

**OFFICE OF AUDITOR OF STATE**  
**STATE OF IOWA**

Rob Sand  
Auditor of State

State Capitol Building  
Des Moines, Iowa 50319-0004  
Telephone (515) 281-5834 Facsimile (515) 281-6518

**NEWS RELEASE**

Contact: Ernest Ruben  
515/281-5834

FOR RELEASE

March 30, 2022

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Auditor of State Rob Sand today released an audit report on Greene County, Iowa.

**FINANCIAL HIGHLIGHTS:**

The County's revenues totaled \$15,228,232 for the year ended June 30, 2021, a 2.4% decrease from the prior year. Expenses for County operations for the year ended June 30, 2021 totaled \$15,613,735 a 10.9% decrease from the prior year. The decrease in revenues is primarily due to less capital grants from the Iowa Department of Transportation for capital projects. The decrease in expenses is due primarily to the County's share of the Greene County Career Academy project occurring in the prior year.

**AUDIT FINDINGS:**

Sand reported three findings related to the receipt and expenditure of taxpayer funds. They are found on pages 82 through 88 of this report. The findings address issues such as lack of segregation of duties, and unresolved variances in the bank reconciliation. Sand provided the County with recommendations to address each of these findings.

Each of the findings discussed above are repeated from the prior year. The County Board of Supervisors and management have a fiduciary responsibility to provide oversight of the County'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/reports/audit-reports/>.

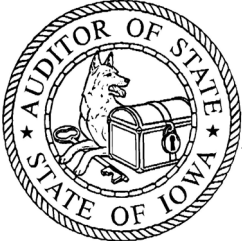
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**GREENE COUNTY**

**INDEPENDENT AUDITOR'S REPORTS  
BASIC FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
SCHEDULE OF FINDINGS**

**JUNE 30, 2021**

**Greene County**



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Rob Sand  
Auditor of State

March 24, 2022

Officials of Greene County  
Jefferson, Iowa

Dear Board Members:

I am pleased to submit to you the financial and compliance audit report for Greene County for the year ended June 30, 2021. The audit was performed pursuant to Chapter 11.6 of the Code of Iowa and in accordance with U.S. auditing standards and the standards applicable to financial audits contained in Government Auditing Standards.

I appreciate the cooperation and courtesy extended by the officials and employees of Greene County throughout the audit. If I or this office can be of any further assistance, please contact me or my staff at 515-281-5834.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Sand". The signature is stylized and written in a cursive-like font.

Rob Sand  
Auditor of State

## Table of Contents

		<u>Page</u>
Officials		4
Independent Auditor's Report		5-7
Management's Discussion and Analysis		8-14
Basic Financial Statements:	<u>Exhibit</u>	
Government-wide Financial Statements:		
Statement of Net Position	A	16
Statement of Activities	B	17
Governmental Fund Financial Statements:		
Balance Sheet	C	18-19
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	D	21
Statement of Revenues, Expenditures and Changes in Fund Balances	E	22-23
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	F	24
Proprietary Fund Financial Statements:		
Statement of Net Position	G	25
Statement of Revenues, Expenses and Changes in Fund Net Position	H	26
Statement of Cash Flows	I	27
Fiduciary Fund Financial Statement:		
Statement of Fiduciary Net Position – Custodial Funds	J	28
Statement of Changes in Fiduciary Net Position – Custodial Funds	K	29
Notes to Financial Statements		30-51
Required Supplementary Information:		
Budgetary Comparison Schedule of Receipts, Disbursements and Changes in Balances – Budget and Actual (Cash Basis) – All Governmental Funds		54-55
Budget to GAAP Reconciliation		56
Notes to Required Supplementary Information – Budgetary Reporting		57
Schedule of the County's Proportionate Share of the Net Pension Liability		58-59
Schedule of County Contributions		60-61
Notes to Required Supplementary Information – Pension Liability		62
Schedule of Changes in the County's Total OPEB Liability, Related Ratios and Notes		63
Supplementary Information:	<u>Schedule</u>	
Nonmajor Governmental Funds:		
Combining Balance Sheet	1	66-67
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	2	68-69
Custodial Funds:		
Combining Statement of Fiduciary Net Position	3	70-71
Combining Schedule of Changes in Fiduciary Net Position	4	72-73
Schedule of Revenues by Source and Expenditures by Function – All Governmental Funds	5	74-75
Schedule of Expenditures of Federal Awards	6	76-77

Table of Contents  
(continued)

	<u>Page</u>
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 <u>Government Auditing Standards</u>	78-79
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance	80-81
Schedule of Findings and Questioned Costs	82-88
Staff	89

**Greene County**

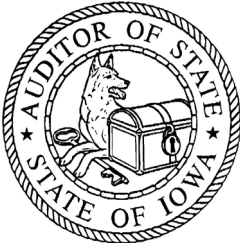
**Officials**

**(Before January 2021)**

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Mick Burkett	Board of Supervisors	Jan 2021
John Muir	Board of Supervisors	Jan 2021
Peter Bardole	Board of Supervisors	Jan 2021
Thomas Contner	Board of Supervisors	Jan 2023
Dawn Rudolph	Board of Supervisors	Jan 2023
Jane Heun	County Auditor	Jan 2021
Katlynn Gannon-Mechaelsen	County Treasurer	Jan 2023
Marcia Tasler	County Recorder	(Retired Oct 2020)
Deb McDonald (Appointed Nov 2020)	County Recorder	Nov 2022
Jack Williams	County Sheriff	Jan 2021
Thomas Laehn	County Attorney	Jan 2023
Adam Smith	County Assessor	Jan 2022

**(After January 2021)**

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Thomas Contner	Board of Supervisors	Jan 2023
Dawn Rudolph	Board of Supervisors	Jan 2023
Mick Burkett	Board of Supervisors	Jan 2025
John Muir	Board of Supervisors	Jan 2025
Peter Bardole	Board of Supervisors	Jan 2025
Jane Heun	County Auditor	Jan 2025
Katlynn Gannon-Mechaelsen	County Treasurer	Jan 2023
Deb McDonald	County Recorder	Nov 2022
Jack Williams	County Sheriff	Jan 2025
Thomas Laehn	County Attorney	Jan 2023
Adam Smith	County Assessor	Jan 2022



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Independent Auditor's Report

To the Officials of Greene County:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Greene County, Iowa, as of and for the year ended June 30, 2021, and the related Notes to Financial Statements, which collectively comprise the County'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 judgment, 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 County'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 County'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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Greene County as of June 30, 2021, and the respective changes in its financial position and, where applicable, its cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.



### Emphasis of a Matter

As discussed in Note 14 to the financial statements, Greene County adopted new accounting guidance related to Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities. Our opinions are not modified with respect to this matter.

### Other Matters

#### *Required Supplementary Information*

U.S. generally accepted accounting principles require Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of the County's Proportionate Share of the Net Pension Liability, the Schedule of County Contributions and the Schedule of Changes in the County's Total OPEB Liability, Related Ratios and Notes on pages 8 through 14 and 54 through 63 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 who 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 inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, 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.

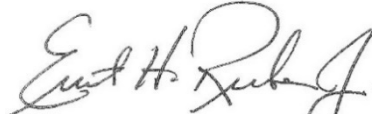
#### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Greene County'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, 2020 (which are not presented herein) and expressed unmodified opinions on those financial statements. The supplementary information included in Schedules 1 through 6, including the Schedule of Expenditures of Federal Awards required by Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), 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 used 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 taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 24, 2022 on our consideration of Greene County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the County's 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 Greene County's internal control over financial reporting and compliance.



Ernest H. Ruben, Jr., CPA  
Deputy Auditor of State

March 24, 2022

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

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Greene County provides this Management's Discussion and Analysis of its annual financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2021. We encourage readers to consider this information in conjunction with the County's financial statements, which follow.

### 2021 FINANCIAL HIGHLIGHTS

- The County implemented Governmental Accounting Standards Board Statement (GASBS) No. 84, Fiduciary Activities, during fiscal year 2021. The beginning net position for fiduciary (custodial) funds was restated by \$445,139, to retroactively report in accordance with the GASBS.
- Revenues of the County's governmental activities decreased 2.43%, or approximately \$380,000, from fiscal year 2020 to fiscal year 2021. Operating grants, contributions and restricted interest increased approximately \$1,124,000, property taxes and other taxes, including Tax Increment Financing Fund and Local Option Sales Tax, increased \$152,000 and capital grants, contributions and restricted interest decreased 92.9%, or approximately \$1,481,000, from fiscal year 2020.
- Total program expenses of the County's governmental activities decreased 10.9%, or approximately \$1,911,000. The largest program expense increases were in the areas of county environment (approximately \$976,000, or 128.3%) and administrative services (approximately \$370,000, or 22.8%). Non-program expenses decreased approximately \$3,599,000, or 68.6%.
- The County's net position decreased 1.7%, or approximately \$385,000, from the June 30, 2020 balance.

### USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the County's financial activities.

The Government-wide Financial Statements consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of Greene County as a whole and present an overall view of the County's finances.

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report Greene County's operations in more detail than the government-wide financial statements by providing information about the most significant funds. The remaining financial statements provide information about activities for which Greene County acts solely as an agent or custodian for the benefit of those outside of County government (Custodial Funds).

Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information further explains and supports the financial statements with a comparison of the County's budget for the year, the County's proportionate share of the net pension liability and related contributions, as well as presenting the Schedule of Changes in the County's Total OPEB Liability, Related Ratios and Notes.

Supplementary Information provides detailed information about the nonmajor governmental and the individual Custodial Funds. In addition, the Schedule of Expenditures of Federal Awards provides details of various federal programs benefiting the County.

## **REPORTING THE COUNTY'S FINANCIAL ACTIVITIES**

### *Government-wide Financial Statements*

One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information which helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid.

The Statement of Net Position presents financial information on all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in the County's net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal years.

The County's governmental activities are presented in the Statement of Net Position and the Statement of Activities. Governmental activities include public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, governmental services to residents, administration, interest on long-term debt and non-program activities. Property tax and state and federal grants finance most of these activities.

### *Fund Financial Statements*

The County has three kinds of funds:

- 1) Governmental funds account for most of the County's basic services. These focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental funds include: 1) the General Fund, 2) the Special Revenue Funds, such as Mental Health, Rural Services and Secondary Roads, 3) the Debt Service Fund and 4) the Capital Projects Fund. These funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed, short-term view of the County's general governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs.

The required financial statements for governmental funds include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

- 2) A proprietary fund accounts for the County's Internal Service, Employee Group Health Fund. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions.

The required financial statements for proprietary funds include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position and a Statement of Cash Flows.

3) Fiduciary funds are used to report assets held in a trust or custodial capacity for others which cannot be used to support the County’s own programs. These fiduciary funds include Custodial Funds that account for drainage districts, emergency management services, and the County Assessor, to name a few.

The required financial statements for fiduciary funds include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

Reconciliations between the government-wide financial statements and the governmental fund financial statements follow the governmental fund financial statements.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of financial position. The analysis below focuses on the changes in the County’s net position of governmental activities.

Net Position of Governmental Activities (Expressed in Thousands)		
	June 30,	
	2021	2020
Current and other assets	\$ 15,662	15,540
Capital assets	22,236	22,121
Total assets	37,898	37,661
Deferred outflows of resources	947	840
Long-term liabilities	8,311	8,304
Other liabilities	1,221	526
Total liabilities	9,532	8,830
Deferred inflows of resources	6,908	6,880
Net position:		
Invested in capital assets	22,236	22,121
Restricted	5,048	5,811
Unrestricted	(4,878)	(5,141)
Total net position	\$ 22,406	22,791

Net position of Greene County’s governmental activities decreased approximately \$385,000 or 1.7%.

The largest portion of the County’s net position is invested in capital assets (e.g., land, infrastructure, buildings and equipment) less the related debt. The debt related to the investment in capital assets is liquidated with resources other than capital assets. This net position category increased approximately \$115,000 or 0.5% over the prior year.

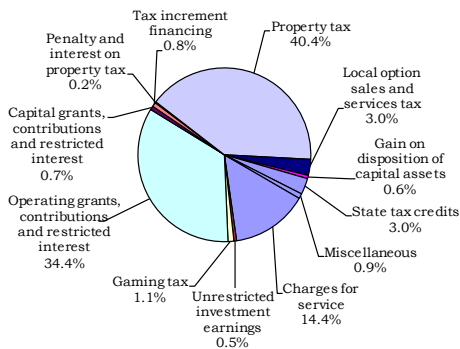
Restricted net position represents resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. This net position category decreased \$763,000 or 13.1%

Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – increased from a deficit of approximately \$5,141,000 at June 30, 2020 to a deficit of approximately \$4,878,000 at the end of this year, an increase of 5.1%. The unrestricted net position deficit is due to reporting the general obligation urban renewal capital loan notes and the net pension and total OPEB liabilities.

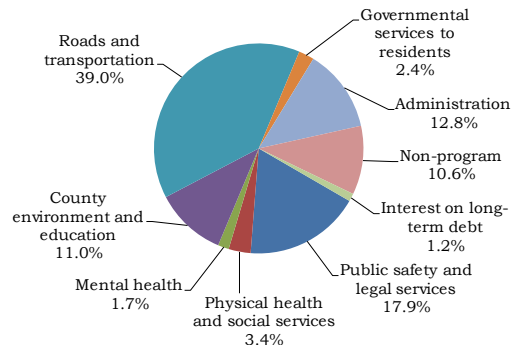
Changes in Net Position of Governmental Activities  
(Expressed in Thousands)

	Year ended June 30,	
	2021	2020
<b>Revenues:</b>		
<b>Program revenues:</b>		
Charges for service	\$ 2,191	2,456
Operating grants, contributions and restricted interest	5,231	4,107
Capital grants, contributions and restricted interest	113	1,594
<b>General revenues:</b>		
Property tax	6,142	6,137
Tax increment financing	123	-
Penalty and interest on property tax	37	20
Gaming tax	164	112
Local option sales and services tax	457	433
State tax credits	459	436
Unrestricted investment earnings	82	98
Gain on disposition of capital assets	96	137
Miscellaneous	133	78
<b>Total revenues</b>	<b>15,228</b>	<b>15,608</b>
<b>Program expenses:</b>		
Public safety and legal services	2,793	2,531
Physical health and social services	526	514
Mental health	267	344
County environment and education	1,712	761
Roads and transportation	6,114	6,016
Governmental services to residents	378	398
Administration	1,992	1,622
Non-program	1,649	5,248
Interest on long-term debt	182	90
<b>Total expenses</b>	<b>15,613</b>	<b>17,524</b>
<b>Change in net position</b>	<b>(385)</b>	<b>(1,916)</b>
<b>Net position beginning of year</b>	<b>22,791</b>	<b>24,707</b>
<b>Net position end of year</b>	<b>\$ 22,406</b>	<b>22,791</b>

**Revenues by Source**



**Expenses by Program**



Overall, Greene County’s revenues for governmental activities decreased approximately \$380,000 from the prior year and expenses decreased \$1,911,000. Capital grants, contributions and restricted interest decreased approximately \$1,481,000, primarily due to fewer Iowa Department of Transportation road network projects.

Greene County decreased the property tax levied county-wide by \$12,106, or .3%, and increased the rural property tax levied by \$26,930, or 1.6%. Taxable valuation (without gas and electric utilities) for each and total dollars levied are as follows:

	For Taxes Levied By Fiscal Year	
	2021	2020
County-wide taxable valuation	\$ 714,447,152	685,287,662
Dollars levied county-wide	4,572,469	4,584,575
Rural taxable valuation	511,969,590	493,506,939
Dollars levied rural area only	1,704,854	1,677,924
Total dollars levied	6,277,323	6,262,499

County-wide property tax revenue is budgeted to increase approximately \$176,000 in fiscal year 2022 and rural services property tax revenue is budgeted to increase approximately \$88,000. The county-wide taxable valuation increased in fiscal year 2022 to \$729,584,293 or approximately 2.1%.

**INDIVIDUAL MAJOR FUND ANALYSIS**

As Greene County completed the year, its governmental funds reported a combined fund balance of approximately \$6.7 million, a decrease of approximately \$663,000 from last year’s total of approximately \$7.4 million. The following are reasons for the more significant changes in fund balances of the major funds from the prior year:

- General Fund revenues increased approximately \$743,000 while expenditures increased approximately \$972,000. The ending fund balance increased approximately \$28,000 over the prior year to approximately \$2,130,000.
- Special Revenue, Mental Health Fund revenues increased approximately \$35,000 over the prior year. Expenditures decreased approximately \$79,000. The Special Revenue, Mental Health Fund ending fund balance decreased approximately \$31,000 from the prior year ending fund balance to approximately \$15,000. The decrease in expenditures was primarily due to elimination of a coordinator position in February 2021, which decreased the expenses for payroll and benefits.
- The Special Revenue, Rural Services Fund balance increased approximately \$53,000 Revenues increased approximately \$114,000 while expenditures increased approximately \$87,000. The primary area of expenditures increase was public safety and legal services.
- Special Revenue, Secondary Roads Fund revenues increased approximately \$368,000 and expenditures decreased approximately \$138,000. The ending fund balance increased approximately \$268,000 over the prior year. The increase in revenues is primarily due to an increase in Road Use Tax and the decrease in expenditures mainly due to the decrease in equipment purchases.

**BUDGETARY HIGHLIGHTS**

Over the course of the year, Greene County amended its budget two times. The first amendment was made in January 2021 and increased budgeted receipts by \$73,382 and decreased budgeted disbursements by \$821,934. The amendment included a \$75,000 estimated reduction to ambulance service revenues. Capital projects budgeted disbursements decreased \$1,293,120, primarily due to completion of the Career Academy. Public safety and legal services function disbursements increased \$167,496, due to hiring a sheriff deputy and related costs. County environment and education increased \$275,000 for FEMA bike trail bridge repair. A second amendment was made in May 2021 and increased budgeted receipts by \$413,200 and increased budgeted disbursements by \$400,400. The amendment included an additional reduction of \$50,000 to ambulance services revenues due to COVID-19. Intergovernmental receipts increased to adjust for revenues for CARES Act funds. County Environment and Education budgeted disbursements increased \$380,000 for FEMA related repair work on a bike trail bridge and other conservation improvements. Public safety budgeted disbursements increased \$18,800 for sheriff vehicle maintenance and benefit costs.

The County’s cash basis receipts were \$747,333 more than the amended budget, a variance of 5.3%.

Total cash basis disbursements were \$687,974 less than the amended budget, a variance of 4.3%. The largest variance occurred within the county environment and education function where disbursements were \$268,338 less than budgeted, as a FEMA project to repair a bike trial bridge was not completed in the current fiscal year and had to be carried over to the next fiscal year.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At June 30, 2021, Greene County had approximately \$22.2 million invested in a broad range of capital assets, including public safety equipment, buildings, park facilities, and roads and bridges. This is a net increase (including additions and deletions) of approximately \$115,000 or 0.5%, over last year.

Capital Assets of Governmental Activities at Year End (Expressed in Thousands)		
	June 30,	
	2021	2020
Land	\$ 2,027	2,027
Construction in progress	68	1,412
Buildings	2,261	1,706
Improvements other than buildings	130	-
Equipment and vehicles	4,219	4,203
Infrastructure	13,531	12,773
Total	<u>\$ 22,236</u>	<u>22,121</u>
This year's major additions included:		
Capital assets contributed by the Iowa Department of Transportation	\$	57
Sheriff vehicles		115
Conservation equipment		46
Conservation land improvement		138
Ambulance equipment		56
Secondary roads trucks, shop and equipment		<u>969</u>
Total	<u>\$</u>	<u>1,381</u>

The County had depreciation expense of \$1,310,058 in fiscal year 2021 and total accumulated depreciation of \$19,388,215 at June 30, 2021. More detailed information about the County’s capital assets is presented in Note 5 to the financial statements.



**Long-Term Debt**

At June 30, 2021, Greene County had \$4,899,741 of general obligation notes and other debt outstanding, compared to \$5,470,888 at June 30, 2020, as shown below.

	Outstanding Debt of Governmental Activities at Year End	
	June 30,	
	2021	2020
General obligation	\$ 4,755,000	4,755,000
Drainage warrants	144,741	713,868
	<u>\$ 4,899,741</u>	<u>5,470,888</u>

The Constitution of the State of Iowa limits the amount of general obligation debt counties can issue to 5% of the assessed value of all taxable property within the County’s corporate limits. Greene County’s outstanding general obligation debt and tax increment financing obligations are significantly below its constitutional debt limit of approximately \$55 million. Additional information about the County’s long-term debt is presented in Note 6 to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES**

Greene County’s elected and appointed officials carefully considered many factors when setting the fiscal year 2022 budget, tax rates and fees charged for various County activities. County-wide taxable valuations rose 2.12% and rural taxable valuations rose 3.01%. The County lowered the general basic levy, while raising the general supplemental and the rural services basic levies by \$0.0056, \$0.0066 and \$0.07 per \$1,000 of taxable valuation, respectively.

**CONTACTING THE COUNTY’S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of Greene County’s finances and to show the County’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Greene County Auditor’s Office, 114 N. Chestnut, Jefferson, Iowa 50129-2144.

## **Basic Financial Statements**

Greene County  
Statement of Net Position  
June 30, 2021

	Governmental Activities
<b>Assets</b>	
Cash, cash equivalents and pooled investments	\$ 6,043,998
Receivables:	
Property tax:	
Delinquent	1,971
Succeeding year	6,120,000
Succeeding year tax increment financing	495,000
Interest and penalty on property tax	6,687
Accrued interest	10,499
Accounts	79,835
Drainage assessments	144,741
Due from other governments	931,304
Inventories	1,779,610
Prepaid expenses	48,000
Capital assets not being depreciated	2,095,459
Capital assets, net of accumulated depreciation	20,141,037
<b>Total assets</b>	<b>37,898,141</b>
<b>Deferred Outflows of Resources</b>	
Pension related deferred outflows	921,467
OPEB related deferred outflows	25,509
<b>Total deferred outflows of resources</b>	<b>946,976</b>
<b>Liabilities</b>	
Accounts payable	305,940
Salaries and benefits payable	7,281
Due to other governments	31,815
Unearned revenue	863,195
Accrued interest payable	12,323
Long-term liabilities:	
Portion due or payable within one year:	
Compensated absences	278,233
Total OPEB liability	29,955
General obligation notes	40,000
Portion due or payable after one year:	
General obligation notes	4,715,000
Drainage warrants	144,741
Compensated absences	69,014
Net pension liability	2,872,236
Total OPEB liability	161,746
<b>Total liabilities</b>	<b>9,531,479</b>
<b>Deferred Inflows of Resources</b>	
Unavailable property tax revenue	6,120,000
Unavailable tax increment financing revenue	495,000
Pension related deferred inflows	206,753
OPEB related deferred inflows	86,032
<b>Total deferred inflows of resources</b>	<b>6,907,785</b>
<b>Net Position</b>	
Net investment in capital assets	22,236,496
Restricted for:	
Supplemental levy purposes	624,471
Mental health purposes	14,926
Rural services purposes	489,867
Secondary roads purposes	3,033,959
Drainage improvements	396,021
Other purposes	488,469
Unrestricted	(4,878,356)
<b>Total net position</b>	<b>\$ 22,405,853</b>

See notes to financial statements.

Greene County  
Statement of Activities  
Year ended June 30, 2021

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Service	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest	
<b>Functions/Programs:</b>					
Governmental activities:					
Public safety and legal services	\$ 2,793,255	590,481	230,973	-	(1,971,801)
Physical health and social services	525,541	6,900	155,246	-	(363,395)
Mental health	266,951	-	-	-	(266,951)
County environment and education	1,711,704	236,502	552,036	56,494	(866,672)
Roads and transportation	6,114,398	316,580	4,156,944	56,797	(1,584,077)
Governmental services to residents	378,140	238,813	7,399	-	(131,928)
Administration	1,991,988	15,285	-	-	(1,976,703)
Non-program	1,649,243	786,643	128,500	-	(734,100)
Interest on long-term debt	182,515	-	-	-	(182,515)
<b>Total</b>	<b>\$ 15,613,735</b>	<b>2,191,204</b>	<b>5,231,098</b>	<b>113,291</b>	<b>(8,078,142)</b>
<b>General Revenues:</b>					
Property and other county tax levied for general purposes					6,142,293
Tax increment financing					123,437
Penalty and interest on property tax					36,538
Local option sales and services tax					457,369
State tax credits					459,111
Gaming tax					163,724
Unrestricted investment earnings					81,381
Gain on disposition of capital assets					96,130
Miscellaneous					132,656
<b>Total general revenues</b>					<b>7,692,639</b>
Change in net position					(385,503)
Net position beginning of year					22,791,356
Net position end of year					<b>\$ 22,405,853</b>

See notes to financial statements.

Greene County  
Balance Sheet  
Governmental Funds

June 30, 2021

	General	Mental Health	Special Rural Services
<b>Assets</b>			
Cash, cash equivalents and pooled investments	\$ 2,699,446	14,853	516,521
Receivables:			
Property tax:			
Delinquent	1,873	98	-
Succeeding year	4,114,000	152,000	1,720,000
Succeeding year tax increment financing	-	-	-
Interest and penalty on property tax	6,687	-	-
Accounts	78,160	-	-
Drainage assessments	-	-	-
Accrued Interest	10,499	-	-
Due from other funds	-	-	-
Due from other governments	438,877	-	14,069
Inventories	-	-	-
Prepaid expenditures	48,000	-	-
<b>Total assets</b>	<b>\$ 7,397,542</b>	<b>166,951</b>	<b>2,250,590</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
Liabilities:			
Accounts payable	\$ 57,212	25	2,390
Salaries and benefits payable	7,257	-	24
Due to other funds	7,100	-	-
Due to other governments	30,355	-	-
Unearned revenue	863,195	-	-
Total liabilities	965,119	25	2,414
Deferred inflows of resources:			
Unavailable revenues:			
Succeeding year property tax	4,114,000	152,000	1,720,000
Succeeding year tax increment financing	-	-	-
Other	188,873	90	-
Total deferred inflows of resources	4,302,873	152,090	1,720,000
Fund balances:			
Nonspendable			
Inventories	-	-	-
Prepaid expenditures	48,000	-	-
Restricted for:			
Supplemental levy purposes	631,959	-	-
Mental health	-	14,836	-
Rural services	-	-	528,176
Secondary roads	-	-	-
Drainage warrants	-	-	-
Debt service	-	-	-
Other purposes	-	-	-
Assigned for capital improvement projects	31,942	-	-
Assigned for election equipment	90,000	-	-
Assigned for attorney recovery fees	7,322	-	-
Assigned for conservation reserve	86,178	-	-
Unassigned	1,234,149	-	-
Total fund balances	2,129,550	14,836	528,176
<b>Total liabilities, deferred inflows of resources     and fund balances</b>	<b>\$ 7,397,542</b>	<b>166,951</b>	<b>2,250,590</b>

See notes to financial statements.

Revenue			
Secondary Roads	Capital Projects	Nonmajor	Total
1,190,745	-	800,523	5,222,088
-	-	-	1,971
-	-	134,000	6,120,000
-	-	495,000	495,000
-	-	-	6,687
1,675	-	-	79,835
-	-	144,741	144,741
-	-	-	10,499
7,100	-	-	7,100
442,098	-	36,260	931,304
1,779,610	-	-	1,779,610
-	-	-	48,000
<u>3,421,228</u>	-	<u>1,610,524</u>	<u>14,846,835</u>
183,547	-	287	243,461
-	-	-	7,281
-	-	-	7,100
1,075	-	-	31,430
-	-	-	863,195
<u>184,622</u>	-	<u>287</u>	<u>1,152,467</u>
-	-	134,000	6,120,000
-	-	495,000	495,000
-	-	144,741	333,704
-	-	<u>773,741</u>	<u>6,948,704</u>
1,779,610	-	-	1,779,610
-	-	-	48,000
-	-	-	631,959
-	-	-	14,836
-	-	-	528,176
1,456,996	-	-	1,456,996
-	-	396,022	396,022
-	-	6	6
-	-	440,468	440,468
-	-	-	31,942
-	-	-	90,000
-	-	-	7,322
-	-	-	86,178
-	-	-	1,234,149
<u>3,236,606</u>	-	<u>836,496</u>	<u>6,745,664</u>
<u>3,421,228</u>	-	<u>1,610,524</u>	<u>14,846,835</u>

**Greene County**

Greene County

Reconciliation of the Balance Sheet –  
Governmental Funds to the Statement of Net Position

June 30, 2021

**Total governmental fund balances (page 19)** \$ 6,745,664

**Amounts reported for governmental activities in the Statement of Net Position are different because:**

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds. The cost of assets is \$41,624,711 and the accumulated depreciation is \$19,388,215. 22,236,496

Other long-term assets are not available to pay current year expenditures and, therefore, are recognized as deferred inflows of resources in the governmental funds. 333,704

The Internal Service Fund is used by management to charge the costs of health insurance to individual departments and funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position. 759,046

Pension and OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:

Deferred outflows of resources	\$ 946,976	
Deferred inflows of resources	<u>(292,785)</u>	654,191

Long-term liabilities, including notes payable, drainage warrants payable, compensated absences payable, net pension liability, total OPEB liability and accrued interest payable are not due and payable, in the current year and, therefore, are not reported in the governmental funds. (8,323,248)

**Net position of governmental activities (page 16)** \$ 22,405,853

See notes to financial statements.



Greene County

Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Governmental Funds

Year ended June 30, 2021

	Special		
	General	Mental Health	Rural Services
<b>Revenues:</b>			
Property and other county tax	\$ 4,398,063	220,400	1,695,973
Tax increment financing	-	-	-
Local option sales and services tax	-	-	-
Interest and penalty on property tax	35,718	-	-
Intergovernmental	1,077,910	17,340	287,214
Licenses and permits	6,750	-	-
Charges for service	827,560	-	-
Use of money and property	80,768	-	-
Miscellaneous	275,157	-	13,108
Total revenues	<u>6,701,926</u>	<u>237,740</u>	<u>1,996,295</u>
<b>Expenditures:</b>			
<b>Operating:</b>			
Public safety and legal services	2,118,917	-	608,206
Physical health and social services	522,638	-	-
Mental health	-	268,643	-
County environment and education	1,366,459	-	127,444
Roads and transportation	-	-	-
Governmental services to residents	372,974	-	-
Administration	2,145,829	-	-
Non-program	-	-	-
Debt service	-	-	-
Capital projects	150,820	-	-
Total expenditures	<u>6,677,637</u>	<u>268,643</u>	<u>735,650</u>
Excess (deficiency) of revenues over (under) expenditures	<u>24,289</u>	<u>(30,903)</u>	<u>1,260,645</u>
<b>Other financing sources (uses):</b>			
Drainage warrants issued	-	-	-
Transfers in	65,600	-	-
Transfers out	(61,876)	-	(1,207,464)
Total other financing sources (uses)	<u>3,724</u>	<u>-</u>	<u>(1,207,464)</u>
Change in fund balances	28,013	(30,903)	53,181
Fund balances beginning of year	<u>2,101,537</u>	<u>45,739</u>	<u>474,995</u>
Fund balances end of year	<u>\$ 2,129,550</u>	<u>14,836</u>	<u>528,176</u>

See notes to financial statements.

Revenue			
Secondary Roads	Capital Projects	Nonmajor	Total
-	-	-	6,314,436
-	-	123,437	123,437
-	-	457,369	457,369
-	-	-	35,718
4,156,944	-	27,144	5,566,552
80,309	-	-	87,059
-	-	2,423	829,983
24,773	1,340	54	106,935
236,687	-	1,144,346	1,669,298
<u>4,498,713</u>	<u>1,340</u>	<u>1,754,773</u>	<u>15,190,787</u>
-	-	32,116	2,759,239
-	-	-	522,638
-	-	-	268,643
-	-	59,150	1,553,053
5,847,897	-	-	5,847,897
-	-	-	372,974
-	-	-	2,145,829
-	-	51,411	51,411
-	-	1,110,650	1,110,650
-	983,888	446,210	1,580,918
<u>5,847,897</u>	<u>983,888</u>	<u>1,699,537</u>	<u>16,213,252</u>
<u>(1,349,184)</u>	<u>(982,548)</u>	<u>55,236</u>	<u>(1,022,465)</u>
-	-	359,007	359,007
1,616,750	-	150,340	1,832,690
-	(2,016)	(561,334)	(1,832,690)
<u>1,616,750</u>	<u>(2,016)</u>	<u>(51,987)</u>	<u>359,007</u>
267,566	(984,564)	3,249	(663,458)
<u>2,969,040</u>	<u>984,564</u>	<u>833,247</u>	<u>7,409,122</u>
<u>3,236,606</u>	<u>-</u>	<u>836,496</u>	<u>6,745,664</u>

Greene County

Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances –  
Governmental Funds to the Statement  
of Activities

Year ended June 30, 2021

**Change in fund balances - Total governmental funds (page 23)** \$ (663,458)

**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 expenditures and capital contributions exceeded depreciation expense in the current year, as follows:

Expenditures for capital assets	\$ 1,272,467	
Capital assets contributed by the Iowa Department of Transportation	56,797	
Depreciation expense	<u>(1,310,058)</u>	19,206

In the Statement of Activities, the gain on the disposition of capital assets is reported, whereas the governmental funds report the proceeds from the disposition as an increase in financial resources.

96,130

Because some revenues will not be collected for several months after the County's year end, they are not considered available revenues and are recognized as deferred inflows of resources in the governmental funds, as follows:

Property tax	(8,419)	
Other	<u>(397,706)</u>	(406,125)

Proceeds from issuing long-term liabilities provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Issued	(359,007)	
Repaid	<u>928,134</u>	569,127

The current year County share of IPERS and OPEB contributions is reported as expenditures in the governmental funds but is reported as deferred outflows of resources in the Statement of Net Position.

IPERS	430,056	
OPEB	<u>29,955</u>	460,011

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 the governmental funds, as follows:

Compensated absences	(34,540)	
Pension expense	(541,795)	
OPEB expense	(31,047)	
Interest on long term debt	<u>1</u>	(607,381)

The Internal Service Fund is used by management to charge the costs of health insurance to individual departments and funds. The change in net position of the Internal Service Fund is reported with governmental activities.

146,987

**Change in net position of governmental activities (page 17)** \$ (385,503)

See notes to financial statements.

Greene County  
Statement of Net Position  
Proprietary Fund  
June 30, 2021

	<u>Internal Service – Employee Group Health</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 821,910
<b>Current Liabilities</b>	
Accounts payable	<u>62,864</u>
<b>Net Position</b>	
Unrestricted	<u>\$ 759,046</u>

See notes to financial statements.

**Exhibit H**

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## Greene County

Statement of Revenues, Expenses  
and Changes in Fund Net Position  
Proprietary Fund

Year ended June 30, 2021

		<u>Internal Service – Employee Group Health</u>
Operating revenues:		
Reimbursements from operating funds and other governmental units		\$ 1,379,484
Reimbursements from employees and others		212,378
Insurance reimbursements		<u>27,871</u>
Total operating revenues		1,619,733
Operating expenses:		
Medical claims	\$ 700,311	
Insurance premiums	492,082	
Administrative and other fees	45,062	
Prescription charges	<u>235,291</u>	<u>1,472,746</u>
Total operating income		146,987
Net position beginning of year		<u>612,059</u>
Net position end of year		<u>\$ 759,046</u>

See notes to financial statements.

Greene County  
Statement of Cash Flows  
Proprietary Fund  
Year ended June 30, 2021

	Internal Service – Employee Group Health
Cash flows from operating activities:	
Cash received from operating funds and other reimbursements	\$ 1,619,103
Cash received from insurance reimbursements	630
Cash paid to suppliers for services	(1,477,079)
Net cash provided by operating activities	142,654
Cash and cash equivalents beginning of year	679,256
Cash and cash equivalents end of year	\$ 821,910
<b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income	\$ 146,987
Adjustments to reconcile operating income to net cash provided by operating activities:	
Decrease in accounts payable	(4,333)
Net cash used by operating activities	\$ 142,654

See notes to financial statements.

Greene County  
Statement of Fiduciary Net Position  
Custodial Funds

June 30, 2021

**Assets**

Cash, cash equivalents and pooled investments:

County Treasurer	\$ 938,125
Other County officials	206,576

Receivables:

Property tax:

Delinquent	10,339
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Succeeding year	16,303,000
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Accounts	12,211
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Special assessments	<u>14,246</u>
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**Total assets**

<u>17,484,497</u>
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**Liabilities**

Accounts payable	17
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Due to other governments	603,400
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Trusts payable	74,297
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Compensated absences	<u>4,174</u>
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**Total liabilities**

<u>681,888</u>
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**Deferred Inflows of Resources**

Unavailable property tax revenue	<u>16,303,000</u>
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**Net position**

Restricted for individual, organizations and other governments	<u><u>\$ 499,609</u></u>
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See notes to financial statements.

Greene County  
Statement of Changes in Fiduciary Net Position  
Custodial Funds

June 30, 2021

Additions:	
Property and other county tax	\$ 16,937,093
State tax credits	1,541,144
911 surcharge	205,561
Office fees and collections	326,350
Auto licenses, use tax and postage	4,180,596
Assessments	24,604
Trusts	337,899
Miscellaneous	<u>220,093</u>
Total additions	<u>23,773,340</u>
Deductions:	
Agency remittances:	
To other funds	298,325
To other governments	22,903,090
Trusts paid out	<u>517,455</u>
Total deductions	<u>23,718,870</u>
Change in net position	54,470
Net position beginning of year, as restated	<u>445,139</u>
Net position end of year	<u>\$ 499,609</u>

See notes to financial statements.



Greene County

Notes to Financial Statements

June 30, 2021

**(1) Summary of Significant Accounting Policies**

Greene County is a political subdivision of the State of Iowa and operates under the Home Rule provisions of the Constitution of Iowa. The County operates under the Board of Supervisors form of government. Elections are on a partisan basis. Other elected officials operate independently with the Board of Supervisors. These officials are the Auditor, Treasurer, Recorder, Sheriff and Attorney. The County provides numerous services to citizens, including law enforcement, health and social services, parks and cultural activities, planning and zoning, roadway construction and maintenance and general administrative services.

The County'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, Greene County has included all funds, organizations, agencies, boards, commissions and authorities. The County 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 County are such that exclusion would cause the County's 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 County 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 County.

These financial statements present Greene County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

Blended Component Units – The following component units are entities which are legally separate from the County, but are so intertwined with the County they are, in substance, the same as the County. They are reported as part of the County and blended into the appropriate funds.

Certain drainage districts have been established pursuant to Chapter 468 of the Code of Iowa for the drainage of surface waters from agricultural and other lands or the protection of such lands from overflow. Although these districts are legally separate from the County, they are controlled, managed and supervised by the Greene County Board of Supervisors, acting as trustees for the drainage districts. The drainage districts are reported as a Special Revenue Fund. The County has other drainage districts which are managed and supervised by elected trustees. The financial transactions of these districts are reported in the Custodial Funds of the County. Financial information for the individual drainage districts can be obtained from the Greene County Auditor's office.

Jointly Governed Organizations – The County participates in several jointly governed organizations that provide goods or services to the citizenry of the County but do not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The County Board of Supervisors are members of or appoint representatives to the following boards and commissions: Greene County Assessor’s Conference Board, County Emergency Management Commission and Greene County 911 Service Board. Financial transactions of these organizations are included in the County’s financial statements only to the extent of the County’s fiduciary relationship with the organization and, as such, are reported in the Custodial Funds of the County.

The County also participates in the Central Iowa Juvenile Detention Center, Region V Hazardous Materials Response Commission and Region XII Council of Governments, jointly governed organizations established pursuant to Chapter 28E of the Code of Iowa. In addition, the County participates in the following jointly governed organizations: Second Judicial District Department of Correctional Services and Greene County Development Corporation.

B. Basis of Presentation

Government-wide Financial Statements – The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the County and its component units. 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.

The Statement of Net Position presents the County’s nonfiduciary assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Net position is reported in the following categories.

*Net investment in capital assets* consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for notes and other debt attributable to the acquisition, construction or improvement of those assets.

*Restricted net position* results when constraints placed on net position use are either externally imposed or are imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net position* consists of net position not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants, contributions and interest restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements – Separate financial statements are provided for governmental funds, the proprietary fund and fiduciary 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 nonmajor funds.

The County reports the following major governmental funds:

The General Fund is the general operating fund of the County. All general tax revenues and other revenues 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 expenditures, the fixed charges and the capital improvement costs not paid from other funds.

Special Revenue:

The Mental Health Fund is used to account for property tax and other revenues to be used to fund mental health, intellectual disabilities and developmental disabilities services.

The Rural Services Fund is used to account for property tax and other revenues to provide services which are primarily intended to benefit those persons residing in the county outside of incorporated city areas.

The Secondary Roads Fund is used to account for the road use tax allocation from the State of Iowa, transfers from the General Fund and the Special Revenue, Rural Services Fund and other revenues to be used for secondary roads construction and maintenance.

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

Additionally, the County reports the following funds:

Proprietary Fund – An Internal Service Fund is utilized to account for the financing of goods or services purchased by one department of the County and provided to other departments or agencies on a cost reimbursement basis.

Fiduciary Funds – Custodial Funds are used to account for assets held by the County as an agent for individuals, private organizations, certain jointly governed organizations, other governmental units and/or other funds.

C. Measurement Focus and Basis of Accounting

The government-wide, proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus and 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 provider 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 year or soon enough thereafter to pay liabilities of the current year. For this purpose, the County 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 County.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments 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 lease agreements are reported as other financing sources.

Under the terms of grant agreements, the County 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 County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants and then by general revenues.

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

Proprietary funds distinguish operating revenues and expenses from non-operating 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 County's Internal Service Fund is charges to customers for sales and services. Operating expenses for Internal Service Funds include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position

The following accounting policies are followed in preparing the financial statements:

Cash, Cash Equivalents and Pooled Investments – The cash balances of most County funds are pooled and invested. Interest earned on investments is recorded in the General Fund unless otherwise provided by law. Investments are stated at fair value except for the investment in the Iowa Public Agency Investment Trust and non-negotiable certificates of deposit which are stated at amortized 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, have a maturity date no longer than three months.

Property Tax Receivable – 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 levy or lien date, which is the date the tax asking is certified by the County Board of Supervisors. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax and tax increment financing receivables represent taxes certified by the Board of Supervisors to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the Board of Supervisors is required to certify its budget in March of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax and tax increment financing receivables has been recorded, the related revenue is reported as a deferred inflow of resources 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 become due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2019 assessed property valuations; is for the tax accrual period July 1, 2020 through June 30, 2021 and reflects the tax asking contained in the budget certified by the County Board of Supervisors in March 2020.

Interest and Penalty on Property Tax Receivable – Interest and penalty on property tax receivable represents the amount of interest and penalty that was due and payable but has not been collected.

Drainage Assessments Receivable – Drainage assessments receivable represent amounts assessed to individuals for work done on drainage districts which benefit their property. These assessments are payable by individuals in not less than 10 nor more than 20 annual installments. Each annual installment with interest on the unpaid balance is due on September 30 and is subject to the same interest and penalties as other taxes. Drainage assessments receivable represent assessments which are due and payable but have not been collected and remaining assessments which are payable but not yet due.

Special Assessments Receivable – Special assessments receivable represent amounts due from individuals for work done which benefits their property. These assessments are payable by individuals in no more than 15 annual installments. Each annual installment with interest on the unpaid balance is due on September 30 and is subject to the same interest and penalties as other taxes. Special assessments receivable represent assessments which have been made but have not been collected.

Due from and Due to Other Funds – During the course of its operations, the County has numerous transactions between funds. To the extent certain transactions between funds had not been paid or received as of June 30, 2021, 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 consist of expendable supplies held for consumption. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Capital Assets – Capital assets, which include property, furniture and equipment and intangibles acquired after July 1, 1980 are reported in the governmental activities column in the government-wide Statement of Net Position. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class. Reportable capital assets are defined by the County as assets with initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

Asset Class	Amount
Infrastructure	\$ 50,000
Intangibles	50,000
Land, buildings and improvements	25,000
Equipment and vehicles	5,000

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, and infrastructure are depreciated/amortized using the straight line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives (In Years)
Buildings and improvements	25 - 50
Infrastructure	10 - 65
Equipment	2 - 20
Vehicles	5 - 15
Intangibles	5 - 20

Deferred Outflows of Resources – Deferred outflows of resources represent a consumption of net position applicable to a future year(s) which will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense, the unamortized portion of the net difference between projected and actual earnings on pension plan assets and contributions from the County after the measurement date but before the end of the County’s reporting period.

Due to Other Governments – Due to other governments represents taxes and other revenues collected by the County and payments for services which will be remitted to other governments.

Trusts Payable – Trusts payable represents amounts due to others which are held by various County officials in fiduciary capacities until the underlying legal matters are resolved.

Compensated Absences – County employees accumulate a limited amount of earned but unused vacation, compensatory time and sick leave hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide and fiduciary fund financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees who have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2021. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund and the Special Revenue, Mental Health, Rural Services and Secondary Roads Funds.

Long-Term Liabilities – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position.

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The net pension liability attributable to the governmental activities will be paid primarily by the General Fund, the Special Revenue, Mental Health, Rural Services and Secondary Roads Funds.

Total OPEB Liability – For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information has been determined based on the Greene County's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The total OPEB liability attributable to the governmental activities will be paid primarily by the General Fund and the Special Revenue, Mental Health, Rural Services and Secondary Roads Funds.

Deferred Inflows of Resources – Deferred inflows of resources represents an acquisition of net position applicable to a future year(s) which will not be recognized as an inflow of resources (revenue) until that time. Although, certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental fund financial statements represent 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 year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the fund financial statements consist of property tax receivable and other receivables not collected within sixty days after year end and succeeding year property tax and tax increment financing receivables that will not be recognized until the year for which it is levied.

Deferred inflows of resources in the Statement of Net Position consist of succeeding year property tax and tax increment financing receivables that will not be recognized until the year for which it is levied, and unrecognized items not yet charged to pension expense and OPEB expense.

Fund Balance – In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable – Amounts which cannot be spent 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 are imposed by law through constitutional provisions or enabling legislation.

Assigned – Amounts the County intends to use for specific purposes as determined by the County Auditor.

Unassigned – All amounts not included in the preceding classifications.

Net Position – The net position of the Internal Service, Employee Group Health Fund is designated for anticipated future catastrophic losses of the County.

E. Budgets and Budgetary Accounting

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

**(2) Cash, Cash Equivalents and Pooled Investments**

The County's deposits in banks at June 30, 2021 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds.

The County is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Supervisors; 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 County had investments in the Iowa Public Agency Investment Trust (IPAIT) which are valued at an amortized cost of \$49,362. There were no limitations or restrictions on withdrawals for the IPAIT investments. The County's investment in the IPAIT is unrated.

Interest rate risk – The County's investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) to instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days, but the maturities shall be consistent with the needs and use of the County.



**(3) Due From and Due to Other Funds**

The detail of interfund receivables and payables at June 30, 2021 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Special Revenue:		
Secondary Roads	General	<u>\$ 7,100</u>

These balances result from the time lag between the dates interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

**(4) Interfund Transfers**

The detail of interfund transfers for the year ended June 30, 2021 is as follows:

<u>Transfer to</u>	<u>Transfer from</u>	<u>Amount</u>
General	Special Revenue:	
	Local Option Sales Tax	\$ 65,000
	Debt Service	600
		<u>65,600</u>
Debt Service	General	7,240
	Capital Projects	2,016
	Special Revenue:	
	Tax Increment Financing	141,084
		<u>150,340</u>
Special Revenue:		
Secondary Roads	General	54,636
	Special Revenue:	
	Rural Services	1,207,464
	Local Option Sales Tax	354,650
		<u>1,616,750</u>
Total		<u>\$ 1,832,690</u>

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

**(5) Capital Assets**

Capital assets activity for the year ended June 30, 2021 was as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 2,027,312	-	-	2,027,312
Construction in progress, road network	1,303,721	56,797	1,360,518	
Construction in progress	107,728	3,723	43,304	68,147
Total capital assets not being depreciated	<u>3,438,761</u>	<u>60,520</u>	<u>1,403,822</u>	<u>2,095,459</u>
Capital assets being depreciated:				
Buildings	3,184,785	611,572	-	3,796,357
Improvement other than buildings	-	135,514	-	135,514
Equipment and vehicles	11,201,069	688,437	214,871	11,674,635
Infrastructure, other	146,051	-	-	146,051
Infrastructure, road network	<u>22,416,177</u>	<u>1,360,518</u>	<u>-</u>	<u>23,776,695</u>
Total capital assets being depreciated	<u>36,948,082</u>	<u>2,796,041</u>	<u>214,871</u>	<u>39,529,252</u>
Less accumulated depreciation for:				
Buildings	1,478,357	57,248	-	1,535,605
Improvement other than buildings	-	5,421	-	5,421
Equipment and vehicles	6,998,054	644,826	187,526	7,455,354
Infrastructure, other	19,473	6,205	-	25,678
Infrastructure, road network	<u>9,769,799</u>	<u>596,358</u>	<u>-</u>	<u>10,366,157</u>
Total accumulated depreciation	<u>18,265,683</u>	<u>1,310,058</u>	<u>187,526</u>	<u>19,388,215</u>
Total capital assets being depreciated, net	<u>18,682,399</u>	<u>1,485,983</u>	<u>27,345</u>	<u>20,141,037</u>
Governmental activities capital assets, net	<u>\$ 22,121,160</u>	<u>1,546,503</u>	<u>1,431,167</u>	<u>22,236,496</u>

Depreciation expense was charged to the following functions:

Governmental activities:	
Public safety and legal services	\$ 112,436
County environment and education	43,773
Roads and transportation	1,121,027
Governmental services to residents	1,570
Administration	<u>31,252</u>
Total depreciation expense - governmental activities	<u>\$ 1,310,058</u>

**(6) Due to Other Governments**

The County purchases services from other governmental units and also acts as a fee and tax collection agent for various governmental units. Tax collections are remitted to those governments in the month following collection. A summary of amounts due to other governments at June 30, 2021 is as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
General	Services	\$ 30,355
Special Revenue:		
Secondary Roads	Services	<u>1,075</u>
Total for governmental funds		<u>\$ 31,430</u>
Custodial:		
Schools	Collections	\$ 103,828
Community Colleges		8,474
Corporations		29,867
Auto License and Use Tax		393,263
County Hospital		23,858
All other		<u>44,110</u>
Total for custodial funds		<u>\$ 603,400</u>

**(7) Long-Term Liabilities**

A summary of changes in long-term liabilities for the year ended June 30, 2021 is as follows:

	<u>Drainage Warrants</u>	<u>Compensated Absences</u>	<u>Net Pension Liability</u>	<u>Total OPEB Liability</u>	<u>General Obligation Urban Renewal Capital Loan Notes</u>	<u>Total</u>
Balance beginning of year	\$ 713,868	312,707	2,275,476	247,044	4,755,000	8,304,095
Increases	359,007	371,773	596,760	39,183	-	1,366,723
Decreases	<u>928,134</u>	<u>337,233</u>	-	<u>94,526</u>	-	<u>1,359,893</u>
Balance end of year	<u>\$ 144,741</u>	<u>347,247</u>	<u>2,872,236</u>	<u>191,701</u>	<u>4,755,000</u>	<u>8,310,925</u>
Due within one year	\$ -	278,233	-	29,955	40,000	348,188

Notes Payable

On December 5, 2019, the County issued \$4,755,000 of general obligation urban renewal capital loan notes, series 2019A with interest rates ranging from 2.00-4.00% per annum. The notes were issued to provide funding for a portion of the costs for the construction of the Greene County Career Academy Project to be constructed and operated by the Greene County Community School District. During the year ended June 30, 2021, the County paid interest of \$147,885 on the notes. A summary of the County's June 30, 2021 general obligation indebtedness is as follows:

Year Ending June 30,	Series 2019A, GO Urban Renewal Capital Loan Note			
	Issued December 5, 2019			
Interest Rates	Principal	Interest	Total	
2022	3.00%	\$ 40,000	147,885	187,885
2023	4.00	200,000	146,685	346,685
2024	4.00	405,000	138,685	543,685
2025	4.00	630,000	122,485	752,485
2026	3.00	655,000	97,285	752,285
2027-2030	2.00-4.00	2,825,000	173,740	2,998,740
Total		\$ 4,755,000	826,765	5,581,765

Drainage Warrants

Drainage warrants are warrants which are legally drawn on drainage district funds but are not paid for lack of funds, in accordance with Chapter 74 of the Code of Iowa. The warrants bear interest at rates in effect at the time the warrants are first presented. Warrants will be paid as funds are available.

Drainage warrants are paid from the Special Revenue, Drainage Districts Fund solely from drainage assessments against benefited properties and grant money for emergency repairs.

**(8) Pension Plan**

Plan Description – IPERS membership is mandatory for employees of the County, except for those covered by another retirement system. Employees of the County are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by the Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at PO Box 9117, Des Moines, Iowa 50306-9117 or at [www.ipers.org](http://www.ipers.org)

IPERS benefits are established under Iowa Code Chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits – A Regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment or when the member’s years of service plus the member’s age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member’s first month of entitlement to benefits. Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member’s monthly IPERS benefit includes:

- A multiplier based on years of service.
- The member’s highest five-year average salary, except members with service before June 30, 2012 will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

Sheriffs, deputies and protection occupation members may retire at normal retirement age, which is generally age 55. Sheriffs, deputies and protection occupation members may retire any time after reaching age 50 with 22 or more years of covered employment.

The formula used to calculate a sheriff’s, deputy’s or protection occupation member’s monthly IPERS benefit includes:

- 60% of average salary after completion of 22 years of service, plus an additional 1.5% of average salary for more than 22 years of service but not more than 30 years of service.
- The member’s highest three-year average salary.

If a member retires before normal retirement age, the member’s monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month the member receives benefits before the member’s earliest normal retirement age. For service earned on or after July 1, 2012, the reduction is 0.50% for each month the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member’s lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and Death Benefits – A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member’s beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member’s accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions – Contribution rates are established by IPERS following the annual actuarial valuation which applies IPERS’ Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires the actuarial contribution rate be determined using the “entry age normal” actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2021, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the County contributed 9.44% of covered payroll, for a total rate of 15.73%. The Sheriff, deputies and the County each contributed 9.26% of covered payroll, for a total rate of 18.52%. Protection occupation members contributed 6.41% of covered payroll and the County contributed 9.61% of covered payroll, for a total rate of 16.02%.

The County's contributions to IPERS for the year ended June 30, 2021 totaled \$430,056.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2021, the County reported a liability of \$2,872,236 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2020, the County's proportion was 0.040888%, which was an increase of 0.001592% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the County recognized pension expense of \$541,795. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 16,216	73,058
Changes of assumptions	197,113	47,042
Net difference between projected and actual earnings on IPERS plan investments	243,245	-
Changes in proportion and differences between County contributions and the County's proportionate share of contributions	34,837	86,653
County contributions subsequent to the measurement date	430,056	-
<b>Total</b>	<b>\$ 921,467</b>	<b>206,753</b>

\$430,056 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	Amount
2022	\$ 20,794
2023	62,386
2024	77,207
2025	131,341
2026	(7,070)
<b>Total</b>	<b>\$ 284,658</b>

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions – The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Rate of inflation (effective June 30, 2017)	2.60% per annum.
Rates of salary increase (effective June 30, 2017)	3.25 to 16.25% average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 2017)	7.00% compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2017)	3.25% per annum, based on 2.60% inflation and 0.65% real wage inflation.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an economic assumption study dated March 24, 2017 and a demographic assumption study dated June 28, 2018.

Mortality rates used in the 2020 valuation were based on the RP-2014 Employee and Healthy Annuitant Tables with MP-2017 generational adjustments.

The long-term expected rate of return on IPERS’ investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	22.0%	4.43%
International equity	17.5	5.15
Global smart beta equity	6.0	4.87
Core plus fixed income	28.0	(0.29)
Public credit	4.0	2.29
Cash	1.0	(0.78)
Private equity	11.0	6.54
Private real assets	7.5	4.48
Private credit	3.0	3.11
Total	<u>100%</u>	

Discount Rate – The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the County will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS’ fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on IPERS’ investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability	\$ 5,580,783	2,872,236	601,908

IPERS' Fiduciary Net Position – Detailed information about IPERS' fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at [www.ipers.org](http://www.ipers.org).

Payables to IPERS – All legally required County contributions and legally required employee contributions which had been withheld from employee wages were remitted by the County to IPERS by June 30, 2021.

**(9) Other Postemployment Benefits (OPEB)**

Plan Description – The County administers a single-employer benefit plan which provides medical, prescription drug and dental benefits for employees, retirees and their spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

OPEB Benefits – Individuals who are employed by Greene County and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for the medical, prescription drug and dental benefits as active employees, which results in an implicit rate subsidy and an OPEB liability.

Retired participants must be age 55 or older at retirement. At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	3
Active employees	<u>81</u>
Total	<u>84</u>

Total OPEB Liability – The County's total OPEB liability of \$191,701 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.



Actuarial Assumptions – The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of inflation (effective June 30, 2021)	2.60% per annum.
Rates of salary increase (effective June 30, 2021)	3.25% per annum, including inflation.
Discount rate (effective June 30, 2021)	2.19% compounded annually, including inflation.
Healthcare cost trend rate (effective June 30, 2021)	7.5% initial rate decreasing by .5% annually to an ultimate rate of 4.5%.

Discount Rate – The discount rate used to measure the total OPEB liability was 2.19% which reflects the index rate for 20-year tax-exempt general obligation municipal notes with an average rating of AA/Aa or higher as of the measurement date.

Mortality rates are from the SOA RPH-2017 total dataset mortality table fully generational using Scale MP-2017. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

The actuarial assumptions used in the June 30, 2021 valuation were updated from an actuarial experience study with dates corresponding to those listed above.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Total OPEB liability beginning of year	\$ 247,044
Changes for the year:	
Service cost	27,997
Interest	6,920
Differences between expected and actual experiences	(64,571)
Changes in assumptions	4,266
Benefit payments	<u>(29,955)</u>
Net changes	<u>(55,343)</u>
Total OPEB liability end of year	<u>\$ 191,701</u>

Changes of assumptions reflect a change in the discount rate from 2.66% in fiscal year 2020 to 2.19% in fiscal year 2021.

Sensitivity of the County's Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (1.19%) or 1% higher (3.19%) than the current discount rate.

	1% Decrease (1.19%)	Discount Rate (2.19%)	1% Increase (3.19%)
Total OPEB liability	\$ 200,636	191,701	182,597

Sensitivity of the County’s Total OPEB Liability to Changes in the Healthcare Cost Trend Rates  
 – The following presents the total OPEB liability of the County, as well as what the County’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (6.50%) or 1% higher (8.50%) than the current healthcare cost trend rates.

	1% Decrease (6.50%)	Healthcare Cost Trend Rate (7.50%)	1% Increase (8.50%)
Total OPEB liability	\$ 167,654	191,701	220,035

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2021, the County recognized OPEB expense of \$31,047. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 18,577	(85,110)
Changes in assumptions	6,932	(922)
Total	<u>\$ 25,509</u>	<u>(86,032)</u>

The amount reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year ending June 30,	Amount
2022	\$ (3,870)
2023	(3,872)
2024	(13,410)
2025	(13,411)
2026	(10,883)
Thereafter	<u>(15,077)</u>
	<u>\$ (60,523)</u>

**(10) Risk Management**

The County is a member of the Iowa Communities Assurance Pool, as allowed by Chapter 331.301 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool whose 785 members include various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, public officials liability, police professional liability, property, inland marine and boiler/machinery. There have been no reductions in insurance coverage from prior years.

Each member's annual casualty contributions to the Pool fund current operations and provide capital. Annual casualty operating contributions are those amounts necessary to fund, on a cash basis, the Pool's general and administrative expenses, claims, claims expenses and reinsurance expenses estimated for the fiscal year, plus all or any portion of any deficiency in capital. Capital contributions are made during the first six years of membership and are maintained at a level determined by the Board not to exceed 300% of basis rate.

The Pool also provides property coverage. Members who elect such coverage make annual property operating contributions which are necessary to fund, on a cash basis, the Pool's general and administrative expenses, reinsurance premiums, losses and loss expenses for property risks estimated for the fiscal year, plus all or any portion of any deficiency in capital. Any year-end operating surplus is transferred to capital. Deficiencies in operations are offset by transfers from capital and, if insufficient, by the subsequent year's member contributions.

The County's property and casualty contributions to the Pool are recorded as expenditures from its operating funds at the time of payment to the Pool. The County's contributions to the Pool for the year ended June 30, 2021 were \$166,966.

The Pool uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. The Pool retains general, automobile, police professional, and public officials' liability risks up to \$500,000 per claim. Claims exceeding \$500,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the County's risk-sharing certificate. Property and automobile physical damage risks are retained by the Pool up to \$250,000 each occurrence, each location. Property risks exceeding \$250,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the County's risk-sharing certificate.

The Pool's intergovernmental contract with its members provides that in the event a casualty claim, property loss or series of claims or losses exceeds the amount of risk-sharing protection provided by the County's risk-sharing certificate, or in the event a casualty claim, property loss or series of claims or losses exhausts the Pool's funds and any excess risk-sharing recoveries, then payment of such claims or losses shall be the obligation of the respective individual member against whom the claim was made or the loss was incurred.

The County does not report a liability for losses in excess of reinsurance or excess risk-sharing recoveries unless it is deemed probable such losses have occurred and the amount of such loss can be reasonably estimated. Accordingly, at June 30, 2021, no liability has been recorded in the County's financial statements. As of June 30, 2021, settled claims have not exceeded the risk pool or reinsurance coverage since the Pool's inception.

Members agree to continue membership in the Pool for a period of not less than one full year. After such period, a member who has given 60 days prior written notice may withdraw from the Pool. Upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the member's withdrawal. Upon withdrawal, a formula set forth in the Pool's intergovernmental contract with its members is applied to determine the amount (if any) to be refunded to the withdrawing member.

The County also carries commercial insurance purchased from other insurers for coverage associated with workers compensation and employee blanket bond in the amount of \$1,000,000 and \$100,000, respectively. The County assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**(11) Employee Health Insurance Plan**

The Internal Service, Employee Group Health Fund was established January 1, 2010 to account for the partial self-funding of the County's health insurance benefit plan. The plan is funded by both employee and County contributions and is administered through a service agreement with Wellmark. The agreement is subject to automatic renewal provisions. The County assumes liability for claims up to the individual stop loss limitation of \$45,000. Claims in excess of coverage are insured through purchase of stop loss insurance.

Monthly payments of service fees and plan contributions to the Employee Group Health Fund are recorded as expenditures from the operating funds. Under the administrative services agreement, monthly payments of service fees and claims processed are paid to the Wellmark from the Employee Group Health Fund. The County's contribution for the year ended June 30, 2021 was \$1,379,484.

Amounts payable from the Employee Group Health Fund at June 30, 2021 total \$62,864, which is for incurred but not reported (IBNR) and reported but not paid claims. The amounts are based on actuarial estimates of the amounts necessary to pay prior year and current year claims and to establish a reserve for catastrophic losses. That was \$759,046 at June 30, 2021 and is reported as a designation of the Internal Service, Employee Group Health Fund net position. A liability has been established based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Settlements have not exceeded the stop-loss coverage in any of the past three years. A reconciliation of changes in the aggregate liability for claims for the current year is as follows:

Unpaid claims beginning of year	\$ 67,197
Incurred claims (including claims incurred but not reported at June 30, 2021)	935,602
Payments on claims during the year	<u>(939,935)</u>
Unpaid claims end of year	<u>\$ 62,864</u>

**(12) Tax Abatements**

Governmental Accounting Standards Board Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

**Tax Abatements of Other Entities**

Property tax revenues of the County were reduced by the following amounts for the year ended June 30, 2021 under agreements entered into by the following entities:

<u>Entity</u>	<u>Tax Abatement Program</u>	<u>Amount of Tax Abated</u>
City of Jefferson	Urban renewal and economic development projects	\$ 43,500

**(13) County Financial Information Included in the Central Iowa Community Services**

Central Iowa Community Services, a jointly governed organization formed pursuant to the provisions of Chapter 28E of the Code of Iowa, includes the following member counties: Boone County, Franklin County, Greene County, Hamilton County, Hardin County, Jasper County, Madison County, Marshall County, Poweshiek County, Story County and Warren County. The financial activity of the County's Special Revenue, Mental Health Fund is included in the Central Iowa Community Services for the year ended June 30, 2021, as follows:

Revenues:	
Property and other county tax	\$ 220,400
Intergovernmental:	
State tax credits	<u>17,340</u>
Total revenues	<u>237,740</u>
Expenditures:	
Services to persons with:	
Mental illness	56,026
General administration:	
Distribution to regional fiscal agent	<u>212,617</u>
Total expenditures	<u>268,643</u>
Excess of expenditures over revenues	(30,903)
Fund balance beginning of year	<u>45,739</u>
Fund balance end of year	<u>\$ 14,836</u>

**(14) Accounting Change/Restatement**

Governmental Accounting Standards Board has issued Statement No. 84, Fiduciary Activities, was implemented during fiscal year 2021. The new requirements change the definition of fiduciary activity and establish new financial reporting requirements for state and local governments which report fiduciary activity.

	<u>Fiduciary</u>
	<u>Activities</u>
Net position June 30, 2020, as previously reported	\$ -
Change to implement GASBS No. 84	<u>445,139</u>
Net position July 1, 2020, as restated	<u>\$ 445,139</u>

**(15) COVID-19**

In March 2020, the COVID-19 outbreak was declared a global pandemic. The disruption to businesses across a range of industries in the United States continues to evolve. The full impact to local, regional and national economics, including that of Greene County, remains uncertain.

To date, the outbreak has not created a material disruption to the operations of Greene County. However, the extent of the financial impact of COVID-19 will depend on future developments, including the spread of the virus, duration and timing of the economic recovery. Due to the uncertainties, management cannot reasonably estimate the potential impact to Greene County.

**(16) Prospective Accounting Change**

Governmental Accounting Standards Board has issued Statement No. 87, Leases. This statement will be implemented during fiscal year ending June 30, 2022. The revised requirements of this statement will require reporting of certain potentially significant lease liabilities that are not currently reported.

**(17) Subsequent Event**

In February 2021, the County entered into an installment purchase agreement for \$600,000 for land and real estate. The real estate closing and possession along with the first payment will occur on July 15, 2021. The agreement bears interest at 2.22% per annum and is payable in annual installments of \$150,000 over four years.

**Greene County**

**Required Supplementary Information**



Greene County

Budgetary Comparison Schedule of  
Receipts, Disbursements and Changes in Balances –  
Budget and Actual (Cash Basis) – All Governmental Funds

Required Supplementary Information

Year ended June 30, 2021

	Actual	Less Funds not Required to be Budgeted	Net
<b>Receipts:</b>			
Property and other county tax	\$ 6,906,997	-	6,906,997
Interest and penalty on property tax	36,780	-	36,780
Intergovernmental	6,191,239	-	6,191,239
Licenses and permits	92,180	-	92,180
Charges for service	798,222	-	798,222
Use of money and property	106,905	-	106,905
Miscellaneous	1,656,121	1,065,139	590,982
Total receipts	<u>15,788,444</u>	<u>1,065,139</u>	<u>14,723,305</u>
<b>Disbursements:</b>			
Public safety and legal services	2,753,450	-	2,753,450
Physical health and social services	516,398	-	516,398
Mental health	270,223	-	270,223
County environment and education	1,536,455	-	1,536,455
Roads and transportation	5,987,842	-	5,987,842
Governmental services to residents	373,906	-	373,906
Administration	2,132,401	-	2,132,401
Non-program	51,411	-	51,411
Debt service	1,110,651	960,915	149,736
Capital projects	1,891,020	446,320	1,444,700
Total disbursements	<u>16,623,757</u>	<u>1,407,235</u>	<u>15,216,522</u>
Deficiency of receipts under disbursements	(835,313)	(342,096)	(493,217)
Other financing sources, net	<u>359,007</u>	<u>359,007</u>	<u>-</u>
Change in balances	(476,306)	16,911	(493,217)
Balance beginning of year	<u>5,698,394</u>	<u>379,111</u>	<u>5,319,283</u>
Balance end of year	<u>\$ 5,222,088</u>	<u>396,022</u>	<u>4,826,066</u>

See accompanying independent auditor's report.

Budgeted Amounts		Final to
Original	Final	Net Variance
6,846,070	6,878,970	28,027
20,000	20,000	16,780
5,024,838	5,581,070	610,169
61,550	61,550	30,630
854,950	729,950	68,272
106,057	96,807	10,098
670,555	669,905	(78,923)
13,584,020	14,038,252	685,053
2,718,663	2,904,959	151,509
580,385	584,325	67,927
301,129	279,129	8,906
1,149,793	1,804,793	268,338
5,993,800	5,993,800	5,958
412,830	420,230	46,324
2,145,875	2,154,475	22,074
110,000	110,000	58,589
150,000	150,000	264
2,797,000	1,503,880	59,180
16,359,475	15,905,591	689,069
(2,775,455)	(1,867,339)	1,374,122
-	-	-
(2,775,455)	(1,867,339)	1,374,122
6,120,090	5,288,686	30,597
3,344,635	3,421,347	1,404,719

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Greene County

Budgetary Comparison Schedule – Budget to GAAP Reconciliation

Required Supplementary Information

Year ended June 30, 2021

	Governmental Funds		
	Cash Basis	Accrual Adjustments	Modified Accrual Basis
Revenues	\$ 15,788,444	(597,657)	15,190,787
Expenditures	16,623,757	(410,505)	16,213,252
Net	(835,313)	(187,152)	(1,022,465)
Other financing sources (uses), net	359,007	-	359,007
Beginning fund balances	5,698,394	1,710,728	7,409,122
Ending fund balances	\$ 5,222,088	1,523,576	6,745,664

See accompanying independent auditor's report.

Greene County

Notes to Required Supplementary Information – Budgetary Reporting

June 30, 2021

This 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 County Board of Supervisors annually adopts a budget on the cash basis following required public notice and hearing for all funds except blended component units, the Internal Service Fund and Custodial Funds, and appropriates the amount deemed necessary for each of the different County offices and departments. The 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 ten major classes of expenditures known as functions, not by fund. These ten functions are: public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, governmental services to residents, administration, non-program, debt service and capital projects. Function disbursements required to be budgeted include disbursements for the General Fund, the Special Revenue Funds, the Debt Service Fund and the Capital Projects Fund. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. Legal budgetary control is also based upon the appropriation to each office or department. During the year, two budget amendments decreased budgeted disbursements by \$453,884. The budget amendments are reflected in the final budgeted amounts.

In addition, annual budgets are similarly adopted in accordance with the Code of Iowa by the appropriate governing body as indicated: for the County Assessor by the County Conference Board, for the 911 System by the Joint 911 Service Board and for Emergency Management Services by the County Emergency Management Commission.

During the year ended June 30, 2021, disbursements did not exceed the amounts budgeted.

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Greene County

Schedule of the County's Proportionate Share of the Net Pension Liability

Iowa Public Employees' Retirement System  
For the Last Seven Years\*  
(In Thousands)

Required Supplementary Information

	2021	2020	2019	2018
County's proportion of the net pension liability	0.040888%	0.039296%	0.039713%	0.041449%
County's proportionate share of the net pension liability	\$ 2,872	2,275	2,513	2,761
County's covered payroll	\$ 4,399	4,008	3,757	3,659
County's proportionate share of the net pension liability as a percentage of its covered payroll	65.29%	56.76%	66.89%	75.46%
IPERS' net position as a percentage of the total pension liability	82.90%	85.45%	83.62%	82.21%

\* In accordance with GASB Statement No. 68, the amounts presented for each fiscal year were determined as of June 30 of the preceding fiscal year.

See accompanying independent auditor's report.

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2017	2016	2015
0.042557%	0.041815%	0.040909%
2,678	2,066	1,622
3,594	3,454	3,377
74.51%	59.81%	48.03%
81.82%	87.61%	87.61%

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Greene County

Schedule of County Contributions

Iowa Public Employees' Retirement System  
For the Last Ten Years  
(In Thousands)

Required Supplementary Information

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Statutorily required contribution	\$ 430	420	384	341
Contributions in relation to the statutorily required contribution	<u>(430)</u>	<u>(420)</u>	<u>(384)</u>	<u>(341)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
County's covered payroll	\$ 4,551	4,399	4,008	3,757
Contributions as a percentage of covered payroll	9.45%	9.55%	9.58%	9.08%

See accompanying independent auditor's report.

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2017	2016	2015	2014	2013	2012
332	327	315	308	297	269
(332)	(327)	(315)	(308)	(297)	(269)
-	-	-	-	-	-
3,659	3,594	3,454	3,377	3,325	3,209
9.07%	9.10%	9.12%	9.12%	8.93%	8.38%



Greene County

Notes to Required Supplementary Information – Pension Liability

Year ended June 30, 2021

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

The 2018 valuation implemented the following refinements as a result of a demographic assumption study dated June 28, 2018:

- Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
- Adjusted the merit component of the salary increase assumption.

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption from 4.00% to 3.25%.

The 2014 valuation implemented the following refinements as a result of a quadrennial experience study:

- Decreased the inflation assumption from 3.25% to 3.00%.
- Decreased the assumed rate of interest on member accounts from 4.00% to 3.75% per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Reduced retirement rates for sheriffs and deputies between the ages of 55 and 64.
- Moved from an open 30-year amortization period to a closed 30-year amortization period for the UAL (unfunded actuarial liability) beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20-year period.

Greene County

Schedule of Changes in the County's  
Total OPEB Liability, Related Ratios and Notes

For the Last Four Years  
Required Supplementary Information

	2021	2020	2019	2018
Service cost	\$ 27,997	24,285	23,786	14,832
Interest cost	6,920	9,473	10,383	6,940
Difference between expected and actual experiences	(64,571)	(22,131)	(22,406)	55,729
Changes in assumptions	4,266	(1,290)	4,723	1,509
Benefit payments	(29,955)	(17,628)	(13,191)	(13,836)
Net change in total OPEB liability	(55,343)	(7,291)	3,295	65,174
Total OPEB liability beginning of year	247,044	254,335	251,040	185,866
Total OPEB liability end of year	\$ 191,701	247,044	254,335	251,040
Covered-employee payroll	\$ 4,072,731	3,934,015	3,666,487	3,599,017
Total OPEB liability as a percentage of covered-employee payroll	4.7%	6.3%	6.9%	7.0%

See accompanying independent auditor's report.

**Notes to Schedule of Changes in the County's Total OPEB Liability and Related Ratios**

*Changes in benefit terms:*

There were no significant changes in benefit terms.

*Changes in assumptions:*

Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

Year ended June 30, 2021	2.19%
Year ended June 30, 2020	2.66%
Year ended June 30, 2019	3.51%
Year ended June 30, 2018	3.87%
Year ended June 30, 2017	3.58%

**Greene County**

**Supplementary Information**

Greene County  
Combining Balance Sheet  
Nonmajor Governmental Funds

June 30, 2021

	Special		
	County Recorder's Records Management	REAP	Forfeiture
<b>Assets</b>			
Cash, cash equivalents and pooled investments	\$ 9,458	21,599	9,674
Receivables:			
Property Tax:			
Succeeding year property tax	-	-	-
Succeeding year tax increment financing	-	-	-
Drainage assessments	-	-	-
Due from other governments	-	-	-
<b>Total assets</b>	<b>\$ 9,458</b>	<b>21,599</b>	<b>9,674</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
Liabilities:			
Accounts payable	\$ -	-	-
Deferred inflows of resources:			
Unavailable revenues:			
Succeeding year property tax	-	-	-
Succeeding year tax increment financing	-	-	-
Other	-	-	-
Fund balances:			
Restricted for:			
Drainage warrants	\$ -	-	-
Debt service	-	-	-
Other purposes	9,458	21,599	9,674
Total fund balances	9,458	21,599	9,674
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 9,458</b>	<b>21,599</b>	<b>9,674</b>

See accompanying independent auditor's report.

Revenue						
Drainage Districts	Local Option Sales Tax	K-9	Ethanol Plant Agreement	Tax Increment Financing	Debt Service	Total
396,022	271,415	31,619	60,730	-	6	800,523
-	-	-	-	-	134,000	134,000
-	-	-	-	495,000	-	495,000
144,741	-	-	-	-	-	144,741
-	36,260	-	-	-	-	36,260
<u>540,763</u>	<u>307,675</u>	<u>31,619</u>	<u>60,730</u>	<u>495,000</u>	<u>134,006</u>	<u>1,610,524</u>
-	-	287	-	-	-	287
-	-	-	-	-	134,000	134,000
-	-	-	-	495,000	-	495,000
<u>144,741</u>	-	-	-	-	-	<u>144,741</u>
396,022	-	-	-	-	-	396,022
-	-	-	-	-	6	6
-	307,675	31,332	60,730	-	-	440,468
<u>396,022</u>	<u>307,675</u>	<u>31,332</u>	<u>60,730</u>	<u>-</u>	<u>6</u>	<u>836,496</u>
<u>540,763</u>	<u>307,675</u>	<u>31,619</u>	<u>60,730</u>	<u>495,000</u>	<u>134,006</u>	<u>1,610,524</u>

Greene County

Combining Schedule of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds

Year ended June 30, 2021

	Special		
	County Recorder's Records		
	Management	REAP	Forfeiture
Revenues:			
Tax Increment financing	-	-	-
Local option sales and services tax	\$ -	-	-
Intergovernmental	-	9,497	-
Charges for service	2,423	-	-
Use of money and property	22	32	-
Miscellaneous	-	-	100
Total revenues	2,445	9,529	100
Expenditures:			
Operating:			
Public safety and legal services	-	-	2,412
County environment and education	-	-	-
Non-program	-	-	-
Debt service	-	-	-
Capital projects	-	9,738	-
Total expenditures	-	9,738	2,412
Excess (deficiency) of revenues over (under) expenditures	2,445	(209)	(2,312)
Other financing sources (uses):			
Drainage warrants issued	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Change in fund balances	2,445	(209)	(2,312)
Fund balances beginning of year	7,013	21,808	11,986
Fund balances end of year	\$ 9,458	21,599	9,674

See accompanying independent auditor's report.

Revenue						
Drainage Districts	Local Option Sales Tax	K-9	Ethanol Plant Agreement	Tax Increment Financing	Debt Service	Total
-	-	-	-	123,437	-	123,437
-	457,369	-	-	-	-	457,369
-	-	-	-	17,647	-	27,144
-	-	-	-	-	-	2,423
-	-	-	-	-	-	54
1,065,132	-	29,114	50,000	-	-	1,144,346
1,065,132	457,369	29,114	50,000	141,084	-	1,754,773
-	25,296	4,408	-	-	-	32,116
-	59,150	-	-	-	-	59,150
-	-	-	51,411	-	-	51,411
960,915	-	-	-	-	149,735	1,110,650
436,472	-	-	-	-	-	446,210
1,397,387	84,446	4,408	51,411	-	149,735	1,699,537
(332,255)	372,923	24,706	(1,411)	141,084	(149,735)	55,236
359,007	-	-	-	-	-	359,007
-	-	-	-	-	150,340	150,340
-	(419,650)	-	-	(141,084)	(600)	(561,334)
359,007	(419,650)	-	-	(141,084)	149,740	(51,987)
26,752	(46,727)	24,706	(1,411)	-	5	3,249
369,270	354,402	6,626	62,141	-	1	833,247
396,022	307,675	31,332	60,730	-	6	836,496



Greene County  
 Combining Schedule of Fiduciary Net Position  
 Custodial Funds

June 30, 2021

	County Offices	Agricultural Extension Education	County Assessor	Schools
<b>Assets</b>				
Cash, cash equivalents and pooled investments:				
County Treasurer	\$ -	2,435	288,930	103,828
Other County officials	22,717	-	-	-
Receivables:				
Property tax:				
Delinquent	-	96	171	4,311
Succeeding year	-	208,000	354,000	9,327,000
Accounts	12,060	-	-	-
Special assessments	-	-	-	-
<b>Total assets</b>	<b>34,777</b>	<b>210,531</b>	<b>643,101</b>	<b>9,435,139</b>
<b>Liabilities</b>				
Liabilities:				
Accounts payable	-	-	17	-
Due to other governments	24,007	2,435	-	103,828
Trusts payable	10,770	-	-	-
Compensated absences	-	-	4,174	-
<b>Total liabilities</b>	<b>34,777</b>	<b>2,435</b>	<b>4,191</b>	<b>103,828</b>
<b>Deferred Inflows of Resources</b>				
Unavailable Resources	-	208,000	354,000	9,327,000
<b>Net Position</b>				
Restricted for individuals, organizations, and other governments	\$ -	96	284,910	4,311

See accompanying independent auditor's report.

Community Colleges	Corporations	Townships	City Special Assessments	Auto License and Use Tax	County Hospital	Other	Total
8,474	29,867	3,623	9,797	393,263	23,858	74,050	938,125
-	-	-	-	-	-	183,859	206,576
342	4,457	17	-	-	944	1	10,339
734,000	3,241,000	310,000	-	-	2,127,000	2,000	16,303,000
-	-	-	-	-	-	151	12,211
-	-	-	14,246	-	-	-	14,246
742,816	3,275,324	313,640	24,043	393,263	2,151,802	260,061	17,484,497
-	-	-	-	-	-	-	17
8,474	29,867	3,623	9,797	393,263	23,858	4,248	603,400
-	-	-	-	-	-	63,527	74,297
-	-	-	-	-	-	-	4,174
8,474	29,867	3,623	9,797	393,263	23,858	67,775	681,888
734,000	3,241,000	310,000	-	-	2,127,000	2,000	16,303,000
342	4,457	17	14,246	-	944	190,286	499,609

Greene County  
Combining Schedule of Changes in Fiduciary Net Position  
Custodial Funds

Year ended June 30, 2021

	County Offices	Agricultural Extension Education	County Assessor	Schools
Additions:				
Property and other county tax	\$ -	217,395	386,314	9,571,945
State tax credits	-	17,134	30,447	762,602
911 surcharge	-	-	-	-
Office fees and collections	325,387	-	-	-
Auto licenses, use tax and postage	-	-	-	-
Assessments	-	-	-	-
Trusts	337,899	-	-	-
Miscellaneous	-	-	4,187	-
Total additions	<u>663,286</u>	<u>234,529</u>	<u>420,948</u>	<u>10,334,547</u>
Deductions:				
Agency remittances:				
To other funds	158,130	-	-	-
To other governments	168,155	235,524	336,803	10,377,468
Trusts paid out	337,001	-	-	-
Total deductions	<u>663,286</u>	<u>235,524</u>	<u>336,803</u>	<u>10,377,468</u>
Change in net position	-	(995)	84,145	(42,921)
Net position beginning of year as restated	-	1,091	200,765	47,232
Net position end of year	<u>\$ -</u>	<u>96</u>	<u>284,910</u>	<u>4,311</u>

See accompanying independent auditor's report.

Community Colleges	Corporations	Townships	City Special Assessments	Auto License and Use Tax	County Hospital	Other	Total
761,026	3,577,720	290,687	-	-	2,130,130	1,876	16,937,093
61,043	484,708	17,179	-	-	167,883	148	1,541,144
-	-	-	-	-	-	205,561	205,561
-	-	-	-	-	-	963	326,350
-	-	-	-	4,180,596	-	-	4,180,596
-	-	-	24,604	-	-	-	24,604
-	-	-	-	-	-	-	337,899
-	-	-	-	-	-	215,906	220,093
822,069	4,062,428	307,866	24,604	4,180,596	2,298,013	424,454	23,773,340
-	-	-	-	140,195	-	-	298,325
825,474	4,084,662	309,069	30,426	4,040,401	2,307,758	187,350	22,903,090
-	-	-	-	-	-	180,454	517,455
825,474	4,084,662	309,069	30,426	4,180,596	2,307,758	367,804	23,718,870
(3,405)	(22,234)	(1,203)	(5,822)	-	(9,745)	56,650	54,470
3,747	26,691	1,220	20,068	-	10,689	133,636	445,139
342	4,457	17	14,246	-	944	190,286	499,609

Greene County

Schedule of Revenues By Source and Expenditures By Function –  
All Governmental Funds

For the Last Ten Years

	2021	2020	2019	2018
<b>Revenues:</b>				
Property and other county tax	\$ 6,314,436	6,239,452	5,421,753	5,212,426
Tax increment financing	123,437	-	-	-
Local option sales and services tax	457,369	432,449	436,180	370,556
Interest and penalty on property tax	35,718	14,570	26,711	19,636
Intergovernmental	5,566,552	4,621,488	4,318,816	4,185,932
Licenses and permits	87,059	58,091	56,244	85,524
Charges for service	829,983	783,680	557,048	617,204
Use of money and property	106,935	137,360	93,518	82,915
Miscellaneous	1,669,298	539,903	1,465,192	1,371,712
<b>Total</b>	<b>\$ 15,190,787</b>	<b>12,826,993</b>	<b>12,375,462</b>	<b>11,945,905</b>
<b>Expenditures:</b>				
<b>Operating:</b>				
Public safety and legal services	\$ 2,759,239	2,491,953	2,231,060	1,980,150
Physical health and social services	522,638	511,320	493,386	421,169
Mental health	268,643	347,652	424,541	371,950
County environment and education	1,553,053	723,863	694,103	677,502
Roads and transportation	5,847,897	5,985,472	6,251,632	5,673,318
Governmental services to residents	372,974	396,390	385,651	373,299
Administration	2,145,829	2,096,297	2,007,061	1,828,791
Non-program	51,411	64,226	201,493	287,483
Debt service	1,110,650	164,472	95,485	289,906
Capital projects	1,580,918	4,896,130	200,344	253,154
<b>Total</b>	<b>\$ 16,213,252</b>	<b>17,677,775</b>	<b>12,984,756</b>	<b>12,156,722</b>

See accompanying independent auditor's report.

2017	2016	2015	2014	2013	2012
4,984,339	4,940,267	4,895,908	4,876,014	5,050,566	4,651,181
-	-	-	-	-	-
400,549	428,566	420,581	363,453	330,372	335,478
26,965	25,995	20,182	23,963	22,814	24,080
4,388,979	4,655,323	3,790,906	3,557,257	3,480,544	3,756,555
61,398	50,014	39,461	50,269	50,377	56,797
494,141	453,684	384,805	388,136	344,026	410,704
51,482	49,158	48,698	49,371	52,357	38,425
1,210,203	623,894	814,439	576,991	1,031,202	719,594
<b>11,618,056</b>	<b>11,226,901</b>	<b>10,414,980</b>	<b>9,885,454</b>	<b>10,362,258</b>	<b>9,992,814</b>
1,614,199	1,656,163	1,482,132	1,501,937	1,388,685	1,340,259
396,540	428,158	397,514	402,455	399,292	365,858
408,236	282,627	338,947	353,076	319,807	1,422,092
866,841	1,034,490	872,788	840,761	804,143	815,295
4,777,195	5,130,317	4,745,432	4,424,435	3,973,101	3,834,991
368,400	365,268	351,230	337,782	454,932	347,980
2,137,658	1,588,383	1,504,026	1,451,872	1,454,755	1,394,137
143,674	220,652	175,000	-	-	26,000
201,832	43,645	90,953	349,820	719,667	224,505
408,573	856,638	207,133	225,210	541,880	654,489
<b>11,323,148</b>	<b>11,606,341</b>	<b>10,165,155</b>	<b>9,887,348</b>	<b>10,056,262</b>	<b>10,425,606</b>

**Schedule 6**

Greene County  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2021

Grantor/Program	Assistance Listing Number	Pass-Through Entity Identifying Number	Program Expenditures
Indirect:			
U.S. Department of Agriculture:			
Iowa Department of Human Services:			
Human Services Administrative Reimbursements:			
SNAP Cluster:			
State Administration Matching grant for the Supplemental Nutrition Assistance Program	10.561	FY21	<u>\$ 4,314</u>
U.S. Department of Transportation:			
Iowa Department of Transportation:			
Highway Planning and Construction Cluster:			
Highway Planning and Construction	20.205	TAP-T-C037(77)-8T-37	<u>56,494</u>
U.S. Department of the Treasury:			
Iowa Department of Revenue:			
COVID-19, Coronavirus Relief Fund	21.019	FY21	<u>207,986</u>
U. S. Department of Health and Human Services:			
Iowa Department of Public Health:			
Immunization Cooperative Agreements			
COVID 19 - Public Health Emergency response: Cooperative	93.268	5881I435	<u>11,743</u>
Agreement for Emergency Response: Public Health Crisis Response	93.354	5885BT437	<u>9,118</u>
Iowa Department of Human Services:			
Human Services Administrative Reimbursements:			
Title IV-E Prevention Program	93.472	FY21	<u>220</u>
Foster Care Title IV-E	93.658	FY21	<u>1,133</u>
Adoption Assistance	93.659	FY21	<u>559</u>
Social Services Block Grant	93.667	FY21	<u>1,034</u>
State Children's Insurance Program	93.767	FY21	<u>91</u>
CCDF Cluster:			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	FY21	<u>949</u>
Medicaid cluster:			
Medical Assistance Program	93.778	FY21	<u>3,765</u>
U.S. Election Assistance Commission:			
Iowa Secretary of State:			
HAVA Election Security Grants	90.404	337-6220 HAVACARES	<u>2,400</u>
COVID-19, Help America Vote Act	90.404	337-11320-HAVACARES	<u>5,000</u>
			<u>7,400</u>
U.S. Department of Homeland Security:			
Iowa Department of Homeland Security and Emergency Management:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA 4421 DR-IA	<u>497,122</u>
Total indirect			<u>\$ 801,928</u>

Greene County

Schedule of Expenditures of Federal Awards

Year ended June 30, 2021

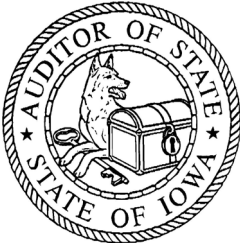
**Basis of Presentation** – The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Greene County under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Greene County, it is not intended to and does not present the financial position, changes in financial position or cash flows of Greene County.

**Summary of Significant Accounting Policies** – Expenditures reported in the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Indirect Cost Rate** – Greene County has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

See accompanying independent auditor’s report.





**OFFICE OF AUDITOR OF STATE  
STATE OF IOWA**

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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 Officials of Greene County:

We have audited 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, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Greene County, Iowa, as of and for the year ended June 30, 2021, and the related Notes to Financial Statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 24, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Greene County's internal control over financial reporting as a basis for designing 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 Greene County's internal control. Accordingly, we do not express an opinion on the effectiveness of Greene County's internal control.

A deficiency in internal control exists when the design or 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 the County'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 that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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 have not been identified. We consider the deficiencies described in Part II to the accompanying Schedule of Findings and Questioned Costs as items II-A-21 and II-B-21 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greene County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, 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. However, we noted certain immaterial instances of non-compliance or other matters which are described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the County's operations for the year ended June 30, 2021 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the County. 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.

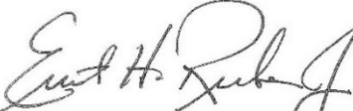
Greene County's Responses to the Findings

Greene County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Greene County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

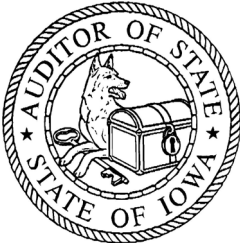
Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the County'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 County'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 Greene County 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.

  
Ernest H. Ruben, Jr., CPA  
Deputy Auditor of State

March 24, 2022



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STATE OF IOWA**

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Independent Auditor's Report on Compliance  
for Each Major Federal Program and on Internal Control over Compliance  
Required by the Uniform Guidance

To the Officials of Greene County:

Report on Compliance for Each Major Federal Program

We have audited Greene County, Iowa's compliance with the types of compliance requirements described in U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on its major federal program for the year ended June 30, 2021. Greene County's major federal program is identified in Part I of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for Greene County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the audit requirements of Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Greene County's compliance with those requirements and performing such other procedures we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of Greene County's compliance.

Opinion on the Major Federal Program

In our opinion, Greene County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2021.

## Report on Internal Control Over Compliance

The management of Greene County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Greene County's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal programs to determine the auditing procedures appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Greene County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance we consider to be material weaknesses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Ernest H. Ruben, Jr., CPA  
Deputy Auditor of State

March 24, 2022

Greene County  
Schedule of Findings and Questioned Costs  
Year ended June 30, 2021

**Part I: Summary of the Independent Auditor's Results:**

- (a) Unmodified opinions were issued on the financial statements prepared in accordance with U.S. generally accepted accounting principles.
- (b) Material weaknesses in internal control over financial reporting were disclosed by the audit of the financial statements.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) No material weaknesses in internal control over the major program were noted.
- (e) An unmodified opinion was issued on compliance with requirements applicable to the major program.
- (f) The audit disclosed no audit findings which are required to be reported in accordance with the Uniform Guidance, Section 200.516.
- (g) The major program was Assistance Listing Number 97.036 – Emergency Management Disaster Grants – Public Assistance (Presidentially Declared Disaster)
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- (i) Greene County did not qualify as a low-risk auditee.

Greene County

Schedule of Findings and Questioned Costs

Year ended June 30, 2021

**Part II Findings Related to the Financial Statements:**

**INTERNAL CONTROL DEFICIENCIES:**

II-A-21 Segregation of Duties  
(2021-001)

Criteria – Management is responsible for establishing and maintaining internal control. A good system of internal control provides for adequate segregation of duties so no one individual handles a transaction from its inception to completion. In order to maintain proper internal control, duties should be segregated so the authorization, custody and recording of transactions are not under the control of the same employee. This segregation of duties helps prevent losses from employee error or dishonesty and maximizes the accuracy of the County’s financial statements.

Condition – Generally, one or two individuals in the offices identified may have control over the following areas for which no compensating controls exist:

	<u>Applicable Offices</u>
(1) Receipts – opening and listing mail receipts (at least on a test basis), collecting, depositing, posting and daily reconciling and change fund custodian.	County Treasurer, County Sheriff and County Recorder
(2) Disbursements – preparing and signing checks.	County Recorder
(3) Independent review of the bank reconciliation was not documented by the signature or initials of the preparer and the reviewer and the date of the review.	County Sheriff and County Treasurer

Cause – The County offices noted above have a limited number of employees and procedures have not been designed to adequately segregate duties or provide compensating controls through additional oversight of transactions and processes.

Effect – Inadequate segregation of duties could adversely affect each County office’s ability to prevent or detect and correct misstatements, errors or misappropriation on a timely basis by employees in the normal course of performing their assigned functions.

Recommendation – We realize segregation of duties is difficult with a limited number of office employees. However, each official should review the operating procedures of their office to obtain the maximum internal control possible under the circumstances. The officials should utilize current personnel, including elected officials and personnel from other County offices, to provide additional control through review of financial transactions, reconciliations and reports.

Greene County

Schedule of Findings and Questioned Costs

Year ended June 30, 2021

Responses –

County Treasurer – I am always reviewing our procedures to ensure that we have at least two people viewing and reviewing all transactions. With such a small staff it is always something that will be at the forefront of procedures that need improving. By logging the work, we received by one person and then the work being done by another and then yet again deposits are prepared by a third person there are checks and balances in place.

County Sheriff – We will work with other employees that are in the building from the Jefferson Police Department to verify and check procedures

County Recorder – The Recorder's Office tries to segregate duties to the best of their ability with just two staff members. The recorder's office uses the Deputy Auditor, Billie Hoskins to verify the bank reconciliation monthly.

Conclusions – Responses acknowledged. County officials should continue to review operating procedures to obtain the maximum internal control possible.

II-B-21 Bank Reconciliation  
(2021-002)

Criteria – An effective internal control system provides for internal controls related to ensuring proper accounting for all funds by maintaining appropriate accounting records and reconciling bank and book balances.

Condition – During the year ending June 30, 2021, reconciliation of the general ledger balance was higher than the bank balances with an unresolved variance of \$2,571. Also, the reconciliations are not reviewed by an independent person.

Cause – Procedures have not been implemented to ensure all accounts are reconciled, variances are resolved, and the amounts recorded in the books and bank accounts are complete and accurate.

Effect – A lack of bank to book reconciliations and unresolved variances can result in unrecorded transactions, undetected errors and the opportunity for misappropriation.

Recommendation – To improve financial accountability and control, monthly bank reconciliation variances should be investigated and resolved timely. In addition, the reconciliations should be reviewed by an independent person and should be documented by the signature or initials of the independent reviewer and the date of review.

Response – The treasurer is aware of the ongoing issue with the bank reconciliation. The treasurer is hoping that with the conversion to a different financial software, that the problem can be resolved. Additional backup documents can be provided to show that there is not a variance between the books and bank balances for the work that is done each month. The treasurer is continuing to work on the problem.

Conclusion – Response accepted

Greene County  
Schedule of Findings and Questioned Costs  
Year ended June 30, 2021

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.



Greene County

Schedule of Findings and Questioned Costs

Year ended June 30, 2021

**Part III: Findings and Questioned Costs for Federal Awards:**

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

**INTERNAL CONTROL DEFICIENCIES:**

No material weaknesses in internal control over the major program was noted.

Greene County

Schedule of Findings and Questioned Costs

Year ended June 30, 2021

**Part IV: Other Findings Related to Required Statutory Reporting:**

- IV-A-21 Certified Budget – Disbursements during the year ended June 30, 2021 did not exceed the amounts budgeted.
- IV-B-21 Questionable Expenditures – No expenditures 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-21 Travel Expenses – No expenditures of County money for travel expenses of spouses of County officials or employees were noted.
- IV-D-21 Business Transactions – Business transactions between the County and County officials or employees are detailed as follows:

Name, Title and Business Connection	Transaction Description	Amount
Mike Wyatt, Custodian, owner of Wyatt Water Conditioning	Supplies	\$ 6
James Carman, Secondary Roads Equipment Operator 3, owner of Carman Tree Service	Tree removal/trimming	350
Mike Wahl, Ambulance Driver, owner of Wahl-McAtee Tire Service	Vehicle maintenance supplies and services	35,331

In accordance with Chapter 331.342(2)(j) of the Code of Iowa, the transactions with Wyatt Water Conditioning and Carman Tree Service do not appear to represent conflicts of interest since total transactions for each were less than \$6,000 during the fiscal year.

The transaction with Wahl-McAtee Tire Service may represent a conflict of interest as defined in Chapter 331.342 of the Code of Iowa since the total cumulative transactions were greater than \$6,000 during the fiscal year ended June 30, 2021, and the transactions were not competitively bid.

Recommendation – The County should consult legal counsel to determine the disposition of this matter.

Response – The County has consulted with the Greene County Attorney, who has determined that the transaction with Wahl-McAtee Tire Service did not constitute a conflict of interest within the meaning of Iowa Code Section 331.342. Mike Wahl’s remuneration of employment was not directly affected as a result of contracts between Greene County and Wahl-McAtee Tire Service for the provision of tire services and vehicle maintenance supplies, and the duties of his employment did not directly involve the procurement or preparation of any part of aforementioned contracts.

Greene County

Schedule of Findings and Questioned Costs

Year ended June 30, 2021

Conclusion – Response acknowledged. Chapter 331.342 states, in part, “An officer or employee of a county shall not have an interest, direct or indirect, in a contract with that county. A contract entered into in violation of this section is void.” Because Mike Wahl is the owner of Wahl-McAtee Tire Service and not an employee, he is part of all contracts involving the County. To be in compliance with the Code of Iowa regarding contracts with officials or employees, these services should be competitively bid, publicly invited and opened in accordance with Chapter 331.342(2)(c) of the Code of Iowa.

- IV-E-21 Restricted Donor Activity – No transactions were noted between the County, County officials, County employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.
- IV-F-21 Bond Coverage – Surety bond coverage of County officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure the coverage is adequate for current operations.
- IV-G-21 Board Minutes – No transactions were found that we believe should have been approved in the Board minutes but were not.
- IV-H-21 Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the County’s investment policy were noted.
- IV-I-21 Resource Enhancement and Protection Certification – The County properly dedicated property tax revenue to conservation purposes as required by Chapter 455A.19(1)(b) of the Code of Iowa in order to receive the additional REAP funds allocated in accordance with subsections (b)(2) and (b)(3).
- IV-J-21 Annual Urban Renewal Report – The Annual Urban Renewal Report was properly approved and certified to the Iowa Department of Management on or before December 1 and no exceptions were noted.

Greene County

Staff

This audit was performed by:

Ernest H. Ruben, Jr., CPA, Deputy  
Janet K. Mortvedt, CPA, Manager  
Adam Sverak, Staff Auditor  
Charlie Duff, Staff Auditor  
Brandon L. Weddell, Staff Auditor  
Savannah Fitz, Assistant Auditor  
Chris Pogue, Assistant Auditor