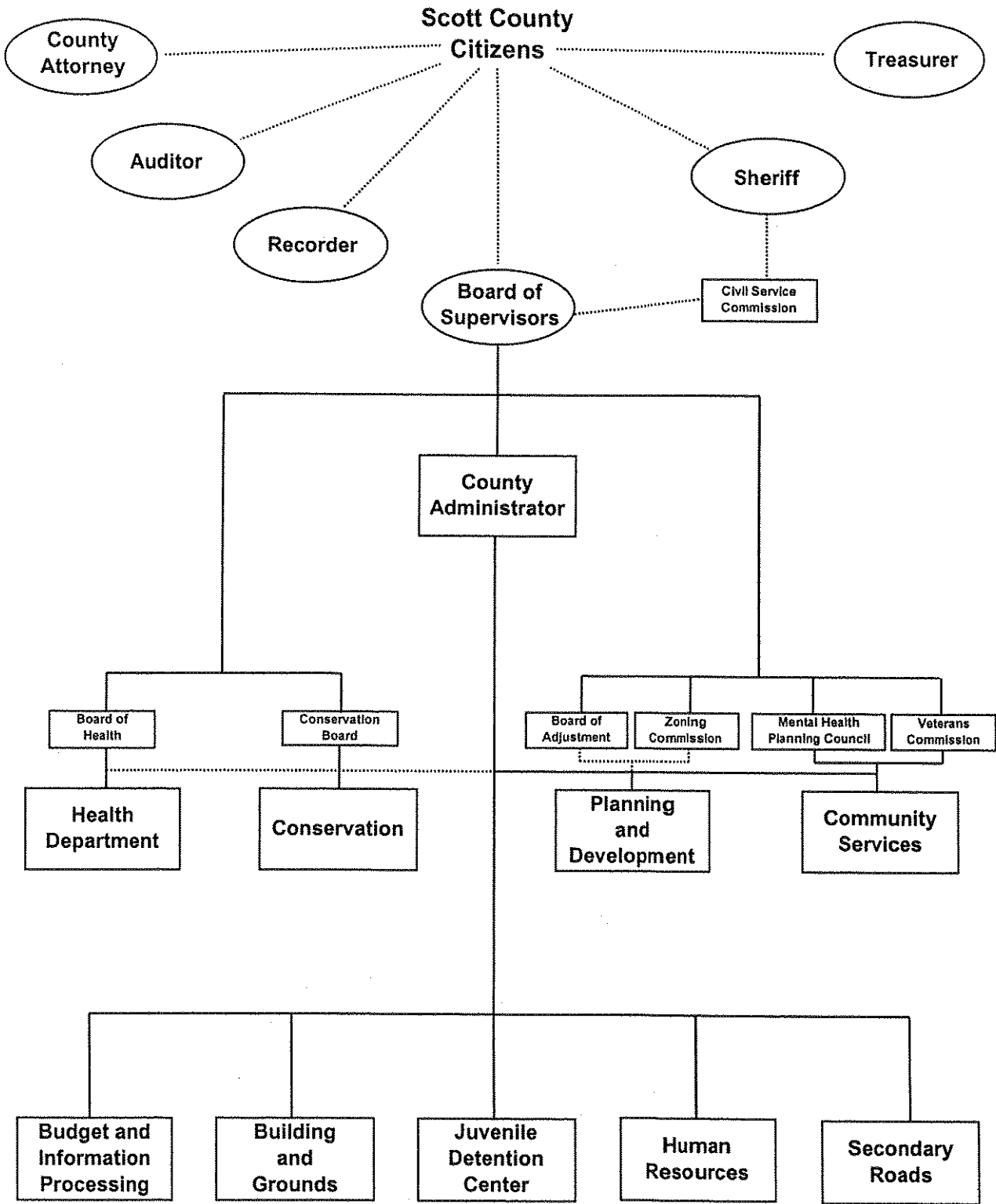
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COUNTY OF SCOTT, IOWA

COUNTY OFFICIALS

Official Title	Official	Term Expiration Date Of Elected Officials
Elected Officials		
Supervisor, Chairman	Edwin G. Winborn	2002
Supervisor	Tom Otting	2000
Supervisor	Jim Hancock	2000
Supervisor	Otto Ewoldt	2002
Supervisor	Pat Gibbs	2002
Attorney	William E. Davis	2002
Auditor	Karen L. Fitzsimmons	2000
Recorder	Richard F. Hagen	2002
Sheriff	Mike Bladel	2000
Treasurer	Bill Fennelly	2002
Administration		
County Administrator	F. Glen Erickson	
Department Heads		
Budget and Information Processing	C. Ray Wierson	
Buildings and Grounds	Dave Donovan	
Community Services	Mary Dubert	
Conservation	Roger Kean	
County Engineer	Larry R. Mattusch	
Health	Lawrence Barker	
Asst. Co. Admin/Personnel	Lisa Charnitz	
Planning and Development	Timothy Huey	
Juvenile Detention Center	Scott Hobart	
Other Officials		
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



— Direct supervision
 Advisory relationship

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, 1998

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.



Cary Brubaker
President

Jeffrey L. Esser
Executive Director

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December 14, 1999

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, 1999 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 auditor's 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 and U.S. Office of Management and Budget Circular A-133 Compliance Supplement. Information related to this single audit, including the schedule of expenditures of federal awards, schedule of findings and questioned costs, and auditors' reports on compliance and on internal control over financial reporting, and on compliance with requirements applicable to each major program and internal control over compliance, 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 County's discreetly presented component units are as follows: Emergency Management Agency, which provides direction for the delivery of the emergency management services and planning, administration, coordination, training and support for local governments and their departments; County Library, which provides library services to all cities within Scott County with the exception of the City of Bettendorf and the City of Davenport; County

Assessor, which 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, County Assessor Special, which is responsible to the County Conference Board to perform in-house revaluations for various classes of property; City Assessor, which is responsible for the operations of the City Assessor's office, including assessment of all properties within the City of Davenport; City Assessor Special, which is responsible to the City Conference Board to perform in-house revaluations for various classes of property. These component units are discreetly presented in a separate column in the County Financial Statements to emphasis that they are legally separate from the County, but are financially accountable to the County, or whose relationship to the County are 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 component units except for the Scott County Library for which the County Board appoints all the Library Trustees. The component units are discussed further in Note 1.

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 (MSA), with a 1998 U.S. Census Bureau estimated population of 357,813 which is a 2.0% increase over the 1990 census count of 350,861. The U. S. Census Bureau's estimated 1998 population of Scott County was 158,591, which is a 5.0% increase over the 1990 census count of 150,979. However, that estimated figure is still 0.9% less than the 1980 census count for Scott County which was 160,022 and only 11.1% 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 has been historically known as an industrial, retail/service and transportation center. In the last nineteen years the economy has shifted, showing a decline in the number of manufacturing sector jobs. In 1980, 26% of the area jobs were in manufacturing and 60 % in the service sector. In 1998 that had changed to 17% manufacturing and 69% service sector. The portion of government sector jobs has remained stable at 14% during those years.

The shift in the Quad-Cities area economy towards creation of service sector jobs in the professional, non-professional, retail and wholesale sectors of the economy has been significant. In the last nineteen years there has been a 31% increase in service sector jobs; which offsets the loss of over 20,000 durable goods manufacturing sector jobs, a 48% decrease over that same time period. The number of total manufacturing sector jobs was down 36% due to an increase of 23% in jobs in the non-durable goods manufacturing sector. Construction and mining sector jobs have also seen a 27% increase from 1980 to 1998.

The civilian labor force in the Quad Cities MSA numbered 185,550 in 1998, which was a 2.0% decrease from the 1980 figure of 189,250. In 1980 the unemployment rate for the Quad Cities was 6.7%. In 1983 the unemployment rate for the Quad-Cities MSA hit a high of 14.8%. Scott County's

unemployment rate in 1983 was 10.8%, following a Scott County high the year before in 1982 of 11.2%. The rebound in creation of jobs in the service sectors, construction, mining, and the manufacturing of non-durable goods has given the Quad-Cities MSA and Scott County in 1998 a nineteen year low unemployment rate of 3.4% and 2.7%, respectively.

New Housing Starts: New residential construction is very strong in the Quad-Cities MSA. Between 1985 and 1987, only 700 single family dwellings units were started in Scott County, with only 925 in the entire Quad Cities MSA over those same three years. 1,475 building permits for new single family dwelling units have been issued in Scott County from 1996 through 1998. Over that same time period 2,842 new house permits have been issued in the MSA. Since 1990, of the 6,985 new house permits issued in the Quad Cities, 61% have been in Scott County. This is an average for Scott County of 475 permits a year in that nine year time period.

Even with a strong housing market the Quad Cities remains one of the most affordable housing markets in the country. The average sales price for homes in the Iowa Quad Cities was \$113,800 in 1998 and \$85,800 on the Illinois side of the river. The median home values between 1980 and 1990 only increased 3% from \$52,800 to \$54,400.

Major Projects and Developments: There have been a number of significant projects and developments that have occurred in 1996-1999 that effected the economic outlook for Scott County and the Quad-Cities in general:

Education

- * A 1999 County wide referendum approved an increase in the local option sales tax for capital improvements for the County School Districts to share on a per capita basis.
- * North Scott School District approved \$8.9 million in infrastructure improvements and expansion to its elementary and junior & senior high schools.
- * Pleasant Valley School District recently completed construction of a new \$1.7 million elementary school.

Retail/Service

- * The Lady Luck Casino developed a 250 room convention center hotel with a \$33 million dollar investment of public and private monies for the hotel, parking garage, overpass and marina.
- * The 53rd Street corridor has seen a variety of new retail/office development, including a new 25,000 square foot Borders book store and a new 18 movie theater complex on 53rd Street, east of I-74 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

- * The City of Davenport, Scott County, Mid-American Energy, and the Chamber of Commerce of Commerce have combined to develop the first 220 acres of a large site heavy industrial park in northwest Davenport, with room for expansion to over 2000 acres.
- * AAA Iowa begun developing a nine acre office park in front of its existing Bettendorf headquarters. An upscale office park campus with up to 75,000 square feet of office space is being constructed.
- * 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.

New Industrial Development

- * Grafco Plastics Manufacturing has built a new \$10 million manufacturing facility creating 50 new jobs in Bettendorf's industrial park.
- * Solar Plastics, Inc. expanded its Davenport plant by 50,000 square feet, with a \$3.9 million investment and is expected to expand its workforce with 60 new jobs over the next three years.
- * Olympic Steel also has developed a \$22 million steel handling facility, in Bettendorf, creating over 60 new jobs which is expected to grow to 200 jobs over the next five years.
- * IPSCO Steel, a Canadian company, has completed development of a \$375 million steel manufacturing facility just over the Scott County line in neighboring Muscatine County.
- * Roll and Hold, a local steel warehouse and distribution firm, will expand its existing workforce of 13 to 20 with the completion of its new 80,000 square foot building in Eldridge.
- * 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) has recently invested \$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.
- * Nichols Aluminum, an aluminum castings manufacturer in Davenport, added 52,000 square feet and increased its Davenport workforce by 19 jobs.

- * Genesis Systems Group, a manufacturer of robotic welding systems, has constructed 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.
- * M. A. Ford Manufacturing has completed a \$3.2 million expansion to its existing facility and will expand its current workforce of 160 and add an additional 50 jobs.
- * Oscar Meyer 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 1998 the total market valuation for all taxable properties in Scott County has grown from \$3.55 billion to \$4.57 billion, representing a 29 % increase in an eight-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.

I & M Rail Link moved its corporate headquarters to Davenport which represented an investment of approximately \$50 million. The corporate headquarters will employ 70 with an average wage of \$20 per hour. Its Davenport rail yard will employ 130 people at wages between \$13-\$17 per hour.

The regional airport for the Quad Cities is on the Illinois side of the river in Moline. The Quad Cities airport is served by TWA, with service to St Louis, United Express, with service to Chicago, Northwest Airlines, with service to Minneapolis, Access Air with service to New York, Los Angeles and Colorado Springs, Air Tran with service to Atlanta and most recently added Skyway Airlines with service to Milwaukee. 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. With the recent rise in interest rates, building and construction activity may be expected to level off or slow slightly. However, with the new investment and the expansion of existing businesses, the employment picture for the Quad Cities 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 1998-99 Scott County worked on the development of a space utilization master plan for the County campus facilities. At the direction of the Scott County Board of Supervisors, a study was conducted to analyze space utilization needs in County campus facilities (excluding the jail) and to make recommendations for the of building space in the future. The result of this study recommends that all non-court and public safety related functions be moved from the Courthouse to the Bi-Centennial Building. This will be a methodical ten-year process costing approximately \$14 million dollars funded on a pay as you go basis. The Board will minimize disruption and inconvenience to the general public as much as possible throughout the project. The project will begin during fiscal year 1999-2000.

The County completed the remodeling and renovation of several areas within the Courthouse complex and other County facilities including: cleaning of the aluminum cladding on the outside of the Courthouse; installation of a power line uninterrupted power supply unit (ups) for the computer room; remodeling of the lower level administrative areas in Budget & Information processing, Building & Grounds and Risk Management; general remodeling in the Auditor's Office; remodeling of the reception area in the Health Department; security system expansion in the Annex Building; and closed circuit TV security system installation in the County General Store.

The Board of Supervisors continued with their multi-year Friends of Brady Street Stadium artificial turf installation project as well as funding toward the Kahl Education Center renovation project. The Board also authorized funding toward the Northwest Davenport Industrial Park, the German American Heritage Center Project, and the Junior Achievement Exchange City program project.

During the year the Board of Supervisors and the Scott County Sheriff continued on their 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. Based on this information the Board of Supervisors and Sheriff selected an architecture firm and construction manager organization to begin to prepare preliminary design and construction costs amounts which were brought to the voters for their consideration at a November 1998 referendum. Although the referendum failed to achieve the 60% required super majority vote necessary, the message is now clear to the citizens that a suitable Jail building replacement is needed. Addressing the long-term solution to the Jail overcrowding problem continues to be the County's highest priority at this time. A community summit was recently held soliciting input from numerous community leaders about the problem. This begins a new community process to develop an acceptable solution to the jail overcrowding problem.

During FY 1998-99 the Board of Supervisors continued its Financial Initiatives Program started in 1994. This program is now implemented every other odd calendar year and encourages County departments to hold staff meetings and brainstorming sessions to produce ideas to reduce on-going expenditures, increase revenues and improve productivity. Using teamwork and innovation County employees identified many initiatives in 1999 totaling \$188,901 in cost reductions (\$113,968 on-going and \$74,933 one-time cost savings) with revenue enhancements identified at a total of \$216,720. Also improvements to the productivity capacity of the work force equal to 0.10 full-time positions with a value of \$2,455 were identified due to changes in policies, procedures, scheduling and other work methods.

These fiscal strategies have played a major role in eliminating the County's previous budget deficits and declining general fund undesignated balance amounts, which reached its lowest level in 1994. Over the past several years the substantial increase in the amount of the general fund undesignated balance is directly attributed to this successful program.

Finally, Scott County remains only one of two Iowa counties 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 tenth consecutive award for its budget document for the fiscal year beginning July 1, 1999. 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 latest target issue setting workshop was held in January 1999. The current 1999 and 2000 Policy Agenda Priorities and Action Plans are listed below:

POLICY AGENDA PRIORITIES FOR 1999 AND 2000

- Jail Direction
Action Plan: 1. Evaluate current situation.
2. Develop process for formulating direction.
3. Continue to explore and implement alternatives to incarceration.
4. Implement process for formulating direction.

- Facilities/Space Plan: Finalization
Action Plan: 1. Finalization of space review for Courthouse and Bi-Centennial Building.
2. Adjust master plan.
3. Implement master plan.

- Economic Development: Direction
Action Plan. 1. Evaluate current activities and define County's role.
2. Define relationship to cities and other economic development organizations.
3. Develop strategy to support County's role.
4. Implement strategy.

- Radio System
Action Plan: 1. Make final decision on system and equipment acquisition.
2. Implement acquisition.
3. Develop strategy for accommodating outlying entities.
4. Implement strategy.

- Bridge Direction
Action Plan: 1. Monitor progress and provide leadership for a unified effort.
- Employee Retention: Strategy and Action Plan
Action Plan: 1. Implement and monitor pilot incentive programs.
2. Document current employee retention practices.
3. Develop strategy to address issues.
4. Conduct study of alternatives.
5. Prioritize alternatives.
- Emergency Medical Services: Direction
Action Plan: 1. Provide leadership and support for defining future EMS structure for outlying area.
2. Provide leadership and support for implementing future EMS structure for outlying area.
3. Revise County funding allocations to support future EMS structure.
- Computer/Technology Upgrade: Action Plan
Action Plan: 1. Initial move to windows environment.
2. Train employees on windows software.
3. Develop County web site.
4. Install firewall and Internet/E-Mail access.
5. Train employees on Internet/E-Mail systems.
6. Update 5-Year computer plan.
- User Friendly Services and Facilities
Action Plan: 1. Create employee task force to develop strategy to address issue.
2. Review and recommend strategy.
3. Approve strategy.
4. Implement strategy.
- Juvenile Detention: Evaluation and Direction
Action Plan: 1. Evaluate current data and practices.
2. Develop strategy to address issue.
3. Conduct needs study.
4. Implement results of needs study.
- Employee Development and Training (Build Capacity)
Action Plan: 1. Benchmark current training efforts against internal and external comparisons.
2. Evaluate current training.
3. Develop training strategy.
4. Implement training strategy.

At the present time work is beginning on the County's fiscal year 2000-01 operating budget. During their initial budget discussions the Board of Supervisors identified four specific areas they wished to have reviewed during the 2000-01 budget preparation process.

Specific Budget Areas to Review During Budget Sessions:

1. Continued technology upgrades and training
 - Internet access
 - E-mail (internet and intranet)
 - Data base access
 - Public accessibility
2. Cost impact of jail overcrowding
3. Space utilization plan implementation
4. Retention and development of employees

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. It is noted that although the State of Iowa's enacted legislation which limited growth in property tax dollars which could be levied in FY'94 through FY'98 sunset in June 1998 there has been discussion by various legislators to possibly enact new limitations on cities and counties during the upcoming legislative session.

One of the four County labor union contracts is up for renegotiations for fiscal year 2000-01. Wage increases, health care costs, out of county inmate housing 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. Each year the County selects a department to highlight for its efforts and accomplishments. There have been many changes in the Treasurer's office since the last focus in 1989.

The staff of the Treasurer's office has maintained a level of 28.6 FTE's. while adding several additional duties through legislative mandates.

Effective in July 1994, the county treasurer became responsible for advising an individual whose driver's license has been suspended and cannot register motor vehicles to contact Driver Services or provide evidence of financial responsibility. In 1996 the county treasurer was required to refuse to renew the registration when a person had not paid restitution to the clerk of court and/or unpaid fines to the Department of Revenue.

Additional documents were required to protect consumers with the requirement of a damage disclosure statement on the transfer of motor vehicles ten years old and newer. During the early '90's several changes in the salvage laws required the county treasurer to carry the brand from out of state titles as prior salvage, rebuilt, flood, fire, and vandalism.

The Driver's Privacy Protection Act was effective September 13, 1997 allowing a vehicle owner to prohibit the disclosure of personal information to the general public. The treasurer maintains the vehicle records for those individuals requesting to prohibit disclosure of their personal information.

In 1992, The County General Store moved from the shopping mall to our present location at 216 E. 50th Street to continue providing an alternative to the courthouse for our citizens and increase the working area for less rent. This satellite office continues its popularity collecting over 14.5 million dollars in property taxes and motor vehicle fees.

Over the past few years, the Treasurer has been able to collect a bidder fee from investors at the annual tax sale resulting in \$40,000 revenue for 1999.

Investments are made with local banks in compliance with the Board's philosophy to invest local property tax revenues with local banks.

In an effort to develop a more professional staff, Bill Fennelly, Scott County Treasurer reorganized his management staff eliminating the deputy positions and saved the county \$22,000 annually. In an effort to retain staff, upgrades for eighteen customer service clerks were realized in recognition of the multiple skills required for both property tax and motor vehicle transactions.

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 awards, 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, 1999 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgeting Control. 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, 1999 and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenue Source	Amount	Percent Of Total	Increase (Decrease) From FY1998	% Incr (Decrease) From FY1998
Property Taxes/Interest & Penalties	\$18,597,934	44.8%	\$151,402	0.8%
Local Option Sales Tax	3,317,574	8.0%	483,755	17.1%
Other County Taxes	114,872	0.3%	-3,068	-2.6%
Intergovernmental	13,551,599	32.6%	63,869	0.5%
Licenses and Permits	362,164	0.9%	37,632	11.6%
Charges for Services	3,336,418	8.0%	288,279	9.5%
Interest and Rentals and Fees	1,800,974	4.3%	72,014	4.2%
Other	456,377	1.1%	47,102	11.5%
Total	\$41,537,912	100.0%	\$1,140,985	2.8%

The very slight increase in property taxes is due in part to the continued mental health property tax relief funding by the State in addition to the continuation of the Financial Initiatives Program by the Board of Supervisors which encourages departments to identify new ways of doing things and reducing ongoing expenditures or increasing non-tax revenues.

The substantial increase in the local option tax proceeds was a result of revenue timing differences in the State changing from a quarterly allotment basis to a monthly basis the previous year and the County recognizing a monthly amount from fiscal year 1998 in the current year. The reduction in other County taxes reflects the amount of mobile home taxes and monies and credit taxes on loan agencies received in fiscal year 1999.

Licenses and permits increased due to a greater number of building permits issued and for higher values. The State also increased food inspection license fees. Charges for services increased due to an excellent economic climate and low interest rates, which resulted in higher fees collected in the Recorder's office for filings. Interest earnings increased due to higher fund balances and slightly higher investment rates achieved.

Finally the other revenues category was higher due to proceeds received from the health insurance fund to subsidize premium rates. The County will be closing out the health insurance fund during the next few years since it has moved from a self insured plan to full premiums.

The following schedule presents a summary of general fund, special revenue funds and debt service fund expenditures for the fiscal year ended June 30, 1999 and the percentage of increases and decreases in relation to prior year amounts.

Function	Amount	Percent Of Total	Increase (Decrease) From FY1998	% Incr (Decrease) From FY1998
Public Safety	\$8,658,629	23.1%	\$732,885	9.2%
Court Services	1,619,084	4.3%	92,658	6.1%
Physical Health and Education	2,443,397	6.5%	-696,100	-22.2%
Mental Health	9,903,740	26.4%	479,726	5.1%
Social Services	1,769,356	4.7%	-169,666	-8.8%
County Environment	2,233,586	6.0%	-16,369	-0.7%
Roads and Transportation	3,047,814	8.1%	84,414	2.8%
State and Local Government	1,449,209	3.9%	-4,649	-0.3%
Interprogram	4,478,582	11.9%	-549,547	-10.9%
Debt Service	1,058,675	2.8%	18,850	1.8%
Capital	852,115	2.3%	-13,100	-1.5%
Total	\$37,514,187	100.0%	\$-40,898	-0.1%

Public Safety increased 9.2% due to more spending in the areas of criminal prosecution, jail inmate health and jail operating costs, communications and records and investigations. Court services increased in the bailiffs' area providing more courthouse security and transporting prisoners.

The Physical Health and Education area decreased dramatically due to the move of various agency pass through grants for Medicaid administrative claiming and EPSDT Targeted Case Management grants to the trust and agency funds. The Social Services area decreased 8.8% due to lower juvenile care costs incurred at the Toledo State Juvenile facility and a reduced level of emergency shelter grant funds received in the current year.

The substantial reduction in Interprogram costs was due to moving IBNR (incurred but not reported) risk management claim amounts to the self-insurance fund where reserves have been established accordingly.

General Fund Balance. The undesignated fund balance of the general fund increased by 20.5% or \$1,429,407 in 1999. The Board has \$1,423,314 reserved for the loan advance to the enterprise fund. The remaining \$8,401,174 provides the County with a fund balance that meets cash flow needs prior to the collection of property taxes and significantly reduces the likelihood of the County entering the short-term debt market to pay for current operating expenditures. The amount of undesignated fund balance of the general fund exceeds the minimum amount designated by the County's Financial Management policies. The excess amount will be used by the Board for one time capital outlays such as the

previously discussed multi-year space utilization master plan remodeling project for the Courthouse complex facilities.

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 seventh fiscal year of operation on June 30, 1999 realizing a 79% increase in rounds played over the first fiscal year of operation and an 8% increase over the previous year. During the early years of operation and general fund loaned funds to the enterprise fund to be repaid from future Course revenues with interest. At June 30, 1999 the loan amount due to the general fund totaled \$1,423,314. FY 1998-99 was the second consecutive year that an additional loan advance was not necessary.

Debt Administration. At June 30, 1999 the County had only two general obligation debt issues outstanding. The general obligation jail refunding bond issue totaled \$460,000 and the Solid Waste Disposal bonds totaled \$6,175,000. 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 a AA rating due to State property tax limitations which was 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 several 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 217% 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, 1999 the County's general obligation indebtedness of \$6,635,000 was well below the legal limit of \$315,761,413 and debt per capita equaled \$41.84.

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 5.05%. The County earned interest revenue in governmental funds of \$1,751,709 on all investments for the year ended June 30, 1999.

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. All of County investments during the year and at June 30, 1999 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 1999, 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 \$9,750,000 for liability, replacement costs up to \$68,017,523 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 and related OMB Circular A-133. 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, 1998. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

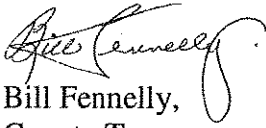
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal 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 eleventh consecutive year. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

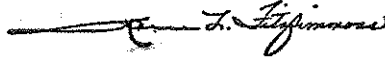
Acknowledgements. The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated services of the Financial Management Supervisor in the Treasurer's Office, the Accounting Supervisor in the Auditor's Office, and the Director of Budget and Information 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.

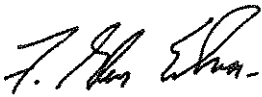
Respectfully submitted,



Bill Fennelly,
County Treasurer



Karen L. Fitzsimmons,
County Auditor



F. Glen Erickson,
County Administrator



Financial Section



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, 1999, 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 and the standards applicable to financial audits contained in "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, 1999, 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.

In accordance with "Government Auditing Standards," we have also issued a report dated November 19, 1999 on our consideration of the County of Scott, Iowa's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

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 information listed in the table of contents as supplementary information, including the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget Circular A-133, except for the required supplementary information Year 2000 Issue, 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.

The Year 2000 supplementary information on page 31 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it. In addition, we do not provide assurance that the County of Scott, Iowa is or will become Year 2000 compliant, that the County of Scott, Iowa's Year 2000 remediation efforts will be successful in whole or in part or that parties with which the County of Scott, Iowa does business are or will become Year 2000 compliant.

McGladrey & Pullen, LLP

Moline, Illinois
November 19, 1999

COUNTY OF SCOTT, IOWA

COMBINED BALANCE SHEET

ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS

June 30, 1999

ASSETS AND OTHER DEBITS	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Cash and investments	\$ 9,068,815	\$ 4,031,749	\$ 6,223,549	\$ 4,116,158
Cash and investments in escrow	-	-	-	-
Receivables:				
Property taxes	29,748	11,597	996	-
Accrued interest	337,227	-	-	-
Accounts	30,257	40,798	-	15,428
Due from other funds	416,761	-	-	-
Advance to other funds	1,423,314	-	-	-
Due from other governmental agencies	943,333	70,268	-	-
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	-	-	-	-
Total assets and other debits	\$ 12,249,455	\$ 4,154,412	\$ 6,224,545	\$ 4,131,586

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
\$ -	\$ 1,852,574	\$ 7,027,453	\$ -	\$ -	\$ 32,320,298	\$ 1,118,302	\$ 33,438,600
327,985	-	-	-	-	327,985	-	327,985
-	-	280,466	-	-	322,807	3,313	326,120
-	-	-	-	-	337,227	-	337,227
29,283	123,209	127,675	-	-	366,650	-	366,650
-	-	-	-	-	416,761	-	416,761
-	-	-	-	-	1,423,314	-	1,423,314
-	-	-	-	-	1,013,601	7,719	1,021,320
5,442	-	-	-	-	5,442	-	5,442
1,556,336	-	-	3,390,047	-	4,946,383	16,600	4,962,983
447,136	-	-	22,306,059	-	22,753,195	165,400	22,918,595
628,370	-	-	-	-	628,370	-	628,370
2,635	-	-	921,511	-	924,146	144,958	1,069,104
712,421	-	-	9,952,130	-	10,664,551	1,224,329	11,888,880
13,666	-	-	3,255,684	-	3,269,350	191,768	3,461,118
-	-	-	530,624	-	530,624	-	530,624
(757,101)	-	-	-	-	(757,101)	-	(757,101)
-	-	-	-	6,223,688	6,223,688	-	6,223,688
-	-	-	-	498,892	498,892	-	498,892
\$ 2,966,173	\$ 1,975,783	\$ 7,435,594	\$ 40,356,055	\$ 6,722,580	\$ 86,216,183	\$ 2,872,389	\$ 89,088,572

(Continued)

COUNTY OF SCOTT, IOWA

COMBINED BALANCE SHEET

ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS (Continued)
June 30, 1999

LIABILITIES, EQUITY AND OTHER CREDITS	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Liabilities:				
Accounts payable	\$ 907,918	\$ 1,372,853	\$ -	\$ 63,335
Accrued liabilities	547,903	51,192	-	-
Interest payable	-	-	-	-
Due to other funds	-	-	-	-
Advance from other funds	-	-	-	-
Due to other governmental agencies	-	-	-	-
Deferred revenue	194,389	10,319	857	-
Compensated absences	774,757	102,132	-	-
General obligation bonds	-	-	-	-
Purchase contract	-	-	-	-
Total liabilities	2,424,967	1,536,496	857	63,335
Equity and Other Credits:				
Investment in general fixed assets	-	-	-	-
Contributed capital	-	-	-	-
Retained earnings (deficit)	-	-	-	-
Fund balances:				
Reserved for advance to other funds	1,423,314	-	-	-
Unreserved, undesignated	8,401,174	2,617,916	6,223,688	4,068,251
Total equity and other credits	9,824,488	2,617,916	6,223,688	4,068,251
Total liabilities and equity and other credits	\$ 12,249,455	\$ 4,154,412	\$ 6,224,545	\$ 4,131,586

See Notes to Financial Statements.

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
\$ 27,401	\$ 538,752	\$ 385,792	\$ -	\$ -	\$ 3,296,051	\$ 94,952	\$ 3,391,003
18,042	8,770	-	-	-	625,907	28,280	654,187
198,130	-	-	-	-	198,130	-	198,130
-	-	416,761	-	-	416,761	-	416,761
1,423,314	-	-	-	-	1,423,314	-	1,423,314
-	-	6,331,915	-	-	6,331,915	-	6,331,915
11,758	-	-	-	-	217,323	2,851	220,174
12,139	-	-	-	87,580	976,608	86,111	1,062,719
-	-	-	-	6,635,000	6,635,000	-	6,635,000
2,917,285	-	-	-	-	2,917,285	-	2,917,285
4,608,069	547,522	7,134,468	-	6,722,580	23,038,294	212,194	23,250,488
-	-	-	40,356,055	-	40,356,055	1,743,055	42,099,110
-	1,098,877	-	-	-	1,098,877	-	1,098,877
(1,641,896)	329,384	-	-	-	(1,312,512)	-	(1,312,512)
-	-	-	-	-	1,423,314	-	1,423,314
-	-	301,126	-	-	21,612,155	917,140	22,529,295
(1,641,896)	1,428,261	301,126	40,356,055	-	63,177,889	2,660,195	65,838,084
\$ 2,966,173	\$ 1,975,783	\$ 7,435,594	\$ 40,356,055	\$ 6,722,580	\$ 86,216,183	\$ 2,872,389	\$ 89,088,572

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, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Revenue:				
Property taxes	\$ 13,007,657	\$ 4,732,906	\$ 436,756	\$ -
Local option sales tax	3,317,574	-	-	-
Other taxes	96,665	17,263	944	779,530
Interest and penalties on taxes	420,615	-	-	-
Intergovernmental	3,771,118	9,398,140	382,341	34,520
Charges for services	3,183,546	152,872	-	-
Interest	1,640,580	3,446	-	107,683
Licenses and permits	362,164	-	-	-
Rentals and fees	156,948	-	-	-
Other	425,948	30,429	-	9,772
Total revenue	26,382,815	14,335,056	820,041	931,505
Expenditures:				
Current operating:				
Public safety	8,658,629	-	-	-
Court services	1,619,084	-	-	-
Physical health and education	2,134,187	309,210	-	-
Mental health	-	9,903,740	-	-
Social services	1,769,356	-	-	-
County environment	2,233,586	-	-	-
Roads and transportation	-	3,047,814	-	-
State and local government services	1,449,209	-	-	-
Interprogram services	4,478,582	-	-	-
Nonprogram services	-	-	-	-
Capital outlay	-	852,115	-	2,303,368
Debt service:				
Principal	-	-	670,000	-
Interest	-	-	388,675	-
Total expenditures	22,342,633	14,112,879	1,058,675	2,303,368
Excess (deficiency) of revenue over expenditures	4,040,182	222,177	(238,634)	(1,371,863)
Other financing sources (uses):				
Operating transfers in	15,131	1,980,132	-	2,133,954
Operating transfers out	(2,625,906)	(1,503,311)	-	-
Total other financing sources (uses)	(2,610,775)	476,821	-	2,133,954
Excess (deficiency) of revenue and other financing sources over expenditures and other financing (uses)	1,429,407	698,998	(238,634)	762,091
Fund balances, beginning	8,395,081	1,918,918	6,462,322	3,306,160
Fund balances, ending	\$ 9,824,488	\$ 2,617,916	\$ 6,223,688	\$ 4,068,251

See Notes to Financial Statements.

Fiduciary Fund Type	Total (Memo- randum Only) Primary Government	Component Units	Total (Memo- randum Only) Reporting Entity
Expendable Trusts			
\$ -	\$ 18,177,319	\$ 1,433,127	\$ 19,610,446
-	3,317,574	-	3,317,574
-	894,402	3,380	897,782
-	420,615	-	420,615
-	13,586,119	570,837	14,156,956
-	3,336,418	7,547	3,343,965
-	1,751,709	-	1,751,709
-	362,164	-	362,164
-	156,948	-	156,948
3,220,286	3,686,435	60,943	3,747,378
3,220,286	45,689,703	2,075,834	47,765,537
-	8,658,629	119,261	8,777,890
-	1,619,084	-	1,619,084
-	2,443,397	644,048	3,087,445
-	9,903,740	-	9,903,740
-	1,769,356	-	1,769,356
-	2,233,586	-	2,233,586
-	3,047,814	-	3,047,814
-	1,449,209	1,220,733	2,669,942
-	4,478,582	-	4,478,582
3,207,762	3,207,762	-	3,207,762
-	3,155,483	-	3,155,483
-	670,000	-	670,000
-	388,675	-	388,675
3,207,762	43,025,317	1,984,042	45,009,359
12,524	2,664,386	91,792	2,756,178
-	4,129,217	-	4,129,217
-	(4,129,217)	-	(4,129,217)
-	-	-	-
12,524	2,664,386	91,792	2,756,178
288,602	20,371,083	825,348	21,196,431
\$ 301,126	\$ 23,035,469	\$ 917,140	\$ 23,952,609

COUNTY OF SCOTT, IOWA

COMBINED STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - ALL GOVERNMENTAL FUND TYPES Year Ended June 30, 1999

	General		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenue:			
Property taxes	\$ 12,973,635	\$ 13,007,657	\$ 34,022
Local option sales tax	3,207,501	3,317,574	110,073
Other taxes	76,561	96,665	20,104
Interest and penalties on taxes	390,000	420,615	30,615
Intergovernmental	4,893,752	3,771,118	(1,122,634)
Charges for services	2,629,431	3,183,546	554,115
Interest	1,361,000	1,640,580	279,580
Licenses and permits	349,505	362,164	12,659
Rentals and fees	165,678	156,948	(8,730)
Other	162,640	425,948	263,308
Total revenue	26,209,703	26,382,815	173,112
Expenditures:			
Current operating:			
Public safety	8,968,123	8,658,629	309,494
Court services	1,639,447	1,619,084	20,363
Physical health and education	2,603,429	2,134,187	469,242
Mental health	-	-	-
Social services	2,064,069	1,769,356	294,713
County environment	2,542,290	2,233,586	308,704
Roads and transportation	-	-	-
State and local government services	1,653,088	1,449,209	203,879
Interprogram services	5,052,834	4,478,582	574,252
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	24,523,280	22,342,633	2,180,647
Excess (deficiency) of revenue over expenditures	1,686,423	4,040,182	2,353,759
Other financing sources (uses):			
Operating transfers in	-	15,131	15,131
Operating transfers out	(3,506,790)	(2,625,906)	880,884
Total other financing sources (uses)	(3,506,790)	(2,610,775)	896,015
Excess (deficiency) of revenue and other financing sources over expenditures and other financing (uses)	\$ (1,820,367)	1,429,407	\$ 3,249,774
Fund balances, beginning		8,395,081	
Fund balances, ending		<u>\$ 9,824,488</u>	

Special Revenue			Debt Service		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 4,731,197	\$ 4,732,906	\$ 1,709	\$ 436,863	\$ 436,756	\$ (107)
-	-	-	-	-	-
20,956	17,263	(3,693)	974	944	(30)
-	-	-	-	-	-
9,380,235	9,398,140	17,905	620,838	382,341	(238,497)
185,000	152,872	(32,128)	-	-	-
-	3,446	3,446	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
16,000	30,429	14,429	-	-	-
<u>14,333,388</u>	<u>14,335,056</u>	<u>1,668</u>	<u>1,058,675</u>	<u>820,041</u>	<u>(238,634)</u>
-	-	-	-	-	-
-	-	-	-	-	-
309,210	309,210	-	-	-	-
10,583,589	9,903,740	679,849	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,136,800	3,047,814	88,986	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,010,000	852,115	157,885	-	-	-
-	-	-	670,000	670,000	-
-	-	-	388,675	388,675	-
<u>15,039,599</u>	<u>14,112,879</u>	<u>926,720</u>	<u>1,058,675</u>	<u>1,058,675</u>	<u>-</u>
(706,211)	222,177	928,388	-	(238,634)	(238,634)
2,039,632	1,980,132	(59,500)	-	-	-
(1,515,589)	(1,503,311)	12,278	-	-	-
<u>524,043</u>	<u>476,821</u>	<u>(47,222)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (182,168)</u>	<u>698,998</u>	<u>\$ 881,166</u>	<u>\$ -</u>	<u>(238,634)</u>	<u>\$ (238,634)</u>
	<u>1,918,918</u>			<u>6,462,322</u>	
	<u>\$ 2,617,916</u>			<u>\$ 6,223,688</u>	

(Continued)

COUNTY OF SCOTT, IOWA

COMBINED STATEMENT OF REVENUE, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT) ALL PROPRIETARY FUND TYPES Year Ended June 30, 1999

	Enterprise	Internal Service	Totals (Memo- randum Only)
Operating revenue:			
Charges for services	\$ 920,461	\$ 561,191	\$ 1,481,652
Sales, net of cost of goods sold of \$74,421	125,066	-	125,066
Other	2,018	-	2,018
Total operating revenue	1,047,545	561,191	1,608,736
Operating expenses:			
Claims and administration	-	730,445	730,445
Personnel	381,819	-	381,819
Depreciation	148,026	-	148,026
Other	165,994	-	165,994
Total operating expenses	695,839	730,445	1,426,284
Operating income (loss)	351,706	(169,254)	182,452
Nonoperating income (expense):			
Interest income	14,807	74,878	89,685
Interest expense	(275,856)	-	(275,856)
	(261,049)	74,878	(186,171)
Net income (loss)	90,657	(94,376)	(3,719)
Retained earnings (deficit), beginning	(1,732,553)	423,760	(1,308,793)
Retained earnings (deficit), ending	\$ (1,641,896)	\$ 329,384	\$ (1,312,512)

See Notes to Financial Statements.

COUNTY OF SCOTT, IOWA

COMBINED STATEMENT OF CASH FLOWS ALL PROPRIETARY FUND TYPES Year Ended June 30, 1999

	Enterprise	Internal Service	Totals (Memo- randum Only)
Cash Flows from Operating Activities:			
Cash received from customers	\$ 1,096,686	\$ -	\$ 1,096,686
Cash received from premiums allocated	-	708,161	708,161
Cash received from employee contributions	-	(72,256)	(72,256)
Cash payments to acquire goods for resale	(74,734)	-	(74,734)
Cash payments for insurance premiums and services	-	(710,800)	(710,800)
Cash payments to suppliers for goods and services	(155,231)	-	(155,231)
Cash payments to employees for claims	-	(146,679)	(146,679)
Cash payments to employees for services	(377,217)	-	(377,217)
Other operating revenue	-	(4,460)	(4,460)
Net cash provided by (used in) operating activities	489,504	(226,034)	263,470
Cash Flows from Capital and Related Financing Activities:			
Payments of purchase contract	(159,030)	-	(159,030)
Interest paid on purchase contract	(311,869)	-	(311,869)
Acquisition and construction of capital assets	(33,998)	-	(33,998)
Net cash (used in) capital and related financing activities	(504,897)	-	(504,897)
Cash Flows from Investing Activities,			
interest received	14,807	74,878	89,685
Net (decrease) in cash and cash equivalents	(586)	(151,156)	(151,742)
Cash and cash equivalents:			
Beginning	328,571	2,003,730	2,332,301
Ending	\$ 327,985	\$ 1,852,574	\$ 2,180,559
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used in) Operating Activities:			
Operating income (loss)	\$ 351,706	\$ (169,254)	\$ 182,452
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	148,026	-	148,026
(Increase) decrease in:			
Receivables and interfund receivables	(25,280)	299,694	274,414
Inventories	(313)	-	(313)
Increase (decrease) in:			
Accounts payable	6,368	(188,838)	(182,470)
Accrued liabilities	8,997	(167,636)	(158,639)
Net cash provided by (used in) operating activities	\$ 489,504	\$ (226,034)	\$ 263,470

See Notes to Financial Statements.

COUNTY OF SCOTT, IOWA

COMBINING BALANCE SHEET DISCRETELY PRESENTED COMPONENT UNITS June 30, 1999

ASSETS AND OTHER DEBITS	Emergency Manage- ment Agency	County Library
Cash and investments	\$ 130,348	\$ 270,352
Receivables, property taxes	-	566
Due from other governmental agencies	7,719	-
Property and equipment:		
Land and improvements	-	16,600
Buildings and structure	-	165,400
Furniture and fixtures	3,255	86,234
Equipment	57,122	1,140,527
Vehicles	49,709	117,663
Total assets and other debits	\$ 248,153	\$ 1,797,342
LIABILITIES, EQUITY AND OTHER CREDITS		
Liabilities:		
Accounts payable	\$ 1,450	\$ 32,463
Accrued liabilities	2,920	13,001
Deferred revenue	-	508
Compensated absences	5,546	13,366
Total liabilities	9,916	59,338
Equity and Other Credits:		
Investments in general fixed assets	110,086	1,526,424
Fund balance, unreserved, undesignated	128,151	211,580
Total equity and other credits	238,237	1,738,004
Total liabilities, equity and other credits	\$ 248,153	\$ 1,797,342

See Notes to Financial Statements.

County Assessor	County Assessor Special	City Assessor	City Assessor Special	Total
\$ 195,974	\$ 261,997	\$ 178,851	\$ 80,780	\$ 1,118,302
487	93	1,947	220	3,313
-	-	-	-	7,719
-	-	-	-	16,600
-	-	-	-	165,400
22,220	-	33,249	-	144,958
2,531	-	24,149	-	1,224,329
-	-	24,396	-	191,768
\$ 221,212	\$ 262,090	\$ 262,592	\$ 81,000	\$ 2,872,389

\$ 3,597	\$ 5,354	\$ 42,536	\$ 9,552	\$ 94,952
12,359	-	-	-	28,280
460	88	1,605	190	2,851
26,192	-	41,007	-	86,111
42,608	5,442	85,148	9,742	212,194
24,751	-	81,794	-	1,743,055
153,853	256,648	95,650	71,258	917,140
178,604	256,648	177,444	71,258	2,660,195
\$ 221,212	\$ 262,090	\$ 262,592	\$ 81,000	\$ 2,872,389

COUNTY OF SCOTT, IOWA

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES DISCRETELY PRESENTED COMPONENT UNITS Year Ended June 30, 1999

	Emergency Manage- ment Agency	County Library
Revenue:		
Property taxes	\$ -	\$ 270,973
Other taxes	-	833
Intergovernmental	65,309	421,177
Charges for services	-	6,185
Other	51,439	74
Total revenue	116,748	699,242
Expenditures:		
Current operating:		
Public safety	119,261	-
Physical health and education	-	644,048
State and local governmental services	-	-
Total expenditures	119,261	644,048
Excess (deficiency) of revenue over expenditures	(2,513)	55,194
Fund balances, beginning	130,664	156,386
Fund balances, ending	\$ 128,151	\$ 211,580

See Notes to Financial Statements.

County Assessor	County Assessor Special	City Assessor	City Assessor Special	Total
\$ 401,752	\$ 76,785	\$ 614,261	\$ 69,356	\$ 1,433,127
1,049	201	1,165	132	3,380
33,292	4,508	42,868	3,683	570,837
1,362	-	-	-	7,547
492	-	8,938	-	60,943
437,947	81,494	667,232	73,171	2,075,834
-	-	-	-	119,261
-	-	-	-	644,048
401,909	78,716	669,068	71,040	1,220,733
401,909	78,716	669,068	71,040	1,984,042
36,038	2,778	(1,836)	2,131	91,792
117,815	253,870	97,486	69,127	825,348
\$ 153,853	\$ 256,648	\$ 95,650	\$ 71,258	\$ 917,140

COUNTY OF SCOTT, IOWA

NOTES TO FINANCIAL STATEMENTS

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

Nature of operations:

The 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 operation 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

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

(d) **County Assessor Special:**

The County Assessor Special is 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 County Assessor Special and account for all transactions within the books and records of the County. The County Assessor Special is included as a component unit of the County based on the significance of this relationship.

(e) **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.

(f) **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.

COUNTY OF SCOTT, IOWA

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

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.

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** account for revenue sources that are legally restricted to expenditure for specific purposes.

The **Debt Service Fund** account 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 their operational budget:

- 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.

COUNTY OF SCOTT, IOWA

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

- 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.
- The budget may be amended by majority approval of the County Board prior to May 31 after public notice has been published.
- Encumbrances are not recognized in the 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, there were no supplementary appropriations.

(c) Investments:

Investments are reported at fair value. Short-term investments are reported at cost which approximates fair value. Securities traded on the national or international exchange are valued at the last reported sales price at current exchange rates.

(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, 1999, was certified on March 15, 1998, based on the 1997 assessed valuations establishing a lien date of July 1, 1998. 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 month 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

Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

(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 \$1,423,314 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. Deficit Retained Earnings

Retained Earnings (Deficit) of Individual Funds:

The following funds had a retained earnings (deficit) as of June 30, 1999:

Fund	(Deficit) Balance
Enterprise, Glynn's Creek Golf Course Fund	\$ (1,641,896)
Internal service, Health Insurance Fund	(1,587)

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 credit unions. 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, 1999, the carrying amount of the County's deposits, which includes certificates of deposit and excludes \$228,569 of cash on hand and undeposited receipts, totals \$19,366,504 with bank balances of \$20,620,637. The carrying amount and bank balances of the component units' deposits totaled \$1,118,302. The entire bank balances of the County and the component units 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 classifications by at least one of the standard rating services. The County's investments are categorized below to give an indication of the level of 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.

	Category			Total
	1	2	3	
U.S. government agency obligations	\$ 6,878,210	\$ -	\$ -	\$ 6,878,210
Scott Area Solid Waste Commission Revenue Bond	6,175,000	-	-	6,175,000
	<u>\$ 13,053,210</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,053,210</u>

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

During 1999, the County realized no net gain or loss from the sale of investments. The calculation of realized gains is independent of the calculation of the net increase in the fair value of investments. Realized gains and losses on investments that had been held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year. The net increase in the fair value of investments during 1999 was \$2,009,175. This amount takes into account changes in fair value (including purchases and sales) that occurred during the year. The unrealized loss on investments held at year-end was \$17,000.

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, 1999 are as follows:

	Due From Other Funds	Due To Other Funds
General	\$ 416,761	\$ -
Trust and agency:		
County Auditor	-	3,172
County Recorder	-	301,804
County Conservation Board Escrow	-	38,103
Motor Vehicle Tax	-	69,869
Use Tax	-	3,813
Total interfund accounts	\$ 416,761	\$ 416,761

Advances from and to other funds as of June 30, 1999 were as follows:

	Advances From Other Funds	Advances To Other Funds
General	\$ -	\$ 1,423,314
Enterprise, Glynn's Creek Golf Course	1,423,314	-
	\$ 1,423,314	\$ 1,423,314

It has been agreed upon that any excess funds generated by the golf course be used to repay interest on this advance.

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, 1997	Reclass- ifications	Additions	Deletion	Balance June 30, 1998
Land and improvements	\$ 3,381,372	\$ -	\$ 19,375	\$ 10,700	\$ 3,390,047
Buildings and structures	22,109,949	25,159	189,848	18,897	22,306,059
Furniture and fixtures	885,995	-	69,376	33,860	921,511
Equipment	9,651,695	1,268	893,782	594,615	9,952,130
Vehicles	3,067,136	(1,268)	568,465	378,649	3,255,684
Construction in progress	13,013	(25,159)	542,770	-	530,624
	\$ 39,109,160	\$ -	\$ 2,283,616	\$ 1,036,721	\$ 40,356,055

COUNTY OF SCOTT, IOWA

NOTES TO FINANCIAL STATEMENTS

Note 5. Changes in General Fixed Assets (Continued)

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

	Balance June 30, 1998	Additions	Deletion	Balance June 30, 1999
Land and improvements	\$ 16,600	\$ -	\$ -	\$ 16,600
Buildings and structure	165,400	-	-	165,400
Furniture and fixtures	143,987	1,345	374	144,958
Equipment	1,200,787	98,315	74,773	1,224,329
Vehicles	212,854	-	21,086	191,768
	<u>\$ 1,739,628</u>	<u>\$ 99,660</u>	<u>\$ 96,233</u>	<u>\$ 1,743,055</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, 1999:

	June 30, 1998	Additions	Retirements	June 30, 1999
General obligation bonds	\$ 7,305,000	\$ -	\$ 670,000	\$ 6,635,000
Compensated absences	58,843	87,580	58,843	87,580
	<u>\$ 7,363,843</u>	<u>\$ 87,580</u>	<u>\$ 728,843</u>	<u>\$ 6,722,580</u>

General obligation bonds outstanding as of June 30, 1999 consist of the following:

\$460,000 of County jail refunding bonds with interest at 5.25%.

\$6,175,000 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, 1999 are as follows:

Year ending June 30:	Principal	Interest	Total
2000	\$ 720,000	\$ 354,375	\$ 1,074,375
2001	275,000	317,485	592,485
2002	290,000	304,010	594,010
2003	305,000	289,800	594,800
2004	320,000	274,703	594,703
2005 and thereafter	4,725,000	1,654,577	6,379,577
Total	<u>\$ 6,635,000</u>	<u>\$ 3,194,950</u>	<u>\$ 9,829,950</u>

COUNTY OF SCOTT, IOWA

NOTES TO FINANCIAL STATEMENTS

Note 6. General Long-Term Debt (Continued)

The computation of the County's legal margin as of June 30, 1999 is as follows:

Assessed value	<u>\$ 6,315,228,257</u>
Debt limit, 5% of assessed valuation (Iowa statutory limitation)	\$ 315,761,413
Total amount of debt applicable to debt margin	6,635,000
Legal debt margin	<u>\$ 309,126,413</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 was to provide the financing for the project. The final agreement (as refinanced in 1993) between the County and Boatmen's Trust Company requires the County to make varying semiannual 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.

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

	Total Payment	Principal	Interest	Prepayment Price
Year ending June 30:				
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
2006	321,180	200,000	121,180	1,775,000
2007	319,180	210,000	109,180	1,565,000
2008	321,580	225,000	96,580	1,340,000
Thereafter	2,276,800	1,340,000	936,800	Various
Scheduled cash payments	5,163,540	2,975,000	2,188,540	
Unamortized discount	-	(57,715)	57,715	
	<u>\$ 5,163,540</u>	<u>\$ 2,917,285</u>	<u>\$ 2,246,255</u>	

COUNTY OF SCOTT, IOWA

NOTES TO FINANCIAL STATEMENTS

Note 8. Retirement System

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

Plan members are required to contribute 3.70% of their annual covered salary, and the County is required to contribute 5.75% of annual covered payroll, except for law enforcement employees, in which case the percentages are 6.34% and 9.51%, respectively. Contribution requirements are established by state statute. The County's contributions to IPERS for the years ended June 30, 1999, 1998 and 1997 were \$835,546, \$785,467 and \$757,400, respectively, equal to the required contributions for each year.

Note 9. Deferred Compensation Plan

The County (and its component units) offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County (and component unit) employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. In the current fiscal year, the plan was amended to comply with IRC Section 457(g) which provides for the assets to be placed in trust for the exclusive benefit of participants and their beneficiaries. Under these new requirements, the County is no longer fiduciarily accountable for the amount deferred by employees and, therefore, the liability and corresponding investment are not reflected in the financial statements.

Note 10. Risk Management and Insurance

The County, along with component unit Emergency Management Agency, is self-insured for general and automobile liability, property, pharmacy and workers' compensation. The County's general and automobile liability, property, pharmacy and workers' 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, pharmacy 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 and \$300,000 per claim for workers' compensation. Coverage from a private insurance company is maintained for losses in excess of the aggregate stop loss amount with \$9,750,000 maximum coverage on general and automobile liability, \$68,017,523 maximum coverage on property and unlimited coverage on workers' 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 County is commercially insured for health benefits through John Deere Health Care.

The changes in the aggregate liabilities for claims for the years ended June 30, 1999 and 1998 are as follows:

	1999		1998	
	Health Insurance	Self-Insurance	Health Insurance	Self-Insurance
Claims payable, beginning of year	\$ 8,590	\$ 719,000	\$ 9,297	\$ 734,000
Claims expense	149,841	516,161	41,231	715,655
Claims payments	(146,679)	(708,161)	(41,938)	(730,655)
Claims payable, end of year	\$ 11,752	\$ 527,000	\$ 8,590	\$ 719,000

The Emergency Management Agency, County Library, the County Assessor and the City Assessor, all component units of the County, have transferred risk by purchasing commercial insurance.

COUNTY OF SCOTT, IOWA

NOTES TO FINANCIAL STATEMENTS

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, 1999, the aggregate principal balance of the revenue bonds outstanding is \$2,140,000.

In March 1997, the County issued Industrial Development Revenue Bonds to provide financial assistance to M.A. Ford Manufacturing Co., Inc. for construction and furnishing of an expansion to the existing manufacturing facility. The bonds are collateralized by the property financed and are payable solely from the revenues of M.A. Ford Manufacturing Co., 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, 1999, the aggregate principal balance of revenue bonds outstanding is \$2,600,000.

In November 1997, the County issued revenue bonds to provide financial assistance to the Quad City Sports Center Association Project for the expansion of the existing facility. The bonds are collateralized by the property financed and are payable solely from the revenues of the Quad City Sports Center Association. 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, 1999, the aggregate principal balance of the revenue bonds outstanding is \$1,910,000.

In June 1999, the County issued revenue bonds to provide financial assistance to the Nichols Aluminum Project for industrial waste recycling. The bonds are collateralized by the property financed and are payable solely from the revenue of Nichols Aluminum. 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, 1999, the aggregate principal balance of the revenue bonds outstanding is \$3,000,000.

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, 1999 is \$6,175,000.

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 \$6,175,000 remains outstanding as of June 30, 1999.

COUNTY OF SCOTT, IOWA

NOTES TO FINANCIAL STATEMENTS

Note 12. Scott Area Solid Waste Management Commission Agreement (Continued)

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.

Note 14. Commitments

The County has financial commitments relating to various road and bridge construction and maintenance projects that are estimated to be approximately \$158,000.

Note 15. Pending GASB Statements

As of June 30, 1999, the Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the County. The statements which might impact the County are as follows:

No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", issued December 1998, will be effective for the fiscal year ending June 30, 2001. Statement No. 33 imposes new standards for the timing of the recognition of revenue in certain nonexchange transactions. Nonexchange transaction types affected are: derived tax revenues such as sales taxes; imposed nonexchange revenues such as property taxes; government-mandated nonexchange transactions such as federal or state-mandated programs and voluntary nonexchange transactions such as certain grants or private contributions. Management of the County continues to study the statement provision, and has not yet determined what effect, if any, Statement No. 33 will have on the financial condition or the recognition and presentation of nonexchange transactions.

COUNTY OF SCOTT, IOWA

NOTES TO FINANCIAL STATEMENTS

Note 15. Pending GASB Statements (Continued)

Statement No. 34, "Basic Financial Statements - and Management Discussion and Analysis - For State and Local Governments", issued June 1999, will be effective for the County, based on its revenues as of June 30, 1999, for the fiscal year ending June 30, 2003. Statement No. 34, summarized below, imposes new standards for financial reporting. Management has not yet completed their assessment of this statement; however, it will have a material effect on the overall financial statement presentation of the County.

The new financial statement guidelines embodied in Statement 34 are the culmination of many years of study and deliberation by the GASB.

For the first time, financial managers will be required to share their insights in a management discussion and analysis (MD&A) that gives readers an analysis of the government's overall financial position and results of the previous year's operations.

Financial statements will be presented under a dual perspective - a government-wide perspective (new) and a fund level perspective. For the first time, the annual report will include government-wide financial statements prepared using full accrual accounting for all of the government's activities, not just those that cover costs by charging a fee for services, as was previously required. Governments will report all capital assets, including infrastructure, in a government-wide statement of net assets and will report depreciation expense, the cost of using up capital assets, in the statement of activities. Infrastructure assets will be reported, but may not be required to be depreciated under certain circumstances. The net assets of a government will be broken down into three categories: invested in capital assets, net of related debt; restricted and unrestricted. A statement of activities will be presented in at least the same level of detail provided in the governmental fund statements; generally, expenses and program revenues by function. Program expenses will include all direct expenses; governments that allocate overhead and other indirect expenses to individual programs will show the allocation in a separate column. Special and extraordinary items will be reported separately from other revenues and expenses. This way, users will see if the government's conventional, recurring revenues and expenses balanced.

Statement 34 requires governments to continue to present fund level financial statements with information about funds. The focus of these fund-based statements has been sharpened; however, by requiring governments to report information about their most important or major funds (those whose revenues, expenditures/expenses, assets or liabilities are at least ten percent of the total for their fund category or type (governmental or enterprise) and at least five percent of the aggregate amount for all governmental and enterprise funds), including a government's general fund. Fund-based statements for governmental activities (generally, those supported by tax revenues) will continue to report the flow of current financial resources (generally, cash and other assets that can easily be converted to cash).

To help users understand and assess the relationship between fund-based and government-wide financial statements, governments will present a summary reconciliation that will show the interplay between the two types of statements.

Governments will continue to provide budgetary comparison information in their annual reports - as required supplementary information. An important change, however, is a requirement to add the government's original budget to the current comparison of final budget and actual results.

COUNTY OF SCOTT, IOWA

REQUIRED SUPPLEMENTARY INFORMATION YEAR 2000 ISSUE

The Year 2000 Issue is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect operations in the year 1999 and beyond. For many years, programmers eliminated the first two digits from a year when writing programs. Unfortunately, many programs, if not corrected, will not be able to distinguish between the Year 2000 and the Year 1900. This may cause the programs to process data inaccurately or to stop processing data.

Governmental Accounting Standards require disclosure of the stages of work in process or completed as of the end of the government's reporting period to address Year 2000 Issues for computer systems and other electronic equipment. The four stages are identified as follows:

1. Awareness Stage
2. Assessment Stage
3. Remediation Stage
4. Validation\Testing Stage

The County of Scott, Iowa is in the remediation stage for their computer systems. In July 1998, the County switched their computer system to a system that management believes is compliant. The County has currently not completed a formal plan to validate and test the new system. The new system was written wholly in-house by computer programmers on staff at the County.

The County of Scott, Iowa is in the awareness stage in regards to other electronic equipment. The County has not completed the identification of its mission critical electronic equipment and vendor relationships.

Currently, the County has not separately budgeted for computer systems and other electronic equipment Year 2000 compliance projects, but does not believe the financial effects will be material to the County.

The completion of these stages is not a guarantee that systems and equipment will be Year 2000 compliant. The County has received some notification from key vendors on their Year 2000 project progress; however, the County is uncertain at this time of the effect, if any, vendor Year 2000 compliance will have on 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 GENERAL FUND Year Ended June 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
Revenue:			
Property taxes	\$ 12,973,635	\$ 13,007,657	\$ 34,022
Local option sales tax	3,207,501	3,317,574	110,073
Other taxes	76,561	96,665	20,104
Interest and penalties on taxes	390,000	420,615	30,615
Intergovernmental:			
Replacement tax	1,255,084	1,225,627	(29,457)
Grants	3,299,746	2,069,219	(1,230,527)
Other	338,922	476,272	137,350
Charges for services	2,629,431	3,183,546	554,115
Interest	1,361,000	1,640,580	279,580
Licenses and permits	349,505	362,164	12,659
Rental and fees	165,678	156,948	(8,730)
Other	162,640	425,948	263,308
Total revenue	26,209,703	26,382,815	173,112
Expenditures, current operating:			
Public safety:			
Law enforcement program:			
Uniformed patrol services	1,820,939	1,603,718	217,221
Investigations	636,349	685,813	(49,464)
Law enforcement communications	770,207	753,079	17,128
Adult correctional services	3,416,975	3,295,648	121,327
Administration	198,574	201,427	(2,853)
Legal services program:			
Criminal prosecution	1,613,948	1,630,875	(16,927)
Child support recovery	224,119	207,193	16,926
Medical examinations	109,303	107,626	1,677
Emergency services:			
Ambulance services	134,832	127,823	7,009
Disaster services/flood	42,877	45,427	(2,550)
Total public safety	8,968,123	8,658,629	309,494
Court services:			
Assistance to district court system, bailiff	266,485	279,478	(12,993)
Court proceedings program:			
Juries and witnesses	4,000	579	3,421
Detention services	437,600	408,466	29,134
Court costs	26,074	23,864	2,210
Service of civil papers	393,288	397,166	(3,878)
Juvenile justice administration program, court-appointed attorneys for juveniles	512,000	509,531	2,469
Total court services	1,639,447	1,619,084	20,363
Physical health and education:			
Physical health services program:			
Personal and family health services	2,578,429	770,689	1,807,740
Communicable disease prevention and control services	-	335,025	(335,025)
Sanitation	-	546,353	(546,353)
Health administration	-	457,120	(457,120)
Educational services program, fairgrounds	25,000	25,000	-
Total physical health and education	2,603,429	2,134,187	469,242

(Continued)

COUNTY OF SCOTT, IOWA

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued) GENERAL FUND Year Ended June 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
Expenditures, current operating (continued):			
Social services:			
Services to poor program:			
Administration	\$ 130,656	\$ 118,998	\$ 11,658
General welfare services	1,105,400	954,644	150,756
Services to military veterans program:			
Administration	31,040	29,297	1,743
General services to veterans	64,521	64,531	(10)
Children's and family services:			
Youth guidance	140,000	21,043	118,957
Services for disabled children	-	500	(500)
Services to other adults:			
Services to the elderly	173,903	186,353	(12,450)
Other social services	10,079	15,484	(5,405)
Chemical dependency:			
Treatment services	377,804	346,001	31,803
Preventative services	30,666	32,505	(1,839)
Total social services	<u>2,064,069</u>	<u>1,769,356</u>	<u>294,713</u>
County environment:			
Environmental quality program:			
Natural resources conservation	25,000	15,031	9,969
Weed eradication	-	6,070	(6,070)
Environmental restoration	-	500	(500)
Conservation and recreation services program:			
Administration	292,602	253,068	39,534
Maintenance and operations	1,059,540	953,906	105,634
Recreation and environmental education	489,647	634,817	(145,170)
Animal control program, animal shelter	<u>24,560</u>	<u>24,560</u>	<u>-</u>
County development program:			
Land use and building controls	252,987	235,017	17,970
Economic development	397,954	110,617	287,337
Total county environment	<u>2,542,290</u>	<u>2,233,586</u>	<u>308,704</u>
State and local government services:			
Representation services programs:			
Elections administration	305,025	278,944	26,081
Local elections	246,833	124,578	122,255
Township officials	8,000	4,957	3,043
State administrative services program:			
Motor vehicle registration and licensing	568,798	545,578	23,220
Recording of public documents	524,432	495,152	29,280
Total state and local government services	<u>1,653,088</u>	<u>1,449,209</u>	<u>203,879</u>

(Continued)

COUNTY OF SCOTT, IOWA

**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (Continued)
GENERAL FUND
Year Ended June 30, 1999**

	Budget	Actual	Variance Favorable (Unfavorable)
Expenditures, current operating (continued):			
Interprogram services:			
Policy and administration program:			
General County management	\$ 809,826	\$ 822,636	\$ (12,810)
Administrative management services	385,797	518,308	(132,511)
Treasury management services	622,424	655,198	(32,774)
Other policy and administration	279,780	88,093	191,687
Central services program:			
General services	1,596,232	1,028,370	567,862
Data processing services	663,641	657,816	5,825
Risk management services program:			
Tort liability	431,315	348,158	83,157
Safety of workplace	219,000	340,132	(121,132)
Fidelity of public officers	5,819	2,947	2,872
Unemployment compensation	39,000	16,924	22,076
Total interprogram services	5,052,834	4,478,582	574,252
Total expenditures	24,523,280	22,342,633	2,180,647
Excess of revenue over expenditures	1,686,423	4,040,182	2,353,759
Other financing sources (uses):			
Operating transfers in	-	15,131	15,131
Operating transfers out	(3,506,790)	(2,625,906)	880,884
	<u>(3,506,790)</u>	<u>(2,610,775)</u>	<u>896,015</u>
Excess (deficiency) of revenue and other financing sources over expenditures and other financing (uses)	\$ (1,820,367)	1,429,407	\$ 3,249,774
Fund balance, beginning		8,395,081	
Fund balance, ending		<u>\$ 9,824,488</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:

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

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.

Recorders Management Fees Fund - To account for one dollar fee collected for each recorded transaction to be used for the purpose of preserving and maintaining public records.

COUNTY OF SCOTT, IOWA

COMBINING BALANCE SHEET SPECIAL REVENUE FUNDS June 30, 1999

	Mental Health/ Developmental Disabilities Fund	Rural Services Fund
ASSETS		
Cash and investments	\$ 2,918,209	\$ 157,382
Receivables:		
Property taxes	7,193	4,405
Accounts	29,258	-
Due from other governmental agencies	70,268	-
Total assets	\$ 3,024,928	\$ 161,787
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 1,294,526	\$ -
Accrued liabilities	3,968	-
Deferred revenue	6,175	4,144
Compensated absences	5,398	-
Total liabilities	1,310,067	4,144
 Fund balances	 1,714,861	 157,643
Total liabilities and fund balances	\$ 3,024,928	\$ 161,787

Secondary Roads Fund	Recorders Management Fees Fund	Total
\$ 888,925	\$ 67,232	\$ 4,031,749
-	-	11,597
-	11,540	40,798
-	-	70,268
<u>\$ 888,925</u>	<u>\$ 78,772</u>	<u>\$ 4,154,412</u>

\$ 78,327	\$ -	\$ 1,372,853
47,224	-	51,192
-	-	10,319
96,734	-	102,132
<u>222,285</u>	<u>-</u>	<u>1,536,496</u>
666,640	78,772	2,617,916
<u>\$ 888,925</u>	<u>\$ 78,772</u>	<u>\$ 4,154,412</u>

COUNTY OF SCOTT, IOWA

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES SPECIAL REVENUE FUNDS Year Ended June 30, 1999

	Mental Health/ Developmental Disabilities Fund	Rural Services Fund
Revenue:		
Property taxes	\$ 3,145,090	\$ 1,587,816
Other taxes	6,976	10,287
Intergovernmental	7,215,841	189,511
Charges for services	54,119	-
Interest	-	-
Other	445	-
Total revenue	<u>10,422,471</u>	<u>1,787,614</u>
Expenditures:		
Current operating:		
Physical health and education	-	309,210
Mental health	9,903,740	-
Roads and transportation	-	-
Capital outlay	-	-
Total expenditures	<u>9,903,740</u>	<u>309,210</u>
Excess (deficiency) of revenue over expenditures	<u>518,731</u>	<u>1,478,404</u>
Other financing sources (uses):		
Operating transfers in	-	-
Operating transfers out	-	(1,457,589)
Total other financing sources (uses)	<u>-</u>	<u>(1,457,589)</u>
Excess of revenue and other financing sources over expenditures and other financing (uses)	<u>518,731</u>	<u>20,815</u>
Fund balances, beginning	1,196,130	136,828
Fund balances, ending	<u>\$ 1,714,861</u>	<u>\$ 157,643</u>

Secondary Roads Fund	Recorders Management Fees Fund	Total
\$ -	\$ -	\$ 4,732,906
-	-	17,263
1,992,788	-	9,398,140
38,810	59,942	152,872
-	3,446	3,446
29,985	-	30,429
<u>2,061,583</u>	<u>63,388</u>	<u>14,335,056</u>
-	-	309,210
-	-	9,903,740
3,047,814	-	3,047,814
852,115	-	852,115
<u>3,899,929</u>	<u>-</u>	<u>14,112,879</u>
<u>(1,838,346)</u>	<u>63,388</u>	<u>222,177</u>
1,980,132	-	1,980,132
-	(45,722)	(1,503,311)
<u>1,980,132</u>	<u>(45,722)</u>	<u>476,821</u>
141,786	17,666	698,998
524,854	61,106	1,918,918
<u>\$ 666,640</u>	<u>\$ 78,772</u>	<u>\$ 2,617,916</u>

COUNTY OF SCOTT, IOWA

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL MENTAL HEALTH/DEVELOPMENTAL DISABILITIES FUND Year Ended June 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
Revenue:			
Property taxes	\$ 3,150,482	\$ 3,145,090	\$ (5,392)
Other taxes	9,289	6,976	(2,313)
Intergovernmental	7,270,818	7,215,841	(54,977)
Charges for services	88,000	54,119	(33,881)
Other	-	445	445
Total revenue	10,518,589	10,422,471	(96,118)
Expenditures, current operating, mental health	10,583,589	9,903,740	679,849
Excess (deficiency) of revenue over expenditures	\$ (65,000)	518,731	\$ 583,731
Fund balance, beginning		1,196,130	
Fund balance, ending		\$ 1,714,861	

COUNTY OF SCOTT, IOWA

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL RURAL SERVICES FUND Year Ended June 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
Revenue:			
Property taxes	\$ 1,580,715	\$ 1,587,816	\$ 7,101
Other taxes	11,667	10,287	(1,380)
Intergovernmental	174,417	189,511	15,094
Total revenue	<u>1,766,799</u>	<u>1,787,614</u>	<u>20,815</u>
Expenditures, current operating, physical health and education			
	<u>309,210</u>	<u>309,210</u>	<u>-</u>
Excess of revenue over expenditures	<u>1,457,589</u>	<u>1,478,404</u>	<u>20,815</u>
Other financing (uses), operating transfers out			
	<u>(1,457,589)</u>	<u>(1,457,589)</u>	<u>-</u>
Excess of revenue over expenditures and other financing (uses)	<u>\$ -</u>	<u>20,815</u>	<u>\$ 20,815</u>
Fund balance, beginning			
		<u>136,828</u>	
Fund balance, ending		<u>\$ 157,643</u>	

COUNTY OF SCOTT, IOWA

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL SECONDARY ROADS FUND Year Ended June 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
Revenue:			
Intergovernmental, primarily road use taxes	\$ 1,935,000	\$ 1,992,788	\$ 57,788
Charges for services	60,000	38,810	(21,190)
Other	16,000	29,985	13,985
Total revenue	2,011,000	2,061,583	50,583
Expenditures:			
Current operating, roads and transportation	3,136,800	3,047,814	88,986
Capital outlay, buildings and equipment	1,010,000	852,115	157,885
Total expenditures	4,146,800	3,899,929	246,871
Excess (deficiency) of revenue over expenditures	(2,135,800)	(1,838,346)	297,454
Other financing sources (uses):			
Operating transfers in	2,038,132	1,980,132	(58,000)
Operating transfers out	(58,000)	-	58,000
Total other financing sources (uses)	1,980,132	1,980,132	-
Excess (deficiency) of revenue and other financing sources over expenditures and other financing (uses)	\$ (155,668)	141,786	\$ 297,454
Fund balance, beginning		524,854	
Fund balance, ending		<u>\$ 666,640</u>	

COUNTY OF SCOTT, IOWA

**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 RECORDERS MANAGEMENT FEES FUND
 Year Ended June 30, 1999**

	Budget	Actual	Variance Favorable (Unfavorable)
Revenue:			
Charges for services	\$ 37,000	\$ 59,942	\$ 22,942
Interest revenue	-	3,446	3,446
Total revenue	<u>37,000</u>	<u>63,388</u>	<u>26,388</u>
Other financing sources (uses):			
Operating transfers in	1,500	-	(1,500)
Operating transfers out	-	(45,722)	(45,722)
Total other financing sources (uses)	<u>1,500</u>	<u>(45,722)</u>	<u>(47,222)</u>
Excess (deficiency) of revenue and other financing sources over other financing (uses)	<u>\$ 38,500</u>	<u>17,666</u>	<u>\$ (20,834)</u>
Fund balance, beginning		61,106	
Fund balance, ending		<u>\$ 78,772</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:

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

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.

Recorders Management Fees Fund - To account for one dollar fee collected for each recorded transaction to be used for the purpose of preserving and maintaining public records.

COUNTY OF SCOTT, IOWA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
Year Ended June 30, 1999

	Health Insurance Fund	Self- Insurance Fund	Total
Cash Flows from Operating Activities:			
Cash received from premiums allocated	\$ -	\$ 708,161	\$ 708,161
Cash received from employee contributions	(72,256)	-	(72,256)
Cash payments for insurance premiums and services	(2,639)	(708,161)	(710,800)
Cash payments to employees for claims	(146,679)	-	(146,679)
Other operating revenue (expense)	(34,202)	29,742	(4,460)
Net cash provided by (used in) operating activities	(255,776)	29,742	(226,034)
Cash Flows from Investing Activities, interest received			
	-	74,878	74,878
Net increase (decrease) in cash	(255,776)	104,620	(151,156)
Cash:			
Beginning	535,875	1,467,855	2,003,730
Ending	\$ 280,099	\$ 1,572,475	\$ 1,852,574
Reconciliation of Operating (Loss) to Net Cash Provided By (Used In) Operating Activities:			
Operating (loss)	\$ (91,302)	\$ (77,952)	\$ (169,254)
Adjustments to reconcile operating (loss) to net cash provided by (used in) operating activities:			
Decrease in receivables and interfund receivables	-	299,694	299,694
Increase (decrease) in accounts payable	3,162	(192,000)	(188,838)
(Decrease) in accrued liabilities	(167,636)	-	(167,636)
Net cash provided by (used in) operating activities	\$ (255,776)	\$ 29,742	\$ (226,034)



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 workers' 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 EXPENDABLE TRUST AND AGENCY FUNDS June 30, 1999

	Expendable Trust Funds	Agency Funds	Total
ASSETS			
Cash and investments	\$ 301,126	\$ 6,726,327	\$ 7,027,453
Receivables:			
Property taxes	-	280,466	280,466
Accounts	-	127,675	127,675
Total assets	\$ 301,126	\$ 7,134,468	\$ 7,435,594
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ 385,792	\$ 385,792
Due to other funds	-	416,761	416,761
Due to other governmental agencies	-	6,331,915	6,331,915
Total liabilities	-	7,134,468	7,134,468
Fund Balances	301,126	-	301,126
Total liabilities and fund balances	\$ 301,126	\$ 7,134,468	\$ 7,435,594

COUNTY OF SCOTT, IOWA

COMBINING BALANCE SHEET EXPENDABLE TRUST FUNDS June 30, 1999

	Community Services Fund	Jail General Trust Fund	Total
ASSETS			
Cash and investments	\$ 258,508	\$ 42,618	\$ 301,126
LIABILITIES AND FUND BALANCES			
Fund balances	\$ 258,508	\$ 42,618	\$ 301,126

COUNTY OF SCOTT, IOWA

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE EXPENDABLE TRUST FUNDS Year Ended June 30, 1999

	Community Services Fund	Jail General Trust Fund	Total
Revenue, other	\$ 2,853,729	\$ 366,557	\$ 3,220,286
Expenditures, current operating, nonprogram services and supplies	2,839,902	367,860	3,207,762
Excess (deficiency) of revenue over expenditures	13,827	(1,303)	12,524
Fund balances, beginning	244,681	43,921	288,602
Fund balances, ending	<u>\$ 258,508</u>	<u>\$ 42,618</u>	<u>\$ 301,126</u>

COUNTY OF SCOTT, IOWA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES ALL AGENCY FUNDS Year Ended June 30, 1999

	Balance June 30, 1998	Additions	Deletions	Balance June 30, 1999
Agricultural Extension Service Fund				
ASSETS				
Cash and investments	\$ 1,563	\$ 150,841	\$ 150,815	\$ 1,589
Receivables, property taxes	271	326	271	326
Total assets	\$ 1,834	\$ 151,167	\$ 151,086	\$ 1,915
LIABILITIES, due to other governmental agencies				
	\$ 1,834	\$ 151,175	\$ 151,094	\$ 1,915
Bangs Eradication Fund				
ASSETS				
Cash and investments	\$ 218	\$ 22,394	\$ 22,376	\$ 236
Receivables, property taxes	38	48	38	48
Total assets	\$ 256	\$ 22,442	\$ 22,414	\$ 284
LIABILITIES, due to other governmental agencies				
	\$ 256	\$ 22,442	\$ 22,414	\$ 284
City Taxing Districts Fund				
ASSETS				
Cash and investments	\$ 469,258	\$ 52,011,616	\$ 51,957,678	\$ 523,196
Receivables, property taxes	90,694	124,216	90,694	124,216
Total assets	\$ 559,952	\$ 52,135,832	\$ 52,048,372	\$ 647,412
LIABILITIES, due to other governmental agencies				
	\$ 559,952	\$ 52,138,764	\$ 52,051,304	\$ 647,412
Community College Taxing District Fund				
ASSETS				
Cash and investments	\$ 25,637	\$ 2,809,778	\$ 2,799,837	\$ 35,578
Receivables, property taxes	4,448	5,547	4,448	5,547
Total assets	\$ 30,085	\$ 2,815,325	\$ 2,804,285	\$ 41,125
LIABILITIES, due to other governmental agencies				
	\$ 30,085	\$ 2,815,453	\$ 2,804,413	\$ 41,125

(Continued)

COUNTY OF SCOTT, IOWA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
 ALL AGENCY FUNDS
 Year Ended June 30, 1999

	Balance June 30, 1998	Additions	Deletions	Balance June 30, 1999
Fire Taxing District Fund				
ASSETS				
Cash and investments	\$ 3,326	\$ 203,106	\$ 203,005	\$ 3,427
Receivables, property taxes	430	443	430	443
Total assets	\$ 3,756	\$ 203,549	\$ 203,435	\$ 3,870
LIABILITIES, due to other governmental agencies				
	\$ 3,756	\$ 203,555	\$ 203,441	\$ 3,870
School Taxing District Fund				
ASSETS				
Cash and investments	\$ 660,895	\$ 69,216,061	\$ 69,146,476	\$ 730,480
Receivables, property taxes	115,565	149,555	115,565	149,555
Total assets	\$ 776,460	\$ 69,365,616	\$ 69,262,041	\$ 880,035
LIABILITIES, due to other governmental agencies				
	\$ 776,460	\$ 69,369,006	\$ 69,265,431	\$ 880,035
Township Taxing District Fund				
ASSETS				
Cash and investments	\$ 1,952	\$ 113,781	\$ 113,569	\$ 2,164
Receivables, property taxes	154	305	154	305
Total assets	\$ 2,106	\$ 114,086	\$ 113,723	\$ 2,469
LIABILITIES, due to other governmental agencies				
	\$ 2,106	\$ 114,086	\$ 113,723	\$ 2,469
Other Taxing Districts Fund				
ASSETS				
Cash and investments	\$ 12,476	\$ 23,767,934	\$ 23,771,561	\$ 8,849
Receivables, property taxes	-	26	-	26
Receivables, accounts	-	1,022	-	1,022
Total assets	\$ 12,476	\$ 23,768,982	\$ 23,771,561	\$ 9,897
LIABILITIES				
Accounts payable	\$ -	\$ 2,337	\$ -	\$ 2,337
Due to other governmental agencies	12,476	7,560	12,476	7,560
Total liabilities	\$ 12,476	\$ 9,897	\$ 12,476	\$ 9,897

(Continued)

COUNTY OF SCOTT, IOWA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued) ALL AGENCY FUNDS Year Ended June 30, 1999

City Special Assessments Fund	Balance June 30, 1998	Additions	Deletions	Balance June 30, 1999
ASSETS, cash and investments	\$ 355,894	\$ 1,237,291	\$ 1,193,762	\$ 399,423
LIABILITIES, due to other governmental agencies	\$ 355,894	\$ 1,237,291	\$ 1,193,762	\$ 399,423
County Auditor's Cash Pool Fund				
ASSETS				
Cash and investments	\$ 125,772	\$ 127,625	\$ 253,397	\$ -
Due from other funds	4,037		4,037	-
Total assets	\$ 129,809	\$ 127,625	\$ 257,434	\$ -
LIABILITIES, due to other governmental agencies	\$ 129,809	\$ -	\$ 129,809	\$ -
County Auditor Agency Fund				
ASSETS, cash and investments	\$ 87,199	\$ 10,497	\$ 2,273	\$ 95,423
LIABILITIES				
Accounts payable	\$ 84,027	\$ 92,251	\$ 84,027	\$ 92,251
Due to other funds	3,172	-	-	3,172
Total liabilities	\$ 87,199	\$ 92,251	\$ 84,027	\$ 95,423
County Recorder Agency Fund				
ASSETS				
Cash and investments	\$ 421,853	\$ 2,576,270	\$ 2,584,604	\$ 413,519
Accounts receivable	3,123	5,458	3,123	5,458
Total assets	\$ 424,976	\$ 2,581,728	\$ 2,587,727	\$ 418,977
LIABILITIES				
Due to other funds	\$ 288,841	\$ 301,804	\$ 288,841	\$ 301,804
Due to other governmental agencies	136,135	117,173	136,135	117,173
Total liabilities	\$ 424,976	\$ 418,977	\$ 424,976	\$ 418,977

(Continued)

COUNTY OF SCOTT, IOWA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued) ALL AGENCY FUNDS Year Ended June 30, 1999

County Sheriff Agency Fund	Balance June 30, 1998	Additions	Deletions	Balance June 30, 1999
ASSETS				
Cash and investments	\$ 45,005	\$ 1,640,141	\$ 1,615,581	\$ 69,565
Accounts receivable	-	3,233	3,231	2
Total assets	\$ 45,005	\$ 1,643,374	\$ 1,618,812	\$ 69,567
LIABILITIES				
Accounts payable	\$ -	\$ 69,600	\$ -	\$ 69,600
Due to other funds	699	-	699	-
Due to other governmental agencies	44,306	452	44,791	(33)
Total liabilities	\$ 45,005	\$ 70,052	\$ 45,490	\$ 69,567
County Conservation Board Escrow Fund				
ASSETS, cash and investments				
	\$ 110,960	\$ 1,883,661	\$ 1,843,512	\$ 151,109
LIABILITIES				
Accounts payable	\$ 100,087	\$ 113,006	\$ 100,087	\$ 113,006
Due to other funds	10,873	38,103	10,873	38,103
Total liabilities	\$ 110,960	\$ 151,109	\$ 110,960	\$ 151,109
Agency Pass-Through Grants				
ASSETS				
Cash and investments	\$ 932,523	\$ 1,423,446	\$ 888,585	\$ 1,467,384
Receivables, accounts	-	121,193	-	121,193
Total assets	\$ 932,523	\$ 1,544,639	\$ 888,585	\$ 1,588,577
LIABILITIES				
Accounts payable	\$ 28,603	\$ 106,798	\$ 28,603	\$ 106,798
Due to other governmental agencies	903,920	1,481,779	903,920	1,481,779
Total liabilities	\$ 932,523	\$ 1,588,577	\$ 932,523	\$ 1,588,577

(Continued)

COUNTY OF SCOTT, IOWA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued) ALL AGENCY FUNDS Year Ended June 30, 1999

	Balance June 30, 1998	Additions	Deletions	Balance June 30, 1999
Motor Vehicle Tax Fund				
ASSETS, cash and investments	\$ 1,288,098	\$ 14,698,495	\$ 14,643,295	\$ 1,343,298
LIABILITIES				
Due to other funds	\$ 68,622	\$ 69,869	\$ 68,622	\$ 69,869
Due to other governmental agencies	1,219,476	14,767,117	14,713,164	1,273,429
Total liabilities	\$ 1,288,098	\$ 14,836,986	\$ 14,781,786	\$ 1,343,298
Original Bond Issue Escrow Fund				
ASSETS, cash and investments	\$ 1,800	\$ -	\$ -	\$ 1,800
LIABILITIES, accounts payable	\$ 1,800	\$ -	\$ -	\$ 1,800
Tax Sale Redemption Fund				
ASSETS, cash and investments	\$ 118,239	\$ 144,350	\$ 165,964	\$ 96,625
LIABILITIES, due to other governmental agencies	\$ 118,239	\$ 144,350	\$ 165,964	\$ 96,625
Use Tax Fund				
ASSETS, cash and investments	\$ 1,538,964	\$ 14,352,789	\$ 14,509,091	\$ 1,382,662
LIABILITIES				
Due to other funds	\$ 3,994	\$ 3,813	\$ 3,994	\$ 3,813
Due to other governmental agencies	1,534,970	14,356,783	14,512,904	1,378,849
Total liabilities	\$ 1,538,964	\$ 14,360,596	\$ 14,516,898	\$ 1,382,662

(Continued)

COUNTY OF SCOTT, IOWA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
 ALL AGENCY FUNDS
 Year Ended June 30, 1999

Total Combined Funds	Balance June 30, 1998	Additions	Deletions	Balance June 30, 1999
ASSETS				
Cash and investments	\$ 6,201,632	\$ 186,390,076	\$ 185,865,381	\$ 6,726,327
Receivables:				
Property taxes	211,600	280,466	211,600	280,466
Accounts	3,123	130,906	6,354	127,675
Due from other funds	4,037	-	4,037	-
Total assets	\$ 6,420,392	\$ 186,801,448	\$ 186,087,372	\$ 7,134,468
LIABILITIES				
Accounts payable	\$ 214,517	\$ 383,992	\$ 212,717	\$ 385,792
Due to other funds	376,201	413,589	373,029	416,761
Due to other governmental agencies	5,829,674	156,926,986	156,424,745	6,331,915
Total liabilities	\$ 6,420,392	\$ 157,724,567	\$ 157,010,491	\$ 7,134,468

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 FUNDING SOURCE Year Ended June 30, 1999

	Balance June 30, 1998	Reclass- ifications	Additions	Deletions	Balance June 30, 1999
ASSETS					
Land and improvements	\$ 3,381,372	\$ -	\$ 19,375	\$ 10,700	\$ 3,390,047
Buildings and structures	22,109,949	25,159	189,848	18,897	22,306,059
Furniture and fixtures	885,995	-	69,376	33,860	921,511
Equipment	9,651,695	1,268	893,782	594,615	9,952,130
Vehicles	3,067,136	(1,268)	568,465	378,649	3,255,684
Construction in progress	13,013	(25,159)	542,770	-	530,624
	<u>\$ 39,109,160</u>	<u>\$ -</u>	<u>\$ 2,283,616</u>	<u>\$ 1,036,721</u>	<u>\$ 40,356,055</u>
FUNDING SOURCE					
General fund	\$ 21,171,520	\$ -	\$ 1,743,394	\$ 914,255	\$ 22,000,659
Special revenue funds (excluding revenue sharing)	5,056,408	-	532,998	122,466	5,466,940
Capital project fund:					
General obligation bonds proceeds	5,600,000	-	-	-	5,600,000
Federal grants	7,281,232	-	7,224	-	7,288,456
	<u>\$ 39,109,160</u>	<u>\$ -</u>	<u>\$ 2,283,616</u>	<u>\$ 1,036,721</u>	<u>\$ 40,356,055</u>

COUNTY OF SCOTT, IOWA

SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY June 30, 1999

	Land and Improvements	Buildings and Structures	Furniture and Fixtures
Public safety:			
Law enforcement	\$ 12,373	\$ 298,560	\$ 119,943
Legal services	-	2,699	65,461
Total public safety	12,373	301,259	185,404
Court services:			
Court proceedings	1,375	33,137	159,069
Juvenile justice administration	-	-	11,823
Total court services	1,375	33,137	170,892
Physical health services	-	-	31,274
Mental health:			
Persons with mental illness	-	-	633
Persons with chronic mental illness	-	-	54,322
Persons with mental retardation	-	-	3,021
Persons with developmental disabilities	-	-	20
Persons with chemical dependencies	-	-	102
Total mental health	-	-	58,098
Social services:			
Services to poor	-	-	42,361
Services to military veterans	-	-	2,037
Total social services	-	-	44,398
County environment:			
Environmental quality	-	-	172
Conservation and recreation services	1,235,194	2,816,361	124,908
Animal control	-	-	114
County development	-	-	5,445
Total county environment	1,235,194	2,816,361	130,639
Roads and transportation:			
Secondary roads administration and engineering	4,800	99,354	1,122
Roadway maintenance	9,600	198,709	2,243
General roadway expenditures	81,600	1,689,027	19,067
Total roads and transportation	96,000	1,987,090	22,432

Equipment	Vehicles	Construction In-Process	Total
\$ 1,150,848	\$ 817,599	\$ 463,363	\$ 2,862,686
75,000	-	-	143,160
1,225,848	817,599	463,363	3,005,846
147,655	90,842	51,485	483,563
12,432	-	-	24,255
160,087	90,842	51,485	507,818
97,207	184,626	-	313,107
4,322	50	-	5,005
163,900	31,692	-	249,914
25,188	308	-	28,517
29	-	-	49
148	-	-	250
193,587	32,050	-	283,735
56,486	-	-	98,847
2,962	-	-	4,999
59,448	-	-	103,846
20	933	-	1,125
1,244,895	766,115	3,001	6,190,474
13	623	-	750
637	29,565	-	35,647
1,245,565	797,236	3,001	6,227,996
178,577	62,455	-	346,308
357,154	124,911	(1)	692,616
2,932,392	1,061,749	-	5,783,835
3,468,123	1,249,115	(1)	6,822,759

(Continued)

COUNTY OF SCOTT, IOWA

SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY (Continued) June 30, 1999

	Land and Improvements	Buildings and Structures	Furniture and Fixtures
State and local government services:			
Representation services	\$ -	\$ -	\$ 61,252
State administrative services	-	14,662	73,504
Total state and local government services	-	14,662	134,756
Interprogram services:			
Policy and administration	-	9,773	55,423
Central services	2,045,105	17,143,777	88,195
Total interprogram services	2,045,105	17,153,550	143,618
Total general fixed assets	\$ 3,390,047	\$ 22,306,059	\$ 921,511

Equipment	Vehicles	Construction In-Process	Total
\$ 656,287	\$ 8,411	\$ -	\$ 725,950
56,948	-	-	145,114
713,235	8,411	-	871,064
193,859	16,921	-	275,976
2,595,171	58,884	12,776	21,943,908
2,789,030	75,805	12,776	22,219,884
\$ 9,952,130	\$ 3,255,684	\$ 530,624	\$ 40,356,055

COUNTY OF SCOTT, IOWA

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY Year Ended June 30, 1999

	Balance June 30, 1998	Additions	Deletions	Balance June 30, 1999
Public safety:				
Law enforcement	\$ 2,125,896	\$ 825,996	\$ 89,206	\$ 2,862,686
Legal services	141,914	6,685	5,439	143,160
Total public safety	2,267,810	832,681	94,645	3,005,846
Court services:				
Court proceedings	848,647	91,686	456,770	483,563
Juvenile justice administration	24,561	-	306	24,255
Total court services	873,208	91,686	457,076	507,818
Physical health services	353,125	40,313	80,331	313,107
Mental health:				
Persons with mental illness	5,014	-	9	5,005
Persons with chronic mental illness	220,068	31,050	1,204	249,914
Persons with mental retardation	28,544	-	27	28,517
Persons with developmental disabilities	50	-	1	49
Persons with chemical dependencies	254	-	4	250
Total mental health	253,930	31,050	1,245	283,735
Social services:				
Services to poor	98,989	-	142	98,847
Services to military veterans	5,070	-	71	4,999
Total social services	104,059	-	213	103,846
County environment:				
Environmental quality	842	283	-	1,125
Conservation and recreation services	5,881,444	350,807	41,777	6,190,474
Animal control	561	189	-	750
County development	26,692	8,955	-	35,647
Total county environment	5,909,539	360,234	41,777	6,227,996
Roads and transportation:				
Secondary roads administration and engineering	325,858	27,840	7,390	346,308
Roadway maintenance	651,715	55,681	14,780	692,616
General roadway expenditures	5,436,175	473,287	125,627	5,783,835
Total roads and transportation	6,413,748	556,808	147,797	6,822,759
State and local government services:				
Representation services	725,950	-	-	725,950
State administrative services	142,298	3,170	354	145,114
Total state and local government services	868,248	3,170	354	871,064
Interprogram services:				
Policy and administration	277,774	17,036	18,834	275,976
Central services	21,787,719	350,638	194,449	21,943,908
Total interprogram services	22,065,493	367,674	213,283	22,219,884
Total general fixed assets	\$ 39,109,160	\$ 2,283,616	\$ 1,036,721	\$ 40,356,055

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
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
1996-97	7,840,630	1,341,750	2,348,643	9,829,781	1,161,225
1997-98	7,925,744	1,526,426	3,139,497	10,072,368	1,290,668
1998-99	8,658,629	1,619,084	2,443,397	9,903,740	1,769,356

(1) Includes all governmental funds.

County Environment	Roads and Transportation	State and Local Government Services	Inter-program Services	Capital Outlay	Debt Services	Total
\$ 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
2,003,329	2,566,390	1,241,581	4,714,536	2,448,271	1,014,870	36,771,947
2,251,761	3,141,328	1,348,174	4,594,126	2,745,124	1,038,735	37,641,277
2,248,617	2,964,738	1,453,858	5,028,129	3,383,005	1,039,825	40,072,875
2,233,586	3,047,814	1,449,209	4,478,582	3,155,483	1,058,675	39,817,555

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
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
1996-97	22,635,375	12,912,534	306,103	2,634,903	1,367,732	752,424	40,609,071
1997-98	21,763,513	13,908,755	324,532	3,048,139	1,699,696	551,808	41,296,443
1998-99	22,809,910	13,586,119	362,164	3,336,418	1,751,709	623,097	42,469,417

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

	Bettendorf			Davenport	
	Bettendorf	North Scott	Pleasant Valley	Bettendorf	Davenport
1998-99:					
City	11.45555	11.45555	11.45555	13.96012	13.96012
Area IX Community College	0.57182	0.57182	0.57182	0.57182	0.57182
School District	15.57107	17.73248	14.68808	15.57107	15.26607
State	0.03868	0.03868	0.03868	0.03868	0.03868
Assessor (1)	0.25072	0.25072	0.25072	0.29389	0.29389
County	3.91472	3.91472	3.91472	3.91472	3.91472
Total levy	31.80256	33.96397	30.91957	34.35030	34.04530
Ratio of Scott County to totals	0.12309	0.11526	0.12661	0.11074	0.11499
1997-98:					
City	11.45630	11.45630	11.45630	13.96012	13.96012
Area IX Community College	0.58671	0.58671	0.58671	0.58671	0.58671
School District	15.46181	15.98307	14.05556	15.46181	15.19448
State	0.04077	0.04077	0.04077	0.04077	0.04077
Assessor (1)	0.23867	0.23867	0.23867	0.34669	0.34669
County	4.19239	4.19239	4.19239	4.19239	4.19239
Total levy	31.97665	32.49791	30.57040	34.58849	34.32116
Ratio of Scott County to totals	0.13111	0.12900	0.13714	0.12121	0.12215
1996-97:					
City	11.45613	11.45613	11.45613	13.96012	13.96012
Area IX Community College	0.51543	0.51543	0.51543	0.51543	0.51543
School District	15.58368	15.77880	13.81073	15.58368	15.33816
State	0.04144	0.04144	0.04144	0.04144	0.04144
Assessor (1)	0.23869	0.23869	0.23869	0.34674	0.34674
County	4.32681	4.32681	4.32681	4.32681	4.32681
Total levy	32.16218	32.35730	30.38923	34.77422	34.52870
Ratio of Scott County to totals	0.13453	0.13372	0.14238	0.12443	0.12531
1995-96:					
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
Total levy	33.38924	33.67761	31.61899	35.94349	35.87517
Ratio of Scott County to totals	0.13245	0.13132	0.13987	0.12304	0.12327

Cities						
North Scott	Blue Grass	Buffalo	Eldridge	LeClaire	Walcott	
					Davenport	Durant
13.96012	10.57459	6.65000	7.16197	14.94376	8.14002	8.14002
0.57182	0.57182	0.57182	0.57182	0.57182	0.57182	0.57182
17.73248	15.26607	15.26607	17.73248	14.68808	15.26607	11.14827
0.03868	0.03868	0.03868	0.03868	0.03868	0.03868	0.03868
0.29389	0.25072	0.25072	0.25072	0.25072	0.25072	0.25072
3.91472	3.91472	3.91472	3.91472	3.91472	3.91472	3.91472
36.51171	30.61660	26.69201	29.67039	34.40778	28.18203	24.06423
0.10722	0.12786	0.14666	0.13194	0.11377	0.13891	0.16268
13.96012	11.60248	6.65000	8.05589	13.66101	6.70018	6.70018
0.58671	0.58671	0.58671	0.58671	0.58671	0.58671	0.58671
15.98307	15.19448	15.19448	15.98307	14.05556	15.19448	11.18477
0.04077	0.04077	0.04077	0.04077	0.04077	0.04077	0.04077
0.34669	0.23867	0.23867	0.23867	0.23867	0.23867	0.23867
4.19239	4.19239	4.19239	4.19239	4.19239	4.19239	4.19239
35.10975	31.85550	26.90302	29.09750	32.77511	26.95320	22.94349
0.11941	0.13161	0.15583	0.14408	0.12791	0.15554	0.18273
13.96012	11.62014	6.64999	8.05711	14.18106	6.50002	6.50002
0.51543	0.51543	0.51543	0.51543	0.51543	0.51543	0.51543
15.77880	15.33816	15.33816	15.77880	13.81073	15.33816	11.31620
0.04144	0.04144	0.04144	0.04144	0.04144	0.04144	0.04144
0.34674	0.23869	0.23869	0.23869	0.23869	0.23869	0.23869
4.32681	4.32681	4.32681	4.32681	4.32681	4.32681	4.32681
34.96934	32.08067	27.11052	28.95828	33.11416	26.96055	22.93859
0.12373	0.13487	0.15960	0.14942	0.13066	0.16049	0.18863
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

(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
1994-95:					
City	11.45553	11.45553	11.45553	13.95990	13.95990
Area IX Community College School District	0.52125	0.52125	0.52125	0.52125	0.52125
State	16.47664	16.07552	14.95000	16.47664	16.58807
Assessor (1)	0.04352	0.04352	0.04352	0.04352	0.04352
County	0.20392	0.20392	0.20392	0.28684	0.28684
	4.96037	4.96037	4.96037	4.96037	4.96037
Total levy	33.66123	33.26011	32.13459	36.24852	36.35995
Ratio of Scott County to totals	0.14736	0.14914	0.15436	0.13684	0.13642
1993-94:					
City	11.45555	11.45555	11.45555	13.95995	13.95995
Area IX Community College School District	0.51631	0.51631	0.51631	0.51631	0.51631
State	16.19786	16.08908	14.95000	16.19786	16.59791
Assessor (1)	0.04438	0.04438	0.04438	0.04438	0.04438
County	0.21396	0.21396	0.21396	0.26782	0.26782
	4.81460	4.81460	4.81460	4.81460	4.81460
Total levy	33.24266	33.13388	31.99480	35.80092	36.20097
Ratio of Scott County to totals	0.14483	0.14531	0.15048	0.13448	0.13300
1992-93:					
City	11.45555	11.45555	11.45555	14.21993	14.21993
Area IX Community College School District	0.51768	0.51768	0.51768	0.51768	0.51768
State	15.90966	15.80695	14.95469	15.90966	16.53378
Assessor (1)	0.04627	0.04627	0.04627	0.04627	0.04627
County	0.21443	0.21443	0.21443	0.27170	0.27170
	4.74843	4.74843	4.74843	4.74843	4.74843
Total levy	32.89202	32.78931	31.93705	35.71367	36.33779
Ratio of Scott County to totals	0.14436	0.14482	0.14868	0.13296	0.13067
1991-92:					
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
	4.69606	4.69606	4.69606	4.69606	4.69606
Total levy	32.74671	31.46788	31.30785	36.19493	35.63108
Ratio of Scott County to totals	0.14341	0.14923	0.15000	0.12974	0.13180

Cities						
North Scott	Blue Grass	Buffalo	Eldridge	LeClaire	Walcott	
					Davenport	Durant
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	0.15665	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
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	0.17585	0.17585	0.20046

(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
1990-91:					
City	11.45554	11.45554	11.45554	14.73922	14.73922
Area IX Community College	0.51707	0.51707	0.51707	0.51707	0.51707
School District	15.87174	14.26774	13.90669	15.87174	14.71529
State	0.04805	0.04805	0.04805	0.04805	0.04805
Assessor (1)	0.17454	0.17454	0.17454	0.23686	0.23686
County	4.53733	4.53733	4.53733	4.53733	4.53733
Total levy	32.60427	31.00027	30.63922	35.95027	34.79382
Ratio of Scott County to totals	0.13916	0.14636	0.14809	0.12621	0.13041
1989-90:					
City	10.47504	10.47504	10.47504	14.42000	14.42000
Area IX Community College	0.49692	0.49692	0.49692	0.49692	0.49692
School District	15.87248	12.92379	13.82178	15.87248	14.74384
State	0.04819	0.04819	0.04819	0.04819	0.04819
Assessor (1)	0.20863	0.20863	0.20863	0.29198	0.29198
County	4.45656	4.45656	4.45656	4.45656	4.45656
Total levy	31.55782	28.60913	29.50712	35.58613	34.45749
Ratio of Scott County to totals	0.14122	0.15577	0.15103	0.12523	0.12934

(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
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

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 (2)	Assessed Value	Percent of Debt to Assessed Value	Estimated Population	Debt Per Capita
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 (1)	19.21
1991-92	2,735,000	4,031,437,495	0.07	150,979	18.11
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	14.56
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
1996-97	7,925,000	5,597,321,126	0.14	158,416	50.03
1997-98	7,305,000	5,695,061,827	0.13	157,433	46.40
1998-99	6,635,000	6,315,228,257	0.11	158,591	41.84

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

(2) 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, 1999 is as follows:

Assessed value	<u>\$ 6,315,228,257</u>
Debt limit, 5% of assessed valuation (Iowa statutory limitation)	\$ 315,761,413
Total amount of debt applicable to debt margin	6,635,000
Legal debt margin	<u><u>\$ 309,126,413</u></u>

COUNTY OF SCOTT, IOWA

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

	Amount Of Debt	Applicable to Scott County	
		Average Percent	Amount
Scott County	\$ 6,635,000	100.0%	\$ 6,635,000
School districts:			
Pleasant Valley Community	8,550,000	100.0	8,550,000
Wheatland Community	3,500,000	8.3	290,500
Eastern Iowa Community College	26,200,000	55.9	14,645,800
Bettendorf Community	9,095,000	100.0	9,095,000
North Scott Community	8,480,000	100.0	8,480,000
Cities:			
Bettendorf	36,575,000	100.0	36,575,000
Buffalo	620,000	100.0	620,000
Davenport	88,645,000	100.0	88,645,000
Durant	1,742,000	3.2	55,744
Eldridge	1,180,000	100.0	1,180,000
LeClaire	3,204,210	100.0	3,204,210
Princeton	260,000	100.0	260,000
Walcott	1,685,000	100.0	1,685,000
Total direct and overlapping debt	\$ 196,371,210		\$ 179,921,254

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
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
1996-97	590,000	448,735	1,038,735	37,641,277	2.76
1997-98	620,000	419,825	1,039,825	40,072,875	2.59
1998-99	670,000	388,675	1,058,675	39,817,555	2.66

COUNTY OF SCOTT, IOWA

DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

Fiscal Year	Population	Per Capita Income	Median Age	Unemploy- ment Rate	School Enrollment	
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	
1996-97	158,416	17,621	34.1	3.1	50,431	
1997-98	157,433	22,931	32.4	2.8	49,375	
1998-99	158,591	23,120	36.5	3.2	47,347	

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, 1999**

Fiscal Year	New Construction				Total
	Commercial	Residential	Industrial	Agricultural	
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
1996-97	26,257	67,918	14,842	814	109,831
1997-98	42,210	60,247	7,123	585	110,165
1998-99	21,957	57,236	8,623	2,582	90,398

- (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.
- (3) Bank deposits for banks in Scott County estimated for 1998-99.

Property Value (1)					Bank Deposits (2)
Commercial	Residential	Industrial	Agricultural	Total	
\$ 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
1,058,430	3,471,115	243,859	206,740	4,980,144	1,183,000
1,086,795	3,552,365	248,706	206,659	5,094,525	1,179,667
1,247,253	3,938,355	256,096	227,035	5,668,739	1,297,634 (3)

COUNTY OF SCOTT, IOWA

TEN PRINCIPAL TAXPAYERS

June 30, 1999

	Taxable Value	Percentage of Total Taxable Value
Mid-American Energy	\$ 223,409,664	5.02%
Aluminum Company of America	181,513,139	4.07
SDG Macerich Properties	68,322,342	1.53
Davenport Water Co.	43,489,511	0.98
U.S. West Communications	28,866,057	0.65
Davenport Cement Company	28,522,951	0.64
Oscar Mayer Foods Corp.	26,097,497	0.59
Deere & Company	25,728,780	0.58
Quanex Corporation	24,916,092	0.56
Ralston Purina Company	24,272,101	0.54
Total	\$ 675,138,134	15.16%

Source: County tax rolls.

COUNTY OF SCOTT, IOWA

SURETY BONDS OF PRINCIPAL OFFICIALS

June 30, 1999

	1998-99 Annual Salary	Bonded Amount
County Auditor	\$ 53,560	\$ 20,000
County Attorney	76,631	20,000
County Recorder	53,560	20,000
Sheriff	68,082	20,000
Treasurer	53,560	50,000
Board of Supervisors	27,948	20,000
Chairman, Board of Supervisors	30,447	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, 1999

Insurance Company	Type of Coverage	Insured	Amount of Coverage
Genesis	Excess liability -S/R	General, auto and law	\$9,750,000 in excess of \$250,000 SIR
	Excess liability - S/R	Public official	\$4,900,000 in excess of \$100,000 SIR
Genesis	Excess workers' compensation	Statutory workers' compensation	WC \$10,000,000/employers liability \$2,000,000 WC & combined = \$10,000,000
Hartford	Excess property/ inland marine/property	All risk building, contents, vehicles & contractor equipment	\$65,360,246
		Radio towers & equipment transmitters/ computer equip.	\$554,898
		Contents of Cody Homestead & Pioneer Village	\$226,303
Hartford Steam Boiler	Boiler and machinery	Comprehensive - 9 locations	\$10,000,000 per accident
Old Republic	Surety bond	All employees except elected officials and county assessor	\$20,000
St. Paul	Professional liability	Health department	\$5,000,000 each claim \$5,000,000 annual aggregate
St. Paul	Professional liability	Dr. Scott Ludwig	\$1,000,000 each claim \$3,000,000 annual aggregate
Hartford	Property	Voting machines	\$535,150
Employers Mutual	Property	Dwellings owned by conserv. bd.	\$598,000
Selective	Flood	Buffalo Shores area	\$145,200
Acceptance	Liquor liability	Glynns Creek golf course	\$1,000,000 each occurrence
IIASC	Agent/broker service fee	N/A	N/A
West Bend Mutual	General liability	County library	\$500,000 general liability
	Commercial auto	County library	\$500,000 auto liability incl. physical damage
West Bend Mutual	Property	County library	\$1,468,907 property & IM

Deductible	Policy Number	Expiration Date	Premium
\$250,000 underlying limit	YXB300610	7/1/99	\$ 136,200.00
\$300,000 underlying limit	GDX0078726	7/1/99	27,556.00
\$100,000	26,324	7/1/99	30,287.00
\$5,000			
\$5,000			
\$1,500 direct/24 hrs. indirect	FBP2206942	12/19/99	6,471.46
\$100	RCB448966	1/1/00	1,693.00
N/A	FM08000642	7/1/99	11,389.00
N/A	DM06627259	10/1/99	1,827.00
\$250/1,000 breakdown	83MSPH2631	7/1/199	3rd yr. of 3 yr.
\$500	1X55845-99	7/1/99	2,711.00
\$500	R100411694	3/21/00	486.00
N/A	LQIA48882	11/1/99	3,085.00
N/A	N/A	7/1/99	27,117.72
N/A	CPJ0121346-11	7/1/99	923.00
\$50-\$1,000			1,763.00
\$100-250			1,549.00

COUNTY OF SCOTT, IOWA

SCHEDULE OF INSURANCE IN FORCE (Continued) June 30, 1999

Insurance Company	Type of Coverage	Insured	Amount of Coverage
West Bend Mutual	Workers' compensation	County library	Statutory workers' compensation and EL \$100,000 per accident \$100,000 per employee \$500,000 total policy
West Bend Mutual	Commercial package assessor	County assessor	\$500,000 general liability \$1,000,000 H/NO auto \$150,000 BPP \$500,000 valuable papers \$200,000 valuable papers away \$200,000 EDP
West Bend Mutual	Worker's comp. - assessor	County assessor	Coverage A - per statute Coverage B - 500/500/500

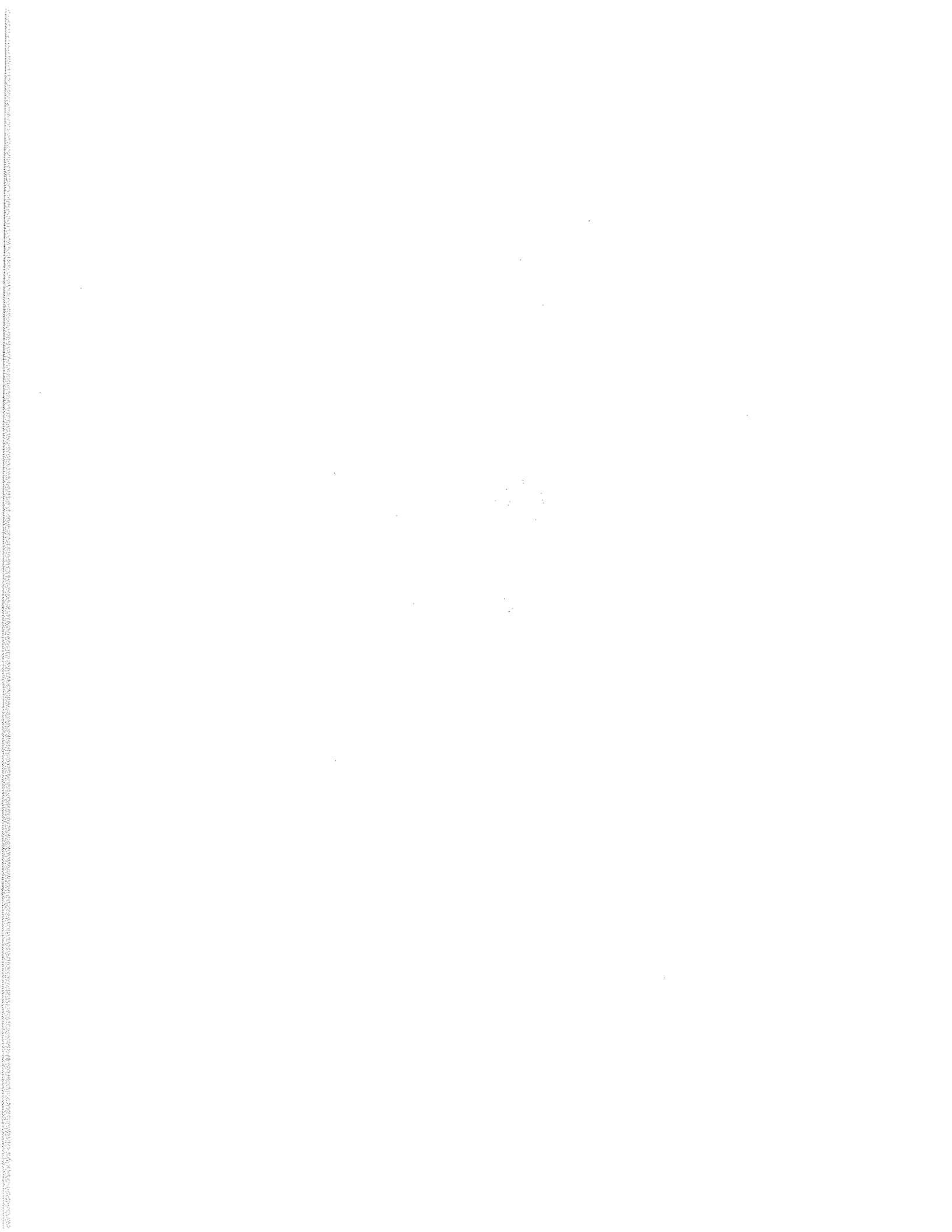
Deductible	Policy Number	Expiration Date	Premium
N/A	WCJ0105230-12	7/1/99	\$ 1,718.00
N/A	CPJ0218863	7/1/99	2,427.00
N/A			included
\$250			included
\$250			included
\$1,000			included
	WCJ0216749-04	7/1/99	2,281.00

COUNTY OF SCOTT, IOWA

MISCELLANEOUS STATISTICS June 30, 1999

Date of incorporation: December 21, 1837		Recreation:	
Form of government: County Board/County Administrator		Parks:	
Area: 447 Square Miles Median age of population: 36.5		County parks	7
Miles of roads and streets:		Number of acres	2,348
Interstate highways	43	City parks	80
State highways	78	Number of acres	1,960
County roads	556	Golf courses:	
City street	727	Private	2
Total miles	1,404	Public	7
Acres of industrial lands	1,017	Municipal	3
Farming acres	228,188	Snowmobile trails, total miles	77
Number of farms	1,422	State wildlife preserve open to public hunting and fishing	2,785 acres
County employees:		Number of lakes	5
Board members	5	Number of boat launches	4
Elected officials	5	Number of beaches	1
Full- and part-time	428	Number of swimming pools	1
Schools within the County:		Number of zoos	1
Public schools:		Number of baseball diamonds	2
Elementary	39	Public safety:	
Junior high	9	County sheriff department	1
Senior high	6	City police department	8
Total students	27,614	Fire department:	
Nonpublic schools:		Full-time	2
K-8	8	Volunteers	11
High school	2	Rescue squads	2
Total students	3,416	Elections:	
Higher education:		Last general election:	
University	2	Registered voters	105,250
Colleges	1	Votes cast	48,330
Junior college	1	Percent	45.9%
Vocational schools	4	Last municipal election:	
Total students	16,317	Registered voters	83,265
		Votes cast	22,935
		Percent	27.5%
		Building permits:	
		Issued in the year ended June 30, 1999	638
		Value of issued permits	\$19,084,648

Single Audit Section



COUNTY OF SCOTT, IOWA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS Year Ended June 30, 1999

Federal Grantor Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Identifying Number	Federal 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	\$ 8,572
Food Stamp Program	10.561	N/A	<u>19,610</u>
			<u>28,182</u>
U.S. Department of Housing and Urban Development (Passed through Iowa Department of Economic Development):			
Emergency Shelter Grants	14.231	98-ES-006	<u>114,059</u>
U.S. Department of Justice:			
(Passed through the Governor's Alliance on Substance Abuse):			
Bureau of Justice Assistance Drug Control and System Improvement Grant	16.579	98A-0239	128,559
Stop Violence Against Women	16.588	98V-0216	<u>35,832</u>
			<u>164,391</u>
(Passed through the Office of Community Oriented Policing Services) COPS MORE 96			
	16.710	97CMX0010	<u>248</u>
(Passed through the City of Davenport, Iowa):			
Local Law Enforcement Block Grant	16.592	98LBVX2818	13,700
Local Law Enforcement Block Grant	16.592	N/A	<u>9,000</u>
			<u>22,700</u>
Tobacco Surveillance Grant	N/A	N/A	<u>2,261</u>
			<u>189,600</u>
U.S. Department of Transportation, National Highway Traffic Safety Administration (Passed through Iowa Department of Public Safety- Governor's Traffic Safety Division):			
Police Traffic Services	20.600	PAP98-04, Task 16	4,747
Police Traffic Services	20.600	PAP99-04, Task 16	<u>4,153</u>
			<u>8,900</u>
U.S. Environmental Protection Agency: (Passed through Iowa Department of Natural Resources)			
Air Pollution Control Program Support	66.101	N/A	<u>620</u>
Federal Emergency Management Agency (Passed through Iowa Disaster Services Division):			
State and Local Assistance Program	83.534	N/A	472
State and Local Assistance Program	83.534	N/A	<u>20,850</u>
			<u>21,322</u>
Superfunds Amendments and Reauthorization Act Program (SARA) Training Grant			
	83.010	N/A	<u>1,110</u>

(Continued)

COUNTY OF SCOTT, IOWA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS Year Ended June 30, 1999

Federal Grantor Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Identifying Number	Federal Expenditures
U.S. Department of Education:			
(Passed through the Division of Educational Services),			
Supported Employment	84.126	98-CPSE-17	\$ 34,445
Supported Employment	84.126	99-CPSE-17	60,915
			<u>95,360</u>
U.S. Department of Health and Human Services:			
(Passed through Iowa Department of Health):			
HIV Testing and Counseling Acquired			
Immune Deficiency Syndrome (AIDS)	93.118	5888AP14	39,000
	93.118	5889AP14	7,000
			<u>46,000</u>
Childhood Lead Poisoning Prevention	93.197	5889LP21	54,540
I-4 Project	93.268	5888I417	9,106
I-4 Project	93.268	5889I417	15,000
			<u>24,106</u>
Health Breast/Cervical Cancer Early Detection	93.919	5889NB16	36,848
Preventative Health and Health Services Block Grant			
	93.991	5888AS02	2,000
	93.991	5889AS02	6,000
			<u>8,000</u>
(Passed through Iowa Department of Human Services):			
Family Support	93.020	N/A	70,029
Child Support Enforcement	93.023	N/A	130,541
Refugee and Entrant Assistance	93.026	N/A	137
Temporary Assistance for Needy Families	93.558	N/A	63,613
Child Care Development Fund	93.596	N/A	6,270
Foster Care	93.658	N/A	17,857
Adoption	93.659	N/A	4,108
Social Services Block Grant	93.667	N/A	789,778
Medical Assistance	93.778	N/A	63,163
			<u>1,145,496</u>
			<u>1,314,990</u>
Total expenditures of federal awards			\$ <u>1,774,143</u>

See Notes to Schedule of Expenditures for Federal Awards.

COUNTY OF SCOTT, IOWA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS Year Ended June 30, 1999

Note 1. General

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the County of Scott, Iowa and its discretely presented component units and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States and Local Governments and Nonprofit Organizations". Therefore, some amounts presented in the schedule may differ from amounts presented in or used in the preparation of the general purpose financial statements.

Note 2. Significant Accounting Policies

Revenue from federal awards is recognized when the County has done everything necessary to establish its right to revenue. Expenditures of federal awards are recognized in the accounting period when the liability is incurred.

Note 3. Pass-Through Funding

Of the federal expenditures presented in the schedule, the County provided federal awards to subrecipients as follows:

Program Title	Federal CFDA Number	Amount Provided to Subrecipient
Emergency Shelter Grants	14.231	\$ 120,873
Bureau of Justice Assistance Drug Control and System Improvement Grant	16.579	84,849

COUNTY OF SCOTT, IOWA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 1999

	Comment	Status	Corrective Action or Other Explanation
	Reportable Conditions:		
98-II-A	The County does not have a system in place for identifying financial assistance to enable management to identify all federal financial assistance programs and complete the Schedule of Expenditures of Federal Awards.	Corrective action taken.	



McGLADREY & PULLEN, LLP

Certified Public Accountants and Consultants

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND
ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS**

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

We have audited the financial statements of the County of Scott, Iowa, as of and for the year ended June 30, 1999, and have issued our report thereon dated November 19, 1999. We conducted our audit in accordance with generally accepted auditing standards, and the standards applicable to financial audits contained in "Government Auditing Standards," issued by the Comptroller General of the United States and Chapter 11 of the Iowa Code.

Compliance

As part of obtaining reasonable assurance about whether the County of Scott, Iowa's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under "Government Auditing Standards."

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County of Scott, Iowa's internal control over financial reporting in order 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 over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements 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 over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting which we have reported to management of the County in a separate letter dated November 19, 1999.

This report is intended solely for the information and use of the Board of Supervisors, management and the auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

McGladrey & Pullen, LLP

Moline, Illinois
November 19, 1999



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

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

Compliance

We have audited the compliance of the County of Scott, Iowa with the types of compliance requirements that are described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" that are applicable to each of its major federal programs for the year ended June 30, 1999. The County of Scott, Iowa's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the County of Scott, Iowa's management. Our responsibility is to express an opinion on the County of Scott, Iowa's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States; Chapter 11 of the Code of Iowa and OMB Circular A-133, "Audits of States, Local Governments and Nonprofit Organizations". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County of Scott, Iowa's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County of Scott, Iowa's compliance with those requirements.

In our opinion, the County of Scott, Iowa complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 1999.

Internal Control Over Compliance

The management of the County of Scott, Iowa is responsible for establishing and maintaining effective internal control over compliance with requirements of laws; regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County of Scott, Iowa's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program 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 over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Supervisors, management and the auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

McGladrey & Pullen, LLP

Moline, Illinois
November 19, 1999

COUNTY OF SCOTT, IOWA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 1999

I. SUMMARY OF THE INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Reportable condition(s) identified that are not considered to be material weaknesses? Yes None Reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Reportable condition(s) identified that are not considered to be material weaknesses? Yes None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

- Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes No

Identification of major program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.667	Social Services Block Grant

Dollar threshold used to distinguish between type A and type B programs: \$300,000.

Auditee qualified as low-risk auditee? Yes No

COUNTY OF SCOTT, IOWA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 1999

II. FINDINGS RELATED TO THE FINANCIAL STATEMENT AUDIT AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS

A. Reportable Conditions in Internal Control

None

B. Compliance Findings

None

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

A. Compliance

None

B. Internal Control

None

COUNTY OF SCOTT, IOWA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 1999

IV. OTHER FINDINGS RELATED TO REQUIRED STATUTORY REPORTING

99-IV-A 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, 1999.

99-IV-B Certified Budget: Expenditures for the year ended June 30, 1999 did not exceed the budgeted amounts.

99-IV-C Questionable Expenditures: No expenditures were noted that may not meet the requirements of public purpose as defined in the Attorney General's opinion dated April 25, 1979.

99-IV-D Travel Expense: No expenditures of County money for travel expenses of spouses of County officials or employees were noted.

99-IV-E Business Transactions: No business transactions between the County and County officials or employees were noted.

99-IV-F Bond Coverage: Surety bond coverage of County officials and employees is in accordance with statutory provisions.

99-IV-G Board Minutes: No transactions were found that we believe should have been approved in the Board minutes but were not.

99-IV-H Deposits and Investments: No instances of noncompliance with the deposit and investment provisions of chapters 12B and 12C of the Code of Iowa and the County's investment policy were noted.

99-IV-I Resource Enhancement and Protection Certification: The County properly dedicated property tax revenue to conservation purposes as required by Chapter 4SSA.19(1)(b) of the Code of Iowa in order to receive the additional REAP funds allocated in accordance with Subsections (b)(2) and (b)(3).

99-IV-K Economic Development: During the year ended June 30, 1999, expenditures incurred for economic development appear appropriate and adequately documented by the County for public purposes in accordance with Chapter 15A of the Code of Iowa.

99-IV-L Lease Purchase Agreements: During the year ended June 30, 1999, the County did not enter into a lease purchase agreement.

99-IV-M County Extension Office: The County extension office is operated under the Authority of Chapter 176A of the Code of Iowa and serves as an agency of the state of Iowa. This fund is administered by an extension council separate and distinct from County operations. Expenditures during the year ended June 30, 1999 for the County extension office did not exceed the amount budgeted.

COUNTY OF SCOTT, IOWA

CORRECTIVE ACTION PLAN
Year Ended June 30, 1999

There were no current year findings or prior year uncorrected findings.