



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Mary Mosiman, CPA
Auditor of State

State Capitol Building
Des Moines, Iowa 50319-0004

Telephone (515) 281-5834 Facsimile (515) 242-6134

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.

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 calendar year 2016 total \$377,750.00. The balance of the periodic examination fee account was \$170,142.81 on December 31, 2016.

123 periodic examinations were completed during calendar year 2016 at an average cost of \$3,010.08. A total of 77 periodic examinations are currently scheduled or in process.

Status of Required Fiscal Year Examinations

A total of 109 required fiscal year examinations were completed during calendar year 2016. Of the 109, 77 were completed by CPA firms and 32 were completed by the Auditor of State's Office. The average cost of each required fiscal year examination was \$4,154.38.*

A total of 38 required fiscal year examinations are currently scheduled or in process by the Auditor of State's Office.

Change to Reporting Period in Annual Report

Future Annual Reports on the City Examination Program will report on the previous fiscal year's activity instead of the previous calendar year's activity. This change will occur because both the State Auditor's Office and Cities discussed in this report operate based on a fiscal year.

* Note: CPA firms conducting required fiscal year examinations have not yet provided cost information for 19 of the 77 examinations they conducted.

MARY MOSIMAN, CPA
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