

CITY OF DUBUQUE, IOWA

Comprehensive Annual Financial Report

**For the fiscal year ended
June 30, 1995**

**Prepared by:
Department of Finance**

INTRODUCTORY SECTION

CITY OF DUBUQUE, IOWA

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Finance Division
50 West 13th Street
Dubuque, Iowa 52001-4845

November 17, 1995

TO THE CITIZENS OF DUBUQUE, IOWA:

The comprehensive annual financial report of the City of Dubuque, Iowa, for the fiscal year ended June 30, 1995, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with this governing body. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of this municipality. All disclosures necessary to enable the reader to gain an understanding of the government's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the government's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the auditor's report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

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

This report includes all funds and account groups of the City of Dubuque, as well as all of its component units. Component units are legally separate entities for which the City of Dubuque is financially accountable. The City provides a full range of services including police and fire protection; sanitation services; the construction and maintenance of roads, streets, and infrastructure; inspection and licensing functions; maintenance of grounds and buildings; municipal airport; library; recreational activities and cultural events. In addition to general government activities, the municipality owns and operates enterprises for a water system, water pollution control facility, parking facilities, refuse collection, and public transportation. Also, the governing body is financially accountable for the operations of the Dubuque Library Board, Airport

Commission, Civic Center commission, Cable TV Commission, Transit Board, and the Park and Recreation Commission. Therefore, these activities are included in the reporting entity.

This report includes the Dubuque Metropolitan Area Solid Waste Agency (DMASWA) as a discretely presented component unit. The discretely presented component unit is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the City of Dubuque and to differentiate its financial position, results of operations and cash flows from those of the City. The City of Dubuque appoints a voting majority to the DMASWA governing board and operates the landfill.

ECONOMIC CONDITION AND OUTLOOK

The City of Dubuque is located on the Mississippi River, in northeast Iowa, adjacent to the states of Illinois and Wisconsin. The City was founded by Julien Dubuque in 1785 and is the oldest City in Iowa. The City of Dubuque has a unique combination of the old and new ranging from cable cars, Victorian architecture, and a Civil War shot tower, to an enclosed shopping mall, riverboat casino, and a pari-mutuel dog track. Dubuque has a stable and diversified manufacturing base as well as being the major tri-state retail center. Retail sales in FY 95 totaled \$688,698,553, growing at the rate of 12.77 percent over the previous year. The City of Dubuque currently has a land area of 24 square miles and a population of 57,538.

The City of Dubuque is empowered to levy a property tax on real property located within the City limits. The City has operated under a council-manager form of government since 1920. Policy making and legislative authority are vested in the governing council, which consists of a mayor and a six-member council. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring the City Manager, City Attorney, and City Clerk. The City Manager is responsible for overseeing the day-to-day operations of the government, and for appointing the heads of the government's departments. The council is elected on a non-partisan basis. Council members are elected to four-year staggered terms with three council members elected every two years. The mayor is elected to a four-year term. Four of the council members are elected within their respective wards, the mayor and the two remaining council members are elected at large.

The ongoing efforts in revitalizing neighborhoods and the downtown district were rewarded in 1995 as Dubuque was one of five cities to be honored as a recipient of the Great American Main Street Award from the National Trust for Historic Preservation. The City of Dubuque and the other recipients were recognized by President Bill Clinton during the opening session of the 1995 National Town Meeting on Main Street at the Statehouse Convention Center in Little Rock, Arkansas. Since 1985, downtown Dubuque has witnessed 325 business starts and 968 new jobs. And along with a bustling shopping area, downtown is now home to 150 new housing units, a convention center, the symphony, community theater, art and riverboat museums, and summer and winter sports centers.

The economic condition of Dubuque reflects the strength of the Midwest regional economy over the last several years. The local unemployment rate remained below four percent for the entire fiscal year. A major hail and wind storm which struck the City in August of 1994 created a

large increase in construction activity as roofs, siding and windows were replaced throughout the City. The number of building permits issued increased from 1,862 to 6,918. Housing starts have remained strong despite difficulty in finding contractors. Building permits were issued for 88 new single family units and 115 new multi-family units during the year.

The City has continued to work in partnership with the state, local non-profit development corporations, the regional planning agency, the community college, utility companies, and the private sector to promote and enhance its economic development efforts. The direct results of this cooperative venture included the creation of 144 new jobs at local companies experiencing expansions.

The Urban Renewal District in the downtown area was extended and plans were made for several improvements in the old Main Street area. The Bishop's Block, an historic warehouse was renovated into 32 upper level affordable housing units and street level commercial space. Other initiatives included the exterior rehabilitation of the Cooper Wagon Works and concentrated building code enforcement to improve the appearance of buildings in the district. A comprehensive streetscape and traffic circulation study was begun with funding provided by an Inter-modal Surface Transportation Efficiency Act (ISTEA) grant.

In addition to economic development projects in which the City has played a direct role, there has been significant private investment in industrial, commercial and retail development in the community. Several new commercial, industrial, and institutional construction projects were completed during the year with 340,000 square feet of new development finished in FY 95. Construction was begun on a 130,000 square foot Lowe's Home Improvement Center. The new Lowe's store will be the largest single store retail center in the City of Dubuque.

In late September of 1995 FDL foods closed the kill and cut operations of its Dubuque pork processing plant. This resulted in the layoff of approximately 900 employees representing around 50 percent of the FDL work force. Interest in purchase of the plant has been strong with a sale of the plant to IBP in the final negotiating stage. With unemployment under three percent for the months of July through September 1995, and a continued trend of job creation, it is anticipated that the laid-off workers will be able to find other employment even if the plant does not reopen. A survey conducted by the Dubuque Chamber of Commerce indicated that the 1,000 chamber members forecast creation of 5,000 new jobs over the next three years. A displaced workers grant was received in September and a task force of government agencies, non-profit institutions, and educational institutions have begun working to retrain and re-employee the displaced workers.

MAJOR INITIATIVES

For the Year. The City of Dubuque staff, following specific directives of the Mayor, City Council and City Manager, have been involved in a variety of projects throughout the year. These projects reflect the City's commitment to continue to provide high quality services to the citizens of Dubuque within the budget guidelines set by the Mayor and City Council.

The City has continued to invest in capital improvements to increase efficiency and reduce ongoing operational expenses. Ten full-time equivalent positions were eliminated in FY 95 without reduction in City services, primarily a result of a long-term program of capital improvements at the water and wastewater treatment plants. Since 1981 the City has reduced the number of full-time employees by 13.3 percent while at the same time adding or expanding services. Because of the commitment to investing for operating efficiency, taxes have remained quite stable and have grown at a rate less than half of the inflation rate as measured by the consumer price index. Of the nine largest cities in the state of Iowa, the City of Dubuque had the second lowest City property tax rate.

Construction of a 12,900 square foot Aircraft Rescue and Firefighting (ARF) facility was completed at the Dubuque Regional Airport. This multi-use facility was funded primarily by the Federal Aviation Administration (FAA) and will house air operations safety and snow removal equipment as well as administrative offices and maintenance shop. A contract that was awarded for the complete reconstruction and lengthening of the primary runway at the airport will also be funded primarily by the FAA.

A major plant reconstruction project at the Water Pollution Control Plant initiated in FY 1993 has progressed during FY 1995. This project will modernize the City's wastewater treatment facility, improve environmental quality, and reduce operating costs. Phase I of the project involved renovation and improvements to the primary processing and solids handling portion of the plant. Phase II of the project, completed in FY 1995, removed the cryogenic oxygen plant. Phase III of the project provides for improvements to the secondary treatment portion of the plant, including implementation of a plant supervisory control and data acquisition system and will be initiated in FY 96.

The final phase of electrical and hydraulic improvements for the Water Plant were completed. This project replaced aging electrical and pump systems and integrated these systems into the automated plant control system and added a backup generator. Four and one half full-time equivalent positions were eliminated in the Water Plant due to operational efficiencies realized with this and other capital improvements.

A fourth pressure zone was added to the water distribution system. This investment was made to improve water pressure in areas of higher elevation and to accommodate future growth in the rapidly expanding west side of the City.

Total street reconstruction was completed for Henion and McCormick streets. The annual budget for street reconstruction was increased from \$2.1 million to \$4.5 million, reflecting the City Council's commitment to infrastructure maintenance.

Financial system conversions have been smoothly completed for general ledger accounting, payroll, and utility billing. These conversions included changes in software and hardware. The hardware system was downsized from an outdated and expensive to maintain mainframe system to a smaller more powerful UNIX system. This conversion will allow the City to completely eliminate the mainframe system early in FY 96. The new software systems will improve financial control, financial reporting, and customer service.

The City of Dubuque Human Rights Department received the U.S. Department of Housing and Urban Development (HUD) award for Outstanding Performance in the Fair Housing Assistance Program. Dubuque's Human Rights Department was recognized for its exceptional job of processing fair housing complaints, with 98% of the complaints handled within the 100 day processing time period and in accordance with HUD guidelines.

The City also expanded the Community oriented policing program by adding seven police officers, including three on bicycle patrol in the downtown area. The officers involved received extensive training in community policing and bicycle and foot patrol. The officers and their supervisors also attend neighborhood and community group meetings, as well as meeting with individual citizens to help solve problems and improve living conditions in the downtown area. Calls for service in the target area and surrounding areas have been reduced considerably. The City Recreation Division's expansion of youth recreation programs in targeted low-income neighborhoods experienced excellent participation rates.

For the Future. The Mayor and City Council continued to take action to achieve their goals of maintaining a strong local economy, sustaining stable property tax levies, and enhancing safety and security of citizens through neighborhood vitality. A program of comprehensive service reviews has continued as a vehicle for analyzing City services, identifying opportunities for improvement, and determining areas of possible cost reductions. The goal of the service review program is to assure that services desired by the citizens are provided in the most cost effective and efficient method possible.

Several major transportation infrastructure improvements have been planned. Most notably, a four-lane limited access improvement to U. S. Highway 20 through the City will greatly enhance the City's primary East-West transportation link. The U. S. Highway 20 project was begun in FY 95 and is scheduled to be completed in 1997. The project has progressed as planned with minimal impact on local traffic. Major improvements are also in progress on U. S. Highways 61 and 151 which will extend four-lane access on the City's primary North-South links. The U.S. Highway 61 improvement will give the City a four-lane connection with U.S. Interstate Highway 80 by the end of 1998. Within the City, an extension of the Northwest Arterial and expansion from two to four lanes will greatly improve access to expanding westside office, retail, and industrial locations.

Implementation has begun on a multi-year project to establish a city-wide geographical information system (GIS). The system will include a fiber optic network connecting most City locations and a centralized geographic database to be used primarily by engineering, City utilities, planning, and economic development. Aerial mapping of the City will begin in FY 96 with a pilot project area to be completed in FY 96. The progress on this project will be chronicled in a series of articles in the *International City/County Management Association* monthly magazine.

The City annexed 55 acres of land at the intersection of Asbury Road and the Northwest Arterial to allow development of a 500,000 square foot retail center. The planned center will include large department, grocery, and electronics stores as anchors and will also include several outlying lots for future retail expansion. When completed this development will be the second largest retail center in Dubuque.

The City began work on development of a new industrial park. An agreement is being negotiated with Dubuque County for the City to acquire 200 acres of property for industrial development. A request for proposals has been issued to accept proposals on site planning and design work for the development of the land for industrial use and examination of three other potential industrial park sites.

A Riverboat/Dog Track gambling referendum was passed in 1994 which allowed installation of slot machines at the Dubuque Greyhound Park dog track and removed the wagering limits on the Riverboat Casino. As a result of this referendum the Diamond Jo, a 750 passenger riverboat casino was replaced by the Diamond Jo II, a 1,500 passenger riverboat casino in October 1995 with daily attendance nearly doubling. On November 23, 1995 the City owned dog track will open a 524 slot machine casino. The increased revenues to the City will be used primarily to fund capital improvements.

FINANCIAL INFORMATION

City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit. As a recipient of federal and state financial assistance, the City of Dubuque government also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff. As a part of the government's single audit, described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the government has complied with applicable laws and regulations. The results of the government's single audit for the fiscal year ended June 30, 1995, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulation.

Budgeting Controls. In addition, the government maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. All funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by program. The government also maintains an encumbrance accounting system as one technique for accomplishing budgetary control. Encumbered amounts lapse at year-end. However, encumbrances generally are re appropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the government continues to meet its responsibility for sound financial management.

General Government Functions. The following schedule presents a summary of general fund, special revenue fund and debt service fund revenues for the fiscal year ended June 30, 1995, and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenues	Amount (000's)	Percent of Total	Increase (Decrease) from 1994 (000's)	Percent of Increase (Decrease)
Taxes	20,889	53.03%	594	2.93%
Special assessment	441	1.12%	66	17.60%
Licenses and permits	921	2.34%	248	36.85%
Intergovernmental	9,457	24.01%	(1,010)	(9.65%)
Charges for services	4,494	11.41%	968	27.45%
Fines and forfeits	341	0.87%	(47)	(12.11%)
Miscellaneous	690	1.75%	328	90.61%
Interest	2,155	5.47%	717	49.86%
Total Revenues	39,388	100.00%	1,864	4.97%

The increase in special assessment revenue reflects the completion of larger projects funded by special assessments and early payment of assessments due to low market interest rates relative to special assessment interest rates.

License and permit revenue increased considerably due to building permit activity related to a large hail storm which damaged several buildings in the City.

Intergovernmental receipts were reduced due to the one-time FEMA funding of flood related repairs received in the prior year.

The increase in interest revenue was due to a combination of improved investment return rates and the recovery of funds formally held in receivership related to the close of the Iowa Trust.

The tax rate of \$4.8486 established for general fund operations (excluding fringe benefits) is within the tax rate limit of \$8.10 per \$1,000 of taxable valuation allowed by the Code of Iowa. The \$.4187 decrease from FY 1994 is primarily a result of increased valuations.

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended June 30, 1995, and the percentage of increases and decreases in relation to prior year amounts.

Expenditures	Amount (000's)	Percent of Total	(Decrease) from 1994 (000's)	Percent of Increase (Decrease)
Current:				
Administration	2,927	8.75%	(2,529)	(46.35%)
Protective services	11,747	35.14%	679	6.13%
Facilities and environment	9,785	29.27%	(1,304)	(11.76%)
Leisure services	5,207	15.57%	800	18.75%
Other	0	0.00%	(3)	N/A
Debt Service:				
Principal	2,788	8.34%	(293)	(9.51%)
Interest and fiscal charges	977	2.92%	(134)	(12.06%)
Capital outlay	4	0.01%	(80)	(95.24%)
Total Expenditures	33,435	100.00%	(2,864)	(7.89%)

Changes in expenditure amounts for the Administration, Facilities and Environment, and Leisure services programs were primarily related to changes in the capital improvement programs in these areas. Operating expenditures have held steady to slightly rising in each of these three programs.

The increase in expenditures in the Protective Services Program is due primarily to the addition of seven new police officers.

The decrease in debt service expenditures reflects the pre-payment of \$270,000 of special assessment bonds in the prior year.

General Fund Balance. The State of Iowa recommends that a working cash balance for the subsequent year be maintained in an amount equivalent to either (a) anticipated revenues, less anticipated expenditures, for the first three months, or (b) five percent of the budget provision.

The five-percent method employed by the City of Dubuque required a reserve amount of approximately \$873,000 as of June 30, 1995, and this amount was available. The Dubuque City Council has set a budget guideline of maintaining a general fund balance at ten percent of the budget provision. The Council budget guideline requires a reserve amount of approximately \$1,746,000, and this amount was available.

Enterprise Operations. The enterprise operations consist of water and wastewater systems, parking facilities, refuse collection, and a transit system. With respect to the outstanding parking and water revenue bonds, earnings from the related utilities have met bond covenant requirements for net revenues to be equal to either 130% or 135% of current debt service requirements.

Debt Administration. At June 30, 1995, the City of Dubuque had a number of debt issues outstanding. These issues included \$14,772,000 of general obligation bonds, \$1,310,000 of tax-increment financing bonds, and \$3,500,000 of revenue bonds. The government has maintained its Aa rating from Moody's Investors Service on general obligation bond issues. Under current state statutes, the government's general obligation bonded debt issues are subject to a legal limitation based on 5 percent of total actual value of real property. As of June 30, 1995, the government's net general obligation bonded debt of \$14,775,000 was well below the legal limit of \$72,501,000, and debt per capita equaled \$258.63.

Cash Management. Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, repurchase agreements, U.S. Treasury securities, federal agency obligations, and authorized mutual funds. The City recorded investment earnings of \$2,425,265 for the year.

The investment policy adopted by the City Council stresses the importance of capital preservation. The policy directives intend to minimize credit and market risks while maintaining a competitive yield on the portfolio. Accordingly, deposits were either covered by federal depository insurance or collateralized. All collateral on uninsured deposits was held either by the State Treasurer, the government, its agent, or a financial institution's trust department in the government's name. All of the investments subject to risk categorization were classified in the category of lowest credit risk as defined by the Governmental Accounting Standards Board. The non-classified investments includes mutual funds. The government's deferred compensation mutual fund is included in this section.

Risk Management. The City of Dubuque is a member of a statewide risk pool for local governments, the Iowa Communities Assurance Pool. The coverage for general and auto liability, as well as public official and police professional liability, are acquired through this agency. Worker's compensation coverage up to \$400,000 for each accident is provided through self-insurance. The accumulated reserve provision for such claims equaled \$386,555 as of June 30, 1995. The City has also established self-insurance plans for medical, dental, prescription drug, and short-term disability. The accumulated reserve provision for such claims equaled \$1,5560,773 as of June 30, 1995. All self-insured health plans are certified as actuarially sound and certificates of compliance have been filed with the State of Iowa.

OTHER INFORMATION

Independent Audit. State statutes require an annual audit by independent certified public accountants. The accounting firm of Charles Bailly & Company, P.L.L.P., was selected for this purpose. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the federal Single Audit Act of 1984 and related OMB Circular A-128. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit Section.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA), awarded a certificate of achievement for excellence in financial reporting to the City of Dubuque, Iowa, for its comprehensive annual financial report for the fiscal year ended June 30, 1994.

In order to be awarded a certificate of achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A certificate of achievement is valid for a period of one year only. The current report will be submitted to the GFOA for review and recommendations. Expectations are high that this year's report will again meet the standards for excellence in financial reporting. Efforts were made to correct past deficiencies and to incorporate suggested improvements.

The City also received the GFOA Award for Distinguished Budget Presentation for the annual budget for the fiscal year beginning July 1, 1995. In order to receive the award, the government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications medium.

Acknowledgments. We compliment the staff of the finance department for its help in preparing this report. We also commend the City Council and all department and division managers for their interest and support in planning and conducting the financial operations of the City of Dubuque in a responsible and progressive manner. We also thank the independent certified public accountants, Charles Bailly & Company P.L.L.P., whose competent assistance and technical expertise have enabled the production of this report.

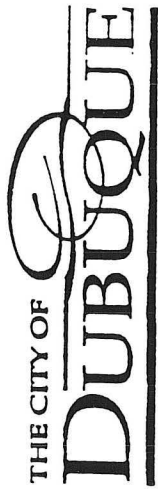
Sincerely,



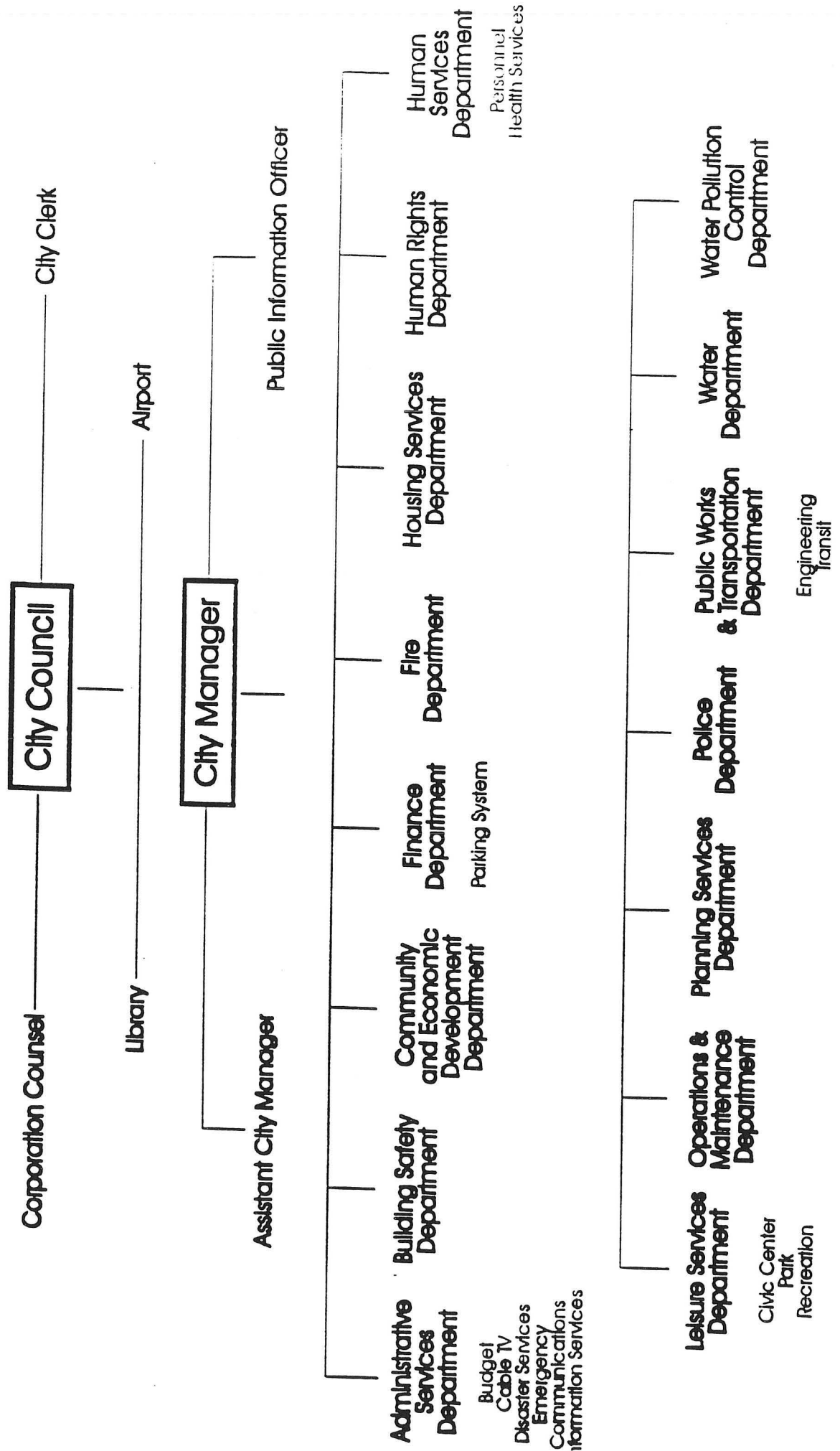
Michael C. Van Milligen
City Manager



Duane R. Pitcher
Finance Director



ORGANIZATIONAL CHART



CITY OF DUBUQUE, IOWA

OFFICIALS

June 30, 1995

CITY COUNCIL

TERRANCE M. DUGGAN	MAYOR
DANIEL E. NICHOLSON	COUNCIL MEMBER - AT LARGE
ROBERT W. NAGLE	COUNCIL MEMBER - AT LARGE
KATHRYN E. KRIEG	COUNCIL MEMBER - 1ST WARD
LORAS J. KLUESNER	COUNCIL MEMBER - 2ND WARD
JOSEPH T. ROBBINS	COUNCIL MEMBER - 3RD WARD
DIRK K. VOETBERG	COUNCIL MEMBER - 4TH WARD

COUNCIL APPOINTED OFFICIALS

MICHAEL C. VAN MILLIGEN	CITY MANAGER
BARRY A. LINDAHL	CORPORATION COUNSEL
WILLIAM G. BLUM	CITY SOLICITOR
JAMES A. O'BRIEN	ASSISTANT CITY ATTORNEY
MARY A. DAVIS	CITY CLERK

DEPARTMENT MANAGERS

CHARLES J. AZEBEOKHAI	HUMAN RIGHTS DIRECTOR
JAMES D. BURKE	COMMUNITY/ECONOMIC DEVELOPMENT DIRECTOR
LAURA B. CARSTENS	CITY PLANNER
BOB GREEN	WATER PLANT MANAGER
DAVID W. HARRIS, JR.	HOUSING SERVICES MANAGER
PAUL HORSFALL	WATER POLLUTION CONTROL PLANT MANAGER
PAULINE J. JOYCE	ADMINISTRATIVE SERVICES MANAGER
MICHAEL A. KOCH	PUBLIC WORKS DIRECTOR/CITY ENGINEER
JOHN J. MAUSS	POLICE CHIEF
WILLIAM T. MILLER	FIRE CHIEF
RANDALL K. PECK	HUMAN SERVICES MANAGER
DUANE PITCHER	FINANCE DIRECTOR
DAVID SHURTS	BUILDING SAFETY DEPARTMENT MANAGER
GIL D. SPENCE	LEISURE SERVICES MANAGER
DONALD J. VOGT	OPERATIONS AND MAINTENANCE MANAGER

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Dubuque,
Iowa

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1994

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



President

Executive Director

FINANCIAL SECTION



Charles Bailly & Company P.L.L.P.

Certified Public Accountants • Consultants

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council:

We have audited the accompanying general purpose financial statements of the City of Dubuque, Iowa, as of and for the year ended June 30, 1995, as listed in the table of contents. These general purpose financial statements are the responsibility of the management of the City of Dubuque. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; Chapter 11 of the Code of Iowa; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the City of Dubuque, Iowa, as of June 30, 1995, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 17, 1995, on our consideration of the City of Dubuque, Iowa's, internal control structure and a report dated November 17, 1995, on its compliance with laws and regulations.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements, schedules, and statistical data listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Dubuque, Iowa. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the general purpose financial statements; and, in our opinion, the information is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Charles Bailly & Company P.L.L.P.

Dubuque, Iowa
November 17, 1995

**GENERAL PURPOSE
FINANCIAL STATEMENTS**

THE CITY OF
DUBUQUE

Showing the Spirit.

CITY OF DUBUQUE, IOWA

Combined Balance Sheet - All Fund Types, Account Groups, and
Discretely Presented Component Unit

June 30, 1995

	Governmental Fund Types				Proprietary
	General	Special Revenue	Debt Service	Capital Projects	Enterprise
Assets and Other Debits					
Assets:					
Cash and pooled cash investments	\$ 4,764,312	\$ 9,098,878	\$ 1,641,729	\$ 9,452,233	\$ 8,333,327
Cash and pooled cash investments - nonexpendable trust	0	0	0	0	0
Investments	0	0	0	0	0
Insurance deposit	0	0	0	0	0
Receivables:					
Taxes	143,103	32,525	51,547	0	9,712
Accounts	404,724	0	0	0	1,325,658
Special assessments	0	512,497	0	0	0
Accrued interest	236,321	537,052	0	71,851	92,097
Notes - current	0	1,293,615	75,000	0	0
Notes - long-term	0	10,354,336	0	0	0
Intergovernmental	46,133	4,165,403	0	350,712	1,719
Due from other funds	415,388	0	0	0	0
Due from primary government	0	0	0	0	0
Inventory	0	0	0	0	203,674
Prepaid items	0	0	0	0	5,037
Restricted assets:					
Cash and pooled cash investments	0	0	0	0	3,267,608
Accrued interest receivable	0	0	0	0	11,954
Deferred charges	0	0	0	0	17,743
Land	0	0	0	0	1,151,521
Buildings and improvements	0	0	0	0	38,638,227
Improvements other than buildings	0	0	0	0	12,707,619
Machinery and equipment	0	0	0	0	27,356,017
Construction in progress	0	0	0	0	11,511,550
Accumulated depreciation	0	0	0	0	(41,810,328)
Other Debits:					
Amount available in debt service funds	0	0	0	0	0
Amount to be provided for retirement of general long-term debt	0	0	0	0	0

Total Assets and Other Debits \$ 6,009,981 \$ 25,994,306 \$ 1,768,275 \$ 9,874,796 \$ 62,823,136

See notes to financial statements.

Fund Types	Fiduciary Fund Type	Account Groups		Totals Primary Government (Memorandum Only)	Component Unit Dubuque Metropolitan Area Solid Waste Agency	Totals Reporting Entity (Memorandum Only)
Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt			
\$ 1,927,725	\$ 399,859	\$ 0	\$ 0	\$ 35,618,062	\$ 3,839,852	\$ 39,457,915
0	83,136	0	0	83,136	0	83,136
0	5,816,043	0	0	5,816,043	0	5,816,043
1,000				1,000		1,000
0	0	0	0	236,887	0	236,887
0	12,431	0	0	1,742,813	231,837	1,974,650
0	0	0	0	512,497	0	512,497
23,592	736	0	0	961,649	9,342	970,991
0	0	0	0	1,368,615	0	1,368,615
0	0	0	0	10,354,336	0	10,354,336
0	0	0	0	4,563,966	0	4,563,966
0	0	0	0	415,388	0	415,388
0	0	0	0	0	58,021	58,021
22,143	0	0	0	225,817	0	225,817
0	0	0	0	5,037	0	5,037
0	89,141	0	0	3,356,749	396,957	3,753,706
0	0	0	0	11,954	0	11,954
0	0	0	0	17,743	0	17,743
0	0	9,267,822	0	10,419,343	552,528	10,971,871
0	0	35,609,897	0	74,248,124	3,146,598	77,394,723
0	0	4,889,748	0	17,597,367	0	17,597,367
135,667	0	12,025,261	0	39,516,945	1,096,773	40,613,717
0	0	1,326,807	0	12,838,357	0	12,838,357
(92,643)	0	0	0	(41,902,971)	(1,733,622)	(43,636,593)
0	0	0	1,722,442	1,722,442	0	1,722,442
0	0	0	13,496,194	13,496,194	0	13,496,194

\$ 2,017,483 \$ 6,401,345 \$ 63,119,535 \$ 15,218,636 \$ 193,227,493 \$ 7,598,286 \$ 200,825,779

(continued)

CITY OF DUBUQUE, IOWA

Combined Balance Sheet - All Fund Types, Account Groups, and
Discretely Presented Component Unit

June 30, 1995

	Governmental Fund Types				Proprietary
	General	Special Revenue	Debt Service	Capital Projects	Enterprise
Liabilities, Equity, and Other Credits					
Liabilities:					
Accounts payable	\$ 91,959	\$ 298,204	\$ 0	\$ 307,105	\$ 697,127
Accrued payroll	311,404	140,033	0	0	138,324
General obligation bonds payable - current	0	0	0	0	190,000
Revenue bonds payable - current	0	0	0	0	103,500
Accrued compensated absences	1,046,470	78,080	0	0	295,857
Deferred compensation payable	0	0	0	0	0
Intergovernmental payable	0	324,274	0	0	0
Due to other funds	0	77,316	3,073	110,920	213,711
Due to component unit	0	0	0	0	58,021
Payable from restricted assets:					
Accounts payable	0	0	0	0	98,728
Revenue bonds payable	0	0	0	0	400,000
Accrued interest payable	0	0	0	0	54,142
Matured interest payable	0	0	300	0	188
Notes payable	0	0	0	0	0
General obligation bonds payable	0	0	0	0	1,610,000
Revenue bonds payable	0	0	0	0	2,974,190
Landfill closure and postclosure care	0	0	0	0	0
Tax-increment financing bonds payable	0	0	0	0	0
Deferred revenue	117,878	3,070,735	42,460	0	0
Total Liabilities	1,567,711	3,988,642	45,834	418,025	6,833,787
Equity and Other Credits:					
Contributed capital	0	0	0	0	32,497,319
Investment in general fixed assets	0	0	0	0	0
Retained earnings:					
Reserved by State statute	0	0	0	0	0
Reserved by bond ordinance	0	0	0	0	2,680,833
Unreserved	0	0	0	0	20,811,197
Fund Balances:					
Reserved for long-term notes receivable	0	10,354,336	0	0	0
Reserved for encumbrances	584,771	696,788	14,658	2,712,810	0
Reserved for dog track	0	0	0	870,569	0
Reserved by franchise agreement	0	0	0	0	0
Reserved for endowments	0	0	0	0	0
Reserved for debt service	0	0	1,707,783	0	0
Unreserved, undesignated	3,857,500	10,954,540	0	5,873,392	0
Total Equity and Other Credits	4,442,270	22,005,664	1,722,442	9,456,771	55,989,349
Total Liabilities, Equity, and Other Credits	\$ 6,009,981	\$ 25,994,306	\$ 1,768,275	\$ 9,874,796	\$ 62,823,136

See notes to financial statements.

EXHIBIT 1
(continued)

Fund Types	Fiduciary Fund Type	Account Groups		Totals Primary Government (Memorandum Only)	Component Unit Dubuque Metropolitan Area Solid Waste Agency	Totals Reporting Entity (Memorandum Only)
Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt			
\$ 764,525	\$ 1,025	\$ 0	\$ 0	\$ 2,159,944	\$ 78,285	\$ 2,238,229
24,734	562	0	0	615,056	9,933	624,989
0	0	0	0	190,000	0	190,000
0	0	0	0	103,500	0	103,500
0	13,129	0	637,386	2,070,922	34,352	2,105,274
0	5,816,043	0	0	5,816,043	0	5,816,043
0	0	0	0	324,274	0	324,274
10,367	0	0	0	415,388	0	415,388
0	0	0	0	58,021	0	58,021
0	0	0	0	98,728	0	98,728
0	0	0	0	400,000	0	400,000
0	0	0	0	54,142	0	54,142
0	0	0	0	488	0	488
0	0	0	296,250	296,250	0	296,250
0	0	0	12,975,000	14,585,000	0	14,585,000
0	0	0	0	2,974,190	0	2,974,190
0	0	0	0	0	428,376	428,376
0	0	0	1,310,000	1,310,000	0	1,310,000
0	0	0	0	3,231,073	0	3,231,073
799,626	5,830,759	0	15,218,636	34,703,019	550,946	35,253,965
0	0	0	0	32,497,319	0	32,497,319
0	0	63,119,535	0	63,119,535	0	63,119,535
0	0	0	0	0	396,957	396,957
0	0	0	0	2,680,833	0	2,680,833
1,217,857	0	0	0	22,029,055	6,650,383	28,679,438
0	0	0	0	10,354,336	0	10,354,336
0	13,605	0	0	4,022,633	0	4,022,633
0	0	0	0	870,569	0	870,569
0	83,731	0	0	83,731	0	83,731
0	83,871	0	0	83,871	0	83,871
0	0	0	0	1,707,783	0	1,707,783
0	389,379	0	0	21,074,810	0	21,074,810
1,217,857	570,586	63,119,535	0	158,524,474	7,047,340	165,571,814
\$ 2,017,483	\$ 6,401,345	\$ 63,119,535	\$ 15,218,636	\$ 193,227,493	\$ 7,598,286	\$ 200,825,779

CITY OF DUBUQUE, IOWA

Combined Statement of Revenues, Expenditures, and
Changes in Fund Balances -
All Governmental Fund Types and Expendable Trust Funds

For the fiscal year ended June 30, 1995

	General	Governmental Special Revenue
Revenues:		
Taxes	\$ 6,829,635	\$ 9,893,100
Special assessments	0	440,754
Licenses and permits	920,541	0
Intergovernmental	995,812	8,461,089
Charges for services	4,493,974	0
Fines and forfeits	340,508	0
Miscellaneous	660,189	29,483
Interest	1,236,085	919,236
Total Revenues	<u>15,476,744</u>	<u>19,743,661</u>
Expenditures:		
Current:		
Administration	2,207,463	609,277
Protective services	8,655,070	3,091,618
Facilities and environment	2,221,756	7,563,555
Leisure services	4,434,920	771,989
Non-program	0	0
Debt service:		
Principal retirement	0	0
Interest and fiscal charges	0	0
Capital outlay	0	0
Total Expenditures	<u>17,519,209</u>	<u>12,036,439</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,042,465)</u>	<u>7,707,222</u>
Other Financing Sources (Uses):		
Operating transfers in	2,941,743	95,202
Operating transfers out	(187,613)	(7,465,790)
Total Other Financing Sources (Uses)	<u>2,754,130</u>	<u>(7,370,588)</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	711,665	336,634
Fund Balances, Beginning, as restated	<u>3,730,605</u>	<u>21,669,030</u>
Fund Balances, Ending	<u>\$ 4,442,270</u>	<u>\$ 22,005,664</u>

See notes to financial statements.

EXHIBIT 2

Fund Types		Fiduciary	Totals
Debt	Capital	Fund Type	Primary
Service	Projects	Expendable	Government
		Trust	(Memorandum Only)
\$ 4,166,327	\$ 0	\$ 0	\$ 20,889,062
0	0	0	440,754
0	0	0	920,541
0	41,000	0	9,497,901
0	0	0	4,493,974
0	0	0	340,508
0	1,929,562	319,489	2,938,723
0	264,244	0	2,419,565
<u>4,166,327</u>	<u>2,234,806</u>	<u>319,489</u>	<u>41,941,027</u>
109,953	0	158,233	3,084,926
0	0	152,955	11,899,644
0	0	0	9,785,311
0	0	0	5,206,909
0	0	133	133
2,787,857	0	0	2,787,857
976,607	0	0	976,607
4,322	6,799,663	0	6,803,985
<u>3,878,739</u>	<u>6,799,663</u>	<u>311,321</u>	<u>40,545,372</u>
<u>287,588</u>	<u>(4,564,857)</u>	<u>8,167</u>	<u>1,395,655</u>
137,680	4,640,683	0	7,815,308
(70,877)	(172,775)	0	(7,897,055)
<u>66,803</u>	<u>4,467,908</u>	<u>0</u>	<u>(81,746)</u>
354,391	(96,949)	8,167	1,313,909
<u>1,368,050</u>	<u>9,553,720</u>	<u>478,547</u>	<u>36,799,953</u>
<u>\$ 1,722,442</u>	<u>\$ 9,456,771</u>	<u>\$ 486,715</u>	<u>\$ 38,113,862</u>

CITY OF DUBUQUE, IOWA

Combined Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (Budgetary Basis) -
All Governmental Fund Types

For the fiscal year ended June 30, 1995

	General Fund			Special Revenue	
	Budget	Actual	Budget Over (Under) Actual	Budget	Actual
Revenues:					
Taxes	\$ 6,998,317	\$ 6,842,080	\$ 156,237	\$10,051,489	\$ 9,933,575
Special assessments	0	0	0	660,000	609,458
Licenses and permits	688,156	920,541	(232,385)	0	0
Intergovernmental	1,457,155	1,005,810	451,345	9,570,494	8,947,274
Charges for services	4,041,682	4,289,484	(247,802)	0	0
Fines and forfeits	351,750	340,604	11,146	0	0
Miscellaneous	624,408	660,189	(35,781)	766,408	827,060
Interest	664,300	1,136,984	(472,684)	526,264	870,151
Total Revenues	<u>14,825,768</u>	<u>15,195,692</u>	<u>(369,924)</u>	<u>21,574,655</u>	<u>21,187,518</u>
Expenditures:					
Current:					
Administration	2,363,234	2,267,269	95,965	766,288	609,277
Protective services	9,276,806	8,838,661	438,145	3,197,799	3,097,508
Facilities & environment	3,293,460	2,265,105	1,028,355	12,795,857	8,559,184
Leisure services	4,888,265	4,389,078	499,187	880,597	779,221
Debt service:					
Principal retirement	0	0	0	0	0
Interest & fiscal charges	0	0	0	0	0
Capital outlay	0	0	0	0	0
Total Expenditures	<u>19,821,765</u>	<u>17,760,113</u>	<u>2,061,652</u>	<u>17,640,541</u>	<u>13,045,190</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,995,997)</u>	<u>(2,564,421)</u>	<u>(2,431,576)</u>	<u>3,934,114</u>	<u>8,142,328</u>
Other Financing Sources (Uses):					
Bond proceeds	0	0	0	0	0
Operating transfers in	3,011,086	2,941,743	69,343	157,453	95,202
Operating transfers out	(184,814)	(187,613)	2,799	(7,588,172)	(7,465,790)
Total Other Financing Sources (Uses)	<u>2,826,272</u>	<u>2,754,130</u>	<u>72,142</u>	<u>(7,430,719)</u>	<u>(7,370,588)</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(2,169,725)</u>	<u>189,709</u>	<u>(2,359,434)</u>	<u>(3,496,605)</u>	<u>771,740</u>
Fund Balances, Beginning, as restated	<u>4,989,991</u>	<u>4,989,991</u>	<u>0</u>	<u>8,249,822</u>	<u>8,249,822</u>
Fund Balances, Ending	<u>\$ 2,820,266</u>	<u>\$ 5,179,700</u>	<u>\$ (2,359,434)</u>	<u>\$ 4,753,217</u>	<u>\$ 9,021,562</u>

See notes to financial statements.

Funds	Debt Service Funds			Capital Projects Funds		
	Budget	Actual	Budget Over (Under) Actual	Budget	Actual	Budget Over (Under) Actual
	Over (Under) Actual					
\$ 117,914	\$ 4,024,029	\$ 4,203,397	\$ (179,368)	\$ 0	\$ 0	\$ 0
50,542	0	0	0	0	0	0
0	0	0	0	0	0	0
623,220	0	0	0	2,213,286	41,000	2,172,286
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(60,652)	0	0	0	2,543,539	1,802,727	740,812
(343,887)	0	0	0	40,000	239,624	(199,624)
<u>387,137</u>	<u>4,024,029</u>	<u>4,203,397</u>	<u>(179,368)</u>	<u>4,796,825</u>	<u>2,083,351</u>	<u>2,713,474</u>
157,011	0	0	0	0	0	0
100,291	0	0	0	0	0	0
4,236,673	0	0	0	0	0	0
101,376	0	0	0	0	0	0
0	3,492,311	2,787,857	704,454	0	0	0
0	980,104	977,008	3,096	0	0	0
0	55,000	114,630	(59,630)	17,722,969	6,966,802	10,756,167
<u>4,595,351</u>	<u>4,527,415</u>	<u>3,879,495</u>	<u>647,920</u>	<u>17,722,969</u>	<u>6,966,802</u>	<u>10,756,167</u>
(4,208,214)	(503,386)	323,902	(827,288)	(12,926,144)	(4,883,451)	(8,042,693)
0	0	0	0	1,300,000	0	1,300,000
62,251	110,066	137,680	(27,614)	6,212,479	4,640,683	1,571,796
(122,382)	0	(70,877)	70,877	(1,298,000)	(172,775)	(1,125,225)
(60,131)	110,066	66,803	43,263	6,214,479	4,467,908	1,746,571
(4,268,345)	(393,320)	390,705	(784,025)	(6,711,665)	(415,543)	(6,296,122)
0	1,247,951	1,247,951	0	9,756,856	9,756,856	0
<u>\$ (4,268,345)</u>	<u>\$ 854,631</u>	<u>\$ 1,638,656</u>	<u>\$ (784,025)</u>	<u>\$ 3,045,191</u>	<u>\$ 9,341,313</u>	<u>\$ (6,296,122)</u>

CITY OF DUBUQUE, IOWA

Combined Statement of Revenues, Expenses, and
Changes in Retained Earnings/Fund Balances -
All Proprietary Fund Types, Nonexpendable Trust Funds,
and Discretely Presented Component Unit

For the fiscal year ended June 30, 1995

	Proprietary Fund Types	
	Enterprise	Internal Service
Operating Revenues:		
Charges for sales and services	\$ 11,681,378	\$ 4,775,728
Other	329,044	0
Investment earnings	0	0
Total Operating Revenues	<u>12,010,422</u>	<u>4,775,728</u>
Operating Expenses:		
Employee expense	4,681,400	1,241,416
Utilities	1,019,369	10,964
Repairs and maintenance	1,299,400	15,141
Supplies and services	3,008,427	245,916
Insurance	273,106	3,448,071
Landfill closure and postclosure care	0	0
Depreciation	1,746,887	10,859
Total Operating Expenses	<u>12,028,589</u>	<u>4,972,367</u>
Operating Income (Loss)	<u>(18,167)</u>	<u>(196,639)</u>
Nonoperating Revenues (Expenses):		
Interest revenue	551,823	101,089
Interest expense	(248,293)	0
Operating grants	522,244	0
Taxes	581,878	0
Bond issuance costs	(1,193)	0
Total Nonoperating Revenues (Expenses)	<u>1,406,458</u>	<u>101,089</u>
Income (Loss) Before Operating Transfers	<u>1,388,291</u>	<u>(95,550)</u>
Operating Transfers:		
Operating transfers in	61,109	100,000
Operating transfers out	(2,514)	(76,849)
Total Operating Transfers	<u>58,595</u>	<u>23,151</u>
Net Income (Loss)	<u>1,446,886</u>	<u>(72,399)</u>
Retained Earnings/Fund Balances, Beginning	<u>22,045,144</u>	<u>1,290,256</u>
Retained Earnings/Fund Balances, Ending	<u>\$ 23,492,030</u>	<u>\$ 1,217,857</u>

See notes to financial statements.

EXHIBIT 4

Fiduciary Fund Type	Totals Primary Government (Memorandum Only)	Component Unit		Totals Reporting Entity (Memorandum Only)
		Dubuque Metropolitan Area Solid Waste Agency		
Nonexpendable Trust				
\$ 0	\$ 16,457,106	\$ 3,576,384	\$ 20,033,489	
4,378	333,422	7,300	340,721	
5,700	5,700	0	5,700	
10,078	16,796,227	3,583,683	20,379,911	
0	5,922,815	389,313	6,312,129	
0	1,030,334	12,270	1,042,603	
0	1,314,541	81,659	1,396,200	
9,105	3,263,448	579,758	3,843,205	
0	3,721,177	12,512	3,733,689	
0	0	97,772	97,772	
0	1,757,746	416,793	2,174,539	
9,105	17,010,061	1,590,078	18,600,138	
973	(213,833)	1,993,606	1,779,773	
0	652,912	107,713	760,625	
0	(248,293)	0	(248,293)	
0	522,244	0	522,244	
0	581,878	0	581,878	
0	(1,193)	0	(1,193)	
0	1,507,548	107,713	1,615,260	
973	1,293,715	2,101,318	3,395,033	
0	161,109	0	161,109	
0	(79,363)	0	(79,363)	
0	81,746	0	81,746	
973	1,375,461	2,101,318	3,476,779	
82,898	23,418,298	4,946,022	28,364,320	
\$ 83,871	\$ 24,793,759	\$ 7,047,340	\$ 31,841,099	

CITY OF DUBUQUE, IOWA

Combined Statement of Cash Flows -
All Proprietary Fund Types, Nonexpendable Trust Funds,
and Discretely Presented Component Unit

For the fiscal year ended June 30, 1995

	Proprietary Fund Types	
	Enterprise	Internal Service
Cash Flows from Operating Activities:		
Operating income (loss)	\$(18,167)	\$(196,639)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Landfill closure and postclosure care	0	0
Depreciation	1,746,887	10,859
Operating grants received	522,244	0
Investment earnings	0	0
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(55,963)	0
Decrease in intergovernmental receivable	1,462	0
Decrease in due from primary government	0	0
Decrease in inventory	60,606	6,199
(Increase) in insurance deposit	0	(1,000)
Increase (decrease) in accounts payable	(420,602)	432,190
Increase in accrued payroll	18,679	13,659
Increase (decrease) in accrued compensated absences	6,280	0
Increase (decrease) in due to other funds	213,711	(101)
(Decrease) in due to component unit	(1,011)	0
Increase in accounts payable from restricted assets	53,763	0
(Decrease) in accrued payroll payable from restricted assets	(206)	0
Net cash provided (used) by operating activities	<u>2,127,683</u>	<u>265,167</u>
Cash Flows from Noncapital Financing Activities:		
Property taxes received	576,120	0
Operating transfers in	61,109	100,000
Operating transfers out	(2,514)	(76,849)
Net cash provided by noncapital financing activities	<u>634,715</u>	<u>23,151</u>
Cash Flows from Capital and Related Financing Activities:		
Proceeds from general obligation bonds	1,800,000	0
Acquisition and construction of fixed assets	(8,611,642)	(3,221)
Principal paid on revenue bond maturities	(495,000)	0
Interest paid on revenue bonds	(257,959)	0
Capital contributed by intergovernmental	43,435	0
Capital contributed to government	(520)	0
Net cash (used) by capital and related financing activities	<u>(7,521,686)</u>	<u>(3,221)</u>

EXHIBIT 5

<u>Fiduciary Fund Type</u> <u>Nonexpendable Trust</u>	<u>Totals Primary Government (Memorandum Only)</u>	<u>Component Unit Dubuque Metropolitan Area Solid Waste Agency</u>	<u>Totals Reporting Entity (Memorandum Only)</u>
\$ 973	\$ (213,833)	\$ 1,993,606	\$ 1,779,773
0	0	97,772	97,772
0	1,757,746	416,793	2,174,539
0	522,244	0	522,244
(5,700)	(5,700)	0	(5,700)
0	(55,963)	58,642	2,679
0	1,462	0	1,462
0	0	1,011	1,011
0	66,805	0	66,805
0	(1,000)	0	(1,000)
(3,009)	8,579	(147,294)	(138,715)
0	32,338	800	33,138
0	6,280	(2,814)	3,466
0	213,610	0	213,610
0	(1,011)	0	(1,011)
0	53,763	0	53,763
0	(206)	0	(206)
(7,736)	2,385,114	2,418,516	4,803,630
0	576,120	0	576,120
0	161,109	0	161,109
0	(79,363)	0	(79,363)
0	657,866	0	657,866
0	1,800,000	0	1,800,000
0	(8,614,863)	(985,867)	(9,600,730)
0	(495,000)	0	(495,000)
0	(257,959)	0	(257,959)
0	43,435	0	43,435
0	(520)	0	(520)
0	(7,524,907)	(985,867)	(8,510,774)

(continued)

CITY OF DUBUQUE, IOWA

Combined Statement of Cash Flows -
All Proprietary Fund Types, Nonexpendable Trust Funds,
and Discretely Presented Component Unit

For the fiscal year ended June 30, 1995

	<u>Proprietary Fund Types</u>	
	<u>Enterprise</u>	<u>Internal Service</u>
Cash Flows from Investing Activities:		
Interest on cash and pooled cash investments	\$ 546,582	\$ 88,841
Net increase (decrease) in cash and cash equivalents	(4,212,706)	373,938
Cash and cash equivalents at beginning of year	<u>15,813,641</u>	<u>1,553,787</u>
Cash and cash equivalents at end of year	<u>\$ 11,600,935</u>	<u>\$ 1,927,725</u>
Noncash Investing, Capital, and Financing Activities:		
Contributions of fixed assets from developers and users	\$ 1,167,931	\$ 0

See notes to financial statements.

EXHIBIT 5
(continued)

<u>Fiduciary Fund Type</u>	<u>Totals Primary Government (Memorandum Only)</u>	<u>Component Unit Dubuque Metropolitan Area Solid Waste Agency</u>	<u>Totals Reporting Entity (Memorandum Only)</u>
<u>Nonexpendable Trust</u>			
\$ 5,431	\$ 640,854	\$ 98,371	\$ 739,225
(2,305)	(3,841,073)	1,531,020	(2,310,053)
<u>85,441</u>	<u>17,452,869</u>	<u>2,705,789</u>	<u>20,158,658</u>
<u>\$ 83,136</u>	<u>\$ 13,611,796</u>	<u>\$ 4,236,809</u>	<u>\$ 17,848,605</u>
 \$ 0		 \$ 0	

CITY OF DUBUQUE, IOWA
Notes to the Financial Statements

June 30, 1995

The notes to the financial statements contain a summary of significant accounting policies and other notes considered necessary for an understanding of the financial statements of the City and are an integral part of this report. The index to the notes is as follows:

1. Summary of Significant Accounting Policies
2. Stewardship, Compliance, and Accountability
3. Cash on Hand, Deposits, and Investments
4. Cash and Pooled Cash Investments - Overdraft
5. Fixed Assets
6. Interfund Receivables and Payables
7. Long-Term Debt
8. Contributed Capital
9. Risk Management
10. Segment Information - Enterprise Funds
11. Commitments and Contingent Liabilities
12. Deferred Compensation Plan
13. Post-Employment Health Care Benefits
14. Employee Retirement Systems
15. Industrial Development Revenue Bonds
16. Landfill Closure and Postclosure Care
17. Prior Period Adjustments
18. Subsequent Event

CITY OF DUBUQUE, IOWA
Notes to the Financial Statements
June 30, 1995

Note 1. Summary of Significant Accounting Policies

Reporting Entity

The City of Dubuque, Iowa, is a municipal corporation governed by an elected mayor and six-member council. As required by generally accepted accounting principles, these financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. The City has no blended component units. The discretely presented component unit is reported in a separate column in the combined financial statements to emphasize it is legally separate from the City. The component unit has a June 30 year end.

Discretely Presented Component Unit. The Dubuque Metropolitan Area Solid Waste Agency has been organized as a joint venture under Chapter 28E of the Code of Iowa between the City of Dubuque and Dubuque County. The Agency's purpose is to provide solid waste management for the Dubuque metropolitan area. The City appoints a voting majority of the Agency's governing board and has authority over those persons responsible for the day-to-day operations of the Agency. The Agency is presented as a proprietary fund type. Complete financial statements for the Agency may be obtained from the City of Dubuque.

City of Dubuque
Finance Department
13th & Central
Dubuque, Iowa 52001

Measurement Focus, Basis of Accounting, and Basis of Presentation

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

The City has the following fund types and account groups:

Governmental funds are used to account for the City's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes, franchise taxes, licenses, interest, and special assessments are susceptible to accrual. Sales taxes collected and held by the state at year end on behalf of the City are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the City and are recognized as revenue at that time.

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

Governmental funds include the following fund types:

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

The *special revenue funds* account for revenue sources that are legally restricted to expenditure for specific purposes (not including expendable trusts or major capital projects).

The *debt service funds* account for the servicing of general long-term debt not being financed by proprietary or nonexpendable trust funds.

The *capital projects funds* account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

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

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the City Council has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability.

Internal service funds account for operations that provide services to other departments or agencies of the City or to other governments on a cost-reimbursement basis.

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

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

The *nonexpendable trust funds* are accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting. Nonexpendable trust funds account for assets of which the principal may not be spent.

The *agency fund* is custodial in nature and does not present results of operations or have a measurement focus. The agency fund is accounted for using the modified accrual basis of accounting. This fund is used to account for assets that the City holds for others in an agency capacity.

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

Assets, Liabilities, and Equity

Deposits and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statute authorizes the City and the Dubuque Metropolitan Area Solid Waste Agency to invest public funds in obligations of the United States government and its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the City Council and the Treasurer of the State of Iowa; prime eligible bankers acceptances; certain high-rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; and certain joint investment trusts.

Investments are stated at cost or amortized cost, except for investments in the deferred compensation agency fund which are reported at market value.

Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due to/from other funds."

Property taxes are levied as of July 1 on property values assessed as of January 1, of the previous year. The tax levy is divided into two billings. The first billing is mailed on July 1 and the second billing is mailed on January 1. The billings are considered due upon receipt by the taxpayer; however, the actual due date is based on a period ending three months after the tax bill mailing. On these dates (September 30 and March 31), the bill becomes delinquent, and penalties and interest may be assessed by the government. Property taxes attach as an enforceable lien on July 1.

	Refuse Collection	Transit System	Total Enterprise Funds
Operating revenues	\$ 2,085,273	\$ 199,248	\$ 12,010,422
Depreciation expense	119,175	216,045	1,746,887
Operating income (loss)	(123,934)	(1,237,030)	(18,167)
Operating grants	0	522,244	522,244
Operating transfers in	0	7,364	61,109
Tax revenues	0	581,878	581,878
Net income (loss)	(123,934)	(132,908)	1,388,291
Current capital contributions	0	43,435	1,211,366
Fixed assets:			
Additions	0	51,371	4,235,730
Deletions	50,159	0	310,107
Working capital	1,846,440	512,280	8,274,684
Total assets	2,380,808	3,023,006	62,823,136
Bonds payable from operating revenues	0	0	5,277,690
Total equity	2,153,915	2,935,036	55,989,349

Note 11. Commitments and Contingent Liabilities

Grants

The City has received financial assistance from numerous federal and state agencies in the form of grants and entitlements. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, liabilities resulting from disallowed claims, if any, will not have a material effect on the City's financial position as of June 30, 1995.

Litigation

The City's corporation counsel reported that as of June 30, 1995, various claims and lawsuits were on file against the City. The corporation counsel estimated that all potential settlements against the City not covered by insurance would not materially affect the financial position of the City. The City has authority to levy additional taxes (outside the regular limit) to cover uninsured judgments against the City.

Construction Contracts

The City has recognized as a liability only that portion of construction contracts representing construction completed through June 30, 1995. The City has additional commitments for signed construction contracts of approximately \$4,290,000 as of June 30, 1995. Of these commitments, approximately \$552,000 will be funded by federal and state grants and \$3,738,000 by cash reserves.

Note 12. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all government employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan; all property and rights purchased with those amounts; and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred account for each participant.

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

Investments are managed by the plan's trustee under one of eight investment options, or a combination thereof. The choice of the investment option(s) is made by the participants.

Note 13. Post-Employment Health Care Benefits

In addition to providing pension benefits, the City provides certain health care benefits for retired disabled police officers and firefighters as mandated by the Code of Iowa. The cost of health care benefits for retired disabled police officers and firefighters is recognized as an expenditure as claims are paid. As of June 30, 1995, 50 retirees were eligible for these benefits, and the cost of the benefits for the fiscal year ended June 30, 1995, totaled \$33,884.

Note 14. Employee Retirement Systems

MFPRSI

The City of Dubuque is a participating employer in the Municipal Fire and Police Retirement System of Iowa (MFPRSI). This single cost-sharing statewide multiple-employer fire and police retirement system is a defined benefit plan that covers members of the fire and police departments who have been appointed under civil service.

This pension plan provides retirement, disability, and death benefits in accordance with statutory eligibility requirements. Normal retirement is elective for members who have both attained the age of 55 and have completed 22 years of service. Accidental death and disability benefits are available regardless of age attainment and length of service. These benefits are attributable to events sustained in the line of duty that result in death or permanent disability. Ordinary disability benefits are provided for permanent disability not incurred in line of duty. Though eligibility may be attained at any age, the benefit is less for service of less than 4 years. Alternatives exist for ordinary death benefits depending upon whether the member was or was not in service at the time of death and years of service. A reduced benefit (termination benefit) is available at age 55 for members who have completed at least 4 years of service upon termination of membership before age 55, or at least 4 years of service upon termination of membership after age 55.

Benefit calculations are generally based upon the average of the highest 3 years of earnable compensation. The benefit allowance varies in accordance with the type of benefit and the eligibility for additional service credits. The plan provides that all benefits, except termination benefits, are subject to escalation as of July 1 and January 1 relative to pay increases granted to the fire and police department members on said dates.

Since the plan is administered by the statewide system, the City's responsibility is limited to the payment of contributions due from the City and the active members of the fire and police departments. The statutory contribution rates were 18.71% for the employer and 8.1% effective July 1, 1994, and 8.35% effective January 1, 1995, for the employees. Inasmuch as no ceiling limitation exists, the rates were applied against the entire amount of earnable compensation for the period. For the year ended June 30, 1995, the City contributed \$1,150,344 (18.71% of covered payroll) and the employees contributed \$505,696 (8.22% of covered payroll). The contributions were derived by applying the appropriate rates against earnable compensation of \$6,148,282. The total City payroll was \$18,678,323. The City's employer and employee contribution during the year ended June 30, 1995, represented 5.3 percent of total contributions of all participating entities.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess MFPRSI's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems and among employers. MFPRSI does not make separate measurements of assets and pension benefit obligation for individual employers. At June 30, 1994, the most recent date for which information is available, the pension benefit obligation for MFPRSI as a whole, determined through an actuarial valuation performed as of that date, was approximately \$850,525,000. MFPRSI's net assets available for benefits on that date valued at cost were approximately \$648,763,000 (valued at market were approximately \$666,801,000), leaving a pension benefit obligation in excess of available assets of approximately \$201,762,000.

Historical trend information showing MFPRSI's progress in accumulating sufficient assets to pay benefits when due is presented in its annual report. MFPRSI does not invest in obligations of the State of Iowa or its political subdivisions.

IPERS

The City of Dubuque is a participating employer in the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer public employees retirement system designed as a supplement to Social Security.

All employees, with certain exceptions, who do not participate in any other public retirement system in the State are eligible and must participate in IPERS. The pension plan provides retirement and death benefits which are established by State statute. Generally, a member may retire at age 65 or any time after age 62 with 30 years or more of service or when age plus years of service equals or exceeds 92, and receive full benefits. Members may also retire at the age of 55 or more at reduced benefits. Benefits vest after four years of service or after attaining the age of 55. Full benefits are equal to 60.0% of the average of the highest three years of covered wages times years of service divided by 30.

The plan is administered by the State of Iowa and the City's responsibility is limited to payment of contributions. During the year ended June 30, 1995, State statute requires contributions of 3.70% by the employee and 5.75% by the employer. These rates are applied on the first \$38,000 of compensation in calendar year 1994 and on the first \$41,000 of compensation in calendar year 1995. The contribution paid by the City for the year ended June 30, 1995, totaled \$633,046 and the contribution paid by employees totaled \$407,351. The total payroll for employees covered by IPERS for the year ended June 30, 1995, was \$11,009,496 and the total City payroll was \$18,678,323. The City's employer contributions during the year ended June 30, 1995, represented .20 percent of total contributions of all participating entities.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess IPERS' funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems and among employers. IPERS does not make separate measurements of assets and pension benefit obligation for individual employers. At June 30, 1995, the pension benefit obligation for IPERS as a whole, determined through an actuarial valuation performed as of that date, was \$7,021,308,022. IPERS' net assets available for benefits on that date valued at cost were \$7,306,409,847 (valued at market were \$8,198,909,609) leaving no unfunded pension benefit obligation.

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

Note 15. Industrial Development Revenue Bonds

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 1995, there were eleven series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$31,172,532.

Note 16. Landfill Closure and Postclosure Care

State and federal laws and regulations require the Dubuque Metropolitan Area Solid Waste Agency to place a final cover on each cell of its landfill site when filled and to perform certain maintenance and monitoring functions at the site for thirty years after closure.

Although closure and postclosure care costs will be paid only near or after the date that each cell stops accepting waste, the Agency reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$428,376 reported as landfill closure and postclosure care liability at June 30, 1995, represents the cumulative amount reported to date based on the use of 100 percent of the estimated capacity of cells 1 and 2 and 35 percent of the estimated capacity of cell 3. The Agency will recognize the remaining estimated cost of closure and postclosure care of \$1,958,424 as the remaining estimated capacity is filled.

These amounts are based on what it would cost to perform all closure and postclosure care in 1995. The Agency expects to close cell 3 in 2002 and to close the entire landfill in 2015. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

Note 17. Prior Period Adjustments

Capital Project Funds

The beginning fund balance for the year ended June 30, 1995, has been restated to correct the allocation of bond proceeds in the prior year. These bond proceeds should have been credited to the Enterprise Funds but had been shown as proceeds in the Capital Project Funds. The effect of the restatement is as follows:

Fund balance, July 1, 1995, as previously reported	\$ 11,353,720
Prior period adjustment	(1,800,000)
Fund balance, July 1, 1995, as restated	<u>\$ 9,553,720</u>

Note 18. Subsequent Event

On July 1, 1995, the City issued \$2,000,000 of general obligation bonds to finance general capital projects.

The bonds bear interest rates ranging from 4.1% to 4.9% and mature in amounts ranging from \$50,000 to \$400,000 with the final payment due in the year ending June 30, 2005. General property tax revenues are to be used to retire this issue.

GENERAL FUND

The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

CITY OF DUBUQUE, IOWA
GENERAL FUND

Balance Sheet

June 30, 1995

ASSETS

Cash and pooled cash investments	\$ 4,764,312
Receivables:	
Taxes	143,103
Accounts	404,724
Accrued interest	236,321
Intergovernmental	46,133
Due from other funds	<u>415,388</u>
Total Assets	<u>\$ 6,009,981</u>

LIABILITIES AND FUND BALANCES

Liabilities:	
Accounts payable	\$ 91,959
Accrued payroll	311,404
Accrued compensated absences	1,046,470
Deferred revenue	<u>117,878</u>
Total Liabilities	<u>1,567,711</u>
Fund Balances:	
Reserved for encumbrances	584,771
Unreserved, undesignated	<u>3,857,500</u>
Total Fund Balances	<u>4,442,270</u>
Total Liabilities and Fund Balances	<u>\$ 6,009,981</u>

CITY OF DUBUQUE, IOWA
GENERAL FUND

Statement of Revenues, Expenditures, and
Changes in Fund Balance

For the fiscal year ended June 30, 1995

Revenues:	
Taxes	\$ 6,829,635
Licenses and permits	920,541
Intergovernmental	995,812
Charges for services	4,493,974
Fines and forfeits	340,508
Miscellaneous	660,189
Interest	1,236,085
Total Revenues	<u>15,476,744</u>
Expenditures:	
Current:	
Administration	2,207,463
Protective services	8,655,070
Facilities and environment	2,221,756
Leisure services	4,434,920
Total Expenditures	<u>17,519,209</u>
Deficiency of Revenues Under Expenditures	(<u>2,042,465</u>)
Other Financing Sources (Uses):	
Operating transfers in	2,941,743
Operating transfers out	187,613
Total Other Financing Sources (Uses)	<u>2,754,130</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses	711,665
Fund Balance, Beginning	<u>3,730,605</u>
Fund Balance, Ending	<u>\$ 4,442,270</u>

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Road Use Tax Fund - This fund is used to account for state revenues allocated to the City for maintenance and improvement of City streets.

Trust and Agency Fund - This fund is used to account for pension and related employee benefit costs for those employees paid wages from the general fund.

Community Development Fund - This fund is used to account for the use of Community Development Block Grant funds as received from the federal government.

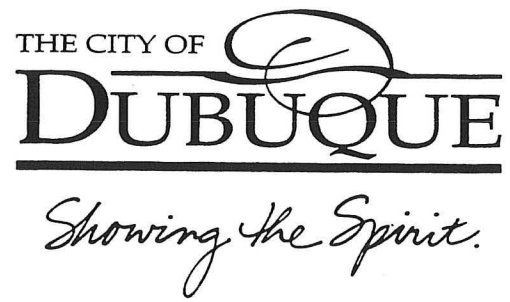
Section VIII Housing Fund - This fund is used to account for the operations of federal Section VIII Existing, Voucher, and Mod Rehab projects.

Tort Liability Fund - This fund is used to account for the administration and payment of damage claims against the City.

Sales Tax Fund - This fund is used to account for local option sales tax revenues.

Police and Fire Retirement Fund - This fund is used to account for property tax revenues received and employer contributions made to the Municipal Fire and Police Retirement System of Iowa.

Special Assessments Fund - This fund is used to account for the financing of public improvements that are deemed to benefit primarily the properties against which special assessments are levied and to accumulate monies for the payment of principal and interest on the outstanding long-term debt service.



CITY OF DUBUQUE, IOWA
SPECIAL REVENUE FUNDS

Combining Balance Sheet

June 30, 1995

	Road Use Tax	Trust and Agency	Community Development
<u>ASSETS</u>			
Cash and pooled cash investments	\$ 3,812,289	\$ 431,276	\$ 750,911
Receivables:			
Taxes	0	27,929	0
Special assessments	0	0	0
Accrued interest	0	0	524,470
Notes - current	0	0	1,293,615
Notes - long-term	0	0	10,326,013
Intergovernmental	292,966	0	2,721,328
Total Assets	<u>\$ 4,105,255</u>	<u>\$ 459,205</u>	<u>\$ 15,616,337</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 261,702	\$ 0	\$ 35,602
Accrued payroll	37,004	98,783	2,518
Accrued compensated absences	0	0	28,983
Intergovernmental payable	0	0	0
Due to other funds	0	0	76,286
Deferred revenue	0	23,006	2,544,000
Total Liabilities	<u>298,706</u>	<u>121,789</u>	<u>2,687,390</u>
Fund Balances:			
Reserved for long-term notes receivable	0	0	10,326,013
Reserved for encumbrances	278,000	982	414,735
Unreserved, undesignated	3,528,548	336,434	2,188,199
Total Fund Balances	<u>3,806,549</u>	<u>337,415</u>	<u>12,928,947</u>
Total Liabilities and Fund Balances	<u>\$ 4,105,255</u>	<u>\$ 459,205</u>	<u>\$ 15,616,337</u>

EXHIBIT B-1

Section VIII Housing	Tort Liability	Sales Tax	Police and Fire Retirement	Special Assessments	Total
\$ 506,279	\$ 0	\$ 1,077,092	\$ 1,837,883	\$ 683,149	\$ 9,098,878
0	4,596	0	0	0	32,525
0	0	0	0	512,497	512,497
0	0	12,583	0	0	537,052
0	0	0	0	0	1,293,615
28,323	0	0	0	0	10,354,336
4,482	0	1,146,626	0	0	4,165,403
<u>\$ 539,084</u>	<u>\$ 4,596</u>	<u>\$ 2,236,301</u>	<u>\$ 1,837,883</u>	<u>\$ 1,195,646</u>	<u>\$ 25,994,306</u>
\$ 899	\$ 0	\$ 0	\$ 0	\$ 0	\$ 298,204
1,727	0	0	0	0	140,033
49,098	0	0	0	0	78,080
324,274	0	0	0	0	324,274
0	1,030	0	0	0	77,316
0	3,786	0	0	499,944	3,070,735
<u>375,998</u>	<u>4,815</u>	<u>0</u>	<u>0</u>	<u>499,944</u>	<u>3,988,642</u>
28,323	0	0	0	0	10,354,336
3,071	0	0	0	0	696,788
131,692	(220)	2,236,301	1,837,883	695,702	10,954,540
<u>163,086</u>	<u>(220)</u>	<u>2,236,301</u>	<u>1,837,883</u>	<u>695,702</u>	<u>22,005,664</u>
<u>\$ 539,084</u>	<u>\$ 4,596</u>	<u>\$ 2,236,301</u>	<u>\$ 1,837,883</u>	<u>\$ 1,195,646</u>	<u>\$ 25,994,306</u>

CITY OF DUBUQUE, IOWA
SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances

For the fiscal year ended June 30, 1995

	Road Use Tax	Trust and Agency	Community Development
Revenues:			
Taxes	\$ 0	\$ 4,379,706	\$ 78,878
Special assessments	0	0	0
Intergovernmental	3,501,843	0	1,490,686
Miscellaneous	0	0	4,949
Interest	0	0	572,908
Total Revenues	<u>3,501,843</u>	<u>4,379,706</u>	<u>2,147,421</u>
Expenditures:			
Administration	0	351,346	257,932
Protective services	444,559	2,647,059	0
Facilities and environment	2,203,749	769,981	1,087,808
Leisure services	0	693,636	78,353
Total Expenditures	<u>2,648,308</u>	<u>4,462,022</u>	<u>1,424,092</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>853,536</u>	<u>(82,316)</u>	<u>723,329</u>
Other Financing Sources (Uses):			
Operating transfers in	0	434,424	0
Operating transfers out	(770,000)	(123,330)	0
Total Other Financing Sources (Uses)	<u>(770,000)</u>	<u>311,094</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>83,536</u>	<u>228,778</u>	<u>723,329</u>
Fund Balances, Beginning	<u>3,723,013</u>	<u>108,637</u>	<u>12,205,618</u>
Fund Balances, Ending	<u>\$ 3,806,549</u>	<u>\$ 337,415</u>	<u>\$ 12,928,947</u>

EXHIBIT B-2

Section VIII Housing	Tort Liability	Sales Tax	Police and Fire Retirement	Special Assessments	Total
\$ 0	\$ 270,247	\$ 5,164,268	\$ 0	\$ 0	\$ 9,893,100
0	0	0	0	440,754	440,754
3,468,559	0	0	0	0	8,461,089
24,534	0	0	0	0	29,483
1,437	0	140,713	161,666	42,513	919,236
3,494,530	270,247	5,304,981	161,666	483,266	19,743,661
0	0	0	0	0	609,277
0	0	0	0	0	3,091,618
3,478,994	0	23,024	0	0	7,563,555
0	0	0	0	0	771,989
3,478,994	0	23,024	0	0	12,036,439
15,536	270,247	5,281,958	161,666	483,266	7,707,222
0	20,202	0	0	0	454,626
0	(272,232)	(5,612,601)	(359,424)	(687,627)	(7,825,214)
0	(252,030)	(5,612,601)	(359,424)	(687,627)	(7,370,588)
15,536	18,218	(330,644)	(197,758)	(204,361)	336,634
147,550	(18,437)	2,566,944	2,035,642	900,063	21,669,030
\$ 163,086	\$ (220)	\$ 2,236,301	\$ 1,837,883	\$ 695,702	\$ 22,005,664

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment.

Debt Service Fund - This fund is used to account for the receipt of general property taxes used to pay general obligation long-term debt, court judgments, and other related costs.

Tax Increment Fund - This fund is used to account for the receipt of property taxes and for the payment of the principal and interest costs on the tax increment financing districts' long-term debt service.

CITY OF DUBUQUE, IOWA
DEBT SERVICE FUNDS

Combining Balance Sheet

June 30, 1995

	Debt Service	Tax Increment	Total
<hr/>			
ASSETS			
Cash and pooled cash investments	\$ 485,180	\$ 1,156,549	\$ 1,641,729
Receivables:			
Taxes	51,547	0	51,547
Notes - current	75,000	0	75,000
	<hr/>	<hr/>	<hr/>
Total Assets	\$ 611,726	\$ 1,156,549	\$ 1,768,275
	<hr/>	<hr/>	<hr/>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Due to other funds	\$ 0	\$ 3,073	\$ 3,073
Matured interest payable	300	0	300
Deferred revenue	42,460	0	42,460
	<hr/>	<hr/>	<hr/>
Total Liabilities	42,760	3,073	45,834
Fund Balances:			
Reserved for encumbrances	0	14,658	14,658
Reserved for debt service	568,966	1,138,817	1,707,783
	<hr/>	<hr/>	<hr/>
Total Fund Balances	568,966	1,153,476	1,722,442
	<hr/>	<hr/>	<hr/>
Total Liabilities and Fund Balances	\$ 611,726	\$ 1,156,549	\$ 1,768,275
	<hr/>	<hr/>	<hr/>

EXHIBIT C-2

CITY OF DUBUQUE, IOWA
DEBT SERVICE FUNDSCombining Statement of Revenues, Expenditures, and
Changes in Fund Balances

For the fiscal year ended June 30, 1995

	Debt Service	Tax Increment	Total
Revenues:			
Taxes	\$ 3,100,478	\$ 1,065,849	\$ 4,166,327
Expenditures:			
Current:			
Administration	1,800	108,153	109,953
Debt service:			
Principal retirement	2,375,000	412,857	2,787,857
Interest and fiscal charges	848,452	128,155	976,607
Capital outlay	0	4,322	4,322
Total Expenditures	3,225,252	653,488	3,878,739
Excess (Deficiency) of Revenues Over (Under) Expenditures	(124,773)	412,361	287,588
Other Financing Sources (Uses):			
Operating transfers in	110,066	27,614	137,680
Operating transfers out	0	(70,877)	(70,877)
Total Other Financing Sources (Uses)	110,066	(43,263)	66,803
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(14,707)	369,099	354,391
Fund Balances, Beginning	583,673	784,377	1,368,050
Fund Balances, Ending	\$ 568,966	\$ 1,153,476	\$ 1,722,442

CAPITAL PROJECTS FUNDS

Capital projects funds account for resources used for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Street Construction Fund - This fund is used to account for the resources and costs related to street capital improvements.

Storm Sewer Construction Fund - This fund is used to account for the resources and costs related to storm sewer capital improvements.

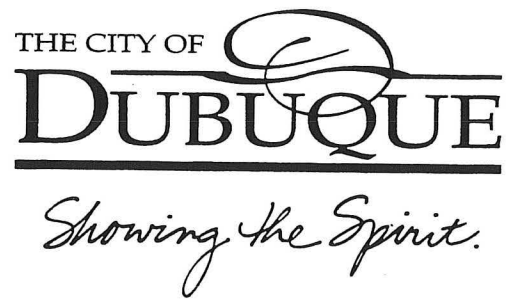
Dog Track Depreciation Fund - This fund is used to account for the resources and costs related to capital improvements and maintenance at the greyhound racing facility.

General Construction Fund - This fund is used to account for the resources and costs related to non-assignable capital improvements.

General Obligation Bond Proceeds Fund - This fund is used to account for general obligation bond proceeds prior to their transfer to the respective construction fund.

Airport Construction Fund - This fund is used to account for the resources and costs related to airport capital improvements.

Sales Tax Construction Fund - This fund is used to account for the resources and costs related to capital improvements financed through the local option sales tax.



CITY OF DUBUQUE, IOWA
CAPITAL PROJECTS FUND

Combining Balance Sheet

June 30, 1995

	Street Construction	Storm Sewer Construction	Dog Track Depreciation
ASSETS			
Cash and pooled cash investments	\$ 3,070,314	\$ 300,133	\$ 860,516
Receivables:			
Accrued interest	35,868	3,506	10,053
Intergovernmental	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$ 3,106,182</u>	<u>\$ 303,640</u>	<u>\$ 870,569</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 150,797	\$ 0	\$ 0
Due to other funds	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>150,797</u>	<u>0</u>	<u>0</u>
Fund Balances:			
Reserved for encumbrances	2,155,809	9,230	0
Reserved for dog track	0	0	870,569
Unreserved, undesignated	<u>799,576</u>	<u>294,410</u>	<u>0</u>
Total Fund Balances	<u>2,955,385</u>	<u>303,640</u>	<u>870,569</u>
Total Liabilities and Fund Balances	<u>\$ 3,106,182</u>	<u>\$ 303,640</u>	<u>\$ 870,569</u>

General Construction	General Obligation Bond Proceeds	Airport Construction	Sales Tax Construction	Total
\$ 1,109,967	\$ 2,204,883	\$ 58,540	\$ 1,847,880	\$ 9,452,233
758	0	78	21,587	71,851
0	0	350,712	0	350,712
<u>\$ 1,110,725</u>	<u>\$ 2,204,883</u>	<u>\$ 409,330</u>	<u>\$ 1,869,467</u>	<u>\$ 9,874,796</u>
\$ 0	\$ 0	\$ 134,353	\$ 21,955	\$ 307,105
59,082	0	51,838	0	110,920
59,082	0	186,190	21,955	418,025
6,376	0	170,588	370,808	2,712,810
0	0	0	0	870,569
1,045,267	2,204,883	52,551	1,476,705	5,873,392
<u>1,051,643</u>	<u>2,204,883</u>	<u>223,140</u>	<u>1,847,512</u>	<u>9,456,771</u>
<u>\$ 1,110,725</u>	<u>\$ 2,204,883</u>	<u>\$ 409,330</u>	<u>\$ 1,869,467</u>	<u>\$ 9,874,796</u>

CITY OF DUBUQUE, IOWA
CAPITAL PROJECTS FUNDS

Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances

For the fiscal year ended June 30, 1995

	Street Construction	Storm Sewer Construction	Dog Track Depreciation
Revenues:			
Intergovernmental	\$ 41,000	\$ 0	\$ 0
Miscellaneous	168,314	14,037	0
Racing Association	0	0	120,000
Passenger facility charges	0	0	0
Interest	60,403	47,945	47,557
Total Revenues	269,717	61,982	167,557
Expenditures:			
Capital outlay	3,260,853	693,703	829
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,991,136)	(631,721)	166,729
Other Financing Sources (Uses):			
Operating transfers in	3,443,153	14,426	0
Operating transfers out	(27,614)	0	0
Total Other Financing Sources (Uses)	3,415,539	14,426	0
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	424,403	(617,295)	166,729
Fund Balances, Beginning, as restated	2,530,982	920,935	703,840
Fund Balances, Ending	\$ 2,955,385	\$ 303,640	\$ 870,569

General Construction	General Obligation Bond Proceeds	Airport Construction	Sales Tax Construction	Total
\$ 0	\$ 0	\$ 0	\$ 0	\$ 41,000
0	0	1,504,160	0	1,686,511
15,000	0	0	0	135,000
0	0	108,051	0	108,051
3,410	0	6,267	98,661	264,244
18,410	0	1,618,478	98,661	2,234,806
42,129	0	1,842,696	959,453	6,799,663
(23,719)	0	(224,217)	(860,793)	(4,564,857)
77,547	0	69,100	1,036,457	4,640,683
0	(137,797)	0	(7,364)	(172,775)
77,547	(137,797)	69,100	1,029,093	4,467,908
53,828	(137,797)	(155,117)	168,301	(96,949)
997,815	2,342,680	378,257	1,679,212	9,553,720
<u>\$ 1,051,643</u>	<u>\$ 2,204,883</u>	<u>\$ 223,140</u>	<u>\$ 1,847,512</u>	<u>\$ 9,456,771</u>

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.

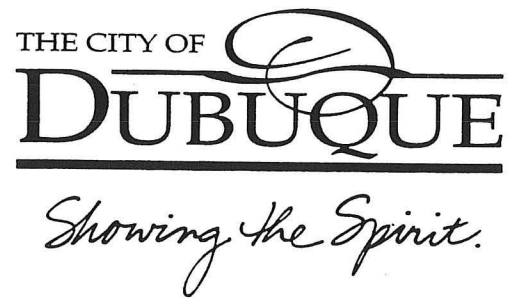
Sewage Disposal Works Fund - This fund is used to account for the operations of the City's sewage disposal works and services.

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

Parking Facilities Fund - This fund is used to account for the operations of the City-owned parking ramps and other parking facilities.

Refuse Collection Fund - This fund is used to account for the operations of the City's refuse collection services.

Transit System Fund - This fund is used to account for the operations of the City's bus and other transit services.



CITY OF DUBUQUE, IOWA
ENTERPRISE FUNDS

Combining Balance Sheet

June 30, 1995

	Sewage Disposal Works	Water Utility
ASSETS		
Current Assets:		
Cash and pooled cash investments	\$ 5,583,107	\$ 336,535
Receivables:		
Property taxes	0	0
Accounts	524,320	550,941
Accrued interest	64,851	19,904
Intergovernmental	0	0
Inventory	0	199,156
Prepaid items	5,037	0
Total Current Assets	<u>6,177,316</u>	<u>1,106,535</u>
Restricted Assets:		
Cash and pooled cash investments	0	2,064,403
Accrued interest receivable	0	7,835
Total Restricted Assets	<u>0</u>	<u>2,072,238</u>
Deferred Charges	<u>0</u>	<u>0</u>
Fixed Assets:		
Land	60,440	144,066
Buildings and improvements	22,400,143	5,792,403
Improvements other than buildings	12,707,619	0
Machinery and equipment	1,717,893	21,751,001
Construction in progress	10,749,611	734,705
Accumulated depreciation	(25,711,040)	(10,417,080)
Net Fixed Assets	<u>21,924,665</u>	<u>18,005,094</u>
 Total Assets	 <u>\$ 28,101,981</u>	 <u>\$ 21,183,868</u>

EXHIBIT E-1

Parking Facilities	Refuse Collection	Transit System	Total
\$ 0	\$ 1,830,054	\$ 583,631	\$ 8,333,327
0	0	9,712	9,712
6,449	243,279	669	1,325,658
7,342	0	0	92,097
0	0	1,719	1,719
0	0	4,518	203,674
0	0	0	5,037
13,791	2,073,333	600,250	9,971,224
1,203,205	0	0	3,267,608
4,119	0	0	11,954
1,207,324	0	0	3,279,562
17,743	0	0	17,743
911,015	0	36,000	1,151,521
8,532,988	0	1,912,694	38,638,227
0	0	0	12,707,619
437,289	888,319	2,561,514	27,356,017
27,235	0	0	11,511,550
(3,013,911)	(580,844)	(2,087,452)	(41,810,328)
6,894,617	307,475	2,422,756	49,554,607
<u>\$ 8,133,474</u>	<u>\$ 2,380,808</u>	<u>\$ 3,023,006</u>	<u>\$ 62,823,136</u>

(continued)

CITY OF DUBUQUE, IOWA
ENTERPRISE FUNDS

Combining Balance Sheet

June 30, 1995

	Sewage Disposal Works	Water Utility
	<hr/>	<hr/>
LIABILITIES AND EQUITY		
Current Liabilities:		
Accounts payable	\$ 512,294	\$ 60,393
Accrued payroll	46,141	39,626
General obligation bonds payable - current	140,000	50,000
Revenue bonds payable - current	0	0
Accrued compensated absences	103,948	72,574
Due to other funds	0	0
Due to component unit	0	0
	<hr/>	<hr/>
Total Current Liabilities	802,383	222,593
Current Liabilities Payable from Restricted Assets:		
Accounts payable	0	98,728
Revenue bonds payable	0	400,000
Accrued interest payable	0	21,250
Matured interest payable	0	0
	<hr/>	<hr/>
Total Current Liabilities Payable from Restricted Assets	0	519,978
Noncurrent Liabilities:		
General obligation bonds payable	1,160,000	450,000
Revenue bonds payable	0	450,000
	<hr/>	<hr/>
Total Long-Term Liabilities	1,160,000	900,000
	<hr/>	<hr/>
Total Liabilities	1,962,383	1,642,571
Equity:		
Contributed Capital:		
Government	3,430,836	0
Intergovernmental	11,943,895	0
Developers and users	9,067,548	2,241,848
	<hr/>	<hr/>
Total Contributed Capital	24,442,279	2,241,848
Retained Earnings:		
Reserved by bond ordinance	0	1,473,510
Unreserved	1,697,319	15,825,939
	<hr/>	<hr/>
Total Retained Earnings	1,697,319	17,299,449
	<hr/>	<hr/>
Total Equity	26,139,598	19,541,297
	<hr/>	<hr/>
Total Liabilities and Equity	\$ 28,101,981	\$ 21,183,868

EXHIBIT E-1
(continued)

Parking Facilities	Refuse Collection	Transit System	Total
\$ 2,091	\$ 99,427	\$ 22,922	\$ 697,127
12,174	19,251	21,132	138,324
0	0	0	190,000
103,500	0	0	103,500
25,226	50,193	43,916	295,857
213,711	0	0	213,711
0	58,021	0	58,021
356,701	226,893	87,970	1,696,540
0	0	0	98,728
0	0	0	400,000
32,892	0	0	54,142
188	0	0	188
33,079	0	0	553,057
0	0	0	1,610,000
2,524,190	0	0	2,974,190
2,524,190	0	0	4,584,190
2,913,971	226,893	87,970	6,833,787
0	61,704	1,400,280	4,892,820
0	274,650	4,076,558	16,295,103
0	0	0	11,309,396
0	336,354	5,476,838	32,497,319
1,207,323	0	0	2,680,833
4,012,180	1,817,561	(2,541,802)	20,811,197
5,219,503	1,817,561	(2,541,802)	23,492,030
5,219,503	2,153,915	2,935,036	55,989,349
\$ 8,133,474	\$ 2,380,808	\$ 3,023,006	\$ 62,823,136

CITY OF DUBUQUE, IOWA
ENTERPRISE FUNDS

Combining Statement of Revenues, Expenses,
and Changes in Retained Earnings

For the fiscal year ended June 30, 1995

	Sewage Disposal Works	Water Utility
Operating Revenues:		
Charges for sales and services	\$ 4,758,348	\$ 3,550,016
Other	75,544	234,182
Total Operating Revenues	<u>4,833,892</u>	<u>3,784,197</u>
Operating Expenses:		
Employee expense	1,505,667	1,250,496
Utilities	538,027	397,362
Repairs and maintenance	351,865	44,920
Supplies and services	1,238,911	915,682
Insurance	79,720	56,433
Depreciation	419,262	714,143
Total Operating Expenses	<u>4,133,452</u>	<u>3,379,035</u>
Operating Income (Loss)	<u>700,440</u>	<u>405,163</u>
Nonoperating Revenues (Expenses):		
Interest revenue	347,713	146,956
Interest expense	0	(42,500)
Operating grants	0	0
Taxes	0	0
Bond issuance costs	0	0
Total Nonoperating Revenues (Expenses):	<u>347,713</u>	<u>104,456</u>
Income (Loss) Before Operating Transfers	<u>1,048,153</u>	<u>509,619</u>
Operating Transfers:		
Operating transfers in	53,745	0
Operating transfers out	0	0
Total Operating Transfers	<u>53,745</u>	<u>0</u>
Net Income (Loss)	1,101,898	509,619
Retained Earnings, Beginning	<u>595,421</u>	<u>16,789,830</u>
Retained Earnings, Ending	<u>\$ 1,697,319</u>	<u>\$ 17,299,449</u>

EXHIBIT E-2

Parking Facilities	Refuse Collection	Transit System	Total
\$ 1,105,081	\$ 2,085,096	\$ 182,837	\$ 11,681,378
2,729	178	16,411	329,044
1,107,811	2,085,273	199,248	12,010,422
394,275	744,721	786,242	4,681,400
44,938	291	38,752	1,019,369
21,963	814,952	65,700	1,299,400
115,951	503,545	234,337	3,008,427
15,228	26,524	95,201	273,106
278,261	119,175	216,045	1,746,887
870,616	2,209,208	1,436,278	12,028,589
237,195	(123,934)	(1,237,030)	(18,167)
57,154	0	0	551,823
(205,793)	0	0	(248,293)
0	0	522,244	522,244
0	0	581,878	581,878
(1,193)	0	0	(1,193)
(149,833)	0	1,104,122	1,406,458
87,362	(123,934)	(132,908)	1,388,291
0	0	7,364	61,109
0	0	(2,514)	(2,514)
0	0	4,850	58,595
87,362	(123,934)	(128,058)	1,446,886
5,132,142	1,941,496	(2,413,744)	22,045,144
\$ 5,219,503	\$ 1,817,561	\$ (2,541,802)	\$ 23,492,030

CITY OF DUBUQUE, IOWA
ENTERPRISE FUNDS

Combining Statement of Cash Flows

For the fiscal year ended June 30, 1995

	Sewage Disposal Works	Water Utility
Cash Flows from Operating Activities:		
Operating income (loss)	\$ 700,440	\$ 405,163
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	419,262	714,143
Operating grants received	0	0
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(10,146)	(55,710)
(Increase) decrease in intergovernmental receivable	3,181	0
Decrease in inventory	0	57,987
Increase (decrease) in accounts payable	(479,239)	(39,896)
Increase (decrease) in accrued payroll	6,468	6,725
Increase (decrease) in accrued compensated absences	1,294	(3,908)
Increase in due to other funds	0	0
(Decrease) in due to component unit	0	0
Increase in accounts payable from restricted assets	0	53,763
(Decrease) in accrued payroll payable from restricted assets	0	(206)
Net cash provided (used) by operating activities	<u>641,260</u>	<u>1,138,061</u>
Cash Flows from Noncapital Financing Activities:		
Property taxes received	0	0
Operating transfers in	53,745	0
Operating transfers out	0	0
Net cash provided by noncapital financing activities	<u>53,745</u>	<u>0</u>

EXHIBIT E-3

<u>Parking Facilities</u>	<u>Refuse Collection</u>	<u>Transit System</u>	<u>Total</u>
\$ 237,195	\$ (123,934)	\$ (1,237,030)	\$ (18,167)
278,261	119,175	216,045	1,746,887
0	0	522,244	522,244
2,861	7,008	24 (55,963)
0	0	(1,719)	1,462
0	0	2,619	60,606
2,091	85,898	10,544 (420,602)
3,859	(1,155)	2,782	18,679
3,159	5,150	585	6,280
213,711	0	0	213,711
0	(1,011)	0 (1,011)
0	0	0	53,763
0	0	0	(206)
<u>741,137</u>	<u>91,131</u>	<u>(483,906)</u>	<u>2,127,683</u>
0	0	576,120	576,120
0	0	7,364	61,109
0	0	(2,514)	(2,514)
<u>0</u>	<u>0</u>	<u>580,970</u>	<u>634,715</u>

(continued)

CITY OF DUBUQUE, IOWA
ENTERPRISE FUNDS

Combining Statement of Cash Flows

For the fiscal year ended June 30, 1995

	Sewage Disposal Works	Water Utility
Cash Flows from Capital and Related Financing Activities:		
Proceeds from general obligation bonds	\$ 1,300,000	\$ 500,000
Acquisition and construction of fixed assets	(6,309,383)	(2,176,867)
Principal paid on revenue bond maturities	0	(400,000)
Interest paid on revenue bonds	0	(52,500)
Capital contributed by intergovernmental	0	0
Capital contributed to government	0	0
Net cash (used) by capital and related financing activities	(5,009,383)	(2,129,367)
Cash Flows from Investing Activities:		
Interest on cash and pooled cash investments	351,100	144,177
Net increase (decrease) in cash and cash equivalents	(3,963,278)	(847,129)
Cash and cash equivalents at beginning of year	9,546,385	3,248,067
Cash and cash equivalents at end of year	<u>\$ 5,583,107</u>	<u>\$ 2,400,938</u>
Noncash Investing, Capital, and Financing Activities:		
Contributions of fixed assets from developers and users	\$ 1,052,295	\$ 115,636

EXHIBIT E-3
(continued)

<u>Parking Facilities</u>	<u>Refuse Collection</u>	<u>Transit System</u>	<u>Total</u>
\$ 0	\$ 0	\$ 0	\$ 1,800,000
(62,073)	0	(63,319)	(8,611,642)
(95,000)	0	0	(495,000)
(205,459)	0	0	(257,959)
0	0	43,435	43,435
(520)	0	0	(520)
(363,052)	0	(19,884)	(7,521,686)
51,305	0	0	546,582
429,390	91,131	77,180	(4,212,706)
773,815	1,738,923	506,451	15,813,641
<u>\$ 1,203,205</u>	<u>\$ 1,830,054</u>	<u>\$ 583,631</u>	<u>\$ 11,600,935</u>

\$ 0 \$ 0 \$ 0

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the government and to other government units on a cost-reimbursement basis.

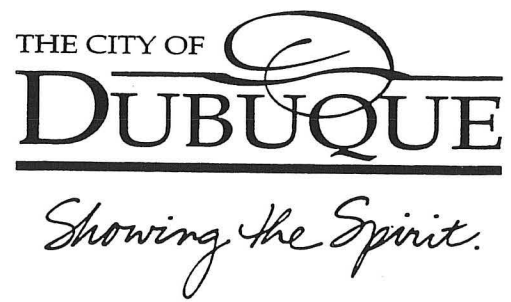
General Service Fund - This fund is used to account for engineering, street, and general services supplied to other departments.

Garage Service Fund - This fund is used to account for the maintenance and repair services for the City's automotive equipment.

Stores/Printing Fund - This fund is used to account for printing, supplies, and other services provided to other departments.

Health Insurance Reserve Fund - This fund is used to account for the health insurance costs of the City.

Workers' Compensation Reserve Fund - This fund is used to account for the workers' compensation costs of the City.



CITY OF DUBUQUE, IOWA
INTERNAL SERVICE FUNDS

Combining Balance Sheet

June 30, 1995

	General Service	Garage Service
	<hr/>	<hr/>
ASSETS		
Current Assets:		
Cash and pooled cash investments	\$ 0	\$ 4,989
Insurance deposit	0	0
Accrued interest receivable	0	0
Inventory	0	16,621
	<hr/>	<hr/>
Total Current Assets	0	21,610
Fixed Assets:		
Machinery and equipment	0	135,667
Accumulated depreciation	0	(92,643)
	<hr/>	<hr/>
Net Fixed Assets	0	43,023
	<hr/>	<hr/>
Total Assets	\$ 0	\$ 64,633
	<hr/>	<hr/>
LIABILITIES AND EQUITY		
Current Liabilities:		
Accounts payable	\$ 0	\$ 1,299
Accrued payroll	18,284	6,450
Due to other funds	0	0
	<hr/>	<hr/>
Total Liabilities	18,284	7,749
Equity:		
Retained earnings, unreserved	(18,284)	56,884
	<hr/>	<hr/>
Total Liabilities and Equity	\$ 0	\$ 64,633
	<hr/>	<hr/>

Stores/ Printing	Health Insurance Reserve	Workers' Compensation Reserve	Total
\$ 0	\$ 1,541,644	\$ 381,092	\$ 1,927,725
0	0	1,000	1,000
0	19,128	4,464	23,592
5,522	0	0	22,143
5,522	1,560,773	386,555	1,974,460
0	0	0	135,667
0	0	0	(92,643)
0	0	0	43,023
\$ 5,522	\$ 1,560,773	\$ 386,555	\$ 2,017,483
\$ 0	\$ 681,417	\$ 81,809	\$ 764,525
0	0	0	24,734
10,367	0	0	10,367
10,367	681,417	81,809	799,626
(4,845)	879,356	304,746	1,217,857
\$ 5,522	\$ 1,560,773	\$ 386,555	\$ 2,017,483

CITY OF DUBUQUE, IOWA
INTERNAL SERVICE FUNDS

Combining Statement of Revenues, Expenses, and
Changes in Retained Earnings

For the fiscal year ended June 30, 1995

	General Service	Garage Service
	<u> </u>	<u> </u>
Operating Revenues:		
Charges for sales and services	\$ 886,105	\$ 588,766
Operating Expenses:		
Employee expense	904,079	337,337
Utilities	0	10,964
Repairs and maintenance	0	15,141
Supplies and services	0	208,032
Insurance	0	7,932
Depreciation	0	10,859
	<u>904,079</u>	<u>590,265</u>
Total Operating Expenses		
Operating (Loss)	(17,974)	(1,499)
Nonoperating Revenues (Expenses):		
Interest Revenue	<u>0</u>	<u>0</u>
Income (Loss) Before Operating Transfers	(17,974)	(1,499)
Operating Transfers:		
Operating transfers in	0	0
Operating transfers out	(1,849)	0
Total Operating Transfers	<u>(1,849)</u>	<u>0</u>
Net Income (Loss)	(19,822)	(1,499)
Retained Earnings, Beginning	<u>1,539</u>	<u>58,382</u>
Retained Earnings, Ending	<u>\$ (18,284)</u>	<u>\$ 56,884</u>

Stores/ Printing	Health Insurance Reserve	Workers' Compensation Reserve	Total
<u>\$ 27,500</u>	<u>\$ 3,043,153</u>	<u>\$ 230,204</u>	<u>\$ 4,775,728</u>
0	0	0	1,241,416
0	0	0	10,964
0	0	0	15,141
28,085	0	9,800	245,916
0	3,199,223	240,916	3,448,071
0	0	0	10,859
<u>28,085</u>	<u>3,199,223</u>	<u>250,716</u>	<u>4,972,367</u>
<u>(584)</u>	<u>(156,070)</u>	<u>(20,513)</u>	<u>(196,639)</u>
<u>0</u>	<u>80,546</u>	<u>20,543</u>	<u>101,089</u>
<u>(584)</u>	<u>(75,524)</u>	<u>31</u>	<u>(95,550)</u>
0	0	100,000	100,000
0	(54,000)	(21,000)	(76,849)
0	(54,000)	79,000	23,151
<u>(584)</u>	<u>(129,524)</u>	<u>79,031</u>	<u>(72,399)</u>
<u>(4,260)</u>	<u>1,008,880</u>	<u>225,716</u>	<u>1,290,256</u>
<u>\$ (4,845)</u>	<u>\$ 879,356</u>	<u>\$ 304,746</u>	<u>\$ 1,217,857</u>

CITY OF DUBUQUE, IOWA
INTERNAL SERVICE FUNDS

Combining Statement of Cash Flows

For the fiscal year ended June 30, 1995

	<u>General Service</u>	<u>Garage Service</u>
Cash Flows from Operating Activities:		
Operating income (loss)	\$(17,974)	\$(1,499)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	0	10,859
Changes in assets and liabilities:		
Decrease in inventory	0	5,514
(Increase) in insurance deposit	0	0
Increase (decrease) in accounts payable	0	(3,588)
Increase (decrease) in accrued payroll	18,284	(4,625)
(Decrease) in due to other funds	0	0
	<u>310</u>	<u>6,662</u>
Net cash provided (used) by operating activities		
Cash Flows from Noncapital Financing Activities:		
Operating transfers in	0	0
Operating transfers out	(1,849)	0
Net cash provided (used) by noncapital financing activities	(1,849)	0
Cash Flows from Capital and Related Financing Activities:		
Acquisition and construction of fixed assets	0	(3,221)
Cash Flows from Investing Activities:		
Interest on cash and pooled cash investments	0	0
Net increase (decrease) in cash and cash equivalents	(1,539)	3,441
Cash and cash equivalents at beginning of year	1,539	1,548
Cash and cash equivalents at end of year	<u>\$ 0</u>	<u>\$ 4,989</u>

EXHIBIT F-3

<u>Stores/ Printing</u>	<u>Health Insurance Reserve</u>	<u>Workers' Compensation Reserve</u>	<u>Total</u>
\$ (584)	\$ (156,070)	\$ (20,513)	\$ (196,639)
0	0	0	10,859
685	0	0	6,199
0	0	(1,000)	(1,000)
0	507,455	(71,677)	432,190
0	0	0	13,659
(101)	0	0	(101)
<u>0</u>	<u>351,385</u>	<u>(93,190)</u>	<u>265,167</u>
0	0	100,000	100,000
<u>0</u>	<u>(54,000)</u>	<u>(21,000)</u>	<u>(76,849)</u>
<u>0</u>	<u>(54,000)</u>	<u>79,000</u>	<u>23,151</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>(3,221)</u>
<u>0</u>	<u>70,007</u>	<u>18,834</u>	<u>88,841</u>
0	367,392	4,644	373,938
<u>0</u>	<u>1,174,252</u>	<u>376,448</u>	<u>1,553,787</u>
<u>\$ 0</u>	<u>\$ 1,541,644</u>	<u>\$ 381,092</u>	<u>\$ 1,927,725</u>

TRUST AND AGENCY FUNDS

Trust funds are used to account for assets held by the government in a trustee capacity. Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments, and/or other funds.

EXPENDABLE TRUST FUNDS

Cable TV Fund - This fund is used to account for the monies and related costs as set forth in the cable franchise agreement between the City of Dubuque and the cable franchisee.

Respiratory Disease Trust Fund - This fund is used to account for the monies and related costs as agreed to by the City of Dubuque and the Dubuque Tuberculosis Association.

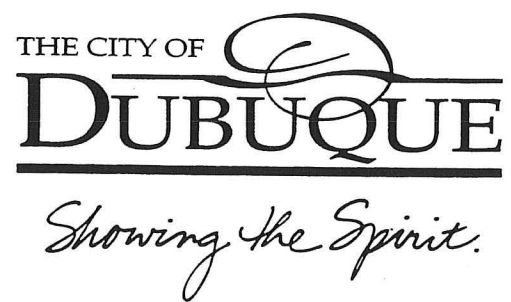
NONEXPENDABLE TRUST FUNDS

Ella Lyons Peony Trail Trust Fund - This fund is used for dividends and maintenance cost related to the City Peony Trail, per trust agreement.

Library Gifts Trust Fund - This fund is used to account for testamentary gifts to the City library.

AGENCY FUND

Deferred Compensation Fund - This fund is used to account for the accumulation and disbursement of deferred wages under a deferred compensation plan between the City of Dubuque and the International City Management Association Retirement Corporation.



CITY OF DUBUQUE, IOWA
TRUST AND AGENCY FUNDS

Combining Balance Sheet

June 30, 1995

	Expendable Trust	Nonexpendable Trust
ASSETS		
Cash and pooled cash investments	\$ 399,859	\$ 83,136
Investments	0	0
Receivables:		
Accounts	12,431	0
Accrued interest	0	736
Restricted assets:		
Cash and pooled cash investments	89,141	0
Total Assets	\$ 501,431	\$ 83,871
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 1,025	\$ 0
Accrued payroll	562	0
Accrued compensated absences	13,129	0
Deferred compensation payable	0	0
Total Liabilities	14,716	0
Fund Balances:		
Reserved for encumbrances	13,605	0
Reserved by franchise agreement	83,731	0
Reserved for endowments	0	83,871
Unreserved, undesignated	389,379	0
Total Fund Balances	486,715	83,871
Total Liabilities and Fund Balances	\$ 501,431	\$ 83,871

EXHIBIT G-1

Agency	Total
\$ 0	\$ 482,994
5,816,043	5,816,043
0	12,431
0	736
0	89,141
<u>\$ 5,816,043</u>	<u>\$ 6,401,345</u>
\$ 0	\$ 1,025
0	562
0	13,129
<u>5,816,043</u>	<u>5,816,043</u>
<u>5,816,043</u>	<u>5,830,759</u>
0	13,605
0	83,731
0	83,871
<u>0</u>	<u>389,379</u>
0	570,586
<u>\$ 5,816,043</u>	<u>\$ 6,401,345</u>

EXHIBIT G-2

CITY OF DUBUQUE, IOWA
EXPENDABLE TRUST FUNDS

Combining Balance Sheet

June 30, 1995

	Cable TV	Respiratory Disease Trust	Total
ASSETS			
Cash and pooled cash investments	\$ 395,266	\$ 4,593	\$ 399,859
Accounts receivable	12,431	0	12,431
Restricted assets:			
Cash and pooled cash investments	89,141	0	89,141
Total Assets	<u>\$ 496,838</u>	<u>\$ 4,593</u>	<u>\$ 501,431</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,025	\$ 0	\$ 1,025
Accrued payroll	562	0	562
Accrued compensated absences	13,129	0	13,129
Total Liabilities	<u>14,716</u>	<u>0</u>	<u>14,716</u>
Fund Balances:			
Reserved for encumbrances	13,605	0	13,605
Reserved by franchise agreement	83,731	0	83,731
Unreserved, undesignated	384,786	4,593	389,379
Total Fund Balances	<u>482,122</u>	<u>4,593</u>	<u>486,715</u>
Total Liabilities and Fund Balances	<u>\$ 496,838</u>	<u>\$ 4,593</u>	<u>\$ 501,431</u>

CITY OF DUBUQUE, IOWA
EXPENDABLE TRUST FUNDS

Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances

For the fiscal year ended June 30, 1995

	Cable TV	Respiratory Disease Trust	Total
Revenues:			
Franchise fees	\$ 319,264	\$ 0	\$ 319,264
Miscellaneous	225	0	225
Total Revenues	<u>319,489</u>	<u>0</u>	<u>319,489</u>
Expenditures:			
Administration	158,233	0	158,233
Protective services	152,955	0	152,955
Non-program	0	133	133
Total Expenditures	<u>311,188</u>	<u>133</u>	<u>311,321</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,300	(133)	8,167
Fund Balances, Beginning	<u>473,822</u>	<u>4,726</u>	<u>478,547</u>
Fund Balances, Ending	<u>\$ 482,122</u>	<u>\$ 4,593</u>	<u>\$ 486,715</u>

CITY OF DUBUQUE, IOWA
NONEXPENDABLE TRUST FUNDS

Combining Balance Sheet

June 30, 1995

	Ella Lyons Peony Trail Trust	Library Gifts Trust	Total
ASSETS			
Cash and pooled cash investments	\$ 20,168	\$ 62,968	\$ 83,136
Accrued interest receivable	0	736	736
Total Assets	<u>\$ 20,168</u>	<u>\$ 63,704</u>	<u>\$ 83,871</u>
LIABILITIES AND FUND BALANCES			
Liabilities	\$ 0	\$ 0	\$ 0
Fund Balances:			
Reserved for endowments	<u>20,168</u>	<u>63,704</u>	<u>83,871</u>
Total Liabilities and Fund Balances	<u>\$ 20,168</u>	<u>\$ 63,704</u>	<u>\$ 83,871</u>

CITY OF DUBUQUE, IOWA
NONEXPENDABLE TRUST FUNDS

Combining Statement of Revenues, Expenses, and
Changes in Fund Balances

For the fiscal year ended June 30, 1995

	Ella Lyons Peony Trail Trust	Library Gifts Trust	Total
	<hr/>	<hr/>	<hr/>
Operating Revenues:			
Miscellaneous	\$ 2,903	\$ 1,475	\$ 4,378
Investment earnings	1,944	3,756	5,700
	<hr/>	<hr/>	<hr/>
Total Operating Revenues	4,847	5,231	10,078
Operating Expenses:			
Supplies and services	5,806	3,299	9,105
	<hr/>	<hr/>	<hr/>
Net Income (Loss)	(959)	1,932	973
Fund Balances, Beginning	21,126	61,772	82,898
	<hr/>	<hr/>	<hr/>
Fund Balances, Ending	\$ 20,168	\$ 63,704	\$ 83,871
	<hr/>	<hr/>	<hr/>

CITY OF DUBUQUE, IOWA
NONEXPENDABLE TRUST FUNDS

EXHIBIT G-6

Combining Statement of Cash Flows

For the fiscal year ended June 30, 1995

	Ella Lyons Peony Trail Trust	Library Gifts Trust	Total
Cash Flows from Operating Activities:			
Operating income (loss)	\$(959)	\$ 1,932	\$ 973
Adjustments to reconcile operating income (loss) to net cash (used) by operating activities:			
Investment earnings	(1,944)	(3,756)	(5,700)
Changes in assets and liabilities: (Decrease) in accounts payable	(424)	(2,585)	(3,009)
Net cash (used) by operating activities	(3,327)	(4,409)	(7,736)
Cash Flows from Investing Activities:			
Interest on cash and pooled cash investments	1,944	3,487	5,431
Net (decrease) in cash and cash equivalents	(1,383)	(922)	(2,305)
Cash and cash equivalents at beginning of year	21,551	63,890	85,441
Cash and cash equivalents at end of year	<u>\$ 20,168</u>	<u>\$ 62,968</u>	<u>\$ 83,136</u>

CITY OF DUBUQUE, IOWA
DEFERRED COMPENSATION AGENCY FUND

EXHIBIT G-7

Combining Statement of Changes in Assets and Liabilities

For the fiscal year ended June 30, 1995

	<u>Balance July 1 1994</u>	<u>Net Additions</u>	<u>Net Deductions</u>	<u>Balance June 30 1995</u>
ASSETS				
Investments	<u>\$ 4,926,723</u>	<u>\$ 1,067,962</u>	<u>\$ 178,642</u>	<u>\$ 5,816,043</u>
LIABILITIES				
Deferred compensation payable	<u>\$ 4,926,723</u>	<u>\$ 1,067,962</u>	<u>\$ 178,642</u>	<u>\$ 5,816,043</u>

**GENERAL FIXED ASSETS
ACCOUNT GROUP**

Comparative Schedules of General Fixed Assets by Source

June 30, 1995

General Fixed Assets:

Land	\$ 9,267,822
Buildings and improvements	35,609,897
Improvements other than buildings	4,889,748
Machinery and equipment	12,025,261
Construction in progress	<u>1,326,807</u>

Total General Fixed Assets	<u>\$63,119,535</u>
----------------------------	---------------------

Investment in General Fixed Assets by Source:

Investments in property acquired prior to July 1, 1983	\$ 1,440,960*
General fund	22,032,373
Special revenue funds	2,771,501
Capital projects funds	34,412,771
Donations	<u>2,461,930</u>

Total Investment in General Fixed Assets	<u>\$63,119,535</u>
--	---------------------

* It is impossible to determine the sources of investments prior to this date because records reflecting information in this form were not maintained.

CITY OF DUBUQUE, IOWA

Schedule of General Fixed Assets - By Program and Department

June 30, 1995

<u>Program and Department</u>	<u>Land</u>	<u>Buildings and Improvements</u>
Administration:		
City Manager	\$ 0	\$ 0
City Clerk	0	0
Finance	0	0
Legal	0	0
Information Services	0	0
Dog Track	0	9,070,894
Cable TV	0	0
City Council	0	0
Other - Unclassified	3,559,675	4,418,364
Total Administration	3,559,675	13,489,258
Protective Services:		
Police	23,860	238,036
Joint Communications	0	0
Fire	161,100	2,107,623
Disaster Services	0	0
Human Rights	0	0
Total Protective Services	184,960	2,345,659
Facilities and Environment:		
Airport	104,661	3,384,741
Engineering	0	0
Street and Sewers	131,030	795,668
Community Development	0	0
Housing Services	0	0
Planning Services	0	0
Building Services	65,510	1,902,424
Health Services	0	0
Total Facilities and Environment	301,201	6,082,833
Leisure Services:		
Park	3,647,620	2,337,602
Civic Center	172,246	4,416,123
Recreation	1,335,160	3,788,962
Library	66,960	3,149,460
Total Leisure Services	5,221,986	13,692,147
Construction in Progress	0	0
Total General Fixed Assets	\$ 9,267,822	\$ 35,609,897

EXHIBIT H-2

Improvements Other Than Buildings	Machinery and Equipment	Construction in Progress	Total
\$ 0	\$ 97,654	\$ 0	\$ 97,654
0	7,518	0	7,518
0	107,493	0	107,493
0	13,858	0	13,858
0	398,762	0	398,762
1,073,877	0	0	10,144,771
0	268,409	0	268,409
0	1,760	0	1,760
0	0	0	7,978,039
1,073,877	895,454	0	19,018,264
0	954,511	0	1,216,407
0	166,226	0	166,226
0	1,765,976	0	4,034,699
0	79,824	0	79,824
0	19,207	0	19,207
0	2,985,744	0	5,516,363
2,093,719	1,346,617	0	6,929,738
0	297,534	0	297,534
17,135	2,690,439	0	3,634,272
136,561	35,306	0	171,867
0	248,741	0	248,741
0	37,166	0	37,166
0	78,873	0	2,046,807
0	68,178	0	68,178
2,247,415	4,802,854	0	13,434,303
1,322,587	942,605	0	8,250,414
43,573	982,982	0	5,614,924
202,296	255,328	0	5,581,746
0	1,160,294	0	4,376,714
1,568,456	3,341,209	0	23,823,798
0	0	1,326,807	1,326,807
<u>\$ 4,889,748</u>	<u>\$ 12,025,261</u>	<u>\$ 1,326,807</u>	<u>\$ 63,119,535</u>

Schedule of Changes in General Fixed Assets - By Program and Department

For the fiscal year ended June 30, 1995

Program and Department	General Fixed Assets July 1 1994	Additions	Deductions	General Fixed Assets June 30 1995
Administration:				
City Manager	\$ 86,565	\$ 11,089	\$ 0	\$ 97,654
City Clerk	6,969	549	0	7,518
Finance	107,292	14,443	(14,242)	107,493
Legal	11,685	2,173	0	13,858
Information Services	308,787	94,420	(4,445)	398,762
Dog Track	10,144,771	0	0	10,144,771
Cable TV	245,966	23,163	(720)	268,409
City Council	1,760	0	0	1,760
Other - Unclassified	7,978,039	0	0	7,978,039
Total Administration	18,891,834	145,837	(19,407)	19,018,264
Protective Services:				
Police	1,028,786	380,196	(192,575)	1,216,407
Joint Communications	164,615	1,611	0	166,226
Fire	3,584,244	470,351	(19,896)	4,034,699
Disaster Services	79,824	0	0	79,824
Human Rights	15,793	3,414	0	19,207
Total Protective Services	4,873,262	855,572	(212,471)	5,516,363
Facilities and Environment:				
Airport	6,556,035	559,339	(185,636)	6,929,738
Engineering	248,705	96,021	(47,192)	297,534
Street and Sewers	3,592,433	216,714	(174,875)	3,634,272
Community Development	160,736	11,131	0	171,867
Housing Services	171,447	88,029	(10,735)	248,741
Planning Services	36,816	350	0	37,166
Building Services	2,046,807	0	0	2,046,807
Health Services	42,673	34,770	(9,265)	68,178
Total Facilities and Environment	12,855,652	1,006,354	(427,703)	13,434,303
Leisure Services:				
Park	8,163,515	111,951	(25,052)	8,250,414
Civic Center	5,521,396	99,102	(5,574)	5,614,924
Recreation	5,567,093	19,725	(5,072)	5,581,746
Library	4,327,730	52,179	(3,195)	4,376,714
Total Leisure Services	23,579,734	282,957	(38,893)	23,823,798
Construction in Progress	369,570	1,326,807	(369,570)	1,326,807
Total General Fixed Assets	\$ 60,570,052	\$ 3,617,527	\$ (1,068,044)	\$ 63,119,535

**INFORMATION PROVIDED TO COMPLY
WITH OMB CIRCULAR A-128**



Charles Bailly & Company P.L.L.P.

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

To the Honorable Mayor and Members of the City Council:

We have audited the general purpose financial statements of the City of Dubuque, Iowa, as of and for the year ended June 30, 1995, and have issued our report thereon dated November 17, 1995. These general purpose financial statements are the responsibility of the City of Dubuque's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; Chapter 11 of the Code of Iowa; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

Charles Bailly & Company P.L.L.P.

Dubuque, Iowa
November 17, 1995

CITY OF DUBUQUE, IOWA

Schedule of Federal Financial Assistance

For the fiscal year ended June 30, 1995

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Program Expenditures
U.S. Department of Housing and Urban Development			
Direct Programs:			
Community Development Block Grant*	14.218	B-93-MC-19-0004)	
Community Development Block Grant*	14.218	B-94-MC-19-0004)	\$ 1,435,243
CDBG - Disaster Recovery Funds*	14.218	B-93-MF-19-0004	148,000
CDBG - Disaster Recovery Funds*	14.218	B-94-MF-19-0004	141,000
Type I Fair Housing Assistance Program	14.401	FF207K947006	10,731
Type I Fair Housing Assistance Program	14.401	FF207K937006	3,367
Section VIII - Voucher Program*	14.855	KC-9004V	610,727
Section VIII - Moderate Rehab*	14.856	KC-9004MR	992,610
Section VIII - Certificate Program*	14.857	KC-9004E	1,695,128
Housing Rehabilitation Special Purpose	N/A	IA05SPG23	77,729
Indirect Programs - Passed Through State of Iowa:			
HOME Investment Partnership Program	14.239	M92SG190103100	216,880
HOME Investment Partnership Program	14.239	M93SG190103100	56,077
Total U.S. Department of Housing and Urban Development			5,387,492
U.S. Department of Justice			
Indirect Programs			
Passed Through State of Iowa:			
Drug Control and System Improvement	16.579	94-0118	7,236
Passed Through Dubuque County, Iowa			
Drug Control and System Improvement	16.579		4,787
Total U.S. Department of Justice			12,023
U.S. Department of Transportation			
Direct Programs:			
Airport Improvement Programs*	20.106	3-19-0028-08	4,241
Airport Improvement Programs*	20.106	3-19-0028-09	803,036
Airport Improvement Programs*	20.106	3-19-0028-10	71,306
Airport Improvement Programs*	20.106	3-19-0028-11	257,352
Airport Improvement Programs*	20.106	3-19-0028-12	103,233
Airport Improvement Programs*	20.106	3-19-0028-13	225,390
Airport Improvement Programs*	20.106	3-19-0028-14	196,422
Federal Transit Administration-Operating*	20.507	IA-90-X168	405,023
Federal Transit Administration-Capital*	20.507	IA-90-X168	1,394
Indirect Programs - Passed Through State of Iowa:			
Discretionary Transit Capital	20.500	03-0071-210-94	42,041
Serious Traffic Offender Patrol	20.600	94/96-04, Task 05	50
Serious Traffic Offender Patrol	20.600	95/96-04, Task 05	3,862
Traffic Safety	20.600	95HLT-04, Task G1	7,554
Total U.S. Department of Transportation			2,120,904

(continued)

Schedule of Federal Financial Assistance

For the fiscal year ended June 30, 1995

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Number	Program Expenditures
Federal Emergency Management Agency:			
Indirect Program - Passed Through State of Iowa:			
Disaster Assistance	83.516	DRIA996	\$ 10,478
U.S. Department of Health and Human Services:			
Indirect Programs - Passed Through State of Iowa:			
AIDS Coalition	93.118	5884AP21	3,501
AIDS Coalition	93.118	5885AP21	1,454
Childhood Lead Poisoning Prevention	93.197	5884LP07	48,698
AIDS Preventive Health	93.991	5884AS05	1,854
AIDS Preventive Health	93.991	5885AS05	5,145
Community-Based Health Promotion	93.991	5885RR16	988
Total U.S. Department of Health and Human Services			61,640
Total Federal Financial Assistance			\$ 7,592,537

* This program is considered a major Federal financial assistance program under the provisions of the Single Audit Act of 1984.



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

To the Honorable Mayor and Members of the City Council:

We have audited the general purpose financial statements of the City of Dubuque, Iowa, as of and for the year ended June 30, 1995, and have issued our report thereon dated November 17, 1995.

We have applied procedures to test the City of Dubuque's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the schedule of federal financial assistance, for the year ended June 30, 1995:

- Political activity
- Davis-Bacon Act
- Civil rights
- Cash management
- Federal financial reports
- Allowable costs/cost principles
- Drug-Free Workplace Act
- Administrative requirements

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

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Dubuque, Iowa, had not complied, in all material respects, with those requirements. However, the results of our procedures disclosed immaterial instances of noncompliance with those requirements, which are described in the accompanying Schedule of Findings and Questioned Costs.

This report is intended for the information of the Honorable Mayor, City Council, management, and officials of applicable federal and state grantor agencies. However, this report is a matter of public record and its distribution is not limited.

Charles Bailly & Company P.L.L.P.

Dubuque, Iowa
November 17, 1995



Charles Bailly & Company P.L.L.P.

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

To the Honorable Mayor and Members of the City Council:

We have audited the general purpose financial statements of the City of Dubuque, Iowa, as of and for the year ended June 30, 1995, and have issued our report thereon dated November 17, 1995.

We have also audited the City of Dubuque's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching and level of effort, and/or earmarking requirements; special reporting requirements; special tests and provisions; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance, for the year ended June 30, 1995. The management of the City of Dubuque, Iowa, is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

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

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying Schedule of Findings and Questioned Costs. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, the City of Dubuque, Iowa, complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching and level of effort, and/or earmarking requirements; special reporting requirements; special tests and provisions; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the year ended June 30, 1995.

This report is intended for the information of the Honorable Mayor, City Council, management, and officials of applicable federal and state grantor agencies. However, this report is a matter of public record and its distribution is not limited.

Charles Bailly & Company P.L.L.P.

Dubuque, Iowa
November 17, 1995



Charles Bailly & Company P.L.L.P.

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

To the Honorable Mayor and Members of the City Council:

We have audited the general purpose financial statements of the City of Dubuque, Iowa, as of and for the year ended June 30, 1995, and have issued our report thereon dated November 17, 1995.

In connection with our audit of the general purpose financial statements of the City of Dubuque, Iowa, and with our consideration of the City's internal control structure used to administer federal financial assistance programs, as required by Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*, we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1995. As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Dubuque's compliance with these requirements. Accordingly, we do not express such an opinion.

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

This report is intended for the information of the Honorable Mayor, City Council, management, and officials of applicable federal and state grantor agencies. However, this report is a matter of public record and its distribution is not limited.

Charles Bailly & Company P.L.L.P.

Dubuque, Iowa
November 17, 1995



Charles Bailly & Company P.L.L.P.
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**INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL
CONTROL STRUCTURE USED IN ADMINISTERING
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

To the Honorable Mayor and Members of the City Council:

We have audited the general purpose financial statements of the City of Dubuque, Iowa, as of and for the year ended June 30, 1995, and have issued our report thereon dated November 17, 1995. We have also audited the City of Dubuque's compliance with requirements applicable to major federal financial assistance programs and have issued our report thereon dated November 17, 1995.

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

In planning and performing our audits for the year ended June 30, 1995, we considered the internal control structure of the City of Dubuque, Iowa, in order to determine our auditing procedures for the purpose of expressing our opinions on the general purpose financial statements of the City of Dubuque, Iowa, and on the compliance of the City of Dubuque, Iowa, with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated November 17, 1995.

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

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

Accounting Controls:

- Investments
- Revenue and receivables
- Expenditures/expenses
for goods and services
and accounts payable
- Payroll

Administrative Controls:

General Compliance Requirements:

- Political activity
- Davis-Bacon Act
- Civil rights
- Cash management
- Federal financial reports
- Allowable costs/cost principles
- Drug-Free Workplace Act
- Administrative requirements

Specific Compliance Requirements:

- Types of services allowed or
unallowed
- Eligibility
- Matching and level of effort,
and/or earmarking requirements
- Special reporting requirements
- Special tests and provisions

- Claims for advances and
reimbursements

- Amounts claimed or used for
matching

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

During the year ended June 30, 1995, the City of Dubuque, Iowa, expended 93.4 percent of its total federal financial assistance under major federal financial assistance programs.

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

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

However, we noted certain matters involving the internal control structure and its operations that we have reported to the management of the City of Dubuque, Iowa, in a separate letter dated November 17, 1995.

This report is intended for the information of the Honorable Mayor, City Council, management, and officials of applicable federal and state grantor agencies. However, this report is a matter of public record and its distribution is not limited.

Charles Bailly & Company P.L.L.P.

Dubuque, Iowa
November 17, 1995

CITY OF DUBUQUE, IOWA

Schedule of Findings and Questioned Costs

For the fiscal year ended June 30, 1995

Finding Number	Program	Finding/Noncompliance	Questioned Cost
1.	U.S. Department of Housing and Urban Development: Community Development Block Grant	<p>Our audit procedures include the review of financial reports that are regularly submitted to the U.S. Department of Housing and Urban Development. The Grantee Performance Report contained dollar amounts that did not agree with the City's general ledger records.</p> <p>During fiscal year ended June 30, 1995, the City of Dubuque entered into "Lump Sum Drawdown Agreements" with the U.S. Department of Housing and Urban Development. Pursuant to CPD-93-12, regarding lump sum agreements, the City is to distribute the lump sum drawdown into a rehabilitation account in a local financial institution. City personnel recorded this distribution to the financial institution as an expenditure of block grant funds on their Grantee Performance Report instead of recording the expenditure as the financial institution disburses these funds for rehabilitation assistance. The U.S. Department of Housing and Urban Development's "Transmittal Handbook No.: 6510.2 REV-2," which provides guidance in the preparation of the Grantee Performance Report reads as follows:</p> <p>"For purposes of this report, HUD considers a lump sum disbursement for rehabilitation to be expended as the financial institution disburses the funds (or transfers the funds to a reserve account) for rehabilitation assistance provided to the ultimate beneficiary."</p> <p>The net effect of improperly recording these transactions resulted in overstating expenditures and understating cash by approximately \$208,000 on the Grantee Performance Report.</p>	<u>N/A</u>

CITY OF DUBUQUE, IOWA

Schedule of Findings and Questioned Costs

For the fiscal year ended June 30, 1995

<u>Finding Number</u>	<u>Program</u>	<u>Finding/Noncompliance</u>	<u>Questioned Cost</u>
1.	U.S. Department of Housing and Urban Development: Community Development Block Grant (continued)	<p><u>Recommendation</u></p> <p>We recommend that, in the future, personnel of the community development and finance departments work towards improving the communication between the two departments to ensure that all transactions originating in community development are being properly recorded by the City's finance department and that federal reports are properly prepared.</p> <p>In addition, City personnel need to contact the U.S. Department of Housing and Urban Development regarding this reporting error and the possibility of amending their Grantee Performance Report.</p> <p><u>City Response</u></p> <p>The City initially received instruction from the Department of Housing and Urban Development (HUD) on reporting the lump-sum drawdown agreements that were later clarified and required further review. The City review of the accounting procedures required for lump-sum drawdowns revealed that an amended Grantee Performance Report is required. The amended report will reflect the balance of the lump-sum drawdown accounts as a restricted balance within the block grant fund.</p> <p><u>Conclusion</u></p> <p>Response accepted.</p>	

CITY OF DUBUQUE, IOWA

Schedule of Findings and Questioned Costs

For the fiscal year ended June 30, 1995

<u>Finding Number</u>	<u>Program</u>	<u>Finding/Noncompliance</u>	<u>Questioned Cost</u>
2.	U.S. Department of Housing and Urban Development: Section 8 Certificate and Voucher Programs	<p>In testing the computation of the certificate and voucher programs' administrative fees, as part of our review of the HUD annual reports, we found that the new rates for calculating the administrative fee that was to go into effect on October 1, 1994, was actually put into effect on November 1, 1994, for the Certificate Program and December 1, 1994, for the Voucher Program. The net effect of this finding is that \$158.39 is due to HUD for the recalculation of their administrative fee.</p> <p><u>Recommendation</u> We recommend that housing personnel contact HUD regarding the possible amending of their June 30, 1995, Certificate/Voucher Program's HUD Annual Reports or including the \$158.39 net amount due to HUD as part of the fiscal year ending June 30, 1996, HUD Annual Reports.</p> <p><u>City Response</u> The City has filed revised annual reports with HUD reflecting proper application of the new administration fee rates. The City is currently awaiting a response from HUD on the disposition of the additional \$158.39 service fee.</p> <p><u>Conclusion</u> Response accepted.</p>	\$ <u>158.39</u>

**REPORTS ON COMPLIANCE AND INTERNAL
CONTROL STRUCTURE IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***



Charles Bailly & Company P.L.L.P.

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS AND
REGULATIONS BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and Members of the City Council:

We have audited the general purpose financial statements of the City of Dubuque, Iowa, as of and for the year ended June 30, 1995, and have issued our report thereon dated November 17, 1995.

We conducted our audit in accordance with generally accepted auditing standards; Chapter 11 of the Code of Iowa; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

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

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

We noted certain immaterial instances of noncompliance that we have reported to the management of the City of Dubuque, Iowa, in a separate letter dated November 17, 1995.

This report is intended for the information of the Honorable Mayor, City Council, management, and officials of applicable federal and state grantor agencies. However, this report is a matter of public record and its distribution is not limited.

Charles Bailly & Company P.L.L.P.

Dubuque, Iowa
November 17, 1995





Charles Bailly & Company P.L.L.P.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Mayor and Members of the City Council:

We have audited the general purpose financial statements of the City of Dubuque, Iowa, as of and for the year ended June 30, 1995, and have issued our report thereon dated November 17, 1995.

We have conducted our audit in accordance with generally accepted auditing standards; Chapter 11 of the Code of Iowa; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

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

In planning and performing our audit of the general purpose financial statements of the City of Dubuque, Iowa, for the year ended June 30, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements. Prior year reportable conditions, items (A) and (B), have not been resolved. Current year reportable conditions are as follows:

- (A) Dock Leases - The City has not maintained an accounts receivable system for all of the City's dock leases to keep track of dock lease revenue and outstanding balances due to the City. The City has initiated procedures to set up such an accounts receivable system, but the system has not yet been fully implemented.

Recommendation - The City should complete its implementation of an accounts receivable system for dock leases.

Response - The City has implemented a new integrated accounts receivable system for general accounts receivable including dock leases. The accounts receivable tracks account billing and payment history by customer (lessee) and produces accounts receivable aging reports for tracking outstanding payments. The City Engineering department has also continued a review of leases.

Conclusion - Response accepted.

- (B) General Fixed Assets - The City has a centralized custodian who maintains a record of the City's general fixed assets. However, there are no formal procedures in place to ensure that the custodian is notified of all completed projects which must be capitalized.

Recommendation - Some progress has been made in this area through the issuance of a memo to department heads regarding the use of a standard form. However, further improvement is needed. The City should adopt a formal policy in order to improve the reporting of fixed asset additions, retirements, and transfers to the centralized custodian.

Response - The City will establish an administrative policy which will establish formal procedures for reporting on receipt, disposal, and inventory of fixed assets held by the City.

Conclusion - Response accepted.

- (C) Notes Receivable - The City has several loan programs under which it loans money to those owning low-income housing for the purpose of rehabilitating the property. The City uses a software program to track the amount of notes receivable under these various programs. We noted that loan amounts are entered in the software program as receivable amounts immediately upon the approval of the loan, regardless of whether the money has actually been paid out yet by the City. As a result, it is difficult to determine the City's notes receivable balance and to reconcile the loan amounts to the City's general ledger.

Recommendation - The City should modify its software program to enable a better reconciliation of the notes receivable balance and perform the reconciliation on a regular basis.

Response - The City Finance Department will work with the Housing Services Department to develop a process for periodically reconciling the outstanding loan balance for low-income housing loans to the City's general ledger.

Conclusion - Response accepted.

A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe none of the reportable conditions described above are a material weakness.

We also noted other matters involving the internal control structure and its operation that we have reported to the management of the City of Dubuque, Iowa, in a separate letter dated November 17, 1995.

This report is intended for the information of the Honorable Mayor, City Council, management, and officials of applicable federal and state grantor agencies. However, this report is a matter of public record and its distribution is not limited.

The following comments about the City's operations for the year ended June 30, 1995, are based exclusively upon knowledge obtained from procedures performed during our audit of the general purpose 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. Prior year statutory comments have all been resolved.

- (1) Official Depositories - A resolution naming official depositories has been approved by the City. The maximum deposit amounts stated in the resolution were not exceeded during the year ended June 30, 1995.
- (2) Certified Budget - Program disbursements during the year ended June 30, 1995, did not exceed the amounts budgeted.
- (3) Questionable Disbursements - We noted no disbursements which fail to meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.

- (4) Travel Expense - No disbursements of City money for travel expenses of spouses of City officials or employees were noted.
- (5) Business Transactions - We noted no business transactions between the City and its officials or employees that appear to represent a conflict of interest.
- (6) 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.
- (7) Council Minutes - No transactions were found that we believe should have been approved in the Council minutes but were not.

Although minutes of council proceedings were published, they did not contain a summary of all receipts as required by Chapter 372.13(6) of the Code of Iowa.

Recommendation - The City should include a summary of all receipts in their publication of council proceedings.

Response - The City Finance Department is working with the Information Services Department to create a report to summarize receipts and submit for publication with council proceedings.

Conclusion - Response accepted.

- (8) Revenue Bonds - We noted no instances of noncompliance with the provisions of the City's revenue bond resolutions.
- (9) Deposits and Investments - We noted no instances of noncompliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the City's investment policy.

We would like to acknowledge the assistance extended to us by personnel of the City of Dubuque during the course of our audit.

Should you have any questions concerning any of the preceding matters, we shall be pleased to discuss them with you at your convenience.

Charles Bailly & Company P.L.L.P.

Dubuque, Iowa
November 17, 1995

STATISTICAL SECTION

(Unaudited)

Table 1

CITY OF DUBUQUE, IOWA

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)

Last Ten Fiscal Years
 (Amounts expressed in thousands)
 (Unaudited)

<u>Fiscal Year</u>	<u>Protective Services</u>	<u>Leisure Services</u>	<u>Facilities and Environment</u>	<u>Administration</u>	<u>Debt Service</u>	<u>Total</u>
1986	\$6,159	\$2,935	\$6,229	\$1,634	\$4,024	\$20,981
1987	6,622	2,989	5,735	1,930	3,845	21,121
1988	6,179	2,657	5,724	2,081	3,776	20,417
1989	6,510	2,762	6,727	1,778	3,853	21,630
1990	6,873	3,025	7,056	1,960	4,305	23,219
1991	7,315	3,222	9,041	2,042	7,094	28,714
1992	7,843	3,429	9,123	2,270	5,532	28,197
1993	7,874	3,548	8,776	2,237	3,915	26,350
1994	11,068	4,407	11,092	5,456	4,276	36,299
1995	11,747	5,207	9,785	2,927	3,764	33,430

(1) Includes General, Special Revenue, and Debt Service Funds.

Table 2

CITY OF DUBUQUE, IOWA

GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)

Last Ten Fiscal Years
(Amounts expressed in thousands)
(Unaudited)

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Inter-Governmental</u>	<u>Charges for Services</u>	<u>Fines</u>	<u>Interest</u>	<u>Miscellaneous</u>	<u>Total</u>
1986	\$ 9,644	\$459	\$4,778	\$2,004	\$274	\$ 606	\$1,862	\$19,627
1987	10,644	447	6,111	1,994	246	1,003	2,667	23,112
1988	10,427	467	6,292	2,126	228	1,325	2,345	23,210
1989	13,240	490	7,039	2,140	279	1,699	2,157	27,044
1990	13,360	539	8,147	2,397	367	2,342	6,484	33,636
1991	13,841	618	7,533	2,876	360	2,914	6,544	34,686
1992	14,420	639	8,049	3,150	346	1,785	3,426	31,815
1993	15,016	666	7,662	2,944	337	1,474	749	28,848
1994	20,295	673	10,417	3,526	388	1,438	736	37,473
1995	20,889	921	9,457	4,494	341	2,155	1,130	39,387

(1) Includes General, Special Revenue, and Debt Service Funds.

Table 2A

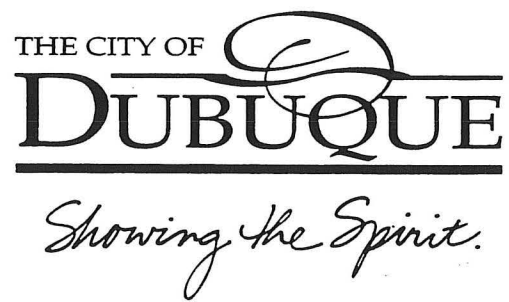
CITY OF DUBUQUE, IOWA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE

Last Ten Fiscal Years
(Amounts expressed in thousands)
(Unaudited)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Moneys and Credits Replaced Tax</u>	<u>Mobile Homes Tax</u>	<u>State Replace Personal Prop. Exemption</u>	<u>Sales Tax (1)</u>	<u>Hotel Motel Tax</u>	<u>Total</u>
1986	\$8,851	\$32	\$39	\$387	\$ -	\$335	\$ 9,644
1987	9,933	31	34	213	-	433	10,644
1988	9,465	22	31	500	-	409	10,427
1989	8,174	36	38	671	3,886	435	13,240
1990	8,049	47	46	457	4,314	447	13,360
1991	8,527	40	42	457	4,316	459	13,841
1992	8,580	72	34	492	4,618	624	14,420
1993	8,762	38	31	493	4,821	871	15,016
1994	14,168	38	33	493	4,796	767	20,295
1995	14,300	39	33	493	5,182	842	20,889

(1) Tax levy approved February 1988.



CITY OF DUBUQUE, IOWA

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years
 (Amounts expressed in thousands)
 (Unaudited)

<u>Fiscal Year</u>	<u>Total Tax Levy (1)</u>	<u>Current Year Collections</u>	<u>Percent of Current Taxes Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>
1986	\$ 12,711	\$ 12,309	96.8%	\$ 591	\$ 12,900
1987	13,473	12,728	94.5	583	13,311
1988	12,580	11,957	95.0	462	12,419
1989	11,018	10,790	97.9	466	11,256
1990	11,064	10,889	98.4	415	11,304
1991	11,851	11,618	98.0	383	12,001
1992	12,694	12,042	94.9	608	12,650
1993	13,242	12,635	95.4	571	13,206
1994	14,851	14,101	94.9	161	14,262
1995	14,997	14,635	97.6	116	14,751

(1) Includes tax increment levy.

Table 3

<u>Ratio of Total Tax Collections to Total Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Ratio of Delinquent Taxes to Total Tax Levy</u>
101.5%	\$ 598	4.7%
98.8	760	5.6
98.7	915	7.3
102.2	677	6.1
102.2	437	3.9
101.3	287	2.4
99.7	331	2.6
99.7	367	2.8
96.0	956	6.4
98.4	245	1.6

CITY OF DUBUQUE, IOWA

ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY

Last Ten Fiscal Years
(Amounts expressed in thousands)
(Unaudited)

Fiscal Year	Real Property		Personal Property		Exemptions
	Taxable Value	Assessed Actual Value	Assessed Value	Estimated Actual Value	Real Property
1986	\$ 854,782	\$ 1,051,600	\$ 42,657	\$ 42,657	\$ 12,017
1987	889,046	1,055,468	42,653	42,653	12,173
1988	907,787	1,062,145	- (1)	- (1)	12,042
1989	945,898	1,079,200	- (1)	- (1)	11,873
1990	955,819	1,089,808	- (1)	- (1)	11,734
1991	966,009	1,106,628	- (1)	- (1)	11,351
1992	984,894	1,129,691	- (1)	- (1)	11,160
1993	960,732	1,185,363	- (1)	- (1)	10,783
1994	997,573	1,229,395	- (1)	- (1)	10,681
1995	1,127,153	1,450,026	- (1)	- (1)	10,642

- (1) A Personal Property Tax Replacement payment of \$493 from the State of Iowa replaces this lost value.

Table 4

Total		Ratio of Total Assessed Value to Total Estimated Actual Value
Assessed Value	Estimated Actual Value	
\$ 885,422	\$ 1,094,257	80.92%
919,526	1,098,121	83.74
895,745	1,062,145	84.33
934,025	1,079,200	86.55
944,085	1,089,808	86.63
954,658	1,106,628	86.27
973,734	1,129,691	86.19
949,949	1,185,363	80.14
986,892	1,229,395	80.27
1,116,511	1,450,026	77.00

Table 5

CITY OF DUBUQUE, IOWA

**PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS**

Last Ten Fiscal Years
(Amounts expressed in thousands)
(Unaudited)

TAX RATES PER \$1,000 ASSESSED VALUE

<u>Fiscal Year</u>	<u>Dubuque City</u>	<u>Dubuque School District</u>	<u>Board of Education and Independents</u>	<u>Area 1 Voc. Tech</u>	<u>Dubuque County</u>	<u>Total</u>	<u>Ratio of Dubuque City To Total</u>
1986	\$14.4630	\$12.9532	\$.650	\$.4424	\$ 5.2355	\$33.7441	42.86%
1987	14.5819	12.8882	.364	.4359	4.8295	33.0995	44.05
1988	13.9529	12.2700	.617	.4535	4.5858	31.8792	43.77
1989	11.8007	11.9511	.613	.4517	5.7209	30.5374	38.64
1990	11.6891	12.3212	.613	.4503	5.6024	30.6760	38.11
1991	12.3004	12.8876	.613	.4515	6.2061	32.4586	37.90
1992	12.7742	13.6506	.6186	.4620	7.0749	34.5803	36.94
1993	12.4989	13.6650	.6733	.4699	7.6173	34.9244	35.79
1994	12.60588	13.92886	.50303	.47495	7.61714	35.12986	35.88
1995	11.78206	13.60398	.53777	.49222	6.95885	33.37488	35.30

Source: Dubuque County Auditor's Office.

Table 6

CITY OF DUBUQUE, IOWA

PRINCIPAL TAXPAYERS

December 31, 1994

(Amounts expressed in thousands)

(Unaudited)

<u>TAXPAYER</u>	<u>TYPE OF BUSINESS</u>	<u>1993 ASSESSED VALUATION</u>	<u>PERCENTAGE OF TOTAL ASSESSED VALUATION</u>
Interstate Power Company	Utility	\$ 45,463	3.14%
Kennedy Mall	Shopping Center	17,999	1.24
Peoples Natural Gas Company	Utility	16,815	1.16
Wm. C. Brown Company	Publishing	11,302	.78
A.Y. McDonald Manufacturing Co.	Plumbing Supplies	10,669	.74
U. S. West Communications	Telephone Service	8,954	.62
F.D.L. Foods	Meat Processing	8,435	.58
Nordstrom, Inc.	Warehouse Distributor	9,191	.63
Georgia-Pacific Corporation	Cardboard Containers	8,058	.56
CyCare Systems	Data Processing Service	6,248	.43
TOTALS		<u>\$ 143,134</u>	<u>9.87%</u>

Source: Dubuque County - Auditor.

Table 7

CITY OF DUBUQUE, IOWA

SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS

Last Ten Fiscal Years
(Amounts expressed in thousands)
(Unaudited)

<u>Fiscal Year</u>	<u>Special Assessment Billings</u>	<u>Special Assessments Collected (1)</u>
1986	\$ 71	\$136
1987	209	579
1988	189	269
1989	128	397
1990	79	268
1991	72	373
1992	59	276
1993	58	333
1994	44	339
1995	51	609

(1) Includes prepayments.

Table 8

CITY OF DUBUQUE, IOWA

COMPUTATION OF LEGAL DEBT MARGIN

June 30, 1995

(Amounts expressed in thousands)
(Unaudited)

Actual Valuations		<u>\$1,450,026</u>
Legal debt margin:		
Debt limitation-5% of actual valuations		\$ 72,501
Debt applicable to limitation:		
Total bonded debt	\$ 19,585	
Less: Revenue bonds	3,500	
Tax-increment financing bonds	<u>1,310</u>	
Total debt applicable to limitation		<u>14,775</u>
Legal debt margin		<u>\$ 57,726</u>

Table 9

CITY OF DUBUQUE, IOWA

**RATIO OF NET GENERAL OBLIGATION BONDED DEBT
TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA**

Last Ten Fiscal Years
(Amounts expressed in thousands)
(Unaudited)

<u>Fiscal Year</u>	<u>Population(1)</u>	<u>Assessed Value(2)</u>	<u>Gross Bonded Debt (3)</u>	<u>Debt Payable Other Revenues(4)</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt per Capita</u>
1986	62	\$ 885,422	\$ 21,400	\$ 7,900	\$ 13,500	1.52%	\$.218
1987	62	919,526	23,925	7,725	16,200	1.76	.261
1988	62	895,745	22,870	7,525	15,345	1.71	.248
1989	62	934,025	25,425	7,325	18,100	1.94	.292
1990	62	944,085	21,455	3,025	18,430	1.95	.297
1991	58	954,658	18,395	0	18,395	1.93	.317
1992	58	973,734	16,255	0	16,255	1.67	.280
1993	58	949,949	16,340	0	16,340	1.72	.282
1994	58	986,892	17,125	0	17,125	1.74	.295
1995	58	1,116,511	14,775	0	14,775	1.32	.255

(1) U.S. Census Bureau.

(2) From Table 4.

(3) Amount does not include special assessment bonds and revenue bonds.

(4) GO bonds repaid with revenues from the Dubuque Racing Association.

CITY OF DUBUQUE, IOWA

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL OBLIGATION BONDED DEBT
TO TOTAL GENERAL GOVERNMENT EXPENDITURES

Last Ten Fiscal Years
(Amounts expressed in thousands)
(Unaudited)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest (1)</u>	<u>Total Debt Service</u>	<u>Total General Governmental Expenditures (2)</u>	<u>Ratio of Debt Service to General Governmental Expenditures</u>
1986	\$1,200	\$1,034	\$ 2,234	\$ 20,979	10.65%
1987	1,300	960	2,260	21,121	10.70
1988	1,415	1,148	2,563	20,417	12.55
1989	1,570	1,052	2,622	21,630	12.12
1990	1,585	1,206	2,791	23,219	12.02
1991	2,095	1,221	3,316	28,714	11.55
1992	2,140	1,242	3,382	28,197	11.99
1993	4,530*	1,137	5,667	26,350	21.51
1994	2,315	908	3,223	36,299	8.88
1995	2,350	915	3,265	33,430	9.77

(1) Excludes bond insurance and other costs.

(2) Includes general, special revenue, and debt service funds.

* Includes advance refunded principal of \$2,300,000.

CITY OF DUBUQUE, IOWA

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
GENERAL OBLIGATION BONDS

June 30, 1995
 (Amounts expressed in thousands)
 (Unaudited)

<u>Jurisdiction</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Government</u>	<u>Amount Applicable to Government</u>
Direct:			
City of Dubuque	\$ 13,143 (1)	100.000%	\$ 13,143
Total	<u>\$ 13,143</u>		<u>\$ 13,143</u>

(1) Excluding general obligation bonds reported in the enterprise funds.

Table 12

CITY OF DUBUQUE, IOWA

REVENUE BOND COVERAGE
PARKING BONDS

Last Ten Fiscal Years
(Amounts expressed in thousands)
(Unaudited)

Fiscal Year	Gross Revenue (1)	Operating Expenses (2)	Net Revenue Available For Debt Service	Debt Service Requirements			Coverage (3)
				Principal	Interest	Total	
1986	\$ 685	\$408	\$277	\$120	\$ 72	\$192	1.44
1987	700	369	331	125	63	188	1.76
1988	770	369	401	125	58	183	2.19
1989	782	378	404	140	55	195	2.07
1990	762	397	365	153	45	198	1.84
1991	995	502	493	0	216	216	2.28
1992	1,061	513	548	80	224	304	1.80
1993	1,160	504	656	85	218	303	2.17
1994	1,090	543	547	90	212	302	1.81
1995	1,108	592	516	95	205	300	1.72

(1) Total revenues (including interest).

(2) Total operating expenses exclusive of depreciation.

(3) Bond ordinance requires 1.3 coverage.

Table 13

CITY OF DUBUQUE, IOWA

REVENUE BOND COVERAGE
WATER BONDS

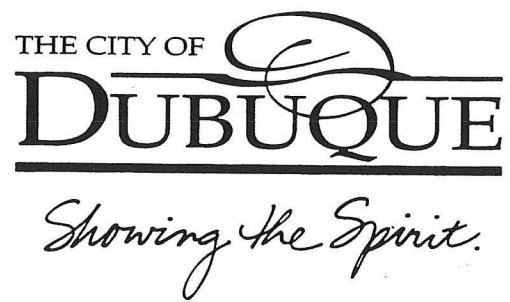
Last Ten Fiscal Years
(Amounts expressed in thousands)
(Unaudited)

Fiscal Year	Gross Revenue (1)	Operating Expenses (2)	Net Revenue Available For Debt Service	Debt Service Requirements			Coverage (3)
				Principal	Interest	Total	
1986	\$ 3,088	\$ 2,194	\$ 894	\$ 250	\$ 221	\$ 471	1.90
1987	3,324	2,244	1,080	300	205	505	2.14
1988	3,492	1,990	1,502	300	185	485	3.10
1989	3,537	2,126	1,411	300	166	466	3.03
1990	3,657	2,130	1,527	350	148	498	3.07
1991	3,519	2,420	1,099	350	128	478	2.30
1992	3,889	2,487	1,402	400	108	508	2.76
1993	3,629	2,668	961	400	85	485	1.98
1994	3,785	2,504	1,281	400	74	474	2.70
1995	3,784	2,665	1,119	400	53	453	2.47

(1) Total revenues (including interest).

(2) Total operating expenses exclusive of depreciation.

(3) Bond ordinance requires 1.35 coverage.



CITY OF DUBUQUE, IOWA

PROPERTY VALUE, CONSTRUCTION PERMITS, AND BANK DEPOSITS

Last Ten Fiscal Years
(Dollar amounts expressed in thousands)
(Unaudited)

Fiscal Year	Property Value (1)			Construction Permits	
	Other (3)	Residential	Totals	Number of Permits	Value
1986	\$ 374,089	\$ 677,511	\$ 1,051,600	1,569	\$ 27,267
1987	375,777	679,691	1,055,468	1,675	22,945
1988	378,376	683,769	1,062,145	1,818	31,320
1989	390,222	688,978	1,079,200	1,638	25,163
1990	395,794	694,014	1,089,808	1,663	32,804
1991	407,989	698,639	1,106,628	1,670	54,233
1992	424,616	705,075	1,129,691	1,656	38,532
1993	352,979	832,384	1,185,363	1,780	41,964
1994	381,324	848,071	1,229,395	1,862	56,928
1995	441,399	1,008,627	1,450,026	6,918*	65,599

(1) Estimated actual value from Table 4.

(2) Source: Iowa Department of Banking.

(3) Commercial, Industrial, and Utilities.

* Hail and wind storm in August 1994, caused extensive roof and siding damage throughout the City, greatly increasing permit activity.

Table 14

Bank Deposits (2)		
Calendar Year		Total Deposits
1985	\$	578,644
1986		629,137
1987		657,842
1988		616,000
1989		671,000
1990		714,000
1991		833,931
1992		869,000
1993		852,000
1994		883,000

Table 15

CITY OF DUBUQUE, IOWA

TAXABLE RETAIL SALES

DUBUQUE COUNTY

Last Ten Years
 (Amounts expressed in thousands)
 (Unaudited)

<u>Calendar Year</u>	<u>Taxable Sales</u>	<u>Percent Growth</u>
1985	\$ 383,615	2.66%
1986	405,402	5.68
1987	421,325	3.93
1988	450,528	6.93
1989	477,305	5.94
1990	506,139	6.04
1991	530,852	4.88
1992	599,002	12.84
1993	610,691	1.95
1994	688,699	12.77

Source: Iowa Department of Revenue and Finance.

Table 16

CITY OF DUBUQUE, IOWA

DEMOGRAPHIC STATISTICS

Last Ten Fiscal Years
(Unaudited)

<u>Fiscal Year</u>	<u>(1) Population</u>	<u>(2) Per Capita Income</u>	<u>(3) Median Age</u>	<u>(4) School Enrollment</u>	<u>(5) Unemployment Rate</u>
1986	62,321	\$ 11,488	28	10,192	10.5%
1987	62,321	11,894	28	10,197	8.6
1988	62,321	12,966	28	9,920	6.8
1989	62,321	13,500	28	9,787	6.1
1990	57,538	14,207	34	9,618	6.7
1991	57,538	16,323	34	9,754	6.1
1992	57,538	16,469	34	9,867	6.8
1993	57,538	18,172	34	9,995	5.5
1994	57,538	18,503	34	10,022	4.3
1995	57,538	*	34	10,133	3.8

Data Sources:

- (1) Bureau of Census.
- (2) Survey of Current Business, U.S. Department of Commerce.
- (3) State Department of Commerce.
- (4) School District.
- (5) Iowa Department of Employment Services.

* Unavailable at report date.

CITY OF DUBUQUE, IOWA
SCHEDULE OF INSURANCE IN FORCE

<u>Insurer</u>	<u>Policy Number</u>	<u>Expiration Date</u>	<u>Details of Coverage</u>
<u>LIABILITY INSURANCE</u>			
Iowa Communities Assurance Pool	IP041901414000003	7/1/95	Municipal General Liability Includes EMT's and Ambulance Service
Iowa Communities Assurance Pool	IP035901414000003	7/1/95	Municipal Auto Liability Includes Transit Liability
Iowa Communities Assurance Pool	IP015901414000003	7/1/95	Comprehensive & Collision
Iowa Communities Assurance Pool	IP039901414000003	7/1/95	Public Official Liability
Iowa Communities Assurance Pool	IP040891414000003	7/1/95	Police Professional
Iowa Communities Assurance Pool	IP040891414000003	7/1/95	Police Professional
U.S. Aircraft Ins. Group	ALO-12261	7/1/95	Airport Liability
St. Paul F & M Ins. Group	EMO6649597	8/1/95	Professional Liability- Nurses
CNA Insurance Companies	621-7385	8/1/95	Liquor Law Liability
<u>PROPERTY INSURANCE</u>			
U.S. Fidelity & Guaranty Co.	9CP-109512647-00	7/1/95	Comprehensive Business Policy
Fireman's Fund Insurance Co.		7/1/95	Fine Arts - Library and Five Flags
U.S. Fidelity & Guaranty Co. C	ClM13906833600	7/1/95	Builders Risk, WPC Improvements

Table 17

Liability Limits		Annual Premium
\$ 5,000,000	Each Occurrence	\$ 197,374
\$ 1,000	Deductible	
\$ 4,000,000	Each Accident	\$ 145,247
	Per Scheduled Automobiles	\$ 38,657
\$ 2,000,000	Each Claim	\$ 20,859
\$ 2,000,000	Aggregate	
\$ 5,000	Deductible	
\$ 2,000,000	Per Person/Agg.	\$ 44,924
\$ 2,000,000	Aggregate	
\$ 4,000	Deductible	
\$ 2,000,000	Per Person/Agg.	\$ 44,924
		\$ 16,338
\$ 1,000,000	Each Person	\$ 175
\$ 3,000,000	Total Limit	
\$ 1,000,000	Each Common Cause	\$ 2,773
\$ 86,770,428	Building & Contents	\$ 107,092
\$ 10,000	Deductible	
\$ 12,425,865	Earthquake	
\$ 547,940	Business Interruption	
\$ 711,643	EDP Equipment	
\$ 131,317	Mobile Equipment	
\$ 87,426	Communications Equipment	
\$ 5,000	Signing	
\$ 162,970		\$ 1,462
\$ 6,997,000	Based on Project Progress	\$ 6,367

(continued)

CITY OF DUBUQUE, IOWA
SCHEDULE OF INSURANCE IN FORCE

<u>Insurer</u>	<u>Policy Number</u>	<u>Expiration Date</u>	<u>Details of Coverage</u>
<u>CRIME INSURANCE</u>			
Allied Group Insurance	BD7900557276	7/1/95	Public Official Bond
<u>BOILER INSURANCE</u>			
Hartford Steam Boiler	CH-8317973-14	7/1/95	Boilers & Machinery

Table 17
(continued)

<u>Liability Limits</u>		<u>Annual Premium</u>
\$ 50,000	All Employees	\$ 3,396
\$ 1,000,000	City Manager	
\$ 1,000,000	Finance Director	
\$ 1,000,000	Treasurer	
\$ 1,000,000	Administrative Service Manager	
\$ 2,500,000	Per Accident	\$ 63,882
\$ 5,000	Deductible	
Total		<u>\$ 693,470</u>

Table 18

CITY OF DUBUQUE, IOWA

Miscellaneous Statistics

June 30, 1995
(Unaudited)

Date of Incorporation	1837
Form of Government	Council/Manager - Ward
Population - 1990 Census	57,538
Number of employees:	
Full Time	510
Part Time/Seasonal	278
Area in square miles	24
City of Dubuque facilities and services:	
Miles of streets	325
Number of street lights	3,229
Number of traffic signals	89
Culture and Recreation:	
Parks	27
Park acreage	700
Golf courses	1
Swimming Pools	2
Civic Center	1
Fire Protection:	
Number of stations	6
Number of fire personnel and officers	90
Police Protection:	
Number of stations	1
Number of police personnel and officers	80
Sewerage System:	
Miles of sanitary sewers	152
Miles of storm sewers	144
Number of treatment plants	1
Number of service connections	19,656
Daily average treatment in gallons	10,200,000
Maximum daily capacity of treatment plant in gallons	15,000,000
Water System:	
Miles of water mains	232
Number of service connections	19,616
Number of fire hydrants	1,916
Daily average consumption in gallons	8,295,000
Maximum daily capacity of plant in gallons	18,000,000
Public Transit System	Vehicles - 24
Facilities and services not included in the reporting entity:	
Education:	
Number of elementary schools	17
Number of secondary schools	7
Number of colleges	4
Number of universities	1
Number of theological seminaries	2
Hospitals:	
Number of hospitals	2
Number of licensed patient beds	584