



Johnson County, Iowa

**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023**

Johnson County, Iowa
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023

Prepared by
Johnson County Finance Department

INTRODUCTORY SECTION

JOHNSON COUNTY, IOWA

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JOHNSON COUNTY, IOWA
OFFICIALS, DEPARTMENT HEADS

BOARD OF SUPERVISORS:



Lisa Green-Douglas
County Supervisor
Term Expiration 12/31/2024



Rod Sullivan
County Supervisor
Vice Chairperson
Term Expiration: 12/31/2024



Jon Green
County Supervisor
Term expiration: 12/31/2026



V Fixmer-Oraiz
County Supervisor
Term expiration: 12/31/2026



Royceann Porter
County Supervisor
Chairperson
Term Expiration: 12/31/2024

JOHNSON COUNTY, IOWA
OFFICIALS, DEPARTMENT HEADS

ELECTED OFFICIALS:



Scott Finlayson
County Treasurer
Term expiration: 12/31/2026



Brad Kunkel
County Sheriff
Term expiration: 12/31/2024



Rachel Zimmerman Smith
County Attorney
Term expiration: 12/31/2026



Kim Painter
County Recorder
Term expiration: 12/31/2026



Travis Weipert
County Auditor
Term expiration: 12/31/2024

JOHNSON COUNTY, IOWA

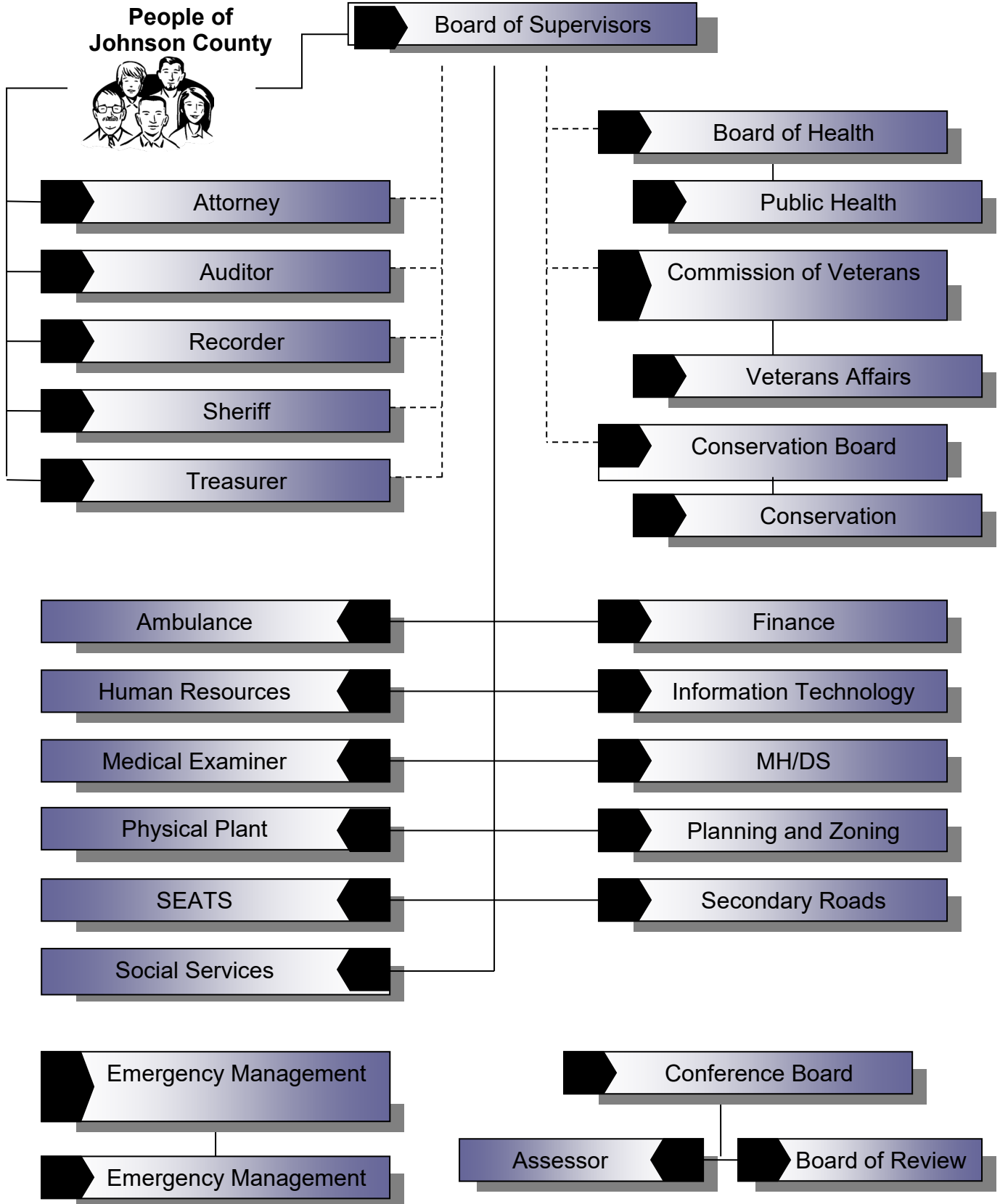
OFFICIALS, DEPARTMENT HEADS

DEPARTMENT HEADS:

Name	Department
Fiona Johnson	Ambulance
Larry Gullett	Conservation
Dana Aschenbrenner	Finance
Lora Shramek	Human Resources
Bill Horning	Information Technology
Clayton Schuneman	Medical Examiner
Jan Shaw	Mental Health/Disability Services
Dave Curtis	Physical Plant
Josh Busard	Planning, Development and Sustainability
Danielle Pettit-Majewski	Public Health
Tom Brase	SEATS
Greg Parker	Secondary Roads
Lynette Jacoby	Social Services
Gary Boseneiler	Veterans Affairs

JOHNSON COUNTY, IOWA

ORGANIZATION CHART





JOHNSON COUNTY

Finance Department

Dana Aschenbrenner, Finance Administrator

Dan Grady, Budget Analyst

John Hannaford, Budget Analyst

March 17, 2025

Board of Supervisors and Citizens
Johnson County, Iowa

The Annual Comprehensive Financial Report (Annual Report) for Johnson County, Iowa for the fiscal year ended June 30, 2023, is hereby submitted in accordance with the provisions of Section 331.403 of the Code of Iowa.

This report consists of management's representations concerning the finances of the county. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal controls. Financial internal controls are established to protect the county's assets from loss, theft, misuse and to ensure that generally acceptable accounting principles (GAAP) are followed. Because the cost of internal controls should not exceed the benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from any material misstatements.

Eide Bailly LLP, a firm of licensed certified public accountants has audited Johnson County's financial statements. The goal of the independent audit was to provide a reasonable assurance that the financial statements for the fiscal year ended June 30, 2023 are free of material misstatement. The independent auditor's report is presented at the front of the Financial Section of this report.

Management's Discussion and Analysis (MD&A) provides a narrative introduction, overview, and analysis to accompany the basic financial statements. The MD&A should be read in conjunction with this letter of transmittal and is located immediately following the independent auditor's report in the Financial Section of this Annual Report.

Profile of Johnson County

Johnson County, Iowa was organized in 1837. The county is governed by a five member Board of Supervisors. Board members serve overlapping four-year terms with elections held every two years. The Board annually adopts a budget and establishes tax rates to support county programs. Also elected to four-year terms are the following county officials: Attorney, Auditor, Recorder, Sheriff, and Treasurer. These officials, along with department heads appointed by the Board, are responsible for administration of the programs and policies adopted by the Board of Supervisors.

Johnson County provides a full range of services to their residents. These services include public safety and legal services, physical health and social services, services to people with mental health and physical disabilities, county environment and education, construction and maintenance of secondary roads, general services to residents, and administrative services.

The county is required by the State of Iowa to adopt an annual budget for the total operating expenditures of the county by functional area. The budget is required to be adopted by April 30th prior to the beginning of the fiscal year (July 1). This annual budget serves as the foundation for Johnson County's financial planning and control. The budget is prepared by fund (e.g. general, special revenue, debt), (function e.g. public safety & legal services, physical health & social services), and department (e.g. Sheriff, Human Resources, Medical Examiner). Departments can allocate budgetary resources within their department as they see fit, however, they cannot exceed the total amount budgeted to their specific department. Budgetary changes within county departments and funds, in addition to increasing or reducing a department's budget, requires special approval by the Board of Supervisors in the form of a budget amendment or less commonly through an appropriation resolution. Budget amendments are typically done twice a year, both in the fall and spring.

Local Economy

Johnson County has the fourth largest population of the ninety-nine counties in the state of Iowa in calendar year 2023 according to population estimates. The cities of Iowa City, Coralville, and North Liberty make up 77% of the county population according to the 2020 census. The balance of the county is made up of rural residents and seven smaller towns each with a population under 4,500.

Based on U.S. Census Bureau information, population of the county has increased by 4,674 people from 152,854 in the calendar year 2020 census to an estimated 157,528 people in calendar year 2023, equaling an increase of about 3.1% over those three years. The 2010 US census reported the county population at 130,882, which equals a 10-year growth of 21,972 people or 16.8% from 2010 to 2020. Median household income in 2022 was estimated at \$72,977 up \$5,563 or 8.3% from 2021 estimated median household income of \$67,414.

The labor force living in Johnson County who work in nonfarm employment stayed relatively the same from an average of 86,913 in 2022 with an unemployment rate of 2.4% to an average of 86,703 in 2023 with an unemployment rate of 2.4% according to Bureau of Labor Statistics.

The total number of housing units in July 2022 was 68,158, an increase of 1,901 (2.9%) over calendar year 2020 reported units of 66,257. In 2015, the number of housing units was 60,857. Johnson County has added 7,301 units in the last 7 years, an increase of 12.0%. The number of building permits issued was 652 in the calendar year 2023. The median value of owner-occupied housing units for the years 2018-2022 is \$277,800 with an owner-occupied housing unit rate of 59.1% during this same period.

There has been major construction in the county for the last several years. In fiscal year 2023, the University of Iowa had construction projects commitments totaling ~\$545 million. In addition, there were major construction projects in progress for local municipalities and the county in the amount of \$36 million, approximately. The large amount of construction in the area has led to a shortage in the construction industry labor pool and thus has increased the cost of construction in Johnson County.

The largest employer in the county is the University of Iowa and University of Iowa Healthcare. The University of Iowa had an increase in operating revenue of \$246 million in fiscal year 2023 for a total of \$4,603 million. The University of Iowa Healthcare had an increase in operating revenues of \$189 million in fiscal year 2023 for a total of \$2,821 million. The overall increasing net position during this period demonstrates the financial stability of these two major employers.

Long Term Financial Planning

The unassigned fund balance in the general fund as of 6/30/2023 equals \$29,725,204. This amount is greater than the 30% of the fiscal year 2023 tax asking for the General Basic Fund according to the policy guideline set by the Board of Supervisors for budgetary and planning purposes. Fiscal year 2023 ended with an increase in the general fund unassigned fund balance of \$982,280. As the county faces legislative changes to the property tax laws, potential cutbacks in state funding and reduced property tax credit funding, the need to keep a financial reserve has never been greater.

Relevant Financial Policies

The county has adopted a practice in the last several years of using debt to access Tax Increment Financing (TIF) districts to lower residential property tax askings. The way TIF works is that the frozen base valuations are set at the level of the year prior to the first filing of TIF debt with the County Auditor. Taxes on the frozen base are collected and distributed as they would be if not in the TIF. Increases in valuation in a TIF district are called the increment. Most of the taxes on the increment go to the city that created the TIF district to pay off the TIF related debt.

Debt service levies for all taxing authorities, as well as school physical plant and equipment levy (PPEL) and instructional support levies are distributed to those agencies. Increments are reduced and shifted back to the base when the debt is paid back or a city requests a reduction. Counties are allowed to finance certain qualified expenses by borrowing the funds and paying off the resulting loans/bonds through the Debt Service fund tax levy.

The Debt Service levy is the only means available to the county to access a TIF area's incremental growth via property taxation. The TIF will then be contributing to the cost of county government via the Debt Service levy tax.

Without the Debt Service tax, TIF areas would contribute very little towards the cost of our county's operations, services or projects. For FY 2023, Johnson County identified ~\$20.2 million of expenses that qualified for financing via loans/bonding that include:

- \$12.2 M for all county & JECC insurance
- \$3.9 M for capital construction, repairs and improvements
- \$2.1 M for conservation projects
- \$0.7 M for Affordable Housing
- \$1.3 M for technology and equipment purchases

These identified costs are generally unavoidable and would have been a component of the FY 2023 budgeted expenses, financed either through the General Fund tax levy or through the use of the Debt Service Fund tax levy. By using the Debt Service tax levy for these qualified bonding opportunities in FY 2023, the TIF areas within Johnson County contributed ~\$1.9 M in taxes. These additional TIF taxes have reduced the cost of the typical residential property's tax bill for those qualified expenses by 8.6% or \$18.62 per \$100,000 of taxable valuation.

Major Initiatives

Three initiatives in the Board of Supervisors Strategic Plan (the Strategic Plan covers a two and a half year period from January 1, 2020 to June 30, 2023) that had an impact in FY2023 were:

1. Continued funding for affordable housing by granting the Johnson County Housing Trust block grant funds of \$680,000. This re-occurring funding stream will leverage state and federal dollars to build more housing units that are affordable for low-income families in Johnson County.
2. During FY23, continued a space needs analysis was in process to evaluate and provide employees with a physical work environment that increases employee collaboration, satisfaction and ability to provide excellent service to the public, with construction beginning in FY24.
3. The Board of Supervisors is moving forward with a plan to revitalize the Historic Poor Farm, with the main focus being the reconstruction of the buildings on the property and the development of local food programs.

Through the American Rescue Plan Act, Johnson County was allocated \$29,357,173 in Local Fiscal Recovery Funds to respond to the public health emergency and the economic impacts of the COVID-19 pandemic. Johnson County received its first tranche deposit (50% allocation) totaling \$14,678,587 on May 20, 2021 and the second tranche deposit was received on June 10, 2022. During FY23 Johnson County spent \$5,175,996 on various ARPA related projects. Through the budgeting process, the Board has invested Johnson County's ARPA funds to provide assistance to households, small businesses, and nonprofits; build a stronger and more resilient economy; and improve critical infrastructure for water quality, flood mitigation, and broadband expansion.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Johnson County for its annual comprehensive financial report (Annual Report) for the fiscal year ended June 30, 2021. This is the eighth consecutive year the county has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. The county did not receive the award in FY22

due to challenges with reporting of capital assets and leases and the timing of the completion of the audit. This report must satisfy both generally accepted accounting principles (GAAP) and any applicable legal reporting requirements.

The preparation of the Annual Comprehensive Financial Report could not have been completed without the cooperation and services of the staff of the Auditor and Treasurer offices. In addition, gratitude is expressed to the independent auditors, Eide Bailly LLP, who provided support and assistance. Thank you as well, to the Johnson County Board of Supervisors for their continuing support.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Dana Aschenbrenner", with a stylized, flowing script.

Dana Aschenbrenner
Finance Director
Johnson County, Iowa



Independent Auditor's Report

To the Officials of
Johnson County, Iowa

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying 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 the County, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the other required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining nonmajor fund financial statements and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2025, on our consideration the 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 the County's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Dubuque, Iowa
March 17, 2025



FINANCIAL SECTION

Johnson County, Iowa

Management's Discussion and Analysis (MD&A)

June 30, 2023

Johnson County, Iowa provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the year ended June 30, 2023. We encourage readers to consider this information in conjunction with the County's financial statements, which follow.

2023 FINANCIAL HIGHLIGHTS

- Total net position was \$259,286,070 at June 30, 2023. This was an increase of \$24,290,036 (10.3%) compared to the prior fiscal year.
- Overall revenues of governmental activities increased 7.4% or \$7,834,452 from fiscal year 2022. Property tax revenues increased \$276,990; operating grants and contributions increased \$3,399,545; charges for services decreased \$823,009; tax credit revenues decreased \$272,686; capital grants and contributions increased \$4,551,738, unrestricted investment earnings increased \$3,789,585 and miscellaneous revenues decreased \$3,032,337.
- Overall program expenses increased \$3,600,653 (4.0%) from fiscal year 2022. Public safety and legal services increased \$1,397,767; physical health and social services increased \$5,353,099; mental health expenses decreased \$5,725,715; county environment and education expenses increased \$1,022,890; roads and transportation expenses increased \$1,028,293; governmental services to residents increased \$142,278; administration expense increased \$72,089; non-program expenses increased \$70,648; and interest expense on the County's long-term debt increased by \$239,304.

OVERVIEW OF FINANCIAL STATEMENTS

This 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.
- **Government-wide Financial Statements** – Consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of Johnson County as a whole and present an overall view of the County's finances.
- **Fund Financial Statements** - Focus on reporting how government services were financed in the short term and what resources remain for future spending. Fund financial statements report Johnson County's operations in more detail than the government-wide financial statements by providing information about the most significant governmental funds. The remaining financial statements provide information about activities for which Johnson County acts solely as an agent or custodian for the benefit of those outside of county government (custodial funds).
- **Notes to Financial Statements** - provides additional information essential to a full understanding of the data provided in the basic financial statements.
- **Required Supplementary Information** – further explains and supports the financial statements with a comparison of the County's budget for the year, the County's proportionate share of the net pension liability (asset) and related contributions, as well as presenting the Schedule of Changes in the County's Total OPEB Liability, Related Ratios and Notes.
- **Supplementary Information** – provides detailed information about the nonmajor governmental funds and the individual Custodial Funds. In addition, the Schedule of Expenditures of Federal Awards provides details of various federal programs benefiting the County.

Government-Wide Financial Statements

The government-wide financial statements report information about the County as a whole using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most private-sector companies. The Statement of Net Position includes all of the government's assets, deferred outflow of resources,

liabilities, and deferred inflow of resources. All of the current year's revenues and expenditures are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements (Statement of Net Position and the Statement of Activities) report the County's net position and how it has changed compared to the prior year. Net position, is the difference between assets, deferred outflow of resources, liabilities, and the deferred inflow of resources, and is one way to measure the County's overall financial health.

- Over time, increases or decreases in the County's net position may serve as an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall financial health of the County, one needs to consider additional non-financial factors such as changes in population, changes in the property tax base, and changes in program funding by the Federal and State governments, and the physical condition of its facilities.

The government-wide financial statements of the County include governmental activities such as public safety and legal services, physical health and social services, county environment and education, roads and transportation, governmental services to residents, administration, interest on long term debt, and non-program activities. Most of the County's basic services are included here, such as the Sheriff, County Attorney, Recorder, Treasurer, Auditor, Board of Supervisors, Ambulance, Public Health, Medical Examiner, Paratransit Services (SEATS), Planning & Zoning, Conservation, Human Services, Veteran Affairs, Juvenile Court Services, rural funding to libraries, Secondary Roads, and Court Services. Property taxes and state and federal grants fund most of these activities.

Fund Financial Statements

The fund financial statements provides greater detailed financial information about the County's most significant funds, not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular programs. Some of these funds are established by state law. The Board of Supervisors establishes other funds to control and manage money for particular purposes or to show that the County is meeting legal responsibilities for using certain revenues. The County has three kinds of funds:

Governmental funds - Most of the County's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for future use. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's various programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information following the governmental fund statements that explains the relationship (or differences) between them. Funds included are the General Fund, Debt Service Fund, Capital Projects Fund, and Special Revenue Funds (Rural Services, Secondary Roads Fund, American Rescue Plan Act Fund). The required financial statements for governmental funds include a balance sheet and a statement of revenues, expenditures, and changes in fund balances.

Fiduciary funds – 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 included Custodial Funds for Johnson County such as E-911 Fund, the Empowerment Board, The Iowa City & Johnson County Assessor Funds, the Emergency Management Fund, and the MHDS/East Central Region to name a few. The required financial statements for fiduciary funds include a combining schedule of fiduciary net position – custodial funds, and a combining schedule of changes in fiduciary net position – custodial funds.

Proprietary funds – The County has an internal service fund set up for the administration of its self-funded employee health insurance plans. Funds are paid into the health insurance fund from other county funds for payment of premiums, claims and administrative costs. The internal service fund is an accounting device used to accumulate and allocate costs internally among the County's various functions. The required statements include a statement of net position, a statement of revenues, expenses, and changes in fund net position, and a statement of cash flows.

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

FINANCIAL ANALYSIS OF JOHNSON COUNTY -- Net Position

The County's combined net position increased from \$234,996,034 to \$259,286,070. See Table 1. Analysis will focus on changes in net position for governmental activities.

Table 1:

Net Position

	<i>Governmental Activities</i>		Total Percentage Change
	2023	2022	2022-2023
Assets			
Current Assets	\$186,893,541	\$180,445,241	3.6%
Non-Current Assets	820,000	10,008,926	(91.8)
Capital Assets, Net of Accumulated Depreciation	<u>189,983,385</u>	<u>179,338,132</u>	5.9
TOTAL ASSETS	377,696,926	369,792,299	2.1
<i>Deferred outflow of resources</i>	<u>6,663,503</u>	<u>5,658,750</u>	17.7
Liabilities			
Current Liabilities	32,535,565	36,123,719	(9.9)
Long Term Liabilities	<u>24,802,280</u>	<u>17,720,759</u>	39.9
TOTAL LIABILITIES	57,337,845	53,844,478	6.5
<i>Deferred inflows of resources</i>	<u>67,736,514</u>	<u>86,610,537</u>	(21.8)
Net Position			
Net Investment in Capital Assets	188,167,549	175,718,082	7.1
Restricted	25,527,878	25,140,552	1.5
Unrestricted	<u>45,590,643</u>	<u>34,137,400</u>	33.5
TOTAL NET POSITION	<u>\$259,286,070</u>	<u>\$234,996,034</u>	10.3

Changes in Net Position

Net Position may serve as an indicator of a government's financial position. The total net position of governmental activities increased by 10.3% compared to fiscal year 2022. Liabilities increased from fiscal year 2022 to fiscal year 2023, due to a change from a net pension asset in 2022 to a net pension liability in 2023. Additionally, the increase to current assets was primarily a result of increases in both the County's overall cash position and an increase in capital assets. The largest portion of the County's net position is invested in capital assets (land, buildings, equipment), net of related debt. The debt related to investment in capital assets is liquidated with sources other than capital assets. Restricted net position represents resources that are subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used. Unrestricted net position increased from \$34,137,400 in fiscal year 2022 to \$45,590,643 in fiscal year 2023. The overall increase of 33.5% is primarily due to having an increase in overall cash position and an increase in capital assets.

Table 2:

Statement of Activities

	Governmental Activities		Total Percentage
	2023	2022	Change 2022-2023
Revenues			
Program Revenues			
Charges for Services	\$ 12,683,542	13,506,551	(6.1)%
Operating Grants and Contributions	20,296,496	16,896,951	20.1
Capital Grants and Contributions	8,096,497	3,544,759	128.4
Property and other taxes levied for:			
General Purpose	43,019,909	41,694,011	3.1
Debt Service	19,834,946	21,017,003	(5.6)
Other County Taxes	1,207,094	1,073,945	12.4
Penalties and Interest on Taxes	529,177	484,122	9.3
State tax credits	2,923,324	3,196,010	(8.5)
Unrestricted investment earnings	4,580,904	791,319	478.9
Gain on disposal of capital assets	35,214	147,643	(396.9)
Miscellaneous	-	3,020,337	0.0
TOTAL REVENUES	113,207,103	105,372,651	7.4
Governmental Activities			
Public Safety and Legal Services	29,589,709	28,191,942	4.9
Physical Health and Social Services	20,051,256	14,698,157	36.4
Mental Health, ID & DD	-	5,725,715	0.0
County Environment and Education	9,541,417	8,518,527	12.0
Roads & Transportation	12,831,916	11,803,623	8.7
Governmental Services to Residents	2,995,885	2,853,607	4.9
Administration	13,271,362	13,199,273	0.5
Nonprogram Current	270,142	199,494	35.4
Interest on long-term debt	365,380	126,076	188.3
TOTAL GOVERNMENTAL ACTIVITIES	88,917,067	85,316,414	4.2
INCREASE/(DECREASE) IN NET POSITION	24,290,036	20,056,237	21.1
Beginning	234,996,034	214,939,797	9.3
Ending	259,286,070	234,996,034	10.3

The County increased property taxes levied for fiscal year 2023 by 0.4%. This increase raised the County's property tax revenue by \$276,990. Based on both a decrease in the tax levies and an increase in total taxable valuation, property tax revenue is budgeted to stay essentially level in fiscal year 2024.

The cost of all government services this year was \$88,917,067 compared to \$85,316,414 last year. The net expense of governmental activities in fiscal year 2023 was \$47,840,532 (See Statement of Activities). Some of this cost was paid for by those who benefited from programs or by other government grants and contributions. The County's program revenues increased from \$33,948,261 to \$41,076,535 from fiscal year 2022 to 2023, due to increases in operating grants and capital grants.

MAJOR FUND ANALYSIS

Governmental funds reported a combined fund balance of \$74,391,979 an increase of \$8,708,173 compared to the prior year.

- General fund revenues had an increase of \$7,637,273 due largely to an increase in property and other County tax revenue of \$4,376,257, an increase in interest and penalty on property tax of \$24,828, an increase in intergovernmental revenue of \$1,021,762, a decrease in licenses and permits revenue of \$42,316, a decrease in charges for services revenue of \$345,525, an increase in use of money and property revenue of \$2,457,125, and an increase in miscellaneous revenue of \$145,142. Total General fund expenditures increased \$3,879,366 due to an increase in public safety and legal services expenses of \$867,174, an increase in physical health and social services expenses of \$423,641, an increase in county environment and education expenses of \$739,084, an increase in governmental services to residents of \$85,329, an increase in administration expenses of \$3,361,687, a decrease in mental health expenses of \$435,251, a decrease in capital project expenditures of \$1,200,821, and an increase in non-program expenses of \$38,523.
- Rural Services fund revenues increased by \$217,143 largely as a result of an increase in property tax revenue of \$152,633. Expenditures increased \$48,745 and the transfer out to the Secondary Roads fund increased \$241,933 compared to the prior year. The ending fund balance showed an increase of \$37,271 from the prior year to a year-end total of \$608,427.
- Secondary Roads fund revenues increased by \$654,652 compared to the prior year, largely due to an increase in intergovernmental revenues of \$691,741. Expenditures increased in the Secondary Roads fund by \$4,070,491 due to an increase in capital projects of \$3,069,388 and an increase in roads & transportation expenses of \$1,001,103. Interfund transfers into the Secondary Roads fund increased by \$274,241 compared to the prior fiscal year. The ending fund balance showed an increase of \$1,000,772 from the prior year to a year-end total of \$15,562,245.
- American Rescue Plan Act fund had revenues of \$6,071,730. The County had expenditures of \$5,175,996 and a liability of unearned revenue of \$25,105,898. Additionally, the county had other liabilities of \$209,434. The County will recognize revenues as they are spent and will lower the unearned revenue for the same amount. The ending fund balance of \$895,734 represents interest earned and prepaid items in the fund during fiscal year 2023.
- Capital Projects fund revenues, transfers in and other financing sources increased by \$4,070,220 and expenditures increased by \$744,738. The fund balance increased by \$4,734,524 from \$16,617,880 to \$21,352,404 in fiscal year 2023. The revenues and expenditures of this class of fund will vary depending upon the timing of the various projects.
- Debt Service fund revenues and transfers in decreased by \$1,012,281 and expenditures and transfers out decreased by \$115,537 compared to the prior fiscal year. The fund balance decreased by \$321,202 during FY23, ending the year with a balance of \$521,776.

Budgetary Highlights

Johnson County amended the county budget twice during the 2023 fiscal year. The first amendment occurred in October 2022 and was necessary to recognize additional grant revenues and grant program expenditures, make budgetary adjustments for personnel costs and establish sufficient budgetary authority for the fiscal year's planned and ongoing capital projects expenditure activity. The second amendment occurred in May 2023. Budgetary adjustments were made for new programming grant revenues and associated expenditures, capital project expenses, various secondary roads' repairs, adjustments for merit pay, retirement payouts, other payroll related expenses, and an increase in interest revenue.

The County's receipts were \$1,808,351 more than budgeted, a variance of 1.7%. The County underestimated the amount on interest revenue received during the year by \$1,217,190 in addition, charges for services were underestimated by \$592,339. Total disbursements were \$36,893,290 less than the amended budget. Capital projects were \$23,119,640 under budget, physical health and social services were \$4,229,265 under budget, public safety and legal services were under budget by \$3,151,117, roads and transportation was \$2,644,273 under budget and administration was \$1,865,936 under budget. Physical health and social services decrease was due mainly to overestimating program expenses within the American Rescue Plan Act Fund. The County less capital project expenses during the year than expected.

Amendment and other budgetary information is available in the Johnson County Auditor's Office or by visiting the Johnson County Iowa Finance department's webpage.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

For fiscal year 2023 the County had a net increase of \$10,645,253 in a broad range of capital assets, including land, intangible assets, equipment, vehicles, and infrastructure. Significant expenditures were related to Secondary Roads infrastructure projects, acquisition of technology assets, purchases of vehicles and equipment, renovation of existing County buildings and several conservation and recreational related projects and land acquisitions. See Table 3.

Table 3

Capital Assets

	Value of Capital Assets		Total Percentage
	2023	2022	Change 2022-2023
Non-Depreciated			
Land	\$28,555,538	\$27,985,448	2.0%
Intangible Assets	411,520	411,520	-
Construction in Progress	<u>24,227,418</u>	<u>14,142,223</u>	71.3
Total Not Being Depreciated	53,194,476	42,539,191	25.0
Depreciable			
Buildings & Improvements	74,180,689	71,235,469	4.1
Machinery and Equipment	27,633,601	25,649,028	7.7
Right-to-use leased building	1,877,988	1,877,988	-
Intangibles – computer software	521,653	521,653	-
Infrastructure	<u>134,940,964</u>	<u>132,765,196</u>	1.6
Total Depreciable Assets	239,154,895	232,049,334	3.0
Total Accumulated Depreciation	<u>102,365,986</u>	<u>95,250,393</u>	7.4
NET CAPITAL ASSETS	<u>\$189,983,385</u>	<u>\$179,338,132</u>	5.9

The County had depreciation expense of \$7,883,499 in fiscal year 2023 and total accumulated depreciation of \$102,365,986 on June 30, 2023.

The County's fiscal year 2023 amended budget projects spending of \$37,128,117 for Secondary Roads work for the Herbert Hoover Highway, and other road related infrastructure, a number of conservation and recreational related infrastructure projects and enhancements, the County's technology needs, vehicle and equipment acquisitions for many county departments, and the continuing repair, renovation, enhancement, acquisition and construction of various County buildings and sites. The County annually completes a Five Year Road Plan and Capital Improvement Plan (CIP). Both can be viewed by contacting management or are available on the County's web site www.johnson-county.com.

For more detailed information on the County's capital assets please see Note 4 in the financial statements.

Long-Term Liabilities

At fiscal year-end, the County had \$14,730,798 in long-term liabilities, consisting of general obligation capital notes, lease agreements and compensated absences (Table 4). In 2023, the County issued \$20,293,000 in new general obligation capital loan notes with \$12,220,000 being a 120 day short term note that was paid back in the same fiscal year, and \$8,073,000 in a three year note. During fiscal year 2023 the County retired \$9,102,400 not associated with the short term notes mentioned above.

Table 4

Long-Term Liabilities

	Total Year End Fiscal Year 2023		Total Percentage
	Long-Term Liabilities		Change
	6/30/2023	6/30/2022	2022-2023
General Obligation Capital Notes	\$ 8,573,000	\$ 9,602,400	(10.7) %
Lease agreements	1,569,233	1,720,213	(8.8)
Compensated Absences	<u>4,588,565</u>	<u>4,257,814</u>	7.7
TOTAL LONG TERM LIABILITIES	<u>\$14,730,798</u>	<u>\$15,580,427</u>	(5.4) %

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 (\$17,003,311,648). Johnson County, Iowa's outstanding general obligation debt is significantly below its constitutional debt limit of approximately \$842 million.

For more detailed information on the County's long-term debt please see Note 6 in the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

At the time these financial statements were prepared and audited, the County was aware of several circumstances that could affect its future financial health:

- Johnson County continues to be one of the fastest-growing counties in Iowa. Johnson County's population grew from 130,882 residents in 2010 to an estimated 156,420 in 2022, an increase of ~16.3%.
- Johnson County's June 2023 unemployment rate of 2.7% is the same as the State's average of 2.7% and well below the national average of 3.6%. The County has recently seen this trend start to lower as citizens' return to the workforce.
- Johnson County's taxable valuation growth of 2.1% for the FY 2023 budget year is an indication of the County's overall economic stability, growth and continuing financial viability.
- Recent legislative changes in the taxation of commercial property will continue to cause a significant shift of the property tax burden from commercial properties to residential properties and will present an ongoing challenge to local government funding now and into the near future. We expect that the State of Iowa's current budgetary challenges will perhaps significantly affect local government funding in the future.
- The use of tax increment financing (TIF) by most cities in Johnson County continues to pose challenges for other local governments, including Johnson County. Johnson County has the ability to tax the incremental growth in the value of these TIF districts only through the use of the debt service levy, which the County has deliberately utilized to lower the tax impact on their County's residential property owners.
- Reorganization of Mental Health and Disability Services from a county-based system to a regional system as implemented by the State of Iowa will continue to significantly affect the provision of services and how these services are provided and funded locally.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, stakeholders, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact:

Travis Weipert
Johnson County Auditor
913 S. Dubuque Street, Suite 101
Iowa City, Iowa 52240
319-356-6004
tweipert@johnsoncountyiowa.gov

Scott Finlayson
Johnson County Treasurer
913 S. Dubuque Street
Iowa City, Iowa 52240
319-356-6087
sfinlayson@johnsoncountyiowa.gov

Dana Aschenbrenner
Johnson County Finance Director
913 S. Dubuque Street
Iowa City, Iowa 52240
319-688-8095
daschenb@johnsoncountyiowa.gov

BASIC FINANCIAL STATEMENTS

JOHNSON COUNTY, IOWA

STATEMENT OF NET POSITION
JUNE 30, 2023Governmental
ActivitiesASSETS:

Cash, cash equivalents and pooled investments	\$ 111,882,570
Receivables:	
Property tax:	
Delinquent	126,049
Succeeding year	64,189,609
Accounts	3,223,931
Notes Receivable	35,000
Lease Receivable	146,440
Due from other governments	4,979,692
Inventories	429,074
Prepaid expenses	1,881,176
Non-current Assets:	
Notes Receivable	820,000
Land, construction in progress, intangible assets	53,194,476
Other capital assets, net of accumulated depreciation and accumulated amortization	136,788,909
Total assets	<u>377,696,926</u>

DEFERRED OUTFLOWS OF RESOURCES:

Pension related deferred outflows	5,508,222
OPEB related deferred outflows	1,155,281
Total deferred outflows of resources	<u>6,663,503</u>

LIABILITIES:

Accounts payable	4,417,312
Accrued interest payable	19,374
Salaries and benefits payable	804,420
Unearned Revenue	25,105,898
Due to other governments	1,827,913
Contracts payable	360,648
Long-term liabilities:	
Portion due or payable within one year:	
General obligation notes	5,886,500
Lease liability	144,479
Compensated absences	4,588,565
Portion due or payable after one year:	
General obligation notes	2,686,500
Lease liability	1,424,754
Net Pension liability	7,326,967
Total OPEB liability	2,744,515
Total liabilities	<u>57,337,845</u>

DEFERRED INFLOWS OF RESOURCES:

Succeeding year property tax revenue	64,189,609
Lease related	146,440
Pension related deferred inflows	2,882,451
OPEB related deferred inflows	518,014
Total deferred inflows of resources	<u>67,736,514</u>

NET POSITION:

Net investment in capital assets	188,167,549
Restricted for:	
Rural services purposes	619,302
Supplemental levy purposes	1,551,331
Secondary roads purposes	15,562,245
Capital projects	534,918
Debt service	537,998
LG Opioid Abatement purposes	2,962,714
Other purposes	3,759,370
Unrestricted	45,590,643
Total net position	\$ <u>259,286,070</u>

See Notes to Financial Statements

JOHNSON COUNTY, IOWA

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

		Program Revenues			Net
		Charges	Operating Grants,	Capital Grants,	(Expense)
		for Service	Contributions and	Contributions and	Revenue and
	Expenses		Restricted Interest	Restricted Interest	Changes in
					Net Position
<u>FUNCTIONS/PROGRAMS:</u>					
Governmental activities:					
Public safety and legal services	\$ 29,589,709	\$ 6,956,720	\$ 2,079,543	\$ -	\$ (20,553,446)
Physical health and social services	20,051,256	637,814	10,534,444	-	(8,878,998)
County environment and education	9,541,417	845,565	-	3,839,022	(4,856,830)
Roads and transportation	12,831,916	98,716	6,587,910	4,214,031	(1,931,259)
Governmental services to residents	2,995,885	2,193,853	18,377	-	(783,655)
Administration	13,271,362	1,947,584	1,076,222	43,444	(10,204,112)
Non-program	270,142	3,290	-	-	(266,852)
Interest on long-term debt	365,380	-	-	-	(365,380)
Total	<u>\$ 88,917,067</u>	<u>\$ 12,683,542</u>	<u>\$ 20,296,496</u>	<u>\$ 8,096,497</u>	<u>(47,840,532)</u>
General revenues:					
Property and other County tax levied for:					
General purposes					43,019,909
Debt service					19,834,946
Other County taxes					1,207,094
Penalty and interest on property tax					529,177
State tax credits and replacements					2,923,324
Unrestricted investment earnings					4,580,904
Gain on sale of capital assets					35,214
Total general revenues					<u>72,130,568</u>
Change in net position					24,290,036
<u>NET POSITION</u> - Beginning of year					<u>234,996,034</u>
<u>NET POSITION</u> - End of year					<u>\$ 259,286,070</u>

See Notes to Financial Statements

JOHNSON COUNTY, IOWA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

ASSETS	General	Special Revenue		
		Rural Services	Secondary Roads	American Rescue Plan Act
Cash, cash equivalents and pooled investments	\$ 29,545,062	\$ 615,273	\$ 14,924,092	\$ 26,178,577
Receivables:				
Property tax:				
Delinquent	96,915	11,950	-	-
Succeeding year	37,771,321	6,769,261	-	-
Accounts	907,758	-	675	10,455
Notes Receivable	855,000	-	-	-
Lease Receivable	146,440	-	-	-
Due from other governments	2,661,025	-	584,882	-
Inventories	99,334	-	329,740	-
Prepaid items	317,800	-	1,006,311	22,034
TOTAL ASSETS	\$ 72,400,655	\$ 7,396,484	\$ 16,845,700	26,211,066
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES:				
Accounts payable	\$ 922,331	\$ -	\$ 978,772	180,605
Salaries and benefits payable	703,442	3,383	80,123	17,472
Unearned revenue	-	-	-	25,105,898
Contracts payable	5,599	-	170,686	-
Due to other governments	147,990	4,538	53,874	11,357
TOTAL LIABILITIES	1,779,362	7,921	1,283,455	25,315,332
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenues:				
Succeeding year property tax	37,771,321	6,769,261	-	-
Deferred inflow - lease related	146,440	-	-	-
Other	1,100,577	10,875	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	39,018,338	6,780,136	-	-
FUND BALANCES:				
Nonspendable:				
Notes receivable	855,000	-	-	-
Inventories	99,334	-	329,740	-
Prepaid items	317,800	-	1,006,311	22,034
Restricted for:				
Supplemental levy purposes	1,460,617	-	-	-
Rural services purposes	-	608,427	-	-
Secondary roads purposes	-	-	14,226,194	-
Debt service	-	-	-	-
Capital projects	-	-	-	-
Restricted for LG Opioid Abatement purposes	-	-	-	-
Other purposes	-	-	-	-
Assigned	-	-	-	873,700
Unassigned	28,870,204	-	-	-
TOTAL FUND BALANCES	31,602,955	608,427	15,562,245	895,734
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 72,400,655	\$ 7,396,484	\$ 16,845,700	\$ 26,211,066

See Notes to Financial Statements

Exhibit C

<u>Capital Projects</u>	<u>Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ 22,408,301	\$ 520,814	\$ 3,681,553	\$ 97,873,672
-	17,184	-	126,049
-	19,649,027	-	64,189,609
-	-	2,305,043	3,223,931
-	-	-	855,000
-	-	-	146,440
565,699	-	1,168,086	4,979,692
-	-	-	429,074
<u>534,918</u>	<u>-</u>	<u>113</u>	<u>1,881,176</u>
<u>\$ 23,508,918</u>	<u>\$ 20,187,025</u>	<u>\$ 7,154,795</u>	<u>\$ 173,704,643</u>
\$ 672,151	\$ -	\$ 7,833	\$ 2,761,692
-	-	-	804,420
-	-	-	25,105,898
184,363	-	-	360,648
<u>1,300,000</u>	<u>-</u>	<u>310,154</u>	<u>1,827,913</u>
<u>2,156,514</u>	<u>-</u>	<u>317,987</u>	<u>30,860,571</u>
-	19,649,027	-	64,189,609
-	-	-	146,440
-	16,222	2,988,370	4,116,044
<u>-</u>	<u>19,665,249</u>	<u>2,988,370</u>	<u>68,452,093</u>
-	-	-	855,000
-	-	-	429,074
534,918	-	113	1,881,176
-	-	-	1,460,617
-	-	-	608,427
-	-	-	14,226,194
-	521,776	-	521,776
8,326,397	-	-	8,326,397
-	-	767,612	767,612
-	-	3,080,713	3,080,713
12,491,089	-	-	13,364,789
<u>-</u>	<u>-</u>	<u>-</u>	<u>28,870,204</u>
<u>21,352,404</u>	<u>521,776</u>	<u>3,848,438</u>	<u>74,391,979</u>
<u>\$ 23,508,918</u>	<u>\$ 20,187,025</u>	<u>\$ 7,154,795</u>	<u>\$ 173,704,643</u>



JOHNSON COUNTY, IOWA

RECONCILIATION OF THE BALANCE SHEET -
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

TOTAL GOVERNMENTAL FUND BALANCES \$ 74,391,979

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 \$292,349,371 and the accumulated depreciation/amortization is \$102,365,986.

Land	\$ 28,555,538	
Intangible assets	411,520	
Construction in progress	24,227,418	
Infrastructure	75,959,338	
Buildings and improvements	49,370,444	
Machinery and equipment	9,447,792	
Right-to-use leased building	1,559,236	
Intangibles - computer software	<u>452,099</u>	
Total capital assets, net		189,983,385

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

Deferred inflows of resources - other unavailable revenue		4,116,044
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The Internal Service Fund is used by the County to charge the costs of partial self-funding of the County's health insurance benefit plan to the individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position.

12,353,278

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 fund, as follows:

Deferred outflows of resources	6,663,503	
Deferred inflows of resources	<u>(3,400,465)</u>	3,263,038

Long-term liabilities, including capital loan notes payable, accrued interest payable, compensated absences payable, lease liability, and total OPEB liability are not due and payable in the current year and, therefore, are not reported in the governmental funds.

General obligation capital loan notes payable	(8,573,000)	
Lease liability	(1,569,233)	
Accrued interest on capital loan notes	(19,374)	
Compensated absences	(4,588,565)	
Net Pension liability	(7,326,967)	
Total OPEB liability	<u>(2,744,515)</u>	
Total long-term liabilities		<u>(24,821,654)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 259,286,070

JOHNSON COUNTY, IOWA

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023

		<u>Special Revenue</u>			
	<u>General</u>	<u>Rural Services</u>	<u>Secondary Roads</u>	<u>American Rescue Plan Act</u>	
REVENUES:					
Property and other County tax	\$ 37,135,217	\$ 6,843,095	\$ -	\$ -	
Interest and penalty on property tax	515,814	-	-	-	
Intergovernmental	14,676,755	331,253	7,714,201	5,175,996	
Licenses and permits	912,132	-	26,580	-	
Charges for service	5,409,946	-	-	-	
Use of money and property	3,116,236	-	-	895,734	
Miscellaneous	1,094,259	-	17,468	-	
Total revenues	<u>62,860,359</u>	<u>7,174,348</u>	<u>7,758,249</u>	<u>6,071,730</u>	
EXPENDITURES:					
Operating:					
Public safety and legal services	29,479,652	119,659	-	343,102	
Physical health and social services	14,547,497	-	-	4,391,362	
County environment and education	6,114,178	1,290,944	-	66,685	
Roads and transportation	-	-	10,728,522	-	
Governmental services to residents	3,082,961	-	-	-	
Administration	13,991,393	-	-	299,010	
Non-program	124,276	-	-	-	
Debt service:					
Principal	-	-	-	-	
Interest	-	-	-	-	
Capital projects	775,882	-	3,349,511	75,837	
Total expenditures	<u>68,115,839</u>	<u>1,410,603</u>	<u>14,078,033</u>	<u>5,175,996</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>(5,255,480)</u>	<u>5,763,745</u>	<u>(6,319,784)</u>	<u>895,734</u>	
Other financing sources (uses):					
Capital loan notes issued	8,073,000	-	-	-	
Sale of capital assets	18,747	-	15,281	-	
Transfers in	10,091,500	-	7,305,275	-	
Transfers out	<u>(12,039,148)</u>	<u>(5,726,474)</u>	<u>-</u>	<u>-</u>	
Total other financing sources (uses)	<u>6,144,099</u>	<u>(5,726,474)</u>	<u>7,320,556</u>	<u>-</u>	
Change in fund balances	888,619	37,271	1,000,772	895,734	
FUND BALANCES - Beginning of year	<u>30,714,336</u>	<u>571,156</u>	<u>14,561,473</u>	<u>-</u>	
FUND BALANCES - End of year	\$ <u><u>31,602,955</u></u>	\$ <u><u>608,427</u></u>	\$ <u><u>15,562,245</u></u>	\$ <u><u>895,734</u></u>	

See Notes to Financial Statements

<u>Capital Projects</u>	<u>Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ -	\$ 20,091,416	\$ -	\$ 64,069,728
-	-	-	515,814
3,154,990	909,471	575,879	32,538,545
-	-	-	938,712
-	-	19,040	5,428,986
409,480	-	265,272	4,686,722
65,263	-	2,117,521	3,294,511
<u>3,629,733</u>	<u>21,000,887</u>	<u>2,977,712</u>	<u>111,473,018</u>
-	-	22,931	29,965,344
-	-	1,428,296	20,367,155
-	-	-	7,471,807
-	-	-	10,728,522
-	-	3,783	3,086,744
-	-	-	14,290,403
-	-	-	124,276
-	9,102,400	-	9,102,400
-	349,689	-	349,689
<u>10,907,627</u>	<u>-</u>	<u>277,861</u>	<u>15,386,718</u>
<u>10,907,627</u>	<u>9,452,089</u>	<u>1,732,871</u>	<u>110,873,058</u>
<u>(7,277,894)</u>	<u>11,548,798</u>	<u>1,244,841</u>	<u>599,960</u>
-	-	-	8,073,000
1,185	-	-	35,213
12,011,233	350,000	227,614	29,985,622
-	(12,220,000)	-	(29,985,622)
<u>12,012,418</u>	<u>(11,870,000)</u>	<u>227,614</u>	<u>8,108,213</u>
4,734,524	(321,202)	1,472,455	8,708,173
<u>16,617,880</u>	<u>842,978</u>	<u>2,375,983</u>	<u>65,683,806</u>
\$ <u><u>21,352,404</u></u>	\$ <u><u>521,776</u></u>	\$ <u><u>3,848,438</u></u>	\$ <u><u>74,391,979</u></u>

JOHNSON COUNTY, IOWA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 8,708,173

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 outlays expenditures and contributed capital assets exceeded depreciation/amortization expense in the current year as follows:

Expenditures for capital assets	\$ 14,989,917	
Capital assets contributed by the Iowa Department of Transportation	3,538,835	
Depreciation/amortization expense	<u>(7,883,499)</u>	10,645,253

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

Issued	(8,073,000)	
Repaid	<u>9,253,380</u>	1,180,380

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 in the governmental funds. (1,440,957)

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 governmental funds, as follows:

Compensated absences	(330,751)	
Interest on long-term debt	(15,691)	
OPEB expense	(226,892)	
Pension expense	<u>4,467,911</u>	3,894,577

The Internal Service Fund is used by the County to charge the costs of 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. 1,302,610

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 24,290,036

See Notes to Financial Statements

JOHNSON COUNTY, IOWASTATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2023Internal Service -
Employee Group
HealthCURRENT ASSETS:

Cash and cash equivalents

\$ 14,008,898CURRENT LIABILITIES:

Claims payable

1,655,620NET POSITION:

Unrestricted

\$ 12,353,278

JOHNSON COUNTY, IOWA

STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2023

Internal Service -
Employee
Group Health

OPERATING REVENUES:

Reimbursements from operating funds	\$ 10,249,570
Reimbursements from employees and others	<u>958,195</u>
Total operating revenues	<u>11,207,765</u>

OPERATING EXPENSES:

Medical and health services	6,648,038
Accounting, auditing and clerical	3,719,571
Miscellaneous	<u>102</u>
Total operating expenses	<u>10,367,711</u>

Operating income	840,054
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NON-OPERATING REVENUES:

Interest income	<u>462,556</u>
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Change in Net Position	1,302,610
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<u>NET POSITION</u> - Beginning of year	<u>11,050,668</u>
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<u>NET POSITION</u> - End of year	\$ <u>12,353,278</u>
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See Notes to Financial Statements

JOHNSON COUNTY, IOWA

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2023

Internal Service -
Employee Group
Health

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash received from operating fund reimbursements	\$ 10,249,570
Cash received from employees and others	958,196
Cash paid for administrative fees and miscellaneous	(3,654,332)
Cash paid for medical claims and insurance premiums	<u>(6,515,544)</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES 1,037,890

CASH FLOWS FROM INVESTING ACTIVITIES:

Interest on investments	<u>462,556</u>
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NET INCREASE IN CASH, CASH EQUIVALENTS 1,500,446

CASH, CASH EQUIVALENTS - Beginning of year 12,508,452

CASH, CASH EQUIVALENTS - End of year \$ 14,008,898

RECONCILIATION OF OPERATING INCOME TO NETCASH PROVIDED BY OPERATING ACTIVITIES:

Operating income	\$ 840,054
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in claims payable	<u>197,836</u>

Net cash provided by operating activities \$ 1,037,890

See Notes to Financial Statements

JOHNSON COUNTY, IOWASTATEMENT OF FIDUCIARY NET POSITIONCUSTODIAL FUNDSJUNE 30, 2023ASSETS

Cash, cash equivalents and pooled investments:

County Treasurer	\$ 22,838,690
Other County officials	532,871

Receivables:

Accounts receivable	90,868
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Property tax:

Delinquent	222,091
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Succeeding year	305,851,089
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Special Assessments	121,862
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Due from other governments	138,545
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Prepaid items	1,135,905
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TOTAL ASSETS	<u>330,931,921</u>
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LIABILITIES

Accounts payable	9,475,896
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Salaries and benefits payable	36,261
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Due to other governments	9,266,290
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Trusts payable	233,948
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Compensated absences	191,451
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TOTAL LIABILITIES	<u>19,203,846</u>
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DEFERRED INFLOW OF RESOURCES

Unavailable property tax revenue	<u>305,851,089</u>
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NET POSITION

Restricted for individuals, organizations and other governments	\$ <u><u>5,876,986</u></u>
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See Notes to Financial Statements

JOHNSON COUNTY, IOWA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

ADDITIONS:

Property and other county tax	\$ 292,836,794
911 surcharge	800,117
State tax credits	11,451,516
Office fees and collections	3,382,812
Auto licenses, use tax and postage	45,548,459
Assessments	121,862
Trusts	1,817,807
Miscellaneous	<u>22,445,023</u>
Total additions	<u>378,404,390</u>

DEDUCTIONS:

Agency remittances:	
To other funds	1,669,922
To other governments	387,473,423
Trusts paid out	<u>1,582,821</u>
Total deductions	<u>390,726,166</u>

Change in net position	(12,321,776)
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<u>NET POSITION</u> - Beginning of year	<u>18,198,762</u>
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<u>NET POSITION</u> - End of year	<u>\$ 5,876,986</u>
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See Notes to Financial Statements

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Johnson County, Iowa 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, Johnson County, Iowa 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 the 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. The County has no component units which meet the Governmental Accounting Standards Board criteria.

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: Johnson County Assessor's Conference Board, Iowa City Assessor's Conference Board, County Emergency Management Commission, Johnson County Joint E911 Service Board, MHDS East Central Region, East Central Iowa Workforce Development Board and the Johnson County Council of Governments. 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, except for the Johnson County Council of Governments.

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. Interfund services provided and used are not eliminated in the consolidation process.

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 result when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Enabling legislation did not result in any restricted net position.

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

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 this fund the general operating expenditures, the fixed charges and the capital improvement costs that are not paid from other funds.

Special Revenue

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

The Secondary Roads Fund is used to account for the road use tax allocation from the State of Iowa, required 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 American Rescue Plan Act Funds is used to account for the State and Local Fiscal Recovery Funds provided by the Federal Government to offset the affects of COVID within Johnson County.

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

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.

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.

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

Fiduciary Funds

Custodial funds are used to account for assets held by the County as an agent for individuals, private organizations, certain jointly governed organizations, other governmental units and/or other funds. The County's custodial funds consist of the following:

Ag Extension, Schools, Community Colleges, Corporations, Townships and State Levies: To account for the property taxes collected by the County for the Districts.

County Offices: Included the County Auditor, the County Sheriff and the County Recorder. The County Auditor is to account for fund activity in the County Auditor cash box. The County Sheriff is to account for the funds received for court services performed by the Sheriff's department. The County Recorder is to account for fees and taxes collected by the County for the state.

E911 Surcharge: To account for the collections of the continued operations of E911.

Emergency Management Services: To account for the funds held on behalf of the Emergency Management Board.

Empowerment Board: To account for the funds held on behalf of the Empowerment Board.

County Assessor: To account for the funds held on behalf of the County Assessor Board.

City Assessor: To account for the funds held on behalf of the City Assessor Board.

MHDS/East Central Region: To account for the fund activity of the East Central Region.

Auto License and Use Tax: To account for fees and taxes collected by the County for the state.

Other: Includes Tax Sale Redemptions to account for the tax sale proceeds collected by the County. McBride Sanitary District to account for the fund activity of the McBride Sanitary District. City Special Assessments to account for the special assessment taxes collected by the County on behalf of the corporations of Johnson County. Flood Control to account for the fund activity of monies received to mitigate flood risks with the taxing districts and Lower Cedar Watershed Management Authority to account for the fund activity of the Lower Cedar Watershed Management Authority.

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

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting (Continued).

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-reimbursements 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 non-negotiable certificates of deposit which are stated at amortized cost.

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

Property tax revenue recognized in these funds become due and collectible in September and March of the fiscal year with a 1 1/2% per month penalty for delinquent payments; is based on January 1, 2021 assessed property valuations; is for the tax accrual period July 1, 2022 through June 30, 2023 and reflects the tax asking contained in the budget certified by the County Board of Supervisors in March 2022.

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

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.

Prepaid items – Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is reported as expenditures when consumed, rather than when purchased.

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

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

<u>Asset Class</u>	<u>Amount</u>
Infrastructure	\$ 50,000
Land, buildings, and improvements	25,000
Intangibles	25,000
Right-to-use leased assets	5,000
Other capital assets	5,000

Land and construction in progress are not depreciated. The other tangible and intangible property, plan, equipment, the right to use lease 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	15-40
Improvements other than buildings	10-40
Infrastructure	20-65
Intangibles	2-30
Right-to-use leased assets	2-30
Furnishings and equipment	2-30

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

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

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

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

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

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

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

County as a Lessor: Johnson County is a lessor for a noncancellable lease of rooftop space. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how Johnson County determines the discount rate it uses to discount the expected lease receipts to present value, lease term and lease receipts.

Johnson County uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

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

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

Unearned Revenue – Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Unearned revenue in the governmental fund financial statements represents the amount of assets that have been recognized, but the related revenue has not been recognized since the County has not made a qualifying expenditure. Unearned revenue consists of unspent American Rescue Plan Act proceeds.

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

Compensated Absences – County employees accumulate a limited amount of earned but unused vacation and sick leave hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide, proprietary fund and fiduciary fund financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees that have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2023. The compensated

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Deferred Inflows of Resources – Deferred inflows of resources represents an acquisition of net assets that applies to future periods and 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 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 receivables that will not be recognized until the year for which it is levied, unrecognized items not yet charged to pension expense, the unamortized portion of the net difference between projected and actual earning on pension plan assets and deferred amounts related to leases.

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.

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

Unassigned – All amounts not included in the preceding classifications. The general fund is the only fund that reports a positive unassigned fund balance.

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

On June 22, 2023, the Board of Supervisors approved the County's Fund Balance policy, giving the Finance Director the authority to established assigned fund balances and the Board of Supervisors has to do a resolution to establish a committed fund balance.

E. Budgets and Budgetary Accounting

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

F. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Accordingly, actual results could differ from those estimates.

G. Implementation of GASB Statement No. 96

As of July 1, 2022, the County adopted GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). The implementation of this standard establishes a single model for subscription agreement accounting based on the foundational principle that subscription agreements are financings of the right to use an underlying asset. The standard requires recognition of certain subscription assets and liabilities for agreements. The County did not identify any subscription agreements that met the criteria of GASB 96.

NOTE 2: CASH, CASH EQUIVALENTS AND POOLED INVESTMENTS

The County's deposits in banks at June 30, 2023 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure 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.

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 2: CASH, CASH EQUIVALENTS AND POOLED INVESTMENTS (Continued)

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

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

Credit Risk – The County's investment policy limits investment in commercial paper and other corporate debt to the top two highest classifications. The County did not invest in any commercial paper or other corporate debt during the year.

Concentration of Credit Risk – The County's investment policy does not allow for a prime bankers acceptance or commercial paper and other corporate debt balances to be greater than 10% of its total deposits and investments. The policy also limits the amount that can be invested in a single issue to 5% of its total deposits and investments. The County held no such investments during the year.

Custodial Credit Risk – For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County did not hold any such investments during the year.

NOTE 3: INTERFUND TRANSFERS

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

<u>Transfer To</u>	<u>Amount</u>	<u>Transfer from</u>	<u>Amount</u>
Special Revenue: Secondary Roads	\$ 7,305,275	General Fund	\$ 1,578,801
		Special Revenue: Rural Basic	<u>5,726,474</u>
			<u>7,305,275</u>
Capital Projects	12,011,233	General Fund	9,882,733
Special Revenue: Conservation Trust	227,614	General Fund	227,614
Debt Service	350,000	General Fund	350,000
General Basic	<u>10,091,500</u>	Debt Service	<u>12,220,000</u>
	\$ <u>29,985,622</u>		\$ <u>29,985,622</u>

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

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 4: CAPITAL ASSETS

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

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 27,985,448	\$ 570,090	\$ -	\$ 28,555,538
Intangible assets	411,520	-	-	411,520
Construction in progress	<u>14,142,223</u>	<u>15,368,241</u>	<u>5,283,046</u>	<u>24,227,418</u>
Total capital assets not being depreciated	<u>42,539,191</u>	<u>15,938,331</u>	<u>5,283,046</u>	<u>53,194,476</u>
Capital assets being depreciated and amortized:				
Buildings	69,279,859	1,234,910	-	70,514,769
Improvements other than buildings	1,955,610	1,710,310	-	3,665,920
Furnishings and equipment	25,649,028	2,752,479	767,906	27,633,601
Right-to-use leased building	1,877,988	-	-	1,877,988
Intangibles – computer software	521,653	-	-	521,653
Infrastructure	<u>132,765,196</u>	<u>2,175,768</u>	-	<u>134,940,964</u>
Total capital assets being depreciated and amortized	<u>232,049,334</u>	<u>7,873,467</u>	<u>767,906</u>	<u>239,154,895</u>
Less accumulated depreciation and amortization for:				
Buildings	22,497,452	1,728,563	-	24,226,015
Improvements other than buildings	515,776	68,454	-	584,230
Furnishings and equipment	16,743,205	2,210,510	767,906	18,185,809
Right-to-use leased building	157,775	160,977	-	318,752
Intangibles – computer software	34,777	34,777	-	69,554
Infrastructure	<u>55,301,408</u>	<u>3,680,218</u>	-	<u>58,981,626</u>
Total accumulated depreciation and accumulated amortization	<u>95,250,393</u>	<u>7,883,499</u>	<u>767,906</u>	<u>102,365,986</u>
Total capital assets being depreciated and amortized, net	<u>136,798,941</u>	<u>(10,032)</u>	<u>-</u>	<u>136,788,909</u>
Governmental activities capital assets, net	\$ <u>179,338,132</u>	\$ <u>15,928,299</u>	\$ <u>5,283,046</u>	\$ <u>189,983,385</u>

Depreciation and amortization expense was charged to the following functions:

Governmental activities:	
Public safety and legal services	\$ 1,471,579
Physical health and social services	511,867
County environment and education	606,297
Roads and transportation	4,404,962
Governmental services to residents	89,319
Administration	653,609
Non-program	<u>145,866</u>
Total depreciation and amortization expense - governmental activities	\$ <u>7,883,499</u>

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 5: DUE TO OTHER GOVERNMENTS

The County purchases services from other governmental units and also acts as a fee and tax collection agent for various governmental units. Tax collections are remitted to those governments in the month following collection. A summary of amounts due to other governments at June 30, 2023 is as follows:

<u>Fund</u>	<u>Description</u>	<u>Amount</u>
General	Services	\$ 147,990
Special Revenue:		
Rural Services	Services	4,538
Secondary Roads	Services	53,874
Capital Project	Services	1,300,000
American Rescue Plan Act	Services	11,357
Other	Services	<u>310,154</u>
Total for governmental funds		\$ <u>1,827,913</u>
Custodial:		
Schools	Collections	\$ 755,158
Community Colleges		65,760
Corporations		739,732
Townships		5,073
E911 Surcharge		474,816
Auto License and Use Tax		3,993,921
County Offices		445,740
Empowerment Board		39,114
Other		<u>2,746,976</u>
Total for custodial funds		\$ <u>9,266,290</u>
Total		\$ <u>11,094,203</u>

NOTE 6: LONG-TERM LIABILITIES

The County issues general obligation capital loan notes to provide funds for the acquisition, improvement, and construction of major capital facilities and for the purchase of technology and related equipment. General obligation capital loan notes have been issued for these types of governmental activities.

General obligation capital loan notes are direct obligations and pledge the full faith and credit of the County. These notes are generally issued as serial notes with varying amounts of principal maturing annually and with interest payable semi-annually. General obligation capital loan notes outstanding at June 30, 2023, are as follows:

General Obligation Notes

<u>Purpose</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Originally Issued</u>	<u>Amount Outstanding End of Year</u>
County Improvements	12/2021	06/2024	0.50%-0.85%	\$ 9,600,000	\$ 3,200,000
County Improvements	12/2022	06/2025	4.00%-4.25%	<u>8,073,000</u>	<u>5,373,000</u>
				\$ <u>17,673,000</u>	\$ <u>8,573,000</u>

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 6: LONG-TERM LIABILITIES (Continued)

A summary of the County's June 30, 2023 general obligation capital loan notes is as follows:

Year Ending June 30,	General Obligation Capital Loan Notes		
	Principal	Interest	Total
2024	\$ 5,886,500	\$ 252,866	\$ 6,139,366
2025	<u>2,686,500</u>	<u>114,177</u>	<u>2,800,677</u>
Total	\$ <u>8,573,000</u>	\$ <u>367,043</u>	\$ <u>8,940,043</u>

During the year ended June 30, 2023, the County retired \$9,102,400 and issued \$8,073,000 of general obligation capital loan notes. The General Obligation County Purpose Loan Notes, Series 2020B, and the General Obligation County Purpose Loan Notes, Series 2021A are owned by Hills Bank and; therefore, constitute direct borrowings.

The Debt Service fund is used to liquidate General Obligation Notes. Compensated absences are typically liquidated in the fund that accounts for the employee's salary and benefits.

Lease Agreements

In September 2018 the County entered into a lease agreement for office space for our County Attorney's Office. On July 1, 2022 the County had a lease liability of \$1,720,213. The agreement requires annual payments of \$160,980 for seven years beginning from the commencement date, with the option for an additional three, 3 year terms with the base rate of the rent increasing with each three year term by the percentage increase, if any, in the CPI, the implicit rate used was 4.5% with the final payment made in June 2035.

Year Ending June 30,	Principle	Interest	Amount
2024	\$144,479	16,501	\$ 160,980
2025	138,257	22,723	160,980
2026	132,304	28,676	160,980
2027	145,641	39,539	185,180
2028	139,370	45,810	185,180
2029-2033	635,689	327,993	963,682
Thereafter	<u>233,493</u>	<u>179,502</u>	<u>412,995</u>
Total	<u>1,569,233</u>	<u>840,246</u>	<u>2,409,479</u>

The General Fund is used to liquidate the lease agreement.

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 6: LONG-TERM LIABILITIES (Continued)

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

		Lease Agreements	General Obligation Capital Loan Notes	Compensated Absences	Total
Balance beginning of year	\$	1,720,213	\$ 9,602,400	\$ 4,257,814	\$ 15,580,427
Increases		-	8,073,000	4,588,565	12,661,565
Decreases		<u>150,980</u>	<u>9,102,400</u>	<u>4,257,814</u>	<u>13,511,194</u>
Balance end of year	\$	<u>1,569,233</u>	\$ <u>8,573,000</u>	\$ <u>4,588,565</u>	\$ <u>14,730,798</u>
Due within one year	\$	<u>144,479</u>	\$ <u>5,886,500</u>	\$ <u>4,588,565</u>	\$ <u>10,619,544</u>

NOTE 7: SHORT-TERM LIABILITIES

In December 2022, the County issued \$12,220,000 of General Obligation County Purpose Bonds, Series 2022A is a short-term 120-day issue for the purpose of paying the cost, to the extent of various County insurance programs. The Series 2022A was repaid on April 6, 2023, for \$12,367,998. There was no short-term debt balances at the beginning or the end of the fiscal year.

NOTE 8: LEASE RECEIVABLE

Effective April 30, 2010 the County entered into a five year lease, with the option to extend the lease for five additional five-year terms with Iowa Wireless Service, LLC, whereby Iowa Wireless Services, LLC, will lease rooftop space for placement of Antenna Facilities located on the building at 855 South Dubuque Street, Iowa City, Iowa. The County is to receive monthly payments in the amount \$750 per month beginning on the commencement date. The payment was received in April 2012, with preceding payments received each month after. Terms of the agreement also call for a 10% increase in payment at the renewal of each new five-year term. The County is to received \$10,890 annually in tower rent with an implicit rate of 4.5%.

Year Ended June 30,	Total
2024	\$ 10,890
2025	10,890
2026	10,890
2027	10,891
2028	11,979
Thereafter	<u>185,275</u>
	240,905
Less Interest	<u>(94,465)</u>
Present Value	\$ <u>146,440</u>

NOTE 9: 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 Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at P.O. Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 9: PENSION PLAN (Continued)

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. Sheriff and deputy 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 and deputy and protection occupation members' 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 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 that 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 that the member receives benefits before age 65.

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

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

Contributions – Contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires that 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.

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 9: PENSION PLAN (Continued)

In fiscal year 2023, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the County contributed 9.44% of covered payroll for a total rate of 15.73%. The Sheriff, deputies and the County both contributed 8.76% of covered payroll for a total rate of 17.52%. Protection occupation members contributed 6.21% of covered payroll and the County contributed 9.31% of covered payroll for a total rate of 15.52%.

The County's contributions to IPERS for the year ended June 30, 2023 totaled \$3,653,735.

Net Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2023, the County reported a net pension liability (asset) of \$7,326,967 for its proportionate share of the collective net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2022, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability (asset) was based on the County's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2022, the County's collective proportion was 0.193930% which was a decrease of 2.457638% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the County recognized pension expense (income) of (\$814,175). At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,364,098	\$ 165,912
Changes of assumptions	9,517	720,075
Net difference between projected and actual earnings on IPERS investments	-	1,675,470
Changes in proportion and differences between County contributions and the County's proportionate share of contributions	480,872	320,994
County contributions subsequent to the measurement date	<u>3,653,735</u>	<u>-</u>
Total	\$ <u>5,508,222</u>	\$ <u>2,882,451</u>

\$3,653,735 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 ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Total</u>
2024	\$ (1,585,783)
2025	(1,122,203)
2026	(2,203,814)
2027	3,914,595
2028	<u>(30,759)</u>
	\$ <u>(1,027,964)</u>

There were no non-employer contributing entities at IPERS.

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 9: PENSION PLAN (Continued)

Actuarial Assumptions – The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021.

Mortality rates used in the 2022 valuation were based on the PubG-2010 Employee and Healthy Annuitant Tables with MP-2021 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 arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	22.0 %	3.57 %
International equity	17.5	4.79
Global smart beta equity	6.0	4.16
Core plus fixed income	20.0	1.66
Public credit	4.0	3.77
Cash	1.0	0.77
Private equity	13.0	7.57
Private real assets	8.5	3.55
Private credit	8.0	3.63
Total	<u>100</u> %	

Discount Rate – The discount rate used to measure the total pension liability (asset) was 7.00%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that 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 of 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 (asset).

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 9: PENSION PLAN (Continued)

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

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability (asset)	\$ 22,223,010	\$ 7,326,967	\$ (5,772,788)

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, 2023.

NOTE 10: RISK MANAGEMENT

Johnson County, Iowa is a member in the Iowa Communities Assurance Pool, as allowed by Chapter 331.301 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool whose 800 members include various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members.

The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, employment practices liability, public officials liability, cyber liability, 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 risk pool are recorded as expenditures from its operating funds at the time of payment to the risk pool. The County's contributions to the Pool for the year ended June 30, 2023 were \$836,831.

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.

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 10: RISK MANAGEMENT(Continued)

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 shall be the obligation of the respective individual member against whom the claim was made or the loss was incurred.

The County does not report a liability for losses in excess of reinsurance or excess risk-sharing recoveries unless it is deemed probable such losses have occurred and the amount of such loss can be reasonably estimated. Accordingly, at June 30, 2023, no liability has been recorded in the County's financial statements. As of June 30, 2023, settled claims have not exceeded the risk pool or reinsurance coverage since the pool's inception.

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

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

NOTE 11: EMPLOYEE HEALTH INSURANCE PLAN

The Internal Service, Employee Group Health Fund was established to account for 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. Health benefits were self-insured up to a specific stop loss limitation of \$50,000 and an aggregate annual stop-loss amount of approximately \$8,254,996 for fiscal year 2023. Coverage from a private insurance company is maintained for losses in excess of the aggregate stop-loss amount.

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, 2023 was \$10,249,570.

Amounts payable from the Employee Group Health Fund at June 30, 2023 total \$1,334,706 which is for incurred but not reported (IBNR) and reported but not paid claims. The amounts are based on actuarial estimates of the amounts necessary to pay prior-year and current-year claims and to establish a reserve for catastrophic losses. That reserve was \$12,253,278 at June 30, 2023 and is reported as a designation of the Internal Service, Employee Group Health Fund net position. A liability has been established based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Settlements have not exceeded the stop-loss coverage in any of the past three years.

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 11: EMPLOYEE HEALTH INSURANCE PLAN(Continued)

A reconciliation of changes in the aggregate liability for claims for the current year is as follows:

	<u>2023</u>	<u>2022</u>
Unpaid claims beginning of year	\$ 1,281,619	\$ 1,119,764
Incurred claims (including claims incurred but not reported at June 30, 2023 and 2022)	6,648,038	6,782,883
Payments:		
Payment on claims during the fiscal year	<u>(6,594,951)</u>	<u>(6,621,028)</u>
Unpaid claims end of year	\$ <u>1,334,706</u>	\$ <u>1,281,619</u>

NOTE 12: CONSTRUCTION COMMITMENTS

The County has entered into eighteen contracts totaling \$25,145,041 for building, road and other construction projects. As of June 30, 2023, costs of \$20,176,366 on the projects have been incurred. The balance remaining on the projects at June 30, 2023, \$4,968,675 will be paid as work on the projects progress.

NOTE 13: LITIGATION

The County Attorney reported that as of June 30, 2023, various claims and lawsuits were on file against the County. The probability of loss, if any, is undeterminable. In most cases, any losses as a result of these claims and lawsuits would be covered by the County's insurance policies, less their deductible.

NOTE 14: 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. The Plan does not issue a stand-alone financial report.

OPEB Benefits – Individuals who are employed by Johnson 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, 2023 the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	23
Active Employees	<u>488</u>
Total	<u>511</u>

Total OPEB Liability – The County's total OPEB liability of \$2,744,515 was measured as of June 30, 2023, and was determined by an actuarial valuation as of April 1, 2023.

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 14: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Actuarial Assumptions – The total OPEB liability in the April 1, 2023 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of Inflation (effective June 30, 2023)	3.0% per annum
Rates of salary increase (effective June 30, 2023)	3.0% per annum, including inflation
Discount Rate (effective June 30, 2023)	3.50% compounded annually, including inflation
Healthcare cost trend rate (effective June 30, 2023)	5.0% annum

Discount Rate – The discount rate used to measure the total OPEB liability was 3.50% 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 RP 2014 annuitant distinct mortality table adjusted to 2006 with MP 2021 generation projection of future mortality improvement.

The actuarial assumptions used in the April 1, 2023 valuation were based on the results of an actuarial experience study with dates corresponding to those listed above.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Total OPEB liability beginning of year	\$ 2,140,332
Changes for the year:	
Service cost	125,440
Interest	93,913
Difference between expected and actual experience	838,247
Changes in assumptions	(388,213)
Benefit payments	<u>(65,204)</u>
Net Change	<u>604,183</u>
Total OPEB liability end of the year	<u>\$ 2,744,515</u>

Changes of assumptions reflect a change in the discount rate from 2.4% in fiscal year 2021 to 3.5% in fiscal year 2023.

Sensitivity of the County's Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.5%) or 1% higher (4.50%) than the current discount rate.

	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB liability	\$3,213,550	\$2,744,515	\$2,370,354

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 14: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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 (4.0%) or 1% higher (6.0%) than the current healthcare cost trend rates.

	Current Healthcare Cost Trend Rate		
	1.0% Decrease to 4.0%	Discount Rate 5.0%	1.0% Increase to 6.0%
Total OPEB liability	\$2,557,532	\$2,744,515	\$2,881,410

OPEB Expense and Deferred Outflows of Resources Related to OPEB – For the year ended June 30, 2023, the County recognized OPEB expense of \$292,096. At June 30, 2022 the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

	Deferred Outflows Of Resources	Deferred Inflow Of Resources
Difference between expected and actual experience	\$ 863,609	\$ (163,454)
Change in assumptions	291,672	(354,560)
Total	<u>\$ 1,155,281</u>	<u>(518,014)</u>

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

Year ending June 30,	Amount
2024	\$ 72,743
2025	72,743
2026	72,743
2027	72,743
2028	70,166
Thereafter	<u>276,129</u>
	<u>\$ 637,267</u>

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 15: TAX ABATEMENTS

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

COUNTY TAX ABATEMENTS

The County provides tax abatements for urban renewal and economic development projects with tax increment financing as provided for in Chapters 15A and 403 of the Code of Iowa. For these types of projects, the County enters into agreements with developers which require the County, after developers meet the terms of the agreements, to rebate a portion of the property tax paid by the developers, to pay the developers as economic development grantor to pay the developers a predetermined dollar amount. No other commitments were made by the County as part of these agreements.

For the year ended June 30, 2023, the County did not abate any property tax under the urban renewal and economic development projects.

TAX ABATEMENTS OF OTHER ENTITIES

Property tax revenues of the County were reduced by the following amount for the year ended June 30, 2023 under agreements entered into by the following entities:

Entity	Tax Abatement Program	Amount of Tax Abated
City of Tiffin	Urban renewal and economic development projects	\$ 18,120
City of Solon	Urban revitalization tax abatement	68
City of Coralville	Urban renewal and economic development projects	472,171
City of North Liberty	Urban renewal and economic development projects	42,135
City of Iowa City	Urban renewal and economic development projects	250,558

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 16: EARLY CHILDHOOD IOWA AREA BOARD

Johnson County, Iowa is the fiscal agent for the Early Childhood Iowa Area Board, an organization formed pursuant to the provisions of Chapter 256I of the Code of Iowa. The Area Board receives state grants to administer early childhood and school ready programs. Financial transactions of the Area Board are included in the County's financial statements as a Custodial Fund (Empowerment Board) because of the County's fiduciary relationship with the organization. The Area Board's financial data is for the year ended June 30, 2023 is as follows:

	<u>Early Childhood Iowa Area Board</u>			
	<u>Early Childhood State</u>	<u>School Ready Fund</u>	<u>Other</u>	<u>Total</u>
Additions:				
State grants:				
Early childhood	\$ 212,023	\$ -	\$ -	\$ 212,023
Quality improvement	-	-	-	-
Allocation for administration	10,972	36,622	-	47,594
School ready general use	-	714,955	-	714,955
Total State of Iowa grants	222,995	751,577	-	974,572
Interest	-	-	-	-
Total additions	<u>222,995</u>	<u>751,577</u>	<u>-</u>	<u>974,572</u>
Deductions:				
Program services:				
Early childhood	214,451	-	-	214,451
Quality improvement	-	62,069	-	62,069
School ready general use	-	625,140	-	625,140
Other program services	-	-	1,683	1,683
Total program services	214,451	687,209	1,683	903,343
Administration	11,169	38,744	-	49,913
Total deductions	<u>225,620</u>	<u>725,953</u>	<u>1,683</u>	<u>953,256</u>
Net change	(2,625)	25,624	(1,683)	21,316
Balances – beginning of year	<u>33,822</u>	<u>101,973</u>	<u>1,824</u>	<u>137,619</u>
Balances – end of year	\$ <u>31,197</u>	\$ <u>127,597</u>	\$ <u>141</u>	\$ <u>158,935</u>

NOTE 17: SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 17, 2025, the date the financial statements were available to be issued.

In December 2023, the County issued \$12,920,399 of Taxable General Obligation County Purpose Bonds Series 2023A and \$4,009,000 of General Obligation County Purpose Bonds Series 2023B. The Series 2023A is a short-term bond with a maturity of April 15, 2024. The Series 2023B will mature during the next 3 fiscal years. The bonds will help fund improvements to County buildings, computer equipment, software and various other projects for the construction, reconstruction, improvement and repair of infrastructure, clean up following a disaster, vehicles for the County sheriff and emergency services, land purchase and engineering costs for various County projects.

In December 2024, the County issued \$3,800,000 of General Obligation County Purpose Bonds Series 2024A, \$10,580,000 of Taxable General Obligation County Purpose Bonds Series 2024B and \$3,420,000 Taxable General Obligation County Purpose Bond, Series 2024C.

JOHNSON COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 17: Subsequent Events (Continued)

The Series 2024A is a short-term bond with a maturity of April 15, 2025. The Series 2024A and Series 2024C will mature during the next 3 fiscal years. The bonds will help fund improvements to County buildings, acquisition of information technology equipment and software, peach officer and other emergency services, communication equipment and infrastructure, the acquisition and restoration of a multifamily affordable housing apartment complex, funding for various county insurance programs and a public use trail crossing.

On November 5, 2024, the County held a special bond election to issue \$30,000,000 of General Obligation Bonds for Conservation. The bond passed with 77.8% of the vote, voting yes. The bond will be used for the purpose of acquiring and developing lands with public access provided, in order to protect the water quality in rivers, lakes and streams; protect forests to improve air quality; protect natural areas and wildlife habitat from development; and provide for parks and trails; to be managed by the Johnson County Conservation Board.

REQUIRED SUPPLEMENTARY INFORMATION



JOHNSON COUNTY, IOWA

BUDGETARY COMPARISON SCHEDULE OF
RECEIPTS, DISBURSEMENTS AND CHANGES IN BALANCES -
BUDGET AND ACTUAL (CASH BASIS) - ALL GOVERNMENTAL FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2023

	Governmental Fund Types	Budgeted Amounts		Final to Actual Variance
	<u>Actual</u>	<u>Original</u>	<u>Final</u>	
<u>RECEIPTS:</u>				
Property and other County tax	\$ 64,071,323	\$ 63,816,874	\$ 63,816,874	\$ 254,449
Interest and penalty on property tax	520,995	344,000	344,000	176,995
Intergovernmental	28,138,629	23,976,946	28,193,347	(54,718)
Licenses and permits	933,407	827,550	827,550	105,857
Charges for service	5,570,419	5,165,580	4,978,080	592,339
Use of money and property	4,685,073	1,075,883	3,467,883	1,217,190
Miscellaneous	1,804,366	1,525,930	2,288,127	(483,761)
Total receipts	<u>105,724,212</u>	<u>96,732,763</u>	<u>103,915,861</u>	<u>1,808,351</u>
<u>DISBURSEMENTS:</u>				
Public safety and legal services	30,593,379	32,836,005	33,744,496	3,151,117
Physical health and social services	18,896,815	18,720,969	23,126,080	4,229,265
County environment and education	7,562,545	8,728,620	9,003,786	1,441,241
Roads and transportation	11,062,716	13,700,743	13,706,989	2,644,273
Governmental services to residents	3,273,582	3,406,126	3,659,113	385,531
Administration	14,495,586	16,710,972	16,361,522	1,865,936
Non-program	115,634	170,800	170,800	55,166
Debt service	21,672,089	21,463,210	21,673,210	1,121
Capital projects	14,008,477	22,694,911	37,128,117	23,119,640
Total disbursements	<u>121,680,823</u>	<u>138,432,356</u>	<u>158,574,113</u>	<u>36,893,290</u>
Excess (deficiency) of receipts over (under) disbursements	(15,956,611)	(41,699,593)	(54,658,252)	38,701,641
Other financing sources, net	<u>20,328,233</u>	<u>20,471,000</u>	<u>20,325,000</u>	<u>3,233</u>
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	4,371,622	(21,228,593)	(34,333,252)	38,704,874
<u>BALANCE</u> - Beginning of year	<u>93,502,050</u>	<u>25,086,765</u>	<u>93,439,808</u>	<u>62,242</u>
<u>BALANCE</u> - End of year	\$ <u>97,873,672</u>	\$ <u>3,858,172</u>	\$ <u>59,106,556</u>	\$ <u>38,767,116</u>

See Accompanying Independent Auditor's Report

JOHNSON COUNTY, IOWA

BUDGETARY COMPARISON SCHEDULE - BUDGET TO GAAP RECONCILIATION
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2023

	<u>Governmental Funds</u>		
	<u>Cash Basis</u>	<u>Accrual Adjustments</u>	<u>Modified Accrual Basis</u>
Revenues	\$ 105,724,212	\$ 5,748,806	\$ 111,473,018
Expenditures	<u>121,680,823</u>	<u>(10,807,765)</u>	<u>110,873,058</u>
Net	(15,956,611)	16,556,571	599,960
Other financing sources, net	20,328,233	(12,220,020)	8,108,213
Beginning fund balances	<u>93,502,050</u>	<u>(27,818,244)</u>	<u>65,683,806</u>
Ending fund balances	\$ <u><u>97,873,672</u></u>	\$ <u><u>(23,481,693)</u></u>	\$ <u><u>74,391,979</u></u>

JOHNSON COUNTY, IOWA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY REPORTING

YEAR ENDED JUNE 30, 2023

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

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

Formal and legal budgetary control is based upon ten major classes of expenditures known as functions, not by fund. These ten functions are: public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, governmental services to residents, administration, non-program, debt service and capital projects. Function disbursements required to be budgeted include disbursements for the General Fund, the Special Revenue Funds, the Debt Service Fund and the Capital Projects Fund. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. Legal budgetary control is also based upon the appropriation to each office or department. During the year, two budget amendments increased budgeted disbursements by \$20,141,757. 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 Extension Office by the County Agricultural Extension Council, for the County Assessor by the County Conference Board, for the E911 System by the Joint E911 Service Board and for Emergency Management Services by the County Emergency Management Commission.

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

JOHNSON COUNTY, IOWA

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
FOR THE LAST NINE FISCAL YEARS*

REQUIRED SUPPLEMENTARY INFORMATION

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
County's collective proportion of the net pension liability	0.193930 %	2.651568 %	0.291378%	0.264701 %
County's collective proportionate share of the net pension liability (asset)	\$ 7,326,967	\$ (9,153,926)	\$ 20,468,539	\$ 15,327,952
County's covered payroll	\$ 34,348,294	\$ 32,679,657	\$ 31,148,906	\$ 30,146,224
County's collective proportionate share of the net pension liability as a percentage of its covered payroll	21.33 %	(28.07) %	65.71 %	50.85 %
IPERS' net position as a percentage of the total pension liability	91.41 %	100.81 %	82.90 %	85.45 %

* In accordance with GASB 68, the amounts presented for each fiscal year were determined as of June 30 of the preceeding fiscal year.

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

See Accompanying Independent Auditor's Report

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
0.275157 %	0.3068701 %	0.304776 %	0.278951 %	0.257000 %
\$ 17,412,611	\$ 20,435,487	\$ 19,180,490	\$ 13,781,545	\$ 10,195,102
\$ 29,234,232	\$ 28,708,319	\$ 27,523,506	\$ 26,348,638	\$ 25,531,199
59.56 %	71.18 %	69.69 %	52.30 %	39.93 %
83.62 %	82.21 %	81.82 %	85.19 %	87.61 %

JOHNSON COUNTY, IOWA

SCHEDULE OF COUNTY CONTRIBUTIONS
IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

REQUIRED SUPPLEMENTARY INFORMATION

	2023	<u>2022</u>	<u>2021</u>	<u>2020</u>
Statutorily required contribution	\$ 3,653,735	\$ 3,210,043	\$ 3,080,591	\$ 2,960,862
Contributions in relation to the statutorily required contribution	\$ <u>(3,653,735)</u>	<u>(3,210,043)</u>	<u>(3,080,591)</u>	<u>(2,960,862)</u>
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
County's covered payroll	39,299,676	\$ 34,348,294	\$ 32,679,657	\$ 31,148,906
Contributions as a percentage of covered payroll	9.30 %	9.35 %	9.43 %	9.51 %

See Accompanying Independent Auditor's Report

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 2,890,757	\$ 2,664,954	\$ 2,627,326	\$ 2,531,417	\$ 2,432,140	\$ 2,356,804
<u>(2,890,757)</u>	<u>(2,664,954)</u>	<u>(2,627,326)</u>	<u>(2,531,417)</u>	<u>(2,432,140)</u>	<u>(2,356,804)</u>
\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
\$ 30,146,224	\$ 29,234,232	\$ 28,708,219	\$ 27,523,506	\$ 26,348,638	\$ 25,531,199
9.59 %	9.12 %	9.15 %	9.20 %	9.23 %	9.23 %

JOHNSON COUNTY, IOWA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PENSION LIABILITY

YEAR ENDED JUNE 30, 2023

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

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

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

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

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

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

- Decreased the inflation assumption from 3.00% to 2.60%
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.0%
- 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 beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20 year period.

JOHNSON COUNTY, IOWA

SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL
OPEB LIABILITY, RELATED RATIOS AND NOTES
FOR THE LAST SIX FISCAL YEARS

REQUIRED SUPPLEMENTARY INFORMATION

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service Cost	\$ 125,440	\$ 100,270	\$ 97,350	50,239	\$ 48,776	\$ 53,590
Interest Cost	93,913	50,770	48,601	55,572	53,988	65,460
Difference between expected and actual experiences	838,247	-	147,843	-	(301,974)	-
Change in assumptions	(388,213)	-	323,171	-	(6,135)	138,883
Benefit Payments	<u>(65,204)</u>	<u>(51,736)</u>	<u>(65,204)</u>	<u>(65,197)</u>	<u>(59,651)</u>	<u>(69,150)</u>
Net change in total OPEB liability	<u>604,183</u>	<u>99,304</u>	<u>551,761</u>	<u>40,614</u>	<u>(264,996)</u>	<u>188,783</u>
Total OPEB liability beginning of year	<u>2,140,332</u>	<u>2,041,028</u>	<u>1,489,267</u>	<u>1,448,653</u>	<u>1,713,649</u>	<u>1,524,866</u>
Total OPEB liability end of year	<u>\$ 2,744,515</u>	<u>\$ 2,140,332</u>	<u>\$ 2,041,028</u>	<u>1,489,267</u>	<u>\$ 1,448,653</u>	<u>\$ 1,713,649</u>
Covered-employee payroll	35,199,631	31,939,050	31,008,786	29,258,933	28,406,731	26,771,396
Total OPEB liability as a percentage of covered-employee payroll	7.80%	6.70%	6.58%	5.09%	5.10%	6.40%

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

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

Change in benefit terms:

There were no significant changes in benefit terms.

Changes in assumptions:

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

Year ended June 30, 2023	3.50%
Year ended June 30, 2022	2.40%
Year ended June 30, 2021	2.40%
Year ended June 30, 2020	3.79%
Year ended June 30, 2019	3.79%
Year ended June 30, 2018	3.89%
Year ended June 30, 2017	4.50%

GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the County will present information for these years for which information is available.

See Accompanying Independent Auditor's Report



SUPPLEMENTARY INFORMATION

JOHNSON COUNTY, IOWA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

	Special Revenue			
	Law Enforcement Proceeds	Prosecutor Forfeiture Proceeds	Special Resource Enhancement	Road Construction Escrow
<u>ASSETS</u>				
Cash, cash equivalents and pooled investments	\$ 12,462	\$ 34,791	\$ 352,206	\$ 5,660
Receivables:				
Accounts	-	-	-	-
Due from other governments	-	-	-	-
Prepaid items	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	\$ <u>12,462</u>	\$ <u>34,791</u>	\$ <u>352,206</u>	\$ <u>5,660</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</u>				
<u>LIABILITIES:</u>				
Accounts payable	\$ 3,907	\$ -	\$ 673	\$ -
Due to other governments	-	977	-	-
	<u>-</u>	<u>977</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>3,907</u>	<u>977</u>	<u>673</u>	<u>-</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>				
Unavailable revenues:				
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES:</u>				
Nonspendable	-	-	-	-
Restricted for:				
LG Opioid Abatement purposes	-	-	-	-
Other purposes	8,555	33,814	351,533	5,660
	<u>8,555</u>	<u>33,814</u>	<u>351,533</u>	<u>5,660</u>
TOTAL FUND BALANCES	<u>8,555</u>	<u>33,814</u>	<u>351,533</u>	<u>5,660</u>
TOTAL LIABILITIES, FUND BALANCES, AND DEFERRED INFLOWS OF RESOURCES	\$ <u>12,462</u>	\$ <u>34,791</u>	\$ <u>352,206</u>	\$ <u>5,660</u>

See Accompanying Independent Auditor's Report

Special Revenue				Permanent Trust	
Recorder's Records Management	Conservation Trust	ECI Workforce Development	LG Opioid Abatement	CRC Wetland Bank Permanent Trust	Total
\$ 178,392	\$ 2,410,472	\$ -	\$ 659,820	\$ 27,750	\$ 3,681,553
2,149	-	-	2,302,894	-	2,305,043
-	858,385	309,701	-	-	1,168,086
<u>113</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>113</u>
\$ <u>180,654</u>	\$ <u>3,268,857</u>	\$ <u>309,701</u>	\$ <u>2,962,714</u>	\$ <u>27,750</u>	\$ <u>7,154,795</u>
\$ 598	\$ 2,131	\$ 524	\$ -	\$ -	\$ 7,833
<u>-</u>	<u>-</u>	<u>309,177</u>	<u>-</u>	<u>-</u>	<u>310,154</u>
<u>598</u>	<u>2,131</u>	<u>309,701</u>	<u>-</u>	<u>-</u>	<u>317,987</u>
<u>-</u>	<u>793,268</u>	<u>-</u>	<u>2,195,102</u>	<u>-</u>	<u>2,988,370</u>
<u>-</u>	<u>793,268</u>	<u>-</u>	<u>2,195,102</u>	<u>-</u>	<u>2,988,370</u>
113	-	-	-	-	113
-	-	-	767,612	-	767,612
<u>179,943</u>	<u>2,473,458</u>	<u>-</u>	<u>-</u>	<u>27,750</u>	<u>3,080,713</u>
<u>180,056</u>	<u>2,473,458</u>	<u>-</u>	<u>767,612</u>	<u>27,750</u>	<u>3,848,438</u>
\$ <u>180,654</u>	\$ <u>3,268,857</u>	\$ <u>309,701</u>	\$ <u>2,962,714</u>	\$ <u>27,750</u>	\$ <u>7,154,795</u>

JOHNSON COUNTY, IOWA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023

	Special Revenue			
	Law Enforcement <u>Proceeds</u>	Prosecutor Forfeiture <u>Proceeds</u>	Special Resource <u>Enhancement</u>	Road Construction <u>Escrow</u>
<u>REVENUES:</u>				
Intergovernmental	\$ 948	\$ -	\$ 41,179	\$ -
Charges for service	-	-	-	-
Use of money and property	721	-	11,900	-
Miscellaneous	-	1,021	-	-
Total revenues	<u>1,669</u>	<u>1,021</u>	<u>53,079</u>	<u>-</u>
<u>EXPENDITURES:</u>				
Operating:				
Public safety and legal services	17,634	5,297	-	-
Physical health and social services	-	-	-	-
Governmental services to residents	-	-	-	-
Capital projects	-	-	34,432	-
Total expenditures	<u>17,634</u>	<u>5,297</u>	<u>34,432</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(15,965)	(4,276)	18,647	-
Other financing sources:				
Transfers in	-	-	-	-
Change in fund balances	(15,965)	(4,276)	18,647	-
<u>FUND BALANCES</u> - Beginning of year	<u>24,520</u>	<u>38,090</u>	<u>332,886</u>	<u>5,660</u>
<u>FUND BALANCES</u> - End of year	\$ <u>8,555</u>	\$ <u>33,814</u>	\$ <u>351,533</u>	\$ <u>5,660</u>

See Accompanying Independent Auditor's Report

Recorder's Records Management	Special Revenue			Permanent Trust	Total
	Conservation Trust	ECI Workforce Development	LG Opioid Abatement	CRC Wetland Bank Permanent Trust	
\$ -	\$ 533,752	\$ -	\$ -	\$ -	\$ 575,879
19,040	-	-	-	-	19,040
7,908	222,703	-	16,439	5,601	265,272
-	39,325	1,428,260	648,915	-	2,117,521
<u>26,948</u>	<u>795,780</u>	<u>1,428,260</u>	<u>665,354</u>	<u>5,601</u>	<u>2,977,712</u>
-	-	-	-	-	22,931
-	-	1,428,296	-	-	1,428,296
3,783	-	-	-	-	3,783
-	243,429	-	-	-	277,861
<u>3,783</u>	<u>243,429</u>	<u>1,428,296</u>	<u>-</u>	<u>-</u>	<u>1,732,871</u>
23,165	552,351	(36)	665,354	5,601	1,244,841
-	227,614	-	-	-	227,614
23,165	779,965	(36)	665,354	5,601	1,472,455
<u>156,891</u>	<u>1,693,493</u>	<u>36</u>	<u>102,258</u>	<u>22,149</u>	<u>2,375,983</u>
\$ <u>180,056</u>	\$ <u>2,473,458</u>	\$ <u>-</u>	\$ <u>767,612</u>	\$ <u>27,750</u>	\$ <u>3,848,438</u>



JOHNSON COUNTY, IOWA

COMBINING SCHEDULE OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2023

	<u>County Offices</u>	<u>Agriculture Extension</u>	<u>County Assessor</u>	<u>City Assessor</u>
<u>ASSETS</u>				
Cash, cash equivalents and pooled investments:				
County Treasurer	\$ -	\$ 3,288	\$ 856,990	\$ 751,505
Other County officials	532,871	-	-	-
Receivables:				
Accounts receivable	20,553	-	-	-
Property Tax:				
Delinquent	-	590	1,612	640
Succeeding year	-	637,290	1,256,332	925,788
Special assessments	-	-	-	-
Due from other governments	-	-	-	-
Prepaid items	-	-	13,880	3,782
	<u>-</u>	<u>-</u>	<u>13,880</u>	<u>3,782</u>
 TOTAL ASSETS	 <u>553,424</u>	 <u>641,168</u>	 <u>2,128,814</u>	 <u>1,681,715</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>				
<u>LIABILITIES:</u>				
Accounts payable	4,115	-	2,213	1,265
Salaries and benefits payable	-	-	18,106	13,821
Due to other governments	445,740	3,288	-	-
Trusts payable	103,569	-	-	-
Compensated absences	-	-	69,575	105,117
	<u>-</u>	<u>-</u>	<u>69,575</u>	<u>105,117</u>
 TOTAL LIABILITIES	 <u>553,424</u>	 <u>3,288</u>	 <u>89,894</u>	 <u>120,203</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>				
Unavailable revenue	-	637,290	1,256,332	925,788
	<u>-</u>	<u>637,290</u>	<u>1,256,332</u>	<u>925,788</u>
 <u>NET POSITION</u>				
Restricted for individuals, organizations and other governments	\$ <u>-</u>	\$ <u>590</u>	\$ <u>782,588</u>	\$ <u>635,724</u>

See Accompanying Independent Auditor's Report

Schedule 3

<u>Schools</u>	<u>Community Colleges</u>	<u>Corporations</u>	<u>Townships</u>
\$ 755,158	\$ 65,760	\$ 739,732	\$ 5,073
-	-	-	-
-	-	-	-
129,895	11,568	76,113	1,652
152,834,365	13,035,266	135,967,833	1,170,120
-	-	-	-
-	-	-	-
-	-	-	-
<u>153,719,418</u>	<u>13,112,594</u>	<u>136,783,678</u>	<u>1,176,845</u>
-	-	-	-
-	-	-	-
755,158	65,760	739,732	5,073
-	-	-	-
-	-	-	-
<u>755,158</u>	<u>65,760</u>	<u>739,732</u>	<u>5,073</u>
<u>152,834,365</u>	<u>13,035,266</u>	<u>135,967,833</u>	<u>1,170,120</u>
\$ <u><u>129,895</u></u>	\$ <u><u>11,568</u></u>	\$ <u><u>76,113</u></u>	\$ <u><u>1,652</u></u>

JOHNSON COUNTY, IOWA

Schedule 3
(Continued)COMBINING SCHEDULE OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2023

	Emergency Management	E911 Surcharge	Auto License and Use Tax
<u>ASSETS</u>			
Cash, cash equivalents and pooled investments:			
County Treasurer	\$ 178,643	\$ 228,547	\$ 3,993,921
Other County officials	-	-	-
Receivables:			
Accounts receivable	8,926	58,490	-
Property Tax:			
Delinquent	-	-	-
Succeeding year	-	-	-
Special assessments	-	-	-
Due from other governments	-	111,373	-
Prepaid items	19,683	97,257	-
	<u>207,252</u>	<u>495,667</u>	<u>3,993,921</u>
<u>LIABILITIES, DEFERRRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
<u>LIABILITIES:</u>			
Accounts payable	59,445	20,851	-
Salaries and benefits payable	4,334	-	-
Due to other governments	-	474,816	3,993,921
Trusts payable	-	-	-
Compensated absences	16,759	-	-
	<u>80,538</u>	<u>495,667</u>	<u>3,993,921</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Unavailable revenue	-	-	-
<u>NET POSITION</u>			
Restricted for individuals, organizations and other governments	\$ <u>126,714</u>	\$ <u>-</u>	\$ <u>-</u>

Schedule 3

<u>Empowerment Board</u>	<u>MHDS/East Central Region</u>	<u>Other</u>	<u>Total</u>
\$ 269,330	\$ 14,342,116	\$ 648,627	\$ 22,838,690
-	-	-	532,871
-	2,899	-	90,868
-	-	21	222,091
-	-	24,095	305,851,089
-	-	121,862	121,862
-	27,172	-	138,545
<u>2,654</u>	<u>998,649</u>	<u>-</u>	<u>1,135,905</u>
<u>271,984</u>	<u>15,370,836</u>	<u>794,605</u>	<u>330,931,921</u>
73,935	9,314,072	-	9,475,896
-	-	-	36,261
39,114	2,241,755	501,933	9,266,290
-	-	130,379	233,948
<u>-</u>	<u>-</u>	<u>-</u>	<u>191,451</u>
<u>113,049</u>	<u>11,555,827</u>	<u>632,312</u>	<u>19,203,846</u>
<u>-</u>	<u>-</u>	<u>24,095</u>	<u>305,851,089</u>
\$ <u><u>158,935</u></u>	\$ <u><u>3,815,009</u></u>	\$ <u><u>138,198</u></u>	\$ <u><u>5,876,986</u></u>

JOHNSON COUNTY, IOWA

COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS

YEAR ENDED JUNE 30, 2023

	<u>County Offices</u>	<u>Agriculture Extension</u>	<u>County Assessor</u>	<u>City Assessor</u>
<u>ADDITIONS:</u>				
Property and other county tax	\$ -	\$ 625,685	\$ 1,361,118	\$ 977,425
911 surcharge	-	-	-	-
State tax credits	-	29,883	65,011	49,114
Office fees and collections	3,382,812	-	-	-
Auto licenses, use tax and postage	-	-	-	-
Assessments	-	-	-	-
Trusts	1,817,807	-	-	-
Miscellaneous	-	-	-	-
Total additions	<u>5,200,619</u>	<u>655,568</u>	<u>1,426,129</u>	<u>1,026,539</u>
<u>DEDUCTIONS:</u>				
Agency remittances:				
To other funds	1,669,922	-	-	-
To other governments	2,069,738	655,681	1,417,169	1,035,083
Trusts paid out	<u>1,460,959</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deductions	<u>5,200,619</u>	<u>655,681</u>	<u>1,417,169</u>	<u>1,035,083</u>
Change in net position	-	(113)	8,960	(8,544)
<u>NET POSITION</u> - Beginning of year	<u>-</u>	<u>703</u>	<u>773,628</u>	<u>644,268</u>
<u>NET POSITION</u> - End of year	\$ <u>-</u>	\$ <u>590</u>	\$ <u>782,588</u>	\$ <u>635,724</u>

See Accompanying Independent Auditor's Report

Schedule 4

<u>Schools</u>	<u>Community Colleges</u>	<u>Corporations</u>	<u>Townships</u>
\$ 142,699,675	\$ 12,495,621	\$ 133,498,509	\$ 1,149,981
-	-	-	-
4,239,387	371,229	6,653,076	42,986
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>146,939,062</u>	<u>12,866,850</u>	<u>140,151,585</u>	<u>1,192,967</u>
-	-	-	-
146,966,661	12,868,813	140,171,510	1,193,103
-	-	-	-
<u>146,966,661</u>	<u>12,868,813</u>	<u>140,171,510</u>	<u>1,193,103</u>
(27,599)	(1,963)	(19,925)	(136)
<u>157,494</u>	<u>13,531</u>	<u>96,038</u>	<u>1,788</u>
\$ <u><u>129,895</u></u>	\$ <u><u>11,568</u></u>	\$ <u><u>76,113</u></u>	\$ <u><u>1,652</u></u>

JOHNSON COUNTY, IOWASchedule 4
(Continued)COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDSYEAR ENDED JUNE 30, 2023

	<u>Emergency Management</u>	<u>E911 Surcharge</u>	<u>Auto License and Use Tax</u>
<u>ADDITIONS:</u>			
Property and other county tax	\$ -	\$ -	\$ -
911 surcharge	-	800,117	-
State tax credits	-	-	-
Office fees and collections	-	-	-
Auto licenses, use tax and postage	-	-	45,548,459
Assessments	-	-	-
Trusts	-	-	-
Miscellaneous	<u>707,012</u>	<u>-</u>	<u>-</u>
Total additions	<u>707,012</u>	<u>800,117</u>	<u>45,548,459</u>
<u>DEDUCTIONS:</u>			
Agency remittances:			
To other funds	-	-	-
To other governments	742,439	800,117	45,548,459
Trusts paid out	<u>-</u>	<u>-</u>	<u>-</u>
Total deductions	<u>742,439</u>	<u>800,117</u>	<u>45,548,459</u>
Change in net position	(35,427)	-	-
<u>NET POSITION</u> - Beginning of year	<u>162,141</u>	<u>-</u>	<u>-</u>
<u>NET POSITION</u> - End of year	\$ <u><u>126,714</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

Schedule 4

<u>Empowerment Board</u>	<u>MHDS/East Central Region</u>	<u>Other</u>	<u>Total</u>
\$ -	\$ -	\$ 28,780	\$ 292,836,794
-	-	-	800,117
-	-	830	11,451,516
-	-	-	3,382,812
-	-	-	45,548,459
-	-	121,862	121,862
-	-	-	1,817,807
<u>974,572</u>	<u>17,804,994</u>	<u>2,958,445</u>	<u>22,445,023</u>
<u>974,572</u>	<u>17,804,994</u>	<u>3,109,917</u>	<u>378,404,390</u>
-	-	-	1,669,922
953,256	30,049,281	3,002,113	387,473,423
-	-	121,862	1,582,821
<u>953,256</u>	<u>30,049,281</u>	<u>3,123,975</u>	<u>390,726,166</u>
21,316	(12,244,287)	(14,058)	(12,321,776)
<u>137,619</u>	<u>16,059,296</u>	<u>152,256</u>	<u>18,198,762</u>
\$ <u>158,935</u>	\$ <u>3,815,009</u>	\$ <u>138,198</u>	\$ <u>5,876,986</u>

JOHNSON COUNTY, IOWA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Amounts Passed- Through to Subrecipients
Direct:				
U.S. Department of the Interior:				
Direct program:				
Payments in Lieu of Taxes	15.226		\$ 76,761	\$ -
Total U.S. Department of the Interior:				
U.S. Department of Justice:				
State Criminal Alien Assistance Program	16.606		77,870	-
Total U.S. Department of Justice:				
U.S. Department of Treasury:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		4,041,966	346,204
Total U.S. Department of Treasury:				
Total Direct:			4,196,597	-
Indirect:				
U.S. Department of Agriculture:				
Pass-through program from:				
Iowa Department of Public Health:				
Special Supplemental Nutrition Program				
for Women, Infants and Children	10.557	5888A093	\$ 11,629	\$ -
Special Supplemental Nutrition Program				
for Women, Infants and Children	10.557	5888A051	70,100	-
Subtotal Special Supplemental Nutrition Program				
for Women, Infants and Children			81,729	-
SNAP Cluster				
Iowa Department of Human Services:				
State Administrative Matching Grants for the				
Supplemental Nutrition Assistance Program	10.561	N/A	54,260	-
Total U.S. Department of Agriculture			135,989	-
U. S. Department of Defense:				
Pass-through program from:				
Iowa State Treasurer:				
Payments to States in Lieu of Real Estate Taxes	12.112	N/A	99,383	-
Pass-through program from:				
Iowa Economic Development Authority:				
CDBG - Disaster Recovery Grants Cluster				
National Disaster Resiliency Competition (CDBG-NDR)	14.272	13-NDRI-007	238,109	-
Total U. S. Department of Housing and Urban Development:			238,109	-
U.S. Department of Justice:				
Pass-through program from:				
Iowa Department of Human Rights:				
Title V-Delinquency Prevention Program	16.548	2023-DLNQ-01	18,261	-
Pass-through program from:				
Iowa Department of Justice:				
Crime Victim Assistance	16.575	VP-20-131-VWC	187,325	-
Pass-through program from:				
Governor's Office of Drug Control Policy:				
Public Safety Partnership and Community Policing Grants	16.710	21-CAMP-05	2,814	-
Public Safety Partnership and Community Policing Grants	16.710	22-HEROIN-03	3,100	-
Subtotal Safety Partnership and Community Policing Grants			5,914	-
Pass-through program from:				
Governor's Office of Drug Control Policy:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	20-JAG-447765	31,666	-
Total U.S. Department of Justice			243,166	-
U.S. Department of Labor:				
Pass-through program from:				
Iowa Workforce Development:				
WIOA Cluster:				
WIOA Adult Program	17.258	20-N-EC-WI-OA	61,326	61,326
WIOA Adult Program	17.258	23-N-EC-WI-OA	401,410	368,650
Subtotal WIOA Adult Program			462,736	429,976
WIOA Youth Program	17.259	20-N-EC-WI-OA	74,095	74,095
WIOA Youth Program	17.259	23-N-EC-WI-OA	703,806	615,571
Subtotal WIOA Youth Program			777,901	689,666
WIOA Dislocated Worker Formula Grant	17.278	21-N-PH-CV-0-05	38,139	38,139
WIOA Dislocated Worker Formula Grant	17.278	20-N-EC-WI-OA	117,914	117,914
WIOA Dislocated Worker Formula Grant	17.278	23-N-EC-WI-OA	198,209	161,359
Subtotal WIOA Dislocated Worker Formula Grant			354,262	317,412
Total Iowa Workforce Development			1,594,899	1,437,054
Total U.S. Department of Labor			1,594,899	1,437,054

JOHNSON COUNTY, IOWA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Amounts Passed Through to Subrecipients
U. S. Department of Transportation:				
Pass-through program from:				
Iowa Department of Transportation:				
Highway Planning and Construction Cluster:				
Recreational Trails Program	20.219	NRT-C052	6,803	-
Highway Planning and Construction	20.205	TAP-U-C052	172,980	-
Total Highway Planning and Construction Cluster			179,783	-
Pass-through program from East Central Iowa Council of Governments:				
East Central Iowa Council of Governments:				
Formula Grants for Rural Areas and Tribal Transit Program	20.509	TF-2000-XXX	229,148	-
Formula Grants for Rural Areas and Tribal Transit Program	20.509	TF20-058	5,568	-
Total East Central Iowa Council of Governments:			234,716	-
Pass-through program from:				
Federal Transit Administration:				
Technical Assistance and Workforce Development	20.531	DC-2021-007-00	16,797	-
Total Federal Transit Administration			16,797	-
Highway Safety Cluster:				
Iowa Department of Public Safety:				
State and Community Highway Safety	20.600	PAP22-405d-F24SE	2,562	-
State and Community Highway Safety	20.600	PAP22-402-M0PT	10,685	-
State and Community Highway Safety	20.600	PAP23-405d-M0PT	10,519	-
State and Community Highway Safety	20.600	PAP-23-402M0PT	10,587	-
Total Iowa Department of Public Safety			34,353	-
Total U.S. Department of Transportation			465,649	-
U.S. Department of the Treasury:				
Pass-through program from:				
Iowans for Social and Economic Development:				
Volunteer Income Tax Assistance (VITA) Matching Grant Program	21.009	23VITA0075	4,197	-
U.S. Department of Treasury:				
Pass-through program from:				
City of Iowa City				
COVID-19 Coronavirus Relief Fund	21.027	N/A	1,107,400	-
City of Coralville:				
COVID-19 Coronavirus Relief Fund	21.027	N/A	26,600	-
Subtotal COVID-19 Coronavirus Relief Fund			1,134,000	-
Total U.S. Department of Treasury:			1,138,197	-
U.S. Department of Environmental Protection Agency				
Pass-through program from:				
University of Iowa:				
Gulf of Mexico Program	66.475	MX-00D88019	47,030	-
Election Assistance Commission:				
Iowa Secretary of State:				
Help America Vote Act Requirements Payment	90.401	352-2321	10,250	-
U.S. Department of Health and Human Services				
Pass-through program from:				
Genesis Healthcare, PHEP:				
Public Health Emergency Preparedness	93.069	5881BT03-E2	10,304	-
Genesis Health Systems:				
Hospital preparedness Program (HPP) and Public Health				
Emergency Preparedness (PHEP) Aligned Cooperative				
Agreements	93.074	5880BT03	26,644	-
Pass-through program from:				
Iowa Department of Public Health:				
Project Grants and Cooperative Agreements for Tuberculosis				
Control Programs	93.116	MOU-2023-TB10	5,613	-
Family Planning Services	93.217	977-FY2022	4,703	-
Immunization Cooperative Agreements	93.268	5885BT452	56,492	-
Immunization Cooperative Agreements	93.268	5880I449	46,080	-
Immunization Cooperative Agreements	93.268	MPOX/C-19	32,111	-
Subtotal Immunization Cooperative Agreements			134,683	-
COVID-19 Epidemiology and Laboratory Capacity for Infectious Disease (ELC)	93.323	5885BT452	122,640	-
Total Iowa Department of Public Health			267,639	-

JOHNSON COUNTY, IOWA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Amounts Passed Through To Subrecipients
U.S. Department of Health and Human Services (continued):				
National Association of County and City Health Officials:				
Strengthening Public Health Systems and Services Through National Partnerships to Improve and Protect the Nations Health	93.421	2022-042615	42,500	-
Strengthening Public Health Systems and Services Through National Partnerships to Improve and Protect the Nations Health	93.421	2022-111601	5,000	-
Subtotal National Association of County and City Health Officials			47,500	-
Iowa Department of Human Services:				
Title IV-E Prevention and Family Services and Programs (A)	93.472	N/A	1,608	-
Promoting Safe and Stable Families	93.556	DCAT4-14-119	10,362	-
Subtotal Iowa Department of Human Services			11,970	-
Iowa Department of Human Services				
Refugee and Entrant Assistance - State Administered Programs	93.566	N/A	150	-
CCDF Cluster:				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	N/A	12,506	-
Foster Care - Title IV-E	93.658	N/A	11,457	-
Adoption Assistance	93.659	N/A	6,316	-
Social Services Block Grant	93.667	N/A	14,305	-
Children's Health Insurance Program	93.767	N/A	935	-
Medicaid Cluster:				
Medical Assistance Program	93.778	N/A	61,837	-
Iowa Department of Public Health:				
HIV Prevention Activities - Health Department Based	93.940	5883AP08	99,156	-
Maternal and Child Health Services Block Grant to the States	93.994	5883MH12	58,644	-
Maternal and Child Health Services Block Grant to the States	93.994	5881MH09E/5883CAH12	262,762	-
Subtotal Maternal and Child Health Services Block Grant to the States			321,406	-
Total U.S. Department of Health and Human Services			902,441	-
Department of Homeland Security:				
Iowa Department of Homeland Security:				
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	155210, PW-00736	376,621	-
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	155206, PW-00371	161,757	-
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	159233, PW-00796	15,101	-
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	103-UB5PN-00	42,710	-
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	98.036	103-U2V3C-00	171,052	-
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	164013, PW-00329	494,137	-
Subtotal Disaster Grant - Public Assistance (Presidentially Declared Disaster)			1,261,378	-
Department of Homeland Security:				
Pass-through program from:				
Federal Emergency Management Agency (FEMA)				
Hazard Mitigation Grant	97.039	HMGP-DR-4421-0021	497,846	-
Total Department of Homeland Security			1,759,224	-
Total Indirect:			6,624,021	1,783,258
Total Federal Financial Assistance			\$ 10,820,618	\$ 1,783,258

Basis of Presentation - The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Johnson County, Iowa under programs of the federal government for the year ended June 30, 2023. 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 Johnson County, Iowa, it is not intended to and does not present the financial position, changes in financial position or cash flows of Johnson County, Iowa. The County received federal awards both directly from federal agencies and indirectly through pass-through entities. Federal financial assistance provided to a subrecipient is treated as an expenditure when it is paid to the subrecipient.

Federal financial assistance provided to subrecipients as follows:

21.027 CLSRF - Iowa Legal Aid, Coralville Community Food Pantry, and
WIOA Cluster - Kirkwood Community College

Summary of Significant Accounting Policies - Governmental and proprietary fund types account for the County's federal grant activity. Therefore, expenditures in the schedule of expenditures of federal awards are recognized on the modified accrual basis - when they become a demand on current available financial resources in the governmental fund types and on the full accrual basis - when expenditures are incurred in the proprietary fund types. The County's summary of significant accounting policies is presented in Note 1 in the County's basic financial statements.

The County has not elected to use the 10% de minimis cost rate.

See Accompanying Independent Auditor's Report



STATISTICAL SECTION

JOHNSON COUNTY, IOWA

STATISTICAL SECTION

This part of Johnson County, Iowa's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	86-93
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	94-105
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	106-108
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	109-112
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	114-118

All tables in this section are for the last ten fiscal years unless otherwise noted.

JOHNSON COUNTY, IOWA

NET POSITION BY COMPONENT
FOR THE LAST TEN FISCAL YEARS
UNAUDITED
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Governmental Activities:				
Net investment in capital assets	\$ 188,167,549	\$ 175,718,082	\$ 171,251,796	\$ 158,829,720
Restricted	25,527,878	25,140,552	16,530,152	14,539,903
Unrestricted	<u>45,590,643</u>	<u>34,137,400</u>	<u>27,157,849</u>	<u>22,506,609</u>
Total governmental activities net position	\$ <u>259,286,070</u>	\$ <u>234,996,034</u>	\$ <u>214,939,797</u>	\$ <u>195,876,232</u>

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 147,967,600	\$ 131,064,633	\$ 122,677,790	\$ 105,131,206	\$ 99,270,214	\$ 82,451,458
14,965,284	14,547,678	12,882,011	25,423,792	22,194,269	24,495,898
<u>16,935,571</u>	<u>14,389,010</u>	<u>7,671,983</u>	<u>514,934</u>	<u>(3,691,292)</u>	<u>7,923,601</u>
<u>\$ 179,868,455</u>	<u>\$ 160,001,321</u>	<u>\$ 143,231,784</u>	<u>\$ 131,069,932</u>	<u>\$ 117,773,191</u>	<u>\$ 114,870,957</u>

JOHNSON COUNTY, IOWA
CHANGES IN NET POSITION
FOR THE LAST TEN FISCAL YEARS
UNAUDITED
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2023</u>		<u>2022</u>		<u>2021</u>
Expenses:					
Governmental activities:					
Public safety and legal services	\$ 29,589,709	\$	28,191,942	\$	27,234,631
Physical health and social services	20,051,256		14,698,157		14,066,367
Mental health	-		5,725,715		7,122,273
County environment and education	9,541,417		8,518,527		8,677,975
Roads and transportation	12,831,916		11,803,623		10,813,127
Governmental services to residents	2,995,885		2,853,607		3,502,172
Administration	13,271,362		13,199,273		12,973,054
Non-program	270,142		199,494		110,370
Interest on long-term debt	365,380		126,076		217,094
Total governmental expenses	<u>88,917,067</u>	\$	<u>85,316,414</u>	\$	<u>84,717,063</u>
Program revenues:					
Governmental activities:					
Charges for services:					
Public safety and legal services	\$ 6,956,720	\$	6,304,188	\$	4,226,521
Physical health and social services	637,814		1,012,156		681,028
Mental health	-		608,214		764,497
County environment and education	845,565		990,346		1,123,738
Roads and transportation	98,716		615,198		45,754
Governmental services to residents	2,193,853		2,591,483		2,650,848
Administration	1,950,874		1,384,966		1,056,677
Operating grants and contributions	20,945,411		16,896,951		17,328,302
Capital grants and contributions	8,096,497		3,544,759		8,043,046
Total governmental program revenues	<u>41,725,450</u>		<u>33,948,261</u>		<u>35,920,411</u>
Total primary government net expense	\$ <u>(47,191,617)</u>	\$	(51,368,153)	\$	(48,796,652)
General revenues and other changes in net position					
Governmental Activities:					
Property and other County taxes	\$ 62,854,855	\$	62,711,014	\$	61,913,570
Other County taxes	1,207,094		1,073,945		1,045,079
Penalty and interest on property taxes	529,177		484,122		720,903
State tax credits	2,923,324		3,196,010		3,252,421
Unrestricted investment earnings	3,931,989		791,319		648,526
Gain (loss) on sales of capital assets	35,214		147,643		21,337
Miscellaneous	-		3,020,337		258,381
Total governmental activities	<u>71,481,653</u>		<u>71,424,390</u>		<u>67,860,217</u>
Change in net position governmental activities	\$ <u>24,290,036</u>	\$	<u>20,056,237</u>	\$	<u>19,063,565</u>

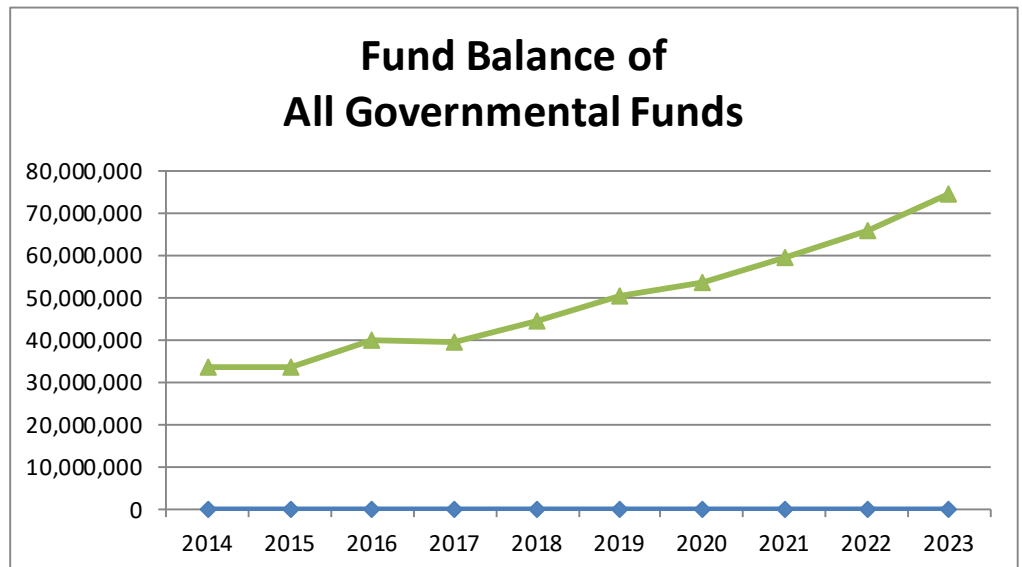
<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 27,368,015	\$ 25,347,382	\$ 23,044,794	\$ 22,517,620	\$ 21,681,544	\$ 21,423,137	\$ 21,713,703
12,265,474	11,288,474	10,438,263	10,094,498	9,096,966	8,462,069	8,814,694
5,008,693	5,530,237	5,727,490	7,221,045	7,383,813	5,897,981	7,977,750
7,894,118	6,423,634	5,619,726	5,618,841	4,181,307	3,930,143	3,679,768
14,027,137	12,677,748	13,067,355	13,191,877	11,406,730	12,708,805	10,806,794
2,765,509	2,974,297	2,464,520	2,647,086	2,259,982	2,043,747	2,124,814
11,259,798	9,451,999	9,598,720	9,002,956	8,591,357	8,355,864	8,462,602
60,412	12,883	8,992	6,534	5,107	6,375	39,694
344,002	336,537	361,394	341,334	374,881	412,638	451,979
<u>\$ 80,993,158</u>	<u>74,043,191</u>	<u>70,331,254</u>	<u>\$ 70,641,791</u>	<u>64,981,687</u>	<u>63,240,759</u>	<u>64,071,798</u>
\$ 6,976,833	\$ 3,694,331	\$ 3,377,414	3,478,952	3,063,034	3,024,693	2,800,091
836,492	777,578	915,177	944,182	551,161	469,889	469,102
758,033	722,085	703,008	804,875	934,351	887,449	3,250
873,944	506,953	717,826	452,191	525,305	459,665	448,173
51,634	91,838	73,670	112,023	54,048	63,726	90,612
2,334,202	2,173,536	2,180,692	2,229,568	2,159,040	2,041,891	1,985,278
597,449	741,022	750,572	1,374,385	1,395,337	1,239,492	1,099,596
13,557,995	12,619,539	13,579,013	14,088,732	14,620,176	16,389,081	17,493,399
4,306,630	7,648,254	1,924,452	1,071,177	393,674	5,851,362	1,839,719
<u>30,293,212</u>	<u>28,975,136</u>	<u>24,221,824</u>	<u>24,556,085</u>	<u>23,696,126</u>	<u>30,427,248</u>	<u>26,229,220</u>
<u>\$ (50,699,946)</u>	<u>\$ (45,068,055)</u>	<u>\$ (46,109,430)</u>	<u>\$ (46,085,706)</u>	<u>\$ (41,285,561)</u>	<u>\$ (32,813,511)</u>	<u>\$ (37,842,578)</u>
\$ 60,293,455	\$ 58,139,000	56,138,703	\$ 52,524,864	\$ 49,361,895	\$ 47,684,945	\$ 45,376,991
1,036,655	968,431	972,047	966,735	1,005,973	985,548	950,917
268,632	411,720	365,817	502,716	718,558	163,223	408,283
3,381,424	3,398,248	3,455,162	3,346,375	3,433,072	2,137,897	1,027,037
1,580,939	1,909,803	967,109	410,706	352,970	284,516	285,224
8,891	-	68,231	54,092	(3,766)	5,700	(346,498)
137,727	107,987	227,461	442,070	144,895	160,220	139,387
<u>66,707,723</u>	<u>64,935,189</u>	<u>62,194,530</u>	<u>58,247,558</u>	<u>55,013,597</u>	<u>51,422,049</u>	<u>47,841,341</u>
<u>\$ 16,007,777</u>	<u>\$ 19,867,134</u>	<u>\$ 16,085,100</u>	<u>\$ 12,161,852</u>	<u>\$ 13,728,036</u>	<u>\$ 18,608,538</u>	<u>\$ 9,998,763</u>

JOHNSON COUNTY, IOWA
FUND BALANCES OF GOVERNMENTAL FUNDS
FOR THE LAST TEN FISCAL YEARS
UNAUDITED
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
General Fund:					
Nonspendable	\$ 1,272,134	\$ 426,249	\$ 273,500	\$ 229,304	\$ 200,959
Restricted	1,460,617	1,545,163	2,620,103	1,884,850	2,200,096
Unassigned	<u>28,870,204</u>	<u>28,742,924</u>	<u>27,584,767</u>	<u>23,109,692</u>	<u>19,499,280</u>
Total general fund	\$ <u>31,602,955</u>	\$ <u>30,714,336</u>	\$ <u>30,478,370</u>	\$ <u>25,223,846</u>	\$ <u>21,900,335</u>
All other governmental funds					
Nonspendable	\$ 1,893,116	\$ 1,920,101	\$ 1,539,989	\$ 1,554,372	\$ 1,520,536
Restricted	27,531,119	24,764,961	18,232,083	18,309,840	19,149,877
Committed	-	-	-	-	-
Assigned	13,364,789	8,284,408	9,109,705	8,368,197	8,004,505
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	\$ <u>42,789,024</u>	\$ <u>34,969,470</u>	\$ <u>28,881,777</u>	\$ <u>28,232,409</u>	\$ <u>28,674,918</u>

Fund Balance of all Governmental Funds

2014	\$ 33,535,207
2015	\$ 33,815,041
2016	\$ 40,137,612
2017	\$ 39,444,360
2018	\$ 44,570,170
2019	\$ 50,575,253
2020	\$ 53,456,255
2021	\$ 59,360,147
2022	\$ 65,683,806
2023	\$ 74,391,979



<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 187,828	\$ 182,922	\$ 214,385	\$ 203,911	\$ 426,916
3,606,754	4,110,541	2,141,961	1,585,708	934,199
<u>17,470,191</u>	<u>14,964,912</u>	<u>14,599,342</u>	<u>11,619,718</u>	<u>9,039,309</u>
\$ <u><u>21,264,773</u></u>	\$ <u><u>19,258,375</u></u>	\$ <u><u>16,955,688</u></u>	\$ <u><u>13,409,337</u></u>	\$ <u><u>10,400,424</u></u>
\$ 1,424,282	\$ 479,015	\$ 528,678	\$ 414,356	\$ 347,039
13,300,317	14,814,647	12,696,268	11,812,274	11,455,613
-	-	-	-	-
8,580,798	-	9,956,978	8,179,074	11,332,131
<u>-</u>	<u>4,892,323</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ <u><u>23,305,397</u></u>	\$ <u><u>20,185,985</u></u>	\$ <u><u>23,181,924</u></u>	\$ <u><u>20,405,704</u></u>	\$ <u><u>23,134,783</u></u>

JOHNSON COUNTY, IOWA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
FOR THE LAST TEN FISCAL YEARS
UNAUDITED
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Revenues:					
Property taxes and other county taxes	\$ 64,069,728	\$ 63,800,436	\$ 63,698,918	\$ 60,573,192	\$ 59,118,878
Interest and penalty on taxes	515,814	490,986	753,153	234,988	413,119
Intergovernmental	32,538,545	24,344,304	28,454,183	24,641,605	23,930,569
Licenses and permits	938,712	981,323	809,579	834,992	732,053
Charges for service	5,428,986	5,788,789	5,476,000	4,816,308	4,935,715
Use of money and property	4,686,722	917,447	708,723	1,785,938	1,891,685
Miscellaneous	3,294,511	3,692,683	2,250,765	1,036,802	671,123
Total revenues	<u>111,473,018</u>	<u>100,015,968</u>	<u>102,151,321</u>	<u>93,923,825</u>	<u>91,693,142</u>
Expenditures:					
Current:					
Public safety and legal services	29,965,344	28,787,323	25,928,544	25,727,350	24,311,193
Physical health and social services	20,367,155	15,566,247	13,056,548	11,348,900	11,160,839
Mental health	-	5,924,528	6,411,385	7,813,021	5,548,694
County environment and education	7,471,807	6,647,218	6,410,602	5,949,244	5,540,994
Roads and transportation	10,728,522	9,727,419	10,616,524	9,732,075	9,974,893
Governmental services to residents	3,086,744	2,999,299	3,213,808	2,612,702	2,851,188
Administration	14,290,403	10,712,432	9,495,175	8,882,667	8,490,199
Non-program	124,276	85,753	43,158	50,178	5,276
Capital projects	15,386,718	13,285,407	20,539,800	18,578,121	16,793,113
Debt service:					
Principal	9,102,400	9,575,000	9,945,000	9,550,000	7,895,000
Interest	349,689	129,326	226,314	344,859	333,427
Total expenditures	<u>110,873,058</u>	<u>103,439,952</u>	<u>105,886,858</u>	<u>100,589,117</u>	<u>92,904,816</u>
Excess (deficiency) of revenues over (under) expenditures	599,960	(3,423,984)	(3,735,537)	(6,665,292)	(1,211,674)
Other financing sources (uses):					
Sale of capital assets	35,213	147,643	37,029	21,294	16,757
Proceeds from long-term debt	8,073,000	9,600,000	9,602,400	9,525,000	7,200,000
Issuance of refunding bonds	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-
Transfers in	29,985,622	28,614,905	27,431,223	28,538,196	27,799,738
Transfers out	(29,985,622)	(28,614,905)	(27,431,223)	(28,538,196)	(27,799,738)
Total other financing sources (uses)	<u>8,108,213</u>	<u>9,747,643</u>	<u>9,639,429</u>	<u>9,546,294</u>	<u>7,216,757</u>
Net change in fund balances	\$ <u>8,708,173</u>	\$ <u>6,323,659</u>	\$ <u>5,903,892</u>	\$ <u>2,881,002</u>	\$ <u>6,005,083</u>
Debt Service as a percentage of noncapital expenditures	9.86%	10.29%	11.50%	11.74%	10.62%

	<u>2018</u>		<u>2017</u>		<u>2016</u>		<u>2015</u>		<u>2014</u>
\$	57,099,590	\$	53,486,619	\$	50,364,750	\$	48,667,704	\$	46,330,012
	364,041		495,683		712,984		169,549		417,092
	19,285,208		20,243,236		20,256,459		20,813,839		19,937,570
	727,532		690,466		748,102		677,670		646,331
	5,067,547		5,034,553		4,399,571		4,169,605		4,118,569
	1,185,881		419,210		352,742		300,809		284,731
	<u>1,225,537</u>		<u>1,177,049</u>		<u>1,544,628</u>		<u>1,429,284</u>		<u>1,481,530</u>
	<u>84,955,336</u>		<u>81,546,816</u>		<u>78,379,236</u>		<u>76,228,460</u>		<u>73,215,835</u>
	23,533,955		21,664,656		21,009,727		20,735,683		20,536,016
	10,085,322		9,786,384		9,017,307		8,474,153		8,410,932
	5,723,214		7,335,429		7,519,034		5,989,761		7,887,238
	4,987,436		4,860,092		4,028,440		3,684,968		3,507,160
	9,711,078		9,610,535		8,842,350		9,083,591		8,528,073
	2,383,760		2,434,856		2,197,423		2,015,947		2,018,025
	8,334,774		7,870,598		7,728,567		7,490,403		7,384,293
	3,748		2,673		3,183		4,432		37,827
	14,407,215		16,696,625		11,212,474		16,445,471		10,197,459
	7,530,000		6,520,000		6,440,000		5,965,000		4,395,000
	<u>368,457</u>		<u>343,236</u>		<u>376,495</u>		<u>415,861</u>		<u>454,144</u>
	<u>87,068,959</u>		<u>87,125,084</u>		<u>78,375,000</u>		<u>80,305,270</u>		<u>73,356,167</u>
	(2,113,623)		(5,578,268)		4,236		(4,076,810)		(140,332)
	39,433		85,016		18,355		6,644		62,113
	7,200,000		4,800,000		6,300,000		4,350,000		3,150,000
	4,240,000		-		-		-		-
	(4,240,000)		-		-		-		-
	26,453,965		26,567,248		22,905,120		21,455,078		12,741,210
	<u>(26,453,965)</u>		<u>(26,567,248)</u>		<u>(22,905,120)</u>		<u>(21,455,078)</u>		<u>(12,741,210)</u>
	<u>7,239,433</u>		<u>4,885,016</u>		<u>6,318,355</u>		<u>4,356,644</u>		<u>3,212,113</u>
\$	<u>5,125,810</u>	\$	<u>(693,252)</u>	\$	<u>6,322,571</u>	\$	<u>279,834</u>	\$	<u>3,071,781</u>
	10.67%		9.36%		10.10%		11.10%		7.68%



GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
FOR THE LAST TEN FISCAL YEARS
UNAUDITED
(ACCRUAL BASIS OF ACCOUNTING)

<u>Fiscal</u> <u>Year</u>	<u>Property</u> <u>Taxes</u>	<u>Other</u> <u>County</u> <u>Taxes</u>	<u>Total</u>
2014	\$ 45,376,991	\$ 950,917	\$ 46,327,908
2015	47,684,945	985,548	48,670,493
2016	49,361,895	1,005,973	50,367,868
2017	52,524,864	966,735	53,491,599
2018	56,138,703	972,047	57,110,750
2019	58,139,000	968,431	59,107,431
2020	60,293,455	1,036,655	61,330,110
2021	61,913,570	1,045,079	62,958,649
2022	62,711,014	1,073,945	63,784,959
2023	62,862,634	1,207,094	64,069,728

JOHNSON COUNTY, IOWA
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
UNAUDITED
(Amounts Expressed in Thousands)

<u>Year</u>	<u>Residential</u>	<u>Agriculture</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Multi-Residential</u>	<u>Railroad</u>
2014	\$ 7,632,480	\$ 377,945	\$ 1,639,062	\$ 97,793	\$ -	\$ 27,268
2015	7,915,878	529,368	1,733,506	105,906	-	32,434
2016	8,120,110	528,175	1,650,705	96,762	-	33,845
2017	8,974,179	572,193	1,341,848	100,437	524,764	34,438
2018	9,284,318	572,363	1,407,564	99,855	526,732	33,044
2019	9,909,784	525,142	1,852,449	125,636	631,180	28,492
2020	10,214,798	526,064	1,885,154	130,565	641,816	28,799
2021	11,201,696	372,282	1,941,089	134,165	722,485	37,102
2022	11,484,847	350,978	1,965,950	135,288	726,842	33,050
2023	12,237,749	374,255	2,031,762	136,512	746,556	35,852

Note: Property is assessed at actual value, therefore, the assessed values are equal to the actual values.

Source: Iowa Department of Management, 100% Valuations, By Class, By Levy Authority (Non TIF)

* Rate per \$1,000 of taxable valuation

Utility, Incl Gas & <u>Electric</u>	Military <u>Exemption</u>	Total Taxable Assessed <u>Value</u>	TIF <u>Valuation</u>	Total Direct Tax Rate, <u>Urban *</u>
\$ 314,456	\$ (7,115)	\$ 10,081,889	\$ 838,764	6.73712
311,058	(6,964)	10,621,186	988,165	6.74168
327,162	(6,782)	10,749,978	1,229,832	6.90337
342,239	(6,560)	11,883,539	999,085	6.77140
343,828	(6,376)	12,261,328	1,045,135	6.85143
354,821	(6,243)	13,421,260	761,628	6.53594
392,776	(6,152)	13,813,800	857,924	6.49279
414,720	(6,052)	14,817,487	900,468	6.34581
440,624	(5,932)	15,154,066	977,818	6.16773
488,158	(5,627)	16,045,217	963,783	6.04075

JOHNSON COUNTY, IOWA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
FOR THE LAST TEN FISCAL YEARS
UNAUDITED
(rate per \$1,000 of taxable value)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Countywide service rates:				
General basic	\$ 3.50000	\$ 3.50000	\$ 3.50000	\$ 3.50000
General supplemental	0.54336	0.15531	0.26790	0.21732
MH/DS	0.00000	0.34864	0.55253	0.51596
Debt service	<u>1.99739</u>	<u>2.16378</u>	<u>2.02538</u>	<u>2.25950</u>
Johnson County urban rate	6.04075	6.16773	6.34581	6.49279
Johnson County rural rate	<u>3.69098</u>	<u>3.76734</u>	<u>3.77509</u>	<u>3.68226</u>
Total Direct Rate	<u>9.73173</u>	<u>9.93508</u>	<u>10.12090</u>	<u>10.17505</u>
City Rates:				
Coralville	14.31230	14.28384	14.31230	13.52770
Hills	8.09630	8.09831	8.09932	8.10000
Iowa City	15.63305	15.67305	15.77305	15.83305
Lone Tree	8.24940	8.24873	8.24908	8.25796
North Liberty	11.31920	11.51744	11.03264	11.03264
Oxford	12.82775	12.28568	11.60494	11.27591
Shueyville	7.20318	7.37249	7.09242	7.09241
Solon	10.97629	10.92262	10.84314	10.82842
Swisher	12.25346	11.31125	11.32868	11.46215
Tiffin	11.80746	11.80926	11.80802	11.80689
University Heights	11.74965	11.69084	11.22967	10.93282
West Branch	13.22028	13.09509	13.09428	12.10287
School District Rates:				
Clear Creek Amana	17.04885	17.05959	17.06011	16.56460
College Community	16.60981	16.60869	16.60721	16.60706
Iowa City	14.93382	14.85066	14.83935	14.79097
Solon	16.28062	16.28008	16.25064	16.24818
West Branch	15.00065	15.20787	15.35028	13.08686

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$	3.50000	\$ 3.50000	\$ 3.50000	\$ 3.50000	\$ 3.50000	\$ 3.50000
	0.21176	0.53648	0.81752	1.14707	0.68976	1.11314
	0.58222	0.67548	0.44559	0.47957	0.49284	0.51324
	<u>2.24196</u>	<u>2.13947</u>	<u>2.00829</u>	<u>1.77673</u>	<u>2.05908</u>	<u>1.61074</u>
	6.53594	6.85143	6.77140	6.90337	6.74168	6.73712
	<u>3.66661</u>	<u>3.69992</u>	<u>3.46939</u>	<u>3.46939</u>	<u>3.40746</u>	<u>3.33826</u>
	<u>10.20255</u>	<u>10.55135</u>	<u>10.24079</u>	<u>10.37276</u>	<u>10.14914</u>	<u>10.07538</u>
	13.52770	13.52770	13.52779	13.52771	13.52771	13.52770
	8.10000	8.10000	8.10000	8.10000	8.10000	8.10000
	14.85629	16.33305	16.58305	16.65096	16.70520	16.80522
	12.95547	9.18296	9.19724	9.22462	9.23483	9.27730
	11.03264	11.03264	11.03264	11.03264	11.03264	11.03264
	14.25606	10.14301	9.72063	10.82201	9.38055	10.84265
	7.09910	7.09909	7.09997	7.09995	7.09991	7.09994
	10.89780	10.87796	10.82552	10.83300	10.97205	10.88627
	8.59314	8.37053	8.10000	8.10000	8.10000	8.10000
	11.80205	11.80227	11.80265	11.80309	11.97177	10.62359
	10.93764	10.79874	11.08828	11.05210	10.88143	10.90073
	12.35271	12.59382	12.59382	12.59382	12.04382	12.04382
	16.57663	16.75949	16.75419	15.62084	15.06516	15.11055
	16.60836	16.64476	16.06203	15.81016	14.80342	15.08387
	14.85629	13.95855	13.98935	13.86773	13.69999	13.68792
	16.24083	16.22396	16.11521	16.15171	16.35337	15.99708
	13.09246	13.75022	14.12945	14.17879	14.10551	13.97611

JOHNSON COUNTY, IOWA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND NINE YEARS AGO
UNAUDITED

<u>Taxpayers</u>	<u>Type of Business</u>	<u>2023</u>			<u>2014</u>		
		<u>Taxable Value</u>	<u>Rank</u>	<u>Percentage of Taxable Value</u>	<u>Taxable Value</u>	<u>Rank</u>	<u>Percentage of Taxable Value</u>
Coral Ridge Mall LLC.	Retail Property	\$ 108,015,600	1	1.05 %	\$ 162,518,230	1	2.34 %
Mid American Energy	Utility	85,490,078	2	0.83	82,115,935	2	1.18
Rise at Riverfront Landing	Property Leasing	55,376,050	3	0.54	-	-	-
BBCS Hawkeye Housing LLC	Property Leasing	50,708,760	4	0.49	-	-	-
Iowa Latitude LLC	Property Leasing	48,789,300	5	0.47	-	-	-
Tailwind Iowa City LLC	Property Leasing	43,517,480	6	0.42	-	-	-
ACT	Standardized Testing	41,843,240	7	0.41	47,441,054	3	0.68
808 On 5th Street	Property Leasing	38,442,900	8	0.37	-	-	-
Paradigm Properties LLC	Retail Property	37,175,070	9	0.36	-	-	-
Greenstate Credit Union (formerly UICCU)	Financial Institution	35,702,260	10	0.35	-	-	-
TKG Coral North LLC	Retail Property	-	-	-	37,152,030	4	0.53
Gerdin Trust (Hawkeye Trucking)	Trucking	-	-	-	34,030,599	5	0.49
City of Coralville	City	-	-	-	31,476,398	6	0.45
Wal-Mart Real Estate Business	Retail Property	-	-	-	25,939,860	7	0.37
Cedar Rapids & Iowa City Railroad	Rail Transportation	-	-	-	22,816,286	8	0.33
ARC LLC	Manufacturing	-	-	-	19,667,056	9	0.28
Centurylink	Utility	-	-	-	19,623,676	10	0.28
		<u>\$ 545,060,738</u>		<u>5.29 %</u>	<u>\$ 482,781,124</u>		<u>6.93 %</u>
		<u>\$ 10,319,638,826</u>			<u>\$ 6,953,493,458</u>		

Total Taxable Value

Starting in fiscal year 2023 no taxing of utility or railroad

JOHNSON COUNTY, IOWA
PROPERTY TAX LEVIES AND COLLECTIONS
FOR THE LAST TEN FISCAL YEARS
UNAUDITED

<u>Fiscal</u> <u>Year Ended</u> <u>June 30,</u>	<u>Taxes Levied</u> <u>for the Year</u>	<u>Property Taxes</u> <u>Collected in the</u> <u>Fiscal Year</u>	<u>% of</u> <u>Lew</u>	<u>Delinquent</u> <u>Tax Collections</u>	<u>Property Taxes</u> <u>Collected to Date</u>	<u>% of</u> <u>Lew</u>
2014	\$ 242,485,620	\$ 237,667,339	98.01	% \$ 25,413	\$ 237,692,752	98.02
2015	257,827,389	249,774,467	96.88	81,661	249,856,128	96.91
2016	273,996,983	254,096,465	92.74	56,491	254,152,956	92.76
2017	288,034,843	273,268,221	94.87	55,663	273,323,884	94.89
2018	302,838,907	291,198,849	96.16	112,580	291,311,429	96.19
2019	322,633,087	306,036,757	94.86	157,694	306,194,451	94.90
2020	334,891,428	312,488,051	93.37	54,821	312,542,872	93.39
2021	354,824,429	338,245,006	95.33	48,729	343,560,527	96.83
2022	366,938,187	349,611,730	95.28	102,166	349,713,896	95.31
2023	372,094,779	354,714,671	95.33	135,842	354,850,513	95.36

Includes all taxing governments for which Johnson County, Iowa serves as an agent for tax collections. The year for which delinquent payments relate is not readily available information.

JOHNSON COUNTY, IOWA
NET TAXABLE PROPERTY VALUATIONS
FOR THE LAST TWO YEARS
UNAUDITED

	2021 Valuations For FY2023 Tax Levies		
	<u>Rural</u>	<u>Urban</u>	<u>Grand Total</u>
<u>JOHNSON COUNTY BASE</u>			
Residential	\$ 1,326,069,258	5,131,134,071	6,457,203,329
Agricultural land	302,066,897	7,421,810	309,488,707
Agricultural buildings	23,559,145	173,221	23,732,366
Commercial property	124,332,765	1,639,435,026	1,763,767,791
Industrial property	10,316,160	111,477,760	121,793,920
Multiresidential	18,983,359	450,633,866	469,617,225
Railroads	14,197,734	18,068,894	32,266,628
Utilities (Without gas & elec.)	48,364,164	23,712,669	72,076,833
Gross Valuation	<u>1,867,889,482</u>	<u>7,382,057,317</u>	<u>9,249,946,799</u>
Less military tax exemptions	<u>(1,370,844)</u>	<u>(4,255,896)</u>	<u>(5,626,740)</u>
Total value for computing taxes levied	1,866,518,638	7,377,801,421	9,244,320,059
Gas & electric utilities	<u>39,923,031</u>	<u>71,612,966</u>	<u>111,535,997</u>
Total value for computing tax rates	<u>\$ 1,906,441,669</u>	<u>7,449,414,387</u>	<u>9,355,856,056</u>
<u>COUNTY TIF INCREMENT</u>			
Residential	\$ -	364,318,926	364,318,926
Agricultural land	-	170,562	170,562
Agricultural building	-	2,511	2,511
Commercial property	-	571,270,961	571,270,961
Industrial property	-	10,667,729	10,667,729
Multiresidential	-	17,413,197	17,413,197
Less military tax exemptions	-	<u>(61,116)</u>	<u>(61,116)</u>
Total value for computing taxes levied	-	<u>963,782,770</u>	<u>963,782,770</u>
Total value for computing tax rates	<u>\$ -</u>	<u>963,782,770</u>	<u>963,782,770</u>
<u>CO. DEBT SERVICE TOTAL</u>			
Residential	\$ 1,326,069,258	5,495,452,997	\$ 6,821,522,255
Agricultural land	302,066,897	7,592,372	309,659,269
Agricultural buildings	23,559,145	175,732	23,734,877
Commercial property	124,332,765	2,210,705,987	2,335,038,752
Industrial property	10,316,160	122,145,489	132,461,649
Multiresidential	18,983,359	468,047,063	487,030,422
Railroads	14,197,734	18,068,894	32,266,628
Utilities (Without gas & elec.)	48,364,164	23,712,669	72,076,833
Gross valuation	<u>1,867,889,482</u>	<u>8,345,901,203</u>	<u>10,213,790,685</u>
Less military tax exemptions	<u>(1,370,844)</u>	<u>(4,317,012)</u>	<u>(5,687,856)</u>
Total value for computing taxes levied	1,866,518,638	8,341,584,191	10,208,102,829
Gas & electric utilities	<u>39,923,031</u>	<u>71,612,966</u>	<u>111,535,997</u>
Total value for computing tax rates	<u>\$ 1,906,441,669</u>	<u>8,413,197,157</u>	<u>10,319,638,826</u>

Note: Assessed value with rollbacks applied and military exemptions deducted.

2020 Valuations
For FY2022 Tax Levies

	<u>Rural</u>	<u>Urban</u>	<u>Grand Total</u>
\$	1,282,360,220	5,051,531,677	6,333,891,897
	287,957,686	6,938,655	294,896,341
	19,275,818	143,861	19,419,679
	115,444,134	1,599,460,820	1,714,904,954
	10,176,570	110,555,433	120,732,003
	19,451,361	466,339,570	485,790,931
	13,155,690	16,589,324	29,745,014
	<u>50,307,752</u>	<u>25,748,773</u>	<u>76,056,525</u>
	1,798,129,231	7,277,308,113	9,075,437,344
	(1,387,148)	(4,544,808)	(5,931,956)
	<u>1,796,742,083</u>	<u>7,272,763,305</u>	<u>9,069,505,388</u>
	29,155,850	65,739,115	94,894,965
\$	<u><u>1,825,897,933</u></u>	<u><u>7,338,502,420</u></u>	<u><u>9,164,400,353</u></u>
\$	-	345,466,946	345,466,946
	-	201,062	201,062
	-	2,581	2,581
	-	590,167,095	590,167,095
	-	10,269,936	10,269,936
	-	15,221,921	15,221,921
	-	(4,544,808)	(5,931,956)
	-	956,784,733	955,397,585
\$	<u><u>-</u></u>	<u><u>956,784,733</u></u>	<u><u>955,397,585</u></u>
\$	1,282,360,220	5,396,998,623	6,679,358,843
	287,957,686	7,139,717	295,097,403
	19,275,818	146,442	19,422,260
	115,444,134	2,189,627,915	2,305,072,049
	10,176,570	120,825,369	131,001,939
	19,451,361	481,561,491	501,012,852
	13,155,690	16,589,324	29,745,014
	<u>50,307,752</u>	<u>25,748,773</u>	<u>76,056,525</u>
	1,798,129,231	8,238,637,654	10,036,766,885
	(1,387,148)	(4,544,808)	(5,931,956)
	<u>1,796,742,083</u>	<u>8,234,092,846</u>	<u>10,030,834,929</u>
	29,155,850	65,739,115	94,894,965
\$	<u><u>1,825,897,933</u></u>	<u><u>8,299,831,961</u></u>	<u><u>10,125,729,894</u></u>

JOHNSON COUNTY, IOWA
NET TAXABLE PROPERTY VALUATIONS
FOR THE LAST TEN FISCAL YEARS
UNAUDITED

Percentage change in Taxable Grand Total Valuations

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<u>JOHNSON COUNTY BASE</u>				
Ag dwellings	N/A %	N/A %	N/A %	N/A %
Non-ag residential	N/A	N/A	N/A	N/A
Residential (including Ag dwellings)	1.9	4.8	6.0	5.4
Agricultural land	4.9	3.0	2.9	3.0
Agricultural buildings	22.2	13.5	0.4	9.1
Commercial property	2.8	1.2	3.0	5.0
Industrial property	0.9	1.1	2.9	0.6
Multiresidential	(3.3)	(4.9)	7.2	(3.4)
Railroads	8.5	(10.9)	28.9	1.3
Utilities (Without gas & elec.)	<u>(5.2)</u>	<u>(5.3)</u>	<u>(2.4)</u>	<u>1.7</u>
Total val. for comp. pr. taxes	1.9	3.3	5.3	3.4
Gas & electric utilities	<u>17.5</u>	<u>3.5</u>	<u>(4.5)</u>	<u>1.8</u>
Total val. for comp. levies	<u>2.1 %</u>	<u>3.3 %</u>	<u>5.2 %</u>	<u>3.4 %</u>
<u>COUNTY TIF INCREMENT</u>				
Ag dwellings				
Non-ag residential	N/A %	N/A %	N/A %	N/A %
Residential (including Ag dwellings)	5.5	18.8	10.3	13.2
Agricultural land	(15.2)	(18.2)	(49.1)	(2.3)
Agricultural buildings	(2.7)	(8.8)	(55.1)	(21.2)
Commercial property	(3.2)	3.2	2.8	12.6
Industrial property	3.9	(22.0)	(5.3)	7.0
Multiresidential	<u>14.4</u>	<u>8.8</u>	<u>(25.5)</u>	<u>12.4</u>
Total val. for comp. pr. taxes	<u>0.9</u>	<u>8.0</u>	<u>4.4</u>	<u>12.7</u>
Total val. for comp. levies	<u>0.9</u>	<u>8.0 %</u>	<u>4.4 %</u>	<u>12.7 %</u>
<u>CO. DEBT SERVICE TOTAL</u>				
Ag dwellings	N/A %	N/A %	N/A %	N/A %
Non-ag residential	N/A	N/A	N/A	N/A
Residential (including Ag dwellings)	2.1	5.5	6.2	5.7
Agricultural land	4.9	3.0	2.8	2.9
Agricultural buildings	22.2	13.5	0.4	9.0
Commercial property	1.3	1.7	2.9	4.1
Industrial property	1.1	(1.2)	2.0	4.2
Multiresidential	(2.8)	(4.5)	5.9	(2.9)
Railroads	8.5	(10.9)	5.1	1.0
Utilities (Without gas & elec.)	<u>(5.2)</u>	<u>(5.3)</u>	<u>3.8</u>	<u>2.3</u>
Total val. for comp. pr. taxes	1.8	3.8	5.1	4.7
Gas & electric utilities	<u>17.5</u>	<u>3.5</u>	<u>(4.5)</u>	<u>4.1</u>
Total val. for comp. levies	<u>1.9</u>	<u>3.8 %</u>	<u>5.0 %</u>	<u>4.7 %</u>

Note: Rollbacks applied and military exemptions deducted.

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
N/A %	N/A %	7.6 %	3.1 %	4.6 %	11.9 %
N/A	6.2	8.4	7.5	6.9	5.9
4.0	6.0	8.4	7.4	6.9	6.0
5.1	2.8	12.9	2.7	2.6	4.2
8.3	7.8	(7.7)	7.1	(15.3)	8.4
35.9	5.3	(23.6)	(7.7)	(1.8)	(3.8)
30.8	(0.3)	(1.6)	(11.9)	1.1	(1.5)
14.8	(4.3)	100.0	-	-	-
(13.8)	(4.0)	1.8	(1.1)	13.0	22.0
1.3	(1.5)	(3.1)	(3.8)	3.4	3.3
10.1	4.9	7.8	2.8	4.2	3.0
(0.4)	(6.9)	(3.4)	(1.3)	1.3	(1.1)
<u>10.0 %</u>	<u>4.7 %</u>	<u>7.6 %</u>	<u>2.8 %</u>	<u>4.1 %</u>	<u>2.9 %</u>

N/A %	2.7 %	5.2 %	(7.0) %	8.2 %	28.4
17.2	2.7	5.2	(7.0)	8.2	28.4 %
(31.0)	20.9	(26.7)	36.9	16.1	6.1
(41.3)	38.2	25.1	(31.4)	11.7	(9.1)
(36.2)	5.0	(4.1)	1.8	21.2	9.8
(71.7)	(6.5)	18.9	12.8	6.9	11.0
(39.0)	11.8	N/A	N/A	N/A	N/A
(27.6)	4.2	1.0	17.8	13.5	(2.6)
<u>(27.6) %</u>	<u>4.2 %</u>	<u>1.0 %</u>	<u>17.8 %</u>	<u>13.5 %</u>	<u>(2.6) %</u>

N/A %	N/A %	7.6 %	3.1 %	4.6 %	11.9
N/A	5.0	8.3	6.8	7.0	6.7 %
4.5	4.4	8.3	6.7	6.9	6.9
5.0	2.9	12.7	2.8	2.7	4.2
8.3	7.9	(7.7)	7.0	(15.3)	8.4
7.5	6.2	(17.0)	(4.6)	4.5	(0.4)
(3.8)	(3.9)	4.8	(5.4)	2.5	1.4
11.6	(3.5)	-	-	-	-
(13.8)	(3.3)	1.8	(1.1)	13.0	22.0
1.3	(3.4)	(3.1)	(3.8)	3.4	3.3
5.4	4.8	6.9	2.5	5.9	4.2
(0.4)	(6.9)	(3.4)	(1.3)	1.3	(1.1)
<u>5.3 %</u>	<u>4.7 %</u>	<u>6.8 %</u>	<u>2.5 %</u>	<u>5.8 %</u>	<u>4.1 %</u>

JOHNSON COUNTY, IOWA
RATIOS OF GENERAL OBLIGATION DEBT OUTSTANDING
FOR THE LAST TEN FISCAL YEARS
UNAUDITED

<u>Fiscal Year</u>	<u>General Obligation Capital Loan Notes Outstanding (1)</u>	<u>Less: Amounts Available in Debt Service Fund (2)</u>	<u>Total</u>	<u>Percent Debt to Assessed Value</u>	<u>Outstanding Debt Per Capita*</u>	<u>Percentage of Personal Income*</u>
2014	\$ 14,445,000	\$ 450,325	\$ 13,994,675	0.13 %	\$ 98.05	0.211 %
2015	12,830,000	278,157	12,551,843	0.12	86.60	0.182
2016	12,690,000	173,937	12,516,063	0.12	85.19	0.174
2017	10,970,000	187,059	10,782,941	0.10	72.21	0.143
2018	10,640,000	310,012	10,329,988	0.09	68.62	0.129
2019	9,945,000	394,465	9,550,535	0.07	63.19	0.115
2020	9,920,000	310,418	9,609,582	0.07	63.03	0.114
2021	9,577,400	267,436	9,309,964	0.06	62.66	0.110
2022	9,602,400	842,978	8,759,422	0.06	62.05	0.104
2023	8,573,000	521,776	8,051,224	0.05	49.43	0.079

*Calculation made using population and personal income from Demographic and Economic Statistics Table

(1) For the purposes of this schedule, the County's net general bonded debt is equal to the County's total general bonded debt as the debt obligations are retired through the use of the County's general resources.

(2) Amount restricted for Debt Service payments

Source: Johnson County Finance Department



JOHNSON COUNTY, IOWA
LEGAL DEBT MARGIN
FOR THE LAST TEN FISCAL YEARS
UNAUDITED

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Debt limit	\$ 850,165,582	\$ 806,594,211	\$ 785,897,759	\$ 733,586,211
Total Net Debt Applicable to the limit	<u>(8,573,000)</u>	<u>(9,602,400)</u>	<u>(9,577,400)</u>	<u>(9,920,000)</u>
Legal Debt Margin	\$ <u>841,592,582</u>	\$ <u>796,991,811</u>	\$ <u>776,320,359</u>	\$ <u>723,666,211</u>
 % of Debt Limit to Total Net Debt	 1.00%	 1.20%	 1.23%	 1.37%

Legal Debt Margin Calculation for Fiscal Year 2023:

FY2021 actual/assessed property valuation	\$ 17,003,311,648
Debt Limit (5% of assessed value)	850,165,582
Less: Outstanding GO Debt	<u>(8,573,000)</u>
Legal Debt Margin	\$ <u>841,592,582</u>

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 671,063,024	\$ 613,066,404	\$ 594,176,929	\$ 537,498,905	\$ 566,370,725	\$ 546,388,412
<u>(9,945,000)</u>	<u>(10,640,000)</u>	<u>(10,970,000)</u>	<u>(12,690,000)</u>	<u>(14,445,000)</u>	<u>(15,690,000)</u>
\$ <u>661,118,024</u>	\$ <u>602,426,404</u>	\$ <u>583,206,929</u>	\$ <u>524,808,905</u>	\$ <u>551,925,725</u>	\$ <u>530,698,412</u>
1.48%	1.74%	1.85%	2.36%	2.55%	2.87%

JOHNSON COUNTY, IOWA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2023
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percent Applicable</u>	<u>Amount Applicable to Johnson County</u>
Direct Debt:			
Johnson County	\$ 8,573,000	100.00%	\$ 8,573,000
Overlapping Debt:			
School Districts:			
Clear Creek-Amana School (Clear Creek)	75,150,000	99.60%	74,849,400
College Community School	137,370,000	12.90%	17,720,730
Highland School	2,865,000	3.74%	107,151
Iowa City School	156,815,000	100.00%	156,815,000
Lisbon School	7,485,000	3.67%	274,700
Lone Tree School	1,492,372	97.24%	1,451,183
Mid-Prairie School	4,815,000	22.95%	1,105,043
Mt. Vernon School	12,655,000	0.12%	15,186
Solon School	18,630,000	99.57%	18,549,891
West Branch School	17,400,000	25.34%	4,409,160
West Liberty School	-	1.95%	-
Williamsburg School	5,144,000	0.94%	48,188
Eastern Iowa Community College	-	0.04%	-
Kirkwood Community College	124,495,000	34.18%	42,552,391
Cities:			
Coralville	262,249,886	100.00%	262,249,886
Hills	519,000	100.00%	519,000
Iowa City	43,810,000	100.00%	43,810,000
Lone Tree	1,940,000	100.00%	1,940,000
North Liberty	31,700,000	100.00%	31,700,000
Oxford	870,261	100.00%	870,261
Shueyville	2,350,000	100.00%	2,350,000
Solon	-	100.00%	-
Swisher	1,390,000	100.00%	1,390,000
Tiffin	21,505,000	100.00%	21,505,000
University Heights	1,960,000	100.00%	1,960,000
West Branch	4,075,000	2.67%	108,803
Subtotal Overlapping Debt			686,300,971
Total Direct and Overlapping Debt			\$ 694,873,971

Source: Johnson County Auditor (Current Debt Summary for all Taxing Districts)



JOHNSON COUNTY, IOWA
DEMOGRAPHIC AND ECONOMIC STATISTICS
FOR THE LAST TEN CALENDAR YEARS
UNAUDITED

<u>Year</u>	<u>County</u> <u>Population (1)</u>	<u>Personal</u> <u>Income (1)</u>	<u>Per Capita</u> <u>Personal Income (1)</u>	<u>School</u> <u>Enrollment (2)</u>	<u>Labor</u> <u>Force (3)</u>	<u>Unemployment</u> <u>Rate (3)</u>
2013	140,151	6,248,341,000	44,583.00	12,489	82,700	3.8
2014	142,730	6,628,190,000	46,439.00	12,889	84,000	3.4
2015	144,943	6,923,171,000	47,765.00	13,033	83,100	3.1
2016	146,928	7,238,132,000	49,263.00	13,671	83,200	3.1
2017	149,325	7,571,031,000	50,702.00	13,982	84,000	2.9
2018	150,549	8,144,951,000	54,102.00	14,198	85,600	2.2
2019	151,140	8,300,194,000	54,917.00	14,572	87,400	2.3
2020	152,854	8,647,409,000	56,573.00	14,284	81,900	2.7
2021	154,748	9,221,972,000	59,592.00	13,947	85,000	3.0
2022	156,420	9,745,262,000	62,302.00	14,395	86,600	2.4

(1) Population data and Personal Income data from US Bureau of Economic Analysis (Table CAINC1)

(2) School enrollment data from Iowa Department of Education

(3) Labor Force data and Unemployment Rate data from Iowa Workforce Development

Note: 2023 Calendar year information not available at time of publication

JOHNSON COUNTY, IOWA
PRINCIPAL EMPLOYERS
FOR THE CURRENT FISCAL YEAR AND NINE YEARS AGO
UNAUDITED

	Fiscal Year 2023			Fiscal Year 2014		
	Number of <u>Employees</u>	<u>Rank</u>	<u>% of Total County Employment</u>	Number of <u>Employees</u>	<u>Rank</u>	<u>% of Total County Employment</u>
Employer:						
University of Iowa	24,500	1	28.8 %	30,804	1	31.1 %
Veterans Health Administration	2,000	2	2.3	1,562	3	1.6
Iowa City Community School District	2,000	3	2.3	1,700	2	1.7
Integrated DNA Technologies	1,350	4	1.6	-	-	-
Proctor & Gamble	1,300	5	1.6	-	-	-
Mercy Healthcare, Iowa City	1,300	6	1.6	1,187	5	1.2
ACT, Inc.	985	7	1.2	1,181	6	1.2
City of Iowa City	812	8	1.0	1,087	8	1.1
Pearson	800	9	0.9	1,200	4	1.2
Collins	700	10	0.8	-	-	-
HyVee	-	-	-	1,166	7	1.2
Systems Unlimited	-	-	-	890	9	0.9
International Auto Components (Lear Corp.)	-	-	-	785	10	0.8
Total Employees Counted	<u>35,747</u>		<u>42.1 %</u>	<u>41,562</u>		<u>42.0 %</u>
Total Employees in Johnson County	<u>85,000</u>			<u>98,900</u>		

Source: Johnson County Employers, Iowa City Iowa ACFR, and Iowa Workforce Development

JOHNSON COUNTY, IOWA
COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/DEPARTMENT (FTE)
FOR THE LAST TEN FISCAL YEARS
UNAUDITED

	<u>Change</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Function/Department:					
Public Safety and Legal Services:					
Ambulance	5.0	66.4	61.4	52.4	51.4
County Attorney (Criminal)	-	27.8	27.8	26.8	27.9
Sheriff	(1.3)	99.3	100.6	99.0	98.0
Medical Examiner	(0.4)	7.4	7.8	7.4	6.4
Physical Health and Social Services:					
Public Health	(0.5)	48.5	49.0	46.0	45.0
SEATS	(3.9)	38.6	42.5	45.6	44.5
Social Services	1.1	12.4	11.3	11.3	10.3
Veterans Affairs	-	1.0	1.0	1.0	1.0
Mental Health:					
MH/DS	-	10.5	10.5	10.5	10.5
County Environment and Education:					
Planning, Development & Sustainability	1.9	14.3	12.4	12.4	14.3
Conservation	-	33.8	33.8	31.1	30.1
Roads and Transportation:					
Secondary Roads	(0.5)	49.7	50.2	50.5	49.5
Government Services:					
Recorder	-	8.0	8.0	8.0	8.0
Auditor/Elections	2.2	14.0	11.8	15.9	12.2
Treasurer (Motor Vehicle)	1.0	14.0	13.0	13.0	13.0
Administration:					
Auditor/Accounting	(0.4)	14.5	14.9	14.9	14.8
Board of Supervisors	4.7	17.6	12.9	11.9	10.8
County Attorney (Civil)	-	10.8	10.8	10.8	10.8
Human Resources	1.0	6.2	5.2	5.2	5.2
Information Services	2.0	17.0	15.0	15.0	13.3
Finance	1.0	4.0	3.0	3.0	3.0
Treasurer (Treasury)	1.0	4.0	3.0	3.0	3.0
Physical Plant	3.0	13.0	10.0	10.3	9.3
Total	<u>16.9</u>	<u>532.8</u>	<u>515.9</u>	<u>505.0</u>	<u>492.3</u>

Source: Johnson County Finance Department

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
50.0	48.0	43.4	42.4	40.3	40.3
24.4	22.4	21.4	20.1	19.3	18.3
97.6	97.6	98.6	97.8	93.2	92.1
6.4	5.5	6.1	5.7	5.2	5.0
42.0	37.5	37.5	36.9	36.4	37.5
43.3	40.4	39.7	36.7	36.1	34.8
9.9	9.3	9.5	8.5	8.5	8.5
1.0	1.0	1.0	1.0	1.0	1.0
10.0	34.0	34.0	37.0	37.0	36.0
12.0	12.0	13.0	11.5	11.5	11.5
29.1	25.6	25.0	24.1	20.8	18.8
49.5	50.5	50.5	49.8	49.8	48.8
8.0	8.0	8.0	8.0	8.0	8.0
11.7	9.8	19.8	9.7	13.7	12.9
12.0	12.0	12.0	11.0	11.1	11.1
14.8	14.6	16.1	16.5	17.1	17.6
9.8	6.8	6.8	6.8	6.8	6.8
10.8	10.8	10.8	10.8	10.8	10.8
5.2	5.2	5.0	3.7	3.7	3.7
13.0	13.0	13.0	11.5	11.5	11.1
3.0	3.0	3.0	3.0	3.0	3.0
3.0	3.0	3.0	3.0	3.0	3.0
9.3	10.0	10.0	9.0	10.0	8.0
<u>475.8</u>	<u>480.0</u>	<u>487.2</u>	<u>464.5</u>	<u>457.8</u>	<u>448.6</u>

JOHNSON COUNTY, IOWA
OPERATING INDICATORS BY FUNCTION/PROGRAM
FOR THE LAST TEN FISCAL YEARS
UNAUDITED

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Function/Program:					
Public Safety and Legal Services:					
Ambulance:					
# of service calls	15,300	14,294	12,390	11,788	11,752
County Attorney:					
# of indictable offense cases	2,727	2,270	2,226	2,578	3,070
County Sheriff:					
# of jail booking	4,875	4,650	3,646	4,355	5,298
# of service calls	36,750	38,236	28,188	32,749	37,551
Medical Examiner:					
# of cases investigated	2,425	2,632	2,502	1,965	1,828
Physical Health and Social Services:					
Public Health:					
# children receiving health services	4,520	4,116	3,619	2,905	5,220
# of hours spent on disease investigation	3,936	6,240	18,984	4,843	3,595
# of food inspections	1,180	1,105	766	864	1,159
SEATS:					
# of trips	90,000	71,000	33,000	95,711	130,238
# of fleet workorders (started tracking FY17)	650	660	662	766	815
Social Services:					
# of households receiving general assistance	1,000	500	350	537	602
Veteran Affairs:					
# of local assistance claims	151	146	118	91	106
# of federal assistance claims (started tracking FY15)	530	530	420	423	369
Mental Health/Disability Services:					
# of clients served	600	600	775	296	125
County Environment and Education:					
Planning, Development & Sustainability					
# of building permits issued	400	400	365	542	447
Conservation:					
# of camper nights	9,650	9,548	9,548	6,185	4,390
# of acres managed	2,747	2,747	2,637	2,476	2,389
Roads and Transportation:					
Secondary roads:					
# miles of roads plowed	25,246	31,377	64,000	32,615	80,041
# of structures repaired	60	67	64	83	60
Governmental Services to Residents:					
Recorder:					
# of documents recorded	34,000	56,943	27,962	29,408	23,701
Treasurer:					
# of titles issued	62,030	59,130	41,838	32,456	34,074
# of Registrations Issued (started tracking FY14)	176,646	168,246	176,984	168,554	164,801
Elections:					
# of registered voters	71,452	88,093	88,400	97,739	94,148
Administration:					
Auditor:					
# of claims processed	23,750	21,500	20,300	20,737	22,100
Information Technology:					
# of work orders processed (start FY18)	2,354	1,754	1,592	1,811	1,761

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
10,770	11,439	10,348	9,569	9,210
2,940	2,266	2,012	2,024	1,988
5,254	5,124	5,393	5,428	6,222
37,036	34,215	31,192	20,689	25,515
1,783	1,671	1,648	1,466	663
4,225	13,771	12,393	13,511	10,999
3,371	3,130	2,075	3,246	1,004
1,277	1,063	1,209	1,147	1,803
127,519	125,840	128,064	132,389	133,379
916	138	N/A	N/A	N/A
564	549	549	550	616
261	131	187	185	128
283	343	574	350	N/A
493	553	547	611	1,333
430	440	342	289	245
4,689	6,075	5,620	4,706	4,679
2,299	2,227	2,185	1,805	1,642
40,547	21,945	22,709	33,149	71,223
61	64	47	51	47
27,087	30,190	28,688	27,304	28,507
33,644	35,800	34,830	33,003	32,507
163,830	163,277	158,168	156,913	153,429
97,002	92,138	83,395	88,333	86,966
18,700	19,400	19,000	19,755	28,919
1,852	n/a	n/a	n/a	n/a

JOHNSON COUNTY, IOWA
CAPITAL ASSET STATISTICS BY ACTIVITY
FOR THE LAST TEN FISCAL YEARS
UNAUDITED

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 28,555,538	\$ 27,985,448	\$ 27,663,214	\$ 21,703,067
Intangible assets	411,520	411,520	933,173	933,173
Construction in progress	<u>24,227,418</u>	<u>14,142,223</u>	<u>29,416,800</u>	<u>24,934,467</u>
Total capital assets not being depreciated	<u>53,194,476</u>	<u>42,539,191</u>	<u>58,013,187</u>	<u>47,570,707</u>
Capital assets being depreciated:				
Buildings	70,514,769	69,279,859	58,941,573	57,186,106
Improvements other than buildings	3,665,920	1,955,610	1,637,368	1,637,368
Furnishings and equipment	27,633,601	25,649,028	24,846,151	23,097,824
Right-to-use leased building	1,877,988	1,877,988	1,877,988	-
Intangibles - computer software	521,653	521,653	-	-
Infrastructure	<u>134,940,964</u>	<u>132,765,196</u>	<u>119,586,000</u>	<u>114,250,070</u>
Total capital assets being depreciated	<u>239,154,895</u>	<u>232,049,334</u>	<u>206,889,080</u>	<u>196,171,368</u>
Less accumulated depreciation for:				
Buildings	24,226,015	22,497,452	20,811,001	19,239,018
Improvements other than buildings	584,230	515,776	451,049	387,182
Furnishings and equipment	18,185,809	16,743,205	15,524,343	14,581,961
Right-to-use leased building	318,752	157,775	-	-
Intangibles - computer software	69,554	34,777	-	-
Infrastructure	<u>58,981,626</u>	<u>55,301,408</u>	<u>51,949,025</u>	<u>48,923,045</u>
Total accumulated depreciation	<u>102,365,986</u>	<u>95,250,393</u>	<u>88,735,418</u>	<u>83,131,206</u>
Total capital assets being depreciated, net	<u>136,788,909</u>	<u>136,798,941</u>	<u>118,153,662</u>	<u>113,040,162</u>
Governmental activities capital assets, net	\$ <u>189,983,385</u>	\$ <u>179,338,132</u>	\$ <u>176,166,849</u>	\$ <u>160,610,869</u>

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 20,425,395	\$ 17,085,625	\$ 16,017,498	\$ 15,337,706	\$ 13,919,180	\$ 12,858,301
522,891	522,891	522,891	197,926	63,845	63,845
<u>19,559,322</u>	<u>9,006,416</u>	<u>12,427,632</u>	<u>16,312,686</u>	<u>24,092,064</u>	<u>8,527,438</u>
<u>40,507,608</u>	<u>26,614,932</u>	<u>28,968,021</u>	<u>31,848,318</u>	<u>38,075,089</u>	<u>21,449,584</u>
56,009,678	56,009,678	46,658,585	43,512,649	38,089,044	37,859,957
1,637,368	1,480,470	1,344,163	1,344,163	1,121,352	1,121,352
21,795,023	21,309,455	18,459,284	16,849,626	16,091,962	15,258,472
-	-	-	-	-	-
-	-	-	-	-	-
<u>107,285,936</u>	<u>103,757,544</u>	<u>99,862,609</u>	<u>88,086,049</u>	<u>77,826,460</u>	<u>77,197,637</u>
<u>186,728,005</u>	<u>182,557,147</u>	<u>166,324,641</u>	<u>149,792,487</u>	<u>133,128,818</u>	<u>131,437,418</u>
17,753,825	16,312,036	14,977,890	13,775,133	12,470,288	11,503,647
323,315	262,515	207,803	157,183	114,345	72,953
13,630,285	13,104,790	12,483,589	12,303,100	11,868,776	11,409,424
-	-	-	-	-	-
-	-	-	-	-	-
<u>45,962,673</u>	<u>43,107,679</u>	<u>40,338,922</u>	<u>37,797,536</u>	<u>35,294,932</u>	<u>33,004,520</u>
<u>77,670,098</u>	<u>72,787,020</u>	<u>68,008,204</u>	<u>64,032,952</u>	<u>59,748,341</u>	<u>55,990,544</u>
<u>109,057,907</u>	<u>109,770,127</u>	<u>98,316,437</u>	<u>85,759,535</u>	<u>73,380,477</u>	<u>75,446,874</u>
\$ <u><u>149,565,515</u></u>	\$ <u><u>136,385,059</u></u>	\$ <u><u>127,284,458</u></u>	\$ <u><u>117,607,853</u></u>	\$ <u><u>111,455,566</u></u>	\$ <u><u>96,896,458</u></u>

JOHNSON COUNTY, IOWA
CAPITAL ASSET STATISTICS BY FUNCTION/DEPARTMENT
LAST TEN FISCAL YEARS
UNAUDITED

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Function/Department:				
Public Safety and Legal Services:				
Ambulance:				
# vehicles	17	14	13	11
# buildings	1	1	1	1
Sheriff:				
# vehicles	57	52	54	55
# buildings	1	1	1	1
Medical Examiner:				
# vehicles	3	3	3	3
Physical Health and Social Services:				
Public Health:				
# vehicles	14	14	14	14
SEATS:				
# vehicles	27	28	27	27
# buildings	2	2	2	2
FLEET:				
# vehicles	7	7	5	4
Mental Health:				
MH/DS:				
# vehicles	3	3	2	3
County Environment and Education:				
Planning and Zoning:				
# vehicles	8	8	8	8
Conservation:				
# vehicles	47	44	42	41
# buildings	38	38	32	32
Roads and Transportation:				
Secondary Roads:				
# vehicles	104	97	86	90
# buildings	20	20	20	20
Government Services:				
Auditor/Elections:				
# vehicles	5	5	5	4
Administration:				
Information Services:				
# vehicles	-	-	-	-
Physical Plant				
# vehicles	6	6	6	5
# buildings	10	9	9	9

Source: Johnson County Finance Department

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
10	8	8	7	7	8
1	1	1	1	1	1
55	55	65	58	57	51
1	1	1	1	1	1
2	2	2	2	2	2
12	11	9	8	8	9
27	24	24	24	24	24
2	2	2	2	1	1
4	4	4	4	-	-
3	3	3	3	3	3
6	5	5	5	5	5
38	36	22	21	21	21
32	32	31	31	27	27
90	90	90	92	92	88
20	20	20	20	19	21
3	3	3	3	3	3
-	-	-	-	-	1
5	5	4	4	4	5
9	8	8	11	11	13



COMPLIANCE SECTION



**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 Johnson County, Iowa

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Johnson County, Iowa, (County) as of and for the year then ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 17, 2025.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Comments involving statutory and other legal matters about the County's operations for the year ended June 30, 2023 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the County. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

County's Responses to the Findings

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

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Dubuque, Iowa
March 17, 2025



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

To the Officials of Johnson County, Iowa

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited Johnson County, Iowa's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of County's major federal programs for the year ended June 30, 2023. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on the WIOA Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the WIOA Cluster (17.258/17.259/17.278) for the year ended June 30, 2023.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2023.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinion on the WIOA Cluster

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements of the WIOA Cluster (17.258/17.259/17.278) as described in finding 2023-003 for Subrecipient Monitoring.

Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness and a significant deficiency.

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 that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-003 to be a material weakness.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-004 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the County's responses to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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.

A handwritten signature in black ink that reads "Eric Sully LLP". The signature is written in a cursive, flowing style.

Dubuque, Iowa
March 17, 2025

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

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	Yes
Type of auditor's report issued on compliance for major programs:	Unmodified for: 21.027 97.036 Qualified for: 17.258/17.259/ 17.278
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	Yes

Identification of major programs:

<u>Name of Federal Program</u>	<u>Federal Financial Assistance Listing</u>
WIOA Cluster:	
WIOA Adult Program	17.258
WIOA Youth Program	17.259
WIOA Dislocated Worker Formula Grant	17.278
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036
Dollar threshold used to distinguish between type A and type B programs:	\$ 750,000
Auditee qualified as low-risk auditee?	No

Part II: Findings Related to the Financial Statements:

Material Weaknesses

2023-001 Material Audit Adjustments

Criteria – A properly designed system of internal control over financial reporting allows entities to initiate, authorize, record, process, and report financial data reliably in accordance with generally accepted accounting principles.

Condition – During the course of our engagement, we proposed material audit adjustments to the financial statements and schedule of expenditures of federal awards which were necessary in order present accurate financial information.

Cause – There is a limited number of office employees with varying levels of experience with reporting requirements. This significantly limits the County’s review procedures.

Effect – The effect of this condition was financial data not in accordance with generally accepted accounting principles.

Recommendation – We recommend the finance staff continue to receive relevant training and that additional review procedures be implemented in preparing the financial statements.

Views of Responsible Officials – We will continue to refine our audit review procedures and the training of our support staff, particularly in those areas that are complex in nature and with a high degree of activity annually.

2023-002 Conservation Department Board Review

Criteria – A properly designed system of internal control over financial reporting allows entities to initiate, authorize, record, process, and report financial data reliably in accordance with generally accepted accounting principles.

Condition – During the course of our engagement, we noted a lack of review of transactions by the Conservation Board.

Cause – The Conservation Board was not fully aware of their legal obligation of oversight of the Conservation activities.

Effect – Management of the Conservation department was able to override internal controls.

Recommendation – We recommend the Conservation Board independently review transactions.

Views of Responsible Officials – The Conservation Board will implement procedures to review all transactions more diligently and assure they are accompanied by supporting documentation going forward.

Part III: Findings and Questioned Costs for Federal Awards:

**2023-003 U.S. Department of Labor
Iowa Workforce Development
Federal Financial Assistance Listing 17.258/17.259/17.278
WIOA Cluster**

**Subrecipient Monitoring
Material Weakness in Internal Control over Compliance and Material Noncompliance**

Criteria – 2 CFR 200.303(a) establishes that the auditee must establish and maintain effective internal control over the federal award that provides assurance that the entity is managing the federal award in compliance with federal statutes, regulations, and conditions of the federal award. Subrecipient monitoring requirements are contained in 2 CFR 200.331 through 2 CFR 200.333 and include requirements to identify the award and applicable requirements to the subrecipient and monitor the activities of the subrecipient.

Condition – Iowa Workforce Development did not formally communicate subrecipient monitoring requirements to the County. Consequently, the County did not formally communicate the required information to the subrecipient. No subrecipient agreement was executed. In addition, no monitoring activities were documented.

Cause – The County did not have an internal control process in place to ensure subrecipient monitoring requirements were met.

Effect – Without the proper communication of applicable requirements and monitoring of the subrecipient, there is a possibility that federal statutes, regulations, and the terms and conditions of the federal award were not complied with.

Questioned Costs – None reported.

Context/Sampling – \$1,437,054 was passed through to one subrecipient during the year ended June 30, 2023.

Repeat Finding from Prior Years – Yes.

Recommendation – We recommend the County implement a control process which includes the applicable subrecipient monitoring requirements.

Part III: Findings and Questioned Costs for Federal Awards (continued):

View of Responsible Officials – This finding is due in part to the fiscal agent agreement with Iowa Workforce Development which does not state that subrecipient monitoring has to be done. Recently, Iowa Workforce Development received a finding from the Department of Labor stating that the fiscal agent agreements improperly place the liability of disallowed costs off on the fiscal agent. This was incorrect, the liability was to stay with the local CEOs. In the wake of the finding, IWD is reissuing the contracts out to the regions to create compliant subrecipient entities within each, and then new fiscal agent agreements will be issued. Additionally, Johnson County will be ending its fiscal agent agreement and no longer continue to be the fiscal agent as of June 30, 2023.

**2023-004 U.S. Department of Treasury
Federal Financial Assistance Listing 21.027
Coronavirus State and Local Fiscal Recovery Funds**

**Procurement, Suspension & Debarment
Significant Deficiency in Internal Control over Compliance**

Criteria – The Uniform Guidance, Section 200.303 Internal Controls, requires the non-federal entity establish and maintain effective internal controls over federal awards that provide reasonable assurance that awards are being managed in compliance with federal statutes, regulations and the terms and conditions of the federal award.

As described in the 2023 compliance supplement, Part 3 includes the requirements of uniform guidance and 2 CFR sections 200.317 through 200.326. We consider factors such as the County's internal controls and the internal controls over compliance requirements and tests as prescribed in 2 CFR section 200.317 through 200.326.

Condition – We selected 4 procurements during our review of overall grant activity for the year ended June 30, 2023. We noted the following in our testing:

- 1 of the 4 procurements tested was not purchased prior to publishing bids within the local newspaper as required by the County's Procurement Policy.

Cause – Due to insufficient controls over the procurement review process (documentation) the controls are not operating as designed (or not properly implemented to prevent, detect and correct errors timely).

Effect – Failure to document the required procurement procedures of the grant may result in noncompliance with the County's policy.

Part III: Findings and Questioned Costs for Federal Awards (continued):

Questioned Costs – None reported.

Context/Sampling – A nonstatistical sample of 4 out of 18 expenditures subject to procurement requirements were selected for testing, which accounted for \$320,725 of \$1,131,449 total expenditures subject to procurement requirements.

Repeat Finding from Prior Years – No.

Recommendation – We recommend that the County review the procurement approval process to determine why the controls failed and to design and implement controls that will prevent, detect and correct this from occurring in the future.

View of Responsible Officials – The County will be more diligent in following their procurement policy. The Finance Department and Grants Team will provide training and guidance to ensure all the other County Departments/Offices are aware of the requirements. Additionally, the upcoming move to a new financial system will lend itself to policy updates and business process updates to ensure this will be less likely to happen.

Part IV: Other Findings Related to Required Statutory Reporting:

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

2023-IA-B Questionable Expenditures – No expenditures that we believe may not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979, were noted.

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

2023-IA-D Business Transactions – There were no business transactions between the County and County Officials or employees for the year ended June 30, 2023.

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

2023-IA-F Bond Coverage – Surety bond coverage of County officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that the coverage is adequate for current operations.

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

Part IV: Other Findings Related to Required Statutory Reporting (continued):

2023-IA-H Deposits and Investments – No instances of noncompliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the County’s investment policy were noted.

2023-IA-I Resource Enhancement and Protection Certification – The County properly dedicated property tax revenue to conservation purposes as required by Chapter 455A.19(1)(b) of the Code of Iowa in order to receive the additional REAP funds allocated in accordance with subsections (b)(2) and (b)(3).

2023-IA-J Early Childhood Iowa Area Board – Johnson County is the fiscal agent for the Early Childhood Iowa Area Board, an organization formed pursuant to the provisions of Chapter 256I of the Code of Iowa. Financial transactions of the Area Board are included in the County’s financial statements as part of the Other Agency Funds because of the County’s fiduciary relationship with the organization.

No instances of non-compliance were noted as a result of the audit procedures performed.

2023-IA-K Tax Increment Financing – No instances of noncompliance with Tax Increment Financing requirements defined by Chapter 403.19(6)(a) of the Code of Iowa.