

Basic Financial Statements and
Supplementary Information
June 30, 2022

City of Dyersville, Iowa

Officials	1
Independent Auditor's Report	2
Management's Discussion and Analysis.....	6
Basic Financial Statements	
Government-wide Financial Statement:	
Exhibit A – Statement of Net Position.....	13
Exhibit B – Statement of Activities	14
Governmental Fund Financial Statement:	
Exhibit C – Balance Sheet	15
Exhibit D – Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position ...	16
Exhibit E – Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit).....	17
Exhibit F – Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds to the Statement of Activities	18
Proprietary Funds:	
Exhibit G – Statement of Net Position.....	19
Exhibit H – Statement of Revenues, Expenses, and Changes in Fund Net Position.....	20
Exhibit I – Statement of Cash Flows	21
Notes to the Financial Statements.....	23
Required Supplementary Information	
Budgetary Comparison Schedule of Receipts, Disbursements, and Changes in Balances – Budget and Actual (Cash Basis) – Governmental Funds and Proprietary Funds and Budget to GAAP Reconciliation.....	47
Notes to Required Supplementary Information – Budgetary Reporting.....	48
City's Proportionate Share of IPERS Net Pension Liability.....	49
IPERS Contributions – Last 10 Fiscal Years	50
Notes to Required Supplementary Information – Pension Liability	51
Other Supplementary Information	
Nonmajor Governmental Funds:	
Schedule 1 – Combining Balance Sheet	53
Schedule 2 – Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) ...	54
Schedule 3 – Schedule of Revenues by Sources and Expenditures by Function – All Governmental Funds .	55
Schedule of Expenditures of Federal Awards.....	56
Notes to the Schedule of Expenditures of Federal Awards.....	57
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	58
Report on Compliance for each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance.....	60
Schedule of Findings and Questioned Costs.....	63

City of Dyersville
Officials
June 30, 2022

Name	Title	Term Expires
Jeff Jacque	Mayor	December 31, 2023
Michael English	Council Member	December 31, 2023
Jenni Ostwinkle Silva	Council Member	December 31, 2023
Tom Westhoff	Council Member	December 31, 2025
Jim Gibbs	Council Member	December 31, 2025
Mike Oberbroeckling	Council Member	December 31, 2025
Appointed Officials		
Mick Michel	City Administrator	Appointed
Tricia Maiers	City Clerk/Treasurer	Appointed
George Davis	City Attorney	Appointed
Jenny Weiss	City Attorney	Appointed

Independent Auditor's Report

Honorable Mayor and Members
of the City Council
City of Dyersville
Dyersville, Iowa

Report on the Audit of the Financial Statements

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dyersville, Iowa, as of and for the year ended June 30, 2022, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

In our opinion, the basic financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dyersville, Iowa, as of June 30, 2022, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Dyersville and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Implementation of GASB 87

As discussed in Note 16, the City has adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The management of the City of Dyersville is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of Management for the Financial Statements (Continued)

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, which raise substantial doubt about the City's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, which raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter, and Required Supplementary Information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information identified in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is also not a required part of the basic financial statements.

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

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Bergan KDV, Ltd.

Minneapolis, Minnesota

March 20, 2023

The City of Dyersville provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2022. We encourage readers to consider this information in conjunction with the City's financial statements, which follow.

2022 FINANCIAL HIGHLIGHTS

Revenues of the City's governmental and business-type activities increased 32% or approximately \$3,400,000 from fiscal 2021 to fiscal 2022. Overall capital grants and contributions increased approximately \$2,800,000, operating grants and contributions increased by approximately \$50,000, while charges for services increased approximately \$40,000, and property taxes decreased by approximately \$60,000.

Program expenses of the City's governmental activities increased 21% or approximately \$1,035,000 in fiscal 2022 from fiscal 2021. Public safety increased \$97,515. Community and economic development increased by \$606,820. Culture and Recreation expenses decreased \$10,682, while Public works expense increased by \$526,426 due to increases in façade payments, and repairs and maintenance. General government expenses decreased \$225,962 due to less expenses related to pension and other post-employment benefits.

The City's net position increased 16%, or approximately \$5,395,000 from June 30, 2021 to June 30, 2022.

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the City's financial activities.

Government-wide Financial Statements consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of the City of Dyersville as a whole and present an overall view of the City's finances.

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report the City's operations in more detail than the government-wide statements by providing information about the most significant funds.

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

Required Supplementary Information further explains and supports the financial statements with a comparison of the City's budget for the year and Schedule of City's Proportionate Share of the Net Pension Liability of Iowa Public Employees' Retirement System, and Schedule of City Contributions of the Iowa Public Employees' Retirement System.

Other Supplementary Information provides detailed information about the non-major Special Revenue Funds, as well as a ten-year history of revenues and expenditures for all governmental funds.

REPORTING THE CITY'S FINANCIAL ACTIVITIES

Government-wide Financial Statements

One of the most important questions asked about the City's finances is, “whether the City as a whole is better or worse off as a result of the year's activities?” The Statement of Net Position and the Statement of Activities report information which helps answer this question. These statements include all assets, deferred outflows, liabilities, and deferred inflows using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid.

The Statement of Net Position presents all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as “net position.” Over time, increases or decreases in the City's net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods.

The Statement of Net Position and the Statement of Activities report two kinds of activities:

- Governmental activities include public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service and capital projects. Property tax and intergovernmental receipts finance most of these activities.
- Business-type activities include the City's utility services, such as waterworks, sanitation and sanitary sewer systems. These activities are financed primarily by user charges.

Fund Financial Statements

The City has two kinds of funds:

- 1) Governmental funds account for most of the City's basic services. These focus on how money flows into and out of those funds and the balances at year-end that are available for spending. Governmental funds include: the General Fund, the Special Revenue Funds, the Debt Service Fund and the Capital Projects Fund. These funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed, short-term view of the City's general governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

The required financial statements for governmental funds include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances.

- 2) Proprietary funds account for the City's enterprise funds. These funds report services for which the City charges customers for the service it provides. Proprietary funds are reported in the same way all activities are reported in the Statement of Net Position and the Statement of Activities. The major difference between the proprietary funds and the business-type activities included in the government-wide statements is the detail and additional information, such as cash flows, provided in the proprietary fund statements. The enterprise funds include the City's utility services, such as Water Utility, Sewage Disposal Works and Solid Waste. The City is responsible for ensuring the assets reported in these funds are used only for their intended purposes.

The financial statements required for proprietary funds include a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Fund Net Position and a Statement of Cash Flows.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of financial position. The analysis that follows focuses on the changes in the net position for governmental and business-type activities.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021 (not restated)	2022	2021 (not restated)	2022	2021 (not restated)
Current and other assets	\$ 9,279,206	\$ 7,142,600	\$ 969,009	\$ 515,681	\$ 10,248,215	\$ 7,658,281
Capital assets	27,064,786	26,716,206	29,620,118	25,614,463	56,684,904	52,330,669
Total assets	36,343,992	33,858,806	30,589,127	26,130,144	66,933,119	59,988,950
Deferred outflows of resources						
Pension related deferred outflows	199,329	233,933	52,532	66,080	251,861	300,013
Long-term liabilities	9,994,860	9,704,349	10,107,679	10,801,809	20,102,539	20,506,158
Other liabilities	752,972	420,744	2,442,532	2,002,617	3,195,504	2,423,361
Total liabilities	10,747,832	10,125,093	12,550,211	12,804,426	23,298,043	22,929,519
Deferred inflows of resources						
Succeeding year property tax	4,416,145	4,225,668	-	-	4,416,145	4,225,668
Pension related	774,227	17,604	192,107	6,832	966,334	24,436
Total deferred inflows	5,190,372	4,243,272	192,107	6,832	5,382,479	4,250,104
Net Position						
Net investment in capital assets	17,385,642	17,908,765	19,934,695	15,241,715	37,320,337	33,150,480
Restricted	3,261,076	2,957,905	16,481	16,657	3,277,557	2,974,562
Unrestricted	(41,601)	(1,142,296)	(2,051,835)	(1,873,406)	(2,093,436)	(3,015,702)
Total Net Position	\$ 20,605,117	\$ 19,724,374	\$ 17,899,341	\$ 13,384,966	\$ 38,504,458	\$ 33,109,340

Net Position at Year-end

Net position of governmental activities increased during FY2022 by \$880,743 or 4.47%, and net position of business activities increased from FY2021 by \$4,514,375, or 34%. The largest portion of the City's net position is the invested in capital assets (e.g., land, infrastructure, buildings and equipment), less the related debt. The debt related to the investment in capital assets is liquidated with sources other than capital assets. Restricted net position represents resources that are subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, legislation or other legal requirements, is a deficit balance of approximately \$2,100,000 at the end of this year.

Changes in Net position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021 (not restated)	2022	2021 (not restated)	2022	2021 (not restated)
Revenues						
Program revenues						
Charges for services	\$ 246,245	\$ 246,444	\$ 2,759,790	\$ 2,720,774	\$ 3,006,035	\$ 2,967,218
Operating grants and contributions	808,868	759,812	-	-	808,868	759,812
Capital grants and contributions	-	1,181,655	4,391,055	406,421	4,391,055	1,588,076
General revenues						
Property tax levied for:						
General purposes	2,130,783	2,137,682	-	-	2,130,783	2,137,682
Debt service	469,656	522,667	-	-	469,656	522,667
Tax increment financing	1,659,090	1,301,647	-	-	1,659,090	1,301,647
Utility franchise fees	174,170	153,093	-	-	174,170	153,093
Local option sales tax	819,461	707,763	-	-	819,461	707,763
Hotel/motel tax	150,539	92,808	-	-	150,539	92,808
Unrestricted investment earnings	19,666	8,453	-	-	19,666	8,453
Miscellaneous	147,216	166,951	32,656	39,778	179,872	206,729
Total revenues	<u>6,625,694</u>	<u>7,278,975</u>	<u>7,183,501</u>	<u>3,166,973</u>	<u>13,809,195</u>	<u>10,445,948</u>
Program Expenses						
Public safety	1,290,091	1,192,576	-	-	1,290,091	1,192,576
Public works	1,628,935	1,102,509	-	-	1,628,935	1,102,509
Culture and recreation	1,165,025	1,175,707	-	-	1,165,025	1,175,707
Community and economic development	1,039,199	432,379	-	-	1,039,199	432,379
General government	590,062	816,024	-	-	590,062	816,024
Interest on long-term debt	246,639	204,764	-	-	246,639	204,764
Water utility	-	-	984,147	856,255	984,147	856,255
Sewage disposal works	-	-	1,080,531	1,185,609	1,080,531	1,185,609
Solid waste	-	-	389,448	384,128	389,448	384,128
Total expenses	<u>5,959,951</u>	<u>4,923,959</u>	<u>2,454,126</u>	<u>2,425,992</u>	<u>8,414,077</u>	<u>7,349,951</u>
Transfers	<u>215,000</u>	<u>139,775</u>	<u>(215,000)</u>	<u>(139,775)</u>	<u>-</u>	<u>-</u>
Change In Net Position	880,743	2,494,791	4,514,375	601,206	5,395,118	3,095,997
Net Position Beginning Of Year, as Restated	<u>19,724,374</u>	<u>17,229,583</u>	<u>13,384,966</u>	<u>12,783,760</u>	<u>33,109,340</u>	<u>30,013,343</u>
Net Position End Of Year	<u>\$ 20,605,117</u>	<u>\$ 19,724,374</u>	<u>\$ 17,899,341</u>	<u>\$ 13,384,966</u>	<u>\$ 38,504,458</u>	<u>\$ 33,109,340</u>

INDIVIDUAL MAJOR FUND ANALYSIS

Governmental Fund Highlights

As the City of Dyersville completed the year, its governmental funds reported a combined fund balance of \$3,730,166, which is more than the \$2,449,880 total fund balance at June 30, 2021. The following are the major reasons for the changes in fund balances of the major governmental funds from the prior year.

The General Fund expenditures increased from the prior year in the culture and recreational function by approximately \$120,000 due to the reinstatement of all activities after the pandemic. Community and economic development expenses increased approximately \$120,000 which related to the funding of building grants to other organizations. The general government function decreased approximately \$130,000 which related to equipment purchases in 2021. The General Fund showed an increase in fund balance of \$42,891 from the prior year to a fund balance of \$784,107, compared to prior year ending fund balance of \$741,216.

The Dyersville Economic Development TIF Fund is used to account for revenues from the tax authorized by ordinance in the urban renewal district and used to pay the principal and interest on the general obligation capital loan notes and other indebtedness incurred for urban renewal redevelopment projects. This fund ended fiscal 2022 with a \$2,379,715 fund balance compared to the prior year ending fund balance of \$2,117,189. The increase in fund balance is attributable to increases in TIF revenues.

The Capital Improvements Fund is used to account for the resources and costs related to infrastructure and building construction and major improvements. This fund started fiscal year 2022 with a deficit fund balance of \$1,208,425. The Capital Improvement Fund ended with a deficit fund balance of \$273,842. The fund incurred large expenses in 2022 relating to the following projects: 12th Avenue Bridge, 2nd Avenue parking lot, façade reimbursements, and miscellaneous repairs and maintenance.

The Debt Service Fund is used to account for the payment of interest and principal on the City's general long term debt. The fund ended fiscal year 2022 with a balance of \$487,566, compared to prior year ending fund balance of \$464,562.

Proprietary Fund Highlights

The Water Utility Fund, which accounts for the operation and maintenance of the City's water system, ended fiscal 2022 with net position of \$10,839,955 compared to the prior year ending net position of \$6,398,075. The increase in net position is mostly related to grant reimbursements from the Dyersville East project.

The Sewage Disposal Works Fund, which accounts for the operation and maintenance of the City's wastewater treatment and sanitary sewer system, ended fiscal 2022 with a \$7,051,157 net position balance compared to the prior year ending net position balance of \$6,964,281.

Budgetary Highlights

Over the course of the year, the City of Dyersville amended its budget once. The amendment was done on May 16, 2022. The amendment was needed to adjust expenditures for public safety, public works, culture and recreation, community and economic development, general government, capital projects, and business-type activities.

The City's receipts were \$683,449 more than final budgeted receipts.

Total disbursements were \$1,127,631 less than budgeted disbursements. The public safety, debt service, and business-type activities functional expenses were over budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's capital assets include land, buildings and improvements, equipment, streets, sewer systems, lighting systems, traffic signals and other infrastructure. Capital assets for governmental activities totaled \$27,064,786 (net of accumulated depreciation) at June 30, 2022. Capital assets for business-type activities totaled \$29,620,118 (net of accumulated depreciation) at June 30, 2022. See Note 3 to the financial statements for more information about the City's capital assets.

The major capital outlays for governmental activities during the year included expenses for Clean Water sustainability projects, Parking lot improvements, City Square pavement project, and Heritage Trail expenses.

For business-type activities, fiscal year 2022 included large outlays for the Southeast Water Pumping Station and the Southeast Sewer Collection System.

Long-Term Debt

At June 30, 2022, the City had \$9,679,144 in total long-term debt outstanding for governmental activities. Total long-term debt outstanding for business-type activities was \$9,935,423 at June 30, 2022. The long term debt includes equipment purchase agreements for two trucks with a remaining balance of \$93,048 at June 30, 2022, of which a portion is recorded in governmental activities and a portion is recorded in business-type activities. The long term debt also includes lease agreements for the lease of Commercial Club Park in the amount of \$73,515.

The City does not have a general obligation bond rating assigned by national rating agencies to the City's debt. The Constitution of the State of Iowa limits the amount of general obligation debt cities can issue to 5 percent of the assessed value of all taxable property within the City's corporate limits. The City's outstanding general obligation debt is significantly below its constitutional debt limit of approximately \$25 million. Other obligations include accrued vacation pay, sick leave, and net pension liability. Additional information about the City's long-term debt is presented in Note 4 to the financial statements. Additional information about the City's Net Pension liability is presented in Note 7 to the financial statements.

ECONOMIC FACTORS BEARING ON THE CITY'S FUTURE

Several economic factors affected decisions made by the City in setting its fiscal 2023 budget. The City's General Fund property tax revenues will remain consistent with prior years.

The tax levy rates per \$1,000 of taxable valuation for fiscal 2023 are provided below:

General levy	\$ 7.93007
Debt Service levy	1.83427
Total	\$ 9.76434

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to present our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and operating activities. If you have any questions or require additional information, please contact Mick J. Michel, City Administrator, 340 1st Avenue East, Dyersville, Iowa 52040.

Basic Financial Statements
June 30, 2022

City of Dyersville, Iowa

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	Governmental Activities	Business-type Activities	Total
Assets			
Cash and pooled cash investments	\$ 3,999,998	\$ 16,154	\$ 4,016,152
Receivables			
Property tax			
Delinquent	6,541	-	6,541
Succeeding year	4,416,145	-	4,416,145
Accounts and other	71,415	323,059	394,474
Special assessments	5,466	-	5,466
Due from other governments	175,812	501,485	677,297
Inventories	-	33,613	33,613
Prepaid items	101,095	56,087	157,182
Restricted assets			
Cash and pooled cash investments	110,278	38,611	148,889
Net pension asset	392,456	-	392,456
Capital assets			
Land and construction in progress	11,010,973	8,766,755	19,777,728
Other capital assets, net of accumulated depreciation/amortization	16,053,813	20,853,363	36,907,176
Total Assets	<u>36,343,992</u>	<u>30,589,127</u>	<u>66,933,119</u>
Deferred Outflows of Resources			
Pension related deferred outflows	<u>199,329</u>	<u>52,532</u>	<u>251,861</u>

See Notes to Financial Statements

City of Dyersville
Exhibit A – Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
Liabilities			
Checks written in excess of deposits	\$ -	\$ 1,656,774	\$ 1,656,774
Accounts payable	452,054	767,094	1,219,148
Accrued interest payable	17,999	13,424	31,423
Grants received in advance	222,562	-	222,562
Salaries and benefits payable	60,357	5,240	65,597
Long-term liabilities			
Portion due or payable within one year			
Customer deposits	-	46,373	46,373
Equipment purchase agreements	9,042	18,084	27,126
Lease payable	9,964	-	9,964
General obligation bonds	930,000	530,000	1,460,000
Revenue notes	-	436,000	436,000
Compensated absences	315,716	120,702	436,418
Portion due or payable after one year			
Equipment purchase agreements	21,974	43,948	65,922
Lease payable	63,551	-	63,551
General obligation bonds	8,644,613	2,440,000	11,084,613
Revenue notes	-	6,467,391	6,467,391
Net pension liability	-	5,181	5,181
Total Liabilities	<u>10,747,832</u>	<u>12,550,211</u>	<u>23,298,043</u>
Deferred Inflows of Resources			
Succeeding year property tax	4,416,145	-	4,416,145
Pension related deferred inflows	774,227	192,107	966,334
Total Deferred Inflows of Resources	<u>5,190,372</u>	<u>192,107</u>	<u>5,382,479</u>
Net Position			
Net investment in capital assets	17,385,642	19,934,695	37,320,337
Restricted for			
Economic development	2,379,715	-	2,379,715
Local option sales tax	256,000	-	256,000
Library	108,776	-	108,776
Debt service	487,566	16,481	504,047
Capital Improvements	29,019	-	29,019
Unrestricted	(41,601)	(2,051,835)	(2,093,436)
Total Net Position	<u>\$ 20,605,117</u>	<u>\$ 17,899,341</u>	<u>\$ 38,504,458</u>

Functions/Programs	Expenses	Program Revenues		
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities				
Public safety	\$ 1,290,091	\$ 5,810	\$ 3,687	\$ -
Public works	1,628,935	38,991	592,320	-
Culture and recreation	1,165,025	201,444	23,205	-
Community and economic development	1,039,199	-	189,656	-
General government	590,062	-	-	-
Debt service	246,639	-	-	-
Total governmental activities	<u>5,959,951</u>	<u>246,245</u>	<u>808,868</u>	<u>-</u>
Business-type activities				
Water utility	984,147	1,004,269	-	4,391,055
Sewage disposal works	1,080,531	1,380,454	-	-
Solid waste	389,448	375,067	-	-
Total business-type activities	<u>2,454,126</u>	<u>2,759,790</u>	<u>-</u>	<u>4,391,055</u>
Total primary government	<u>\$ 8,414,077</u>	<u>\$ 3,006,035</u>	<u>\$ 808,868</u>	<u>\$ 4,391,055</u>
General revenues				
Property tax and other City tax levied for				
General purposes				
Debt service				
Tax increment financing				
Utility franchise fees				
Local option sales tax				
Hotel/motel tax				
Unrestricted investment earnings				
Gain on sale of capital assets				
Other				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning of year, as restated				
Net position, end of year				

City of Dyersville
Exhibit B – Statement of Activities
As of and for the Year Ended June 30, 2022

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (1,280,594)	\$ -	\$ (1,280,594)
(997,624)	-	(997,624)
(940,376)	-	(940,376)
(849,543)	-	(849,543)
(590,062)	-	(590,062)
(246,639)	-	(246,639)
(4,904,838)	-	(4,904,838)
-	4,411,177	4,411,177
-	299,923	299,923
-	(14,381)	(14,381)
-	4,696,719	4,696,719
(4,904,838)	4,696,719	(208,119)
2,130,783	-	2,130,783
469,656	-	469,656
1,659,090	-	1,659,090
174,170	-	174,170
819,461	-	819,461
150,539	-	150,539
19,666	-	19,666
60,000	-	60,000
87,216	32,656	119,872
215,000	(215,000)	-
5,785,581	(182,344)	5,603,237
880,743	4,514,375	5,395,118
19,724,374	13,384,966	33,109,340
\$ 20,605,117	\$ 17,899,341	\$ 38,504,458

City of Dyersville
Exhibit C – Balance Sheet
June 30, 2022

		Special Revenue				
		Dyersville	Capital Projects		Nonmajor	
	General	Economic Development TIF	Capital Improvements	Debt Service	Governmental Funds	Total
Assets						
Cash and pooled cash investments	\$ 709,580	\$ 2,449,487	\$ -	\$ 486,622	\$ 463,302	\$ 4,108,991
Receivables						
Property tax						
Delinquent	5,353	244	-	944	-	6,541
Succeeding year	2,095,228	1,711,446	-	609,471	-	4,416,145
Accounts and other	71,415	-	-	-	-	71,415
Special assessments	-	-	5,466	-	-	5,466
Due from other governments	55,402	-	26,200	-	94,210	175,812
Prepaid items	101,095	-	-	-	-	101,095
Restricted cash	35,401	-	-	-	74,877	110,278
Total Assets	<u>\$ 3,073,474</u>	<u>\$ 4,161,177</u>	<u>\$ 31,666</u>	<u>\$ 1,097,037</u>	<u>\$ 632,389</u>	<u>\$ 8,995,743</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities						
Checks written in excess of deposits	\$ -	\$ -	\$ 108,993	\$ -	\$ -	\$ 108,993
Accounts payable	137,679	70,016	191,049	-	53,310	452,054
Grants received in advance	-	-	-	-	222,562	222,562
Salaries and benefits payable	56,460	-	-	-	3,897	60,357
Total Liabilities	<u>194,139</u>	<u>70,016</u>	<u>300,042</u>	<u>-</u>	<u>279,769</u>	<u>843,966</u>
Deferred Inflows of Resources						
Unavailable revenues:						
Succeeding year property tax	2,095,228	1,711,446	-	609,471	-	4,416,145
Other	-	-	5,466	-	-	5,466
Total Deferred Inflows of Resources	<u>2,095,228</u>	<u>1,711,446</u>	<u>5,466</u>	<u>609,471</u>	<u>-</u>	<u>4,421,611</u>
Fund Balances (Deficits)						
Nonspendable						
Prepaid items	101,095	-	-	-	-	101,095
Restricted for						
Economic development	-	2,379,715	-	-	-	2,379,715
Local option sales tax	-	-	-	-	256,000	256,000
Library	35,401	-	-	-	73,375	108,776
Debt service	-	-	-	487,566	-	487,566
Capital improvements	-	-	-	-	29,019	29,019
Unassigned	647,611	-	(273,842)	-	(5,774)	367,995
Total Fund Balances	<u>784,107</u>	<u>2,379,715</u>	<u>(273,842)</u>	<u>487,566</u>	<u>352,620</u>	<u>3,730,166</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,073,474</u>	<u>\$ 4,161,177</u>	<u>\$ 31,666</u>	<u>\$ 1,097,037</u>	<u>\$ 632,389</u>	<u>\$ 8,995,743</u>

City of Dyersville
Exhibit D – Reconciliation of the Balance Sheet –
Governmental Funds to the Statement of Net Position
June 30, 2022

Total Fund Balances - Governmental Funds		\$ 3,730,166
Amounts reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		
Cost of capital assets	35,950,118	
Accumulated depreciation	<u>(8,885,332)</u>	
		27,064,786
Some of the City's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are unavailable in the funds. Those revenues consist of:		
Special assessments	<u>5,466</u>	
		5,466
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
General obligation bonds	(9,574,613)	
Equipment purchase agreement	(31,016)	
Lease payables	(73,515)	
Accrued interest	(17,999)	
Compensated absences	(315,716)	
Net pension asset	<u>392,456</u>	
		(9,620,403)
Pension related deferred outflows and inflows are not considered current financial resources and therefore are not part of the governmental fund analysis		
		<u>(574,898)</u>
Net position of governmental activities		<u><u>\$ 20,605,117</u></u>

City of Dyersville

Exhibit E – Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)

Year Ended June 30, 2022

		Special Revenue				
		Dyersville				
		Economic	Capital Projects		Nonmajor	
		Development	Capital	Debt	Governmental	
	General	TIF	Improvements	Service	Funds	Total
Revenues						
Property tax	\$ 2,130,783	\$ -	\$ -	\$ 469,656	\$ -	\$ 2,600,439
Tax increment financing	-	1,659,090	-	-	-	1,659,090
Other city tax	523,744	-	-	568	623,618	1,147,930
Licenses and permits	19,773	-	-	-	-	19,773
Use of money and property	58,525	-	587	-	363	59,475
Intergovernmental	40,502	-	44,053	-	693,400	777,955
Charges for service	232,231	-	-	-	41,555	273,786
Special assessments	-	-	4,673	-	-	4,673
Miscellaneous	140,236	-	-	-	-	140,236
Total Revenues	<u>3,145,794</u>	<u>1,659,090</u>	<u>49,313</u>	<u>470,224</u>	<u>1,358,936</u>	<u>6,683,357</u>
Expenditures						
Current						
Public safety	1,027,554	-	-	-	165,420	1,192,974
Public works	342,823	-	-	-	511,075	853,898
Culture and recreation	1,093,851	-	-	-	27,490	1,121,341
Community and economic development	141,250	897,949	-	-	-	1,039,199
General government	508,943	-	-	-	-	508,943
Debt service	-	-	-	1,107,065	-	1,107,065
Capital projects	-	-	1,444,651	-	-	1,444,651
Total Expenditures	<u>3,114,421</u>	<u>897,949</u>	<u>1,444,651</u>	<u>1,107,065</u>	<u>703,985</u>	<u>7,268,071</u>
Revenues Over (Under) Expenditures	<u>31,373</u>	<u>761,141</u>	<u>(1,395,338)</u>	<u>(636,841)</u>	<u>654,951</u>	<u>(584,714)</u>
Other Financing Sources (Uses)						
Issuance of debt	-	-	1,535,000	-	-	1,535,000
Issuance of refunding debt	-	-	-	1,070,000	-	1,070,000
Refunding payments to escrow agent	-	-	-	(955,000)	-	(955,000)
Transfers in	148,607	-	1,071,018	544,845	144,629	1,909,099
Transfers out	(137,089)	(498,615)	(276,097)	-	(782,298)	(1,694,099)
Total Other Financing Sources (Uses)	<u>11,518</u>	<u>(498,615)</u>	<u>2,329,921</u>	<u>659,845</u>	<u>(637,669)</u>	<u>1,865,000</u>
Net Change In Fund Balances	42,891	262,526	934,583	23,004	17,282	1,280,286
Fund Balances, Beginning of Year	<u>741,216</u>	<u>2,117,189</u>	<u>(1,208,425)</u>	<u>464,562</u>	<u>335,338</u>	<u>2,449,880</u>
Fund Balances, End of Year	<u>\$ 784,107</u>	<u>\$ 2,379,715</u>	<u>\$ (273,842)</u>	<u>\$ 487,566</u>	<u>\$ 352,620</u>	<u>\$ 3,730,166</u>

City of Dyersville

Exhibit F – Reconciliation of the Statement of Revenues, Expenditures, and Changes In Fund Balances –
Governmental Funds to the Statement of Activities
Year Ended June 30, 2022

Net Change In Fund Balances - Total Governmental Funds	\$	1,280,286
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:		
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Net acquisition of capital assets	\$	1,082,784
Depreciation expense	<u>(817,511)</u>	265,273
Because some revenues will not be collected for several months after the City's fiscal year end, they are not considered "available" revenues and are unavailable in the governmental funds, as follows:		
Grants	(52,634)	
Special assessments	<u>(5,028)</u>	(57,662)
Proceeds from issuing long-term liabilities provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. The effect of these items is as follows:		
Issued	(2,605,000)	
Repaid	<u>1,806,812</u>	(798,188)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds, as follows:		
Compensated absences	(41,347)	
Lease liability	9,792	
Interest on long-term debt	(1,178)	
Pension	179,089	
OPEB	<u>44,678</u>	<u>191,034</u>
Change in Net Position of Governmental Activities	\$	<u>880,743</u>

Business-type Activities - Enterprise Funds

	Water Utility	Sewage Disposal Works	Non-Major Solid Waste	Total
Assets				
Current Assets				
Cash and pooled cash investments	\$ -	\$ -	\$ 16,154	\$ 16,154
Accounts receivable	117,094	163,265	42,700	323,059
Due from other governments	501,485	-	-	501,485
Inventories	28,227	5,386	-	33,613
Prepaid items	22,128	33,959	-	56,087
Total Current Assets	<u>668,934</u>	<u>202,610</u>	<u>58,854</u>	<u>930,398</u>
Noncurrent Assets				
Restricted assets - cash and pooled cash investments	<u>38,611</u>	<u>-</u>	<u>-</u>	<u>38,611</u>
Capital Assets				
Land	75,750	134,530	-	210,280
Improvements other than buildings	380,700	221,022	45,237	646,959
Machinery and equipment	488,599	1,247,375	113,173	1,849,147
Wells	1,597,965	-	-	1,597,965
Distribution system	9,744,674	-	-	9,744,674
Sewer system	-	16,969,168	-	16,969,168
Construction in progress	5,859,780	2,696,695	-	8,556,475
Accumulated depreciation	(4,363,330)	(5,448,453)	(142,767)	(9,954,550)
Net Capital Assets	<u>13,784,138</u>	<u>15,820,337</u>	<u>15,643</u>	<u>29,620,118</u>
Total Noncurrent Assets	<u>13,822,749</u>	<u>15,820,337</u>	<u>15,643</u>	<u>29,658,729</u>
Total Assets	<u>14,491,683</u>	<u>16,022,947</u>	<u>74,497</u>	<u>30,589,127</u>
Deferred Outflows of Resources				
Pension related deferred outflows	<u>23,724</u>	<u>23,724</u>	<u>5,084</u>	<u>52,532</u>

See Notes to Financial Statements

City of Dyersville
Exhibit G – Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-type Activities - Enterprise Funds			
	Water Utility	Sewage Disposal Works	Non-Major Solid Waste	Total
Liabilities				
Current Liabilities				
Checks written in excess of deposits	\$ 224,942	\$ 1,431,832	\$ -	\$ 1,656,774
Accounts payable	625,788	109,826	31,480	767,094
Accrued interest payable	4,522	8,902	-	13,424
Salaries and benefits payable	1,820	1,896	1,524	5,240
Equipment purchase agreement	9,042	9,042	-	18,084
General obligation bonds	215,000	315,000	-	530,000
Revenue bonds	83,000	353,000	-	436,000
Compensated absences	67,179	34,267	19,256	120,702
Total Current Liabilities	<u>1,231,293</u>	<u>2,263,765</u>	<u>52,260</u>	<u>3,547,318</u>
Current Liabilities Payable				
From Restricted Assets				
Customer deposits payable	<u>46,373</u>	<u>-</u>	<u>-</u>	<u>46,373</u>
Noncurrent Liabilities				
Equipment purchase agreement	21,974	21,974	-	43,948
General obligation bonds	920,000	1,520,000	-	2,440,000
Revenue bonds	1,366,714	5,100,677	-	6,467,391
Net pension liability	<u>2,340</u>	<u>2,340</u>	<u>501</u>	<u>5,181</u>
Total Noncurrent Liabilities	<u>2,311,028</u>	<u>6,644,991</u>	<u>501</u>	<u>8,956,520</u>
Total Liabilities	<u>3,588,694</u>	<u>8,908,756</u>	<u>52,761</u>	<u>12,550,211</u>
Deferred Inflows of Resources				
Pension related deferred inflows	<u>86,758</u>	<u>86,758</u>	<u>18,591</u>	<u>192,107</u>
Net Position				
Net investment in capital assets	11,168,408	8,750,644	15,643	19,934,695
Restricted	-	16,481	-	16,481
Unrestricted	<u>(328,453)</u>	<u>(1,715,968)</u>	<u>(7,414)</u>	<u>(2,051,835)</u>
Total Net Position	<u>\$ 10,839,955</u>	<u>\$ 7,051,157</u>	<u>\$ 8,229</u>	<u>\$ 17,899,341</u>

City of Dyersville

Exhibit H – Statement of Revenues, Expenses, and Changes in Fund Net Position –
Proprietary Funds
Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds			
	Water Utility	Sewage Disposal Works	Non-Major Solid Waste	Total
Operating Revenues				
Charges for sales and services	\$ 1,004,269	\$ 1,380,454	\$ 375,067	\$ 2,759,790
Other	30,703	1,953	-	32,656
Total Operating Revenues	<u>1,034,972</u>	<u>1,382,407</u>	<u>375,067</u>	<u>2,792,446</u>
Operating Expenses				
Employee expense	257,019	216,816	48,415	522,250
Utilities	116,341	57,778	681	174,800
Repairs and maintenance	120,316	23,475	28,180	171,971
Supplies and services	132,013	185,882	309,910	627,805
Insurance	29,994	41,180	-	71,174
Depreciation	262,093	423,279	2,262	687,634
Total Operating Expenses	<u>917,776</u>	<u>948,410</u>	<u>389,448</u>	<u>2,255,634</u>
Operating Income (Loss)	<u>117,196</u>	<u>433,997</u>	<u>(14,381)</u>	<u>536,812</u>
Nonoperating Expenses				
Interest expense	<u>(66,371)</u>	<u>(132,121)</u>	<u>-</u>	<u>(198,492)</u>
Income (Loss) Before Contributions	<u>50,825</u>	<u>301,876</u>	<u>(14,381)</u>	<u>338,320</u>
Capital Contributions	4,391,055	-	-	4,391,055
Transfers Out	<u>-</u>	<u>(215,000)</u>	<u>-</u>	<u>(215,000)</u>
Change In Net Position	4,441,880	86,876	(14,381)	4,514,375
Net Position, Beginning	<u>6,398,075</u>	<u>6,964,281</u>	<u>22,610</u>	<u>13,384,966</u>
Net Position, Ending	<u>\$ 10,839,955</u>	<u>\$ 7,051,157</u>	<u>\$ 8,229</u>	<u>\$ 17,899,341</u>

City of Dyersville
Exhibit I – Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds			
	Water Utility	Sewage Disposal Works	Non-Major Solid Waste	Total
Cash Flows From Operating Activities				
Cash received from customers	\$ 1,021,627	\$ 1,394,419	\$ 375,006	\$ 2,791,052
Cash payments to suppliers for goods and services	(379,110)	(337,461)	(331,490)	(1,048,061)
Cash payments to employees for services	(258,112)	(279,244)	(52,771)	(590,127)
Other operating receipts	30,703	1,953	-	32,656
Net Cash Provided By (Used For) Operating Activities	415,108	779,667	(9,255)	1,185,520
Cash Flows From Noncapital Financing Activities				
Transfers to other funds	-	(215,000)	-	(215,000)
Cash Flows From Capital And Related Financing Activities				
Acquisition and construction of capital assets	(3,948,737)	(140,312)	-	(4,089,049)
Proceeds from issuance of debt	185,000	1,263,925	-	1,448,925
Payment of debt	(549,625)	(1,336,625)	-	(1,886,250)
Interest paid	(65,445)	(130,521)	-	(195,966)
Capital grants	3,889,570	-	-	3,889,570
Net Cash Used For Capital and Related Financing Activities	(489,237)	(343,533)	-	(832,770)
Net Increase (Decrease) In Cash And Cash Equivalents	(74,129)	221,134	(9,255)	137,750
Cash and Cash Equivalents, Beginning of Year	(112,202)	(1,652,966)	25,409	(1,739,759)
Cash and Cash Equivalents, End of Year	<u>\$ (186,331)</u>	<u>\$ (1,431,832)</u>	<u>\$ 16,154</u>	<u>\$ (1,602,009)</u>

City of Dyersville
Exhibit I – Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds			
	Water Utility	Sewage Disposal Works	Non-Major Solid Waste	Total
Reconciliation of Operating Income (Loss) to Net				
Cash Provided by (Used For) Operating Activities				
Operating income (loss)	\$ 117,196	\$ 433,997	\$ (14,381)	\$ 536,812
Adjustments to Reconcile Operating Income (Loss) to				
Net Cash Provided By (Used For)				
Operating Activities:				
Depreciation	262,093	423,279	2,262	687,634
Change in assets and liabilities				
Accounts receivable	13,233	13,965	(61)	27,137
Inventory and prepaids	21,910	(6,070)	-	15,840
Accounts payable	(2,356)	(23,076)	7,281	(18,151)
Deposits payable	4,125	-	-	4,125
Accrued liabilities	24,088	(37,247)	1,427	(11,732)
Deferred outflows	6,119	6,119	1,310	13,548
Deferred inflows	83,673	83,673	17,929	185,275
Pension liability	(108,421)	(108,421)	(23,233)	(240,075)
OPEB	(6,552)	(6,552)	(1,789)	(14,893)
Total Adjustments	297,912	345,670	5,126	648,708
Net Cash Provided By (Used For) Operating Activities	\$ 415,108	\$ 779,667	\$ (9,255)	\$ 1,185,520
Reconciliation of Cash and Cash				
Equivalents at Year End to				
Specific Assets Included on the				
Statement of Net Position				
Current Assets:				
Cash and pooled investments	\$ -	\$ -	\$ 16,154	\$ 16,154
Restricted Assets:				
Cash and pooled investments	38,611	-	-	38,611
Checks written in excess of deposits	(224,942)	(1,431,832)	-	(1,656,774)
Cash and Cash Equivalents at Year End	\$ (186,331)	\$ (1,431,832)	\$ 16,154	\$ (1,602,009)
Noncash Capital And Related Financing Activities				
Contributions of capital assets				
from grants	\$ 3,889,570	\$ -	\$ -	\$ 3,889,570

Note 1 - Summary of Significant Accounting Policies

The City of Dyersville, Iowa, is a political subdivision of the State of Iowa located in Dubuque and Delaware counties. It was first incorporated in 1872 and operates under the Home Rule provisions of the Constitution of Iowa. The City operates under the Mayor-Council form of government with the Mayor and Council Members elected on a nonpartisan basis. The City provides numerous services to citizens including public safety, public works, culture and recreation, community and economic development, and general government services. It also operates and provides water, sewer, and sanitation utilities.

The financial statements of the City of Dyersville, Iowa, have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board.

Reporting Entity

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

Excluded Component Unit

The Friends of the Library (Iowa nonprofit corporation) is legally separate from the City. Friends of the Library is governed by a separate board but was formed for the direct benefit of the City. Economic resources received by Friends of the Library are used for the direct benefit of the James Kennedy Public Library. Friends of the Library does not prepare financial statements; therefore, audited financial statements are not available. Management has elected to exclude the transactions of Friends of the Library from the City's financial statements as they are not material.

Jointly Governed Organization

The City also participates in jointly governed organizations that provide goods or services to the citizenry of the City but does not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. City officials are members of the following boards: Bi-County Ambulance, Dubuque County Assessor's Board, Dubuque County Emergency Management Commission and the Dubuque County E911 Board.

Basis of Presentation

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are supported by property tax and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

The statement of net position presents the City's nonfiduciary assets, deferred outflows, liabilities, and deferred inflows of resources, with the difference reported as net position. Net position is reported in three categories:

Net investment in capital assets – consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction, or improvement of those assets.

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

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function, and (2) grants and contributions restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Separate financial statements are provided for governmental and proprietary funds. Major individual governmental and proprietary funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor governmental funds.

The City reports the following major governmental funds:

General Fund

The General Fund is the general operating fund of the City. All general tax revenues and other revenues not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges and the capital improvement costs not paid from other funds.

Special Revenue Fund

The Dyersville Economic Development TIF Fund is used to account for revenues from the tax authorized by ordinance in the urban renewal district and used to pay the principal and interest on the general obligation capital loan notes and other indebtedness incurred for urban renewal redevelopment projects.

Capital Projects Fund

The Capital Improvements Fund is used to account for the resources and costs related to infrastructure and building construction and major improvements.

Debt Service Fund

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

The City reports the following major proprietary funds:

Enterprise Funds

The Water Utility Fund is used to account for the operations of the City's water facilities and services.

The Sewage Disposal Works Fund is used to account for the operations of the City's sewage disposal works and services.

Measurement Focus and Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days after year end.

Property tax, local option sales tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the City.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments and compensated absences are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's Enterprise Funds are charges to customers for sales and services. Operating expenses for Enterprise Funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

The City maintains its financial records on the cash basis. The financial statements of the City are prepared by making memorandum adjusting entries to the cash basis financial records.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Equity

The following accounting policies are followed in preparing the financial statements:

Cash, Pooled Investments and Cash Equivalents

The cash balances of most City funds are pooled and invested. Interest earned on investments is recorded in the General Fund, unless otherwise provided by law. Investments consist of money market and savings accounts.

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid (including restricted assets) are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and at the day of purchase, have a maturity date no longer than three months.

Property Tax Receivable, Including Tax Increment Financing

Property tax, including tax increment financing, in governmental funds is accounted for using the modified accrual basis of accounting.

Property tax receivable is recognized in these funds on the levy or lien date, which is the date that the tax asking is certified by the City to the County Board of Supervisors. Current year property tax receivable represents taxes collected by the County but not remitted to the City at June 30, 2022, and unpaid taxes. The succeeding year property tax receivable represents taxes certified by the City to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the City is required to certify its budget to the County Auditor by March 31 of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is unavailable in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

Property tax revenues recognized in these funds becomes due and collectible in September and March of the current fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2020, assessed property valuations; is for the tax accrual period July 1, 2021 through June 30, 2022; and reflects tax asking contained in the budget certified by the County Board of Supervisors in March, 2021.

Customer Accounts and Unbilled Usage

Accounts receivable are recorded in the Enterprise Funds at the time the service is billed. Unbilled usage for service consumed between periodic scheduled billing dates is estimated and is recognized as revenue in the period in which the service is provided.

Due from other Governments

Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments.

Inventories

Inventories are valued at cost using the first-in/first-out method. Inventories in the Enterprise Funds consist of materials and supplies. Inventories are recorded as expenses when consumed rather than when purchased.

Restricted Assets

Funds set aside for payment of Enterprise Fund revenue notes are classified as restricted assets since their use is restricted by applicable note indentures. Other restricted assets include customer deposits restricted for application to unpaid customer accounts or for refund to customers.

Capital Assets

Capital assets, which include property, equipment and vehicles and infrastructure assets (e.g. roads, bridges, curbs, gutters, sidewalks and similar items which are immovable and of value only to the government) are reported in the applicable governmental or business-type activities columns in the government-wide Statement of Net Position and in the Proprietary Funds Statement of Net Position. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. The costs of normal maintenance and repair not adding to the value of the asset or materially extending asset lives are not capitalized. Reportable capital assets are defined by the City as assets with initial, individual costs in excess of the following thresholds and estimated useful lives in excess of two years.

<u>Asset Class</u>	<u>Amount</u>
Infrastructure	\$ 5,000
Land, buildings and improvements	5,000
Equipment and vehicles	5,000

Capital assets of the City are depreciated/amortized using the straight line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives (In Years)</u>
Buildings	10 – 50
Building improvements	10 – 20
Infrastructure	15 – 50
Equipment	5 – 20
Vehicles	5 – 15

Right to use leased assets are recognized at the lease commencement date and represent the City's right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method.

Unavailable Revenue

Although certain revenues are measurable, they are not available. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Unavailable revenue in the governmental fund financial statements represents the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Unavailable revenue consists of the succeeding year property tax receivable, as well as delinquent property tax receivable and other receivables not collected within sixty days after year end.

Compensated Absences

City employees accumulate a limited amount of earned but unused vacation and sick leave hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees that have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2022. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund.

Long-term Liabilities

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental or business-type activities column in the Statement of Net Position and the proprietary fund Statement of Net Position.

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (income), information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The net pension liability (asset) attributable to the governmental activities will be paid primarily by the General Fund.

Leases

Lease liabilities represent the City's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by lessor.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources consist of property tax receivable and other receivables not collected within sixty days after year end. Deferred inflows of resources in the Statement of Net Position consist of succeeding year property tax and tax increment financing receivable that will not be recognized as revenue until the year for which they are levied and the unamortized portion of components of pension expense.

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension expense and contributions from the employer after the measurement date but before the end of the employer's reporting period.

Fund Equity

In the governmental fund financial statements, restrictions of fund balance are reported for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2022, disbursements exceeded the amount budgeted in public safety, debt service, and business-type activities functions.

Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Implementation of GASB Statement No. 87

As of July 1, 2021, the City adopted GASB Statement No. 87, *Leases*. The objective of the Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The impact to the City resulted in the reporting of a capital assets and lease payable related to leases. The effect of the implementation of this standard on the beginning net position is disclosed in Note 16.

Note 2 - Cash and Pooled Investments

Deposits. The City's deposits in banks at June 30, 2022, were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The City is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the City Council and the Treasurer of the State of Iowa; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

The City has no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

Note 3 - Capital Assets

Capital assets activity for the year ended June 30, 2022, was as follows:

	Balance Beginning of Year (as restated)	Increases	Decreases	Balance End of Year
Governmental Activities:				
Capital assets, not being depreciated/amortized:				
Land	\$ 6,525,987	\$ -	\$ -	\$ 6,525,987
Construction in progress	6,336,542	938,129	2,789,685	4,484,986
Total capital assets, not being depreciated/amortized	12,862,529	938,129	2,789,685	11,010,973
Capital assets, being depreciated/amortized				
Buildings	4,172,607	76,781	-	4,249,388
Improvements other than buildings	4,487,127	1,233,757	-	5,720,884
Right of use assets	83,307	-	-	83,307
Machinery and equipment	3,694,668	7,935	-	3,702,603
Infrastructure	9,567,096	1,615,867	-	11,182,963
Total capital assets, being depreciated/ amortized	22,004,805	2,934,340	-	24,939,145
Less accumulated depreciation/amortization for:				
Buildings	2,288,522	88,286	-	2,376,808
Improvements other than buildings	1,097,026	218,357	-	1,315,383
Right of use assets	-	10,413	-	10,413
Machinery and equipment	2,472,476	255,297	-	2,727,773
Infrastructure	2,209,797	245,158	-	2,454,955
Total accumulated depreciation /amortization	8,067,821	817,511	-	8,885,332
Total capital assets being depreciated/amortized, net	13,936,984	2,116,829	-	16,053,813
Governmental activities capital assets, net	<u>\$ 26,799,513</u>	<u>\$ 3,054,958</u>	<u>\$ 2,789,685</u>	<u>\$ 27,064,786</u>

City of Dyersville
Notes to the Financial Statements
June 30, 2022

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Business-Type Activities:				
Capital assets, not being depreciated:				
Land	\$ 210,280	\$ -	\$ -	\$ 210,280
Construction in progress	4,297,234	4,636,862	377,621	8,556,475
Total capital assets, not being depreciated	4,507,514	4,636,862	377,621	8,766,755
Capital assets, being depreciated				
Improvements other than buildings	621,603	25,356	-	646,959
Equipment and vehicles	1,833,576	31,071	15,500	1,849,147
Infrastructure, water and sewer network	27,934,186	377,621	-	28,311,807
Total capital assets, being depreciated	30,389,365	434,048	15,500	30,807,913
Less accumulated depreciation for:				
Improvements other than buildings	55,655	20,874	-	76,529
Equipment and vehicles	1,130,574	113,271	15,500	1,228,345
Infrastructure, water and sewer network	8,096,187	553,489	-	8,649,676
Total accumulated depreciation	9,282,416	687,634	15,500	9,954,550
Total capital assets being depreciated, net	21,106,949	(253,586)	-	20,853,363
Business-type activities capital assets, net	\$ 25,614,463	\$ 4,383,276	\$ 377,621	\$ 29,620,118

Depreciation/amortization expense was charged to functions of the City as follows:

Governmental activities:	
Public safety	\$ 119,520
Public works	382,364
Culture and recreation	156,205
General government	159,422
Total depreciation/amortization expense - governmental activities	\$ 817,511
Business-type activities:	
Water	\$ 262,093
Sewage disposal works	423,279
Solid waste	2,262
Total depreciation/amortization expense - business-type activities	\$ 687,634

Note 4 - Changes in Long-Term Liabilities

A summary of changes in long-term liabilities for the year ended June 30, 2022, is as follows:

	Balance June 30, 2021 (as restated)	Additions	Deletions	Balance June 30, 2022	Due Within One Year
Governmental Activities					
General Obligation					
Bonds	\$ 8,720,000	\$ 2,605,000	\$ 1,795,000	\$ 9,530,000	\$ 930,000
Premiums	47,800	-	3,187	44,613	-
	<u>\$ 8,767,800</u>	<u>\$ 2,605,000</u>	<u>\$ 1,798,187</u>	<u>\$ 9,574,613</u>	<u>\$ 930,000</u>
Direct Placements:					
Equipment Purchase					
Agreements	39,641	-	8,625	31,016	9,042
Lease agreement	83,307	-	9,792	73,515	9,964
Compensated Absences	274,369	315,716	274,369	315,716	315,716
	<u>\$ 9,165,117</u>	<u>\$ 2,920,716</u>	<u>\$ 2,090,973</u>	<u>\$ 9,994,860</u>	<u>\$ 1,264,722</u>

For the governmental activities, compensated absences are generally liquidated by the General Fund.

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year
Business-Type Activities					
General Obligation Bonds	\$ 2,860,000	\$ 1,330,000	\$ 1,220,000	\$ 2,970,000	\$ 530,000
Direct Placements:					
Revenue Notes	7,433,466	118,925	649,000	6,903,391	436,000
Equipment Purchase					
Agreements	79,282	-	17,250	62,032	18,084
Compensated Absences	126,664	120,702	126,664	120,702	120,702
	<u>\$ 10,499,412</u>	<u>\$ 1,569,627</u>	<u>\$ 2,012,914</u>	<u>\$ 10,056,125</u>	<u>\$ 1,104,786</u>

Equipment Purchase Agreement

The City has entered into an equipment purchase agreement to purchase two trucks with historical costs of \$183,801, accumulated depreciation of \$143,976, and a net book value of \$39,825. The agreement has an interest rate of 3.75% per annum. The present value of net minimum payments under the agreement in effect at June 30, 2022 is as follows:

Governmental Activities:

Year Ending June 30,	Trucks
2023	\$ 10,356
2024	10,356
2025	10,356
2026	2,587
Total minimum payments	33,655
Less amounts representing interest	(2,639)
Present value of net minimum payments	<u>\$ 31,016</u>

Business-Type Activities:

Year Ending June 30,	Trucks
2023	\$ 20,712
2024	20,712
2025	20,712
2026	5,174
Total minimum payments	67,310
Less amounts representing interest	(5,278)
Present value of net minimum payments	<u>\$ 62,032</u>

General Obligation Bonds/Notes

Governmental activities:

Five issues of unmatured general obligation bonds, totaling \$9,530,000, are outstanding at June 30, 2022. General obligation bonds bear interest at rates ranging from 0.60% to 3.40% per annum and mature in varying annual amounts, ranging from \$60,000 to \$420,000, with the final maturities due in the year ending June 30, 2037.

Business-type activities:

Nine issues of unmatured general obligation bonds, totaling \$2,970,000, are outstanding at June 30, 2022. General obligation bonds bear interest at rates ranging from 0.60% to 3.40% per annum and mature in varying annual amounts, ranging from \$35,000 to \$320,000, with the final maturities due in the year ending June 30, 2037.

Details of general obligation bonds payable at June 30, 2022, are as follows:

Governmental activities:

	Date of Issue	Interest Rates	Final Due Date	Annual Payments	Amount Originally Issued	Amount Outstanding End of Year
General obligation bonds:						
General obligation corp. purpose	01/28/14	2.00 - 3.40%	06/01/29	60,000 - 70,000	\$ 1,350,000	\$ 465,000
Refunding & economic development	03/15/18	2.10 - 2.90%	06/01/27	270,000 - 295,000	2,487,570	1,450,000
General obligation corp. purpose	06/13/19	2.00 - 3.00%	06/01/36	175,000 - 420,000	5,680,000	5,055,000
Refunding & general obligation corp. purpose	08/31/21	1.00 - 1.90%	06/01/37	110,000 - 320,000	1,685,000	1,640,000
General obligation corp. purpose	08/31/21	0.60 - 2.30%	06/01/37	60,000 - 85,000	920,000	920,000
Total general obligation bonds						<u>\$ 9,530,000</u>

A summary of the general obligation bond principal and interest requirements to maturity by year is as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 930,000	\$ 215,876	\$ 1,145,876
2024	890,000	198,266	1,088,266
2025	907,500	180,826	1,088,326
2026	927,500	162,306	1,089,806
2027	900,000	143,011	1,043,011
2028-2032	2,880,000	483,057	3,363,057
2033-2037	<u>2,095,000</u>	<u>137,208</u>	<u>2,232,208</u>
Total	<u>\$ 9,530,000</u>	<u>\$ 1,520,550</u>	<u>\$ 11,050,550</u>

Business-type activities:

	Date of Issue	Interest Rates	Final Due Date	Annual Payments	Amount Originally Issued	Amount Outstanding End of Year
General obligation bonds:						
Sewer improvements	01/28/14	2.00 - 3.40%	06/01/28	60,000 - 70,000	\$ 875,000	\$ 380,000
Water improvements	01/28/14	2.00 - 3.40%	06/01/28	35,000 - 40,000	510,000	225,000
Sewer improvements	03/15/18	2.10 - 2.90%	06/01/27	60,000 - 75,000	584,535	345,000
Water improvements	03/15/18	2.10 - 2.90%	06/01/27	145,000 - 160,000	1,322,895	765,000
Sewer improvements	06/13/19	2.00 - 3.00%	06/01/24	35,000	175,000	70,000
Refunding water improvements	08/31/21	1.00 - 1.90%	06/01/37	110,000 - 320,000	185,000	145,000
Refunding sewer improvements	08/31/21	1.00 - 1.90%	06/01/37	115,000 - 320,000	555,000	450,000
Sewer improvements	08/31/21	1.00 - 1.90%	06/01/37	110,000 - 320,000	460,000	460,000
Sewer improvements	08/31/21	0.60 - 2.30%	06/01/37	60,000 - 85,000	130,000	130,000
Total general obligation bonds						<u>\$ 2,970,000</u>

A summary of the annual general obligation debt principal and interest requirements to maturity by year is as follows:

Years Ending June 30,	Principal	Interest	Total
2023	\$ 530,000	\$ 62,215	\$ 592,215
2024	535,000	52,415	587,415
2025	512,500	41,985	554,485
2026	532,500	31,490	563,990
2027	385,000	20,057	405,057
2028-2032	315,000	26,780	341,780
2033-2037	160,000	9,000	169,000
Total	<u>\$ 2,970,000</u>	<u>\$ 243,942</u>	<u>\$ 3,213,942</u>

Revenue Bonds

The City has pledged future sewer customer revenues, net of specified operating expenses, to repay approximately \$7,600,000 in sewer revenue bonds issued in February 2010, April 2016, and October 2020. Proceeds from the bonds provided financing for the construction of improvements to the sewer treatment plant. The bonds are payable solely from sewer customer net receipts and are payable through 2038. The total principal and interest remaining to be paid on the bonds is \$6,003,037. For the current year, principal and interest paid and total customer net revenues plus depreciation expense were \$601,302 and \$857,276, respectively. Annual principal and interest payments on the above sewer revenue bonds are expected to require 50 percent of net revenues plus depreciation expense.

The City has pledged future water customer revenues, net of specified operating expenses, to repay approximately \$1,950,000 in water revenue bonds issued in August 2016 and March 2020. Proceeds from the bonds provided financing for the construction of improvements to the water well. The bonds are payable solely from water customer net receipts and are payable through 2040. The total principal and interest remaining to be paid on the bonds is \$1,668,217. For the current year, principal and interest paid and total customer net revenues plus depreciation expense were \$167,301 and \$379,289, respectively. Annual principal and interest payments on the above water revenue bonds are expected to require 20 percent of net revenues plus depreciation expense.

Five issues of unmatured Iowa Finance Authority revenue bonds, totaling \$6,903,391, are outstanding at June 30, 2022. These bonds bear interest at rates of 1.75% and mature in varying annual amounts, ranging from \$10,677 to \$208,000, with the final maturity due in the year ending June 30, 2039.

The resolutions providing for the issuance of the revenue bonds include the following provisions:

- 1) The bonds will only be redeemed from the future earnings of the enterprise activity, and the bond holders hold a lien on the future earnings of the funds.
- 2) User rates shall be established at a level which produces and maintains net revenues at a level not less than 110% of the amount of principal and interest on the bonds falling due in the same year.

During the year ended June 30, 2022, the City was in compliance with the revenue bond provisions.

Details of the revenue bonds payable at June 30, 2022, are as follows:

Business-type activities:

	Date of Issue	Interest Rates	Final Due Date	Annual Payments	Amount Originally Issued	Amount Outstanding End of Year
Revenue bonds:						
Sewer improvements	02/10/10	1.75%	06/01/30	60,000 - 78,000	\$ 1,192,000	\$ 559,000
Sewer improvements	04/18/16	1.75%	06/01/37	91,075 - 208,000	3,626,729	2,811,000
Well Improvements	08/05/16	1.75%	06/01/36	14,000 - 19,000	343,250	234,000
Well Improvements	03/06/20	1.75%	06/01/40	30,714 - 90,000	1,600,000	1,215,714
Sewer improvements	10/09/20	1.75%	06/01/37	10,677 - 158,000	2,800,000	2,083,677
Total revenue bonds						<u>\$ 6,903,391</u>

A summary of the annual revenue bonds principal and interest requirements to maturity by year is as follows:

Years Ending June 30,	Principal	Interest	Total
2023	\$ 436,000	\$ 100,372	\$ 536,372
2024	444,000	93,888	537,888
2025	452,000	87,278	539,278
2026	462,000	80,530	542,530
2027	470,000	73,609	543,609
2028-2032	2,324,000	248,814	2,572,814
2033-2037	2,274,000	83,103	2,357,103
2038-2039	<u>41,391</u>	<u>269</u>	<u>41,660</u>
Total	<u>\$ 6,903,391</u>	<u>\$ 767,863</u>	<u>\$ 7,671,254</u>

Note 5 - Leases

As of July 1, 2021, the City entered into a lease agreement as lessee for the use of park space. As of June 30, 2022, the value of the lease liability was \$73,515. The City is required to make annual principal and interest payments of \$11,250 through July 2028. The lease has an interest rate of 1.75%.

Note 6 - Transfers

Transfer To	Transfer From	Amount
General fund	Capital improvements	\$ 131,468
	Non-major governmental	17,139
		<u>148,607</u>
Capital Improvements	General	137,089
	Sewer	215,000
	Non-major governmental	718,929
		<u>1,071,018</u>
Debt Service	Dyersville Economic Development TIF	498,615
	Non-major governmental	46,230
		<u>544,845</u>
Non-major governmental	Capital improvements	<u>144,629</u>
Total		<u>\$ 1,909,099</u>

Transfers generally move resources from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources.

Note 7 - Pension and Retirement Benefits

Plan Description – IPERS membership is mandatory for employees of the City, except for those covered by another retirement system. Employees of the City are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at P.O. Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

IPERS benefits are established under Iowa Code chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits – A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, anytime after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. (These qualifications must be met on the member's first month of entitlement to benefits.) Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member's monthly IPERS benefit includes:

- A multiplier (based on years of service).
- The member's highest five-year average salary. (For members with service before June 30, 2012, the highest three-year average salary as of that date will be used if it is greater than the highest five-year average salary.)

Protection occupation members may retire at normal retirement age which is generally at age 55 and may retire any time after reaching age 50 with 22 or more years of covered employment. The formula used to calculate a protection occupation members' monthly IPERS benefit includes:

- 60% of average salary after completion of 22 years of service, plus an additional 1.5% of average salary for years of service greater than 22 but not more than 30 years of service.
- The member's highest three-year average salary.

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25 percent for each month that the member receives benefits before the member's earliest normal retirement age. For service earned starting July 1, 2012, the reduction is 0.50 percent for each month that the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and Death Benefits

A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions

Contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS' Contribution Rate Funding Policy requires that the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll, based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2022, pursuant to the required rate, Regular members contributed 6.29 percent of covered payroll and the City contributed 9.44 percent of covered payroll for a total rate of 15.73 percent. Protective occupation members contributed 6.21 percent of covered payroll and the City contributed 9.31 percent of covered payroll for a total rate of 15.52 percent.

The City's total contributions to IPERS for the year ended June 30, 2022 were \$138,630.

Net Pension Liabilities (Assets), Pension Expense (Income), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the City reported an asset of \$387,275 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2021, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2021, the City's collective proportion was .112180 percent which was an increase of .100462 percent from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the City recognized pension revenue of \$81,713. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 43,861	\$ 13,092
Changes of assumptions	14,744	451
Net difference between projected and actual earnings on pension plan investments	-	949,146
Changes in proportion and differences between City contributions and proportionate share of contributions	54,626	3,645
City contributions subsequent to the measurement date	138,630	-
Total	<u>\$ 251,861</u>	<u>\$ 966,334</u>

\$138,630 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

Years Ending June 30,	Total
2023	\$ (209,849)
2024	(210,664)
2025	(195,592)
2026	(242,931)
2027	5,933
	<u>\$ (853,103)</u>

There were no non-employer contributing entities at IPERS.

Actuarial Assumptions

The total pension liability (asset) in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation (effective June 30, 2017)	2.60 percent per annum
Rates of salary increase (effective June 30, 2017)	3.25 to 16.25 percent, average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 2017)	7.00 percent compounded annually, net of investment expense including inflation
Wage growth (effective June 30, 2017)	3.25 percent per annum based on 2.60 percent inflation and 0.65 percent real wage inflation

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an economic assumption study dated March 24, 2017 and a demographic assumption study dated June 28, 2018.

Mortality rates used in the 2019 valuation were based on the RP-2014 Employee and Healthy Annuitant Tables with MP-2017 generational adjustments.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Core Plus Fixed Income	26.0%	0.29%
Domestic Equity	22.0	4.43%
International Equity	17.5	6.01%
Private Equity	13.0	9.51%
Private Real Assets	7.5	4.63%
Global smart beta equity	6.0	5.10%
Public Credit	4.0	2.08%
Private Credit	3.0	2.87%
Cash	1.0	-0.25%
	<u>100%</u>	

Discount Rate

The discount rate used to measure the total pension liability (asset) was 7 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that contributions from the City will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 7 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6 percent) or 1-percentage-point higher (8 percent) than the current rate.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
City's proportionate share of the net pension liability (asset)	\$ 478,920	\$ (387,275)	\$ (1,112,797)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at www.ipers.org.

Payables to the Pension Plan

At June 30, 2022, the City reported payables to the defined benefit pension plan of \$11,437 for legally required employer contributions and \$7,626 for legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

Note 8 - Industrial Development Revenue Bonds

The City has issued a total of \$5,500,000 of industrial development revenue bonds under the provisions of Chapter 419 of the Code of Iowa, of which \$1,465,231 is outstanding at June 30, 2022. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The bond principal and interest do not constitute liabilities of the City.

Note 9 - Risk Management

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

Note 10 - Construction Commitments

The City has recognized as a liability only that portion of construction contracts representing construction completed through June 30, 2022. The City has additional commitments for signed construction and engineering contracts of approximately \$4,900,000 as of June 30, 2022, to be paid as work progresses.

Note 11 - Tax Abatements

Tax Abatements – Governmental Accounting Standards Board Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promise to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

City Tax Abatements – The City provides tax abatements for urban renewal and economic development projects with tax increment financing as provided for in Chapters 15A and 403 of the Code of Iowa. For these types of projects, the City enters into agreements with developers which require the City, after developers meet the terms of the agreements, to rebate a portion of the property tax paid by the developers, to pay the developers an economic development grant or to pay the developers a predetermined dollar amount. No other commitments were made by the City as part of these agreements.

For the year ended June 30, 2022, the City abated \$897,949 of property tax under the urban renewal and economic development projects.

Note 12 - Urban Renewal Development Agreements

The City has entered into tax increment financing agreements. The City agreed to assist in urban renewal projects by rebating incremental taxes paid by the participating companies with respect to the improvements set forth in the urban renewal plan. The incremental taxes to be received by the City under Chapter 403.19 of the Code of Iowa from the participating companies will be rebated beginning with the tax year in which the property taxes on the completed value of the improvements are first paid. The City has agreed to provide tax increment payments in a total amount not exceeding \$28,382,810.

Note 13 - Prospective Accounting Changes

The Governmental Accounting Standards Board (GASB) has issued the following statements not yet implemented by the City. The statements which might impact the City are as follows:

GASB Statement No. 91, *Conduit Debt Obligations*, issued May 2019, will be effective for the City beginning with its fiscal year ending June 30, 2023. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, issued March 2020, will be effective for the City beginning with its fiscal year ending June 30, 2023. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs).

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, issued in May 2020, will be effective for fiscal year ending June 30, 2023. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments).

GASB Statement No. 99, *Omnibus 2022*, issued in May 2022, will be partially effective for fiscal year ending June 30, 2023, and partially effective for fiscal year ending June 30, 2024. This Statement was issued to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements and accounting and financial reporting for financial guarantees.

GASB Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*, issued in June 2022, will be effective for fiscal year ending June 30, 2023. This Statement was issued to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

GASB Statement No. 101, *Compensated Absences*, issued in June 2022, will be effective for fiscal year ending June 30, 2025. This Statement was issued to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences.

The City's management has not yet determined the effect these statements will have on the City's financial statements.

Note 14 - Contingency

The COVID-19 outbreak is disrupting business across a range of industries in the United States and financial markets have experienced a significant decline. As a result, local, regional and national economies, including that of the City, may be adversely impacted. The extent of the financial impact of COVID-19 will depend on future developments, including the duration and spread, which are uncertain and cannot be predicted. Due to the uncertainties surrounding the outbreak, management cannot presently estimate the potential impact to the City's operations and finances.

Note 15 - Deficit Fund Balance

At June 30, 2022, the Capital Improvements fund had a deficit balance of \$273,842, and the Special Projects fund had a deficit balance of \$5,774. The deficit balances are the result of capital projects where permanent financing was not in place. The deficits will be eliminated upon receipt of funding in future periods.

Note 16 - Accounting Change

As of July 1, 2021, the City adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Beginning net position was restated to retroactively adopt the provisions of GASB Statement No. 87 as follows:

	<u>Governmental Activities</u>
Net position/Fund Balance June 30, 2021, as previously reported	\$ 19,724,374
Add capital assets under GASB No. 87 at July 1, 2021	83,307
Less lease liability under GASB No. 87 at July 1, 2021	<u>(83,307)</u>
Net Position/Fund Balance July 1, 2021, as restated	<u><u>\$ 19,724,374</u></u>

Note 17 - Subsequent Events

On March 7, 2023, the City authorized and approved the issuance of \$2,625,000 general obligation bonds, series 2023 for the purpose of paying the costs of undertaking the Field of Dreams Stadium Project, constructing a bridge, water and sanitary sewer projects, and equipping a fire truck.

Management has evaluated subsequent events through March 20, 2023, the date which the financial statements were available to be issued.

Required Supplementary Information
June 30, 2022

City of Dyersville, Iowa

City of Dyersville

Budgetary Comparison Schedule of Receipts, Disbursements, and Changes in Balances – Budget and Actual (Cash Basis) – Governmental Funds and Proprietary Funds and Budget to GAAP Reconciliation
Required Supplementary Information
Year Ended June 30, 2022

	Governmental Funds Actual	Proprietary Funds Actual	Total Actual	Original Budget	Final Budget	Variance with Final Budget-Positive (Negative)
Receipts:						
Property tax	2,603,965	-	\$ 2,603,965	\$ 2,449,742	\$ 2,449,743	\$ 154,222
Tax increment financing	1,659,510	-	1,659,510	1,753,519	1,753,519	(94,009)
Other city tax	1,122,261	-	1,122,261	880,317	880,317	241,944
Licenses and permits	19,773	-	19,773	17,700	17,700	2,073
Use of money and property	59,533	-	59,533	136,350	136,350	(76,817)
Intergovernmental	990,422	-	990,422	732,588	4,471,588	(3,481,166)
Charges for service	273,217	2,786,927	3,060,144	2,912,125	2,912,125	148,019
Special assessments	4,673	-	4,673	10,000	10,000	(5,327)
Miscellaneous	121,409	3,926,351	4,047,760	178,250	253,250	3,794,510
Total receipts	6,854,763	6,713,278	13,568,041	9,070,591	12,884,592	683,449
Disbursements:						
Public safety	1,205,376	-	1,205,376	1,118,305	1,119,305	(86,071)
Public works	802,514	-	802,514	721,748	859,748	57,234
Culture and recreation	1,073,813	-	1,073,813	1,163,542	1,186,447	112,634
Community and economic development	1,082,142	-	1,082,142	1,233,208	1,333,208	251,066
General government	527,422	-	527,422	503,489	533,489	6,067
Debt service	2,053,520	-	2,053,520	942,019	942,019	(1,111,501)
Capital projects	1,376,277	-	1,376,277	340,000	4,740,000	3,363,723
Business-type activities	-	7,809,453	7,809,453	3,013,932	6,343,932	(1,465,521)
Total disbursements	8,121,064	7,809,453	15,930,517	9,036,243	17,058,148	1,127,631
Receipts Over (Under)						
Disbursements	(1,266,301)	(1,096,175)	(2,362,476)	34,348	(4,173,556)	1,811,080
Other Financing Sources (Uses), Net	2,811,455	1,233,925	4,045,380	86,000	4,120,000	(74,620)
Excess (Deficiency) Of Receipts and Other Financing Sources Over (Under) Disbursements and Other Financing Uses	1,545,154	137,750	1,682,904	120,348	(53,556)	1,736,460
Balances Beginning of Year	2,565,122	(1,739,759)	825,363	2,257,336	2,257,336	(1,431,973)
Balances End of Year	\$ 4,110,276	(1,602,009)	\$ 2,508,267	\$ 2,377,684	\$ 2,203,780	\$ 304,487
			Proprietary Funds			
			Enterprise			
Budget To GAAP Reconciliation	Cash Basis	Accrual Adjustments	Modified Accrual Basis	Cash Basis	Accrual Adjustments	Accrual Basis
Revenues	\$ 6,854,763	\$ (171,406)	\$ 6,683,357	\$ 6,713,278	\$ (3,920,832)	\$ 2,792,446
Expenditures/Expenses	8,121,064	(852,993)	7,268,071	7,809,453	(5,355,327)	2,454,126
Net	(1,266,301)	681,587	(584,714)	(1,096,175)	1,434,495	338,320
Other Financing Sources, Net	2,811,455	(946,455)	1,865,000	1,233,925	2,942,130	4,176,055
Beginning Fund Balances/Net Position	2,565,122	(115,242)	2,449,880	(1,739,759)	5,676,786	13,384,966
Ending Fund Balances/Net Position	\$ 4,110,276	\$ (380,110)	\$ 3,730,166	\$ (1,602,009)	\$ 10,053,411	\$ 17,899,341

The budgetary comparison is presented as Required Supplementary Information in accordance with Government Accounting Standards Board Statement No. 41 for governments with significant budgetary perspective differences resulting from not being able to present budgetary comparisons for the General Fund and each major Special Revenue Fund.

In accordance with the Code of Iowa, the City Council annually adopts a budget on the cash basis following required public notice and hearing for all funds. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures. Encumbrances are not recognized on the cash basis budget and appropriations lapse at year end.

Formal and legal budgetary control is based upon nine major classes of disbursements known as functions, not by fund or fund type. These nine functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects, and business-type activities. Function disbursements required to be budgeted include disbursements for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Funds, and Enterprise Funds. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. During the year, one budget amendment increased budgeted disbursements by \$8,021,905. The budget amendments are reflected in the final budgeted amounts.

During the year ended June 30, 2022, disbursements in the public safety, debt service, and business-type activities functions exceeded the amounts budgeted.

City of Dyersville
City's Proportionate Share of IPERS Net Pension Liability
For Year Ended June 30, 2022

Fiscal Year Ended	City's proportion of the net pension liability (asset)	City's proportionate share of the net pension liability (asset)	City's covered- payroll	City's proportionate share of the net pension liability (asset) as a percentage of its covered-payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2022	0.112180%	\$ (387,275)	\$ 1,434,728	-26.99%	100.81%
2021	0.011717%	823,117	1,267,514	64.94%	82.90%
2020	0.010448%	604,983	1,203,488	50.27%	85.45%
2019	0.010644%	673,605	1,130,916	59.56%	83.62%
2018	0.010939%	728,676	1,124,860	64.78%	82.21%
2017	0.010559%	664,484	1,056,968	62.87%	81.82%
2016	0.009771%	482,753	1,046,526	46.13%	85.19%
2015	0.009269%	367,582	1,019,999	36.04%	87.61%

The amounts presented for each fiscal year were determined as of June 30 of the preceding fiscal year.

See accompanying independent auditor's report.

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

City of Dyersville
 IPERS Contributions – Last 10 Fiscal Years
 For Year Ended June 30, 2022

Fiscal Year Ended	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	City's Covered- Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 138,630	\$ 138,630	-	\$ 1,475,500	9.40%
2021	136,161	136,161	-	1,434,728	9.49%
2020	121,512	121,512	-	1,267,514	9.59%
2019	116,443	116,443	-	1,203,488	9.68%
2018	103,984	103,984	-	1,130,916	9.19%
2017	103,724	103,724	-	1,124,860	9.22%
2016	97,313	97,313	-	1,056,968	9.21%
2015	97,306	97,306	-	1,046,526	9.30%
2014	93,029	93,029	-	1,019,999	9.12%
2013	90,571	90,571	-	990,311	9.15%

Changes of Benefit Terms

There are no significant changes in benefit terms.

Changes of Assumptions

The 2018 valuation implemented the following refinements as a result of a demographic assumption study dated June 28, 2018:

- Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
- Adjusted the merit component of the salary increase assumption.

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption from 4.00% to 3.25%.

The 2014 valuation implemented the following refinements as a result of a quadrennial experience study:

- Decreased the inflation assumption from 3.25% to 3.00%.
- Decreased the assumed rate of interest on member accounts from 4.00% to 3.75% per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Moved from an open 30-year amortization period to a closed 30-year amortization period for the UAL (unfunded actuarial liability) beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20-year period.

Other Supplementary Information
June 30, 2022
City of Dyersville, Iowa

Nonmajor Governmental Funds

Special Revenue Funds

Special Projects – This fund is used to account for all revenues and expenses funded by special projects or grants.

Library Trust - This fund is used to account for the donations received for the library and for the use of such donations for library equipment and improvements.

Local Option Sales Tax – This fund is used to account for proceeds from the City's 1% local option sales tax. Funds are used to reduce future borrowings and for general property tax relief.

Road Use Tax – This fund is used to account for road use tax revenues and the expenditures allowed by statute to be paid from the funds received.

City of Dyersville
Schedule 1 – Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenues				Total Nonmajor Governmental Funds
	Special Projects	Library Trust	Local Option Sales Tax	Road Use Tax	
Assets					
Cash and pooled cash investments	\$ 216,788	\$ -	\$ 209,164	\$ 37,350	\$ 463,302
Due from other governments	-	-	46,836	47,374	94,210
Restricted cash	-	74,877	-	-	74,877
Total Assets	<u>\$ 216,788</u>	<u>\$ 74,877</u>	<u>\$ 256,000</u>	<u>\$ 84,724</u>	<u>\$ 632,389</u>
Liabilities And Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ 1,502	\$ -	\$ 51,808	\$ 53,310
Grants received in advance	222,562	-	-	-	222,562
Salaries and benefits payable	-	-	-	3,897	3,897
Total Liabilities	<u>222,562</u>	<u>1,502</u>	<u>-</u>	<u>55,705</u>	<u>279,769</u>
Fund Balances					
Restricted for					
Local option sales tax	-	-	256,000	-	256,000
Library	-	73,375	-	-	73,375
Capital improvements	-	-	-	29,019	29,019
Unassigned	(5,774)	-	-	-	(5,774)
Total Fund Balances	<u>(5,774)</u>	<u>73,375</u>	<u>256,000</u>	<u>29,019</u>	<u>352,620</u>
Total Liabilities, and Fund Balances	<u>\$ 216,788</u>	<u>\$ 74,877</u>	<u>\$ 256,000</u>	<u>\$ 84,724</u>	<u>\$ 632,389</u>

City of Dyersville
Schedule 2 – Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2022

	Special Revenues				Total Nonmajor Governmental Funds
	Special Projects	Library Trust	Local Option Sales Tax	Road Use Tax	
Revenues					
Other city tax	\$ -	\$ -	\$ 623,618	\$ -	\$ 623,618
Use of money and property	-	363	-	-	363
Intergovernmental	101,080	-	-	592,320	693,400
Charges for service	200	41,355	-	-	41,555
Total Revenues	101,280	41,718	623,618	592,320	1,358,936
Expenditures					
Operating					
Public safety	101,639	-	-	63,781	165,420
Public works	-	-	-	511,075	511,075
Culture and recreation	-	27,490	-	-	27,490
Total Expenditures	101,639	27,490	-	574,856	703,985
Revenues over (under) expenditures	(359)	14,228	623,618	17,464	654,951
Other Financing Sources (Uses)					
Transfers in	-	-	144,629	-	144,629
Transfers out	-	-	(736,068)	(46,230)	(782,298)
Total Other Financing Sources (Uses)	-	-	(591,439)	(46,230)	(637,669)
Net Change In Fund Balances	(359)	14,228	32,179	(28,766)	17,282
Fund Balances, Beginning of Year	(5,415)	59,147	223,821	57,785	335,338
Fund Balances, End of Year	<u>\$ (5,774)</u>	<u>\$ 73,375</u>	<u>\$ 256,000</u>	<u>\$ 29,019</u>	<u>\$ 352,620</u>

City of Dyersville
Schedule 3 – Schedule of Revenues by Source and Expenditures by Function
All Governmental Funds
For the Last Ten Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues:										
Property tax	\$ 2,600,439	\$ 2,660,349	\$ 2,200,200	\$ 2,211,305	\$ 2,176,537	\$ 2,053,839	\$ 2,170,818	\$ 2,192,886	\$ 1,780,816	\$ 1,605,041
Tax increment financing	1,659,090	1,301,647	1,141,824	994,589	755,366	955,457	628,651	514,708	828,249	1,112,175
Other city tax	1,147,930	961,097	835,969	805,500	790,735	797,763	807,984	806,905	746,975	700,828
Licenses and permits	19,773	13,392	17,174	16,313	21,412	23,745	21,808	21,189	17,917	24,677
Use of money and property	59,475	129,904	107,014	71,742	68,944	57,437	56,419	49,146	43,873	30,333
Intergovernmental	777,955	1,812,820	827,297	559,622	539,231	658,406	1,131,944	1,028,030	1,106,692	2,516,641
Charges for service	273,786	177,905	183,439	262,131	211,439	199,144	193,209	188,371	213,230	203,753
Special assessments	4,673	3,957	4,481	10,007	7,170	5,727	4,445	5,756	16,693	128,626
Miscellaneous	140,236	70,114	144,675	110,652	77,014	54,634	215,815	63,838	89,407	145,267
Total Revenues	<u>\$ 6,683,357</u>	<u>\$ 7,131,185</u>	<u>\$ 5,462,073</u>	<u>\$ 5,041,861</u>	<u>\$ 4,647,848</u>	<u>\$ 4,806,152</u>	<u>\$ 5,231,093</u>	<u>\$ 4,870,829</u>	<u>\$ 4,843,852</u>	<u>\$ 6,467,341</u>
Expenditures:										
Operating:										
Public safety	\$ 1,192,974	\$ 1,093,555	\$ 1,025,535	\$ 946,473	\$ 927,844	\$ 923,469	\$ 995,527	\$ 833,124	\$ 1,126,165	\$ 1,454,666
Public works	853,898	797,645	910,922	754,982	749,145	634,155	504,912	527,001	544,635	561,285
Health and social services	-	-	5,000	1,300	1,300	-	1,300	1,300	1,300	900
Culture and recreation	1,121,341	1,014,959	1,048,443	1,075,488	958,779	952,063	836,880	843,487	930,238	1,068,962
Community and economic development	1,039,199	432,379	517,320	1,308,832	546,036	406,022	344,543	199,562	445,659	133,852
General government	508,943	644,147	610,743	423,998	435,768	373,278	318,785	296,770	375,424	318,460
Debt service	1,107,065	825,210	588,562	497,537	529,493	533,932	623,973	729,587	601,501	547,512
Capital projects	1,444,651	4,577,040	4,405,936	2,574,845	841,192	978,127	942,790	302,574	1,127,594	2,108,306
Total Expenditures	<u>\$ 7,268,071</u>	<u>\$ 9,384,935</u>	<u>\$ 9,112,461</u>	<u>\$ 7,583,455</u>	<u>\$ 4,989,557</u>	<u>\$ 4,801,046</u>	<u>\$ 4,568,710</u>	<u>\$ 3,733,405</u>	<u>\$ 5,152,516</u>	<u>\$ 6,193,943</u>

City of Dyersville, Iowa
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal Financial Assistance Listing/ Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Expenditures</u>	<u>Amounts Passed Through to Subrecipients</u>
Department of the Treasury				
Direct				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		\$ 101,080	\$ -
Pass-Through Program From Iowa Finance Authority				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		<u>4,391,055</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 4,492,135</u>	<u>\$ -</u>

See Notes to Schedule of Expenditures of Federal Awards.

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the City of Dyersville, Iowa (City) under programs of the federal government for the year ended June 30, 2022. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or fund balance, or cash flows of the City.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the modified accrual basis of accounting, except for subrecipient expenditures, which are recorded on the cash basis. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Indirect Cost Rate

The City has not elected to use the 10% de minimis cost rate.

**Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of
Basic Financial Statements Performed in Accordance With
*Government Auditing Standards***

Independent Auditor's Report

Honorable Mayor and Members
of the City Council
City of Dyersville
Dyersville, Iowa

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dyersville, Iowa as of and for the year ended June 30, 2022, and the related notes to basic financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 20, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the basic financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's basic financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the basic financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Comments involving statutory and other legal matters about the City's operations for the year ended June 30, 2022, are based exclusively on knowledge obtained from procedures performed during our audit of the basic financial statements of the City. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Purpose of this Report

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

BerganKDV, Ltd.

Minneapolis, Minnesota
March 20, 2023

**Report on Compliance for each Major Federal Program
and Report on Internal Control over Compliance Required by
the Uniform Guidance**

Independent Auditor's Report

Honorable Mayor and Members
of the City Council
City of Dyersville
Dyersville, Iowa

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2022. The City's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Report on Internal Control over Compliance (Continued)

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Bergan KDV, Ltd.

Minneapolis, Minnesota

March 20, 2023

City of Dyersville
Schedule of Findings and Questioned Costs

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued:

We issued an unmodified opinion on the fair presentation of the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information in accordance with accounting principles generally accepted in the United States of America (GAAP).

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

None
None reported

Noncompliance material to financial statements noted?

No

Federal Awards

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

Unmodified

Internal control over major programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

No
None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

No

Identification of Major Programs

Assistance Listing No.:

21.027

Name of Federal Program or Cluster:

COVID-19 American Rescue Plan

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low risk auditee?

No

City of Dyersville
Schedule of Findings and Questioned Costs

SECTION II – BASIC FINANCIAL STATEMENT FINDINGS

Instances of Noncompliance

There were no reported instances of noncompliance.

Internal Control Deficiencies

There were no matters reported

Part III: Findings and Questioned Costs for Federal Awards:

Instances of Noncompliance

There were no matters reported.

Internal Control Deficiencies

There were no matters reported.

Part IV: Findings Related to Statutory Reporting:

22-IV-A Certified Budget – Disbursements in the Public Safety, Debt Service and Business-Type activities functional areas exceeded amounts budgeted during the year.

Auditor's Recommendation – The budget should have been amended in accordance with Chapter 384.18 of the Code of Iowa before disbursements were allowed to exceed the budget.

City's Response – The City has been making efforts to review the receipts and disbursements in a timely manner.

Auditor's Conclusion – Response accepted.

22-IV-B Questionable Disbursements – We noted no material expenditures which did not appear to meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.

22-IV-C Travel Expense – No disbursements of the City of Dyersville's money for travel expenses of spouses of City officials or employees were noted.

City of Dyersville
Schedule of Findings and Questioned Costs

Part IV: Findings Related to Statutory Reporting (Continued)

22-IV-D Business Transactions – Business transactions between the City and City officials or employees are detailed as follows:

Name, Title and Business Connection	Transaction Description	Amount
Michael English, City Council, brother owns and Angela English, Library Secretary, husband owns English Insurance Agency Inc.	Insurance	\$ 233,122
Mary Klostermann, Board of Adjustment, and Kevin Klostermann, owners of Computer Doctors Computer work/equipment	Computer work/equipment	23,785

In accordance with Chapter 362.5(3)(j) of the Code of Iowa, the transactions above may represent a conflict of interest since the transactions exceeded \$6,000 during the fiscal year and were not entered into through competitive bidding.

Auditor's Recommendation – The City should consult legal counsel to determine the disposition of this matter.

City's Response – The City has consulted with legal counsel regarding this matter and believes it is compliant under Chapter 362.5(3)(j) of the Code of Iowa.

Auditor's Conclusion – Response accepted.

22-IV-E Restricted Donor Activity – No transactions were noted between the City, City officials or City employees and restricted donors in compliance with Chapter 68B of the Code of Iowa (Government Ethics and Lobbying Act).

22-IV-F Bond Coverage – Surety bond coverage of the City of Dyersville officials and employees is in accordance with statutory provisions and was reviewed and updated during the year. We recommend that the amount of coverage continue to be reviewed annually to ensure that the coverage is adequate for current operations.

22-IV-G Council Minutes – No transactions were found that we believe should have been approved in the Council minutes but were not.

22-IV-H Deposits and Investments – We noted no instances of noncompliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the City's investment policy.

22-IV-I Revenue Bonds – The City has complied with the provisions of the revenue bond indentures and with the provisions of the tax increment revenue bond issues.

City of Dyersville
Schedule of Findings and Questioned Costs

Part IV: Findings Related to Statutory Reporting (Continued)

22-IV-J Tax Increment Financing – The Special Revenue, Tax Increment Financing (TIF) Fund properly disbursed payments for TIF loans and rebates. Also, the City of Dyersville properly completed the Tax Increment Debt Certificate Forms to request TIF properly taxes.

22-IV-K Annual Urban Renewal Report – The Annual Urban Renewal Report was properly approved and certified to the Iowa Department of Management on or before December 1 as required by Chapter 384.22(2)(a) of the Code of Iowa and no exceptions were noted.

22-IV-L Financial Condition – The funds listed below had deficit balances as of June 30, 2022, as noted:

Capital Improvements	\$ 273,842
Nonmajor Governmental	
Special Projects	5,415

Auditor's Recommendation – The City should investigate alternatives to eliminate these deficits in order to return the funds to a sound financial position.

City's Response – The City anticipates that grant funding, bond proceeds and/or transfers from other funds will eliminate the deficits in future periods.

Auditor's Conclusion – Response accepted.