

UNITED STATES DEPARTMENT OF AGRICULTURE
STATEMENT OF BUDGET, INCOME AND EQUITY

Schedule 1

Name
City of Fertile (Water)

Address 3494 Eagle Ave - PO Box 161
Fertile IA, 50434

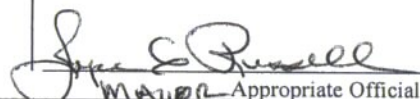
(1) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET	For the 07-01-2011 Months Ended 06-30-2012		
		BEG 07-01-2011	CURRENT YEAR		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
		END 06-30-2012	Actual Data		
		(3)	Current Quarter (4)	Year To Date (5)	
1. Service Fees	43,612	59,000		56,217	2,783
2. Late Fees	2,545	3,994		1,675	2,319
3. A/R	5,697			3,561	-3,561
4. _____					0
5. Miscellaneous					0
6. Less: Allowances and Deductions					0
7. Total Operating Income (Add lines 1 through 6)	51,854	62,994	0	61,453	1,541
<u>OPERATING EXPENSES</u>					
8. Administration	2,455	7,373		5,355	2,018
9. Payroll	11,103	11,769		12,856	-1,087
10. PaintWaterTower	0	9,600		0	9,600
11. Supplies		250		589	-339
12. Insurance	250	800		898	-98
13. Utilities		4,600		4,727	-127
14. OtherOperations	11,476	8,175		13,746	-5,571
15. Interest	6,980	7,320		5,555	1,765
16. Depreciation	10,708	10,368		12,133	-1,765
17. Total Operating Expense (Add Lines 8 through 16)	42,972	60,255	0	55,859	4,396
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	8,882	2,739	0	5,594	-2,855
<u>NONOPERATING INCOME</u>					
19. Interest Earned	398	470		82	388
20. _____					0
21. Total Nonoperating Income (Add 19 and 20)	398	470	0	82	388
22. NET INCOME (LOSS) (Add lines 18 and 21)	9,280	3,209	0	5,676	-2,467
23. Equity Beginning of Period	14,801	27,910		24,081	3,829
24. _____					0
25. _____					0
26. Equity End of Period (Add lines 22 through 25)	24,081	31,119	0	29,757	1,362

Budget and Annual Report Approved by Governing Body

Quarterly Reports Certified Correct


Secretary

08-21-2012
Date


Mayor Appropriate Official

8-21-12
Date

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number for this information collection is 0575-0015. The time required to complete this information collection is estimated to average 2-1/2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

SUPPLEMENTAL DATA

The Following Data Should Be Supplied Where Applicable

Circle One

1. ALL BORROWERS

a. Are deposited funds in institutions insured by the Federal Government?

☒ Yes ☐ No

b. Are you exempt from Federal Income Tax?

☒ Yes ☐ No

c. Are Local, State and Federal Taxes paid current?

☒ Yes ☐ No

d. Is corporate status in good standing with State?

☒ Yes ☐ Noe. List kinds and amounts of insurance and fidelity bond: Complete Only when submitting annual budget information:

<u>Insurance Coverage and Policy Number</u>	<u>Insurance Company and Address</u>	<u>Amount of Coverage</u>	<u>Expiration Date of Policy</u>
Property Insurance Policy # 500	ICAP - Johnston, IA	2,000,000	04-01-2013
Liability Policy # 500	ICAP - Johnston, IA	2,000,000	04-01-2013
Fidelity Policy # 500	ICAP - Johnston, IA	2,000,000	04-01-2013

2. RECREATION AND GRAZING ASSOCIATION BORROWERS ONLYCurrent QuarterYear to Date

a. Number of Members

3. WATER AND/OR SEWER UTILITY BORROWERS ONLY

a. Water purchased or produced (CU FT - GAL)

gal. 16,378,000 gal.

b. Water sold (CU FT - GAL)

gal. 7,123,864 gal.

c. Treated waste (CU FT - GAL)

gal. 7,123,864 gal.

d. Number of users - water

161

e. Number of users - sewer

159

4. OTHER UTILITIES

a. Number of users

b. Product purchased

c. Product sold

5. HEALTH CARE BORROWERS ONLY

a. Number of beds

b. Patient days of care

c. Percentage of occupancy

-2147483648 %

-2147483648 %

d. Number of outpatient visits

6. DISTRIBUTION OF ALL CASH AND INVESTMENTS*

Indicate balances in the following accounts:

	<u>Construction</u>	<u>Revenue</u>	<u>Debt Service</u>	<u>Operation & Maintenance</u>	<u>Reserve</u>	<u>All Others</u>	<u>Grand Total</u>
Cash	\$ 9,000	\$	\$	\$ 6,920	\$ 17,688	\$	\$ 33,608
Savings							
and							
Invest-							
ments							
Total	\$ 9,000	\$ 0	\$ 0	\$ 6,920	\$ 17,688	\$ 0	\$ 33,608

7. AGE ACCOUNTS RECEIVABLE AS FOLLOWS:

	<u>Days</u>				<u>*Total</u>
	<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91 and Older</u>	
Dollar Values	\$ 6,413	\$ 383	\$ 186	\$ 2,276	\$ 9,258
Number of Accounts	163	15	7	8	193

*Totals must agree with those on Balance Sheet.

Form RD 442-3
(Rev. 3-97)

BALANCE SHEET

Name City of Fertile (Water)

Address 3494 Eagle Avenue - PO Box 161
Fertile, IA 50434

	06-30-2012			06-30-2011		
	Month	Day	Year	Month	Day	Year
	Current Year			Prior Year		
ASSETS						
CURRENT ASSETS						
1. Cash on hand in Banks			\$33,608.00			\$31,493.34
2. Time deposits and short-term investments						
3. Accounts receivable			\$9,258.00			\$5,697.00
4. Less: Allowance for doubtful accounts	()		()	
5. Inventories						
6. Prepayments						
7.						
8.						
9. Total Current Assets (Add 1 through 8)			\$42,866.00			\$37,190.34
FIXED ASSETS						
10. Land			\$50,000.00			\$50,000.00
11. Buildings			\$125,000.00			\$125,000.00
12. Furniture and equipment			\$123,300.00			\$123,300.00
13.						
14. Less: Accumulated depreciation	(\$196,623.11)	(\$184,490.37)
15. Net Total Fixed Assets (Add 10 through 14)			\$101,676.89			\$113,809.63
OTHER ASSETS						
16.						
17.						
18. Total Assets (Add 9, 15, 16 and 17)			\$144,542.89			\$150,999.97
LIABILITIES AND EQUITIES						
CURRENT LIABILITIES						
19. Accounts payable						
20. Notes payable						
21. Current portion of USDA note						
22. Customer deposits						
23. Taxes payable						
24. Interest payable						
25. Transfer in from Sewer System			\$13,109.00			\$13,109.00
26.						
27. Total Current Liabilities (Add 19 through 26)			\$13,109.00			\$13,109.00
LONG-TERM LIABILITIES						
28. Notes payable USDA			\$101,676.89			\$113,809.63
29.						
30.						
31. Total Long-Term Liabilities (Add 28 through 30)			\$101,676.89			\$113,809.63
32. Total Liabilities (Add 27 and 31)			\$114,785.89			\$126,918.63
EQUITY						
33. Retained earnings			\$29,757.00			\$24,081.34
34. Memberships						
35. Total Equity (Add lines 33 and 34)			\$29,757.00			\$24,081.34
36. Total Liabilities and Equity (Add lines 32 and 35)			\$144,542.89			\$150,999.97

CERTIFIED CORRECT

Date 08-21-2012

Appropriate Official (Signature)

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0570-0015. The time required to complete this information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

MANAGEMENT REPORT LETTER

AREA DIRECTOR

Date 8/21/12SUBJECT: Annual Management Report for
City of FertileType Facility Water & Sewer
Fiscal Year Ends June 30th

1. Members of City Council or Officers and Board of Directors:

	Name	Address	Telephone Number	Term Expires
MAYOR/PRESIDENT	<u>Joyce Russell</u>	<u>Fertile, IA</u>	<u>641-797-2121</u>	<u>2014</u>
CITY CLERK/SECRETARY	<u>Eddie May</u>	<u>Fertile, IA</u>	<u>641-797-212</u>	<u>N/A</u>
TREASURER	<u>Eddie May</u>	<u>Fertile, IA</u>	<u>641-797-2121</u>	<u>N/A</u>
COUNCIL/DIRECTORS	<u>Tad Miller</u>	<u>Fertile, IA</u>	<u>641-797-2158</u>	<u>2014</u>
	<u>Jeff Berg</u>	<u>Fertile, IA</u>	<u>641-590-3192</u>	<u>2016</u>
	<u>Pat Renchin</u>	<u>Fertile, IA</u>	<u>641-797-2406</u>	<u>2014</u>
	<u>Penny Miller</u>	<u>Fertile, IA</u>	<u>641-797-2704</u>	<u>2014</u>
	<u>Julie Jessen</u>	<u>Fertile, IA</u>	<u>641-797-2629</u>	<u>2016</u>
Person Responsible For Revenue Account	<u>Eddie May</u>	<u>Fertile, IA</u>	<u>641-797-212</u>	<u>N/A</u>
Contact Person	<u>Eddie May</u>	<u>Fertile, IA</u>	<u>641-797-212</u>	<u>N/A</u>

2. Number of Connections in the service area (Water/Sewer Systems):

RESIDENTIAL	<u>140</u>	NON-RESIDENTIAL	<u>21</u>	TOTAL	<u>161</u>	(Water)
RESIDENTIAL	<u>140</u>	NON-RESIDENTIAL	<u>19</u>	TOTAL	<u>159</u>	(Sewer)

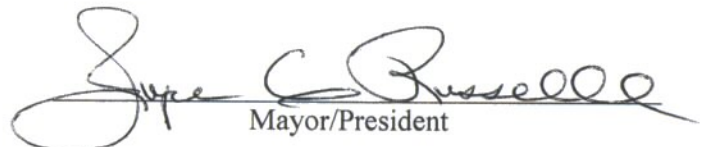
3. Are accounts being maintained in accordance with BOND RESOLUTION, LOAN RESOLUTION (Public Body) or LOAN RESOLUTION SECURITY AGREEMENT? Yes X No If no, attach explanation.4. BIENNIAL REPORT furnished to SECRETARY OF STATE as required? (Nonprofit Corporation only)
Yes No N/A5. CERTIFIED OPERATOR (Water/Sewer Systems): Name Warren Bruns Grade 1
Certificate Number 6. Form RD 442-2, "STATEMENT OF BUDGET, INCOME AND EQUITY," including Schedule 1, pages 1 and 2 for PAST fiscal year is attached (only page 2 needed if CPA Audit, Review or Compilation provided).

7. Form RD 442-3, "BALANCE SHEET," is attached (not needed if CPA Audit, Review or Compilation provided).

8. Current Rate (User Charge) Fee Schedule is attached.

9. Independent Certified Public Accountant Report is attached or Independent Accountant Review (page 2) completed.

10. Iowa Guide 13f, Certification of Insurance is attached.



Mayor/President

Rural Development Manager
United States Department of Agriculture Rural Development

Date 8/21/12

SUBJECT: Certification of Insurance for:

City of Fertile

We hereby represent the following list of kinds and amounts of insurance and fidelity bond coverages are currently in effect:

<u>Insurance Coverage and Policy Number</u>	<u>Insurance Company and Address</u>	<u>Amount of Coverage</u>	<u>Expiration Date of Policy</u>
Property* Policy # 500	ICAP – Johnston, IA	\$2,000,000	4/1/13
(Rural Development should be listed as mortgagee on policy when USDA has a lien on the property.)			
General Liability Policy # 500	ICAP – Johnston, IA	\$2,000,000	4/1/13
Fidelity Policy # 500	ICAP – Johnston, IA	\$2,000,000	4/1/13
Vehicle Policy # 500	ICAP – Johnston, IA	\$2,000,000	4/1/13
Workmen's Compensation Policy # 0720-0607	IMWCA– Des Moines, IA	\$1,000,000	7/1/13
Other _____			
Policy # _____			


Appropriate Official

*Fire and extended coverage will be maintained on all structures and major equipment except for the following items:

1. Reservoirs, standpipes, elevated tanks and other structures built entirely of noncombustible materials if such structures are not normally insured.
2. Subsurface lift stations except for the value of electrical and pumping equipment therein.

City of Fertile

Utility Rates

	2011-2012	2012-2013
Water Service	\$ 22.25	\$ 22.25
Water Usage (per 100 gallons)	\$ 0.20	\$ 0.20
Sewer Service	\$ 22.25	\$ 22.25
Sewer Usage (per 100 gallons)	\$ 0.20	\$ 0.20

Notes:

A/R Aging

- 0-30 Current
- 31-60 Late Fees Applied
- 61-90 Account Shut-off
- 91+ Placed on a Lien

Water Produced vs Water Sold:

Only known non-meter usage are water hydrants.

This last year, the City has ordered and installed 100 new meters and readers in an attempt to find the water loss. There are still 5 or 6 houses with old meters, which are in the process of being replaced, and there has been no difference.

City is also inspecting homes looking for any non-compliant hook-ups, and have found a few, but still no significant difference.

City has re-calibrated the water meters on the pumps, with no significant difference.

All known leaks have been fixed within 7 days of finding the leak.

Our next step is to bring in a specialist to find any unknown leaks in the system.

Vulnerability Assessment (VA)
And
Emergency Response Plan (ERP)
Certification

- ☒ The city / county has a current VA and ERP for all water and sewer systems financed with USDA-Rural Development funding
- ☐ The city / county does not have a current VA, but is in the process of beginning
- ☐ A VA has been completed and we are developing an ERP
- ☐ We would like assistance in developing or revising a VA or ERP

Please check the appropriate boxes, sign, date, and return.

Eddie May - City Clerk
Name, title

6/19/12
Date