



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

Rob Sand  
Auditor of State

State Capitol Building  
Des Moines, Iowa 50319-0006  
Telephone (515) 281-5834

**NEWS RELEASE**

Contact: Brian Brustkern  
515/281-5834

FOR RELEASE

August 29, 2024

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

**FINANCIAL HIGHLIGHTS:**

The County's revenues totaled \$18,941,803 for the year ended June 30, 2023, a 23.0% decrease from the prior year. Expenses for County operations for the year ended June 30, 2023 totaled \$15,919,967, a 13.4% increase over the prior year. The decrease in revenues is due primarily to decreased contributions of roads and bridges paid for by the Iowa Department of Transportation and FEMA grant reimbursements. The increase in expenditures is due primarily to an increase in administration expenditures for ARPA funded courthouse repairs and increased non program expenditures for drainage repairs.

**AUDIT FINDINGS:**

Sand reported four findings related to the receipt and expenditure of taxpayer funds. They are found on pages 84 through 88 of this report. The findings address a lack of segregation of duties, material amounts of receivables and payables not properly recorded in the County's financial statements and deficit fund balance in the Drainage Districts Special Revenue Fund. Sand provided the County with recommendations to address each of these findings.

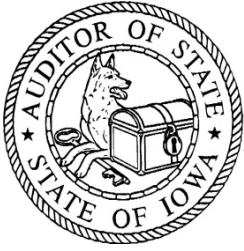
Three of the findings discussed above are repeated from the prior year. The County Board of Supervisors and other County officials have a fiduciary responsibility to provide oversight of the County's operations and financial transactions. Oversight is typically defined as the "watchful and responsible 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 website at [Audit Reports – Auditor of State](#).

###

**MONONA COUNTY**  
**INDEPENDENT AUDITOR'S REPORTS**  
**BASIC FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF FINDINGS**  
**JUNE 30, 2023**

**Monona County**



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Des Moines, Iowa 50319-0006  
Telephone (515) 281-5834

Rob Sand  
Auditor of State

June 19, 2024

Officials of Monona County  
Onawa, Iowa

Dear Board Members:

I am pleased to submit to you the financial and compliance audit report for Monona County for the year ended June 30, 2023. 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 Monona 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", written in a cursive style.

Rob Sand  
Auditor of State

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**Monona County**

**Officials**

**(Before January 2023)**

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Tom Brouillette	Board of Supervisors	Jan 2023
Vince Philips	Board of Supervisors	Jan 2023
Bo Fox	Board of Supervisors	Jan 2025
Peggy A. Rolph	County Auditor	Jan 2025
Abby Riesberg	County Treasurer	Jan 2023
Kelly K. Seward	County Recorder	Jan 2023
Jeffrey R. Pratt	County Sheriff	Jan 2025
Ian McConeghey	County Attorney	Jan 2023
Tim Peters	County Assessor	Jan 2028

**(After January 2023)**

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Bo Fox	Board of Supervisors	Jan 2025
Tom Brouillette	Board of Supervisors	Jan 2027
Vince Philips	Board of Supervisors	Jan 2027
Peggy A. Rolph	County Auditor	Jan 2025
Abby Riesberg	County Treasurer	Jan 2027
Kelly K. Seward	County Recorder	Jan 2027
Jeffrey R. Pratt	County Sheriff	(Resigned Mar 2023)
Kevin D. Ewing (Appointed Mar 2023)	County Sheriff	Nov 2024
Ian McConeghey	County Attorney	Jan 2025
Tim Peters	County Assessor	Jan 2028



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Independent Auditor's Report

To the Officials of Monona County:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Monona County, Iowa, as of and for the year ended June 30, 2023, and the related Notes to Financial Statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Monona County as of June 30, 2023 and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of Monona County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Monona County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Monona County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Monona County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of the County's Proportionate Share of the Net Pension Liability (Asset), 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 15 and 58 through 70 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 Monona 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, 2022 (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.

Such 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. The 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 GAAS. In our opinion, the supplementary information in Schedules 1 through 5 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 June 19, 2024 on our consideration of Monona 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 Monona County's internal control over financial reporting and compliance.



Brian R. Brustkern, CPA  
Deputy Auditor of State

June 19, 2024

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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Monona 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, 2023. We encourage readers to consider this information in conjunction with the County's financial statements, which follow.

### **2023 FINANCIAL HIGHLIGHTS**

- The Governor signed Senate File 619 on June 16, 2021 which significantly changed mental health funding. The County was required to transfer the remaining fund balance of the Special Revenue, Mental Health Fund to the Southwest Iowa Mental Health Region prior to June 30, 2022.
- Revenues of the County's governmental activities decreased 23%, or approximately \$5,653,000 from fiscal year 2022 to fiscal year 2023. Capital grants, contributions and restricted interest decreased approximately \$5,692,000 primarily due to contributed capital from the Department of Transportation for farm to market road projects.
- Program expenses of the County's governmental activities were 13.4%, or approximately \$1,880,000 more in fiscal year 2023 than in fiscal year 2022. Administration, nonprogram and public safety expenditures increased approximately \$1,193,000 due to increased ARPA capital project expenditures and multiple repair projects for drainage districts. There were also increases from the sheriff training and employing more deputies throughout the year compared to the prior year.
- The County's net position increased 5.8%, or approximately \$3,022,000, over the June 30, 2022 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 Monona 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 Monona 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 Monona 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 (asset) 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, county environment and education, roads and transportation, governmental services to residents, administration, interest on long-term debt and non-program activities. Property tax and state and federal grants finance most of these activities.

### *Fund Financial Statements*

The County has three kinds of funds:

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

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

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

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

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

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

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

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

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

Net Position of Governmental Activities (Expressed in Thousands)		
	June 30,	
	2023	2022 (Restated)
Current and other assets	\$ 21,447	20,929
Capital assets	44,801	43,053
Total assets	66,248	63,982
Deferred outflows of resources	634	584
Long-term liabilities	1,903	575
Other liabilities	2,434	1,701
Total liabilities	4,337	2,276
Deferred inflows of resources	7,644	10,411
Net position:		
Net investment in capital assets	44,752	42,971
Restricted	8,663	8,323
Unrestricted	1,486	585
Total net position	\$ 54,901	51,879

Monona County’s combined net position of governmental activities increased 5.8% (approximately \$54.9 million compared to approximately \$51.9 million, as restated).

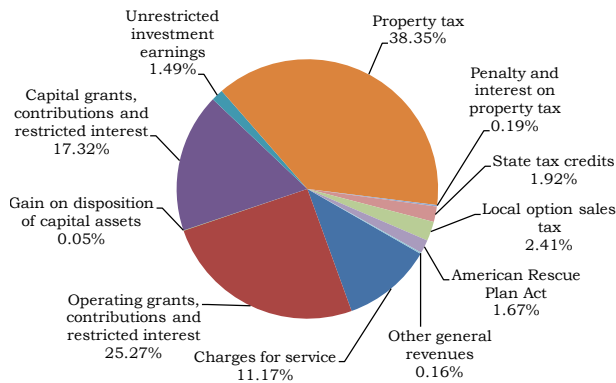
The largest portion of the County’s net position is invested in capital assets (e.g., land, infrastructure, buildings and equipment), less the related debt. The debt related to the investment in capital assets is liquidated with resources other than capital assets. This net position category increased 4.1%, or approximately \$1,781,000, over the prior year.

Restricted net position represents resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. This net position category increased approximately \$340,000, or 4.1% over the prior year. This increase is primarily due to an increase in the amounts held at year end in the Special Revenue, Rural Services Fund.

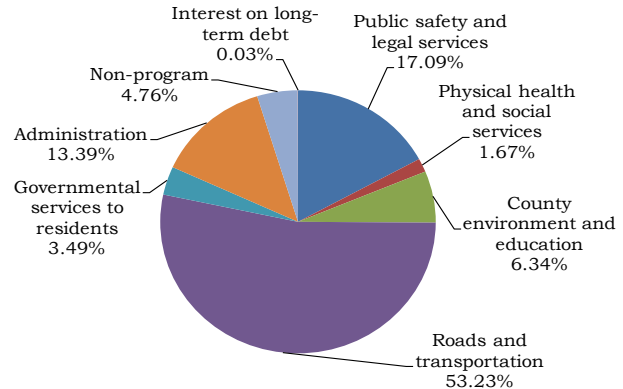
Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – increased from approximately \$585,000 at June 30, 2022 to approximately \$1,486,000 at the end of this year, an increase of 154%. This increase is primarily due to increases in unrestricted investment earnings and property tax.

Changes in Net Position of Governmental Activities		
(Expressed in Thousands)		
	Year ended June 30,	
	2023	2022 (Restated)
Revenues:		
Program revenues:		
Charges for service	\$ 2,116	1,598
Operating grants, contributions and restricted interest	4,787	5,549
Capital grants, contributions and restricted interest	3,281	8,973
General revenues:		
Property tax	7,265	7,222
Penalty and interest on property tax	36	35
State tax credits	364	402
Local option sales tax	456	593
American Rescue Plan Act	316	66
Unrestricted investment earnings	282	30
Gain on disposition of capital assets	9	100
Other general revenues	30	27
Total revenues	<u>18,942</u>	<u>24,595</u>
Program expenses:		
Public safety and legal services	2,720	2,434
Physical health and social services	266	362
Mental health	-	198
County environment and education	1,009	913
Roads and transportation	8,477	7,653
Governmental services to residents	555	496
Administration	2,131	1,695
Non-program	757	286
Interest on long-term debt	5	3
Total expenses	<u>15,920</u>	<u>14,040</u>
Change in net position	3,022	10,555
Net position beginning of year	<u>51,879</u>	<u>41,324</u>
Net position end of year	<u>\$ 54,901</u>	<u>51,879</u>

**Revenues by Source**



**Expenses by Function**



Monona County’s governmental activities net position increased approximately \$3,022,000 during the year. Revenues for governmental activities decreased approximately \$5,653,000 from the prior year, including capital grants and contributions revenue which decreased from the prior year approximately \$5,692,000, or 63.4% while property tax revenues increased \$43,000 from the prior year.

The County’s capital grants, contributions and restricted interest decreased 63.4%, or approximately \$5,692,000, from the prior fiscal year, primarily due to a decrease of approximately \$5,311,000 in infrastructure assets contributed by the Iowa Department of Transportation.

The cost of all governmental activities this year was approximately \$15.9 million compared to approximately \$14 million last year. However, as shown in the Statement of Activities on page 21, the amount taxpayers ultimately financed for these activities was approximately \$5.7 million because some of the cost was paid by those who directly benefited from the programs (approximately \$2,116,000) or by other governments and organizations which subsidized certain programs with grants and contributions (approximately \$8,068,000). Overall, the County’s governmental program revenues, including intergovernmental aid and charges for service, decreased in fiscal year 2023 from approximately \$16,120,000 to approximately \$10,184,000.

**INDIVIDUAL MAJOR FUND ANALYSIS**

As Monona County completed the year, its governmental funds reported a combined fund balance of approximately \$10.7 million, an increase of approximately \$1,003,000 over last year’s total of approximately \$9.7 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 \$265,000 or 4.1%, primarily due to an increase in interest earned on investments. Expenditures increased approximately \$705,000, or 12.3%, primarily due to increased costs related to additional courthouse repairs using ARPA funds. The ending fund balance increased approximately \$371,000, or 10.3%, over the prior year to \$3,977,253.
- Special Revenue, Rural Services Fund revenues increased approximately \$103,000, or 3.9% over the prior year, primarily due to an increase in property tax revenues. Expenditures decreased approximately \$88,000, or 17.6%. The decrease in expenditures was primarily due to the decrease in purchases of vehicles for the Sheriff’s Office. The ending fund balance increased approximately \$675,000 over the prior year to \$2,543,527.

- Special Revenue, Secondary Roads Fund revenues decreased approximately \$634,000, or 8.7%, primarily due to a decrease in bridge replacement funds received from the Iowa Department of Transportation and federal emergency management assistance funds received from the Iowa Department of Homeland Security in fiscal year 2022. Expenditures increased approximately \$100,000, or 1.2%, over the prior year, primarily due an increase in roadway operating expenditures during the year. The fund balance at June 30, 2023 increased approximately \$59,000, or 1.5%, over the prior year balance to \$3,910,686.

**BUDGETARY HIGHLIGHTS**

Over the course of the year, Monona County amended its budget one time. The amendment was made in May 2023 and resulted in an increase in budgeted disbursements in the administration function for changes in health insurance.

The County’s receipts were \$590,079 more than budgeted, a variance of 3.51%. The most significant variance resulted in the County collecting more intergovernmental receipts than anticipated, including Revitalize Iowa’s Sound Economy funds from the Iowa Department of Transportation and EDA Federal grants.

Total disbursements were \$2,080,592 less than the amended budget. Actual disbursements for the public safety and legal services, administration and capital project functions were \$201,694, \$940,378 and \$658,584, respectively, less than budgeted. This was primarily due to costs being less than anticipated due to slower than anticipated progress on building maintenance projects.

The County did not exceed the budgeted amounts for the year ended June 30, 2023

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At June 30, 2023, Monona County had approximately \$44.8 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 \$1,748,000, or 4.1%, over last year.

Capital Assets of Governmental Activities at Year End (Expressed in Thousands)		
	June 30,	
	2023	2022 (As Restated) *
Land	\$ 275	275
Intangibles, road network	368	363
Construction in progress, road network	5,042	1,724
Buildings and improvements	2,601	2,810
Equipment and vehicles	4,598	4,693
Right-to-use leased equipment	19	30
Infrastructure	31,898	33,158
<b>Total</b>	<b>\$ 44,801</b>	<b>43,053</b>
This year's major additions included (in thousands):		
Capital assets contributed by the Iowa Department of Transportation	\$	2,405
Secondary Roads vehicle and equipment		575
County Sheriff and Conservation vehicles		94
Cameo Building Improvements		37
		<u>3,111</u>
		\$ 3,111

\* Beginning capital assets were restated to adjust construction in progress (CIP)

The County had depreciation/amortization expense of \$2,276,377 in fiscal year 2023 and total accumulated depreciation/amortization of \$24,053,898 at June 30, 2023. More detailed information about the County’s capital assets is presented in Note 4 to the financial statements.



**Long-Term Debt**

At June 30, 2023, Monona County had approximately \$390,000 of debt outstanding, compared to approximately \$218,000 at June 30, 2022, as follows:

Outstanding Debt of Governmental Activities at Year-End (Expressed in Thousands)		
	Year ended June 30,	
	2023	2022
Drainage warrants	\$ 326	108
Lease agreements	25	34
Capital lease purchase agreements	39	76
Total	\$ 390	218

Additional information about the County’s long-term debt is presented in Note 7 to the financial statements.

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

Monona County’s elected and appointed officials and citizens considered many factors when setting the fiscal year 2024 budget, tax rates and fees charged for various County activities. One of those factors is the economy. Unemployment in the County now stands at 2.8% the same as a year ago. This compares with the State’s unemployment rate of 2.9% and the national rate of 3.6%.

These indicators were taken into account when adopting the fiscal year 2024 budget, which certified taxes as follows: (Amount certified includes utility replacement and property tax dollars).

	2024	2023	Percentage Change
	Dollars Certified	Dollars Certified	
General basic levy	\$ 3,175,096	3,082,259	3.01%
General supplemental levy	1,817,334	1,764,197	3.01%
Rural services basic levy	2,216,823	2,674,300	-17.11%
Total	\$ 7,209,253	7,520,756	-4.14%

Levy rates (expressed in \$/\$1,000 of taxable valuation) to produce the above dollars for fiscal year 2024 and fiscal year 2023 are as follows:

	2024	2023	Percentage Change
	General basic levy	3.50000	3.50000
General supplemental levy	2.00330	2.00330	0.00%
Rural services basic levy	3.00000	3.76486	-20.32%
Total	\$ 8.50330	9.26816	-8.25%

Budgeted disbursements in the fiscal year 2024 budget are \$17,361,269, a 1.93% increase over the fiscal year 2023 final amended budgeted disbursements. The countywide taxable valuation increased approximately \$26.4 million. Monona County has not added any major programs to the fiscal year 2024 budget.

If these estimates are realized, the County's budgetary operating balance is expected to remain consistent at approximately \$6.8 million by the close of fiscal year 2024.

### **CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of Monona 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 Monona County Auditor's Office, 620 Iowa Avenue, Onawa, Iowa 51040-1695 or by contacting the Monona County Auditor's Office at [mocoaud1@mononacounty.org](mailto:mocoaud1@mononacounty.org).

**Monona County**

## **Basic Financial Statements**

**Exhibit A**

Monona County  
Statement of Net Position  
June 30, 2023

	<u>Governmental Activities</u>
<b>Assets</b>	
Cash, cash equivalents and pooled investments:	
County Treasurer	\$ 12,355,615
Health Plan Trustee	131,076
Receivables:	
Property tax:	
Delinquent	4,621
Succeeding year	7,097,000
Interest and penalty on property tax	7,188
Accounts	18,094
Accrued interest	19,007
Opioid settlement	271,190
Drainage assessments	
Current	85,910
Future	517,782
Loan	67,100
Due from other governments	442,214
Inventories	429,998
Capital assets, not being depreciated	5,684,683
Capital assets, net of accumulated depreciation	<u>39,116,166</u>
<b>Total assets</b>	<u>66,247,644</u>
<b>Deferred Outflows of Resources</b>	
Pension related deferred outflows	631,582
OPEB related deferred outflows	<u>2,638</u>
<b>Total deferred outflows of resources</b>	<u>634,220</u>

Monona County  
Statement of Net Position  
June 30, 2023

	Governmental Activities
<b>Liabilities</b>	
Accounts payable	1,113,769
Due to other governments	28,538
Unearned revenue	1,291,524
Long-term liabilities:	
Portion due or payable within one year:	
Drainage warrants	85,784
Equipment purchase agreements	38,625
Lease agreements	8,866
Compensated absences	201,778
Total OPEB liability	11,547
Portion due or payable after one year:	
Drainage warrants	240,574
Lease agreements	16,344
Compensated absences	39,326
Net pension liability	1,132,386
Total OPEB liability	127,577
<b>Total liabilities</b>	<b>4,336,638</b>
<b>Deferred Inflows of Resources</b>	
Unavailable property tax revenue	7,097,000
Pension related deferred inflows	482,112
OPEB related deferred inflows	65,240
<b>Total deferred inflows of resources</b>	<b>7,644,352</b>
<b>Net Position</b>	
Net investment in capital assets	44,751,945
Restricted for:	
Supplemental levy purposes	1,325,603
Rural services purposes	2,544,345
Secondary roads purposes	3,875,549
Drainage purposes	277,334
Debt service	1,447
Capital projects	62,642
Opioid abatement	88,316
Other purposes	487,451
Unrestricted	1,486,242
<b>Total net position</b>	<b>\$ 54,900,874</b>

See notes to financial statements.

**Monona County**

Monona County  
Statement of Activities  
Year ended June 30, 2023

	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Service	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest	
<b>Functions/Programs:</b>					
Governmental activities:					
Public safety and legal services	\$ 2,720,131	608,275	25,784	-	(2,086,072)
Physical health and social services	265,669	14,700	86,095	-	(164,874)
County environment and education	1,009,337	112,420	14,158	-	(882,759)
Roads and transportation	8,477,316	82,967	4,600,865	3,281,419	(512,065)
Governmental services to residents	554,624	212,897	50,000	-	(291,727)
Administration	2,131,279	160,565	10,000	-	(1,960,714)
Non-program	756,463	924,495	-	-	168,032
Interest on long-term debt	5,148	-	-	-	(5,148)
Total	<u>\$ 15,919,967</u>	<u>2,116,319</u>	<u>4,786,902</u>	<u>3,281,419</u>	<u>(5,735,327)</u>
<b>General Revenues:</b>					
Property and other county tax levied for general purposes					7,264,941
Penalty and interest on property tax					35,537
State tax credits and replacements					363,516
Local option sales tax					456,383
American Rescue Plan Act					315,490
Unrestricted investment earnings					282,404
Gain on disposition of capital assets					9,011
Miscellaneous					<u>29,881</u>
Total general revenues					<u>8,757,163</u>
Change in net position					3,021,836
Net position beginning of year as restated					<u>51,879,038</u>
Net position end of year					<u>\$ 54,900,874</u>

See notes to financial statements.



Monona County  
Balance Sheet  
Governmental Funds

June 30, 2023

	Special Revenue		
	General	Rural Services	Secondary Roads
<b>Assets</b>			
Cash, cash equivalents and pooled investments	\$ 5,296,240	2,559,611	3,911,077
Receivables:			
Property tax:			
Delinquent	3,803	818	-
Succeeding year	4,931,000	2,166,000	-
Interest and penalty on property tax	7,188	-	-
Accounts	16,968	-	1,010
Accrued interest	14,346	-	-
Opioid settlement	-	-	-
Loan	-	-	67,100
Drainage assessments:			
Current	-	-	-
Future	-	-	-
Due from other funds	-	-	285
Due from other governments	10,648	-	431,566
Inventories	-	-	429,998
<b>Total assets</b>	<b>\$ 10,280,193</b>	<b>4,726,429</b>	<b>4,841,036</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
Liabilities:			
Accounts payable	\$ 41,747	15,558	840,532
Due to other funds	285	-	-
Due to other governments	27,393	526	619
Unearned revenue	1,291,524	-	-
Total liabilities	1,360,949	16,084	841,151
Deferred inflows of resources:			
Unavailable revenues:			
Succeeding year property tax	4,931,000	2,166,000	-
Other	10,991	818	89,199
Total deferred inflows of resources	4,941,991	2,166,818	89,199
Fund balances:			
Nonspendable:			
Inventories	-	-	429,998
Loan receivable	-	-	67,100
Restricted for:			
Supplemental levy purposes	1,325,349	-	-
Rural services purposes	-	2,543,527	-
Secondary roads purposes	-	-	3,413,588
Conservation land acquisition/capital improvements	48,314	-	-
Debt service	-	-	-
Capital projects	-	-	-
Opioid abatement	-	-	-
Other purposes	53,888	-	-
Assigned for:			
Jail/correction services	138,552	-	-
Drug enforcement related purposes	80,245	-	-
Soil and water conservation purposes	81,726	-	-
Unassigned	2,249,179	-	-
Total fund balances	3,977,253	2,543,527	3,910,686
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 10,280,193</b>	<b>4,726,429</b>	<b>4,841,036</b>

See notes to financial statements.

<u>Nonmajor</u>	<u>Total</u>
433,134	12,200,062
-	4,621
-	7,097,000
-	7,188
116	18,094
4,661	19,007
271,190	271,190
-	67,100
85,910	85,910
517,782	517,782
-	285
-	442,214
-	429,998
<u>1,312,793</u>	<u>21,160,451</u>
215,932	1,113,769
-	285
-	28,538
-	1,291,524
<u>215,932</u>	<u>2,434,116</u>
-	7,097,000
<u>862,349</u>	<u>963,357</u>
<u>862,349</u>	<u>8,060,357</u>
-	429,998
-	67,100
-	1,325,349
-	2,543,527
-	3,413,588
-	48,314
1,447	1,447
62,642	62,642
88,316	88,316
126,903	180,791
-	138,552
-	80,245
-	81,726
<u>(44,796)</u>	<u>2,204,383</u>
<u>234,512</u>	<u>10,665,978</u>
<u>1,312,793</u>	<u>21,160,451</u>

**Monona County**

Monona County

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

June 30, 2023

**Total governmental fund balances (page 23)** \$ 10,665,978

***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 \$68,854,747 and the accumulated depreciation/amortization is \$24,053,898.

44,800,849

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.

963,357

The Internal Service Fund is used by management to charge the costs of the County's employee group health insurance benefit plan to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position.

286,629

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

\$ 634,220

Deferred inflows of resources

(547,352)

86,868

Long-term liabilities, including lease agreements payable, drainage warrants payable, equipment purchase agreement payable, net pension liability, total OPEB liability and compensated absences payable, are not due and payable in the current year and, therefore, are not reported in the governmental funds.

(1,902,807)

**Net position of governmental activities (page 19)**

**\$ 54,900,874**

See notes to financial statements.

Monona County

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

Year ended June 30, 2023

	Special Revenue		
	General	Rural Services	Secondary Roads
<b>Revenues:</b>			
Property and other county tax	\$ 4,656,376	2,607,859	-
Local option sales tax	-	-	456,383
Interest and penalty on property tax	32,551	-	-
Intergovernmental	1,352,986	110,532	6,106,431
Licenses and permits	16,248	-	2,485
Charges for service	346,272	-	-
Use of money and property	303,726	-	1,200
Miscellaneous	102,323	-	69,440
Total revenues	6,810,482	2,718,391	6,635,939
<b>Expenditures:</b>			
Operating:			
Public safety and legal services	2,684,952	169,109	-
Physical health and social services	268,369	-	-
County environment and education	767,846	236,743	-
Roads and transportation	-	-	7,273,146
Governmental services to residents	582,818	4,924	-
Administration	2,149,093	-	-
Non-program	1,321	-	-
Debt service	-	-	-
Capital projects	562	-	919,818
Total expenditures	6,454,961	410,776	8,192,964
Excess (deficiency) of revenues over (under) expenditures	355,521	2,307,615	(1,557,025)
<b>Other financing sources (uses):</b>			
Transfers in	15,659	-	1,616,496
Transfers out	-	(1,632,155)	-
Drainage warrant issued	-	-	-
Total other financing sources (uses)	15,659	(1,632,155)	1,616,496
Change in fund balances	371,180	675,460	59,471
Fund balances beginning of year	3,606,073	1,868,067	3,851,215
Fund balances end of year	\$ 3,977,253	2,543,527	3,910,686

See notes to financial statements.

Nonmajor	Total
-	7,264,235
-	456,383
-	32,551
20,289	7,590,238
-	18,733
31,966	378,238
5,638	310,564
324,626	496,389
<u>382,519</u>	<u>16,547,331</u>
-	2,854,061
-	268,369
48,074	1,052,663
-	7,273,146
1,170	588,912
-	2,149,093
649,848	651,169
106,149	106,149
-	920,380
<u>805,241</u>	<u>15,863,942</u>
<u>(422,722)</u>	<u>683,389</u>
-	1,632,155
-	(1,632,155)
<u>319,481</u>	<u>319,481</u>
<u>319,481</u>	<u>319,481</u>
(103,241)	1,002,870
<u>337,753</u>	<u>9,663,108</u>
<u>234,512</u>	<u>10,665,978</u>

Monona County

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

Year ended June 30, 2023

**Change in fund balances - Total governmental funds (page 27)** \$ 1,002,870

**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/amortization expense to allocate those expenditures over the life of the assets. Capital outlay expenditures and contributed capital assets exceeded depreciation/amortization expense in the current year, as follows:

Expenditures for capital assets	\$ 1,610,536	
Capital assets contributed by the Iowa Department of Transportation	2,405,343	
Depreciation/amortization expense	<u>(2,276,377)</u>	1,739,502

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. 9,011

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

Property tax	706	
Other	<u>(127,063)</u>	(126,357)

Proceeds from issuing long-term liabilities provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Current year issuances exceeded repayments, as follows:

Issued	(319,481)	
Repaid	<u>147,628</u>	(171,853)

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. 462,450

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	(7,695)	
Pension expense	150,752	
OPEB expense	<u>(10,699)</u>	132,358

The Internal Service Fund is used by management to charge the costs of the County's employee group health insurance benefit plan to individual funds. The change in net position of the Internal Service Fund is reported with governmental activities. (26,145)

**Change in net position of governmental activities (page 21)** \$ 3,021,836

See notes to financial statements.

Monona County  
Statement of Net Position  
Proprietary Fund  
June 30, 2023

	<u>Internal Service - Employee Group Health</u>
<b>Assets</b>	
Cash and cash equivalents:	
County Treasurer	\$ 155,553
Health Plan Trustee	<u>131,076</u>
<b>Total assets</b>	286,629
<b>Liabilities</b>	
Accounts Payable	<u>-</u>
<b>Net Position</b>	
Unrestricted	<u>\$ 286,629</u>

See notes to financial statements.



## Monona County

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

Year ended June 30, 2023

	<u>Internal Service - Employee Group</u>
Operating revenues:	
Reimbursements from operating funds	\$ 1,540,871
Reimbursements from employees and others	<u>308,930</u>
Total operating revenues	1,849,801
Operating expenses:	
Insurance premiums	<u>1,878,749</u>
Operating loss	(28,948)
Non-operating revenues:	
Interest income	<u>2,803</u>
Net loss	(26,145)
Net position beginning of year	<u>312,774</u>
Net position end of year	<u><u>\$ 286,629</u></u>

See notes to financial statements.

Monona County

Statement of Cash Flows  
Proprietary Fund

Year ended June 30, 2023

	<u>Internal Service - Employee Group Health</u>
Cash flows from operating activities:	
Cash received from operating fund reimbursements	\$ 1,540,871
Cash received from employees and others	308,930
Cash paid to suppliers for services	<u>(1,895,149)</u>
Net cash used by operating activities	(45,348)
Cash flows from investing activities:	
Interest on investments	<u>2,803</u>
Net decrease in cash and cash equivalents	(42,545)
Cash and cash equivalents beginning of year	<u>329,174</u>
Cash and cash equivalents end of year	<u>\$ 286,629</u>
<b>Reconciliation of operating loss to net cash used by operating activities:</b>	
Operating loss	\$ (28,948)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Changes in liabilities:	
Accounts payable	<u>(16,400)</u>
Net cash used by operating activities	<u>\$ (45,348)</u>

See notes to financial statements.

Monona County  
Statement of Fiduciary Net Position  
Custodial Funds

June 30, 2023

**Assets**

Cash, cash equivalents and pooled investments:	
County Treasurer	\$ 3,871,761
Other County officials	27,285
Receivables:	
Property tax:	
Delinquent	16,199
Succeeding year	14,876,000
Accounts	49,369
Accrued interest	1,608
Drainage assessments:	
Current	996,632
Future	86
Due from other governments	391,924
Prepaid expenses	7,897
<b>Total assets</b>	<u>20,238,761</u>
<b>Liabilities</b>	
Accounts payable	92,947
Due to other governments	611,304
Trusts payable	5,224
Compensated absences	31,734
Stamped drainage warrants payable	41,761
<b>Total liabilities</b>	<u>782,970</u>
<b>Deferred Inflows of Resources</b>	
Unavailable property tax revenue	<u>14,876,000</u>
<b>Net position</b>	
Restricted for individuals, organizations and other governments	<u>\$ 4,579,791</u>

See notes to financial statements.

Monona County

Statement of Changes in Fiduciary Net Position  
Custodial Funds

June 30, 2023

Additions:	
Property and other county tax	\$ 13,882,249
911 surcharges	204,204
State tax credits	934,782
Office fees and collections	545,337
Auto licenses, use tax and postage	3,739,612
Assessments	1,941,796
Trusts	66,048
Miscellaneous	<u>1,011,102</u>
Total additions	<u>22,325,130</u>
Deductions:	
Agency remittances:	
To other funds	458,453
To other governments	21,146,587
Trusts paid out	<u>73,051</u>
Total deductions	<u>21,678,091</u>
Changes in net position	647,039
Net position beginning of year	<u>3,932,752</u>
Net position end of year	<u>\$ 4,579,791</u>

See notes to financial statements.

Monona County

Notes to Financial Statements

June 30, 2023

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

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

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

Fifty-eight drainage districts have been established pursuant to Chapter 468 of the Code of Iowa for the drainage of surface waters from agricultural and other lands or the protection of such lands from overflow. Although these districts are legally separate from the County, they are controlled, managed and supervised by the Monona County Board of Supervisors. The drainage districts are reported as a Special Revenue Fund. The County has other drainage districts that are managed and supervised by elected trustees. Those districts are included as a Custodial Fund of the County. Financial information of the individual drainage districts can be obtained from the Monona County Drainage Office.

Jointly Governed Organizations – The County participates in several jointly governed organizations that provide goods or services to the citizenry of the County but do not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The County Board of Supervisors are members of or appoint representatives to the following boards and commissions: County Assessor's Conference Board, County Emergency Management Commission and 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 Monona County Sanitary Landfill Agency, a jointly governed organization established pursuant to Chapter 28E of the Code of Iowa. In addition, the County is involved in the following jointly governed organizations: Siouxland Regional Transit Authority, Third Judicial District Department of Correctional Services, WESCO Industries, Region IV Local Emergency Planning Committee, Siouxland Metropolitan Planning Council and Region IV Hazmat Team. Financial transactions of these organizations are not included in the County's financial statements.

B. Basis of Presentation

Government-wide Financial Statements – The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the County and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by property tax, intergovernmental revenues and other nonexchange transactions.

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

Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization 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, proprietary 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 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 Special Revenue, Rural Services Fund and other revenues to be used for secondary roads construction and maintenance.

Additionally, the County reports the following funds:

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

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

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

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

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

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

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

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

Cash, Cash Equivalents and Pooled Investments – The cash balances of most County funds are pooled and invested. Interest earned on investments is recorded in the General Fund unless otherwise provided by law. Investments are stated at fair value except for the investment in the Iowa Public Agency Investment Trust and non-negotiable certificates of deposit which are stated at amortized cost.

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



Property Tax Receivable – Property tax in governmental funds is accounted for using the modified accrual basis of accounting.

Property tax receivable is recognized in these funds on the levy or lien date, which is the date the tax asking is certified by the County Board of Supervisors. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax receivable represents 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 receivable has been recorded, the related revenue is reported as a deferred inflow of resources in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

Property tax revenue recognized in these funds become due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2021 assessed property valuations; is for the tax accrual period July 1, 2022 through June 30, 2023 and reflects the tax asking contained in the budget certified by the County Board of Supervisors in March 2022.

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

Opioid Settlement Receivable – The County will receive payments from certain prescription drug companies and pharmaceutical distributors engaged in misleading and fraudulent conduct in the marketing and sale of opioids and failure to monitor for, detect and prevent diversion of the drugs. The County is required to use these funds for activities to remediate the opioid crisis and treat or mitigate opioid use disorder and related disorders through prevention, harm reduction and recovery services.

Due from and Due to Other Funds – During the course of its operations, the County has numerous transactions between funds. To the extent certain transactions between funds had not been paid or received as of June 30, 2023, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

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 an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

Asset Class	Amount
Infrastructure	\$ 50,000
Land, buildings and improvements	25,000
Intangibles	25,000
Right-to-use leased assets	5,000
Equipment and vehicles	5,000

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

Asset Class	Estimated Useful lives (In Years)
Buildings	40 - 50
Building improvements	20 - 50
Infrastructure	10 - 70
Intangibles	5 - 20
Right-to-use leased assets	3 - 20
Equipment	2 - 20
Vehicles	3 - 15

Leases – County as Lessee – Monona County is the lessee for a noncancellable lease of equipment. The County has recognized a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of the payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how Monona County determines the discount rate it uses to discount the expected lease payments to present value, lease term and lease payments.

Monona County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and a purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

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 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.

Unearned Revenue – 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. Unearned revenue in the government-wide and governmental fund financial statements represents the amount of assets that have been recognized, but the related revenue has not been recognized since the County has not made a qualifying expenditure. Unearned revenue consists of unspent American Rescue Plan Act proceeds.

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 compensatory time hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide, proprietary fund 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, 2023. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund and the Special Revenue, Rural Services and Secondary Roads Funds.

Long-Term Liabilities – In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund 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 (asset), 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, Rural Services and Secondary Roads Funds.

Total OPEB Liability – For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information has been determined based on the Monona 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, Rural Services and Secondary Roads Funds.

Deferred Inflows of Resources – Deferred inflows of resources represents an acquisition of net position applicable to a future year(s) which will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred

inflows of resources in the fund financial statements consist of property tax receivable and other receivables not collected within sixty days after year end and succeeding year property tax receivable that will not be recognized until the year for which it is levied.

Deferred inflows of resources in the Statement of Net Position consist of succeeding year property tax that will not be recognized until the year for which it is levied, unrecognized items not yet charged to pension expense and OPEB expense and the unamortized portion of the net difference between projected and actual earnings on pension plan assets.

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

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

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

Assigned – Amounts the Board of Supervisors intend to use for specific purposes.

Unassigned – All amounts not included in the preceding classifications.

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

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2023, disbursements did not exceed the amounts budgeted.

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

The County's deposits in banks at June 30, 2023 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds.

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

The County had investments in the Iowa Public Agency Investment Trust (IPAIT) which are valued at an amortized cost of \$6,673,185. There were no limitations or restrictions on withdrawals for the IPAIT investments. The County's investment in the IPAIT is unrated.

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

The detail of interfund receivables and payables at June 30, 2023 is as follows:

Receivable Fund	Payable Fund	Amount
Special Revenue:		
Secondary Roads	General	<u>\$ 285</u>

### (4) Capital Assets

Capital assets activity for the year ended June 30, 2023 was as follows:

	Balance Beginning of Year (as restated)	Increases	Decreases	Balance End of Year
<b>Governmental activities:</b>				
Capital assets not being depreciated/amortized:				
Land	\$ 274,684	-	-	274,684
Intangibles, road network	363,426	4,177	-	367,603
Construction in progress, road network	1,723,509	3,318,887	-	5,042,396
Total capital assets not being depreciated/amortized	2,361,619	3,323,064	-	5,684,683
Capital assets being depreciated/amortized:				
Buildings	3,711,697	-	-	3,711,697
Improvements other than buildings	1,908,523	-	-	1,908,523
Equipment and vehicles	12,935,433	706,815	(48,679)	13,593,569
Right-to-use leased equipment	41,436	-	-	41,436
Infrastructure, road network	43,914,839	-	-	43,914,839
Total capital assets being depreciated/amortized	62,511,928	706,815	(48,679)	63,170,064
Less accumulated depreciation/amortization for:				
Buildings	1,961,223	133,489	-	2,094,712
Improvements other than buildings	849,255	74,999	-	924,254
Equipment and vehicles	8,242,832	796,250	(43,689)	8,995,393
Right-to-use leased assets	10,962	11,475	-	22,437
Infrastructure, road network	10,756,938	1,260,164	-	12,017,102
Total accumulated depreciation/amortization	21,821,210	2,276,377	(43,689)	24,053,898
Total capital assets being depreciated/amortized, net	40,690,718	(1,569,562)	(4,990)	39,116,166
Governmental activities capital assets, net	<u>\$ 43,052,337</u>	<u>1,753,502</u>	<u>(4,990)</u>	<u>44,800,849</u>

Depreciation/amortization expense was charged to the following functions:

Governmental activities:	
Public safety and legal services	\$ 84,243
County environment and education	24,221
Roads and transportation	2,006,886
Governmental services to residents	1,867
Administration	<u>159,160</u>
Total depreciation expense - governmental activities	<u>\$ 2,276,377</u>

**(5) 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, 2023 is as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
General	Services	\$ 27,393
Special Revenue:		
Rural Services	Services	526
Secondary Roads	Services	619
Total for governmental funds		<u>\$ 28,538</u>
Agency:		
County Offices	Collections	\$ 22,061
Schools		106,330
Community Colleges		8,314
Corporations		31,641
Auto License and Use Tax		350,574
All other		92,384
Total for custodial funds		<u>\$ 611,304</u>

**(6) Interfund Transfers**

The detail of interfund transfers for the year ended June 30, 2023 is as follows:

<u>Transfer to</u>	<u>Transfer from</u>	<u>Amount</u>
General	Special Revenue: Rural Services	<u>\$ 15,659</u>
Special Revenue: Secondary Roads	Special Revenue: Rural Services	<u>1,616,496</u>
Total		<u>\$ 1,632,155</u>

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

**(7) Changes in Long-Term Liabilities**

A summary of changes in long-term liabilities for the year ended June 30, 2023 is as follows:

	Lease Agreements	Drainage Warrants	Equipment Purchase Agreement	Compensated Absences	Net Pension Liability (Asset)	Total OPEB Liability	Total
Balance beginning of year	\$ 33,772	107,878	76,690	233,409	(902,825)	123,417	(327,659)
Increases	-	319,481	-	229,940	2,035,211	27,254	2,611,886
Decreases	8,562	101,001	38,065	222,245	-	11,547	381,420
Balance end of year	\$ 25,210	326,358	38,625	241,104	1,132,386	139,124	1,902,807
Due within one year	\$ 8,866	85,784	38,625	201,778	-	11,547	346,600

Lease Agreements

On March 1, 2020, the County entered into a noncancelable lease agreement for a copier for the engineer’s office. An initial lease liability was recorded in the amount of \$8,850. The agreement requires 60 monthly payments of \$210 over 5 years, with an implicit interest rate of 3.50% and a final payment on March 31, 2025. During the year ended June 30, 2023, principal and interest paid were \$2,321 and \$199, respectively.

On June 23, 2020, the County entered into a noncancelable lease agreement for a courthouse copier. An initial lease liability was recorded in the amount of \$16,644. The agreement requires 60 monthly payments of \$302 over 5 years, with an implicit interest rate of 3.50% and a final payment on June 30, 2025. During the year ended June 30, 2023, principal and interest paid were \$3,202 and \$422, respectively.

On October 1, 2021, the County entered into a noncancelable lease agreement for a copier in the treasurer’s office. An initial lease liability was recorded in the amount of \$15,941. The agreement requires 60 monthly payments of \$289 over 5 years, with an implicit interest rate of 3.50% and a final payment on September 1, 2026. During the year ended June 30, 2023, principal and interest paid were \$3,039 and \$429, respectively.

Future principal and interest lease payments as of June 30, 2023, are as follows:

Year Ending June 30,	Auditor Copier			Treasurer Copier		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 3,315	309	3,624	\$ 3,148	320	3,468
2025	3,433	191	3,624	3,259	209	3,468
2026	3,555	69	3,624	3,375	93	3,468
2027	-	-	-	863	5	868
Totals	\$ 10,303	569	10,872	\$ 10,645	627	11,272

Year Ending June 30,	Engineer Copier			Totals		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 2,403	117	2,520	\$ 8,866	746	9,612
2025	1,859	27	1,886	8,551	427	8,978
2026	-	-	-	6,930	162	7,092
2027	-	-	-	863	5	868
Totals	\$ 4,262	144	4,406	\$ 25,210	1,340	26,550



### Drainage Warrants

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

Drainage warrants are paid from the Special Revenue, Drainage Districts Fund solely from drainage assessments against benefited properties.

### Equipment Purchase Agreement

On December 29, 2017, the County entered into an equipment purchase agreement for police radios. The agreement is for a period of 7 years at an interest rate of 3.89% per annum and expires in fiscal year 2025. The police radios do not meet the capitalization threshold and are not capitalized.

The following is a schedule by year of future minimum lease payments and the present value of net minimum lease payments for the agreement:

<u>Year Ending June 30,</u>	<u>Police Radios</u>
2024	\$ -
2025	<u>15,511</u>
Total minimum lease payments	\$ 15,511
Less amount representing interest	<u>(580)</u>
Present value of net minimum lease payments	<u>\$ 14,931</u>

During the year ended June 30, 2023, the County paid fiscal year 2024 principal and interest due December 31, 2023 of \$14,371 and \$1,140, respectively, on the agreement.

### Equipment Purchase Agreement

On June 24, 2020, the County entered into an equipment purchase agreement for two 6140M John Deere Tractors. The agreement is for a period of 5 years at an interest rate of 0% per annum and expires in fiscal year 2024.

The following is a schedule by year of payments under the agreement in effect at June 30, 2023.

<u>Year Ending June 30,</u>	<u>John Deere Tractors</u>
2024	<u>\$ 23,694</u>
Total minimum lease payments	<u>\$ 23,694</u>

During the year ended June 30, 2023, the County paid principal of \$23,694 on the agreement.

## **(8) Pension Plan**

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

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

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

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

Sheriffs, deputies and protection occupation members may retire at normal retirement age, which is generally 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 2023, 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 8.76% of covered payroll, for a total rate of 17.52%. Protection occupation members contributed 6.21% of covered payroll and the County contributed 9.31% of covered payroll, for a total rate of 15.52%.

The County’s contributions to IPERS for the year ended June 30, 2023 were \$462,450.

Net Pension Liability, Pension Expense (Reduction), Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2023, the County reported a liability of \$1,132,386 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022 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, 2022, the County’s proportion was 0.029972%, which was a decrease of 0.231544% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the County recognized pension expense (reduction) of \$(150,752). At June 30, 2023, 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	\$ 166,229	22,734
Changes of assumptions	1,326	79,786
Net difference between projected and actual earnings on IPERS' investments	-	220,718
Changes in proportion and differences between County contributions and its proportionate share of contributions	1,577	158,874
County contributions subsequent to the measurement date	462,450	-
Total	<u>\$ 631,582</u>	<u>482,112</u>

\$462,450 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, 2024. 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
2024	\$ (263,944)
2025	(203,645)
2026	(325,161)
2027	486,820
2028	<u>(7,050)</u>
Total	<u>\$ (312,980)</u>

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions – The total pension liability in the June 30, 2022 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, 2022 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021.

Mortality rates used in the 2022 valuation were based on the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.

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:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	22.0%	3.57%
International equity	17.5	4.79
Global smart beta equity	6.0	4.16
Core plus fixed income	20.0	1.66
Public credit	4.0	3.77
Cash	1.0	0.77
Private equity	13.0	7.57
Private real assets	8.5	3.55
Private credit	3.0	3.63
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 (asset)	\$ 3,057,770	1,132,386	(561,344)

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

Payables to IPERS – All legally required County contributions and legally required employee contributions which had been withheld from employee wages were remitted by the County to IPERS by June 30, 2023.

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

Plan Description – The County administers a single-employer benefit plan which provides medical 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 Monona 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 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, 2023, the following employees were covered by the benefit terms:

Active employees	<u>86</u>
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Total OPEB Liability – The County’s total OPEB liability of \$139,124 was measured as of June 30, 2023 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions – The total OPEB liability in the June 30, 2023 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, 2023)	2.60% per annum.
Rates of salary increase (effective June 30, 2023)	3.25% per annum, including inflation.
Discount rate (effective June 30, 2023)	4.13% compounded annually, including inflation.
Healthcare cost trend rate (effective June 30, 2023)	7.00% initial rate decreasing to an ultimate rate of 4.50%.

Discount Rate – The discount rate used to measure the total OPEB liability was 4.13% 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	\$ 123,417
Changes for the year:	
Service cost	21,334
Interest	5,920
Differences between expected and actual experiences	(11,193)
Changes in assumptions	<u>(354)</u>
Net changes	<u>15,707</u>
Total OPEB liability end of year	<u>\$ 139,124</u>

Changes of assumptions reflect a change in the discount rate from 4.09% in fiscal year 2022 to 4.13% in fiscal year 2023.

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 (3.13%) or 1% higher (5.13%) than the current discount rate.

	<u>1% Decrease (3.13%)</u>	<u>Discount Rate (4.13%)</u>	<u>1% Increase (5.13%)</u>
Total OPEB liability	\$ 148,088	139,124	130,419

Sensitivity of the County's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (6.00%) or 1% higher (8.00%) than the current healthcare cost trend rates.

	<u>1% Decrease (6.00%)</u>	<u>Healthcare Cost Trend Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Total OPEB liability	\$ 119,910	139,124	162,292

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2023, the County recognized OPEB expense of \$10,699. At June 30, 2023, 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	\$ -	51,508
Changes in assumptions	2,638	13,732
Total	<u>\$ 2,638</u>	<u>65,240</u>

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

Year Ending June 30,	Amount
2024	\$ (16,557)
2025	(15,838)
2026	(13,995)
2027	(12,915)
2028	(1,650)
Thereafter	(1,647)
	<u>\$ (62,602)</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 800 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, employment practices liability, public officials liability, cyber liability and law enforcement liability. 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, 2023 were \$382,720.

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

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

The County does not report a liability for losses in excess of reinsurance or excess risk-sharing recoveries unless it is deemed probable such losses have occurred and the amount of such loss can be reasonably estimated. Accordingly, at June 30, 2023, no liability has been recorded in the County's financial statements. As of June 30, 2023, 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 \$20,000, respectively. The County assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

#### **(11) Employee Health Insurance Plan**

The Internal Service, Employee Group Health Fund was established to accumulate and allocate health insurance costs internally among the County's various functions and to account for the partial self-funding of the County's health insurance benefit plan.

The plan is funded by County contributions and is administered through a service agreement with Employee Benefit Systems. The agreement is subject to automatic renewal provisions. The County assumes liability for claims up to the deductible of \$5,000/\$7,250 per single/family plan with a maximum out of pocket expense of \$7,350/\$14,700 per single/family plan. The deductible and maximum out of pocket expense for the County is reduced by the deductible amount paid by the employee of \$750/\$3,000 per single/family plan and employee maximum out of pocket expense of \$1,500/\$6,000 per single/family plan. Claims in excess of deductibles are covered by the partial self-funding plan.

Under the administrative services agreement, monthly payments of insurance premiums service fees and claims processed are paid to EBS from the Employee Group Health Fund. The County’s contribution to the fund for the partial self-funded plan for year ended June 30, 2023 was \$1,540,871. The cash balance held by EBS was \$131,076 at June 30, 2023.

**(12) Deferred Compensation Plan**

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 for employees. The 457 Plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights must be held in trust of the exclusive benefit of plan participants and beneficiaries. These funds are invested and held by an outside company and do not constitute a liability of the County.

**(13) Financial Condition**

The Special Revenue, Trustee Drainage Fund reported a fund balance deficit of \$44,796 at June 30, 2023. The County plans to eliminate the deficit through the collection of drainage assessments in fiscal year 2024.

**(14) Restatement**

Beginning net position for governmental activities was restated to properly report road infrastructure capital assets not previously reported.

The restatements to retroactively report the change in net position, are as follows:

	<u>Governmental Activities</u>
Net position June 30, 2022 as previously reported	\$ 51,274,409
Adjustment to properly report infrastructure	<u>604,629</u>
Net position July 1, 2022, as restated	<u>\$ 51,879,038</u>

**Monona County**

**Required Supplementary Information**

Monona 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, 2023

	Actual	Less Funds not Required to be Budgeted	Net
<b>Receipts:</b>			
Property and other county tax	\$ 7,725,405	-	7,725,405
Interest and penalty on property tax	32,739	-	32,739
Intergovernmental	8,707,480	11,174	8,696,306
Licenses and permits	18,653	-	18,653
Charges for service	370,794	-	370,794
Use of money and property	297,685	3,825	293,860
Miscellaneous	481,837	221,903	259,934
Total receipts	17,634,593	236,902	17,397,691
<b>Disbursements:</b>			
Public safety and legal services	2,814,910	-	2,814,910
Physical health and social services	260,823	-	260,823
County environment and education	1,032,283	-	1,032,283
Roads and transportation	6,644,611	-	6,644,611
Governmental services to residents	579,722	-	579,722
Administration	2,095,325	-	2,095,325
Non-program	434,280	434,280	-
Debt service	106,149	106,149	-
Capital projects	1,525,008	-	1,525,008
Total disbursements	15,493,111	540,429	14,952,682
Excess (deficiency) of receipts over (under) disbursements	2,141,482	(303,527)	2,445,009
Other financing sources, net	319,481	319,481	-
Change in balances	2,460,963	15,954	2,445,009
Balance beginning of year	9,739,099	150,309	9,588,790
Balance end of year	\$ 12,200,062	166,263	12,033,799

See accompanying independent auditor's report.

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Budgeted Amounts		Final to Net Variance
Original	Final	
8,046,413	8,046,413	(321,008)
10,910	10,910	21,829
8,259,303	8,259,303	437,003
8,650	8,650	10,003
331,600	331,600	39,194
77,580	77,580	216,280
73,156	73,156	186,778
16,807,612	16,807,612	590,079
3,016,604	3,016,604	201,694
429,714	429,714	168,891
1,079,786	1,079,786	47,503
6,645,919	6,645,919	1,308
641,956	641,956	62,234
3,031,403	3,035,703	940,378
-	-	-
-	-	-
2,183,592	2,183,592	658,584
17,028,974	17,033,274	2,080,592
(221,362)	(225,662)	2,670,671
50,000	50,000	(50,000)
(171,362)	(175,662)	2,620,671
6,574,196	6,574,196	3,014,594
6,402,834	6,398,534	5,635,265

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Monona County

Budgetary Comparison Schedule – Budget to GAAP Reconciliation

Required Supplementary Information

Year ended June 30, 2023

	<u>Governmental Funds</u>		
	<u>Cash</u>	<u>Accrual</u>	<u>Modified</u>
	<u>Basis</u>	<u>Adjustments</u>	<u>Accrual</u>
			<u>Basis</u>
Revenues	\$ 17,634,593	(1,087,262)	16,547,331
Expenditures	15,493,111	370,831	15,863,942
Net	2,141,482	(1,458,093)	683,389
Other financing sources, net	319,481	-	319,481
Beginning fund balances	9,739,099	(75,991)	9,663,108
Ending fund balances	<u>\$ 12,200,062</u>	<u>(1,534,084)</u>	<u>10,665,978</u>

See accompanying independent auditor's report.

Monona County

Notes to Required Supplementary Information – Budgetary Reporting

June 30, 2023

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

In accordance with the Code of Iowa, the County Board of Supervisors annually adopts a budget on the cash basis following required public notice and hearing for all funds except blended component units, the Internal Service Fund and Custodial Funds, and appropriates the amount deemed necessary for each of the different County offices and departments. The budget may be amended during the year utilizing similar statutorily prescribed procedures. Encumbrances are not recognized on the cash basis budget and appropriations lapse at year end.

Formal and legal budgetary control is based upon nine major classes of expenditures known as functions, not by fund. These nine functions are: public safety and legal services, physical health and social services, 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 \$4,300. The budget amendments are reflected in the final budgeted amounts.

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

During the year ended June 30, 2023, disbursements did not exceed the amounts budgeted.



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Monona County

Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)

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

Required Supplementary Information

	2023	2022	2021	2020
County's proportion of the net pension liability (asset)	0.029972%	0.261516% **	0.042256%	0.042306%
County's proportionate share of the net pension liability (asset)	\$ 1,132	(903)	2,969	2,450
County's covered payroll	\$ 4,491	4,276	4,191	4,044
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	25.21%	-21.12%	70.84%	60.58%
IPERS' net position as a percentage of the total pension liability (asset)	91.40%	100.81%	82.90%	85.45%

\* 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.

\*\* Overall plan net pension asset.

See accompanying independent auditor's report.

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2019	2018	2017	2016	2015
0.043599%	0.046141%	0.046122%	0.042430%	0.042330%
2,759	3,074	2,903	2,096	1,679
3,943	3,829	3,693	3,558	3,524
69.97%	80.28%	78.61%	47.64%	47.64%
83.62%	82.21%	81.82%	85.19%	87.61%

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Monona County

Schedule of County Contributions

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

Required Supplementary Information

	2023	2022	2021	2020
Statutorily required contribution	\$ 462	420	404	398
Contributions in relation to the statutorily required contribution	(462)	(420)	(404)	(398)
Contribution deficiency (excess)	\$ -	-	-	-
County's covered payroll	\$ 4,708	4,491	4,276	4,191
Contributions as a percentage of covered payroll	9.81%	9.35%	9.45%	9.50%

See accompanying independent auditor's report.

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2019	2018	2017	2016	2015	2014
405	375	365	371	341	337
(405)	(375)	(365)	(371)	(341)	(337)
-	-	-	-	-	-
4,044	3,943	3,829	3,693	3,558	3,524
10.01%	9.51%	9.53%	10.05%	9.58%	9.56%

**Monona County**

Monona County

Notes to Required Supplementary Information – Pension Liability

Year ended June 30, 2023

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

The 2022 valuation incorporated the following refinements after a quadrennial experience study:

- Changed mortality assumptions to the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.
- Adjusted retirement rates for Regular members.
- Lowered disability rates for Regular members.
- Adjusted termination rates for all membership groups.

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.

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Monona County

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

For the Last Six Years  
Required Supplementary Information

	2023	2022	2021	2020
Service cost	\$ 21,334	22,830	21,453	17,579
Interest cost	5,920	4,093	4,420	5,282
Difference between expected and actual experiences	(11,193)	(47,442)	(10,902)	(11,123)
Changes in assumptions	(354)	(20,143)	4,406	62
Benefit payments	-	-	-	-
Net change in total OPEB liability	15,707	(40,662)	19,377	11,800
Total OPEB liability beginning of year	123,417	164,079	144,702	132,902
Total OPEB liability end of year	\$ 139,124	123,417	164,079	144,702
Covered-employee payroll	\$ 4,784,941	4,330,788	4,108,802	3,984,906
Total OPEB liability as a percentage of covered-employee payroll	2.9%	2.8%	4.0%	3.6%

See accompanying independent auditor's report.

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<u>2019</u>	<u>2018</u>
16,665	8,922
5,176	3,299
(6,768)	19,110
2,482	8,436
<u>(3,442)</u>	<u>(8,341)</u>
14,113	31,426
<u>118,789</u>	<u>87,363</u>
<u>132,902</u>	<u>118,789</u>
4,307,608	3,846,007
3.1%	3.1%



Monona County

Notes to Required Supplementary Information – OPEB Liability

Year ended June 30, 2023

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, 2023	4.13%
Year ended June 30, 2022	4.09%
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%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

## **Supplementary Information**

Monona County  
Combining Balance Sheet  
Nonmajor Governmental Funds

June 30, 2023

	Resource Enhancement and Protection	County Recorder's Records Management	Special County Recorder's Electronic Transaction Fee
<b>Assets</b>			
Cash, cash equivalents and pooled investments	\$ 15,000	33,871	311
Receivables:			
Accounts	-	116	-
Accrued interest	-	-	-
Opioid settlement	-	-	-
Drainage assessments:			
Current	-	-	-
Future	-	-	-
<b>Total assets</b>	<b>15,000</b>	<b>33,987</b>	<b>311</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
Liabilities:			
Accounts payable	-	-	-
Deferred inflows of resources:			
Unavailable revenues:			
Other	-	-	-
Fund balances:			
Restricted for:			
Debt service	-	-	-
Capital projects	-	-	-
Opioid abatement	-	-	-
Other purposes	15,000	33,987	311
Unassigned	-	-	-
Total fund balances	15,000	33,987	311
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 15,000</b>	<b>33,987</b>	<b>311</b>

See accompanying independent auditor's report.

Revenue						
Conservation Trust	Local Government Opioid Abatement	Drainage Districts	Archer Trust	Capital Projects	Debt Service	Total
77,707	75,783	166,263	110	62,642	1,447	433,134
-	-	-	-	-	-	116
-	-	4,661	-	-	-	4,661
-	271,190	-	-	-	-	271,190
-	-	85,910	-	-	-	85,910
-	-	517,782	-	-	-	517,782
77,707	346,973	774,616	110	62,642	1,447	1,312,793
212	-	215,720	-	-	-	215,932
-	258,657	603,692	-	-	-	862,349
-	-	-	-	-	1,447	1,447
-	-	-	-	62,642	-	62,642
-	88,316	-	-	-	-	88,316
77,495	-	-	110	-	-	126,903
-	-	(44,796)	-	-	-	(44,796)
77,495	88,316	(44,796)	110	62,642	1,447	234,512
77,707	346,973	774,616	110	62,642	1,447	1,312,793

Monona County

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

Year ended June 30, 2023

	Resource Enhancement and Protection	County Recorder's Record Management	Special County Recorder's Electronic Transaction Fee
Revenues:			
Intergovernmental	\$ 9,115	-	-
Charges for service	-	1,799	-
Use of money and property	504	557	-
Miscellaneous	-	-	-
Total revenues	<u>9,619</u>	<u>2,356</u>	<u>-</u>
Expenditures:			
Operating:			
County environment and education	34,711	-	-
Government services to residents	-	1,170	-
Non-program	-	-	-
Debt service	-	-	-
Total expenditures	<u>34,711</u>	<u>1,170</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(25,092)	1,186	-
Other financing sources:			
Drainage warrant proceeds	-	-	-
Change in fund balances	(25,092)	1,186	-
Fund balances beginning of year	<u>40,092</u>	<u>32,801</u>	<u>311</u>
Fund balances end of year	<u>\$ 15,000</u>	<u>33,987</u>	<u>311</u>

See accompanying independent auditor's report.

Revenue							
Conservation Trust	Local Government Opioid Abatement	Drainage Districts	Archer Trust	Capital Projects	Debt Service	Total	
-	-	11,174	-	-	-	20,289	
30,167	-	-	-	-	-	31,966	
-	752	3,825	-	-	-	5,638	
13,420	87,564	223,642	-	-	-	324,626	
43,587	88,316	238,641	-	-	-	382,519	
13,363	-	-	-	-	-	48,074	
-	-	-	-	-	-	1,170	
-	-	649,848	-	-	-	649,848	
-	-	106,149	-	-	-	106,149	
13,363	-	755,997	-	-	-	805,241	
30,224	88,316	(517,356)	-	-	-	(422,722)	
-	-	319,481	-	-	-	319,481	
30,224	88,316	(197,875)	-	-	-	(103,241)	
47,271	-	153,079	110	62,642	1,447	337,753	
77,495	88,316	(44,796)	110	62,642	1,447	234,512	

Monona County

Combining Schedule of Fiduciary Net Position  
Custodial Funds

June 30, 2023

	County Offices	Agricultural Extension Education	County Assessor	Schools
<b>Assets</b>				
Cash, cash equivalents and pooled investments:				
County Treasurer	\$ -	2,023	446,944	106,330
Other County officials	27,285	-	-	-
Receivables:				
Property tax:				
Delinquent	-	155	452	9,101
Succeeding year	-	203,000	597,000	10,310,000
Accounts	-	-	-	-
Accrued interest	-	-	-	-
Drainage assessments:				
Current	-	-	-	-
Future	-	-	-	-
Due from other governments	-	-	-	-
Prepaid expenditures	-	-	6,734	-
<b>Total assets</b>	<b>\$ 27,285</b>	<b>205,178</b>	<b>1,051,130</b>	<b>10,425,431</b>
<b>Liabilities</b>				
Accounts payable	-	-	7,800	-
Due to other governments	22,061	2,023	90	106,330
Trusts payable	5,224	-	-	-
Compensated absences	-	-	25,689	-
Stamped drainage warrants payable	-	-	-	-
<b>Total liabilities</b>	<b>\$ 27,285</b>	<b>2,023</b>	<b>33,579</b>	<b>106,330</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenues	-	203,000	597,000	10,310,000
<b>Net Position</b>				
Restricted for individuals, organizations and other governments	\$ -	155	420,551	9,101

See accompanying independent auditor's report.

Community Colleges	Corporations	Townships	City Special Assessments	Auto License and Use Tax	Drainage Districts	Other	Total
8,314	31,641	2,596	269	350,574	1,769,453	1,153,617	3,871,761
-	-	-	-	-	-	-	27,285
634	5,747	96	-	-	12	2	16,199
842,000	2,602,000	320,000	-	-	-	2,000	14,876,000
-	-	-	-	-	-	49,369	49,369
-	-	-	-	-	1,608	-	1,608
-	-	-	-	-	996,632	-	996,632
-	-	-	-	-	86	-	86
-	-	-	-	-	378,149	13,775	391,924
-	-	-	-	-	-	1,163	7,897
850,948	2,639,388	322,692	269	350,574	3,145,940	1,219,926	20,238,761
-	-	-	-	-	84,464	683	92,947
8,314	31,641	2,596	269	350,574	-	87,406	611,304
-	-	-	-	-	-	-	5,224
-	-	-	-	-	-	6,045	31,734
-	-	-	-	-	41,761	-	41,761
8,314	31,641	2,596	269	350,574	126,225	94,134	782,970
842,000	2,602,000	320,000	-	-	-	2,000	14,876,000
634	5,747	96	-	-	3,019,715	1,123,792	4,579,791



Monona County

Combining Schedule of Changes in Fiduciary Net Position  
Custodial Funds

Year ended June 30, 2023

	County Offices	Agricultural Extension Education	County Assessor	Schools
<b>Additions:</b>				
Property and other county tax	\$ -	190,347	553,279	9,939,769
911 surcharges	-	-	-	-
State tax credits	-	10,984	31,643	520,219
Office fees and collections	543,684	-	-	-
Auto licenses, use tax and postage	-	-	-	-
Assessments	-	-	-	-
Trusts	66,048	-	-	-
Miscellaneous	-	-	2,280	-
<b>Total additions</b>	<b>609,732</b>	<b>201,331</b>	<b>587,202</b>	<b>10,459,988</b>
<b>Deductions:</b>				
<b>Agency remittances:</b>				
To other funds	357,801	-	-	-
To other governments	178,880	201,308	518,111	10,458,486
Trusts paid out	73,051	-	-	-
<b>Total deductions</b>	<b>609,732</b>	<b>201,308</b>	<b>518,111</b>	<b>10,458,486</b>
Changes in net position	-	23	69,091	1,502
Net position beginning of year	-	132	351,460	7,599
Net position end of year	\$ -	155	420,551	9,101

See accompanying independent auditor's report.

Community Colleges	Corporations	Townships	City Special Assessments	Auto License and Use Tax	Drainage Districts	Other	Total
784,056	2,117,726	295,030	-	-	12	2,030	13,882,249
-	-	-	-	-	-	204,204	204,204
40,154	320,920	10,744	-	-	-	118	934,782
-	-	-	-	-	-	1,653	545,337
-	-	-	-	3,739,612	-	-	3,739,612
-	-	-	8,497	-	1,933,299	-	1,941,796
-	-	-	-	-	-	-	66,048
-	-	-	-	-	637,775	371,047	1,011,102
824,210	2,438,646	305,774	8,497	3,739,612	2,571,086	579,052	22,325,130
-	-	-	-	100,652	-	-	458,453
824,102	2,438,183	305,755	13,358	3,638,960	2,155,249	414,195	21,146,587
-	-	-	-	-	-	-	73,051
824,102	2,438,183	305,755	13,358	3,739,612	2,155,249	414,195	21,678,091
108	463	19	(4,861)	-	415,837	164,857	647,039
526	5,284	77	4,861	-	2,603,878	958,935	3,932,752
634	5,747	96	-	-	3,019,715	1,123,792	4,579,791

Monona County

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

For the Last Ten Years

	2023	2022	2021	2020
<b>Revenues:</b>				
Property and other county tax	\$ 7,264,235	7,223,092	7,023,372	5,987,894
Local option sales tax	456,383	593,121	497,744	394,440
Interest and penalty on property tax	32,551	33,740	55,404	14,542
Intergovernmental	7,590,238	8,131,451	7,640,668	6,028,030
Licenses and permits	18,733	16,090	15,005	11,447
Charges for service	378,238	363,141	370,448	290,811
Use of money and property	310,564	123,325	89,856	249,223
Miscellaneous	496,389	347,186	455,301	600,623
Total	<u>\$ 16,547,331</u>	<u>16,831,146</u>	<u>16,147,798</u>	<u>13,577,010</u>
<b>Expenditures:</b>				
<b>Operating:</b>				
Public safety and legal services	\$ 2,854,061	2,750,682	2,230,122	2,085,064
Physical health and social services	268,369	365,830	189,615	230,095
Mental health	-	198,258	272,581	218,500
County environment and education	1,052,663	930,254	937,218	939,238
Roads and transportation	7,273,146	6,523,012	6,655,100	8,901,221
Governmental services to residents	588,912	530,756	484,504	481,172
Administration	2,149,093	1,692,768	1,407,412	1,603,173
Non-program	651,169	186,480	107,302	111,274
Debt service	106,149	91,738	100,057	105,795
Capital projects	920,380	1,584,466	1,751,948	1,941,735
Total	<u>\$ 15,863,942</u>	<u>14,854,244</u>	<u>14,135,859</u>	<u>16,617,267</u>

See accompanying independent auditor's report.

2019	2018	2017	2016	2015	2014
5,883,121	5,784,845	5,669,357	5,561,731	5,456,613	4,937,622
398,118	343,814	384,646	360,583	365,015	371,369
33,599	34,592	36,185	32,488	34,393	35,923
4,992,722	5,389,623	5,999,655	4,742,310	4,312,456	4,625,041
11,301	10,463	11,024	12,254	14,035	13,410
285,531	274,946	278,320	249,213	247,887	274,063
156,011	131,803	123,213	156,896	130,365	246,385
478,380	279,485	539,418	234,162	258,957	345,411
12,238,783	12,249,571	13,041,818	11,349,637	10,819,721	10,849,224
2,052,776	2,121,314	1,926,703	1,765,858	1,719,465	1,689,183
370,772	403,155	448,973	461,785	427,775	499,065
186,858	206,517	206,908	300,992	598,354	238,336
816,554	781,138	799,980	663,613	642,075	706,882
6,448,088	7,116,238	5,204,001	5,253,867	5,201,317	4,497,158
438,358	442,618	425,622	397,656	430,172	445,357
1,564,632	1,569,471	1,383,992	1,420,508	1,373,921	1,359,072
144,452	104,590	357,527	166,778	97,424	88,853
90,456	158,995	329,521	217,098	190,008	319,740
1,255,190	420,323	1,040,159	859,377	464,107	229,373
13,368,136	13,324,359	12,123,386	11,507,532	11,144,618	10,073,019



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

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

To the Officials of Monona County:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Monona County, Iowa, as of and for the year ended June 30, 2023, and the related Notes to Financial Statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 19, 2024.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings, we identified certain deficiencies in internal control that we consider to be material weaknesses and a significant deficiency.

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 that a material misstatement of the County's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings as items 2023-001 and 2023-002 to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying Schedule of Findings as item 2023-003 to be a significant deficiency.

### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Monona County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 noncompliance or other matters which are required to be reported under Government Auditing Standards. However, we noted an immaterial instance of noncompliance or other matters which is described in the accompanying Schedule of Findings.

Comments involving statutory and other legal matters about the County's operations for the year ended June 30, 2023 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 comment involving statutory and other legal matters is not intended to constitute legal interpretations of those statutes.

### Monona County's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Monona County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings. Monona County's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

### 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 Monona 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.



Brian R. Brustkern, CPA  
Deputy Auditor of State

June 19, 2024

Monona County

Schedule of Findings

Year ended June 30, 2023

**Findings Related to the Financial Statements:**

**INTERNAL CONTROL DEFICIENCIES:**

2023-001 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:

	<u>Applicable Offices</u>
(1) All incoming mail is opened by an employee who is also authorized to make entries to the accounting records. In the County Treasurer’s Office, drop box receipts are opened by accounting personnel.	Conservation, Recorder, Sheriff and Treasurer
(2) All employees have access to the change fund.	Recorder and Sheriff
(3) Responsibilities for collection, deposit preparation and reconciliation functions are not segregated from those for recording and accounting for cash receipts and disbursements.	Conservation, Recorder, Sheriff and Treasurer
(4) Bank accounts were not reconciled by an individual who does not sign checks, handle or record cash. Bank reconciliations were not reviewed periodically by an independent person for propriety.	Sheriff and Treasurer
(5) Responsibilities for approval, preparation, signing and posting of disbursements.	Recorder and Sheriff
(6) Inventory and supplies receiving, accounting and custody responsibilities are not properly segregated.	Engineer
(7) All individuals have the ability to void receipts, including individuals who perform daily balancing. A report is not maintained, or review performed over voided receipts.	Sheriff

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.

Monona County

Schedule of Findings

Year ended June 30, 2023

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 independent reviews should be documented by the signature or initials of the reviewer and the date of the review.

Responses –

Conservation – We will do the best we can with limited employees to segregate duties and collect receipts as responsible as possible.

Recorder – The Recorder will continue to educate staff on the importance of segregation of duties and cross checking each other’s work. One employee will balance the cash drawer, and another will balance to the computer system. The Recorder will check deposit to computer reports and take deposit to the bank.

Engineer – We are getting an inventory system in place to help with this process.

Sheriff – We will attempt to segregate duties amongst available staff. The Sheriff or his designee will initial deposits to make sure amounts received match those receipted into the account.

Treasurer – Treasurer will implement schedule of varied duties when feasible to do so with adequate staff.

Conclusion – Responses acknowledged. Each official should continue to review controls to obtain the maximum internal control possible, including utilizing current personnel, including other officials and employees, to provide additional control for their accounts.

2023-002 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 – Material amounts of account receivables and payables were not properly recorded in the County’s financial statements. Adjustments were subsequently made by the County to properly include these amounts in the financial statements.

Cause – County policies do not require, and procedures have not been established to require independent review of year end cut-off transactions to ensure the County’s financial statements are accurate and reliable.



Monona County

Schedule of Findings

Year ended June 30, 2023

Effect – Lack of policies and procedures resulted in County employees not detecting the errors in the normal course of performing their assigned functions. As a result, material adjustments to the County’s financial statements were necessary.

Recommendation – The County should establish procedures to ensure all receivables and payables are identified and properly reported in the County’s financial statements.

Response – The County will implement procedures to ensure all activity is properly recorded.

Conclusion – Responses accepted.

2023-003 County Sheriff Commissary Account

Criteria – An effective internal control system provides for internal controls related to ensuring proper accounting for all funds by maintaining appropriate accounting records, reconciling book and bank balances and by ensuring an independent review of the bank reconciliations.

Condition – During the fiscal year, monthly book to bank reconciliations for the County Sheriff’s Commissary bank account were not prepared. Although the County Sheriff prepares a monthly Checkbook Statement Report, the report does not include a list of outstanding checks and deposits in transit. In addition, there was no evidence of an independent review of this report for all 12 months.

Cause – Procedures have not been designed and implemented to ensure appropriate accounting records are maintained or to ensure all accounts are reconciled and the amounts recorded in the books and bank accounts are complete and accurate.

Effect – The lack of a complete bank to book reconciliation can result in unrecorded transactions, undetected errors and opportunity for misappropriation.

Recommendation – To improve financial accountability and control, a monthly reconciliation of the book and bank balances should be prepared and retained. Any variances should be investigated and resolved in a timely manner. A listing of outstanding checks and deposits in transit should be prepared and retained monthly. Also, the book balance should be reconciled to a trust list on hand at the end of each month. An independent review of the reconciliation should be performed periodically and should be documented by the signature or initials of the reviewer and the date of review.

Response – Staff will reconcile the commissary account on a month-to-month basis and also will keep a running log of monthly outstanding checks and deposits. Statements get reconciled monthly with computer entry of monthly statement.

Conclusion – Response accepted.

**INSTANCES OF NONCOMPLIANCE**

No matters were noted.

Monona County

Schedule of Findings

Year ended June 30, 2023

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

2023-A Certified Budget – Disbursements during the year ended June 30, 2023 did not exceed the amounts budgeted.

2023-B 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.

2023-C Travel Expense – No expenditures of County money for travel expenses of spouses of County officials or employees were noted.

2023-D Business Transactions – Business transactions between the County and County officials or employees are as follows:

Name, Title and Business Connection	Transaction Description	Amount
Doug Kuhlmann, Conservation Director, Owner of Kuhlmann Home Improvements	Equipment rental	\$ 1,674

In accordance with Chapter 331.342(2)(j) of the Code of Iowa, the transactions with Kuhlmann Home Improvements do not appear to represent conflicts of interest since the total transactions were below \$6,000 during the fiscal year.

2023-E Restricted Donor Activity – No transactions were noted between the County, County officials or County employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

2023-F 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.

2023-G Board Minutes – No transactions were found that we believe should have been approved in the Board minutes but were not.

2023-H 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.

2023-I 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).

Monona County

Schedule of Findings

Year ended June 30, 2023

2023-J Financial Condition – The Special Revenue, Drainage Fund had a deficit fund balance totaling \$44,796 at June 30, 2023.

Recommendation – The County should investigate alternatives to eliminate this deficit balance.

Response – The Special Revenue, Drainage Fund will collect drainage assessments which will resolve the deficit balance.

Conclusion – Response accepted.

Monona County

Staff

This audit was performed by:

Brian R. Brustkern, CPA, Deputy  
Alex N. Kawamara, CPA, Manager  
Deborah J. Moser, CPA, Manager  
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