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STATE OF IOWA

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Rob Sand
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Annual Report on the City Examination Program

To the Honorable Chairs and Members of the
House and Senate Government Oversight Committees:

In accordance with Iowa Code Section 11.6(11), we are submitting this report on the city examination program. The report discusses the status of the periodic examination fee account established under Iowa Code Section 11.6(11), the status of periodic examinations of cities and the status of required fiscal year examinations of cities.

Reporting Period of Annual Reports

Annual Reports on the City Examination Program report on the previous fiscal year's activity instead of the previous calendar year's activity. This is a reversal from 2017 and earlier. Fiscal year is used because both the State Auditor's Office and Cities discussed in this report operate based on a fiscal year.

Status of the Periodic Examination Fee Account and Periodic Examinations

Periodic examination fees are due by March 31 each year and the fees collected during fiscal year 2018 total \$365,350.00. The balance of the periodic examination fee account was \$121,070.43 on June 30, 2018.

139 periodic examinations were completed during fiscal year 2018 at an average cost of \$3,360.10.

Status of Required Fiscal Year Examinations

A total of 144 required fiscal year examinations were completed during fiscal year 2018. Of the 144, 97 were completed by CPA firms and 47 were completed by the Auditor of State's Office. The average cost of each required fiscal year examination was \$4,455.70.

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January 10, 2018