

OFFICE OF AUDITOR OF STATE
STATE OF IOWA

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

Rob Sand
Auditor of State

NEWS RELEASE

FOR RELEASE

June 22, 2022

Contact: Ernest Ruben
515/281-5834

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

FINANCIAL HIGHLIGHTS:

The County's revenues totaled \$33,573,445 for the year ended June 30, 2021, a 1.5% increase over the prior year. Expenses for County operations for the year ended June 30, 2021 totaled \$27,693,217 a decrease of 2.9% from the prior year.

AUDIT FINDINGS:

Sand reported ten findings related to the receipt and expenditure of taxpayer funds. They are found on pages 84 through 93 of this report. The findings address issues such as lack of segregation of duties, material amounts of revenues, accounts receivables, accounts payable, prepaid expenses and infrastructure additions were not properly recorded in the County's financial statements and disbursements exceeding budgeted amounts prior to amendment. Sand provided the County with recommendations to address each of these findings.

Eight 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 web site at [Audit Reports - Auditor of State](#).

###

JASPER COUNTY

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

JUNE 30, 2021

Jasper County



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

Rob Sand
Auditor of State

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

June 3, 2022

Officials of Jasper County
Newton, Iowa

Dear Board Members:

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

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

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Sand". The signature is stylized and cursive.

Rob Sand
Auditor of State

Table of Contents

		<u>Page</u>
Officials		4
Independent Auditor’s Report		5-7
Management’s Discussion and Analysis		8-14
Basic Financial Statements:	<u>Exhibit</u>	
Government-wide Financial Statements:		
Statement of Net Position	A	16
Statement of Activities	B	17
Governmental Fund Financial Statements:		
Balance Sheet	C	18-19
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	D	21
Statement of Revenues, Expenditures and Changes in Fund Balances	E	22-23
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	F	24
Proprietary Fund Financial Statements:		
Statement of Net Position	G	25
Statement of Revenues, Expenses and Changes in Fund Net Position	H	26
Statement of Cash Flows	I	27
Fiduciary Fund Financial Statements:		
Statement of Fiduciary Net Position – Custodial Funds	J	28
Statement of Changes in Fiduciary Net Position – Custodial Funds	K	29
Notes to Financial Statements		30-53
Required Supplementary Information:		
Budgetary Comparison Schedule of Receipts, Disbursements and Changes in Balances – Budget and Actual (Cash Basis) – All Governmental Funds		56-57
Budget to GAAP Reconciliation		58
Notes to Required Supplementary Information – Budgetary Reporting		59
Schedule of the County’s Proportionate Share of the Net Pension Liability		60-61
Schedule of County Contributions		62-63
Notes to Required Supplementary Information – Pension Liability		64
Schedule of Changes in the County’s Total OPEB Liability, Related Ratios and Notes		65
Supplementary Information:	<u>Schedule</u>	
Nonmajor Governmental Funds:		
Combining Balance Sheet	1	68-69
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	2	70-71
Custodial Funds:		
Combining Schedule of Fiduciary Net Position	3	72-73
Combining Schedule of Changes in Fiduciary Net Position	4	74-75
Schedule of Revenues by Source and Expenditures by Function – All Governmental Funds	5	76-77
Schedule of Expenditures of Federal Awards	6	78-79

Table of Contents
(Continued)

	<u>Page</u>
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	80-81
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance	82-83
Schedule of Findings and Questioned Costs	84-93
Staff	94

Jasper County

Officials

(Before January 2021)

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Doug Cupples	Board of Supervisors	Jan 2021
Dennis Carpenter	Board of Supervisors	Jan 2023
Brandon Talsma	Board of Supervisors	Jan 2023
Dennis Parrott	County Auditor	Jan 2021
Doug Bishop	County Treasurer	Jan 2023
Denise Allan	County Recorder	Jan 2023
John Halferty	County Sheriff	Jan 2021
Scott Nicholson	County Attorney	Jan 2023
Tracy DeJong	County Assessor	Jan 2022

(After January 2021)

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Dennis Carpenter	Board of Supervisors	Jan 2023
Brandon Talsma	Board of Supervisors	Jan 2023
Doug Cupples	Board of Supervisors	Jan 2025
Dennis Parrott	County Auditor	Jan 2025
Doug Bishop	County Treasurer	Jan 2023
Denise Allan	County Recorder	Jan 2023
John Halferty	County Sheriff	Jan 2025
Scott Nicholson	County Attorney	Jan 2023
Tracy DeJong	County Assessor	(Resigned Jan 2021)
John Deegan (Appointed Aug 2021)	County Assessor	(Resigned Sep 2021)
Stacey Von Dielingen (Appointed Sep 2021)	County Assessor	Jan 2022



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

Rob Sand
Auditor of State

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

Independent Auditor's Report

To the Officials of Jasper County:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles. This includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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

Emphasis of a Matter

As discussed in Note 17 to the financial statements, Jasper County adopted new accounting guidance related to Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of the County's Proportionate Share of the Net Pension Liability, the Schedule of County Contributions and the Schedule of Changes in the County's Total OPEB Liability, Related Ratios and Notes on pages 8 through 14 and 56 through 65 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

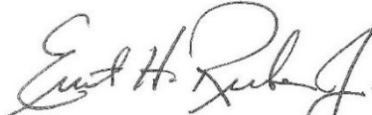
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Jasper County's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the nine years ended June 30, 2020 (which are not presented herein) and expressed unmodified opinions on those financial statements. The supplementary information included in Schedules 1 through 6, including the Schedule of Expenditures of Federal Awards required by Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 3, 2022 on our consideration of Jasper 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 Jasper County's internal control over financial reporting and compliance.



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

June 3, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

2021 FINANCIAL HIGHLIGHTS

- The County implemented Governmental Accounting Standards Board Statement (GASB) No. 84, Fiduciary Activities, during fiscal year 2021. The beginning net position for governmental activities and the beginning fund balance for the General Fund was restated \$66,613 and the fiduciary (custodial) funds was restated \$1,865,343 to retroactively report in accordance with the GASB.
- Revenues of the County's governmental activities increased 1.5%, or approximately \$498,000, from fiscal year 2020 to fiscal year 2021. Operating grants, contributions and restricted interest increased approximately \$1,056,000, local option sales tax increased approximately \$413,000 and other general revenues increased approximately \$382,000. Capital grants, contributions and restricted interest decreased approximately \$1,214,000.
- Program expenses of the County's governmental activities decreased 2.9%, or approximately \$830,000, from fiscal year 2020 to fiscal year 2021. Expenses increased approximately \$616,000 in the roads and transportation function. Expenses decreased approximately \$999,000 in the administration function, approximately \$440,000 in the mental health function and approximately \$344,000 in the physical health and social services function.
- The County's net position increased 9.4%, or approximately \$5,880,000, over the June 30, 2020 restated 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 Jasper 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 Jasper 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 Jasper County acts solely as an agent or custodian for the benefit of those outside of County government (Custodial Funds).

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

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

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

REPORTING THE COUNTY'S FINANCIAL ACTIVITIES

Government-wide Financial Statements

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

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

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

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

Fund Financial Statements

The County has three kinds of funds:

- 1) Governmental funds account for most of the County's basic services. These focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental funds include: 1) the General Fund, 2) the Special Revenue Funds, such as Mental Health, Rural Services and Secondary Roads, 3) the Debt Service Fund, 4) the Capital Projects Fund and 5) the Permanent 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 fund 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 auto license and use tax, emergency management services and the County Assessor, to name a few.

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

Net Position of Governmental Activities (Expressed in Thousands)		
	June 30,	
	2021	2020
Current and other assets	\$ 44,725	35,816
Capital assets	58,964	58,586
Total assets	103,689	94,402
Deferred outflows of resources	2,269	2,135
Long-term liabilities	17,869	14,083
Other liabilities	2,680	1,881
Total liabilities	20,549	15,964
Deferred inflows of resources	16,959	18,070
Net position:		
Net investment in capital assets	56,939	56,415
Restricted	16,539	13,198
Unrestricted	(5,028)	(7,110)
Total net position	\$ 68,450	62,503

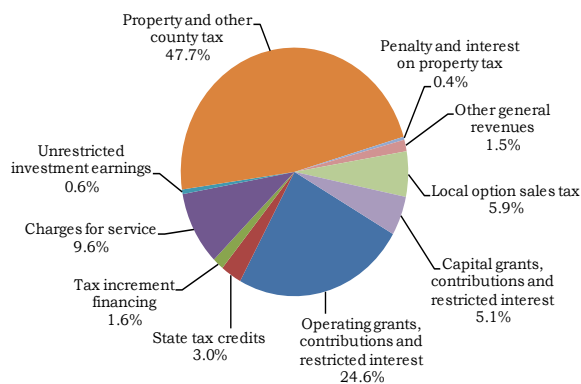
Net position of Jasper County's governmental activities increased 9.4% (approximately \$68.5 million compared to approximately \$62.6 million restated balances). The largest portion of the County's net position is invested in capital assets (e.g., land, infrastructure, buildings and equipment), less the related debt. The debt related to the investment in capital assets is liquidated with resources other than capital assets. This net position category increased approximately \$524,000, or less than 1%, 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 \$3,341,000, or 25.31%, over the prior year's restated balance. The increase is primarily due to an increase in the amounts held at year end in the Special Revenue, Secondary Roads funds.

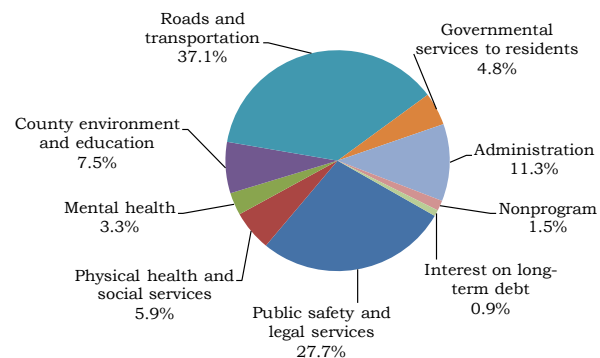
Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – increased from a deficit of approximately (\$7,110,000) at June 30, 2020 to a deficit of approximately (\$5,028,000) at the end of this year, an increase of 27.0%. This increase is primarily due to an increase in the general fund.

Changes in Net Position of Governmental Activities (Expressed in Thousands)		
	Year ended June 30,	
	2021	2020
Revenues:		
Program revenues:		
Charges for service	\$ 3,228	3,508
Operating grants, contributions and restricted interest	8,267	7,211
Capital grants, contributions and restricted interest	1,710	2,924
General revenues:		
Property and other county tax	16,014	15,745
Tax increment financing	531	545
Penalty and interest on property tax	121	79
State tax credits	1,010	1,085
Local option sales tax	1,988	1,575
Unrestricted investment earnings	189	270
Other general revenues	515	133
Total revenues	33,573	33,075
Program expenses:		
Public safety and legal services	7,660	7,561
Physical health and social services	1,629	1,973
Mental health	906	1,346
County environment and education	2,078	1,997
Roads and transportation	10,288	9,672
Governmental services to residents	1,331	1,446
Administration	3,130	4,129
Nonprogram	408	271
Interest on long-term debt	263	128
Total expenses	27,693	28,523
Change in net position	5,880	4,552
Net position beginning of year, as restated	62,570	57,951
Net position end of year	\$ 68,450	62,503

Revenues by Source



Expenses by Function



Jasper County's governmental activities net position increased approximately \$5,880,000 during the year. Revenues for governmental activities increased approximately \$498,000 over the prior year, including property tax revenue, which increased approximately \$269,000, or 1.7%.

For fiscal year 2021, taxable property valuation increased to approximately \$1,798,255,000 and the tax levy rate decreased from \$11.63697 to \$10.44530 per \$1,000 of taxable valuation. The general supplemental and rural supplemental levies decreased \$0.38321 and \$0.78000 per \$1,000 of taxable valuation, respectively. As a result, property and other county tax revenue increased approximately \$269,000.

The cost of all governmental activities this year was approximately \$27.7 million compared to approximately \$28.5 million last year. However, as shown in the Statement of Activities on page 17, the amount taxpayers ultimately financed for these activities was approximately \$14.5 million because some of the cost was paid by those directly benefited from the programs (approximately \$3,228,000) or by other governments and organizations which subsidized certain programs with grants and contributions (approximately \$9,977,000). Overall, the County's governmental program revenues, including intergovernmental aid and fees for service, decreased in fiscal year 2021 from approximately \$13,643,000 to approximately \$13,205,000, primarily due to a combination of increased intergovernmental revenue related to the CARES Act and decreased contributions of roads and bridges paid for by the Iowa Department of Transportation.

INDIVIDUAL MAJOR FUND ANALYSIS

As Jasper County completed the year, its governmental funds reported a combined fund balance of approximately \$24.8 million, an increase of approximately \$7,721,000 above last year's total of approximately \$17.1 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 \$1,252,000, or 8.0%, primarily due to an increase in property tax and intergovernmental revenue. Expenditures increased approximately \$385,000, or 2.5%. The ending fund balance increased approximately \$2,492,000, or 33.8%, over the prior year restated balance to \$9,865,928.
- The Special Revenue, Mental Health Fund balance increased approximately \$12,000 during the year to \$144,392. For the year, expenditures totaled approximately \$970,000, a decrease of 26.9% from the prior year, primarily due to a decrease in the amount distributed to the region fiscal agent. During the year, the County remitted \$792,134 to the Central Iowa Community Services Mental Health Region, a decrease of approximately \$308,000 from the prior year.
- Special Revenue, Rural Services Fund revenues decreased approximately \$338,000, or 10.2%, primarily due to a decrease in property taxes as a result of the decrease in the levy. Expenditures increased approximately \$144,000, or 16.0%. The ending fund balance decreased approximately \$650,000 from the prior year to \$81,545.
- Special Revenue, Secondary Roads Fund revenues increased approximately \$525,000, or 7.8%, over the prior year, due principally to an increase in road use tax revenues. During the year, expenditures increased approximately \$988,000, or 12.5%, primarily due to an increase in asphalt and surfacing projects. The fund balance at June 30, 2021 was \$6,985,633, an increase of \$2,152,659.
- Debt Service Fund revenues increased approximately \$80,000, or 9.6%, primarily due to an increase in property tax due to the increase in the debt service levy rate. Expenditures increased approximately \$150,000. At year end, the fund balance was \$673,511 compared to the prior year ending balance of \$789,605, a decrease of \$116,094.

- During the year ended June 30, 2021, the County issued \$3,320,000 of general obligation capital loan notes to help finance renovations of the NewCare Health Services Clinic, which was purchased in the prior fiscal year and will be used by various Departments which were previously located in the County Annex Building. Capital Projects Fund expenditures decreased approximately \$1,302,000, or 79.7%, primarily due to completion of projects at the County Courthouse, including the tuckpointing and LED lighting projects, as well as the purchase of the NewCare Health Services Clinic in the prior fiscal year. The Capital Projects ending fund balance at June 30, 2021 was \$3,658,639.

BUDGETARY HIGHLIGHTS

Over the course of the year, Jasper County amended its budget one time. The amendment was made on June 29, 2021 and resulted in an increase in budgeted disbursements in the public safety and legal services, mental health, county environment and education, roads and transportation, government services to residents, administration, non-program and capital projects functions for additional costs as a result of COVID-19. The amendment decreased budgeted disbursements in physical health and social services function due to the elimination of the Home Care program. The amendment increased budgeted property and other county taxes and miscellaneous receipts.

The County's receipts were \$1,595,247 more than budgeted, a variance of 5.2%. The most significant variance resulted from the County receiving more road use tax and federal receipts than anticipated.

Total disbursements were \$7,094,031 less than the amended budget, a variance of 21.1%. Actual disbursements for the capital projects, roads and transportation, and public safety and legal services functions were \$3,436,278, \$1,064,603 and \$1,051,696, respectively, less than budgeted. This was primarily due to costs being less than anticipated and projects being delayed until the next fiscal year.

Even with the budget amendment, the County exceed the amounts budgeted in the county environment and education, non-program and debt service functions prior to the amendment and in the non-program and debt service functions for the year ended June 30, 2021. In addition, three departments incurred disbursements prior to the approval of appropriations by department and disbursements in certain departments exceeded amounts appropriated.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2021, Jasper County had approximately \$58.9 million invested in a broad range of capital assets, including public safety equipment, buildings, park facilities, roads and bridges and intangible assets. This is a net increase (including additions and deletions) of approximately \$378,000, or less than 1% over last year.

Capital Assets of Governmental Activities at Year End (Expressed in Thousands)		
	June 30,	
	2021	2020
Land	\$ 2,569	2,569
Construction in progress	8,511	6,148
Buildings and improvements	9,987	10,305
Equipment and vehicles	5,048	5,166
Intangibles	87	94
Infrastructure	32,762	34,304
Total	\$ 58,964	58,586

The County had depreciation/amortization expense of \$3,340,534 in fiscal year 2021 and total accumulated depreciation/amortization of \$49,726,084 at June 30, 2021. More detailed information about the County's capital assets is presented in Note 4 to the financial statements.

Long-Term Debt

At June 30, 2021, Jasper County had approximately \$7,819,000 of general obligation bonds and capital loan notes and other debt outstanding, compared to approximately \$5,499,000 at June 30, 2020, as shown below:

Outstanding Debt of Governmental Activities at Year-End (Expressed in Thousands)		
	June 30,	
	2021	2020
General obligation bonds and capital loan notes	\$ 7,240	5,200
Municipal lease agreement	436	13
Installment purchase agreement	143	286
Total	<u>\$ 7,819</u>	<u>5,499</u>

The County carries a general obligation bond rating of Aa2 assigned by national rating agencies to the County's debt. The Constitution of the State of Iowa limits the amount of general obligation debt counties can issue to 5% of the assessed value of all taxable property within the County's corporate limits. Jasper County's outstanding general obligation debt is significantly below its constitutional debt limit of approximately \$149 million. Additional information about the County's long-term debt is presented in Note 6 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Jasper County's elected and appointed officials and citizens considered many factors when setting the fiscal year 2022 budget, tax rates and fees charged for various County activities. In an ongoing effort to maintain County services, the Jasper County Board of Supervisors is committed to limiting expenditure increases, using excess fund balances and reducing funding to non-mandated programs to provide essential services for the citizens of Jasper County.

The Jasper County Board of Supervisors has stated it is determined to use all of the one cent Local Option Sales and Services Tax (LOSST) funds for property tax relief. Therefore, in the fiscal year 2022 budget, all of the LOSST money estimated to be received in fiscal year 2022 (approximately \$900,000) was used to offset a property tax increase in fiscal year 2022.

Budgeted receipts in the operating budget are approximately \$32,953,000, a 7% increase over the final fiscal year 2021 budget. Budgeted disbursements increased approximately \$895,000 over the final fiscal year 2021 budget, primarily in the capital projects function. The County has added no major new programs or initiatives to the fiscal year 2022 budget.

If these estimates are realized, the County's budgetary operating balance is expected to decrease 8.9% by the close of fiscal year 2022.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of Jasper 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 Jasper County Auditor's Office, 101 1st Street N., Newton, Iowa 50208.

Basic Financial Statements

Jasper County
Statement of Net Position
June 30, 2021

	Governmental Activities
Assets	
Cash and pooled investments	\$ 26,177,488
Receivables:	
Property tax:	
Delinquent	31,703
Succeeding year	15,987,000
Succeeding year tax increment financing	453,000
Interest and penalty on property tax	97,476
Accounts	83,475
Loans	189,588
Due from other governments	1,052,400
Inventories	536,724
Prepaid expense	115,974
Capital assets, not being depreciated	11,079,957
Capital assets, net of accumulated depreciation/amortization	47,884,196
Total assets	103,688,981
Deferred Outflows of Resources	
Pension related deferred outflows	2,023,633
OPEB related deferred outflows	245,217
Total deferred outflows of resources	2,268,850
Liabilities	
Accounts payable	1,897,268
Accrued interest payable	23,847
Salaries and benefits payable	419,378
Due to other governments	150,514
Advances from grantor	7,406
Unearned revenue	181,464
Long-term liabilities:	
Portion due or payable within one year:	
General obligation capital loan notes	535,000
General obligation bonds	680,000
Municipal lease agreement	23,974
Installment purchase agreement	142,938
Compensated absences	638,967
Total OPEB liability	55,692
Portion due or payable after one year:	
General obligation capital loan notes	5,575,000
General obligation bonds	450,000
Municipal lease agreement	412,080
Compensated absences	1,331,287
Net pension liability	7,100,786
Total OPEB liability	923,772
Total liabilities	20,549,373
Deferred Inflows of Resources	
Unavailable property tax revenue	15,987,000
Unavailable tax increment financing revenue	453,000
Pension related deferred inflows	466,855
OPEB related deferred inflows	51,688
Total deferred inflows of resources	16,958,543
Net Position	
Net investment in capital assets	56,939,286
Restricted for:	
Nonexpendable:	
Permanent Fund	12,000
Expendable:	
Supplemental levy purposes	4,392,644
Mental health purposes	127,154
Rural services purposes	59,032
Secondary roads purposes	6,574,212
Local option sales and services tax purposes	2,110,507
Conservation land acquisition	399,571
Debt service	1,339,147
Capital projects	699,186
Other purposes	824,785
Unrestricted	(5,027,609)
Total net position	\$ 68,449,915

See notes to financial statements.

Jasper County
Statement of Activities
Year ended June 30, 2021

	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	
Functions/Programs:					
Governmental activities:					
Public safety and legal services	\$ 7,660,236	1,060,261	510,096	58,206	(6,031,673)
Physical health and social services	1,629,083	313,443	484,079	-	(831,561)
Mental health	906,066	-	-	-	(906,066)
County environment and education	2,077,625	179,973	219,956	89,241	(1,588,455)
Roads and transportation	10,287,513	242,515	6,956,217	1,562,804	(1,525,977)
Governmental services to residents	1,331,331	908,249	1,348	-	(421,734)
Administration	3,130,227	115,714	16,235	-	(2,998,278)
Non-program	408,499	407,856	79,484	-	78,841
Interest on long-term debt	262,637	-	-	-	(262,637)
Total	\$ 27,693,217	3,228,011	8,267,415	1,710,251	(14,487,540)
General Revenues:					
Property and other county tax levied for:					
General purposes					15,165,758
Debt service					847,865
Tax increment financing					530,824
Penalty and interest on property tax					121,334
State tax credits					1,010,349
Local option sales and services tax					1,988,005
Unrestricted investment earnings					188,869
Gain on disposition of capital assets					25,141
Miscellaneous					489,623
Total general revenues					20,367,768
Change in net position					5,880,228
Net position beginning of year, as restated					62,569,687
Net position end of year					\$ 68,449,915

See notes to financial statements.

Jasper County
Balance Sheet
Governmental Funds

June 30, 2021

	Special Revenue			
	General	Mental Health	Rural Services	Secondary Roads
Assets				
Cash and pooled investments	\$ 10,315,412	147,745	122,753	7,085,415
Receivables:				
Property tax:				
Delinquent	23,423	1,843	4,787	-
Succeeding year	11,794,000	669,000	2,665,000	-
Succeeding year tax increment financing	-	-	-	-
Interest and penalty on property tax	97,476	-	-	-
Accounts	28,358	-	1,289	12,456
Loans	-	-	-	189,588
Due from other governments	152,025	-	7,021	707,749
Inventories	-	-	-	536,724
Prepaid expenditures	115,974	-	-	-
Total assets	\$ 22,526,668	818,588	2,800,850	8,531,932
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 118,434	57	19,435	1,411,875
Salaries and benefits payable	312,687	3,296	4,032	99,363
Due to other governments	114,840	-	26,051	9,623
Advances from grantor	7,406	-	-	-
Unearned revenues	181,464	-	-	-
Total liabilities	734,831	3,353	49,518	1,520,861
Deferred inflows of resources:				
Unavailable revenues:				
Succeeding year property tax	11,794,000	669,000	2,665,000	-
Succeeding year tax increment financing	-	-	-	-
Other	131,909	1,843	4,787	25,438
Total deferred inflows of resources	11,925,909	670,843	2,669,787	25,438
Fund balances:				
Nonspendable:				
Inventories	-	-	-	536,724
Prepaid expenditures	115,974	-	-	-
Permanent fund	-	-	-	-
Restricted for:				
Supplemental levy purposes	4,085,600	-	-	-
Mental health purposes	-	144,392	-	-
Rural services purposes	-	-	81,545	-
Secondary roads purposes	-	-	-	6,448,909
Local option sales and services tax purposes	-	-	-	-
Conservation land acquisition	399,571	-	-	-
Debt service	-	-	-	-
Capital projects	-	-	-	-
Other purposes	226,347	-	-	-
Unassigned	5,038,436	-	-	-
Total fund balances	9,865,928	144,392	81,545	6,985,633
Total liabilities, deferred inflows of resources and fund balances	\$ 22,526,668	818,588	2,800,850	8,531,932

See notes to financial statements.

Debt Service	Capital Projects	Nonmajor	Total
673,511	3,795,765	3,265,578	25,406,179
1,650	-	-	31,703
859,000	-	-	15,987,000
-	-	453,000	453,000
-	-	-	97,476
-	-	-	42,103
-	-	-	189,588
-	42,405	143,200	1,052,400
-	-	-	536,724
-	-	-	115,974
1,534,161	3,838,170	3,861,778	43,912,147
-	137,126	-	1,686,927
-	-	-	419,378
-	-	-	150,514
-	-	-	7,406
-	-	-	181,464
-	137,126	-	2,445,689
859,000	-	-	15,987,000
-	-	453,000	453,000
1,650	42,405	-	208,032
860,650	42,405	453,000	16,648,032
-	-	-	536,724
-	-	-	115,974
-	-	12,000	12,000
-	-	-	4,085,600
-	-	-	144,392
-	-	-	81,545
-	-	-	6,448,909
-	-	2,110,507	2,110,507
-	-	-	399,571
673,511	-	687,833	1,361,344
-	3,658,639	-	3,658,639
-	-	598,438	824,785
-	-	-	5,038,436
673,511	3,658,639	3,408,778	24,818,426
1,534,161	3,838,170	3,861,778	43,912,147

Jasper County

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

June 30, 2021

Total governmental fund balances (page 19) \$ 24,818,426

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds. The cost of assets is \$108,690,237 and the accumulated depreciation/amortization is \$49,726,084. 58,964,153

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. 208,032

The Internal Service Fund is used by management to charge the costs of partial self funding of the County's health insurance benefit plan to individual funds. The assets and liabilities of the Internal Service Fund are included with governmental activities in the Statement of Net Position. 602,340

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	\$ 2,268,850	
Deferred inflows of resources	(518,543)	1,750,307

Long-term liabilities, including general obligation capital loan notes payable, general obligation bonds payable, municipal lease agreement payable, installment purchase agreement payable, compensated absences payable, net pension liability, total OPEB liability and accrued interest payable, are not due and payable in the current year and, therefore, are not reported in the governmental funds. (17,893,343)

Net position of governmental activities (page 16) \$ 68,449,915

See notes to financial statements.

Jasper County

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

Year ended June 30, 2021

	Special Revenue			
	General	Mental Health	Rural Services	Secondary Roads
Revenues:				
Property and other county tax	\$ 11,720,132	921,771	2,646,686	-
Tax increment financing	-	-	-	-
Local option sales and services tax	-	-	-	-
Interest and penalty on property tax	167,124	-	-	-
Intergovernmental	2,677,894	61,064	133,247	7,042,173
Licenses and permits	31,423	-	130,036	90,064
Charges for service	1,420,560	-	8,185	5,319
Use of money and property	248,960	-	-	-
Miscellaneous	705,669	-	42,293	113,304
Total revenues	16,971,762	982,835	2,960,447	7,250,860
Expenditures:				
Operating:				
Public safety and legal services	6,927,370	-	449,631	-
Physical health and social services	1,653,473	-	-	-
Mental health	-	970,341	-	-
County environment and education	1,408,930	-	594,919	-
Roads and transportation	-	-	-	8,789,147
Governmental services to residents	1,327,100	-	-	-
Administration	3,905,941	-	-	-
Non-program	315,908	-	-	-
Debt service	-	-	-	-
Capital projects	35,381	-	-	81,683
Total expenditures	15,574,103	970,341	1,044,550	8,870,830
Excess (deficiency) of revenues over (under) expenditures	1,397,659	12,494	1,915,897	(1,619,970)
Other financing sources (uses):				
Transfers in	1,571,351	-	-	3,619,749
Transfers out	(1,074,699)	-	(2,565,681)	-
Lease agreements	447,700	-	-	-
General obligation capital loan notes issued	-	-	-	-
Premium on general obligation capital loan notes	-	-	-	-
Insurance proceeds	150,132	-	-	152,880
Total other financing sources (uses)	1,094,484	-	(2,565,681)	3,772,629
Change in fund balances	2,492,143	12,494	(649,784)	2,152,659
Fund balances beginning of year, as restated	7,373,785	131,898	731,329	4,832,974
Fund balances end of year	\$ 9,865,928	144,392	81,545	6,985,633

See notes to financial statements.

Debt Service	Capital Projects	Nonmajor	Total
854,869	-	-	16,143,458
-	-	533,375	533,375
-	-	1,988,005	1,988,005
-	-	-	167,124
56,487	14,854	26,470	10,012,189
-	-	-	251,523
-	-	8,510	1,442,574
-	248	2,391	251,599
-	150	32,290	893,706
911,356	15,252	2,591,041	31,683,553
-	-	5,830	7,382,831
-	-	-	1,653,473
-	-	-	970,341
-	-	-	2,003,849
-	-	-	8,789,147
-	-	1,141	1,328,241
-	-	9,523	3,915,464
-	-	-	315,908
1,539,759	-	-	1,539,759
-	330,477	10,907	458,448
1,539,759	330,477	27,401	28,357,461
(628,403)	(315,225)	2,563,640	3,326,092
512,309	-	-	5,703,409
-	(2,030)	(2,060,999)	(5,703,409)
-	-	-	447,700
-	3,320,000	-	3,320,000
-	324,230	-	324,230
-	-	-	303,012
512,309	3,642,200	(2,060,999)	4,394,942
(116,094)	3,326,975	502,641	7,721,034
789,605	331,664	2,906,137	17,097,392
673,511	3,658,639	3,408,778	24,818,426

Jasper County

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

Year ended June 30, 2021

Change in fund balances - Total governmental funds (page 23) \$ 7,721,034

**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	\$ 2,128,461	
Capital assets contributed by the Iowa Department of Transportation	1,544,161	
Capital assets contributed by Private Sources	21,000	
Depreciation/amortization expense	<u>(3,340,534)</u>	353,088

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. 25,141

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	(129,835)	
Other	<u>(31,817)</u>	(161,652)

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 the long-term liabilities in the Statement of Net Position. Current year issuances exceeded repayments as follows:

Issued	(3,767,700)	
Repaid	<u>1,448,105</u>	(2,319,595)

The current year County IPERS contributions is reported as expenditures in the governmental funds but is reported as deferred outflows of resources in the Statement of Net Position. 948,370

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	82,527	
Pension expense	(1,288,961)	
OPEB expense	(67,540)	
Interest on long-term debt	<u>(14,524)</u>	(1,288,498)

The Internal Service Fund is used by management to charge the costs of the partial self-funding of the County's health insurance benefit plan to individual funds. The change in net position of the Internal Service Fund is reported with governmental activities. 602,340

Change in net position of governmental activities (page 17) \$ 5,880,228

See notes to financial statements.

Jasper County
Statement of Net Position
Proprietary Fund

June 30, 2021

	<u>Internal Service-Employee Group Health</u>
Assets	
Cash and cash equivalents	\$ 771,309
Accounts receivable	<u>41,372</u>
Total assets	812,681
Liabilities	
Accounts payable	<u>210,341</u>
Net Position	
Restricted for employee health	<u>\$ 602,340</u>

See notes to financial statements.

Jasper County

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

June 30, 2021

		<u>Internal Service-Employee Group Health</u>
Operating revenues:		
Reimbursements from operating funds	\$	1,572,646
Reimbursements from employees and others		<u>89,550</u>
Total operating revenues		1,662,196
Operating expenses:		
Medical claims	\$ 896,336	
Insurance premiums	95,693	
Administrative fees	<u>68,055</u>	<u>1,060,084</u>
Operating income		602,112
Non-operating revenues:		
Interest income		<u>228</u>
Net income		602,340
Net position beginning of year		<u>-</u>
Net position end of year	\$	<u><u>602,340</u></u>

See notes to financial statements.

Jasper County
Statement of Cash Flows
Proprietary Fund

June 30, 2021

	<u>Internal Service-Employee Group Health</u>
Cash flows from operating activities:	
Cash received from operating fund reimbursements	\$ 1,531,274
Cash received from employees and others	89,550
Cash paid for administrative fees	(68,055)
Cash paid to suppliers for services	<u>(781,688)</u>
Net cash provided by operating activities	771,081
Cash flows from investing activities:	
Interest on investments	<u>228</u>
Net increase in cash and cash equivalents	771,309
Cash and cash equivalents beginning of year	<u>-</u>
Cash and cash equivalents end of year	<u>\$ 771,309</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 602,112
Adjustments to reconcile operating income to net cash provided by operating activities:	
Change in assets and liabilities:	
Accounts receivable	(41,372)
Accounts payable	<u>210,341</u>
Net cash provided by operating activities	<u>\$ 771,081</u>

See notes to financial statements.

Jasper County
Statement of Fiduciary Net Position
Custodial Funds

June 30, 2021

	Other Employee Benefit	
	Trust	Custodial
Assets		
Cash and pooled investments:		
County Treasurer	\$ 160,484	3,156,875
Other County officials	-	73,491
Receivables:		
Property tax:		
Delinquent	-	84,902
Succeeding year	-	44,804,000
Accounts	-	18,255
Special assessments	-	109,318
Due from other governments	-	115,162
Total assets	160,484	48,362,003
Liabilities		
Accounts payable	-	53,296
Salaries and benefits payable	-	17,637
Due to other governments	-	2,048,650
Trusts payable	-	58,927
Compensated absences	-	96,994
Total liabilities	-	2,275,504
Deferred Inflows of Resources		
Unavailable property tax revenue	-	44,804,000
Net position		
Held in trust for employee benefits	160,484	-
Restricted for individuals, organizations and other governments	-	1,282,499
Total net position	\$ 160,484	1,282,499

See notes to financial statements.

Jasper County
Statement of Changes in Fiduciary Net Position
Custodial Funds

Year ended June 30, 2021

	Other Employee Benefit Trust	Custodial
Additions:		
Donations and contributions	\$ 179,208	-
Property and other county tax	-	43,643,965
911 surcharge	-	590,285
State tax credits	-	3,120,039
Drivers license fees	-	193,346
Office fees and collections	-	1,625,448
Auto licenses, use tax and postage	-	14,431,771
Assessments	-	32,542
Trusts	-	1,366,880
Miscellaneous	-	56,869
Total additions	179,208	65,061,145
Deductions:		
Distributions to participants	106,878	-
Agency remittances:		
To other funds	-	1,609,236
To other governments	-	63,376,586
Trusts paid out	-	658,167
Total deductions	106,878	65,643,989
Change in net position held in trust	72,330	(582,844)
Net position beginning of year, as restated	88,154	1,865,343
Net position end of year	\$ 160,484	1,282,499

See notes to financial statements.

Jasper County

Notes to Financial Statements

June 30, 2021

(1) Summary of Significant Accounting Policies

Jasper 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, Jasper 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 Jasper 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.

Seven 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 Jasper County Board of Supervisors. The drainage districts are reported as a Special Revenue Fund. Financial information of the individual drainage districts can be obtained from the Jasper County Auditor's Office.

Jointly Governed Organizations – The County participates in several jointly governed organizations that provide goods or services to the citizenry of the County but do not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The County Board of Supervisors are members of or appoint representatives to the following boards and commissions: Jasper County Assessor's Conference Board, Jasper County Emergency Management Commission and Jasper 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 Newton Sanitary Landfill, a jointly governed organization established pursuant to Chapter 28E of the Code of Iowa.

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:

Nonexpendable – Nonexpendable net position is subject to externally imposed stipulations which requires it to be maintained permanently by the County, including the County's Permanent Fund.

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

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

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

The Debt Service Fund is utilized to account for property tax and other revenues to be used for the payment of interest and principal on the County's general long-term debt.

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

Additionally, the County reports the following funds:

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

Fiduciary Funds:

The Other Employee Benefit Trust Fund is used to account for resources held for retired employees who participated in the County's sick leave conversion program.

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

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

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

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

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

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

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

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

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

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

Property tax receivable is recognized in these funds on the levy or lien date, which is the date the tax asking is certified by the County Board of Supervisors. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax and tax increment financing receivables represent taxes certified by the Board of Supervisors to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the Board of Supervisors is required to certify its budget in March of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax and tax increment financing receivables have been recorded, the related revenue is reported as a deferred inflow of resources in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which they are levied.

Property tax revenue recognized in these funds become due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2019 assessed property valuations; is for the tax accrual period July 1, 2020 through June 30, 2021 and reflects the tax asking contained in the budget certified by the County Board of Supervisors in March 2020.

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.

Special Assessments Receivable – Special assessments receivable represent the amounts due from individuals for work done which benefits their property. These assessments are payable by individuals in not more than 15 annual installments. Each annual installment with interest on the unpaid balance is due on September 30 and is subject to the same interest and penalties as other taxes. Special assessments receivable represent assessments which have been made but have not been collected.

Due from Other Governments – Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments.

Inventories – Inventories are valued at cost using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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

<u>Asset Class</u>	<u>Amount</u>
Intangibles	\$ 100,000
Infrastructure	50,000
Land improvements	5,000
Land, buildings and improvements	5,000
Machinery, equipment and vehicles	5,000

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

<u>Asset Class</u>	<u>Estimated Useful lives (In Years)</u>
Buildings	40 - 50
Building improvements	20 - 50
Infrastructure	10 - 65
Intangibles	2 - 10
Improvements other than buildings	10 - 50
Machinery and equipment	2 - 20
Vehicles	3 - 15

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

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

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

Compensated Absences – County employees accumulate a limited amount of earned but unused vacation, sick leave and compensatory hours for subsequent use or for payment upon termination, death or retirement. Accumulated sick leave in excess of 1,440 hours will be paid at the last rate of pay to an employee upon retirement. Upon retirement, employees may elect to convert up to 720 hours of accumulated sick leave to cash to be accounted for in the Fiduciary, Employee Benefit Trust Fund and used for continued health care coverage. 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, 2021. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund and the Special Revenue, Mental Health, Rural Services and Secondary Roads Funds.

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

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

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

other receivables not collected within sixty days after year end and succeeding year property tax and tax increment financing receivables that will not be recognized until the year for which they are levied.

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

Fund 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.

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, 2021, disbursements exceeded the amounts budgeted in the county environment and education, non-program and debt service functions prior to the budget amendment and in the non-program and debt service functions at year end. In addition, three departments incurred disbursements prior to the approval of appropriations by department and disbursements in certain departments exceeded the amounts appropriated.

(2) Cash, Cash Equivalents and Pooled Investments

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

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

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

(3) Interfund Transfers

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

Transfer to	Transfer from	Amount
General	Special Revenue:	
	Local Option Sales and Services Tax	\$ 1,564,875
	Other	4,446
	Capital Projects	<u>2,030</u>
		<u>1,571,351</u>
Special Revenue:	General	1,054,068
Secondary Roads	Special Revenue:	
	Rural Services	<u>2,565,681</u>
		<u>3,619,749</u>
Debt Service	General	20,631
	Special Revenue:	
	Tax increment financing	<u>491,678</u>
		<u>512,309</u>
Total		<u>\$ 5,703,409</u>

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

(4) Capital Assets

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

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental activities:				
Capital assets not being depreciated/amortized:				
Land	\$ 2,569,492	-	-	2,569,492
Construction in progress	6,147,615	2,831,922	469,072	8,510,465
Total capital assets not being depreciated/amortized	8,717,107	2,831,922	469,072	11,079,957
Capital assets being depreciated/amortized:				
Buildings	11,748,793	61,700	-	11,810,493
Improvements other than buildings	3,321,606	-	-	3,321,606
Machinery, equipment and vehicles	12,585,139	833,743	110,393	13,308,489
Intangibles	145,252	-	-	145,252
Infrastructure	68,555,368	469,072	-	69,024,440
Total capital assets being depreciated/amortized	96,356,158	1,364,515	110,393	97,610,280
Less accumulated depreciation/amortization for:				
Buildings	3,613,653	236,364	-	3,850,017
Improvements other than buildings	1,151,417	143,770	-	1,295,187
Machinery, equipment and vehicles	7,419,724	942,319	101,791	8,260,252
Intangibles	50,841	7,262	-	58,103
Infrastructure	34,251,706	2,010,819	-	36,262,525
Total accumulated depreciation/amortization	46,487,341	3,340,534	101,791	49,726,084
Total capital assets being depreciated/amortized, net	49,868,817	(1,976,019)	8,602	47,884,196
Governmental activities capital assets, net	\$ 58,585,924	855,903	477,674	58,964,153

Depreciation/amortization expense was charged to the following functions:

Governmental activities:	
Public safety and legal services	\$ 546,232
Physical health and social services	3,170
County environment and education	69,834
Roads and transportation	2,443,975
Governmental services to residents	37,727
Administration	<u>239,596</u>
Total depreciation/amortization expense - governmental activities	<u>\$ 3,340,534</u>

Equipment costing \$921,092 was purchased under municipal lease and installment purchase agreements. Accumulated depreciation on these assets totaled \$161,404 at June 30, 2021.

(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, 2021 is as follows:

Fund	Description	Amount
General	Services	\$ 114,840
Special Revenue:		
Rural Services	Services	26,051
Secondary Roads	Services	<u>9,623</u>
Total for governmental funds		<u>\$ 150,514</u>
Custodial:		
County Offices	Collections	\$ 44,674
Schools		285,963
Community Colleges		12,903
Corporations		160,809
Auto License and Use Tax		1,354,937
All other		<u>189,364</u>
Total for agency funds		<u>\$ 2,048,650</u>

(6) Long-Term Liabilities

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

	General Obligation Capital Loan Notes	General Obligation Bonds	Municipal Lease Agreement	Installment Purchase Agreement	Compensated Absences	Net Pension Liability	Total OPEB Liability	Total
Balance beginning of year	\$ 3,315,000	1,885,000	13,522	285,875	2,052,781	5,635,424	895,438	14,083,040
Increases	3,320,000	-	447,700	-	796,287	1,465,362	156,983	6,186,332
Decreases	<u>525,000</u>	<u>755,000</u>	<u>25,168</u>	<u>142,937</u>	<u>878,814</u>	<u>-</u>	<u>72,957</u>	<u>2,399,876</u>
Balance end of year	\$ 6,110,000	1,130,000	436,054	142,938	1,970,254	7,100,786	979,464	17,869,496
Due within one year	<u>\$ 535,000</u>	<u>680,000</u>	<u>23,974</u>	<u>142,938</u>	<u>638,967</u>	<u>-</u>	<u>55,692</u>	<u>2,076,571</u>

General Obligation Capital Loan Notes

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

Year Ending June 30,	Refunding Issued May 15, 2013			Refunding Issued May 16, 2016		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2022	1.35%	\$ 140,000	3,920	1.80%	\$ 395,000	56,545
2023	1.45	140,000	2,030	2.00	405,000	49,435
2024		-	-	2.20	410,000	41,335
2025		-	-	2.35	420,000	32,315
2026		-	-	2.50	435,000	22,445
2027		-	-	2.60	445,000	11,570
Total		\$ 280,000	5,950		\$ 2,510,000	213,645

Year Ending June 30,	Series 2021 Issued May 10, 2021			Total		
	Interest Rates	Principal	Interest	Principal	Interest	Total
2022	3.00%	\$ -	105,410	\$ 535,000	165,875	700,875
2023	3.00	220,000	99,600	765,000	151,065	916,065
2024	3.00	860,000	93,000	1,270,000	134,335	1,404,335
2025	3.00	905,000	67,200	1,325,000	99,515	1,424,515
2026	3.00	925,000	40,050	1,360,000	62,495	1,422,495
2027	3.00	410,000	12,300	855,000	23,870	878,870
Total		\$ 3,320,000	417,560	\$ 6,110,000	637,155	6,747,155

On May 15, 2013, the County issued \$1,690,000 of general obligation capital loan notes for the purpose of refunding \$1,630,000 of general obligation bonds dated March 1, 2005. The notes bear interest at rates ranging from 0.30% to 1.45%, per annum, and mature in June 2023. During the year ended June 30, the County paid principal of \$135,000 and interest of \$5,540 on the notes.

On May 16, 2016, the County issued \$3,665,000 of general obligation capital loan notes for the purpose of refunding \$3,500,000 of general obligation urban renewal bonds dated November 1, 2007. The notes bear interest at rates ranging from 1.15% to 2.60% per annum and mature in June 2027. During the year ended June 30, 2021, the County paid principal of \$390,000 and interest of \$62,590 on the notes.

On May 10, 2021, the County issued \$3,320,000 of general obligation capital loan notes, Series 2021 for the purpose to pay costs of public buildings, including the site or grounds of, and the erection, equipment, remodeling, or reconstruction of, and additions or extensions to the County Administration Building. The notes bear interest at 3.00% per annum and mature in June 2027. During the year ended June 30, 2021, no payments for principal or interest were made on the notes.

General Obligation Bonds

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

Year Ending June 30,	Courthouse Improvement and Refunding			Refunding		
	Issued Jan 10, 2012			Issued Jan 10, 2012		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2022	2.15%	\$ 240,000	5,160	2.15%	\$ 440,000	19,585
2023		-	-	2.25	450,000	10,125
Total		<u>\$ 240,000</u>	<u>5,160</u>		<u>\$ 890,000</u>	<u>29,710</u>

Year Ending June 30,	Total		
	Principal	Interest	Total
2022	\$ 680,000	24,745	704,745
2023	450,000	10,125	460,125
Total	<u>\$ 1,130,000</u>	<u>34,870</u>	<u>1,164,870</u>

On January 10, 2012, the County issued \$2,580,000 of general obligation bonds for the purpose of refunding \$1,130,000 of general obligation bonds dated July 26, 2001 and February 15, 2006 and for the acquisition, equipping and installation of heating and cooling system improvements for the courthouse. The bonds bear interest at rates ranging from 0.30% to 2.15% per annum and mature in June 2022. During the year ended June 30, 2021, the County paid principal of \$325,000 and interest of \$11,660 on the bonds.

On January 10, 2012, the County issued \$4,130,000 of general obligation bonds for the purpose of refunding \$3,830,000 general obligation bonds dated November 1, 2003. The bonds bear interest at rates ranging from 0.05% to 2.25% per annum and mature in June 2023. During the year ended June 30, 2021, the County paid principal of \$430,000 and interest of \$28,185 on the bonds.

Municipal Lease Agreement

During the year ended June 30, 2019, the County entered into a municipal lease agreement of \$52,298, including interest at 5.12% per annum, for a new Bobcat T595 Compact Track Loader for the Conservation Department. During the year ended June 30, 2021, the County paid the final payment of \$13,522 in principal and interest of \$692 on the lease.

During the year ended June 30, 2021, the County entered into a municipal lease agreement of \$589,602, including interest at 3.88% per annum, for solar modules for County buildings. The following is a schedule of the future minimum lease payments under the agreement in effect at June 30, 2021:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 23,974	16,689	40,663
2023	24,913	15,749	40,662
2024	25,889	14,773	40,662
2025	26,903	13,759	40,662
2026	27,957	12,705	40,662
2027-2031	157,097	46,214	203,311
2032-2035	149,321	13,327	162,648
	<u>\$ 436,054</u>	<u>133,216</u>	<u>569,270</u>

During the year ended June 30, 2021, the County paid principal of \$11,646 and interest of \$8,686.

Installment Purchase Agreement

The County entered an installment purchase agreement for Harris P25 radio infrastructure, installation and maintenance services of the equipment with a total cost of \$428,812. The agreement bears 0% interest per annum and is payable in three equal installments of \$142,937. The equipment was received by the County and placed in service during the year ended June 30, 2020.

During the fiscal year ended June 30, 2021, the County paid \$142,937 of the installment purchase agreement, leaving an outstanding balance of \$142,938 due during the year ended June 30, 2022.

(7) Pension Plan

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

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

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

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

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

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

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

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

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

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

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

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

The County's contributions to IPERS for the year ended June 30, 2021 totaled \$948,370.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2021, the County reported a liability of \$7,100,786 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2020, the County's proportion was 0.101083%, which was an increase of 0.003764% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the County recognized pension expense of \$1,288,961. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 30,302	182,254
Changes of assumptions	463,489	124,138
Net difference between projected and actual earnings on IPERS' investments	558,411	-
Changes in proportion and differences between County contributions and the County's proportionate share of contributions	23,061	160,463
County contributions subsequent to the measurement date	948,370	-
Total	<u>\$ 2,023,633</u>	<u>466,855</u>

\$948,370 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	Amount
2022	\$ 39,065
2023	119,563
2024	161,008
2025	300,369
2026	<u>(11,597)</u>
Total	<u>\$ 608,408</u>

There were no non-employer contributing entities to IPERS.

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

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

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

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

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

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	22.0%	4.43%
International equity	17.5	5.15
Global smart beta equity	6.0	4.87
Core plus fixed income	28.0	(0.29)
Public credit	4.0	2.29
Cash	1.0	(0.78)
Private equity	11.0	6.54
Private real assets	7.5	4.48
Private credit	3.0	3.11
Total	<u>100.0%</u>	

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

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

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability	\$ 13,376,869	7,100,786	1,839,636

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

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

(8) Other Postemployment Benefits (OPEB)

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

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

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

Inactive employees or beneficiaries currently receiving benefit payments	12
Active employees	<u>167</u>
Total	<u><u>179</u></u>

Total OPEB Liability – The County's total OPEB liability of \$979,464 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

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

Rate of inflation (effective June 30, 2021)	2.60% per annum.
Rates of salary increase (effective June 30, 2021)	3.25% per annum, including inflation.
Discount rate (effective June 30, 2021)	2.19% compounded annually, including inflation.
Healthcare cost trend rate (effective June 30, 2021)	7.50% initial rate decreasing by .5% annually to an ultimate rate of 4.50%.

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

Mortality rates are from the SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2019, SOA Pub 2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2019 and SOA Pub 2010 Continuing Survivor Headcount weighted Mortality Table fully generational using Scale MP-2019. 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	\$ 895,438
Changes for the year:	
Service cost	88,776
Interest	25,216
Differences between expected and actual experiences	11,825
Changes in assumptions	31,166
Benefit payments	<u>(72,957)</u>
Net changes	<u>84,026</u>
Total OPEB liability end of year	<u>\$ 979,464</u>

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

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

	1% Decrease (1.19%)	Discount Rate (2.19%)	1% Increase (3.19%)
Total OPEB liability	\$ 1,048,650	979,464	914,211

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

	1% Decrease (6.50%)	Healthcare Cost Trend Rate (7.50%)	1% Increase (8.50%)
Total OPEB liability	\$ 862,914	979,464	1,118,265

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2021, the County recognized OPEB expense of \$140,497. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 182,071	35,030
Changes in assumptions	63,146	16,658
Total	<u>\$ 245,217</u>	<u>51,688</u>

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

Year ending June 30,	Amount
2022	\$ 26,505
2023	26,505
2024	26,505
2025	26,501
2026	39,421
Thereafter	48,092
	<u>\$ 193,529</u>

(9) Risk Management

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

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

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

The County's property and casualty contributions to the Pool are recorded as expenditures from its operating funds at the time of payment to the Pool. The County's contributions to the Pool for the year ended June 30, 2021 were \$234,665.

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

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

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

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

The County also carries commercial insurance purchased from other insurers for coverage associated with workers compensation and employee blanket bond in the amount of \$1,000,000 and \$250,000, 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.

(10) Employee Health Insurance Plan

The Internal Service, Employee Group Health Fund was established to account for the partial self-funding of the County's health insurance benefit plan. The plan is funded by both employee and County contributions and is administered through a service agreement with Wellmark. The agreement is subject to automatic renewal provisions. The County assumes liability for claims up to the individual stop loss limitation of \$100,000. Claims in excess of coverage are insured through purchase of stop loss insurance.

Monthly payments of service fees and plan contributions to the Employee Group Health Fund are recorded as expenditures from the operating funds. Under the administrative services agreement, monthly payments of service fees and claims processed are paid to Wellmark from the Employee Group Health Fund. The County's contribution for the year ended June 30, 2021 was \$1,572,646.

The amounts payable from the Employee Group Health Fund at June 30, 2021 for incurred but not reported (IBNR) and reported but not paid claims was not determined by a licensed actuary. These amounts are not expected to exceed the reserve. The reserve was \$602,340 at June 30, 2021 and is reported as a designation of the Internal Service, Employee Group Health Fund net position.

(11) Voluntary Termination Benefit Program

A voluntary termination benefit program has been established for County employees. The program allows an employee who is eligible, upon a bona fide retirement, to use the value of up to 720 hours of their unused sick leave to pay the County's share of the monthly premium of the County's group health insurance plan after their retirement.

Upon retirement, the balance of the accrued sick leave will be credited to the employee's sick leave upon retirement account. The County will continue to pay its share of the health insurance premium each month until the converted value of the employee's sick leave balance is exhausted, or the employee is eligible for Medicare, whichever comes first. The converted value of the sick leave can only be applied to the County's share of health insurance premiums.

All program benefits are financed on a pay-as-you-go basis by the County. The County accounts for retiree activity in the Fiduciary, Other Employee Benefit Trust Fund. Amounts due for the program have been included in and reported as compensated absences on the government-wide financial statements. The liability for expected future health insurance benefits under this program at June 30, 2021 is \$1,049,365.

For the year ended June 30, 2021, seventeen employees participated and received benefits totaling \$106,878 under the program. The County contributed \$179,208 to the fund for retirees under the program.

(12) Lessor Operating Leases

The County leases two parcels of land, a piece of farm ground and a pasture. The minimum future rentals on these operating leases as of June 30, 2021 is \$37,988 due during the year ended June 30, 2022.

(13) Tax Abatements

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

Tax Abatements of Other Entities

Other entities within the County also provided tax abatements for urban renewal and economic development projects pursuant to Chapters 15 and 403 of the Code of Iowa. Additionally, the City of Colfax offered an urban revitalization tax abatement program pursuant to Chapter 404 of the Code of Iowa. With prior approval by the governing body, this program provides for an exemption of taxes based on a percentage of the actual value added by improvements.

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

<u>Entity</u>	<u>Tax Abatement Program</u>	<u>Amount of Tax Abated</u>
City of Baxter	Urban renewal and economic development projects	\$ 6,923
City of Colfax	Urban renewal and economic development projects	788
	Chapter 404 tax abatement program	2,591
City of Newton	Urban renewal and economic development projects	29,801
City of Sully	Urban renewal and economic development projects	16,622

(14) Loans Receivable

During the year ended June 30, 2015, the County entered into a 28E agreement with the City of Kellogg for a bridge replacement within the Kellogg City limits. The County will assess the City for all costs to be reimbursed to the County’s Secondary Road Fund. The City is required to reimburse the County’s Secondary Road Fund for the City’s share of costs over a period of five years, with equal payments of \$7,700 with the first payment due September 30, 2022. As of June 30, 2021, the outstanding loan receivable is \$38,500.

During the year ended June 30, 2017, the County entered into a 28E agreement with the City of Sully to pave a County highway within Sully City limits. The County will assess the City for all costs to be reimbursed to the County’s Secondary Road Fund. The City is required to reimburse the County’s Secondary Road Fund for the City’s share of costs over a period of ten years, with equal payments of \$25,500, and the final installment payment of \$23,588. As of June 30, 2021, \$102,000 has been received and the outstanding loan receivable is \$151,088.

(15) Jasper County Financial Information Included in the Central Iowa Community Services Mental Health Region

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

Revenues:		
Property and other county tax		\$ 921,771
Intergovernmental:		
State tax credits	\$ 60,355	
Other	709	61,064
Total revenues		<u>982,835</u>
Expenditures:		
Services to persons with:		
Mental illness		65,335
General administration:		
Direct administration	112,872	
Distribution to regional fiscal agent	<u>792,134</u>	<u>905,006</u>
Total expenditures		<u>970,341</u>
Excess of expenditures over revenues		12,494
Fund balance beginning of year		<u>131,898</u>
Fund balance end of year		<u>\$ 144,392</u>

(16) COVID-19

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

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

(17) Accounting Change/Restatement

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

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

	Governmental Activities	General Funds	Fiduciary Activities
Net position June 30, 2020, as previously reported	\$ 62,503,074	7,307,172	-
Change to implement GASB No. 84	66,613	66,613	1,865,343
Net position July 1, 2020, as restated	<u>\$ 62,569,687</u>	<u>7,373,785</u>	<u>1,865,343</u>

(18) Prospective Accounting Change

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

Jasper County

Required Supplementary Information

Jasper County

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

Required Supplementary Information

Year ended June 30, 2021

	Actual	Less Funds not Required to be Budgeted	Net
Receipts:			
Property and other county tax	\$ 18,644,138	-	18,644,138
Interest and penalty on property tax	167,124	-	167,124
Intergovernmental	10,163,177	-	10,163,177
Licenses and permits	250,895	-	250,895
Charges for service	1,489,443	-	1,489,443
Use of money and property	287,387	-	287,387
Miscellaneous	1,376,075	-	1,376,075
Total receipts	<u>32,378,239</u>	-	<u>32,378,239</u>
Disbursements:			
Public safety and legal services	7,166,469	-	7,166,469
Physical health and social services	1,653,014	-	1,653,014
Mental health	972,094	-	972,094
County environment and education	1,998,931	-	1,998,931
Roads and transportation	7,728,196	-	7,728,196
Governmental services to residents	1,321,611	-	1,321,611
Administration	3,438,759	-	3,438,759
Non-program	414,624	-	414,624
Debt service	1,539,760	-	1,539,760
Capital projects	349,722	-	349,722
Total disbursements	<u>26,583,180</u>	-	<u>26,583,180</u>
Excess (deficiency) of receipts over (under) disbursements	5,795,059	-	5,795,059
Other financing sources, net	<u>3,644,230</u>	-	<u>3,644,230</u>
Change in balances	9,439,289	-	9,439,289
Balance beginning of year, as restated	<u>15,966,890</u>	57,884	<u>15,909,006</u>
Balance end of year	<u>\$ 25,406,179</u>	57,884	<u>25,348,295</u>

See accompanying independent auditor's report.

<u>Budgeted Amounts</u>		Final to Net Variance
Original	Final	
18,010,616	18,910,716	(266,578)
40,000	80,000	87,124
7,025,448	7,025,448	3,137,729
133,350	133,350	117,545
1,359,767	1,359,767	129,676
2,575,125	2,575,125	(2,287,738)
395,401	698,586	677,489
<u>29,539,707</u>	<u>30,782,992</u>	<u>1,595,247</u>
7,682,722	8,218,165	1,051,696
2,098,939	1,940,174	287,160
1,218,400	1,219,350	247,256
1,725,876	2,196,144	197,213
8,156,649	8,792,799	1,064,603
1,531,645	1,664,335	342,724
3,664,413	4,097,811	659,052
22,000	372,458	(42,166)
1,389,975	1,389,975	(149,785)
<u>3,736,000</u>	<u>3,786,000</u>	<u>3,436,278</u>
<u>31,226,619</u>	<u>33,677,211</u>	<u>7,094,031</u>
(1,686,912)	(2,894,219)	8,689,278
<u>-</u>	<u>-</u>	<u>3,644,230</u>
(1,686,912)	(2,894,219)	12,333,508
<u>10,685,273</u>	<u>15,721,080</u>	<u>187,926</u>
<u>8,998,361</u>	<u>12,826,861</u>	<u>12,521,434</u>

Jasper County

Budgetary Comparison Schedule – Budget to GAAP Reconciliation

Required Supplementary Information

Year ended June 30, 2021

	<u>Governmental Funds</u>		
	Cash	Accrual	Modified
	Basis	Adjustments	Accrual
			Basis
Revenues	\$ 32,378,239	(694,686)	31,683,553
Expenditures	26,583,180	1,774,281	28,357,461
Net	5,795,059	(2,468,967)	3,326,092
Other financing sources	3,644,230	750,712	4,394,942
Beginning fund balances, as restated	15,966,890	1,130,502	17,097,392
Ending fund balances	\$ 25,406,179	(587,753)	24,818,426

See accompanying independent auditor's report.

Jasper County

Notes to Required Supplementary Information – Budgetary Reporting

June 30, 2021

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

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

Formal and legal budgetary control is based upon ten major classes of expenditures known as functions, not by fund. These ten functions are: public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, governmental services to residents, administration, non-program, debt service and capital projects. Function disbursements required to be budgeted include disbursements for the General Fund, the Special Revenue Funds, the Debt Service Fund, the Capital Projects Fund and the Permanent 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 amendments increased budgeted disbursements by \$2,450,592. The budget amendments are reflected in the final budgeted amounts.

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

During the year ended June 30, 2021, disbursements exceeded the amount budgeted in the county environment and education, non-program and debt service functions prior to the amendment and in the non-program and debt service functions for the year ended June 30, 2021. In addition, three departments had disbursements prior to the approval of appropriations by department and disbursements in certain departments exceeded the amounts appropriated prior to the budget amendment.

Jasper County

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

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

Required Supplementary Information

	2021	2020	2019	2018
County's proportion of the net pension liability	0.101083%	0.097319%	0.100727%	0.106372%
County's proportionate share of the net pension liability	\$ 7,101	5,635	6,374	7,086
County's covered payroll	\$ 10,170	10,038	9,849	9,582
County's proportionate share of the net pension liability as a percentage of its covered payroll	69.82%	56.14%	64.72%	73.95%
IPERS' net position as a percentage of the total pension liability	82.90%	85.45%	83.62%	82.21%

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

See accompanying independent auditor's report.

2017	2016	2015
0.109621%	0.100784%	0.096791%
6,899	4,979	3,839
9,494	8,840	8,482
72.67%	56.32%	45.26%
81.82%	85.19%	87.61%

Jasper County

Schedule of County Contributions

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

Required Supplementary Information

	2021	2020	2019	2018
Statutorily required contribution	\$ 948	966	958	894
Contributions in relation to the statutorily required contribution	(948)	(966)	(958)	(894)
Contribution deficiency (excess)	\$ -	-	-	-
County's covered payroll	\$ 10,057	10,170	10,038	9,849
Contributions as a percentage of covered payroll	9.43%	9.50%	9.54%	9.08%

See accompanying independent auditor's report.

2017	2016	2015	2014	2013	2012
873	868	810	776	732	685
(873)	(868)	(810)	(776)	(732)	(685)
-	-	-	-	-	-
9,582	9,494	8,840	8,482	8,172	8,104
9.11%	9.14%	9.16%	9.15%	8.96%	8.45%

Jasper County

Notes to Required Supplementary Information – Pension Liability

Year ended June 30, 2021

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

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

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

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

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

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

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

Jasper County

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

For the Last Four Years
Required Supplementary Information

	2021	2020	2019	2018
Service cost	\$ 88,776	51,073	45,926	44,420
Interest cost	25,216	22,500	21,823	22,483
Difference between expected and actual experiences	11,825	212,157	19,701	(70,058)
Changes in assumptions	31,166	35,093	14,046	(33,314)
Benefit payments	(72,957)	(30,438)	(28,522)	(29,854)
Net change in total OPEB liability	84,026	290,385	72,974	(66,323)
Total OPEB liability beginning of year	895,438	605,053	532,079	598,402
Total OPEB liability end of year	\$ 979,464	895,438	605,053	532,079
Covered-employee payroll	\$ 10,276,284	9,397,773	10,129,122	9,204,083
Total OPEB liability as a percentage of covered-employee payroll	9.5%	9.5%	6.0%	5.8%

See accompanying independent auditor's report.

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

Changes in benefit terms:

There were no significant changes in benefit terms.

Changes in assumptions:

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

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

Jasper County

Supplementary Information

Jasper County
Combining Balance Sheet
Nonmajor Governmental Funds

June 30, 2021

			Special
Assets	County Recorder's Records Management	Resource Enhancement and Protection	Local Option Sales and Services Tax
Cash and pooled investments	\$ 55,949	277,198	1,967,307
Receivables:			
Succeeding year tax increment financing	-	-	-
Due from other governments	-	-	143,200
Total assets	\$ 55,949	277,198	2,110,507
Deferred Inflows of Resources and Fund Balances			
Deferred inflows of resources:			
Unavailable revenues:			
Succeeding year tax increment financing	\$ -	-	-
Fund balances:			
Nonspendable - Permanent Fund	-	-	-
Restricted for:			
Local option sales and services tax purposes	-	-	2,110,507
Debt service	-	-	-
Other purposes	55,949	277,198	-
	55,949	277,198	2,110,507
Total deferred inflows of resources and fund balances	\$ 55,949	277,198	2,110,507

See accompanying independent auditor's report.

Revenue				
Drainage Districts	Tax Increment Financing	Other	Permanent Loskot Trust	Total
57,884	687,833	203,029	16,378	3,265,578
-	453,000	-	-	453,000
-	-	-	-	143,200
57,884	1,140,833	203,029	16,378	3,861,778
-	453,000	-	-	453,000
-	-	-	12,000	12,000
-	-	-	-	2,110,507
-	687,833	-	-	687,833
57,884	-	203,029	4,378	598,438
57,884	687,833	203,029	16,378	3,408,778
57,884	1,140,833	203,029	16,378	3,861,778

Jasper County

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

Year ended June 30, 2021

	Special		
	County Recorder's Records Management	Resource Enhancement and Protection	Local Option Sales and Services Tax
Revenues:			
Tax increment financing	\$ -	-	-
Local option sales and services tax	-	-	1,988,005
Intergovernmental	-	15,995	-
Charges for service	8,510	-	-
Use of money and property	291	1,561	-
Miscellaneous	-	-	-
Total revenues	8,801	17,556	1,988,005
Expenditures:			
Operating:			
Public safety and legal services	-	-	-
Government services to residents	1,141	-	-
Administration	-	-	-
Capital projects	-	10,907	-
Total expenditures	1,141	10,907	-
Excess of revenues over expenditures	7,660	6,649	1,988,005
Other financing uses:			
Transfers out	-	-	(1,564,875)
Change in fund balances	7,660	6,649	423,130
Fund balances beginning of year	48,289	270,549	1,687,377
Fund balances end of year	\$ 55,949	277,198	2,110,507

See accompanying independent auditor's report.

Revenue				
Drainage Districts	Tax Increment Financing	Other	Permanent Loskot Trust	Total
-	533,375	-	-	533,375
-	-	-	-	1,988,005
-	9,373	1,102	-	26,470
-	-	-	-	8,510
-	-	202	337	2,391
-	-	32,290	-	32,290
-	542,748	33,594	337	2,591,041
-	-	5,830	-	5,830
-	-	-	-	1,141
-	-	9,523	-	9,523
-	-	-	-	10,907
-	-	15,353	-	27,401
-	542,748	18,241	337	2,563,640
-	(491,678)	(4,446)	-	(2,060,999)
-	51,070	13,795	337	502,641
57,884	636,763	189,234	16,041	2,906,137
57,884	687,833	203,029	16,378	3,408,778

Jasper County
Combining Schedule of Fiduciary Net Position
Custodial Funds

June 30, 2021

	County Offices	Agricultural Extension Education	County Assessor	Schools	Community Colleges
Assets					
Cash, cash equivalents and pooled investments:					
County Treasurer	\$ -	3,200	432,834	285,963	12,903
Other County officials	73,491	-	-	-	-
Receivables:					
Property tax:					
Delinquent	-	600	1,053	54,767	2,180
Succeeding year	-	295,000	420,000	27,915,000	1,341,000
Accounts	-	-	-	-	-
Special assessments	-	-	-	-	-
Due from other governments	-	-	-	-	-
Total assets	73,491	298,800	853,887	28,255,730	1,356,083
Liabilities					
Liabilities:					
Accounts payable	-	-	43,479	-	-
Salaries and benefits payable	-	-	11,488	-	-
Due to other governments	44,674	3,200	-	285,963	12,903
Trusts payable	28,817	-	-	-	-
Compensated absences	-	-	50,337	-	-
Total liabilities	73,491	3,200	105,304	285,963	12,903
Deferred Inflows of Resources					
Unavailable revenues	-	295,000	420,000	27,915,000	1,341,000
Net Position					
Restricted for individuals, organizations and other governments	\$ -	600	328,583	54,767	2,180

See accompanying independent auditor's report.

Corporations	Townships	City Special Assessments	Auto License and Use Tax	Other	Total
160,809	4,729	10,443	1,354,937	891,057	3,156,875
-	-	-	-	-	73,491
24,670	1,302	-	-	330	84,902
11,117,000	573,000	-	-	3,143,000	44,804,000
-	-	-	-	18,255	18,255
-	-	109,318	-	-	109,318
-	-	-	-	115,162	115,162
11,302,479	579,031	119,761	1,354,937	4,167,804	48,362,003
-	-	-	-	9,817	53,296
-	-	-	-	6,149	17,637
160,809	4,729	10,443	1,354,937	170,992	2,048,650
-	-	-	-	30,110	58,927
-	-	-	-	46,657	96,994
160,809	4,729	10,443	1,354,937	263,725	2,275,504
11,117,000	573,000	-	-	3,143,000	44,804,000
24,670	1,302	109,318	-	761,079	1,282,499

Jasper County

Combining Schedule of Changes in Fiduciary Net Position
Custodial Funds

Year ended June 30, 2021

	County Offices	Agricultural Extension Education	County Assessor	Schools	Community Colleges
Additions:					
Property and other county tax	\$ -	297,764	521,123	26,887,570	1,222,596
911 surcharge	-	-	-	-	-
State tax credits	-	19,884	34,900	1,802,488	78,523
Driver's license fees	-	-	-	-	-
Office fees and collections	1,616,938	-	-	-	-
Auto licenses, use tax and postage	-	-	-	-	-
Assessments	-	-	-	-	-
Trusts	915,408	-	-	-	-
Miscellaneous	-	-	14,755	-	-
Total additions	2,532,346	317,648	570,778	28,690,058	1,301,119
Deductions:					
Agency remittances:					
To other funds	1,143,581	-	-	-	-
To other governments	730,598	320,030	755,670	28,906,284	1,310,362
Trusts paid out	658,167	-	-	-	-
Total deductions	2,532,346	320,030	755,670	28,906,284	1,310,362
Changes in net position	-	(2,382)	(184,892)	(216,226)	(9,243)
Net position beginning of year, as restated	-	2,982	513,475	270,993	11,423
Net position end of year	\$ -	600	328,583	54,767	2,180

See accompanying independent auditor's report.

Corporations	Townships	City Special Assessments	Auto License and Use Tax	Other	Total
10,722,682	554,180	-	-	3,438,050	43,643,965
-	-	-	-	590,285	590,285
1,055,844	23,715	-	-	104,685	3,120,039
-	-	-	193,346	-	193,346
-	-	-	-	8,510	1,625,448
-	-	-	14,431,771	-	14,431,771
-	-	32,542	-	-	32,542
-	-	-	-	451,472	1,366,880
-	-	-	-	42,114	56,869
<u>11,778,526</u>	<u>577,895</u>	<u>32,542</u>	<u>14,625,117</u>	<u>4,635,116</u>	<u>65,061,145</u>
-	-	-	465,655	-	1,609,236
11,925,170	580,364	72,308	14,159,462	4,616,338	63,376,586
-	-	-	-	-	658,167
<u>11,925,170</u>	<u>580,364</u>	<u>72,308</u>	<u>14,625,117</u>	<u>4,616,338</u>	<u>65,643,989</u>
(146,644)	(2,469)	(39,766)	-	18,778	(582,844)
171,314	3,771	149,084	-	742,301	1,865,343
<u>24,670</u>	<u>1,302</u>	<u>109,318</u>	<u>-</u>	<u>761,079</u>	<u>1,282,499</u>

Jasper County

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

For the Last Ten Years

	2021	2020	2019	2018
Revenues:				
Property and other county tax	\$ 16,143,458	15,619,491	14,485,365	14,050,570
Tax increment financing	533,375	543,318	606,351	627,502
Local option sales and services tax	1,988,005	1,574,586	1,444,268	1,385,206
Interest and penalty on property tax	167,124	35,895	103,409	88,742
Intergovernmental	10,012,189	9,226,423	8,695,232	8,132,345
Licenses and permits	251,523	255,736	190,560	174,854
Charges for service	1,442,574	1,260,023	1,322,241	1,324,020
Use of money and property	251,599	340,293	336,780	221,493
Miscellaneous	893,706	1,228,098	736,963	816,624
Total	<u>\$ 31,683,553</u>	<u>30,083,863</u>	<u>27,921,169</u>	<u>26,821,356</u>
Expenditures:				
Operating:				
Public safety and legal services	\$ 7,382,831	7,604,428	6,963,237	7,001,242
Physical health and social services	1,653,473	1,932,536	1,920,389	1,933,523
Mental health	970,341	1,327,774	657,061	756,136
County environment and education	2,003,849	1,623,357	1,555,204	1,451,139
Roads and transportation	8,789,147	7,879,945	10,780,033	10,779,984
Governmental services to residents	1,328,241	1,313,016	1,268,255	1,212,296
Administration	3,915,464	3,332,667	3,131,813	3,314,486
Non-program	315,908	270,516	129,698	203,000
Debt service	1,539,759	1,390,213	1,591,593	1,854,229
Capital projects	458,448	1,686,356	1,160,242	799,873
Total	<u>\$ 28,357,461</u>	<u>28,360,808</u>	<u>29,157,525</u>	<u>29,305,908</u>

See accompanying independent auditor's report.

2017	2016	2015	2014	2013	2012
13,658,014	13,027,674	12,725,632	12,476,599	12,562,086	13,150,092
690,166	926,595	1,023,421	1,046,732	1,045,731	656,972
1,504,695	1,381,665	1,323,595	1,291,837	1,257,023	1,258,294
87,524	96,676	91,437	103,701	118,511	112,902
8,820,774	8,637,330	7,255,314	6,273,322	6,756,315	7,194,041
197,905	122,709	102,606	115,039	96,379	87,118
1,181,791	1,088,179	959,536	978,744	1,028,561	926,143
170,671	139,867	227,081	226,008	181,483	211,185
1,173,665	624,019	618,609	521,057	644,364	549,034
<u>27,485,205</u>	<u>26,044,714</u>	<u>24,327,231</u>	<u>23,033,039</u>	<u>23,690,453</u>	<u>24,145,781</u>
5,984,572	5,878,181	5,678,863	5,223,925	4,898,752	4,807,315
1,793,766	1,679,516	1,828,490	1,817,665	1,871,986	1,656,699
931,970	1,025,846	3,278,357	1,040,216	941,390	4,345,312
1,454,334	1,410,311	1,369,270	1,375,502	1,830,482	1,325,737
7,274,732	7,442,248	6,412,667	5,713,570	6,602,333	6,544,659
1,399,588	1,487,312	1,074,056	962,079	915,088	925,388
2,697,668	2,668,452	2,870,280	2,927,232	2,950,132	2,805,074
720,572	85,392	6,564	42,394	9,346	15,829
1,714,585	1,643,933	1,959,181	3,772,649	1,915,330	3,960,276
1,540,723	670,308	1,615,469	1,202,624	1,015,233	2,217,792
<u>25,512,510</u>	<u>23,991,499</u>	<u>26,093,197</u>	<u>24,077,856</u>	<u>22,950,072</u>	<u>28,604,081</u>

Schedule 6

Jasper County

Schedule of Expenditures of Federal Awards

Year ended June 30, 2021

Grantor/Program	Assistance Listing Number	Pass-through Entity Identifying Number	Program Expenditures
Direct:			
U.S. Department of Housing and Urban Development Public and Indian Housing	14.850		\$ 719
U.S. Department of the Interior:			
Payment in Lieu of Taxes	15.226		241
Fish and Wildlife Management Assistance	15.608		12,852
U.S. Department of Justice			
Bulletproof Vest Partnership Program	16.607		3,037
Total Direct:			16,849
Indirect:			
U.S. Department of Agriculture:			
Iowa Department of Human Services:			
Human Services Administrative Reimbursements:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		53,182
U.S. Department of Transportation:			
Iowa Department of Transportation:			
Recreational Trails Program	20.219	NRT-(C050)(123)--9G-50	33,924
Iowa Department of Public Safety:			
State and Community Highway Safety	20.600	21-402-MOAL Task 07-00-00	13,583
National Priority Safety Programs	20.616	20-405d-M6OT Task 16-00-00	1,597
National Priority Safety Programs	20.616	21-405d-F24*SE Task 02-00-00	2,591
			4,188
U.S. Department of the Treasury:			
Iowa Department of Revenue:			
COVID-19, Coronavirus Relief Fund	21.019		506,789
U.S. Department of Health and Human Services:			
Aging Resources of Central Iowa:			
Aging Cluster:			
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	Title III/ES: Nutrition	108,666
Nutrition Services Incentive Program	93.053	Title III/ES: Nutrition	61,169
			169,835
Iowa Department of Public Health:			
Public Health Emergency Preparedness	93.069	5881BT08	48,296
Immunization Cooperative Agreements	93.268	5881I447	9,176
COVID-19, Immunization Cooperative Agreements	93.268	5888I443	7,370
COVID-19, Immunization Cooperative Agreements	93.268	5885BT450	55,985
			72,531
COVID-19, Public Health Emergency Response:			
Cooperative Agreement for Emergency Response:			
Public Health Crisis Response	93.354	5885BT450	2,857

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

Grantor/Program	Assistance Listing Number	Pass-through Entity Identifying Number	Program Expenditures
Indirect: (Continued)			
Iowa Department of Human Services:			
Human Services Administrative Reimbursements:			
Title IV-E Prevention Program	93.472		2,654
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596		11,620
Foster Care Title IV-E	93.658		13,944
Adoption Assistance	93.659		6,810
Social Services Block Grant	93.667		12,701
Children's Health Insurance Program	93.767		1,139
Medical Assistance Program	93.778		46,197
U.S. Department of Homeland Security:			
Iowa Homeland Security and Emergency Management			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA 4421 DRIA	413,574
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA 4557 DRIA	86,460
			500,034
Total Indirect:			1,500,284
Total			\$ 1,517,133

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

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

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

See accompanying independent auditor's report.



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

Rob Sand
Auditor of State

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

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 Jasper County:

We have audited in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Jasper County, Iowa, as of and for the year ended June 30, 2021, and the related Notes to Financial Statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 3, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Jasper County's internal control over financial reporting as a basis for designing audit procedures appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Jasper County's internal control. Accordingly, we do not express an opinion on the effectiveness of Jasper 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 have not been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of the County's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in Part II of the accompanying Schedule of Findings and Questioned Costs as items II-A-21 and II-B-21 to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control which is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in Part II of the accompanying Schedule of Findings and Questioned Costs as items II-C-21 and II-D-21 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jasper County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters which are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of non-compliance or other matters which are described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the County's operations for the year ended June 30, 2021 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the County. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.


Jasper County's Responses to the Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Jasper County during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.


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

June 3, 2022



**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 Facsimile (515) 281-6518

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

To the Officials of Jasper County:

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on the Major Federal Program

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

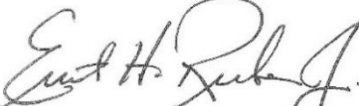
Report on Internal Control Over Compliance

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

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

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

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


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

June 3, 2022

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

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

- (a) Unmodified opinions were issued on the financial statements prepared in accordance with U.S. generally accepted accounting principles.
- (b) Significant deficiencies and material weaknesses in internal control over financial reporting were disclosed by the audit of the financial statements.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) No material weaknesses in internal control over major programs were noted.
- (e) An unmodified opinion was issued on compliance with requirements applicable to the major programs.
- (f) The audit disclosed no audit findings which are required to be reported in accordance with the Uniform Guidance, Section 200.516.
- (g) The major programs were Assistance Listing Number 21.019 – COVID-19, Coronavirus Relief Fund and Assistance Listing Number 97.036 – Disaster Grants – Public Assistance (Presidentially Declared Disasters).
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- (i) Jasper County did not qualify as a low-risk auditee.

Jasper County

Schedule of Findings and Questioned Costs

Year ended June 30, 2021

Part II: Findings Related to the Financial Statements:

INTERNAL CONTROL DEFICIENCIES:

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

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

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

	Applicable Offices
(1) All incoming mail is opened by an employee who is also authorized to make entries to the accounting records.	Treasurer, Sheriff (Civil), Recorder, Conservation, Community Services and Elderly Nutrition
(2) Generally, one individual may have control over collecting, depositing, posting, maintaining receivable records and daily reconciling of receipts for which no compensating controls exist. In offices with an independent mail opener, that person does not compare an initial listing of receipts to the accounting records.	Treasurer, Sheriff (Civil and Jail), Engineer, Recorder, Community Services, Public Health, Environmental Health, Conservation, Elderly Nutrition, Emergency Management and 911
(3) 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.	Treasurer, Sheriff (Civil and Jail), Recorder and Elderly Nutrition
(4) Investments are not periodically inspected or reconciled to investment records by an independent person and an independent verification of interest earnings is not performed.	Treasurer
(5) Daily cash reconciliations prepared in the Recorder’s Office are not reviewed and approved by an independent person for propriety.	Recorder

Jasper County

Schedule of Findings and Questioned Costs

Year ended June 30, 2021

- (6) All individuals in tax, motor vehicle and driver's license have the ability to void receipts in Eden/Arts (DOT system), including individuals who perform daily balancing. Treasurer
- All individuals in the County Recorder's and County Sheriff's Offices have the ability to void receipts, including individuals who perform daily balancing. Recorder and Sheriff
For the Sheriff, a report is not maintained, or review performed over voided receipts. The Recorder's Office does maintain a voided receipts report, but it is not reviewed by an independent person.

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

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

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

Responses

Treasurer – We will continue to segregate duties to the best of our ability with the limited staff available.

Sheriff –

Civil – We have made changes when possible, in order to segregate duties and reviewed our operating procedures. We will continue to evaluate and adjust segregation of duties recommendations when possible, however, we have limited staff with which to do so. Because of limited staff, all four of the Civil Staff are able to void receipts in our RMS system. We can look into seeing if there is a way to generate a report of voided receipts in the system. Our handwritten paper receipts, which coincide with the RMS receipts, we do enter each voided paper receipt on a log sheet.

Jasper County

Schedule of Findings and Questioned Costs

Year ended June 30, 2021

Jail – All jail staff have the ability to log in inmate mail. If a money order is received for an inmate in the mail, the receiving jailer will write a receipt for the money order and get the inmate to sign the money order for deposit. There are only four staff members that have the ability to deposit money into the Keefe Commissary System. These four staff members are the only ones who have the ability to cut checks out of the Keefe Commissary System. None of these four people can sign checks. Only the Sheriff, Chief Deputy and the Civil Office Supervisor can sign Keefe Commissary checks. An employee in the front office, does all our deposits for the Keefe Commissary System and does the bank statement reconciliation. Sheriff John Halferty reviews all the monthly bank reconciliations and signs off on them that he has reviewed them.

Recorder – Comments by the State Auditors will be taken under advisement. I will work to rectify the issues that I can but due to staff size it may be difficult.

Engineer – We have a new Finance Manager/Office Manager starting in mid-November 2021. She will be reviewing the coding of claims. She will also be able to review receivables and payroll. This will help with the segregation of duties all around. In the interim, we continue to segregate duties as best we can.

Community Services – I will continue to review policies and attempt to segregate duties to the extent possible with limited personnel.

Environmental Health – Going forward, we will log the receipts at the time the mail is opened. We are also a small office.

Conservation – With the limited office staff at conservation, we do our best to segregate duties to maximize internal control.

Elderly Nutrition – Due to staff limitations it's difficult to segregate duties. We will make the best effort possible to segregate the duties to the best of our abilities and explore ways to improve.

Emergency Management – Given the fact there are only two people in the office, it's difficult to meet the segregation of duties requirement.

911 – With the limited staff in the 911 Department, we will continue to look for ways to segregate duties.

Conclusions – Responses acknowledged. All offices should continue to review current operating procedures for the areas noted to obtain the maximum internal control possible. The officials should utilize current personnel to provide additional control through review of financial transactions, reconciliations and reports.

Jasper County

Schedule of Findings and Questioned Costs

Year ended June 30, 2021

II-B-21 Financial Reporting
(2021-002)

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 revenues, accounts receivables, accounts payables, prepaid expenses and infrastructure additions were not properly recorded in the County's financial statements. Adjustments were subsequently made by the County to properly record 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 and other transactions to ensure the County's financial statements are accurate and reliable.

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 revenues, accounts receivable, accounts payable, prepaid expenses and infrastructure additions are properly identified and reported in the County's financial statements.

Responses –

Auditor – The County will ensure all revenues, receivables, payables, prepaid expenses and capital asset additions are properly identified on the County's financial statements.

Engineer – Measures were and will continue to be taken to ensure infrastructure is properly documented and tracked from project start to closeout.

Treasurer – We will continue to remind departments all receipts should show proper accrual dates before being send to our office.

Conclusion – Responses accepted.

II-C-21 Scrap Metal Sales
(2021-003)

Criteria – An effective internal control system provides for internal controls related to ensuring proper accounting for all scrap metal sales and for periodic review of those records by someone independent of other duties related to the scrap metal.

Condition – There was no evidence of independent review of scrap metal sales.

Jasper County

Schedule of Findings and Questioned Costs

Year ended June 30, 2021

Cause – Procedures have not been designed and implemented to ensure the records maintained to properly account for scrap metal sales are reviewed by an independent person.

Effect – When records for scrap metal sales are not reviewed and adequate segregation of duties does not exist, the opportunity for misappropriation and undetected errors can result.

Recommendation – The County Engineer should establish procedures to ensure scrap metal sales are reviewed by an independent person.

Response – Jasper County will send two employees when taking scrap metal in for disposal. We only accept a check as payment which is returned to the Engineer's Office. It is then forwarded to the Jasper County Treasurer's office for deposit.

Conclusion – Response acknowledged. The County Engineer should establish procedures to ensure scrap metal sales are reviewed by an independent person.

II-D-21 Sheriff Change Fund
(2021-004)

Criteria – An effective internal control system provides for internal controls related to maintaining an approved separate change fund. Receipts should be deposited intact and timely rather than used to make change.

Condition – The Sheriff does not maintain a change fund. Change, when needed for cash payments, is made from daily receipts.

Cause – County policies do not require the use of an approved change fund and does not require receipts be deposited intact and timely.

Effect – When daily receipts can be used to make change, deposits are not made intact and the opportunity for misappropriation and undetected errors can result.

Recommendation – The Sheriff should establish policies for a change fund and this change fund should be approved by the Board of Supervisors. Policies should also state change should be made from the change fund and all receipts should be deposited intact.

Response – We attempt to request exact amounts whenever possible that would reduce our need to make change. We also take credit cards and checks for a majority of our payments which limits the amount of change needed to be made.

Conclusion – Response acknowledged. A change fund should be established to make change, as needed.

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

Jasper County

Schedule of Findings and Questioned Costs

Year ended June 30, 2021

Part III: Findings and Questioned Costs for Federal Awards:

INSTANCE OF NON-COMPLIANCE:

No matters were noted.

INTERNAL CONTROL DEFICIENCIES:

No material weakness in internal control over the major programs were noted.

Jasper County

Schedule of Findings and Questioned Costs

Year ended June 30, 2021

Part IV: Other Findings Related to Required Statutory Reporting:

IV-A-21 Certified Budget – Disbursements during the year ended June 30, 2021 exceeded the amount budgeted in the county environment and education, non-program and debt service functions prior to the June 29, 2021 budget amendment and in the non-program and debt service functions at year end. The Board of Supervisors, by resolution, did not approve appropriations for each of the different County offices and departments until July 7, 2020. As a result, disbursements exceeded the amounts appropriated for three departments prior to approval. In addition, disbursements in certain departments exceeded the amounts appropriated prior to the budget amendments.

Recommendation – The budget should have been amended as required by Chapter 331.435 of the Code of Iowa before disbursements were allowed to exceed the budget.

Chapter 331.434(6) of the Code of Iowa states “The board shall appropriate, by resolution, the amounts deemed necessary for each of the different county officers and departments during the ensuing fiscal year.” Such appropriations should be made prior to the start of the fiscal year and before disbursements exceed the appropriations.

Response – The County will make sure a budget amendment is done before disbursements exceed budgeted amounts. The County appropriation resolution will be done on or before July 1st each year to ensure the County does not exceed the budgeted amount at the start of the fiscal year.

Conclusion – Response accepted.

IV-B-21 Questionable Expenditures – In accordance with Article III, Section 31 of the Iowa Constitution and an Attorney General’s opinion dated April 25, 1979, public funds may only be spent for public benefit. Certain expenditures were noted which we believe may not meet the requirements of public purpose as defined in the Attorney General’s opinion since the public benefits to be derived have not been clearly documented. These expenditures are detailed as follows:

<u>Paid to</u>	<u>Purpose</u>	<u>Amount</u>
PJ's Deli	Meal for admin meeting	\$ 55
Walmart	Granola bars for training	16
Walmart	Snacks for mental health training	24

According to the opinion, it is possible for certain expenditures to meet the test of serving a public purpose under certain circumstances, although such items will be subject to a deserved close scrutiny. The line to be drawn between a proper and improper purpose is very thin.

Recommendation – The Board of Supervisors should determine and document the public purpose served by these types of expenditures prior to authorizing any further payments. If this practice is continued, the county should establish written policies and procedures, including requirements for proper public purpose documentation.

Jasper County

Schedule of Findings and Questioned Costs

Year ended June 30, 2021

Response – The County will continue to work to question these types of expenditures prior to authorizing payment. The County will continue to review and update their practices, policies and procedures.

Conclusion – Response accepted.

IV-C-21 Travel Expense – No expenditures of County money for travel expenses of spouses of County officials or employees were noted.

IV-D-21 Business Transactions – Business transactions between the County and County officials or employees are detailed as follows:

<u>Name, Title and Business Connection</u>	<u>Transaction Description</u>	<u>Amount</u>
Doug Cupples, Board of Supervisors, Owner of DC Sports, Inc	Maintenance apparel/ printing on uniforms	\$ 1,754

In accordance with Chapter 331.342(2)(j) of the Code of Iowa, the transactions with DC Sports, Inc do not appear to represent a conflict of interest since the total transactions did not exceed \$6,000 during the fiscal year.

IV-E-21 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.

IV-F-21 Bond Coverage – Surety bond coverage of County officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure the coverage is adequate for current operations.

IV-G-21 Board Minutes – No transactions were found that we believe should have been approved in the Board minutes but were not.

The Board went into closed session on October 13, 2020 to discuss matters relating to the County. However, the minutes record did not document the reason for holding the closed session by reference to a specific exemption under Chapter 21.5 of the Code of Iowa, as required by Chapter 21.5(2) of the Code of Iowa, commonly known as the open-meetings law.

Recommendation – The County should ensure when going into closed session, the minutes document the specific exemption under Chapter 21.5 of the Code of Iowa and final action is taken in open session.

Response – The County will ensure the minutes reflect going into and out of closed session correctly.

Conclusion – Response accepted.

IV-H-21 Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the County's investment policy were noted.

Jasper County

Schedule of Findings and Questioned Costs

Year ended June 30, 2021

IV-I-21 Resource Enhancement and Protection Certification – The County properly dedicated property tax revenue to conservation purposes as required by Chapter 455A.19(1)(b) of the Code of Iowa in order to receive the additional REAP funds allocated in accordance with subsections (b)(2) and (b)(3).

IV-J-21 Annual Urban Renewal Report (AURR) – The Annual Urban Renewal Report was properly approved and certified to the Iowa Department of Management on or before December 1. However, the Levy Authority Summary included revenues, expenditures and ending cash balances which did not reconcile to the County’s Special Revenue, Tax Increment Financing Fund.

Recommendation – The County should ensure the amounts reported on the Levy Authority Summary agree with the County’s records.

Response – The Levy Authority Summary on the Annual Urban Renewal report will correctly agree with the County’s records.

Conclusion – Response accepted.

IV-K-21 Taxable Fringe Benefits – Certain County expenditures for clothing considered adaptable to general usage as ordinary clothing were not included in wages of employees in accordance with Internal Revenue Service (IRS) Guidelines.

Recommendation – The County should properly include taxable fringe benefits in reported employee wages in accordance with IRS guidelines.

Response – The employees fringe benefits will be correctly reported in accordance with the IRS guidelines.

Conclusion – Response accepted.

IV-L-21 Emergency Management Budget – Disbursements during the year ended June 30, 2021 exceeded the amounts budgeted prior to approval of the budget amendment.

Recommendation – The budget should have been amended by the Emergency Management Commission in accordance with Chapter 24.9 of the Code of Iowa before disbursements were allowed to exceed the budget.

Response – In the future, Emergency Management will hold off on unbudgeted grant expenditures until a budget amendment has been approved.

Conclusion – Response accepted.

Jasper County

Staff

This audit was performed by:

Ernest H. Ruben, Jr., CPA, Deputy
Pamela J. Bormann, CPA, Manager
Anthony M. Heibult, Senior Auditor II
Kathryn A. Blumer, Staff Auditor
Allison L. Carlon, Staff Auditor
Maria L. Collins, Staff Auditor
April R. Davenport, Staff Auditor
Corey D. Hauptmann, Staff Auditor
Ashley A. Kraber, Staff Auditor
Thomas G. Engquist, Assistant Auditor
Laurel P. Hoogensen, Assistant Auditor