

NEWS RELEASE

FOR RELEASE: September 29, 2022

Contact: Lori Bearden, City Clerk
641-483-2559

Bowman and Miller, P.C. today released an audit report on the City of State Center, Iowa.

FINANCIAL HIGHLIGHTS:

The City's receipts totaled \$6,511,474 for the year ended June 30, 2022, a 34.4% increase from the prior year. Disbursements for the year ended June 30, 2022 totaled \$4,858,304, a 9.3% decrease from the prior year. The increase in receipts is due primarily to grant funds received from the American Rescue Plan Act, as well as water, sewer and general obligation note proceeds. The decrease in disbursements is due primarily to the costs of clean up from the Derecho storm and the refunding of a general obligation bond during the year ending June 30, 2021.

AUDIT FINDINGS:

Bowman and Miller, P.C. reported five findings related to receipt and disbursement of taxpayer funds. They are found on pages 42 through 47 of this report. The findings address issues such as a lack of segregation of duties, reconciliation of utility billings, disbursements exceeding the amount budgeted, questionable donations, and interfund transfers. Bowman and Miller, P.C provided the City with recommendations to address each of the findings.

Three of the five findings discussed above are repeated from the prior year. The City Council has a fiduciary responsibility to provide oversight of the City's operations and financial transactions. Oversight is typically defined as the "watchful and responsible care" a governing body exercises in its fiduciary capacity.

A copy of the audit report is available for review on the Auditor of State's web site at <https://auditor.iowa.gov/audit-reports>.