



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

State Capitol Building
Des Moines, Iowa 50319-0006
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Rob Sand
Auditor of State

NEWS RELEASE

FOR RELEASE

March 31, 2022

Contact: Ernest Ruben
515/281-5834

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

FINANCIAL HIGHLIGHTS:

The County's revenues totaled \$9,736,986 for the year ended June 30, 2021, a 16.2% increase over the prior year. Expenses for County operations for the year ended June 30, 2021 totaled \$8,633,490, a 2.3% decrease from the prior year. The significant increase in revenues is primarily due to an increase in road use tax, property tax and tax increment financing collected. The decrease in the expenses is due primarily to less road and bridge construction during fiscal year 2021.

AUDIT FINDINGS:

Sand reported two findings related to the receipt and expenditure of taxpayer funds. They are found on pages 80 through 82 of this report. The findings address a lack of segregation of duties and material audit adjustments due to a lack of maintaining current infrastructure records. Sand provided the County with recommendations to address each of these findings.

The findings discussed above are repeated from the prior year. The County Board of Supervisors and other County officials 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/audit-reports>.

#

IDA COUNTY
INDEPENDENT AUDITOR'S REPORTS
BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS
JUNE 30, 2021

Ida County



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Rob Sand
Auditor of State

March 15, 2022

Officials of Ida County
Ida Grove, Iowa

Dear Board Members:

I am pleased to submit to you the financial and compliance audit report for Ida County, Iowa, 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 Ida 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".

Rob Sand
Auditor of State

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Ida County

Officials

(Before January 2021)

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Raymond Drey	Board of Supervisors	Jan 2021
Creston Schubert	Board of Supervisors	Jan 2021
Rhett Leonard	Board of Supervisors	Jan 2023
Lorna Steenbock	County Auditor	Jan 2021
Traci Riessen	County Treasurer	Jan 2023
Julie Phillips	County Recorder	Jan 2023
Wade Harriman	County Sheriff	Jan 2021
Meghann Cosgrove-Whitmer	County Attorney	Jan 2023
Joseph L. Cronin	County Assessor	Jan 2022

(After January 2021)

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Rhett Leonard	Board of Supervisors	Jan 2023
Raymond Drey	Board of Supervisors	Jan 2025
Creston Schubert	Board of Supervisors	Jan 2025
Lorna Steenbock	County Auditor	Jan 2025
Traci Riessen	County Treasurer	Jan 2023
Julie Phillips	County Recorder	Jan 2023
Wade Harriman	County Sheriff	Jan 2025
Meghann Cosgrove-Whitmer	County Attorney	Jan 2023
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Ida County



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Independent Auditor's Report

To the Officials of Ida County:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the discretely presented component unit and the aggregate remaining fund information of Ida 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, the discretely presented component unit and the aggregate remaining fund information of Ida County as of June 30, 2021, and the respective changes in its financial position for the year then ended in accordance with U.S. generally accepted accounting principles.

Emphasis of a Matter

As discussed in Note 19 to the financial statements, Ida 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 56 through 65 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of 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.

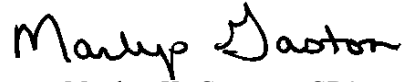
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Ida 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 5 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 15, 2022 on our consideration of Ida 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 Ida County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Marlys K. Gaston". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Marlys K. Gaston, CPA
Chief Deputy Auditor of State

March 15, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Ida County provides this Management's Discussion and Analysis of its 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 governmental activities and fiduciary (custodial) funds was restated by \$822,885 to retroactively report in accordance with the GASBS.
- Revenues of the County's governmental activities increased approximately \$1,358,000, or 16.2%. Property tax revenues increased approximately \$145,000, tax increment financing revenues increased approximately \$252,000, operating grants, contributions and restricted interest increased approximately \$726,000, capital grants, contributions and restricted interest increased approximately \$94,000 while unrestricted investment earnings decreased approximately \$168,000.
- Program expenses of the County's governmental activities were 2.3%, or approximately \$206,000, less in fiscal year 2021 than in fiscal year 2020. Roads and transportation expenses decreased approximately \$504,000 while public safety and legal services increased approximately \$125,000, county environment and education increased approximately \$73,000 and physical health and social services increased approximately \$51,000.
- The County's net position increased 5.8%, or approximately \$1,104,000, over 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 Ida 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 Ida 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 Ida 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.

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 two 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 and 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) 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 911 surcharge, 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. Ida County's combined net position increased to approximately \$20.2 million. The analysis that follows focuses on the changes in the net position of governmental activities.

Net Position of Governmental Activities (Expressed in Thousands)		
	Year ended June 30,	
	2021	2020
Current and other assets	\$ 23,266	12,778
Capital assets	31,116	30,961
Total assets	54,382	43,739
Deferred outflows of resources	563	496
Long-term liabilities	27,748	19,238
Other liabilities	1,921	1,115
Total liabilities	29,669	20,353
Deferred inflows of resources	5,036	4,745
Net position:		
Net investment in capital assets	13,071	14,167
Restricted	7,810	5,520
Unrestricted	(640)	(550)
Total net position	\$ 20,241	19,137

Net position of Ida County's governmental activities increased 5.8% (approximately \$20.241 million compared to approximately \$19.137 million).

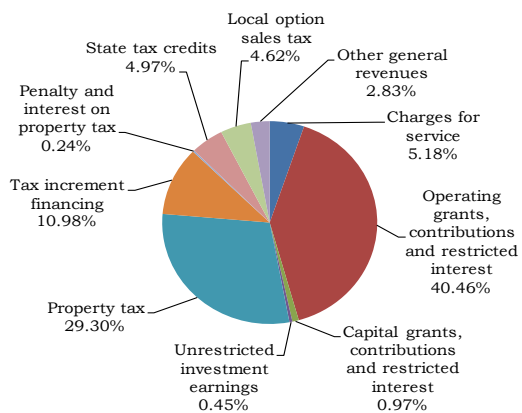
The largest portion of the County's net position is invested in capital assets (e.g., land, infrastructure, intangibles, buildings and equipment), less the related debt. The debt related to the investment in capital assets is liquidated with resources other than capital assets. This net position category decreased approximately \$1,096,000, or 7.7%, from 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 increased approximately \$2,290,000, or 41.48%, over the prior year, primarily due to an increased amount available in the Secondary Roads and Capital Projects Funds at year end.

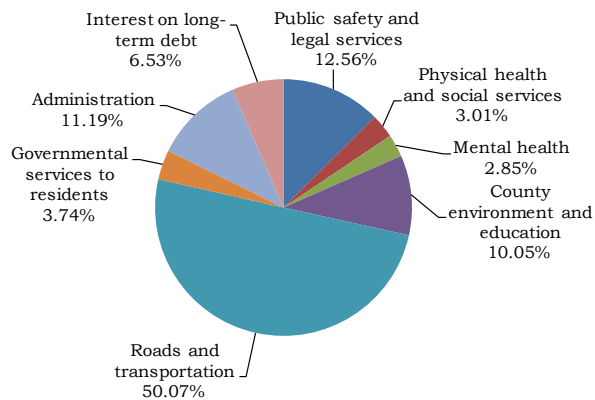
Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – decreased from a deficit of approximately \$550,000 at June 30, 2020 to a deficit of approximately \$640,000 at the end of this year. The increase in unrestricted net position is primarily due to an increase in the net pension liability from June 30, 2020 to June 30, 2021.

Changes in Net Position of Governmental Activities (Expressed in Thousands)		
	Year ended June 30,	
	2021	2020
Revenues:		
Program revenues:		
Charges for service	\$ 504	503
Operating grants, contributions and restricted interest	3,940	3,214
Capital grants, contributions and restricted interest	94	-
General revenues:		
Property tax	2,853	2,708
Tax increment financing	1,069	817
Penalty and interest on property tax	23	7
State tax credits	484	422
Local option sales tax	450	493
Unrestricted investment earnings	44	212
Other general revenues	276	3
Total revenues	9,737	8,379
Program expenses:		
Public safety and legal services	1,084	959
Physical health and social services	260	209
Mental health	246	211
County environment and education	868	795
Roads and transportation	4,322	4,826
Governmental services to residents	323	323
Administration	966	969
Interest on long-term debt	564	547
Total expenses	8,633	8,839
Change in net position	1,104	(460)
Net position beginning of year	19,137	19,597
Net position end of year	\$ 20,241	19,137

Revenues by Source



Expenses by Program



Tax increment financing revenues increased approximately \$252,000, or 30.8%, due to fiscal year 2021 being the first year TIF taxes were received on a new urban renewal area. Operating grants, contributions and restricted interest increased approximately \$726,000, or 22.6% due to an increase in road use tax revenues and reimbursements for a FEMA project. Roads and transportation expenses decreased approximately \$504,000, or 10.4%, due to fewer road and bridge projects in fiscal year 2021.

Taxable valuations increased approximately 5.2% for county-wide levies and property tax rates for fiscal year 2021 increased approximately 1.4%. As a result, property tax revenue increased approximately \$145,000 in fiscal year 2021.

INDIVIDUAL MAJOR FUND ANALYSIS

As Ida County completed the year, its governmental funds reported a combined fund balance of approximately \$16.3 million, an increase of more than \$9,309,000 above last year's total of approximately \$7.0 million. The following are the major reasons for the changes in fund balances of the major funds from the prior year:

- General Fund revenues increased approximately \$101,000, or 3.8%, over the prior year. Property tax revenues increased approximately \$84,000 due to an increase in taxable valuations. General Fund expenditures increased approximately \$86,000, or 3.3%, when compared to the prior year. The ending fund balance decreased \$32,092 from the prior year to \$873,465.
- The Special Revenue, Mental Health Fund balance at year end increased \$5,440 over the prior year to \$12,687. Mental Health Fund expenditures totaled approximately \$246,000 for the year, an increase of 16.7%, or approximately \$35,000, due to an increase in the amount paid to the fiscal agent. Revenues totaled approximately \$252,000, an increase of 38.7%, or approximately \$70,300, over the previous fiscal year due to an increase in property tax revenue.
- Special Revenue, Rural Services Fund revenues decreased approximately \$49,000, due primarily to a decrease in property and other county tax revenue and local option sales tax revenue. Total expenditures increased approximately \$30,000 when compared to the prior year while transfers to the Secondary Roads Fund increased approximately \$31,400 over the prior year. The ending fund balance increased \$41,186 over the prior year to \$750,576.
- Special Revenue, Secondary Roads Fund revenues increased approximately \$1,076,000, or 37.0%, over the prior year, primarily due to an increase in road use tax revenues and FEMA reimbursements received in fiscal year 2021, but no similar receipts in fiscal year 2021. Total expenditures decreased approximately \$876,000 from the prior year, a decrease of 21.5%, due to a decrease in road and bridge projects. The Secondary Roads Fund ending balance increased \$1,895,985 over the prior year to \$6,117,456.
- Special Revenue, Ida County Urban Renewal Fund revenues increased approximately \$306,000 due to an increase in tax increment financing revenues. Expenditures decreased approximately \$23,000 due to smaller payments on the Flint Hills rebate agreement. The ending fund balance increased \$383,966 over the prior year balance to \$348,601.

- During the year ended June 30, 2021, the County issued \$8.1 million of general obligation urban renewal bonds to pay the costs of constructing highway, bridge and culvert improvements in the Ida County Urban Renewal Area. The proceeds from the bond issue were placed in the Capital Projects Fund to account for these projects. Expenditures decreased approximately \$8,000,000 from the prior year due to the completion of highway, bridge and culvert improvements in the Ida County Urban Renewal Area in the prior year. The ending fund balance of the Capital Projects Fund increased \$7,012,256 over the prior year to \$7,685,568.

BUDGETARY HIGHLIGHTS

In fiscal year 2021, Ida County amended its budget one time. The amendment was made in May 2021 and resulted in an increase in budgeted disbursements for the public health and social services, county environment and education and debt service functions. The amendment was to account for unexpected grants and expenses for public health and conservation FEMA projects.

The County's receipts were \$1,729,236 more than budgeted, a variance of 20.1% due to the receipt of more intergovernmental revenues, such as road use tax and American Rescue Plan funds, than expected.

Total disbursements were \$3,863,034 less than budgeted. Actual disbursements for the capital projects, roads and transportation and administration functions were \$2,454,927, \$1,051,530 and \$128,598, respectively, less than budgeted. The roads and transportation and capital project function had budgeted for several road projects and a courthouse renovation which were not completed by the end of the fiscal year. The administration function was less than budgeted due to unexpended funds in the Board of Supervisors, County Treasurer, general expense and data processing departments.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2021, Ida County had approximately \$31.1 million invested in a broad range of capital assets, including public safety equipment, buildings, park facilities, roads and bridges. This is a net increase (including additions and deletions) of approximately \$155,000, or 0.5%, over last year.

Capital Assets of Governmental Activities at Year End (Expressed in Thousands)		
	June 30,	
	2021	2020
Land	\$ 242	242
Construction in progress	3,024	16,692
Buildings	498	524
Equipment and vehicles	1,690	1,945
Infrastructure	25,662	11,558
Total	\$ 31,116	30,961

The County had depreciation expense of \$1,921,624 in fiscal year 2021 and total accumulated depreciation of \$14,923,212 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, Ida County had \$25,730,000 of general obligation bonds outstanding compared to \$17,630,000 at June 30, 2020. Additional information about the County's long-term debt is presented in Note 7 to the financial statements.

Debt increased as a result of issuing general obligation urban renewal bonds to pay the costs of constructing highway, bridge and culvert improvements in the Ida County Urban Renewal Area.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Ida County's elected and appointed officials and citizens considered many factors when setting the fiscal year 2022 budget, tax rates and certified taxes as follows:

No new services were added to the fiscal year 2022 budget. Levy rates (expressed in \$/\$1,000 of taxable valuation) for fiscal years 2022 and 2021 are as follows:

Levy Rate	2022	2021	Percentage Change
General basic	\$ 3.50000	3.49000	0.29%
General supplemental	0.34000	-	100.00%
Mental health	0.23272	0.41075	-43.34%
Rural services	1.27000	1.47500	-13.90%
Total	<u>\$ 5.34272</u>	<u>5.37575</u>	<u>-0.61%</u>

Budgeted disbursements in the fiscal year 2022 operating budget are approximately \$19.6 million, which is a 56.8% increase over the fiscal year 2021 final budget of approximately \$12.5 million due to more capital projects planned in fiscal year 2022. Total taxable valuations increased approximately \$34.1 million. The general basic and general supplemental rates increased from fiscal year 2021 while the mental health and rural services basic rates decreased from fiscal year 2021.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of Ida 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 Ida County Auditor's Office, 401 Moorehead Street, Ida Grove, Iowa, 51445-0236.

Basic Financial Statements

Ida County

Ida County
Statement of Net Position
June 30, 2021

	Primary Government	Component Unit
	Governmental Activities	Ida County Conservation Foundation
Assets		
Cash and pooled investments	\$ 16,933,001	\$ 30,492
Restricted cash and pooled investments	271,945	-
Receivables:		
Succeeding year property tax	3,119,000	-
Succeeding year tax increment financing	1,706,000	-
Accounts	181,628	-
Accrued interest	545	-
Due from other governments	391,543	-
Inventories	582,827	-
Prepaid insurance	79,732	-
Capital assets not being depreciated	3,265,732	-
Capital assets, net of accumulated depreciation	27,850,192	-
Total assets	54,382,145	30,492
Deferred Outflows of Resources		
Pension related deferred outflows	548,771	-
OPEB related deferred outflows	14,217	-
Total deferred outflows of resources	562,988	-
Liabilities		
Accounts payable	1,059,915	-
Accrued interest payable	65,386	-
Salaries and benefits payable	124,336	-
Due to other governments	4,916	-
Unearned revenues	666,402	-
Long-term liabilities:		
Portion due or payable within one year:		
General obligation bonds	325,000	-
Compensated absences	48,112	-
Estimated liability for closure and postclosure care	14,550	-
Portion due or payable after one year:		
General obligation bonds	25,405,000	-
Compensated absences	18,818	-
Estimated liability for closure and postclosure care	234,352	-
Net pension liability	1,520,527	-
Total OPEB liability	181,418	-
Total liabilities	29,668,732	-
Deferred Inflows of Resources		
Unavailable property tax revenue	3,119,000	-
Unavailable tax increment financing revenue	1,706,000	-
Pension related deferred inflows	110,909	-
OPEB related deferred inflows	99,674	-
Total deferred inflows of resources	5,035,583	-
Net Position		
Net investment in capital assets	13,071,492	-
Restricted for:		
Supplemental levy purposes	9,138	-
Mental health purposes	12,687	-
Rural services purposes	750,576	-
Secondary roads purposes	6,109,212	-
Other purposes	642,700	30,492
Debt service	285,420	-
Unrestricted	(640,407)	-
Total net position	\$ 20,240,818	\$ 30,492

See notes to financial statements.

Ida County
Statement of Activities
Year ended June 30, 2021

		Program Revenues		
		Charges for Service	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest
	Expenses			
Functions/Programs:				
Primary Government:				
Governmental activities:				
Public safety and legal services	\$ 1,083,563	70,765	13,564	-
Physical health and social services	260,272	7,596	116,492	-
Mental health	246,276	-	-	-
County environment and education	868,227	68,701	44,897	-
Roads and transportation	4,322,172	66,799	3,758,975	94,129
Governmental services to residents	322,612	190,127	5,000	-
Administration	966,036	48,340	1,000	-
Nonprogram	-	52,002	-	-
Interest on long-term debt	564,332	-	-	-
Total primary government	<u>\$ 8,633,490</u>	<u>504,330</u>	<u>3,939,928</u>	<u>94,129</u>
Component Unit:				
Ida County Conservation Foundation	<u>\$ 32,123</u>	<u>-</u>	<u>15,322</u>	<u>-</u>
General Revenues:				
Property and other county tax levied for general purposes				
Tax increment financing				
Penalty and interest on property tax				
State tax credits				
Local option sales tax				
Unrestricted investment earnings				
Gain on disposition of capital assets				
Miscellaneous				
Total general revenues				
Change in net position				
Net position beginning of year				
Net position end of year				
See notes to financial statements.				

Net (Expense) Revenue and Changes in Net Position	
Primary Government	Component Unit
Governmental Activities	Ida County Conservation Foundation
(999,234)	
(136,184)	
(246,276)	
(754,629)	
(402,269)	
(127,485)	
(916,696)	
52,002	
(564,332)	
(4,095,103)	
	(16,801)
2,852,649	-
1,069,428	-
23,123	-
483,571	-
449,810	-
44,412	-
3,500	-
272,106	-
5,198,599	-
1,103,496	(16,801)
19,137,322	47,293
\$ 20,240,818	30,492

Ida County
Balance Sheet
Governmental Funds

June 30, 2021

	Special		
	General	Mental Health	Rural Services
Assets			
Cash and pooled investments	\$ 930,402	12,687	729,049
Restricted cash and pooled investments	-	-	-
Receivables:			
Succeeding year property tax	2,382,000	144,000	593,000
Succeeding year tax increment financing	-	-	-
Accounts	175,300	-	-
Accrued interest	545	-	-
Due from other governments	43,942	-	26,151
Advance to other fund	-	-	-
Inventories	-	-	-
Prepaid insurance	48,893	-	1,692
Total assets	3,581,082	156,687	1,349,892
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities:			
Accounts payable	\$ 46,063	-	5,752
Salaries and benefits payable	57,059	-	564
Due to other governments	4,409	-	-
Advance from other fund	-	-	-
Unearned revenues	-	-	-
Total liabilities	107,531	-	6,316
Deferred inflows of resources:			
Unavailable revenues:			
Succeeding year property tax	2,382,000	144,000	593,000
Succeeding year tax increment financing	-	-	-
Other	218,086	-	-
Total deferred inflows of resources	2,600,086	144,000	593,000
Fund balances:			
Nonspendable:			
Inventories	-	-	-
Prepaid insurance	48,893	-	1,692
Restricted for:			
Supplemental levy purposes	9,138	-	-
Mental health purposes	-	12,687	-
Rural services purposes	-	-	748,884
Secondary roads purposes	-	-	-
Landfill closure and postclosure care	-	-	-
Conservation land acquisition purposes	1,171	-	-
Debt service	-	-	-
Capital projects	-	-	-
Other purposes	176,368	-	-
Assigned for:			
Legal services	69,480	-	-
Public safety	959	-	-
Courthouse maintenance	21,942	-	-
Computer equipment	45,097	-	-
Conservation	57,298	-	-
Unassigned	443,119	-	-
Total fund balances	873,465	12,687	750,576
Total liabilities, deferred inflows of resources and fund balances	\$ 3,581,082	156,687	1,349,892

See notes to financial statements.

Revenue				
Secondary Roads	Ida County Urban Renewal	Capital Projects	Nonmajor	Total
5,194,124	568,245	8,558,589	939,905	16,933,001
-	-	-	271,945	271,945
-	-	-	-	3,119,000
-	1,706,000	-	-	1,706,000
6,171	-	-	157	181,628
-	-	-	-	545
320,082	-	-	1,368	391,543
219,644	-	-	-	219,644
582,827	-	-	-	582,827
29,147	-	-	-	79,732
6,351,995	2,274,245	8,558,589	1,213,375	23,485,865
129,763	-	873,021	5,316	1,059,915
66,460	-	-	253	124,336
371	-	-	136	4,916
-	219,644	-	-	219,644
-	-	-	666,402	666,402
196,594	219,644	873,021	672,107	2,075,213
-	-	-	-	3,119,000
-	1,706,000	-	-	1,706,000
37,945	-	-	-	256,031
37,945	1,706,000	-	-	5,081,031
582,827	-	-	-	582,827
29,147	-	-	-	79,732
-	-	-	-	9,138
-	-	-	-	12,687
-	-	-	-	748,884
5,505,482	-	-	-	5,505,482
-	-	-	271,945	271,945
-	-	-	-	1,171
-	348,601	-	2,205	350,806
-	-	7,685,568	-	7,685,568
-	-	-	267,118	443,486
-	-	-	-	69,480
-	-	-	-	959
-	-	-	-	21,942
-	-	-	-	45,097
-	-	-	-	57,298
-	-	-	-	443,119
6,117,456	348,601	7,685,568	541,268	16,329,621
6,351,995	2,274,245	8,558,589	1,213,375	23,485,865

Ida County

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

June 30, 2021

Total governmental fund balances (page 21) \$ 16,329,621

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 capital assets is \$46,039,136 and the accumulated depreciation is \$14,923,212.

31,115,924

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.

256,031

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

562,988

Deferred inflows of resources

(210,583)

352,405

Long-term liabilities, including general obligation bonds payable, accrued interest payable, the estimated liability for closure and postclosure care, compensated absences payable, net pension liability and total OPEB liability are not due and payable in the current year and, therefore, are not reported in the governmental funds.

(27,813,163)

Net position of governmental activities (page 17)

\$ 20,240,818

See notes to financial statements.

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

Year ended June 30, 2021

		Special	
	General	Mental Health	Rural Services
Revenues:			
Property and other county tax	\$ 1,977,031	232,688	642,930
Tax increment financing	-	-	-
Local option sales tax	-	-	449,810
Penalty and interest on property tax	23,123	-	-
Intergovernmental	304,564	19,028	36,557
Licenses and permits	2,260	-	-
Charges for service	298,546	-	1,067
Use of money and property	46,861	-	1,000
Miscellaneous	102,211	-	-
Total revenues	2,754,596	251,716	1,131,364
Expenditures:			
Operating:			
Public safety and legal services	1,012,509	-	-
Physical health and social services	259,757	-	-
Mental health	-	246,276	-
County environment and education	314,261	-	92,873
Roads and transportation	-	-	-
Governmental services to residents	317,606	-	-
Administration	781,146	-	-
Debt service	-	-	-
Capital projects	-	-	-
Total expenditures	2,685,279	246,276	92,873
Excess (deficiency) of revenues over (under) expenditures	69,317	5,440	1,038,491
Other financing sources (uses):			
Transfers in	-	-	17,653
Transfers out	(101,430)	-	(1,014,958)
Sale of capital assets	21	-	-
General obligation bond proceeds	-	-	-
Premium on general obligation bonds issued	-	-	-
Total other financing sources (uses)	(101,409)	-	(997,305)
Change in fund balances	(32,092)	5,440	41,186
Fund balances (deficits) beginning of year	905,557	7,247	709,390
Fund balances end of year	\$ 873,465	12,687	750,576

See notes to financial statements.

Revenue				
Secondary Roads	Ida County Urban Renewal	Capital Projects	Nonmajor	Total
-	-	-	-	2,852,649
-	1,069,428	-	-	1,069,428
-	-	-	-	449,810
-	-	-	-	23,123
3,912,606	266,276	94,129	11,899	4,645,059
6,675	-	-	-	8,935
-	-	-	3,069	302,682
-	-	10,763	527	59,151
64,083	-	-	52,909	219,203
3,983,364	1,335,704	104,892	68,404	9,630,040
-	-	-	-	1,012,509
-	-	-	-	259,757
-	-	-	-	246,276
-	407,603	-	22,675	837,412
2,898,347	-	-	-	2,898,347
-	-	-	-	317,606
-	-	-	28,111	809,257
-	-	-	544,166	544,166
305,420	-	1,455,805	-	1,761,225
3,203,767	407,603	1,455,805	594,952	8,686,555
779,597	928,101	(1,350,913)	(526,548)	943,485
1,116,388	-	-	544,135	1,678,176
-	(544,135)	-	(17,653)	(1,678,176)
-	-	-	-	21
-	-	8,097,544	2,456	8,100,000
-	-	265,625	80	265,705
1,116,388	(544,135)	8,363,169	529,018	8,365,726
1,895,985	383,966	7,012,256	2,470	9,309,211
4,221,471	(35,365)	673,312	538,798	7,020,410
6,117,456	348,601	7,685,568	541,268	16,329,621

Ida 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 25) \$ 9,309,211***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 exceeded depreciation expense in the current year, as follows:

Expenditures for capital assets	\$ 2,072,600	
Depreciation expense	<u>(1,921,624)</u>	150,976

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.

3,500

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.

(162,280)

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

(8,100,000)

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

239,096

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	8,719	
Interest on long-term debt	(20,166)	
Adjustment to estimated costs for landfill closure and postclosure care	1,230	
OPEB expense	(17,541)	
Pension expense	<u>(309,249)</u>	<u>(337,007)</u>

Change in net position of governmental activities (page 19) \$ 1,103,496

See notes to financial statements.

Ida County
Statement of Fiduciary Net Position
Custodial Funds

June 30, 2021

Assets

Cash and pooled investments:

County Treasurer	\$ 1,601,070
Other County officials	23,977

Receivables:

Succeeding year property tax	12,244,000
Accounts	6,523

Due from other governments	85,530
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Prepaid insurance	60,144
-------------------	--------

Total assets

14,021,244

Liabilities

Accounts payable	26,610
------------------	--------

Salaries and benefits payable	75,349
-------------------------------	--------

Due to other governments	504,460
--------------------------	---------

Compensated absences	81,956
----------------------	--------

Total liabilities

688,375

Deferred Inflows of Resources

Unavailable revenues	12,244,000
----------------------	------------

Net Position

Restricted for individuals, organizations and other governments	\$ 1,088,869
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See notes to financial statements.

Ida County

Ida County
Statement of Changes in Fiduciary Net Position
Custodial Funds

June 30, 2021

Additions:	
Property and other county tax	\$ 11,166,852
911 surcharge	154,966
State tax credits	1,124,703
Drivers license fees	15,505
Office fees and collections	132,752
Auto licenses, use tax and postage	3,613,862
Trusts	196,244
Miscellaneous	<u>1,960,917</u>
Total additions	<u>18,365,801</u>
Deductions:	
Agency remittances:	
To other funds	243,809
To other governments	17,805,645
Trusts paid out	<u>50,363</u>
Total deductions	<u>18,099,817</u>
Change in net position	265,984
Net position beginning of year, as restated	<u>822,885</u>
Net position end of year	<u>\$ 1,088,869</u>

See notes to financial statements.

Ida County

Notes to Financial Statements

June 30, 2021

(1) Summary of Significant Accounting Policies

Ida 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, Ida 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 Ida County (the primary government) and its component unit. The component unit discussed below is included in the County's reporting entity because of the significance of its operational or financial relationship with the County.

Discretely Presented Component Unit – The Ida County Conservation Foundation (Foundation) has been incorporated under the provisions of the Iowa Nonprofit Corporation Act to operate exclusively for charitable, educational and scientific purposes dedicated to protecting and enhancing the natural resources for the residents of Ida County. In accordance with criteria set forth by the Governmental Accounting Standards Board, the Foundation meets the definition of a component unit which should be discretely presented. Based on these criteria, the economic resources received or held by the Foundation are substantially for the direct benefit of the Ida County Conservation Board.

Ida County Public Safety and Communications Commission – Ida County is a member of the Ida County Public Safety and Communications Commission (the Commission) established pursuant to Chapter 28E of the Code of Iowa. The Commission plans for County-wide law enforcement and communications within the boundaries of the County, including all rural areas and participating municipalities. The Commission can contract with any and all public agencies which wish to enter into contracts with the Commission for the provision of law enforcement, communications and public safety services. The Commission furnishes law enforcement services, emergency communications and such other services as may be necessary to protect the rights and property of all citizens of any public agency contracting with the Commission. The Commission's Board is comprised of

three representatives selected by and from the Ida County Board of Supervisors and one representative selected by each participating municipality. The Commission is funded primarily by assessments made against each participating member. The County's participating share cannot be less than 43% of the annual budget. The County has an ongoing financial responsibility to the Commission for its continued existence. Membership in the Commission for the year ended June 30, 2021 included five municipalities and the County. During the year ended June 30, 2021, Ida County contributed \$749,379 and the municipalities contributed \$910,148 to support the Commission. Financial transactions of the Commission are included in the County's financial statements only to the extent of the County's fiduciary relationship with the Commission and, as such, are reported as part of the Other Custodial Funds of the County.

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: Ida County Assessor's Conference Board, Ida County Emergency Management Commission, Ida County Public Safety Commission and Ida County Joint 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 following jointly governed organizations established pursuant to Chapter 28E of the Code of Iowa: West Central Iowa Sheltered Workshop, Siouxland Regional 12 Transit, Regional 12 Landfill, Third Judicial District Department of Corrections, Mid Sioux Community Action Agency, Northwest Iowa Multicounty Regional Detention Center and Rolling Hills Community Services Region.

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 unit. 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 bonds, 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 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 governmental 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 Ida County Urban Renewal Fund is used to account for revenues from the tax authorized by ordinance in the urban renewal district and used to pay indebtedness incurred for urban renewal projects.

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

Additionally, the County reports fiduciary/custodial funds which 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 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.

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 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.

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 have 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 they are 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.

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 (except for intangible right-to-use lease assets, the measurement of which is discussed under “Leases” below) 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 costs in excess of the following thresholds and estimated useful lives in excess of two years.

<u>Asset Class</u>	<u>Amount</u>
Infrastructure	\$ 50,000
Intangibles	50,000
Land and buildings	25,000
Equipment and vehicles	5,000

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

<u>Asset Class</u>	<u>Estimated Useful lives (In Years)</u>
Buildings	40
Infrastructure	10 - 65
Intangibles	10 - 65
Equipment and vehicles	5 - 12

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 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 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 and 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 Ida 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 represents the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current 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 they are 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 they are levied, and unrecognized items not yet charged to pension and OPEB expense.

Fund Equity – 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 Board of Supervisors intend to use for specific purposes.

Unassigned – All amounts not included in the preceding classifications.

E. Budgets and Budgetary Accounting

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

(2) Cash and Pooled Investments

The 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 no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

(3) Interfund Transfers

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

Transfer to	Transfer from	Amount
Special Revenue: Rural Services	Special Revenue: Landfill Closure/Postclosure	\$ 17,653
Secondary Roads	General	101,430
	Special Revenue: Rural Services	1,014,958
		<u>1,116,388</u>
Debt Service	Special Revenue: Ida County Urban Renewal	544,135
Total		<u>\$ 1,678,176</u>

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

(4) Interfund Assets/Liabilities

The detail of advances to/from is as follows:

Receivable Fund	Payable Fund	Amount
Special Revenue: Secondary Roads	Special Revenue: Ida County Urban Renewal	\$ 219,644

The advance to/from other funds resulted from borrowing funds from the Special Revenue, Secondary Roads Fund for urban renewal project costs. The borrowing will be repaid with tax increment financing collections.

(5) Capital Assets

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

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 241,692	-	-	241,692
Construction in progress	16,692,228	1,921,536	(15,589,724)	3,024,040
Total capital assets not being depreciated	16,933,920	1,921,536	(15,589,724)	3,265,732
Capital assets being depreciated:				
Buildings	1,987,250	-	-	1,987,250
Equipment and vehicles	7,248,350	154,564	27,169	7,430,083
Infrastructure, road network	17,766,347	15,589,724	-	33,356,071
Total capital assets being depreciated	27,001,947	15,744,288	27,169	42,773,404
Less accumulated depreciation for:				
Buildings	1,462,951	26,274	-	1,489,225
Equipment and vehicles	5,303,454	408,973	27,169	5,739,596
Infrastructure, road network	6,208,014	1,486,377	-	7,694,391
Total accumulated depreciation	12,974,419	1,921,624	27,169	14,923,212
Total capital assets being depreciated, net	14,027,528	13,822,664	-	27,850,192
Governmental activities capital assets, net	\$ 30,961,448	15,744,200	(15,589,724)	31,115,924

Depreciation expense was charged to the following functions:

Governmental activities:	
Public safety and legal services	\$ 58,845
County environment and education	24,888
Roads and transportation	1,814,466
Governmental services to residents	8,669
Administration	14,756
Total depreciation expense - governmental activities	<u>\$ 1,921,624</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:

Fund	Description	Amount
General	Services	\$ 4,409
Special Revenue:		
Secondary Roads	Services	371
Nonmajor	Services	136
Total for governmental funds		\$ 4,916
Custodial:		
County Offices	Collections	\$ 24,443
Agricultural Extension Education		2,072
Schools		102,527
Community Colleges		7,299
Corporations		11,870
Townships		3,691
Auto License and Use Tax		291,607
All other		60,951
Total for custodial funds		\$ 504,460

(7) Long-Term Liabilities

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

	General Obligation Bonds	Compensated Absences	Estimated Liability for Closure and Postclosure Care	Net Pension Liability	Total OPEB Liability	Total
Balance beginning of year	\$ 17,630,000	75,649	250,132	1,115,014	167,082	19,237,877
Increases	8,100,000	16,715	-	405,513	35,324	8,557,552
Decreases	-	25,434	1,230	-	20,988	47,652
Balance end of year	\$ 25,730,000	66,930	248,902	1,520,527	181,418	27,747,777
Due within one year	\$ 325,000	48,112	14,550	-	-	387,662

Bonds Payable

A summary of the County's June 30, 2021 general obligation bonded indebtedness is as follows:

General Obligation Urban Renewal Bond Series, 2018A Issued April 25, 2018					General Obligation Urban Renewal Bond Series, 2019A Issued June 1, 2019				
Year ending June 30,	Interest Rates	Principal	Interest	Total	Year ending June 30,	Interest Rates	Principal	Interest	Total
2022	3.000%	\$ 170,000	285,485	455,485	2022	2.000%	\$ 155,000	257,150	412,150
2023	3.000	475,000	280,385	755,385	2023	2.000	255,000	254,050	509,050
2024	3.000	485,000	266,135	751,135	2024	2.000	455,000	248,950	703,950
2025	3.000	500,000	251,585	751,585	2025	2.000	605,000	239,850	844,850
2026	3.000	515,000	236,585	751,585	2026	3.000	615,000	227,750	842,750
2027-2031	3.000-3.100	2,825,000	941,275	3,766,275	2027-2031	3.000-4.000	3,410,000	803,450	4,213,450
2032-2036	3.200-3.500	3,300,000	470,850	3,770,850	2032-2036	3.000	3,135,000	238,650	3,373,650
2037-2039	3.550	730,000	25,915	755,915	2037-2039		-	-	-
		<u>\$ 9,000,000</u>	<u>2,758,215</u>	<u>11,758,215</u>			<u>\$ 8,630,000</u>	<u>2,269,850</u>	<u>10,899,850</u>

General Obligation Urban Renewal Bond Series, 2021A Issued February 11, 2021					Total		
Year ending June 30,	Interest Rates	Principal	Interest	Total	Principal	Interest	Total
2022	-	\$ -	196,101	196,101	\$ 325,000	738,736	1,063,736
2023	-	-	150,205	150,205	730,000	684,640	1,414,640
2024	-	-	150,205	150,205	940,000	665,290	1,605,290
2025	2.000%	190,000	150,205	340,205	1,295,000	641,640	1,936,640
2026	2.000	220,000	146,405	366,405	1,350,000	610,740	1,960,740
2027-2031	1.000-2.000	1,210,000	666,375	1,876,375	7,445,000	2,411,100	9,856,100
2032-2036	1.200-2.000	2,220,000	579,050	2,799,050	8,655,000	1,288,550	9,943,550
2037-2039	2.000	4,260,000	177,600	4,437,600	4,990,000	203,515	5,193,515
		<u>\$ 8,100,000</u>	<u>2,216,146</u>	<u>10,316,146</u>	<u>\$ 25,730,000</u>	<u>7,244,211</u>	<u>32,974,211</u>

On April 25, 2018, the County issued \$9,000,000 of general obligation urban renewal bonds with interest rates of 3.000-3.550% per annum. The bonds were issued to pay the costs of constructing highway, bridge and culvert improvements in the Ida County Urban Renewal Area. The County did not retire any of these general obligation bonds during the year. During the year ended June 30, 2021, the County paid \$285,485 of interest on the bonds.

On June 1, 2019, the County issued \$8,630,000 of general obligation urban renewal bonds with interest rates of 2.000-4.000% per annum. The bonds were issued to pay the costs of constructing highway, bridge and culvert improvements in the Ida County Urban Renewal Area. The County did not retire any of these general obligation bonds during the year. During the year ended June 30, 2021, the County paid \$257,150 of interest on the bonds.

On February 11, 2021, the County issued \$8,100,000 of general obligation urban renewal bonds with interest rates of 1.000-2.000% per annum. The bonds were issued to pay the costs of constructing highway, bridge and culvert improvements in the Ida County Urban Renewal Area. The County did not retire any of these general obligation bonds during the year. During the year ended June 30, 2021, the County did not pay interest on the bonds.

(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.

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 at 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 and 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 \$239,096.

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 \$1,520,527 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 0.021645%, which was a decrease of 0.002390% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the County recognized pension expense of \$309,249. 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	\$ 8,627	41,974
Changes of assumptions	112,734	51,403
Net difference between projected and actual earnings on IPERS' investments	140,290	-
Changes in proportion and differences between County contributions and the County's proportionate share of contributions	48,024	17,532
County contributions subsequent to the measurement date	239,096	-
Total	<u>\$ 548,771</u>	<u>110,909</u>

\$239,096 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	\$ 17,653
2023	38,741
2024	53,969
2025	87,138
2026	<u>1,265</u>
Total	<u>\$ 198,766</u>

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>100.0%</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 (Asset) to Changes in the Discount Rate – The following presents the County's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00%, as well as what the County's proportionate share of the net pension liability (asset) 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	\$ 3,063,237	1,520,527	227,363

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.

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 Ida 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	-
Active employees	<u>50</u>
Total	<u>50</u>

Total OPEB Liability – The County's total OPEB liability of \$181,418 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)	7.50% initial rate decreasing by 0.5% annually to an ultimate rate of 4.50%.

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 bonds with an average rating of AA/Aa or higher as of the measurement date.

Mortality rates are from the SOA Public Plan 2010 tables. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Total OPEB liability beginning of year	\$ 167,082
Changes for the year:	
Service cost	24,376
Interest	5,093
Differences between expected and actual experiences	(20,988)
Changes in assumptions	5,855
Net changes	14,336
Total OPEB liability end of year	<u>\$ 181,418</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	\$ 194,308	181,418	169,128

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 (7.50%) or 1% higher (9.50%) than the current healthcare cost trend rates.

	1% Decrease (6.50%)	Healthcare Cost Trend Rate (7.50%)	1% Increase (8.50%)
Total OPEB liability	\$ 156,870	181,418	210,913

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2021, the County recognized OPEB expense of \$17,541. 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	\$ -	(99,674)
Changes in assumptions	14,217	-
Total	\$ 14,217	(99,674)

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	\$ (11,928)
2023	(11,928)
2024	(11,928)
2025	(11,928)
2026	(11,926)
Thereafter	(25,819)
	<u>\$ (85,457)</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 \$122,137.

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 member'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) Closure and Postclosure Care Costs

To comply with federal and state regulations, the County is required to complete a monitoring system plan and a closure/postclosure care plan and to provide funding necessary to effect closure and postclosure care, including the proper monitoring and care of the landfill after closure. Environmental Protection Agency (EPA) requirements have established closure and thirty-year postclosure care requirements for all municipal solid waste landfills that receive waste after October 9, 1993. State governments are primarily responsible for implementation and enforcement of those requirements and have been given flexibility to tailor requirements to accommodate local conditions that exist. The effect of the EPA requirement is to commit landfill owners to perform certain closing functions and postclosure monitoring functions as a condition for the right to operate the landfill in the current period. The EPA requirements provide that when a landfill stops accepting waste, it must be covered with a minimum of twenty-four inches of earth to keep liquid away from the buried waste. Once the landfill is closed, the owner is responsible for maintaining the final cover, monitoring ground water and methane gas, and collecting and treating leachate (the liquid that drains out of waste) for thirty years.

Governmental Accounting Standards Board Statement No. 18 requires landfill owners to estimate total landfill closure and postclosure care costs and recognize a portion of these costs each year based on the percentage of estimated total landfill capacity used that period. Estimated total costs consist of four components: (1) the cost of equipment and facilities used in postclosure monitoring and care, (2) the cost of final cover (material and labor), (3) the cost of monitoring the landfill during the postclosure period and (4) the cost of any environmental cleanup required after closure. Estimated total cost is based on the cost to purchase those services and equipment currently and is required to be updated annually for changes due to inflation or deflation, technology, or applicable laws or regulations.

These costs for the Ida County Landfill have been estimated at \$247,350 and a provision for this liability has been made in the County's Statement of Net Position as of June 30, 2021. This amount is based on what it would cost to perform all postclosure care during the year ended June 30, 2021. Actual costs may be higher due to inflation, changes in technology or changes in regulations. The Ida County Landfill closed during fiscal year 2008 at 100% capacity.

To comply with state regulations, the County is required to complete a closure plan detailing how the transfer station will comply with proper disposal of all solid waste and litter at the site, cleaning the transfer station building, including the rinsing of all surfaces that have come in contact with solid waste or washwater, cleaning of all solid waste transport vehicles that will remain on site, including the rinsing of all surfaces that have come in contact with solid waste, and the removal and proper management of all washwater in the washwater management system.

To comply with state regulations, the County is required to maintain a closure account as financial assurance for the closure costs. The effect of the state requirement is to commit landfill owners to perform certain closing functions as a condition for the right to operate the transfer station.

As of June 30, 2021, the total closure care costs for the transfer station have been estimated at \$1,552 and a provision for this liability has been made in the County's Statement of Net Position as of June 30, 2021.

Chapter 455B.306(9)(b) of the Code of Iowa requires permit holders of municipal solid waste landfills to maintain separate closure and postclosure care accounts to accumulate resources for the payment of closure and postclosure care costs. The County has accumulated resources to fund these liabilities and, at June 30, 2021, assets totalling \$271,945 are restricted for these purposes. They are reported as restricted cash and pooled investments in the Balance Sheet for the Special Revenue, Landfill Closure/Postclosure and Transfer Station Closure Funds and in the Statement of Net Position.

(12) Public Health Services Agreement

In February 2006, an agreement was entered into between Horn Memorial Hospital, the County and the Ida County Board of Health for the purpose of consolidating services offered by the Hospital and the Board of Health. In the agreement, the Hospital agreed to provide public health nursing services and home care services for and on behalf of the Board of Health to the residents of the County. Under the agreement, the Board of Health shall continue as an organizational entity and shall continue to act in compliance with Chapter 137 of the Code of Iowa and Chapter 79 of the Iowa Administrative Code, where applicable. The agreement was effective July 1, 2006 and will continue year to year unless terminated.

The home health, public health and homemakers' services provided will be under the administrative control of the Hospital. All services rendered under the terms of the agreement are to be funded by the Hospital, except where residents of the County may be unable to pay for said services, in which case the Hospital may submit monthly claims for reimbursements for services and fees to the County for payment. In addition, the County agreed to pay the Hospital an annual fee of \$85,000 for public health services, which will be paid in quarterly increments beginning July 1, 2006. An annual cost of living increase, as determined by the cost of living index for Social Security benefits, will be provided for each following year. During fiscal year 2021, the County paid \$110,446 pursuant to this agreement.

The Hospital is to perform all duties delegated to it by the Board of Health in good faith, including duties that may be imposed upon the Board of Health by statute or administrative rule, provided the Hospital shall receive adequate compensation for those additional duties or services.

(13) Ida County Public Safety and Communications Commission

The County participates in the Ida County Public Safety and Communications Commission, a jointly governed organization formed pursuant to the provisions of Chapter 28E of the Code of Iowa. Financial transactions of this organization are included in the County's financial statements as part of the Other Custodial Funds because of the County's fiduciary relationship with the organization. The following financial data for the Commission is for the year ended June 30, 2021:

Ida County Public Safety and Communications Commission						
	Operating	Confiscated Property	Sherriff's			Total
			Sheriff's K-9	Reserve Deputy	Sheriff's DARE	
Additions:						
Contributions from governmental units:						
Ida County	\$ 749,379	-	-	-	-	749,379
Ida Grove	436,477	-	-	-	-	436,477
Holstein	259,377	-	-	-	-	259,377
Arthur	41,570	-	-	-	-	41,570
Galva	52,761	-	-	-	-	52,761
Battle Creek	119,963	-	-	-	-	119,963
	1,659,527	-	-	-	-	1,659,527
Prisoner fees:						
Boarding fees	19,057	-	-	-	-	19,057
Work release fees	1,500	-	-	-	-	1,500
	20,557	-	-	-	-	20,557
Miscellaneous:						
Refunds	6,245	-	-	-	-	6,245
Donations	-	-	1,050	-	-	1,050
Confiscated property	-	23,221	-	-	-	23,221
Miscellaneous	118,179	-	-	-	-	118,179
Total miscellaneous	124,424	23,221	1,050	-	-	148,695
Total additions	1,804,508	23,221	1,050	-	-	1,828,779
Deductions:						
Salaries and wages	938,306	-	-	-	-	938,306
Benefits	331,389	-	-	-	-	331,389
Postage and mailing	1,871	-	-	-	-	1,871
Office supplies	32,341	-	-	-	-	32,341
Mileage and subsistence	5,004	-	-	-	-	5,004
Education and training	9,019	-	-	-	-	9,019
Uniform allowance	3,755	-	-	-	-	3,755
Insurance	28,107	-	-	-	-	28,107
Equipment, supplies and maintenance	51,403	-	-	-	-	51,403
Motor vehicle	145,481	-	-	-	-	145,481
Motor vehicle supplies	67,013	-	-	-	-	67,013
Telephone and fax	8,011	-	-	-	-	8,011
Radio equipment repairs and maintenance	7,427	-	-	-	-	7,427
Investigations	2,310	-	-	-	-	2,310
Jail food and provisions	17,163	-	-	-	-	17,163
Jail supplies	8,422	-	-	-	-	8,422
Medical supplies	5,727	-	-	-	-	5,727
Improvements	241	-	-	-	-	241
Iowa system rental	6,957	-	-	-	-	6,957
Court and related legal services	-	1,934	-	-	-	1,934
Miscellaneous	2,535	-	-	-	-	2,535
Total deductions	1,672,482	1,934	-	-	-	1,674,416
Change in balance	132,026	21,287	1,050	-	-	154,363
Balance beginning of year	71,840	1,580	514	1,615	497	76,046
Balance end of year	\$ 203,866	22,867	1,564	1,615	497	230,409

(14) Development Agreements and Establishment of Urban Renewal Area

The County entered into development agreements to assist in urban renewal projects and established an urban renewal area, as follows:

In November 2006, pursuant to the Enterprise Zone Program established under Chapters 15E.191 to 15E.198 of the Code of Iowa, the County entered into a private development agreement with Maple River Energy, LLC for construction of a 5 million gallon per year biodiesel and soybean processing plant. The County agreed to provide a 100% abatement of Maple River Energy, LLC property tax for ten years and to rebate 75% of the property tax paid by Maple River Energy, LLC for an additional ten years, which will begin in year eleven. The County also agreed to pay up to \$362,000 for expenses related to road improvements to support the project. On July 12th, 2012, The Board amended the agreement, reassigning authorization for financial assistance from Maple River Energy, LLC to Sioux Valley Investments and on November 29, 2012 the Board approved an agreement for Private Development with American Natural Soy, which is a part of Sioux Valley Investments. On February 28, 2013, the Board authorized financial assistance for American Natural Processors (American Natural Soy) for a ten year abatement of taxes for assessment years 2014 to 2023 and a 75% tax increment financing rebate of for assessment years 2024 to 2034. As of June 30, 2018, the County has satisfied their commitment related to the road project. No amount was rebated during the year ended June 30, 2021.

In March 2007, pursuant to the Enterprise Zone Program established under Chapters 15E.191 to 15E.198 of the Code of Iowa, the County entered into a private development agreement under the authority of Chapter 403 of the Code of Iowa with Platinum Ethanol, LLC for construction of a dry mill, corn-processing ethanol plant facility at an amount of not less than \$160,000,000. The County has adopted Ida County Urban Renewal Plan #1, which encompasses the development property. The County will provide a 100% abatement of Platinum Ethanol, LLC property tax for ten years. The County also agreed to rebate 75% of the property tax paid by Platinum Ethanol, LLC for an additional ten years, which will begin in fiscal year 2020. The County agreed to pay up to \$350,000 for expenses related to road improvements to support the project. On December 15, 2010, the County amended the agreement to include an additional \$150,000 in expenses related to road improvements, for a total of \$500,000. On August 26, 2013, the Board of Supervisors approved an assignment and consent of financial assistance from Platinum Ethanol, LLC to Flint Hills Resources Arthur LLC. As of June 30, 2014, the County had met its obligation related to road improvements. Platinum Ethanol, LLC will make nineteen annual payments in the amount of \$25,000 to the County, beginning no later than January 30, 2010, and continuing for eighteen additional years on the anniversary of the first payment, for a total of \$475,000, to be used by the County for County improvement projects. As of June 30, 2021, the County has received cumulative contributions totaling \$30,000. The total rebated during the year ended June 30, 2021 was \$407,603 and the cumulative rebated amount was \$838,244.

In 2014, the Enterprise Zone Program and Chapters 15E.191 through 15E.198 were repealed. However, since the County awarded the development agreements under this program prior to July 1, 2014, the businesses are eligible to continue to claim incentives pursuant to the original agreements.

(15) 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.

County Tax Abatements

The County provides tax abatements for urban renewal and economic development projects through abatement of property valuations and through the use of tax increment financing as provided for in Chapters 15A and 403 of the Code of Iowa. For these types of projects, the County enters into agreements with developers which require the County, after developers meet the terms of the agreements, to reduce the taxable valuation for the period of time and/or rebate a portion of the property tax paid by the developers, to pay the developers an economic development grant or to pay the developers a predetermined dollar amount. The County also agreed to pay a portion of the costs related to road improvements to support the development projects.

For the year ended June 30, 2021, the County abated \$172,919 of property tax under the urban renewal and economic development projects.

Tax Abatements of Other Entities

Other entities withing the County also provided tax abatements for urban renewal and economic development projects pursuant to Chapters 15 and 403 of the Code of Iowa. With prior approval by the governing body, this program provides for an exemption of taxes based on a percentage of the actual value added by improvements.

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:

Entity	Tax Abatement Program	Amount of Tax Abated
City of Holstein	Urban renewal and economic development projects	\$ 12,793
City of Ida Grove	Urban renewal and economic development projects	3,348

(16) County Financial Information Included in the Rolling Hills Community Services Region

Rolling Hills Community Services Region, a jointly governed organization formed pursuant to the provisions of Chapter 28E of the Code of Iowa includes the following member counties: Buena Vista County, Calhoun County, Carroll County, Cherokee County, Crawford County, Sac County, Ida County, Pocahontas County, Humboldt County and Woodbury County. The financial activity of the County's Special Revenue, Mental Health Fund is included in the Rolling Hills Community Services Region for the year ended June 30, 2021, as follows:

Revenues:	
Property and other county tax	\$ 232,688
Intergovernmental revenues:	
State tax credits	<u>19,028</u>
Total revenues	251,716
Expenditures:	
General administration:	
Distribution to regional fiscal agent	<u>246,276</u>
Excess of expenditures over revenues	5,440
Fund balance beginning of year	<u>7,247</u>
Fund balance end of year	<u>\$ 12,687</u>

(17) Construction Commitments

The County has entered into several contracts totaling \$8,771,403 for roadway paving and bridge projects. As of June 30, 2021, costs of \$2,973,765 on the projects have been incurred. The \$5,797,638 balance remaining on the contracts at June 30, 2021 will be paid as work on the projects progress.

(18) 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 Ida County, remains uncertain.

To date, the outbreak has not created a material disruption to the operations of Ida 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 these uncertainties, management cannot reasonably estimate the potential impact to Ida County.

(19) Accounting Change/Restatement

Governmental Accounting Standards Board 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.

The restatement to retroactively report the change in net position is as follows:

	<u>Fiduciary Activities</u>
Net position June 30, 2020, as previously reported	\$ -
Change to implement GASBS No. 84	<u>822,885</u>
Net position July 1, 2020, as restated	<u>\$ 822,885</u>

(20) Prospective Accounting Change

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

(21) Subsequent Event

In March 2022, the County approved the issuance of \$9,680,000 general obligation urban renewal bonds to finance urban renewal projects, including bridge, highway and courthouse improvements, in the Ida County Urban Renewal Area.

Required Supplementary Information

Ida 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

		Budgeted Amounts		Final to
	Actual	Original	Final	Actual
				Variance
Receipts:				
Property and other county tax	\$ 4,381,540	4,302,483	4,302,483	79,057
Interest and penalty on property tax	23,123	10,000	10,000	13,123
Intergovernmental	5,271,127	3,796,677	3,821,677	1,449,450
Licenses and permits	9,315	13,200	13,200	(3,885)
Charges for service	302,032	230,665	230,665	71,367
Use of money and property	67,956	54,055	54,055	13,901
Miscellaneous	294,648	188,425	188,425	106,223
Total receipts	10,349,741	8,595,505	8,620,505	1,729,236
Disbursements:				
Public safety and legal services	1,010,922	1,059,837	1,059,837	48,915
Physical health and social services	235,894	296,206	321,206	85,312
Mental health	246,276	246,276	246,276	-
County environment and education	828,768	891,516	906,540	77,772
Roads and transportation	3,153,710	4,205,240	4,205,240	1,051,530
Governmental services to residents	316,191	331,571	331,571	15,380
Administration	819,078	947,676	947,676	128,598
Debt services	544,135	543,835	544,735	600
Capital projects	1,445,073	3,900,000	3,900,000	2,454,927
Total disbursements	8,600,047	12,422,157	12,463,081	3,863,034
Excess (deficiency) of receipts over (under)				
disbursements	1,749,694	(3,826,652)	(3,842,576)	5,592,270
Other financing, sources, net	8,257,921	15,000	15,000	8,242,921
Change in balances	10,007,615	(3,811,652)	(3,827,576)	13,835,191
Balance beginning of year	7,197,331	6,808,373	6,808,373	388,958
Balance end of year	\$ 17,204,946	2,996,721	2,980,797	14,224,149

See accompanying independent auditor's report.

Ida 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	\$ 10,349,741	(719,701)	9,630,040
Expenditures	8,600,047	86,508	8,686,555
Net	1,749,694	(806,209)	943,485
Beginning fund balances	7,197,331	(176,921)	7,020,410
Ending fund balances	<u>\$ 17,204,946</u>	<u>(875,325)</u>	<u>16,329,621</u>

See accompanying independent auditor's report.

Ida County

Ida 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 the discretely presented component unit 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, one budget amendment increased budgeted disbursements by \$40,924. The budget amendment is 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.

Ida 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	0.021645%	0.019255%	0.019778%	0.022051%
County's proportionate share of the net pension liability	\$ 1,521	1,115	1,252	1,469
County's covered payroll	\$ 2,429	2,327	2,224	2,112
County's proportionate share of the net pension liability as a percentage of its covered payroll	62.62%	47.92%	56.29%	69.55%
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.

2017	2016	2015
0.022623%	0.020571%	0.019153%
1,424	1,016	760
2,099	1,990	1,930
67.84%	51.06%	39.38%
81.82%	85.19%	87.61%

Ida County
Schedule of County Contributions
Iowa Public Employees' Retirement System
For the Last Ten Years
(In Thousands)

Required Supplementary Information

	2021	2020	2019	2018
Statutorily required contributions	\$ 239	231	223	203
Contributions in relation to the statutorily required contribution	(239)	(231)	(223)	(203)
Contribution deficiency (excess)	\$ -	-	-	-
County's covered payroll	\$ 2,554	2,429	2,327	2,224
Contributions as a percentage of covered payroll	9.36%	9.51%	9.58%	9.13%

See accompanying independent auditor's report.

2017	2016	2015	2014	2013	2012
195	193	184	178	182	164
(195)	(193)	(184)	(178)	(182)	(164)
-	-	-	-	-	-
2,112	2,099	1,990	1,930	2,010	1,910
9.23%	9.19%	9.25%	9.22%	9.05%	8.59%

Ida County

Note 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.

Ida 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	\$ 24,376	19,712	19,377	18,446
Interest cost	5,093	7,509	7,882	7,379
Difference between expected and actual experiences	(20,988)	(55,935)	(22,625)	(36,362)
Changes in assumptions	5,855	1,580	5,284	7,168
Net change in total OPEB liability	14,336	(27,134)	9,918	(3,369)
Total OPEB liability beginning of year	167,082	194,216	184,298	187,667
Total OPEB liability end of year	\$ 181,418	167,082	194,216	184,298
Covered-employee payroll	\$ 2,409,290	2,333,453	1,988,225	1,925,642
Total OPEB liability as a percentage of covered-employee payroll	7.5%	7.2%	9.8%	9.6%

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%

Ida County

Supplementary Information

Ida County
Combining Balance Sheet
Nonmajor Governmental Funds

June 30, 2021

			Special
	County Recorder's Records Management	Resource Enhancement and Protection	Self-Funding Insurance
Assets			
Cash and pooled investments	\$ 9,439	22,140	215,931
Restricted cash and pooled investments	-	-	-
Accounts receivable	157	-	-
Due from other governments	-	1,070	-
Total assets	\$ 9,596	23,210	215,931
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ -	439	4,877
Salaries and benefits payable	-	253	-
Due to other governments	-	-	136
Unearned revenues	-	-	-
Total liabilities	-	692	5,013
Fund balances:			
Restricted for:			
Landfill closure and postclosure care	-	-	-
Debt service	-	-	-
Other purposes	9,596	22,518	210,918
Total fund balances	9,596	22,518	210,918
Total liabilities and fund balances	\$ 9,596	23,210	215,931

See accompanying independent auditor's report.

Revenue					
Confiscated Funds - County Attorney	Landfill Closure/ Postclosure	Transfer Station Closure	American Rescue Plan	Debt Service	Total
23,788	-	-	666,402	2,205	939,905
-	269,633	2,312	-	-	271,945
-	-	-	-	-	157
298	-	-	-	-	1,368
24,086	269,633	2,312	666,402	2,205	1,213,375
-	-	-	-	-	5,316
-	-	-	-	-	253
-	-	-	-	-	136
-	-	-	666,402	-	666,402
-	-	-	666,402	-	672,107
-	269,633	2,312	-	-	271,945
-	-	-	-	2,205	2,205
24,086	-	-	-	-	267,118
24,086	269,633	2,312	-	2,205	541,268
24,086	269,633	2,312	666,402	2,205	1,213,375

Ida 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	Resource Enhancement and Protection	Self-Funding Insurance
Revenues:			
Intergovernmental	\$ -	9,050	-
Charges for service	1,999	1,070	-
Use of money and property	-	-	-
Miscellaneous	-	5,249	47,660
Total revenues	1,999	15,369	47,660
Expenditures:			
Operating:			
County environment and education	-	22,675	-
Administration	-	-	28,111
Debt service	-	-	-
Total expenditures	-	22,675	28,111
Excess (deficiency) of revenues over (under) expenditures	1,999	(7,306)	19,549
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	-	-	-
General obligation bond proceeds	-	-	-
Premium on general obligation bonds issued	-	-	-
Total other financing sources (uses)	-	-	-
Change in fund balances	1,999	(7,306)	19,549
Fund balances (deficits) beginning of year	7,597	29,824	191,369
Fund balances end of year	\$ 9,596	22,518	210,918

See accompanying independent auditor's report.

Revenue						
Confiscated Funds - County Attorney	Landfill Closure/ Postclosure	Transfer Station Closure	American Rescue Plan	Debt Service	Total	
2,849	-	-	-	-	11,899	
-	-	-	-	-	3,069	
-	527	-	-	-	527	
-	-	-	-	-	52,909	
2,849	527	-	-	-	68,404	
-	-	-	-	-	22,675	
-	-	-	-	-	28,111	
-	-	-	-	544,166	544,166	
-	-	-	-	544,166	594,952	
2,849	527	-	-	(544,166)	(526,548)	
-	-	-	-	544,135	544,135	
-	(17,653)	-	-	-	(17,653)	
-	-	-	-	2,456	2,456	
-	-	-	-	80	80	
-	(17,653)	-	-	546,671	529,018	
2,849	(17,126)	-	-	2,505	2,470	
21,237	286,759	2,312	-	(300)	538,798	
24,086	269,633	2,312	-	2,205	541,268	

Ida County
Combining Schedule of Fiduciary Net Position
Custodial Funds

June 30, 2021

	County Offices	Agricultural Extension Education	County Assessor	Schools
Assets				
Cash and pooled investments:				
County Treasurer	\$ -	2,072	672,550	102,527
Other County officials	23,977	-	-	-
Receivables:				
Succeeding year property tax	-	138,000	299,000	8,523,000
Accounts	466	-	-	-
Due from other governments	-	-	-	-
Prepaid insurance	-	-	-	-
Total assets	<u>24,443</u>	<u>140,072</u>	<u>971,550</u>	<u>8,625,527</u>
Liabilities				
Accounts payable	-	-	492	-
Salaries and benefits payable	-	-	6,335	-
Due to other governments	24,443	2,072	-	102,527
Compensated absences	-	-	7,840	-
Total liabilities	<u>24,443</u>	<u>2,072</u>	<u>14,667</u>	<u>102,527</u>
Deferred Inflows of Resources				
Unavailable revenues	-	138,000	299,000	8,523,000
Net Position				
Restricted for individuals, organizations and other governments	<u>\$ -</u>	<u>-</u>	<u>657,883</u>	<u>-</u>

See accompanying independent auditor's report.

Community Colleges	Corporations	Townships	Auto License and Use Tax	Other	Total
7,299	11,870	3,691	291,607	509,454	1,601,070
-	-	-	-	-	23,977
593,000	2,473,000	216,000	-	2,000	12,244,000
-	-	-	-	6,057	6,523
-	-	-	-	85,530	85,530
-	-	-	-	60,144	60,144
600,299	2,484,870	219,691	291,607	663,185	14,021,244
-	-	-	-	26,118	26,610
-	-	-	-	69,014	75,349
7,299	11,870	3,691	291,607	60,951	504,460
-	-	-	-	74,116	81,956
7,299	11,870	3,691	291,607	230,199	688,375
593,000	2,473,000	216,000	-	2,000	12,244,000
-	-	-	-	430,986	1,088,869

Ida 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	\$ -	145,468	317,855	7,603,039
911 surcharge	-	-	-	-
State tax credits	-	11,898	25,999	685,141
Drivers license fees	-	-	-	-
Office fees and collections	132,752	-	-	-
Auto licenses, use tax and postage	-	-	-	-
Trusts	196,244	-	-	-
Miscellaneous	-	-	3,831	-
Total additions	328,996	157,366	347,685	8,288,180
Deductions:				
Agency remittances:				
To other funds	128,227	-	-	-
To other governments	150,406	157,366	247,452	8,288,180
Trusts paid out	50,363	-	-	-
Total deductions	328,996	157,366	247,452	8,288,180
Changes in net position	-	-	100,233	-
Net position beginning of year, as restated	-	-	557,650	-
Net position end of year	\$ -	-	657,883	-

See accompanying independent auditor's report.

Community Colleges	Corporations	Townships	Auto License and Use Tax	Other	Total
524,006	2,302,246	256,925	-	17,313	11,166,852
-	-	-	-	154,966	154,966
43,806	341,123	16,611	-	125	1,124,703
-	-	-	15,505	-	15,505
-	-	-	-	-	132,752
-	-	-	3,613,287	575	3,613,862
-	-	-	-	-	196,244
-	-	-	-	1,957,086	1,960,917
567,812	2,643,369	273,536	3,628,792	2,130,065	18,365,801
-	-	-	115,582	-	243,809
567,812	2,643,369	273,536	3,513,210	1,964,314	17,805,645
-	-	-	-	-	50,363
567,812	2,643,369	273,536	3,628,792	1,964,314	18,099,817
-	-	-	-	165,751	265,984
-	-	-	-	265,235	822,885
-	-	-	-	430,986	1,088,869

Ida County
Schedule of Revenues By Source and Expenditures By Function -
All Governmental Funds

For the Last Ten Years

	2021	2020	2019	2018
Revenues:				
Property and other county tax	\$ 2,852,649	2,708,276	2,548,829	2,281,500
Tax increment financing	1,069,428	816,460	165,580	158,881
Local option sales tax	449,810	493,344	397,223	345,286
Interest and penalty on property tax	23,123	7,080	17,037	19,883
Intergovernmental	4,645,059	3,442,362	3,166,356	2,891,115
Licenses and permits	8,935	51,730	17,873	7,845
Charges for service	302,682	272,206	369,646	255,667
Use of money and property	59,151	211,757	234,116	69,554
Miscellaneous	219,203	197,089	379,019	244,516
Total	<u>\$ 9,630,040</u>	<u>8,200,304</u>	<u>7,295,679</u>	<u>6,274,247</u>
Expenditures:				
Operating:				
Public safety and legal services	\$ 1,012,509	959,401	959,123	832,031
Physical health and social services	259,757	208,346	208,737	213,145
Mental health	246,276	211,099	167,640	229,605
County environment and education	837,412	793,433	405,803	345,845
Roads and transportation	2,898,347	3,172,740	3,696,037	2,938,763
Governmental services to residents	317,606	309,821	296,533	291,340
Administration	809,257	900,246	923,763	855,675
Debt service	544,166	542,701	321,108	6,423
Capital projects	1,761,225	10,362,276	7,309,435	116,253
Total	<u>\$ 8,686,555</u>	<u>17,460,063</u>	<u>14,288,179</u>	<u>5,829,080</u>

* Fiscal year 2014 amounts reported include a prior period adjustment made in 2015 to reflect the amount owed to the County's Iowa Department of Transportation Farm to Market account.

See accompanying independent auditor's report.

2017	2016	2015	2014*	2013	2012
2,217,838	2,167,753	2,313,691	2,280,230	2,536,759	2,452,762
170,748	167,439	175,014	126,364	133,390	123,736
346,720	298,681	295,104	256,677	273,495	292,918
20,541	13,830	14,941	15,138	15,201	16,391
3,093,858	2,870,076	2,869,542	2,445,172	2,298,616	2,528,670
33,912	27,284	17,303	20,055	16,610	14,678
276,136	430,693	243,639	243,101	232,967	266,671
24,150	19,545	13,273	15,609	13,396	13,036
254,801	285,495	317,070	136,273	134,768	166,353
6,438,704	6,280,796	6,259,577	5,538,619	5,655,202	5,875,215
818,736	746,171	705,210	699,164	675,389	644,365
218,171	261,267	255,549	245,432	235,067	226,956
229,217	249,935	344,855	238,438	239,098	805,189
426,715	347,439	337,740	328,472	-	279,603
2,792,739	3,478,971	3,490,268	2,744,088	2,800,607	2,600,475
268,812	318,643	242,600	232,860	237,855	221,132
756,415	677,670	714,929	617,341	607,175	645,931
-	-	-	-	-	-
107,324	152,864	580,354	1,026,513	115,471	115,161
5,618,129	6,232,960	6,671,505	6,132,308	4,910,662	5,538,812



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Rob Sand
Auditor of State

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 Ida 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, the discretely presented component unit and the aggregate remaining fund information of Ida 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 15, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Ida County's internal control over financial reporting to determine the audit procedures appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Ida County's internal control. Accordingly, we do not express an opinion on the effectiveness of Ida 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 which 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 first paragraph of this section 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 the accompanying Schedule of Findings as items (A) and (B) to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ida 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 statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards.

Comments involving statutory and other legal matters about the 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.

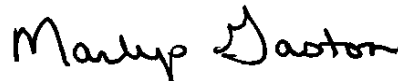
Ida County's Responses to the Findings

Ida County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings. Ida 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 Ida 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.



Marlys K. Gaston, CPA
Chief Deputy Auditor of State

March 15, 2022

Ida County

Schedule of Findings

Year ended June 30, 2021

Findings Related to the Financial Statements:

INTERNAL CONTROL DEFICIENCIES:

(A) Segregation of Duties

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:

	Applicable Offices
(1) Responsibilities for collection, deposit preparation and reconciliation functions are not segregated from those for recording and accounting for cash receipts.	Treasurer, Recorder, Sheriff
(2) Investment custody and accounting functions are not segregated and evidence of a review of investments by an independent person did not exist.	Treasurer
(3) Preparing bank reconciliations, handling cash and recording cash functions are not segregated. Bank reconciliations are not reviewed by an independent person for propriety.	Recorder, Sheriff
(4) The change fund is shared among employees and is not verified by surprise counts.	Treasurer, Recorder
(5) Mail is opened by personnel having access to accounting records.	Treasurer, Recorder

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 – Each official should review the control activities of their office to obtain the maximum internal control possible under the circumstances. The official should utilize current personnel, including elected officials, to provide additional control through review of financial transactions, reconciliations and reports. These reviews should be documented by the signature or initials of the independent reviewer and the date of the review.

Ida County
Schedule of Findings
Year ended June 30, 2021

Responses –

Sheriff – We will try and make changes internally to rectify the issue of segregation of duties.

Recorder – We will try to segregate duties as best we can with our small staff.

Treasurer – We will do the best we can with our limited staff but will try to do better.

Conclusions – Responses accepted.

(B) Financial Reporting

Criteria – A deficiency in internal control over financial reporting 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 of the financial statements on a timely basis. Properly designed policies and procedures and implementation of the policies and procedures are an integral part of ensuring the reliability and accuracy of the County's financial statements.

Condition – The County did not prepare and submit the fiscal year 2021 infrastructure report to the Iowa County Engineer's Association (ICEA) reporting system, including beginning balances additions, deletions and fiscal year end balances (maintained by the ICEA). While this is not a legally required report, the report serves as a listing of all the County's reportable infrastructure and summarizes the infrastructure activity for the fiscal year for financial reporting purposes.

Cause – County policies and procedures have not been established to ensure the County Engineer prepares the infrastructure report.

Effect – The lack of policies and procedures resulted in the County not maintaining records for changes to their infrastructure. As a result, material adjustments to the County's financial statements were necessary.

Recommendation – The County should establish policies and procedures to ensure the ICEA infrastructure report is prepared, including beginning balances, additions, deletions and fiscal year end balances.

Response – The County Engineer's office has recently been able to hire additional staff and we will be able to use the report and log in this year's data and begin the process of adding in the older data.

Conclusion – Response accepted.

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

Ida County

Schedule of Findings

Year ended June 30, 2021

Other Findings Related to Required Statutory Reporting:

- (1) Certified Budget – Disbursements during the year ended June 30, 2021 did not exceed the amounts budgeted.
- (2) 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.
- (3) Travel Expense – No expenditures of County money for travel expenses of spouses of County officials or employees were noted.
- (4) Business Transactions – No business transactions between the County and County officials or employees were noted.
- (5) 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.
- (6) 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.
- (7) Board Minutes – No transactions were found that we believe should have been approved in the Board minutes but were not.
- (8) 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.
- (9) 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).
- (10) Financial Assurance – The County has demonstrated financial assurance for closure and postclosure care by establishing local government dedicated funds as provided in Chapter 567-113.14(6) of the Iowa Administrative Code. Total estimated costs for postclosure care are \$247,350 and total estimated costs for transfer station closure care is \$1,552. The balance restricted for landfill closure and postclosure care and transfer station closure care at June 30, 2021 is \$271,945. Therefore, the closure and postclosure care costs are fully funded at June 30, 2021.
- (11) 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, 2020.

Ida County

Staff

This audit was performed by:

Marlys K. Gaston, CPA, Chief Deputy
Jennifer L. Wall, CPA, Manager
Alyson J. Logel, Staff Auditor
Silvester K. Rutto, Staff Auditor
Priscilla M. Ruiz Torres, Staff Auditor
Brandon G. Sommers, Staff Auditor
Preston D. McVey, Assistant Auditor