

# AUDIT NOTICE

## News Release

FOR RELEASE \_\_\_\_\_ Contact:

Bowman and Miller, P.C. today released an audit report on the City of Madrid, Iowa.

### **Financial Highlights:**

The City's receipts totaled \$4,401,483 for the year ended June 30, 2020, a 30.3% decrease from the prior year. Disbursements for the year ended June 30, 2020 totaled \$6,065,359, a 24.7% increase from the prior year. The significant decrease in receipts is due primarily to issuing a general obligation bond in the prior year. The increase in disbursements is due primarily to capital projects during the current year.

### **Audit Findings:**

Bowman and Miller, P.C. reported ten findings related to the receipt and disbursement of taxpayer funds. They are found on page 41 through 48 of this report. The findings address issues such as a lack of segregation of duties, payroll records management, disbursements exceeding budgeted amounts, and a deficit fund balance. Bowman and Miller, P.C. provided the City with recommendations to address each of the findings.

Five of the ten findings discussed above are repeated from the prior year. The City Council has a fiduciary responsibility to provide oversight of the City's operations and financial transactions. Oversight is typically defined as the "watchful and responsible care" a governing body exercises in its fiduciary capacity.

A copy of the audit report is available for review on the Auditor of State's web site at <https://auditor.iowa.gov/audit-reports>.

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