City of Sioux Center, Iowa

Sioux Center
growing • bright

Annual Financial Report

for the fiscal year ended June 30, 2014

Prepared by:
Finance Department
Darryl Ten Pas, Finance Director

CITY OF SIOUX CENTER, IOWA

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CITY OF SIOUX CENTER, IOWA

Officials

Name	Title	Term Expires
Dennis Walstra	Mayor	Jan 2016
Dave Krahling	Council Member	Jan 2016
Verlyn Rozeboom	Council Member	Jan 2016
Jamie Van Ravenswaay	Council Member	Jan 2018
Randy Vreugdenhil	Council Member	Jan 2018
W. Dale Den Herder	Council Member	Jan 2018
Paul Clousing	City Manager	Indefinite
Darryl Ten Pas	Treasurer, Finance Director	Indefinite
Brian Van Engen	Attorney	Indefinite

CITY OF SIOUX CENTER, IOWA, 51250
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October 31, 2014

The Honorable Mayor
Members of the City Council
Citizens of the City of Sioux Center, Iowa:

The Comprehensive Annual Financial Report for the City of Sioux Center for fiscal year ended June 30, 2014, has been prepared by the finance department and is submitted herewith. State law requires that every general-purpose local government publish a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2014.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements.

The City of Sioux Center's financial statements have been audited by Kroese & Kroese, P.C., a firm of certified public accountants. The goal of the independent audit is to provide reasonable assurance the financial statements of the City of Sioux Center for the fiscal year ended June 30, 2014, are free of material misstatements. The independent audit involved examining evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used by management and evaluating the overall financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering an unqualified "clean" opinion that the City of Sioux Center's financial statements for the fiscal year ended June 30, 2014, were fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Sioux Center's MD&A can be found immediately following the report of the independent auditor.

Profile of the Government

The City of Sioux Center, incorporated in 1891, is located in the northwest corner of Iowa, approximately 45 miles northeast of Sioux City, Iowa, and 60 miles southeast of Sioux Falls, South Dakota. Sioux Center is surrounded by rich farmland and consequently much of its local business and industrial base is agriculturally oriented.

The City provides the full range of municipal services authorized by state law and city ordinance. This includes police and fire protection, street system, sanitation system, library, parks and recreation, municipal airport, planning and zoning and code enforcement, and general administrative services necessary to serve the citizens of the community. The City also operates water, wastewater treatment, electric, and natural gas utility systems and a downtown mall.

The City operates under a council-manager form of government. Policy-making and legislative authority are vested in the city council consisting of the mayor and five members. The city council is responsible for passing ordinances, adopting the budget, appointing committees, and setting policy. The city manager is responsible for carrying out the policies of the council and for overseeing day-to-day operations of the City. The city council is elected on a non-partisan basis. Council members serve four-year staggered terms with an election every two years. The mayor is elected for a four-year term.

The annual budget serves as the foundation for the City of Sioux Center's financial planning and control. All departments of the City are required to submit their budget requests to be included in the budgeting process. The city manager, utility manager, and finance director compile these requests and present the proposed budget to the city council. The council considers the proposed budget, makes changes, and must adopt a final budget by March 15 of each year. The final adopted budget is the framework under which the City will operate in the next fiscal year. The legal level of budgetary control is at the function level rather than at the fund level. Budget-to-actual comparisons are provided in this report for each function.

Economic Condition and Outlook

Construction activity in the City decreased on the residential side in calendar year 2013 from last year. 19 building permits for new and remodeling were issued for commercial construction, 54 permits for new and remodeling were issued for residential construction, and 2 permits were issued for tax-exempt construction. A total estimated taxable value of $22,286,624 was added to the tax base in 2013.

Taxable retail sales in the City increased in 2013. Taxable sales were $133,439,337 a 1.8% increase from 2012. The City's retail sales account for 40.5% of all taxable sales in the county which is an increase from 2012.

Based on current projections, we expect to see solid building construction both commercial and residential in the future. Although growth has a positive impact on the local economy, it does present challenges for the orderly development of the community and infrastructure expansion and maintenance.

Long-term Financial Planning

The city council and administration routinely consider the long-term outlook regarding financial matters. Operating budget decisions are based on the long-term impact of appropriations and funding. When considering capital improvement projects, the City considers the impact of investment in infrastructure and economic development, the associated debt burden, and additional operating commitments to ensure fiscally responsible decisions.

Acknowledgments

The preparation of this report on a timely basis could not be accomplished without the dedicated services of the entire finance department. We wish to express our appreciation to all staff members who assisted and contributed to its preparation. We also thank the mayor and members of the city council for their continued interest and support of the City in a responsible and progressive manner.

Sincerely,

Paul Clousing
City Manager

Darryl Ten Pas
Finance Director

KROESE & KROESE P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Honorable Mayor and Members of the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of City of Sioux Center, Iowa, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles. This includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of City of Sioux Center, Iowa as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof the year then ended in accordance with U.S. generally accepted accounting principles.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require Management's Discussion and Analysis and the Budgetary Comparison Information on pages 9-17 & 46-48 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Sioux Center, Iowa's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the nine years ended June 30, 2013 (which are not presented herein) and expressed unqualified opinions on those financial statements. The supplementary information included in Schedules 1 though 2, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 31, 2014 on our consideration of City of Sioux Center, Iowa's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering City of Sioux Center, Iowa's internal control over financial reporting and compliance.

Kroe & Kroe, P.C.

Sioux Center, Iowa
October 31, 2014

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Management Discussion and Analysis

June 30, 2014

As management of the City of Sioux Center, we offer readers of the financial statements this narrative overview and analysis of the financial activities of the City of Sioux Center for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our letter of transmittal.

Financial Highlights:

The assets of the City of Sioux Center exceeded liabilities at the close of business on June 30, 2014 by $78,620,598 (net assets). Of this amount, $24,285,145 is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

The City's net assets decreased by $503,889 during the fiscal year. An increase of $235,022 is attributable to governmental activities and a decrease of $738,911 to business type activities due to a loss on a land sale.

The City's long-term debt decreased $2,687,000 due to principal payoff over the past year and calling of a GO Bond. General Obligation debt totaled $9,415,000 and other long-term debt totaled $3,125,000. In addition the City has issued internal debt for capital projects in the amount of $1,488,540 that will be paid with TIF funds over the next five years.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Sioux Center's basic financial statements. The City of Sioux Center's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Sioux Center's finances in a manner similar to a private-sector business.

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Sioux Center is improving or deteriorating.

The statement of activities presents information showing how the City's net assets changed during the fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave)..

Both of the government-wide financial statements distinguish functions of the City of Sioux Center that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include public safety, culture and recreation, public works, community and economic development, general government, and interest on long-term debt. The business type activities of the City include electric, gas, water, sewer, and Centre Mall.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Sioux Center, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Sioux Center can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the city's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Sioux Center adopts an annual appropriated budget. A budget comparison statement has been provided to demonstrate compliance with the budget.

Proprietary Funds

The City of Sioux Center maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the activities of the electric utility, gas utility, water utility, sewer utility and the Centre Mall. *Internal service* funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of Sioux Center uses an internal service fund to account for vehicle maintenance. Because these services benefit both governmental and business-type functions, they have been apportioned accordingly in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements include a statement of cash flows in addition to the basic financial reports.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Sioux Center's programs. The accounting used for these funds is much like that used for proprietary funds. The City has one type of fiduciary fund: agency fund.

Government-wide Financial Analysis

As stated earlier, net assets may serve over time as a useful indicator of the City's financial position. In the case of the City, assets exceeded liabilities by $78,260,598 at the close of the most recent fiscal year.

City of Sioux Center Net Assets

	Governmental Activities 2014	Business-type Activities 2014	Total 2014	Governmental Activities 2013	Business-type Activities 2013	Total 2013
Current and other assets	$4,774,107	$25,737,729	$30,504,382	$5,395,579	$26,748,966	$32,144,545
Capital assets	43,798,112	19,427,809	63,225,921	45,262,017	19,998,144	65,260,161
Total assets	48,572,219	45,165,538	93,730,303	50,657,596	46,747,110	97,404,706
Noncurrent liabilities	6,466,743	4,061,257	10,528,000	8,279,647	4,935,353	13,215,000
Other liabilities	1,911,702	2,677,457	4,581,706	2,419,197	2,646,022	5,065,219
Total liabilities	8,378,445	6,738,714	15,109,706	10,698,844	7,581,375	18,280,219
Net assets:						
Invested in capital assets, net of related debt	36,127,931	15,792,606	51,920,536	35,755,133	15,788,085	51,543,218
Restricted	1,379,909	750,566	2,130,475	1,457,573	624,266	2,081,839
Unrestricted	2,685,934	21,883,652	24,569,586	2,746,046	22,753,384	25,499,430
Total net assets	$40,193,774	$38,426,824	$78,620,597	$39,958,752	$39,165,735	$79,124,487

The largest part of the City's net assets (66.0 percent) reflects its investment in capital assets (e.g. land buildings, machinery, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these long-term liabilities.

An additional portion of the City of Sioux Center's net assets (2.7 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets ($24,569,586) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Sioux Center is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

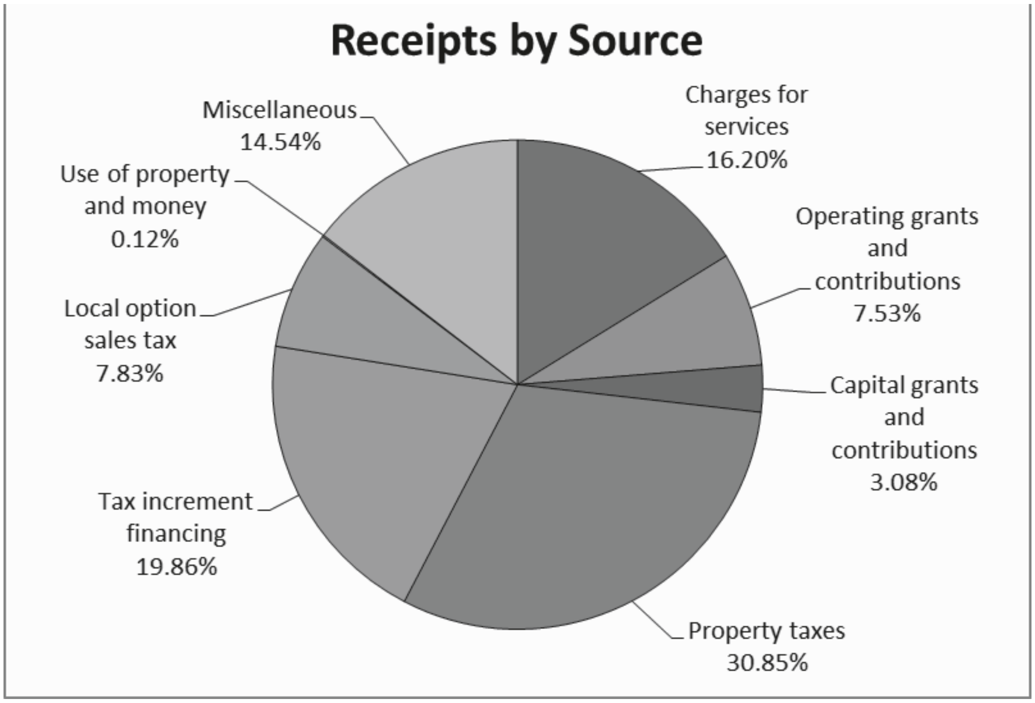
The City's total net assets decreased during the current fiscal year. The decrease in net assets in the business-type activities and the increase in the governmental activities column is explained in further detail in the following section.

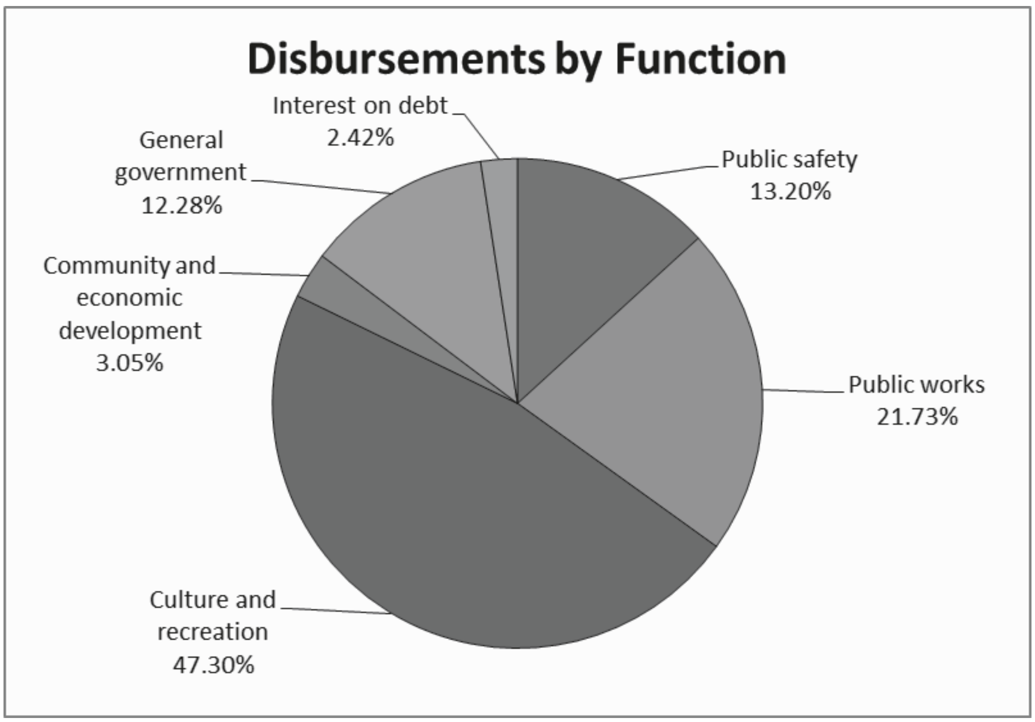
Governmental Activities

A summary of the City's changes in net assets follows:

City of Sioux Center Change Net Assets

	Governmental Activities 2014	Business-type Activities 2014	Total 2014	Governmental Activities 2013	Business-type Activities 2013	Total 2013
Revenues:						
Charges for services	$1,514,457	$23,355,117	$24,869,574	$1,629,455	$19,648,606	$21,278,061
Operating grants and contributions	703,769		703,769	674,958		674,958
Capital grants and contributions	288,330		288,330	66,900		66,900
General Revenues:						
Property taxes	2,884,832		2,884,832	2,853,928		2,853,928
Tax increment financing	1,857,358		1,857,358	1,938,795		1,938,795
Local option sales tax	732,227		732,227	760,459		760,459
Use of property and money	10,817	272,058	282,875	13,652	450,744	464,396
Miscellaneous	1,359,547	(874,066)	485,481	806,237	231,155	1,037,392
Total Revenues:	9,351,337	22,753,109	32,104,446	8,744,384	20,330,505	29,074,889
Expenses:						
Public safety	1,232,254		1,232,254	1,205,647		1,205,647
Public works	2,028,060		2,028,060	1,983,961		1,983,961
Culture and recreation	4,414,137		4,414,137	3,634,503		3,634,503
Community and economic development	285,022		285,022	185,660		185,660
General government	1,146,253		1,146,253	943,785		943,785
Interest on debt	226,094		226,094	258,630		258,630
Capital projects			0			0
Centre Mall		901,545	901,545		1,016,468	1,016,468
Water Utility		1,248,792	1,248,792		1,317,264	1,317,264
Sewer Utility		1,010,493	1,010,493		1,019,632	1,019,632
Electric Utility		9,196,469	9,196,469		8,767,471	8,767,471
Gas Utility		10,919,217	10,919,217		7,396,615	7,396,615
Total Expenses	9,331,820	23,276,516	32,608,336	8,212,186	19,517,450	27,729,636
Increase/(decrease) in net assets before other financing sources	19,517	(523,407)	(503,890)	532,198	813,055	1,345,253
Other financing sources (uses)	215,504	(215,504)	0	178,971	(178,971)	0
Increase/(decrease) in net assets	235,021	(738,911)	(503,890)	711,169	634,084	1,345,253
Net assets-beginning	39,958,752	39,165,735	79,124,487	39,247,583	38,531,651	77,779,234
Net assets-ending	$40,193,773	$38,426,824	$78,620,597	$39,958,752	$39,165,735	$79,124,487





Sioux Center's property tax revenues for general purposes increased by $30,904 or approximately 1.1%. This increase is due to continued growth in property valuations. Trust and agency tax revenues decreased by $70,664, this levy can only be used to fund general government employee benefits such as health insurance premiums, workmen's compensation insurance premiums and payroll taxes. This decrease is due to a small decrease in the trust and agency levy.

The increase in net assets in the governmental activities column in 2014 was $235,021. In 2013 there was an increase in net assets for governmental activities of $711,169. This discrepancy is due to the timing of grants, refunds and miscellaneous revenues for the City's capital projects that occur over several fiscal years.

For the most part, increases in expenses closely paralleled inflation and growth in demand for services, both in the general government and business-type activities.

Business-Type Activities

Business-type activities decreased the City of Sioux Center's net assets by $738,911.

The net revenue (expense) by business activity is shown in the following table:

City of Sioux Center Business-Type Activities

Business Type Activity	2014	2013
Electric Utility	$262,088	$301,925
Natural Gas Utility	(1,363,518)	180,380
Water Utility	272,209	141,262
Sewer Utility	91,434	90,690
Centre Mall	(1,124)	(80,173)
Change in Net Assets	($738,911)	$634,084

The change in net assets for the electric utility in 2014 was lower because of an increase to Energy Efficiency Grants. Additionally, the electric utility had higher power purchase cost compared to 2013.

Change in net assets in the gas utility in 2014 was negative for a number of reasons. Revenues increased in relation to 2013 as natural gas prices moved up throughout the fiscal year but did not keep pace with higher commodity cost, volume was also higher because of a cooler winter compared to the prior year. Additionally a loss was recorded on the sale of land to the Sioux County Conservation Board.

The water utility had a gain in 2014. Water sales were below average because of a wet summer which resulted in less gallons being sold. System repair and maintenance were higher than then 2013. A rate increase was implemented in the summer of 2013.

The sewer utility also had a gain 2014 primarily due to an increase in Industrial revenue. Expenses decreased in 2014 due to lower system and benefit cost. No rate increases were put into effect during the fiscal year.

The Centre Mall's change in net assets decreased from 2013 to 2014. This lower decrease compared to 2013 was due to lower property taxes and operational cost. Transfers from the General Fund decreased by $10,000 from last fiscal year.

Financial Analysis of the City's Funds

As noted earlier, Sioux Center uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The focus of the City's governmental funds is to provide information on near-term resources. Unreserved fund balance may serve as a useful measure of a government's net resources available at the end of a fiscal year. The City's governmental funds reported combined ending fund balances of $2,402,891 an increase of $488,045 from last fiscal year.

The general fund is the primary fund of the City. The general fund balance increased by $488,045 as of June 30, 2014 compared to June 30, 2013. The increase was due to payment of FEMA funds for the 2013 April storms and lower capital spending.

Budgetary Highlights

The City of Sioux Center adopted one budget amendment during fiscal year. The total amendment increased budget disbursements by $4,477,265. The increase was due to higher gas demand and cost than what was budgeted for fiscal 2014 and additional cost for cost for recreation programs and economic development. Total disbursements did not exceed the amended budget in fiscal year 2014.

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2014, amounts to $52,195,978 (net of accumulated depreciation and related debt). Capital assets include land, construction in progress, buildings, improvements, machinery and equipment, and infrastructure. The total governmental-type capital assets (net of depreciation and related debt) increased $372,798. The increase in capital assets in business-type activities totaled $279,962. The net increase in capital assets for all activities for the fiscal year was $652,760. The increase in capital assets for business-type activities is due to increased spending in infrastructure. Most of the increase in capital assets for governmental activities is due to a GO bond that was called.

For further information on additions and deletions to the City's capital assets this fiscal year, refer to the Capital Assets section in the Notes to Financial Statements.

Debt Administration

The City of Sioux Center had total bond debt of $12,540,000 at the end of the current fiscal year. Of this amount $9,415,000 was general obligation debt which is debt backed by the full faith and credit of the government. The remainder of $3,125,000 is revenue bonds (and notes) debt that is secured by specific revenue sources. This is a net decrease of $2,687,000 from the balance at the end of the previous fiscal year and is due to the calling of the 2008 GO bonds. No new bonds were issued during the fiscal year.

The City's general obligation debt is limited by the State of Iowa to 5% of the actual value of all taxable property in the community. The City's general obligation debt limit is $21,386,457. Net bonded debt applicable to the City's debt limit (total issues outstanding less funds reserved for repayment of debt) is $7,454,183 or 35% of the City's total debt limit.

For further information on the City's change in debt this fiscal year, refer to the Changes in Long-term Liabilities section in the Notes to Financial Statements.

Economic Factors

Construction activity in the City had solid activity in calendar year 2013. 19 building permits were issued for commercial construction, 54 permits were issued for residential construction and two permits were issued for tax exempt construction.

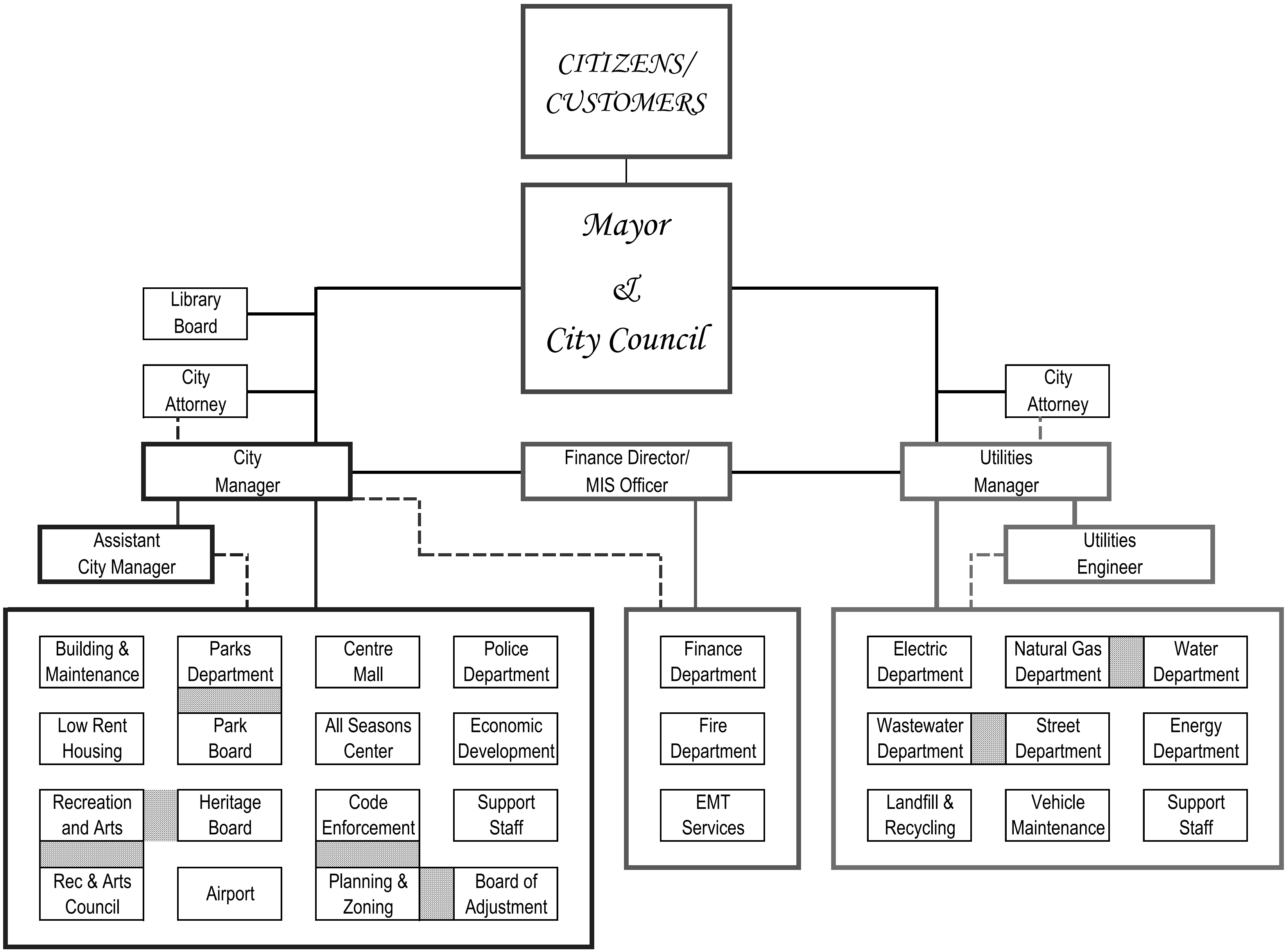
Total estimated valuation of this construction was $27,705,524 compared to $46,895,991 in the prior year.

Taxable retail sales in calendar year 2013 increased by $2,381,498 for a total of $133,439,337. The City's retail sales account for 41% of all taxable sales in the county.

Contacting Sioux Center's Finance Department

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of Sioux Center's finances and to demonstrate the City's accountability for the money it receives. Questions about this report or requests for additional financial information should be addressed to: Darryl Ten Pas, Finance Director, City of Sioux Center, 335 1st Ave NW, Sioux Center, Iowa 51250.

City of Sioux Center
ORGANIZATIONAL STRUCTURE
December 8,2004



CITY OF SIOUX CENTER, IOWA

Statement of Net Position

June 30, 2014

Assets	Governmental Activities	Business-Type Activities	Total
Cash and Pooled Investments	$2,540,369	$7,476,750	$10,017,118
Receivables (net of allowance for uncollectibles):			
Property Taxes			
Delinquent Taxes	6,636		6,636
Succeeding year	4,893,088		4,893,088
Special Assessments	276,038		276,038
Accounts	135,801	2,308,065	2,443,866
Notes		2,127,072	2,127,072
Accrued Interest		27,401	27,401
Due from Agency Funds	44	10,000	10,044
Inventory		963,133	963,133
Prepaid Expenses	150,260	113,845	264,105
Nonoperating Properties-Land		7,873,125	7,873,125
Investment in Joint Ventures		2,719,990	2,719,990
Deferred Bond Issuance Costs, Discounts	108,502	149,706	258,208
Restricted Investments - Held in Escrow	1,556,457	458,585	2,015,042
Land		1,510,056	1,510,056
Capital Assets (Net of accumulated depreciation)	43,798,112	19,427,809	63,225,921
Total Assets	53,465,307	45,165,538	98,630,844
Liabilities and Net Assets			
Liabilities			
Accounts Payable	$273,323	$1,446,286	$1,719,608
Accrued Interest Payable	15,061	66,600	81,661
Other Accrued Expenses		185,130	185,130
Payable from Restricted Assets - Customer Deposits		38,138	38,138
Deferred Property Taxes	282,674		282,674
Compensated Absences	137,206	122,741	259,947
Due from Agency Funds		10,000	
General Obligation Bonds - Current	1,203,438	366,562	1,570,000
Revenue Bonds - Current		442,000	442,000
General Obligation Bonds - Non-current	6,466,743	1,378,257	7,845,000
Revenue Bonds - Non-current		2,683,000	2,683,000
Total Liabilities	8,378,445	6,738,714	15,107,159
Deferred Inflows of Resources			
Suceeding year property tax	4,893,088		4,893,088
Total Deferred Inflows of Resources	4,893,088		4,893,088
Net Position			
Net Investment in Capital Assets	36,127,931	16,068,047	52,195,978
Restricted for Debt Service	1,379,909	759,566	2,139,475
Unrestricted	2,685,934	21,599,211	24,285,145
Total Net Assets	40,193,774	38,426,824	78,620,598
Total Liabilities and Net Assets	$53,465,307	$45,165,538	$93,727,756

See notes to financial statements

CITY OF SIOUX CENTER, IOWA

Statement of Activities

For the Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues: Charges for Svcs	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets — Primary Government: Governmental Activites	Net (Expense) Revenue and Changes in Net Assets — Primary Government: Business-Type Activities	Total
Governmental activities:							
Public safety	($1,232,254)	$57,011		-	($1,175,243)		($1,175,243)
Public works	(2,028,060)	447,474	$703,769	-	(876,817)		(876,817)
Culture and recreation	(4,414,137)	887,966	-	-	(3,526,171)		(3,526,171)
Community and economic development	(285,022)	65,576	-	-	(219,447)		(219,447)
General government	(1,146,253)	56,431	-	-	(1,089,822)		(1,089,822)
Interest on long-term debt	(226,094)	-	-	-	(226,094)		(226,094)
Capital projects				$288,330	288,330		288,330
Total governmental activities	(9,331,820)	1,514,457	703,769	288,330	(6,825,263)	-	(6,825,263)
Business-type activities:							
Centre Mall	(901,545)	$440,770				($460,775)	(460,775)
Electric	(9,196,469)	9,637,207				440,738	440,738
Gas	(10,919,217)	10,623,489				(295,728)	(295,728)
Sewer	(1,010,493)	1,073,016				62,523	62,523
Water	(1,248,792)	1,580,634				331,842	331,842
Total business-type activities	(23,276,517)	23,355,117	-	-	-	78,601	78,601
Total primary government	($32,608,336)	$24,869,575	$703,769	$288,330	($6,825,263)	$78,601	($6,746,662)

	Governmental Activites	Business-Type Activities	Total
General Revenues:			
Property tax levied for:			
General purposes	$1,871,524		$1,871,524
Community center	160,427		160,427
Trust and agency	667,105		667,105
Tax increment financing	1,857,358		1,857,358
Debt service	185,775		185,775
Local option sales tax	732,227		732,227
Unrestricted investment earnings	10,817	$272,058	282,875
Miscellaneous	1,359,547	(874,066)	485,481
Transfers	215,504	(215,504)	
Total general revenues and transfers	7,060,284	(817,512)	6,242,772
Change in net assets	235,021	(738,911)	(503,890)
Net assets -- beginning	39,958,753	39,165,735	79,124,488
Net assets -- ending	$40,193,774	$38,426,824	$78,620,598

See notes to financial statements

CITY OF SIOUX CENTER, IOWA

Balance Sheet
Governmental Funds
June 30, 2014

	General	Special Revenue	Tax Increment Financing	Debt Service	Capital Projects	Total Governmental Funds
Assets						
Cash and Pooled Investments	$1,250,617	$1,286,065		$1,444	$2,243	$2,540,369
Accounts Receivable	135,801	0				135,801
Due from Other Funds	1,643,412	252,890				1,896,302
Total Assets	3,029,830	1,538,954		1,444	2,243	4,572,472
Liabilities						
Accounts Payable	224,510	31,814			16,999	273,323
Due to Other Funds			$29,647		1,866,611	1,896,258
Total Liabilities	224,510	31,814	29,647		1,883,610	2,169,580
Fund Balances						
Nonspendable						
Restricted						
Road Use Fund		1,204,357				1,204,357
Local Option Sales Tax		302,783				302,783
Other Restricted				1,444		1,444
Committed						
Vacation & Sick Pay	137,209					137,209
Storm Sewer	127,187					127,187
Assigned						
Fire Dept Vehicle Replacement	177,704					177,704
Unassigned	2,363,220		(29,647)		(1,881,367)	452,206
Total Fund Balance (Deficit)	2,805,320	1,507,141	(29,647)	1,444	(1,881,367)	2,402,891
Total Liabilities and Fund Balance	$3,029,830	$1,538,954	($0)	$1,444	$2,243	$4,572,472

See notes to financial statements

CITY OF SIOUX CENTER, IOWA

Reconciliation of the Balance Sheet
Governmental Funds to the Statement of Net Position
June 30, 2014

Total governmental fund balances		$2,402,891
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost of Assets	64,809,071	
Accumulated Depreciation	(21,010,959)	43,798,112
Long-term liabilities, including bonds payable are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.		
General obligation bonds	(7,670,181)	
Unamortized bonds issuance costs	57,540	
Unamortized discount on general obligation bonds	50,962	
Other postemployment benefits	(3,814)	
Bond Interest	(15,061)	
Compensated absences	(133,392)	
Investment Restircted for Escrow	1,556,457	(6,157,489)
Prepaid expenses in the governmental funds have been recorded as expenditures when paid. However, the statement of activities will report these itesm as expenditures in the period that the corresponding net asset is exhausted.		
Prepaid Insurance		150,260
Net assets of governmental activities		$40,193,774

See notes to financial statements

CITY OF SIOUX CENTER, IOWA

Statement of Revenues and Expenditures and Changes in Fund Balances (Deficit)
Governmental Funds
June 30, 2014

	General	Special Revenue	Tax Increment Financing	Debt Service	Capital Projects	Total Governmental Funds
Revenues:						
Property Taxes	$1,900,453	$667,105		$185,775		$2,753,332
TIF Revenue			$1,857,358			1,857,358
Other City Taxes	131,499	732,227				863,726
Licenses and Permits	104,227					104,227
Use of Money and Property	235,789		478	1,528		237,795
Intergovernmental	66,951	703,769			$288,330	1,059,050
Charges for Services	1,187,909					1,187,909
Special Assessments	37,876					37,876
Miscellaneous	1,103,504				146,559	1,250,063
Total Revenues	4,768,208	2,103,101	1,857,836	187,303	434,889	9,351,337
Expenditures:						
Public Safety	971,376					971,376
Public Works	910,411	393,283				1,303,694
Culture and Recreation	2,956,452					2,956,452
Community and Economic Development	285,958					285,958
General Government	1,099,921					1,099,921
Debt Service						
Principal Retirement				1,227,237		1,227,237
Interest				230,227		230,227
Administrative Fees				3,000		3,000
Capital Projects					1,000,931	1,000,931
Total Expenditures	6,224,118	393,283		1,460,464	1,000,931	9,078,796
Excess (Deficiency) of Revenues Over Expenditures	(1,455,910)	1,709,818	1,857,836	(1,273,162)	(566,042)	272,540
Other Financing Sources (Uses):						
Transfers To Other Funds	(1,030,083)	(1,321,930)	(1,893,443)			(4,245,455)
Transfers From Other Funds	2,951,381			1,272,240	237,338	4,460,960
Proceeds from Bond Issuance						
Total Other Financing Sources (Uses)	1,921,298	(1,321,930)	(1,893,443)	1,272,240	237,338	215,504
Net Change in Fund Balance	465,388	387,888	(35,607)	(922)	(328,703)	488,045
Fund Balances - Beginning	2,339,932	1,119,253	5,960	2,366	(1,552,664)	1,914,847
Fund Balances - Ending	$2,805,320	$1,507,141	($29,647)	$1,444	($1,881,367)	$2,402,891

See notes to financial statements

CITY OF SIOUX CENTER, IOWA

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances (Deficit)
Governmental Funds to the Statement of Activities
June 30, 2014

Net change in fund balances-Total governmental funds		$488,045
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.		
Capital Outlay	1,459,260	
Depreciation expense	(2,921,942)	(1,462,683)
Governmental funds do not report capital assets and therefore do not report gains or losses on the disposal of those assets		(1,222)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Bond proceeds from issuances		
Principal debt payments	1,227,237	1,227,237
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The following expenses did not require current financial resources:		
Other postemployment benefits	1,366	
Compensated absences	(6,510)	
Amortization of bond discounts, issuance cost, premiums and dfferals	(14,140)	
Adjustment to bond interest payable	4,134	(15,151)
Prepaid expenses in the governmental funds have been recorded as expenditures when paid. However, the statement of activities will report these items as expenditures in the period that the corresponding net asset is exhausted.		
Prepaid Insurance		(1,205)
Change in net assets of governmental activities		$235,021

See notes to financial statements

CITY OF SIOUX CENTER, IOWA

Statement of Net Position
Proprietary Funds
June 30, 2014

ASSETS	Electric	Natural Gas	Water	Sewer	Centre Mall	Totals	Gov Activities Internal Service Fund
Current Assets							
Cash and Pooled Investments	$3,073,882	$3,139,136	$304,613	$615,789	$343,329	$7,476,750	$37,729
Receivables:							
Accounts	913,598	1,152,125	149,070	93,272		2,308,065	
Notes	45,812	65,857				111,669	
Accrued Interest	15,597	11,804				27,401	
Due from Other Funds	10,000						
Inventory	701,671	99,327	162,135			963,133	
Prepaid Expenses	25,492	10,464	24,625	34,202	19,061	113,845	
Total Current Assets	4,786,050	4,478,714	640,444	743,264	362,390	11,000,862	37,729
Noncurrent Assets							
Nonoperating Properties-Land	4,102,056	3,771,069				7,873,125	
Investment in Joint Venture	2,719,990					2,719,990	
Notes Receivable Long-term	859,471	1,155,933				2,015,403	
Deferred Bond Issue Costs			53,386	5,432	5,940	64,758	
Deferred Bond Discount Costs			74,781	2,780	7,388	84,949	
Restricted Investments - Held in Escrow			268,380	190,205		458,585	
Capital Assets (net of depreciation)	4,754,127	3,374,334	7,105,275	2,371,054	3,251,287	20,856,077	
Transmission System	1,256,983					1,256,983	
Transmission System Accum Depreciation	(1,175,195)					(1,175,195)	
Total Noncurrent Assets	12,517,433	8,301,336	7,501,823	2,569,470	3,264,614	34,154,676	-
Total Assets	17,303,483	12,780,049	8,142,267	3,312,734	3,627,005	45,155,538	37,729
LIABILITIES							
Current Liabilities							
Accounts Payable	792,871	574,855	32,231	35,647	10,681	1,446,286	10,063
Accrued Interest Payable			63,357	1,365	1,878	66,600	
Compensated Absences Payable	28,579	23,595	32,757	23,254	14,556	122,741	
Deposits	15,370	15,196	7,573			38,138	
Due to Other Funds			10,000				
Succeeding Year Property Tax					185,130	185,130	
Bonds, notes and loans payable			332,229	181,333	295,000	808,562	
Total Current Liabilities	836,820	613,646	478,147	241,599	507,245	2,667,457	10,063
Noncurrent Liabilities							
Bonds, notes and loans payable			2,923,086	738,171	400,000	4,061,257	
Total Noncurrent Liabilities			2,923,086	738,171	400,000	4,061,257	
Total Liabilities	836,820	613,646	3,401,233	979,770	907,245	6,728,714	10,063
NET ASSETS							
Net Invested in capital assets	4,835,915	3,374,334	3,849,960	1,451,550	2,556,287	16,068,047	
Restricted for debt service			398,384	197,709	163,473	759,566	
Restricted for Self-Insurance							27,666
Unrestricted	11,630,748	8,792,069	492,690	683,705		21,599,211	
Total Net Assets	$16,466,663	$12,166,403	$4,741,034	$2,332,964	$2,719,759	$38,426,824	$27,666

See notes to financial statements

CITY OF SIOUX CENTER, IOWA

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
June 30, 2014

	Electric	Natural Gas	Water	Sewer	Centre Mall	Totals	Governmental Activities- Internal Service Fund
Operating Revenues							
Charges for Services	$9,637,207	$10,623,489	$1,580,634	$1,073,016	$440,770	$23,355,117	$267,972
Earnings from Joint Venture	(58,580)					(58,580)	
Energy Efficiency MRES	97,787					97,787	
Miscellaneous	15,094	225,356	12,910	11,360	7,488	272,207	
Total Operating Revenues	9,691,507	10,848,845	1,593,544	1,084,377	448,258	23,666,531	267,972
Operating Expenses							
Personnel Services	539,049	371,083	403,688	390,158	196,305	1,900,283	135,053
Utilities	16,236	16,022	98,131	89,631	62,002	282,022	629
Repairs and Maintenance	358,289	195,817	210,394	135,204	40,619	940,322	106,764
Taxes	24,382	7,708	0	0	162,000	194,090	
Other Supplies	12,666	12,069	14,418	12,912	1,629	53,693	
Insurance Expenses	23,684	9,938	27,327	38,439	21,140	120,528	
Depreciation and Amortization	229,220	193,679	345,897	284,609	338,694	1,392,099	
Legal and Professional	7,852	7,417	11,102	33,207		59,577	
Advertising	19,505	15,648			45,427	80,581	
Miscellaneous	30,281	24,003	8,685	1,715	271	64,955	
Energy Efficiency	102,656	30,688				133,344	
Resale Purchases	7,574,049	9,776,296	28,222			17,378,567	
Total Operating Expenses	8,937,869	10,660,367	1,147,864	985,874	868,086	22,600,060	242,447
Total Operating Income (Loss)	753,638	188,478	445,680	98,502	(419,828)	1,066,471	25,525
Nonoperating Revenues (Expenses)							
Interest and Investment Revenue	(38,824)	(33,458)	749	2,428	1,503	(67,602)	2,140
Gain on Sale of Assets	41,667	(1,227,147)				(1,185,480)	
Land Rental	221,575	118,086				339,661	
Community Grants	(258,600)	(258,850)				(517,450)	
Bond Issuance Expense			(13,937)	(1,367)	(3,477)	(18,781)	
Interest Expense			(86,990)	(23,252)	(29,983)	(140,225)	
Total Nonoperating Revenue (Expenses)	(34,182)	(1,401,370)	(100,179)	(22,191)	(31,956)	(1,589,878)	2,140
Income (Loss) Before Contributions and transfers	719,456	(1,212,892)	345,501	76,311	(451,784)	(523,407)	27,666
Transfers In			3,025	15,123	450,660	468,807	
Transfers Out	(457,368)	(150,627)	(76,317)			(684,311)	
Change in Net Assets	262,088	(1,363,518)	272,209	91,434	(1,124)	(738,911)	27,666
Total Net Assets - Beginning	16,204,575	13,529,921	4,468,825	2,241,530	2,720,884	39,165,735	-
Total Net Assets-Ending	$16,466,663	$12,166,403	$4,741,034	$2,332,964	$2,719,759	$38,426,824	$27,666

See notes to financial statements

CITY OF SIOUX CENTER, IOWA

Statements of Cash Flows - Proprietary Funds
Year ended June 30, 2014

	Business Type Activities						Governmental Activities- Internal Service Fund
	Electric	Natural Gas	Water	Sewer	Centre Mall	Total	
Cash Flows from Operating Activities							
Received from customers	$9,626,673	$10,784,165	$1,551,250	$1,062,468	$446,538	$23,471,095	$270,112
Other payments - customer deposits	2,991	4,124	1,455			8,570	
Payments to employees for services	(537,220)	(355,944)	(395,762)	(387,214)	(195,218)	(1,871,358)	(135,053)
Payments to suppliers for goods & services	(8,171,860)	(10,089,644)	(473,075)	(325,024)	(344,577)	(19,404,179)	(108,698)
Net cash provided (used) by operating activities	920,585	342,701	683,868	350,230	(93,256)	2,204,127	26,361
Cash Flows from Noncapital Financing Activites							
Community grants	(258,600)	(258,850)				(517,450)	
Operating subsidies & transfers to other funds	(457,368)	(150,627)	(73,292)	15,123	450,660	(215,504)	
Net cash provided (used) by noncapital financing activities	(715,968)	(409,477)	(73,292)	15,123	450,660	(732,954)	-
Cash Flows from Capital & Related Financing Activities							
Acquisition & construction of capital assets	(344,097)	(68,833)	(282,353)	(320,610)	(13,600)	(1,029,494)	
Bond Costs			13,933	66,330		80,264	
Bond Proceeds (Notes Issued)						0	
Interest paid on capital debt			(88,085)	(24,339)	(30,660)	(143,084)	
Investment in nonoperating properties	29,607	1,247,084				1,276,691	
Principal received (paid) on debt	113,273	109,437	(330,857)	(239,440)	(280,000)	(627,587)	
Proceeds from sale of capital assets	41,667	(1,227,147)				(1,185,480)	
Net cash provided (used) by operating activities	(159,551)	60,541	(687,363)	(518,058)	(324,260)	(1,628,690)	-
Cash Flows from Investing Activities							
Interest & dividends on investments	(28,984)	(19,825)	749	2,428	1,503	(44,129)	
Other nonoperating revenues (expenses)	221,575	118,086				339,661	
Net cash provided (used) by operating activities	192,592	98,261	749	2,428	1,503	295,532	-
Net increase (decrease in cash & cash equivalents	237,658	92,026	(76,038)	(150,277)	34,647	138,015	26,361
Cash - beginning of year	2,836,224	3,047,110	380,651	766,067	308,682	7,338,735	11,368
Cash - end of year	$3,073,882	$3,139,136	$304,613	$615,789	$343,329	$7,476,750	$37,729

See notes to financial statements

CITY OF SIOUX CENTER, IOWA

Statements of Cash Flows - Proprietary Funds

Year ended June 30, 2014

	Business-Type Activities						Governmental Activities- Internal Service Fund
	Electric	Natural Gas	Water	Sewer	Centre Mall	Total	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities							
Operating income (loss)	$753,638	$188,478	$445,680	$98,502	($419,828)	$1,066,471	$27,666
Adjustments to reconcile operating income to net cash provided by operating activities:							
Depreciation & amortization expense	229,220	193,679	345,897	284,609	338,694	1,392,099	
Earnings from joint venture	58,580					58,580	
Increase (Decrease) in liabilities:							
Other accounts payable - deposits	2,991	4,124	1,455			8,570	
Accounts payable	22,096	15,259	(15,764)	(11,662)	(11,490)	(1,560)	(1,305)
Accrued expenses	(11,576)	489	1,965	688	1,087	(7,347)	
(Increase) Decrease in assets							
Receivables, net	(123,414)	(64,680)	(42,294)	(21,908)	(1,720)	(254,016)	
Inventories	(10,951)	5,353	(53,071)	—	—	(58,669)	—
Net cash provided (used) by operating activities	$920,585	$342,701	$683,868	$350,230	($93,256)	$2,204,127	$26,361

See notes to financial statements

CITY OF SIOUX CENTER, IOWA

Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2014

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
Payroll Clearing				
Assets:				
Cash and cash equivalents	$3,982	$3,345,787	$3,348,546	$1,223
Total Assets:	3,982	3,345,787	3,348,546	1,223
Liabilities:				
Accounts payable	3,982	3,345,787	3,348,546	1,223
Total Liabilities:	$3,982	$3,345,787	$3,348,546	$1,223
Sales Tax				
Assets:				
Taxes receivable	$28,012	$411,885	$405,075	$34,824
Total Assets:	28,012	411,885	405,073	34,824
Liabilities:				
Accounts payable	28,012	411,885	405,073	34,824
Total Liabilities:	$28,012	$411,885	$405,073	$34,824
Fiduciary Funds Total				
Assets:				
Cash and cash equivalents	$3,982	$3,345,787	$3,348,546	$1,223
Taxes receivable	28,012	411,885	405,073	34,824
Total Assets:	31,994	3,757,672	3,753,619	36,047
Liabilities:				
Accounts payable	31,994	3,757,672	3,753,619	36,047
Total Liabilities:	$31,994	$3,757,672	$3,753,619	$36,047

See notes to financial statements

CITY OF SIOUX CENTER, IOWA

Notes to Financial Statements
June 30, 2014

(1) Summary of Significant Accounting Policies

The City of Sioux Center, Iowa is a political subdivision of the State of Iowa and operates under the Home Rule provisions of the Constitution of Iowa. The City operates under the City Mayor-Council form of government with the Mayor and Council Members elected on a non-partisan basis. The City provides numerous services to citizens including public safety, public works, health and social services, culture and recreation, community and economic development, and general government services. The City also provides electric, natural gas, water and sewer utilities, and a municipal shopping mall for its citizens.

The City's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

A. Reporting Entity

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

B. Basis of Presentation

Government-wide Financial Statements - The statement of net assets and the statement of activities report information on all the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by property tax, intergovernmental revenues and other nonexchange transactions; these are reported separately from business type activities, which rely to a significant extent on fees and charges for support.

The statement of net assets presents the City's nonfiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories:

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.

Restricted net assets result when constraints placed on net asset use are either externally imposed or imposed by law through constitutional provision or enabling legislation.

Unrestricted net assets consist of net assets that do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources that are imposed by management, but can be removed or modified.

Fund Financial Statements - Separate financial statements are provided for governmental funds, proprietary funds, and agency funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other nonmajor governmental funds.

The City reports the following major governmental funds:

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

Special Revenue:

The Tax Increment Financing Fund is used to account for revenues from the tax authorized by ordinance in the urban renewal district and used to pay the principal and interest on the general obligation capital loan notes and other indebtedness incurred for urban renewal projects.

The Debt Service Fund is utilized to account for the payment of interest and principal on the City's long-term general obligation debt.

The Capital Projects Funds is used to account for all resources used in the acquisition and construction of capital facilities.

Additionally, the City reports the following major proprietary funds:

Electric Utility - The electric utility accounts for the operation of a municipally owned electric system, which distributes electrical power to the residents of the City.

Natural Gas Utility - The natural gas utility accounts for the operation of a municipally owned natural gas system, which distributes natural gas to the residents of the City and rural industrial customers.

Water Utility - The water utility accounts for the operation of a municipally owned water system, which provides services to the residents of the City.

Sewer Utility - The sewer utility accounts for the operation of a municipally owned sewage collection and treatment facility, which provides services to the residents of the City.

Centre Mall - The Centre Mall fund accounts for the operation of a municipally owned shopping mall which provides retailers with store space pursuant to a lease agreement.

C. Measurement Focus and Basis of Accounting

The government-wide, proprietary and agency fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the agency have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days after year end.

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the City.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgements and compensated absences are recorded as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's funds are charges to customers for sales and services. Operating expenses include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City maintains its financial records on the cash basis. The financial statements of the City are prepared by making memorandum adjusting entries to the cash basis financial records.

D. Assets, Liabilities and Fund Equity

The following accounting policies are followed in preparing the combined balance sheet:

Cash, Pooled Investments and Cash Equivalents - The cash balances of most City funds are pooled and invested. Interest earned on investments is recorded in the General Fund, unless otherwise provided by law. Investments are stated at cost.

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, they have a maturity date no longer than three months.

Property Tax Receivable - Including Tax Increment Financing - Property tax in governmental funds is accounted for using the modified accrual basis of accounting.

Property tax receivable is recognized in these funds on the lien date. Delinquent property tax receivable represents unpaid taxed for the current and prior years. The succeeding year property tax receivable represents taxes certified to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the City is required to certify its budget in March of each year for the subsequent fiscal year. However, by statute, the tax askings and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is deferred in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

Property tax revenue recognized in these funds becomes due and receivable in September and March of the fiscal year with a 1.5 % per month penalty for delinquent payments; is based on January 1, 2012 assessed property valuations; is for the tax accrual period July 1, 2013 through June 30, 2014 and reflects the tax asking contained in the budget adopted by the City Council in March 2013.

Customer Accounts and Unbilled Usage - Accounts receivable are recorded in the Enterprise Funds at the time the service is billed. Unbilled usage for service consumed between periodic scheduled billing dates is estimated and is recognized as revenue in the period in which the service is provided.

Due from and Due to Other Funds - During the course of its operations, the City has numerous transactions between funds. To the extent that certain transactions between funds had not been paid or received as of June 30, 2014, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Due from Other Governments - Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments.

Inventories - Inventories are valued at cost using the first-in, first-out method. Inventories in the Enterprise funds consist of materials and supplies. Inventories are recorded as expenses when consumed rather than when purchased.

Capital Assets - Capital assets, which include land, buildings, improvements, equipment,vehicles, and infrastructure assets (e.g., roads, bridges, curbs, gutters, sidewalks, and similar items which are immovable and of value only to the government), are reported in the governmental activities column in the government wide statement of net assets. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Reportable capital assets are defined by the City with initial, individual costs in excess of the following thresholds and estimated useful lives in excess of two years.

Infrastructure	$50,000
Land, buildings and improvements	25,000
Equipment and vehicles	5,000

Property and equipment of the City is depreciated using the straight line method over the following estimated useful lives:

Asset Class	Estimated Useful lives (In Years)
Buildings	40-50
Building Improvements	25-50
Infrastructure	30-50
Equipment	3-20
Vehicles	3-10

Deferred Inflows of Resources - Although certain revenues are measurable, they are not available. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred inflows in the governmental fund financial statements represents the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred inflows consists of unspent grant proceeds as well as property tax receivables and other receivables not collected within sixty days after year end.

Deferred inflows on the statement of net position consists of succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied.

Compensated Absences - City employees accumulate a limited amount of earned but unused vacation and sick leave hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the financial statements. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2014. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund.

Long-term Liabilities - In the government-wide financial statements and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net assets. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

Fund Equity - In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable - Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

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

Fire Department Vehicle Replacement - Committed - Amounts which can be used only for specific purposes pursuant to constraints formally imposed by the City Council through ordinance or resolution approved prior to year end. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same action it employed to commit those amounts.

Unassigned - All amounts not included in the preceding classifications.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information.

(2) Cash and Pooled Investments

The City's deposits in banks at June 30, 2014 were entirely covered by federal depository insurance in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

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

The City's investments are categorized to give an indication of the level of risk assumed by the City's at year end. The City's investments are all Category 1, which means that the investments are insured or registered or the securities are held by the City or its agent in the City's name.

The City had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 3, as amended by Statement No. 40.

(3) Interfund Transfers/Due From and Due to Other Funds

The detail of interfund transfers for the year ended June 30, 2014 is as follows:

Transfer to	Transfer from	Amount
General	Proprietery:	
	Electric	$ 457,368
	Gas	150,627
	Water	76,317
	Special Revenue:	
	Road Use	100,000
	Local Option Sales Tax	425,000
	Tax Increment Financing	292,396
	Benefits Levy	667,105
		2,168,812
Debt Service	Tax Increment Financing	1,272,240
Capital Projects	General	107,514
	Special Revenue:	
	Local Option Sales Tax	92,028
	Road Use	37,797
		237,338
Centre Mall	General	140,000
	Tax Increment Financing	310,660
		450,660
Water	Tax Increment Financing	3,025
Sewer	Tax Increment Financing	15,123
Total		$ 4,147,198

Transfers generally move resources from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources.

Due From and Due to Other Funds

The detail of interfund receivables and payables at June 30, 2014 is as follows:

Receivable Fund	Payable Fund	Amount
General	Tax Increment Financing	$ 29,647
	Cap Project - Conv. Center	1,233,721
	Cap Project - Hwy 75 Enhancement	170,000
	Cap Project - St. Andrews Way	210,000
	Sales Tax	44
Road Use Tax	Cap Project - Hwy 75 Enhancement	11,612
	Cap Project - St. Andrews Way	172,158
	Cap Project - Commercial Industrial Park	16,485
	Cap Project - Hwy 75 Widening	52,636
Electric	Water	10,000
		$ 1,906,302

These balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made. Repayments will be made from future revenues.

(4) Capital Assets

A summary of changes in capital assets is as follows:

Primary Government:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Governmental Activities:				
Capital assets not being depreciated:				
Land	$8,894,873			$8,894,873
Construction in progress	4,852,578	$1,000,930	($3,916,783)	1,936,725
Total capital assets not being depreciated	13,747,451	1,000,930	(3,916,783)	10,831,598
Capital assets being depreciated:				
Buildings	19,667,070	4,022,122	(77,309)	23,611,883
Improvements	3,901,819	234,221	(90,328)	4,045,712
Equipment	5,004,100	117,755	(103,136)	5,018,719
Infrastructure	21,300,144	1,013		21,301,157
Total capital assets being depreciated	49,873,133	4,375,111	(270,773)	53,977,471
Less accumulated depreciation for:				
Buildings	5,354,511	1,793,018	(77,309)	7,070,220
Improvements	2,951,343	125,265	(90,328)	2,986,280
Equipment	3,516,751	371,151	(101,914)	3,785,988
Infrastructure	6,535,962	632,508		7,168,470
Total accumulated depreciation	18,358,567	2,921,942	(269,551)	21,010,958
Total capital assets being depreciated, net	31,514,566	1,453,169	(1,222)	32,966,513
Governmental activities capital assets, net	$45,262,017	$2,454,099	($3,918,005)	$43,798,111

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Business-Type Activities				
Capital assets not being depreciated:				
Land	$1,510,056			$1,510,056
Construction in progress	578,162	$890,433	($1,403,874)	64,721
Total capital assets not being depreciated	2,088,218	890,433	(1,403,874)	1,574,777
Capital assets being depreciated:				
Buildings	9,143,635	790,309		9,933,944
Equipment	1,578,131	138,058	(241,819)	1,474,370
Transmission	1,256,983			1,256,983
Infrastructure	38,863,483	614,569		39,478,052
Total capital assets being depreciated	50,842,232	1,542,936	(241,819)	52,143,349
Less accumulated depreciation for:				
Buildings	4,984,333	421,596		5,405,929
Equipment	1,312,191	89,466	(241,819)	1,159,838

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Transmission	1,164,641	10,554		1,175,195
Infrastructure	23,961,085	1,078,211		25,039,296
Total accumulated depreciation	31,422,250	1,599,827	(241,819)	32,780,258
Total capital assets being depreciated, net	19,419,982	(56,891)	_	19,363,091
Business-type activities capital assets, net	$21,508,200	$833,542	($1,403,874)	$20,937,868

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
Public Safety	$283,951
Public Works	747,312
Culture and Recreation	1,749,272
General Government	141,407
Total depreciation expense - governmental activities	$2,921,942
Business-Type Activities:	
Electric	$436,950
Natural Gas	193,678
Water	345,897
Sewer	284,606
Centre Mall	338,694
Total depreciation expense - business-type activities	$1,599,825

Reconciliation of Investment in Capital Assets:

	Governmental Activities	Business-Type Activities
Land	$8,894,873	$1,510,056
Construction in Progress	1,936,725	64,721
Capital Assets (net of accumulated depreciation)	32,966,513	19,363,091
Less: General Obligation Bonds Payable	(7,670,181)	(1,744,819)
Revenue Bonds Payable		(3,125,000)
Investment in Capital Assets, Net of Related Debt	$36,127,930	$16,068,049

(5) Investment in Joint Venture

The City is a participant in the Missouri Basin Municipal Electric Cooperative Association, a joint venture for the construction and maintenance of power lines from the power source to the Northwest Iowa Power Cooperative. The construction of the lines is accomplished by NIPCO and there are no actual dedicated lines, but rather an agreement which guarantees the municipalities the right to draw power over the lines at a raw power cost without transmission charges. The City owns a 30.90 percent share of the venture with twelve other cities sharing in their ownership at varying percentages. The City's investment in the joint venture is accounted for by the equity method in the Electric Fund. Separately issued audited financial statements of the Associated are available from Missouri Basin Municipal Electric Cooperative Association.

(6) Changes in Long-Term Liabilities

A summary of changes in long-term liabilities for the year ended June 30, 2014 is as follows:

	General Obligation	Revenue	Total
Bonds Payable - July 1, 2013	$11,665,000	$3,562,000	$15,227,000
Bonds Issued	0	0	0
Bonds Retired	(2,250,000)	(437,000)	(2,687,000)
Bonds Payable - June 30, 2014	$9,415,000	$3,125,000	$12,540,000

Details of above general obligations and revenue bonds payable at June 30, 2014 are as follows:

Governmental Activites:

	Date of Issue	Interest Rates	Final Due Date	Annual Payments	Amount Originally Issued	Outstanding June 30, 2014
General Obligation	2013	.40-1.60	2022	$153,495-372,410	$2,165,924	$2,165,924
General Obligation	2011	3.0-1.25	2016	260,000-325,000	1,500,000	525,000
General Obligation	2009	2.75-4.35	2019	420,000-615,000	5,100,000	2,820,000
General Obligation	2009	1.60-3.90	2019	90,000-300,000	1,585,000	490,000
General Obligation	2007	3.70-4.00	2022	49,771-241,200	2,412,000	1,669,257
					$12,762,924	$7,670,181

Business-type Activities:

	Date of Issue	Interest Rates	Final Due Date	Annual Payments	Amount Originally Issued	Outstanding June 30, 2014
General Obligation Water	2013	.40-1.60	2022	$38,400-41,143	$276,343	$276,343
General Obligation Sewer	2013	.40-1.60	2022	16,505-29,143	262,733	262,733
Revenue Water	2012	2.00-2.25	2024	275,000-325,000	3,540,000	2,680,000
General Obligation Centre Mall	2009	1.60-3.90	2019	140,000-345,000	2,145,000	695,000
General Obligation Water	2007	3.70-4.00	2022	8,914-43,200	432,000	298,971
General Obligation Sewer	2007	3.70-4.00	2022	6,314-30,600	306,000	211,772
Revenue Sewer	1994	3.00-4.54	2017	33,000-76,000	1,024,000	217,000
Revenue Sewer	1993	3.00-3.74	2017	39,000-79,000	1,140,000	228,000
					$9,126,076	$4,869,819

Governmental Activites:

Year Ending June 30	General Obligation Principal	Interest on General Obligation	Total
2015	$1,203,438	$176,471	$1,379,909
2016	1,455,495	162,252	1,617,747
2017	1,227,667	127,537	1,355,204
2018	1,269,153	98,929	1,368,082
2019	1,143,800	68,101	1,211,901
2020-2022	1,370,629	75,997	1,446,626
	$7,670,182	$709,287	$8,379,469

Business-type Activities:

Year Ending June 30	General Obligation Principal	Interest on General Obligation	Revenue Bonds Principal	Interest on Revenue Bonds	Total
2015	$366,562	$42,684	$442,000	$62,388	$913,634
2016	269,505	36,601	448,000	53,903	808,009
2017	272,333	29,878	455,000	45,313	802,524
2018	285,847	22,651	325,000	36,600	670,098
2019	131,200	14,469	250,000	30,100	425,769
2020-2024	419,371	23,253	1,205,000	77,425	1,725,049
	$1,744,818	$169,536	$3,125,000	$305,729	$5,345,083

During the year ended June 30, 2014, the City was in compliance with all revenue note provisions. All water revenue and sewer revenue bonds will be paid solely from water and sewer customers. Annual principal interest payments on these notes are expected to require less than 90% of net revenues.

(7) Pension and Retirement Benefits

The City contributes to the Iowa Public Employees Retirement System (IPERS), which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by the state statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa 50306-9117.

Most regular plan members are required to contribute 5.95% of their annual covered salary and the City is required to contribute 8.93% of covered salary. Certain employees in special risk occupations and the City contribute an actuarially determined contribution rate. Contribution requirements are established by state statute. The City's contributions to IPERS for the years ended June 30, 2014 and 2013 were $285,996 and $270,466, respectively.

(8) Major Customers

During the year ended June 30, 2014, charges for services provided by the natural gas utility of the City to Siouxland Energy was $6,223,500 or 58.61% of total natural gas revenues. Total charges to Golden Crisp for electric services for the year was $1,864,327 or 19.35% of total electric revenues.

(9) Risk Management

The City is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The City assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

(10) Related Party Transactions

The City had business transactions between the City and City officials, totaling $88,567 in goods/services and bank fees during the year ended June 30, 2014.

(11) Deficit Fund Balance

Five Capital Projects Funds had deficit balances of $1,881,367 at June 30, 2014. The deficit balance was a result of project costs incurred prior to availability of funds. The deficit will be eliminated upon receipt of state grant monies, and property assessments.

(12) Other Post Employment Benefits

Plan Description - The City operates a single-employer health care plan which provides medical/prescription drug benefits for employees, retirees and their eligible dependents. Eligible retirees receive health care coverage through the same plan that is available to active employees. To be eligible for these benefits, participants must be receiving a pension benefit from the Iowa Public Employee Retirement System (IPERS). There are 46 active and zero retired members in the plan.

The medical and prescription drug coverage is provided through a partially self-insured plan administered by Wellmark BCBS. Retirees under age 65 pay 100% of the premium cost. Since the City offers retirees under the age of 65 the option of staying on the City's group plan, the City is implicitly subsidizing the retiree's premium cost through the group.

Funding Policy - The contribution requirements of plan members are established and may be amended by the City. The City currently finances the benefit plan on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation – The City's annual OPEB cost (expense) is calculated based on an annual required contribution (ARC) of the City, an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

The following table shows the components of the City's annual OPEB cost for the year ended June 30, 2014, the amount actually contributed to the plan and changes in the City's net OPEB obligation:

Annual required contribution:	$6,811
Contributions made:	6,811
Net OPEB Obligation June 30, 2014:	0

The City's annual OPEB cost, the percentage of annual OPEB costs contributed to the plan, and the net OPEB obligation are summarized as follows:

Fiscal Year Ended	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2009	$12,100	100.0%	$ 0
June 30, 2010	$12,100	100.0%	$ 0
June 30, 2011	$ 8,350	100.0%	$ 0
June 30, 2012	$ 9,220	100.0%	$ 0
June 30, 2013	$ 9,250	100.0%	$ 0
June 30, 2014	$ 6,811	100.0%	$ 0

Funded Status and Funding Progress - As of June 30, 2014, the most recent alternative measurement method date for the period July 1, 2013 through June 30, 2014, the actuarial accrued liability was $6,811, with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of $6,811. The covered payroll (annual payroll of active employees covered by the plan) was $2,920,141 and the ratio of the UAAL to covered payroll was 0.2%. As of June 30, 2014, there were no trust fund assets.

Actuarial Methods and Assumptions - The City's other post-employment benefit liability is actuarially determined using the alternative measurement method. This calculation makes several assumptions about the probability of the occurrence of events far into the future. Examples include assumptions about the healthcare cost trend and the number of retirees who will take advantage of this benefit.

In this fiscal year's valuation, actuarial assumptions included a 4.5% discount rate and an annual health care cost trend rate of 9% initially, decreasing .3% per year until reaching an ultimate rate of 4%. Health care costs for privately purchased personal premiums were assumed to net 5% higher than projected premiums under the City's group health insurance plan. Usage of the benefit was assumed to be 5% of the total possible liability.

(13) Subsequent Event

Subsequent events have been evaluated through October 31, 2014, which is the date the financial statements were available to be issued.

(14) Prospective Accounting Change

The Governmental Accounting Standards Board has issued Statement No. 68 Accounting and Financial Reporting for Pensions - an Amendment of GASB No. 27. This statement will be implemented for the fiscal year ending June 30, 2015. The revised requirements establish new financial reporting requirements for state and local governments which provide their employees with pension benefits, including additional note disclosures and required supplementary information. In addition, the Statement of Net position is expected to include a significant liability for the government's proportionate share of the employee pension plan.

Required Supplementary Information

CITY OF SIOUX CENTER, IOWA

Required Supplementary Information
Notes to Required Supplementary Information - Budgetary Reporting
June 30, 2014

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

In accordance with the Code of Iowa, the City Council annually adopts a budget on the cash basis following required public notice and hearing for all funds. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures. Encumbrances are not recognized on the cash basis budget and appropriations lapse at year end.

Formal and legal budgetary control is based upon nine major classes of disbursements known as functions, not by fund. These nine functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt services, capital projects and business type activities. function disbursements required to be budgeted include disbursements for the General Fund, the Special Revenue Funds, the Debt Service Fund, the Capital Projects Fund and the Enterprise Funds. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. During the year budget amendment increased budgeted disbursements by $4,477,265. This budget amendment is reflected in the final budgeted amounts.

During the year ended June 30, 2014, disbursements in the culture and recreation, community and economic development, general government, debt service, and business type function exceeded the amount budgeted.

CITY OF SIOUX CENTER, IOWA

Required Supplementary Information
Budgetary Comparison Schedule
of Receipts, Disbursements, and Changes in Balances -
Budget and Actual (Cash Basis) - All Governmental Funds and Proprietary funds
Year ended June 30, 2014

	Governmental Fund Types Actual	Proprietary Fund Type Actual	Less Funds not Required to be budgeted	Net	Budgeted Amounts Original	Budgeted Amounts Final	Final to Actual Variance Positive (Negative)
Revenues:							
Property Tax	$2,753,332			$2,753,332	$2,745,801	$2,745,801	$7,531
Tax increment financing collections	1,857,358			1,857,358	2,047,877	2,047,877	(190,519)
Other city tax	863,726			863,726	864,999	864,999	(1,273)
License and permits	104,227			104,227	85,900	85,900	18,327
Use of money and property	237,795	($911,281)	$2,140	(675,626)	570,100	570,100	(1,245,726)
Intergovernmental	1,059,050			1,059,050	961,300	961,300	97,750
Charges for services	1,187,909	23,623,089	267,972	24,543,026	20,184,685	24,243,685	299,341
Special assessments	37,876			37,876	18,378	18,378	19,498
Miscellaneous	1,250,063	311,414		1,561,477	809,350	1,009,350	552,127
Total Revenues	9,351,336	23,023,222	270,112	32,104,446	28,288,390	32,547,390	(442,944)
Expenditures:							
Public Safety	971,376			971,376	996,249	1,004,564	33,188
Public Works	1,303,694			1,303,694	1,354,460	1,357,460	53,766
Culture and recreation	2,956,452			2,956,452	2,857,570	2,932,020	(24,432)
Community and economic development	285,958			285,958	163,132	263,132	(22,826)
General government	1,099,921			1,099,921	1,028,455	1,084,455	(15,466)
Debt service	1,460,464			1,460,464	1,460,074	1,460,074	(390)
Capital projects	1,000,931			1,000,931	1,170,000	1,325,000	324,069
Business-type		23,518,963	242,447	23,276,516	19,151,404	23,231,904	(44,612)
Total Expenditures	9,078,796	23,518,963	242,447	32,355,312	28,181,344	32,658,609	303,297
Excess (deficiency) of revenues over (under) expenditures	272,540	(495,741)	27,665	(250,866)	107,046	(111,219)	(139,647)
Other financing sources (uses), net	215,504	(215,504)	_	_	450,000	450,000	(450,000)
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing sources (uses)	488,044	(711,245)	27,665	(250,866)	557,046	338,781	(589,647)
Beginning fund balance, July 1	1,914,847	39,165,735	_	41,080,582	40,424,984	41,080,581	_
Ending fund balance, June 30	$2,402,891	$38,454,490	$27,665	$40,829,716	$40,982,030	$41,419,362	($589,647)

See accompanying independent auditor’s report.

CITY OF SIOUX CENTER, IOWA

Required Supplementary Information
Schedule of Funding Progress
Year ended June 30, 2014

Year End	Alternative Measurement Method Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfuded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/2009	6/30/2009	-	$12,100	$12,100	0.0%	$2,875,405	0.4%
6/30/2010	6/30/2010	-	12,100	12,100	0.0%	2,719,151	0.4%
6/30/2011	6/30/2011	-	8,350	8,350	0.0%	2,892,126	0.3%
6/30/2012	6/30/2012	-	9,220	9,220	0.0%	2,624,192	0.4%
6/30/2013	6/30/2013	-	9,250	9,250	0.0%	2,891,569	0.3%
6/30/2014	6/30/2014	-	6,811	6,811	0.0%	2,920,141	0.2%

See Note 12 in the accompanying Notes to Financial Statements for the plan description, funding policy, annual OPEB cost, net OPEB obligation, funded status and funding progress.

See accompanying independent auditor’s report.

Supplementary Information

CITY OF SIOUX CENTER, IOWA

Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2014

	Road Use Tax	Local Option Sales Tax	Tax Increment Financing	Total
ASSETS				
Cash and Cash Equivalents	$983,281	$302,783		$1,286,064
Due from Other Funds	252,890			252,890
Total Assets	1,236,171	302,783	-	1,538,954
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts Payable	31,814			31,814
Due to Other Funds			$29,647	29,647
Total Liabilities	31,814	-	29,647	61,461
Fund Balance(Deficit)				
Restricted - Other purpose	1,204,357	302,783	(29,647)	1,477,494
Total Liabilities and Fund Balance	$1,236,171	$302,783	-	$1,538,954

See accompanying independent auditor's report.

CITY OF SIOUX CENTER, IOWA

Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances (Deficit)
For the Year Ended June 30, 2014

	Road Use Tax	Local Option Sales Tax	Tax Increment Financing	Trust & Agency	Total
Revenues:					
Property Taxes				$667,105	$667,105
TIF Revenue			$1,857,358		1,857,358
Other City Taxes		$732,227			732,227
Intergovernmental	$703,769				703,769
Use of Money and Property			478		478
Total Revenues	703,769	732,227	1,857,836	667,105	3,960,937
Expenditures:					
Public Works	393,283				393,283
Total Expenditures	393,283	-	-	-	393,283
Express (Deficiency) of Revenues over (under) expenditures	310,486	732,227	1,857,836	667,105	3,567,654
Other Financing sources (uses)					
Transfers	(137,797)	(517,028)	(1,893,443)	(667,105)	(3,215,373)
Net Change in Fund Balances	172,689	215,199	(35,607)	-	352,281
Fund (Deficit) at Beginning of Year	1,031,668	87,584	5,960	-	1,125,213
Fund (Deficit) at End of Year	$1,204,357	$302,783	($29,647)	$0	$1,477,494

See accompanying independent auditor's report.

CITY OF SIOUX CENTER, IOWA

Nonmajor Capital Projects Funds
Combining Balance Sheet
For the Year Ended June 30, 2014

	New Airport Project	4th Ave Bio-Tech Park	Hwy 75 Widening	St Andrews Way Extension	Hwy 75 Enhancements	Convention Center	Total
ASSETS							
Cash and Cash Equivalents	$2,243						$2,243
Total Assets	$2,243	$0	$0	$0	$0	$0	$2,243
LIABILITIES AND FUND BALANCE							
Liabilities							
Accounts Payable		$8,783			$8,216		$16,999
Due to Other Funds		16,485	$52,636	$382,158	181,612	$1,233,721	1,866,611
Total Liabilities		25,268	52,636	382,158	189,828	1,233,721	1,883,610
Fund Balance(Deficit)							
Unreserved-Undesignated	$2,243	($25,268)	($52,636)	($382,158)	($189,828)	($1,233,721)	($1,881,367)
Total Liabilities and Fund Balance	$2,243	$0	$0	$0	$0	$0	$2,243

See accompanying independent auditor's report.

CITY OF SIOUX CENTER, IOWA

Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended June 30, 2014

	New Airport Project	4th Ave Bio-Tech Park	Fire Engine	Hwy 75 Widening	St Andrews Way Extension	16th St NE	Hwy 75 Enhancements	Convention Center	Total
Revenues:									
Intergovernmental				$29,382	$174,258	$84,690			$288,330
Miscellaneous				120,559				$26,000	146,559
Total Revenues	-	-	-	149,941	174,258	84,690	-	26,000	434,889
Expenditures:									
Capital Projects	$106,586	$25,268	$92,028	149,701	438,591	1,014	$21,784	165,959	1,000,931
Total Expenditures	106,586	25,268	92,028	149,701	438,591	1,014	21,784	165,959	1,000,931
Express (Deficiency) of Revenues over (under) expenditures	(106,586)	(25,268)	(92,028)	240	(264,333)	83,677	(21,784)	(139,959)	(566,042)
Other Financing sources (uses)									
Transfers	106,500		92,028	35,478	2,319	1,014			237,338
Net Change in Fund Balances	(86)	(25,268)	-	35,718	(262,014)	84,690	(21,784)	(139,959)	(328,703)
Fund (Deficit) at Beginning of Year	2,329			(88,354)	(120,144)	(84,690)	(168,044)	(1,093,762)	(1,552,664)
Fund (Deficit) at End of Year	$2,243	($25,268)	$0	($52,636)	($382,158)	$0	($189,828)	($1,233,721)	($1,881,367)

See accompanying independent auditor's report.

CITY OF SIOUX CENTER, IOWA

Schedule of Receipts By Source and
Expenditures By Function
All Government Fund Types
Year Ended June 30, 2014

For the Last Four Years

	2014	2013	2012	2011
Receipts:				
Property Tax	$2,753,332	$2,748,374	$2,739,724	$2,767,090
Tax increment financing collections	1,857,358	1,938,795	1,940,629	1,905,826
Other city taxes	863,726	866,013	745,573	701,502
License and permits	104,227	226,252	106,251	77,080
Use of money and property	237,795	233,827	230,867	317,650
Intergovernmental	1,059,050	813,507	1,298,302	1,455,337
Charges for services	1,187,909	1,183,030	1,084,598	954,927
Special assessments	37,876	47,923	65,385	84,691
Miscellaneous	1,250,063	686,664	722,131	1,157,760
Total	9,351,336	8,744,385	8,933,460	9,421,863
Expenditures:				
Public Safety	971,376	1,036,957	1,024,890	998,840
Public Works	1,303,694	1,272,247	1,123,927	1,602,290
Culture and recreation	2,956,452	2,946,583	2,941,486	2,703,276
Community and economic development	285,958	185,538	147,425	128,740
General government	1,099,921	1,210,905	1,021,857	630,355
Debt service	1,460,464	1,455,096	1,712,744	1,394,845
Capital projects	1,000,931	1,516,153	3,493,052	3,045,913
Total	$9,078,796	$9,623,479	$11,465,381	$10,504,259

KROESE & KROESE P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Honorable Mayor and
Members of the City Council:

We have audited in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Governmental Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of City of Sioux Center, Iowa, as of and for the year ended June 30, 2014, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 31, 2014.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design of operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of City of Sioux Center, Iowa's financial statements will not be prevented or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control which is less sever than a material weakness, yet important enough to merit attention by those charged with governance. We found no significant deficiencies in internal control over financial reporting.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Sioux Center, Iowa's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations,

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contracts and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards.

Comments involving statutory and other legal matters about the City's operations for the year ended June 30, 2014 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the city. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Purpose of this Report

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

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

Sioux Center, Iowa
October 31, 2014

CITY OF SIOUX CENTER, IOWA

Schedule of Findings and Questioned Costs
Year ended June 30, 2014

Part I: Summary of the Independent Auditor's Results

a) Unqualified opinions were issued on the financial statements.

b) No significant deficiencies and material weaknesses in internal control over financial reporting were found during the audit of the financial statements.

c) The audit did not disclose any noncompliance which is material to the financial statements.

d) No material weaknesses in internal control over a major program were noted.

e) An unqualified opinion was issued on compliance with requirements applicable to the major program.

f) The audit found no audit findings which were required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a)

Part II: Findings Related to the General Purpose Financial Statements:

INTERNAL CONTROL DEFICIENCIES: NONE REPORTED

INSTANCES OF NON-COMPLIANCE: NONE REPORTED

Part IV: Other Findings Related to Required Statutory Reporting:

IV-A-14 Certified Budget - Disbursements during the year ended June 30, 2014 exceeded the amount budgeted in debt service, public safety, and general government. Chapter 384.20 of the Code of Iowa states, in part, "Public monies may not be expended or encumbered except under an annual or continuing appropriation."

Recommendation - The budget should have been amended in accordance with Chapter 384.18 of the Code of Iowa before disbursements were allowed to exceed the budge.

Response - The budge will be amended in the future, if applicable.

Conclusion - Response accepted.

IV-B-14 Questionable Expenditures - No expenditures that we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.

IV-C-14 Travel Expense - No expenditures of City money for travel expenses of spouses of City officials or employees were noted.

CITY OF SIOUX CENTER, IOWA

Schedule of Findings and Questioned Costs
Year ended June 30, 2014

IV-D-14 Business Transactions - Business transactions between the City and the City officials or employees detailed as follows:

Name, Title, and Business Connection	Transaction Description	Amount
Dennis Walstra, Mayor Walstra Plumbing and Heating	Supplies	$3,888
Randy Vreugdenhil, Council Member HSR, LLC	Management fee Events Lender, per bid	$81,006
W. Dale Den Herder, Council Member American State Bank	BankFees as Fiscal Agent	$3,625
Jamie Van Ravenswaay , Council Member MJ's Sinclair	Fuel and Supplies	$48

In accordance with Chapter 362.5(3)(j), the transaction with the bank does not appear to be a conflict of interest because American State Bank has been designated as a depository, paying agent, or for investment of funds. The transaction with MJ's Sinclair, do not appear to represent a conflict of interest because competitive bidding was not required for amounts under $1,500, in accordance with Iowa Code. The Walstra Plumbing and Heating is for many smaller purchases all under $1,500 and does not appear to be a conflict of interest. The transaction with council member for management does not appear to represent a conflict of interest since it was entered into competitive bidding in accordance with Chapter 362.5 (3) (d) of the Code of Iowa.

IV-E-14 Bond Coverages - 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 coverage is adequate for current operations.

IV-F-14 Council Minutes - No transactions were found that we believe should have been approved in the Council minutes but were not.

IV-G-14 Deposits and Investments - No instances of non-compliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the City investment policy were noted.

IV-H-14 Revenue Bonds - No instances of non-compliance with revenue note provisions were noted.

IV-I-14 Publication of Salaries - It was noted that salaries were published.

IV-J-14 Urban Renewal Annual Report - The urban renewal annual report was properly approved and certified to the Iowa Department of Management on or before December 1.

Statistical Section

This part of the City of Sioux Center's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Schedule 1
City of Sioux Center
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Net Invested in capital assets	$20,036,209	$20,451,964	$20,174,350	$23,593,626	$29,143,806	$31,116,445	$34,329,776	$36,189,621	$37,921,056	$36,127,931
Restricted	556,106	559,815	537,407	754,599	1,411,693	1,392,894	1,389,263	1,455,096	1,457,573	1,379,909
Unrestricted	4,043,856	3,094,441	5,728,799	4,377,746	3,480,688	3,083,759	2,086,241	1,602,866	580,123	2,685,934
Total governmental activities net position	$24,636,171	$24,106,220	$26,440,556	$28,725,971	$34,036,187	$35,593,098	$37,805,280	$39,247,583	$39,958,752	$40,193,774
Business-type activities										
Net Invested in capital assets	$11,806,447	$9,500,725	$12,079,937	$15,556,676	$15,805,673	$15,451,921	$15,462,388	$15,031,420	$16,013,908	$16,068,047
Restricted	723,892	755,567	1,076,145	1,190,936	1,234,146	873,626	838,130	688,534	624,266	759,566
Unrestricted	10,891,326	17,759,176	19,899,659	17,510,142	19,854,323	20,706,392	21,232,208	22,811,697	22,527,561	21,599,211
Total business-type activities net position	$23,421,665	$28,015,468	$33,055,741	$34,257,754	$36,894,142	$37,031,939	$37,532,726	$38,531,651	$39,165,735	$38,426,824
Primary government										
Net Invested in capital assets	$31,842,656	$29,952,689	$32,254,287	$39,150,302	$44,949,479	$46,568,366	$49,792,164	$51,221,041	$53,934,964	$52,195,978
Restricted	1,279,998	1,315,382	1,613,552	1,945,535	2,645,839	2,266,520	2,227,393	2,143,630	2,081,839	2,139,475
Unrestricted	14,935,182	20,853,617	25,628,458	21,887,888	23,335,011	23,790,151	23,318,449	24,414,563	23,107,684	24,285,145
Total primary government net position	$48,057,836	$52,121,688	$59,496,297	$62,983,725	$70,930,329	$72,625,037	$75,338,006	$77,779,234	$79,124,487	$78,620,598

Schedule 2
City of Sioux Center
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental activities:										
Public Safety	$743,556	$817,289	$741,391	$812,532	$996,337	$1,026,496	$1,087,057	$1,123,039	$1,205,647	$1,232,254
Public Works	942,212	1,041,100	1,110,196	1,473,643	1,357,890	1,630,940	1,758,350	1,683,109	1,983,961	2,028,060
Culture and Recreation	2,231,734	2,579,546	2,519,821	2,400,998	3,135,324	3,086,073	3,311,975	3,442,682	3,634,503	4,414,137
Community and Economic Development	114,083	148,772	150,322	231,692	133,247	149,263	131,008	148,066	185,660	285,022
General Government	627,660	674,592	614,518	592,506	626,507	695,282	706,708	996,544	943,785	1,146,253
Capital Projects	88,986	1,133,134	1,532,401							
Debt Service	191,846	152,184	144,171	238,421	307,498	401,459	364,025	323,338	258,630	226,094
Total governmental activities expenses	4,940,077	6,546,617	6,812,820	5,749,792	6,556,803	6,989,513	7,359,123	7,716,778	8,212,186	9,331,820
Business-type activities:										
Centre Mall	751,409	896,463	901,224	1,189,137	1,117,315	1,084,666	1,025,600	1,109,253	1,016,468	901,545
Water	929,888	913,444	958,977	1,098,883	1,147,543	1,147,264	1,302,133	1,264,355	1,317,264	1,248,792
Sewer	978,266	970,703	981,750	1,017,284	1,141,327	1,124,746	1,227,212	1,050,397	1,019,632	1,010,493
Electric	4,737,622	5,386,473	5,750,535	6,392,707	7,155,946	8,354,052	8,521,319	8,715,106	8,767,471	9,196,469
Natural Gas	8,009,601	10,397,592	9,470,983	13,485,073	13,140,995	10,643,488	8,721,668	7,014,332	7,396,615	10,919,217
Total business-type activities expenses	15,406,786	18,564,675	18,063,469	23,183,084	23,703,126	22,354,216	20,797,932	19,153,443	19,517,450	23,276,516
Total primary government expenses	$20,346,863	$25,111,292	$24,876,289	$28,932,876	$30,259,929	$29,343,729	$28,157,055	$26,870,221	$27,729,636	$32,608,336
Program Revenues										
Governmental activities:										
Charges for services:										
Public Safety	37,614	39,884	54,484	53,339	50,228	50,293	52,310	57,466	57,479	57,011
Public Works	229,180	309,319	223,861	451,014	490,109	333,692	367,443	394,089	421,184	447,474
Culture and Recreation	957,686	897,259	787,863	932,494	917,498	636,337	768,568	818,972	905,664	887,966
Community and Economic Development	56,294	83,885	97,422	67,366	96,457	71,494	41,993	66,080	187,367	65,576
General Government	57,026	40,907	32,890	15,216	36,589	38,047	56,397	54,273	57,761	56,431
Capital Projects										
Operating grants and contributions	538,893	518,312	529,391	542,128	481,551	559,269	594,984	668,511	674,958	703,769
Capital grants and contributions	158,503	116,575	394,131	387,295	401,970	821,197	799,114	564,919	66,900	288,330
Total governmental activities program revenues	2,035,196	2,006,141	2,120,042	2,448,852	2,474,402	2,510,329	2,680,809	2,624,310	2,371,313	2,506,557
Business-type activities:										
Charges for services:										
Centre Mall	417,432	379,069	392,026	469,590	472,346	455,205	453,156	482,752	471,820	440,770
Water	1,037,550	1,044,556	1,102,593	1,105,854	1,246,025	1,181,242	1,267,961	1,463,515	1,526,332	1,580,634
Sewer	914,104	1,021,816	863,499	999,517	1,012,341	850,807	1,007,896	1,170,720	1,068,788	1,073,016
Electric	5,227,088	5,757,876	6,074,370	6,984,873	7,610,111	8,492,056	9,042,937	9,091,337	9,147,357	9,637,207
Natural Gas	8,547,536	10,688,579	9,611,852	13,843,901	13,565,023	10,850,723	8,955,003	6,846,384	7,434,309	10,623,489

Schedule 2 (Continued)
City of Sioux Center
Changes in Net assets,
Last Ten Fiscal Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total business-type activities program revenues	16,143,710	18,891,896	18,044,340	23,403,735	23,905,846	21,830,033	20,726,953	19,054,708	19,648,606	23,355,116
Total primary government program revenues	$18,178,906	$20,898,037	$20,164,382	$25,852,587	$26,380,248	$24,340,362	$23,407,762	$21,679,018	$22,019,919	$25,861,673
Net (expense)/revenue										
Governmental activities	($2,904,881)	($4,540,476)	($4,692,778)	($3,300,940)	($4,082,401)	($4,479,184)	($4,678,314)	($5,092,468)	($5,840,873)	($6,825,263)
Business-type activities	736,924	327,221	(19,129)	220,651	202,720	(524,183)	(70,979)	(98,735)	131,156	78,600
Total primary government net expense	($2,167,957)	($4,213,255)	($4,711,907)	($3,080,289)	($3,879,681)	($5,003,367)	($4,749,293)	($5,191,203)	($5,709,717)	($6,746,663)
General Revenues and Other Changes in Net Assets										
Governmental activities										
Property taxes	$2,709,532	$2,795,346	$3,163,518	$3,325,694	$3,868,849	$4,130,253	$4,672,916	$4,785,273	$4,792,723	$4,742,189
Local option sales tax	428,672	520,697	552,779	562,369	647,398	599,213	701,502	640,653	760,459	732,227
Unrestricted investment earnings	69,953	38,757	189,599	222,533	128,520	74,833	47,956	27,596	13,652	10,817
Miscellaneous	1,087,859	372,329	729,840	1,799,569	5,151,748	1,292,505	1,318,680	856,405	806,237	1,359,547
Transfers	(312,932)	(327,022)	(211,105)	(250,734)	(403,899)	(60,710)	149,443	224,844	178,971	215,504
Total governmental activities	3,983,084	3,400,107	4,424,631	5,659,431	9,392,616	6,036,094	6,890,497	6,534,771	6,552,042	7,060,284
Business-type activities										
Unrestricted investment earnings	154,527	471,081	500,290	627,900	498,962	370,324	375,112	394,572	450,744	272,058
Miscellaneous	93,118	3,462,606	3,987,178	102,726	1,241,096	230,946	346,099	927,931	231,155	(874,066)
Transfers	312,932	327,022	211,105	250,734	403,899	60,710	(149,443)	(224,844)	(178,971)	(215,504)
Total business-type activities	560,577	4,260,709	4,698,573	981,360	2,143,957	661,980	571,768	1,097,659	502,928	(817,512)
Total primary government	$4,543,661	$7,660,816	$9,123,204	$6,640,791	$11,536,573	$6,698,074	$7,462,265	$7,632,430	$7,054,970	$6,242,772
Change in Net Assets										
Governmental activities	1,078,203	(1,140,369)	(268,147)	2,358,491	5,310,215	1,556,910	2,212,183	1,442,303	711,169	235,021
Business-type activities	1,297,501	4,587,930	4,679,444	1,202,011	2,346,677	137,797	500,789	998,924	634,084	(738,912)
Total primary government	$2,375,704	$3,447,561	$4,411,297	$3,560,502	$7,656,892	$1,694,707	$2,712,972	$2,441,227	$1,345,253	($503,891)

Schedule 3
City of Sioux Center
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Reserved	$81,465	$81,466	$12,000	$12,000	$0	$0	$362,332	$332,848	$388,311	$442,100
Unreserved	1,634,908	1,637,982	2,503,644	2,808,809	2,901,658	3,047,500	2,503,614	2,379,009	1,951,621	2,363,220
Total general fund	$1,716,373	$1,719,448	$2,515,644	$2,820,809	$2,901,658	$3,047,500	$2,865,946	$2,711,857	$2,339,932	$2,805,320
All other governmental funds										
Reserved	$9,463	$3,275	$27,515	$42,911	$0	$0	$1,136,967	$964,159	$360,330	$859,495
Unreserved, reported in:										
Special revenue funds	1,573,686	1,403,070	1,132,559	1,343,131	1,758,146	975,700			305,981	(29,647)
Debt service funds					6,596				2,366	1,444
Capital project funds	931,743	589,577	2,440,638	894,064	85,369	331,023	(581,644)	(1,061,047)	(1,093,762)	(1,233,721)
Total all other governmental funds	$2,514,892	$1,995,922	$3,600,712	$2,280,106	$1,850,111	$1,306,723	$555,323	($96,888)	($425,085)	($402,429)

Schedule 4
City of Sioux Center
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Property taxes	$1,621,948	$1,694,967	$1,855,675	$2,078,370	$2,298,169	$2,649,813	$2,767,090	$2,844,644	$2,748,374	$2,753,332
Tax increment financing	1,074,393	964,944	1,180,181	1,230,337	1,570,680	1,480,441	1,905,826	1,940,629	1,938,795	1,857,358
Other city taxes	441,863	636,228	680,442	579,357	647,398	599,213	701,502	640,653	866,013	863,726
Special assessments	25,889	98,425	76,711	16,638	130,642	43,288	84,691	65,385	291,450	37,876
Licenses and permits	85,507	99,355	127,662	88,490	659,653	106,897	77,080	106,251	226,252	104,227
Intergovernmental	704,756	631,724	981,638	810,054	1,091,687	1,448,404	1,455,337	1,298,302	813,507	1,059,050
Charges for services	994,074	930,449	968,434	1,449,527	1,176,853	770,306	954,927	1,084,598	1,183,030	1,187,909
Miscellaneous	1,206,157	447,399	587,430	1,513,042	161,500	1,173,909	1,157,760	722,131	443,137	1,250,063
Use of property and money	176,623	274,990	297,606	421,621	1,055,171	334,863	317,650	230,867	233,827	237,795
Total Revenues	6,331,210	5,778,481	6,755,779	8,187,436	8,791,753	8,607,134	9,421,863	8,933,460	8,744,385	9,351,336
Expenditures										
Public safety	725,681	776,606	730,316	750,423	814,558	882,827	998,840	867,980	1,036,957	971,376
Public works	585,562	659,692	803,434	892,144	896,056	1,032,254	1,602,290	1,123,927	1,272,247	1,303,694
Culture and recreation	1,912,130	2,098,074	2,106,035	2,235,045	2,894,998	2,501,034	2,703,276	2,941,486	2,946,583	2,956,452
Community and economic development	111,704	138,977	150,468	230,464	132,971	148,900	128,740	147,425	185,538	285,958
General government	644,968	614,226	599,959	594,657	675,103	703,844	630,355	1,178,767	1,210,905	1,099,921
Capital projects	666,257	1,133,134	1,831,620	5,057,283	10,861,506	2,260,417	3,045,913	3,493,052	1,516,153	1,000,931
Debt service										
Interest	161,447	145,306	124,308	210,272	378,245	408,200	368,837	331,022	261,202	233,227
Principal	329,981	377,570	367,433	376,855	2,081,563	1,006,494	1,026,008	1,381,722	1,193,894	1,227,237
Total Expenditures	5,137,730	5,943,585	6,713,573	10,347,143	18,735,000	8,943,970	10,504,259	11,465,381	9,623,479	9,078,796
Excess of revenues over (under) expenditures										
Other financing sources (uses)										
Bonds issued			2,412,000	1,395,000	9,998,000			1,500,000		
Transfers in	2,726,432	3,157,238	3,721,260	3,354,776	3,751,412	4,859,181	4,887,354	5,075,390	4,709,077	4,460,960
Transfers out	(3,039,364)	(3,484,260)	(3,932,365)	(3,605,510)	(4,155,311)	(4,919,891)	(4,737,911)	(4,849,769)	(4,530,106)	(4,245,455)
Total other financing sources (uses)	(312,932)	(327,022)	2,200,895	1,144,266	9,594,101	(60,710)	149,443	1,725,621	178,971	215,505
Net change in fund balances	$880,548	($492,126)	$2,243,101	($1,015,441)	($349,146)	($397,546)	($932,953)	($806,300)	($700,123)	$488,045
Debt service as a percentage of noncapital expenditures	9.6%	8.8%	7.3%	5.7%	13.1%	15.8%	13.3%	14.9%	15.1%	16.1%

Schedule 5
City of Sioux Center
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Tax Increment Financing Tax	Local Option Sales Tax	Hotel/Motel Tax	Road Use Tax	Total
2004-05	$1,621,948	$1,074,393	$428,672		$498,740	$3,623,753
2005-06	1,694,967	964,944	514,670		518,312	3,692,893
2006-07	1,855,675	1,180,181	552,779		529,391	4,118,026
2007-08	2,078,370	1,230,337	562,369	$16,988 [1]	542,128	4,430,192
2008-09	2,298,169	1,570,680	647,398	18,910	481,551	5,016,708
2009-10	2,649,813	1,480,441	599,213	18,337	559,269	5,307,073
2010-11	2,767,090	1,905,826	701,502	36,682	594,984	6,006,084
2011-12	2,844,644	1,940,629	640,653	104,920	668,511	6,199,357
2012-13	2,748,374	1,938,795	760,459	105,554	674,958	6,228,140
2013-14	2,753,332	1,857,358	732,227	131,499	703,769	6,178,185

[1] First Year of Tax

Schedule 6
City of Sioux Center
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

	Real Property		Utilities		Total		Assessed Value as a Percentage of
Fiscal Year	Assessed	Estimated Actual Value	Assessed	Estimated Actual Value	Assessed	Estimated Actual Value	Estimated Actual
2004-05	159,310,103	254,092,890	1,261,133	1,264,303	160,571,236	255,357,193	62.9%
2005-06	164,454,918	259,762,534	1,270,418	1,270,418	165,725,336	261,032,952	63.5%
2006-07	179,069,053	292,992,586	1,167,183	1,170,856	180,236,236	294,163,442	61.3%
2007-08	186,183,196	299,224,460	1,293,020	1,293,020	187,476,216	300,517,480	62.4%
2008-09	205,956,675	343,021,104	1,293,020	1,293,020	207,249,695	344,314,124	60.2%
2009-10	224,969,963	365,108,615	1,236,807	1,236,807	226,206,770	366,345,422	61.7%
2010-11	241,960,347	392,473,744	1,348,433	1,348,433	243,308,780	393,822,177	61.8%
2011-12	252,797,103	406,947,980	1,480,698	1,480,698	254,277,801	408,428,678	62.3%
2012-13	266,433,924	417,788,946	1,666,484	1,666,484	268,100,408	419,455,430	63.9%
2013-14	278,250,306	426,216,846	1,512,294	1,512,294	279,762,600	427,729,140	65.4%

Schedule 7
City of Sioux Center
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

	City Direct Rates						Overlapping Rates			
Fiscal Year	General Rate	Civic Center Rate	Liability Ins Rate	Employee Benefits Rate	Debt Service Rate	Total Direct City Rate	School District	County Consolidated	Vocational School	Total City Consolidated Rate
2004-05	8.10000	0.13500	0.70419	3.64606	0.60574	13.19099	14.05656	5.06682	0.58447	32.89884
2005-06	8.10000	0.13500	0.64160	4.15154	0.42565	13.45379	14.00026	6.14423	0.58365	34.18193
2006-07	8.10000	0.13500	0.64274	4.61540	0.27741	13.77055	13.98994	6.13163	0.66202	34.55414
2007-08	8.10000	0.13500	0.65838	4.38082	0.69824	13.97244	13.99807	6.03708	0.67287	34.68046
2008-09	8.10000	0.13500	0.82780	4.55974	0.62726	14.24980	14.80599	5.62130	0.68751	35.36460
2009-10	8.10000	0.13500	0.73361	4.04093	1.37952	14.38906	16.08818	5.51633	0.65473	36.64830
2010-11	8.10000	0.13500	0.71172	4.15979	1.28256	14.38906	16.12488	5.37471	0.67631	36.56496
2011-12	8.10000	0.13500	0.67817	3.76149	1.10076	13.77542	16.12157	5.36350	0.65058	35.91107
2012-13	8.10000	0.13500	0.63748	3.59173	0.68380	13.14801	16.11643	5.34016	0.64379	35.24839
2013-14	8.10000	0.13500	0.61160	3.11155	0.66247	12.62062	13.93095	5.33520	0.69069	32.57746

Note: Overlapping rates are those of other local governments that apply to property owners within the City of Sioux Center.

Schedule 8
City of Sioux Center
Principal Property Tax Payers
Current and Ten Years Ago

FY 2014			FY 2004		
Taxpayer	Taxable Assessed Value	Percentage of Total Taxable Value	Taxpayer	Taxable Assessed Value	Percentage of Total Taxable Value
Farmers Cooperative Society	$8,824,545	3.15%	Trigen, LLC (Pella)	$9,468,323	5.89%
Walmart Real Estate	7,854,819	2.81%	Farmers Cooperative Society	5,434,038	3.38%
Trigen, LLC (Pella)	7,669,284	2.74%	City of Sioux Center (Centre Mall)	4,995,082	3.11%
City of Sioux Center (Centre Mall)	6,283,686	2.25%	Sioux Automation	3,683,669	2.29%
R&C Hulshof Farms, LLC	3,840,349	1.37%	Sioux Center Community Schools	3,539,594	2.20%
Harbor Group Investments LLC	3,521,308	1.26%	Gorges Quick to Fix	2,583,900	1.61%
Patrick Cudahy (Golden Crisp)	3,309,496	1.18%	American State Bank	2,355,343	1.46%
American State Bank	3,274,795	1.17%	Vet Pharm	2,061,771	1.28%
Link Mfg	2,758,867	0.99%	EMW Groschopp	1,669,317	1.04%
Southridge Lodging	2,744,579	0.98%	America's Choice	1,417,055	0.88%
	50,081,728	17.90%		37,208,092	23.13%

Schedule 9
City of Sioux Center
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy For Fiscal Year	Collected within the Fiscal Year of the Levy: Amount	Collected within the Fiscal Year of the Levy: Percent of Levy	Delinquent Tax Collections	Total Collections to Date: Amount	Total Collections to Date: Percent of Levy
2004-05	2,606,377	2,691,285	103.3%	315	2,691,600	103.3%
2005-06	2,846,327	2,757,691	96.9%	890	2,758,580	96.9%
2006-07	3,137,741	3,144,012	100.2%	910	3,144,922	100.2%
2007-08	3,316,224	3,308,708	99.8%	899	3,309,607	99.8%
2008-09	3,754,272	3,857,934	102.8%	1,040	3,858,974	102.8%
2009-10	4,130,253	4,122,204	99.8%	3,488	4,125,692	99.9%
2010-11	4,630,104	4,661,663	100.7%	3,952	4,665,615	100.8%
2011-12	4,694,612	4,679,886	99.7%	789	4,680,675	99.7%
2012-13	4,732,132	4,686,293	99.0%	4,290	4,690,583	99.1%
2013-14	4,600,157	4,610,062	100.2%	0	4,610,062	100.2%

Schedule 10
City of Sioux Center
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities: General Obligation Bonds	Business-Type Activities: Water Bonds	Business-Type Activities: Sewer Bonds	Business-Type Activities: Centre Mall Bonds	Total Primary Government	Per Capita
2004-05	3,244,055	3,749,414	1,913,723	4,055,000	12,962,192	2,049
2005-06	2,860,298	3,596,363	1,762,882	3,635,000	11,854,543	1,874
2006-07	4,825,322	4,739,488	1,912,191	3,880,000	15,357,001	2,427
2007-08	5,843,467	4,565,051	1,890,481	3,360,000	15,658,999	2,475
2008-09	10,449,078	4,267,114	1,700,807	2,305,000	18,721,999	2,959
2009-10	9,442,585	4,075,457	1,497,958	1,800,000	16,816,000	2,658
2010-11	8,416,577	3,748,800	1,289,623	1,495,000	14,950,000	2,121
2011-12	8,534,854	3,625,000	1,063,146	1,245,000	14,468,000	2,053
2012-13	9,506,884	3,586,172	1,158,944	975,000	15,227,000	2,160
2013-14	7,670,181	3,255,314	919,505	695,000	12,540,000	1,779

Schedule 11
City of Sioux Center
Ratios of Outstanding General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amount Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2004-05	3,244,055	9,463	3,234,592	2.01%	539
2005-06	2,860,298	3,275	2,857,023	1.72%	432
2006-07	4,825,322	27,515	4,797,807	2.66%	726
2007-08	5,843,467	42,911	5,800,556	3.09%	877
2008-09	10,449,078	6,596	10,442,482	5.04%	1,580
2009-10	9,442,585	0	9,442,585	4.17%	1,428
2010-11	8,416,577	0	8,416,577	3.46%	1,194
2011-12	8,534,854	0	8,534,854	3.36%	1,211
2012-13	9,506,884	2,366	9,504,518	3.55%	1,349
2013-14	8,279,647	1,444	8,278,203	2.96%	1,175

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements
See Schedule of Demographic and Economic Statistics for population data.
See Schedule of Assessed Value and Estimated Actual Value of Taxable Property for valuation data.

Schedule 12
City of Sioux Center
Direct and Overlapping Governmental Activities Debt

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes:			
Sioux Center Community School District	$19,805,000	66.41%	$13,153,237
Sioux County	10,540,238	17.28%	1,820,929
Subtotal, overlapping debt			14,974,166
City of Sioux Center direct debt			8,279,647
Total direct and overlapping debt			$23,253,813

Sources: Assessed value data used to estimate applicable percentages provided by the Iowa Department of Management. Debt outstanding data provided by each governmental unit.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and business of Sioux Center. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unity's total taxable assessed value.

Schedule 13
City of Sioux Center
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for FY 2014

Assessed value	$427,729,140
Debt limit (5% of assessed value)	21,386,457
Debt applicable to limit	
Total general obligation bonds	9,415,000
Less: Amount set aside for repayment of general obligation debt	(1,960,817)
Total net debt applicable to limit	7,454,183
Legal debt margin	$13,932,274

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	$12,767,860	$13,051,648	$14,708,172	$15,025,874	$17,215,706	$18,317,271	$19,691,109	$20,421,434	$20,972,772	$21,386,457
Total net debt applicable to limit	7,898,192	6,880,000	9,205,000	9,787,089	13,880,000	12,240,000	10,780,000	10,490,000	9,008,613	7,454,183
Legal debt margin	$4,869,668	$6,171,648	$5,503,172	$5,238,785	$3,335,706	$6,077,271	$8,911,109	$9,931,434	$11,964,159	$13,932,274
Total net debt applicable to the limit as a percentage of debt limit	61.86%	52.71%	62.58%	65.13%	80.62%	66.82%	54.75%	51.37%	42.95%	34.85%

Note: Under state finance law, the city's total outstanding general obligation debt should not exceed 5% of total assessed property value.

Schedule 14
City of Sioux Center
Pledged-Revenue Coverage
Last Ten Fiscal Years

Water Revenue Bonds

Fiscal Year	Revenue	Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2004-05	1,065,595	510,760	554,835	94,720	179,402	2.02
2005-06	1,134,541	512,008	622,533	130,000	136,883	2.33
2006-07	1,153,328	577,409	575,919	135,000	137,546	2.11
2007-08	1,179,939	665,935	514,004	200,000	167,654	1.40
2008-09	1,277,352	698,291	579,061	265,000	160,124	1.36
2009-10	1,203,030	677,696	525,334	150,000	152,406	1.74
2010-11	1,281,897	825,605	456,292	220,000	145,439	1.25
2011-12	1,471,268	774,876	696,392	275,000	107,934	1.82
2012-13	1,528,648	802,483	726,165	285,000	66,300	2.07
2013-14	1,594,293	801,967	792,326	300,000	60,600	2.20

Sewer Revenue Bonds

Fiscal Year	Revenue	Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2004-05	921,883	534,482	387,401	95,000	65,712	2.41
2005-06	1,051,212	607,910	443,302	99,000	53,389	2.91
2006-07	926,762	670,680	256,082	103,000	42,000	1.77
2007-08	1,023,489	677,612	345,877	108,000	38,910	2.35
2008-09	1,023,677	798,879	224,798	112,000	35,670	1.52
2009-10	877,230	792,479	84,751	116,000	32,310	0.57
2010-11	1,095,926	909,331	186,595	121,000	28,830	1.25
2011-12	1,181,779	737,017	444,762	127,000	25,200	2.92
2012-13	1,095,049	701,362	393,687	131,000	21,390	2.58
2013-14	1,086,805	701,265	385,540	137,000	10,185	2.62

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
Operating expenses do not include depreciation, interest, or amortization expenses.

Schedule 15
City of Sioux Center
Demographic and Economic Statistics

Population	7,048
Median age	27.7
Median household income	$59,511
Per capita income	$26,054
Median home or condo value	$168,708
Cost of living index (US average is 100)	80.1
Percentage with high-school equivalency	87.2%
Percentage with bachelor's degree or higher	29.8%
Percentage with graduate or professional degree	11.1%
Unemployment rate	3.0%
Daytime population change due to commuting	+1,543 (21.9%)
Average household size	2.7
Residents with incomes below the poverty level	5.9%
School enrollment	1,614

Source: Population, median age and education level provided by Bureau of Census.
School enrollment data provided by Iowa Department of Education.

Schedule 16
City of Sioux Center
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government and Utilities Management	17	18	19	19	19	19	19	18	17	17
Public Safety	7	7	7	7	7	7	7	7	8	8
Public Works	1	1	1	1	1	1	1	1	1	1
Culture and Recreation	6	6	6	6	6	6	5	5	5	6
Library	6	6	6	6	6	6	7	7	7	7
Electric	4	4	4	4	4	4	4	4	4	4
Natural Gas	3	3	3	3	3	3	3	3	3	3
Water	4	4	4	4	4	4	4	4	4	4
Sewer	4	4	4	4	4	4	4	4	5	5
Centre Mall	2	2	2	2	2	2	2	2	3	3
Total	53	54	55	55	55	55	56	55	57	58

Note: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

Schedule 17
City of Sioux Center
Operating Indicators by Function/Program

Function/Program	2014
General Government	
Building Permits Issued	76
Police	
Citations	734
Arrests	138
Fire	
Emergency Responses	95
Parks and Recreation	
Pool Admissions	25,178
Ice Arena Admissions	3,876
Library	
Items Checked Out	228,296
Water	
Average Daily Consumption	984,000
Peak Consumption	1,929,000
Sewer	
Average Daily Treatment	978,000
Peak load (gallons per day)	2,790,000
Electric	
KWH Purchased	122,343,387
KWH Sold	121,996,750
Average Revenue per KWH Sold	0.079
Gas	
MCF Purchased	1,722,879
MCF Sold	1,738,613
Average Revenue per MCF Sold	6.108

Source: Various city departments

Schedule 18
City of Sioux Center
Capital Asset Statistics by Function/Program

Function/Program	2014
Police	
Stations	1
Patrol units	4
Fire	
Stations	2
Emergency vehicles	7
Other Public Works	
Streets (miles)	55
Highways (miles)	4
Streetlights	745
Traffic signals	4
Parks and Recreation	
Parks/playgrounds	9
Bike trail (miles)	6.5
Baseball/softball diamonds	8
Soccer/football fields	6
Facilities (All Seasons Center - pool, ice arena)	1
Water	
Water mains (miles)	65
Fire hydrants	316
Number of wells	15
Elevated storage capacity (gallons)	650,000
Water plant capacity (gallons per day)	1,920,000
Meters in service	2,442
Sewer	
Sanitary sewers (miles)	44
Storm sewers (miles)	17
Design capacity (gallons per day)	4,000,000
Number of lift stations	10
Electric	
Electric main wire (miles)	80
Meters in Service	2,646
Gas	
Gas mains (miles)	75
Meters in Service	2,255

Source: Various city departments

City of Sioux Center, Iowa

Staff

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