



**City Council Meeting**  
**Monday, April 25, 2022 at 5:15 pm**

**LOCATION OF MEETING:**

City Hall Council Chambers, 627 N. Adams Street, Carroll, Iowa 51401

**NOTICE**

In addition to attending the meeting in person, the public can watch the meeting live from the City's Cable Access Channel CAAT6 available on Western Iowa Network and Mediacom or on the City's YouTube channel by going to: <https://www.youtube.com/CityofCarrollIowa> If you choose to watch live on YouTube you are encouraged to subscribe to the City's YouTube channel so you can access the meeting live when it starts. CAAT6 and YouTube meeting feeds are a view only option and you will not be able to participate in the meeting via CAAT6 or YouTube.

The City of Carroll will make the meeting available telephonically via zoom for those individuals who wish to attend remotely. Individuals wishing to attend remotely need to contact the City at 712-792-1000 by 3:00 PM the day of the meeting to make arrangements.

**AGENDA**

**1. Pledge of Allegiance**

**2. Roll Call**

**3. Consent Agenda**

**a. Approval of Minutes of the April 11 Meeting**

**b. Approval of Bills and Claims**

**c. Licenses and Permits:**

- Renewal of Class "E" Liquor License with Class "B" Wine Permit (Carryout Wine - includes Native Wine) and Class "C" Beer Permit (Carryout Beer) and Sunday Sales - *Walgreens #10770*
- Renewal of Class "E" Liquor License with Class "B" Wine Permit (Carryout Wine - includes Native Wine) and Class "C" Beer Permit (Carryout Beer) and Sunday Sales - *Hy-Vee*

**d. Sauk Rail Trail Rehabilitation- IDOT Form 760006 (03-14)**

**e. Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Program**

- Resolution Designating SLFRF as Replacement of Lost Public Sector Revenue

Also see item III.F - [June 28, 2021](#) - American Rescue Plan Act Request for Funding

**f. Carroll Merchants Park Concession Stand Lease - Kuemper Catholic School System**

- Resolution approving the Carroll Merchants Park Concession Stand Lease

**g. Youth Sports Complex- Field 7 Lease- Kuemper Catholic School System**

- Resolution approving the Youth Sports Complex - Field 7 Lease

**h. Carroll Concession Stand Lease - North Youth Sports Complex - Gary Magill**

- Resolution approving the Carroll Concession Stand Lease - North Youth Sports Complex

**4. Oral Requests and Communications from the Audience**

Members of the public wishing to address the Council for items not on the agenda are asked to approach the podium and wait to be recognized. After recognition, the person shall state their name and address for the record. Statement or questions are limited to five (5) minutes.

**5. F.Y. 2020-2021 Annual Financial Statement Audit**

**6. Ordinances**

**7. Resolutions**

**a. Street Restoration - 2022**

- Report of Proposal Opening
- Resolution Making Award of the Construction Contract for the Street Restoration - 2022 Project

**b. Wastewater Treatment Plant - Vertical Loop Reactor Air Piping Replacement**

- Resolution approving the Engineering Agreement with Veenstra & Kimm, Inc.

**c. Wastewater Treatment Plant - Anaerobic Digester Evaluation**

- Resolution approving the Engineering Agreement with Veenstra and Kimm, Inc.

**8. Reports**

**a. TIF Rebate Request for property located at 220 W 7th Street**

**b. Carroll Merchants Park: Destination Iowa Grant Opportunity**

Also see item VI.D - [September 13, 2021](#) - Professional Services Agreement - Merchants Park ARPA Tourism Grant Assistance

**c. Pleasant Ridge Road - Timberline Road Sidewalk**

**9. Committee Reports (Informational Only)**

**10. Comments from the Mayor**

**11. Comments from the City Council**

**12. Comments from the City Manager**

**13. Adjourn**

May/June Meetings:

- \* Board of Adjustment - May 2, 2022 - City Hall - 627 N Adams St
- \* Parks, Recreation and Cultural Advisory Board - May 2, 2022 - Recreation Center - 716 N Grant Rd
- \* City Council - May 9, 2022 - City Hall - 627 N Adams St
- \* Airport Commission - May 9, 2022 - Airport Terminal Building - 21177 Quail Ave
- \* Planning and Zoning Commission - May 11, 2022 - City Hall - 627 N Adams St
- \* Library Board of Trustees - May 16, 2022 - Carroll Public Library - 118 E 5th St
- \* City Council - May 23, 2022 - City Hall - 627 N Adams St
- \* Board of Adjustment - June 6, 2022 - City Hall - 627 N Adams St
- \* Planning and Zoning Commission - June 8, 2022 - City Hall - 627 N Adams St
- \* City Council - June 13, 2022 - City Hall - 627 N Adams St
- \* Airport Commission - June 13, 2022 - Airport Terminal Building - 21177 Quail Ave
- \* Library Board of Trustees - June 20, 2022 - Carroll Public Library - 118 E 5th St
- \* City Council - June 27, 2022 - City Hall - 627 N Adams St

**[www.cityofcarroll.com](http://www.cityofcarroll.com)**

*The City of Carroll will make every attempt to accommodate the needs of persons with disabilities, please notify us at least three business days in advance when possible at 712-792-1000, should special accommodations be required.*

COUNCIL MEETING

APRIL 11, 2022

(Please note these are draft minutes and may be amended by Council before final approval.)

The meeting was held in-person, telephonically or via Zoom web conferencing for those individuals who wished to attend remotely. The public was able to hear and participate in the Council meeting by calling into a publicly posted phone number.

The Carroll City Council met in regular session on this date at 5:15 p.m. in the Council Chambers, City Hall, 627 N Adams Street. Council Members present: Kyle Bauer, Misty Boes, Tom Bordenaro, LaVern Dirkx, JJ Schreck, and Carolyn Siemann. Absent: None. Mayor Mark Beardmore presided and City Attorney Dave Bruner was in attendance.

\* \* \* \* \*

The Pledge of Allegiance was led by the City Council. No Council action taken.

\* \* \* \* \*

It was moved by Boes, seconded by Siemann, to approve the following items on the consent agenda: a) minutes of the March 28, 2022 Council meeting, as written; b) bills and claims in the amount of \$365,078.23; and c) Mayor appointment, with Council approval, of Karen Friedlein to the Historical Preservation Commission (3-year unexpired term to expire December 31, 2023). On roll call, all present voted aye. Absent: None. Motion carried.

\* \* \* \* \*

Mayor Beardmore read a proclamation declaring April 29, 2022, as Arbor Day in Carroll, Iowa and urged citizens to participate in tree planting programs that will ensure a greener Carroll and a greener Iowa and to nurture, protect, and wisely use Iowa's natural wonder of trees. No Council action taken.

\* \* \* \* \*

There were no oral requests or communication from the audience.

\* \* \* \* \*

An Ordinance Amending the Code of Ordinances of the City of Carroll by Amending Provisions Pertaining to the Carroll Fire Department was introduced by Council Member Dirkx.

It was moved by Dirkx, seconded by Schreck, to approve the first reading and waive the second and third readings of said ordinance. Fire Chief Greg Schreck and Assistant Fire Chief Dan Hannasch addressed Council on this issue. On roll call, all present voted aye. Absent: None. Motion carried.

It was moved by Dirx, seconded by Boes, to adopt said Ordinance No. 2202. On roll call, all present voted aye. Absent: None. Motion carried.

It was moved by Schreck, seconded by Bauer, to approve Resolution No. 22-28, Setting Salaries/Wages for the Fire Chief of the City of Carroll for Fiscal Year 2022/2023. On roll call, all present voted aye. Absent: None. Motion carried.

It was moved by Siemann, seconded by Bauer, to enroll the Fire Chief position in the IPERS Protected Occupations Pension Program. On roll call, all present voted aye. Absent: None. Motion carried.

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It was moved by Siemann, seconded by Schreck, to approve Resolution No. 22-29, Merchants Park Lease Between the City of Carroll and the Carroll Community School District. On roll call, all present voted aye. Absent: None. Motion carried.

It was moved by Bordenaro, seconded by Boes, to approve Resolution No. 22-30, Merchants Park Lease Between the City of Carroll and the Kuemper Catholic School System. On roll call, all present voted aye. Absent: None. Motion carried.

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It was moved by Bordenaro, seconded by Boes, to adjourn at 5:39 p.m. On roll call, all present voted aye. Absent: None. Motion carried.

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Mark E. Beardmore, Mayor

ATTEST:

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Laura A. Schaefer, City Clerk

=====PAYMENT DATES=====		=====ITEM DATES=====		=====POSTING DATES=====		
PAID ITEMS DATES :	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	
PARTIALLY ITEMS DATES :	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	
UNPAID ITEMS DATES :		4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	
VENDOR	---- VENDOR NAME -----	DESCRIPTION	GROSS AMT	PAYMENTS	CHECK# CHECK DT	----BALANCE---
01-003484	ADAPTIVE AUDIOLOGY SOLUTI	PRE-EMPLOY HEARING TEST	35.00	0.00	000000 0/00/00	35.00
		** TOTALS **	35.00	0.00		35.00
01-000523	ALAN BRINCKS	STEEL TOED BOOTS	200.00	200.00-	123809 4/21/22	0.00
		** TOTALS **	200.00	200.00-		0.00
01-002080	AMAZON/SYNCHRONY BANK	BOOKS AND VIDEOS	170.62	170.62-	123813 4/21/22	0.00
		** TOTALS **	170.62	170.62-		0.00
01-029040	ANTHONY A. VONNAHME	DEGREASER	264.39	0.00	000000 0/00/00	264.39
		** TOTALS **	264.39	0.00		264.39
01-002370	ARNOLD MOTOR SUPPLY	SUPPLIES	44.99	0.00	000000 0/00/00	44.99
01-002370	ARNOLD MOTOR SUPPLY	GREASE	19.28	0.00	000000 0/00/00	19.28
01-002370	ARNOLD MOTOR SUPPLY	SUPPLIES	31.08	0.00	000000 0/00/00	31.08
01-002370	ARNOLD MOTOR SUPPLY	#23 & #26 PAINT	359.88	0.00	000000 0/00/00	359.88
		** TOTALS **	455.23	0.00		455.23
01-003833	ASHLYN BOWKER	LG OLYMPICS T-SHIRT	4.50	4.50-	123793 4/14/22	0.00
		** TOTALS **	4.50	4.50-		0.00
01-002539	AUTO GRAPHICS PLUS	ADVERTISING SIGNS	175.00	0.00	000000 0/00/00	175.00
		** TOTALS **	175.00	0.00		175.00
01-002805	BADDING CONSTRUCTION CO.	ST. MAINT. BLDG	105,280.18	0.00	000000 0/00/00	105,280.18
		** TOTALS **	105,280.18	0.00		105,280.18
01-002818	BAKER AND TAYLOR INC.	BOOKS RETURNED	10.66-	10.66	123815 4/21/22	0.00
01-002818	BAKER AND TAYLOR INC.	BOOKS RETURNED	14.56-	14.56	123815 4/21/22	0.00
01-002818	BAKER AND TAYLOR INC.	BOOKS	736.05	736.05-	123815 4/21/22	0.00
01-002818	BAKER AND TAYLOR INC.	BOOKS	484.89	484.89-	123815 4/21/22	0.00
01-002818	BAKER AND TAYLOR INC.	BOOKS	305.36	305.36-	123815 4/21/22	0.00
01-002818	BAKER AND TAYLOR INC.	BOOKS	457.43	457.43-	123815 4/21/22	0.00
01-002818	BAKER AND TAYLOR INC.	BOOKS	835.43	835.43-	123815 4/21/22	0.00
		** TOTALS **	2,793.94	2,793.94-		0.00
01-002826	BARCO MUNICIPAL PRODUCTS	SIGNS	1,185.00	0.00	000000 0/00/00	1,185.00
		** TOTALS **	1,185.00	0.00		1,185.00
01-003515	BOMGAARS	SUPPLIES RETURNED	31.99-	0.00	000000 0/00/00	31.99-
01-003515	BOMGAARS	SUPPLIES	162.02	0.00	000000 0/00/00	162.02
01-003515	BOMGAARS	SUPPLIES	111.93	0.00	000000 0/00/00	111.93
01-003515	BOMGAARS	HEATER FOR BATHROOMS	24.99	0.00	000000 0/00/00	24.99
01-003515	BOMGAARS	DRINKING FOUNTAIN REPAIRS	32.75	0.00	000000 0/00/00	32.75

		=====PAYMENT DATES=====	=====ITEM DATES=====	=====POSTING DATES=====		
PAID ITEMS DATES :		4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU	4/21/2022	
PARTIALLY ITEMS DATES:		4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU	4/21/2022	
UNPAID ITEMS DATES :		4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU	4/21/2022	
VENDOR	---- VENDOR NAME ----	DESCRIPTION	GROSS AMT	PAYMENTS	CHECK# CHECK DT	----BALANCE---
01-003515	BOMGAARS	SUPPLIES	31.99	0.00	000000 0/00/00	31.99
01-003515	BOMGAARS	PAINT AND FLOOR MAT	49.36	0.00	000000 0/00/00	49.36
01-003515	BOMGAARS	RESTROOM REPAIRS	8.99	0.00	000000 0/00/00	8.99
01-003515	BOMGAARS	SUPPLIES	28.48	0.00	000000 0/00/00	28.48
		** TOTALS **	418.52	0.00		418.52
01-002311	BOOK FARM INC.	BOOKS	5,395.22	5,395.22-	123814 4/21/22	0.00
		** TOTALS **	5,395.22	5,395.22-		0.00
01-001134	BRAD BURKE	LINE OF DUTY TRAINING	312.07	312.07-	123810 4/21/22	0.00
		** TOTALS **	312.07	312.07-		0.00
01-003693	BRUNER & BRUNER	7TH STREET PROPERTY	378.00	0.00	000000 0/00/00	378.00
01-003693	BRUNER & BRUNER	POLICE/MAGISTRATE	688.50	0.00	000000 0/00/00	688.50
01-003693	BRUNER & BRUNER	ZONING & SUBDIVISION	54.00	0.00	000000 0/00/00	54.00
01-003693	BRUNER & BRUNER	PARKS AND RECREATION	148.50	0.00	000000 0/00/00	148.50
01-003693	BRUNER & BRUNER	BOARD OF ADJUSTMENT	121.50	0.00	000000 0/00/00	121.50
		** TOTALS **	1,390.50	0.00		1,390.50
01-004138	CAPITAL SANITARY SUPPLY	CLEANING SUPPLIES	27.75	27.75-	123822 4/21/22	0.00
01-004138	CAPITAL SANITARY SUPPLY	CLEANING SUPPLIES	445.14	0.00	000000 0/00/00	445.14
01-004138	CAPITAL SANITARY SUPPLY	CLEANING SUPPLIES	72.00	0.00	000000 0/00/00	72.00
		** TOTALS **	544.89	27.75-		517.14
01-025028	CAROL SCHOEPPNER	SECRETARY CONTRACT	350.00	350.00-	123791 4/14/22	0.00
		** TOTALS **	350.00	350.00-		0.00
01-003045	CARPET ONE FLOOR & HOME	CARPET REPLACEMENT	2,177.15	2,177.15-	123818 4/21/22	0.00
		** TOTALS **	2,177.15	2,177.15-		0.00
01-004132	CARROLL AVIATION INC.	CONTRACT	6,800.00	6,800.00-	123785 4/14/22	0.00
		** TOTALS **	6,800.00	6,800.00-		0.00
01-004146	CARROLL CONTROL SYSTEMS	TESTED BACKFLOW DEVICES	510.00	0.00	000000 0/00/00	510.00
		** TOTALS **	510.00	0.00		510.00
01-004160	CARROLL COUNTY AUDITOR	FY 22 3RD QTR COMM CENTER	46,224.74	0.00	000000 0/00/00	46,224.74
		** TOTALS **	46,224.74	0.00		46,224.74
01-004170	CARROLL COUNTY RECORDER	BAUMHOVER MINOR SUBDIVISION	47.00	0.00	000000 0/00/00	47.00
		** TOTALS **	47.00	0.00		47.00
01-004183	CARROLL COUNTY TREASURER	LIEN FILING NUISANCE 915 ADAMS	5.00	5.00-	123777 4/12/22	0.00
		** TOTALS **	5.00	5.00-		0.00

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VENDOR	---- VENDOR NAME -----	DESCRIPTION	GROSS AMT	PAYMENTS	CHECK# CHECK DT	----BALANCE---
01-004196	CARROLL HYDRAULICS	#32 HYDRAULIC HOSE	81.64	0.00	000000 0/00/00	81.64
01-004196	CARROLL HYDRAULICS	LL FIELD DRAG	124.12	0.00	000000 0/00/00	124.12
		** TOTALS **	205.76	0.00		205.76
01-004200	CARROLL LUMBER	SEALANT	12.98	0.00	000000 0/00/00	12.98
		** TOTALS **	12.98	0.00		12.98
01-002977	CARROLL REFUSE SERVICE	MARCH GARBAGE	57.00	57.00-	123783 4/14/22	0.00
		** TOTALS **	57.00	57.00-		0.00
01-000991	CARUS PHOSPHATE INC.	WATER TREATMENT SUPPLIES	3,869.52	0.00	000000 0/00/00	3,869.52
		** TOTALS **	3,869.52	0.00		3,869.52
01-002998	CENTURYLINK	BACKUP PHONE LINE	154.33	154.33-	123816 4/21/22	0.00
01-002998	CENTURYLINK	BACKUP PHONE LINE	68.90	68.90-	123817 4/21/22	0.00
		** TOTALS **	223.23	223.23-		0.00
01-001393	CHAMPION FORD INC.	WIPER BLADES	20.98	0.00	000000 0/00/00	20.98
		** TOTALS **	20.98	0.00		20.98
01-004525	CITY OF CARROLL	DOWNTOWN RESTROOM - WATER	39.18	39.18-	123823 4/21/22	0.00
		** TOTALS **	39.18	39.18-		0.00
01-004835	COMMERCIAL SAVINGS BANK	APR WATER ACH PROCESSING FEES	124.62	124.62-	000000 4/14/22	0.00
01-004835	COMMERCIAL SAVINGS BANK	FEDERAL WITHHOLDINGS	13,876.25	13,876.25-	001278 4/21/22	0.00
01-004835	COMMERCIAL SAVINGS BANK	FICA WITHHOLDING	15,642.44	15,642.44-	001278 4/21/22	0.00
01-004835	COMMERCIAL SAVINGS BANK	MEDICARE WITHHOLDING	4,884.32	4,884.32-	001278 4/21/22	0.00
		** TOTALS **	34,527.63	34,527.63-		0.00
01-003145	CORE AND MAIN LP	REPAIR KIT FOR WEDGE VALVE	159.50	0.00	000000 0/00/00	159.50
		** TOTALS **	159.50	0.00		159.50
01-001595	COUNSEL OFFICE & DOCUMENT	COPIER CONTRACT	63.35	0.00	000000 0/00/00	63.35
		** TOTALS **	63.35	0.00		63.35
01-003617	CU SPARKLE	EXTERIOR WINDOW CLEANING	135.00	0.00	000000 0/00/00	135.00
		** TOTALS **	135.00	0.00		135.00
01-005395	D & K PRODUCTS	TURF CHEMICALS	1,486.80	0.00	000000 0/00/00	1,486.80
01-005395	D & K PRODUCTS	GRASS SEED	1,067.75	0.00	000000 0/00/00	1,067.75
01-005395	D & K PRODUCTS	FERTILIZER	9,675.00	0.00	000000 0/00/00	9,675.00
		** TOTALS **	12,229.55	0.00		12,229.55



VENDOR SET: 01 City of Carroll  
REPORTING: PAID, UNPAID, PARTIAL

=====PAYMENT DATES=====		=====ITEM DATES=====		=====POSTING DATES=====		
PAID ITEMS DATES	: 4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	
PARTIALLY ITEMS DATES:	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	
UNPAID ITEMS DATES	:	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	
VENDOR	---- VENDOR NAME -----	DESCRIPTION	GROSS AMT	PAYMENTS	CHECK# CHECK DT	----BALANCE---
01-000770	DIAMOND VOGEL PAINT CENTE	VALVE REPAIR KIT	367.58	0.00	000000 0/00/00	367.58
		** TOTALS **	367.58	0.00		367.58
01-001965	DIANE TRACY	OUTREACH - MILEAGE	51.89	51.89-	123811 4/21/22	0.00
		** TOTALS **	51.89	51.89-		0.00
01-003008	DMBA PROPERTIES & CONSULT	1/2 FY 22 TIF REFUNDNG	8,132.22	0.00	000000 0/00/00	8,132.22
		** TOTALS **	8,132.22	0.00		8,132.22
01-006275	DREES OIL CO. INC.	PROPANE	168.74	168.74-	123786 4/14/22	0.00
		** TOTALS **	168.74	168.74-		0.00
01-012590	ECHO ELECTRIC SUPPLY	ROOF PATCH SUPPLIES	16.96	0.00	000000 0/00/00	16.96
01-012590	ECHO ELECTRIC SUPPLY	3 NIGHT LIGHTS	26.17	0.00	000000 0/00/00	26.17
01-012590	ECHO ELECTRIC SUPPLY	1500W BULB	7.69	0.00	000000 0/00/00	7.69
		** TOTALS **	50.82	0.00		50.82
01-006810	ECOWATER SYSTEMS	COOLER RENT/WATER	123.74	123.74-	123787 4/14/22	0.00
		** TOTALS **	123.74	123.74-		0.00
01-007253	ELECTRIC MOTOR SERVICE LL	12 VOLT MOTOR REPAIRS T-6	45.20	0.00	000000 0/00/00	45.20
		** TOTALS **	45.20	0.00		45.20
01-002029	ENVISIONWARE INC.	SOFTWARE RENEWAL	518.88	518.88-	123812 4/21/22	0.00
		** TOTALS **	518.88	518.88-		0.00
01-001291	FEH DESIGN	ST. MAINT. BLDG	15,879.97	0.00	000000 0/00/00	15,879.97
01-001291	FEH DESIGN	ST. MAINT. BLDG	946.84	0.00	000000 0/00/00	946.84
01-001291	FEH DESIGN	STREET MAINT. BLDG	630.73	0.00	000000 0/00/00	630.73
		** TOTALS **	17,457.54	0.00		17,457.54
01-000013	FIRE/POLICE RETIREMENT SY	MFPRSI CONTRIBUTIONS	14,173.64	14,173.64-	001279 4/21/22	0.00
		** TOTALS **	14,173.64	14,173.64-		0.00
01-003848	FIRST IMPRESSION	APRIL MALL RESTROOM CLEANING	300.00	0.00	000000 0/00/00	300.00
		** TOTALS **	300.00	0.00		300.00
01-002806	FOUNDATION ANALYTICAL LAB	LAB TESTING	487.75	0.00	000000 0/00/00	487.75
		** TOTALS **	487.75	0.00		487.75
01-009315	GALLS INC.	UNIFORM SHIRTS	839.79	0.00	000000 0/00/00	839.79
01-009315	GALLS INC.	UNIFORM SHIRTS	190.59	0.00	000000 0/00/00	190.59
		** TOTALS **	1,030.38	0.00		1,030.38

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=====PAYMENT DATES=====
PAID ITEMS DATES : 4/08/2022 THRU 4/21/2022
PARTIALLY ITEMS DATES: 4/08/2022 THRU 4/21/2022
UNPAID ITEMS DATES :

=====ITEM DATES=====
4/08/2022 THRU 4/21/2022
4/08/2022 THRU 4/21/2022
4/08/2022 THRU 4/21/2022

=====POSTING DATES=====
4/08/2022 THRU 4/21/2022
4/08/2022 THRU 4/21/2022
4/08/2022 THRU 4/21/2022
  
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VENDOR	VENDOR NAME	DESCRIPTION	GROSS AMT	PAYMENTS	CHECK#	CHECK DT	BALANCE
01-009535	GENERAL RENTAL	CHAIN SAW BAR	32.00	0.00	000000	0/00/00	32.00
		** TOTALS **	32.00	0.00			32.00
01-009540	GENERAL TRAFFIC CONTROLS	SIGNAL REPAIR PARTS	792.00	0.00	000000	0/00/00	792.00
		** TOTALS **	792.00	0.00			792.00
01-010680	HAWKINS WATER TREATMENT	WATER TREATMENT SUPPLIES	1,343.50	0.00	000000	0/00/00	1,343.50
		** TOTALS **	1,343.50	0.00			1,343.50
01-005410	HERALD PUBLISHING COMPANY	PUBLICITY	75.00	75.00-	123824	4/21/22	0.00
01-005410	HERALD PUBLISHING COMPANY	LEGAL PUBLICATIONS	672.81	0.00	000000	0/00/00	672.81
		** TOTALS **	747.81	75.00-			672.81
01-003649	ICE TECHNOLOGIES INC	MAKERSPACE COMPUTER UPGRADE	2,415.29	2,415.29-	123820	4/21/22	0.00
01-003649	ICE TECHNOLOGIES INC	IT MAINTENANCE	52.50	52.50-	123820	4/21/22	0.00
01-003649	ICE TECHNOLOGIES INC	IT MAINTENANCE	150.00	150.00-	123820	4/21/22	0.00
01-003649	ICE TECHNOLOGIES INC	IT MAINTENANCE	555.33	555.33-	123820	4/21/22	0.00
01-003649	ICE TECHNOLOGIES INC	IT MAINTENANCE	18.50	18.50-	123820	4/21/22	0.00
01-003649	ICE TECHNOLOGIES INC	IT MAINTENANCE	26.25	26.25-	123820	4/21/22	0.00
		** TOTALS **	3,217.87	3,217.87-			0.00
01-012706	IPERS	IPERS CONTRIBUTIONS	19,395.00	19,395.00-	001280	4/21/22	0.00
01-012706	IPERS	IPERS CONTRIBUTIONS	75.88	75.88-	001280	4/21/22	0.00
		** TOTALS **	19,470.88	19,470.88-			0.00
01-002453	JASON MATTHEW LAMBERTZ	PRODUCTION COSTS	1,050.00	0.00	000000	0/00/00	1,050.00
		** TOTALS **	1,050.00	0.00			1,050.00
01-013917	JEO CONSULTING GROUP INC.	STREET RESTORATION 2022	3,500.00	0.00	000000	0/00/00	3,500.00
		** TOTALS **	3,500.00	0.00			3,500.00
01-025020	JOHN DEERE FINANCIAL	LAMP	76.19	76.19-	123790	4/14/22	0.00
01-025020	JOHN DEERE FINANCIAL	FILTERS	57.78	57.78-	123790	4/14/22	0.00
01-025020	JOHN DEERE FINANCIAL	#34 PAINT	21.58	21.58-	123790	4/14/22	0.00
01-025020	JOHN DEERE FINANCIAL	OIL FILTER AND OIL	110.81	110.81-	123790	4/14/22	0.00
01-025020	JOHN DEERE FINANCIAL	OIL AND FILTERS	108.94	108.94-	123790	4/14/22	0.00
01-025020	JOHN DEERE FINANCIAL	#34 FILTERS	84.22	84.22-	123790	4/14/22	0.00
01-025020	JOHN DEERE FINANCIAL	WHEEL	190.95	190.95-	123790	4/14/22	0.00
01-025020	JOHN DEERE FINANCIAL	FILTERS AND OIL	298.54	298.54-	123790	4/14/22	0.00
		** TOTALS **	949.01	949.01-			0.00
01-014815	KEYSTONE LABORATORIES	SAMPLE ANALYSIS	166.75	0.00	000000	0/00/00	166.75
		** TOTALS **	166.75	0.00			166.75

		=====PAYMENT DATES=====	=====ITEM DATES=====	=====POSTING DATES=====			
PAID ITEMS DATES :		4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU	4/21/2022		
PARTIALLY ITEMS DATES:		4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU	4/21/2022		
UNPAID ITEMS DATES :		4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU	4/21/2022		
VENDOR	---- VENDOR NAME ----	DESCRIPTION	GROSS AMT	PAYMENTS	CHECK#	CHECK DT	----BALANCE---
01-002698	LANDSCAPERS PARADISE	ROCK FOR CBD	200.34	0.00	000000	0/00/00	200.34
		** TOTALS **	200.34	0.00			200.34
01-002331	MACQUEEN EQUIPMENT LLC	EQUIPMENT MAINT. SUPPLIES	1,561.25	0.00	000000	0/00/00	1,561.25
01-002331	MACQUEEN EQUIPMENT LLC	EQUIPMENT MAINT. SUPPLIES	3,038.29	0.00	000000	0/00/00	3,038.29
01-002331	MACQUEEN EQUIPMENT LLC	#35 REPAIR PARTS	410.56	0.00	000000	0/00/00	410.56
01-002331	MACQUEEN EQUIPMENT LLC	#35 REPAIR PARTS	2,121.01	0.00	000000	0/00/00	2,121.01
		** TOTALS **	7,131.11	0.00			7,131.11
01-017133	MASTERCARD	BACKGROUND CHECKS/SOFTWARE	251.09	251.09-	123825	4/21/22	0.00
01-017133	MASTERCARD	ADOBE SOFTWARE	15.89	15.89-	123826	4/21/22	0.00
01-017133	MASTERCARD	LODGING/CONFERENCE/SUPPLIES	350.37	350.37-	123827	4/21/22	0.00
01-017133	MASTERCARD	BOOKS AND CONFERENCE LODGING	202.33	202.33-	123828	4/21/22	0.00
01-017133	MASTERCARD	TRENCHING/SHORING WRKSHF	205.00	205.00-	123829	4/21/22	0.00
01-017133	MASTERCARD	SUPPLIES	2,406.38	2,406.38-	123830	4/21/22	0.00
		** TOTALS **	3,431.06	3,431.06-			0.00
01-017220	MC FARLAND CLINIC PC	PRE-EMPLMT PHYSICAL BOTKINS	219.00	0.00	000000	0/00/00	219.00
		** TOTALS **	219.00	0.00			219.00
01-003461	MERCHANT SERVICES	CC PROCESSING FEES	1,145.79	1,145.79-	000000	4/14/22	0.00
01-003461	MERCHANT SERVICES	CC PROCESSING	755.15	755.15-	000000	4/14/22	0.00
		** TOTALS **	1,900.94	1,900.94-			0.00
01-012680	MID AMERICAN ENERGY	ELECTRIC BILLS	41,776.52	41,776.52-	123778	4/12/22	0.00
		** TOTALS **	41,776.52	41,776.52-			0.00
01-017730	MOORHOUSE READY MIX CO.	WATERMAIN BRK COREY/TROY	217.82	0.00	000000	0/00/00	217.82
01-017730	MOORHOUSE READY MIX CO.	ROW 1826 RANDALL RD	653.45	0.00	000000	0/00/00	653.45
01-017730	MOORHOUSE READY MIX CO.	WATERMAIN BRK 1604 SALINGER	653.45	0.00	000000	0/00/00	653.45
01-017730	MOORHOUSE READY MIX CO.	VALVE REPL. TROY/COREY	617.15	0.00	000000	0/00/00	617.15
		** TOTALS **	2,141.87	0.00			2,141.87
01-003529	MURRAY'S WELDING	LITTLE LEAGUE SIGN BASE PEGS	220.00	0.00	000000	0/00/00	220.00
		** TOTALS **	220.00	0.00			220.00
01-018408	NAPA AUTO PARTS	AIR COMPRESSOR REPAIRS	72.48	72.48-	123789	4/14/22	0.00
01-018408	NAPA AUTO PARTS	OIL AND FILTERS	98.20	0.00	000000	0/00/00	98.20
01-018408	NAPA AUTO PARTS	#33 BULBS	37.80	0.00	000000	0/00/00	37.80
01-018408	NAPA AUTO PARTS	SOCKETS	18.98	0.00	000000	0/00/00	18.98
		** TOTALS **	227.46	72.48-			154.98
01-003263	NETBANX	MARCH EFT PROCESSING FEES	90.36	90.36-	000000	4/14/22	0.00
		** TOTALS **	90.36	90.36-			0.00

VENDOR SET: 01 City of Carroll  
REPORTING: PAID, UNPAID, PARTIAL

	=====PAYMENT DATES=====	=====ITEM DATES=====	=====POSTING DATES=====
PAID ITEMS DATES :	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022
PARTIALLY ITEMS DATES:	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022
UNPAID ITEMS DATES :		4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022

VENDOR	VENDOR NAME	DESCRIPTION	GROSS AMT	PAYMENTS	CHECK#	CHECK DT	BALANCE
01-001301	NEW COOPERATIVE INC	FERTILIZER & NITROGEN	4,890.00	4,890.00-	123781	4/14/22	0.00
		** TOTALS **	4,890.00	4,890.00-			0.00
01-020208	O'HALLORAN INTERNATIONAL	BRAKE SYSTEM REPAIRS T-6	1,288.53	0.00	000000	0/00/00	1,288.53
		** TOTALS **	1,288.53	0.00			1,288.53
01-020203	OFFICE STOP	PENS	19.56	0.00	000000	0/00/00	19.56
		** TOTALS **	19.56	0.00			19.56
01-020326	OPTIONS INK	FREIGHT - WATER SAMPLES	34.39	0.00	000000	0/00/00	34.39
		** TOTALS **	34.39	0.00			34.39
01-021050	P & H WHOLESALE INC.	FILTERS	262.53	0.00	000000	0/00/00	262.53
01-021050	P & H WHOLESALE INC.	RESTROOM REPAIRS	15.92	0.00	000000	0/00/00	15.92
		** TOTALS **	278.45	0.00			278.45
01-001949	PERFORMANCE TIRE & SERVIC	#31 TIRE REPAIRS	48.15	0.00	000000	0/00/00	48.15
		** TOTALS **	48.15	0.00			48.15
01-021860	PRESTO-X-COMPANY	PEST CONTROL - REC CENTER	63.00	0.00	000000	0/00/00	63.00
01-021860	PRESTO-X-COMPANY	PEST CONTROL - 112 E 5TH ST	54.00	0.00	000000	0/00/00	54.00
01-021860	PRESTO-X-COMPANY	PEST CONTROL - 627 N ADAMS ST	85.00	0.00	000000	0/00/00	85.00
		** TOTALS **	202.00	0.00			202.00
01-009870	RACCOON VALLEY ELECTRIC C	MARCH ELECTRIC SERVICE	1,430.59	1,430.59-	123788	4/14/22	0.00
		** TOTALS **	1,430.59	1,430.59-			0.00
01-000490	RANDALL M. KRAUEL	APWA SPRING CONF. MILEAGE	95.94	95.94-	123780	4/14/22	0.00
		** TOTALS **	95.94	95.94-			0.00
01-003119	RICK EUGENE BRAMMER	PROGRAM SUPPLIES	51.47	51.47-	123819	4/21/22	0.00
		** TOTALS **	51.47	51.47-			0.00
01-024630	RUTTEN'S VACUUM CENTER	VACUUM REPAIRS	19.99	19.99-	123831	4/21/22	0.00
		** TOTALS **	19.99	19.99-			0.00
01-003881	SCHOOL LIFE	SUMMER READING PROGRAM	136.11	136.11-	123821	4/21/22	0.00
		** TOTALS **	136.11	136.11-			0.00
01-025250	SHERWIN WILLIAMS CO.	PAINT AND SUPPLIES	61.43	0.00	000000	0/00/00	61.43
01-025250	SHERWIN WILLIAMS CO.	SUPPLIES	7.53	0.00	000000	0/00/00	7.53
		** TOTALS **	68.96	0.00			68.96

=====PAYMENT DATES=====		=====ITEM DATES=====		=====POSTING DATES=====		
PAID ITEMS DATES :	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	
PARTIALLY ITEMS DATES:	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	
UNPAID ITEMS DATES :		4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	
VENDOR	---- VENDOR NAME -----	DESCRIPTION	GROSS AMT	PAYMENTS	CHECK# CHECK DT	----BALANCE---
01-004178	SOLID WASTE MANAGEMENT CO	FY 22 YARD WASTE MGMT FEE	6,500.00	0.00	000000 0/00/00	6,500.00
		** TOTALS **	6,500.00	0.00		6,500.00
01-028180	STATE HYGIENIC LABORATORY	BACTERIA SAMPLE ANALYSIS	20.00	0.00	000000 0/00/00	20.00
		** TOTALS **	20.00	0.00		20.00
01-025880	STONE PRINTING CO.	TONER CARTRIDGES RETURNED	509.95-	0.00	000000 0/00/00	509.95-
01-025880	STONE PRINTING CO.	SUPPLIES	3.41	3.41-	123832 4/21/22	0.00
01-025880	STONE PRINTING CO.	SUPPLIES	27.29	27.29-	123832 4/21/22	0.00
01-025880	STONE PRINTING CO.	SUPPLIES	47.93	47.93-	123832 4/21/22	0.00
01-025880	STONE PRINTING CO.	SCORECARDS	1,542.00	0.00	000000 0/00/00	1,542.00
01-025880	STONE PRINTING CO.	SUPPLIES	396.30	396.30-	123832 4/21/22	0.00
		** TOTALS **	1,506.98	474.93-		1,032.05
01-027060	TREASURER OF IOWA	SALES TAX	14,590.22	14,590.22-	000000 4/14/22	0.00
		** TOTALS **	14,590.22	14,590.22-		0.00
01-027079	TRIPLE A SEEDS INC.	GRASS SEED & FERTILIZER	151.75	0.00	000000 0/00/00	151.75
		** TOTALS **	151.75	0.00		151.75
01-003499	UMB BANK	FY 22 BOND FEE	600.00	0.00	000000 0/00/00	600.00
		** TOTALS **	600.00	0.00		600.00
01-028168	UNITED PARCEL SERVICE	FREIGHT W/E 4/2/2022	31.31	31.31-	123779 4/12/22	0.00
01-028168	UNITED PARCEL SERVICE	FREIGHT W/E 4/9/2022	49.68	49.68-	123833 4/21/22	0.00
		** TOTALS **	80.99	80.99-		0.00
01-002449	UNITYPOINT CLINIC-OCCUPAT	DRUG TESTS	252.00	0.00	000000 0/00/00	252.00
01-002449	UNITYPOINT CLINIC-OCCUPAT	PRE-EMPLOY - DRUG TEST	84.00	0.00	000000 0/00/00	84.00
		** TOTALS **	336.00	0.00		336.00
01-028275	UPTOWN SPORTING GOODS	TENNIS NET STRAPS	30.00	0.00	000000 0/00/00	30.00
01-028275	UPTOWN SPORTING GOODS	SOFTBALLS/BASEBALLS	981.00	0.00	000000 0/00/00	981.00
01-028275	UPTOWN SPORTING GOODS	SOFTBALLS/FACE GUARDS	225.00	0.00	000000 0/00/00	225.00
		** TOTALS **	1,236.00	0.00		1,236.00
01-002666	VAN WALL EQUIPMENT INC.	2022 JOHN DEERE 1025R	11,465.46	11,465.46-	123776 4/12/22	0.00
		** TOTALS **	11,465.46	11,465.46-		0.00
01-030115	WALL STREET JOURNAL	PERIODICAL RENEWAL - 1 YR	659.88	659.88-	123834 4/21/22	0.00
		** TOTALS **	659.88	659.88-		0.00
01-003377	WELLMARK BLUE CROSS/BLUE	MAY HEALTH INSURANCE PREMIUMS	45,345.09	45,345.09-	123784 4/14/22	0.00
		** TOTALS **	45,345.09	45,345.09-		0.00

VENDOR SET: 01 City of Carroll  
REPORTING: PAID, UNPAID, PARTIAL

	=====PAYMENT DATES=====	=====ITEM DATES=====	=====POSTING DATES=====
PAID ITEMS DATES :	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022
PARTIALLY ITEMS DATES:	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022
UNPAID ITEMS DATES :		4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022

VENDOR	VENDOR NAME	DESCRIPTION	GROSS AMT	PAYMENTS	CHECK#	CHECK DT	BALANCE
01-002381	WESTMOR FLUID SOLUTIONS L	FUEL DELIVERY REPAIRS	99.09	99.09-	123782	4/14/22	0.00
		** TOTALS **	99.09	99.09-			0.00
01-030355	WITTRUCK MOTOR CO.	MARCH CAR RENTAL	349.00	349.00-	123792	4/14/22	0.00
		** TOTALS **	349.00	349.00-			0.00
01-000386	ZIMCO SUPPLY CO	TURF SUPPLIES	711.37	0.00	000000	0/00/00	711.37
		** TOTALS **	711.37	0.00			711.37
01-003722	ISOLVED BENEFIT SERVICES	MARCH HRA CHECKS	15,041.89	15,041.89-	000000	4/14/22	0.00
01-003722	ISOLVED BENEFIT SERVICES	MARCH HRA PARTICIPANT FEES	293.95	293.95-	000000	4/14/22	0.00
		** TOTALS **	15,335.84	15,335.84-			0.00
	* Payroll Expense		176,872.38				

A C C O U N T S P A Y A B L E  
O P E N I T E M R E P O R T  
S U M M A R Y

	=====PAYMENT DATES=====	=====ITEM DATES=====	=====POSTING DATES=====
PAID ITEMS DATES :	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022
PARTIALLY ITEMS DATES:	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022
UNPAID ITEMS DATES :		4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022

R E P O R T T O T A L S

	GROSS	PAYMENTS	BALANCE
PAID ITEMS	411,001.28	411,001.28CR	0.00
PARTIALLY PAID	0.00	0.00	0.00
UNPAID ITEMS	231,222.40	0.00	231,222.40
VOID ITEMS	0.00	0.00	0.00
<b>** TOTALS **</b>	<b>642,223.68</b>	<b>411,001.28CR</b>	<b>231,222.40</b>

U N P A I D R E C A P

UNPAID INVOICE TOTALS	231,764.34
UNPAID DEBIT MEMO TOTALS	0.00
UNAPPLIED CREDIT MEMO TOTALS	541.94CR
<b>** UNPAID TOTALS **</b>	<b>231,222.40</b>

	=====PAYMENT DATES=====	=====ITEM DATES=====	=====POSTING DATES=====
PAID ITEMS DATES :	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022
PARTIALLY ITEMS DATES :	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022
UNPAID ITEMS DATES :		4/08/2022 THRU 4/21/2022	4/08/2022 THRU 4/21/2022

FUND TOTALS

001	GENERAL FUND	206,022.16
010	HOTEL/MOTEL TAX	625.53
110	ROAD USE TAX FUND	17,034.17
121	LOCAL OPTION SALES TAX	339.18
125	U.R. DOWNTOWN S.R.	8,132.22
168	LIBRARY TRUST FUND	2,415.29
200	DEBT SERVICE FUND	600.00
304	C.P. STREETS	3,500.00
314	C.P.-STREETS MAINT BLDG	122,737.72
600	WATER UTILITY FUND	27,991.83
610	SEWER UTILITY FUND	14,815.86
620	STORM WATER UTILITY	571.61
850	MEDICAL INSURANCE FUND	60,565.73
	* PAYROLL EXPENSE	176,872.38

GRAND TOTAL 642,223.68



# City of Carroll

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627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

**MEMO TO:** Mike Pogge-Weaver, City Manager *MSPW*  
**FROM:** Chad Tiemeyer, Director of Parks and Recreation *GT*  
**DATE:** April 20, 2022  
**SUBJECT:** Sauk Rail Trail Rehabilitation- IDOT Form 760006 (03-14)

Carroll County Conservation Board is rehabilitating the SAUK Rail Trail from Swan Lake State Park to Ivy Avenue in Maple River. The IowaDOT Form 760006 Section B needs to be completed and signed by a City Official stating what work will be done on City of Carroll parks property, and that the project is acceptable and approved by City Officials. The sections of trail running through Rolling Hills Park and Urbany Park will be included in the rehabilitation.

**RECOMMENDATION:** Mayor and City Council consideration and approval of the attached IowaDOT Form 760006 (03-14) Section B for the SAUK Rail Trail Rehabilitation Project.



# Park, Recreation Land, and Wildlife and Waterfowl Refuge

## Section 4(f) Determination

Form 760006 (03-14)

<b>Project Description:</b> On SAUK Rail Trail, from Swan Lake State Park W to Ivy Avenue	<b>Plan Turn-in Date:</b> 05/03/22	<b>County:</b> Carroll
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<b>Project No.:</b> NRT-C014(170)--9G-14	<b>Section/Township/Range:</b> S 31 , T-84 N, R-34 E
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### SECTION A - COMPLETED BY THE PROJECT SPONSOR:

**Site Name:** Urbany Park and Rolling Hills Park  
**Name of Official with Jurisdiction:** City of Carroll Park and Recreation

**Describe planned improvement to the site (attach figure):**  
 Rehabilitation of existing trail from Swan Lake State Park to Ivy Avenue.

**Can impacts be avoided?**  Yes  No  
 If no, answer next question.

**Can impacts be minimized?**  Yes  No  
 If yes, describe efforts to minimize impacts to property: Impacts will be limited to the existing trail that is being rehabilitated and the trail connections.

FHWA determines the applicability of 49 USC 303 (Section 4(f) of the DOT Act of 1966) to impacts your project may have on a public park, recreation area, or wildlife and waterfowl refuge. This is part of the Section 4(f) determination process for this project. In order to complete the determination, FHWA is gathering input from the official with jurisdiction over the property to establish the function, designation, and significance of the property. Please answer these questions about the property:

### SECTION B - COMPLETED BY OFFICIAL WITH JURISDICTION:

Do you have jurisdiction over the property?  Yes  No

Is this property publicly owned?  Yes  No  
 If No, Section 4(f) does not apply to privately owned properties.

What is the official designation or classification for the property?  
 Park, playground and tail area

What is the primary function or use of the property?  
 Outdoor leisure

Are there any secondary functions of the property?

Is the property open to the public?  Yes  No

Is the property considered significant or important for its use?  Yes  No  
 If not, why?

As the official having jurisdiction over the Section 4(f) resource, it is agreed that the use of the section 4(f) property is solely for the purpose of preserving or enhancing the activity, feature, or attribute that qualifies the property for Section 4(f) protection. Your signature below indicates agreement and approval that the project is acceptable and consistent with the designated use of the property and that all possible planning to minimize harm has been accomplished in the described enhancements to the park or facility.

<b>Official with Jurisdiction:</b>	<b>Date:</b>
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# City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

**MEMO TO:** Mike Pogge-Weaver, City Manager *MSPW*  
**FROM:** Laura A. Schaefer, Finance Director/City Clerk *lao*  
**DATE:** April 15, 2022  
**SUBJECT:** Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Program

- Resolution Designating SLFRF as Replacement of Lost Public Sector Revenue

On March 11, 2021, President Biden signed into law the American Rescue Plan Act of 2021 (ARPA). ARPA delivered \$350 billion for state, local, territorial, and Tribal governments to respond to the COVID-19 emergency.

The objectives of ARPA are to support urgent COVID-19 response efforts, replace lost public sector revenue, support immediate economic stabilization and address systemic public health and economic challenges.

The City of Carroll is a Non-Entitlement Unit (NEU) of Local Government where the funds will flow through the State of Iowa. The City received \$735,129.56 in FY 2022 and anticipates about the same amount in FY 2023 for a total amount of \$1,470,259.11.

Funds are to be obligated by December 31, 2024 and spent by December 31, 2026. Staff is researching guidance from the Treasury and will make a recommendation on how to obligate/spend the funds. In the meantime, reporting requirements for NEUs have begun with the first annual report due by April 30, 2022 for the reporting period March 3, 2021 – March 31, 2022. To date, the City has not spent any of the ARPA funds.

On January 6, 2022, a final rule was adopted for implementing the SLFRF. One of the major clarifications adopted in the final rule is the ability of a recipient to determine the amount of revenue lost due to the pandemic either according to a complex formula or by claiming a standard allowance of up to \$10 million, not to exceed their total award allocation. A recipient that plans to use the standard allowance will make a one-time election and report it in the first report due April 30, 2022. By claiming revenue loss, the allocated funds then can be used for any government service unless specific prohibited by ARPA.

Attached is a resolution the designates the SLFRF as lost public sector revenue electing the standard allowance. Staff can then file the first report electing this standard allowance.

**RECOMMENDATION:** Council consideration and approval of the attached resolution designating the State and Local Fiscal Recovery Funds as lost public sector revenue electing the standard allowance.

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION APPROVING THE DESIGNATION OF STATE AND LOCAL FISCAL RECOVERY FUNDS FOR THE CITY OF CARROLL**

**WHEREAS**, the City Council of Carroll, Iowa is a non-entitlement unit (NEU) for the State and Local Fiscal Recovery Funds (SLFRF) Program; and

**WHEREAS**, according to the final rules, the City of Carroll is a Tier 5 annual reporting NEU unit for the SLFRF Funds Program, with the first reporting deadline of April 30, 2022; and

**WHEREAS**, the City of Carroll has been allocated \$1,470,259.11; and

**WHEREAS**, the City of Carroll may use the funds for one of the following categories: replace lost public sector revenue, support the COVID-19 public health and economic response, provide premium pay for eligible workers performing essential work, and/or invest in water, sewer and broadband infrastructure; and

**WHEREAS**, a recipient may determine their revenue loss by selecting a standard allowance of up to \$10 million in aggregate, not to exceed total award allocation; and

**WHEREAS**, the funds categorized as replacement of lost public sector revenue can be spent on any lawful government service; and

**WHEREAS**, the Carroll City Council has until December 31, 2024 to obligate these funds to project(s) and until December 31, 2026 to spend these funds on the project(s); and

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Carroll, Iowa, that city staff are directed to submit any required annual reporting by the deadlines and selecting the standard allowance for revenue loss.

Passed and approved by the City Council of the City of Carroll, Iowa, this 25th day of April, 2022.

CITY COUNCIL OF THE  
CITY OF CARROLL, IOWA

By: \_\_\_\_\_  
Mark E. Beardmore, Mayor

ATTEST:

By: \_\_\_\_\_  
Laura A. Schaefer, City Clerk

# City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

**MEMO TO:** Mike Pogge-Weaver, City Manager *MSPW*  
**FROM:** Chad Tiemeyer, Director of Parks and Recreation *GT*  
**DATE:** April 18, 2022  
**SUBJECT:** Carroll Merchants Park Concession Stand Lease- Kuemper Catholic School System

- Resolution- Carroll Merchants Park Concession Lease between the City of Carroll and Kuemper Catholic School System

The Kuemper Catholic School System has requested the use of the Merchants Park concessions for all Kuemper Baseball games and Carroll Merchants games during the 2022 season. Since 2007, Gary Magill of Carroll has operated the concession stand at Merchants Park. This agreement was terminated by both parties at the December 20, 2021 Council Meeting to further explore the addition of Merchants baseball coming back to Carroll. After discussions with Mr. Magill, his family decided to no longer lease the Merchants Park Concession Stand. After several meetings with officials from both schools and members of the Carroll Merchants Baseball Club, Kuemper Catholic School System has elected to handle home Kuemper Baseball games as well as the home Carroll Merchants games.

This Carroll Merchants Park Concession Lease is similar to other concession stand leases. Kuemper would be in charge of all staffing, ordering, prepping and serving of food and drink for Kuemper and Merchants games, and would take care of the area inside and immediately surrounding the concessions area. This lease would not include Iowa High School State Baseball concessions, although the Kuemper Catholic School System and Carroll Community School District will likely be involved in aiding in concessions for the event.

**RECOMMENDATION:** Mayor and City Council consideration and approval of the attached agreement and resolution for the Kuemper Catholic School System for the Carroll Merchants Park Concession Stand Lease.

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION APPROVING THE CARROLL MERCHANTS PARK CONCESSION STAND  
LEASE BETWEEN THE CITY OF CARROLL AND THE KUEMPER CATHOLIC SCHOOL  
SYSTEM**

WHEREAS, Chapter 17, of the Code of Ordinances of the City of Carroll, Iowa, provides that all contracts made by the City be reduced to writing and approved by the City Council by resolution; and

WHEREAS, the Agreement Between the City of Carroll and the Kuemper Catholic School System is attached hereto as Exhibit "A"; and

WHEREAS, it is determined that the approval of the attached Agreement is in the best interest of the City of Carroll, Iowa;

NOW, THEREFORE, BE IT RESOLVED that the Agreement Between the City of Carroll and the Kuemper Catholic School System, attached as Exhibit "A", be authorized and approved, and that the Mayor and City Clerk are authorized to execute the contract on behalf of the City of Carroll.

PASSED AND APPROVED by the City Council of the City of Carroll, Iowa, this 25<sup>th</sup> day of April, 2022.

CITY COUNCIL OF THE  
CITY OF CARROLL, IOWA

BY: \_\_\_\_\_  
Mark E. Beardmore, Mayor

ATTEST:

By: \_\_\_\_\_  
Laura A. Schaefer, City Clerk

## **CARROLL MERCHANTS PARK CONCESSION STAND LEASE**

This Agreement, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by and between the City of Carroll, Iowa, a municipal corporation hereinafter referred to as “City”, and Kuemper Catholic School System, of Carroll, Iowa, hereinafter referred to as “Manager.”

The parties hereto enter into a lease agreement, whereby the City leases to Manager the concession stand and the immediate surrounding area of the concession stand at Merchants Park, hereinafter referred to as the “Merchants Concession Stand”, in Carroll, Iowa. The consideration for said lease is set out below in the mutual agreements and covenants.

The parties mutually agree and covenant as follows:

1. The term of this agreement shall be from May 1, 2022, to July 31, 2022, unless renewed for an additional year by the City on or before December 31, 2022.
2. Carroll Concession Stand Lease at Merchants Park will only be in effect for Carroll Kuemper Catholic Baseball Games, and Carroll Merchants Baseball Games. All other games would require approval from the City. Iowa High School Athletic Association Boys State Baseball concessions will be conducted by the City of Carroll Parks and Recreation Department.
3. Manager shall have the right to sell concessions including food and soft drinks, and related legal beverages at the concession stand at the Merchants Concession Stand.
4. Manager agrees that he shall obtain any necessary licenses and permits for the operation of the above concession stand.
5. Manager shall operate the Merchants Concession Stand at reasonable times consistent with the needs of the patrons of Kuemper and Merchants baseball games. Manager shall use their best judgment as to the times and days when the concession stand will be open, for the mutual benefit of Manager and the City.
6. Manager shall remove from the concession stand all food, beverage and other materials no later than August 1.
7. Manager shall deposit with the City Finance Director a certificate of insurance for general liability in the amount of \$500,000. This limit of liability is the minimum limits required by the City. In no way should it be construed to be adequate for Manager’s liability exposure.

8. Manager shall have the right to all income from the operation of the concessions at the concession stand, and shall be responsible for all its expenses in the operation of the concession stand. Manager shall also be totally responsible for the utility bills, during the term of this lease.
9. No rental fee will be charged for running concessions for Kuemper baseball and Merchants baseball games.
10. Manager shall be responsible for the following duties:
  - a. Providing adequate staffing for the concession stand, at Manager's expense, for the adequate service of the patrons of the Merchants Park Concessions. Manager shall be responsible for any salary or compensation, and any withholding taxes, insurance or any benefits the Manager chooses to supply for any employees. City shall not provide workers' compensation insurance since Manager and his employees are not City employees.
  - b. Collecting all revenues from the concession stand and paying just and appropriate expenses for the operation of the concession stand, including paying the above-stated rent to the City, if any.
  - c. Paying the appropriate permit and license fees to any governmental agency that shall require a permit and license for the operation of said concession stand.
  - d. Paying any taxes on the profit from the operation of said concession stand.
  - e. Conducting ordinary and routine maintenance of the building, fixtures and equipment of the concession stands. Should any of the equipment need major repairs or replacement, the Manager shall consult with the City about such major repair or replacement. "Major repair" shall be defined as any repair exceeding the sum of \$100 for any one piece of equipment, fixture or the building itself.
  - f. Being responsible for keeping the concession stands and immediate surrounding premises clean, free from debris, and in full compliance with health and safety regulations and laws.
11. Manager shall communicate with City, through the City's Parks and Recreation Director, or City Manager, of any major changes in the operation



of the concession stand, such as the inability of Manager to continue operation to the extent of adequate service to the patrons of the Merchants Concession Stand. Such notice shall be given promptly to the Parks and Recreation Director, or if he or she is unavailable, then to the City Manager. Similarly, Manager shall notify either the Parks and Recreation Director or the City Manager of any particular needs that Manager identifies during the operation of the concession stand, such as new or replacement equipment, major repairs that might be needed other than routine maintenance, or structural problems with the building that come to the attention of Manager.

12. Manager shall put forth his best efforts to promote and manage the concession stand of Merchant Park. Breach of this provision or the material breach of any of the provisions of this Agreement may lead to immediate termination of this Agreement by the City with or without notice depending upon the nature of the breach.

This Agreement executed on this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

CITY OF CARROLL, IOWA

By: \_\_\_\_\_  
Mark E. Beardmore, Mayor

By: \_\_\_\_\_  
Kuemper Catholic School System  
109 S. Clark St,  
Carroll, Iowa 51401

ATTEST:

By: \_\_\_\_\_  
Laura A. Schaefer, City Clerk

Y:\Bruner\Bruner\Janet\Word\dsb\1850.04\doc\consession stand lease

# City of Carroll

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627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

**MEMO TO:** Mike Pogge-Weaver, City Manager *MSPW*  
**FROM:** Chad Tiemeyer, Director of Parks and Recreation *GT*  
**DATE:** April 18, 2022  
**SUBJECT:** Youth Sports Complex- Field 7 Lease- Kuemper Catholic School System

- Resolution- Youth Sports Complex-Field 7 Lease between the City of Carroll and the Kuemper Catholic School System

The Kuemper Catholic School System has requested use of Field 7 at the Youth Sports Complex located at the north end of Carroll, for use by the Kuemper Catholic Varsity and Junior Varsity softball teams during the 2022 season. This request is a change from original request to use the Adult Softball Fields due to the short amount of time before the softball season starts. Field 7 requires little to no additional work for adequate game play.

The attached lease agreement for the Youth Sports Complex- Field 7 is similar to the previous lease agreement with Kuemper High School for field usage. The previous Adult Softball Field Lease will be cancelled and replaced by Youth Sports Complex- Field 7 Lease upon acceptance.

**RECOMMENDATION:** Mayor and City Council consideration and approval of the attached agreement and resolution with Kuemper Catholic School System for the Youth Sports Complex- Field 7 Lease.

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION APPROVING THE YOUTH SPORTS COMPLEX – FIELD 7 LEASE  
BETWEEN THE CITY OF CARROLL AND THE KUEMPER CATHOLIC SCHOOL SYSTEM**

WHEREAS, Chapter 17, of the Code of Ordinances of the City of Carroll, Iowa, provides that all contracts made by the City be reduced to writing and approved by the City Council by resolution; and

WHEREAS, the Agreement Between the City of Carroll and the Kuemper Catholic School System is attached hereto as Exhibit “A”; and

WHEREAS, it is determined that the approval of the attached Agreement is in the best interest of the City of Carroll, Iowa;

NOW, THEREFORE, BE IT RESOLVED that the Agreement Between the City of Carroll and the Kuemper Catholic School System, attached as Exhibit “A”, be authorized and approved, and that the Mayor and City Clerk are authorized to execute the contract on behalf of the City of Carroll.

PASSED AND APPROVED by the City Council of the City of Carroll, Iowa, this 25<sup>th</sup> day of April, 2022.

CITY COUNCIL OF THE  
CITY OF CARROLL, IOWA

BY: \_\_\_\_\_  
Mark E. Beardmore, Mayor

ATTEST:

By: \_\_\_\_\_  
Laura A. Schaefer, City Clerk

**Youth Sports Complex-Field 7 Lease  
Kuemper Catholic School System**

THIS AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by and between the City of Carroll, Iowa (Landlord) and Kuemper Catholic School System (Tenant).

The parties agree as follows:

**1. PREMISES AND TERM.** Landlord leases to Tenant, the Youth Sports Complex Field 7 in Carroll, Iowa, together with all improvements thereon, and all rights, easements and appurtenances thereto, upon the condition the Tenant performs as provided in this Lease for the 2022 softball season (May 1st through July 31st). However, if tenant fails to utilize the field for a period greater than 30 days during the lease term, the lease shall terminate.

After the 2022 softball season the Tenant shall notify the Landlord if it wishes to lease for the following year by December 31<sup>st</sup> of that year. The Parties may then negotiate a new Lease.

All previous Kuemper Catholic School System Softball Leases are null and void.

**2. RENT.** Tenant agrees to pay Landlord as rent: \$1750, (approximately \$25.00 per hour for the season, for field lighting and Parks Department Staff personnel duties). The Landlord will consider a reduction in the annual rent for any permanent improvements made to the facility that improves the overall facility. Said improvements shall be considered donated to the city, and shall be available for use by the general public.

**3. POSSESSION.** Tenant shall be entitled to possession for their scheduled games and practices May 1st, 2022, and shall yield all possession to Landlord on the last day of this Lease, which is July 31st, 2022. Temporary out field fencing and other temporary items shall be removed from the fields by the Tenant at the end of each game and practice unless agreed upon by Landlord.

**4. USE.** Tenant shall use the premises only for Kuemper Catholic School System softball, games and practices. Associated promotional softball events must be specifically authorized by the Landlord and proof of additional insurance must be provided as required by the Landlord.

Priority use of the field shall be as follows:

a) Scheduling for Kuemper Catholic School System softball team will be in agreement with Carroll Parks and Recreation, but must be presented and approved by the Director of Parks and Recreation before the end of each calendar year. The Carroll Parks and Recreation take first priority for the field.

b) Kuemper Catholic School System shall meet with the Carroll Parks and Recreation Director to develop a practice schedule that is mutually acceptable to all parties. If a mutually acceptable practice schedule cannot be established, then the Director of Parks and Recreation will establish a practice schedule. The practice schedule approved by the Carroll

Director of Parks and Recreation shall be final. Practices can be preempted by the need to reschedule a game.

Parking shall be as follows:

- a) Game day bus parking for visiting teams must park in Carroll Middle School parking lot or the soccer field parking lot. Dropping off players in Youth Sports Complex is allowed, but must park in Carroll Middle School parking lot or soccer complex parking lot.

#### **5. CARE AND MAINTENANCE.**

- a) The Tenant takes the premises as is.
- b) The Landlord shall maintain the premises.
- c) The Tenant will assist in the maintenance of the premises under the direction and supervision of the Landlord. Tenant shall make no structural changes or alterations without prior consultation and written consent of Landlord.
- d) Tenants shall not permit nor allow the premises to be damaged or depreciated in value by any act, omission to act or negligence of itself, its agents or employees.
- e) Assisted maintenance will be requested of the Tennant. This shall include repair of batter's boxes, pitching mounds, and basepaths after each practice and game.

**6. UTILITIES.** The Landlord shall pay for all utilities which may be used on the premises. Landlord shall not be liable for damages for failure to perform as herein provided, or for any stoppage for needed repairs or for improvements or arising from causes beyond the control of Landlord, provided Landlord uses reasonable diligence to resume such services.

The Landlord may contract for all non-alcohol drinks and food concessions during games and will retain profits pursuant to its concessions contract with the concession vendor.

The Tenant shall provide staff at the entrance for collection of any admission fee and Tenant's staff shall be available throughout the game for assistance to the public in case of need or emergency.

The Landlord is under no obligation to provide staffing or supervision at the Youth Sports Complex Field 7 at any time including but not limited to tenant games and practices.

The Tenant will attend to the field under the supervision of Landlord during its use, which may include dragging, lining and chalking before the games. After each game, the Tenant shall also attend to the field, by picking up trash and generally policing the area.

No custodial fees will be charged when custodial staff is scheduled to be on duty for event or game. When custodial work is not done following an event, estimated supervision and cleanup fees will be determined by the Director of Parks and Recreation and the Parks Superintendent. If additional fees are required after the conclusion of the event, the Tenant will be billed for those costs.

The Tenant will make no unlawful use of the premises and agree to comply with all Federal, State and local laws.

7. **SURRENDER.** Upon the termination of this lease, Tenant shall surrender the premises to Landlord in good and clean condition, except for ordinary wear and tear or damage without fault or liability of Tenant.

8. **ASSIGNMENT AND SUBLETTING.** No assignment or subletting, shall be effective without the prior written consent of Landlord.

9. **INSURANCE.**

a) **PROPERTY INSURANCE.** Landlord and Tenant agree to insure their respective real and personal property for the full insurable value. Such insurance shall cover losses included in the Insurance Services Office Broad Form Causes of Loss. To the extent permitted by their policies the Landlord and Tenants waive all rights of recovery against each other.

b) **LIABILITY INSURANCE,** Tenant shall obtain commercial general liability insurance in the amounts of \$1,000,000 liability insurance for each occurrence and \$3,000,000 liability insurance as aggregate. This policy shall be endorsed to include the Landlord as an additional insured and proof provided to Landlord 30 days prior to lease beginning.

10. **LIABILITY FOR DAMAGE.** Each party shall be liable to the other for all damage to the property of the other negligently, recklessly or intentionally caused by that party (or their agents, employees or invitees).

11. **INDEMNITY.** Except for any negligence of Landlord, Tenant will protect, defend, and indemnify Landlord from and against any and all loss, costs, damage and expenses occasioned by, or arising out of, any accident or other occurrence causing or inflicting injury or damage to any person or property, happening or done in, upon or about the premises or due directly or indirectly to the tenancy, use or occupancy there, or any part thereof by Tenant or any person claiming through or under Tenant.

12. **DAMAGES.** In the event of damage to the premises, so that Tenant is unable to conduct activities on the premises, this lease may be terminated at the option of either party. Such termination shall be affected by notice of one party to the other within twenty days after such notice; and both parties shall thereafter be released from all future obligations hereunder. If temporary fencing damages any irrigation lines, the Tenant will be charged for repair or replacement of damaged area.

13. **MECHANICS' LIENS.** Neither Tenant, nor anyone claiming by, through, or under Tenant, shall have the right to file any mechanic's lien against the premises. Tenant shall give notice in advance to all contractors and subcontractors who may furnish, or agree to furnish, any material, service or labor for any improvement on the premises.

The tenant shall not incur any expense on behalf of the Landlord nor is the Tenant authorized in any fashion to contract with third parties on behalf of the Landlord. Any expenditure made by the Tenant on the premises must be approved by the Landlord along with proof of ability to pay for the expenditures or improvements.

#### **14. DEFAULT, NOTICE OF DEFAULT AND REMEDIES.**

##### EVENTS OF DEFAULT

Each of the following shall constitute an event of default by Tenant; 1) Failure to pay rent when due; 2) failure to observe or perform any duties, obligations, agreements, or conditions, imposed on Tenant pursuant to the terms of the lease; 3) abandonment of the premises.

##### NOTICE OF DEFAULT

Landlord shall give Tenant a written notice specifying the default and giving the Tenants ten (10) days in which to correct the default. If there is a default (other than for nonpayment of a monetary obligation of Tenant, including rent) that cannot be remedied in ten (10) days by diligent efforts of the Tenant, Tenant may propose an additional period of time in which to remedy the default. Consent to additional time must be granted by Landlord.

##### REMEDIES

In the event Tenant has not remedied a default in a timely manner following a Notice of Default, Landlord may proceed with all available remedies at law or in equity, including but not limited to the following: 1) Termination. Landlord may declare this lease to be terminated and shall give Tenant a written notice of such termination. In the event of termination of this lease, Landlord shall be entitled to prove claim for and obtain judgment against Tenant for the balance of the rent agreed to be paid for the term herein provided, plus all expenses of Landlord in regaining possession of the premises and the reletting thereof, including attorney's fees and court costs, crediting against such claim, however, any amount obtained by reason of such reletting; 2) Forfeiture. If a default is not remedied in a timely manner, Landlord may then declare this lease to be forfeited and shall give Tenant a written notice of such forfeiture, and may, at the time, give Tenant the notice to quit provided for in Chapter 648 of the Code of Iowa.

**15. ADVERTISING.** Temporary logos and advertising, such as signs, banners, tarps, flags, front fence signs and covers are allowed for game day activities and shall be removed at the conclusion of the contest. Permanent logos and advertising, such as signs, banners, tarps, flags, fence coverings or any other display of advertising is prohibited.

**16. NOTICES AND DEMANDS.** All notices shall be given to the parties hereto at the addresses designated unless either party notifies the other, in writing, of a different address. Without prejudice to any other method of notifying a party in writing or making a demand or other communication, such notice shall be considered given under the terms of this lease when it is deposited in the U.S. Mail, registered or certified, properly addressed, return receipt requested and

postage prepaid.

17. **PROVISIONS BINDING.** Each and every covenant and agreement herein contained shall extend to and be binding upon the respective successors, heirs, administrators, executors and assigns of the parties hereto.

18. **CERTIFICATION.** Tenant certifies that it is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and it is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitation this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Tenant hereby agrees to defend, indemnify and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

CITY OF CARROLL, IOWA –  
LANDLORD

Kuemper Catholic School System  
– TENANT

By: \_\_\_\_\_  
Mark Beardmore, Mayor  
City Hall  
627 N. Adams St.  
Carroll, IA 51401

By: \_\_\_\_\_  
Kuemper Catholic School System  
109 S. Clark St  
Carroll, IA 51401

ATTEST:

By: \_\_\_\_\_  
Laura Schaefer, Clerk



# City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

**MEMO TO:** Mike Pogge-Weaver, City Manager *MSPW*  
**FROM:** Chad Tiemeyer, Director of Parks and Recreation *GT*  
**DATE:** April 18, 2022  
**SUBJECT:** Carroll Concession Stand Lease- North Youth Sports Complex-Gary Magill

- Resolution- Carroll Concession Lease- North Youth Sports Complex between the City of Carroll and Gary Magill

The City of Carroll entered into a Concession Stand Lease with Gary Magill of Carroll to operate the concession stand at Merchants Park in May of 2007, and the North Youth Sports Complex Concession and Merchants Park Concession Stand Lease in February of 2010. At the December 20<sup>th</sup>, 2021 Council Meeting, both parties agreed to terminate the Lease to further discuss operations at Merchant Park. While Gary Magill has decided to no longer operate the Merchants Park Concession Stand, he is requesting to continue operations at the North Youth Sports Complex concession stand for youth baseball and softball during the summer.

The Carroll Concession Stand Lease - North Youth Sports Complex lease is similar to other concession stand leases. Gary Magill would be in charge of all staffing, ordering, prepping and serving of food and drink for the North Youth Sports Complex concession stands. Rental price will be waived with in-kind services done at the Sports Complex, such as dragging fields, chalking for games, and other ballfield operational tasks.

**RECOMMENDATION:** Mayor and City Council consideration and approval of the attached agreement and resolution with Gary Magill for the Carroll Concession Stand Lease- North Youth Sports Complex Lease.

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION APPROVING THE CARROLL CONCESSION STAND LEASE – NORTH  
YOUTH SPORTS COMPLEX LEASE BETWEEN THE CITY OF CARROLL AND GARY  
MAGILL**

WHEREAS, Chapter 17, of the Code of Ordinances of the City of Carroll, Iowa, provides that all contracts made by the City be reduced to writing and approved by the City Council by resolution; and

WHEREAS, the Agreement Between the City of Carroll and Gary Magill is attached hereto as Exhibit “A”; and

WHEREAS, it is determined that the approval of the attached Agreement is in the best interest of the City of Carroll, Iowa;

NOW, THEREFORE, BE IT RESOLVED that the Agreement Between the City of Carroll and Gary Magill, attached as Exhibit “A”, be authorized and approved, and that the Mayor and City Clerk are authorized to execute the contract on behalf of the City of Carroll.

PASSED AND APPROVED by the City Council of the City of Carroll, Iowa, this 25<sup>th</sup> day of April, 2022.

CITY COUNCIL OF THE  
CITY OF CARROLL, IOWA

BY: \_\_\_\_\_  
Mark E. Beardmore, Mayor

ATTEST:

By: \_\_\_\_\_  
Laura A. Schaefer, City Clerk

## **CARROLL CONSESSION STAND LEASE-NORTH YOUTH SPORTS COMPLEX**

This Agreement, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by and between the City of Carroll, Iowa, a municipal corporation hereinafter referred to as “City”, and Gary Magill, of Carroll, Iowa, hereinafter referred to as “Manager.”

The parties hereto enter into a lease agreement, whereby the City leases to Manager the concession stand and the immediately surrounding area of the concession stand at the Youth Sports Complex, hereinafter referred to as “Complex”, in Carroll, Iowa. The consideration for said lease is set out below in the mutual agreements and covenants.

The parties mutually agree and covenant as follows:

1. The term of this agreement shall be from May 1, 2022, to July 31, 2022, unless renewed for an additional year by the City on or before December 31, 2022.
2. Manager shall have the right to sell concessions including food and soft drinks, and related legal beverages at the concession stand at the Complex.
3. Manager agrees that he shall obtain any necessary licenses and permits for the operation of the above concession stand.
4. Manager shall operate the Complex concession stand at reasonable times consistent with the needs of the patrons of the Complex. Manager shall use his best judgment as to the times and days when the concession stand will be open, for the mutual benefit of Manager and the City.
5. Manager shall remove from the concession stand all food, beverage and other materials no later than August 1.
6. Manager shall deposit with the City Finance Director a certificate of insurance for general liability in the amount of \$500,000. This limit of liability is the minimum limits required by the City. In no way should it be construed to be adequate for Manager’s liability exposure.
7. Manager shall have the right to all income from the operation of the concessions at the concession stand, and shall be responsible for all its expenses in the operation of the concession stand. Manager shall also be totally responsible for the utility bills, during the term of this lease.

8. Rental price will be waived with in-kind services done at the Complex, such as dragging fields, chalking for games, and other ballfield operational tasks, as set forth by the Carroll Parks and Recreation Director.
9. Manager shall be responsible for the following duties:
  - a. Providing adequate staffing for the concession stands, at Manager's expense, for the adequate service of the patrons of the Complex. Manager shall be responsible for any salary or compensation, and any withholding taxes, insurance or any benefits the Manager chooses to supply for any employees. City shall not provide workers' compensation insurance since Manager and his employees are not City employees.
  - b. Collecting all revenues from the concession stand and paying just and appropriate expenses for the operation of the concession stand, including paying the above-stated rent to the City, if any.
  - c. Paying the appropriate permit and license fees to any governmental agency that shall require a permit and license for the operation of said concession stand.
  - d. Paying any taxes on the profit from the operation of said concession stand.
  - e. Conducting ordinary and routine maintenance of the building, fixtures and equipment of the concession stands. Should any of the equipment need major repairs or replacement, the Manager shall consult with the City about such major repair or replacement. "Major repair" shall be defined as any repair exceeding the sum of \$100 for any one piece of equipment, fixture or the building itself.
  - f. Being responsible for keeping the concession stands and immediately surrounding premises clean, free from debris, and in full compliance with health and safety regulations and laws.
11. Manager shall communicate with City, through the City's Parks and Recreation Director, or City Manager, of any major changes in the operation of the concession stand, such as the inability of Manager to continue operation to the extent of adequate service to the patrons of the Complex. Such notice shall be given promptly to the Parks and Recreation Director, or if he or she is unavailable, then to the City Manager. Similarly, Manager shall notify either the

Parks and Recreation Director or the City Manager of any particular needs that Manager identifies during the operation of the concession stand, such as new or replacement equipment, major repairs that might be needed other than routine maintenance, or structural problems with the building that come to the attention of Manager.

12. Manager shall put forth his best efforts to promote and manage the concession stand of the Complex. Breach of this provision or the material breach of any of the provisions of this Agreement may lead to immediate termination of this Agreement by the City with or without notice depending upon the nature of the breach.

This Agreement executed on this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

CITY OF CARROLL, IOWA

By: \_\_\_\_\_  
Mark E. Beardmore, Mayor

\_\_\_\_\_  
Gary Magill, Manager

ATTEST:

By: \_\_\_\_\_  
Laura A. Schaefer, City Clerk

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# City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

**MEMO TO:** Mike Pogge-Weaver, City Manager *MSPW*  
**FROM:** Laura A. Schaefer, Finance Director/City Clerk *las*  
**DATE:** April 15, 2022  
**SUBJECT:** F.Y. 2020-2021 Annual Financial Statement Audit

Enclosed is a copy of the City audit for the fiscal year ending June 30, 2021. This audit was performed by Feldmann & Company CPAs, P.C.

The City received an unqualified opinion. The opinion states that the financial statements are presented fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business activities, each major fund and the aggregate remaining fund information of the City. An unqualified opinion is the most common type of auditor's report.

Management's Discussion and Analysis, pages 8-16, is prepared by the City to discuss the major activities/changes that have occurred during FY 2021 and a little bit of insight into the next budget year.

Exhibit A, pages 18 and 19, summarizes all revenues and expenses by the major governmental activities (public safety, public works, etc.), business type activities and general receipts. Exhibit B (pages 20-21) and Exhibit D (pages 24-25) summarize the same revenues and expenses as Exhibit A by the major funds resulting in the ending balances as of June 30, 2021. Also, the Schedule of Findings and Questioned Costs are presented on pages 76 through 81.

Jennifer Walkup, CPA Manager, Feldmann & Company CPAs, P.C., plans to present the audit report to Council. If you have any questions about the audit report, please feel free to contact Jennifer Walkup or myself at City Hall.

**RECOMMENDATION:** Council consideration and acceptance of the F.Y. 2020-2021 Annual Financial Statement Audit.

**CITY OF CARROLL**  
**INDEPENDENT AUDITOR'S REPORTS**  
**BASIC FINANCIAL STATEMENTS**  
**SUPPLEMENTARY AND OTHER INFORMATION**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2021**

*Feldmann & Company CPAs, P.C.*  
523 North Main Street  
Carroll, Iowa 51401





Table of Contents

	<u>Page</u>
Officials	4
Independent Auditor's Report	5-7
Management's Discussion and Analysis	8-16
Basic Financial Statements:	<u>Exhibit</u>
Government-wide Financial Statements:	
Cash Basis Statement of Activities and Net Position	A 18-19
Government Fund Financial Statements:	
Statement of Cash Receipts, Disbursements and Changes in Cash Balance –	B 20-21
Reconciliation of the Statement of Cash Receipts, Disbursements and Changes in Cash Balances to the Cash Basis Statement of Activities and Net Position –	C 22
Proprietary Fund Financial Statements:	
Statement of Cash Receipts, Disbursements and Changes in Cash Balance –	D 24-25
Reconciliation of the Statement of Cash Receipts, Disbursements and Changes in Cash Balances to the Cash Basis Statement of Activities and Net Position –	E 26
Notes to Financial Statements	27-47
<b>Other Information:</b>	
Budgetary Comparison Schedule of Receipts, Disbursements and Changes in Balances - Budget and Actual (Cash Basis) –	50-51
All Governmental Funds and Proprietary Funds	
Notes to Other Information – Budgetary Reporting	52
Schedule of the City's Proportionate Share of the Net Pension Liability IPERS	53
Schedule of City's Contributions	54-55
Notes to Other Information – Pension Liability	56
Schedule of the City's Proportionate Share of the Net Pension Liability MFPRSI	57
Schedule of City's Contributions	58-59
Notes to Other Information – Pension Liability	60
<b>Supplementary Information:</b>	<u>Schedule</u>
Schedule of Cash Receipts, Disbursements and Changes in Cash Balances – Nonmajor Governmental Funds	1 62-63
Schedule of Cash Receipts, Disbursements and Changes in Cash Balances – Nonmajor Proprietary Funds	2 64-65
Schedule of Indebtedness	3 66-67
Bond and Note Maturities	4 68
Schedule of Cash Receipts, Disbursements and Changes in Cash Balance- Capital Projects Funds	5 70-71
Schedule of Receipts by Source and Disbursements by Function – All Government Fund Types	6 72-73
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements in Accordance with <u>Government Auditing Standards</u>	74-75
Schedule of Findings and Questioned Costs	76-81

## City of Carroll

### Officials

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Eric Jensen	Mayor	December 31, 2021
Michael Kots	Council Member - Ward 1	December 31, 2021
Misty Boes	Council Member - Ward 2	December 31, 2023
Clay Haley	Council Member - Ward 3	December 31, 2021
Carolyn Siemann	Council Member - Ward 4	December 31, 2023
Jerry Fleshner	Council Member - At-Large	December 31, 2021
	Mayor Pro Tempore	
LaVern Dirx	Council Member - At-Large	December 31, 2023
Michel Pogge-Weaver	City Manager	June 30, 2021 (1)
Laura Schaefer	City Clerk, Treas. & Finance Dir.	June 30, 2021 (2)
Debra K. Goetzinger	Deputy City Clerk	June 30, 2021 (2)
Randall M. Krauel	Public Works Director	June 30, 2021 (2)
Jack Wardell	Parks and Recreation Director	June 30, 2021 (2)
David S. Bruner	City Attorney	Indefinite (1)
Brad Burke	Chief of Police	June 30, 2021 (2)
Greg Schreck	Building/Fire Safety Official	June 30, 2021(2)
Rachel Van Erdewyk	Library Director	June 30, 2021 (2)
Lisa Auen	Library Trustee	December 31, 2025
Dale Schmidt	Library Trustee	December 31, 2025
Brenda Hogue	Library Trustee Sec.	December 31, 2024
Thomas Parish	Library Trustee Vice Pres.	December 31, 2024
Marcie Hircock	Library Trustee	December 31, 2024
Kyle Ulveling	Library Trustee	December 31, 2022
Ralph Von Qualen (County Representative)	Library Trustee	December 31, 2022
Julie Perkins	Library Trustee	December 31, 2022
Summer Parrott	Library Trustee President	December 31, 2026
Greg Siemann	Airport Commissioner	December 31, 2026
Norman Hutcheson	Airport Commissioner/Chairman	December 31, 2022
Gene Vincent	Airport Commissioner	December 31, 2023
Richard Fulton	Airport Commissioner	December 31, 2024
Kevin Wittrock	Airport Commissioner	December 31, 2024

(1) Not Elected - No specific term - Employment Agreement is in effect until terminated by either party.

(2) No specific term - Salary approved to the date shown.

*Feldmann & Company C.P.A.s, P.C.*

523 North Main Street  
Carroll, Iowa 51401  
(712) 792-2464

Independent Auditor's Report

To the Honorable Mayor and Members of the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Carroll, Iowa, as of and for the year ended June 30, 2021, and the related Notes to Financial Statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the

City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the City of Carroll at June 30, 2021, and the respective changes in cash basis financial position for the year then ended in accordance with the basis of accounting described in Note 1.

### Basis of Accounting

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

### Other Matters

#### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Carroll's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the twenty-four years ended June 30, 2020, (which are not presented herein) and expressed unmodified opinions on those financial statements which were prepared on the basis of cash receipts and disbursements. The supplementary information included in Schedules 1 through 6, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

The other information, Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of the City's Proportionate Share of the Net Pension

Liability and the Schedule of City's Contributions on pages 50 through 52 and pages 53 through 60 has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

#### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 9, 2021, on our consideration of the City of Carroll's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 the City's 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 of Carroll's internal control over financial reporting and compliance.

*Feldmann & Company CPAs, P.C.*

Feldmann & Company CPAs, P.C.

November 9, 2021

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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The City of Carroll 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, 2021. We encourage readers to consider this information in conjunction with the City's financial statements, which follow.

### **FINANCIAL HIGHLIGHTS**

- The City's governmental funds' receipts decreased 7.0% or approximately \$1,112,000 from fiscal year 2020 (FY 20). The main reason for the decrease was no debt was issued in fiscal year 2021 (FY 21); however, the decrease was offset by an increase in operating grants and contributions.
- Disbursements of the City's governmental activities also decreased \$1,555,000, or about 9.8%, from FY 20. Capital Projects is the main reason for the decrease.
- The City's total cash basis net position increased about 4.7%, or approximately \$1,090,000, from June 30, 2020 to June 30, 2021. Of this amount, the cash basis net position of the governmental activities increased approximately \$683,000 and the cash basis net position of the business type activities increased approximately \$407,000.

### **USING THIS ANNUAL REPORT**

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

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

The Government-wide Financial Statement consists of a Cash Basis Statement of Activities and Net Position. This statement provides information about the activities of the City as a whole and presents an overall view of the City's finances.

The Fund Financial Statements tell how governmental services were financed as well as what remains for future spending. Fund financial statements report the City's operations in more detail than the government-

wide financial statement by providing information about the most significant funds.

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

Other Information further explains and supports the financial statements with a comparison of the City's budget for the year and the City's proportionate share of the net pension liability and related contributions.

Supplementary Information provides detailed information about the nonmajor governmental funds and the City's indebtedness.

## **BASIS OF ACCOUNTING**

The City maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the City are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with U.S. generally accepted accounting principles. Therefore, when reviewing the financial information and discussion within this annual report, readers should keep in mind the limitations resulting from the use of the cash basis of accounting.

## **REPORTING THE CITY'S FINANCIAL ACTIVITIES**

### *Government-wide Financial Statement*

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Cash Basis Statement of Activities and Net Position reports information which helps answer this question.

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

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

- Governmental Activities include public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service and capital projects.

Property taxes, user fees and state and federal grants finance most of these activities.

- Business Type Activities of the City include water utility, sanitary sewer utility and the storm water utility 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: 1) the General Fund, 2) the Special Revenue Funds such as Road Use Tax Fund and Local Option Sales Tax Fund, 3) the Debt Service Fund, 4) the Capital Projects Funds and 5) the Permanent Funds. The governmental fund financial statements provide a detailed view of the City's general government 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 statement for governmental funds is a Statement of Cash Receipts, Disbursements and Changes in Cash Balances.

- 2) Proprietary funds account for the City's Enterprise Funds and the Internal Service Fund. Enterprise Funds are used to report business-type activities. The City maintains Enterprise Funds to provide separate information for the water, sewer and storm water funds, considered to be major funds of the City. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

The required financial statement for proprietary funds is a Statement of Cash Receipts, Disbursements and Changes in Cash Balances.

Reconciliations between the government-wide financial statement and the fund financial statements follow the fund financial statements.

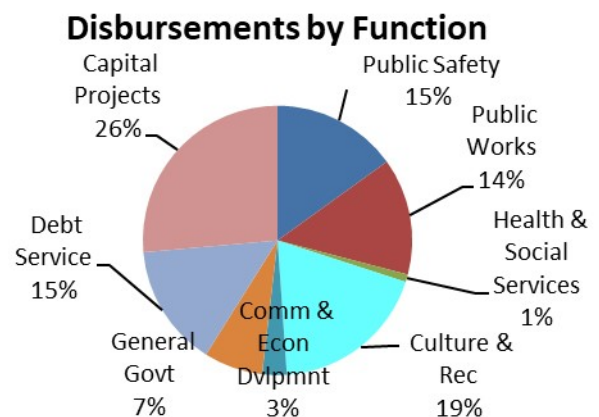
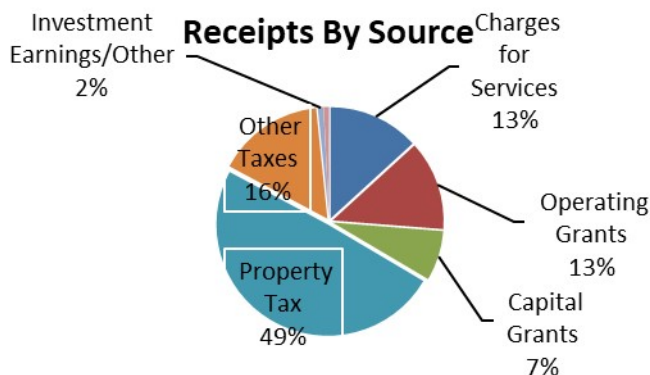
### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of financial position. The City's cash balance for governmental activities increased from a year ago, increasing from \$14.896 million to \$15.579 million. The analysis that follows focuses on the changes in cash basis net position of governmental activities.



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

	2021	2020
<b>Receipts &amp; Transfers:</b>		
<b>Program Receipts:</b>		
Charges for Services & Sales	\$ 1,964	\$ 1,847
Operating Grants, Contributions and Restricted Interest	1,935	1,501
Capital Grants, Contributions and Restricted interest	1,077	1,325
<b>General Receipts</b>		
Property Tax	7,329	7,053
Other Taxes	2,312	2,161
Franchise Tax & Fees	123	106
Unrestricted Investment Earnings	113	239
Bond Proceeds	-	1,734
Other General Receipts	6	5
<b>Total Receipts</b>	<b>14,859</b>	<b>15,971</b>
<b>Disbursements:</b>		
Public Safety	2,155	2,226
Public Works	2,003	2,039
Health & Social Services	129	93
Culture & Recreation	2,706	2,618
Community & Economic Development	420	190
General Government	1,013	1,209
Debt Service	2,099	2,031
Capital Projects	3,775	5,449
<b>Total Disbursements</b>	<b>14,300</b>	<b>15,855</b>
Change in cash basis net position before transfers	559	116
Transfers, net	124	1,164
Change in cash basis net position	683	1,280
Cash basis net position beginning of the year	14,896	13,616
Cash basis net position end of year	<b>\$ 15,579</b>	<b>\$ 14,896</b>



The City's total receipts for governmental activities decreased by 7.0% (\$1,112,000). The total cost of all programs and services decreased by approximately \$1,555,000, or about 9.8%. The primary decrease in receipts is mainly due to no debt issued in FY 21 where debt was issued in FY 20. The decrease in disbursements is mainly due to less capital project expenditures.

The City maintained the property tax rate for FY 21. An increased taxable valuation generated approximately \$276,000 more property tax revenue (including TIF collections). The City's total assessed valuation increased about 3.89% from FY 20 with the residential rollback decreasing 1.8437%. Based on a slight increase in the total assessed valuation and a slight increase in the property tax rate, property tax receipts are budgeted to modestly increase about \$103,000, or 1.67%, in FY 22.

The cost of all governmental activities this year was approximately \$14.300 million compared to approximately \$15.855 million last year. However, as shown in the Statement of Activities and Net Position on pages 18-19, the amount taxpayers ultimately financed for these activities was only \$9.324 million because some of the cost was paid by those directly benefited from the programs (\$1.964 million) or by other governments and organizations which funded certain programs with grants, contributions and restricted interest (\$3.012 million).

The City paid the remaining "public benefit" portion of governmental activities with property tax (some of which could only be used for certain programs) and with other receipts including hotel/motel tax, local option sales tax, cable franchise fees, interest and other miscellaneous receipts. Overall, the City's governmental activities program receipts, including governmental aid and fees for service, increased in FY 21 from approximately \$4.673 million to \$4.976 million, principally due to an increase in charges for services and operating grants and contributions received to combat the COVID-19 pandemic. Road Use Tax receipts were also up about \$213,000 from FY 20.

## Business-Type Activities

### Changes in Cash Basis Net Position of Business-Type Activities (Expressed in Thousand)

	2021	2020
Receipts & Transfers:		
Program Receipts:		
Charges for Services & Sales		
Water	\$ 1,600	\$ 1,462
Sewer	2,109	2,103
Storm Water	265	264
General Receipts		
Unrestricted Investment Earnings	109	225
Other General Receipts	196	71
Total Receipts	4,279	4,125
Disbursements:		
Water	960	935
Water - Capital Outlay	1,898	936
Sewer	884	1,191
Sewer - Capital Outlay	-	1,016
Storm Water	7	7
Storm Water – Capital Outlay	-	348
Total Disbursements	3,749	4,433
Change in cash basis net position before transfers	530	(308)
Transfers, net	(124)	(1,164)
Change in cash basis net position	406	(1,472)
Cash basis net position beginning of the year	8,441	9,913
Cash basis net position end of year	\$ 8,847	\$ 8,441

The cash balance at June 30, 2021 was \$8,847,000, an increase of approximately \$406,000. Revenues increased \$154,000 from FY 20 mainly due to an increase in user fees for water and a grant received for a sewer capital project.

Total disbursements decreased by \$684,000 or 15.4% from FY 20 due mainly to no capital expenditures were made for the Sewer and Storm Water Departments in FY 21.

### **INDIVIDUAL MAJOR GOVERNMENTAL FUND ANALYSIS**

As the City completed the year, its governmental funds reported a combined fund balance of \$15,579,000, an increase of approximately \$683,000 from last year's

total of \$14,896,000. The following are the major reasons for the changes in cash balances from the prior year for the City's major funds.

- The General Fund cash balance increased \$629,800 from the prior year to \$4,940,528, which is approximately 60.7% of General Fund receipts. The General Fund balances are projected to be spent down to 25% of receipts over the next few years. These additional cash reserves are intended to be used for various projects and one-time expenditures.
- The Special Revenue Road Use Tax (RUT) Fund cash balance increased by \$611,013 to \$2,358,984. The City intends to use this money to upgrade the condition of City roads.
- The Special Revenue Local Option Sales Tax (LOST) Fund cash balance increased by \$295,052 to \$928,760. The City intends to use this money for future City projects.
- The Debt Service cash balance increased by \$4,212 to \$92,875. This balance will be used for future principal and interest payments.
- The Capital Projects Funds balance on June 30, 2021 was \$6,316,981, a decrease of \$958,044 from FY 20. The decrease in cash balance is mainly due to the expenses paid for the Streets Maintenance Building and Corridor of Commerce projects.

### **INDIVIDUAL MAJOR BUSINESS TYPE FUND ANALYSIS**

- The cash balance of the Water Utility Fund decreased by \$241,954 to \$1,381,069. The decrease was mainly due to transfers out to fund water capital improvement projects.
- The cash balance of the Sewer Utility Fund increased by approximately \$393,050 to \$4,045,037. The accumulation of cash reserves is for future operating costs and capital expenditures.
- The cash balance of the Storm Water Utility Fund increased approximately \$166,554 to \$1,004,920. The accumulation of cash reserves is for future operating costs and capital expenditures.

### **BUDGETARY HIGHLIGHTS**

In accordance with the Code of Iowa, the City Council annually adopts a budget following required public notice and hearings for all funds. Although the budget document presents functional disbursements by fund, the legal level of control is

at the aggregated function level, not at the fund or fund type level. The budget may be amended during the year utilizing similar statutorily prescribed procedures. Over the course of the year, the City amended its budget two times. The first amendment was approved on October 26, 2020, and resulted in an increase in disbursements (including transfers) of \$1,910,613 and an increase in revenues and other financing sources of \$662,040. The amendment was primarily to account for COVID-19 grants and expenses and other FY 20 carryover projects including various parks and recreation expenses including removal of ash trees, mowers, truck purchases, and other capital projects including airport runway maintenance, pickleball courts, youth sports complex lighting, trails construction and Library/City Hall remodel project. The seconded budget amendment was approved on May 24, 2021, and resulted in an increase in disbursements of \$1,043,311 and an increase in revenues and other financing sources of \$627,059. The amendment was to account for a railroad quiet zone study, water tower improvements and various transfers from one fund to another fund.

After the budget amendments, the City's receipts were about \$497,802 more than the amended budget mainly due to more delinquent property taxes, cable franchise fees and local option sales tax receipts received than budgeted. Total disbursements were \$9.0 million less than the amended budget. This was primarily due to the delay of some capital purchases, unfinished construction projects and less than anticipated operating expenses.

**DEBT ADMINISTRATION**

At year-end, the City had \$8,627,000 in bonds and other long-term debt compared to \$10,436,000 last year as shown below.

Outstanding Debt at Year-End (Expressed in Thousands)		
	2021	2020
General Obligation Capital Loan Notes	\$5,870	\$7,040
Sewer Revenue Bonds	2,757	3,396
Total	\$8,627	\$10,436

Debt decreased as a result of principal payments made while no new debt was issued in FY 21. Principal payments totaled \$1,809,000.

The Constitution of the State of Iowa limits the amount of general obligation debt that cities can issue to 5% of the assessed value of all taxable property within the City's corporate limits. The City's outstanding general obligation debt of \$5,870,000 is well below the City's \$44.9 million legal debt limit.

More detailed information about the City's long-term debt is presented in Note 3 of the financial statements.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The City's citizens and elected and appointment officials considered many factors when setting the 2022 fiscal year budget, associated tax rates and fees for services. One of those factors is the local economy. The regional economy is stable. Unemployment for Carroll County was at a rate of about 3.1% (January 2021 Local Area Unemployment Statistics for Carroll County obtained from Iowa Workforce Development) which is up slightly from the January 2020 unemployment rate of 2.3%. This is compared to the State's unemployment rate of 3.5% (January 2021) and the national rate of 6.3% (January 2021).

These indicators were taken into account when adopting the budget for fiscal year 2022 (FY 22). FY 22 budgeted revenues are expected to be approximately \$1.5 million less than final FY 21 budget mainly due less intergovernmental receipts (grants for capital projects) anticipated compared to FY 21. FY 22 budgeted disbursements are expected to be about \$7.2 million less than FY 21 final budgeted disbursements mainly due to less capital projects.

If budget estimates are realized, the City's budgeted cash balance is expected to decrease approximately \$2.0 million by the close of FY 22.

### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Laura Schaefer, City Clerk, 627 N. Adams Street, Carroll, IA 51401.

**City of Carroll**

**Basic Financial Statements**

**City of Carroll**  
**Statement of Activities and**  
**Net Position - Cash Basis**  
**Year ended June 30, 2021**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for Services</b>
<b>Governmental Activities</b>		
Public Safety Program	\$ 2,155,355.47	\$ 146,131.63
Public Works Program	2,002,571.12	642,622.99
Health and Social Services Program	129,325.00	13,080.00
Culture and Recreation Program	2,705,468.41	1,121,508.20
Community & Economic Development Program	419,988.71	1,200.00
General Government	1,013,282.00	39,350.81
Debt Service	2,098,862.52	-
Capital Projects	3,775,485.94	-
Total governmental activities	<u>14,300,339.17</u>	<u>1,963,893.63</u>
<b>Business Type Activities</b>		
Water	2,858,865.11	1,600,111.61
Sewer	883,748.31	2,109,306.36
Storm Water	6,795.00	265,032.87
Total business type activities	<u>3,749,408.42</u>	<u>3,974,450.84</u>
<b>Total</b>	<u>\$ 18,049,747.59</u>	<u>\$ 5,938,344.47</u>
General Receipts:		
Property Taxes levied for:		
General purpose		
Debt Service		
Tax Increment Financing		
Property Tax Replacement		
Hotel Motel Tax		
Local Option Sales Tax		
Franchise taxes and fees		
Unrestricted investment earnings		
Bond Proceeds		
Miscellaneous		
Transfers		
Total general receipts and transfers		
Changes in Cash Balance		
Cash Balance beginning of year		
Cash Balance end of year		
<b>Cash Basis Net Position</b>		
Restricted:		
Nonexpendable - Cemetery Perpetual Care		
- Rec Center Trust		
Expendable - Debt Service		
- Streets		
- Other purposes		
Unrestricted		
<b>Total Cash Basis Net Position</b>		



Exhibit A

Program Revenues		Net (Disbursements) Receipts		
Operating Grants Contributions and Restricted Interest	Capital Grants Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total
\$ 36,376.97	\$ -	\$ (1,972,846.87)	\$ -	\$ (1,972,846.87)
1,515,986.46	-	156,038.33	-	156,038.33
49,050.00	-	(67,195.00)	-	(67,195.00)
99,941.14	-	(1,484,019.07)	-	(1,484,019.07)
-	-	(418,788.71)	-	(418,788.71)
233,696.63	-	(740,234.56)	-	(740,234.56)
-	-	(2,098,862.52)	-	(2,098,862.52)
-	1,077,219.01	(2,698,266.93)	-	(2,698,266.93)
1,935,051.20	1,077,219.01	(9,324,175.33)	-	(9,324,175.33)
-	-	-	(1,258,753.50)	(1,258,753.50)
-	-	-	1,225,558.05	1,225,558.05
-	80,000.00	-	338,237.87	338,237.87
-	80,000.00	-	305,042.42	305,042.42
\$ 1,935,051.20	\$ 1,157,219.01	(9,324,175.33)	305,042.42	(9,019,132.91)
		5,341,175.39	-	5,341,175.39
		866,865.72	-	866,865.72
		1,120,790.11	-	1,120,790.11
		218,036.16	-	218,036.16
		189,014.14	-	189,014.14
		1,905,365.23	-	1,905,365.23
		122,706.26	-	122,706.26
		112,975.20	109,119.29	222,094.49
		-	-	-
		6,589.75	116,311.53	122,901.28
		124,007.00	(124,007.00)	-
		10,007,524.96	101,423.82	10,108,948.78
		683,349.63	406,466.24	1,089,815.87
		14,896,002.58	8,440,864.94	23,336,867.52
		\$ 15,579,352.21	\$ 8,847,331.18	\$ 24,426,683.39
		\$ 569,171.51	\$ -	\$ 569,171.51
		65,224.25	-	65,224.25
		92,874.55	-	92,874.55
		2,358,983.60	-	2,358,983.60
		1,570,497.38	-	1,570,497.38
		10,922,600.92	8,847,331.18	19,769,932.10
		\$ 15,579,352.21	\$ 8,847,331.18	\$ 24,426,683.39

**City of Carroll**  
**Statement of Cash Receipts, Disbursements**  
**and Changes in Cash Balances**  
**Governmental Funds**  
**Year ended June 30, 2021**

	<u>Special Revenue</u>		<u>Special Revenue</u>	
	<u>General</u>	<u>Road Use Tax</u>	<u>Local Option Sales Tax</u>	
<b>Receipts:</b>				
Property tax	\$ 4,436,479.06	\$ -	\$ -	
Other Taxes	311,720.40	-	1,905,365.23	
Use of money and property	93,431.83	-	9,064.98	
Licenses and permits	75,454.31	-	-	
Intergovernmental	501,467.59	1,512,037.68	-	
Charges for service	1,634,549.35	-	-	
Special assessments	-	-	-	
Fines and fees	68,379.13	-	-	
Miscellaneous	128,030.65	-	-	
<b>Total receipts</b>	<u>7,249,512.32</u>	<u>1,512,037.68</u>	<u>1,914,430.21</u>	
<b>Disbursements:</b>				
Public Safety	2,154,387.44	-	-	
Public Works	1,227,816.22	769,435.63	-	
Health and Social Services	129,325.00	-	-	
Culture and Recreation	2,677,497.81	-	15,777.00	
Community and Economic Development	136,545.16	-	112,212.00	
General Government	1,015,121.89	-	-	
Debt Service	-	-	-	
Capital Projects	-	-	-	
<b>Total disbursements</b>	<u>7,340,693.52</u>	<u>769,435.63</u>	<u>127,989.00</u>	
Excess (deficiency) of receipts over (under) disbursements	<u>(91,181.20)</u>	<u>742,602.05</u>	<u>1,786,441.21</u>	
Other financing sources (uses):				
Bond/note proceeds	-	-	-	
Operating transfers in	888,225.31	118,411.02	43,896.41	
Operating transfers(out)	<u>(167,243.62)</u>	<u>(250,000.00)</u>	<u>(1,535,286.00)</u>	
Total other financing sources (uses)	<u>720,981.69</u>	<u>(131,588.98)</u>	<u>(1,491,389.59)</u>	
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	629,800.49	611,013.07	295,051.62	
<b>Cash balance beginning of year</b>	<u>4,310,727.34</u>	<u>1,747,970.53</u>	<u>633,708.47</u>	
<b>Cash balance end of year</b>	<u>\$ 4,940,527.83</u>	<u>\$ 2,358,983.60</u>	<u>\$ 928,760.09</u>	
<b>Cash Basis Fund Balances</b>				
Unspendable-				
Permanent fund-Cemetery Perpetual Care	\$ -	\$ -	\$ -	
-Rec Center Trust	-	-	-	
Restricted for Debt Service	-	-	-	
Streets	-	2,358,983.60	-	
Urban Renewal purposes	-	-	-	
Other purposes	475,373.06	-	928,760.09	
Committed	-	-	-	
Assigned	257,517.00	-	-	
Unassigned	4,207,637.77	-	-	
<b>Total cash basis fund balances</b>	<u>\$ 4,940,527.83</u>	<u>\$ 2,358,983.60</u>	<u>\$ 928,760.09</u>	

Exhibit B

Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total
\$ 866,865.72	\$ -	\$ 2,025,486.44	\$ 7,328,831.22
-	-	-	2,217,085.63
-	49,375.28	6,808.11	158,680.20
-	-	-	75,454.31
26,584.90	989,687.23	56,114.62	3,085,892.02
-	-	5,760.00	1,640,309.35
-	-	-	-
-	-	-	68,379.13
-	87,531.78	69,487.50	285,049.93
<u>893,450.62</u>	<u>1,126,594.29</u>	<u>2,163,656.67</u>	<u>14,859,681.79</u>
-	-	4,154.67	2,158,542.11
-	-	-	1,997,251.85
-	-	-	129,325.00
-	-	6,062.57	2,699,337.38
-	-	171,231.55	419,988.71
-	-	-	1,015,121.89
2,098,862.52	-	-	2,098,862.52
-	3,775,485.94	-	3,775,485.94
<u>2,098,862.52</u>	<u>3,775,485.94</u>	<u>181,448.79</u>	<u>14,293,915.40</u>
<u>(1,205,411.90)</u>	<u>(2,648,891.65)</u>	<u>1,982,207.88</u>	<u>565,766.39</u>
-	-	-	-
1,209,624.32	1,734,743.62	-	3,994,900.68
-	(43,896.41)	(1,874,467.65)	(3,870,893.68)
<u>1,209,624.32</u>	<u>1,690,847.21</u>	<u>(1,874,467.65)</u>	<u>124,007.00</u>
4,212.42	(958,044.44)	107,740.23	689,773.39
<u>88,662.13</u>	<u>7,275,025.73</u>	<u>839,908.38</u>	<u>14,896,002.58</u>
<u>\$ 92,874.55</u>	<u>\$ 6,316,981.29</u>	<u>\$ 947,648.61</u>	<u>\$ 15,585,775.97</u>
\$ -	\$ -	\$ 569,171.51	\$ 569,171.51
-	-	65,224.25	65,224.25
92,874.55	-	-	92,874.55
-	-	-	2,358,983.60
-	-	166,364.23	166,364.23
-	-	-	1,404,133.15
-	6,316,981.29	-	6,316,981.29
-	-	146,888.62	404,405.62
-	-	-	4,207,637.77
<u>\$ 92,874.55</u>	<u>\$ 6,316,981.29</u>	<u>\$ 947,648.61</u>	<u>\$ 15,585,775.97</u>

See notes to financial statements.

City of Carroll

**Reconciliation of the Statement of Cash Receipts, Disbursements  
and Changes in Cash Balances  
to the Cash Basis Statement of Activities and Net Position  
Governmental Funds**

**As of and for the year ended June 30, 2021**

Total governmental funds cash balances (page 21)	\$15,585,775.97
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*Amounts reported for governmental activities in the Cash Basis  
Statement of Activities and Net Position are different because:*

The Internal Service Fund is used by management to charge the costs of health insurance and self-funding of the City's health insurance benefit plan to individual funds. A portion of the cash balance of the Internal Service Fund is included in the governmental activities in the Cash Basis Statement of Activities and Net Position.

	<u>(6,423.76)</u>
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Cash Basis net position of Governmental activities (page 19)	<u>\$15,579,352.21</u>
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Change in cash balances (page 21)	\$ 689,773.39
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*Amounts reported for business type activities in the Cash Basis  
Statement of Activities and Net Position are different because:*

The Internal Service Fund is used by management to charge the costs of health insurance and self-funding of the City's health insurance benefit plan to individual funds. A portion of the change in the cash balance of the Internal Service Fund is reported with the governmental activities in the Cash Basis Statement of Activities and Net Position.

	<u>(6,423.76)</u>
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Change in cash basis net position of governmental activities (page 19)	<u>\$ 683,349.63</u>
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See notes to financial statements.

# City of Carroll

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

Year ended June 30, 2021

	<b>Enterprise Funds</b>		
	<b>Major Fund</b>	<b>Major Fund</b>	<b>Major Fund</b>
	<b>Water</b>	<b>Sewer</b>	<b>Storm Water</b>
<b>Operating receipts:</b>			
Charges for service	\$ 1,600,111.61	\$ 2,109,306.36	\$ 265,032.87
<b>Total operating receipts</b>	<u>1,600,111.61</u>	<u>2,109,306.36</u>	<u>265,032.87</u>
<b>Operating disbursements:</b>			
Governmental activities:			
Public Safety	-	-	-
Public works	-	-	-
Cultural and recreational	-	-	-
General government	-	-	-
Business-type activities:	<u>949,875.15</u>	<u>884,908.06</u>	<u>6,795.00</u>
<b>Total operating disbursements</b>	<u>949,875.15</u>	<u>884,908.06</u>	<u>6,795.00</u>
Excess (deficiency) of operating receipts over (under) operating disbursements	<u>650,236.46</u>	<u>1,224,398.30</u>	<u>258,237.87</u>
<b>Non-operating receipts (disbursements)</b>			
Use of money and property	56,671.04	30,969.74	7,071.02
Miscellaneous	38,177.28	19,650.36	1,245.39
Capital Outlay	-	-	-
<b>Net non-operating receipts (disbursements)</b>	<u>94,848.32</u>	<u>50,620.10</u>	<u>8,316.41</u>
Other financing sources (uses):			
Bond/note proceeds	-	-	-
Operating transfers in	906,230.00	-	-
Operating transfers (out)	(1,893,269.00)	(881,968.00)	(100,000.00)
Total other financing sources (uses)	<u>(987,039.00)</u>	<u>(881,968.00)</u>	<u>(100,000.00)</u>
Excess of receipts and other financing sources over disbursements and other financing uses	(241,954.22)	393,050.40	166,554.28
<b>Cash balance beginning of year</b>	<u>1,623,023.54</u>	<u>3,651,986.89</u>	<u>838,365.26</u>
<b>Cash balance end of year</b>	<u>\$ 1,381,069.32</u>	<u>\$ 4,045,037.29</u>	<u>\$ 1,004,919.54</u>
<b>Cash Basis Fund Balances</b>			
Restricted	\$ -	\$ -	\$ -
Committed	-	-	-
Assigned	-	-	-
Unrestricted	<u>1,381,069.32</u>	<u>4,045,037.29</u>	<u>1,004,919.54</u>
<b>Total cash basis fund balances</b>	<u>\$ 1,381,069.32</u>	<u>\$ 4,045,037.29</u>	<u>\$ 1,004,919.54</u>

Exhibit D

Other Non-Major Proprietary	Total	Internal Service Employee Health
\$ -	\$ 3,974,450.84	\$ 548,606.31
-	3,974,450.84	548,606.31
-	-	\$ 152,179.70
-	-	95,455.19
-	-	166,967.30
-	-	47,304.53
9,285.00	1,850,863.21	93,553.82
9,285.00	1,850,863.21	555,460.54
(9,285.00)	2,123,587.63	(6,854.23)
14,407.49	109,119.29	
137,238.50	196,311.53	-
(1,898,114.74)	(1,898,114.74)	-
(1,746,468.75)	(1,592,683.92)	-
-	-	
1,845,000.00	2,751,230.00	-
-	(2,875,237.00)	-
1,845,000.00	(124,007.00)	-
89,246.25	406,896.71	(6,854.23)
2,327,489.25	8,440,864.94	958,206.61
\$ 2,416,735.50	\$ 8,847,761.65	\$ 951,352.38
\$ -	\$ -	\$ 951,352.38
2,416,735.50	2,416,735.50	-
-	-	-
-	6,431,026.15	-
\$ 2,416,735.50	\$ 8,847,761.65	\$ 951,352.38

See notes to financial statements.

**Exhibit E**

**City of Carroll**

**Reconciliation of the Statement of Cash Receipts, Disbursements  
And Changes in Cash Balances  
to the Cash Basis Statement of Activities and Net Position  
Proprietary Funds  
As of and for the year ended June 30, 2021**

Total enterprise funds cash balances (page 25) \$ 8,847,761.65

*Amounts reported for business type activities in the Cash Basis  
Statement of Activities and Net Position are different because:*

The Internal Service Fund is used by management to charge the costs of health insurance and self-funding of the City's health insurance benefit plan to individual funds. A portion of the cash balance of the Internal Service Fund is included in the business type activities in the Cash Basis Statement of Activities and Net Position. (430.47)

Cash Basis net position of Business type activities (page 19) \$ 8,847,331.18

Change in cash balances (page 25) \$ 406,896.71

*Amounts reported for business type activities in the Cash Basis  
Statement of Activities and Net Position are different because:*

The Internal Service Fund is used by management to charge the costs of health insurance and self-funding of the City's health insurance benefit plan to individual funds. A portion of the change in the cash balance of the Internal Service Fund is reported with the business type activities in the Cash Basis Statement of Activities and Net Position. (430.47)

Change in cash basis net position of business type activities (page 19) \$ 406,466.24

See notes to financial statements.



## City of Carroll

### Notes to Financial Statements

June 30, 2021

#### Note 1 - Summary of Significant Accounting Policies

The City of Carroll is a political subdivision of the State of Iowa located in Carroll County. It was first incorporated in 1869 and operates under the Home Rule provisions of the Constitution of Iowa. The City operates under the Mayor-Council form of government with the Mayor and Council Members elected on a non-partisan basis. The City provides numerous services to citizens including public safety, public works, health and human services, culture and recreation, community and economic developments, and general government services. The City also provides water, sewer and storm water utilities for its citizens.

##### A. Reporting Entity

For financial reporting purposes, the City of Carroll has included all funds, organizations, agencies, boards, commissions and authorities. The City has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the City. The City has no component units that meet the Governmental Accounting Standards Board criteria.

##### Jointly Governed Organizations

The City also participates in several jointly governed organizations that provide goods or services to the citizenry of the City but do 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 and commissions: Carroll County Assessor's Conference Board, Carroll County Solid Waste Commission, City/County Communications Committee, Carroll County Regional Planning Commission, County Emergency Management Commission and County Joint E911 Service Board, Carroll Area Access Television 6 (CAAT6) Board, and Carroll Foundation.

##### B. Basis of Presentation

Government-Wide Financial Statements – The Cash Basis Statement of Activities and Net Position reports information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from this statement.

Governmental activities, which are supported by tax and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for service.

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

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

*Expendable restricted net position* results when constraints placed on the use of cash balances are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net position* consists of cash balances not meeting the definition of the preceding categories. Unrestricted net position is often subject to the constraints imposed by management which can be removed or modified.

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

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

The City reports the following major governmental funds:

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

#### Special Revenue

Road Use Tax is used to account for the road use tax allocation from the State of Iowa

to be used for road construction and maintenance.

Local Option Sales Tax is used to account for a voter approved optional sales tax imposed on all sales within the electing jurisdiction. Revenue from this tax must be spent on the specific purposes set forth in the election ballot if other than property tax relief.

The Debt Service Fund is utilized to account for property tax and other receipts to be used for the payment of interest and principal on the City's general long term debt.

The Capital Projects Funds are utilized to account for all resources used in the acquisition and construction of capital facilities, with the exception of those that are financed through enterprise funds.

The City reports the following major proprietary funds:

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

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

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

The City also reports the following additional proprietary fund:

An Internal Service Fund is utilized to account for the financing of health insurance services provided to other departments on a cost reimbursement basis.

C. Measurement Focus and Basis of Accounting

The City of Carroll maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the City are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with U.S. generally accepted accounting principles.

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

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

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

D. Property Taxes and Governmental Cash Basis Fund Balances:

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

Property tax revenues recognized in these funds become due and collectible in September and March of the current fiscal year with a 1 ½ % per month penalty for delinquent payments: is based on January 1, 2019, assessed property valuations: is for the tax accrual period July 1, 2020, through June 30, 2021, and reflects tax asking contained in the budget certified to the City Council in March 2020.

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

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

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

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

Unassigned – All amounts not included in the preceding classifications.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Other Information. During the year ended June 30, 2021, there were no disbursements that exceeded the amounts budgeted in the general government and business type activities functions.

**Note 2 - Cash and Pooled Investments**

The City's deposits in banks at June 30, 2021, 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 ensure there will be no loss of public funds.

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

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

### Note 3 - Bonds and Notes Payable

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

Year Ending June 30,	Sewer Revenue Bonds		General Obligation Capital Loan Notes		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	659,000	48,248	1,085,000	187,935	1,744,000	236,183
2023	678,000	36,715	915,000	159,975	1,593,000	196,690
2024	699,000	24,850	655,000	136,908	1,354,000	161,758
2025	721,000	12,618	370,000	118,065	1,091,000	130,683
2026-33	-	-	2,845,000	421,853	2,845,000	421,853
	<b>\$ 2,757,000</b>	<b>\$ 122,430</b>	<b>\$ 5,870,000</b>	<b>\$ 1,024,735</b>	<b>\$ 8,627,000</b>	<b>\$ 1,147,165</b>

The Code of Iowa requires that principal and interest on general obligation bonds be paid from the Debt Service fund.

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

The funds to pay principal and interest will be provided from the levied direct annual tax, except for the sewer revenue bonds that are paid with revenue generated by the sewer enterprise fund.

## **General Obligation, Revenue and Capital Loan Notes**

The City issued \$10,998,000, Revenue Capital Loan Notes, Series 2003, during the year ended June 30, 2004. Capital Loan Notes totaling \$8,000,000 were issued December 23, 2003, and an additional issue on June 9, 2004, of \$2,998,000. These notes will be used to defray the costs of wastewater treatment plant improvements. Interest rate is 3.00%. Interest payments are due semiannually beginning June 1, 2004. Principal and interest payments are paid semiannually starting June 1, 2006. In July 2015 the Iowa Finance Authority negotiated a reduced interest to 1.75% for payments starting in fiscal year 2015.

On April 23, 2015, the City issued \$1,770,000 in General Obligation Capital Loan Notes, Series 2015A, with an interest rate range of .750% to 1.850%. The net proceeds were used to defease/advance refund the GO Bond Series 2008A, in the amount of \$1,715,000.00. The City's designated Paying Agent, UMB Bank, N.A., Kansas City, MO, will pay principal and interest on the Notes; interest payable initially on December 1, 2015, and thereafter interest on each June 1 and December 1, through 2023, principal paid annually starting June 1, 2017.

On November 30, 2016, the City issued \$2,290,000 in General Obligation Capital Loan Notes, Series 2016B, with an interest rate range of .80% to 1.60%. The net proceeds were used to pay costs of cemetery maintenance building and Third Street storm sewer improvements. The City's designated Paying Agent, UMB Bank, N.A., Kansas City, MO, will pay principal and interest on the Notes; interest payable each June 1 and December 1, through 2024, principal paid annually starting June 1, 2017.

On November 14, 2018, the City issued \$4,475,000 in General Obligation Capital Loan Notes, Series 2018B, with an interest rate of 3.35%. Total project was split between 5 local banks. The net proceeds were used to pay costs of the Library/City Hall projects and park/trail improvements. The City will pay principal and interest on the Notes; interest payable each June 1 and December 1, through 2033, principal paid annually starting June 1, 2019. This debt was refunded October 14, 2021.

On March 25, 2020, the City issued \$1,505,000 in General Obligation Capital Loan Notes, Series 2020A, with an interest rate range of 4.00% to 5.00% and a true interest cost of 1.23%. The net proceeds were used to pay for the purchase of a fire truck and the Street Rehab – 2019 Project. The City's designated Paying Agent, UMB Bank, N.A., Kansas City, MO, will pay interest on the Notes; interest payable each June 1 and December 1, through 2029, principal paid annually starting June 1, 2020.

### **Sewer Revenue Notes**

The City has pledged future sewer customer receipts, net of specific operating disbursements, to repay \$10,998,000 of sewer revenue notes issued in FY 2004 with \$8,000,000 issued December 2003 and \$2,998,000 issued June 2004. Proceeds from the notes provided financing for the construction of the wastewater treatment plant

improvements and sanitary relief sewer improvements. The notes are payable solely from customer net receipts and are payable through 2025. Annual principal and interest payments on the notes are expected to require about 60% of net receipts. The total principal and interest remaining to be paid on the notes is \$2,879,430. For the current year, principal and interest paid and total customer net receipts were \$706,920.00 and \$1,184,350.30, respectively.

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

- (a) The notes will only be redeemed from the future earnings of the sewer system activity and the note holders hold a lien on the future earnings of the fund.
- (b) Sufficient monthly transfers shall be made to a separate sewer revenue note sinking account within the Sewer Fund for the purpose of making the note principal and interest payments when due.
- (c) All funds remaining in the sewer account at the close of the month may be deposited in any of the funds created by the resolutions, to pay for extraordinary repairs or replacements to the sewer system, or for any lawful purpose.

#### **Note 4 - Pension Plan**

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](http://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, any time 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, except for members with service before June 30, 2012, will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

Protection occupation members may retire at normal retirement age, which is generally 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 member's monthly IPERS benefit includes:

- 60% of average salary after completion of 22 years of service, plus an additional 1.5% of average salary for more than 22 years of service 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 before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month that the member receives benefits before the member's earliest normal retirement age. For service earned on or after July 1, 2012, the reduction is 0.50% for each month that the member receives benefits before age 65.

Generally, once a member selects a benefits 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 by 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 base 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 2021, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the City contributed 9.44% for a total rate of 15.73%. Protection occupation members contributed 6.41% of covered payroll and the City contributed 9.61% of covered payroll, for a total rate of 16.02%.

The city’s contributions to IPERS for the year ended June 30, 2021, totaled \$291,922.07.

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2021, the City reported a liability of \$ 2,671,516 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportion of the net pension liability was based on the City’s share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2020, the City’s proportion was 0.0382817%, which was a decrease of (0.000252%) from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021 the City’s pension expense, deferred outflows of resources and deferred inflows of resources totaled of \$412,650, \$514,178, and \$284,816 respectively.

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions – The total pension liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, as follows:

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

The actuarial assumptions used in the June 30, 2020, 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 2020 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 IPERS' investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of 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 geometric 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>
Domestic equity	22.0%	4.43%
International equity	17.5	5.15
Global smart beta equity	6.0	4.87
Core plus fixed income	28.0	(0.29)
Public credit	4.0	2.29
Cash	1.0	(0.78)
Private equity	11.0	6.54
Private real assets	7.5	4.48
Private credit	<u>3.0</u>	3.11
Total	100%	

Discount Rate – The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the City will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS' 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 IPERS' investments was applied to all periods of projected benefits payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1% Decrease <u>(6.00%)</u>	Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
City's proportionate share of the net pension liability	\$4,467,975	\$2,671,516	\$ 1,165,230

IPERS' Net Position – Detailed information about IPERS fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at [www.ipers.org](http://www.ipers.org).

### **Municipal Fire and Police Retirement System of Iowa (MFPRSI)**

Plan Description – MFPRSI membership is mandatory for fire fighters and police officers covered by the provisions of Chapter 411 of the Code of Iowa. Employees of the City are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by MFPRSI. MFPRSI issues a stand-alone financial report which is available to the public by mail at 7155 Lake Drive, Suite #201, West Des Moines, Iowa 50266 or at [www.mfprsi.org](http://www.mfprsi.org).

MFPRSI benefits are established under Chapter 411 of the Code of Iowa and the administrative rules thereunder. Chapter 411 of the Code of Iowa and the administrative rules are the official plan documents. The following brief description is providing for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits – Members with 4 or more years of service are entitled to pension benefits beginning at age 55. Full service retirement benefits are granted to members with 22 years of services, while partial benefits are available to those members with 4 to 22 years of service based on the ratio of years completed to the years required (i.e., 22 years). Members with less than 4 years of service are entitled to a refund of their contribution only, with interest, for the period of employment.

Benefits are calculated based upon the member's highest 3 years of compensation. The average of these 3 years becomes the member's average final compensation. The base benefit is 66% of the member's average final compensation. Members who perform more than 22 years of service receive an additional 2% of the member's average final compensation for each additional year of service, up to a maximum of 8 years. Survivor benefits are available to the beneficiary of a retired member according to the provisions of the benefit option chosen plus an additional benefit for each child. Survivor benefits are subject to a minimum benefit for those members who chose the basic benefit with a 50% surviving spouse benefit.

Active members, at least 55 years of age, with 22 or more years of service have the option to participate in the Deferred Retirement Option Program (DROP). The DROP is an arrangement whereby a member who is otherwise eligible to retire and commence benefits opts to continue to work. A member can elect a 3, 4, or 5 year DROP period. When electing to participate in DROP, the member signs a contract stating the member will retire at the end of the selected DROP period. During the DROP period, the member's retirement benefit is frozen, and a DROP benefit is credited to a DROP account established for the member. Assuming the member completes the DROP period, the DROP benefit is equal to 52% of the member's retirement benefit at the member's earliest date eligible and 100% if the member delays enrollment for 24 months. At the member's actual date of retirement, the member's DROP account will be distributed to the member in the form of a lump sum or rollover to an eligible plan.

Disability and Death Benefits – Disability benefits may be either accidental or ordinary. Accidental disability is defined as permanent disability incurred in the line of duty, with benefits equivalent to the greater of 60% of the member's average final compensation or the member's service retirement benefit calculation amount. Ordinary disability occurs outside the call of duty and pays benefits equivalent to the greater of 50% of the member's average final compensation for those with 5 or more years of service or the member's service retirement benefit calculation amount and 25% of average final compensation for those with less than 5 years of service.

Death benefits are similar to disability benefits. Benefits for accidental death are 50% of the average final compensation of the member plus an additional amount for each child, or the provisions for ordinary death. Ordinary death benefits consist of a pension equal to 40% of the average final compensation of the member plus an additional amount for each child, or a lump-sum distribution to the designated beneficiary equal to 50% of the previous year's earnable compensation of the member or equal to the amount of the member's total contributions plus interest.

Benefits are increased annually in accordance with Chapter 411.6 of the Code of Iowa which provides a standard formula for the increases.

The surviving spouse or dependents of an active member who dies due to a traumatic personal injury incurred in the line of duty receives a \$100,000 lump-sum payment.

Contributions – Members contribution rates are set by state statute. In accordance with Chapter 411 of the Code of Iowa, the contribution rate was 9.40% of earnable compensation for the year ended June 30, 2021.

Employer contribution rates are based upon an actuarially determined normal contribution rate and set by state statute. The required actuarially determined contributions are calculated on the basis of the entry age normal method as adopted by the Board of Trustees as permitted under Chapter 411 of the Code of Iowa. The normal contribution rate is provided by state statute to be the actuarial liabilities of the plan less current plan assets, with such total divided by 1% of the actuarially determined present value of prospective future compensation of all members, further reduced by member contributions and state appropriations. Under the Code of Iowa, the employer's contribution rate cannot be less than 17.00% of earnable compensation. The contribution rate was 25.31% for the year ended June 30, 2021.

The City's contributions to MFPRSI for the year ended June 30, 2021 was \$230,867.81.

If approved by the state legislature, state appropriations may further reduce the City's contribution rate, but not below the minimum statutory contribution rate of 17.00% of earnable compensation. The State of Iowa, therefore, is considered to be a nonemployer contributing entity in accordance with the provisions of the Governmental Accounting Standards Board Statement No. 67 – Financial Reporting for Pension Plans, (GASB 67).

There were no state appropriations to MFPRSI during the fiscal year ended June 30, 2021.

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2021, the City reported a liability of 2,332,526 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to the MFPRSI relative to the contributions of all MFPRSI participating employers. At June 30, 2020, the City's proportion was 0.292443% which was an increase of 0.0134450% from its proportions measured as of June 30, 2019.

For the year ended June 30, 2021 the City's pension expense, deferred outflows of resources and deferred inflows of resources totaled \$433,259, \$523,571 and \$(73,971) respectfully.

Actuarial Assumptions - The total pension liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation	3.00%
Salary increases	3.75 to 15.11%, including inflation

Investment rate of return 7.50%, net of investment expense, including inflation

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2007 through June 30, 2017.

Postretirement mortality rates were based on the RP-2014 Blue Collar Combined Healthy Annuitant Table with males set forward zero years, females set forward two years and disabled individuals set-forward three years (male only rates), with generational projection of future mortality improvement with 50% of Scale BB beginning in 2017.

The long-term expected rate of return on MFPRSI investments was determined using a building-block method in which best-estimate ranges of expected future real rates (i.e., 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 best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Large cap	7.49%
Small cap	8.1
International large cap	7.2
Emerging markets	7.9
Global infrastructure	7.5
Private non-core real estate	11.5
Private credit	6.4
Private equity	10.8
Core plus fixed income	4.0
Private core real estate	7.2

Discount Rate – The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed contributions will be made at 9.40% of covered payroll and the City’s contributions will be made at rates equal to the difference between actuarially determined rates and the member rate. Based on those assumptions, the MFPRSI’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on MFPRSI’s investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the city's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.50 %) or 1% higher (8.50 %) than the current rate.

	1% Decrease <u>(6.50%)</u>	Discount Rate <u>(7.50%)</u>	1% Increase <u>(8.50%)</u>
City's proportionate share of the net pension liability	\$3,577,641	\$ 2,332,526	\$ 1,301,175

MFPRSI's Fiduciary Net Position – Detailed information about MFPRSI's fiduciary net position is available in the separately issued MFPRSI financial report which is available on MFPRSI's website at [www.mfprsi.org](http://www.mfprsi.org).

**Note 5 - Other Postemployment Benefits (OPEB)**

Plan Description - The City partially self-funds a single-employer health benefit plan which provides medical/prescription drug benefits for employees, retirees and their spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. There are 51 active and one (1) inactive employees on the plan. Retired participants must be age 55 or older at retirement, with the exception of special service participants who must be age 50 with 22 years of service.

The medical/prescription drug coverage is provided through a fully-insured plan with Wellmark. The City self-funds the co-payments, deductibles and out-of-pocket maximums to a lower amount. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy.

Funding Policy - The contribution requirements of plan members are established by union contracts for Police union employees and by Council for the Public Works union employees and the non-union employees. The City currently finances the benefit plan on a pay-as-you-go basis. Currently, employees are required to pay, on a pre-tax basis, 20% of the cost of the premium equal to the cost of electing continuing coverage under COBRA. For the year ended June 30, 2021 the City contributed \$430,527.65 and plan members eligible for benefits contributed \$118,078.66 to the plan.

If an employee certifies that he/she is otherwise covered by health insurance and opts to waive coverage through the City, the City shall pay the employee an amount equal to thirty-percent (30%) of the single health insurance coverage.

**Note 6 - Compensated Absences**

City Employees accumulate a limited amount of earned but unused vacation and sick leave and comp time hours or subsequent use or for payment upon termination, retirement or death. These accumulations are not recognized as disbursement by the City until used or paid. The City's approximate liability for earned vacation, sick leave, and comp time payable to employees at June 30, 2021, primarily relating to the General Fund, is as follows:

<u>Type of Benefits</u>	<u>Liability June 30, 2021</u>
Vacation	\$ 199,711.48
Compensatory Time	30,614.27
Sick Leave	<u>1,373.62</u>
	<u>\$ 231,699.37</u>

\* Computed based on rates of pay in effect as of June 30, 2021.

**Note 7 - Hospital Revenue Bonds**

On November 1, 2006, the City issued a total of \$5,425,000 of Hospital Revenue Bonds under the provisions of Chapter 419 of the Code of Iowa. The bonds and related interest are payable solely from the revenue of St. Anthony Regional Hospital, and the bond principal and interest do not constitute liabilities of the City.

On November 26, 2012, the City issued a total of \$4,820,000 of Hospital Revenue Refunding Bonds under the provisions of Chapter 419 of the Code of Iowa. The bonds and related interest are payable solely from the revenue of St. Anthony Regional Hospital, and the bond principal and interest do not constitute liabilities of the City.

**Note 8 - Land Fill Contract**

The City of Carroll has an agreement with the Carroll County Solid Waste Commission for solid waste disposal, for all households and businesses within the City. For the year ended June 30, 2021, \$122,980 was paid pursuant to the agreement.

The City entered the agreement on February 25, 1971. There is no specified termination date. The City and other municipalities in the county have representation on the commission, which sets the rates paid based upon its annual budget. The charge is assessed to each municipality and the rural areas based upon population and adjusted arbitrarily based upon the distance the municipality is from the landfill to equalize hauling costs. The City of Carroll's share of the fees at June 30, 2021, was 47% of the total.

**Note 9 - Interfund Transfers**

The detail of interfund transfers for the year ended June 30, 2021, is as follows:



<b>Transfer to</b>	<b>Transfer from</b>	<b>Amount</b>	
General	Special Revenue	Employee Benefits	\$814,908.31
	Enterprise	Water- Liability Insurance	33,269.00
		Sewer- Liability Insurance	40,048.00
Road Use	Special Revenue	Employee Benefits	118,411.02
LOST	Capital Projects	CP – Library/City Hall Fund	43,896.41
Debt Service	Special Revenue	Ashwood TIF	34,918.32
		Local Option Sales Tax (Debt Relief)	467,786.00
	Enterprise	Sewer	706,920.00
Capital Projects			
Streets	General Fund		50,000.00
Airport	General Fund		11,443.62
Housing	General Fund		5,800.00
Streets	Special Revenue	Local Option Sales Tax	657,500.00
	Special Revenue	Road Use Tax	250,000.00
	Enterprise	Storm Water	100,000.00
CP Corridor	Enterprise	Water	150,000.00
CP Rec Center	Special Revenue	Local Option Sales Tax	260,000.00
CP Parks & Rec	Special Revenue	Hotel/Motel	100,000.00
		Local Option Sales Tax	150,000.00
Enterprise:			
Water	Special Revenue	UR Downtown	906,230.00
Water Depr	Enterprise	Water Utility	50,000.00
Water Cap Imp	Enterprise	Water Utility	1,660,000.00
Sewer Depr	Enterprise	Sewer Utility	35,000.00
Sewer Cap Imp	Enterprise	Sewer Utility	<u>100,000.00</u>
			<u>\$6,746,130.68</u>

\* Transfers generally move resources from the fund statutorily required to collect the resources to the fund statutorily required to disburse the resources.

### **Note 10 - Risk Management**

The City 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.

## **Iowa Municipalities Worker's Compensation Association**

In July 1987, the City joined together with other cities and counties in the State to participate in the Iowa Municipalities Workers' Compensation Association (IMWCA), a public entity risk pool currently operating as a workers' compensation risk management and insurance program for 530+ member cities, counties and Chapter 28E entities. Under the Workers' Compensation Coverage Agreement of the IMWCA, each participant of the IMWCA authorized the IMWCA to issue and sell bonds on behalf of the participants for the purpose of providing funds to pay claims and the costs of issuing such bonds. The City pays an annual premium to IMWCA to pay the City's pro rata share of the principal and interest on the bonds and administrative expenses of the IMWCA. The Workers' Compensation Coverage agreement provides that IMWCA will be self-sustaining through member premiums and will annually evaluate the need to reinsure through commercial companies to protect the fund from catastrophic claims. The City's pro rata share of the IMWCA's bonds outstanding for fiscal year ending June 30, 2021, is zero as the debt has been paid in its entirety. The City's annual contributions to IMWCA for the year ended June 30, 2021, were \$48,050.

## **Iowa Communities Assurance Pool**

The City of Carroll is a member in the Iowa Communities Assurance Pool, as allowed by Chapter 670.7 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool whose 785 members include various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, public officials liability, police professional liability, property, inland marine, and boiler/machinery. There have been no reductions in insurance coverage from prior years.

Each member's annual casualty contributions to the Pool fund current operations and provide capital. Annual casualty operating contributions are those amounts necessary to fund, on a cash basis, the Pool's general and administrative expenses, claims, claims expenses and reinsurance expenses estimated for the fiscal year, plus all or any portion of any deficiency in capital. Capital contributions are made during the first six years of membership and are maintained at a level determined by the Board not to exceed 300% of basis rates.

The Pool also provides property coverage. Members who elect such coverage make annual property operating contributions which are necessary to fund, on a cash basis, the Pool's general and administrative expenses and reinsurance premiums, losses and loss expenses for property risks estimated for the fiscal year, plus all or any portion of any deficiency in capital. Any year-end operating surplus is transferred to capital. Deficiencies in operations are offset by transfers from capital and, if insufficient, by the subsequent year's member

contributions.

The City's property and casualty contributions to the Pool are recorded as disbursements from its operating funds at the time of payment to the Pool. The City's annual contributions to the Pool for the year ended June 30, 2021, were \$209,816.50.

The Pool uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. The Pool retains general, automobile, police professional, and public officials' liability risks up to \$500,000 per claim. Claims exceeding \$500,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the City's risk-sharing certificate. Property and automobile physical damage risks are retained by the Pool up to \$250,000 each occurrence, each location. Property risks exceeding \$250,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the City's risk-sharing certificate.

The Pool's intergovernmental contract with its members provides that in the event a casualty claim, property loss or series of claims or losses exceeds the amount of risk-sharing protection provided by the member's risk-sharing certificate, or in the event a casualty claim, property loss or series of claims or losses exhausts the Pool's funds and any excess risk-sharing recoveries, then payment of such claims or losses shall be the obligation of the respective individual member against whom the claim was made or loss was incurred. As of June 30, 2021, settled claims have not exceeded the risk pool or reinsurance coverage since the Pool's inception.

Members agree to continue membership in the Pool for a period of not less than one full year. After such period, a member who has given 60 days' prior written notice may withdraw from the Pool. Upon withdrawal, payments for all casualty claims and claims expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the member's withdrawal. Upon withdrawal, a formula set forth in the Pool's intergovernmental contract with its members is applied to determine the amount (if any) to be refunded to the withdrawing member.

#### **Note 11 – Related Party Transactions**

The City had business transactions between the City and City Officials totaling \$2,515.66 during the year ended June 30, 2021.

#### **Note 12 – Litigation**

The City defended itself against a lawsuit filed by Drake Construction, LLC regarding a contract dispute. The lawsuit was settled before trial in April 2021.

#### **Note 13 – Development Agreements**

The City has entered into a development agreement with Biokinometrics Holdings LLC and

DMBA Properties & Consulting, Inc. for the construction of a 17,000 square foot, two story building investing not less than \$1,100,000 into capital improvements. The City agreed to pay the developer an amount not exceed \$300,000 subject to annual appropriation by the City Council. The agreement requires up to thirty payments, provided the developer is in compliance with the terms of the agreement. During the year ended June 30, 2021, the City rebated \$20,082.41 of incremental property tax to the developer. At June 30, 2021, the remaining balance to be paid on the agreement was \$250,855.14.

As part of the same development agreement with Biokinometrics Holdings LLC and DMBA Properties & Consulting, Inc., the City has agreed to pay the developer an amount not to exceed 25% of the total cost of rehabilitation work to the existing building located at 226 E 5<sup>th</sup> Street. As of June 30, 2021, total cost of rehabilitation work has not been certified by the developer to the City. The developer has completed work on the building but not certified costs to the City.

In August 2018, the City entered into a development agreement with 704 Development Corporation for the construction a 12-unit residential subdivision. The City agreed to pay in the form of property tax rebates of potential incremental taxes to the developer an amount not to exceed \$72,000 subject to annual appropriations. The rebates will be available for up to a maximum of 10 years. During the year ended June 30, 2021, there were no payments made to the developer.

### **Note 13 – 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 receipts to which they are otherwise entitled and (b) the individual or entity promises 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 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, 2021, \$8,745.41, of property tax was diverted from the City under the urban renewal and economic development agreements.

#### **Note 14 – Subsequent Events**

In July 2021, the City entered in a construction contract totaling \$456,592.86 for Street Restoration Project – 2021, financed by road use taxes, local options sales tax funds and storm water fees.

In August 2021, the City entered into a construction contract total of \$287,167.00 for Northeast Park parking lot improvements financed by general fund, hotel/motel funds and local option sales tax funds.

In October 2021, the City entered into an engineering services agreement with McClure Engineering Company for the Adams Street Reconstruction Project in the amount of \$228,530.00.

In October 2021, the City refunded the General Obligation Capital Loan Notes, Series 2018B and issued \$3,325,000 General Obligation Refunding Capital Loan Notes, Series 2021A.

#### **Note 15 – COVID-19**

In March 2020, the COVID–19 outbreak was declared a global pandemic. The disruption to businesses across a range of industries in the United States continues to evolve. The full impact to local, regional and national economies, including that of City of Carroll, remains uncertain.

To date, the outbreak has not created a material disruption to the operations of City of Carroll. However, the extent of the financial impact of COVID-19 will depend on future developments, including the spread of the virus, duration, and timing of the economic recovery. Due to these uncertainties, management cannot reasonably estimate the potential impact to the City.

#### **Note 16 – Prospective Accounting Change**

Governmental Accounting Standards Board has issued Statement No. 87, Leases. This statement will be implemented for the fiscal year ending June 30, 2022, if it is determined to apply to the City. The revised requirements of this statement require reporting of certain potentially significant lease liabilities that are not currently reported.

City of Carroll

## Other Information

**City of Carroll**  
**Budgetary Comparison Schedule of Receipts, Disbursements and Changes in Balances -**  
**Actual and Budget (Cash Basis) - All Governmental Funds and Proprietary Funds**  
**June 30, 2021**

	<b>Governmental Fund Type Actual</b>	<b>Proprietary Fund Actual</b>	<b>Less Funds not Required to be Budgeted and Adjustments</b>
<b>Receipts:</b>			
Property tax	\$ 7,328,831.22	\$ -	\$ -
Other taxes	2,217,085.63	-	-
Use of money and property	158,680.20	109,119.29	-
Licenses and permits	75,454.31	-	-
Intergovernmental	3,085,892.02	-	-
Charges for service	1,640,309.35	3,974,450.84	-
Fines and fees	68,379.13	-	-
Miscellaneous	285,049.93	196,311.53	-
<b>Total receipts</b>	<u>14,859,681.79</u>	<u>4,279,881.66</u>	<u>-</u>
<b>Disbursements:</b>			
Public Safety	2,158,542.11	-	-
Public Works	1,997,251.85	-	-
Health and Social Services	129,325.00	-	-
Culture and Recreation	2,699,337.38	-	-
Community & Economic Development	419,988.71	-	-
General Government	1,015,121.89	-	-
Debt Service	2,098,862.52	-	706,920.00
Capital Projects	3,775,485.94	-	-
<b>Total Government Activities</b>	<u>14,293,915.40</u>	<u>-</u>	<u>706,920.00</u>
Business Type Activities		3,748,977.95	-
<b>Total disbursements</b>	<u>14,293,915.40</u>	<u>3,748,977.95</u>	<u>706,920.00</u>
Excess (deficiency) of receipts over disbursements	565,766.39	530,903.71	(706,920.00)
Other financing sources (uses), net	<u>124,007.00</u>	<u>(124,007.00)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	689,773.39	406,896.71	(706,920.00)
<b>Balance beginning of year</b>	<u>14,896,002.58</u>	<u>8,440,864.94</u>	<u>-</u>
<b>Balance end of year</b>	<u>\$ 15,585,775.97</u>	<u>\$ 8,847,761.65</u>	<u>\$ (706,920.00)</u>



Net	Budgeted Amounts		Final to Actual
	Original	Final	Variance Favorable (Unfavorable)
\$ 7,328,831.22	\$ 7,180,661.00	\$ 7,180,661.00	\$ 148,170.22
2,217,085.63	2,076,574.00	2,076,574.00	140,511.63
267,799.49	306,605.00	306,605.00	(38,805.51)
75,454.31	100,900.00	100,900.00	(25,445.69)
3,085,892.02	2,427,186.00	2,999,426.00	86,466.02
5,614,760.19	5,607,270.00	5,607,270.00	7,490.19
68,379.13	-	-	68,379.13
481,361.46	281,325.00	370,325.00	111,036.46
<u>19,139,563.45</u>	<u>17,980,521.00</u>	<u>18,641,761.00</u>	<u>497,802.45</u>
2,158,542.11	2,530,483.00	2,530,483.00	371,940.89
1,997,251.85	2,462,557.00	2,492,707.00	495,455.15
129,325.00	121,895.00	170,945.00	41,620.00
2,699,337.38	3,832,617.00	4,436,942.00	1,737,604.62
419,988.71	275,157.00	590,157.00	170,168.29
1,015,121.89	1,103,149.00	1,128,149.00	113,027.11
1,391,942.52	1,388,271.00	1,392,373.00	430.48
3,775,485.94	7,657,300.00	8,463,738.00	4,688,252.06
<u>13,586,995.40</u>	<u>19,371,429.00</u>	<u>21,205,494.00</u>	<u>7,618,498.60</u>
<u>3,748,977.95</u>	<u>4,616,689.00</u>	<u>5,108,689.00</u>	<u>1,359,711.05</u>
<u>17,335,973.35</u>	<u>23,988,118.00</u>	<u>26,314,183.00</u>	<u>8,978,209.65</u>
1,803,590.10	(6,007,597.00)	(7,672,422.00)	9,476,012.10
-	-	-	-
1,803,590.10	(6,007,597.00)	(7,672,422.00)	9,476,012.10
<u>23,336,867.52</u>	<u>23,336,868.00</u>	<u>23,336,868.00</u>	
<u>\$ 25,140,457.62</u>	<u>\$ 17,329,271.00</u>	<u>\$ 15,664,446.00</u>	

See accompanying independent auditor's report.

## **City of Carroll**

### **Notes to Required Supplementary Information – Budgetary Reporting**

**June 30, 2021**

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

In accordance with the Code of Iowa, the City Council annually adopts a budget on the cash basis following required public notice and hearing for all funds, except the Internal Service Fund. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control is based upon nine major classes of disbursements known as functions, not by fund. These nine functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects, and business type activities. Function disbursements required to be budgeted include disbursements for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Funds, the Permanent Fund 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, two budget amendments increased budgeted disbursements by \$2,326,065 and budgeted revenues by \$661,240. The budget amendments are reflected in the final budgeted amounts.

During the year ended June 30, 2021, disbursements did not exceed the amounts budgeted in the general government and business-type activities functions.

**City of Carroll**

**Schedule of the City's Proportionate Share of the Net Pension Liability**

**Iowa Public Employees' Retirement System  
For the Last Seven Years\*  
(In Thousands)**

**Other Information**

	2021	2020	2019	2018	2017	2016	2015
City's proportionate of the net pension liability	0.0382680%	0.0382817%	0.037807%	0.036756%	0.034411%	0.032422%	0.035048%
City's proportionate share of the net pension liability	\$2,672	\$2,217	\$2,392	\$2,428	\$2,146	\$1,602	\$1,390
City's covered-employee payroll	\$3,092	\$3,040	\$2,941	\$2,853	\$2,720	\$2,221	\$2,218
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	86.42%	72.93%	81.33%	85.10%	79.56%	72.13%	62.67%
IPERS' net position as a percentage of the total pension liability	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

\* In accordance with GASB Statement No. 68, the amounts presented for each fiscal year determined as of June 30 of the preceding fiscal year.

See accompanying independent auditor's report.

**City of Carroll  
Scheduled of City Contributions**

**Iowa Public Employees' Retirement System  
Last 10 Fiscal Years**

**Other Information**

	2021	2020	2019	2018
Statutorily required contribution	\$291,922	\$287,091	\$277,872	\$254,700
Contributions in relation to the statutorily required contribution	(291,922)	(287,091)	(277,872)	(254,700)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 3,091,885	\$ 3,040,013	\$ 2,941,489	\$ 2,852,890
Contributions as a percentage of covered payroll	9.44%	9.44%	9.45%	8.93%

2017	2016	2015	2014	2013	2012
\$242,817	\$198,356	\$198,054	\$204,797	\$210,487	\$200,546
(242,817)	(198,356)	(198,054)	(204,797)	(210,487)	(200,546)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,719,847	\$ 2,221,231	\$ 2,217,864	\$ 2,293,361	\$ 2,428,474	\$ 2,484,915
8.93%	8.93%	8.93%	8.93%	8.67%	8.07%

See accompanying independent auditor's report.

**City of Carroll**  
**Notes to Other Information – Pension Liability**  
**Iowa Public Employees' Retirement System**  
**Year ended June 30, 2021**

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 experience 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.

**City of Carroll**

**Schedule of the City's Proportionate Share of the Net Pension Liability**

**Municipal Fire and Police Retirement System of Iowa  
For the Last Seven Years\*  
(In Thousands)**

**Other Information**

	2021	2020	2019	2018	2017	2016	2015
City's proportionate of the net pension liability	0.292444%	0.278998%	0.294602%	0.303698%	0.299390%	0.287974%	0.278188%
City's proportionate share of the net pension liability	\$2,332	\$1,830	\$1,754	\$1,899	\$1,872	\$1,043	\$1,008
City's covered-employee payroll	\$929	\$845	\$856	\$856	\$860	\$811	\$755
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	251.05%	216.68%	204.91%	221.85%	217.67%	128.61%	133.51%
MFPRSI net position as a percentage of the total pension liability	76.47%	79.94%	81.07%	80.60%	78.20%	83.04%	86.27%

\* The amounts presented for each fiscal year were determined as of June 30.

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.

See accompanying independent auditor's report.

**City of Carroll  
Scheduled of City Contributions**

**Municipal Fire and Police Retirement System of Iowa  
Last 10 Fiscal Years**

**Other Information**

	2021	2020	2019	2018
Statutorily required contribution	\$230,867	\$226,794	\$219,896	\$219,896
Contributions in relation to the statutorily required contribution	(230,867)	(226,794)	(219,896)	(219,896)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 912,159	\$ 929,101	\$ 856,291	\$ 856,291
Contributions as a percentage of covered payroll	25.31%	24.41%	25.68%	25.68%



2017	2016	2015	2014	2013	2012
\$222,948	\$225,310	\$229,656	\$213,975	\$182,280	\$170,374
(222,948)	(225,310)	(229,656)	(213,975)	(182,280)	(170,374)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 860,141	\$ 811,343	\$ 755,200	\$ 710,408	\$ 697,855	\$ 688,104
25.92%	27.77%	30.41%	30.12%	26.12%	24.76%

See accompanying independent auditor's report.

## City of Carroll

### Notes to Other Information – Pension Liability Municipal Fire and Police Retirement System of Iowa

Year ended June 30, 2021

#### Changes of benefit terms

There were no significant changes of benefit terms.

#### Changes of assumptions:

The 2018 valuation changed postretirement mortality rates to the RP-2014 Blue Collar Healthy Annuitant Table with males set-forward zero years, females set-forward two years and disabled individuals set-forward three years (male only rates), with generational projection of future mortality improvement with 50% of Scale BB beginning in 2017.

The 2017 valuation added five years projection of future mortality improvement with Scale BB.

The 2016 valuation changed postretirement mortality rates to the RP-2000 Blue Collar Combined Healthy Mortality Table with males set-back two years, females set-forward one year and disabled individuals set-forward one year (males only rates), with no projection of future mortality improvement.

The 2015 valuation phased in the 1994 Group Annuity Mortality Table for postretirement mortality. This resulted in a weighting of 1/12 of the 1971 Group Annuity Mortality table and 11/12 of the 1994 Group Annuity Mortality Table.

The 2014 valuation phased in the 1994 Group Annuity Mortality Table for post-retirement mortality. This resulted in a weighting of 2/12 of the 1971 Group Annuity Mortality Table and 10/12 of the 1994 Group Annuity Mortality Table.

**City of Carroll**

**Supplementary Information**

**City of Carroll**  
**Schedule of Cash Receipts, Disbursements**  
**and Changes in Cash Balances**  
**Nonmajor Governmental Funds**  
**Year Ended June 30, 2021**

	<b>Employee Benefits</b>	<b>Urban Renewal</b>	<b>Ashwood UR</b>	<b>Recrea- -tion Center Trust</b>
<b>Receipts:</b>				
Property tax	\$ 904,696.33	\$ 1,088,831.36	\$ 31,958.75	\$ -
Other taxes	-	-	-	
Use of money and property:				
Interest on deposits	-	1,153.28	97.09	266.68
Intergovernmental:				
State funding	28,623.00	19,660.26	2,862.48	-
Charges for Services	-	-	-	-
Miscellaneous	-	1,000.00	-	4,504.80
<b>Total receipts</b>	<b>933,319.33</b>	<b>1,110,644.90</b>	<b>34,918.32</b>	<b>4,771.48</b>
<b>Disbursements:</b>				
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture & Recreation	-	-	-	2,138.41
Community and Economic Development:				
Capital	-	171,231.55	-	-
	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>171,231.55</b>	<b>-</b>	<b>2,138.41</b>
 Excess (deficiency ) of receipts over (under) disbursements	 933,319.33	 939,413.35	 34,918.32	 2,633.07
 Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers (out)	(933,319.33)	(906,230.00)	(34,918.32)	-
	(933,319.33)	(906,230.00)	(34,918.32)	-
 Excess (deficiency) of receipts and other financing sources (uses) over (under) disbursements	 -	 33,183.35	 -	 2,633.07
 <b>Cash balance beginning of year</b>	 -	 133,180.88	 -	 35,125.17
 <b>Cash balance end of year</b>	 \$ -	 \$ 166,364.23	 \$ -	 \$ 37,758.24

Schedule 1

			Permanent			
Police Forfeiture	Crime Prevention	Library Trust	Cemetery Perpetual Care	Rec Center Trust		Total
\$ -	\$ -	\$ -	\$ -	\$ -		\$ 2,025,486.44
-	-	-	-	-		-
62.96	289.27	403.87	4,127.55	407.41		6,808.11
-	1,200.00	3,768.88	-	-		56,114.62
-	5,760.00	-	-	-		5,760.00
8,793.37	-	626.83	27,512.50	27,050.00		69,487.50
<u>8,856.33</u>	<u>7,249.27</u>	<u>4,799.58</u>	<u>31,640.05</u>	<u>27,457.41</u>		<u>2,163,656.67</u>
82.49	4,072.18	-	-	-		4,154.67
-	-	-	-	-		-
-	-	3,924.16	-	-		6,062.57
-	-	-	-	-		171,231.55
-	-	-	-	-		-
<u>82.49</u>	<u>4,072.18</u>	<u>3,924.16</u>	<u>-</u>	<u>-</u>		<u>181,448.79</u>
8,773.84	3,177.09	875.42	31,640.05	27,457.41		1,982,207.88
-	-	-	-	-		-
-	-	-	-	-		(1,874,467.65)
-	-	-	-	-		(1,874,467.65)
8,773.84	3,177.09	875.42	31,640.05	27,457.41		107,740.23
<u>7,193.67</u>	<u>37,687.80</u>	<u>51,422.56</u>	<u>537,531.46</u>	<u>37,766.84</u>		<u>839,908.38</u>
<u>\$ 15,967.51</u>	<u>\$ 40,864.89</u>	<u>\$ 52,297.98</u>	<u>\$ 569,171.51</u>	<u>\$ 65,224.25</u>		<u>\$ 947,648.61</u>

See accompanying independent auditor's report.

City of Carroll

Statement of Cash Receipts, Disbursements  
and Changes in Cash Balances  
Non-Major Proprietary Funds  
Year ended June 30, 2021

	Water Depreciation	Storm Water Capital Improv.	Water Meter Deposit
<b>Receipts:</b>			
Use of money and property	\$ 6,876.48	\$ 665.85	\$ -
Miscellaneous	-	80,000.00	9,000.00
<b>Total Receipts</b>	<u>6,876.48</u>	<u>80,665.85</u>	<u>9,000.00</u>
<b>Disbursements:</b>			
Business-type activities:			
Operations	-	-	9,285.00
Capital Outlay	-	-	-
<b>Total Disbursements</b>	<u>-</u>	<u>-</u>	<u>9,285.00</u>
Excess (deficiency) of receipts over (under) disbursements	<u>6,876.48</u>	<u>80,665.85</u>	<u>(285.00)</u>
Other financing sources (uses):			
Operating transfers in	50,000.00	-	-
Operating transfers (out)	-	-	-
Total other financing sources (uses)	<u>50,000.00</u>	<u>-</u>	<u>-</u>
Excess of receipts and other financing sources over disbursements and other financing uses	56,876.48	80,665.85	(285.00)
<b>Cash balance beginning of year</b>	<u>907,607.16</u>	<u>44,528.39</u>	<u>45,520.90</u>
<b>Cash balance end of year</b>	<u>\$ 964,483.64</u>	<u>\$ 125,194.24</u>	<u>\$ 45,235.90</u>
<b>Cash Basis Fund Balances</b>			
Committed	\$ 964,483.64	\$ 125,194.24	\$ 45,235.90
Unrestricted	-	-	-
<b>Total cash basis fund balances</b>	<u>\$ 964,483.64</u>	<u>\$ 125,194.24</u>	<u>\$ 45,235.90</u>

Schedule 2

Non-Major Enterprise Funds			
Sewer Depreciation	Sewer Capital Improv.	Water Capital Improv.	Total
\$ 5,180.91	\$ 1,247.82	\$ 436.43	\$ 14,407.49
-	-	48,238.50	137,238.50
<u>5,180.91</u>	<u>1,247.82</u>	<u>48,674.93</u>	<u>151,645.99</u>
-	-	-	9,285.00
-	-	1,898,114.74	1,898,114.74
-	-	1,898,114.74	1,907,399.74
<u>5,180.91</u>	<u>1,247.82</u>	<u>(1,849,439.81)</u>	<u>(1,755,753.75)</u>
35,000.00	100,000.00	1,660,000.00	1,845,000.00
-	-	-	-
<u>35,000.00</u>	<u>100,000.00</u>	<u>1,660,000.00</u>	<u>1,845,000.00</u>
40,180.91	101,247.82	(189,439.81)	89,246.25
684,101.39	165,661.83	480,069.58	2,327,489.25
<u>\$ 724,282.30</u>	<u>\$ 266,909.65</u>	<u>\$ 290,629.77</u>	<u>\$ 2,416,735.50</u>
\$ 724,282.30	\$ 266,909.65	\$ 290,629.77	\$ 2,416,735.50
-	-	-	-
<u>\$ 724,282.30</u>	<u>\$ 266,909.65</u>	<u>\$ 290,629.77</u>	<u>\$ 2,416,735.50</u>

**City of Carroll**  
**Schedule of Indebtedness**  
**Year ended June 30, 2021**

<b>Obligation</b>	<b>Date of Issue</b>	<b>Interest Rates</b>	<b>Amount Originally Issued</b>
<b>Revenue Bonds</b>			
Sewer Revenue Bonds	6/9/2004	1.75%	10,998,000.00
<b>General Obligation/Capital Loan Notes:</b>			
Capital Loan Note Series 2020A	2/24/2020	4-5.00%	1,505,000.00
Availa Bank	11/14/2018	3.35%	1,385,000.00
Iowa Savings Bank	11/14/2018	3.35%	895,000.00
Westside State Bank	11/14/2018	3.35%	895,000.00
Commercial Savings Bank	11/14/2018	3.35%	600,000.00
United Bank of Iowa	11/14/2018	3.35%	700,000.00
Capital Loan Note Series 2015A GO Refunding Loan	4/23/2015	.75-1.85%	1,770,000.00
Capital Loan Note Series 2016B GO Cap Loan	11/30/2016	.8-1.60%	<u>2,290,000.00</u>
			<u>\$ 22,158,000.00</u>



**Schedule 3**

<b>Balance Beginning of Year</b>	<b>Issued During Year</b>	<b>Redeemed During Year</b>	<b>Balance End of Year</b>	<b>Interest Paid</b>	<b>Interest Due and Unpaid</b>
3,396,000.00	-	639,000.00	2,757,000.00	59,430.00	-
1,295,000.00		225,000.00	1,070,000.00	63,150.00	-
1,166,804.00	-	123,799.00	1,043,005.00	39,087.94	-
754,000.00	-	80,000.00	674,000.00	25,259.00	-
754,000.00	-	80,000.00	674,000.00	25,259.00	-
505,475.00	-	53,631.00	451,844.00	16,933.42	-
589,721.00	-	62,570.00	527,151.00	19,755.66	-
830,000.00	-	270,000.00	560,000.00	14,400.00	-
<u>1,145,000.00</u>	<u>-</u>	<u>275,000.00</u>	<u>870,000.00</u>	<u>16,497.50</u>	<u>-</u>
<u><u>\$ 10,436,000.00</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,809,000.00</u></u>	<u><u>\$ 8,627,000.00</u></u>	<u><u>\$ 279,772.52</u></u>	<u><u>\$ -</u></u>

Schedule 4

**City of Carroll  
Bond and Note Maturities  
June 30, 2021**

Revenue Bonds  
Series 2004  
WWTP Improvements  
Revenue Bond  
Issued June 9, 2004

Year			
Ending June 30,	Interest Rate	Amount	Revenue Bonds
2022	1.75%	659,000	659,000
2023	1.75%	678,000	678,000
2024	1.75%	699,000	699,000
2025	1.75%	721,000	721,000
		<u>\$ 2,757,000</u>	<u>\$ 2,757,000</u>

General Obligation Notes

Year	Series 2015A		Series 2016B		Series 2018B		Series 2020A		Total General Obligation Notes
	Aquatic Refunding		Cemetery Bldg/3rd St Storm Sewer		Library/City Hall Project		Fire Trk/Streets		
Ended June 30,	Interest Rate	Amount	Interest Rate	Amount	Interest Rate	Amount	Interest Rate	Amount	
2022	1.75%	280,000	1.40%	285,000	3.35%	420,000	5.00%	100,000	1,085,000
2023	1.85%	280,000	1.50%	290,000	3.35%	225,000	5.00%	120,000	915,000
2024			1.60%	295,000	3.35%	235,000	5.00%	125,000	655,000
2025					3.35%	240,000	5.00%	130,000	370,000
2026					3.35%	250,000	5.00%	140,000	390,000
2027					3.35%	260,000	5.00%	145,000	405,000
2028					3.35%	265,000	5.00%	150,000	415,000
2029					3.35%	275,000	4.00%	160,000	435,000
2030					3.35%	285,000			285,000
2031					3.35%	295,000			295,000
2032					3.35%	305,000			305,000
2033					3.35%	315,000			315,000
		<u>\$ 560,000</u>		<u>\$ 870,000</u>		<u>\$ 3,370,000</u>		<u>\$ 1,070,000</u>	<u>\$ 5,870,000</u>

City of Carroll

**City of Carroll**

**Schedule of Cash Receipts, Disbursements  
and Change in Cash Balances  
Capital Projects Funds  
Year Ended June 30, 2021**

	<b>Street Rehabilitation</b>	<b>Library City Hall</b>	<b>Streets Maintenance Building</b>	<b>Housing Fund</b>
<b>Receipts:</b>				
Use of money and property:				
Interest on investments	\$ 3,901.86	\$ 3.22	\$ 34,240.27	\$ -
Intergovernmental:				
Federal Grant	413,760.95	-	-	76,616.00
State Grant	-	(1,128.52)	-	-
Carrroll County	-	5,000.00	-	250.00
	<u>413,760.95</u>	<u>3,871.48</u>	<u>-</u>	<u>76,866.00</u>
Miscellaneous:				
Donations	-	82,281.78	-	-
Other Miscellaneous income	-	-	-	250.00
	<u>-</u>	<u>82,281.78</u>	<u>-</u>	<u>250.00</u>
<b>Total receipts</b>	<u><u>417,662.81</u></u>	<u><u>86,156.48</u></u>	<u><u>34,240.27</u></u>	<u><u>77,116.00</u></u>
<b>Disbursements:</b>				
Capital outlay	1,226,694.63	56,832.11	1,184,318.09	82,916.00
	<u>1,226,694.63</u>	<u>56,832.11</u>	<u>1,184,318.09</u>	<u>82,916.00</u>
<b>Total disbursements</b>	<u><u>1,226,694.63</u></u>	<u><u>56,832.11</u></u>	<u><u>1,184,318.09</u></u>	<u><u>82,916.00</u></u>
Deficiency of receipts under disbursements	<u>(809,031.82)</u>	<u>29,324.37</u>	<u>(1,150,077.82)</u>	<u>(5,800.00)</u>
Other financing sources (uses):				
General Obligation debt proceeds	-	-	-	-
Transfers In (Out):				
To General Fund & others	-	(43,896.41)	-	-
From General Fund & others	1,057,500.00	-	-	5,800.00
	<u>1,057,500.00</u>	<u>(43,896.41)</u>	<u>-</u>	<u>5,800.00</u>
Excess (deficiency) of receipts and other financing sources (uses) over disbursements	248,468.18	(14,572.04)	(1,150,077.82)	-
<b>Balance beginning of year</b>	<u>940,709.81</u>	<u>4,572.04</u>	<u>4,777,022.35</u>	<u>-</u>
<b>Balance end of year</b>	<u><u>\$ 1,189,177.99</u></u>	<u><u>\$ (10,000.00)</u></u>	<u><u>\$ 3,626,944.53</u></u>	<u><u>\$ -</u></u>

**Schedule 5**

<b>Corridor of Commerce</b>	<b>Airport</b>	<b>Parks &amp; Recreation</b>	<b>Equipment Purchase</b>	<b>Rec Center Building Improvements</b>	<b>Total</b>
\$ 9,048.20	\$ -	\$ 2,181.73	\$ -	\$ -	\$ 49,375.28
-	370,467.00	-	-	-	860,843.95
-	-	124,721.80	-	-	123,593.28
-	-	-	-	-	5,250.00
-	370,467.00	124,721.80	-	-	989,687.23
-	-	5,000.00	-	-	87,281.78
-	-	-	-	-	250.00
-	-	5,000.00	-	-	87,531.78
9,048.20	370,467.00	131,903.53	-	-	1,126,594.29
552,955.91	339,936.84	278,400.59	182.36	\$ 53,249.41	3,775,485.94
552,955.91	339,936.84	278,400.59	182.36	\$ 53,249.41	3,775,485.94
552,955.91	339,936.84	278,400.59	182.36	53,249.41	3,775,485.94
(543,907.71)	30,530.16	(146,497.06)	(182.36)	(53,249.41)	(2,648,891.65)
-	-	-	-	-	-
-	-	-	-	-	(43,896.41)
150,000.00	11,443.62	250,000.00	-	260,000.00	1,734,743.62
150,000.00	11,443.62	250,000.00	-	260,000.00	1,690,847.21
(393,907.71)	41,973.78	103,502.94	(182.36)	206,750.59	(958,044.44)
1,242,186.54	(51,973.78)	362,326.41	182.36	-	7,275,025.73
<u>\$ 848,278.83</u>	<u>\$ (10,000.00)</u>	<u>\$ 465,829.35</u>	<u>\$ (0.00)</u>	<u>\$ 206,750.59</u>	<u>\$ 6,316,981.29</u>

See accompanying independent auditor's report.

**City of Carroll**  
**Schedule of Receipts by Source and**  
**Disbursements by Function**  
**All Governmental Fund Types**  
**For the Last Ten Years**

For the Years ended June 30,

	2021	2020	2019	2018
<b>Receipts:</b>				
Property tax	\$ 7,328,831.22	\$ 7,052,783.10	\$ 6,734,687.99	\$ 6,467,815.32
Other Taxes	2,217,085.63	2,053,020.74	1,902,607.73	1,804,817.86
Non-property tax	-	-	-	-
Use of money and property	158,680.20	280,459.94	267,235.44	139,478.38
Licenses and permits	75,454.31	90,495.04	76,014.66	87,502.24
Intergovernmental	3,085,892.02	2,281,542.27	2,445,890.92	2,561,416.90
Charges for Services	1,640,309.35	1,547,001.74	1,693,835.76	1,725,978.03
Special assessments	-	-	-	-
Fines and fees	68,379.13	60,471.19	62,887.98	103,202.40
Miscellaneous	285,049.93	871,911.63	1,597,310.18	377,022.90
<b>Total receipts</b>	<b>14,859,681.79</b>	<b>14,237,685.65</b>	<b>14,780,470.66</b>	<b>13,267,234.03</b>
<b>Disbursements:</b>				
Public Safety Program	2,158,542.11	2,236,879.08	2,059,093.69	2,084,334.72
Public Works Program	1,997,251.85	2,052,228.93	2,478,038.94	2,350,036.21
Health and Social Services Program	129,325.00	93,325.00	104,185.00	107,005.00
Culture and Recreation Program	2,699,337.38	2,650,607.53	2,585,735.57	2,633,372.95
Community and Economic Development Program	419,988.71	190,073.12	170,364.81	119,838.71
General Government	1,015,121.89	1,217,044.71	976,189.60	981,728.74
Debt Service	2,098,862.52	2,030,962.50	1,664,805.45	1,781,586.15
Capital Projects	3,775,485.94	5,449,046.09	7,966,445.95	4,310,251.73
<b>Total disbursements</b>	<b>14,293,915.40</b>	<b>15,920,166.96</b>	<b>18,004,859.01</b>	<b>14,368,154.21</b>
Excess (deficiency ) of receipts over (under) disbursements	565,766.39	(1,682,481.31)	(3,224,388.35)	(1,100,920.18)
Other financing sources, net	124,007.00	2,897,718.68	5,714,833.75	1,223,775.75
Excess (deficiency) of receipts and other financing sources (uses) over (under) disbursements	689,773.39	1,215,237.37	2,490,445.40	122,855.57
<b>Balance beginning of year</b>	<b>14,896,002.58</b>	<b>13,680,765.21</b>	<b>11,190,319.81</b>	<b>11,067,464.24</b>
<b>Balance end of year</b>	<b>\$ 15,585,775.97</b>	<b>\$ 14,896,002.58</b>	<b>\$ 13,680,765.21</b>	<b>\$ 11,190,319.81</b>

**Schedule 6**

	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
\$	6,315,574.14	\$ 6,356,527.42	\$ 6,592,626.16	\$ 6,067,014.23	\$ 6,056,661.80	\$ 5,760,635.65
	1,913,639.18	1,728,626.59	1,799,782.76	1,601,246.98	1,657,031.49	1,504,595.60
	-	-	-	-	-	-
	108,417.25	81,388.36	67,284.88	52,740.68	54,773.45	57,126.89
	80,503.84	82,998.16	83,630.71	75,342.69	65,097.37	63,764.45
	2,126,946.58	1,945,518.85	1,512,758.17	1,199,469.11	1,902,694.79	2,113,613.13
	1,677,192.37	1,720,850.72	1,687,492.25	1,776,696.48	1,670,721.37	1,706,685.62
	-	-	-	-	-	-
	64,996.72	69,564.35	70,730.45	75,342.29	66,969.17	54,534.19
	357,396.35	227,960.13	179,109.35	209,639.55	354,328.62	266,697.99
	<u>12,644,666.43</u>	<u>12,213,434.58</u>	<u>11,993,414.73</u>	<u>11,057,492.01</u>	<u>11,828,278.06</u>	<u>11,527,653.52</u>
	1,998,800.30	1,938,331.21	1,906,630.63	1,776,907.84	1,813,369.47	1,820,199.02
	2,089,764.87	2,065,191.97	2,067,094.76	2,185,955.93	2,167,353.30	1,930,014.05
	101,375.00	100,325.00	102,525.00	107,575.00	103,900.00	103,196.00
	2,665,031.90	2,521,114.49	2,603,412.07	2,516,906.96	2,238,842.89	2,417,219.85
	114,582.22	145,531.69	157,123.42	239,825.48	383,043.37	423,006.75
	1,037,872.98	974,943.53	935,009.41	922,779.99	851,595.01	885,071.90
	1,743,657.18	3,526,090.38	2,196,365.03	2,352,246.01	3,035,244.62	2,511,493.00
	3,266,965.70	2,551,695.07	2,326,714.41	973,421.15	3,191,507.88	1,780,110.35
	<u>13,018,050.15</u>	<u>13,823,223.34</u>	<u>12,294,874.73</u>	<u>11,075,618.36</u>	<u>13,784,856.54</u>	<u>11,870,310.92</u>
	(373,383.72)	(1,609,788.76)	(301,460.00)	(18,126.35)	(1,956,578.48)	(342,657.40)
	<u>1,019,479.55</u>	<u>1,952,357.00</u>	<u>4,008,242.75</u>	<u>1,040,982.25</u>	<u>2,140,803.28</u>	<u>1,366,648.55</u>
	646,095.83	342,568.24	3,706,782.75	1,022,855.90	184,224.80	1,023,991.15
	10,421,368.41	10,078,800.17	6,372,017.42	5,349,161.52	5,164,936.72	4,140,945.57
\$	<u><u>11,067,464.24</u></u>	<u><u>\$ 10,421,368.41</u></u>	<u><u>\$ 10,078,800.17</u></u>	<u><u>\$ 6,372,017.42</u></u>	<u><u>\$ 5,349,161.52</u></u>	<u><u>\$ 5,164,936.72</u></u>

See accompanying independent auditor's report.

*Feldmann & Company C.P.As., P.C.*  
523 North Main Street  
Carroll, Iowa 51401  
(712) 792-2464

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

To the Honorable Mayor and  
Members of the City Council:

We have audited in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the City of Carroll, Iowa, as of and for the year ended June 30, 2021, and the related Notes to Financial Statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 9, 2021. Our report expressed unmodified opinions on the financial statements which were prepared on the basis of cash receipts and disbursements, a basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

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

Our consideration of the 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 and therefore, significant deficiencies or material weaknesses may exist that were not identified. We did not identify any deficiencies in internal control over financial reporting that we considered to be material weaknesses or significant deficiencies.

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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and corrected on a timely basis.



A significant deficiency is a deficiency, or combination of deficiencies, in internal control which are less severe than a material weakness, yet important enough to merit attention by those charged with governance.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Carroll's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of non-compliance or other matters which are described in Part III of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the City's operations for the year ended June 30, 2021, are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the City. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

### City of Carroll's Responses to Findings

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

### Purpose of the Report

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

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the City of Carroll during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



Feldmann & Company CPAs, P.C.  
November 9, 2021

**City of Carroll**  
**Schedule of Findings and Questioned Costs**  
**Year ended June 30, 2021**

**I. Summary of Independent Auditor's Results**

- a) Unmodified opinions were issued on the financial statements, which were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.
- b) The audit did not disclose non-compliance, which is material to the financial statements.

**Findings Related to the Financial Statements:**

**Internal Control Deficiencies:**

No matters were noted.

**INSTANCES OF NON-COMPLIANCE**

No matters were noted.

**City of Carroll**  
**Schedule of Findings and Questioned Costs**  
**Year ended June 30, 2021**

**III. Other Findings Related to Statutory Reporting:**

III-A-21 Official Depositories - A resolution naming official depositories has been approved by the Council. The maximum deposit amounts stated in the resolution was not exceeded during the year ended June 30, 2021.

III-B-21 Certified Budget - Disbursements during the year ended June 30, 2021, did not exceed the amounts budgeted per Chapter 384.20 of the Code of Iowa which states in part that public monies may not be expended or encumbered except under an annual or continuing appropriation.

III-C-21 Travel Expense - No expenditures of City money for travel expenses of spouses of City officials or employees were noted.

III-D-21 Business Transactions – Business transactions between the City and City officials or employees are detailed as follows:

<u>Name, Title, and Business</u>	<u>Transaction</u>	<u>Amount</u>
Clay Haley, Council Owner, Haley Implement Co.	parts/repairs	\$ 6,910.66
Cory Venteicher, Employee Partner, Ron’s Lawn Service	Nuisance abatement Clean up	1,355.00

In accordance with Chapter 362.5(3)(j) of the Code of Iowa the transactions with Ron’s Lawn Service do not appear to represent a conflict of interest since total transactions were less than \$6,000.00 during the year. The transactions with Haley Implement include a transaction that does not appear to represent a conflict of interest since it is a purchase of a mower in the amount of \$5,750.00, entered into through a competitive bidding process in accordance with Chapter 362.5(3)(d) of the Code of Iowa.

III-E-21 Excess Balance – The balances in the Special Revenue Funds: Road Use Tax, Rec Center Trust, Library Trust, Police Forfeiture ad Crime Prevention Special account at June 30, 2021, were in excess of the disbursements for those funds for the year, as was, Capital Projects – Corridor of Commerce, Street Maintenance Building and Parks & Recreation; Water Depreciation, Water Meter Deposit; Sewer Utility, Sewer Utility Depreciation, Sewer Utility Capital Improvement, Storm Water Utility, and Storm Water Capital Improvement.

Recommendation – The City should consider the necessity of maintaining this substantial balance and, where financially feasible, consider reducing the balance

in an orderly manner through revenue reductions.

Response — The Special Revenue Funds, Capital Project Funds, and Utility funds have planned future programs and projects that will reduce the fund balances.

Conclusion – Response accepted.

- III-F-21 Bond Coverage - Surety bond coverage of City officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that the coverage is adequate for current operations.
- III-G-21 Minutes - No transactions were found that we believe should have been approved in the Council minutes but were not.
- III-H-21 Deposits and Investments - We noted no instances of noncompliance with the investment provisions of Chapter 12B & 12C of the Code of Iowa and the City's investment policy.
- III-I-21 Revenue Bonds and Notes – We noted no instances of non-compliance with the terms of the City's revenue bond/note provisions.
- III-J-21 Financial Condition – We observed deficit ending balances for Capital Project - Airport in the amount of \$10,000.00, and Capital Project – Library/City Hall in the amount of \$10,000.00, at the June 30, 2021.

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

Response — The deficit in the Capital Fund – Airport is due to construction costs incurred prior to the receipt of state grant proceeds. The deficit will be eliminated next year. The deficit in the Capital Project – Library/City Hall fund is due to a funding agreement with Carroll County. The deficit is anticipated to be eliminated in FY 2023.

Conclusion – Response accepted.

- III-K-21 Tax Increment Financing (TIF) Chapter 403.19 and 403.22 of the Code of Iowa provides a municipality may certify loans, advances, indebtedness and bonds (indebtedness) to the County Auditor which qualify for reimbursement from incremental property tax submitted in fiscal year 2021. The County Auditor provides for the division of property tax to repay the certified indebtedness and provides available incremental property tax in subsequent fiscal years without further certification by the City until the amount of certified indebtedness is paid. We noted no corrections needed to TIF certification to comply with Chapter 403

of the Code of Iowa. Also, the City properly completed the tax increment Debt Certificate Forms to request TIF property taxes.

III-L-21 Urban Renewal Annual Report - The urban renewal annual report was approved and certified to the Department of Management on or before December 1, and no exceptions were noted.

III-M-21 Questionable Donations – In accordance with Article III, Section 31 of the Iowa Constitution prohibits governmental bodies from making a gift to private, non-profit corporations, stating “... no public money or property shall be appropriated for local or private purposes” and an Attorney General’s opinion dated April 25, 1979, and at least five more official AG opinions have consistently concluded “ a governmental body may not donate public funds to a private entity, even if the entity is established for charitable educational purposes and performs work which the government could perform directly. The Opinions further state, “Even if the function of a private non-profit corporation fits within the scope of activities generally recognized as serving a public purpose, a critical question exists regarding whether funds or property transferred to a private entity will indeed be used for those public purposes.”

“Political subdivisions and municipalities, including cities, counties, schools and townships are municipal – governmental – entities. As governmental entities they are governed by elected bodies, are directly responsible to the public as a whole, and are subject to the limitations imposed on them by the state. Although a private organization may be formed to provide and support ‘public’ services which are the same or similar to services provided by the government, the private organizations are not subject to the same degree of public accountability and oversight as governmental entities.”

Certain disbursements were noted which we believe may not meet the requirements of public purpose as defined in the Attorney General’s opinion since the public benefits to be derived have not been clearly documented. These disbursements are detailed as follows:

<u>Paid to</u>	<u>Purpose</u>	<u>Amount</u>
Carroll Area Child Care		\$17,000
Retired Senior Volunteers/Foster Grandparents		\$11,000
Carroll County Community of Concern		\$ 5,450
New Opportunities		\$10,920
Animal Rescue of Carroll		\$ 5,000

According to the opinions, it is possible for certain disbursements to meet the test of serving a public purpose under certain circumstances, although such items will certainly be subject to a deserved close scrutiny. The line to be

drawn between a proper and improper purpose is very thin.

Recommendation – We are not aware of any statutory authority for the City to donate public funds to private non-profit organizations. The City should immediately cease making future such donations.

The City Council should determine and document the public purpose served by these types of disbursements prior to authorizing any further payments. If this practice is continued, the City should establish written policies and procedures, including the requirements for proper public purpose documentation.

Response – The City believes all these disbursements will meet the requirements of public purpose as defined in the Attorney General's opinion. The City will document the public purpose served by these types of disbursements and have it in place by July 1, 2022.

**CITY OF CARROLL**  
**INDEPENDENT AUDITOR'S REPORTS**  
**BASIC FINANCIAL STATEMENTS**  
**SUPPLEMENTARY AND OTHER INFORMATION**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2021**

*Feldmann & Company CPAs, P.C.*  
523 North Main Street  
Carroll, Iowa 51401





Table of Contents

	<u>Page</u>
Officials	4
Independent Auditor's Report	5-7
Management's Discussion and Analysis	8-16
Basic Financial Statements:	<u>Exhibit</u>
Government-wide Financial Statements:	
Cash Basis Statement of Activities and Net Position	A 18-19
Government Fund Financial Statements:	
Statement of Cash Receipts, Disbursements and Changes in Cash Balance –	B 20-21
Reconciliation of the Statement of Cash Receipts, Disbursements and Changes in Cash Balances to the Cash Basis Statement of Activities and Net Position –	C 22
Proprietary Fund Financial Statements:	
Statement of Cash Receipts, Disbursements and Changes in Cash Balance –	D 24-25
Reconciliation of the Statement of Cash Receipts, Disbursements and Changes in Cash Balances to the Cash Basis Statement of Activities and Net Position –	E 26
Notes to Financial Statements	27-47
<b>Other Information:</b>	
Budgetary Comparison Schedule of Receipts, Disbursements and Changes in Balances - Budget and Actual (Cash Basis) –	50-51
All Governmental Funds and Proprietary Funds	
Notes to Other Information – Budgetary Reporting	52
Schedule of the City's Proportionate Share of the Net Pension Liability IPERS	53
Schedule of City's Contributions	54-55
Notes to Other Information – Pension Liability	56
Schedule of the City's Proportionate Share of the Net Pension Liability MFPRSI	57
Schedule of City's Contributions	58-59
Notes to Other Information – Pension Liability	60
<b>Supplementary Information:</b>	<u>Schedule</u>
Schedule of Cash Receipts, Disbursements and Changes in Cash Balances – Nonmajor Governmental Funds	1 62-63
Schedule of Cash Receipts, Disbursements and Changes in Cash Balances – Nonmajor Proprietary Funds	2 64-65
Schedule of Indebtedness	3 66-67
Bond and Note Maturities	4 68
Schedule of Cash Receipts, Disbursements and Changes in Cash Balance- Capital Projects Funds	5 70-71
Schedule of Receipts by Source and Disbursements by Function – All Government Fund Types	6 72-73
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements in Accordance with <u>Government Auditing Standards</u>	74-75
Schedule of Findings and Questioned Costs	76-81

## City of Carroll

### Officials

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Eric Jensen	Mayor	December 31, 2021
Michael Kots	Council Member - Ward 1	December 31, 2021
Misty Boes	Council Member - Ward 2	December 31, 2023
Clay Haley	Council Member - Ward 3	December 31, 2021
Carolyn Siemann	Council Member - Ward 4	December 31, 2023
Jerry Fleshner	Council Member - At-Large	December 31, 2021
	Mayor Pro Tempore	
LaVern Dirx	Council Member - At-Large	December 31, 2023
Michel Pogge-Weaver	City Manager	June 30, 2021 (1)
Laura Schaefer	City Clerk, Treas. & Finance Dir.	June 30, 2021 (2)
Debra K. Goetzinger	Deputy City Clerk	June 30, 2021 (2)
Randall M. Krauel	Public Works Director	June 30, 2021 (2)
Jack Wardell	Parks and Recreation Director	June 30, 2021 (2)
David S. Bruner	City Attorney	Indefinite (1)
Brad Burke	Chief of Police	June 30, 2021 (2)
Greg Schreck	Building/Fire Safety Official	June 30, 2021(2)
Rachel Van Erdewyk	Library Director	June 30, 2021 (2)
Lisa Auen	Library Trustee	December 31, 2025
Dale Schmidt	Library Trustee	December 31, 2025
Brenda Hogue	Library Trustee Sec.	December 31, 2024
Thomas Parish	Library Trustee Vice Pres.	December 31, 2024
Marcie Hircock	Library Trustee	December 31, 2024
Kyle Ulveling	Library Trustee	December 31, 2022
Ralph Von Qualen (County Representative)	Library Trustee	December 31, 2022
Julie Perkins	Library Trustee	December 31, 2022
Summer Parrott	Library Trustee President	December 31, 2026
Greg Siemann	Airport Commissioner	December 31, 2026
Norman Hutcheson	Airport Commissioner/Chairman	December 31, 2022
Gene Vincent	Airport Commissioner	December 31, 2023
Richard Fulton	Airport Commissioner	December 31, 2024
Kevin Wittrock	Airport Commissioner	December 31, 2024

(1) Not Elected - No specific term - Employment Agreement is in effect until terminated by either party.

(2) No specific term - Salary approved to the date shown.

*Feldmann & Company C.P.A.s, P.C.*

523 North Main Street  
Carroll, Iowa 51401  
(712) 792-2464

Independent Auditor's Report

To the Honorable Mayor and Members of the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Carroll, Iowa, as of and for the year ended June 30, 2021, and the related Notes to Financial Statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the

City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the City of Carroll at June 30, 2021, and the respective changes in cash basis financial position for the year then ended in accordance with the basis of accounting described in Note 1.

### Basis of Accounting

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

### Other Matters

#### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Carroll's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the twenty-four years ended June 30, 2020, (which are not presented herein) and expressed unmodified opinions on those financial statements which were prepared on the basis of cash receipts and disbursements. The supplementary information included in Schedules 1 through 6, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

The other information, Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of the City's Proportionate Share of the Net Pension

Liability and the Schedule of City's Contributions on pages 50 through 52 and pages 53 through 60 has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

#### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 9, 2021, on our consideration of the City of Carroll's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 the City's 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 of Carroll's internal control over financial reporting and compliance.

*Feldmann & Company CPAs, P.C.*

Feldmann & Company CPAs, P.C.

November 9, 2021

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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The City of Carroll 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, 2021. We encourage readers to consider this information in conjunction with the City's financial statements, which follow.

### **FINANCIAL HIGHLIGHTS**

- The City's governmental funds' receipts decreased 7.0% or approximately \$1,112,000 from fiscal year 2020 (FY 20). The main reason for the decrease was no debt was issued in fiscal year 2021 (FY 21); however, the decrease was offset by an increase in operating grants and contributions.
- Disbursements of the City's governmental activities also decreased \$1,555,000, or about 9.8%, from FY 20. Capital Projects is the main reason for the decrease.
- The City's total cash basis net position increased about 4.7%, or approximately \$1,090,000, from June 30, 2020 to June 30, 2021. Of this amount, the cash basis net position of the governmental activities increased approximately \$683,000 and the cash basis net position of the business type activities increased approximately \$407,000.

### **USING THIS ANNUAL REPORT**

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

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

The Government-wide Financial Statement consists of a Cash Basis Statement of Activities and Net Position. This statement provides information about the activities of the City as a whole and presents an overall view of the City's finances.

The Fund Financial Statements tell how governmental services were financed as well as what remains for future spending. Fund financial statements report the City's operations in more detail than the government-

wide financial statement by providing information about the most significant funds.

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

Other Information further explains and supports the financial statements with a comparison of the City's budget for the year and the City's proportionate share of the net pension liability and related contributions.

Supplementary Information provides detailed information about the nonmajor governmental funds and the City's indebtedness.

## **BASIS OF ACCOUNTING**

The City maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the City are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with U.S. generally accepted accounting principles. Therefore, when reviewing the financial information and discussion within this annual report, readers should keep in mind the limitations resulting from the use of the cash basis of accounting.

## **REPORTING THE CITY'S FINANCIAL ACTIVITIES**

### *Government-wide Financial Statement*

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Cash Basis Statement of Activities and Net Position reports information which helps answer this question.

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

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

- Governmental Activities include public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service and capital projects.



Property taxes, user fees and state and federal grants finance most of these activities.

- Business Type Activities of the City include water utility, sanitary sewer utility and the storm water utility 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: 1) the General Fund, 2) the Special Revenue Funds such as Road Use Tax Fund and Local Option Sales Tax Fund, 3) the Debt Service Fund, 4) the Capital Projects Funds and 5) the Permanent Funds. The governmental fund financial statements provide a detailed view of the City's general government 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 statement for governmental funds is a Statement of Cash Receipts, Disbursements and Changes in Cash Balances.

- 2) Proprietary funds account for the City's Enterprise Funds and the Internal Service Fund. Enterprise Funds are used to report business-type activities. The City maintains Enterprise Funds to provide separate information for the water, sewer and storm water funds, considered to be major funds of the City. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

The required financial statement for proprietary funds is a Statement of Cash Receipts, Disbursements and Changes in Cash Balances.

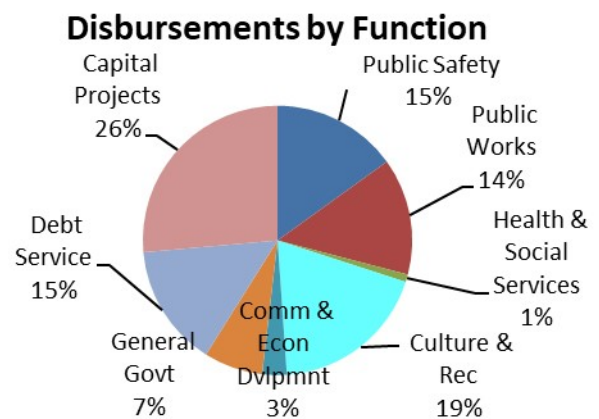
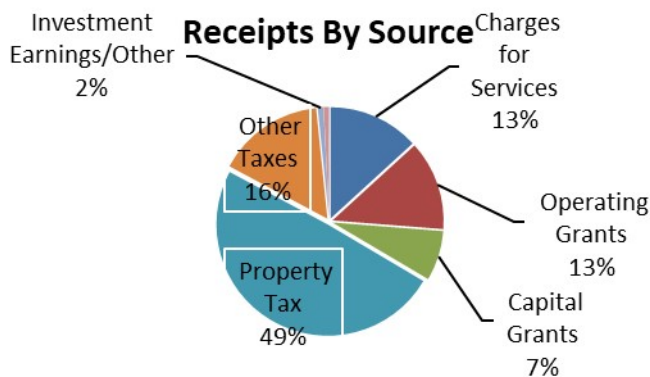
Reconciliations between the government-wide financial statement and the fund financial statements follow the fund financial statements.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of financial position. The City's cash balance for governmental activities increased from a year ago, increasing from \$14.896 million to \$15.579 million. The analysis that follows focuses on the changes in cash basis net position of governmental activities.

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

	2021	2020
<b>Receipts &amp; Transfers:</b>		
<b>Program Receipts:</b>		
Charges for Services & Sales	\$ 1,964	\$ 1,847
Operating Grants, Contributions and Restricted Interest	1,935	1,501
Capital Grants, Contributions and Restricted interest	1,077	1,325
<b>General Receipts</b>		
Property Tax	7,329	7,053
Other Taxes	2,312	2,161
Franchise Tax & Fees	123	106
Unrestricted Investment Earnings	113	239
Bond Proceeds	-	1,734
Other General Receipts	6	5
<b>Total Receipts</b>	<b>14,859</b>	<b>15,971</b>
<b>Disbursements:</b>		
Public Safety	2,155	2,226
Public Works	2,003	2,039
Health & Social Services	129	93
Culture & Recreation	2,706	2,618
Community & Economic Development	420	190
General Government	1,013	1,209
Debt Service	2,099	2,031
Capital Projects	3,775	5,449
<b>Total Disbursements</b>	<b>14,300</b>	<b>15,855</b>
Change in cash basis net position before transfers	559	116
Transfers, net	124	1,164
Change in cash basis net position	683	1,280
Cash basis net position beginning of the year	14,896	13,616
Cash basis net position end of year	<b>\$ 15,579</b>	<b>\$ 14,896</b>



The City's total receipts for governmental activities decreased by 7.0% (\$1,112,000). The total cost of all programs and services decreased by approximately \$1,555,000, or about 9.8%. The primary decrease in receipts is mainly due to no debt issued in FY 21 where debt was issued in FY 20. The decrease in disbursements is mainly due to less capital project expenditures.

The City maintained the property tax rate for FY 21. An increased taxable valuation generated approximately \$276,000 more property tax revenue (including TIF collections). The City's total assessed valuation increased about 3.89% from FY 20 with the residential rollback decreasing 1.8437%. Based on a slight increase in the total assessed valuation and a slight increase in the property tax rate, property tax receipts are budgeted to modestly increase about \$103,000, or 1.67%, in FY 22.

The cost of all governmental activities this year was approximately \$14.300 million compared to approximately \$15.855 million last year. However, as shown in the Statement of Activities and Net Position on pages 18-19, the amount taxpayers ultimately financed for these activities was only \$9.324 million because some of the cost was paid by those directly benefited from the programs (\$1.964 million) or by other governments and organizations which funded certain programs with grants, contributions and restricted interest (\$3.012 million).

The City paid the remaining "public benefit" portion of governmental activities with property tax (some of which could only be used for certain programs) and with other receipts including hotel/motel tax, local option sales tax, cable franchise fees, interest and other miscellaneous receipts. Overall, the City's governmental activities program receipts, including governmental aid and fees for service, increased in FY 21 from approximately \$4.673 million to \$4.976 million, principally due to an increase in charges for services and operating grants and contributions received to combat the COVID-19 pandemic. Road Use Tax receipts were also up about \$213,000 from FY 20.

## Business-Type Activities

### Changes in Cash Basis Net Position of Business-Type Activities (Expressed in Thousand)

	2021	2020
Receipts & Transfers:		
Program Receipts:		
Charges for Services & Sales		
Water	\$ 1,600	\$ 1,462
Sewer	2,109	2,103
Storm Water	265	264
General Receipts		
Unrestricted Investment Earnings	109	225
Other General Receipts	196	71
Total Receipts	4,279	4,125
Disbursements:		
Water	960	935
Water - Capital Outlay	1,898	936
Sewer	884	1,191
Sewer - Capital Outlay	-	1,016
Storm Water	7	7
Storm Water – Capital Outlay	-	348
Total Disbursements	3,749	4,433
Change in cash basis net position before transfers	530	(308)
Transfers, net	(124)	(1,164)
Change in cash basis net position	406	(1,472)
Cash basis net position beginning of the year	8,441	9,913
Cash basis net position end of year	\$ 8,847	\$ 8,441

The cash balance at June 30, 2021 was \$8,847,000, an increase of approximately \$406,000. Revenues increased \$154,000 from FY 20 mainly due to an increase in user fees for water and a grant received for a sewer capital project.

Total disbursements decreased by \$684,000 or 15.4% from FY 20 due mainly to no capital expenditures were made for the Sewer and Storm Water Departments in FY 21.

### **INDIVIDUAL MAJOR GOVERNMENTAL FUND ANALYSIS**

As the City completed the year, its governmental funds reported a combined fund balance of \$15,579,000, an increase of approximately \$683,000 from last year's

total of \$14,896,000. The following are the major reasons for the changes in cash balances from the prior year for the City's major funds.

- The General Fund cash balance increased \$629,800 from the prior year to \$4,940,528, which is approximately 60.7% of General Fund receipts. The General Fund balances are projected to be spent down to 25% of receipts over the next few years. These additional cash reserves are intended to be used for various projects and one-time expenditures.
- The Special Revenue Road Use Tax (RUT) Fund cash balance increased by \$611,013 to \$2,358,984. The City intends to use this money to upgrade the condition of City roads.
- The Special Revenue Local Option Sales Tax (LOST) Fund cash balance increased by \$295,052 to \$928,760. The City intends to use this money for future City projects.
- The Debt Service cash balance increased by \$4,212 to \$92,875. This balance will be used for future principal and interest payments.
- The Capital Projects Funds balance on June 30, 2021 was \$6,316,981, a decrease of \$958,044 from FY 20. The decrease in cash balance is mainly due to the expenses paid for the Streets Maintenance Building and Corridor of Commerce projects.

### **INDIVIDUAL MAJOR BUSINESS TYPE FUND ANALYSIS**

- The cash balance of the Water Utility Fund decreased by \$241,954 to \$1,381,069. The decrease was mainly due to transfers out to fund water capital improvement projects.
- The cash balance of the Sewer Utility Fund increased by approximately \$393,050 to \$4,045,037. The accumulation of cash reserves is for future operating costs and capital expenditures.
- The cash balance of the Storm Water Utility Fund increased approximately \$166,554 to \$1,004,920. The accumulation of cash reserves is for future operating costs and capital expenditures.

### **BUDGETARY HIGHLIGHTS**

In accordance with the Code of Iowa, the City Council annually adopts a budget following required public notice and hearings for all funds. Although the budget document presents functional disbursements by fund, the legal level of control is

at the aggregated function level, not at the fund or fund type level. The budget may be amended during the year utilizing similar statutorily prescribed procedures. Over the course of the year, the City amended its budget two times. The first amendment was approved on October 26, 2020, and resulted in an increase in disbursements (including transfers) of \$1,910,613 and an increase in revenues and other financing sources of \$662,040. The amendment was primarily to account for COVID-19 grants and expenses and other FY 20 carryover projects including various parks and recreation expenses including removal of ash trees, mowers, truck purchases, and other capital projects including airport runway maintenance, pickleball courts, youth sports complex lighting, trails construction and Library/City Hall remodel project. The seconded budget amendment was approved on May 24, 2021, and resulted in an increase in disbursements of \$1,043,311 and an increase in revenues and other financing sources of \$627,059. The amendment was to account for a railroad quiet zone study, water tower improvements and various transfers from one fund to another fund.

After the budget amendments, the City's receipts were about \$497,802 more than the amended budget mainly due to more delinquent property taxes, cable franchise fees and local option sales tax receipts received than budgeted. Total disbursements were \$9.0 million less than the amended budget. This was primarily due to the delay of some capital purchases, unfinished construction projects and less than anticipated operating expenses.

**DEBT ADMINISTRATION**

At year-end, the City had \$8,627,000 in bonds and other long-term debt compared to \$10,436,000 last year as shown below.

Outstanding Debt at Year-End (Expressed in Thousands)		
	2021	2020
General Obligation Capital Loan Notes	\$5,870	\$7,040
Sewer Revenue Bonds	2,757	3,396
Total	<u>\$8,627</u>	<u>\$10,436</u>

Debt decreased as a result of principal payments made while no new debt was issued in FY 21. Principal payments totaled \$1,809,000.

The Constitution of the State of Iowa limits the amount of general obligation debt that cities can issue to 5% of the assessed value of all taxable property within the City's corporate limits. The City's outstanding general obligation debt of \$5,870,000 is well below the City's \$44.9 million legal debt limit.

More detailed information about the City's long-term debt is presented in Note 3 of the financial statements.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The City's citizens and elected and appointment officials considered many factors when setting the 2022 fiscal year budget, associated tax rates and fees for services. One of those factors is the local economy. The regional economy is stable. Unemployment for Carroll County was at a rate of about 3.1% (January 2021 Local Area Unemployment Statistics for Carroll County obtained from Iowa Workforce Development) which is up slightly from the January 2020 unemployment rate of 2.3%. This is compared to the State's unemployment rate of 3.5% (January 2021) and the national rate of 6.3% (January 2021).

These indicators were taken into account when adopting the budget for fiscal year 2022 (FY 22). FY 22 budgeted revenues are expected to be approximately \$1.5 million less than final FY 21 budget mainly due less intergovernmental receipts (grants for capital projects) anticipated compared to FY 21. FY 22 budgeted disbursements are expected to be about \$7.2 million less than FY 21 final budgeted disbursements mainly due to less capital projects.

If budget estimates are realized, the City's budgeted cash balance is expected to decrease approximately \$2.0 million by the close of FY 22.

### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Laura Schaefer, City Clerk, 627 N. Adams Street, Carroll, IA 51401.

**City of Carroll**

**Basic Financial Statements**



**City of Carroll**  
**Statement of Activities and**  
**Net Position - Cash Basis**  
**Year ended June 30, 2021**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for Services</b>
<b>Governmental Activities</b>		
Public Safety Program	\$ 2,155,355.47	\$ 146,131.63
Public Works Program	2,002,571.12	642,622.99
Health and Social Services Program	129,325.00	13,080.00
Culture and Recreation Program	2,705,468.41	1,121,508.20
Community & Economic Development Program	419,988.71	1,200.00
General Government	1,013,282.00	39,350.81
Debt Service	2,098,862.52	-
Capital Projects	3,775,485.94	-
Total governmental activities	14,300,339.17	1,963,893.63
<b>Business Type Activities</b>		
Water	2,858,865.11	1,600,111.61
Sewer	883,748.31	2,109,306.36
Storm Water	6,795.00	265,032.87
Total business type activities	3,749,408.42	3,974,450.84
<b>Total</b>	\$ 18,049,747.59	\$ 5,938,344.47
General Receipts:		
Property Taxes levied for:		
General purpose		
Debt Service		
Tax Increment Financing		
Property Tax Replacement		
Hotel Motel Tax		
Local Option Sales Tax		
Franchise taxes and fees		
Unrestricted investment earnings		
Bond Proceeds		
Miscellaneous		
Transfers		
Total general receipts and transfers		
Changes in Cash Balance		
Cash Balance beginning of year		
Cash Balance end of year		
<b>Cash Basis Net Position</b>		
Restricted:		
Nonexpendable - Cemetery Perpetual Care		
- Rec Center Trust		
Expendable - Debt Service		
- Streets		
- Other purposes		
Unrestricted		
<b>Total Cash Basis Net Position</b>		

Exhibit A

Program Revenues		Net (Disbursements) Receipts		
Operating Grants Contributions and Restricted Interest	Capital Grants Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total
\$ 36,376.97	\$ -	\$ (1,972,846.87)	\$ -	\$ (1,972,846.87)
1,515,986.46	-	156,038.33	-	156,038.33
49,050.00	-	(67,195.00)	-	(67,195.00)
99,941.14	-	(1,484,019.07)	-	(1,484,019.07)
-	-	(418,788.71)	-	(418,788.71)
233,696.63	-	(740,234.56)	-	(740,234.56)
-	-	(2,098,862.52)	-	(2,098,862.52)
-	1,077,219.01	(2,698,266.93)	-	(2,698,266.93)
1,935,051.20	1,077,219.01	(9,324,175.33)	-	(9,324,175.33)
-	-	-	(1,258,753.50)	(1,258,753.50)
-	-	-	1,225,558.05	1,225,558.05
-	80,000.00	-	338,237.87	338,237.87
-	80,000.00	-	305,042.42	305,042.42
\$ 1,935,051.20	\$ 1,157,219.01	(9,324,175.33)	305,042.42	(9,019,132.91)
		5,341,175.39	-	5,341,175.39
		866,865.72	-	866,865.72
		1,120,790.11	-	1,120,790.11
		218,036.16	-	218,036.16
		189,014.14	-	189,014.14
		1,905,365.23	-	1,905,365.23
		122,706.26	-	122,706.26
		112,975.20	109,119.29	222,094.49
		-	-	-
		6,589.75	116,311.53	122,901.28
		124,007.00	(124,007.00)	-
		10,007,524.96	101,423.82	10,108,948.78
		683,349.63	406,466.24	1,089,815.87
		14,896,002.58	8,440,864.94	23,336,867.52
		\$ 15,579,352.21	\$ 8,847,331.18	\$ 24,426,683.39
		\$ 569,171.51	\$ -	\$ 569,171.51
		65,224.25	-	65,224.25
		92,874.55	-	92,874.55
		2,358,983.60	-	2,358,983.60
		1,570,497.38	-	1,570,497.38
		10,922,600.92	8,847,331.18	19,769,932.10
		\$ 15,579,352.21	\$ 8,847,331.18	\$ 24,426,683.39

**City of Carroll**  
**Statement of Cash Receipts, Disbursements**  
**and Changes in Cash Balances**  
**Governmental Funds**  
**Year ended June 30, 2021**

	<b>General</b>	<b>Special Revenue Road Use Tax</b>	<b>Special Revenue Local Option Sales Tax</b>
<b>Receipts:</b>			
Property tax	\$ 4,436,479.06	\$ -	\$ -
Other Taxes	311,720.40	-	1,905,365.23
Use of money and property	93,431.83	-	9,064.98
Licenses and permits	75,454.31	-	-
Intergovernmental	501,467.59	1,512,037.68	-
Charges for service	1,634,549.35	-	-
Special assessments	-	-	-
Fines and fees	68,379.13	-	-
Miscellaneous	128,030.65	-	-
<b>Total receipts</b>	<b>7,249,512.32</b>	<b>1,512,037.68</b>	<b>1,914,430.21</b>
<b>Disbursements:</b>			
Public Safety	2,154,387.44	-	-
Public Works	1,227,816.22	769,435.63	-
Health and Social Services	129,325.00	-	-
Culture and Recreation	2,677,497.81	-	15,777.00
Community and Economic Development	136,545.16	-	112,212.00
General Government	1,015,121.89	-	-
Debt Service	-	-	-
Capital Projects	-	-	-
<b>Total disbursements</b>	<b>7,340,693.52</b>	<b>769,435.63</b>	<b>127,989.00</b>
Excess (deficiency) of receipts over (under) disbursements	(91,181.20)	742,602.05	1,786,441.21
<b>Other financing sources (uses):</b>			
Bond/note proceeds	-	-	-
Operating transfers in	888,225.31	118,411.02	43,896.41
Operating transfers(out)	(167,243.62)	(250,000.00)	(1,535,286.00)
<b>Total other financing sources (uses)</b>	<b>720,981.69</b>	<b>(131,588.98)</b>	<b>(1,491,389.59)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	629,800.49	611,013.07	295,051.62
<b>Cash balance beginning of year</b>	<b>4,310,727.34</b>	<b>1,747,970.53</b>	<b>633,708.47</b>
<b>Cash balance end of year</b>	<b>\$ 4,940,527.83</b>	<b>\$ 2,358,983.60</b>	<b>\$ 928,760.09</b>
<b>Cash Basis Fund Balances</b>			
Unspendable-			
Permanent fund-Cemetary Perpetual Care	\$ -	\$ -	\$ -
-Rec Center Trust	-	-	-
Restricted for Debt Service			
Streets	-	2,358,983.60	-
Urban Renewal purposes	-	-	-
Other purposes	475,373.06	-	928,760.09
Committed			
Assigned	257,517.00	-	-
Unassigned	4,207,637.77	-	-
<b>Total cash basis fund balances</b>	<b>\$ 4,940,527.83</b>	<b>\$ 2,358,983.60</b>	<b>\$ 928,760.09</b>

Exhibit B

Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total
\$ 866,865.72	\$ -	\$ 2,025,486.44	\$ 7,328,831.22
-	-	-	2,217,085.63
-	49,375.28	6,808.11	158,680.20
-	-	-	75,454.31
26,584.90	989,687.23	56,114.62	3,085,892.02
-	-	5,760.00	1,640,309.35
-	-	-	-
-	-	-	68,379.13
-	87,531.78	69,487.50	285,049.93
<u>893,450.62</u>	<u>1,126,594.29</u>	<u>2,163,656.67</u>	<u>14,859,681.79</u>
-	-	4,154.67	2,158,542.11
-	-	-	1,997,251.85
-	-	-	129,325.00
-	-	6,062.57	2,699,337.38
-	-	171,231.55	419,988.71
-	-	-	1,015,121.89
2,098,862.52	-	-	2,098,862.52
-	3,775,485.94	-	3,775,485.94
<u>2,098,862.52</u>	<u>3,775,485.94</u>	<u>181,448.79</u>	<u>14,293,915.40</u>
<u>(1,205,411.90)</u>	<u>(2,648,891.65)</u>	<u>1,982,207.88</u>	<u>565,766.39</u>
-	-	-	-
1,209,624.32	1,734,743.62	-	3,994,900.68
-	(43,896.41)	(1,874,467.65)	(3,870,893.68)
<u>1,209,624.32</u>	<u>1,690,847.21</u>	<u>(1,874,467.65)</u>	<u>124,007.00</u>
4,212.42	(958,044.44)	107,740.23	689,773.39
<u>88,662.13</u>	<u>7,275,025.73</u>	<u>839,908.38</u>	<u>14,896,002.58</u>
<u>\$ 92,874.55</u>	<u>\$ 6,316,981.29</u>	<u>\$ 947,648.61</u>	<u>\$ 15,585,775.97</u>
\$ -	\$ -	\$ 569,171.51	\$ 569,171.51
-	-	65,224.25	65,224.25
92,874.55	-	-	92,874.55
-	-	-	2,358,983.60
-	-	166,364.23	166,364.23
-	-	-	1,404,133.15
-	6,316,981.29	-	6,316,981.29
-	-	146,888.62	404,405.62
-	-	-	4,207,637.77
<u>\$ 92,874.55</u>	<u>\$ 6,316,981.29</u>	<u>\$ 947,648.61</u>	<u>\$ 15,585,775.97</u>

See notes to financial statements.

City of Carroll

**Reconciliation of the Statement of Cash Receipts, Disbursements  
and Changes in Cash Balances  
to the Cash Basis Statement of Activities and Net Position  
Governmental Funds**

**As of and for the year ended June 30, 2021**

Total governmental funds cash balances (page 21)	\$15,585,775.97
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*Amounts reported for governmental activities in the Cash Basis Statement of Activities and Net Position are different because:*

The Internal Service Fund is used by management to charge the costs of health insurance and self-funding of the City's health insurance benefit plan to individual funds. A portion of the cash balance of the Internal Service Fund is included in the governmental activities in the Cash Basis Statement of Activities and Net Position.

	<u>(6,423.76)</u>
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Cash Basis net position of Governmental activities (page 19)	<u>\$15,579,352.21</u>
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Change in cash balances (page 21)	\$ 689,773.39
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*Amounts reported for business type activities in the Cash Basis Statement of Activities and Net Position are different because:*

The Internal Service Fund is used by management to charge the costs of health insurance and self-funding of the City's health insurance benefit plan to individual funds. A portion of the change in the cash balance of the Internal Service Fund is reported with the governmental activities in the Cash Basis Statement of Activities and Net Position.

	<u>(6,423.76)</u>
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Change in cash basis net position of governmental activities (page 19)	<u>\$ 683,349.63</u>
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See notes to financial statements.

# City of Carroll

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

Year ended June 30, 2021

	<b>Enterprise Funds</b>		
	<b>Major Fund</b>	<b>Major Fund</b>	<b>Major Fund</b>
	<b>Water</b>	<b>Sewer</b>	<b>Storm Water</b>
<b>Operating receipts:</b>			
Charges for service	\$ 1,600,111.61	\$ 2,109,306.36	\$ 265,032.87
<b>Total operating receipts</b>	<b>1,600,111.61</b>	<b>2,109,306.36</b>	<b>265,032.87</b>
<b>Operating disbursements:</b>			
Governmental activities:			
Public Safety	-	-	-
Public works	-	-	-
Cultural and recreational	-	-	-
General government	-	-	-
Business-type activities:	949,875.15	884,908.06	6,795.00
<b>Total operating disbursements</b>	<b>949,875.15</b>	<b>884,908.06</b>	<b>6,795.00</b>
Excess (deficiency) of operating receipts over (under) operating disbursements	650,236.46	1,224,398.30	258,237.87
<b>Non-operating receipts (disbursements)</b>			
Use of money and property	56,671.04	30,969.74	7,071.02
Miscellaneous	38,177.28	19,650.36	1,245.39
Capital Outlay	-	-	-
<b>Net non-operating receipts (disbursements)</b>	<b>94,848.32</b>	<b>50,620.10</b>	<b>8,316.41</b>
Other financing sources (uses):			
Bond/note proceeds	-	-	-
Operating transfers in	906,230.00	-	-
Operating transfers (out)	(1,893,269.00)	(881,968.00)	(100,000.00)
Total other financing sources (uses)	(987,039.00)	(881,968.00)	(100,000.00)
Excess of receipts and other financing sources over disbursements and other financing uses	(241,954.22)	393,050.40	166,554.28
<b>Cash balance beginning of year</b>	<b>1,623,023.54</b>	<b>3,651,986.89</b>	<b>838,365.26</b>
<b>Cash balance end of year</b>	<b>\$ 1,381,069.32</b>	<b>\$ 4,045,037.29</b>	<b>\$ 1,004,919.54</b>
<b>Cash Basis Fund Balances</b>			
Restricted	\$ -	\$ -	\$ -
Committed	-	-	-
Assigned	-	-	-
Unrestricted	1,381,069.32	4,045,037.29	1,004,919.54
<b>Total cash basis fund balances</b>	<b>\$ 1,381,069.32</b>	<b>\$ 4,045,037.29</b>	<b>\$ 1,004,919.54</b>

Exhibit D

Other Non-Major Proprietary	Total	Internal Service Employee Health
\$ -	\$ 3,974,450.84	\$ 548,606.31
-	3,974,450.84	548,606.31
-	-	\$ 152,179.70
-	-	95,455.19
-	-	166,967.30
-	-	47,304.53
9,285.00	1,850,863.21	93,553.82
9,285.00	1,850,863.21	555,460.54
(9,285.00)	2,123,587.63	(6,854.23)
14,407.49	109,119.29	
137,238.50	196,311.53	-
(1,898,114.74)	(1,898,114.74)	-
(1,746,468.75)	(1,592,683.92)	-
-	-	
1,845,000.00	2,751,230.00	-
-	(2,875,237.00)	-
1,845,000.00	(124,007.00)	-
89,246.25	406,896.71	(6,854.23)
2,327,489.25	8,440,864.94	958,206.61
\$ 2,416,735.50	\$ 8,847,761.65	\$ 951,352.38
\$ -	\$ -	\$ 951,352.38
2,416,735.50	2,416,735.50	-
-	-	-
-	6,431,026.15	-
\$ 2,416,735.50	\$ 8,847,761.65	\$ 951,352.38

See notes to financial statements.



**Exhibit E**

**City of Carroll**

**Reconciliation of the Statement of Cash Receipts, Disbursements  
And Changes in Cash Balances  
to the Cash Basis Statement of Activities and Net Position  
Proprietary Funds  
As of and for the year ended June 30, 2021**

Total enterprise funds cash balances (page 25) \$ 8,847,761.65

*Amounts reported for business type activities in the Cash Basis  
Statement of Activities and Net Position are different because:*

The Internal Service Fund is used by management to charge the costs of health insurance and self-funding of the City's health insurance benefit plan to individual funds. A portion of the cash balance of the Internal Service Fund is included in the business type activities in the Cash Basis Statement of Activities and Net Position. (430.47)

Cash Basis net position of Business type activities (page 19) \$ 8,847,331.18

Change in cash balances (page 25) \$ 406,896.71

*Amounts reported for business type activities in the Cash Basis  
Statement of Activities and Net Position are different because:*

The Internal Service Fund is used by management to charge the costs of health insurance and self-funding of the City's health insurance benefit plan to individual funds. A portion of the change in the cash balance of the Internal Service Fund is reported with the business type activities in the Cash Basis Statement of Activities and Net Position. (430.47)

Change in cash basis net position of business type activities (page 19) \$ 406,466.24

See notes to financial statements.

## City of Carroll

### Notes to Financial Statements

June 30, 2021

#### Note 1 - Summary of Significant Accounting Policies

The City of Carroll is a political subdivision of the State of Iowa located in Carroll County. It was first incorporated in 1869 and operates under the Home Rule provisions of the Constitution of Iowa. The City operates under the Mayor-Council form of government with the Mayor and Council Members elected on a non-partisan basis. The City provides numerous services to citizens including public safety, public works, health and human services, culture and recreation, community and economic developments, and general government services. The City also provides water, sewer and storm water utilities for its citizens.

##### A. Reporting Entity

For financial reporting purposes, the City of Carroll has included all funds, organizations, agencies, boards, commissions and authorities. The City has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the City. The City has no component units that meet the Governmental Accounting Standards Board criteria.

##### Jointly Governed Organizations

The City also participates in several jointly governed organizations that provide goods or services to the citizenry of the City but do 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 and commissions: Carroll County Assessor's Conference Board, Carroll County Solid Waste Commission, City/County Communications Committee, Carroll County Regional Planning Commission, County Emergency Management Commission and County Joint E911 Service Board, Carroll Area Access Television 6 (CAAT6) Board, and Carroll Foundation.

##### B. Basis of Presentation

Government-Wide Financial Statements – The Cash Basis Statement of Activities and Net Position reports information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from this statement.

Governmental activities, which are supported by tax and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for service.

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

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

*Expendable restricted net position* results when constraints placed on the use of cash balances are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net position* consists of cash balances not meeting the definition of the preceding categories. Unrestricted net position is often subject to the constraints imposed by management which can be removed or modified.

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

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

The City reports the following major governmental funds:

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

#### Special Revenue

Road Use Tax is used to account for the road use tax allocation from the State of Iowa

to be used for road construction and maintenance.

Local Option Sales Tax is used to account for a voter approved optional sales tax imposed on all sales within the electing jurisdiction. Revenue from this tax must be spent on the specific purposes set forth in the election ballot if other than property tax relief.

The Debt Service Fund is utilized to account for property tax and other receipts to be used for the payment of interest and principal on the City's general long term debt.

The Capital Projects Funds are utilized to account for all resources used in the acquisition and construction of capital facilities, with the exception of those that are financed through enterprise funds.

The City reports the following major proprietary funds:

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

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

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

The City also reports the following additional proprietary fund:

An Internal Service Fund is utilized to account for the financing of health insurance services provided to other departments on a cost reimbursement basis.

C. Measurement Focus and Basis of Accounting

The City of Carroll maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the City are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with U.S. generally accepted accounting principles.

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

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

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

D. Property Taxes and Governmental Cash Basis Fund Balances:

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

Property tax revenues recognized in these funds become due and collectible in September and March of the current fiscal year with a 1 ½ % per month penalty for delinquent payments: is based on January 1, 2019, assessed property valuations: is for the tax accrual period July 1, 2020, through June 30, 2021, and reflects tax asking contained in the budget certified to the City Council in March 2020.

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

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

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

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

Unassigned – All amounts not included in the preceding classifications.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Other Information. During the year ended June 30, 2021, there were no disbursements that exceeded the amounts budgeted in the general government and business type activities functions.

**Note 2 - Cash and Pooled Investments**

The City's deposits in banks at June 30, 2021, 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 ensure there will be no loss of public funds.

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

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

**Note 3 - Bonds and Notes Payable**

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

Year Ending June 30,	Sewer Revenue Bonds		General Obligation Capital Loan Notes		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	659,000	48,248	1,085,000	187,935	1,744,000	236,183
2023	678,000	36,715	915,000	159,975	1,593,000	196,690
2024	699,000	24,850	655,000	136,908	1,354,000	161,758
2025	721,000	12,618	370,000	118,065	1,091,000	130,683
2026-33	-	-	2,845,000	421,853	2,845,000	421,853
	<b>\$ 2,757,000</b>	<b>\$ 122,430</b>	<b>\$ 5,870,000</b>	<b>\$ 1,024,735</b>	<b>\$ 8,627,000</b>	<b>\$ 1,147,165</b>

The Code of Iowa requires that principal and interest on general obligation bonds be paid from the Debt Service fund.

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

The funds to pay principal and interest will be provided from the levied direct annual tax, except for the sewer revenue bonds that are paid with revenue generated by the sewer enterprise fund.

## **General Obligation, Revenue and Capital Loan Notes**

The City issued \$10,998,000, Revenue Capital Loan Notes, Series 2003, during the year ended June 30, 2004. Capital Loan Notes totaling \$8,000,000 were issued December 23, 2003, and an additional issue on June 9, 2004, of \$2,998,000. These notes will be used to defray the costs of wastewater treatment plant improvements. Interest rate is 3.00%. Interest payments are due semiannually beginning June 1, 2004. Principal and interest payments are paid semiannually starting June 1, 2006. In July 2015 the Iowa Finance Authority negotiated a reduced interest to 1.75% for payments starting in fiscal year 2015.

On April 23, 2015, the City issued \$1,770,000 in General Obligation Capital Loan Notes, Series 2015A, with an interest rate range of .750% to 1.850%. The net proceeds were used to defease/advance refund the GO Bond Series 2008A, in the amount of \$1,715,000.00. The City's designated Paying Agent, UMB Bank, N.A., Kansas City, MO, will pay principal and interest on the Notes; interest payable initially on December 1, 2015, and thereafter interest on each June 1 and December 1, through 2023, principal paid annually starting June 1, 2017.

On November 30, 2016, the City issued \$2,290,000 in General Obligation Capital Loan Notes, Series 2016B, with an interest rate range of .80% to 1.60%. The net proceeds were used to pay costs of cemetery maintenance building and Third Street storm sewer improvements. The City's designated Paying Agent, UMB Bank, N.A., Kansas City, MO, will pay principal and interest on the Notes; interest payable each June 1 and December 1, through 2024, principal paid annually starting June 1, 2017.

On November 14, 2018, the City issued \$4,475,000 in General Obligation Capital Loan Notes, Series 2018B, with an interest rate of 3.35%. Total project was split between 5 local banks. The net proceeds were used to pay costs of the Library/City Hall projects and park/trail improvements. The City will pay principal and interest on the Notes; interest payable each June 1 and December 1, through 2033, principal paid annually starting June 1, 2019. This debt was refunded October 14, 2021.

On March 25, 2020, the City issued \$1,505,000 in General Obligation Capital Loan Notes, Series 2020A, with an interest rate range of 4.00% to 5.00% and a true interest cost of 1.23%. The net proceeds were used to pay for the purchase of a fire truck and the Street Rehab – 2019 Project. The City's designated Paying Agent, UMB Bank, N.A., Kansas City, MO, will pay interest on the Notes; interest payable each June 1 and December 1, through 2029, principal paid annually starting June 1, 2020.

### **Sewer Revenue Notes**

The City has pledged future sewer customer receipts, net of specific operating disbursements, to repay \$10,998,000 of sewer revenue notes issued in FY 2004 with \$8,000,000 issued December 2003 and \$2,998,000 issued June 2004. Proceeds from the notes provided financing for the construction of the wastewater treatment plant

improvements and sanitary relief sewer improvements. The notes are payable solely from customer net receipts and are payable through 2025. Annual principal and interest payments on the notes are expected to require about 60% of net receipts. The total principal and interest remaining to be paid on the notes is \$2,879,430. For the current year, principal and interest paid and total customer net receipts were \$706,920.00 and \$1,184,350.30, respectively.

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

- (a) The notes will only be redeemed from the future earnings of the sewer system activity and the note holders hold a lien on the future earnings of the fund.
- (b) Sufficient monthly transfers shall be made to a separate sewer revenue note sinking account within the Sewer Fund for the purpose of making the note principal and interest payments when due.
- (c) All funds remaining in the sewer account at the close of the month may be deposited in any of the funds created by the resolutions, to pay for extraordinary repairs or replacements to the sewer system, or for any lawful purpose.

#### **Note 4 - Pension Plan**

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](http://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, any time 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, except for members with service before June 30, 2012, will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

Protection occupation members may retire at normal retirement age, which is generally 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 member's monthly IPERS benefit includes:

- 60% of average salary after completion of 22 years of service, plus an additional 1.5% of average salary for more than 22 years of service 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 before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month that the member receives benefits before the member's earliest normal retirement age. For service earned on or after July 1, 2012, the reduction is 0.50% for each month that the member receives benefits before age 65.

Generally, once a member selects a benefits 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 by 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 base 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 2021, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the City contributed 9.44% for a total rate of 15.73%. Protection occupation members contributed 6.41% of covered payroll and the City contributed 9.61% of covered payroll, for a total rate of 16.02%.

The city’s contributions to IPERS for the year ended June 30, 2021, totaled \$291,922.07.

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2021, the City reported a liability of \$ 2,671,516 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportion of the net pension liability was based on the City’s share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2020, the City’s proportion was 0.0382817%, which was a decrease of (0.000252%) from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021 the City’s pension expense, deferred outflows of resources and deferred inflows of resources totaled of \$412,650, \$514,178, and \$284,816 respectively.

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions – The total pension liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, as follows:

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

The actuarial assumptions used in the June 30, 2020, 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 2020 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 IPERS' investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of 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 geometric 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>
Domestic equity	22.0%	4.43%
International equity	17.5	5.15
Global smart beta equity	6.0	4.87
Core plus fixed income	28.0	(0.29)
Public credit	4.0	2.29
Cash	1.0	(0.78)
Private equity	11.0	6.54
Private real assets	7.5	4.48
Private credit	<u>3.0</u>	3.11
Total	100%	

Discount Rate – The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the City will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS' 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 IPERS' investments was applied to all periods of projected benefits payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1% Decrease ( <u>6.00%</u> )	Discount Rate ( <u>7.00%</u> )	1% Increase ( <u>8.00%</u> )
City's proportionate share of the net pension liability	\$4,467,975	\$2,671,516	\$ 1,165,230

IPERS' Net Position – Detailed information about IPERS fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at [www.ipers.org](http://www.ipers.org).

### **Municipal Fire and Police Retirement System of Iowa (MFPRSI)**

Plan Description – MFPRSI membership is mandatory for fire fighters and police officers covered by the provisions of Chapter 411 of the Code of Iowa. Employees of the City are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by MFPRSI. MFPRSI issues a stand-alone financial report which is available to the public by mail at 7155 Lake Drive, Suite #201, West Des Moines, Iowa 50266 or at [www.mfprsi.org](http://www.mfprsi.org).

MFPRSI benefits are established under Chapter 411 of the Code of Iowa and the administrative rules thereunder. Chapter 411 of the Code of Iowa and the administrative rules are the official plan documents. The following brief description is providing for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits – Members with 4 or more years of service are entitled to pension benefits beginning at age 55. Full service retirement benefits are granted to members with 22 years of services, while partial benefits are available to those members with 4 to 22 years of service based on the ratio of years completed to the years required (i.e., 22 years). Members with less than 4 years of service are entitled to a refund of their contribution only, with interest, for the period of employment.

Benefits are calculated based upon the member's highest 3 years of compensation. The average of these 3 years becomes the member's average final compensation. The base benefit is 66% of the member's average final compensation. Members who perform more than 22 years of service receive an additional 2% of the member's average final compensation for each additional year of service, up to a maximum of 8 years. Survivor benefits are available to the beneficiary of a retired member according to the provisions of the benefit option chosen plus an additional benefit for each child. Survivor benefits are subject to a minimum benefit for those members who chose the basic benefit with a 50% surviving spouse benefit.

Active members, at least 55 years of age, with 22 or more years of service have the option to participate in the Deferred Retirement Option Program (DROP). The DROP is an arrangement whereby a member who is otherwise eligible to retire and commence benefits opts to continue to work. A member can elect a 3, 4, or 5 year DROP period. When electing to participate in DROP, the member signs a contract stating the member will retire at the end of the selected DROP period. During the DROP period, the member's retirement benefit is frozen, and a DROP benefit is credited to a DROP account established for the member. Assuming the member completes the DROP period, the DROP benefit is equal to 52% of the member's retirement benefit at the member's earliest date eligible and 100% if the member delays enrollment for 24 months. At the member's actual date of retirement, the member's DROP account will be distributed to the member in the form of a lump sum or rollover to an eligible plan.

Disability and Death Benefits – Disability benefits may be either accidental or ordinary. Accidental disability is defined as permanent disability incurred in the line of duty, with benefits equivalent to the greater of 60% of the member's average final compensation or the member's service retirement benefit calculation amount. Ordinary disability occurs outside the call of duty and pays benefits equivalent to the greater of 50% of the member's average final compensation for those with 5 or more years of service or the member's service retirement benefit calculation amount and 25% of average final compensation for those with less than 5 years of service.

Death benefits are similar to disability benefits. Benefits for accidental death are 50% of the average final compensation of the member plus an additional amount for each child, or the provisions for ordinary death. Ordinary death benefits consist of a pension equal to 40% of the average final compensation of the member plus an additional amount for each child, or a lump-sum distribution to the designated beneficiary equal to 50% of the previous year's earnable compensation of the member or equal to the amount of the member's total contributions plus interest.

Benefits are increased annually in accordance with Chapter 411.6 of the Code of Iowa which provides a standard formula for the increases.

The surviving spouse or dependents of an active member who dies due to a traumatic personal injury incurred in the line of duty receives a \$100,000 lump-sum payment.

Contributions – Members contribution rates are set by state statute. In accordance with Chapter 411 of the Code of Iowa, the contribution rate was 9.40% of earnable compensation for the year ended June 30, 2021.

Employer contribution rates are based upon an actuarially determined normal contribution rate and set by state statute. The required actuarially determined contributions are calculated on the basis of the entry age normal method as adopted by the Board of Trustees as permitted under Chapter 411 of the Code of Iowa. The normal contribution rate is provided by state statute to be the actuarial liabilities of the plan less current plan assets, with such total divided by 1% of the actuarially determined present value of prospective future compensation of all members, further reduced by member contributions and state appropriations. Under the Code of Iowa, the employer's contribution rate cannot be less than 17.00% of earnable compensation. The contribution rate was 25.31% for the year ended June 30, 2021.

The City's contributions to MFPRSI for the year ended June 30, 2021 was \$230,867.81.

If approved by the state legislature, state appropriations may further reduce the City's contribution rate, but not below the minimum statutory contribution rate of 17.00% of earnable compensation. The State of Iowa, therefore, is considered to be a nonemployer contributing entity in accordance with the provisions of the Governmental Accounting Standards Board Statement No. 67 – Financial Reporting for Pension Plans, (GASB 67).

There were no state appropriations to MFPRSI during the fiscal year ended June 30, 2021.

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2021, the City reported a liability of 2,332,526 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to the MFPRSI relative to the contributions of all MFPRSI participating employers. At June 30, 2020, the City's proportion was 0.292443% which was an increase of 0.0134450% from its proportions measured as of June 30, 2019.

For the year ended June 30, 2021 the City's pension expense, deferred outflows of resources and deferred inflows of resources totaled \$433,259, \$523,571 and \$(73,971) respectfully.

Actuarial Assumptions - The total pension liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation	3.00%
Salary increases	3.75 to 15.11%, including inflation

Investment rate of return 7.50%, net of investment expense, including inflation

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2007 through June 30, 2017.

Postretirement mortality rates were based on the RP-2014 Blue Collar Combined Healthy Annuitant Table with males set forward zero years, females set forward two years and disabled individuals set-forward three years (male only rates), with generational projection of future mortality improvement with 50% of Scale BB beginning in 2017.

The long-term expected rate of return on MFPRSI investments was determined using a building-block method in which best-estimate ranges of expected future real rates (i.e., 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 best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Large cap	7.49%
Small cap	8.1
International large cap	7.2
Emerging markets	7.9
Global infrastructure	7.5
Private non-core real estate	11.5
Private credit	6.4
Private equity	10.8
Core plus fixed income	4.0
Private core real estate	7.2

Discount Rate – The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed contributions will be made at 9.40% of covered payroll and the City’s contributions will be made at rates equal to the difference between actuarially determined rates and the member rate. Based on those assumptions, the MFPRSI’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on MFPRSI’s investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the city's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.50 %) or 1% higher (8.50 %) than the current rate.

	1% Decrease <u>(6.50%)</u>	Discount Rate <u>(7.50%)</u>	1% Increase <u>(8.50%)</u>
City's proportionate share of the net pension liability	\$3,577,641	\$ 2,332,526	\$ 1,301,175

MFPRSI's Fiduciary Net Position – Detailed information about MFPRSI's fiduciary net position is available in the separately issued MFPRSI financial report which is available on MFPRSI's website at [www.mfprsi.org](http://www.mfprsi.org).

**Note 5 - Other Postemployment Benefits (OPEB)**

Plan Description - The City partially self-funds a single-employer health benefit plan which provides medical/prescription drug benefits for employees, retirees and their spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. There are 51 active and one (1) inactive employees on the plan. Retired participants must be age 55 or older at retirement, with the exception of special service participants who must be age 50 with 22 years of service.

The medical/prescription drug coverage is provided through a fully-insured plan with Wellmark. The City self-funds the co-payments, deductibles and out-of-pocket maximums to a lower amount. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy.

Funding Policy - The contribution requirements of plan members are established by union contracts for Police union employees and by Council for the Public Works union employees and the non-union employees. The City currently finances the benefit plan on a pay-as-you-go basis. Currently, employees are required to pay, on a pre-tax basis, 20% of the cost of the premium equal to the cost of electing continuing coverage under COBRA. For the year ended June 30, 2021 the City contributed \$430,527.65 and plan members eligible for benefits contributed \$118,078.66 to the plan.

If an employee certifies that he/she is otherwise covered by health insurance and opts to waive coverage through the City, the City shall pay the employee an amount equal to thirty-percent (30%) of the single health insurance coverage.



**Note 6 - Compensated Absences**

City Employees accumulate a limited amount of earned but unused vacation and sick leave and comp time hours or subsequent use or for payment upon termination, retirement or death. These accumulations are not recognized as disbursement by the City until used or paid. The City's approximate liability for earned vacation, sick leave, and comp time payable to employees at June 30, 2021, primarily relating to the General Fund, is as follows:

<u>Type of Benefits</u>	<u>Liability June 30, 2021</u>
Vacation	\$ 199,711.48
Compensatory Time	30,614.27
Sick Leave	<u>1,373.62</u>
	<u>\$ 231,699.37</u>

\* Computed based on rates of pay in effect as of June 30, 2021.

**Note 7 - Hospital Revenue Bonds**

On November 1, 2006, the City issued a total of \$5,425,000 of Hospital Revenue Bonds under the provisions of Chapter 419 of the Code of Iowa. The bonds and related interest are payable solely from the revenue of St. Anthony Regional Hospital, and the bond principal and interest do not constitute liabilities of the City.

On November 26, 2012, the City issued a total of \$4,820,000 of Hospital Revenue Refunding Bonds under the provisions of Chapter 419 of the Code of Iowa. The bonds and related interest are payable solely from the revenue of St. Anthony Regional Hospital, and the bond principal and interest do not constitute liabilities of the City.

**Note 8 - Land Fill Contract**

The City of Carroll has an agreement with the Carroll County Solid Waste Commission for solid waste disposal, for all households and businesses within the City. For the year ended June 30, 2021, \$122,980 was paid pursuant to the agreement.

The City entered the agreement on February 25, 1971. There is no specified termination date. The City and other municipalities in the county have representation on the commission, which sets the rates paid based upon its annual budget. The charge is assessed to each municipality and the rural areas based upon population and adjusted arbitrarily based upon the distance the municipality is from the landfill to equalize hauling costs. The City of Carroll's share of the fees at June 30, 2021, was 47% of the total.

**Note 9 - Interfund Transfers**

The detail of interfund transfers for the year ended June 30, 2021, is as follows:

<b>Transfer to</b>	<b>Transfer from</b>	<b>Amount</b>	
General	Special Revenue	Employee Benefits	\$814,908.31
	Enterprise	Water- Liability Insurance	33,269.00
		Sewer- Liability Insurance	40,048.00
Road Use	Special Revenue	Employee Benefits	118,411.02
LOST	Capital Projects	CP – Library/City Hall Fund	43,896.41
Debt Service	Special Revenue	Ashwood TIF	34,918.32
		Local Option Sales Tax (Debt Relief)	467,786.00
	Enterprise	Sewer	706,920.00
Capital Projects			
Streets	General Fund		50,000.00
Airport	General Fund		11,443.62
Housing	General Fund		5,800.00
Streets	Special Revenue	Local Option Sales Tax	657,500.00
	Special Revenue	Road Use Tax	250,000.00
	Enterprise	Storm Water	100,000.00
CP Corridor	Enterprise	Water	150,000.00
CP Rec Center	Special Revenue	Local Option Sales Tax	260,000.00
CP Parks & Rec	Special Revenue	Hotel/Motel	100,000.00
		Local Option Sales Tax	150,000.00
Enterprise:			
Water	Special Revenue	UR Downtown	906,230.00
Water Depr	Enterprise	Water Utility	50,000.00
Water Cap Imp	Enterprise	Water Utility	1,660,000.00
Sewer Depr	Enterprise	Sewer Utility	35,000.00
Sewer Cap Imp	Enterprise	Sewer Utility	<u>100,000.00</u>
			<u>\$6,746,130.68</u>

\* Transfers generally move resources from the fund statutorily required to collect the resources to the fund statutorily required to disburse the resources.

### **Note 10 - Risk Management**

The City 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.

## **Iowa Municipalities Worker's Compensation Association**

In July 1987, the City joined together with other cities and counties in the State to participate in the Iowa Municipalities Workers' Compensation Association (IMWCA), a public entity risk pool currently operating as a workers' compensation risk management and insurance program for 530+ member cities, counties and Chapter 28E entities. Under the Workers' Compensation Coverage Agreement of the IMWCA, each participant of the IMWCA authorized the IMWCA to issue and sell bonds on behalf of the participants for the purpose of providing funds to pay claims and the costs of issuing such bonds. The City pays an annual premium to IMWCA to pay the City's pro rata share of the principal and interest on the bonds and administrative expenses of the IMWCA. The Workers' Compensation Coverage agreement provides that IMWCA will be self-sustaining through member premiums and will annually evaluate the need to reinsure through commercial companies to protect the fund from catastrophic claims. The City's pro rata share of the IMWCA's bonds outstanding for fiscal year ending June 30, 2021, is zero as the debt has been paid in its entirety. The City's annual contributions to IMWCA for the year ended June 30, 2021, were \$48,050.

## **Iowa Communities Assurance Pool**

The City of Carroll is a member in the Iowa Communities Assurance Pool, as allowed by Chapter 670.7 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool whose 785 members include various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, public officials liability, police professional liability, property, inland marine, and boiler/machinery. There have been no reductions in insurance coverage from prior years.

Each member's annual casualty contributions to the Pool fund current operations and provide capital. Annual casualty operating contributions are those amounts necessary to fund, on a cash basis, the Pool's general and administrative expenses, claims, claims expenses and reinsurance expenses estimated for the fiscal year, plus all or any portion of any deficiency in capital. Capital contributions are made during the first six years of membership and are maintained at a level determined by the Board not to exceed 300% of basis rates.

The Pool also provides property coverage. Members who elect such coverage make annual property operating contributions which are necessary to fund, on a cash basis, the Pool's general and administrative expenses and reinsurance premiums, losses and loss expenses for property risks estimated for the fiscal year, plus all or any portion of any deficiency in capital. Any year-end operating surplus is transferred to capital. Deficiencies in operations are offset by transfers from capital and, if insufficient, by the subsequent year's member

contributions.

The City's property and casualty contributions to the Pool are recorded as disbursements from its operating funds at the time of payment to the Pool. The City's annual contributions to the Pool for the year ended June 30, 2021, were \$209,816.50.

The Pool uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. The Pool retains general, automobile, police professional, and public officials' liability risks up to \$500,000 per claim. Claims exceeding \$500,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the City's risk-sharing certificate. Property and automobile physical damage risks are retained by the Pool up to \$250,000 each occurrence, each location. Property risks exceeding \$250,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the City's risk-sharing certificate.

The Pool's intergovernmental contract with its members provides that in the event a casualty claim, property loss or series of claims or losses exceeds the amount of risk-sharing protection provided by the member's risk-sharing certificate, or in the event a casualty claim, property loss or series of claims or losses exhausts the Pool's funds and any excess risk-sharing recoveries, then payment of such claims or losses shall be the obligation of the respective individual member against whom the claim was made or loss was incurred. As of June 30, 2021, settled claims have not exceeded the risk pool or reinsurance coverage since the Pool's inception.

Members agree to continue membership in the Pool for a period of not less than one full year. After such period, a member who has given 60 days' prior written notice may withdraw from the Pool. Upon withdrawal, payments for all casualty claims and claims expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the member's withdrawal. Upon withdrawal, a formula set forth in the Pool's intergovernmental contract with its members is applied to determine the amount (if any) to be refunded to the withdrawing member.

#### **Note 11 – Related Party Transactions**

The City had business transactions between the City and City Officials totaling \$2,515.66 during the year ended June 30, 2021.

#### **Note 12 – Litigation**

The City defended itself against a lawsuit filed by Drake Construction, LLC regarding a contract dispute. The lawsuit was settled before trial in April 2021.

#### **Note 13 – Development Agreements**

The City has entered into a development agreement with Biokinometrics Holdings LLC and

DMBA Properties & Consulting, Inc. for the construction of a 17,000 square foot, two story building investing not less than \$1,100,000 into capital improvements. The City agreed to pay the developer an amount not exceed \$300,000 subject to annual appropriation by the City Council. The agreement requires up to thirty payments, provided the developer is in compliance with the terms of the agreement. During the year ended June 30, 2021, the City rebated \$20,082.41 of incremental property tax to the developer. At June 30, 2021, the remaining balance to be paid on the agreement was \$250,855.14.

As part of the same development agreement with Biokinometrics Holdings LLC and DMBA Properties & Consulting, Inc., the City has agreed to pay the developer an amount not to exceed 25% of the total cost of rehabilitation work to the existing building located at 226 E 5<sup>th</sup> Street. As of June 30, 2021, total cost of rehabilitation work has not been certified by the developer to the City. The developer has completed work on the building but not certified costs to the City.

In August 2018, the City entered into a development agreement with 704 Development Corporation for the construction a 12-unit residential subdivision. The City agreed to pay in the form of property tax rebates of potential incremental taxes to the developer an amount not to exceed \$72,000 subject to annual appropriations. The rebates will be available for up to a maximum of 10 years. During the year ended June 30, 2021, there were no payments made to the developer.

### **Note 13 – 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 receipts to which they are otherwise entitled and (b) the individual or entity promises 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 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, 2021, \$8,745.41, of property tax was diverted from the City under the urban renewal and economic development agreements.

#### **Note 14 – Subsequent Events**

In July 2021, the City entered in a construction contract totaling \$456,592.86 for Street Restoration Project – 2021, financed by road use taxes, local options sales tax funds and storm water fees.

In August 2021, the City entered into a construction contract total of \$287,167.00 for Northeast Park parking lot improvements financed by general fund, hotel/motel funds and local option sales tax funds.

In October 2021, the City entered into an engineering services agreement with McClure Engineering Company for the Adams Street Reconstruction Project in the amount of \$228,530.00.

In October 2021, the City refunded the General Obligation Capital Loan Notes, Series 2018B and issued \$3,325,000 General Obligation Refunding Capital Loan Notes, Series 2021A.

#### **Note 15 – COVID-19**

In March 2020, the COVID–19 outbreak was declared a global pandemic. The disruption to businesses across a range of industries in the United States continues to evolve. The full impact to local, regional and national economies, including that of City of Carroll, remains uncertain.

To date, the outbreak has not created a material disruption to the operations of City of Carroll. However, the extent of the financial impact of COVID-19 will depend on future developments, including the spread of the virus, duration, and timing of the economic recovery. Due to these uncertainties, management cannot reasonably estimate the potential impact to the City.

#### **Note 16 – Prospective Accounting Change**

Governmental Accounting Standards Board has issued Statement No. 87, Leases. This statement will be implemented for the fiscal year ending June 30, 2022, if it is determined to apply to the City. The revised requirements of this statement require reporting of certain potentially significant lease liabilities that are not currently reported.

City of Carroll

## Other Information



**City of Carroll**  
**Budgetary Comparison Schedule of Receipts, Disbursements and Changes in Balances -**  
**Actual and Budget (Cash Basis) - All Governmental Funds and Proprietary Funds**  
**June 30, 2021**

	<b>Governmental Fund Type Actual</b>	<b>Proprietary Fund Actual</b>	<b>Less Funds not Required to be Budgeted and Adjustments</b>
<b>Receipts:</b>			
Property tax	\$ 7,328,831.22	\$ -	\$ -
Other taxes	2,217,085.63	-	-
Use of money and property	158,680.20	109,119.29	-
Licenses and permits	75,454.31	-	-
Intergovernmental	3,085,892.02	-	-
Charges for service	1,640,309.35	3,974,450.84	-
Fines and fees	68,379.13	-	-
Miscellaneous	285,049.93	196,311.53	-
<b>Total receipts</b>	<u>14,859,681.79</u>	<u>4,279,881.66</u>	<u>-</u>
<b>Disbursements:</b>			
Public Safety	2,158,542.11	-	-
Public Works	1,997,251.85	-	-
Health and Social Services	129,325.00	-	-
Culture and Recreation	2,699,337.38	-	-
Community & Economic Development	419,988.71	-	-
General Government	1,015,121.89	-	-
Debt Service	2,098,862.52	-	706,920.00
Capital Projects	3,775,485.94	-	-
<b>Total Government Activities</b>	<u>14,293,915.40</u>	<u>-</u>	<u>706,920.00</u>
Business Type Activities		3,748,977.95	-
<b>Total disbursements</b>	<u>14,293,915.40</u>	<u>3,748,977.95</u>	<u>706,920.00</u>
Excess (deficiency) of receipts over disbursements	565,766.39	530,903.71	(706,920.00)
Other financing sources (uses), net	<u>124,007.00</u>	<u>(124,007.00)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	689,773.39	406,896.71	(706,920.00)
<b>Balance beginning of year</b>	<u>14,896,002.58</u>	<u>8,440,864.94</u>	<u>-</u>
<b>Balance end of year</b>	<u>\$ 15,585,775.97</u>	<u>\$ 8,847,761.65</u>	<u>\$ (706,920.00)</u>

Net	Budgeted Amounts		Final to Actual
	Original	Final	Variance Favorable (Unfavorable)
\$ 7,328,831.22	\$ 7,180,661.00	\$ 7,180,661.00	\$ 148,170.22
2,217,085.63	2,076,574.00	2,076,574.00	140,511.63
267,799.49	306,605.00	306,605.00	(38,805.51)
75,454.31	100,900.00	100,900.00	(25,445.69)
3,085,892.02	2,427,186.00	2,999,426.00	86,466.02
5,614,760.19	5,607,270.00	5,607,270.00	7,490.19
68,379.13	-	-	68,379.13
481,361.46	281,325.00	370,325.00	111,036.46
<u>19,139,563.45</u>	<u>17,980,521.00</u>	<u>18,641,761.00</u>	<u>497,802.45</u>
2,158,542.11	2,530,483.00	2,530,483.00	371,940.89
1,997,251.85	2,462,557.00	2,492,707.00	495,455.15
129,325.00	121,895.00	170,945.00	41,620.00
2,699,337.38	3,832,617.00	4,436,942.00	1,737,604.62
419,988.71	275,157.00	590,157.00	170,168.29
1,015,121.89	1,103,149.00	1,128,149.00	113,027.11
1,391,942.52	1,388,271.00	1,392,373.00	430.48
3,775,485.94	7,657,300.00	8,463,738.00	4,688,252.06
<u>13,586,995.40</u>	<u>19,371,429.00</u>	<u>21,205,494.00</u>	<u>7,618,498.60</u>
<u>3,748,977.95</u>	<u>4,616,689.00</u>	<u>5,108,689.00</u>	<u>1,359,711.05</u>
<u>17,335,973.35</u>	<u>23,988,118.00</u>	<u>26,314,183.00</u>	<u>8,978,209.65</u>
1,803,590.10	(6,007,597.00)	(7,672,422.00)	9,476,012.10
-	-	-	-
1,803,590.10	(6,007,597.00)	(7,672,422.00)	9,476,012.10
<u>23,336,867.52</u>	<u>23,336,868.00</u>	<u>23,336,868.00</u>	
<u>\$ 25,140,457.62</u>	<u>\$ 17,329,271.00</u>	<u>\$ 15,664,446.00</u>	

See accompanying independent auditor's report.

## **City of Carroll**

### **Notes to Required Supplementary Information – Budgetary Reporting**

**June 30, 2021**

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

In accordance with the Code of Iowa, the City Council annually adopts a budget on the cash basis following required public notice and hearing for all funds, except the Internal Service Fund. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control is based upon nine major classes of disbursements known as functions, not by fund. These nine functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects, and business type activities. Function disbursements required to be budgeted include disbursements for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Funds, the Permanent Fund 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, two budget amendments increased budgeted disbursements by \$2,326,065 and budgeted revenues by \$661,240. The budget amendments are reflected in the final budgeted amounts.

During the year ended June 30, 2021, disbursements did not exceed the amounts budgeted in the general government and business-type activities functions.

**City of Carroll**

**Schedule of the City's Proportionate Share of the Net Pension Liability**

**Iowa Public Employees' Retirement System  
For the Last Seven Years\*  
(In Thousands)**

**Other Information**

	2021	2020	2019	2018	2017	2016	2015
City's proportionate of the net pension liability	0.0382680%	0.0382817%	0.037807%	0.036756%	0.034411%	0.032422%	0.035048%
City's proportionate share of the net pension liability	\$2,672	\$2,217	\$2,392	\$2,428	\$2,146	\$1,602	\$1,390
City's covered-employee payroll	\$3,092	\$3,040	\$2,941	\$2,853	\$2,720	\$2,221	\$2,218
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	86.42%	72.93%	81.33%	85.10%	79.56%	72.13%	62.67%
IPERS' net position as a percentage of the total pension liability	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

\* In accordance with GASB Statement No. 68, the amounts presented for each fiscal year determined as of June 30 of the preceding fiscal year.

See accompanying independent auditor's report.

**City of Carroll  
Scheduled of City Contributions**

**Iowa Public Employees' Retirement System  
Last 10 Fiscal Years**

**Other Information**

	2021	2020	2019	2018
Statutorily required contribution	\$291,922	\$287,091	\$277,872	\$254,700
Contributions in relation to the statutorily required contribution	(291,922)	(287,091)	(277,872)	(254,700)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 3,091,885	\$ 3,040,013	\$ 2,941,489	\$ 2,852,890
Contributions as a percentage of covered payroll	9.44%	9.44%	9.45%	8.93%

2017	2016	2015	2014	2013	2012
\$242,817	\$198,356	\$198,054	\$204,797	\$210,487	\$200,546
(242,817)	(198,356)	(198,054)	(204,797)	(210,487)	(200,546)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,719,847	\$ 2,221,231	\$ 2,217,864	\$ 2,293,361	\$ 2,428,474	\$ 2,484,915
8.93%	8.93%	8.93%	8.93%	8.67%	8.07%

See accompanying independent auditor's report.

**City of Carroll**  
**Notes to Other Information – Pension Liability**  
**Iowa Public Employees' Retirement System**  
**Year ended June 30, 2021**

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 experience 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.

**City of Carroll**

**Schedule of the City's Proportionate Share of the Net Pension Liability**

**Municipal Fire and Police Retirement System of Iowa  
For the Last Seven Years\*  
(In Thousands)**

**Other Information**

	2021	2020	2019	2018	2017	2016	2015
City's proportionate of the net pension liability	0.292444%	0.278998%	0.294602%	0.303698%	0.299390%	0.287974%	0.278188%
City's proportionate share of the net pension liability	\$2,332	\$1,830	\$1,754	\$1,899	\$1,872	\$1,043	\$1,008
City's covered-employee payroll	\$929	\$845	\$856	\$856	\$860	\$811	\$755
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	251.05%	216.68%	204.91%	221.85%	217.67%	128.61%	133.51%
MFPRSI net position as a percentage of the total pension liability	76.47%	79.94%	81.07%	80.60%	78.20%	83.04%	86.27%

\* The amounts presented for each fiscal year were determined as of June 30.

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.

See accompanying independent auditor's report.



**City of Carroll  
Scheduled of City Contributions**

**Municipal Fire and Police Retirement System of Iowa  
Last 10 Fiscal Years**

**Other Information**

	2021	2020	2019	2018
Statutorily required contribution	\$230,867	\$226,794	\$219,896	\$219,896
Contributions in relation to the statutorily required contribution	(230,867)	(226,794)	(219,896)	(219,896)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 912,159	\$ 929,101	\$ 856,291	\$ 856,291
Contributions as a percentage of covered payroll	25.31%	24.41%	25.68%	25.68%

2017	2016	2015	2014	2013	2012
\$222,948	\$225,310	\$229,656	\$213,975	\$182,280	\$170,374
(222,948)	(225,310)	(229,656)	(213,975)	(182,280)	(170,374)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 860,141	\$ 811,343	\$ 755,200	\$ 710,408	\$ 697,855	\$ 688,104
25.92%	27.77%	30.41%	30.12%	26.12%	24.76%

See accompanying independent auditor's report.

## City of Carroll

### Notes to Other Information – Pension Liability Municipal Fire and Police Retirement System of Iowa

Year ended June 30, 2021

#### Changes of benefit terms

There were no significant changes of benefit terms.

#### Changes of assumptions:

The 2018 valuation changed postretirement mortality rates to the RP-2014 Blue Collar Healthy Annuitant Table with males set-forward zero years, females set-forward two years and disabled individuals set-forward three years (male only rates), with generational projection of future mortality improvement with 50% of Scale BB beginning in 2017.

The 2017 valuation added five years projection of future mortality improvement with Scale BB.

The 2016 valuation changed postretirement mortality rates to the RP-2000 Blue Collar Combined Healthy Mortality Table with males set-back two years, females set-forward one year and disabled individuals set-forward one year (males only rates), with no projection of future mortality improvement.

The 2015 valuation phased in the 1994 Group Annuity Mortality Table for postretirement mortality. This resulted in a weighting of 1/12 of the 1971 Group Annuity Mortality table and 11/12 of the 1994 Group Annuity Mortality Table.

The 2014 valuation phased in the 1994 Group Annuity Mortality Table for post-retirement mortality. This resulted in a weighting of 2/12 of the 1971 Group Annuity Mortality Table and 10/12 of the 1994 Group Annuity Mortality Table.

**City of Carroll**

**Supplementary Information**

**City of Carroll**  
**Schedule of Cash Receipts, Disbursements**  
**and Changes in Cash Balances**  
**Nonmajor Governmental Funds**  
**Year Ended June 30, 2021**

	<b>Employee Benefits</b>	<b>Urban Renewal</b>	<b>Ashwood UR</b>	<b>Recrea- -tion Center Trust</b>
<b>Receipts:</b>				
Property tax	\$ 904,696.33	\$ 1,088,831.36	\$ 31,958.75	\$ -
Other taxes	-	-	-	
Use of money and property:				
Interest on deposits	-	1,153.28	97.09	266.68
Intergovernmental:				
State funding	28,623.00	19,660.26	2,862.48	-
Charges for Services	-	-	-	-
Miscellaneous	-	1,000.00	-	4,504.80
<b>Total receipts</b>	<b>933,319.33</b>	<b>1,110,644.90</b>	<b>34,918.32</b>	<b>4,771.48</b>
<b>Disbursements:</b>				
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture & Recreation	-	-	-	2,138.41
Community and Economic Development:				
Capital	-	171,231.55	-	-
<b>Total disbursements</b>	<b>-</b>	<b>171,231.55</b>	<b>-</b>	<b>2,138.41</b>
 Excess (deficiency ) of receipts over (under) disbursements	 933,319.33	 939,413.35	 34,918.32	 2,633.07
 Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers (out)	(933,319.33)	(906,230.00)	(34,918.32)	-
	(933,319.33)	(906,230.00)	(34,918.32)	-
Excess (deficiency) of receipts and other financing sources (uses) over (under) disbursements	-	33,183.35	-	2,633.07
<b>Cash balance beginning of year</b>	<b>-</b>	<b>133,180.88</b>	<b>-</b>	<b>35,125.17</b>
 <b>Cash balance end of year</b>	 <b>\$ -</b>	 <b>\$ 166,364.23</b>	 <b>\$ -</b>	 <b>\$ 37,758.24</b>

Schedule 1

			Permanent		
Police Forfeiture	Crime Prevention	Library Trust	Cemetery Perpetual Care	Rec Center Trust	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,025,486.44
-	-	-	-	-	-
62.96	289.27	403.87	4,127.55	407.41	6,808.11
-	1,200.00	3,768.88	-	-	56,114.62
-	5,760.00	-	-	-	5,760.00
8,793.37	-	626.83	27,512.50	27,050.00	69,487.50
<u>8,856.33</u>	<u>7,249.27</u>	<u>4,799.58</u>	<u>31,640.05</u>	<u>27,457.41</u>	<u>2,163,656.67</u>
82.49	4,072.18	-	-	-	4,154.67
-	-	-	-	-	-
-	-	3,924.16	-	-	6,062.57
-	-	-	-	-	171,231.55
-	-	-	-	-	-
<u>82.49</u>	<u>4,072.18</u>	<u>3,924.16</u>	<u>-</u>	<u>-</u>	<u>181,448.79</u>
8,773.84	3,177.09	875.42	31,640.05	27,457.41	1,982,207.88
-	-	-	-	-	-
-	-	-	-	-	(1,874,467.65)
-	-	-	-	-	(1,874,467.65)
8,773.84	3,177.09	875.42	31,640.05	27,457.41	107,740.23
<u>7,193.67</u>	<u>37,687.80</u>	<u>51,422.56</u>	<u>537,531.46</u>	<u>37,766.84</u>	<u>839,908.38</u>
<u>\$ 15,967.51</u>	<u>\$ 40,864.89</u>	<u>\$ 52,297.98</u>	<u>\$ 569,171.51</u>	<u>\$ 65,224.25</u>	<u>\$ 947,648.61</u>

See accompanying independent auditor's report.

City of Carroll

Statement of Cash Receipts, Disbursements  
and Changes in Cash Balances  
Non-Major Proprietary Funds  
Year ended June 30, 2021

	Water Depreciation	Storm Water Capital Improv.	Water Meter Deposit
<b>Receipts:</b>			
Use of money and property	\$ 6,876.48	\$ 665.85	\$ -
Miscellaneous	-	80,000.00	9,000.00
<b>Total Receipts</b>	<u>6,876.48</u>	<u>80,665.85</u>	<u>9,000.00</u>
<b>Disbursements:</b>			
Business-type activities:			
Operations	-	-	9,285.00
Capital Outlay	-	-	-
<b>Total Disbursements</b>	<u>-</u>	<u>-</u>	<u>9,285.00</u>
Excess (deficiency) of receipts over (under) disbursements	<u>6,876.48</u>	<u>80,665.85</u>	<u>(285.00)</u>
Other financing sources (uses):			
Operating transfers in	50,000.00	-	-
Operating transfers (out)	-	-	-
Total other financing sources (uses)	<u>50,000.00</u>	<u>-</u>	<u>-</u>
Excess of receipts and other financing sources over disbursements and other financing uses	56,876.48	80,665.85	(285.00)
<b>Cash balance beginning of year</b>	<u>907,607.16</u>	<u>44,528.39</u>	<u>45,520.90</u>
<b>Cash balance end of year</b>	<u>\$ 964,483.64</u>	<u>\$ 125,194.24</u>	<u>\$ 45,235.90</u>
<b>Cash Basis Fund Balances</b>			
Committed	\$ 964,483.64	\$ 125,194.24	\$ 45,235.90
Unrestricted	-	-	-
<b>Total cash basis fund balances</b>	<u>\$ 964,483.64</u>	<u>\$ 125,194.24</u>	<u>\$ 45,235.90</u>

Schedule 2

Non-Major Enterprise Funds			
Sewer Depreciation	Sewer Capital Improv.	Water Capital Improv.	Total
\$ 5,180.91	\$ 1,247.82	\$ 436.43	\$ 14,407.49
-	-	48,238.50	137,238.50
<u>5,180.91</u>	<u>1,247.82</u>	<u>48,674.93</u>	<u>151,645.99</u>
-	-	-	9,285.00
-	-	1,898,114.74	<u>1,898,114.74</u>
-	-	1,898,114.74	<u>1,907,399.74</u>
<u>5,180.91</u>	<u>1,247.82</u>	<u>(1,849,439.81)</u>	<u>(1,755,753.75)</u>
35,000.00	100,000.00	1,660,000.00	1,845,000.00
-	-	-	-
<u>35,000.00</u>	<u>100,000.00</u>	<u>1,660,000.00</u>	<u>1,845,000.00</u>
40,180.91	101,247.82	(189,439.81)	89,246.25
<u>684,101.39</u>	<u>165,661.83</u>	<u>480,069.58</u>	<u>2,327,489.25</u>
<u>\$ 724,282.30</u>	<u>\$ 266,909.65</u>	<u>\$ 290,629.77</u>	<u>\$ 2,416,735.50</u>
\$ 724,282.30	\$ 266,909.65	\$ 290,629.77	\$ 2,416,735.50
-	-	-	-
<u>\$ 724,282.30</u>	<u>\$ 266,909.65</u>	<u>\$ 290,629.77</u>	<u>\$ 2,416,735.50</u>



**City of Carroll**  
**Schedule of Indebtedness**  
**Year ended June 30, 2021**

<b>Obligation</b>	<b>Date of Issue</b>	<b>Interest Rates</b>	<b>Amount Originally Issued</b>
<b>Revenue Bonds</b>			
Sewer Revenue Bonds	6/9/2004	1.75%	10,998,000.00
<b>General Obligation/Capital Loan Notes:</b>			
Capital Loan Note Series 2020A	2/24/2020	4-5.00%	1,505,000.00
Availa Bank	11/14/2018	3.35%	1,385,000.00
Iowa Savings Bank	11/14/2018	3.35%	895,000.00
Westside State Bank	11/14/2018	3.35%	895,000.00
Commercial Savings Bank	11/14/2018	3.35%	600,000.00
United Bank of Iowa	11/14/2018	3.35%	700,000.00
Capital Loan Note Series 2015A GO Refunding Loan	4/23/2015	.75-1.85%	1,770,000.00
Capital Loan Note Series 2016B GO Cap Loan	11/30/2016	.8-1.60%	<u>2,290,000.00</u>
			<u>\$ 22,158,000.00</u>

**Schedule 3**

<b>Balance Beginning of Year</b>	<b>Issued During Year</b>	<b>Redeemed During Year</b>	<b>Balance End of Year</b>	<b>Interest Paid</b>	<b>Interest Due and Unpaid</b>
3,396,000.00	-	639,000.00	2,757,000.00	59,430.00	-
1,295,000.00		225,000.00	1,070,000.00	63,150.00	-
1,166,804.00	-	123,799.00	1,043,005.00	39,087.94	-
754,000.00	-	80,000.00	674,000.00	25,259.00	-
754,000.00	-	80,000.00	674,000.00	25,259.00	-
505,475.00	-	53,631.00	451,844.00	16,933.42	-
589,721.00	-	62,570.00	527,151.00	19,755.66	-
830,000.00	-	270,000.00	560,000.00	14,400.00	-
<u>1,145,000.00</u>	<u>-</u>	<u>275,000.00</u>	<u>870,000.00</u>	<u>16,497.50</u>	<u>-</u>
<u><u>\$ 10,436,000.00</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,809,000.00</u></u>	<u><u>\$ 8,627,000.00</u></u>	<u><u>\$ 279,772.52</u></u>	<u><u>\$ -</u></u>

Schedule 4

**City of Carroll  
Bond and Note Maturities  
June 30, 2021**

Revenue Bonds  
Series 2004  
WWTP Improvements  
Revenue Bond  
Issued June 9, 2004

Year	Ending June 30,	Interest Rate	Amount	Revenue Bonds
	2022	1.75%	659,000	659,000
	2023	1.75%	678,000	678,000
	2024	1.75%	699,000	699,000
	2025	1.75%	721,000	721,000
			\$ 2,757,000	\$ 2,757,000

General Obligation Notes

Year	Series 2015A		Series 2016B		Series 2018B		Series 2020A		Total
Ended	Aquatic Refunding		Cemetery Bldg/3rd St Storm Sewer		Library/City Hall Project		Fire Trk/Streets		General
June 30,	Interest Rate	Amount	Interest Rate	Amount	Interest Rate	Amount	Interest Rate	Amount	Obligation
Year	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Notes
		280,000	1.40%	285,000	3.35%	420,000	5.00%	100,000	1,085,000
		280,000	1.50%	290,000	3.35%	225,000	5.00%	120,000	915,000
			1.60%	295,000	3.35%	235,000	5.00%	125,000	655,000
					3.35%	240,000	5.00%	130,000	370,000
					3.35%	250,000	5.00%	140,000	390,000
					3.35%	260,000	5.00%	145,000	405,000
					3.35%	265,000	5.00%	150,000	415,000
					3.35%	275,000	4.00%	160,000	435,000
					3.35%	285,000			285,000
					3.35%	295,000			295,000
					3.35%	305,000			305,000
					3.35%	315,000			315,000
		\$ 560,000		\$ 870,000		\$ 3,370,000		\$ 1,070,000	\$ 5,870,000

City of Carroll

**City of Carroll**

**Schedule of Cash Receipts, Disbursements  
and Change in Cash Balances  
Capital Projects Funds  
Year Ended June 30, 2021**

	<b>Street Rehabilitation</b>	<b>Library City Hall</b>	<b>Streets Maintenance Building</b>	<b>Housing Fund</b>
<b>Receipts:</b>				
Use of money and property:				
Interest on investments	\$ 3,901.86	\$ 3.22	\$ 34,240.27	\$ -
Intergovernmental:				
Federal Grant	413,760.95	-	-	76,616.00
State Grant	-	(1,128.52)	-	-
Carrroll County	-	5,000.00	-	250.00
	<u>413,760.95</u>	<u>3,871.48</u>	<u>-</u>	<u>76,866.00</u>
Miscellaneous:				
Donations	-	82,281.78	-	-
Other Miscellaneous income	-	-	-	250.00
	<u>-</u>	<u>82,281.78</u>	<u>-</u>	<u>250.00</u>
<b>Total receipts</b>	<u>417,662.81</u>	<u>86,156.48</u>	<u>34,240.27</u>	<u>77,116.00</u>
<b>Disbursements:</b>				
Capital outlay	1,226,694.63	56,832.11	1,184,318.09	82,916.00
	<u>1,226,694.63</u>	<u>56,832.11</u>	<u>1,184,318.09</u>	<u>82,916.00</u>
<b>Total disbursements</b>	<u>1,226,694.63</u>	<u>56,832.11</u>	<u>1,184,318.09</u>	<u>82,916.00</u>
Deficiency of receipts under disbursements	<u>(809,031.82)</u>	<u>29,324.37</u>	<u>(1,150,077.82)</u>	<u>(5,800.00)</u>
Other financing sources (uses):				
General Obligation debt proceeds	-	-	-	-
Transfers In (Out):				
To General Fund & others	-	(43,896.41)	-	-
From General Fund & others	1,057,500.00	-	-	5,800.00
	<u>1,057,500.00</u>	<u>(43,896.41)</u>	<u>-</u>	<u>5,800.00</u>
Excess (deficiency) of receipts and other financing sources (uses) over disbursements	248,468.18	(14,572.04)	(1,150,077.82)	-
<b>Balance beginning of year</b>	<u>940,709.81</u>	<u>4,572.04</u>	<u>4,777,022.35</u>	<u>-</u>
<b>Balance end of year</b>	<u>\$ 1,189,177.99</u>	<u>\$ (10,000.00)</u>	<u>\$ 3,626,944.53</u>	<u>\$ -</u>

**Schedule 5**

<b>Corridor of Commerce</b>	<b>Airport</b>	<b>Parks &amp; Recreation</b>	<b>Equipment Purchase</b>	<b>Rec Center Building Improvements</b>	<b>Total</b>
\$ 9,048.20	\$ -	\$ 2,181.73	\$ -	\$ -	\$ 49,375.28
-	370,467.00	-	-	-	860,843.95
-	-	124,721.80	-	-	123,593.28
-	-	-	-	-	5,250.00
-	370,467.00	124,721.80	-	-	989,687.23
-	-	5,000.00	-	-	87,281.78
-	-	-	-	-	250.00
-	-	5,000.00	-	-	87,531.78
9,048.20	370,467.00	131,903.53	-	-	1,126,594.29
552,955.91	339,936.84	278,400.59	182.36	\$ 53,249.41	3,775,485.94
552,955.91	339,936.84	278,400.59	182.36	\$ 53,249.41	3,775,485.94
552,955.91	339,936.84	278,400.59	182.36	53,249.41	3,775,485.94
(543,907.71)	30,530.16	(146,497.06)	(182.36)	(53,249.41)	(2,648,891.65)
-	-	-	-	-	-
-	-	-	-	-	(43,896.41)
150,000.00	11,443.62	250,000.00	-	260,000.00	1,734,743.62
150,000.00	11,443.62	250,000.00	-	260,000.00	1,690,847.21
(393,907.71)	41,973.78	103,502.94	(182.36)	206,750.59	(958,044.44)
1,242,186.54	(51,973.78)	362,326.41	182.36	-	7,275,025.73
<u>\$ 848,278.83</u>	<u>\$ (10,000.00)</u>	<u>\$ 465,829.35</u>	<u>\$ (0.00)</u>	<u>\$ 206,750.59</u>	<u>\$ 6,316,981.29</u>

See accompanying independent auditor's report.

**City of Carroll**  
**Schedule of Receipts by Source and**  
**Disbursements by Function**  
**All Governmental Fund Types**  
**For the Last Ten Years**

For the Years ended June 30,

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Receipts:</b>				
Property tax	\$ 7,328,831.22	\$ 7,052,783.10	\$ 6,734,687.99	\$ 6,467,815.32
Other Taxes	2,217,085.63	2,053,020.74	1,902,607.73	1,804,817.86
Non-property tax	-	-	-	-
Use of money and property	158,680.20	280,459.94	267,235.44	139,478.38
Licenses and permits	75,454.31	90,495.04	76,014.66	87,502.24
Intergovernmental	3,085,892.02	2,281,542.27	2,445,890.92	2,561,416.90
Charges for Services	1,640,309.35	1,547,001.74	1,693,835.76	1,725,978.03
Special assessments	-	-	-	-
Fines and fees	68,379.13	60,471.19	62,887.98	103,202.40
Miscellaneous	285,049.93	871,911.63	1,597,310.18	377,022.90
<b>Total receipts</b>	<b>14,859,681.79</b>	<b>14,237,685.65</b>	<b>14,780,470.66</b>	<b>13,267,234.03</b>
<b>Disbursements:</b>				
Public Safety Program	2,158,542.11	2,236,879.08	2,059,093.69	2,084,334.72
Public Works Program	1,997,251.85	2,052,228.93	2,478,038.94	2,350,036.21
Health and Social Services Program	129,325.00	93,325.00	104,185.00	107,005.00
Culture and Recreation Program	2,699,337.38	2,650,607.53	2,585,735.57	2,633,372.95
Community and Economic Development Program	419,988.71	190,073.12	170,364.81	119,838.71
General Government	1,015,121.89	1,217,044.71	976,189.60	981,728.74
Debt Service	2,098,862.52	2,030,962.50	1,664,805.45	1,781,586.15
Capital Projects	3,775,485.94	5,449,046.09	7,966,445.95	4,310,251.73
<b>Total disbursements</b>	<b>14,293,915.40</b>	<b>15,920,166.96</b>	<b>18,004,859.01</b>	<b>14,368,154.21</b>
Excess (deficiency ) of receipts over (under) disbursements	565,766.39	(1,682,481.31)	(3,224,388.35)	(1,100,920.18)
Other financing sources, net	124,007.00	2,897,718.68	5,714,833.75	1,223,775.75
Excess (deficiency) of receipts and other financing sources (uses) over (under) disbursements	689,773.39	1,215,237.37	2,490,445.40	122,855.57
<b>Balance beginning of year</b>	<b>14,896,002.58</b>	<b>13,680,765.21</b>	<b>11,190,319.81</b>	<b>11,067,464.24</b>
<b>Balance end of year</b>	<b>\$ 15,585,775.97</b>	<b>\$ 14,896,002.58</b>	<b>\$ 13,680,765.21</b>	<b>\$ 11,190,319.81</b>

**Schedule 6**

	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
\$	6,315,574.14	\$ 6,356,527.42	\$ 6,592,626.16	\$ 6,067,014.23	\$ 6,056,661.80	\$ 5,760,635.65
	1,913,639.18	1,728,626.59	1,799,782.76	1,601,246.98	1,657,031.49	1,504,595.60
	-	-	-	-	-	-
	108,417.25	81,388.36	67,284.88	52,740.68	54,773.45	57,126.89
	80,503.84	82,998.16	83,630.71	75,342.69	65,097.37	63,764.45
	2,126,946.58	1,945,518.85	1,512,758.17	1,199,469.11	1,902,694.79	2,113,613.13
	1,677,192.37	1,720,850.72	1,687,492.25	1,776,696.48	1,670,721.37	1,706,685.62
	-	-	-	-	-	-
	64,996.72	69,564.35	70,730.45	75,342.29	66,969.17	54,534.19
	357,396.35	227,960.13	179,109.35	209,639.55	354,328.62	266,697.99
	<u>12,644,666.43</u>	<u>12,213,434.58</u>	<u>11,993,414.73</u>	<u>11,057,492.01</u>	<u>11,828,278.06</u>	<u>11,527,653.52</u>
	1,998,800.30	1,938,331.21	1,906,630.63	1,776,907.84	1,813,369.47	1,820,199.02
	2,089,764.87	2,065,191.97	2,067,094.76	2,185,955.93	2,167,353.30	1,930,014.05
	101,375.00	100,325.00	102,525.00	107,575.00	103,900.00	103,196.00
	2,665,031.90	2,521,114.49	2,603,412.07	2,516,906.96	2,238,842.89	2,417,219.85
	114,582.22	145,531.69	157,123.42	239,825.48	383,043.37	423,006.75
	1,037,872.98	974,943.53	935,009.41	922,779.99	851,595.01	885,071.90
	1,743,657.18	3,526,090.38	2,196,365.03	2,352,246.01	3,035,244.62	2,511,493.00
	3,266,965.70	2,551,695.07	2,326,714.41	973,421.15	3,191,507.88	1,780,110.35
	<u>13,018,050.15</u>	<u>13,823,223.34</u>	<u>12,294,874.73</u>	<u>11,075,618.36</u>	<u>13,784,856.54</u>	<u>11,870,310.92</u>
	(373,383.72)	(1,609,788.76)	(301,460.00)	(18,126.35)	(1,956,578.48)	(342,657.40)
	<u>1,019,479.55</u>	<u>1,952,357.00</u>	<u>4,008,242.75</u>	<u>1,040,982.25</u>	<u>2,140,803.28</u>	<u>1,366,648.55</u>
	646,095.83	342,568.24	3,706,782.75	1,022,855.90	184,224.80	1,023,991.15
	10,421,368.41	10,078,800.17	6,372,017.42	5,349,161.52	5,164,936.72	4,140,945.57
\$	<u><u>11,067,464.24</u></u>	<u><u>\$ 10,421,368.41</u></u>	<u><u>\$ 10,078,800.17</u></u>	<u><u>\$ 6,372,017.42</u></u>	<u><u>\$ 5,349,161.52</u></u>	<u><u>\$ 5,164,936.72</u></u>

See accompanying independent auditor's report.



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

To the Honorable Mayor and  
Members of the City Council:

We have audited in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the City of Carroll, Iowa, as of and for the year ended June 30, 2021, and the related Notes to Financial Statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 9, 2021. Our report expressed unmodified opinions on the financial statements which were prepared on the basis of cash receipts and disbursements, a basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

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

Our consideration of the 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 and therefore, significant deficiencies or material weaknesses may exist that were not identified. We did not identify any deficiencies in internal control over financial reporting that we considered to be material weaknesses or significant deficiencies.

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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control which are less severe than a material weakness, yet important enough to merit attention by those charged with governance.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Carroll's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of non-compliance or other matters which are described in Part III of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the City's operations for the year ended June 30, 2021, are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the City. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

### City of Carroll's Responses to Findings

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

### Purpose of the Report

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

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the City of Carroll during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



Feldmann & Company CPAs, P.C.  
November 9, 2021

**City of Carroll**  
**Schedule of Findings and Questioned Costs**  
**Year ended June 30, 2021**

**I. Summary of Independent Auditor's Results**

- a) Unmodified opinions were issued on the financial statements, which were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.
- b) The audit did not disclose non-compliance, which is material to the financial statements.

**Findings Related to the Financial Statements:**

**Internal Control Deficiencies:**

No matters were noted.

**INSTANCES OF NON-COMPLIANCE**

No matters were noted.

**City of Carroll**  
**Schedule of Findings and Questioned Costs**  
**Year ended June 30, 2021**

**III. Other Findings Related to Statutory Reporting:**

III-A-21 Official Depositories - A resolution naming official depositories has been approved by the Council. The maximum deposit amounts stated in the resolution was not exceeded during the year ended June 30, 2021.

III-B-21 Certified Budget - Disbursements during the year ended June 30, 2021, did not exceed the amounts budgeted per Chapter 384.20 of the Code of Iowa which states in part that public monies may not be expended or encumbered except under an annual or continuing appropriation.

III-C-21 Travel Expense - No expenditures of City money for travel expenses of spouses of City officials or employees were noted.

III-D-21 Business Transactions – Business transactions between the City and City officials or employees are detailed as follows:

<u>Name, Title, and Business</u>	<u>Transaction</u>	<u>Amount</u>
Clay Haley, Council Owner, Haley Implement Co.	parts/repairs	\$ 6,910.66
Cory Venteicher, Employee Partner, Ron’s Lawn Service	Nuisance abatement Clean up	1,355.00

In accordance with Chapter 362.5(3)(j) of the Code of Iowa the transactions with Ron’s Lawn Service do not appear to represent a conflict of interest since total transactions were less than \$6,000.00 during the year. The transactions with Haley Implement include a transaction that does not appear to represent a conflict of interest since it is a purchase of a mower in the amount of \$5,750.00, entered into through a competitive bidding process in accordance with Chapter 362.5(3)(d) of the Code of Iowa.

III-E-21 Excess Balance – The balances in the Special Revenue Funds: Road Use Tax, Rec Center Trust, Library Trust, Police Forfeiture ad Crime Prevention Special account at June 30, 2021, were in excess of the disbursements for those funds for the year, as was, Capital Projects – Corridor of Commerce, Street Maintenance Building and Parks & Recreation; Water Depreciation, Water Meter Deposit; Sewer Utility, Sewer Utility Depreciation, Sewer Utility Capital Improvement, Storm Water Utility, and Storm Water Capital Improvement.

Recommendation – The City should consider the necessity of maintaining this substantial balance and, where financially feasible, consider reducing the balance

in an orderly manner through revenue reductions.

Response — The Special Revenue Funds, Capital Project Funds, and Utility funds have planned future programs and projects that will reduce the fund balances.

Conclusion – Response accepted.

- III-F-21 Bond Coverage - Surety bond coverage of City officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that the coverage is adequate for current operations.
- III-G-21 Minutes - No transactions were found that we believe should have been approved in the Council minutes but were not.
- III-H-21 Deposits and Investments - We noted no instances of noncompliance with the investment provisions of Chapter 12B & 12C of the Code of Iowa and the City's investment policy.
- III-I-21 Revenue Bonds and Notes – We noted no instances of non-compliance with the terms of the City's revenue bond/note provisions.
- III-J-21 Financial Condition – We observed deficit ending balances for Capital Project - Airport in the amount of \$10,000.00, and Capital Project – Library/City Hall in the amount of \$10,000.00, at the June 30, 2021.

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

Response — The deficit in the Capital Fund – Airport is due to construction costs incurred prior to the receipt of state grant proceeds. The deficit will be eliminated next year. The deficit in the Capital Project – Library/City Hall fund is due to a funding agreement with Carroll County. The deficit is anticipated to be eliminated in FY 2023.

Conclusion – Response accepted.

- III-K-21 Tax Increment Financing (TIF) Chapter 403.19 and 403.22 of the Code of Iowa provides a municipality may certify loans, advances, indebtedness and bonds (indebtedness) to the County Auditor which qualify for reimbursement from incremental property tax submitted in fiscal year 2021. The County Auditor provides for the division of property tax to repay the certified indebtedness and provides available incremental property tax in subsequent fiscal years without further certification by the City until the amount of certified indebtedness is paid. We noted no corrections needed to TIF certification to comply with Chapter 403

of the Code of Iowa. Also, the City properly completed the tax increment Debt Certificate Forms to request TIF property taxes.

III-L-21 Urban Renewal Annual Report - The urban renewal annual report was approved and certified to the Department of Management on or before December 1, and no exceptions were noted.

III-M-21 Questionable Donations – In accordance with Article III, Section 31 of the Iowa Constitution prohibits governmental bodies from making a gift to private, non-profit corporations, stating “... no public money or property shall be appropriated for local or private purposes” and an Attorney General’s opinion dated April 25, 1979, and at least five more official AG opinions have consistently concluded “ a governmental body may not donate public funds to a private entity, even if the entity is established for charitable educational purposes and performs work which the government could perform directly. The Opinions further state, “Even if the function of a private non-profit corporation fits within the scope of activities generally recognized as serving a public purpose, a critical question exists regarding whether funds or property transferred to a private entity will indeed be used for those public purposes.”

“Political subdivisions and municipalities, including cities, counties, schools and townships are municipal – governmental – entities. As governmental entities they are governed by elected bodies, are directly responsible to the public as a whole, and are subject to the limitations imposed on them by the state. Although a private organization may be formed to provide and support ‘public’ services which are the same or similar to services provided by the government, the private organizations are not subject to the same degree of public accountability and oversight as governmental entities.”

Certain disbursements were noted which we believe may not meet the requirements of public purpose as defined in the Attorney General’s opinion since the public benefits to be derived have not been clearly documented. These disbursements are detailed as follows:

<u>Paid to</u>	<u>Purpose</u>	<u>Amount</u>
Carroll Area Child Care		\$17,000
Retired Senior Volunteers/Foster Grandparents		\$11,000
Carroll County Community of Concern		\$ 5,450
New Opportunities		\$10,920
Animal Rescue of Carroll		\$ 5,000

According to the opinions, it is possible for certain disbursements to meet the test of serving a public purpose under certain circumstances, although such items will certainly be subject to a deserved close scrutiny. The line to be

drawn between a proper and improper purpose is very thin.

Recommendation – We are not aware of any statutory authority for the City to donate public funds to private non-profit organizations. The City should immediately cease making future such donations.

The City Council should determine and document the public purpose served by these types of disbursements prior to authorizing any further payments. If this practice is continued, the City should establish written policies and procedures, including the requirements for proper public purpose documentation.

Response – The City believes all these disbursements will meet the requirements of public purpose as defined in the Attorney General's opinion. The City will document the public purpose served by these types of disbursements and have it in place by July 1, 2022.



**CITY OF CARROLL**  
**INDEPENDENT AUDITOR'S REPORTS**  
**BASIC FINANCIAL STATEMENTS**  
**SUPPLEMENTARY AND OTHER INFORMATION**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2021**

*Feldmann & Company CPAs, P.C.*  
523 North Main Street  
Carroll, Iowa 51401



Table of Contents

	<u>Page</u>
Officials	4
Independent Auditor's Report	5-7
Management's Discussion and Analysis	8-16
Basic Financial Statements:	<u>Exhibit</u>
Government-wide Financial Statements:	
Cash Basis Statement of Activities and Net Position	A 18-19
Government Fund Financial Statements:	
Statement of Cash Receipts, Disbursements and Changes in Cash Balance –	B 20-21
Reconciliation of the Statement of Cash Receipts, Disbursements and Changes in Cash Balances to the Cash Basis Statement of Activities and Net Position –	C 22
Proprietary Fund Financial Statements:	
Statement of Cash Receipts, Disbursements and Changes in Cash Balance –	D 24-25
Reconciliation of the Statement of Cash Receipts, Disbursements and Changes in Cash Balances to the Cash Basis Statement of Activities and Net Position –	E 26
Notes to Financial Statements	27-47
<b>Other Information:</b>	
Budgetary Comparison Schedule of Receipts, Disbursements and Changes in Balances - Budget and Actual (Cash Basis) –	50-51
All Governmental Funds and Proprietary Funds	
Notes to Other Information – Budgetary Reporting	52
Schedule of the City's Proportionate Share of the Net Pension Liability IPERS	53
Schedule of City's Contributions	54-55
Notes to Other Information – Pension Liability	56
Schedule of the City's Proportionate Share of the Net Pension Liability MFPRSI	57
Schedule of City's Contributions	58-59
Notes to Other Information – Pension Liability	60
<b>Supplementary Information:</b>	<u>Schedule</u>
Schedule of Cash Receipts, Disbursements and Changes in Cash Balances – Nonmajor Governmental Funds	1 62-63
Schedule of Cash Receipts, Disbursements and Changes in Cash Balances – Nonmajor Proprietary Funds	2 64-65
Schedule of Indebtedness	3 66-67
Bond and Note Maturities	4 68
Schedule of Cash Receipts, Disbursements and Changes in Cash Balance- Capital Projects Funds	5 70-71
Schedule of Receipts by Source and Disbursements by Function – All Government Fund Types	6 72-73
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements in Accordance with <u>Government Auditing Standards</u>	74-75
Schedule of Findings and Questioned Costs	76-81

## City of Carroll

### Officials

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Eric Jensen	Mayor	December 31, 2021
Michael Kots	Council Member - Ward 1	December 31, 2021
Misty Boes	Council Member - Ward 2	December 31, 2023
Clay Haley	Council Member - Ward 3	December 31, 2021
Carolyn Siemann	Council Member - Ward 4	December 31, 2023
Jerry Fleshner	Council Member - At-Large	December 31, 2021
	Mayor Pro Tempore	
LaVern Dirx	Council Member - At-Large	December 31, 2023
Michel Pogge-Weaver	City Manager	June 30, 2021 (1)
Laura Schaefer	City Clerk, Treas. & Finance Dir.	June 30, 2021 (2)
Debra K. Goetzinger	Deputy City Clerk	June 30, 2021 (2)
Randall M. Krauel	Public Works Director	June 30, 2021 (2)
Jack Wardell	Parks and Recreation Director	June 30, 2021 (2)
David S. Bruner	City Attorney	Indefinite (1)
Brad Burke	Chief of Police	June 30, 2021 (2)
Greg Schreck	Building/Fire Safety Official	June 30, 2021(2)
Rachel Van Erdewyk	Library Director	June 30, 2021 (2)
Lisa Auen	Library Trustee	December 31, 2025
Dale Schmidt	Library Trustee	December 31, 2025
Brenda Hogue	Library Trustee Sec.	December 31, 2024
Thomas Parish	Library Trustee Vice Pres.	December 31, 2024
Marcie Hircock	Library Trustee	December 31, 2024
Kyle Ulveling	Library Trustee	December 31, 2022
Ralph Von Qualen (County Representative)	Library Trustee	December 31, 2022
Julie Perkins	Library Trustee	December 31, 2022
Summer Parrott	Library Trustee President	December 31, 2026
Greg Siemann	Airport Commissioner	December 31, 2026
Norman Hutcheson	Airport Commissioner/Chairman	December 31, 2022
Gene Vincent	Airport Commissioner	December 31, 2023
Richard Fulton	Airport Commissioner	December 31, 2024
Kevin Wittrock	Airport Commissioner	December 31, 2024

(1) Not Elected - No specific term - Employment Agreement is in effect until terminated by either party.

(2) No specific term - Salary approved to the date shown.

*Feldmann & Company C.P.A.s, P.C.*

523 North Main Street  
Carroll, Iowa 51401  
(712) 792-2464

Independent Auditor's Report

To the Honorable Mayor and Members of the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Carroll, Iowa, as of and for the year ended June 30, 2021, and the related Notes to Financial Statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the

City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the City of Carroll at June 30, 2021, and the respective changes in cash basis financial position for the year then ended in accordance with the basis of accounting described in Note 1.

### Basis of Accounting

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

### Other Matters

#### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Carroll's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the twenty-four years ended June 30, 2020, (which are not presented herein) and expressed unmodified opinions on those financial statements which were prepared on the basis of cash receipts and disbursements. The supplementary information included in Schedules 1 through 6, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

The other information, Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of the City's Proportionate Share of the Net Pension

Liability and the Schedule of City's Contributions on pages 50 through 52 and pages 53 through 60 has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

#### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 9, 2021, on our consideration of the City of Carroll's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 the City's 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 of Carroll's internal control over financial reporting and compliance.



Feldmann & Company CPAs, P.C.

November 9, 2021

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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The City of Carroll 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, 2021. We encourage readers to consider this information in conjunction with the City's financial statements, which follow.

### **FINANCIAL HIGHLIGHTS**

- The City's governmental funds' receipts decreased 7.0% or approximately \$1,112,000 from fiscal year 2020 (FY 20). The main reason for the decrease was no debt was issued in fiscal year 2021 (FY 21); however, the decrease was offset by an increase in operating grants and contributions.
- Disbursements of the City's governmental activities also decreased \$1,555,000, or about 9.8%, from FY 20. Capital Projects is the main reason for the decrease.
- The City's total cash basis net position increased about 4.7%, or approximately \$1,090,000, from June 30, 2020 to June 30, 2021. Of this amount, the cash basis net position of the governmental activities increased approximately \$683,000 and the cash basis net position of the business type activities increased approximately \$407,000.

### **USING THIS ANNUAL REPORT**

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

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

The Government-wide Financial Statement consists of a Cash Basis Statement of Activities and Net Position. This statement provides information about the activities of the City as a whole and presents an overall view of the City's finances.

The Fund Financial Statements tell how governmental services were financed as well as what remains for future spending. Fund financial statements report the City's operations in more detail than the government-



wide financial statement by providing information about the most significant funds.

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

Other Information further explains and supports the financial statements with a comparison of the City's budget for the year and the City's proportionate share of the net pension liability and related contributions.

Supplementary Information provides detailed information about the nonmajor governmental funds and the City's indebtedness.

## **BASIS OF ACCOUNTING**

The City maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the City are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with U.S. generally accepted accounting principles. Therefore, when reviewing the financial information and discussion within this annual report, readers should keep in mind the limitations resulting from the use of the cash basis of accounting.

## **REPORTING THE CITY'S FINANCIAL ACTIVITIES**

### *Government-wide Financial Statement*

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Cash Basis Statement of Activities and Net Position reports information which helps answer this question.

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

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

- Governmental Activities include public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service and capital projects.

Property taxes, user fees and state and federal grants finance most of these activities.

- Business Type Activities of the City include water utility, sanitary sewer utility and the storm water utility 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: 1) the General Fund, 2) the Special Revenue Funds such as Road Use Tax Fund and Local Option Sales Tax Fund, 3) the Debt Service Fund, 4) the Capital Projects Funds and 5) the Permanent Funds. The governmental fund financial statements provide a detailed view of the City's general government 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 statement for governmental funds is a Statement of Cash Receipts, Disbursements and Changes in Cash Balances.

- 2) Proprietary funds account for the City's Enterprise Funds and the Internal Service Fund. Enterprise Funds are used to report business-type activities. The City maintains Enterprise Funds to provide separate information for the water, sewer and storm water funds, considered to be major funds of the City. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

The required financial statement for proprietary funds is a Statement of Cash Receipts, Disbursements and Changes in Cash Balances.

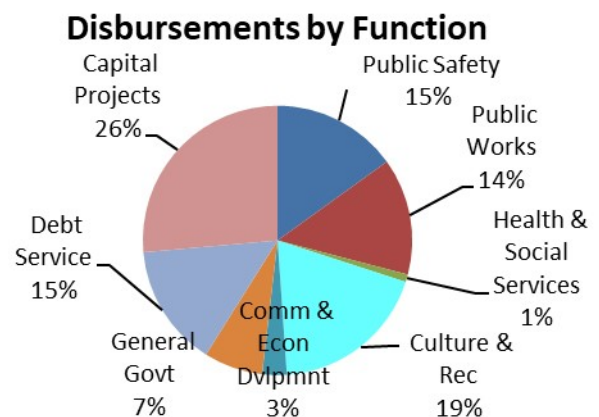
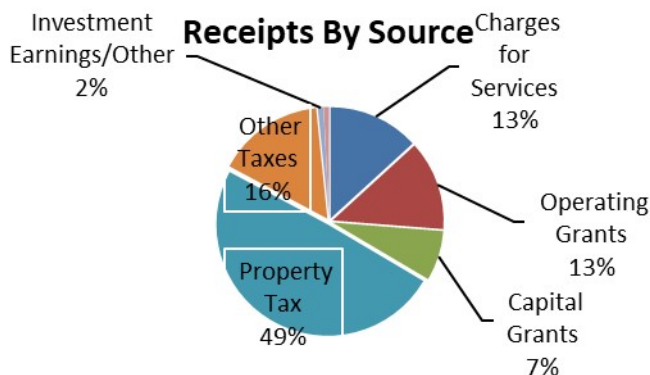
Reconciliations between the government-wide financial statement and the fund financial statements follow the fund financial statements.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of financial position. The City's cash balance for governmental activities increased from a year ago, increasing from \$14.896 million to \$15.579 million. The analysis that follows focuses on the changes in cash basis net position of governmental activities.

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

	2021	2020
<b>Receipts &amp; Transfers:</b>		
<b>Program Receipts:</b>		
Charges for Services & Sales	\$ 1,964	\$ 1,847
Operating Grants, Contributions and Restricted Interest	1,935	1,501
Capital Grants, Contributions and Restricted interest	1,077	1,325
<b>General Receipts</b>		
Property Tax	7,329	7,053
Other Taxes	2,312	2,161
Franchise Tax & Fees	123	106
Unrestricted Investment Earnings	113	239
Bond Proceeds	-	1,734
Other General Receipts	6	5
<b>Total Receipts</b>	<b>14,859</b>	<b>15,971</b>
<b>Disbursements:</b>		
Public Safety	2,155	2,226
Public Works	2,003	2,039
Health & Social Services	129	93
Culture & Recreation	2,706	2,618
Community & Economic Development	420	190
General Government	1,013	1,209
Debt Service	2,099	2,031
Capital Projects	3,775	5,449
<b>Total Disbursements</b>	<b>14,300</b>	<b>15,855</b>
Change in cash basis net position before transfers	559	116
Transfers, net	124	1,164
Change in cash basis net position	683	1,280
Cash basis net position beginning of the year	14,896	13,616
Cash basis net position end of year	<b>\$ 15,579</b>	<b>\$ 14,896</b>



The City's total receipts for governmental activities decreased by 7.0% (\$1,112,000). The total cost of all programs and services decreased by approximately \$1,555,000, or about 9.8%. The primary decrease in receipts is mainly due to no debt issued in FY 21 where debt was issued in FY 20. The decrease in disbursements is mainly due to less capital project expenditures.

The City maintained the property tax rate for FY 21. An increased taxable valuation generated approximately \$276,000 more property tax revenue (including TIF collections). The City's total assessed valuation increased about 3.89% from FY 20 with the residential rollback decreasing 1.8437%. Based on a slight increase in the total assessed valuation and a slight increase in the property tax rate, property tax receipts are budgeted to modestly increase about \$103,000, or 1.67%, in FY 22.

The cost of all governmental activities this year was approximately \$14.300 million compared to approximately \$15.855 million last year. However, as shown in the Statement of Activities and Net Position on pages 18-19, the amount taxpayers ultimately financed for these activities was only \$9.324 million because some of the cost was paid by those directly benefited from the programs (\$1.964 million) or by other governments and organizations which funded certain programs with grants, contributions and restricted interest (\$3.012 million).

The City paid the remaining "public benefit" portion of governmental activities with property tax (some of which could only be used for certain programs) and with other receipts including hotel/motel tax, local option sales tax, cable franchise fees, interest and other miscellaneous receipts. Overall, the City's governmental activities program receipts, including governmental aid and fees for service, increased in FY 21 from approximately \$4.673 million to \$4.976 million, principally due to an increase in charges for services and operating grants and contributions received to combat the COVID-19 pandemic. Road Use Tax receipts were also up about \$213,000 from FY 20.

## Business-Type Activities

### Changes in Cash Basis Net Position of Business-Type Activities (Expressed in Thousand)

	2021	2020
Receipts & Transfers:		
Program Receipts:		
Charges for Services & Sales		
Water	\$ 1,600	\$ 1,462
Sewer	2,109	2,103
Storm Water	265	264
General Receipts		
Unrestricted Investment Earnings	109	225
Other General Receipts	196	71
Total Receipts	4,279	4,125
Disbursements:		
Water	960	935
Water - Capital Outlay	1,898	936
Sewer	884	1,191
Sewer - Capital Outlay	-	1,016
Storm Water	7	7
Storm Water – Capital Outlay	-	348
Total Disbursements	3,749	4,433
Change in cash basis net position before transfers	530	(308)
Transfers, net	(124)	(1,164)
Change in cash basis net position	406	(1,472)
Cash basis net position beginning of the year	8,441	9,913
Cash basis net position end of year	\$ 8,847	\$ 8,441

The cash balance at June 30, 2021 was \$8,847,000, an increase of approximately \$406,000. Revenues increased \$154,000 from FY 20 mainly due to an increase in user fees for water and a grant received for a sewer capital project.

Total disbursements decreased by \$684,000 or 15.4% from FY 20 due mainly to no capital expenditures were made for the Sewer and Storm Water Departments in FY 21.

### **INDIVIDUAL MAJOR GOVERNMENTAL FUND ANALYSIS**

As the City completed the year, its governmental funds reported a combined fund balance of \$15,579,000, an increase of approximately \$683,000 from last year's

total of \$14,896,000. The following are the major reasons for the changes in cash balances from the prior year for the City's major funds.

- The General Fund cash balance increased \$629,800 from the prior year to \$4,940,528, which is approximately 60.7% of General Fund receipts. The General Fund balances are projected to be spent down to 25% of receipts over the next few years. These additional cash reserves are intended to be used for various projects and one-time expenditures.
- The Special Revenue Road Use Tax (RUT) Fund cash balance increased by \$611,013 to \$2,358,984. The City intends to use this money to upgrade the condition of City roads.
- The Special Revenue Local Option Sales Tax (LOST) Fund cash balance increased by \$295,052 to \$928,760. The City intends to use this money for future City projects.
- The Debt Service cash balance increased by \$4,212 to \$92,875. This balance will be used for future principal and interest payments.
- The Capital Projects Funds balance on June 30, 2021 was \$6,316,981, a decrease of \$958,044 from FY 20. The decrease in cash balance is mainly due to the expenses paid for the Streets Maintenance Building and Corridor of Commerce projects.

### **INDIVIDUAL MAJOR BUSINESS TYPE FUND ANALYSIS**

- The cash balance of the Water Utility Fund decreased by \$241,954 to \$1,381,069. The decrease was mainly due to transfers out to fund water capital improvement projects.
- The cash balance of the Sewer Utility Fund increased by approximately \$393,050 to \$4,045,037. The accumulation of cash reserves is for future operating costs and capital expenditures.
- The cash balance of the Storm Water Utility Fund increased approximately \$166,554 to \$1,004,920. The accumulation of cash reserves is for future operating costs and capital expenditures.

### **BUDGETARY HIGHLIGHTS**

In accordance with the Code of Iowa, the City Council annually adopts a budget following required public notice and hearings for all funds. Although the budget document presents functional disbursements by fund, the legal level of control is

at the aggregated function level, not at the fund or fund type level. The budget may be amended during the year utilizing similar statutorily prescribed procedures. Over the course of the year, the City amended its budget two times. The first amendment was approved on October 26, 2020, and resulted in an increase in disbursements (including transfers) of \$1,910,613 and an increase in revenues and other financing sources of \$662,040. The amendment was primarily to account for COVID-19 grants and expenses and other FY 20 carryover projects including various parks and recreation expenses including removal of ash trees, mowers, truck purchases, and other capital projects including airport runway maintenance, pickleball courts, youth sports complex lighting, trails construction and Library/City Hall remodel project. The seconded budget amendment was approved on May 24, 2021, and resulted in an increase in disbursements of \$1,043,311 and an increase in revenues and other financing sources of \$627,059. The amendment was to account for a railroad quiet zone study, water tower improvements and various transfers from one fund to another fund.

After the budget amendments, the City's receipts were about \$497,802 more than the amended budget mainly due to more delinquent property taxes, cable franchise fees and local option sales tax receipts received than budgeted. Total disbursements were \$9.0 million less than the amended budget. This was primarily due to the delay of some capital purchases, unfinished construction projects and less than anticipated operating expenses.

**DEBT ADMINISTRATION**

At year-end, the City had \$8,627,000 in bonds and other long-term debt compared to \$10,436,000 last year as shown below.

Outstanding Debt at Year-End (Expressed in Thousands)		
	2021	2020
General Obligation Capital Loan Notes	\$5,870	\$7,040
Sewer Revenue Bonds	2,757	3,396
Total	\$8,627	\$10,436

Debt decreased as a result of principal payments made while no new debt was issued in FY 21. Principal payments totaled \$1,809,000.

The Constitution of the State of Iowa limits the amount of general obligation debt that cities can issue to 5% of the assessed value of all taxable property within the City's corporate limits. The City's outstanding general obligation debt of \$5,870,000 is well below the City's \$44.9 million legal debt limit.

More detailed information about the City's long-term debt is presented in Note 3 of the financial statements.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The City's citizens and elected and appointment officials considered many factors when setting the 2022 fiscal year budget, associated tax rates and fees for services. One of those factors is the local economy. The regional economy is stable. Unemployment for Carroll County was at a rate of about 3.1% (January 2021 Local Area Unemployment Statistics for Carroll County obtained from Iowa Workforce Development) which is up slightly from the January 2020 unemployment rate of 2.3%. This is compared to the State's unemployment rate of 3.5% (January 2021) and the national rate of 6.3% (January 2021).

These indicators were taken into account when adopting the budget for fiscal year 2022 (FY 22). FY 22 budgeted revenues are expected to be approximately \$1.5 million less than final FY 21 budget mainly due less intergovernmental receipts (grants for capital projects) anticipated compared to FY 21. FY 22 budgeted disbursements are expected to be about \$7.2 million less than FY 21 final budgeted disbursements mainly due to less capital projects.

If budget estimates are realized, the City's budgeted cash balance is expected to decrease approximately \$2.0 million by the close of FY 22.

### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Laura Schaefer, City Clerk, 627 N. Adams Street, Carroll, IA 51401.



**City of Carroll**

**Basic Financial Statements**

**City of Carroll**  
**Statement of Activities and**  
**Net Position - Cash Basis**  
**Year ended June 30, 2021**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for Services</b>
<b>Governmental Activities</b>		
Public Safety Program	\$ 2,155,355.47	\$ 146,131.63
Public Works Program	2,002,571.12	642,622.99
Health and Social Services Program	129,325.00	13,080.00
Culture and Recreation Program	2,705,468.41	1,121,508.20
Community & Economic Development Program	419,988.71	1,200.00
General Government	1,013,282.00	39,350.81
Debt Service	2,098,862.52	-
Capital Projects	3,775,485.94	-
Total governmental activities	14,300,339.17	1,963,893.63
<b>Business Type Activities</b>		
Water	2,858,865.11	1,600,111.61
Sewer	883,748.31	2,109,306.36
Storm Water	6,795.00	265,032.87
Total business type activities	3,749,408.42	3,974,450.84
<b>Total</b>	<b>\$ 18,049,747.59</b>	<b>\$ 5,938,344.47</b>
General Receipts:		
Property Taxes levied for:		
General purpose		
Debt Service		
Tax Increment Financing		
Property Tax Replacement		
Hotel Motel Tax		
Local Option Sales Tax		
Franchise taxes and fees		
Unrestricted investment earnings		
Bond Proceeds		
Miscellaneous		
Transfers		
Total general receipts and transfers		
Changes in Cash Balance		
Cash Balance beginning of year		
Cash Balance end of year		
<b>Cash Basis Net Position</b>		
Restricted:		
Nonexpendable - Cemetery Perpetual Care		
- Rec Center Trust		
Expendable - Debt Service		
- Streets		
- Other purposes		
Unrestricted		
<b>Total Cash Basis Net Position</b>		

Exhibit A

Program Revenues		Net (Disbursements) Receipts		
Operating Grants Contributions and Restricted Interest	Capital Grants Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total
\$ 36,376.97	\$ -	\$ (1,972,846.87)	\$ -	\$ (1,972,846.87)
1,515,986.46	-	156,038.33	-	156,038.33
49,050.00	-	(67,195.00)	-	(67,195.00)
99,941.14	-	(1,484,019.07)	-	(1,484,019.07)
-	-	(418,788.71)	-	(418,788.71)
233,696.63	-	(740,234.56)	-	(740,234.56)
-	-	(2,098,862.52)	-	(2,098,862.52)
-	1,077,219.01	(2,698,266.93)	-	(2,698,266.93)
1,935,051.20	1,077,219.01	(9,324,175.33)	-	(9,324,175.33)
-	-	-	(1,258,753.50)	(1,258,753.50)
-	-	-	1,225,558.05	1,225,558.05
-	80,000.00	-	338,237.87	338,237.87
-	80,000.00	-	305,042.42	305,042.42
\$ 1,935,051.20	\$ 1,157,219.01	(9,324,175.33)	305,042.42	(9,019,132.91)
		5,341,175.39	-	5,341,175.39
		866,865.72	-	866,865.72
		1,120,790.11	-	1,120,790.11
		218,036.16	-	218,036.16
		189,014.14	-	189,014.14
		1,905,365.23	-	1,905,365.23
		122,706.26	-	122,706.26
		112,975.20	109,119.29	222,094.49
		-	-	-
		6,589.75	116,311.53	122,901.28
		124,007.00	(124,007.00)	-
		10,007,524.96	101,423.82	10,108,948.78
		683,349.63	406,466.24	1,089,815.87
		14,896,002.58	8,440,864.94	23,336,867.52
		\$ 15,579,352.21	\$ 8,847,331.18	\$ 24,426,683.39
		\$ 569,171.51	\$ -	\$ 569,171.51
		65,224.25	-	65,224.25
		92,874.55	-	92,874.55
		2,358,983.60	-	2,358,983.60
		1,570,497.38	-	1,570,497.38
		10,922,600.92	8,847,331.18	19,769,932.10
		\$ 15,579,352.21	\$ 8,847,331.18	\$ 24,426,683.39

**City of Carroll**  
**Statement of Cash Receipts, Disbursements**  
**and Changes in Cash Balances**  
**Governmental Funds**  
**Year ended June 30, 2021**

	<b>General</b>	<b>Special Revenue Road Use Tax</b>	<b>Special Revenue Local Option Sales Tax</b>
<b>Receipts:</b>			
Property tax	\$ 4,436,479.06	\$ -	\$ -
Other Taxes	311,720.40	-	1,905,365.23
Use of money and property	93,431.83	-	9,064.98
Licenses and permits	75,454.31	-	-
Intergovernmental	501,467.59	1,512,037.68	-
Charges for service	1,634,549.35	-	-
Special assessments	-	-	-
Fines and fees	68,379.13	-	-
Miscellaneous	128,030.65	-	-
<b>Total receipts</b>	<b>7,249,512.32</b>	<b>1,512,037.68</b>	<b>1,914,430.21</b>
<b>Disbursements:</b>			
Public Safety	2,154,387.44	-	-
Public Works	1,227,816.22	769,435.63	-
Health and Social Services	129,325.00	-	-
Culture and Recreation	2,677,497.81	-	15,777.00
Community and Economic Development	136,545.16	-	112,212.00
General Government	1,015,121.89	-	-
Debt Service	-	-	-
Capital Projects	-	-	-
<b>Total disbursements</b>	<b>7,340,693.52</b>	<b>769,435.63</b>	<b>127,989.00</b>
Excess (deficiency) of receipts over (under) disbursements	(91,181.20)	742,602.05	1,786,441.21
<b>Other financing sources (uses):</b>			
Bond/note proceeds	-	-	-
Operating transfers in	888,225.31	118,411.02	43,896.41
Operating transfers(out)	(167,243.62)	(250,000.00)	(1,535,286.00)
<b>Total other financing sources (uses)</b>	<b>720,981.69</b>	<b>(131,588.98)</b>	<b>(1,491,389.59)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	629,800.49	611,013.07	295,051.62
<b>Cash balance beginning of year</b>	<b>4,310,727.34</b>	<b>1,747,970.53</b>	<b>633,708.47</b>
<b>Cash balance end of year</b>	<b>\$ 4,940,527.83</b>	<b>\$ 2,358,983.60</b>	<b>\$ 928,760.09</b>
<b>Cash Basis Fund Balances</b>			
Unspendable-			
Permanent fund-Cemetary Perpetual Care	\$ -	\$ -	\$ -
-Rec Center Trust	-	-	-
Restricted for Debt Service			
Streets	-	2,358,983.60	-
Urban Renewal purposes	-	-	-
Other purposes	475,373.06	-	928,760.09
Committed			
Assigned	257,517.00	-	-
Unassigned	4,207,637.77	-	-
<b>Total cash basis fund balances</b>	<b>\$ 4,940,527.83</b>	<b>\$ 2,358,983.60</b>	<b>\$ 928,760.09</b>

Exhibit B

Debt Service	Capital Projects	Other Nonmajor Governmental Funds	Total
\$ 866,865.72	\$ -	\$ 2,025,486.44	\$ 7,328,831.22
-	-	-	2,217,085.63
-	49,375.28	6,808.11	158,680.20
-	-	-	75,454.31
26,584.90	989,687.23	56,114.62	3,085,892.02
-	-	5,760.00	1,640,309.35
-	-	-	-
-	-	-	68,379.13
-	87,531.78	69,487.50	285,049.93
<u>893,450.62</u>	<u>1,126,594.29</u>	<u>2,163,656.67</u>	<u>14,859,681.79</u>
-	-	4,154.67	2,158,542.11
-	-	-	1,997,251.85
-	-	-	129,325.00
-	-	6,062.57	2,699,337.38
-	-	171,231.55	419,988.71
-	-	-	1,015,121.89
2,098,862.52	-	-	2,098,862.52
-	3,775,485.94	-	3,775,485.94
<u>2,098,862.52</u>	<u>3,775,485.94</u>	<u>181,448.79</u>	<u>14,293,915.40</u>
<u>(1,205,411.90)</u>	<u>(2,648,891.65)</u>	<u>1,982,207.88</u>	<u>565,766.39</u>
-	-	-	-
1,209,624.32	1,734,743.62	-	3,994,900.68
-	(43,896.41)	(1,874,467.65)	(3,870,893.68)
<u>1,209,624.32</u>	<u>1,690,847.21</u>	<u>(1,874,467.65)</u>	<u>124,007.00</u>
4,212.42	(958,044.44)	107,740.23	689,773.39
<u>88,662.13</u>	<u>7,275,025.73</u>	<u>839,908.38</u>	<u>14,896,002.58</u>
<u>\$ 92,874.55</u>	<u>\$ 6,316,981.29</u>	<u>\$ 947,648.61</u>	<u>\$ 15,585,775.97</u>
\$ -	\$ -	\$ 569,171.51	\$ 569,171.51
-	-	65,224.25	65,224.25
92,874.55	-	-	92,874.55
-	-	-	2,358,983.60
-	-	166,364.23	166,364.23
-	-	-	1,404,133.15
-	6,316,981.29	-	6,316,981.29
-	-	146,888.62	404,405.62
-	-	-	4,207,637.77
<u>\$ 92,874.55</u>	<u>\$ 6,316,981.29</u>	<u>\$ 947,648.61</u>	<u>\$ 15,585,775.97</u>

See notes to financial statements.

## City of Carroll

**Reconciliation of the Statement of Cash Receipts, Disbursements  
and Changes in Cash Balances  
to the Cash Basis Statement of Activities and Net Position  
Governmental Funds**

**As of and for the year ended June 30, 2021**

Total governmental funds cash balances (page 21)	\$15,585,775.97
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*Amounts reported for governmental activities in the Cash Basis Statement of Activities and Net Position are different because:*

The Internal Service Fund is used by management to charge the costs of health insurance and self-funding of the City's health insurance benefit plan to individual funds. A portion of the cash balance of the Internal Service Fund is included in the governmental activities in the Cash Basis Statement of Activities and Net Position.	<u>(6,423.76)</u>
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Cash Basis net position of Governmental activities (page 19)	<u>\$15,579,352.21</u>
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Change in cash balances (page 21)	\$ 689,773.39
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*Amounts reported for business type activities in the Cash Basis Statement of Activities and Net Position are different because:*

The Internal Service Fund is used by management to charge the costs of health insurance and self-funding of the City's health insurance benefit plan to individual funds. A portion of the change in the cash balance of the Internal Service Fund is reported with the governmental activities in the Cash Basis Statement of Activities and Net Position.	<u>(6,423.76)</u>
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Change in cash basis net position of governmental activities (page 19)	<u>\$ 683,349.63</u>
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See notes to financial statements.

# City of Carroll

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

Year ended June 30, 2021

	<b>Enterprise Funds</b>		
	<b>Major Fund</b>	<b>Major Fund</b>	<b>Major Fund</b>
	<b>Water</b>	<b>Sewer</b>	<b>Storm Water</b>
<b>Operating receipts:</b>			
Charges for service	\$ 1,600,111.61	\$ 2,109,306.36	\$ 265,032.87
<b>Total operating receipts</b>	<u>1,600,111.61</u>	<u>2,109,306.36</u>	<u>265,032.87</u>
<b>Operating disbursements:</b>			
Governmental activities:			
Public Safety	-	-	-
Public works	-	-	-
Cultural and recreational	-	-	-
General government	-	-	-
Business-type activities:	<u>949,875.15</u>	<u>884,908.06</u>	<u>6,795.00</u>
<b>Total operating disbursements</b>	<u>949,875.15</u>	<u>884,908.06</u>	<u>6,795.00</u>
Excess (deficiency) of operating receipts over (under) operating disbursements	<u>650,236.46</u>	<u>1,224,398.30</u>	<u>258,237.87</u>
<b>Non-operating receipts (disbursements)</b>			
Use of money and property	56,671.04	30,969.74	7,071.02
Miscellaneous	38,177.28	19,650.36	1,245.39
Capital Outlay	-	-	-
<b>Net non-operating receipts (disbursements)</b>	<u>94,848.32</u>	<u>50,620.10</u>	<u>8,316.41</u>
Other financing sources (uses):			
Bond/note proceeds	-	-	-
Operating transfers in	906,230.00	-	-
Operating transfers (out)	(1,893,269.00)	(881,968.00)	(100,000.00)
Total other financing sources (uses)	<u>(987,039.00)</u>	<u>(881,968.00)</u>	<u>(100,000.00)</u>
Excess of receipts and other financing sources over disbursements and other financing uses	(241,954.22)	393,050.40	166,554.28
<b>Cash balance beginning of year</b>	<u>1,623,023.54</u>	<u>3,651,986.89</u>	<u>838,365.26</u>
<b>Cash balance end of year</b>	<u>\$ 1,381,069.32</u>	<u>\$ 4,045,037.29</u>	<u>\$ 1,004,919.54</u>
<b>Cash Basis Fund Balances</b>			
Restricted	\$ -	\$ -	\$ -
Committed	-	-	-
Assigned	-	-	-
Unrestricted	<u>1,381,069.32</u>	<u>4,045,037.29</u>	<u>1,004,919.54</u>
<b>Total cash basis fund balances</b>	<u>\$ 1,381,069.32</u>	<u>\$ 4,045,037.29</u>	<u>\$ 1,004,919.54</u>



Exhibit D

<u>Other Non-Major Proprietary</u>	<u>Total</u>	<u>Internal Service Employee Health</u>
\$ -	\$ 3,974,450.84	\$ 548,606.31
-	3,974,450.84	548,606.31
-	-	\$ 152,179.70
-	-	95,455.19
-	-	166,967.30
-	-	47,304.53
9,285.00	1,850,863.21	93,553.82
9,285.00	1,850,863.21	555,460.54
(9,285.00)	2,123,587.63	(6,854.23)
14,407.49	109,119.29	
137,238.50	196,311.53	-
(1,898,114.74)	(1,898,114.74)	-
(1,746,468.75)	(1,592,683.92)	-
-	-	
1,845,000.00	2,751,230.00	-
-	(2,875,237.00)	-
1,845,000.00	(124,007.00)	-
89,246.25	406,896.71	(6,854.23)
2,327,489.25	8,440,864.94	958,206.61
\$ 2,416,735.50	\$ 8,847,761.65	\$ 951,352.38
\$ -	\$ -	\$ 951,352.38
2,416,735.50	2,416,735.50	-
-	-	-
-	6,431,026.15	-
\$ 2,416,735.50	\$ 8,847,761.65	\$ 951,352.38

See notes to financial statements.

**Exhibit E**

**City of Carroll**

**Reconciliation of the Statement of Cash Receipts, Disbursements  
And Changes in Cash Balances  
to the Cash Basis Statement of Activities and Net Position  
Proprietary Funds  
As of and for the year ended June 30, 2021**

Total enterprise funds cash balances (page 25) \$ 8,847,761.65

*Amounts reported for business type activities in the Cash Basis  
Statement of Activities and Net Position are different because:*

The Internal Service Fund is used by management to charge the costs of health insurance and self-funding of the City's health insurance benefit plan to individual funds. A portion of the cash balance of the Internal Service Fund is included in the business type activities in the Cash Basis Statement of Activities and Net Position. (430.47)

Cash Basis net position of Business type activities (page 19) \$ 8,847,331.18

Change in cash balances (page 25) \$ 406,896.71

*Amounts reported for business type activities in the Cash Basis  
Statement of Activities and Net Position are different because:*

The Internal Service Fund is used by management to charge the costs of health insurance and self-funding of the City's health insurance benefit plan to individual funds. A portion of the change in the cash balance of the Internal Service Fund is reported with the business type activities in the Cash Basis Statement of Activities and Net Position. (430.47)

Change in cash basis net position of business type activities (page 19) \$ 406,466.24

See notes to financial statements.

## City of Carroll

### Notes to Financial Statements

June 30, 2021

#### Note 1 - Summary of Significant Accounting Policies

The City of Carroll is a political subdivision of the State of Iowa located in Carroll County. It was first incorporated in 1869 and operates under the Home Rule provisions of the Constitution of Iowa. The City operates under the Mayor-Council form of government with the Mayor and Council Members elected on a non-partisan basis. The City provides numerous services to citizens including public safety, public works, health and human services, culture and recreation, community and economic developments, and general government services. The City also provides water, sewer and storm water utilities for its citizens.

##### A. Reporting Entity

For financial reporting purposes, the City of Carroll has included all funds, organizations, agencies, boards, commissions and authorities. The City has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the City. The City has no component units that meet the Governmental Accounting Standards Board criteria.

##### Jointly Governed Organizations

The City also participates in several jointly governed organizations that provide goods or services to the citizenry of the City but do 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 and commissions: Carroll County Assessor's Conference Board, Carroll County Solid Waste Commission, City/County Communications Committee, Carroll County Regional Planning Commission, County Emergency Management Commission and County Joint E911 Service Board, Carroll Area Access Television 6 (CAAT6) Board, and Carroll Foundation.

##### B. Basis of Presentation

Government-Wide Financial Statements – The Cash Basis Statement of Activities and Net Position reports information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from this statement.

Governmental activities, which are supported by tax and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for service.

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

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

*Expendable restricted net position* results when constraints placed on the use of cash balances are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net position* consists of cash balances not meeting the definition of the preceding categories. Unrestricted net position is often subject to the constraints imposed by management which can be removed or modified.

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

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

The City reports the following major governmental funds:

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

#### Special Revenue

Road Use Tax is used to account for the road use tax allocation from the State of Iowa

to be used for road construction and maintenance.

Local Option Sales Tax is used to account for a voter approved optional sales tax imposed on all sales within the electing jurisdiction. Revenue from this tax must be spent on the specific purposes set forth in the election ballot if other than property tax relief.

The Debt Service Fund is utilized to account for property tax and other receipts to be used for the payment of interest and principal on the City's general long term debt.

The Capital Projects Funds are utilized to account for all resources used in the acquisition and construction of capital facilities, with the exception of those that are financed through enterprise funds.

The City reports the following major proprietary funds:

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

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

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

The City also reports the following additional proprietary fund:

An Internal Service Fund is utilized to account for the financing of health insurance services provided to other departments on a cost reimbursement basis.

C. Measurement Focus and Basis of Accounting

The City of Carroll maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the City are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with U.S. generally accepted accounting principles.

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

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

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

D. Property Taxes and Governmental Cash Basis Fund Balances:

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

Property tax revenues recognized in these funds become due and collectible in September and March of the current fiscal year with a 1 ½ % per month penalty for delinquent payments: is based on January 1, 2019, assessed property valuations: is for the tax accrual period July 1, 2020, through June 30, 2021, and reflects tax asking contained in the budget certified to the City Council in March 2020.

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

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

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

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

Unassigned – All amounts not included in the preceding classifications.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Other Information. During the year ended June 30, 2021, there were no disbursements that exceeded the amounts budgeted in the general government and business type activities functions.

**Note 2 - Cash and Pooled Investments**

The City's deposits in banks at June 30, 2021, 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 ensure there will be no loss of public funds.

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

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

### Note 3 - Bonds and Notes Payable

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

Year Ending June 30,	Sewer Revenue Bonds		General Obligation Capital Loan Notes		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	659,000	48,248	1,085,000	187,935	1,744,000	236,183
2023	678,000	36,715	915,000	159,975	1,593,000	196,690
2024	699,000	24,850	655,000	136,908	1,354,000	161,758
2025	721,000	12,618	370,000	118,065	1,091,000	130,683
2026-33	-	-	2,845,000	421,853	2,845,000	421,853
	<b>\$ 2,757,000</b>	<b>\$ 122,430</b>	<b>\$ 5,870,000</b>	<b>\$ 1,024,735</b>	<b>\$ 8,627,000</b>	<b>\$ 1,147,165</b>

The Code of Iowa requires that principal and interest on general obligation bonds be paid from the Debt Service fund.

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

The funds to pay principal and interest will be provided from the levied direct annual tax, except for the sewer revenue bonds that are paid with revenue generated by the sewer enterprise fund.

## **General Obligation, Revenue and Capital Loan Notes**

The City issued \$10,998,000, Revenue Capital Loan Notes, Series 2003, during the year ended June 30, 2004. Capital Loan Notes totaling \$8,000,000 were issued December 23, 2003, and an additional issue on June 9, 2004, of \$2,998,000. These notes will be used to defray the costs of wastewater treatment plant improvements. Interest rate is 3.00%. Interest payments are due semiannually beginning June 1, 2004. Principal and interest payments are paid semiannually starting June 1, 2006. In July 2015 the Iowa Finance Authority negotiated a reduced interest to 1.75% for payments starting in fiscal year 2015.

On April 23, 2015, the City issued \$1,770,000 in General Obligation Capital Loan Notes, Series 2015A, with an interest rate range of .750% to 1.850%. The net proceeds were used to defease/advance refund the GO Bond Series 2008A, in the amount of \$1,715,000.00. The City's designated Paying Agent, UMB Bank, N.A., Kansas City, MO, will pay principal and interest on the Notes; interest payable initially on December 1, 2015, and thereafter interest on each June 1 and December 1, through 2023, principal paid annually starting June 1, 2017.

On November 30, 2016, the City issued \$2,290,000 in General Obligation Capital Loan Notes, Series 2016B, with an interest rate range of .80% to 1.60%. The net proceeds were used to pay costs of cemetery maintenance building and Third Street storm sewer improvements. The City's designated Paying Agent, UMB Bank, N.A., Kansas City, MO, will pay principal and interest on the Notes; interest payable each June 1 and December 1, through 2024, principal paid annually starting June 1, 2017.

On November 14, 2018, the City issued \$4,475,000 in General Obligation Capital Loan Notes, Series 2018B, with an interest rate of 3.35%. Total project was split between 5 local banks. The net proceeds were used to pay costs of the Library/City Hall projects and park/trail improvements. The City will pay principal and interest on the Notes; interest payable each June 1 and December 1, through 2033, principal paid annually starting June 1, 2019. This debt was refunded October 14, 2021.

On March 25, 2020, the City issued \$1,505,000 in General Obligation Capital Loan Notes, Series 2020A, with an interest rate range of 4.00% to 5.00% and a true interest cost of 1.23%. The net proceeds were used to pay for the purchase of a fire truck and the Street Rehab – 2019 Project. The City's designated Paying Agent, UMB Bank, N.A., Kansas City, MO, will pay interest on the Notes; interest payable each June 1 and December 1, through 2029, principal paid annually starting June 1, 2020.

### **Sewer Revenue Notes**

The City has pledged future sewer customer receipts, net of specific operating disbursements, to repay \$10,998,000 of sewer revenue notes issued in FY 2004 with \$8,000,000 issued December 2003 and \$2,998,000 issued June 2004. Proceeds from the notes provided financing for the construction of the wastewater treatment plant



improvements and sanitary relief sewer improvements. The notes are payable solely from customer net receipts and are payable through 2025. Annual principal and interest payments on the notes are expected to require about 60% of net receipts. The total principal and interest remaining to be paid on the notes is \$2,879,430. For the current year, principal and interest paid and total customer net receipts were \$706,920.00 and \$1,184,350.30, respectively.

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

- (a) The notes will only be redeemed from the future earnings of the sewer system activity and the note holders hold a lien on the future earnings of the fund.
- (b) Sufficient monthly transfers shall be made to a separate sewer revenue note sinking account within the Sewer Fund for the purpose of making the note principal and interest payments when due.
- (c) All funds remaining in the sewer account at the close of the month may be deposited in any of the funds created by the resolutions, to pay for extraordinary repairs or replacements to the sewer system, or for any lawful purpose.

#### **Note 4 - Pension Plan**

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](http://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, any time 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, except for members with service before June 30, 2012, will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

Protection occupation members may retire at normal retirement age, which is generally 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 member's monthly IPERS benefit includes:

- 60% of average salary after completion of 22 years of service, plus an additional 1.5% of average salary for more than 22 years of service 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 before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month that the member receives benefits before the member's earliest normal retirement age. For service earned on or after July 1, 2012, the reduction is 0.50% for each month that the member receives benefits before age 65.

Generally, once a member selects a benefits 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 by 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 base 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 2021, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the City contributed 9.44% for a total rate of 15.73%. Protection occupation members contributed 6.41% of covered payroll and the City contributed 9.61% of covered payroll, for a total rate of 16.02%.

The city’s contributions to IPERS for the year ended June 30, 2021, totaled \$291,922.07.

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2021, the City reported a liability of \$ 2,671,516 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportion of the net pension liability was based on the City’s share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2020, the City’s proportion was 0.0382817%, which was a decrease of (0.000252%) from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021 the City’s pension expense, deferred outflows of resources and deferred inflows of resources totaled of \$412,650, \$514,178, and \$284,816 respectively.

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions – The total pension liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, as follows:

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

The actuarial assumptions used in the June 30, 2020, 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 2020 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 IPERS' investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of 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 geometric 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>
Domestic equity	22.0%	4.43%
International equity	17.5	5.15
Global smart beta equity	6.0	4.87
Core plus fixed income	28.0	(0.29)
Public credit	4.0	2.29
Cash	1.0	(0.78)
Private equity	11.0	6.54
Private real assets	7.5	4.48
Private credit	<u>3.0</u>	3.11
Total	100%	

Discount Rate – The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the City will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS' 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 IPERS' investments was applied to all periods of projected benefits payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1% Decrease ( <u>6.00%</u> )	Discount Rate ( <u>7.00%</u> )	1% Increase ( <u>8.00%</u> )
City's proportionate share of the net pension liability	\$4,467,975	\$2,671,516	\$ 1,165,230

IPERS' Net Position – Detailed information about IPERS fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at [www.ipers.org](http://www.ipers.org).

### **Municipal Fire and Police Retirement System of Iowa (MFPRSI)**

Plan Description – MFPRSI membership is mandatory for fire fighters and police officers covered by the provisions of Chapter 411 of the Code of Iowa. Employees of the City are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by MFPRSI. MFPRSI issues a stand-alone financial report which is available to the public by mail at 7155 Lake Drive, Suite #201, West Des Moines, Iowa 50266 or at [www.mfprsi.org](http://www.mfprsi.org).

MFPRSI benefits are established under Chapter 411 of the Code of Iowa and the administrative rules thereunder. Chapter 411 of the Code of Iowa and the administrative rules are the official plan documents. The following brief description is providing for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits – Members with 4 or more years of service are entitled to pension benefits beginning at age 55. Full service retirement benefits are granted to members with 22 years of services, while partial benefits are available to those members with 4 to 22 years of service based on the ratio of years completed to the years required (i.e., 22 years). Members with less than 4 years of service are entitled to a refund of their contribution only, with interest, for the period of employment.

Benefits are calculated based upon the member's highest 3 years of compensation. The average of these 3 years becomes the member's average final compensation. The base benefit is 66% of the member's average final compensation. Members who perform more than 22 years of service receive an additional 2% of the member's average final compensation for each additional year of service, up to a maximum of 8 years. Survivor benefits are available to the beneficiary of a retired member according to the provisions of the benefit option chosen plus an additional benefit for each child. Survivor benefits are subject to a minimum benefit for those members who chose the basic benefit with a 50% surviving spouse benefit.

Active members, at least 55 years of age, with 22 or more years of service have the option to participate in the Deferred Retirement Option Program (DROP). The DROP is an arrangement whereby a member who is otherwise eligible to retire and commence benefits opts to continue to work. A member can elect a 3, 4, or 5 year DROP period. When electing to participate in DROP, the member signs a contract stating the member will retire at the end of the selected DROP period. During the DROP period, the member's retirement benefit is frozen, and a DROP benefit is credited to a DROP account established for the member. Assuming the member completes the DROP period, the DROP benefit is equal to 52% of the member's retirement benefit at the member's earliest date eligible and 100% if the member delays enrollment for 24 months. At the member's actual date of retirement, the member's DROP account will be distributed to the member in the form of a lump sum or rollover to an eligible plan.

Disability and Death Benefits – Disability benefits may be either accidental or ordinary. Accidental disability is defined as permanent disability incurred in the line of duty, with benefits equivalent to the greater of 60% of the member's average final compensation or the member's service retirement benefit calculation amount. Ordinary disability occurs outside the call of duty and pays benefits equivalent to the greater of 50% of the member's average final compensation for those with 5 or more years of service or the member's service retirement benefit calculation amount and 25% of average final compensation for those with less than 5 years of service.

Death benefits are similar to disability benefits. Benefits for accidental death are 50% of the average final compensation of the member plus an additional amount for each child, or the provisions for ordinary death. Ordinary death benefits consist of a pension equal to 40% of the average final compensation of the member plus an additional amount for each child, or a lump-sum distribution to the designated beneficiary equal to 50% of the previous year's earnable compensation of the member or equal to the amount of the member's total contributions plus interest.

Benefits are increased annually in accordance with Chapter 411.6 of the Code of Iowa which provides a standard formula for the increases.

The surviving spouse or dependents of an active member who dies due to a traumatic personal injury incurred in the line of duty receives a \$100,000 lump-sum payment.

Contributions – Members contribution rates are set by state statute. In accordance with Chapter 411 of the Code of Iowa, the contribution rate was 9.40% of earnable compensation for the year ended June 30, 2021.

Employer contribution rates are based upon an actuarially determined normal contribution rate and set by state statute. The required actuarially determined contributions are calculated on the basis of the entry age normal method as adopted by the Board of Trustees as permitted under Chapter 411 of the Code of Iowa. The normal contribution rate is provided by state statute to be the actuarial liabilities of the plan less current plan assets, with such total divided by 1% of the actuarially determined present value of prospective future compensation of all members, further reduced by member contributions and state appropriations. Under the Code of Iowa, the employer's contribution rate cannot be less than 17.00% of earnable compensation. The contribution rate was 25.31% for the year ended June 30, 2021.

The City's contributions to MFPRSI for the year ended June 30, 2021 was \$230,867.81.

If approved by the state legislature, state appropriations may further reduce the City's contribution rate, but not below the minimum statutory contribution rate of 17.00% of earnable compensation. The State of Iowa, therefore, is considered to be a nonemployer contributing entity in accordance with the provisions of the Governmental Accounting Standards Board Statement No. 67 – Financial Reporting for Pension Plans, (GASB 67).

There were no state appropriations to MFPRSI during the fiscal year ended June 30, 2021.

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2021, the City reported a liability of 2,332,526 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to the MFPRSI relative to the contributions of all MFPRSI participating employers. At June 30, 2020, the City's proportion was 0.292443% which was an increase of 0.0134450% from its proportions measured as of June 30, 2019.

For the year ended June 30, 2021 the City's pension expense, deferred outflows of resources and deferred inflows of resources totaled \$433,259, \$523,571 and \$(73,971) respectfully.

Actuarial Assumptions - The total pension liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation	3.00%
Salary increases	3.75 to 15.11%, including inflation

Investment rate of return 7.50%, net of investment expense, including inflation

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2007 through June 30, 2017.

Postretirement mortality rates were based on the RP-2014 Blue Collar Combined Healthy Annuitant Table with males set forward zero years, females set forward two years and disabled individuals set-forward three years (male only rates), with generational projection of future mortality improvement with 50% of Scale BB beginning in 2017.

The long-term expected rate of return on MFPRSI investments was determined using a building-block method in which best-estimate ranges of expected future real rates (i.e., 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 best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Large cap	7.49%
Small cap	8.1
International large cap	7.2
Emerging markets	7.9
Global infrastructure	7.5
Private non-core real estate	11.5
Private credit	6.4
Private equity	10.8
Core plus fixed income	4.0
Private core real estate	7.2

Discount Rate – The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed contributions will be made at 9.40% of covered payroll and the City’s contributions will be made at rates equal to the difference between actuarially determined rates and the member rate. Based on those assumptions, the MFPRSI’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on MFPRSI’s investments was applied to all periods of projected benefit payments to determine the total pension liability.



Sensitivity of City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the city's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.50 %) or 1% higher (8.50 %) than the current rate.

	1% Decrease <u>(6.50%)</u>	Discount Rate <u>(7.50%)</u>	1% Increase <u>(8.50%)</u>
City's proportionate share of the net pension liability	\$3,577,641	\$ 2,332,526	\$ 1,301,175

MFPRSI's Fiduciary Net Position – Detailed information about MFPRSI's fiduciary net position is available in the separately issued MFPRSI financial report which is available on MFPRSI's website at [www.mfprsi.org](http://www.mfprsi.org).

**Note 5 - Other Postemployment Benefits (OPEB)**

Plan Description - The City partially self-funds a single-employer health benefit plan which provides medical/prescription drug benefits for employees, retirees and their spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. There are 51 active and one (1) inactive employees on the plan. Retired participants must be age 55 or older at retirement, with the exception of special service participants who must be age 50 with 22 years of service.

The medical/prescription drug coverage is provided through a fully-insured plan with Wellmark. The City self-funds the co-payments, deductibles and out-of-pocket maximums to a lower amount. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy.

Funding Policy - The contribution requirements of plan members are established by union contracts for Police union employees and by Council for the Public Works union employees and the non-union employees. The City currently finances the benefit plan on a pay-as-you-go basis. Currently, employees are required to pay, on a pre-tax basis, 20% of the cost of the premium equal to the cost of electing continuing coverage under COBRA. For the year ended June 30, 2021 the City contributed \$430,527.65 and plan members eligible for benefits contributed \$118,078.66 to the plan.

If an employee certifies that he/she is otherwise covered by health insurance and opts to waive coverage through the City, the City shall pay the employee an amount equal to thirty-percent (30%) of the single health insurance coverage.

**Note 6 - Compensated Absences**

City Employees accumulate a limited amount of earned but unused vacation and sick leave and comp time hours or subsequent use or for payment upon termination, retirement or death. These accumulations are not recognized as disbursement by the City until used or paid. The City's approximate liability for earned vacation, sick leave, and comp time payable to employees at June 30, 2021, primarily relating to the General Fund, is as follows:

<u>Type of Benefits</u>	<u>Liability June 30, 2021</u>
Vacation	\$ 199,711.48
Compensatory Time	30,614.27
Sick Leave	<u>1,373.62</u>
	<u>\$ 231,699.37</u>

\* Computed based on rates of pay in effect as of June 30, 2021.

**Note 7 - Hospital Revenue Bonds**

On November 1, 2006, the City issued a total of \$5,425,000 of Hospital Revenue Bonds under the provisions of Chapter 419 of the Code of Iowa. The bonds and related interest are payable solely from the revenue of St. Anthony Regional Hospital, and the bond principal and interest do not constitute liabilities of the City.

On November 26, 2012, the City issued a total of \$4,820,000 of Hospital Revenue Refunding Bonds under the provisions of Chapter 419 of the Code of Iowa. The bonds and related interest are payable solely from the revenue of St. Anthony Regional Hospital, and the bond principal and interest do not constitute liabilities of the City.

**Note 8 - Land Fill Contract**

The City of Carroll has an agreement with the Carroll County Solid Waste Commission for solid waste disposal, for all households and businesses within the City. For the year ended June 30, 2021, \$122,980 was paid pursuant to the agreement.

The City entered the agreement on February 25, 1971. There is no specified termination date. The City and other municipalities in the county have representation on the commission, which sets the rates paid based upon its annual budget. The charge is assessed to each municipality and the rural areas based upon population and adjusted arbitrarily based upon the distance the municipality is from the landfill to equalize hauling costs. The City of Carroll's share of the fees at June 30, 2021, was 47% of the total.

**Note 9 - Interfund Transfers**

The detail of interfund transfers for the year ended June 30, 2021, is as follows:

<b>Transfer to</b>	<b>Transfer from</b>	<b>Amount</b>	
General	Special Revenue	Employee Benefits	\$814,908.31
	Enterprise	Water- Liability Insurance	33,269.00
		Sewer- Liability Insurance	40,048.00
Road Use	Special Revenue	Employee Benefits	118,411.02
LOST	Capital Projects	CP – Library/City Hall Fund	43,896.41
Debt Service	Special Revenue	Ashwood TIF	34,918.32
		Local Option Sales Tax (Debt Relief)	467,786.00
	Enterprise	Sewer	706,920.00
Capital Projects			
Streets	General Fund		50,000.00
Airport	General Fund		11,443.62
Housing	General Fund		5,800.00
Streets	Special Revenue	Local Option Sales Tax	657,500.00
	Special Revenue	Road Use Tax	250,000.00
	Enterprise	Storm Water	100,000.00
CP Corridor	Enterprise	Water	150,000.00
CP Rec Center	Special Revenue	Local Option Sales Tax	260,000.00
CP Parks & Rec	Special Revenue	Hotel/Motel	100,000.00
		Local Option Sales Tax	150,000.00
Enterprise:			
Water	Special Revenue	UR Downtown	906,230.00
Water Depr	Enterprise	Water Utility	50,000.00
Water Cap Imp	Enterprise	Water Utility	1,660,000.00
Sewer Depr	Enterprise	Sewer Utility	35,000.00
Sewer Cap Imp	Enterprise	Sewer Utility	<u>100,000.00</u>
			<u>\$6,746,130.68</u>

\* Transfers generally move resources from the fund statutorily required to collect the resources to the fund statutorily required to disburse the resources.

### **Note 10 - Risk Management**

The City 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.

## **Iowa Municipalities Worker's Compensation Association**

In July 1987, the City joined together with other cities and counties in the State to participate in the Iowa Municipalities Workers' Compensation Association (IMWCA), a public entity risk pool currently operating as a workers' compensation risk management and insurance program for 530+ member cities, counties and Chapter 28E entities. Under the Workers' Compensation Coverage Agreement of the IMWCA, each participant of the IMWCA authorized the IMWCA to issue and sell bonds on behalf of the participants for the purpose of providing funds to pay claims and the costs of issuing such bonds. The City pays an annual premium to IMWCA to pay the City's pro rata share of the principal and interest on the bonds and administrative expenses of the IMWCA. The Workers' Compensation Coverage agreement provides that IMWCA will be self-sustaining through member premiums and will annually evaluate the need to reinsure through commercial companies to protect the fund from catastrophic claims. The City's pro rata share of the IMWCA's bonds outstanding for fiscal year ending June 30, 2021, is zero as the debt has been paid in its entirety. The City's annual contributions to IMWCA for the year ended June 30, 2021, were \$48,050.

## **Iowa Communities Assurance Pool**

The City of Carroll is a member in the Iowa Communities Assurance Pool, as allowed by Chapter 670.7 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool whose 785 members include various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, public officials liability, police professional liability, property, inland marine, and boiler/machinery. There have been no reductions in insurance coverage from prior years.

Each member's annual casualty contributions to the Pool fund current operations and provide capital. Annual casualty operating contributions are those amounts necessary to fund, on a cash basis, the Pool's general and administrative expenses, claims, claims expenses and reinsurance expenses estimated for the fiscal year, plus all or any portion of any deficiency in capital. Capital contributions are made during the first six years of membership and are maintained at a level determined by the Board not to exceed 300% of basis rates.

The Pool also provides property coverage. Members who elect such coverage make annual property operating contributions which are necessary to fund, on a cash basis, the Pool's general and administrative expenses and reinsurance premiums, losses and loss expenses for property risks estimated for the fiscal year, plus all or any portion of any deficiency in capital. Any year-end operating surplus is transferred to capital. Deficiencies in operations are offset by transfers from capital and, if insufficient, by the subsequent year's member

contributions.

The City's property and casualty contributions to the Pool are recorded as disbursements from its operating funds at the time of payment to the Pool. The City's annual contributions to the Pool for the year ended June 30, 2021, were \$209,816.50.

The Pool uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. The Pool retains general, automobile, police professional, and public officials' liability risks up to \$500,000 per claim. Claims exceeding \$500,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the City's risk-sharing certificate. Property and automobile physical damage risks are retained by the Pool up to \$250,000 each occurrence, each location. Property risks exceeding \$250,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the City's risk-sharing certificate.

The Pool's intergovernmental contract with its members provides that in the event a casualty claim, property loss or series of claims or losses exceeds the amount of risk-sharing protection provided by the member's risk-sharing certificate, or in the event a casualty claim, property loss or series of claims or losses exhausts the Pool's funds and any excess risk-sharing recoveries, then payment of such claims or losses shall be the obligation of the respective individual member against whom the claim was made or loss was incurred. As of June 30, 2021, settled claims have not exceeded the risk pool or reinsurance coverage since the Pool's inception.

Members agree to continue membership in the Pool for a period of not less than one full year. After such period, a member who has given 60 days' prior written notice may withdraw from the Pool. Upon withdrawal, payments for all casualty claims and claims expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the member's withdrawal. Upon withdrawal, a formula set forth in the Pool's intergovernmental contract with its members is applied to determine the amount (if any) to be refunded to the withdrawing member.

#### **Note 11 – Related Party Transactions**

The City had business transactions between the City and City Officials totaling \$2,515.66 during the year ended June 30, 2021.

#### **Note 12 – Litigation**

The City defended itself against a lawsuit filed by Drake Construction, LLC regarding a contract dispute. The lawsuit was settled before trial in April 2021.

#### **Note 13 – Development Agreements**

The City has entered into a development agreement with Biokinometrics Holdings LLC and

DMBA Properties & Consulting, Inc. for the construction of a 17,000 square foot, two story building investing not less than \$1,100,000 into capital improvements. The City agreed to pay the developer an amount not exceed \$300,000 subject to annual appropriation by the City Council. The agreement requires up to thirty payments, provided the developer is in compliance with the terms of the agreement. During the year ended June 30, 2021, the City rebated \$20,082.41 of incremental property tax to the developer. At June 30, 2021, the remaining balance to be paid on the agreement was \$250,855.14.

As part of the same development agreement with Biokinometrics Holdings LLC and DMBA Properties & Consulting, Inc., the City has agreed to pay the developer an amount not to exceed 25% of the total cost of rehabilitation work to the existing building located at 226 E 5<sup>th</sup> Street. As of June 30, 2021, total cost of rehabilitation work has not been certified by the developer to the City. The developer has completed work on the building but not certified costs to the City.

In August 2018, the City entered into a development agreement with 704 Development Corporation for the construction a 12-unit residential subdivision. The City agreed to pay in the form of property tax rebates of potential incremental taxes to the developer an amount not to exceed \$72,000 subject to annual appropriations. The rebates will be available for up to a maximum of 10 years. During the year ended June 30, 2021, there were no payments made to the developer.

### **Note 13 – 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 receipts to which they are otherwise entitled and (b) the individual or entity promises 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 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, 2021, \$8,745.41, of property tax was diverted from the City under the urban renewal and economic development agreements.

#### **Note 14 – Subsequent Events**

In July 2021, the City entered in a construction contract totaling \$456,592.86 for Street Restoration Project – 2021, financed by road use taxes, local options sales tax funds and storm water fees.

In August 2021, the City entered into a construction contract total of \$287,167.00 for Northeast Park parking lot improvements financed by general fund, hotel/motel funds and local option sales tax funds.

In October 2021, the City entered into an engineering services agreement with McClure Engineering Company for the Adams Street Reconstruction Project in the amount of \$228,530.00.

In October 2021, the City refunded the General Obligation Capital Loan Notes, Series 2018B and issued \$3,325,000 General Obligation Refunding Capital Loan Notes, Series 2021A.

#### **Note 15 – COVID-19**

In March 2020, the COVID–19 outbreak was declared a global pandemic. The disruption to businesses across a range of industries in the United States continues to evolve. The full impact to local, regional and national economies, including that of City of Carroll, remains uncertain.

To date, the outbreak has not created a material disruption to the operations of City of Carroll. However, the extent of the financial impact of COVID-19 will depend on future developments, including the spread of the virus, duration, and timing of the economic recovery. Due to these uncertainties, management cannot reasonably estimate the potential impact to the City.

#### **Note 16 – Prospective Accounting Change**

Governmental Accounting Standards Board has issued Statement No. 87, Leases. This statement will be implemented for the fiscal year ending June 30, 2022, if it is determined to apply to the City. The revised requirements of this statement require reporting of certain potentially significant lease liabilities that are not currently reported.

City of Carroll



## Other Information

**City of Carroll**  
**Budgetary Comparison Schedule of Receipts, Disbursements and Changes in Balances -**  
**Actual and Budget (Cash Basis) - All Governmental Funds and Proprietary Funds**  
**June 30, 2021**

	<b>Governmental Fund Type Actual</b>	<b>Proprietary Fund Actual</b>	<b>Less Funds not Required to be Budgeted and Adjustments</b>
<b>Receipts:</b>			
Property tax	\$ 7,328,831.22	\$ -	\$ -
Other taxes	2,217,085.63	-	-
Use of money and property	158,680.20	109,119.29	-
Licenses and permits	75,454.31	-	-
Intergovernmental	3,085,892.02	-	-
Charges for service	1,640,309.35	3,974,450.84	-
Fines and fees	68,379.13	-	-
Miscellaneous	285,049.93	196,311.53	-
<b>Total receipts</b>	<u>14,859,681.79</u>	<u>4,279,881.66</u>	<u>-</u>
<b>Disbursements:</b>			
Public Safety	2,158,542.11	-	-
Public Works	1,997,251.85	-	-
Health and Social Services	129,325.00	-	-
Culture and Recreation	2,699,337.38	-	-
Community & Economic Development	419,988.71	-	-
General Government	1,015,121.89	-	-
Debt Service	2,098,862.52	-	706,920.00
Capital Projects	3,775,485.94	-	-
<b>Total Government Activities</b>	<u>14,293,915.40</u>	<u>-</u>	<u>706,920.00</u>
Business Type Activities		3,748,977.95	-
<b>Total disbursements</b>	<u>14,293,915.40</u>	<u>3,748,977.95</u>	<u>706,920.00</u>
Excess (deficiency) of receipts over disbursements	565,766.39	530,903.71	(706,920.00)
Other financing sources (uses), net	<u>124,007.00</u>	<u>(124,007.00)</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	689,773.39	406,896.71	(706,920.00)
<b>Balance beginning of year</b>	<u>14,896,002.58</u>	<u>8,440,864.94</u>	<u>-</u>
<b>Balance end of year</b>	<u>\$ 15,585,775.97</u>	<u>\$ 8,847,761.65</u>	<u>\$ (706,920.00)</u>

Net	Budgeted Amounts		Final to Actual
	Original	Final	Variance Favorable (Unfavorable)
\$ 7,328,831.22	\$ 7,180,661.00	\$ 7,180,661.00	\$ 148,170.22
2,217,085.63	2,076,574.00	2,076,574.00	140,511.63
267,799.49	306,605.00	306,605.00	(38,805.51)
75,454.31	100,900.00	100,900.00	(25,445.69)
3,085,892.02	2,427,186.00	2,999,426.00	86,466.02
5,614,760.19	5,607,270.00	5,607,270.00	7,490.19
68,379.13	-	-	68,379.13
481,361.46	281,325.00	370,325.00	111,036.46
<u>19,139,563.45</u>	<u>17,980,521.00</u>	<u>18,641,761.00</u>	<u>497,802.45</u>
2,158,542.11	2,530,483.00	2,530,483.00	371,940.89
1,997,251.85	2,462,557.00	2,492,707.00	495,455.15
129,325.00	121,895.00	170,945.00	41,620.00
2,699,337.38	3,832,617.00	4,436,942.00	1,737,604.62
419,988.71	275,157.00	590,157.00	170,168.29
1,015,121.89	1,103,149.00	1,128,149.00	113,027.11
1,391,942.52	1,388,271.00	1,392,373.00	430.48
3,775,485.94	7,657,300.00	8,463,738.00	4,688,252.06
<u>13,586,995.40</u>	<u>19,371,429.00</u>	<u>21,205,494.00</u>	<u>7,618,498.60</u>
<u>3,748,977.95</u>	<u>4,616,689.00</u>	<u>5,108,689.00</u>	<u>1,359,711.05</u>
<u>17,335,973.35</u>	<u>23,988,118.00</u>	<u>26,314,183.00</u>	<u>8,978,209.65</u>
1,803,590.10	(6,007,597.00)	(7,672,422.00)	9,476,012.10
-	-	-	-
1,803,590.10	(6,007,597.00)	(7,672,422.00)	9,476,012.10
<u>23,336,867.52</u>	<u>23,336,868.00</u>	<u>23,336,868.00</u>	
<u>\$ 25,140,457.62</u>	<u>\$ 17,329,271.00</u>	<u>\$ 15,664,446.00</u>	

See accompanying independent auditor's report.

## **City of Carroll**

### **Notes to Required Supplementary Information – Budgetary Reporting**

**June 30, 2021**

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

In accordance with the Code of Iowa, the City Council annually adopts a budget on the cash basis following required public notice and hearing for all funds, except the Internal Service Fund. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control is based upon nine major classes of disbursements known as functions, not by fund. These nine functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects, and business type activities. Function disbursements required to be budgeted include disbursements for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Funds, the Permanent Fund 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, two budget amendments increased budgeted disbursements by \$2,326,065 and budgeted revenues by \$661,240. The budget amendments are reflected in the final budgeted amounts.

During the year ended June 30, 2021, disbursements did not exceed the amounts budgeted in the general government and business-type activities functions.

**City of Carroll**

**Schedule of the City's Proportionate Share of the Net Pension Liability**

**Iowa Public Employees' Retirement System  
For the Last Seven Years\*  
(In Thousands)**

**Other Information**

	2021	2020	2019	2018	2017	2016	2015
City's proportionate of the net pension liability	0.0382680%	0.0382817%	0.037807%	0.036756%	0.034411%	0.032422%	0.035048%
City's proportionate share of the net pension liability	\$2,672	\$2,217	\$2,392	\$2,428	\$2,146	\$1,602	\$1,390
City's covered-employee payroll	\$3,092	\$3,040	\$2,941	\$2,853	\$2,720	\$2,221	\$2,218
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	86.42%	72.93%	81.33%	85.10%	79.56%	72.13%	62.67%
IPERS' net position as a percentage of the total pension liability	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

\* In accordance with GASB Statement No. 68, the amounts presented for each fiscal year determined as of June 30 of the preceding fiscal year.

See accompanying independent auditor's report.

**City of Carroll  
Scheduled of City Contributions**

**Iowa Public Employees' Retirement System  
Last 10 Fiscal Years**

**Other Information**

	2021	2020	2019	2018
Statutorily required contribution	\$291,922	\$287,091	\$277,872	\$254,700
Contributions in relation to the statutorily required contribution	(291,922)	(287,091)	(277,872)	(254,700)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 3,091,885	\$ 3,040,013	\$ 2,941,489	\$ 2,852,890
Contributions as a percentage of covered payroll	9.44%	9.44%	9.45%	8.93%

2017	2016	2015	2014	2013	2012
\$242,817	\$198,356	\$198,054	\$204,797	\$210,487	\$200,546
(242,817)	(198,356)	(198,054)	(204,797)	(210,487)	(200,546)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,719,847	\$ 2,221,231	\$ 2,217,864	\$ 2,293,361	\$ 2,428,474	\$ 2,484,915
8.93%	8.93%	8.93%	8.93%	8.67%	8.07%

See accompanying independent auditor's report.

**City of Carroll**  
**Notes to Other Information – Pension Liability**  
**Iowa Public Employees' Retirement System**  
**Year ended June 30, 2021**

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 experience 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.



**City of Carroll**

**Schedule of the City's Proportionate Share of the Net Pension Liability**

**Municipal Fire and Police Retirement System of Iowa  
For the Last Seven Years\*  
(In Thousands)**

**Other Information**

	2021	2020	2019	2018	2017	2016	2015
City's proportionate of the net pension liability	0.292444%	0.278998%	0.294602%	0.303698%	0.299390%	0.287974%	0.278188%
City's proportionate share of the net pension liability	\$2,332	\$1,830	\$1,754	\$1,899	\$1,872	\$1,043	\$1,008
City's covered-employee payroll	\$929	\$845	\$856	\$856	\$860	\$811	\$755
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	251.05%	216.68%	204.91%	221.85%	217.67%	128.61%	133.51%
MFPRSI net position as a percentage of the total pension liability	76.47%	79.94%	81.07%	80.60%	78.20%	83.04%	86.27%

\* The amounts presented for each fiscal year were determined as of June 30.

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.

See accompanying independent auditor's report.

**City of Carroll  
Scheduled of City Contributions**

**Municipal Fire and Police Retirement System of Iowa  
Last 10 Fiscal Years**

**Other Information**

	2021	2020	2019	2018
Statutorily required contribution	\$230,867	\$226,794	\$219,896	\$219,896
Contributions in relation to the statutorily required contribution	(230,867)	(226,794)	(219,896)	(219,896)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 912,159	\$ 929,101	\$ 856,291	\$ 856,291
Contributions as a percentage of covered payroll	25.31%	24.41%	25.68%	25.68%

2017	2016	2015	2014	2013	2012
\$222,948	\$225,310	\$229,656	\$213,975	\$182,280	\$170,374
(222,948)	(225,310)	(229,656)	(213,975)	(182,280)	(170,374)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 860,141	\$ 811,343	\$ 755,200	\$ 710,408	\$ 697,855	\$ 688,104
25.92%	27.77%	30.41%	30.12%	26.12%	24.76%

See accompanying independent auditor's report.

## City of Carroll

### Notes to Other Information – Pension Liability Municipal Fire and Police Retirement System of Iowa

Year ended June 30, 2021

#### Changes of benefit terms

There were no significant changes of benefit terms.

#### Changes of assumptions:

The 2018 valuation changed postretirement mortality rates to the RP-2014 Blue Collar Healthy Annuitant Table with males set-forward zero years, females set-forward two years and disabled individuals set-forward three years (male only rates), with generational projection of future mortality improvement with 50% of Scale BB beginning in 2017.

The 2017 valuation added five years projection of future mortality improvement with Scale BB.

The 2016 valuation changed postretirement mortality rates to the RP-2000 Blue Collar Combined Healthy Mortality Table with males set-back two years, females set-forward one year and disabled individuals set-forward one year (males only rates), with no projection of future mortality improvement.

The 2015 valuation phased in the 1994 Group Annuity Mortality Table for postretirement mortality. This resulted in a weighting of 1/12 of the 1971 Group Annuity Mortality table and 11/12 of the 1994 Group Annuity Mortality Table.

The 2014 valuation phased in the 1994 Group Annuity Mortality Table for post-retirement mortality. This resulted in a weighting of 2/12 of the 1971 Group Annuity Mortality Table and 10/12 of the 1994 Group Annuity Mortality Table.

**City of Carroll**

**Supplementary Information**

**City of Carroll**  
**Schedule of Cash Receipts, Disbursements**  
**and Changes in Cash Balances**  
**Nonmajor Governmental Funds**  
**Year Ended June 30, 2021**

	<b>Employee Benefits</b>	<b>Urban Renewal</b>	<b>Ashwood UR</b>	<b>Recrea- -tion Center Trust</b>
<b>Receipts:</b>				
Property tax	\$ 904,696.33	\$ 1,088,831.36	\$ 31,958.75	\$ -
Other taxes	-	-	-	
Use of money and property:				
Interest on deposits	-	1,153.28	97.09	266.68
Intergovernmental:				
State funding	28,623.00	19,660.26	2,862.48	-
Charges for Services	-	-	-	-
Miscellaneous	-	1,000.00	-	4,504.80
<b>Total receipts</b>	<b>933,319.33</b>	<b>1,110,644.90</b>	<b>34,918.32</b>	<b>4,771.48</b>
<b>Disbursements:</b>				
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture & Recreation	-	-	-	2,138.41
Community and Economic Development:				
Capital	-	171,231.55	-	-
<b>Total disbursements</b>	<b>-</b>	<b>171,231.55</b>	<b>-</b>	<b>2,138.41</b>
 Excess (deficiency ) of receipts over (under) disbursements	 933,319.33	 939,413.35	 34,918.32	 2,633.07
 Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers (out)	(933,319.33)	(906,230.00)	(34,918.32)	-
	(933,319.33)	(906,230.00)	(34,918.32)	-
Excess (deficiency) of receipts and other financing sources (uses) over (under) disbursements	-	33,183.35	-	2,633.07
<b>Cash balance beginning of year</b>	<b>-</b>	<b>133,180.88</b>	<b>-</b>	<b>35,125.17</b>
 <b>Cash balance end of year</b>	 <b>\$ -</b>	 <b>\$ 166,364.23</b>	 <b>\$ -</b>	 <b>\$ 37,758.24</b>

Schedule 1

			Permanent			
Police Forfeiture	Crime Prevention	Library Trust	Cemetery Perpetual Care	Rec Center Trust		Total
\$ -	\$ -	\$ -	\$ -	\$ -		\$ 2,025,486.44
-	-	-	-	-		-
62.96	289.27	403.87	4,127.55	407.41		6,808.11
-	1,200.00	3,768.88	-	-		56,114.62
-	5,760.00	-	-	-		5,760.00
8,793.37	-	626.83	27,512.50	27,050.00		69,487.50
<u>8,856.33</u>	<u>7,249.27</u>	<u>4,799.58</u>	<u>31,640.05</u>	<u>27,457.41</u>		<u>2,163,656.67</u>
82.49	4,072.18	-	-	-		4,154.67
-	-	-	-	-		-
-	-	3,924.16	-	-		6,062.57
-	-	-	-	-		171,231.55
-	-	-	-	-		-
<u>82.49</u>	<u>4,072.18</u>	<u>3,924.16</u>	<u>-</u>	<u>-</u>		<u>181,448.79</u>
8,773.84	3,177.09	875.42	31,640.05	27,457.41		1,982,207.88
-	-	-	-	-		-
-	-	-	-	-		(1,874,467.65)
-	-	-	-	-		(1,874,467.65)
8,773.84	3,177.09	875.42	31,640.05	27,457.41		107,740.23
<u>7,193.67</u>	<u>37,687.80</u>	<u>51,422.56</u>	<u>537,531.46</u>	<u>37,766.84</u>		<u>839,908.38</u>
<u>\$ 15,967.51</u>	<u>\$ 40,864.89</u>	<u>\$ 52,297.98</u>	<u>\$ 569,171.51</u>	<u>\$ 65,224.25</u>		<u>\$ 947,648.61</u>

See accompanying independent auditor's report.

City of Carroll

Statement of Cash Receipts, Disbursements  
and Changes in Cash Balances  
Non-Major Proprietary Funds  
Year ended June 30, 2021

	Water Depreciation	Storm Water Capital Improv.	Water Meter Deposit
<b>Receipts:</b>			
Use of money and property	\$ 6,876.48	\$ 665.85	\$ -
Miscellaneous	-	80,000.00	9,000.00
<b>Total Receipts</b>	<u>6,876.48</u>	<u>80,665.85</u>	<u>9,000.00</u>
<b>Disbursements:</b>			
Business-type activities:			
Operations	-	-	9,285.00
Capital Outlay	-	-	-
<b>Total Disbursements</b>	<u>-</u>	<u>-</u>	<u>9,285.00</u>
Excess (deficiency) of receipts over (under) disbursements	<u>6,876.48</u>	<u>80,665.85</u>	<u>(285.00)</u>
Other financing sources (uses):			
Operating transfers in	50,000.00	-	-
Operating transfers (out)	-	-	-
Total other financing sources (uses)	<u>50,000.00</u>	<u>-</u>	<u>-</u>
Excess of receipts and other financing sources over disbursements and other financing uses	56,876.48	80,665.85	(285.00)
<b>Cash balance beginning of year</b>	<u>907,607.16</u>	<u>44,528.39</u>	<u>45,520.90</u>
<b>Cash balance end of year</b>	<u>\$ 964,483.64</u>	<u>\$ 125,194.24</u>	<u>\$ 45,235.90</u>
<b>Cash Basis Fund Balances</b>			
Committed	\$ 964,483.64	\$ 125,194.24	\$ 45,235.90
Unrestricted	-	-	-
<b>Total cash basis fund balances</b>	<u>\$ 964,483.64</u>	<u>\$ 125,194.24</u>	<u>\$ 45,235.90</u>



Schedule 2

Non-Major Enterprise Funds			
Sewer Depreciation	Sewer Capital Improv.	Water Capital Improv.	Total
\$ 5,180.91	\$ 1,247.82	\$ 436.43	\$ 14,407.49
-	-	48,238.50	137,238.50
<u>5,180.91</u>	<u>1,247.82</u>	<u>48,674.93</u>	<u>151,645.99</u>
-	-	-	9,285.00
-	-	1,898,114.74	1,898,114.74
-	-	1,898,114.74	1,907,399.74
<u>5,180.91</u>	<u>1,247.82</u>	<u>(1,849,439.81)</u>	<u>(1,755,753.75)</u>
35,000.00	100,000.00	1,660,000.00	1,845,000.00
-	-	-	-
<u>35,000.00</u>	<u>100,000.00</u>	<u>1,660,000.00</u>	<u>1,845,000.00</u>
40,180.91	101,247.82	(189,439.81)	89,246.25
684,101.39	165,661.83	480,069.58	2,327,489.25
<u>\$ 724,282.30</u>	<u>\$ 266,909.65</u>	<u>\$ 290,629.77</u>	<u>\$ 2,416,735.50</u>
\$ 724,282.30	\$ 266,909.65	\$ 290,629.77	\$ 2,416,735.50
-	-	-	-
<u>\$ 724,282.30</u>	<u>\$ 266,909.65</u>	<u>\$ 290,629.77</u>	<u>\$ 2,416,735.50</u>

**City of Carroll**  
**Schedule of Indebtedness**  
**Year ended June 30, 2021**

<b>Obligation</b>	<b>Date of Issue</b>	<b>Interest Rates</b>	<b>Amount Originally Issued</b>
<b>Revenue Bonds</b>			
Sewer Revenue Bonds	6/9/2004	1.75%	10,998,000.00
<b>General Obligation/Capital Loan Notes:</b>			
Capital Loan Note Series 2020A	2/24/2020	4-5.00%	1,505,000.00
Availa Bank	11/14/2018	3.35%	1,385,000.00
Iowa Savings Bank	11/14/2018	3.35%	895,000.00
Westside State Bank	11/14/2018	3.35%	895,000.00
Commercial Savings Bank	11/14/2018	3.35%	600,000.00
United Bank of Iowa	11/14/2018	3.35%	700,000.00
Capital Loan Note Series 2015A GO Refunding Loan	4/23/2015	.75-1.85%	1,770,000.00
Capital Loan Note Series 2016B GO Cap Loan	11/30/2016	.8-1.60%	2,290,000.00
			<u>\$ 22,158,000.00</u>

**Schedule 3**

<b>Balance Beginning of Year</b>	<b>Issued During Year</b>	<b>Redeemed During Year</b>	<b>Balance End of Year</b>	<b>Interest Paid</b>	<b>Interest Due and Unpaid</b>
3,396,000.00	-	639,000.00	2,757,000.00	59,430.00	-
1,295,000.00		225,000.00	1,070,000.00	63,150.00	-
1,166,804.00	-	123,799.00	1,043,005.00	39,087.94	-
754,000.00	-	80,000.00	674,000.00	25,259.00	-
754,000.00	-	80,000.00	674,000.00	25,259.00	-
505,475.00	-	53,631.00	451,844.00	16,933.42	-
589,721.00	-	62,570.00	527,151.00	19,755.66	-
830,000.00	-	270,000.00	560,000.00	14,400.00	-
<u>1,145,000.00</u>	<u>-</u>	<u>275,000.00</u>	<u>870,000.00</u>	<u>16,497.50</u>	<u>-</u>
<u><u>\$ 10,436,000.00</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,809,000.00</u></u>	<u><u>\$ 8,627,000.00</u></u>	<u><u>\$ 279,772.52</u></u>	<u><u>\$ -</u></u>

Schedule 4

**City of Carroll  
Bond and Note Maturities  
June 30, 2021**

Revenue Bonds  
Series 2004  
WWTP Improvements  
Revenue Bond  
Issued June 9, 2004

Year	Ending June 30,	Interest Rate	Amount	Revenue Bonds
2022		1.75%	659,000	659,000
2023		1.75%	678,000	678,000
2024		1.75%	699,000	699,000
2025		1.75%	721,000	721,000
			<u>\$ 2,757,000</u>	<u>\$ 2,757,000</u>

General Obligation Notes

Year	Series 2015A		Series 2016B		Series 2018B		Series 2020A		Total General Obligation Notes
	Aquatic Refunding		Cemetery Bldg/3rd St Storm Sewer		Library/City Hall Project		Fire Trk/Streets		
Ended June 30,	Interest Rate	Amount	Interest Rate	Amount	Interest Rate	Amount	Interest Rate	Amount	
2022	1.75%	280,000	1.40%	285,000	3.35%	420,000	5.00%	100,000	1,085,000
2023	1.85%	280,000	1.50%	290,000	3.35%	225,000	5.00%	120,000	915,000
2024			1.60%	295,000	3.35%	235,000	5.00%	125,000	655,000
2025					3.35%	240,000	5.00%	130,000	370,000
2026					3.35%	250,000	5.00%	140,000	390,000
2027					3.35%	260,000	5.00%	145,000	405,000
2028					3.35%	265,000	5.00%	150,000	415,000
2029					3.35%	275,000	4.00%	160,000	435,000
2030					3.35%	285,000			285,000
2031					3.35%	295,000			295,000
2032					3.35%	305,000			305,000
2033					3.35%	315,000			315,000
		<u>\$ 560,000</u>		<u>\$ 870,000</u>		<u>\$ 3,370,000</u>		<u>\$ 1,070,000</u>	<u>\$ 5,870,000</u>

City of Carroll

**City of Carroll**

**Schedule of Cash Receipts, Disbursements  
and Change in Cash Balances  
Capital Projects Funds  
Year Ended June 30, 2021**

	<b>Street Rehabilitation</b>	<b>Library City Hall</b>	<b>Streets Maintenance Building</b>	<b>Housing Fund</b>
<b>Receipts:</b>				
Use of money and property:				
Interest on investments	\$ 3,901.86	\$ 3.22	\$ 34,240.27	\$ -
Intergovernmental:				
Federal Grant	413,760.95	-	-	76,616.00
State Grant	-	(1,128.52)	-	-
Carrroll County	-	5,000.00	-	250.00
	<u>413,760.95</u>	<u>3,871.48</u>	<u>-</u>	<u>76,866.00</u>
Miscellaneous:				
Donations	-	82,281.78	-	-
Other Miscellaneous income	-	-	-	250.00
	<u>-</u>	<u>82,281.78</u>	<u>-</u>	<u>250.00</u>
<b>Total receipts</b>	<u><u>417,662.81</u></u>	<u><u>86,156.48</u></u>	<u><u>34,240.27</u></u>	<u><u>77,116.00</u></u>
<b>Disbursements:</b>				
Capital outlay	1,226,694.63	56,832.11	1,184,318.09	82,916.00
	<u>1,226,694.63</u>	<u>56,832.11</u>	<u>1,184,318.09</u>	<u>82,916.00</u>
<b>Total disbursements</b>	<u><u>1,226,694.63</u></u>	<u><u>56,832.11</u></u>	<u><u>1,184,318.09</u></u>	<u><u>82,916.00</u></u>
Deficiency of receipts under disbursements	<u>(809,031.82)</u>	<u>29,324.37</u>	<u>(1,150,077.82)</u>	<u>(5,800.00)</u>
Other financing sources (uses):				
General Obligation debt proceeds	-	-	-	-
Transfers In (Out):				
To General Fund & others	-	(43,896.41)	-	-
From General Fund & others	1,057,500.00	-	-	5,800.00
	<u>1,057,500.00</u>	<u>(43,896.41)</u>	<u>-</u>	<u>5,800.00</u>
Excess (deficiency) of receipts and other financing sources (uses) over disbursements	248,468.18	(14,572.04)	(1,150,077.82)	-
<b>Balance beginning of year</b>	<u>940,709.81</u>	<u>4,572.04</u>	<u>4,777,022.35</u>	<u>-</u>
<b>Balance end of year</b>	<u><u>\$ 1,189,177.99</u></u>	<u><u>\$ (10,000.00)</u></u>	<u><u>\$ 3,626,944.53</u></u>	<u><u>\$ -</u></u>

**Schedule 5**

<b>Corridor of Commerce</b>	<b>Airport</b>	<b>Parks &amp; Recreation</b>	<b>Equipment Purchase</b>	<b>Rec Center Building Improvements</b>	<b>Total</b>
\$ 9,048.20	\$ -	\$ 2,181.73	\$ -	\$ -	\$ 49,375.28
-	370,467.00	-	-	-	860,843.95
-	-	124,721.80	-	-	123,593.28
-	-	-	-	-	5,250.00
-	370,467.00	124,721.80	-	-	989,687.23
-	-	5,000.00	-	-	87,281.78
-	-	-	-	-	250.00
-	-	5,000.00	-	-	87,531.78
9,048.20	370,467.00	131,903.53	-	-	1,126,594.29
552,955.91	339,936.84	278,400.59	182.36	\$ 53,249.41	3,775,485.94
552,955.91	339,936.84	278,400.59	182.36	\$ 53,249.41	3,775,485.94
552,955.91	339,936.84	278,400.59	182.36	53,249.41	3,775,485.94
(543,907.71)	30,530.16	(146,497.06)	(182.36)	(53,249.41)	(2,648,891.65)
-	-	-	-	-	-
-	-	-	-	-	(43,896.41)
150,000.00	11,443.62	250,000.00	-	260,000.00	1,734,743.62
150,000.00	11,443.62	250,000.00	-	260,000.00	1,690,847.21
(393,907.71)	41,973.78	103,502.94	(182.36)	206,750.59	(958,044.44)
1,242,186.54	(51,973.78)	362,326.41	182.36	-	7,275,025.73
<u>\$ 848,278.83</u>	<u>\$ (10,000.00)</u>	<u>\$ 465,829.35</u>	<u>\$ (0.00)</u>	<u>\$ 206,750.59</u>	<u>\$ 6,316,981.29</u>

See accompanying independent auditor's report.

**City of Carroll**  
**Schedule of Receipts by Source and**  
**Disbursements by Function**  
**All Governmental Fund Types**  
**For the Last Ten Years**

For the Years ended June 30,

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Receipts:</b>				
Property tax	\$ 7,328,831.22	\$ 7,052,783.10	\$ 6,734,687.99	\$ 6,467,815.32
Other Taxes	2,217,085.63	2,053,020.74	1,902,607.73	1,804,817.86
Non-property tax	-	-	-	-
Use of money and property	158,680.20	280,459.94	267,235.44	139,478.38
Licenses and permits	75,454.31	90,495.04	76,014.66	87,502.24
Intergovernmental	3,085,892.02	2,281,542.27	2,445,890.92	2,561,416.90
Charges for Services	1,640,309.35	1,547,001.74	1,693,835.76	1,725,978.03
Special assessments	-	-	-	-
Fines and fees	68,379.13	60,471.19	62,887.98	103,202.40
Miscellaneous	285,049.93	871,911.63	1,597,310.18	377,022.90
<b>Total receipts</b>	<b>14,859,681.79</b>	<b>14,237,685.65</b>	<b>14,780,470.66</b>	<b>13,267,234.03</b>
<b>Disbursements:</b>				
Public Safety Program	2,158,542.11	2,236,879.08	2,059,093.69	2,084,334.72
Public Works Program	1,997,251.85	2,052,228.93	2,478,038.94	2,350,036.21
Health and Social Services Program	129,325.00	93,325.00	104,185.00	107,005.00
Culture and Recreation Program	2,699,337.38	2,650,607.53	2,585,735.57	2,633,372.95
Community and Economic Development Program	419,988.71	190,073.12	170,364.81	119,838.71
General Government	1,015,121.89	1,217,044.71	976,189.60	981,728.74
Debt Service	2,098,862.52	2,030,962.50	1,664,805.45	1,781,586.15
Capital Projects	3,775,485.94	5,449,046.09	7,966,445.95	4,310,251.73
<b>Total disbursements</b>	<b>14,293,915.40</b>	<b>15,920,166.96</b>	<b>18,004,859.01</b>	<b>14,368,154.21</b>
Excess (deficiency ) of receipts over (under) disbursements	565,766.39	(1,682,481.31)	(3,224,388.35)	(1,100,920.18)
Other financing sources, net	124,007.00	2,897,718.68	5,714,833.75	1,223,775.75
Excess (deficiency) of receipts and other financing sources (uses) over (under) disbursements	689,773.39	1,215,237.37	2,490,445.40	122,855.57
<b>Balance beginning of year</b>	<b>14,896,002.58</b>	<b>13,680,765.21</b>	<b>11,190,319.81</b>	<b>11,067,464.24</b>
<b>Balance end of year</b>	<b>\$ 15,585,775.97</b>	<b>\$ 14,896,002.58</b>	<b>\$ 13,680,765.21</b>	<b>\$ 11,190,319.81</b>



**Schedule 6**

	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
\$	6,315,574.14	\$ 6,356,527.42	\$ 6,592,626.16	\$ 6,067,014.23	\$ 6,056,661.80	\$ 5,760,635.65
	1,913,639.18	1,728,626.59	1,799,782.76	1,601,246.98	1,657,031.49	1,504,595.60
	-	-	-	-	-	-
	108,417.25	81,388.36	67,284.88	52,740.68	54,773.45	57,126.89
	80,503.84	82,998.16	83,630.71	75,342.69	65,097.37	63,764.45
	2,126,946.58	1,945,518.85	1,512,758.17	1,199,469.11	1,902,694.79	2,113,613.13
	1,677,192.37	1,720,850.72	1,687,492.25	1,776,696.48	1,670,721.37	1,706,685.62
	-	-	-	-	-	-
	64,996.72	69,564.35	70,730.45	75,342.29	66,969.17	54,534.19
	357,396.35	227,960.13	179,109.35	209,639.55	354,328.62	266,697.99
	<u>12,644,666.43</u>	<u>12,213,434.58</u>	<u>11,993,414.73</u>	<u>11,057,492.01</u>	<u>11,828,278.06</u>	<u>11,527,653.52</u>
	1,998,800.30	1,938,331.21	1,906,630.63	1,776,907.84	1,813,369.47	1,820,199.02
	2,089,764.87	2,065,191.97	2,067,094.76	2,185,955.93	2,167,353.30	1,930,014.05
	101,375.00	100,325.00	102,525.00	107,575.00	103,900.00	103,196.00
	2,665,031.90	2,521,114.49	2,603,412.07	2,516,906.96	2,238,842.89	2,417,219.85
	114,582.22	145,531.69	157,123.42	239,825.48	383,043.37	423,006.75
	1,037,872.98	974,943.53	935,009.41	922,779.99	851,595.01	885,071.90
	1,743,657.18	3,526,090.38	2,196,365.03	2,352,246.01	3,035,244.62	2,511,493.00
	3,266,965.70	2,551,695.07	2,326,714.41	973,421.15	3,191,507.88	1,780,110.35
	<u>13,018,050.15</u>	<u>13,823,223.34</u>	<u>12,294,874.73</u>	<u>11,075,618.36</u>	<u>13,784,856.54</u>	<u>11,870,310.92</u>
	(373,383.72)	(1,609,788.76)	(301,460.00)	(18,126.35)	(1,956,578.48)	(342,657.40)
	<u>1,019,479.55</u>	<u>1,952,357.00</u>	<u>4,008,242.75</u>	<u>1,040,982.25</u>	<u>2,140,803.28</u>	<u>1,366,648.55</u>
	646,095.83	342,568.24	3,706,782.75	1,022,855.90	184,224.80	1,023,991.15
	10,421,368.41	10,078,800.17	6,372,017.42	5,349,161.52	5,164,936.72	4,140,945.57
\$	<u><u>11,067,464.24</u></u>	<u><u>\$ 10,421,368.41</u></u>	<u><u>\$ 10,078,800.17</u></u>	<u><u>\$ 6,372,017.42</u></u>	<u><u>\$ 5,349,161.52</u></u>	<u><u>\$ 5,164,936.72</u></u>

See accompanying independent auditor's report.

*Feldmann & Company C.P.As., P.C.*  
523 North Main Street  
Carroll, Iowa 51401  
(712) 792-2464

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

To the Honorable Mayor and  
Members of the City Council:

We have audited in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the City of Carroll, Iowa, as of and for the year ended June 30, 2021, and the related Notes to Financial Statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 9, 2021. Our report expressed unmodified opinions on the financial statements which were prepared on the basis of cash receipts and disbursements, a basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

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

Our consideration of the 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 and therefore, significant deficiencies or material weaknesses may exist that were not identified. We did not identify any deficiencies in internal control over financial reporting that we considered to be material weaknesses or significant deficiencies.

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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control which are less severe than a material weakness, yet important enough to merit attention by those charged with governance.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Carroll's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of non-compliance or other matters which are described in Part III of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the City's operations for the year ended June 30, 2021, are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the City. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

### City of Carroll's Responses to Findings

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

### Purpose of the Report

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

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the City of Carroll during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



Feldmann & Company CPAs, P.C.  
November 9, 2021

**City of Carroll**  
**Schedule of Findings and Questioned Costs**  
**Year ended June 30, 2021**

**I. Summary of Independent Auditor's Results**

- a) Unmodified opinions were issued on the financial statements, which were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.
- b) The audit did not disclose non-compliance, which is material to the financial statements.

**Findings Related to the Financial Statements:**

**Internal Control Deficiencies:**

No matters were noted.

**INSTANCES OF NON-COMPLIANCE**

No matters were noted.

**City of Carroll**  
**Schedule of Findings and Questioned Costs**  
**Year ended June 30, 2021**

**III. Other Findings Related to Statutory Reporting:**

III-A-21 Official Depositories - A resolution naming official depositories has been approved by the Council. The maximum deposit amounts stated in the resolution was not exceeded during the year ended June 30, 2021.

III-B-21 Certified Budget - Disbursements during the year ended June 30, 2021, did not exceed the amounts budgeted per Chapter 384.20 of the Code of Iowa which states in part that public monies may not be expended or encumbered except under an annual or continuing appropriation.

III-C-21 Travel Expense - No expenditures of City money for travel expenses of spouses of City officials or employees were noted.

III-D-21 Business Transactions – Business transactions between the City and City officials or employees are detailed as follows:

<u>Name, Title, and Business</u>	<u>Transaction</u>	<u>Amount</u>
Clay Haley, Council Owner, Haley Implement Co.	parts/repairs	\$ 6,910.66
Cory Venteicher, Employee Partner, Ron’s Lawn Service	Nuisance abatement Clean up	1,355.00

In accordance with Chapter 362.5(3)(j) of the Code of Iowa the transactions with Ron’s Lawn Service do not appear to represent a conflict of interest since total transactions were less than \$6,000.00 during the year. The transactions with Haley Implement include a transaction that does not appear to represent a conflict of interest since it is a purchase of a mower in the amount of \$5,750.00, entered into through a competitive bidding process in accordance with Chapter 362.5(3)(d) of the Code of Iowa.

III-E-21 Excess Balance – The balances in the Special Revenue Funds: Road Use Tax, Rec Center Trust, Library Trust, Police Forfeiture ad Crime Prevention Special account at June 30, 2021, were in excess of the disbursements for those funds for the year, as was, Capital Projects – Corridor of Commerce, Street Maintenance Building and Parks & Recreation; Water Depreciation, Water Meter Deposit; Sewer Utility, Sewer Utility Depreciation, Sewer Utility Capital Improvement, Storm Water Utility, and Storm Water Capital Improvement.

Recommendation – The City should consider the necessity of maintaining this substantial balance and, where financially feasible, consider reducing the balance

in an orderly manner through revenue reductions.

Response — The Special Revenue Funds, Capital Project Funds, and Utility funds have planned future programs and projects that will reduce the fund balances.

Conclusion – Response accepted.

- III-F-21 Bond Coverage - Surety bond coverage of City officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that the coverage is adequate for current operations.
- III-G-21 Minutes - No transactions were found that we believe should have been approved in the Council minutes but were not.
- III-H-21 Deposits and Investments - We noted no instances of noncompliance with the investment provisions of Chapter 12B & 12C of the Code of Iowa and the City's investment policy.
- III-I-21 Revenue Bonds and Notes – We noted no instances of non-compliance with the terms of the City's revenue bond/note provisions.
- III-J-21 Financial Condition – We observed deficit ending balances for Capital Project - Airport in the amount of \$10,000.00, and Capital Project – Library/City Hall in the amount of \$10,000.00, at the June 30, 2021.

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

Response — The deficit in the Capital Fund – Airport is due to construction costs incurred prior to the receipt of state grant proceeds. The deficit will be eliminated next year. The deficit in the Capital Project – Library/City Hall fund is due to a funding agreement with Carroll County. The deficit is anticipated to be eliminated in FY 2023.

Conclusion – Response accepted.

- III-K-21 Tax Increment Financing (TIF) Chapter 403.19 and 403.22 of the Code of Iowa provides a municipality may certify loans, advances, indebtedness and bonds (indebtedness) to the County Auditor which qualify for reimbursement from incremental property tax submitted in fiscal year 2021. The County Auditor provides for the division of property tax to repay the certified indebtedness and provides available incremental property tax in subsequent fiscal years without further certification by the City until the amount of certified indebtedness is paid. We noted no corrections needed to TIF certification to comply with Chapter 403

of the Code of Iowa. Also, the City properly completed the tax increment Debt Certificate Forms to request TIF property taxes.

III-L-21 Urban Renewal Annual Report - The urban renewal annual report was approved and certified to the Department of Management on or before December 1, and no exceptions were noted.

III-M-21 Questionable Donations – In accordance with Article III, Section 31 of the Iowa Constitution prohibits governmental bodies from making a gift to private, non-profit corporations, stating “... no public money or property shall be appropriated for local or private purposes” and an Attorney General’s opinion dated April 25, 1979, and at least five more official AG opinions have consistently concluded “ a governmental body may not donate public funds to a private entity, even if the entity is established for charitable educational purposes and performs work which the government could perform directly. The Opinions further state, “Even if the function of a private non-profit corporation fits within the scope of activities generally recognized as serving a public purpose, a critical question exists regarding whether funds or property transferred to a private entity will indeed be used for those public purposes.”

“Political subdivisions and municipalities, including cities, counties, schools and townships are municipal – governmental – entities. As governmental entities they are governed by elected bodies, are directly responsible to the public as a whole, and are subject to the limitations imposed on them by the state. Although a private organization may be formed to provide and support ‘public’ services which are the same or similar to services provided by the government, the private organizations are not subject to the same degree of public accountability and oversight as governmental entities.”

Certain disbursements were noted which we believe may not meet the requirements of public purpose as defined in the Attorney General’s opinion since the public benefits to be derived have not been clearly documented. These disbursements are detailed as follows:

<u>Paid to</u>	<u>Purpose</u>	<u>Amount</u>
Carroll Area Child Care		\$17,000
Retired Senior Volunteers/Foster Grandparents		\$11,000
Carroll County Community of Concern		\$ 5,450
New Opportunities		\$10,920
Animal Rescue of Carroll		\$ 5,000

According to the opinions, it is possible for certain disbursements to meet the test of serving a public purpose under certain circumstances, although such items will certainly be subject to a deserved close scrutiny. The line to be



drawn between a proper and improper purpose is very thin.

Recommendation – We are not aware of any statutory authority for the City to donate public funds to private non-profit organizations. The City should immediately cease making future such donations.

The City Council should determine and document the public purpose served by these types of disbursements prior to authorizing any further payments. If this practice is continued, the City should establish written policies and procedures, including the requirements for proper public purpose documentation.

Response – The City believes all these disbursements will meet the requirements of public purpose as defined in the Attorney General's opinion. The City will document the public purpose served by these types of disbursements and have it in place by July 1, 2022.

# City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

**MEMO TO:** Mike Pogge-Weaver, City Manager *WSP-W*

**FROM:** Randall M. Krauel, Director of Public Works *RMK*

**DATE:** April 20, 2022

**SUBJECT:** Street Restoration - 2022

- Report of Proposal Opening
- Consideration of Award of Contract

On April 19, a Proposal for the construction of the Street Restoration – 2022 project was received, opened and tabulated. The Proposal received was as follows:

Ten Point Construction Co., Inc. \$748,034.25

A detailed Summary of Proposals Received is attached.

Ten Point Construction Co., Inc. is the lowest responsive, responsible bidder.

Based on the Proposal received, the project cost is estimated as follows:

Design	\$49,000.00 LS
Construction Administration	\$6,000.00 Hr.
Construction	<u>\$748,034.25</u>
Total	\$803,034.25

Funding for the project is proposed as follows:

LOST, F.Y. 21-22	\$55,000.00
LOST, F.Y. 22-23	\$445,000.00
Electric Franchise, F.Y. 22-23	\$100,000.00
G.O. Bond, F.Y. 22-23	<u>\$250,000.00</u>
Total	\$850,000.00

Construction completion is anticipated by November 15, 2022.

**RECOMMENDATION:** Mayor and City Council consideration of passage and approval of the Resolution awarding the Contract for the Street Restoration – 2022 project to Ten Point Construction Co., Inc. at their bid price of \$748,034.25.

RMK:ds

attachment

RESOLUTION NO. \_\_\_\_\_

RESOLUTION MAKING AWARD OF THE CONSTRUCTION CONTRACT FOR THE STREET RESTORATION – 2022 PROJECT.

WHEREAS, Chapter 17 of the Code of Ordinances of the City of Carroll, Iowa, provides that all contracts made by the City be approved by the City Council; and,

WHEREAS, the following Proposal for the construction of public improvements described in general as Street Restoration - 2022 and further described in the plans and specifications heretofore adopted by this Council is the lowest responsive, responsible Proposal for said work as follows:

Contractor:	Ten Point Construction Co., Inc.
Amount of Proposal:	\$748,034.25
Portion of Project:	All construction work;

and,

WHEREAS, the City Council has determined that award of the construction contract is in the best interest of the City and the residents thereof.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carroll, Iowa, that the contract with Ten Point Construction Co., Inc. for the construction of the Street Restoration - 2022 project, is authorized and accepted, and that the Mayor and City Clerk are authorized to execute the contract on behalf of the City.

Passed and approved by the Carroll City Council this 25<sup>th</sup> day of April, 2022.

CITY COUNCIL OF THE  
CITY OF CARROLL, IOWA

By: \_\_\_\_\_  
Mark E. Beardmore, Mayor

ATTEST:

By: \_\_\_\_\_  
Laura A. Schaefer, City Clerk

## SUMMARY OF PROPOSALS RECEIVED

Project: STREET RESTORATION - 2022  
 Date: April 19, 2022  
 Location: City Hall

Sheet No. 1 of 1

ITEM NO.	REFERENCE NO.	DESCRIPTION	QUANTITY	UNIT	ENGINEER'S ESTIMATE		Ten Point Construction Co. Inc. 2212 Hwy. 59 Denison, IA 51442		PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
					UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT						
DIVISION 6- STRUCTURES FOR SANITARY AND STORM SEWERS														
6.01	6010-1.08-E	INTAKE ADJUSTMENT, MINOR	13.00	EA	\$1,200.00	\$15,600.00	\$2,200.00	\$28,600.00						
6.02	6010-1.08-F	INTAKE ADJUSTMENT, MAJOR	1.00	EA	\$1,200.00	\$1,200.00	\$3,000.00	\$3,000.00						
DIVISION 7 - STREETS AND RELATED WORK														
7.01	7030-1.08-A	REMOVAL OF SIDEWALK	17.30	SY	\$7.00	\$121.10	\$10.00	\$173.00						
7.02	7030-1.08-G	DETECTABLE WARNING	16.00	SF	\$40.00	\$640.00	\$5.50	\$88.00						
7.03	7030-1.08-E	SIDEWALK, PCC, 6 IN	17.30	SY	\$80.00	\$1,384.00	\$95.00	\$1,643.50						
7.04	7040-1.08-A	FULL-DEPTH PATCHES	7,093.20	SY	\$85.00	\$602,922.00	\$89.89	\$637,607.75						
7.05	7040-1.08-B	SUBBASE OVER-EXCAVATION	1,787.50	TON	\$40.00	\$71,500.00	\$32.32	\$57,772.00						
DIVISION 8 - TRAFFIC CONTROL														
8.01	8030-1.08-A	TEMPORARY TRAFFIC CONTROL	1.00	LS	\$6,000.00	\$6,000.00	\$8,500.00	\$8,500.00						
DIVISION 9 - SITE WORK AND LANDSCAPING														
9.01	9010-1.08-A	CONVENTIONAL SEEDING, SEEDING, FERTILIZING AND MULCHING	0.15	AC	\$8,000.00	\$1,200.00	\$11,000.00	\$1,650.00						
DIVISION 11 - MISCELLANEOUS														
11.01	11020-1.08-A	MOBILIZATION	1.00	LS	\$49,432.90	\$49,432.90	\$9,000.00	\$9,000.00						
<b>TOTAL BID</b>							\$750,000.00	\$748,034.25						
AMOUNT OF PROPOSAL GUARANTEE							5% Min	5%						
SURETY								Merchants National Bonding, Inc.						
COMMENTS														

I hereby certify that the above is a true and correct summary of proposals received.

Project Manager \_\_\_\_\_

# City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

**MEMO TO:** Mike Pogge-Weaver, City Manager *MSP-W*  
**FROM:** Randall M. Krauel, Director of Public Works *RMK*  
**DATE:** April 20, 2022  
**SUBJECT:** Wastewater Treatment Plant  
Vertical Loop Reactor Air Piping Replacement

An Engineering Agreement for the Wastewater Treatment Plant Vertical Loop Reactor Air Piping Replacement has been requested and received from Veenstra & Kimm, Inc. A copy of the proposed Agreement is attached.

The project is proposed to replace the low pressure air piping between the Final Clarifier Blower Room and the Aeration Tanks at the Wastewater Treatment Plant. The existing piping is leaking air. Investigation has indicated that the existing pipe joints have deteriorated. The proposed replacement is highlighted on the attached Wastewater Treatment Plant outside piping plan.

The Scope of Services is detailed in the proposed Engineering Agreement. In summary, the Agreement includes Services to develop plans and specifications for bidding the air piping replacement.

Compensation to the Engineers for Services included in the proposed Agreement are as follows:

Design Surveys through Bid Opening and Award of Contract	\$12,000.00 Hr. NTE
General Services during Construction through Record Drawings	<u>\$5,000.00</u> Hr. NTE
Total	\$17,000.00 Hr. NTE

During preparation of the F.Y. 22-23 Budget, a Re-estimate was recommended to the F.Y. 21-22 Budget in the amount of \$20,000.00 for design of this project.

**RECOMMENDATION:** Mayor and City Council consideration of passage and approval of the Resolution approving the Engineering Agreement with Veenstra & Kimm, Inc. for the Wastewater Treatment Plant Vertical Loop Reactor Air Piping Replacement for a maximum not-to-exceed fee of \$17,000.00

RMK:ds

attachments (2)

RESOLUTION NO. \_\_\_\_\_

RESOLUTION APPROVING THE ENGINEERING AGREEMENT WITH VEENSTRA & KIMM, INC. FOR THE WASTEWATER TREATMENT PLANT VERTICAL LOOP REACTOR AIR PIPING REPLACEMENT PROJECT.

WHEREAS, Chapter 17 of the Code of Ordinances of the City of Carroll, Iowa, provides that all contracts made by the City be approved by the City Council; and,

WHEREAS, an Engineering Agreement for the development of the Wastewater Treatment Plant Vertical Loop Reactor Air Piping Replacement project has been prepared with Veenstra & Kimm, Inc.; and,

WHEREAS, the City Council has determined that the Engineering Agreement is in the best interest of the City and the residents thereof.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carroll, Iowa, that the Engineering Agreement with Veenstra & Kimm, Inc. for the Wastewater Treatment Plant Vertical Loop Reactor Air Piping Replacement project is approved and the Mayor and City Clerk are authorized and directed to sign the Agreement on behalf of the City.

Passed and approved by the Carroll City Council this 25<sup>th</sup> day of April, 2022.

CITY COUNCIL OF THE  
CITY OF CARROLL, IOWA

By: \_\_\_\_\_  
Mark E. Beardmore, Mayor

ATTEST:

By: \_\_\_\_\_  
Laura A. Schaefer, City Clerk

**ENGINEERING AGREEMENT**

**CARROLL, IOWA  
WASTEWATER TREATMENT PLANT  
VERTICAL LOOP REACTOR AIR PIPING REPLACEMENT  
PROFESSIONAL ENGINEERING SERVICES**

**THIS AGREEMENT**, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by and between the **CITY OF CARROLL, IOWA**, hereinafter referred to as **City** or **Owner**, party of the first part, and **VEENSTRA & KIMM, INC.**, a corporation organized and existing under the laws of the State of Iowa, with principal offices in West Des Moines, Iowa, party of the second part, hereinafter referred to as the **Engineers**,

**WITNESSETH: THAT WHEREAS**, the City of Carroll owns and operates a wastewater treatment system to provide wastewater treatment, and

**WHEREAS**, the City desires to retain the services of the Engineers to complete the design for replacement of the Vertical Loop Reactor air piping, with said design hereinafter referred to as the **Wastewater Treatment Plant – Vertical Loop Reactor Air Piping Replacement** or **Project**, and

**NOW, THEREFORE**, it is hereby agreed by and between the parties hereto that the City retains the Engineers to act for and represent it in engineering matters, as set forth hereinafter, for the Project. Such agreement shall be subject to the following term and conditions, to wit:

1. **SCOPE OF SERVICES.** The scope of services for the Wastewater Treatment Plant – Vertical Loop Reactor shall include, but not necessarily be limited to, the following:
  - a. Design and construction of new above ground air piping extending from the Blower Room to the Vertical Loop Reactor aeration basins.
2. **DESIGN SURVEYS.** The Engineers shall make all surveys necessary for design of the Project and preparation of plans and specifications. Such design surveys shall include the securing of topographic and cross-sectional data and other field information and measurements.
3. **DESIGN CONFERENCES AND REPORTS.** The Engineers shall attend such design conferences with the Owner as may be necessary to make decisions as to the details of design of the Project. The Engineers shall make periodic progress reports to the City Council, as necessary.
4. **PLANS AND SPECIFICATIONS.** The Engineers shall prepare such detailed plans and specifications as are reasonably necessary and desirable for construction of the Project.

The specifications shall describe, in detail, the work to be done, materials to be used and the construction methods to be followed. Preliminary plans and specifications shall be submitted to the Owner for review prior to completion of preparation of final plans and specifications. Three (3) sets of final plans and specifications shall be submitted to the Owner.

5. **PERMITS AND LICENSES.** The Engineers shall provide copies of the plans and specifications for review by the Iowa Department of Natural Resources, and shall assist in obtaining the necessary construction permits for the Project. Any fees for the construction permits shall be paid by the Owner and said costs shall not be charged against the Engineers' fees.
6. **ESTIMATE OF COST.** The Engineers shall prepare an estimate of cost for the construction contract. The estimate of cost shall be based on the Engineers' best knowledge at the time of preparation of the estimate of cost. The Engineers shall not be responsible if the construction contract awarded for the Project varies from the Engineers' estimate of cost. The Engineers shall advise and assist the City, if necessary, in adjusting the scope and extent of the Project to allow the Project to be constructed within available budget limitations.
7. **ADVERTISEMENT FOR BIDS.** The Engineers shall assist in the preparation of the notice to contractors and shall provide plans and specifications to prospective bidders. Publication costs shall be borne by the Owner.
8. **COSTS OF PLANS AND SPECIFICATIONS.** The Owner shall compensate the Engineers for the actual costs of the plans and specifications provided to contractors, plan rooms and suppliers during project bidding. The costs of plans shall be separate from the fee provisions under "**14. COMPENSATION**".
9. **BIDDING SERVICES.** The Engineers shall provide services during the bidding phase of the project that will include the following:
  - a. Notification of potential bidders of the upcoming project and availability of plans and specifications.
  - b. Distribute bidding documents and maintain bidders list.
  - c. Respond to questions raised during the bidding period and prepare and issue addendum as appropriate to clarify, correct or change the bidding documents.



**10. BID OPENING AND AWARD OF CONTRACT.** The construction work included in the Project shall be bid at one letting. The Engineers shall have a representative present when the bids and proposals are opened and shall prepare a tabulation of bids for the Owner and shall advise as to the responsiveness of the bidders, and assist in making the award of contract. After the award is made, the Engineers shall prepare the necessary contract documents. During the bidding phase, the Engineers shall advise the Owner of the responsiveness of each proposal submitted. The Engineers shall not be responsible for advising the Owner as to the irresponsibility of any bidder.

**11. GENERAL SERVICES DURING CONSTRUCTION.** The Engineers shall provide general services during construction including:

- a. The Engineer shall conduct a preconstruction conference attended by representatives of the Owner, Engineer, and contractor to discuss details of the Project.
- b. Consult with and advise Owner.
- c. Provide visits to the site during construction.
- d. Assist contractor in interpretation of plans and specifications.
- e. Review drawings and data of manufacturers.
- f. Coordinate and review work of testing laboratories for compaction and concrete test.
- g. Process and certify payment estimates of the contractor to the Owner.
- h. Prepare amendments to the contract documents, as necessary, to show major changes made during construction.
- i. Provide construction staking information as necessary to include the establishment of required benchmarks and baselines for locations, elevations and grades of construction. Detailed construction staking for the Project shall be performed by the Contractor.

**12. RESIDENT REVIEW SERVICES.**

- a. Provide resident review services understood to include the detailed observation and review of work of the Contractors and materials to assure compliance with the plans and specifications. It is understood and agreed on-site resident review services will be provided by the City.

- 13. FINAL REVIEW.** The Engineers shall make a final review after construction is complete to determine that the construction is substantially in compliance with the plans and specifications. The Engineers shall certify to the Owner that construction is substantially in compliance with the plans and specifications.
- 14. RECORD DRAWINGS.** After completion of construction, the Engineers shall provide the City with two (2) complete sets of plans showing final construction. Information on details determined in the field during construction will be incorporated on the final plans in accordance with information furnished by the project manager, resident reviewer, the City and the contractor. As built drawings are based on the best available information and are not verified for accuracy.
- 15. COMPENSATION.**
- a. The fee for engineering design services for the Project, as set forth in "**1. SCOPE OF PROJECT**" encompassing the work set forth from "**2. DESIGN SURVEYS**" through "**10. BID OPENING AND AWARD OF CONTRACT**" of this Agreement, shall be on the basis of the Engineers' standard hourly fees with a maximum not to exceed fee of Twelve Thousand Dollars (\$12,000).
  - b. The fee for engineering services during construction for the Project, as set forth in "**11. GENERAL SERVICES DURING CONSTRUCTION**" through "**14. RECORD DRAWINGS**" of this Agreement, shall be on the basis of the Engineers' standard hourly fees with a maximum not to exceed fee of Five Thousand Five Hundred Dollars (\$5,000).
  - c. The Owner shall compensate the Engineers for the cost of plans and distribution of plans as set forth in "**4. PLANS AND SPECIFICATIONS**" above as provided in Iowa Code Section 26.3(2). The reimbursement of the cost plans and distribution of plans as required under Iowa Code Section 26.3(2) is not included in the fees for services set forth under this Agreement.
- 16. PAYMENT.** The fees shall be due and payable as follows:
- a. For design, preparation of plans and specifications and general services during construction, the fee shall be due and payable monthly based on that proportion of the fee which the Engineers have completed as of the time of the applicable billing.
- 17. LEGAL SERVICES.** The Owner shall provide the services of the City Attorney in matters pertaining to this Project. The Engineers shall cooperate with the Owner' attorney and shall comply with his/her requirements as to form of contract documents and procedures relative to them.

**18. SERVICES NOT INCLUDED.** Services not included under this Agreement are as follows:

- a. Services related to or regarding arbitration or litigation of a construction contract between a construction contractor and the Owner regarding any of the Projects included in this Agreement.
- b. Services required for the evaluation of and determination to accept defective work by Contractor including required re-design services.
- c. Services required for re-design as a result of substitute products during the construction phase.
- d. Services required as a result of Owner providing incomplete or incorrect Project information.
- e. Assistance in connection with bid protests, rebidding or renegotiating contracts for construction, materials, equipment, or services, only so long as the original work is reasonably consistent with the Owner's program or other instruction.
- f. Construction staking.
- g. Providing assistance in resolving any Hazardous Environmental Condition in compliance with current Laws and Regulations.
- h. Resident Review Services

**19. SUSPENSION.**

- a. The Owner agrees that the Engineer is not responsible for damages arising directly or indirectly from any delays for causes beyond the Engineer's control. For purposes of this Agreement, such causes include, but are not limited to, strikes or other labor disputes; severe weather disruptions or other natural disasters or acts of God; fires, riots, war or other emergencies; failure of any government agency to act in a timely manner; failure of performance by the Owner; or discovery of any hazardous substances or differing site conditions. In addition, if the delays resulting from any such causes increase the cost or time required by the Engineer to perform its services in an orderly and efficient manner, the Engineer shall be entitled to a reasonable adjustment in schedule and compensation.
- b. If Engineer's services are extended by Contractor's actions or inactions for more than the scheduled final construction completion, as defined in the Contract Documents, through no fault of the Engineer, the Engineer will be entitled to equitable and

agreeable adjustment of rates and amounts of compensation provided in this Agreement.

- c. Onsite Resident Review during construction.

## **20. TERMINATION.**

- a. In the event of termination of this Agreement by either party, the Owner shall, within fifteen (15) calendar days of termination, pay the Engineer for all services rendered and all reimbursable costs incurred by the Engineer up to the date of termination, in accordance with the payment provisions of this Agreement.
- b. The Owner may terminate this Agreement for the Owner's convenience and without cause upon giving the Engineer not less than seven (7) calendar days written notice.
- c. Either party may terminate this Agreement for cause upon giving the other party not less than seven (7) calendar day's written notice for any of the following reasons.
  - 1. Substantial failure by the other party to perform in accordance with the terms of this Agreement and through no fault of the terminating party.
  - 2. Assignment of this Agreement or transfer of the Project by either party to any other entity without the prior written consent of the other party.
  - 3. Suspension of the Project or the Engineer's services by the Owner for more than ninety (90) calendar days, consecutive or in the aggregate.
  - 4. Material changes in the conditions under which this Agreement was entered into, the Scope of Services or the nature of the Project, and the failure of the parties to reach agreement on the compensation and schedule adjustments necessitated by such changes.
- d. In the event of any termination that is not the fault of the Engineer, the Owner shall pay the Engineer, in addition to payment for services rendered and reimbursable costs incurred, for all expenses reasonably incurred by the Engineer in connection with the orderly termination of this Agreement, including but not limited to demobilization, reassignment of personnel, associated overhead costs and all other expenses directly resulting from the termination.

## **21. DISPUTE RESOLUTION.**

- a. Owner and Engineer agree to negotiate all disputes between them in good faith for a period of thirty (30) days from the date of notice prior to other provisions of this Agreement, or under law.
- b. Owner and Engineer agree to use mediation for dispute resolution if the previously described negotiation process is not successful.

- c. In the event of any litigation arising from or related to this Agreement or the services provided under this Agreement, each party shall pay their own legal expenses, including staff time, court costs, attorney's fees and all other related expenses in such litigation.
- 22. BETTERMENT.** When a Change Order is necessitated by an act or omission of Engineer or an error in the design of the Project, responsibility for such act, omission, or error shall be determined in good faith by Owner and Engineer. To the extent that such act, omission, or error arose out of the lack of quality professional services provided by Engineer or of the lack of professional quality deliverables prepared by Engineer, Owner shall be entitled to an amount equal to the difference between the actual cost of the change work and the estimated cost of the change work (less added value to the Owner) if there had been no such act, omission, or error. Engineer shall pay such sum to Owner.
- 23. CHANGED CONDITIONS.** If, during the term of this Agreement, circumstances or conditions that were not originally contemplated by or known to the Engineer are revealed, to the extent that they affect the scope of services, compensation, schedule, allocation of risks or other material terms of this Agreement, the Engineer may call for renegotiation of appropriate portions of this Agreement. The Engineer shall notify the Owner of the changed conditions necessitating renegotiation, and the Engineer and the Owner shall promptly and in good faith enter into renegotiation of this Agreement to address the changed conditions. If terms cannot be agreed to, the parties agree that either party has the absolute right to terminate this Agreement, in accordance with the termination provision hereof.
- 24. CHANGES.** If, after the plans and specifications are completed and approved by the Owner, the Engineers are required to change the plans and specifications because of changes made by the Owner, the Engineers shall receive additional compensation for making such changes. The compensation for such changes shall be based upon the standard hourly fees plus expenses for personnel of the Engineers actually engaged in making the changes.
- 25. EXTRA WORK.** Fees stated in this Agreement cover the specific services outlined in this Agreement for the Project. If the Owner requires additional services of the Engineers in connection with the Project, or changes or modifications in the Project, the Engineers shall receive additional compensation for said services. Such additional compensation shall be at the standard hourly fees for personnel of the Engineers, plus expenses for personnel engaged in the authorized extra work.

**26. INDEMNIFICATION.** The Engineers shall and hereby agree to hold and save the Owner harmless from any and all claims, settlements, and judgments, to include all reasonable investigative fees, attorneys' fees, suit and court costs for personal injury, property damage, and/or death arising out of the Engineers' or any of its agents', servants', and employees' errors, omissions or negligent acts for services under this Agreement, and for all injury and/or death to any and all of the Engineers' personnel, agents, servants, and employees occurring under the Workers' Compensation Act of the State of Iowa.

**27. INSURANCE.** The Engineers shall furnish the Owner with certificates of insurance by insurance companies licensed to do business in the State of Iowa, upon which the Owner is endorsed as an additional named insured, in the following limits. It must be clearly disclosed on the face of the certificates that the coverage is on an occurrence basis.

General Liability*	\$1,000,000/2,000,000
Automobile Liability	\$1,000,000
Excess Liability (Umbrella)*	\$8,000,000/8,000,000
Workers' Compensation, Statutory Benefits Coverage B	\$1,000,000
Professional Liability**, ***	\$3,000,000/3,000,000

\*Occurrence/Aggregate

\*\* The Owner is not to be named as an additional insured.

\*\*\*Claims made basis

**28. ASSISTANTS AND CONSULTANTS.** It is understood and agreed that the employment of the Engineers by the Owner for the purposes aforesaid shall be exclusive, but the Engineers shall have the right to employ such assistants and consultants as they deem proper in the performance of the work.

**29. ASSIGNMENT.** This Agreement and each and every portion thereof shall be binding upon the successors and assigns of the parties hereto.

The undersigned do hereby covenant and state that this Agreement is executed in duplicate as though each were an original and that there are no oral agreements that have not been reduced to writing in this instrument.

It is further covenanted and stated that there are no other considerations or monies contingent upon or resulting from the execution of this Agreement, nor have any of the above been implied by or for any party to this Agreement.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names on the date first written above.

CITY OF CARROLL, IOWA

ATTEST:

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_

VEENSTRA & KIMM, INC.

ATTEST:

By Josh V. Reinert

By Rebecca Baldwin

VEENSTRA & KIMM, INC.  
 HOURLY RATES BY EMPLOYEE CLASSIFICATION  
 (Effective July 2021)

Management I.....	\$186.00
Management II.....	180.00
Process Engineer I.....	203.00
Client Services I .....	180.00
Client Services V .....	70.00
Funding Specialist.....	110.00
Engineer I-A.....	186.00
Engineer I-B.....	176.00
Engineer I-C.....	167.00
Engineer I-D.....	160.00
Engineer II-A.....	152.00
Engineer II-B.....	143.00
Engineer III-A.....	134.00
Engineer III-B.....	128.00
Engineer III-C.....	125.00
Engineer IV.....	121.00
Engineer V.....	113.00
Engineer VI.....	106.00
Engineer VII.....	101.00
Engineer VIII.....	98.00
Engineer IX.....	91.00
Engineer X.....	83.00
Engineer XI.....	75.00
Engineer XII.....	67.00
Design Technician I .....	107.00
Design Technician II .....	96.00
Architect.....	114.00
Planner I.....	117.00
Planner II.....	78.00
Planner III.....	72.00
Drafter IA.....	107.00
Drafter IB.....	100.00
Drafter II.....	94.00
Drafter III.....	88.00
Drafter IV.....	79.00
Drafter V.....	70.00
Drafter VI.....	63.00
Drafter VII.....	56.00
Clerical I.....	79.00
Clerical II.....	70.00
Clerical III.....	60.00
Clerical IV .....	53.00
Clerical V .....	44.00
Construction Manager .....	180.00
Surveyor I.....	127.00
Surveyor II .....	112.00
Technician I .....	93.00
Technician II.....	86.00
Technician III.....	79.00



Technician IV .....	77.00
Technician V .....	71.00
Technician VI.....	65.00
Technician VII.....	54.00
Technician VIII.....	47.00
Technician IX .....	39.00
Building Inspector I .....	178.00
Building Inspector I-A.....	119.00
Building Inspector II .....	94.00
Building Inspector III .....	75.00

REIMBURSABLES AND EQUIPMENT RATES

Robotics.....	35.00
GPS .....	35.00
Leica Total Station.....	25.00
Total Station Robotics.....	20.00
Tablet .....	45.00
Fluoroscope.....	50.00
4-Wheeler .....	50.00
Drone .....	75.00
Mileage .....	IRS Rate

Title VI/Non-Discrimination Assurances

## APPENDIX A

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation **Federal Highway Administration**, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project or program set forth in Appendix B of 49 CFR Part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the **Federal Highway Administration** to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or the **Federal Highway Administration**, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the **Federal Highway Administration** may determine to be appropriate, including, but not limited to:
  - a. withholding payments to the contractor under the contract until the contractor complies; and/or
  - b. cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the Recipient or the **Federal Highway Administration** may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

Title VI/Non-Discrimination Assurances

## APPENDIX E

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21;
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 *et seq.*), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 - - 12189) as implemented by Department of Transportation regulations at 49 CFR Parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 *et seq.*).

**FLOW STREAM IDENTIFICATION**

ALP	AIR, LOW PRESSURE
ATE	AERATION TANK EFFLUENT
ATI	AERATION TANK INFLUENT
BOV	Basin Overflow
BYP	ByPass
D	Drain
DG	Digester Gas
DSL	Digested Sludge
FCE	Final Clarifier Effluent
FCI	Final Clarifier Influent
FE	Final Effluent
GWD	Groundwater Drain
HR	Humid Return
PE	Primary Effluent
PI	Primary Influent
PSC	Primary Scum
PSL	Primary Sludge
RSL	Return Sludge
RW	Raw Wastewater
SA	Sample
SPD	Slump Pump Discharge
SSC	Secondary Scum
SU	Supernatant
SW	Stormwater
TFE	Trickling Filter Effluent
TEI	Trickling Filter Influent

TFR	Trickling Filter Recirculation
WSL	Waste Activated Sludge

**NOTES:**

1. BURIED PIPING AND ELECTRICAL CONDUIT SHOWN BASED ON BEST AVAILABLE INFORMATION. FIELD VERIFY AND ADJUST NEW PIPING AS REQUIRED TO AVOID CONFLICTS. NOT ALL PIPING AND ELECTRICAL CONDUIT MAY BE SHOWN.
2. REMOVE TEMPORARY BULKHEAD ON EXISTING 36" SANITARY SEWER. CONNECT AND EXTEND NEW 36" RW AS SHOWN. INVERT ELEVATION 1208.70.
3. CONNECT NEW 8" W TO CLOSED 8" GATE VALVE ON EXISTING 8" W. EXTEND NEW 8" W AS SHOWN. INVERT ELEVATION 1213.0.
4. REMOVE EXISTING 16" RW FORCE MAIN AS NECESSARY TO CONNECT NEW 16" RW FORCE MAIN WITH 90° ELBOW. INVERT ELEVATION 1217.0. FIELD VERIFY INVERT ELEVATION AND ADJUST PIPING TO MAINTAIN UNIFORM UPWARD GRADE.
5. DISCONNECT 3/4" W FROM EXISTING 4" W AND RECONNECT TO NEW 8" W. PROVIDE NEW CORPORATION STOP AND RELOCATE EXISTING CURB STOP AND BOX.
6. DISCONNECT FIRE HYDRANT AND VALVE FROM EXISTING 4" W AND RECONNECT TO NEW 8" W. REPOSITION AS NECESSARY.
7. ALLIANT ENERGY TO PROVIDE NEW GAS SERVICE TO DIGESTER BUILDING ONLY AS SPECIFIED. PIPING LAYOUT AND INSTALLATION BY ALLIANT ENERGY. COORDINATE WITH ALLIANT ENERGY DURING CONSTRUCTION. GAS PIPING FROM DIGESTER BUILDING TO ADMINISTRATION BUILDING, PRELIMINARY TREATMENT BUILDING, AND FINAL CLARIFIER BUILDING BY CONTRACTOR.
8. CONNECT NEW 8" W TO EXISTING 4" W WITH 8" X 4" REDUCER.

Vertical Loop Reactor  
Air Piping Replacement

# City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

**MEMO TO:** Mike Pogge-Weaver, City Manager *MSP-w*  
**FROM:** Randall M. Krauel, Director of Public Works *RMK*  
**DATE:** April 20, 2022  
**SUBJECT:** Wastewater Treatment Plant  
Anaerobic Digester Evaluation

An Engineering Agreement for a Wastewater Treatment Plant Anaerobic Digester Evaluation has been requested and received from Veenstra & Kimm, Inc. A copy of the proposed Agreement is attached.

The project is proposed to evaluate the condition of the existing anaerobic digester mechanical equipment and an alternative of converting to aerobic digestion. The current Budget includes funding for a digester dome inspection. This Evaluation is a replacement and expansion of the scope of that inspection.

The proposed Agreement Scope of Services includes the review, evaluation and preparation of a report of findings.

Compensation to the Engineers for Services included in the proposed Agreement is hourly not-to-exceed \$23,800.00. The current Budget includes funding in the amount of \$11,000.00 for the digester dome inspection. Approval of the proposed Agreement may require additional funding to be amended into the Budget.

**RECOMMENDATION:** Mayor and City Council consideration of passage and approval of the Resolution approving the Engineering Agreement with Veenstra & Kimm, Inc. for the Wastewater Treatment Plant Anaerobic Digester Evaluation for a not-to-exceed fee of \$23,800.00.

RMK:ds

attachments (2)

RESOLUTION NO. \_\_\_\_\_

RESOLUTION APPROVING THE ENGINEERING AGREEMENT WITH VEENSTRA & KIMM, INC. FOR THE WASTEWATER TREATMENT PLANT ANAEROBIC DIGESTER EVALUATION PROJECT.

WHEREAS, Chapter 17 of the Code of Ordinances of the City of Carroll, Iowa, provides that all contracts made by the City be approved by the City Council; and,

WHEREAS, an Engineering Agreement for the development of the Wastewater Treatment Plant Anaerobic Digester Evaluation project has been prepared with Veenstra & Kimm, Inc.; and,

WHEREAS, the City Council has determined that the Engineering Agreement is in the best interests of the City and the residents thereof.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carroll, Iowa, that the Engineering Agreement with Veenstra & Kimm, Inc. for the Wastewater Treatment Plant Anaerobic Digester Evaluation project is approved and the Mayor and City Clerk are authorized and directed to sign the Agreement on behalf of the City.

Passed and approved by the Carroll City Council this 25<sup>th</sup> day of April, 2022.

CITY COUNCIL OF THE  
CITY OF CARROLL, IOWA

By: \_\_\_\_\_  
Mark E. Beardmore, Mayor

ATTEST:

By: \_\_\_\_\_  
Laura A. Schaefer, City Clerk

## ENGINEERING AGREEMENT

### CARROLL, IOWA WASTEWATER TREATMENT PLANT ANAEROBIC DIGESTER EVALUATION PROFESSIONAL ENGINEERING SERVICES

**THIS AGREEMENT**, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by and between the **CITY OF CARROLL, IOWA**, hereinafter referred to as **City** or **Owner**, party of the first part, and **VEENSTRA & KIMM, INC.**, a corporation organized and existing under the laws of the State of Iowa, with principal offices in West Des Moines, Iowa, party of the second part, hereinafter referred to as the **Engineers**,

**WITNESSETH: THAT WHEREAS**, the City of Carroll owns and operates a wastewater treatment system to provide wastewater treatment, and

**WHEREAS**, the City desires to retain the services of the Engineers to complete an evaluation of the existing anaerobic digesters, with said evaluation hereinafter referred to as the **Wastewater Treatment Plant - Anaerobic Digester Evaluation** or **Project**, and

**NOW, THEREFORE**, it is hereby agreed by and between the parties hereto that the City retains the Engineers to act for and represent it in engineering matters, as set forth hereinafter, for the Project. Such agreement shall be subject to the following term and conditions, to wit:

1. **SCOPE OF SERVICES.** The scope of services for the Wastewater Treatment Plant – Anaerobic Digester Evaluation shall include, but not necessarily be limited to, the following:
  - a. Review the condition and performance of the existing anaerobic digesters including the digester covers, boiler, gas equipment, gas flare, and associated items.
  - b. Identify recommended improvements to the anaerobic digesters.
  - c. Evaluate the alternative of converting from anaerobic sludge digestion to aerobic sludge digestion.
  - d. Prepare report including estimates of cost for proposed digester improvements.
2. **INDEMNIFICATION.** The Engineers shall and hereby agree to hold and save the Owner harmless from any and all claims, settlements, and judgments, to include all reasonable investigative fees, attorneys' fees, suit and court costs for personal injury, property damage, and/or death arising out of the Engineers' or any of its agents', servants', and

employees' errors, omissions or negligent acts for services under this Agreement, and for all injury and/or death to any and all of the Engineers' personnel, agents, servants, and employees occurring under the Workers' Compensation Act of the State of Iowa.

- 3. INSURANCE.** The Engineers shall furnish the Owner with certificates of insurance by insurance companies licensed to do business in the State of Iowa, upon which the Owner is endorsed as an additional named insured, in the following limits. It must be clearly disclosed on the face of the certificates that the coverage is on an occurrence basis:

General Liability *	\$1,000,000/2,000,000
Automobile Liability	\$1,000,000
Excess Liability (Umbrella)*	\$8,000,000/8,000,000
Workers' Compensation, Statutory Benefits Coverage B	\$1,000,000
Professional Liability**, ***	\$3,000,000/3,000,000

\* Occurrence/Aggregate.

\*\* The Owner is not to be named as an additional insured.

\*\*\* Claims made basis.

- 4. TERMINATION.** Should the City abandon the Project before the Engineers have completed their work, the Engineers shall be paid proportionately for the work and services performed until the date of termination.
- 5. RESPONSIBILITIES OF CITY.** It is understood and agreed the City will provide assistance in the evaluation and analysis, including making available to the Engineers all relevant information on the municipal wastewater treatment plant.
- 6. SERVICES NOT INCLUDED.** Services under this Agreement shall not include the following:
- a. Preparation of any working drawings or contract documents, preparation of plans and specifications, or the taking of bids for any project conceived in this report.
  - b. Services associated with any litigation or claims resolution resulting from the final adoption of the report by the City. Any additional services as the result of any litigation or claims resolution shall be considered extra work.
- 7. REPORT DOCUMENTS.** The results of the evaluation will be compiled and set forth in a written report which will be presented to the City as outlined in **1. SCOPE OF SERVICES**. Three (3) copies of the draft report will be provided, and ten (10) copies of the final report will be provided.



8. **COMPENSATION.** The fee for services set forth in this Agreement for the study and analysis, and preparation of the Wastewater Treatment Plant Evaluation – Anaerobic Digester Evaluation shall be determined on the basis of the standard hourly fees plus expenses of the personnel of the Engineers actually engaged in the performance of the services not to exceed Twenty-three Thousand Eight Hundred Dollars (\$23,800). The fee for services under this Agreement shall be billed and payable monthly during the course of the rendering of the services.

9. **EXTRA WORK.** The fees stated in this Agreement cover the specific services outlined in this Agreement for the Project. If the City requires additional services of the Engineers in connection with the Project or changes or modifications in the Project, the Engineers shall receive additional compensation for such services. Such additional compensation shall be on the basis of compensation mutually agreed upon by the City and the Engineers prior to the performance of the extra work.

10. **ASSIGNMENT.** This Agreement and each and every portion thereof shall be binding upon the successors and assigns of the parties hereto.

The undersigned do hereby covenant and state that this Agreement is executed in duplicate as though each were an original and that there are no oral agreements that have not been reduced to writing in this instrument.

It is further covenanted and stated that there are no other considerations or monies contingent upon or resulting from the execution of this Agreement, nor have any of the above been implied by or for any party to this Agreement.

**IN WITNESS WHEREOF,** the parties hereto have hereunto subscribed their names on the date first written above.

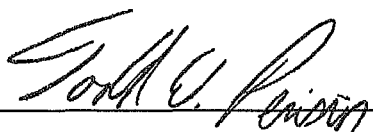
**CITY OF CARROLL, IOWA**

By \_\_\_\_\_  
Mayor

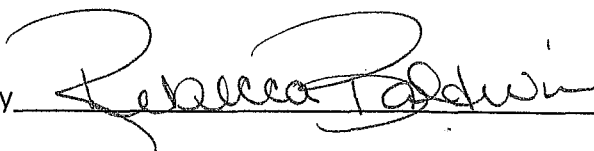
ATTEST:

By \_\_\_\_\_

**VEENSTRA & KIMM, INC.**

By  \_\_\_\_\_

ATTEST:

By  \_\_\_\_\_

VEENSTRA & KIMM, INC.  
 HOURLY RATES BY EMPLOYEE CLASSIFICATION  
 (Effective July 2021)

Management I.....	\$186.00
Management II.....	180.00
Process Engineer I.....	203.00
Client Services I .....	180.00
Client Services V .....	70.00
Funding Specialist.....	110.00
Engineer I-A.....	186.00
Engineer I-B.....	176.00
Engineer I-C.....	167.00
Engineer I-D.....	160.00
Engineer II-A.....	152.00
Engineer II-B.....	143.00
Engineer III-A.....	134.00
Engineer III-B.....	128.00
Engineer III-C.....	125.00
Engineer IV.....	121.00
Engineer V.....	113.00
Engineer VI.....	106.00
Engineer VII.....	101.00
Engineer VIII.....	98.00
Engineer IX.....	91.00
Engineer X.....	83.00
Engineer XI.....	75.00
Engineer XII.....	67.00
Design Technician I .....	107.00
Design Technician II .....	96.00
Architect.....	114.00
Planner I.....	117.00
Planner II.....	78.00
Planner III.....	72.00
Drafter IA.....	107.00
Drafter IB.....	100.00
Drafter II.....	94.00
Drafter III.....	88.00
Drafter IV.....	79.00
Drafter V.....	70.00
Drafter VI.....	63.00
Drafter VII.....	56.00
Clerical I.....	79.00
Clerical II.....	70.00
Clerical III.....	60.00
Clerical IV.....	53.00
Clerical V.....	44.00
Construction Manager.....	180.00
Surveyor I.....	127.00
Surveyor II.....	112.00
Technician I.....	93.00
Technician II.....	86.00
Technician III.....	79.00

Technician IV.....	77.00
Technician V.....	71.00
Technician VI.....	65.00
Technician VII.....	54.00
Technician VIII.....	47.00
Technician IX.....	39.00
Building Inspector I.....	178.00
Building Inspector I-A.....	119.00
Building Inspector II.....	94.00
Building Inspector III.....	75.00

REIMBURSABLES AND EQUIPMENT RATES

Robotics.....	35.00
GPS.....	35.00
Leica Total Station.....	25.00
Total Station Robotics.....	20.00
Tablet.....	45.00
Fluoroscope.....	50.00
4-Wheeler.....	50.00
Drone.....	75.00
Mileage.....	IRS Rate

Title VI/Non-Discrimination Assurances

## APPENDIX A

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation **Federal Highway Administration**, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project or program set forth in Appendix B of 49 CFR Part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or the **Federal High Administration** to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or the **Federal Highway Administration**, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the Recipient will impose such contract sanctions as it or the **Federal Highway Administration** may determine to be appropriate, including, but not limited to:
  - a. withholding payments to the contractor under the contract until the contractor complies; and/or
  - b. cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the Recipient or the **Federal Highway Administration** may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

Title VI/Non-Discrimination Assurances

## APPENDIX E

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21;
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 *et seq.*), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 - - 12189) as implemented by Department of Transportation regulations at 49 CFR Parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 *et seq.*).

# City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

**MEMO TO:** Honorable Mayor and City Council Members

**FROM:** Mike Pogge-Weaver, City Manager *MSPW*

**DATE:** April 21, 2022

**SUBJECT:** Request from Brian & Holly Wendl and Jason & Karen Atherton for a TIF Rebate for property located at 220 W 7<sup>th</sup> Street

Brian & Holly Wendl and Jason & Karen Atherton have requested the City of Carroll consider providing a TIF Rebate related to the renovation they are completing at 220 W 7<sup>th</sup> Street. The property is locally known as The Villa or The Hoyt Mansion. The property dates back to 1919 according to Carroll County Assessor records.

The owners are requesting the City provide a TIF Rebate over a 10- or 15-year period for 100% of the increase in property value attributable to the renovation work they are completing on the property. The total rebate would be capped at \$250,000. The current assessed value of the property is \$209,210. To receive the full request of \$250,000, based on the current TIF consolidated tax rates and a 90% commercial property tax rollback, the building value would need to increase to approximately \$1,010,000 with a rebate period of 15 years.

When the Downtown Urban Renewal (UR) Plan was updated in December of 2021 the following UR project was added to the plan:

- The City expects to consider a grant program for interior building renovations for building constructed prior to 1940. The costs of such grants are not expected to exceed \$500,000.

The requested incentive would meet this project in the UR Plan.

Since this is the first project of this type, staff requests direction from the Council on how to proceed with this request. Specially staff would request direction on:

- Maximum amount of TIF Rebate
- Number of years the rebate would extend

Staff will then work with the City's bonding counsel to draft a development agreement that would be presented to the Council for consideration at a future meeting.

**RECOMMENDATION:** City Council review and provide direction on how to proceed with a potential incentive.

April 20, 2022

Dear Council Members:

We are writing in hope that you will consider a TIF Rebate for the property located at 220 W 7<sup>th</sup> St in Carroll. Also known as The Villa or The Hoyt Mansion. As some of you may know, we purchased this property in the Spring of 2021, a few days prior to it going to Sheriff's sale. At the time, we had a purchase price in mind, but quickly learned that we would have to pay more due to the liens and judgements against the property. We certainly debated whether to purchase it or not; knowing that done right, we will never fully recover the funds we will put into preserving this building. But in the end, it such an amazing and historical building that we decided to purchase it anyway. At the time of purchase, we had no idea what we were going to do with the property. All we were certain of was that we wanted to save it from any further devastation. After all – it's "The Villa". Although we knew it was a large building, we were unaware of just how massive of an undertaking it would be until we really started to clean the property up. We are not sure if any of you remember, but, trash, junk and basically just "stuff" (putting it politely) was everywhere. Both in and around the property. We honestly could not even see everything until all the "stuff" left behind was cleared out. It is, and has been, a major project. What's crazy is that when we purchased the mansion, we looked at the original area of the servants' quarters and garage and thought – "What are we going to do here?" Now that area is almost complete and will soon open as a Salon, Spa, Coffee, and Gift Shop! There will also be coffee roasting in the basement boiler room! Certainly not what we thought we were going to do on day one. These areas alone are amazing, and we haven't even started on the "Kennedy Room", the library, or the grand staircase. So much to do!!

We have loved this building for years and we assume some of you, if not all of you, have as well. We also know that it has history with many people within the community. The support we have received from people, even those we don't know, has been unbelievable! It's clear that people in the community are thrilled that we are "Saving the Villa." This has led to us to the desire to do even more! We don't want to just put a band aid on things here and there. We want to properly fix, restore, and preserve the structure, so that it can be enjoyed by the community for another 100 years and hopefully more. We want to revitalize the courtyard, tuckpoint the brick fence surrounding the property, maybe even bring back the carport. (It was cool! We have copies of the original blueprints – all 18 pages, and we are constantly looking at them to see what it originally was and what we could do.) Anyway, we could go on and on about the Hoyt Mansion because we are truly that passionate about it and it truly is that amazing! It is worth it! But it is also costly. That is why we would like to ask for assistant in the form of a TIF Rebate. We would like to request a total rebate of \$250,000 over a ten to fifteen-year period. This TIF Rebate would help us go the extra mile in revitalizing the property, especially the courtyard and external areas of the property – which we want to be just as amazing as the interior. A few of the things we would be using the TIF Rebate for, but not limited to; would be new concrete, landscaping, trees, a garden area with a fountain, ironwork, repairing the original slate roof, tuck pointing the bricks, new windows, paint and so much more. This little project of ours has certainly taken on a life of its own and a TIF Rebate would be very helpful! Not expected, but helpful and very much appreciated!!

Thank you for your time and consideration of our request. And please, feel free to stop by and see what we have done thus far. The transformation has been amazing!

Sincerely,

Brian & Holly Wendl

Jason & Karen Atherton

# City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

**MEMO TO:** Mike Pogge-Weaver, City Manager *MSPW*  
**FROM:** Chad Tiemeyer, Director of Parks and Recreation *GT*  
**DATE:** April 20, 2022  
**SUBJECT:** Destination Iowa Grant Opportunity- Review and Discussion

After discussion with the Iowa High School Athletic Association and the Carroll Athletic Association, the City has recognized several areas at Carroll Merchants Park that are needing enhancement to continue to provide a high level of fan and player experience during the State Tournaments and to improve overall regular competition. These enhancements would include press box improvements and expansion; removal and replacement of existing aluminum bleachers to raised ADA accessible bleachers; dug out expansion; protective netting down the first and third base lines; new lighting; and replacing the outfield fence and windscreen. The total estimated cost of these named improvements is \$921,800.

The City was seeking a grant from the Economic Development Administration in the US Department of Commerce through the FY 2021 American Rescue Plan Act Travel, Tourism, and Outdoor Recreation Funding Opportunity. Unfortunately, our application was not competitive.

Recently the State of Iowa announced the Destination Iowa Grant Program. The program will provide a total of \$100 million in grant opportunities to bolster the quality of life in Iowa's communities and attract visitors and new residents to the state. The new effort will provide grants to help communities move forward on transformational, shovel-ready attractions. Cities, counties, nonprofits and other organizations can apply for Destination Iowa grants from four separate funds: Economically Significant Development, Outdoor Recreation, Tourism Attraction and Creative Placemaking.

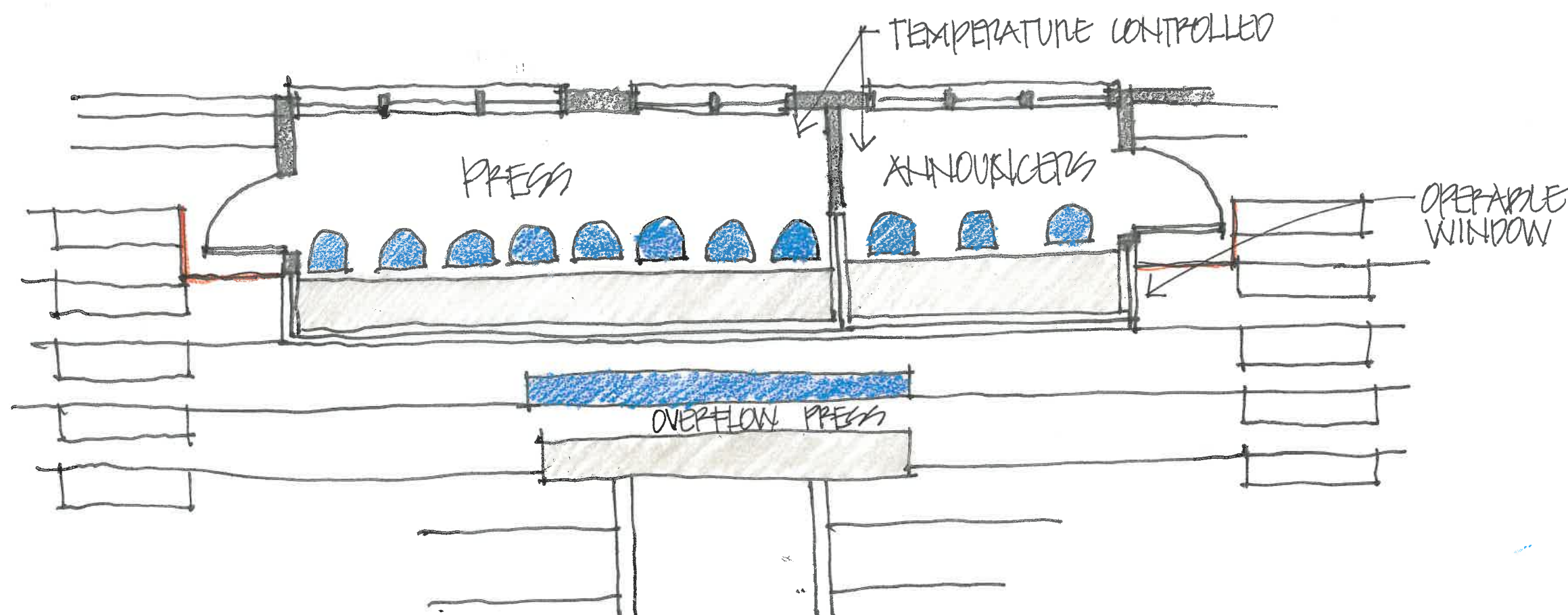
The Destination Iowa grant opportunity allows selected projects to receive 40% of eligible project costs. If this project is still important to the City, City staff is recommending we apply for \$368,720 of the Destination Iowa under their Outdoor Recreation category to make improvements to Merchants Park. Carroll Athletic Association has tentatively committed to provide a total of \$100,000 leaving a total of \$453,080 or just under 50% of the total project cost left. The City, with the assistance of Region XII and Carroll Athletic Association, will work to secure additional grant funding to lower the City's overall contribution; however, the grant will require the City to show that 60% of the project costs are in place when the grant application is submitted.

### **Potential City of Carroll Funding Sources:**

Staff would suggest that either Local Option Sales or American Rescue Plan Act Available Funds could be used as the City's match.

**RECOMMENDATION:** Mayor and City Council to discuss and review funding request for Merchants Park Enhancement Project.





FLOOR PLAN

1/4" = 11.0'

NEW PRESS BOX  
MERCHANT'S PARK  
CARROLL, IA.



**CITY OF CARROLL - MERCHANTS PARK 2021 IMPROVEMENTS  
OPINION OF PROBABLE COSTS**

ITEM DESCRIPTION	QUANTITY	UNITS	UNIT COST	COST	
Concession Stand Enhancements	1	LS	* \$ 25,000.00	= \$ 25,000	
<b>Concession Stands</b>					<b>\$ 25,000</b>
Press Box Improvements and Expansion	1	LS	* \$ 100,000.00	= \$ 100,000	
<b>Press Box Improvements and Expansion</b>					<b>\$ 100,000</b>
Removal and Salvaging of Existing Bleachers	1	LS	* \$ 10,000.00	= \$ 10,000	
Bleacher Set w/ ADA Improvements ~ 180 Seats per Set	2	EA	* \$ 70,000.00	= \$ 140,000	
Sidewalk Expansion	190	SY	* \$ 55.00	= \$ 10,500	
<b>Bleacher Improvements</b>					<b>\$ 160,500</b>
Dugout Expansion	1	LS	* \$ 50,000.00	= \$ 50,000	
Dugout Fencing and Padding	1	LS	* \$ 7,500.00	= \$ 7,500	
<b>Dugout Expansion and Improvements</b>					<b>\$ 57,500</b>
Removal and Disposal of Existing Fencing	1250	LF	* \$ 12.00	= \$ 15,000	
6' Tall Black Vinyl Fencing	1250	LF	* \$ 36.00	= \$ 45,000	
Fencing Safety Topper	1250	LF	* \$ 3.00	= \$ 3,800	
Outfield Windscreen	1	LS	* \$ 12,000.00	= \$ 12,000	
<b>Fencing Improvements</b>					<b>\$ 75,800</b>
Netting Expansion Beyond Dugouts	1	LS	* \$ 36,000.00	= \$ 36,000	
Removal and Replacement of Existing Backstop Wire Netting	1	LS	* \$ 12,000.00	= \$ 12,000	
<b>Backstop Netting Expansion</b>					<b>\$ 48,000</b>
Musco Lighting - LED Improvements	1	LS	* \$ 220,000.00	= \$ 220,000	
Lighting Tower - Structural Improvements	1	LS	* \$ 35,000.00	= \$ 35,000	
<b>Lighting Improvements</b>					<b>\$ 255,000</b>

<b>Construction Subtotal</b>	<b>\$ 722,000</b>
Design & Construction Contingencies - (20%)	<b>\$ 145,000</b>
Professional Services (Engineering, Geotechnical, Testing, other) - (15%)	<b>\$ 109,000</b>
<b>Opinion of Probable Cost of Construction</b>	<b>\$ 976,000</b>

The Architect/Engineer, as a design professional familiar with the construction industry, has prepared this opinion of the Probable Cost of Construction. It is recognized, however, that neither the Architect/Engineer nor the Owner has control over the cost of labor, materials, or equipment, over the Contractor's method of determining bid prices, or over competitive bidding, market, or negotiating conditions. Accordingly, the Architect/Engineer cannot and does not warrant or represent which bids or negotiated prices will not vary from the Probable Cost of Construction.

# City of Carroll

627 N. Adams Street

Carroll, Iowa 51401

(712) 792-1000

FAX: (712) 792-0139

**MEMO TO:** Mike Pogge-Weaver, City Manager *WSPW*  
**FROM:** Randall M. Krauel, Director of Public Works *RMK*  
**DATE:** April 20, 2022  
**SUBJECT:** Pleasant Ridge Road – Timberline Road Sidewalk

“Sidewalk connecting Timberline to Pleasant Ridge (City vs. property owner)” is a Proposed New Initiative for Fiscal Year 2022 of the 2021 Leadership – Goal Setting – Strategic Planning Work Session, November 16, 2021. As a result of that Initiative, funding in the amount of \$15,000.00 for design of the sidewalk was included in the F.Y. 22-23 Budget. The Capital Improvement Plan includes the sidewalk construction in F.Y. 24.

The attached drawing illustrates a proposed sidewalk at the following locations:

Pleasant Ridge Road – North side; from existing sidewalk on the east to the west side of Hidden Valley Road.

Hidden Valley Road – West side; from the north side of Pleasant Ridge Road to the southerly side of Timberline Road.

Timberline Road – Southerly side; from the west side of Hidden Valley Road easterly to the existing sidewalk.

There is also illustrated an alternate sidewalk located on the southerly side of Timberline Road connecting Prairie Ridge Drive to the intersection with Hidden Valley Road.

Based on the level of bidding interest on the City’s Street Restoration – 2022 project, a sidewalk construction project may or may not generate bidding interest. Moving forward with the Street Restoration – 2022 project would retain a contractor that may have an interest in constructing a sidewalk.

At this time, Mayor and City Council direction on the Pleasant Ridge Road – Timberline Road Sidewalk project is requested.

**RECOMMENDATION:** Mayor and City Council consideration and direction on the Pleasant Ridge Road – Timberline Road Sidewalk project.

RMK:ds

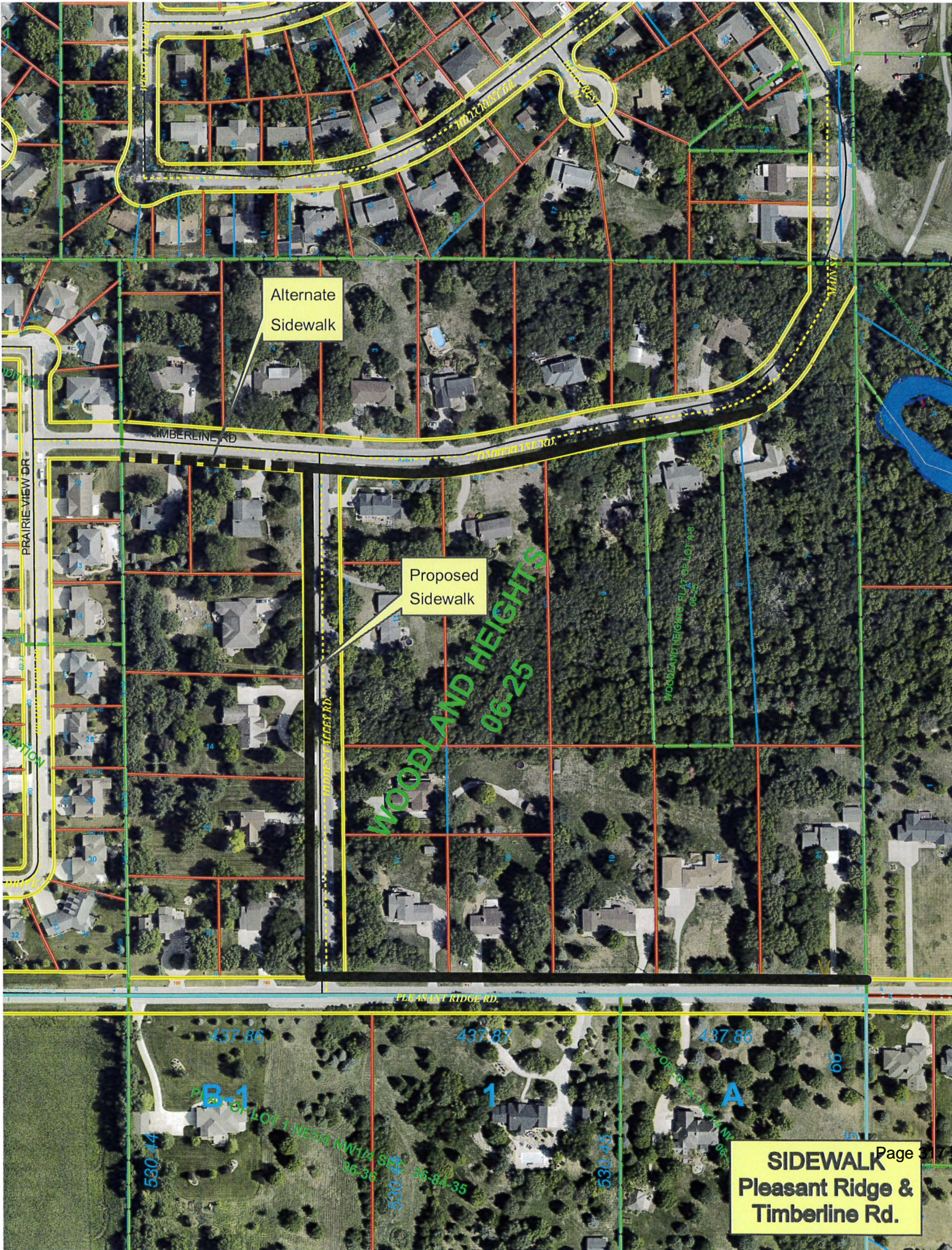
attachment

Alternate  
Sidewalk

Proposed  
Sidewalk

WOODLAND HEIGHTS  
06-25

WOODLAND HEIGHTS  
06-25



## CARROLL AIRPORT COMMISSION

### Regular Meeting

The regular meeting of the Carroll Airport Commission was held on Monday, April 11, 2022, at the Arthur Neu Airport. Commission members in attendance were Norman Hutcheson, Greg Siemann, Gene Vincent and Dick Fulton. Kevin Wittrock did not attend. Also attending were Don Mensen, airport manager and Carol Schoeppner, recording secretary. Chairman Hutcheson conducted the 5:30 P.M. meeting.

#### MINUTES

The minutes of the previous meeting were reviewed by the Commission. A motion by Comm. Fulton and seconded by Comm. Siemann was made to approve the minutes. Motion carried by Commissioners Hutcheson, Siemann, Vincent and Fulton.

#### HANGER REPAIR

One of the hangers is having problems with the floor separating at the seam. When that is being repaired the south entrance door frame on the shop hanger will be reinforced to give the door extra life.

#### BATTERY PACK

Don reported he ordered a battery pack to run the avionics/air conditioning for large aircraft parked on the ramp. It is estimated to install four NEMA 10-50 outlets would be \$1,365.00. After discussion it was determined the battery pack should be part of the equipment at the airport. A motion by Comm. Siemann and seconded by Comm. Vincent was made to reimburse Don for the cost of the battery pack. Motion carried by Commissioners Hutcheson, Siemann, Vincent and Fulton.

#### TOPICS DISCUSSED:

Don received a request from PepsiCo, Inc. to approve landings for two large aircraft. After reviewing the weights of the aircrafts a motion by Comm. Vincent and seconded by Comm. Siemann was made to approve the landings and takeoffs. Motion carried by Commissioners Hutcheson, Siemann, Vincent and Fulton.

IPAA meetings April 12th & 13th. Don is on the board.

Car rental contracts due next meeting.

**BILLS**

The following bills were presented to the Carroll Airport Commission for approval:

Carroll Aviation	contract	\$ 6,800.00
Westmor Fluid Solutions	fuel delivery repair	99.09
NAPA Auto Parts	air compressor repair	72.48
Wittrock Motor	car rental March	349.00
New Cooperative	farm chemicals	4,890.00
Drees Oil	propane	168.74
Carroll Refuse	March garbage	57.00
Raccoon Valley Electric	March electric service	1,430.59
Ecowater	cooler rent/water	123.74
Carol Schoeppner	secretary contract	350.00

A motion by Comm. Siemann and seconded by Comm. Fulton was made to approve the bills as presented to the Carroll Airport Commission. Motion carried by Commissioners Hutcheson, Siemann, Vincent and Fulton.

There being no further business, a motion by Comm. Vincent and seconded by Comm. Siemann was made to adjourn at 6:21 P.M..

The next regular meeting of the Carroll Airport Commission will be May 9, 2022, at the Arthur Neu Airport.

Chairman/Vice-Chairman

ATTEST:

\_\_\_\_\_

**CARROLL AIRPORT COMMISSION**

**Regular Meeting**

Monday, May 9, 2022

5:30 P.M.

Arthur Neu Airport

**Agenda**

Open bids for Airport Car Rental

Approve minutes from previous meeting

Farm Report

Flight Breakfast

New Business



# CARROLL COUNTY SOLID WASTE MANAGEMENT COMMISSION EXECUTIVE BOARD MEETING-UNOFFICIAL MINUTES

April 11, 2022  
Unofficial Minutes

1. The meeting was called to order at 6:31 a.m. by Vice-Chair Dan Snyder, Mayor of Breda at the Carroll County Recycling Center. Jeff Anthofer, Chair and Mayor of Coon Rapids arrived at 6:35 a.m. Others in attendance were: Scott Johnson, Carroll County Board of Supervisor; Harvey Dales, City of Manning; and Mark Beardmore, Mayor of Carroll. Others in attendance were Mary Wittry, Director and Cathy Toms, Office Manager.
2. Johnson moved and Dales seconded to approve the amended agenda with the following additions: shooting range proposal and recycling marketing. Motion carried, all voting aye.
3. Johnson moved and Beardmore seconded to approve the minutes of the March 8, 2022 meeting as presented. Motion carried, all voting aye.
4. Dales reviewed the bills payable -see attached. Dales moved and Johnson seconded to approve the bills as presented. Motion carried, all voting aye.
5. Toms presented the financial report, review of set aside accounts and market prices. Dales moved and Johnson seconded to approve the reports as presented. Motion carried, all voting aye.
6. Wittry presented the Environmental Management System (EMS) Environmental Policy Statement, Fenceline and Core team. These documents are reviewed annually. Dales moved and Snyder seconded to authorize the Chair to sign the documents as presented. Motion carried, all voting aye.
7. A proposal was received from Western Iowa Networks for updated phones and services. Johnson moved and Dales seconded to purchase the phones and services as presented.
8. Two quotes were received for rock on the landfill road. Johnson moved and Beardmore seconded to award Tiefenthaler Ag Lime for 2" crushed concrete for \$23 per ton delivered. Motion carried, all voting aye.
9. Wittry gave a staff update for an employee working remotely and the possibility of another production sorter needed in the future.
10. Discussion included financial assurance submittal, approved landfill permit, stormwater pollution and prevention plan inspection, and the 2021 Water Quality Report. A proposal to expand the shooting range for a local shooting club was reviewed. No action taken on any of the items.
11. The EMS grant for a baler for baling #3-7 plastics containers has been approved. The Commission is still waiting on a response from the Recycling Partnership. Johnson moved and Snyder seconded to authorize Wittry to order the baler if funding from the Partnership is approved prior to the next Board meeting. Motion carried, all voting aye. Members discussed other agencies marketing efforts for more recycling for their facility.
12. Upcoming events and timeframes were reviewed. The Commission has been chosen to participate in the waste sort hosted by the Iowa Department of Natural Resources. The waste sort will give staff valuable information to be used in education efforts.
13. Next meeting date is Tuesday, May 10, 2022 at 6:30 a.m. at the Recycling Center.
14. Johnson moved and Beardmore seconded to adjourn at 7:45 a.m. Motion carried.

Respectfully submitted,

Mary Wittry

CIVIL SERVICE COMMISSION  
MINUTES OF April 20, 2022

The City of Carroll Civil Service Commission met on Wednesday, April 20, 2022 at 3:50 P.M. in the Conference Room at the Carroll City Hall. Members present: Phil Markway, Chairperson, Todd Bierl, and Sheri Mertz. Absent: None. Also present: City Manager Mike Pogge-Weaver.

\* \* \* \* \*

It was moved by Mertz, seconded by Bierl, to approve the minutes of the February 28, 2022 meeting, as written. All present voted aye. Absent: None. Motion carried.

\* \* \* \* \*

City Manager Pogge-Weaver discussed the process of moving to a full time Fire Chief and the roll the Civil Service Commission will serve during the hiring process.

It was moved by Mertz, seconded by Markway, to approve the proposed revisions to the Civil Service Rules and Regulations, as written. Absent: None. Motion carried.

\* \* \* \* \*

It was moved by Mertz, seconded by Bierl, to waive the 30-day posting requirement for the Fire Chief application deadline. All present voted aye. Absent: None. Motion carried.

\* \* \* \* \*

It was moved by Bierl, seconded by Mertz, to adjourn at 4:25 P.M. All present voted aye. Absent: None. Motion carried.

\_\_\_\_\_  
Phil Markway, Chairperson

ATTEST:

\_\_\_\_\_  
Laura A. Schaefer, Secretary