



Cerro Gordo County, Iowa

Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021

CERRO GORDO COUNTY, IOWA

**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021**

Prepared by: Cerro Gordo County Auditor's Office

INTRODUCTORY SECTION

CERRO GORDO COUNTY, IOWA

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CERRO GORDO COUNTY, IOWA

OFFICIALS
June 30, 2021

(Before January 2021)

Board of Supervisors

<u>Name</u>	<u>Term Expires</u>	<u>Address</u>
Casey Callanan	January 2023.....	Clear Lake, Iowa
Tim Latham	January 2021.....	Mason City, Iowa
Chris Watts.....	January 2021.....	Mason City, Iowa

Officers

<u>Name</u>	<u>Term Expires</u>	<u>Title</u>
Adam Wedmore.....	January 2021.....	Auditor
Patricia Wright.....	January 2023.....	Treasurer
Adam Wedmore*.....	January 2023.....	Recorder
Kevin Pals.....	January 2021.....	Sheriff
Katie Bennett	Appointed.....	County Assessor
Danielle Shipley.....	Appointed.....	City Assessor
Carlyle Dalen.....	January 2023.....	County Attorney

(After January 2021)

Board of Supervisors

<u>Name</u>	<u>Term Expires</u>	<u>Address</u>
Casey Callanan	January 2023.....	Clear Lake, Iowa
Tim Latham	January 2025.....	Mason City, Iowa
Chris Watts	January 2025.....	Mason City, Iowa

Officers

<u>Name</u>	<u>Term Expires</u>	<u>Title</u>
Adam Wedmore.....	January 2025.....	Auditor
Patricia Wright.....	January 2023.....	Treasurer
AnnMarie Legler.....	January 2023.....	Recorder
Kevin Pals.....	January 2025.....	Sheriff
Katie Bennet	Appointed.....	County Assessor
Danielle Shipley.....	Appointed.....	City Assessor
Carlyle Dalen.....	January 2023.....	County Attorney

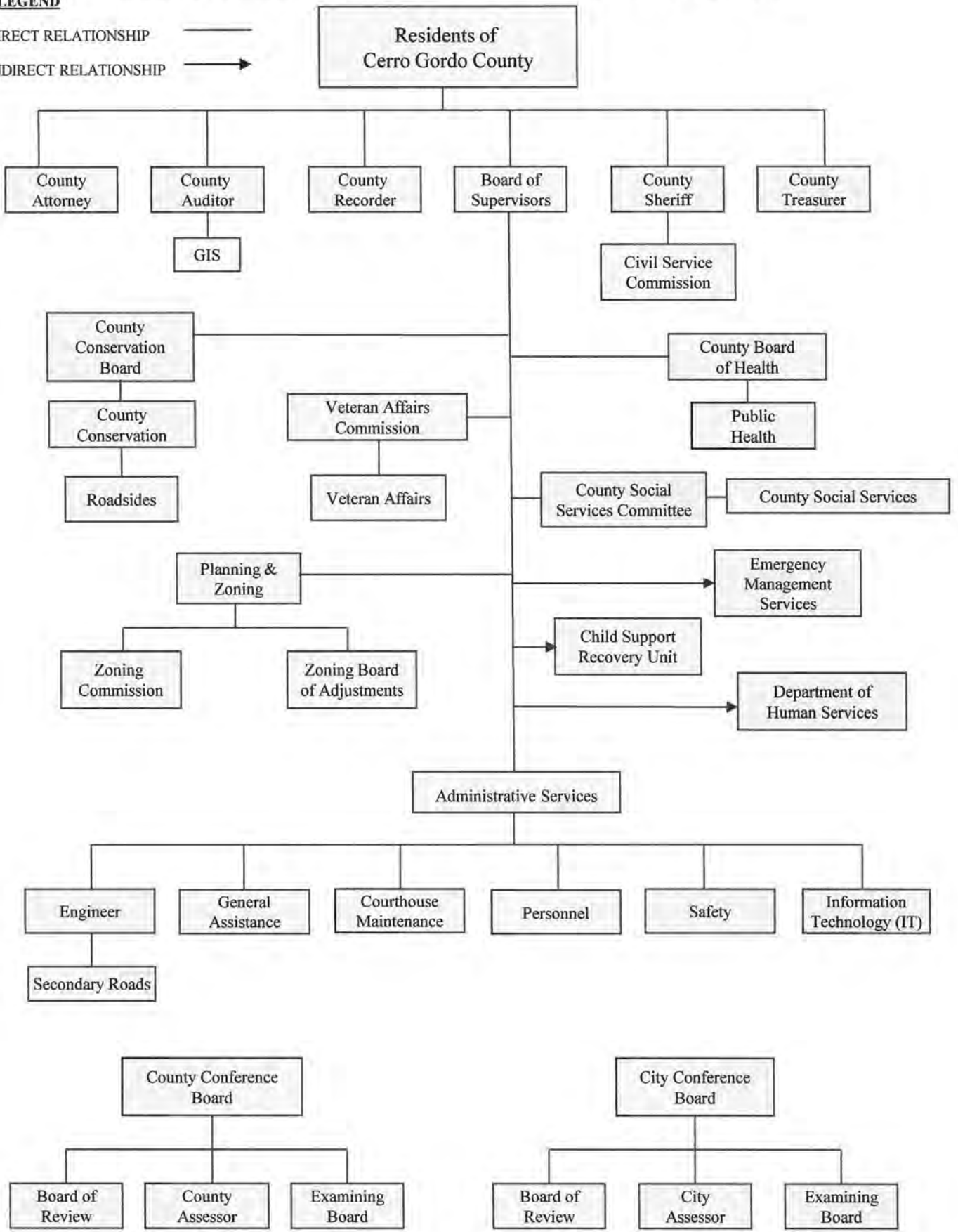
*Adam Wedmore was the interim Recorder until AnnMarie Legler was elected in November 2020.

CERRO GORDO COUNTY ORGANIZATIONAL CHART

LEGEND

DIRECT RELATIONSHIP ———

INDIRECT RELATIONSHIP ———>





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Cerro Gordo County
Iowa**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



County Auditor
Cerro Gordo County Courthouse

220 N Washington Ave
Mason City, IA 50401
Adam Wedmore, Auditor

Ph: 641-421-3028
Fax: 641-421-3139
www.cgcounty.org

December 22, 2021

County Board of Supervisors and Citizens
Cerro Gordo County, Iowa

The annual comprehensive financial report (ACFR) for the County of Cerro Gordo, Iowa (the "County") for the fiscal year ended June 30, 2021, 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. Consequently, management assumes full responsibility for the completeness and reliability for all the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Gardiner + Company, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2021 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor issued an unmodified ("clean") opinion on the County's financial statements for the fiscal year ended June 30, 2021, indicating that they are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the County's separately issued Single Audit Report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it.

Profile of Cerro Gordo County

Organized in 1855, Cerro Gordo County is governed by a three-member board, each board member elected by citizens in one of the three districts. Board members serve overlapping four-year terms, with elections held every two years. The Board is the legislative body of the County, which annually adopts a budget and establishes tax rates to support County programs.

The County provides a full range of services to its citizens. These services include public safety, parks, planning and zoning, service to people with mental disabilities, construction and maintenance of secondary roads, physical health and social services, property assessment, taxation, and general administrative services. The County also provides an information technology department utilized by other governmental entities.

The Board of Supervisors is required to adopt a final budget by no later than March 31st for the fiscal year beginning the following July 1st. This annual budget serves as the foundation for the County's financial planning and control. The State of Iowa requires the adoption of an annual budget with total County operating expenditures listed by major program service area. Activities of the general fund, special revenue funds, capital projects funds, and the debt service fund are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the total program service area level or the functional area. In addition, individual County officials' expenditures cannot exceed the amounts appropriated by the Board.

Local Economy

Cerro Gordo County, with the Cities of Mason City, Clear Lake, and eight smaller cities, has the fourteenth largest population of ninety-nine counties in the state, and serves as a regional center for north central Iowa in the areas of commerce, industry, retail shopping, higher education, and health care services. The surrounding area has an economic base that is historically agricultural in nature, but Cerro Gordo County also has several strong industries and commercial enterprises. With a usually low rate of unemployment and the lack of a single, dominant employer, the economy of the area is generally dynamic, robust, and broad-based. The City of Mason City is the largest city in Cerro Gordo County, with about two-thirds of the County's 43,000-plus population. Tourism is an important industry in Cerro Gordo County, largely due to Clear Lake, which, at 3,865 acres, is the third largest natural lake in Iowa, and is the namesake of the surrounding city.

Although educational systems in the entire north central Iowa area are well known for their quality of education, Cerro Gordo County has become a regional center for higher learning. Located in Cerro Gordo County, North Iowa Area Community College (NIACC) has articulation agreements with Buena Vista University, Iowa State University, The University of Iowa, University of Northern Iowa, and Upper Iowa University. These articulation agreements allow for courses to articulate to the institution completely without concern for the AA, AS, and AAS. NIACC also has a joint admissions agreement with Waldorf University. This adds to the wide range of baccalaureate programs offered at NIACC by Buena Vista University of Storm Lake.

Cerro Gordo County serves as a regional hub for transportation with an airport, three railroad branch lines, Interstate 35, which runs north-south the length of the County, and the "Avenue of the Saints", the link between Interstates 35 and 80. The County is also a regional center for health care services, with the second highest number of primary care physicians per capita in the State, trailing only to Johnson County. MercyOne North Iowa Medical Center is the County's largest employer with two facilities and with affiliated clinics and hospitals in a 14-county region.

In general economic news for the fiscal year, the number of persons employed in the county went from 21,730 to 22,090, an increase of 1.65% from June 2020 to June 2021, according to figures from Iowa Workforce Development. With high land prices the agricultural economy of the area has been strong and stable. The City of Mason City's cost of living for 2019 was 88.0% of the national average, according to the cost-of-living index, ranking it the second lowest cost of living for all Iowa communities that participate in the index.

Major Initiatives

The Prairie Land Trail is a 21-mile rails-to-trails project in Cerro Gordo County. The trail begins at 240th Street, the southwest edge of Mason City, to 100th Street, the southwest edge of Meservey, Iowa. The condition of the trail when received by Cerro Gordo County was the old railroad bed with the rails and ties removed. To date, Cerro Gordo County has converted 11 miles of the railroad bed to a crushed limestone biking and hiking trail. During 2018, Cerro Gordo County converted six miles of the railroad bed to a crushed limestone biking and hiking trail. Engineering and construction costs for the initial six miles were \$473,550. Funding for the construction costs to convert the railbed and bridges have come from several sources: Transportation Alternatives Program grant \$347,348, Wellmark Foundation grant \$75,000, Cerro Gordo County Department of Public Health \$30,000, Cerro Gordo County Conservation Budget \$7,777 and Resource and Enhancement Program (REAP) \$13,425. Two miles of trail surface and bridge repair was completed in 2019 at a cost of \$430,314. Funding sources for the two miles were Transportation Alternatives Program grant \$283,000, Wellmark Foundation \$40,000, Cerro Gordo Public Health \$20,000, Resource Enhancement and Protection \$20,000 and In-Kind \$67,314. Phases 3 & 4 of development were completed in the Fall of 2020 and included three miles of trail along with two bridges. The construction cost for the project was \$511,857. Funding for the project was provided by a Transportation Alternatives Program grant, a Wellmark Foundation Grant and County Resource Enhancement and Protection funds. Phase 5 & 6 of the trail, a three-mile section connecting to Phase 4, has been awarded Transportation Alternatives Program funds for development in FY 2023. The remaining miles of the trail will be developed as additional funding sources become available.

During FY21, 75 acres of land that was already in a Wetlands Reserve Easement program was added to the Prairie Pothole Wildlife area. The property, consisting of six wetlands, restored prairie vegetation, small oak timber, and cool season grasses, will primarily be a public hunting area. The \$85,454 cost of the land was paid for using funds from a Wildlife Habitat Stamp grant, North American Wetlands Conservation Act grant, Pheasants Forever funding and a Mountain Dew grant

The Cerro Gordo County Department of Public Health (CG Public Health) continued response efforts for the COVID 19 global pandemic during FY21. Local public health is at the forefront of disease outbreaks and investigation and for the second year, had to put aside day-to-day activities to respond to this deadly crisis. Early in this fiscal year, CG Public Health worked with long-term care sites to minimize risk for each site within the county. Many were scrambling to find personal protective equipment, gain access to test swabs, and isolate positive patients. Long-term care sites experienced outbreaks and were lethally affected by COVID 19. Public health weathered the cascade of untimely deaths side by side with partners in long-term care and the community. Outside of long-term care, many other organizations were struggling to keep their staff safe due to a lack of personal protective equipment and no access to COVID 19 testing. Local public health along with emergency management coordinated these types of material acquisitions.

Staff assisted schools with their return to learn plans while they continued to provide positive case notification and contact tracing. Keeping people informed and updated was and continues to be a theme for standard operation. Public health hosted numerous meetings and informational sessions with the public and the media and offered guidance to schools, businesses, and other groups on safe re-opening, risk reduction, and COVID 19. Meanwhile, public health opened an influenza vaccination site with social distancing and safety measures in place to ensure that residents had access to the influenza vaccine, another preventable respiratory illness. This along with a mass media campaign helped stabilize hospitalizations throughout the area as they began to run over capacity.

In January, vaccines became available and months of planning came to fruition when CG Public Health opened the mass vaccination site and adjacent virtual call center. Nearly 20,000 people received vaccines through this site which remained open through June. Standing up a clinic and call center like this took training, coordination, tenacity, and numerous volunteers who made it possible. The use of volunteers offered significant cost savings to the tax funding and enhanced services offered. Local public health has and continues to be the site through which most vaccine flows to all partner providers who are vaccinating.

CG Public Health continues to lead the regional disaster preparedness efforts by providing fiscal agent services for the All Hazards Emergency Preparedness and Response Systems grants. These grants provide the opportunity for local hospitals, public health agencies, and EMS organizations to collaborate to build upon their preparedness, response, recovery, and mitigation activities. These grants total approximately half a million dollars of funding for a 12-county region in north-central Iowa. The relationships built through these opportunities have been vital for north Iowa to respond to COVID 19 as a group; however, Cerro Gordo County remains the health care hub for the region placing a larger burden on COVID 19 testing, vaccine, education, and other response activities on CG Public Health.

Despite the emphasis on COVID 19 response, other major initiatives were running concurrently. Awarded another round of HUD funding in the previous year, CG Public Health is leading this 42-month, \$2.975 million project to make safe 120 homes in Cerro Gordo County. Another major funded initiative included the Iowa Department of Public Health Integrated Testing Services grant which offers counseling, testing, treatment, and referrals for sexually transmitted infections (STI). Over the past year, STI rates dramatically increased as a result of the pandemic. Schools were not in session, businesses were shut down and access to testing was drastically reduced which all contribute to these higher rates. CG Public Health employees worked diligently on getting into the community to offer these services more routinely. Grant writing staff continue to seek sources of funding to address the many identified local health needs within and outside of the pandemic. Over the past fiscal year, funding has been awarded and applied to aging home care, teaching adult responsibility to at-risk children, ensuring equity in COVID vaccine provision, general vaccines for children younger than age 6, training the next generation of public health employees, cancer screenings, providing a bus shelter for the community of Plymouth and more. CG Public Health continues to streamline inefficiencies and meet the needs of those served.

The county constructed a new Secondary Road building to house the county engineer's administrative offices, engineering department, signs department, mechanic shop, maintenance equipment, and the Clear Lake maintenance employees. In May 2019, Bergland and Cram Architects of Mason City, Iowa was hired as the architectural firm for the project and in December 2019 they put out bids for a general contractor. Eight contractors bid for the project in March 2020 and Henkel Construction of Mason City, Iowa was selected with a bid of \$3,348,400. Construction began in April 2020 and was completed in September 2021. This building is the first step in a plan to refresh the Secondary Road buildings and maintenance sheds. Since it was discovered that the cost of repairing and updating the existing sheds was going to cost millions, the plan to build new facilities was put into place. This will allow us to modernize our internal infrastructure and become more efficient year-round.

A new maintenance shed in the city of Ventura and replacement of the existing Thornton maintenance shed was the next step in the plan. The location in Ventura was chosen because it allows for cooperation with the city of Ventura for snow and ice control and will also boost reaction times and level of service around the lake and into the north-west portion of the county. The existing Thornton facility is located on a piece of ground barely larger than the building leaving no options for renovation. The building had several major structural/electrical issues requiring significant investment to preserve the building. The new property allows for room to build a 4-stall (with a 5th stall for cold storage) building allowing another employee to report from that location. This location is on the south end of town, allowing for available city services to be used and the equipment to easily enter and leave the town.

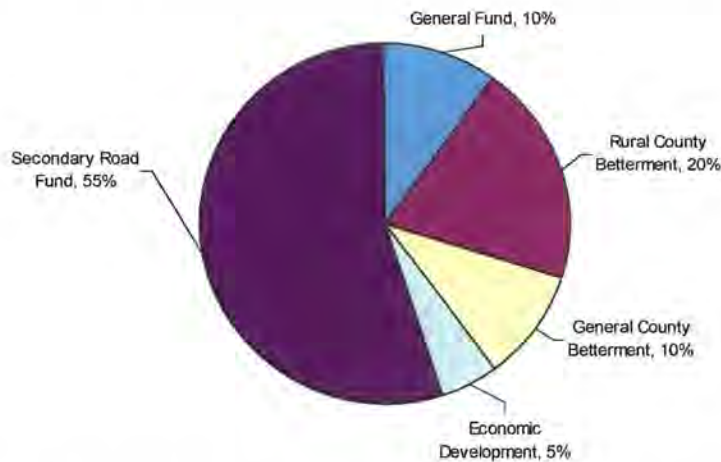
There are conceptual plans for our Mason City, Rockwell, and Dougherty locations once the construction of the Ventura and Thornton maintenance sheds are complete.

Long-Term Financial Planning

The County is continuing to develop strategies for improving service, quality, and efficiency. The Board utilizes a long-term fiscal policy and continues its strategic planning process. The County's secondary road system is also being continually reviewed. The County Engineer has developed a long-range five-year plan addressing how much additional funding will be required to maintain the quality of the County's roads and bridges.

Relevant Financial Policies

It is Cerro Gordo County's policy to use its share of local option sales and service taxes in the following allocation:



In FY2021, Cerro Gordo County received a total of \$2,211,608 in local option sales and service taxes.

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 Cerro Gordo County, Iowa for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the twenty-fifth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the Report on a timely basis could not have been completed without the cooperation and services of the staffs of the Auditor's Office and the Treasurer's Office. Gratitude is also expressed to the independent auditors, Gardiner + Company, who provided endless support and assistance in preparing this report, and to the Cerro Gordo County Board of Supervisors for their interest and support.

Respectfully submitted,

Heather R. Mathre, CPA
Finance Director
Cerro Gordo County, Iowa

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Officials of Cerro Gordo County
Mason City, Iowa

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Cerro Gordo County, Iowa's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Cerro Gordo County, Iowa, as of June 30, 2021, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of the County's Proportionate Share of the Net Pension Liability, the Schedule of County Contributions and the Schedule of Changes in the County's Total OPEB Liability, Related Ratios and Notes on pages 11-20 and 61-69 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, 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 Cerro Gordo County, Iowa's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the nine years ended June 30, 2020 (which are not presented herein) and expressed unmodified opinions on those financial statements. The introductory section, general fund schedules, combining and individual nonmajor fund financial statements, capital asset schedules, statistical section and the 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* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The general fund schedules, combining and individual nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the general fund schedules, the combining and individual nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section, capital asset schedules and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2021, on our consideration of Cerro Gordo County, Iowa'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 Cerro Gordo County, Iowa'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 Cerro Gordo County, Iowa's internal control over financial reporting and compliance.

Carlinson + Company, P.C.

Charles City, Iowa

December 22, 2021

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Cerro Gordo County provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information presented in the transmittal letter beginning on page 4, and the County's financial statements, which follow.

FINANCIAL HIGHLIGHTS

- ◆ Cerro Gordo County governmental fund revenues increased 15.86% or \$5,750,566 from \$36,256,838 in fiscal year 2020 (FY20) to \$42,007,404 in fiscal year 2021 (FY21). Property taxes and other county taxes increased \$255,578, local option sales tax dollars increased \$328,923, intergovernmental revenues increased \$4,780,196, charges for services increased \$484,113, and use of money and property decreased \$263,537 from FY20.
- ◆ Cerro Gordo County governmental fund expenditures for FY21 were \$34,552,703, a decrease of \$35,321 from \$34,588,024 in FY20.
- ◆ The assets and deferred outflows of resources of the County exceeded the liabilities and deferred inflows of resources at fiscal year ended June 30, 2021 by \$71,763,724 (net position) compared to \$58,189,211 at June 30, 2020.
- ◆ Cerro Gordo County's net position increased 23.33% or \$13,574,513 for the fiscal year ended June 30, 2021. Government activities increased \$13,666,585 and business-type activities decreased by \$92,072. For fiscal year ended June 30, 2020, total net position increased \$5,932,362. Governmental activities increased \$6,045,758 and business-type activities decreased \$113,396.
- ◆ Cerro Gordo County's governmental funds reported combined ending fund balances of \$31,656,690, an increase of \$8,327,795 in comparison with the prior year, including the inventory reserve change. Approximately 38.5% of the total amount, \$12,185,254, is the County's unassigned fund balance.
- ◆ At June 30, 2021, the fund balance for the general fund was \$18,293,210, or 97.82% of total general fund expenditures and transfers out.
- ◆ Cerro Gordo County's general long-term debt, excluding compensated absences, termination benefits, net pension liability, net OPEB liability, and claims payable, decreased \$892,613 during the fiscal year from \$6,268,265 in FY20 to \$5,375,652 in FY21. This change was due to scheduled debt payments, the issuance of general obligation refunding capital loan notes and retirement of the corresponding general obligation capital loan notes, and the issuance of additional drainage warrants.

USING THIS ANNUAL REPORT

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

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

The Government-wide Financial Statements consist of the Government-Wide Statement of Net Position and the Government-Wide Statement of Activities (on pages 21-24). These provide information about the activities of the County as a whole and present an overall view of the County's finances.

The Fund Financial Statements (starting on page 25) tell how government services were financed in the short term as well as what remains for future spending. Fund financial statements report Cerro Gordo County's operations in more detail than the government-wide statements by providing information about the most significant funds. The remaining statements provide financial information about activities for which Cerro Gordo County acts solely as an agent or custodian for the benefit of those outside of the government.

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

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

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

REPORTING THE COUNTY'S FINANCIAL ACTIVITIES

Government-wide Financial Statements

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

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

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

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

Fund Financial Statements

The fund financial statements begin on page 25 and provide detailed information about individual, significant funds; not the County as a whole. Some funds are required to be established by Iowa law or by bond covenants. However, the County establishes many other funds to help it control and manage money for particular purposes.

Cerro Gordo County has three kinds of funds:

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

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

- **Proprietary funds** - Cerro Gordo County maintains two types of proprietary funds: internal service funds and enterprise funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County has two internal service funds: Health Insurance Fund and Central Services Fund. Enterprise funds are used to account for operations that are financed and operated in a manner similar to a private business. Cerro Gordo County maintains two enterprise funds: Meservey Wastewater Collection & Treatment Facility and Swaledale Wastewater Collection & Treatment Facility.

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

- **Fiduciary funds** - Fiduciary funds are used to report assets held in a trust or custodial capacity for others and cannot be used to support the government's own programs. These fiduciary funds include custodial funds that account for emergency management, county assessor, and city assessor to name a few.

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

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the financial statements can be found beginning on page 38.

Supplementary Information

The supplementary information begins on page 70 and provides detailed information about the non-major governmental funds and the individual fiduciary funds. In addition, the Single Audit Section provides details of the various Federal awards received by the County.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Cerro Gordo County's net position increased \$13,574,513 from \$58,189,211 to \$71,763,724. The analysis below focuses on the net position and changes in net position of our government and business-type activities.

Cerro Gordo County's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$54,559,807	\$47,377,722	\$79,687	\$102,350	\$54,639,494	\$47,480,072
Capital Assets	52,963,765	48,786,461	1,044,399	1,129,684	54,008,164	49,916,145
Total Assets	<u>107,523,572</u>	<u>96,164,183</u>	<u>1,124,086</u>	<u>1,232,034</u>	<u>108,647,658</u>	<u>97,396,217</u>
Deferred Outflows of Resources	2,840,280	2,738,595	0	0	2,840,280	2,738,595
Long-Term Debt Outstanding	18,084,130	17,197,482	429,818	445,316	18,513,948	17,642,798
Other Liabilities	1,597,556	2,882,800	4,099	4,477	1,601,655	2,887,277
Total Liabilities	<u>19,681,686</u>	<u>20,080,282</u>	<u>433,917</u>	<u>449,793</u>	<u>20,115,603</u>	<u>20,530,075</u>
Deferred Inflows of Resources	19,608,611	21,415,526	0	0	19,608,611	21,415,526
Net Position:						
Net Investment in Capital Assets	48,390,765	43,421,461	614,581	684,368	49,005,346	44,105,829
Restricted	17,911,949	11,347,948	0	0	17,911,949	11,347,948
Unrestricted	4,770,841	2,637,561	75,588	97,873	4,846,429	2,735,434
Total Net Position	<u>\$71,073,555</u>	<u>\$57,406,970</u>	<u>\$690,169</u>	<u>\$782,241</u>	<u>\$71,763,724</u>	<u>\$58,189,211</u>

The largest portion of the County's net position, 68.3%, is the net investment in capital assets (e.g., land, infrastructure, buildings, and equipment). The County uses these capital assets to provide services to citizens, therefore, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be liquidated to cover the liabilities.

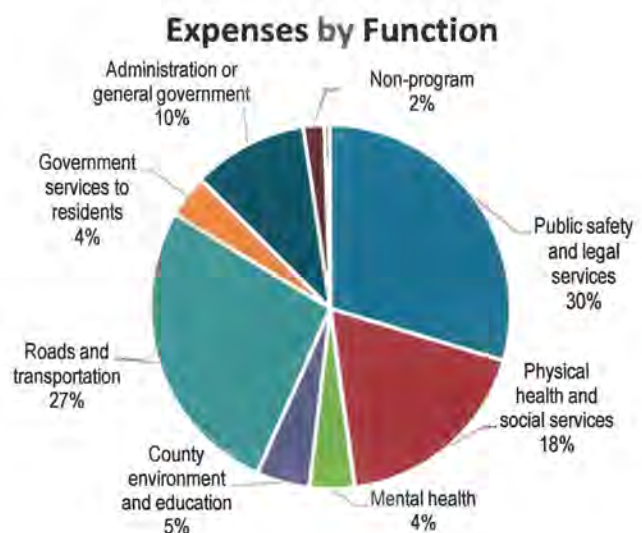
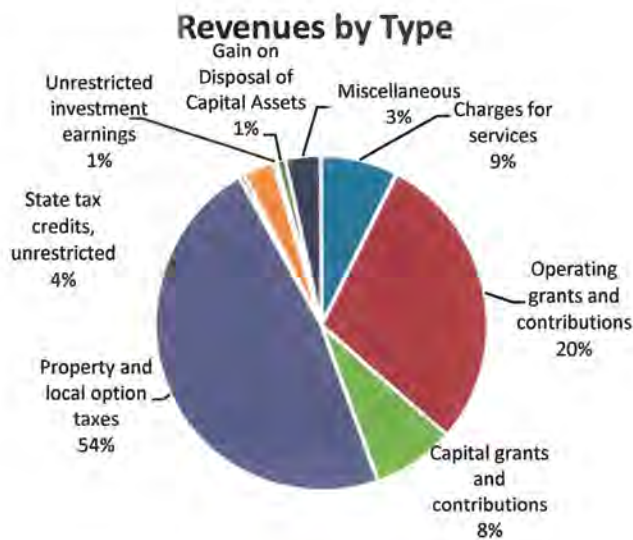
The restricted portion of the County's net position, 25.0% or \$17,911,949, represents resources that are subject to external restrictions, constitution provisions, or enabling legislation on how they can be used. The remaining balance of unrestricted net position is \$4,846,429 or 6.7%.

The County's net position increased \$13,574,513 during the current fiscal year. The governmental-type activities increased by \$13,666,585 and the business-type activities decreased \$92,072.

The following table highlights the County's revenues and expenses for the fiscal year ended June 30, 2021 and 2020. These two main components are subtracted to yield the change in net position. This table utilizes the full accrual method of accounting. Revenue is further divided into two major components: Program Revenue and General Revenue. Program Revenue is defined as charges for service and sales, operating grants and contributions, and capital grants and contributions. General Revenue includes taxes, investment income, and other unrestricted revenue sources.

Cerro Gordo County's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for Service	\$3,465,596	\$3,556,478	\$63,185	\$59,169	\$3,528,781	\$3,615,647
Operating Grants, Contributions & Restricted Interest	13,289,508	7,926,145	0	0	13,289,508	7,926,145
Capital Grants, Contributions & Restricted Interest	3,710,741	2,926,407	0	0	3,710,741	2,926,407
General Revenues:						
Property Taxes	19,513,363	19,453,155	0	0	19,513,363	19,453,155
Penalty & Interest on Property Tax	234,360	78,950	0	0	234,360	78,950
State Tax Credits	1,406,628	1,406,270	0	0	1,406,628	1,406,270
Local Option Sales & Service Tax	2,211,608	1,882,685	0	0	2,211,608	1,882,685
Tax Increment Financing	0	0	0	0	0	0
Unrestricted Investment Earnings	137,869	429,531	48	119	137,917	429,650
Miscellaneous	1,603,614	1,260,647	0	0	1,603,614	1,260,647
Gain/(Loss) on Disposal of Capital Assets	386,706	289,311	0	0	386,706	289,311
Total Revenues	45,959,993	39,209,579	63,233	59,288	46,023,226	39,268,867
Expenses:						
Public Safety and Legal Services	9,550,463	9,557,895	0	0	9,550,463	9,557,895
Physical Health and Social Services	5,911,404	5,732,768	0	0	5,911,404	5,732,768
Mental Health	1,312,396	1,772,057	0	0	1,312,396	1,772,057
County Environment and Education	1,546,591	1,285,548	0	0	1,546,591	1,285,548
Roads and Transportation	8,645,838	9,370,525	0	0	8,645,838	9,370,525
Government Services to Residents Administration	1,220,550	1,224,201	0	0	1,220,550	1,224,201
Administration	3,348,710	3,306,628	0	0	3,348,710	3,306,628
Non-Program	601,957	770,611	155,305	172,684	757,262	943,295
Interest on Long Term Debt	155,499	143,588	0	0	155,499	143,588
Total Expenses	32,293,408	33,163,821	155,305	172,684	32,448,713	33,336,505
Increase (Decrease) in Net Position	13,666,585	6,045,758	(92,072)	(113,396)	13,574,513	5,932,362
Net Position July 1	57,406,970	51,361,212	782,241	895,637	58,189,211	52,256,849
Net Position June 30	\$71,073,555	\$57,406,970	\$690,169	\$782,241	\$71,763,724	\$58,189,211



Governmental Activities

Cerro Gordo County's governmental activities net position increased \$13,666,585 during the year. Revenues for governmental activities increased 6.82% or \$6,750,414 over the prior year. The County's operating grants, contributions and restricted interest revenues were \$13,289,508, an additional \$5,363,336 over FY20 due to intergovernmental funding for COVID-19. Capital grants, contributions and restricted interest increased \$784,334 over the previous year. Even with a reduction in property tax levy rates, property tax revenues increased \$60,208 due to an increase in taxable valuation in the county. Local option sales & service tax increased \$328,923.

The cost of all governmental activities this year was \$32,293,408, a decrease of \$870,413 over the prior years' \$33,163,821. However, as shown in the Statement of Activities on page 23-24, the amount the taxpayers ultimately financed for these activities through County taxes was only \$11,827,563 since some of the cost was paid by those that directly benefited from the programs, or by other governments and organizations that subsidized certain programs with grants and contributions.

County environment and education had the largest increase in cost of \$261,043 due to completion of phase 3 and 4 of the Prairie Land Trail. The additional costs associated with COVID-19 caused public health and social services to increase \$178,636. Fewer secondary road projects caused the largest decrease in cost of \$724,687 in roads and transportation. Mental health also experienced a \$459,661 cost decrease for FY21 due to the reduction of seven employees in FY20. These positions were transferred to County Social Services as the new employer of record.

For FY21, Cerro Gordo County decreased the rural levy rate from 3.50739 to 3.45477 per thousand of taxable valuation and decreased the countywide levy rate from 6.13391 to 6.04737. The combined tax rates and increase in property valuations resulted in increased property tax dollars of \$294,000 for general purposes, \$63,000 for rural purposes, and \$13,000 for debt services but a decrease of \$234,000 for mental health services.

Business-Type Activities

Business-type activities decreased the County's net position by \$92,072.

THE COUNTY'S INDIVIDUAL MAJOR FUNDS

As Cerro Gordo County completed the year, its governmental funds reported a combined fund balance of \$31,656,690, which is an increase of \$8,327,795 or 35.70% over the combined fund balance for FY20. Of this amount, \$12,185,254 represents the unassigned fund balance which is available for spending at the government's discretion. The remainder of the fund balance is assigned, restricted, or non-spendable. The following are the major reasons for the changes in fund balances from the prior year:

- ◆ The General Fund, as the main operating fund for Cerro Gordo County, ended FY21 with a 97.82% ending fund balance totaling \$18,293,210. This is a \$6,141,850 increase from the prior year's \$12,151,360 fund balance. Revenues increased 27.32% from the prior year, or \$5,328,466 due to the CARES local government relief funds of \$731,958 and the American Rescue Plan Act funds of \$4,122,708. Expenditures experienced an increase of \$182,872, or 1.17% from FY20.
- ◆ Cerro Gordo County has continued to look for ways to effectively manage the cost of mental health services. The county, along with four other counties, entered into a 28E agreement to create County Social Services (CSS) in FY11. In FY12, three additional counties joined CSS for a total of eight counties. FY13 led to 14 additional counties joining, for a total of 22 counties that comprise CSS. In

FY20, CSS became its own employer of record, taking seven of Cerro Gordo County's employees as its own. CSS accounts for all mental health revenues, with the exception of each county's property taxes for mental health purposes. It also accounts for the majority of the mental health expenditures. The Mental Health Fund balance increased from \$361,099 in FY20 to \$400,666, an increase of \$39,567. For the year, revenues were \$1,351,088, a decrease of \$492,936, or 26.73%, due to a reduction in the property tax levy and CSS no longer reimbursing Cerro Gordo County for employee wages and benefits. Expenditures totaled \$1,311,521, a decrease of \$479,102 or 26.76% over last year's expenditures of \$1,790,623. These decreases were also due to a reduction in the number of employees.

- ◆ The Rural Services Fund balance increased \$202,915 to \$684,486 from the prior year ending balance of \$481,571. Revenues increased \$66,605, from \$3,184,163 in FY20 to \$3,250,768 in FY21. Expenditures totaled \$454,055, a decrease of \$165,374, or 26.70% over last year's expenditures of \$619,429. This was due to the FY20 equipment purchase in the department.
- ◆ The Secondary Roads Fund expenditures decreased \$1,544,828 or 20.13%, from \$7,674,796 in FY20 to \$6,129,968 in FY21. This was mainly due to the purchase of \$1,484,500 of granular in FY20 compared to \$499,500 in FY21. Capital project expenditures for FY20 were \$657,889 compared to \$67,851 in FY21. Revenues decreased from \$6,438,018 in FY20 to \$6,398,591 in FY21, a change of .61%. The Secondary Roads fund balance increased \$2,904,029 from \$5,635,474 in FY20 to \$8,539,503.
- ◆ The Public Health Fund ended FY21 with a fund balance of \$948,017, a decrease of \$14,537 over the prior year's balance of \$962,554. Expenditures totaled \$5,552,070, an increase of \$290,230, or 5.52% over the prior year. Revenues of \$3,652,946 were an increase of 9.08%, or \$303,966 over FY20 revenues of \$3,348,980. The public health department experienced an increase in both revenues and expenditures in responding to the COVID-19 pandemic.
- ◆ The Debt Service Fund had a fund balance of \$51,537, all of which is restricted for the payment of debt.
- ◆ The Capital Projects fund balance decreased from \$1,676,564 in FY20 to \$508,443 in FY21. This was due to the construction of the secondary road building.

BUDGETARY HIGHLIGHTS

The county budget is based on ten functions/service areas as required by the State, not by fund or fund type. Over the course of the year, Cerro Gordo County amended its budget once. The budgetary comparison schedule on pages 61-62 provides more information. The amendment, approved in May 2021, resulted in the following:

Revenues and Other Sources increased \$10,191,978, which included:

- ◆ An increase of \$553,234 in local option sales and service tax.
- ◆ An increase of \$5,001,236 in intergovernmental revenues. This was comprised primarily of \$4,116,458, our first tranche of the Coronavirus State and Federal Fiscal Recovery Fund established under the American Rescue Plan Act, and \$731,958 from the CARES Act. Additional revenue was also noted for the Conservation department and the Public Health department.
- ◆ An increase of \$5,000 in licenses and permits for the Planning & Zoning office.
- ◆ Charges for services increased \$46,076. This included an increase in fees for services of \$43,000 provided by the County Treasurer, \$72,200 by the County Recorder, \$35,000 by the General Assistance department, and \$8,000 for Planning & Zoning department. The County Sheriff had a decrease in charges for services of \$33,000 along with the Public Health department's decrease of \$79,124.

- ◆ Use of money & property decreased \$455,500 due to less interest on investments.
- ◆ Miscellaneous revenue increased \$249,197. Departments receiving additional miscellaneous revenue were Public Health \$82,366, Conservation \$35,000, County Sheriff \$48,000, County Attorney \$23,000, Court Services \$28,000, Postage \$25,000, and miscellaneous departments \$7,831.
- ◆ Other Financing Sources of \$4,792,735 is proceeds from the refunding of the Law Enforcement Center and operating transfers in.

Expenditures and Other Uses increased \$5,803,496 which included:

- ◆ Increase of \$44,917 in Public Safety and Legal Services. This is due to an increase in expenditures for the medical Examiner department.
- ◆ Increase of \$321,366 in Physical Health and Social Services due to additional expenditures for the Public Health Department.
- ◆ An increase of \$27,417 in County Environment & Education for an increase in expenditures in the County Grants department of \$13,537 and \$13,880 incurred by the County to fight and mitigate the COVID virus.
- ◆ An increase of \$472,000 in Roads and Transportation for Secondary Roads department.
- ◆ A decrease of \$5,000 in Government Services to Residents stems from decreased expenditures for the County Treasurer.
- ◆ An increase of \$43,786 in Administration due to an increase of \$5,000 in the County Treasurer department, an increase of \$26,000 in the postage department, and \$12,786 for miscellaneous departments.
- ◆ An increase in capital projects of \$122,825 for Secondary Road maintenance sheds.
- ◆ An increase in Other Financing Uses of \$4,776,185 for refunding of the Law Enforcement Center and additional operating transfers out.

During the year, however, revenues were \$1,250,626 more than budgetary revenues and expenditures were \$5,352,513 less than budgetary expenditures. Iowa law requires budget amendments to specific expenditure functions/service areas, i.e., public safety and legal service, to be enacted by the Board of Supervisors no later than May 31 of each fiscal year. Since the County's fiscal year ends on June 30 and the County's budget is based on the current financial resources measurement focus and the modified accrual basis of accounting, the Board takes a conservative approach when enacting year end budget amendments. This means the comparison of actual to budgeted amounts will usually show expenditures to be well below budgeted amounts. This is especially true for the Capital Projects and Roads and Transportation service areas when projects may roll over to a subsequent fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Cerro Gordo County's investment in capital assets for its governmental and business-type activities as of June 30, 2021 was \$111,236,112, an increase of \$7,164,863 or 6.88% compared to FY20. This investment in capital assets includes land, construction in progress, buildings, improvements other than buildings, machinery & equipment, vehicles, and infrastructure.

Major capital asset additions during the current fiscal year included Secondary Roads infrastructure, construction in progress and machinery & equipment, as well as vehicles for Public Safety.

Cerro Gordo County's Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$1,951,254	\$1,788,492	\$62,300	\$62,300	\$2,013,554	\$1,850,792
Construction in Progress	5,906,281	2,427,822	0	0	5,906,281	2,427,822
Buildings	17,341,373	17,702,361	0	0	17,341,373	17,702,361
Improvements other than Buildings	1,424,243	649,317	0	0	1,424,243	649,317
Machinery & Equipment	8,019,924	7,984,884	0	0	8,019,924	7,984,884
Vehicles	5,717,178	5,332,609	0	0	5,717,178	5,332,609
Infrastructure, road network	68,106,916	65,416,821	2,706,643	2,706,643	70,813,559	68,123,464
Total	108,467,169	101,302,306	2,768,943	2,768,943	111,236,112	104,071,249
Less: Accumulated Depreciation	55,503,404	52,515,845	1,724,544	1,639,259	57,227,948	54,155,104
Total	\$52,963,765	\$48,786,461	\$1,044,399	\$1,129,684	\$54,008,164	\$49,916,145

For governmental activities, Cerro Gordo County had depreciation expense of \$3,705,265 and total accumulated depreciation of \$55,503,404 for the year ended June 30, 2021. For business-type activities, depreciation expense was \$85,285 and total accumulated depreciation was \$1,724,544 for the year end.

Additional information on Cerro Gordo County's capital assets can be found in Note 5 of this report.

Long-Term Debt

As of June 30, 2021, Cerro Gordo County had total long-term debt outstanding for governmental activities of \$5,375,652, a decrease of \$892,613 compared to FY20. The County issued \$378,364 in drainage warrants and \$4,573,000 in general obligation refunding capital loan notes during the year. Reductions in debt resulted from refunding of general obligation capital loan notes of \$4,520,000, capital loan note and revenue bond retirement of \$868,000 and \$455,977 of drainage warrants that were called.

In the current year, the County paid \$868,000 in principal and \$164,112 in interest on capital loan notes and revenue bonds, compared to \$852,500 in principal and \$144,994 in interest for FY20.

Sewer revenue capital loan notes (Business-Type Activities) outstanding totaled \$429,818. This is a decrease of \$15,498 due to debt retirement. Business-Type Activities paid \$15,498 in principal and \$20,039 in interest on outstanding debt in the current year.

The Code of Iowa limits the amount of general obligation debt that counties can issue to 5 percent of the assessed value of all taxable property within the county. Cerro Gordo County's outstanding general obligation debt is significantly below its limit of \$291 million.

Cerro Gordo County's Outstanding Debt

	2021	2020
Governmental Activities:		
Capital Loan Notes & Revenue Bonds	\$ 4,740,750	\$ 5,555,750
Drainage Warrants	634,902	712,515
Total	\$5,375,652	\$ 6,268,265
Business-Type Activities:		
Sewer Revenue Bonds	\$ 429,818	\$ 445,316

Additional information about the County's long-term debt can be found in Note 7 to the financial statements.

ECONOMIC FACTORS AND NEXT YEARS'S BUDGETS AND RATES

Cerro Gordo County's elected and appointed officials and citizens considered many factors when setting the 2022 fiscal year budget, tax rates, and the fees that will be charged for the various county services. One of those factors is the economy. Cerro Gordo County's unemployment rate now stands at 4.8% versus 7.0% a year ago. This compares with the State unemployment rate of 4.7% and the national rate of 5.9%.

- ◆ For the budget year ending June 30, 2022, Cerro Gordo County decreased the rural county levy rate from \$3.45477 per thousand of taxable valuation to 3.43608 per thousand of taxable valuation and decreased the countywide levy rate from \$6.04737 to \$5.78378 per thousand of taxable valuation.
- ◆ The tax base for Cerro Gordo County increased 2.77% over the prior year.
- ◆ The total expenditures for the FY22 budget are \$38,981,247, an increase of \$983,865, or 2.59%, from the FY21 budget. The major area of increase is roads and transportation of \$1,056,972. The County has four bargaining units, all of which re-negotiated their contracts in FY17. The contracts run from July 1, 2017 to June 30, 2022.

All these factors were considered in preparing the Cerro Gordo County budget for the fiscal year ending June 30, 2022.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the County's finances and to demonstrate a high degree of accountability for the public dollars entrusted to us. If you have questions about this report or need additional information, contact the Cerro Gordo County Auditor's Office, 220 North Washington, Mason City, Iowa 50401.

CERRO GORDO COUNTY, IOWA

STATEMENT OF NET POSITION June 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash, Cash Equivalents & Pooled Investments	\$32,110,848	\$67,092	\$32,177,940
Receivables:			
Property Tax:			
Delinquent	19,594	0	19,594
Succeeding Year	18,841,827	0	18,841,827
Interest and Penalty on Property Tax	649	0	649
Accounts	381,164	0	381,164
Accrued Interest	49,539	0	49,539
Special Assessments	30,902	0	30,902
Drainage Assessments	109,131	0	109,131
Due From Other Governments	1,784,449	12,595	1,797,044
Inventories	1,231,704	0	1,231,704
Capital Assets:			
Land	1,951,254	62,300	2,013,554
Construction in Progress	5,906,281	0	5,906,281
Other Capital Assets	100,609,634	2,706,643	103,316,277
Less Accumulated Depreciation	55,503,404	1,724,544	57,227,948
Total Assets	\$107,523,572	\$1,124,086	\$108,647,658
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Deferred Outflows	\$2,840,280	\$0	\$2,840,280
LIABILITIES			
Accounts Payable	\$1,097,309	\$154	\$1,097,463
Accrued Interest Payable	2,022	0	2,022
Salaries and Benefits Payable	445,234	0	445,234
Due To Other Governments	52,991	3,945	56,936
Long Term Liabilities:			
Portion Due or Payable Within One Year:			
General Obligation Notes/Revenue Bonds and Notes	931,000	16,195	947,195
Compensated Absences	1,030,910	0	1,030,910
Retirement Benefits	106,668	0	106,668
Portion Due or Payable After One Year:			
General Obligation Notes/Revenue Bonds and Notes	3,809,750	413,623	4,223,373
Drainage District Warrants Payable	634,902	0	634,902
Retirement Benefits	195,198	0	195,198
Net Pension Liability	9,720,032	0	9,720,032
Total Other Post Employment Benefits	1,655,670	0	1,655,670
Total Liabilities	\$19,681,686	\$433,917	\$20,115,603
DEFERRED INFLOWS OF RESOURCES			
Unavailable Property Tax Revenue	\$18,841,827	\$0	\$18,841,827
Pension Related Deferred Inflows	765,591	0	765,591
OPEB Related Deferred Inflows	1,193	0	1,193
Total Deferred Inflows of Resources	\$19,608,611	\$0	\$19,608,611

(Continued)

CERRO GORDO COUNTY, IOWA

STATEMENT OF NET POSITION

June 30, 2021

	Governmental Activities	Business-Type Activities	Total
NET POSITION			
Net Investment in Capital Assets	\$48,390,765	\$614,581	\$49,005,346
Restricted For:			
Non-Expendable:			
Strand Endowment	60,000	0	60,000
Expendable:			
Supplemental Levy Purposes	1,606,892	0	1,606,892
Mental Health Purposes	402,019	0	402,019
Secondary Roads Purposes	8,308,805	0	8,308,805
Debt Service	50,448	0	50,448
Capital Projects	648,191	0	648,191
Other Purposes	6,835,594	0	6,835,594
Unrestricted	4,770,841	75,588	4,846,429
Total Net Position	\$71,073,555	\$690,169	\$71,763,724

(Concluded)

See Notes to Financial Statements.

CERRO GORDO COUNTY, IOWA

STATEMENT OF ACTIVITIES Year Ended June 30, 2021

	Expenses	Charges for Service	Program Revenues Operating Grants, Contributions and Restricted Interest
FUNCTIONS/PROGRAMS:			
Governmental Activities:			
Public Safety and Legal Services	\$9,550,463	\$972,241	\$1,051,262
Physical Health and Social Services	5,911,404	452,042	2,831,256
Mental Health	1,312,396	31,374	0
County Environment and Education	1,546,591	144,636	163,880
Roads and Transportation	8,645,838	154,328	4,854,188
Governmental Services to Residents	1,220,550	902,707	51,550
Administration	3,348,710	106,180	4,337,372
Non-Program	601,957	702,088	0
Interest on Long Term Debt	155,499	0	0
	<u>32,293,408</u>	<u>3,465,596</u>	<u>13,289,508</u>
Business Type Activities:			
Wastewater Collection and Treatment	155,305	63,185	0
	<u>155,305</u>	<u>63,185</u>	<u>0</u>
Total	<u><u>\$32,448,713</u></u>	<u><u>\$3,528,781</u></u>	<u><u>\$13,289,508</u></u>

General Revenues:

Property and Other County Tax Levied For:

- General Purposes
- Debt Service

Penalty and Interest on Property Tax

State Tax Credits and Replacements, Unrestricted

Local Option Sales and Service Tax

Unrestricted Investment Earnings

Miscellaneous

Gain on Disposal of Capital Assets

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See Notes to Financial Statements.

Capital Grants, Contributions and Restricted Interest	Governmental Activities	Business-Type Activities	Total
\$0	(\$7,526,960)	\$0	(\$7,526,960)
0	(2,628,106)	0	(2,628,106)
0	(1,281,022)	0	(1,281,022)
383,000	(855,075)	0	(855,075)
3,327,741	(309,581)	0	(309,581)
0	(266,293)	0	(266,293)
0	1,094,842	0	1,094,842
0	100,131	0	100,131
0	(155,499)	0	(155,499)
3,710,741	(11,827,563)	0	(11,827,563)
0	0	(92,120)	(92,120)
\$3,710,741	(\$11,827,563)	(\$92,120)	(\$11,919,683)

\$18,612,655	\$0	\$18,612,655
900,708	0	900,708
234,360	0	234,360
1,406,628	0	1,406,628
2,211,608	0	2,211,608
137,869	48	137,917
1,603,614	0	1,603,614
386,706	0	386,706
25,494,148	48	25,494,196
13,666,585	(92,072)	13,574,513
57,406,970	782,241	58,189,211
\$71,073,555	\$690,169	\$71,763,724

CERRO GORDO COUNTY, IOWA

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2021

	Special Revenue			
	General	Mental Health	Rural Services	Secondary Roads
ASSETS				
Cash, Cash Equivalents & Pooled Investments	\$18,367,984	\$394,179	\$695,719	\$7,012,451
Receivables:				
Property Tax:				
Delinquent	16,259	1,388	978	0
Succeeding Year	14,353,097	756,876	2,882,730	0
Interest and Penalty on Property Tax	649	0	0	0
Accounts	172,282	0	0	3,617
Accrued Interest	49,384	0	0	0
Special Assessments	20,389	0	0	0
Drainage Assessments	0	0	0	0
Due From Other Funds	2,683	0	0	0
Due From Other Governments	347,476	9,201	0	601,098
Inventories	0	0	0	1,231,704
Total Assets	\$33,330,203	\$1,161,644	\$3,579,427	\$8,848,870
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$251,803	\$1,828	\$5,925	\$218,874
Salaries and Benefits Payable	273,247	880	5,272	82,338
Due to Other Funds	0	41	0	61
Due to Other Governments	2,316	0	59	1,274
Compensated Absences	4,570	0	0	5,495
Total Liabilities	531,936	2,749	11,256	308,042
Deferred Inflows of Resources:				
Unavailable Revenues				
Succeeding Year Property Tax	14,353,097	756,876	2,882,730	0
Other	151,960	1,353	955	1,325
Total Deferred Inflows of Resources	14,505,057	758,229	2,883,685	1,325

Public Health	Debt Service	Capital Projects	Nonmajor	Total
\$784,547	\$51,501	\$202,854	\$2,225,074	\$29,734,309
0	969	0	0	19,594
0	849,124	0	0	18,841,827
0	0	0	0	649
188,305	0	5	15,997	380,206
0	0	0	155	49,539
0	0	0	10,513	30,902
0	0	0	109,131	109,131
0	0	0	0	2,683
280,613	0	475,238	70,823	1,784,449
0	0	0	0	1,231,704
<u>\$1,253,465</u>	<u>\$901,594</u>	<u>\$678,097</u>	<u>\$2,431,693</u>	<u>\$52,184,993</u>

\$85,800	\$0	\$29,906	\$77,882	\$672,018
82,739	0	0	758	445,234
0	0	0	2,581	2,683
49,342	0	0	0	52,991
4,571	0	0	0	14,636
<u>222,452</u>	<u>0</u>	<u>29,906</u>	<u>81,221</u>	<u>1,187,562</u>

0	849,124	0	0	18,841,827
82,996	933	139,748	119,644	498,914
<u>82,996</u>	<u>850,057</u>	<u>139,748</u>	<u>119,644</u>	<u>19,340,741</u>

(Continued)

CERRO GORDO COUNTY, IOWA

BALANCE SHEET - GOVERNMENTAL FUNDS June 30, 2021

	Special Revenue			
	General	Mental Health	Rural Services	Secondary Roads
Fund Balances:				
Nonspendable:				
Inventories	\$0	\$0	\$0	\$1,231,704
Trust	0	0	0	0
Restricted For:				
Supplemental Levy Purposes	1,598,685	0	0	0
Mental Health Purposes	0	400,666	0	0
Rural Services Purposes	0	0	684,486	0
Secondary Roads Purposes	0	0	0	7,307,799
Drainage Warrants	0	0	0	0
Conservation Land Acquisition	58,807	0	0	0
Nature Center Endowment	0	0	0	0
Debt Service	0	0	0	0
Capital Projects	0	0	0	0
Other Purposes	4,122,708	0	0	0
Assigned - Public Health	0	0	0	0
Assigned - Health Screenings	12,327	0	0	0
Assigned - Conservation Parks	204,631	0	0	0
Assigned - Sheriff's Department	110,798	0	0	0
Unassigned	12,185,254	0	0	0
Total Fund Balances	18,293,210	400,666	684,486	8,539,503
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$33,330,203	\$1,161,644	\$3,579,427	\$8,848,870

See Notes to Financial Statements.

Public Health	Debt Service	Capital Projects	Nonmajor	Total
\$0	\$0	\$0	\$0	\$1,231,704
0	0	0	60,000	60,000
0	0	0	0	1,598,685
0	0	0	0	400,666
0	0	0	0	684,486
0	0	0	0	7,307,799
0	0	0	82,254	82,254
0	0	0	0	58,807
0	0	0	130,738	130,738
0	51,537	0	0	51,537
0	0	508,443	0	508,443
0	0	0	1,957,836	6,080,544
948,017	0	0	0	948,017
0	0	0	0	12,327
0	0	0	0	204,631
0	0	0	0	110,798
0	0	0	0	12,185,254
948,017	51,537	508,443	2,230,828	31,656,690
\$1,253,465	\$901,594	\$678,097	\$2,431,693	\$52,184,993

(Concluded)

CERRO GORDO COUNTY, IOWA

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION June 30, 2021

Total Governmental Fund Balances (page 28) \$31,656,690

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 the assets is \$108,467,169 and the accumulated depreciation is \$55,503,404. 52,963,765

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

Property Taxes - General Purposes	\$17,916	
Property Taxes - Debt Service	933	
FEMA	168,277	
DHS Administrative Reimbursements	32,007	
Reimbursements	139,748	
Drainage Assessments/Special Assessments	140,033	498,914

The Internal Service Funds are used by management to charge the costs of funding the County's health insurance benefit plan and the costs of centralized service operations for property insurance to the individual funds. The assets and liabilities of the Internal Service Funds are included with governmental activities in the Statement of Net Position. 1,952,206

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

Deferred Outflows of Resources	2,840,280	
Deferred Inflows of Resources	(766,784)	2,073,496

Long term liabilities, including bonds and notes payable, accrued interest payable, total OPEB liability, retirement benefits payable, net pension liability, drainage district warrants payable and compensated absences payable, are not due and payable during the current year and, therefore, are not reported in the governmental funds. (18,071,516)

Net Position of Governmental Activities (page 22) \$71,073,555

See Notes to Financial Statements.

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CERRO GORDO COUNTY, IOWA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS Year Ended June 30, 2021

	Special		
	General	Mental Health	Rural Services
REVENUES:			
Property and Other County Tax	\$14,393,649	\$1,225,458	\$3,107,873
Local Option Sales Tax	221,161	0	0
Interest and Penalty on Property Tax	234,360	0	0
Intergovernmental	7,903,868	125,556	139,808
Licenses and Permits	33,615	0	0
Charges for Service	1,225,366	0	0
Use of Money and Property	266,151	0	0
Fines, Forfeitures and Defaults	0	0	0
Miscellaneous	556,581	74	3,087
Total Revenues	24,834,751	1,351,088	3,250,768
EXPENDITURES:			
Operating:			
Public Safety and Legal Services	9,159,429	0	5,226
Physical Health and Social Services	524,324	0	0
Mental Health	0	1,311,521	0
County Environment and Education	1,019,816	0	169,973
Roads and Transportation	0	0	277,182
Governmental Services to Residents	1,175,752	0	1,674
Administration	3,363,290	0	0
Non-Program	0	0	0
Debt Service	0	0	0
Capital Projects	558,203	0	0
Total Expenditures	15,800,814	1,311,521	454,055
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,033,937	39,567	2,796,713
Other Financing Sources (Uses):			
Sale of Capital Assets	7,500	0	6,202
Drainage Warrants Issued	0	0	0
Transfers In	0	0	0
Transfers Out	(2,899,587)	0	(2,600,000)
Issuance of General Obligation Refunding Capital Loan Notes	0	0	0
Refunding of General Obligation Capital Loan Notes	0	0	0
Total Other Financing Sources (Uses)	(2,892,087)	0	(2,593,798)
Change in Fund Balances	6,141,850	39,567	202,915
Fund Balances Beginning of Year	12,151,360	361,099	481,571
Increase in Reserve for Inventories	0	0	0
Fund Balances End of Year	\$18,293,210	\$400,666	\$684,486

See Notes to Financial Statements.

Revenue					
Secondary Roads	Public Health	Debt Service	Capital Projects	Nonmajor	Total
\$0	\$0	\$905,039	\$0	\$22,815	\$19,654,834
1,216,385	0	0	0	774,062	2,211,608
0	0	0	0	0	234,360
5,024,234	2,468,114	68,777	0	113,371	15,843,728
19,475	137,680	0	0	0	190,770
0	314,361	0	0	463,187	2,002,914
0	0	220	0	6,966	273,337
0	0	0	0	53,380	53,380
138,497	732,791	0	1,493	109,950	1,542,473
6,398,591	3,652,946	974,036	1,493	1,543,731	42,007,404
0	0	0	0	147,207	9,311,862
0	5,552,070	0	0	81,794	6,158,188
0	0	0	0	0	1,311,521
0	0	0	0	540,688	1,730,477
6,062,117	0	0	0	0	6,339,299
0	0	0	0	133	1,177,559
0	0	15,419	2,209	71,967	3,452,885
0	0	0	0	845,117	845,117
0	0	1,006,728	0	25,384	1,032,112
67,851	0	0	2,567,629	0	3,193,683
6,129,968	5,552,070	1,022,147	2,569,838	1,712,290	34,552,703
268,623	(1,899,124)	(48,111)	(2,568,345)	(168,559)	7,454,701
0	0	0	385,224	7,398	406,324
0	0	0	0	378,364	378,364
2,600,000	1,884,587	0	1,015,000	0	5,499,587
0	0	0	0	0	(5,499,587)
0	0	4,573,000	0	0	4,573,000
0	0	(4,520,000)	0	0	(4,520,000)
2,600,000	1,884,587	53,000	1,400,224	385,762	837,688
2,868,623	(14,537)	4,889	(1,168,121)	217,203	8,292,389
5,635,474	962,554	46,648	1,676,564	2,013,625	23,328,895
35,406	0	0	0	0	35,406
\$8,539,503	\$948,017	\$51,537	\$508,443	\$2,230,828	\$31,656,690

CERRO GORDO 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, 2021

Change in Fund Balances - Total Governmental Funds (page 31) \$8,292,389

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

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.

Capital outlay expenditures and contributed capital assets exceeded depreciation expense in the current year as follows:

Expenditures for Capital Assets	\$4,756,487	
Capital Assets Contributed by the Iowa Department of Transportation	3,285,448	
Depreciation/Expense	(3,705,265)	4,336,670

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

(159,366)

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

Property Tax	(88,142)	
Other	303,538	215,396

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

General Obligation Refunding Capital Loan Notes Issued	(4,573,000)	
Refunding of General Obligation Capital Loan Notes	4,520,000	
Principal Payments	868,000	
Drainage Warrants Issued	(378,364)	
Drainage Warrants Payments	455,977	892,613

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

1,279,676

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	15,076	
Retirement Benefits	20,862	
Pension	(1,761,131)	
OPEB	633,383	
Interest on Long-Term Debt	8,613	(1,083,197)

The change in the amount reserved for Secondary Roads inventory is reported as an increase or decrease in reserved fund balance in the governmental funds. This amount is reported as an increase or decrease in Secondary Roads expenses in the Statement of Activities.

35,406

The Internal Service Funds are used by management to charge the costs of employee health benefits and property insurance to individual funds. The change in Net Position of the Internal Service Funds is reported with governmental activities.

(143,002)

Change in Net Position of Governmental Activities (page 24) \$13,666,585

See Notes to Financial Statements.

CERRO GORDO COUNTY, IOWA

STATEMENT OF NET POSITION - PROPRIETARY FUNDS

June 30, 2021

	Enterprise Funds		Total	Internal Service
	Meservey Wastewater Collection & Treatment Facility	Swaledale Wastewater Collection & Treatment Facility		
ASSETS				
Current Assets:				
Cash, Cash Equivalents and Pooled Investments	\$16,616	\$50,476	\$67,092	\$2,376,539
Receivables:				
Accounts	0	0	0	958
Due From Other Governments	5,807	6,788	12,595	0
Total Current Assets	22,423	57,264	79,687	2,377,497
Non-Current Assets:				
Capital Assets:				
Land	37,300	25,000	62,300	0
Improvements Other Than Buildings	1,542,226	1,164,417	2,706,643	0
Less Accumulated Depreciation	(878,491)	(846,053)	(1,724,544)	0
Total Non-Current Assets	701,035	343,364	1,044,399	0
Total Assets	\$723,458	\$400,628	\$1,124,086	\$2,377,497
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$133	\$21	\$154	\$425,291
Due to Other Governments	2,595	1,350	3,945	0
Note Payable:				
Portion Due Within One Year:				
Note Payable	8,170	8,025	16,195	0
Total Current Liabilities	10,898	9,396	20,294	425,291
Non-Current Liabilities:				
Portion Due After One Year:				
Note Payable	255,189	158,434	413,623	0
Total Liabilities	\$266,087	\$167,830	\$433,917	\$425,291
NET POSITION				
Net Investment in Capital Assets	\$437,676	\$176,905	\$614,581	\$0
Unrestricted	19,695	55,893	75,588	1,952,206
	\$457,371	\$232,798	\$690,169	\$1,952,206

See Notes to Financial Statements.

CERRO GORDO COUNTY, IOWA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS Year Ended June 30, 2021

	Enterprise Funds			Internal Service
	Meservey Wastewater Collection & Treatment Facility	Swaledale Wastewater Collection & Treatment Facility	Total	
OPERATING REVENUES:				
Interfund Services Provided	\$0	\$0	\$0	\$3,083,487
Employee Payments	0	0	0	215,588
Miscellaneous	33,536	29,649	63,185	3,944
Total Operating Revenues	33,536	29,649	63,185	3,303,019
OPERATING EXPENSES:				
Waste Water Treatment Facility:				
Depreciation	48,805	36,480	85,285	0
Miscellaneous	19,528	30,453	49,981	0
Health Insurance:				
Medical Claims	0	0	0	2,434,031
Insurance Premiums	0	0	0	600,252
Administrative Fees	0	0	0	197,584
Miscellaneous	0	0	0	26,756
Central Services:				
Insurance	0	0	0	188,578
Total Operating Expenses	68,333	66,933	135,266	3,447,201
Operating Loss	(34,797)	(37,284)	(72,081)	(144,182)
NON-OPERATING REVENUES (EXPENSES):				
Interest Income	15	33	48	1,180
Interest Expense	(12,203)	(7,836)	(20,039)	0
Total Non-Operating Revenues (Expenses)	(12,188)	(7,803)	(19,991)	1,180
Net Loss	(46,985)	(45,087)	(92,072)	(143,002)
Net Position Beginning of Year	504,356	277,885	782,241	2,095,208
Net Position End of Year	\$457,371	\$232,798	\$690,169	\$1,952,206

See Notes to Financial Statements.

CERRO GORDO COUNTY, IOWA

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS Year Ended June 30, 2021

	Enterprise Funds		Total	Internal Service
	Meservey Wastewater Collection & Treatment Facility	Swaledale Wastewater Collection & Treatment Facility		
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received From Customers	\$33,510	\$28,188	\$61,698	\$0
Cash Received From Operating Funds	0	0	0	3,082,548
Cash Received From Employees and Others	0	0	0	416,447
Cash Payments to Suppliers For Services	(19,295)	(31,064)	(50,359)	(3,508,978)
Net Cash Provided By (Used In) Operating Activities	14,215	(2,876)	11,339	(9,983)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest Income	15	33	48	1,180
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Interest Expense	(12,203)	(7,836)	(20,039)	0
Note Payments	(7,818)	(7,680)	(15,498)	0
Net Cash Used in Capital and Related Financing Activities	(20,021)	(15,516)	(35,537)	0
Net Decrease in Cash	(5,791)	(18,359)	(24,150)	(8,803)
Cash, Cash Equivalents and Pooled Investments - Beginning of Year	22,407	68,835	91,242	2,385,342
Cash, Cash Equivalents and Pooled Investments - End of Year	\$16,616	\$50,476	\$67,092	\$2,376,539
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating Loss	(\$34,797)	(\$37,284)	(\$72,081)	(\$144,182)
Adjustments to Reconcile Operating Loss to Net Cash Provided By (Used In) Operating Activities:				
Depreciation	48,805	36,480	85,285	0
(Increase) Decrease in Accounts Receivable	(26)	(1,461)	(1,487)	67,609
Increase (Decrease) in Accounts Payable	233	(611)	(378)	66,590
Net Cash Provided By (Used In) Operating Activities	\$14,215	(\$2,876)	\$11,339	(\$9,983)

See Notes to Financial Statements.

CERRO GORDO COUNTY, IOWA

STATEMENT OF FIDUCIARY NET POSITION CUSTODIAL FUNDS June 30, 2021

ASSETS

Cash, Cash Equivalents and Pooled Investments:	
County Treasurer	\$5,056,183
Other County Officials	394,043
Receivables:	
Property Tax:	
Delinquent	85,586
Succeeding Year	71,728,562
Accounts	33,458
Assessments	689,559
Due From Other Governments	143,844
Total Assets	<u>\$78,131,235</u>

LIABILITIES

Accounts Payable	\$146,733
Salaries and Benefits Payable	21,829
Due to Other Governments	2,228,471
Trusts Payable	626,581
Compensated Absences	27,680
Total Liabilities	<u>3,051,294</u>

DEFERRED INFLOWS OF RESOURCES

Unavailable Revenues	<u>72,534,814</u>
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NET POSITION

Restricted for Individuals, Organizations and Other Governments	<u>\$2,545,127</u>
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See Notes to Financial Statements.

CERRO GORDO COUNTY, IOWA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS

Year Ended June 30, 2021

Additions:

Property and Other County Tax	\$66,523,124
911 Surcharge	388,905
State Tax Credits	5,553,994
Office Fees and Collections	1,624,959
Auto Licenses, Use Tax and Postage	15,804,548
Assessments	201,042
Trusts	4,171,210
Miscellaneous	238,912
Total Additions	<u>94,506,694</u>

Deductions:

Agency Remittances:	
To County Funds	524,193
To Other Governments	89,065,064
Trusts Paid Out	4,611,070
Total Deductions	<u>94,200,327</u>

Changes in Net Position 306,367

Net Position Beginning of Year 2,238,760

Net Position End of Year \$2,545,127

See Notes to Financial Statements.

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 1: Summary of Significant Accounting Policies

Cerro Gordo County is a political subdivision of the State of Iowa and operates under the Home Rule provisions of the Constitution of Iowa. The County operates under the Board of Supervisors form of government. Elections are on a partisan basis. Other elected officials operate independently with the Board of Supervisors. These officials are the Auditor, Treasurer, Recorder, Sheriff, and Attorney. The County provides numerous services to citizens, including law enforcement, health and social services, parks and cultural activities, planning and zoning, roadway construction and maintenance, general administrative services, and drainage district 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, Cerro Gordo County has included all funds, organizations, agencies, boards, commissions, and authorities. The County has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the County to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the County.

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

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

One hundred and sixty-one drainage districts have been established pursuant to Chapter 468 of the Code of Iowa for the drainage of surface waters from agricultural and other lands or the protection of such lands from overflow. Although these districts are legally separate from the County, they are controlled, managed and supervised by the Cerro Gordo County Board of Supervisors. The Cerro Gordo County Board of Supervisors has operational responsibility for this component unit. The drainage districts are reported as a Special Revenue Fund. Financial information of the individual drainage districts can be obtained from the Cerro Gordo County Auditor's Office.

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

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 except for interfund services provided and used which are not eliminated in the process of consolidation. Governmental activities are supported by property tax, intergovernmental revenues and other nonexchange transactions.

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

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

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

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

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

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

Fund Financial Statements - Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor governmental funds.

The County reports the following major governmental funds:

The General Fund is the general operating fund of the County. All general tax revenues and other revenues not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges and the capital improvement costs that are not paid from other funds.

Special Revenue:

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

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

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

The Public Health Fund is utilized to account for Federal and State grants and fees collected by the County to provide and maintain the County Public Health Department.

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

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

Additionally, the County reports the following funds:

The Internal Service Funds account for the financing of goods and services purchased by one department or agency and provided to other departments or agencies of the County on a cost-reimbursement basis. The Central Services Fund accounts for the costs of the centralized service operation for the property insurance. The Health Insurance Fund accounts for the County's insurance for health insurance benefits provided by governmental funds to employees. Costs are billed to governmental funds and employees based on historical claims experience.

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

The Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes. The Enterprise Funds account for the activities of the Meservey Wastewater Collection and Treatment Facility and the Swaledale Wastewater Collection and Treatment Facility.

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:

Elected Officials – To account for the activity of various cash accounts maintained by elected officials and other County departments which have not been remitted to the County Treasurer, who acts as trustee for all pooled cash and investments of the County, or to other individuals, private entities or governments.

Relief – Representative Payee – To account for the funds of individuals incapable of managing their own affairs.

Veterans Affairs – To account for the funds used to maintain the veteran's plaque.

Auditor – To account for revenues received from the sale of GIS maps, plat books, and copies.

Recorder – To account for the recording of deeds and mortgages, writing fees for DNR licenses, and the sale of various licenses (hunting, fishing, ATV, boat and snowmobile).

Sheriff – To account for fees associated with the serving of papers and the sale of gun permits.

Other Custodial Funds – Clearing accounts that account for funds collected by the County on behalf of individuals and other governmental entities:

- Agricultural Extension Education
- County Assessor
- City Assessor
- Schools
- Community Colleges
- Corporations
- Townships
- City Special Assessments
- Auto License and Use Tax
- Brucellosis and Tuberculosis Eradication
- Joint Disaster Services
- Clear Lake Sanitary District
- County EMS Association
- Advance Tax
- Cash Long/Short
- Tax Sale Redemption
- E-911 Operations
- Recorder's Transfer Fee
- Pass-Through Projects
- Empowerment
- Employee Benefits

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's Internal Service Funds are from 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.

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE/NET POSITION

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

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

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

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

Due from and Due to Other Funds - During the course of its operations, the County has numerous transactions between funds. To the extent that certain transactions between funds had not been paid or received as of June 30, 2021, balances of interfund amounts receivable or payable have been recorded in the financial statements.

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

Inventories - Inventories are valued at cost using the first-in, first-out method. Inventories in the Special Revenue Funds consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased. Reported inventories are equally offset by a fund balance reserve which indicates that they are not available to liquidate current obligations.

Capital Assets – Capital assets, which include property, equipment and vehicles, intangibles and infrastructure assets acquired after July 1, 1980 (e.g., roads, bridges, curbs, gutters, sidewalks, and similar items which are immovable and of value only to the County), are reported in the applicable governmental and business-type activities columns in the government-wide Statement of Net Position. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized. Reportable capital assets are defined by the County as assets with initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

<u>Asset Class</u>	<u>Amount</u>
Infrastructure	\$ 50,000
Land, buildings and improvements	25,000
Intangibles	75,000
Equipment and vehicles	5,000

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

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

<u>Asset Class</u>	<u>Estimated Useful Lives (In Years)</u>
Buildings	40-50
Building improvements	20-50
Infrastructure	30-50
Intangibles	2-20
Equipment	2-20
Vehicles	3-10

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

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

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 and fiduciary fund financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees who have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2021. Any accrued compensated absences that are carried over must be taken in the following fiscal year or else be lost. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund and the Special Revenue, Mental Health, Rural Services and Secondary Road Funds.

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

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

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

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

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

Committed – Amounts which can be used only for specific purposes pursuant to constraints formally imposed by the Board of Supervisors through ordinance or resolution approved prior to year-end. Committed amounts cannot be used for any other purpose unless the Board of Supervisors removes or changes the specified use by taking the same action it employed to commit those amounts.

Assigned – Amounts the Board of Supervisors intend to use for specific purposes. In a resolution dated June 2011, the Board of Supervisors designated the County Auditor to make such determinations.

Unassigned – All amounts not included in the preceding classifications. The General Fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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

E. BUDGETS AND BUDGETARY ACCOUNTING

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2021, disbursements exceeded the amounts budgeted in the debt service function.

CERRO GORDO COUNTY, IOWA

NOTES TO FININCIAL STATEMENTS

June 30, 2021

Note 2: Cash, Cash Equivalents and Pooled Investments

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

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

At June 30, 2021, the County had the following investments:

Investment	Fair Value	Maturity
Federal Farm Credit Banks (FFCB)	\$497,874	March 2024
Federal Farm Credit Banks (FFCB)	499,193	October 2023
Federal Farm Credit Banks (FFCB)	258,879	December 2023
Federal Home Loan Mortgage Company (FHLMC)	497,238	March 2026
	<u>\$1,753,184</u>	

The County uses the fair value hierarchy established by generally accepted accounting principles based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs.

The recurring fair value measurement for the FFCB securities of \$1,255,946 and the FHLMC securities of \$497,238 were determined using the last reported sales price at current exchange rates. (Level 1 inputs)

In addition, the County had investments in the Iowa Public Agency Investment Trust (IPAIT) which are valued at an amortized cost of \$613,017. There were no limitations or restrictions on withdrawals for the IPAIT investments. The County's investment in IPAIT is unrated.

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

Credit Risk – The County does not have a policy relating to the credit risk of investments. The County's FFCB and FHLMC investments at June 30, 2021 are rated Aaa by Moody's Investors Service. The investment in the Iowa Public Agency Investment Trust is unrated.

Concentration of Credit Risk – The County places no limit on the amount which may be invested in any one issuer. More than 5% of the County's investments are in the Federal Farm Credit Banks and the Federal Home Loan Mortgage Company. The County's investments in the Federal Farm Credit Banks and the Federal Home Loan Mortgage Company are 26.70% and 10.57%, respectively, of the County's total investments.

Note 3: Due from and Due to Other Funds

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

Receivable Fund	Payable Fund	Amount
General Fund	Special Revenue:	
	Mental Health	\$41
	Secondary Roads	61
	Attorney Collection	<u>2,581</u>
Total		<u>\$2,683</u>

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

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 4: Interfund Transfers

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

Transfer To	Transfer From	Amount
Special Revenue: Secondary Roads	Special Revenue: Rural Services	\$2,600,000
Public Health	General Fund	1,884,587
Capital Projects	General Fund	1,015,000
Total		<u>\$5,499,587</u>

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

Note 5: Capital Assets

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

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$1,788,492	\$169,262	\$6,500	\$1,951,254
Construction in progress	2,427,822	6,399,641	2,921,182	5,906,281
Total capital assets not being depreciated	<u>4,216,314</u>	<u>6,568,903</u>	<u>2,927,682</u>	<u>7,857,535</u>
Capital assets being depreciated:				
Buildings	17,702,361	0	360,988	17,341,373
Improvements other than buildings	649,317	774,926	0	1,424,243
Machinery and equipment	7,984,884	346,210	311,170	8,019,924
Vehicles	5,332,609	582,982	198,413	5,717,178
Infrastructure, road network	65,416,821	2,690,095	0	68,106,916
Total capital assets being depreciated	<u>97,085,992</u>	<u>4,394,213</u>	<u>870,571</u>	<u>100,609,634</u>
Less accumulated depreciation for:				
Buildings	6,121,075	338,935	240,642	6,219,368
Improvements other than buildings	524,500	52,879	0	577,379
Machinery and equipment	5,543,644	397,987	278,651	5,662,980
Vehicles	4,167,101	433,431	198,413	4,402,119
Infrastructure, road network	36,159,525	2,482,033	0	38,641,558
Total accumulated depreciation	<u>52,515,845</u>	<u>3,705,265</u>	<u>717,706</u>	<u>55,503,404</u>
Total capital assets being depreciated, net	<u>44,570,147</u>	<u>688,948</u>	<u>152,865</u>	<u>45,106,230</u>
Governmental activities capital assets, net	<u>\$48,786,461</u>	<u>\$7,257,851</u>	<u>\$3,080,547</u>	<u>\$52,963,765</u>

Depreciation expense was charged to the following functions:

Governmental Activities:	
Public Safety and Legal Services	\$441,512
Physical Health and Social Services	59,074
County Environment and Education	77,118
Roads and Transportation	2,987,050
Governmental Services to Residents	14,986
Administration	125,525
Total depreciation expense – governmental activities	<u>\$3,705,265</u>

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 5: Capital Assets (Continued)

Capital asset activity of the Enterprise Funds for the year ended June 30, 2021 was as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Capital Assets not being depreciated:				
Land	\$62,300	\$0	\$0	\$62,300
Capital Assets being depreciated:				
Infrastructure	2,706,643	0	0	2,706,643
Less accumulated depreciation for:				
Infrastructure	1,639,259	85,285	0	1,724,544
Total capital assets being depreciated, net	1,067,384	(85,285)	0	982,099
Business-type activities capital assets, net	\$1,129,684	(\$85,285)	\$0	\$1,044,399

Note 6: Due to Other Governments

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

Fund	Description	Amount
General Fund	Services	\$2,316
Special Revenue:		
Rural Services		59
Secondary Roads		1,274
Public Health		49,342
Total for Governmental Funds		\$52,991
	Collections	
Custodial:		
Agricultural Extension Education		\$3,431
Schools		395,663
Community Colleges		30,466
Corporations		334,225
City Special Assessments		21,566
Auto License and Use Tax		1,424,215
Clear Lake Sanitary District		10,099
All Others		8,806
Total for Custodial Funds		\$2,228,471

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS June 30, 2021

Note 7: Long-Term Liabilities

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

Governmental Activities	Capital Loan	Compensated Absences	Retirement Benefits	Drainage Warrants
	Notes & Revenue Bonds			
Balance – Beginning of Year	\$5,555,750	\$1,055,564	\$322,728	\$712,515
Increases	4,573,000	1,030,910	100,800	378,364
Decreases	5,388,000	1,055,564	121,662	455,977
Balance – End of Year	\$4,740,750	\$1,030,910	\$301,866	\$634,902
Due within one year	\$931,000	\$1,030,910	\$106,668	\$0

	Net Pension Liability	Total OPEB Liability	Total
	Balance – Beginning of Year	\$7,920,256	\$1,630,669
Increases	1,799,776	134,449	8,017,299
Decreases	0	109,448	7,130,651
Balance – End of Year	\$9,720,032	\$1,655,670	\$18,084,130
Due within one year	\$0	\$0	\$2,068,578

Business-Type Activities	Sewer Revenue Capital Loan
	Notes
Balance – Beginning of Year	\$445,316
Increases	0
Decreases	15,498
Balance – End of Year	\$429,818
Due within one year	\$16,195

Note 8: General Obligation Capital Loan Notes / Local Option Sales and Service Tax Revenue Bonds

During the year ended June 30, 2021, the County issued \$4,573,000 General Obligation Refunding Capital Loan Notes, Series 2021A, with interest rates ranging from 0.21-0.45% per annum. The proceeds were used to refund \$4,520,000, of General Obligation Capital Loan Notes, Series 2012A, representing 2022-2026 maturities. These maturities were called for redemption on June 1, 2021. The notes are payable from a continuing annual levy of taxes on all of the taxable property in the County. Interest payments are due semiannually, commencing December 1, 2021 and principal payments are due annually commencing June 1, 2022, maturing June 1, 2026. A summary of the County's June 30, 2021 general obligation indebtedness is as follows:

Year Ending June 30,	2021A \$4,573,000 Issue			
	Interest Rate	Principal	Interest	Total
2022	0.21%	\$908,000	\$19,191	\$927,191
2023	0.21%	909,000	14,311	923,311
2024	0.45%	912,000	12,402	924,402
2025	0.45%	919,000	8,298	927,298
2026	0.45%	925,000	4,162	929,162
		\$4,573,000	\$58,364	\$4,631,364

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 8: General Obligation Capital Loan Notes / Local Option Sales and Service Tax Revenue Bonds (Continued)

During the year ended June 30, 2009, the County issued \$885,000 of Local Option Sales and Service Tax Revenue Bonds, with an interest rate of 1.25% per annum. The purpose of the bonds was for paying the County's share of the Clear Lake Dredging and Restoration Project, a rural County betterment project for the County of Cerro Gordo. The funds were to be advanced as needed for the project. As of June 30, 2009, \$300,000 had been advanced to the County. During the year ended June 30, 2010, an additional \$168,750 was advanced to the County. Interest payments are due semiannually, commencing December 1, 2008 and principal payments are due annually commencing June 1, 2009, maturing June 1, 2028. Principal payments made during fiscal year 2021 totaled \$23,000. Details of the outstanding bonds at June 30, 2021 are as follows:

Year Ending June 30,	Interest Rate	2008 \$885,000 Issue		
		Principal	Interest	Total
2022	1.25%	\$23,000	\$2,097	\$25,097
2023	1.25%	23,500	1,809	25,309
2024	1.25%	24,000	1,516	25,516
2025	1.25%	24,000	1,216	25,216
2026	1.25%	24,000	916	24,916
2027-2028	1.25%	49,250	930	50,180
		<u>\$167,750</u>	<u>\$8,484</u>	<u>\$176,234</u>

Note 9: Retirement Benefits

The County offers retirement benefits to its employees. There are different criteria for different collective bargaining units and non-bargaining units, however, the general rule is: Any retiree with 30 years of service at age 58, or 20 years at age 62, will be provided with a single health insurance policy premium until the age of 65 for some, or 65 or Medicare eligible, whichever is later, for others.

At June 30, 2021, the County has obligations to thirteen participants with a total liability of \$301,866. Retirement benefits expenses for eighteen retirees for the year ended June 30, 2021 totaled \$121,662 and were paid from the General Fund, Public Health Fund and the Secondary Roads Fund.

Note 10: Drainage Warrants Payable

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

Drainage warrants are paid from the Drainage Special Revenue Fund solely from special assessments against benefited properties.

Note 11: Operating Leases

During the fiscal year ended June 30, 2018, the County entered into operating lease agreements for three vehicles for the Cerro Gordo County Public Health Department. These terms were completed during the fiscal year ended June 30, 2021. During the fiscal year ended June 30, 2020, the County entered into operating lease agreements for six vehicles for the Cerro Gordo County Public Health Department. Rental expense for the year ended June 30, 2021 totaled \$20,362. Rental payments are paid from the Public Health Fund. Following is a schedule of minimum future rentals for non-cancelable operating leases in effect at June 30, 2021:

Year Ending June 30,	Vehicles
2022	\$17,124
2023	14,368
Total	<u>\$31,492</u>

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 11: Operating Leases (Continued)

The County entered into operating lease agreements for copiers for the Cerro Gordo County Auditor, Attorney, Recorder, Sheriff, Treasurer, Public Health and Board of Supervisor offices. Rental expense for the year ended June 30, 2021 totaled \$25,864. Rental payments are paid from the General Fund and the Public Health Fund. Following is a schedule of minimum future rentals for non-cancelable operating leases in effect at June 30, 2021:

Year Ending June 30,	Copiers
2022	\$18,660
2023	17,459
2024	12,288
2025	6,374
Total	<u>\$54,781</u>

The County entered into an operating lease agreement for a postage machine for the Cerro Gordo County Auditor's office. Rental expense for the year ended June 30, 2021 totaled \$2,080. Rental payments are paid from the General Fund. Following is a schedule of minimum future rentals for the non-cancelable operating lease in effect at June 30, 2021:

Year Ending June 30,	Postage Machine
2022	\$2,080
2023	2,080
2024	2,080
2025	2,080
2026	521
Total	<u>\$8,841</u>

Note 12: Sewer Revenue Capital Loan Notes

The County has issued \$280,000 in sewer revenue capital loan notes to fund the costs of improvements and extensions to the County's Sanitary Sewer Utility including construction of a sanitary sewer collection and treatment facility for users in the City of Swaledale. The notes and interest are payable solely from the net earnings of the system and not from general funds of the County. Payments on the capital loan notes began on July 1, 1999. The capital loan notes have an interest rate of 4.50% with the final payment due July 1, 2036. Details of the sewer revenue capital loan notes at June 30, 2021 are as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$8,025	\$7,491	\$15,516
2023	8,386	7,130	15,516
2024	8,764	6,752	15,516
2025	9,158	6,358	15,516
2026	9,570	5,946	15,516
2027-2031	54,712	22,868	77,580
2032-2036	67,844	9,397	77,241
	<u>\$166,459</u>	<u>\$65,942</u>	<u>\$232,401</u>

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 12: Sewer Revenue Capital Loan Notes (Continued)

The County has also issued \$59,100, \$253,200 and \$49,000 in sewer revenue capital loan notes to fund the costs of improvements and extensions to the County's Sanitary Sewer Utility including construction of a sanitary sewer collection and treatment facility for users in the City of Meservey. The notes and interest are payable solely from the net earnings of the system and do not represent general obligations of the County. Interest payments on the capital loan notes began on July 1, 2003. The capital loan notes have an interest rate of 4.50% with final payment due by July 1, 2044. Details of the sewer revenue capital loan notes are as follows:

Year Ending June 30,	\$59,100 Note		\$253,200 Note		\$49,000 Note		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$1,359	\$1,916	\$5,822	\$8,208	\$989	\$1,727	\$8,170	\$11,851
2023	1,420	1,855	6,084	7,946	1,033	1,683	8,537	11,484
2024	1,484	1,791	6,357	7,673	1,080	1,636	8,921	11,100
2025	1,551	1,724	6,643	7,387	1,129	1,587	9,323	10,698
2026	1,621	1,654	6,942	7,088	1,179	1,537	9,742	10,279
2027-2031	9,267	7,108	39,687	30,463	6,742	6,838	55,696	44,409
2032-2036	11,548	4,827	49,460	20,690	8,402	5,178	69,410	30,695
2037-2041	14,320	1,983	61,415	8,516	10,470	3,110	86,205	13,609
2042-2044	0	0	0	0	7,355	667	7,355	667
	\$42,570	\$22,858	\$182,410	\$97,971	\$38,379	\$23,963	\$263,359	\$144,792

Note 13: Pension Plan

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

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

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

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

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

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

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

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

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

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS June 30, 2021

Note 13: Pension Plan (Continued)

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

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

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

The County’s contributions to IPERS for the year ended June 30, 2021 were \$1,279,676.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2021, the County reported a liability of \$9,720,032 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County’s proportion of the net pension liability was based on the County’s share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2020, the County’s proportion was 0.138369% which was an increase of 0.001592% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the County recognized pension expense of \$1,761,131. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$37,382	\$245,779
Changes of Assumptions	613,491	137,981
Net Difference Between Projected and Actual Earnings on IPERS’ Investments	731,372	0
Changes in Proportion and Differences Between County Contributions and the County’s Proportionate Share of Contributions	178,359	381,831
County Contributions Subsequent to the Measurement Date	1,279,676	0
Total	<u>\$2,840,280</u>	<u>\$765,591</u>

\$1,279,676 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2022	\$126,780
2023	137,188
2025	183,397
2025	375,207
2026	(27,559)
Total	<u>\$795,013</u>

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS June 30, 2021

Note 13: Pension Plan (Continued)

There were no non-employer contributing entities to IPERS.

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

Rate of Inflation (effective June 30, 2017)	2.60% per annum.
Rates of Salary Increase (effective June 30, 2017)	3.25 to 16.25%, average, including inflation. Rates vary by membership group.
Long-Term Investment Rate of Return (effective June 30, 2017)	7.00% compounded annually, net of investment expense, including inflation.
Wage Growth (effective June 30, 2017)	3.25% per annum, based on 2.60% inflation and 0.65% real wage inflation.

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

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

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

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	22.00%	4.43%
International Equity	17.50	5.15
Global Smart Beta Equity	6.00	4.87
Core Plus Fixed Income	28.00	(0.29)
Public Credit	4.00	2.29
Cash	1.00	(0.78)
Private Equity	11.00	6.54
Private Real Assets	7.50	4.48
Private Credit	3.00	3.11
Total	100.00%	

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

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower (6.00%) or 1 percentage point 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	\$17,993,292	\$9,720,032	\$2,784,520

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 13: Pension Plan (Continued)

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

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

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 Governmental Accounting Standards Board Statement No. 75.

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

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

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	18
Active Employees	229
Total	247

Total OPEB Liability – The County's total OPEB liability of \$1,655,670 was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2019.

Actuarial Assumptions – The total OPEB liability in the July 1, 2019 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 July 1, 2019)	2.75% per annum.
Rate of Salary Increase (effective July 1, 2019)	0.00% per annum, including inflation.
Discount Rate (effective July 1, 2019)	3.15% compounded annually, including inflation.
Healthcare Cost Trend Rate (effective July 1, 2019)	6.00% initial rate.

Discount Rate – The discount rate used to measure the total OPEB liability was 3.15% 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 RP2014 Annuity Mortality Table. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study with dates corresponding to those listed above.

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS June 30, 2021

Note 14: Other Postemployment Benefits (OPEB) (Continued)

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Total OPEB Liability Beginning of Year	\$1,630,669
Changes for the Year:	
Service Cost	82,132
Interest	52,317
Differences Between Expected and Actual Experiences	(1,291)
Changes in Assumptions	0
Benefit Payments	(108,157)
Net Changes	<u>25,001</u>
Total OPEB Liability End of Year	<u>\$1,655,670</u>

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 (2.15%) or 1% higher (4.15%) than the current discount rate.

	<u>1% Decrease (2.15%)</u>	<u>Discount Rate (3.15%)</u>	<u>1% Increase (4.15%)</u>
Total OPEB Liability	\$1,802,954	\$1,655,670	\$1,523,147

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 (5.00%) or 1% higher (7.00%) than the current healthcare cost trend rates.

	<u>1% Decrease (5.00%)</u>	<u>Healthcare Cost Trend Rate (6.00%)</u>	<u>1% Increase (7.00%)</u>
Total OPEB Liability	\$1,463,325	\$1,655,670	\$1,886,305

OPEB Expense and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2021, the County recognized OPEB income of \$633,383. At June 30, 2021, the County reported deferred inflows of resources related to OPEB from the following resources:

	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	(\$1,193)
Changes in Assumptions	0
Total	<u>(\$1,193)</u>

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	(\$98)
2023	(98)
2024	(98)
2025	(98)
2026	(98)
Thereafter	(703)
Total	<u>(\$1,193)</u>

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 15: Risk Management

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

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

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

The County's property and casualty contributions to the Pool are recorded as expenditures from its operating funds at the time of payment to the Pool. The County's annual contributions to the Pool for the year ended June 30, 2021 were \$288,925.

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

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

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

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

The County also carries commercial insurance purchased from other insurers for coverage associated with workers compensation and employee blanket bond in the amount of \$5,000,000 and \$100,000, (except for the Treasurer which is \$500,000) 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.

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 16: Employee Health Insurance Plan

The Internal Service, Health Insurance Fund was established to account for the self-funding of the County's health insurance benefit plan. The plan is funded by both employee and County contributions and is administered through a service agreement with Wellmark. The agreement is subject to automatic renewal provisions. The County assumes liability for claims up to the individual stop loss limitation of \$75,000. Claims in excess of coverage are insured through purchase of stop loss insurance.

Monthly payments of service fees and plan contributions to the Cerro Gordo County Health Insurance 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 Cerro Gordo County Health Insurance Fund. The County's contribution to the fund for the year ended June 30, 2021 was \$2,894,909.

Amounts payable from the Cerro Gordo County Health Insurance Fund at June 30, 2021 total \$425,291, of which \$412,267 is for incurred but not reported (IBNR) and reported but not paid claims and the remaining \$13,024 is for miscellaneous fees. 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 \$1,950,337 at June 30, 2021 and is reported as a designation of the Cerro Gordo County Health Insurance Fund Net Position. A liability has been established based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Settlements have not exceeded the stop-loss coverage in any of the past three years. A reconciliation of changes in the aggregate liabilities for claims for the current year is as follows:

	Balance as of July 1	Current Year Claims	Claims Payments	Balance as of June 30
2020-2021	\$358,701	\$2,487,597	\$2,434,031	\$412,267

Note 17: Tax Abatements

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

County Tax Abatements

The County offered an urban revitalization tax abatement program pursuant to Chapter 404 of the Code of Iowa. With prior approval by the governing body, this program provides for an exemption of taxes based on a percentage of the actual value added by improvements. No other commitments were made by the County as part of these agreements.

For the year ended June 30, 2021, \$39,248 of property tax was diverted from the County under the County's urban revitalization tax abatement program.

Tax Abatements of Other Entities

Other entities within the County also provided tax abatements for urban renewal and economic development projects pursuant to Chapters 15 and 403 of the Code of Iowa. Additionally, the City of Clear Lake offered an urban revitalization tax abatement program pursuant to Chapter 404 of the Code of Iowa. With prior approval by the governing body, this program provides for an exemption of taxes based on a percentage of the actual value added by improvements. Property tax revenues of the County were reduced by the following amounts for the year ended June 30, 2021 under agreements entered into by the following entities:

Entity	Tax Abatement Program	Amount of Tax Abated
City of Mason City	Urban renewal and economic Development projects	\$368,656
City of Clear Lake	Urban renewal and economic Development projects	\$156,219
	Chapter 404 tax abatement program	\$40,888

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 18: Closure and Postclosure Care Costs

Cerro Gordo County is a member of the Landfill of North Iowa. The Landfill of North Iowa is an inter-governmental agency established in accordance with the provisions of Chapter 28E of the State Code of Iowa (Inter-governmental Cooperation Agreement). The purpose of the agency is to provide for the economic disposal or collection and disposal of all solid waste produced or generated within each member city, town, and the unincorporated portion of Cerro Gordo County, comprising the municipalities. In performing its duties, the agency may contract with and expend funds from federal, state, and local agencies and private individuals and corporations.

State and federal laws and regulations require the agency to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, state laws require the agency to submit a closure and postclosure plan detailing the schedule for and the methods by which the operator will meet the conditions for proper closure and postclosure. The agency is in compliance with this requirement. On June 30, 2021, the County did not anticipate any additional assessments for closure and postclosure care costs.

Note 19: Related Party Transactions

Business transactions between the County and County officials or employees were noted. The transactions appear to be authorized in accordance with Chapter 331.342 of the Code of Iowa because the transaction totals were less than \$6,000 for the fiscal year.

Note 20: Commitments and Contingencies

The County participates in a number of federally assisted grant programs. The programs are subject to financial and compliance audits. The amount of expenditures, if any, which may be disallowed by the granting agency is not determinable at this time; however, County officials do not believe that such amounts would be significant.

The County has entered into a contract with Gus Construction Co. for a culvert replacement project. As of June 30, 2021, costs of \$2,134 have been incurred on the project. Through the Iowa Department of Transportation Farm to Market Account, the County has entered into a contract with Heartland Asphalt for resurfacing projects totaling \$1,872,721. As of June 30, 2021, costs of \$751,262 have been incurred. The County has also continued construction of the Prairie Land Trail. As of June 30, 2021, costs of \$1,602,504 have been incurred on the project. The Secondary Roads department is in the process of constructing a new Engineer's building and two new maintenance sheds. As of June 30, 2021, costs of \$3,510,685 and \$39,696 respectively have been incurred. The balances on the projects will be paid as work on the projects progress.

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS June 30, 2021

Note 21: Early Childhood Iowa Area Board

Cerro Gordo County is the fiscal agent for the Cerro Gordo, Hancock, Worth Early Childhood Iowa Area, 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 part of the Other Custodial Funds because of the County's fiduciary relationship with the organization. The Area Board's financial data for the year ended June 30, 2021 is as follows:

	Early Childhood	School Ready	Total
Revenues:			
State Grants:			
Early Childhood	\$92,407	\$0	\$92,407
Quality Improvement	0	54,222	54,222
Allocation for Administration	4,864	12,858	17,722
School Ready General Use	0	361,747	361,747
Total State Grants	97,271	428,827	526,098
Administration	0	145	145
Interest on Investments	19	102	121
Total Revenues	97,290	429,074	526,364
Expenditures:			
Program Services:			
Early Childhood	102,967	0	102,967
Quality Improvement	0	54,824	54,824
School Ready General Use	0	400,998	400,998
Total Program Services	102,967	455,822	558,789
Administration	4,863	12,713	17,576
Total Expenditures	107,830	468,535	576,365
Change in Fund Balance	(10,540)	(39,461)	(50,001)
Net Position Beginning of Year	12,965	70,595	83,560
Net Position End of Year	\$2,425	\$31,134	\$33,559

CERRO GORDO COUNTY, IOWA

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

Note 22: Cerro Gordo County Financial Information Included in the County Social Services Mental Health Region

County Social Services, a jointly governed organization formed pursuant to the provisions of Chapter 28E of the Code of Iowa includes the following member counties: Allamakee County, Black Hawk County, Butler County, Cerro Gordo County, Chickasaw County, Clayton County, Emmet County, Fayette County, Floyd County, Grundy County, Hancock County, Howard County, Humbolt County, Mitchell County, Pocahontas County, Tama County, Webster County, Winneshiek County, and Wright County. The financial activity of Cerro Gordo County's Special Revenue, Mental Health Fund is included in the County Social Services Mental Health region for the year ended June 30, 2021 as follows:

Revenues:		
Property and Other County Tax		\$1,225,458
Intergovernmental Revenues:		
State Tax Credits		94,182
Payments from Regional Fiscal Agent		31,374
Miscellaneous		74
Total Revenues		<u>1,351,088</u>
Expenditures:		
Services to Persons With:		
Mental Illness		32,045
General Administration:		
Direct Administration	\$52	
Distribution to Regional Fiscal Agent	<u>1,279,410</u>	1,279,462
County Provided Case Management		14
Total Expenditures		<u>1,311,521</u>
Excess of Revenues Over Expenditures		39,567
Fund Balance – Beginning of Year		<u>361,099</u>
Fund Balance – End of Year		<u>\$400,666</u>

Note 23: COVID-19

In March 2020, the COVID-19 outbreak was declared a global pandemic. The disruption to businesses across a range of industries in the United States continues to evolve. The full impact to local, regional and national economies, including that of Cerro Gordo County remains uncertain. To date, the outbreak has not created a material disruption to the operations of Cerro Gordo County. However, the extent of the financial impact of COVID-19 will depend on future developments, including the spread of the virus, duration and timing of the economic recovery. Due to these uncertainties, management cannot reasonably estimate the potential impact to Cerro Gordo County's operations and finances.

Note 24: Prospective Accounting Change

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

Note 25: Subsequent Events

Management has evaluated subsequent events through December 22, 2021, the date which the financial statements were available to be issued.

Required Supplementary Information

CERRO GORDO COUNTY, IOWA

**BUDGETARY COMPARISON SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN BALANCE - BUDGET AND ACTUAL - ALL GOVERNMENTAL FUNDS
REQUIRED SUPPLEMENTARY INFORMATION
Year Ended June 30, 2021**

	Actual	Less Funds Not Required To Be Budgeted	Net
REVENUES:			
Property and Other County Tax	\$21,866,442	\$0	\$21,866,442
Interest and Penalty on Property Tax	234,360	0	234,360
Intergovernmental	15,843,728	65,500	15,778,228
Licenses and Permits	190,770	0	190,770
Charges For Service	2,002,914	452,749	1,550,165
Use of Money and Property	273,337	183	273,154
Miscellaneous	1,595,853	4,652	1,591,201
Total Revenues	42,007,404	523,084	41,484,320
EXPENDITURES			
Public Safety and Legal Services	9,311,862	0	9,311,862
Physical Health and Social Services	6,158,188	0	6,158,188
Mental Health	1,311,521	0	1,311,521
County Environment and Education	1,730,477	0	1,730,477
Roads and Transportation	6,303,893	0	6,303,893
Governmental Services to Residents	1,177,559	0	1,177,559
Administration	3,452,885	0	3,452,885
Non-Program	845,117	845,117	0
Debt Service	1,032,112	0	1,032,112
Capital Projects	3,193,683	0	3,193,683
Total Expenditures	34,517,297	845,117	33,672,180
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,490,107	(322,033)	7,812,140
Other Financing Sources, Net	837,688	378,364	459,324
Change in Balance	8,327,795	56,331	8,271,464
Balance Beginning of Year	23,328,895	25,923	23,302,972
Balance End of Year	\$31,656,690	\$82,254	\$31,574,436

See Accompanying Independent Auditor's Report.

Budgeted Amounts		Final to
Original	Final	Net Variance - Positive (Negative)
\$21,203,730	\$21,756,964	\$109,478
203,500	203,500	30,860
10,108,460	15,109,696	668,532
132,150	137,150	53,620
1,367,670	1,413,746	136,419
711,118	255,618	17,536
1,107,823	1,357,020	234,181
34,834,451	40,233,694	1,250,626
10,017,114	10,062,031	750,169
6,421,103	6,742,469	584,281
1,312,780	1,312,780	1,259
1,937,585	1,965,002	234,525
7,420,159	7,892,159	1,588,266
1,351,902	1,346,902	169,343
3,925,626	3,969,412	516,527
0	0	0
996,113	996,113	(35,999)
4,615,000	4,737,825	1,544,142
37,997,382	39,024,693	5,352,513
(3,162,931)	1,209,001	6,603,139
380,000	396,550	62,774
(2,782,931)	1,605,551	6,665,913
18,334,912	18,334,912	4,968,060
\$15,551,981	\$19,940,463	\$11,633,973

CERRO GORDO COUNTY, IOWA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – BUDGETARY REPORTING

June 30, 2021

In accordance with the Code of Iowa, the County Board of Supervisors annually adopts a budget on the modified accrual basis following required public notice and hearing for all funds, except blended component units, drainage districts, the Internal Service Funds and Custodial Funds, and appropriates the amount deemed necessary for each of the different County offices and departments. The budget may be amended during the year utilizing similar statutorily prescribed procedures. Encumbrances are not recognized on the 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, special revenue funds, debt service fund and capital projects funds. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. Legal budgetary control is also based upon the appropriation to each office or department. During the year, one budget amendment increased budgeted revenues and expenditures by \$5,399,243 and \$1,027,311 respectively. The budget amendments are reflected in the final budgeted amounts.

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

During the year ended June 30, 2021, disbursements exceeded the amounts budgeted in the debt service function.

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CERRO GORDO COUNTY, IOWA

SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM - FOR THE LAST SEVEN YEARS* REQUIRED SUPPLEMENTARY INFORMATION

	2015	2016
County's Proportion of the Net Pension Liability	0.126753%	0.133881%
County's Proportionate Share of the Net Pension Liability	\$ 5,026,904	\$ 6,614,382
County's Covered Payroll	\$ 11,356,394	\$ 11,763,018
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	44.26%	56.23%
IPERS' Net Position as a Percentage of the Total Pension Liability	87.61%	85.19%

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

See Accompanying Independent Auditor's Report.

	2017	2018	2019	2020	2021
	0.140754%	0.152230%	0.139453%	0.136776%	0.138369%
\$	8,858,084	\$ 10,140,444	\$ 8,824,894	\$ 7,920,256	\$ 9,720,032
\$	12,150,989	\$ 13,596,109	\$ 13,238,498	\$ 13,541,052	\$ 13,502,781
	72.90%	74.58%	66.66%	58.49%	71.99%
	81.82%	82.21%	83.62%	85.45%	82.90%

CERRO GORDO COUNTY, IOWA

SCHEDULE OF COUNTY CONTRIBUTIONS IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM REQUIRED SUPPLEMENTARY INFORMATION

Last Ten Fiscal Years

	Fiscal Year			
	2012	2013	2014	2015
Statutorily Required Contribution	\$ 1,056,889	\$ 1,065,375	\$ 1,105,050	\$ 1,139,628
Contributions in Relation to the Statutorily Required Contribution	(1,056,889)	(1,065,375)	(1,105,050)	(1,139,628)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
County's Covered Payroll	\$ 11,334,109	\$ 11,247,738	\$ 11,356,394	\$ 11,763,018
Contributions as a Percentage of Covered Payroll	9.32%	9.47%	9.73%	9.69%

See Accompanying Independent Auditor's Report.

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 1,110,617	\$ 1,237,678	\$ 1,201,858	\$ 1,291,251	\$ 1,282,216	\$ 1,279,676
(1,110,617)	(1,237,678)	(1,201,858)	(1,291,251)	(1,282,216)	(1,279,676)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 12,150,989	\$ 13,596,109	\$ 13,238,498	\$ 13,541,052	\$ 13,502,781	\$ 13,510,964
9.14%	9.10%	9.08%	9.54%	9.50%	9.47%

CERRO GORDO COUNTY, IOWA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PENSION LIABILITY YEAR ENDED JUNE 30, 2021

Changes of Benefit Terms:

There are no significant changes in benefits terms.

Changes of Assumptions:

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

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

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

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

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

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

CERRO GORDO COUNTY, IOWA

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

REQUIRED SUPPLEMENTARY INFORMATION

	2018	2019	2020	2021
Service Cost	\$ 108,359	\$ 108,310	\$ 82,138	\$ 82,132
Interest Cost	82,403	86,265	52,051	52,317
Differences Between Expected and Actual Experiences	40,735	9,805	(765,675)	(1,291)
Changes in Assumptions	0	0	54,770	0
Benefit Payments	(147,238)	(110,885)	(149,682)	(108,157)
Net Change in Total OPEB Liability	<u>84,259</u>	<u>93,495</u>	<u>(726,398)</u>	<u>25,001</u>
Total OPEB Liability Beginning of Year	<u>2,179,313</u>	<u>2,263,572</u>	<u>2,357,067</u>	<u>1,630,669</u>
Total OPEB Liability End of Year	<u>\$ 2,263,572</u>	<u>\$ 2,357,067</u>	<u>\$ 1,630,669</u>	<u>\$ 1,655,670</u>
Covered-Employee Payroll	\$ 12,006,058	\$ 12,590,592	\$ 12,603,981	\$ 12,549,545
Total OPEB Liability as a Percentage of Covered-Employee Payroll	18.85%	18.72%	12.94%	13.19%

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

Changes in Benefit Terms:

There were no significant changes in benefit terms.

Changes in Assumptions:

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

Year ended June 30, 2021	3.15%
Year ended June 30, 2020	3.15%
Year ended June 30, 2019	3.72%
Year ended June 30, 2018	3.72%

See Accompanying Independent Auditor's Report.

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Supplementary Information

CERRO GORDO COUNTY, IOWA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GENERAL FUND

Year Ended June 30, 2021

REVENUES:

Property and Other County Tax:		
Property Tax	\$13,632,323	
Local Option Sales Tax	221,161	
Utility Tax Replacement Excise Tax	726,179	
Other County Tax	35,147	\$14,614,810
Interest and Penalty on Property Tax		234,360
Intergovernmental:		
State Shared Revenues		11,980
State Tax Credits		1,103,859
State and Federal Pass-Thru Revenues:		
Child Support Recovery Incentives	535,635	
Human Services Administration Reimbursement	95,958	
Other	5,001,855	5,633,448
Contributions From Other Intergovernmental Units		693,740
State Grants and Entitlements		460,220
Federal Grants and Entitlements		621
Licenses and Permits		33,615
Charges for Services:		
Office Fees and Collections:		
County Auditor	1,080	
County Recorder	406,850	
County Sheriff	116,263	
Auto License, Use Tax and Postage	487,173	
Miscellaneous	214,000	1,225,366
Use of Money and Property:		
Interest on Investments	130,154	
Miscellaneous	135,997	266,151
Miscellaneous:		
Reimbursements	149,347	
Miscellaneous	407,234	556,581
Total Revenues		24,834,751

(Continued)

CERRO GORDO COUNTY, IOWA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GENERAL FUND Year Ended June 30, 2021

EXPENDITURES:

Operating:		
Public Safety and Legal Services		\$9,159,429
Physical Health and Social Services		524,324
County Environment and Education		1,019,816
Governmental Services to Residents		1,175,752
Administration		3,363,290
Capital Projects		558,203
Total Expenditures		<u>15,800,814</u>
Excess of Revenues Over Expenditures		9,033,937
Other Financing Sources (Uses):		
Sale of Capital Assets	\$7,500	
Transfers Out:		
Public Health	(1,884,587)	
Capital Projects	<u>(1,015,000)</u>	(2,892,087)
Change in Fund Balance		6,141,850
Fund Balance Beginning of Year		<u>12,151,360</u>
Fund Balance End of Year		<u>\$18,293,210</u>

(Concluded)

See Accompanying Independent Auditor's Report.

CERRO GORDO COUNTY, IOWA

SCHEDULE OF EXPENDITURES - GENERAL FUND Year Ended June 30, 2021

Public Safety and Legal Services:

Law Enforcement:

Uniformed Patrol Services	\$1,729,991
Law Enforcement Communications	1,137,264
Adult Correctional Services	3,054,805
Administration	623,153
	<u>6,545,213</u>

Legal Services:

Criminal Prosecution	1,476,693
Medical Examinations	176,875
Child Support Recovery	521,047
	<u>2,174,615</u>

Emergency Services:

Emergency Management	63,103
Fire Protection and Rescue Services	22,050
	<u>85,153</u>

Assistance to District Court System:

Physical Operations	1,872
Research and Other Assistance	250
	<u>2,122</u>

Court Proceeding Program:

Juries and Witnesses	10,382
Detention Services	27,831
Court Costs	499
Service of Civil Papers	269,329
	<u>308,041</u>

Juvenile Justice Administration:

Juvenile Victim Restitution	37,273
Juvenile Representations Services	653
Court-Appointed Attorneys and Court Costs for Juveniles	6,359
	<u>44,285</u>

Total Public Safety and Legal Services

\$9,159,429

(Continued)

CERRO GORDO COUNTY, IOWA

SCHEDULE OF EXPENDITURES - GENERAL FUND

Year Ended June 30, 2021

Physical Health and Social Services:

Services to the Poor:

Administration	\$312,820
General Welfare Services	17,323
	<u>330,143</u>

Services to Military Veterans:

Administration	146,294
General Services to Veterans	8,076
	<u>154,370</u>

Children's and Family Services:

Youth Guidance	<u>29,410</u>
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Chemical Dependency:

Treatment Services	60
Prevention Services	10,341
	<u>10,401</u>

Total Physical Health and Social Services

\$524,324

County Environment and Education:

Conservation and Recreation Services Program:

Administration	\$556,292
Maintenance and Operations	338,269
	<u>894,561</u>

Animal Control Program:

Animal Shelter	<u>5,917</u>
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County Development:

Land Use and Building Controls	<u>106,956</u>
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President or Governor Declared Disasters:

Equipment	6,880
Public Facilities	5,502
	<u>12,382</u>

Total County Environment and Education

\$1,019,816

(Continued)

CERRO GORDO COUNTY, IOWA

SCHEDULE OF EXPENDITURES - GENERAL FUND

Year Ended June 30, 2021

Governmental Services to Residents:

Representation Services:

Elections Administration	\$370,740
Local Elections	182
	<u>370,922</u>

State Administrative Services:

Motor Vehicle Registration and Licensing	403,578
Recording of Public Documents	401,252
	<u>804,830</u>

Total Governmental Services to Residents

\$1,175,752

Administration:

Policy and Administration:

General County Management	\$422,183
Administrative Management Services	578,246
Treasury Management Services	252,427
Other Policy and Administration	68,890
	<u>1,321,746</u>

Central Services:

General Services	592,355
Information Technology Services	1,129,331
GIS Systems	126,236
	<u>1,847,922</u>

Risk Management Services:

Safety of Workplace	177,865
Fidelity of Public Officers	5,092
Unemployment Compensation	10,665
	<u>193,622</u>

Total Administration

\$3,363,290

Capital Projects:

Conservation Land Acquisition and Development	\$479,488
Other Capital Projects	78,715
	<u>558,203</u>

\$558,203

Total Expenditures

\$15,800,814

(Concluded)

See Accompanying Independent Auditor's Report.

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CERRO GORDO COUNTY, IOWA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS June 30, 2021

	Resource Enhancement and Protection	Recorder's Records Management	General County Betterment
ASSETS			
Cash, Cash Equivalents and Pooled Investments	\$70,020	\$55,041	\$37,483
Receivables:			
Accounts	0	2,608	0
Accrued Interest	0	5	0
Special Assessments	0	0	0
Drainage Assessments	0	0	0
Due From Other Governments	0	0	8,150
Total Assets	\$70,020	\$57,654	\$45,633
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$0	\$0	\$0
Salaries and Benefits Payable	0	0	0
Due to Other Funds	0	0	0
Total Liabilities	0	0	0
Deferred Inflows of Resources:			
Unavailable Revenues:			
Other	0	0	0
Total Deferred Inflows of Resources	0	0	0
Fund Balances:			
Nonspendable	0	0	0
Restricted for:			
Drainage Warrants	0	0	0
Nature Center Endowment	0	0	0
Other Purposes	70,020	57,654	45,633
Total Fund Balances	70,020	57,654	45,633
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$70,020	\$57,654	\$45,633

Nature Center	Supplemental Environmental Project	Rural County Betterment	Economic Development	On Site Sewage Program	Sanberg Estate
\$463,499	\$226	\$241,467	\$425,829	\$34,322	\$360,421
13,296	0	0	0	0	93
35	0	0	0	0	115
0	0	0	0	10,513	0
0	0	0	0	0	0
0	0	32,599	26,347	0	0
\$476,830	\$226	\$274,066	\$452,176	\$44,835	\$360,629

\$9,991	\$0	\$0	\$0	\$0	\$26
758	0	0	0	0	0
0	0	0	0	0	0
10,749	0	0	0	0	26

0	0	0	0	10,513	0
0	0	0	0	10,513	0

0	0	0	0	0	0
0	0	0	0	0	0
130,738	0	0	0	0	0
335,343	226	274,066	452,176	34,322	360,603
466,081	226	274,066	452,176	34,322	360,603
\$476,830	\$226	\$274,066	\$452,176	\$44,835	\$360,629

(Continued)

CERRO GORDO COUNTY, IOWA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

June 30, 2021

	Tax Increment Financing	Drainage	Strand Estate Grant
ASSETS			
Cash, Cash Equivalents and Pooled Investments	\$39	\$150,077	\$73,612
Receivables:			
Accounts	0	0	0
Accrued Interest	0	0	0
Special Assessments	0	0	0
Drainage Assessments	0	109,131	0
Due From Other Governments	0	0	0
Total Assets	\$39	\$259,208	\$73,612
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$0	\$67,823	\$0
Salaries and Benefits Payable	0	0	0
Due to Other Funds	0	0	0
Total Liabilities	0	67,823	0
Deferred Inflows of Resources:			
Unavailable Revenues:			
Other	0	109,131	0
Total Deferred Inflows of Resources	0	109,131	0
Fund Balances:			
Nonspendable	0	0	60,000
Restricted for:			
Drainage Warrants	0	82,254	0
Nature Center Endowment	0	0	0
Other Purposes	39	0	13,612
Total Fund Balances	39	82,254	73,612
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$39	\$259,208	\$73,612

See Accompanying Independent Auditor's Report.

Sheriff Forfeiture	Attorney Forfeiture	Attorney Collection	Total
\$132,880	\$73,659	\$106,499	\$2,225,074
0	0	0	15,997
0	0	0	155
0	0	0	10,513
0	0	0	109,131
0	356	3,371	70,823
\$132,880	\$74,015	\$109,870	\$2,431,693

\$42	\$0	\$0	\$77,882
0	0	0	758
0	0	2,581	2,581
42	0	2,581	81,221

0	0	0	119,644
0	0	0	119,644

0	0	0	60,000
0	0	0	82,254
0	0	0	130,738
132,838	74,015	107,289	1,957,836
132,838	74,015	107,289	2,230,828

\$132,880	\$74,015	\$109,870	\$2,431,693
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(Concluded)

CERRO GORDO COUNTY, IOWA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2021

	Resource Enhancement and Protection	Recorder's Records Management	General County Betterment
REVENUES:			
Property and Other County Tax	\$0	\$0	\$0
Local Option Sales Tax	0	0	110,580
Intergovernmental	47,871	0	0
Charges for Service	0	10,438	0
Use of Money and Property	75	103	0
Fines, Forfeitures and Defaults	0	0	0
Miscellaneous	0	0	0
Total Revenues	47,946	10,541	110,580
EXPENDITURES:			
Operating:			
Public Safety and Legal Services	0	0	0
Physical Health and Social Services	0	0	69,294
County Environment and Education	145,062	0	2,500
Government Services to Residents	0	133	0
Administration	0	0	15,000
Non-Program	0	0	0
Debt Service	0	0	0
Total Expenditures	145,062	133	86,794
Excess (Deficiency) of Revenues Over (Under) Expenditures	(97,116)	10,408	23,786
Other Financing Sources			
Sale of Capital Assets	0	0	0
Drainage Warrants Issued	0	0	0
Total Other Financing Sources	0	0	0
Change in Fund Balances	(97,116)	10,408	23,786
Fund Balances Beginning of Year	167,136	47,246	21,847
Fund Balances End of Year	\$70,020	\$57,654	\$45,633

Nature Center	Supplemental Environmental Project	Rural County Betterment	Economic Development	On Site Sewage Program	Sanberg Estate	Tax Increment Financing
\$0	\$0	\$0	\$22,815	\$0	\$0	\$0
0	0	442,321	221,161	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
578	0	0	0	0	473	0
0	0	0	0	0	0	0
52,531	0	0	0	5,065	133	0
53,109	0	442,321	243,976	5,065	606	0
0	0	118,731	0	0	0	0
0	0	12,500	0	0	0	0
67,465	0	108,099	194,800	0	22,762	0
0	0	0	0	0	0	0
0	0	56,967	0	0	0	0
0	0	0	0	0	0	0
0	0	25,384	0	0	0	0
67,465	0	321,681	194,800	0	22,762	0
(14,356)	0	120,640	49,176	5,065	(22,156)	0
0	0	7,398	0	0	0	0
0	0	0	0	0	0	0
0	0	7,398	0	0	0	0
(14,356)	0	128,038	49,176	5,065	(22,156)	0
480,437	226	146,028	403,000	29,257	382,759	39
\$466,081	\$226	\$274,066	\$452,176	\$34,322	\$360,603	\$39

(Continued)

CERRO GORDO COUNTY, IOWA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2021

	Drainage	Strand Estate Grant	Sheriff Forfeiture
REVENUES:			
Property and Other County Tax	\$0	\$0	\$0
Local Option Sales Tax	0	0	0
Intergovernmental	65,500	0	0
Charges for Service	452,749	0	0
Use of Money and Property	183	5,554	0
Fines, Forfeitures and Defaults	0	0	39,470
Miscellaneous	4,652	0	10,700
Total Revenues	523,084	5,554	50,170
EXPENDITURES:			
Operating:			
Public Safety and Legal Services	0	0	18,057
Physical Health and Social Services	0	0	0
County Environment and Education	0	0	0
Government Services to Residents	0	0	0
Administration	0	0	0
Non-Program	845,117	0	0
Debt Service	0	0	0
Total Expenditures	845,117	0	18,057
Excess (Deficiency) of Revenues Over (Under) Expenditures	(322,033)	5,554	32,113
Other Financing Sources			
Sale of Capital Assets	0	0	0
Drainage Warrants Issued	378,364	0	0
Total Other Financing Sources	378,364	0	0
Change in Fund Balances	56,331	5,554	32,113
Fund Balances Beginning of Year	25,923	68,058	100,725
Fund Balances End of Year	\$82,254	\$73,612	\$132,838

See Accompanying Independent Auditor's Report.

Attorney Forfeiture	Attorney Collection	Total
\$0	\$0	\$22,815
0	0	774,062
0	0	113,371
0	0	463,187
0	0	6,966
13,910	0	53,380
0	36,869	109,950
13,910	36,869	1,543,731

440	9,979	147,207
0	0	81,794
0	0	540,688
0	0	133
0	0	71,967
0	0	845,117
0	0	25,384
440	9,979	1,712,290

13,470 26,890 (168,559)

0	0	7,398
0	0	378,364
0	0	385,762

13,470 26,890 217,203

60,545 80,399 2,013,625

\$74,015 \$107,289 \$2,230,828

(Concluded)

CERRO GORDO COUNTY, IOWA

COMBINING SCHEDULE OF NET POSITION - INTERNAL SERVICE FUNDS

June 30, 2021

	Central Services	Health Insurance	Total
ASSETS			
Cash, Cash Equivalents and Pooled Investments	\$931	\$2,375,608	\$2,376,539
Receivables:			
Accounts	938	20	958
Total Assets	\$1,869	\$2,375,628	\$2,377,497
LIABILITIES			
Accounts Payable	\$0	\$425,291	\$425,291
NET POSITION			
Unrestricted	\$1,869	\$1,950,337	\$1,952,206

See Accompanying Independent Auditor's Report.

CERRO GORDO COUNTY, IOWA

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - INTERNAL SERVICE FUNDS Year Ended June 30, 2021

	Central Services	Health Insurance	Total
OPERATING REVENUES:			
Interfund Services Provided	\$188,578	\$2,894,909	\$3,083,487
Employee Payments	0	215,588	215,588
Miscellaneous	0	3,944	3,944
Total Operating Revenues	188,578	3,114,441	3,303,019
OPERATING EXPENSES:			
Health Insurance:			
Medical Claims	0	2,434,031	2,434,031
Insurance Premiums	0	600,252	600,252
Administrative Fees	0	197,584	197,584
Miscellaneous	0	26,756	26,756
Central Services:			
Insurance	188,578	0	188,578
Total Operating Expenses	188,578	3,258,623	3,447,201
Operating Income (Loss)	0	(144,182)	(144,182)
NON-OPERATING REVENUES:			
Interest Income	0	1,180	1,180
Net Income (Loss)	0	(143,002)	(143,002)
Net Position Beginning of Year	1,869	2,093,339	2,095,208
Net Position End of Year	\$1,869	\$1,950,337	\$1,952,206

See Accompanying Independent Auditor's Report.

CERRO GORDO COUNTY, IOWA

COMBINING SCHEDULE OF CASH FLOWS - INTERNAL SERVICE FUNDS Year Ended June 30, 2021

	Central Services	Health Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received From Operating Funds	\$187,640	\$2,894,908	\$3,082,548
Cash Received From Employees and Others	0	416,447	416,447
Cash Payments to Suppliers For Services	(188,578)	(3,320,400)	(3,508,978)
Net Cash Used In Operating Activities	(938)	(9,045)	(9,983)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest Income	0	1,180	1,180
Net Decrease in Cash	(938)	(7,865)	(8,803)
Cash, Cash Equivalents and Pooled Investments - Beginning of Year	1,869	2,383,473	2,385,342
Cash, Cash Equivalents and Pooled Investments - End of Year	\$931	\$2,375,608	\$2,376,539

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES:

Operating Income (Loss)	\$0	(\$144,182)	(\$144,182)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used In Operating Activities:			
(Increase) Decrease in Accounts Receivable	(938)	68,547	67,609
Increase in Accounts Payable	0	66,590	66,590
Net Cash Used In Operating Activities	(\$938)	(\$9,045)	(\$9,983)

See Accompanying Independent Auditor's Report.

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CERRO GORDO COUNTY, IOWA

COMBINING SCHEDULE OF FIDUCIARY NET POSITION ALL CUSTODIAL FUNDS

June 30, 2021

	Elected Officials	Other Custodial Funds	Total
ASSETS			
Cash, Cash Equivalents and Pooled Investments:			
County Treasurer	\$0	\$5,056,183	\$5,056,183
Other County Officials	394,043	0	394,043
Receivables:			
Property Tax:			
Delinquent	0	85,586	85,586
Succeeding Year	0	71,728,562	71,728,562
Accounts	0	33,458	33,458
Assessments	0	689,559	689,559
Due From Other Governments	0	143,844	143,844
Total Assets	\$394,043	\$77,737,192	\$78,131,235
LIABILITIES			
Accounts Payable	\$0	\$146,733	\$146,733
Salaries and Benefits Payable	0	21,829	21,829
Due to Other Governments	3,376	2,225,095	2,228,471
Trusts Payable	390,667	235,914	626,581
Compensated Absences	0	27,680	27,680
Total Liabilities	394,043	2,657,251	3,051,294
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues	0	72,534,814	72,534,814
NET POSITION			
Restricted for Individuals, Organizations and Other Governments	\$0	\$2,545,127	\$2,545,127

See Accompanying Independent Auditor's Report.

CERRO GORDO COUNTY, IOWA

COMBINING SCHEDULE OF FIDUCIARY NET POSITION

ELECTED OFFICIALS

June 30, 2021

	Relief Representative Payee	Veterans Affairs	Recorder	Sheriff	Total
ASSETS					
Cash, Cash Equivalents and Pooled Investments:					
Other County Officials	\$322,311	\$1,006	\$3,376	\$67,350	\$394,043
LIABILITIES					
Due to Other Governments	\$0	\$0	\$3,376	\$0	\$3,376
Trusts Payable	322,311	1,006	0	67,350	390,667
Total Liabilities	\$322,311	\$1,006	\$3,376	\$67,350	\$394,043
NET POSITION					
Restricted for Individuals, Organizations and Other Governments	\$0	\$0	\$0	\$0	\$0

See Accompanying Independent Auditor's Report.

CERRO GORDO COUNTY, IOWA

COMBINING SCHEDULE OF FIDUCIARY NET POSITION OTHER CUSTODIAL FUNDS

June 30, 2021

	Agricultural Extension Education	County Assessor	City Assessor	Schools
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	\$3,418	\$763,294	\$585,689	\$394,035
Receivables:				
Property Tax:				
Delinquent	346	264	1,070	41,872
Succeeding Year	297,465	523,284	541,723	38,348,553
Accounts	0	0	0	0
Assessments	0	0	0	0
Due From Other Governments	0	31	0	0
Total Assets	\$301,229	\$1,286,873	\$1,128,482	\$38,784,460
LIABILITIES				
Accounts Payable	\$0	\$5,688	\$5,096	\$0
Salaries and Benefits Payable	0	10,121	9,186	0
Due to Other Governments	3,431	0	0	395,663
Trusts Payable	0	0	0	0
Compensated Absences	0	15,074	12,606	0
Total Liabilities	3,431	30,883	26,888	395,663
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues	297,798	523,548	542,778	38,388,797
NET POSITION				
Restricted for Individuals, Organizations and Other Governments	\$0	\$732,442	\$558,816	\$0

Community Colleges	Corporations	Townships	City Special Assessments	Auto License and Use Tax	Brucellosis and Tuberculosis Eradication	Joint Disaster Services
\$30,334	\$332,761	\$3,062	\$21,566	\$1,424,215	\$82	\$81,133
3,065	38,702	105	0	0	8	0
2,941,173	28,279,258	352,674	0	0	7,152	0
0	0	0	0	0	0	5,000
0	0	0	650,816	0	0	0
0	0	0	0	0	0	35,583
\$2,974,572	\$28,650,721	\$355,841	\$672,382	\$1,424,215	\$7,242	\$121,716
\$0	\$0	\$0	\$0	\$0	\$0	\$7,018
0	0	0	0	0	0	2,522
30,466	334,225	3,065	21,566	1,424,215	82	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
30,466	334,225	3,065	21,566	1,424,215	82	9,540
2,944,106	28,316,496	352,776	650,816	0	7,160	34,372
\$0	\$0	\$0	\$0	\$0	\$0	\$77,804

(Continued)

CERRO GORDO COUNTY, IOWA

COMBINING SCHEDULE OF FIDUCIARY NET POSITION OTHER CUSTODIAL FUNDS

June 30, 2021

	Clear Lake Sanitary District	County EMS Association	Advance Tax	Cash Long/Short
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	\$10,089	\$3,311	\$212,015	\$512
Receivables:				
Property Tax:				
Delinquent	154	0	0	0
Succeeding Year	437,280	0	0	0
Accounts	0	0	0	0
Assessments	38,743	0	0	0
Due From Other Governments	0	0	0	0
Total Assets	\$486,266	\$3,311	\$212,015	\$512
LIABILITIES				
Accounts Payable	\$0	\$0	\$0	\$0
Salaries and Benefits Payable	0	0	0	0
Due to Other Governments	10,099	0	0	512
Trusts Payable	0	0	212,015	0
Compensated Absences	0	0	0	0
Total Liabilities	10,099	0	212,015	512
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues	476,167	0	0	0
NET POSITION				
Restricted for Individuals, Organizations and Other Governments	\$0	\$3,311	\$0	\$0

See Accompanying Independent Auditor's Report.

E911 Operations	Recorder's Transfer Fee	Pass Through Projects	Empowerment	Employee Benefits	Total
\$1,004,045	\$847	\$0	\$162,004	\$23,771	\$5,056,183
0	0	0	0	0	85,586
0	0	0	0	0	71,728,562
26,925	924	481	0	128	33,458
0	0	0	0	0	689,559
108,230	0	0	0	0	143,844
<u>\$1,139,200</u>	<u>\$1,771</u>	<u>\$481</u>	<u>\$162,004</u>	<u>\$23,899</u>	<u>\$77,737,192</u>
\$5	\$0	\$481	\$128,445	\$0	\$146,733
0	0	0	0	0	21,829
0	1,771	0	0	0	2,225,095
0	0	0	0	23,899	235,914
0	0	0	0	0	27,680
<u>5</u>	<u>1,771</u>	<u>481</u>	<u>128,445</u>	<u>23,899</u>	<u>2,657,251</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>72,534,814</u>
<u>\$1,139,195</u>	<u>\$0</u>	<u>\$0</u>	<u>\$33,559</u>	<u>\$0</u>	<u>\$2,545,127</u>

(Concluded)

CERRO GORDO COUNTY, IOWA

COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION ALL CUSTODIAL FUNDS Year Ended June 30, 2021

	Elected Officials	Other Custodial Funds	Total
Additions:			
Property and Other County Tax	\$0	\$66,523,124	\$66,523,124
911 Surcharge	0	388,905	388,905
State Tax Credits	0	5,553,994	5,553,994
Office Fees and Collections	1,624,959	0	1,624,959
Auto Licenses, Use Tax and Postage	0	15,804,548	15,804,548
Assessments	0	201,042	201,042
Trusts	2,659,346	1,511,864	4,171,210
Miscellaneous	0	238,912	238,912
Total Additions	4,284,305	90,222,389	94,506,694
Deductions:			
Agency Remittances:			
To County Funds	524,193	0	524,193
To Other Governments	710,907	88,354,157	89,065,064
Trusts Paid Out	3,049,205	1,561,865	4,611,070
Total Deductions	4,284,305	89,916,022	94,200,327
Changes in Net Position	0	306,367	306,367
Net Position Beginning of Year	0	2,238,760	2,238,760
Net Position End of Year	\$0	\$2,545,127	\$2,545,127

See Accompanying Independent Auditor's Report.

CERRO GORDO COUNTY, IOWA

COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION ELECTED OFFICIALS Year Ended June 30, 2021

	Relief Representative Payee	Veterans Affairs	Auditor	Recorder	Sheriff	Total
Additions:						
Office Fees and Collections	\$0	\$0	\$1,080	\$1,104,640	\$519,239	\$1,624,959
Trusts	2,336,290	0	0	0	323,056	2,659,346
Total Additions	2,336,290	0	1,080	1,104,640	842,295	4,284,305
Deductions:						
Agency Remittances:						
To County Funds	0	0	1,080	406,850	116,263	524,193
To Other Governments	0	0	0	697,790	13,117	710,907
Trusts Paid Out	2,336,290	0	0	0	712,915	3,049,205
Total Deductions	2,336,290	0	1,080	1,104,640	842,295	4,284,305
Changes in Net Position	0	0	0	0	0	0
Net Position Beginning of Year	0	0	0	0	0	0
Net Position End of Year	\$0	\$0	\$0	\$0	\$0	\$0

See Accompanying Independent Auditor's Report.

CERRO GORDO COUNTY, IOWA

COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION OTHER CUSTODIAL FUNDS Year Ended June 30, 2021

	Agricultural Extension Education	County Assessor	City Assessor	Schools
Additions:				
Property and Other County Tax	\$306,486	\$568,162	\$514,985	\$34,009,773
911 Surcharge	0	0	0	0
State Tax Credits	23,554	32,134	54,407	2,707,525
Auto Licenses, Use Tax and Postage	0	0	0	0
Assessments	0	0	0	0
Trusts	0	0	0	0
Miscellaneous	0	776	0	0
Total Additions	330,040	601,072	569,392	36,717,298
Deductions:				
Agency Remittances:				
To Other Governments	330,040	545,152	449,000	36,717,298
Trusts Paid Out	0	0	0	0
Total Deductions	330,040	545,152	449,000	36,717,298
Changes in Net Position	0	55,920	120,392	0
Net Position Beginning of Year	0	676,522	438,424	0
Net Position End of Year	\$0	\$732,442	\$558,816	\$0

Community Colleges	Corporations	Townships	City Special Assessments	Auto License and Use Tax	Brucellosis and Tuberculosis Eradication	Joint Disaster Services
\$2,739,412	\$27,591,235	\$358,921	\$0	\$0	\$7,342	\$0
0	0	0	0	0	0	0
210,031	2,486,045	17,240	0	0	564	0
0	0	0	0	15,804,548	0	0
0	14,777	0	140,966	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	145,190
<u>2,949,443</u>	<u>30,092,057</u>	<u>376,161</u>	<u>140,966</u>	<u>15,804,548</u>	<u>7,906</u>	<u>145,190</u>
2,949,443	30,092,057	376,161	140,966	15,804,548	7,906	156,487
0	0	0	0	0	0	0
<u>2,949,443</u>	<u>30,092,057</u>	<u>376,161</u>	<u>140,966</u>	<u>15,804,548</u>	<u>7,906</u>	<u>156,487</u>
0	0	0	0	0	0	(11,297)
0	0	0	0	0	0	89,101
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$77,804</u>

(Continued)

CERRO GORDO COUNTY, IOWA

COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION OTHER CUSTODIAL FUNDS Year Ended June 30, 2021

	Clear Lake Sanitary District	County EMS Association	Advance Tax	Cash Long/Short
Additions:				
Property and Other County Tax	\$426,808	\$0	\$0	\$0
911 Surcharge	0	0	0	0
State Tax Credits	22,494	0	0	0
Auto Licenses, Use Tax and Postage	0	0	0	0
Assessments	45,299	0	0	0
Trusts	0	0	90,740	0
Miscellaneous	0	0	0	0
Total Additions	494,601	0	90,740	0
Deductions:				
Agency Remittances:				
To Other Governments	494,601	0	0	0
Trusts Paid Out	0	0	90,740	0
Total Deductions	494,601	0	90,740	0
Changes in Net Position	0	0	0	0
Net Position Beginning of Year	0	3,311	0	0
Net Position End of Year	\$0	\$3,311	\$0	\$0

See Accompanying Independent Auditor's Report.

Tax Sale Redemption	E911 Operations	Recorder's Transfer Fee	Pass Through Projects	Empowerment	Employee Benefits	Total
\$0	\$0	\$0	\$0	\$0	\$0	\$66,523,124
0	388,905	0	0	0	0	388,905
0	0	0	0	0	0	5,553,994
0	0	0	0	0	0	15,804,548
0	0	0	0	0	0	201,042
604,360	0	0	3,540	526,364	286,860	1,511,864
0	82,508	10,438	0	0	0	238,912
604,360	471,413	10,438	3,540	526,364	286,860	90,222,389
0	280,060	10,438	0	0	0	88,354,157
604,360	0	0	3,540	576,365	286,860	1,561,865
604,360	280,060	10,438	3,540	576,365	286,860	89,916,022
0	191,353	0	0	(50,001)	0	306,367
0	947,842	0	0	83,560	0	2,238,760
\$0	\$1,139,195	\$0	\$0	\$33,559	\$0	\$2,545,127

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CERRO GORDO COUNTY, IOWA

SCHEDULE OF CAPITAL ASSETS BY FUNDING SOURCE

Year Ended June 30, 2021

	Balance July 1, 2020	Additions	Disposals	Balance June 30, 2021
ASSETS				
Land	\$1,788,492	\$169,262	\$6,500	\$1,951,254
Construction in Progress	2,427,822	6,399,641	2,921,182	5,906,281
Buildings	17,702,361	0	360,988	17,341,373
Improvements other than Buildings	649,317	774,926	0	1,424,243
Machinery and Equipment	7,984,884	346,210	311,170	8,019,924
Vehicles	5,332,609	582,982	198,413	5,717,178
Infrastructure, road network	65,416,821	2,690,095	0	68,106,916
	<u>\$101,302,306</u>	<u>\$10,963,116</u>	<u>\$3,798,253</u>	<u>\$108,467,169</u>
FUNDING SOURCE				
General Fund	\$7,626,370	\$1,032,612	\$204,147	\$8,454,835
Special Revenue Funds	78,731,708	7,275,364	3,391,299	82,615,773
Capital Project Fund	14,944,228	2,655,140	202,807	17,396,561
	<u>\$101,302,306</u>	<u>\$10,963,116</u>	<u>\$3,798,253</u>	<u>\$108,467,169</u>

CERRO GORDO COUNTY, IOWA

SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY AS OF JUNE 30, 2021

	Land	Construction in Progress	Buildings
Public Safety and Legal Services			
Law Enforcement	\$0	\$0	\$13,273,609
Legal Services	0	0	90,020
Total Public Safety and Legal Services	0	0	13,363,629
Physical Health and Social Services:			
Physical Health Services	0	0	0
Services to Poor	0	0	0
Total Physical Health and Social Services	0	0	0
Mental Health, MR & DD:			
Chronic Mental Illness	0	0	0
Total Mental Health, MR & DD	0	0	0
County Environment and Education:			
Conservation and Recreation Services	376,401	1,602,504	880,955
County Development	0	0	0
Total County Environment and Education	376,401	1,602,504	880,955
Roads & Transportation:			
Secondary Roads Administration and Engineering	0	3,550,381	0
Roadway Maintenance	0	753,396	0
General Roadway Expenditures	0	0	230,932
Total Roads & Transportation	0	4,303,777	230,932
Government Services to Residents:			
Representation Services	0	0	0
State Administration Services	0	0	0
Total Government Services to Residents	0	0	0
Administration:			
Policy and Administration		0	417,192
Central Services	1,574,853	0	2,448,665
Total Administration	1,574,853	0	2,865,857
Total Capital Assets	\$1,951,254	\$5,906,281	\$17,341,373

Improvements other than Buildings	Machinery and Equipment	Vehicles	Infrastructure, road network	Total
\$35,379	\$525,597	\$1,068,701	\$0	\$14,903,286
0	10,925	0	0	100,945
35,379	536,522	1,068,701	0	15,004,231
462,277	129,223	0	0	591,500
0	7,996	0	0	7,996
462,277	137,219	0	0	599,496
0	0	0	0	0
0	0	0	0	0
278,578	434,365	278,545	0	3,851,348
0	0	10,641	0	10,641
278,578	434,365	289,186	0	3,861,989
31,151	75,188	0	0	3,656,720
0	132,495	178,236	68,106,916	69,171,043
0	5,810,404	4,176,055	0	10,217,391
31,151	6,018,087	4,354,291	68,106,916	83,045,154
0	255,013	0	0	255,013
0	31,009	0	0	31,009
0	286,022	0	0	286,022
616,858	47,428	0	0	464,620
616,858	560,281	5,000	0	5,205,657
616,858	607,709	5,000	0	5,670,277
\$1,424,243	\$8,019,924	\$5,717,178	\$68,106,916	\$108,467,169

CERRO GORDO COUNTY, IOWA

SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION AND ACTIVITY Year Ended June 30, 2021

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Public Safety and Legal Services				
Law Enforcement	\$14,880,208	\$191,248	\$168,170	\$14,903,286
Legal Services	100,945	0	0	100,945
Total Public Safety and Legal Services	14,981,153	191,248	168,170	15,004,231
Physical Health and Social Services:				
Physical Health Services	314,144	458,052	180,696	591,500
Services to Poor	7,996	0	0	7,996
Total Physical Health and Social Services	322,140	458,052	180,696	599,496
Mental Health, MR & DD:				
Persons with Chronic Mental Illness	13,037	0	13,037	0
Total Mental Health, MR & DD	13,037	0	13,037	0
County Environment and Education:				
Conservation and Recreation Services	3,113,575	762,688	24,915	3,851,348
County Development	10,641	0	0	10,641
Total County Environment and Education	3,124,216	762,688	24,915	3,861,989
Roads & Transportation:				
Secondary Roads Administration & Engineering	1,405,498	2,576,482	325,260	3,656,720
Roadway Maintenance	65,862,068	6,007,319	2,698,344	69,171,043
General Roadway Expenditures	9,697,691	555,428	35,728	10,217,391
Total Roads & Transportation	76,965,257	9,139,229	3,059,332	83,045,154
Government Services to Residents:				
Representation Services	255,013	0	0	255,013
State Administration Services	31,009	0	0	31,009
Total Government Services to Residents	286,022	0	0	286,022
Administration:				
Policy and Administration	470,799	5,775	11,954	464,620
Central Services	5,139,682	406,124	340,149	5,205,657
Total Administration	5,610,481	411,899	352,103	5,670,277
Total Capital Assets	\$101,302,306	\$10,963,116	\$3,798,253	\$108,467,169

STATISTICAL SECTION

CERRO GORDO COUNTY, IOWA

STATISTICAL SECTION

June 30, 2021

This part of Cerro Gordo County's comprehensive annual 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>Pages</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.	102-111
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	112-121
Debt Capacity These schedules present information to help the readers assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	122-126
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.	127-128
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.	129-134

CERRO GORDO COUNTY, IOWA

NET POSITION BY COMPONENT

Last Ten Fiscal Years

(Accrual basis of accounting)

(Unaudited)

	Fiscal Year			
	2012	2013	2014	2015
Government activities:				
Net investment in capital assets	\$31,446,880	\$33,106,986	\$34,748,299	\$34,084,193
Restricted	5,912,520	5,221,592	6,340,085	6,172,763
Unrestricted	4,179,261	4,531,042	3,918,057	(1,915,362)
Total government activities net position	\$41,538,661	\$42,859,620	\$45,006,441	\$38,341,594
Business-type activities:				
Net investment in capital assets	\$1,264,433	\$1,189,440	\$1,116,146	\$1,042,761
Restricted	0	0	0	0
Unrestricted	100,842	113,468	116,805	122,953
Total business-type activities net position	\$1,365,275	\$1,302,908	\$1,232,951	\$1,165,714
Primary Government:				
Net investment in capital assets	\$32,711,313	\$34,296,426	\$35,864,445	\$35,126,954
Restricted	5,912,520	5,221,592	6,340,085	6,172,763
Unrestricted	4,280,103	4,644,510	4,034,862	(1,792,409)
Total primary government net position	\$42,903,936	\$44,162,528	\$46,239,392	\$39,507,308

Source: County Records

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$33,383,175	\$39,672,513	\$38,584,802	\$39,970,386	\$43,421,461	\$48,390,765
8,472,965	6,883,575	9,028,748	8,770,585	11,347,948	17,911,949
(680,073)	(377,892)	1,044,606	2,620,241	2,637,561	4,770,841
\$41,176,067	\$46,178,196	\$48,658,156	\$51,361,212	\$57,406,970	\$71,073,555
\$969,910	\$897,621	\$825,916	\$754,823	\$684,368	\$614,581
0	0	0	0	0	0
116,749	118,128	123,765	140,814	97,873	75,588
\$1,086,659	\$1,015,749	\$949,681	\$895,637	\$782,241	\$690,169
\$34,353,085	\$40,570,134	\$39,410,718	\$40,725,209	\$44,105,829	\$49,005,346
8,472,965	6,883,575	9,028,748	8,770,585	11,347,948	17,911,949
(563,324)	(259,764)	1,168,371	2,761,055	2,735,434	4,846,429
\$42,262,726	\$47,193,945	\$49,607,837	\$52,256,849	\$58,189,211	\$71,763,724

CERRO GORDO COUNTY, IOWA

CHANGES IN NET POSITION

Last Ten Fiscal Years

(Accrual basis of accounting)

(Unaudited)

	Fiscal Year			
	2012	2013	2014	2015
Expenses:				
Government activities:				
Public safety and legal services	\$7,841,364	\$8,030,019	\$8,402,604	\$7,916,626
Physical health and social services	4,816,751	4,932,071	5,066,738	4,915,152
Mental health	3,805,315	2,371,135	2,030,635	2,548,983
County environment and education	1,267,463	1,152,679	1,917,261	1,164,838
Roads and transportation	6,906,435	6,732,570	7,167,177	7,098,406
Government services to residents	1,118,476	1,118,470	1,117,636	1,239,392
Administration or general government	2,697,211	2,924,656	2,771,301	3,295,671
Non-program	217,755	204,592	283,087	342,098
Interest on long-term debt	799,924	426,969	415,531	390,401
Total governmental activities expenses	29,470,694	27,893,161	29,171,970	28,911,567
Business-type activities:				
Wastewater collection and treatment	136,701	129,405	134,236	130,172
Total government expenses	\$29,607,395	\$28,022,566	\$29,306,206	\$29,041,739
Program Revenues:				
Government activities:				
Charges for services:				
Public safety and legal services	\$949,400	\$1,035,154	\$1,011,057	\$1,105,818
Physical health and social services	375,956	363,339	430,535	413,983
Mental health	0	26	0	102,868
County environment and education	86,241	80,471	195,454	156,790
Roads and Transportation	19,285	61,890	30,591	36,305
Government services to residents	728,588	714,053	827,250	727,195
Administration or general government	208,308	181,257	375,668	78,154
Non-program	204,314	173,985	233,391	229,409
Operating grants and contributions	5,735,343	5,855,315	6,290,644	6,299,549
Capital grants and contributions revenues	937,276	1,651,919	2,152,813	198,500
	9,244,711	10,117,409	11,547,403	9,348,571
Business-type activities:				
Charges for services:				
Wastewater collection and treatment revenues	66,716	66,979	64,219	62,871
	66,716	66,979	64,219	62,871
Total government program revenues	\$9,311,427	\$10,184,388	\$11,611,622	\$9,411,442

Source: County Records

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$8,291,562	\$8,702,477	\$9,857,325	\$9,402,303	\$9,557,895	\$9,550,463
5,052,470	4,825,144	5,815,911	6,167,226	5,732,768	5,911,404
1,842,523	2,702,145	2,358,002	2,093,141	1,772,057	1,312,396
1,245,636	1,388,699	1,311,611	1,595,470	1,285,548	1,546,591
7,836,177	7,943,799	8,620,455	9,322,331	9,370,525	8,645,838
1,206,907	1,197,544	1,269,761	1,208,267	1,224,201	1,220,550
3,053,373	3,423,941	3,527,669	3,185,789	3,306,628	3,348,710
280,242	501,760	475,269	868,777	770,611	601,957
216,513	196,721	176,485	160,186	143,588	155,499
29,025,403	30,882,230	33,412,488	34,003,490	33,163,821	32,293,408
163,218	134,762	127,986	115,791	172,684	155,305
\$29,188,621	\$31,016,992	\$33,540,474	\$34,119,281	\$33,336,505	\$32,448,713
\$1,054,368	\$1,043,633	\$1,214,194	\$1,056,636	\$1,026,663	\$972,241
479,945	508,409	505,791	521,501	361,865	452,042
228,722	892,871	601,682	572,004	281,874	31,374
100,589	91,241	96,795	114,392	159,628	144,636
68,131	52,193	80,695	345,133	84,365	154,328
834,257	829,853	836,829	749,279	870,155	902,707
152,164	157,447	161,024	126,821	100,510	106,180
754,916	461,111	802,862	616,478	671,418	702,088
6,310,156	6,657,110	7,058,689	7,521,265	7,926,145	13,289,508
572,773	3,799,988	817,787	1,370,729	2,926,407	3,710,741
10,556,021	14,493,856	12,176,348	12,994,238	14,409,030	20,465,845
84,097	63,790	61,803	61,290	59,169	63,185
84,097	63,790	61,803	61,290	59,169	63,185
\$10,640,118	\$14,557,646	\$12,238,151	\$13,055,528	\$14,468,199	\$20,529,030

(Continued)

CERRO GORDO COUNTY, IOWA

CHANGES IN NET POSITION (Continued)

Last Ten Fiscal Years

(Accrual basis of accounting)

(Unaudited)

	Fiscal Year			
	2012	2013	2014	2015
Net (Expense)/Revenue:				
Governmental activities	(\$20,225,983)	(\$17,775,752)	(\$17,624,567)	(\$19,562,996)
Business-type activities	(69,985)	(62,426)	(70,017)	(67,301)
Total government net expense	(\$20,295,968)	(\$17,838,178)	(\$17,694,584)	(\$19,630,297)
General Revenues and Other Changes in Net Position:				
Governmental activities:				
Property and other county tax levied for:				
General purposes	\$14,012,037	\$14,527,567	\$15,474,761	\$15,286,100
Debt service	936,277	936,215	932,567	951,463
Penalty and interest on property tax	163,122	153,414	152,169	158,706
State tax credits, unrestricted	420,545	466,927	565,129	887,296
Local option sales and service tax	1,682,466	1,584,772	1,505,343	1,748,080
Tax Increment Financing	0	0	8,912	2,960
Grants & contribution not restricted to specific purpose	0	0	0	0
Unrestricted investment earnings	88,847	48,577	42,439	46,530
Gain/(Loss) on Disposal of Capital Assets	(34,141)	(13,888)	(10,724)	(14,457)
Miscellaneous	952,897	1,393,127	1,100,792	2,296,860
Total governmental activities	18,222,050	19,096,711	19,771,388	21,363,538
Business-type activities:				
Unrestricted Investment Earnings	58	59	60	64
Total business-type activities	\$58	\$59	\$60	\$64
Total government	\$18,222,108	\$19,096,770	\$19,771,448	\$21,363,602
Change in Net Position:				
Governmental activities	(\$2,003,933)	\$1,320,959	\$2,146,821	\$1,800,542
Business-type activities	(69,927)	(62,367)	(69,957)	(67,237)
Total government program revenues	(\$2,073,860)	\$1,258,592	\$2,076,864	\$1,733,305

Source: County Records

Fiscal Year					
2016	2017	2018	2019	2020	2021
(\$18,469,382)	(\$16,388,374)	(\$21,236,140)	(\$21,009,252)	(\$18,754,791)	(\$11,827,563)
(79,121)	(70,972)	(66,183)	(54,501)	(113,515)	(92,120)
(\$18,548,503)	(\$16,459,346)	(\$21,302,323)	(\$21,063,753)	(\$18,868,306)	(\$11,919,683)

\$15,156,934	\$15,581,470	\$16,821,409	\$17,610,730	\$18,563,400	\$18,612,655
1,319,663	1,297,542	883,310	922,752	889,755	900,708
148,127	145,759	152,884	191,486	78,950	234,360
1,264,653	1,322,146	1,353,157	1,374,283	1,406,270	1,406,628
1,803,331	1,732,131	1,656,500	1,698,530	1,882,685	2,211,608
58,781	70,511	46,163	17,286	0	0
0	0	0	0	0	0
70,713	124,604	341,324	554,745	429,531	137,869
(48,337)	(27,607)	10,952	(11,675)	289,311	386,706
1,529,990	1,143,947	1,278,379	1,354,171	1,260,647	1,603,614
21,303,855	21,390,503	22,544,078	23,712,308	24,800,549	25,494,148

66	62	115	457	119	48
\$66	\$62	\$115	\$457	\$119	\$48
\$21,303,921	\$21,390,565	\$22,544,193	\$23,712,765	\$24,800,668	\$25,494,196

\$2,834,473	\$5,002,129	\$1,307,938	\$2,703,056	\$6,045,758	\$13,666,585
(79,055)	(70,910)	(66,068)	(54,044)	(113,396)	(92,072)
\$2,755,418	\$4,931,219	\$1,241,870	\$2,649,012	\$5,932,362	\$13,574,513

(Concluded)

CERRO GORDO COUNTY, IOWA

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(Modified accrual accounting)

(Unaudited)

	Fiscal Year			
	2012	2013	2014	2015
General Fund				
Nonspendable	\$0	\$0	\$0	\$0
Restricted	162,622	48,546	185,143	250,958
Committed	0	0	0	0
Assigned	1,208,277	1,267,562	1,086,036	1,102,657
Unassigned	4,976,088	5,295,536	6,143,872	6,473,260
Total General Fund	\$6,346,987	\$6,611,644	\$7,415,051	\$7,826,875
All Other Governmental Funds				
Nonspendable	\$1,273,866	\$1,097,904	\$888,073	\$1,241,840
Restricted	4,168,577	4,407,104	4,691,776	5,500,449
Committed	0	0	0	0
Assigned	704,823	774,065	954,307	1,103,221
Unassigned	0	0	0	0
Total all other governmental funds	\$6,147,266	\$6,279,073	\$6,534,156	\$7,845,510
Total Fund Balance All Governmental Funds	\$12,494,253	\$12,890,717	\$13,949,207	\$15,672,385

Source: County Records

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$0	\$0	\$0	\$0	\$0	\$0
525,160	589,757	1,433,742	1,354,407	1,567,730	5,780,200
0	0	0	0	0	0
1,162,680	1,178,685	1,148,367	1,118,942	257,009	327,756
6,322,435	6,093,603	6,821,174	8,871,992	10,326,621	12,185,254
<u>\$8,010,275</u>	<u>\$7,862,045</u>	<u>\$9,403,283</u>	<u>\$11,345,341</u>	<u>\$12,151,360</u>	<u>\$18,293,210</u>
\$1,262,595	\$834,101	\$1,241,424	\$920,044	\$1,256,298	\$1,291,704
7,516,391	6,370,019	7,205,593	7,093,577	8,958,683	11,123,759
0	0	0	0	0	0
1,286,680	1,207,808	1,225,917	975,944	962,554	948,017
0	0	0	0	0	0
<u>\$10,065,666</u>	<u>\$8,411,928</u>	<u>\$9,672,934</u>	<u>\$8,989,565</u>	<u>\$11,177,535</u>	<u>\$13,363,480</u>
<u>\$18,075,941</u>	<u>\$16,273,973</u>	<u>\$19,076,217</u>	<u>\$20,334,906</u>	<u>\$23,328,895</u>	<u>\$31,656,690</u>

CERRO GORDO COUNTY, IOWA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(Modified accrual accounting)

(Unaudited)

	Fiscal Year			
	2012	2013	2014	2015
Revenues:				
Property and Other County Tax	\$16,630,974	\$17,057,026	\$17,918,503	\$17,987,366
Interest and Penalty on Property Tax	163,122	153,414	152,169	158,706
Intergovernmental	7,295,931	7,144,890	7,961,602	8,278,038
Licenses and Permits	125,044	120,712	220,980	154,958
Charges for Services	1,332,932	1,304,748	1,422,442	1,402,231
Use of Money and Property	283,542	250,226	495,212	188,814
Miscellaneous	948,232	1,313,451	1,061,874	2,364,995
Total Revenues	26,779,777	27,344,467	29,232,782	30,535,108
Expenditures:				
Public Safety and Legal Services	7,500,849	7,577,137	7,962,487	8,184,564
Physical Health and Social Services	4,639,871	4,845,164	4,914,277	5,110,132
Mental Health	3,793,476	2,361,533	2,018,171	2,561,090
County Environment and Education	1,233,631	1,106,735	1,851,989	1,275,293
Roads and Transportation	5,066,973	4,417,491	5,500,566	5,618,674
Government Services to Residents	1,052,040	1,048,894	1,077,312	1,461,109
Administrative Services	2,485,101	2,580,211	2,659,540	2,995,191
Non-Program	84,682	27,405	95,989	189,518
Debt Service				
Principal	9,607,704	564,368	575,238	622,246
	804,707	427,889	416,469	404,889
Capital Projects	1,769,644	1,850,331	978,252	1,762,502
Total Expenditures	38,038,678	26,807,158	28,050,290	30,185,208
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,258,901)	537,309	1,182,492	349,900
Other Financing Sources (Uses):				
Sale of Capital Ssets	12,000	24,266	29,016	24,321
Transfers In	3,241,067	3,352,612	3,354,612	3,467,670
Transfers Out	(3,241,067)	(3,352,612)	(3,354,612)	(3,467,670)
Issuance of Drainage Warrants	31,737	10,851	56,813	145,190
Issuance of General Obligation Refunding Capital Loan Notes	0	0	0	0
Refunding of General Obligation Capital loan Notes	0	0	0	0
Issuance of General Obligation Capital Loan Notes	0	0	0	850,000
Issuance of Crossover Refunding Capital Loan Notes	9,365,000	0	0	0
Issuance of Installment Purchase Contracts	0	0	0	0
Total Other Financing Sources (Uses)	9,408,737	35,117	85,829	1,019,511
Change in Fund Balances	(\$1,850,164)	\$572,426	\$1,268,321	\$1,369,411
Debt service as % of noncapital expenditures	29.22%	4.05%	3.81%	3.71%

Source: County Records

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$18,334,856	\$18,674,759	\$19,394,724	\$20,301,539	\$21,274,274	\$21,866,442
148,127	145,759	152,884	191,486	78,950	234,360
8,703,780	9,802,673	10,360,262	10,817,246	11,063,532	15,843,728
133,989	167,887	165,698	156,893	205,346	190,770
1,710,171	1,645,611	2,124,942	1,800,316	1,518,801	2,002,914
273,850	300,827	537,827	716,632	536,874	273,337
1,352,813	1,164,216	1,251,205	1,175,915	1,579,061	1,595,853
30,657,586	31,901,732	33,987,542	35,160,027	36,256,838	42,007,404
8,389,453	8,712,033	8,972,657	9,100,310	9,355,355	9,311,862
5,098,205	5,005,487	5,637,490	6,118,575	5,976,903	6,158,188
1,848,842	2,744,081	2,329,891	2,088,247	1,790,623	1,311,521
1,249,483	1,360,421	1,434,640	1,593,856	1,999,047	1,730,477
5,837,654	5,665,460	6,401,635	7,851,936	7,288,100	6,339,299
1,203,391	1,220,779	1,239,005	1,147,836	1,200,493	1,177,559
3,048,671	3,379,361	3,336,359	3,069,854	3,229,795	3,452,885
293,382	364,685	360,759	858,987	705,149	845,117
1,216,500	1,231,500	822,000	837,000	852,500	868,000
219,199	198,423	177,842	161,567	144,994	164,112
19,424	3,632,991	1,200,730	1,875,561	2,045,065	3,193,683
28,424,204	33,515,221	31,913,008	34,703,729	34,588,024	34,552,703
2,233,382	(1,613,489)	2,074,534	456,298	1,668,814	7,454,701
48,994	21,800	47,141	23,200	506,471	406,324
3,666,959	4,513,322	4,145,424	4,459,730	6,189,177	5,499,587
(3,666,959)	(4,513,322)	(4,145,424)	(4,459,730)	(6,189,177)	(5,499,587)
100,425	218,215	273,246	171,971	482,450	378,364
0	0	0	0	0	4,573,000
0	0	0	0	0	(4,520,000)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	928,600	0	0
149,419	240,015	320,387	1,123,771	988,921	837,688
\$2,382,801	(\$1,373,474)	\$2,394,921	\$1,580,069	\$2,657,735	\$8,292,389
5.17%	4.95%	3.32%	3.20%	3.22%	3.46%

CERRO GORDO COUNTY, IOWA

PROGRAM REVENUES BY FUNCTION/PROGRAM

Last Ten Fiscal Years

(Accrual basis of accounting)

(Unaudited)

	Fiscal Year			
	2012	2013	2014	2015
Government Activities:				
Public Safety and Legal Services	\$1,548,358	\$1,626,138	\$1,591,878	\$1,659,477
Physical Health and Social Services	2,394,545	2,490,087	2,938,155	2,702,555
Mental Health	0	26	0	102,868
County Environment and Education	137,477	98,434	219,358	231,295
Roads and Transportation	3,840,156	4,792,027	5,314,851	3,617,560
Government Services to Residents	728,731	714,103	827,302	727,253
Administrative Services	391,130	222,609	422,468	78,154
Non-Program	204,314	173,985	233,391	229,409
Total Governmental Activities Program Revenues	9,244,711	10,117,409	11,547,403	9,348,571
Business-Type Activities:				
Wastewater Collection and Treatment	66,716	66,979	64,219	62,871
Total Business-Type Activities Program Revenues	66,716	66,979	64,219	62,871
Total Government Program Revenues	\$9,311,427	\$10,184,388	\$11,611,622	\$9,411,442

Source: County Records

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$1,609,729	\$1,598,134	\$1,802,257	\$1,648,404	\$1,622,833	\$2,023,503
2,164,079	2,252,275	2,922,674	3,019,274	2,877,870	3,283,298
228,722	892,871	601,682	572,004	281,874	31,374
171,028	131,497	515,630	219,770	453,114	691,516
4,641,083	8,170,537	4,532,917	6,041,455	7,529,682	8,336,257
834,300	829,984	837,302	750,032	870,608	954,257
152,164	157,447	161,024	126,821	101,631	4,443,552
754,916	461,111	802,862	616,478	671,418	702,088
<u>10,556,021</u>	<u>14,493,856</u>	<u>12,176,348</u>	<u>12,994,238</u>	<u>14,409,030</u>	<u>20,465,845</u>
84,097	63,790	61,803	61,290	59,169	63,185
84,097	63,790	61,803	61,290	59,169	63,185
<u>\$10,640,118</u>	<u>\$14,557,646</u>	<u>\$12,238,151</u>	<u>\$13,055,528</u>	<u>\$14,468,199</u>	<u>\$20,529,030</u>

CERRO GORDO COUNTY, IOWA

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY (1)

Last Ten Fiscal Years

(Unaudited)

Assessed Value and Actual Value of Taxable Property					
Fiscal Year Ended June 30	Residential Property	Commercial Property	Industrial Property	Agricultural Property	(3) Multi- Residential Property
2012	\$ 2,232,467,433	\$ 467,738,844	\$117,498,875	\$430,812,881	
2013	2,258,003,711	487,676,744	102,684,643	532,611,206	
2014	2,314,550,636	500,947,523	110,270,222	532,853,133	
2015	2,319,642,432	498,090,582	99,822,358	732,431,140	
2016	2,374,484,803	499,855,563	101,958,618	735,514,820	
2017	2,424,164,466	475,769,880	105,905,615	680,530,712	51,406,587
2018	2,450,688,240	539,441,999	133,133,193	680,442,561	57,083,686
2019	2,564,821,074	611,059,396	111,940,379	615,998,178	59,480,791
2020	2,693,844,145	609,295,398	131,240,258	616,933,321	66,620,986
2021	2,844,174,795	592,378,954	137,219,856	442,044,675	76,352,596

Taxable Value of Property					
Fiscal Year Ended June 30	Residential Property	Commercial Property	Industrial Property	Agricultural Property	(3) Multi- Residential Property
2012	\$1,059,415,029	\$467,738,844	\$117,498,875	\$296,510,611	
2013	1,122,798,241	487,676,744	102,684,643	305,127,041	
2014	1,216,008,264	500,947,523	110,270,222	317,879,766	
2015	1,238,055,392	470,580,246	93,054,272	315,174,766	
2016	1,299,592,831	444,409,241	88,152,884	327,847,665	
2017	1,329,468,034	424,543,682	92,976,910	313,720,303	\$41,742,683
2018	1,367,806,683	482,106,807	119,678,443	322,888,292	43,619,871
2019	1,413,967,540	545,976,879	98,196,248	335,372,613	42,399,444
2020	1,505,420,756	541,516,047	117,443,800	346,273,495	47,169,313
2021	1,542,449,149	521,782,168	122,996,471	360,162,679	51,857,967

Source: Cerro Gordo County Auditor's Office

(1) Net Taxable Value is the value on which real estate taxes are calculated and on which budgets of the various Levy Authorities are based. For property valued by local assessors, total taxable value is the actual value of property multiplied by the statewide rollback rate that is determined annually by the Iowa Department of Management.

(2) Other Property includes utility property, railroad property, and gas and electric utility property, all of which are valued by the Iowa Department of Management. All other property classes are valued by the local assessor.

(3) 2013 Iowa Acts Senate File 295 created a new property classification, multiresidential, for property valuations established on or after January 1, 2015.

(4) Per \$1,000 of value

Assessed Value and Actual Value of Taxable Property

TIF Increment	(2) Other Property	Total Assessed Value	Less: Military Tax-Exempt Property	Net Assessed Value
\$125,306,712	\$729,052,147	\$4,102,876,892	\$6,115,677	\$4,096,761,215
130,243,719	769,636,251	4,280,856,274	5,926,400	4,274,929,874
79,114,218	802,921,546	4,340,657,278	5,786,528	4,334,870,750
144,709,810	854,374,308	4,649,070,630	5,589,246	4,643,481,384
146,155,210	965,594,757	4,823,563,771	5,346,590	4,818,217,181
110,008,629	1,028,589,845	4,876,375,734	5,148,426	4,871,227,308
108,332,110	984,657,464	4,953,779,253	4,948,598	4,948,830,655
103,937,562	1,452,289,981	5,519,527,361	4,742,100	5,514,785,261
140,580,140	1,490,741,396	5,749,255,644	4,542,441	5,744,713,203
171,115,122	1,564,844,169	5,828,130,167	4,373,454	5,823,756,713

Taxable Value of Property

TIF Increment	(2) Other Property	Total Taxable Value	Less: Military Tax-Exempt Property	Net Taxable Value	(4) Total Direct Tax Rate Urban
\$125,306,712	\$158,266,959	\$2,224,737,030	\$6,115,677	\$2,218,621,353	6.04737
130,243,719	156,083,846	2,304,614,234	5,926,400	2,298,687,834	6.23582
79,114,218	172,180,865	2,396,400,858	5,786,528	2,390,614,330	6.23582
144,709,810	170,878,079	2,432,452,565	5,589,246	2,426,863,319	6.24934
146,155,210	167,742,054	2,473,899,885	5,346,590	2,468,553,295	6.24934
110,008,629	200,595,239	2,513,055,480	5,148,426	2,507,907,054	6.23314
108,332,110	208,951,777	2,653,383,983	4,948,598	2,648,435,385	6.19934
103,937,562	202,937,388	2,742,787,674	4,742,100	2,738,045,574	6.19934
140,580,140	230,252,612	2,928,656,163	4,542,441	2,924,113,722	6.13391
171,115,122	239,418,240	3,009,781,796	4,373,454	3,005,408,342	6.04737

CERRO GORDO COUNTY, IOWA

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Fiscal Years

(rate per \$1,000 of assessed value)

(Unaudited)

	Fiscal Year Taxes are Payable			
	2011-2012	2012-2013	2013-2014	2014-2015
County Direct Rates:				
General Basic	3.50000	3.50000	3.50000	3.50000
General Supplemental	1.23408	1.26294	1.43434	1.43434
County MHDS Fund	1.08252	1.05366	0.89872	0.90717
Debt Service	0.43417	0.41922	0.40276	0.40783
Total Urban County Rate	6.25077	6.23582	6.23582	6.24934
Rural Services Basic	3.50739	3.50739	3.50739	3.50739
Total Rural County Rate	9.75816	9.74321	9.74321	9.75673
City and Town Rates:				
Mason City	13.56506	13.55111	13.02255	13.85102
Clear Lake	10.54051	10.54051	10.54051	10.54051
Dougherty	20.60153	20.64068	21.77695	22.84754
Meservey	9.74292	9.81933	9.78939	9.74056
Plymouth	12.11006	12.20913	12.12610	11.98483
Rock Falls	6.50149	6.50154	6.50145	6.50148
Rockwell	8.10000	11.08920	10.94949	10.88225
Swaledale	16.52590	16.58887	16.30666	16.56274
Thornton	13.55458	13.27395	13.57071	13.92504
Ventura	10.31588	11.99924	11.99276	11.39807
Nora Springs	13.65250	13.52895	13.02874	12.41945
Township Rates:				
Bath	0.53818	0.53818	0.53818	0.53818
Clear Lake (2)	0.24488	0.21442	0.20265	0.32721
Clear Lake - Clear Lake Fire (2)				
Clear Lake - Ventura Fire (2)				
Dougherty	0.33910	0.32847	0.31617	0.31617
Falls	0.61663	0.61663	0.61663	0.61663
Geneseo	0.35250	0.35250	0.35250	0.35490
Grant - Clear Lake Schools	0.42718	0.37829	0.38821	0.56082
Grant - Forest City Schools	0.42718	0.45467	0.46532	0.66611
Grant - Ventura Schools	0.42718	0.39710	0.42416	0.62767
Grant - Garner-Hayfield-Ventura Schools				
Gimes	0.81888	0.81888	0.81888	0.81628
Lake	0.11476	0.13259	0.11136	0.11327
Lime Creek	0.40500	0.40500	0.40500	0.40500
Lincoln	0.33077	0.31231	0.29717	0.32293
Mason	0.40500	0.40500	0.40500	0.40500
Mount Vernon	0.45272	0.46750	0.42705	0.48964
Owen	0.63008	0.62431	0.67200	0.67130
Pleasant Valley	0.46551	0.48580	0.52831	0.52811
Portland	0.43226	0.41877	0.40730	0.41188
Union	0.25327	0.26324	0.27000	0.40000

Fiscal Year Taxes are Payable					
2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
3.50000	3.50000	3.50000	3.50000	3.50000	3.50000
1.49075	1.55513	1.78628	1.77291	1.77291	1.78252
0.69761	0.63323	0.56082	0.57419	0.54265	0.45071
0.56098	0.54478	0.35224	0.35224	0.31835	0.31414
6.24934	6.23314	6.19934	6.19934	6.13391	6.04737
3.50739	3.50739	3.50739	3.50739	3.50739	3.45477
9.75673	9.74053	9.70673	9.70673	9.64130	9.50214
13.51799	13.71268	13.70261	13.82774	13.72143	14.38701
10.54051	10.04870	9.80000	9.70000	9.70000	9.70000
24.26206	24.58217	22.97122	15.36624	14.68144	15.26476
9.69966	9.72881	12.97847	9.61393	12.82879	12.48655
12.09539	11.89468	13.56582	14.27330	14.86507	12.59813
6.50153	6.54562	6.50798	6.50802	6.58433	6.57938
10.73172	10.79451	10.60937	10.54977	10.28839	12.73646
15.35735	15.44233	15.32206	17.06742	16.91877	18.10655
13.71065	11.26277	11.20355	10.93464	11.29903	11.65344
10.78005	10.66823	10.52017	10.60528	10.53223	10.64848
12.48296	11.94478	11.52665	12.07226	12.22129	13.98582
0.53818	0.53008	0.53008	0.53008	0.53008	0.50631
0.24501	0.24501	0.24501	0.24501	0.22720	0.22720
0.63750	0.63750	0.63750	0.63750	0.63533	0.63533
0.31617	0.32636	0.32636	0.32636	0.31449	0.31449
0.61663	0.61663	0.61663	0.61663	0.61663	0.61663
0.34546	0.35568	0.35568	0.34678	0.40500	0.40500
0.56627	0.56541	0.53061	0.51537	0.45942	0.44465
0.52668	0.52397	0.50346	0.48312	0.43260	0.42439
0.52598	0.77596	0.76981	0.76383	0.74774	0.74774
0.81628	0.81297	0.79154	0.79154	0.61441	0.59898
0.17683	0.16233	0.18846	0.22790	0.18863	0.17829
0.40500	0.40500	0.40500	0.40500	0.38591	0.40500
0.40392	0.42136	0.42136	0.42136	0.42136	0.47582
0.40500	0.39701	0.40500	0.40407	0.37256	0.35677
0.54213	0.54380	0.29256	0.36820	0.48753	0.47098
0.66892	0.67182	0.66935	0.66755	0.66755	0.66755
0.58311	0.50503	0.59267	0.71770	0.53966	0.51435
0.41034	0.41598	0.40285	0.37079	0.37079	0.35750
0.40000	0.41999	0.42002	0.42001	0.39659	0.41998

CERRO GORDO COUNTY, IOWA

DIRECT AND OVERLAPPING PROPERTY TAX RATES (Continued)

Last Ten Fiscal Years

(rate per \$1,000 of assessed value)

(Unaudited)

	Fiscal Year Taxes are Payable			
	2011-2012	2012-2013	2013-2014	2014-2015
School District Rates:				
Clear Lake	12.92279	12.91652	12.23909	11.48331
Forest City (5)	16.26585	15.74705	13.57052	13.25268
Garner-Hayfield-Ventura (4)				
Mason City	15.11036	13.31719	11.04654	13.19829
Central Springs (4)				
Central Springs - Nora Springs-Rock Falls (1) & (3)	14.11412	12.11061	11.90297	10.73475
Central Springs - North Central (1) & (3)	14.60022	13.58070	13.33098	12.16563
Rudd-Rockford-Marble Rock	13.99784	14.00006	11.99531	11.62550
Ventura (4)	9.91583	8.93613	9.19665	8.88310
West Fork	10.98663	12.01129	11.16849	11.82496
Other Taxing Authority Rates:				
County Assessor	0.42718	0.42584	0.52836	0.54081
City Assessor	0.25035	0.23272	0.64245	0.64240
North Iowa Area Community College	0.66261	0.66163	0.66157	0.64054
Ag. Extension	0.10730	0.11294	0.10859	0.11261
State	0.00320	0.00320	0.00330	0.00330
Clear Lake Sanitary Sewer	1.34516	1.30997	1.27051	1.24120
Falls - Rock Falls Cemetery	0.06750	0.06750	0.06750	0.06750

(1) Beginning in 2012, Nora Springs-Rock Falls School District and North Central School District consolidated. However, each school has its own property tax rate.

(2) In 2016, Clear Lake Township divided its township according to the fire department service area.

(3) There is only one tax rate for the Central Springs School District beginning in 2016.

(4) On 7/1/2015, the Ventura School District and the Garner-Hayfield School District consolidated to form the Garner-Hayfield-Ventura School District.

(5) Beginning 7/1/2019, Forest City Schools combined with Woden-Crystal Lake schools. However, the school name remains Forest City

Source: Cerro Gordo County Auditors Office

Fiscal Year Taxes are Payable					
2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
10.78057	9.58620	10.39338	10.39297	10.39160	10.39507
13.32296	13.40134	13.40094	12.47410	11.52744	11.27635
9.66527	10.01424	10.19281	10.50279	12.19976	12.24122
13.95080	14.13036	14.26365	14.26190	14.41970	14.16613
	11.16423	10.92385	10.89351	10.78321	9.76995
10.45408					
10.45408					
11.65981	11.68003	11.74394	11.94012	11.94077	11.06856
11.24071	10.41784	10.19464	10.43761	11.09339	11.47333
0.56281	0.56281	0.52340	0.42415	0.39488	0.35625
0.63172	0.63172	0.61966	0.40998	0.38530	0.45811
0.71508	0.71508	0.71947	0.79303	0.77721	0.99544
0.11950	0.11950	0.11453	0.11312	0.10868	0.11272
0.00330	0.00330	0.00310	0.00290	0.00280	0.00270
1.22510	1.20067	0.54000	0.54000	0.54000	0.54000
0.06750	0.06750	0.06750	0.06750	0.06750	0.07576

(Concluded)

CERRO GORDO COUNTY, IOWA

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

(Unaudited)

	Fiscal Year 2021			Fiscal Year 2012		
	Total Taxable Value	Rank	Percent of Total Taxable Value	Total Taxable Value	Rank	Percent of Total Taxable Value
Interstate Power & Light Co	\$114,018,975	1	3.79%	\$75,539,399	1	3.40%
Union Pacific	49,992,559	2	1.66%	18,127,730	3	0.81%
Windmill Realty, LLC	20,983,536	3	0.70%			
Golden Grain Energy LLC	18,486,931	4	0.61%	16,970,312	4	0.76%
Lehigh Portland Cement Co	16,567,625	5	0.55%	18,896,673	2	0.85%
Magellan Pipeline Company, LLC	15,920,229	6	0.53%			
ITC Midwest LLC	15,897,473	7	0.53%			
MFF Mortgage Borrower 20, LLC	14,234,454	8	0.47%			
Five Star Cooperative	12,764,913	9	0.42%			
Hawkeye Power Partners LLC	11,313,810	10	0.38%	12,791,561	5	0.57%
Quest Corp.				11,757,524	6	0.53%
Mall Associates LLC				11,439,113	7	0.51%
AADG Inc (Curries Company)				11,197,685	8	0.50%
Wal-Mart Real Estate Business Trust				10,699,915	9	0.48%
Mills Properties Inc				10,681,330	10	0.48%
	<u>\$290,180,505</u>		<u>9.64%</u>	<u>\$198,101,242</u>		<u>8.89%</u>

Source: Cerro Gordo County Auditor's Office

CERRO GORDO COUNTY, IOWA

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

(Unaudited)

Fiscal Year Ended June 30	Property Taxes Levied for the Fiscal Year	Property Taxes Collected Within the Fiscal Year of the Levy		Property Tax Collections in Subsequent Years	Property Taxes Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$67,300,914	\$65,466,374	97.27%	(6,788)	\$65,459,586	97.26%
2013	67,840,071	65,795,178	96.99%	37,696	65,832,874	97.04%
2014	66,904,841	64,623,723	96.59%	37,085	64,660,808	96.65%
2015	70,801,705	67,733,439	95.67%	23,775	67,757,214	95.70%
2016	72,052,658	68,174,393	94.62%	38,469	68,212,862	94.67%
2017	71,881,538	67,545,939	93.97%	7,059	67,552,998	93.98%
2018	75,943,689	71,579,712	94.25%	28,397	71,608,109	94.29%
2019	78,801,117	74,410,837	94.43%	212,799	74,623,636	94.70%
2020	83,920,162	78,580,862	93.64%	1,869	78,582,731	93.64%
2021	86,850,303	82,154,246	94.59%	815,797	82,970,043	95.53%

Total tax collections solely for Cerro Gordo County were:

Fiscal Year Ended June 30	Amount
2012	\$14,678,427
2013	15,239,651
2014	16,178,353
2015	16,340,578
2016	16,974,826
2017	17,212,787
2018	18,143,716
2019	18,807,488
2020	19,466,868
2021	19,724,294

Source: Cerro Gordo County Treasurer's Office

CERRO GORDO COUNTY, IOWA

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Governmental Activities					Business-Type Activities		Percentage of Personal Income (1)	Per Capita (1)
	Capital Loan Notes	Installment Purchase	Capital Lease Purchases	Drainage Warrants	Revenue Bonds	Sewer Revenue Capital Loan Notes	Total Government		
2012	\$10,835,000	\$0	\$10,351	\$14,417	\$361,750	\$547,538	\$11,769,056	0.65%	\$267.86
2013	10,295,000	0	5,984	20,817	341,750	536,642	11,200,193	0.56%	255.78
2014	9,745,000	0	1,246	62,024	321,250	525,252	10,654,772	0.52%	244.52
2015	10,215,000	0	0	197,599	300,250	513,352	11,226,201	0.50%	259.80
2016	9,020,000	0	0	122,010	278,750	500,917	9,921,677	0.41%	230.65
2017	7,810,000	0	0	288,454	257,250	487,921	8,843,625	0.39%	205.33
2018	7,010,000	0	0	480,036	235,250	474,340	8,199,626	0.38%	190.66
2019	6,195,000	378,600	0	355,158	213,250	460,147	7,602,155	0.33%	178.26
2020	5,365,000	0	0	712,515	190,750	445,316	6,713,581	0.29%	158.15
2021	4,573,000	0	0	634,902	167,750	429,818	5,805,470	0.26%	134.61

1. Calculated using population and personal income figures from Demographics and Economic Statistics Table.

Source: Cerro Gordo County Auditor's Office

CERRO GORDO COUNTY, IOWA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	General Bonded Debt Outstanding	Percentage Net Taxable	Per Capita (2)
	Bonds & Capital Loan Notes	Value of Property (1)	
2012	\$10,835,000	0.49%	\$247
2013	10,295,000	0.45%	235
2014	9,745,000	0.41%	224
2015	10,215,000	0.42%	236
2016	9,020,000	0.37%	210
2017	7,810,000	0.31%	181
2018	7,010,000	0.26%	163
2019	6,195,000	0.23%	145
2020	5,365,000	0.18%	126
2021	4,573,000	0.15%	106

1. See Assessed Value and Actual Value of Taxable Property Schedule for property value data.
2. Calculated using population figure from Demographics and Economic Statistics Table.

Source: Cerro Gordo County Auditor's Office

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CERRO GORDO COUNTY, IOWA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of June 30, 2021

(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
County direct debt	\$5,375,652	100.00%	<u>\$5,375,652</u>
City debt:			
Clear Lake	3,404,500	100.00%	3,404,500
Mason City	46,015,000	100.00%	46,015,000
Nora Springs	9,759,000	4.37%	426,655
Plymouth	73,241	100.00%	73,241
Rockwell	1,535,000	100.00%	1,535,000
Swaledale	1,617	100.00%	1,617
Ventura	1,240,000	100.00%	1,240,000
Subtotal, City debt			<u>52,696,013</u>
School Districts:			
Clear Lake	20,547,000	100.00%	20,547,000
Mason City	44,272,764	100.00%	44,272,764
Subtotal, School District debt			<u>64,819,764</u>
Other Districts:			
North Iowa Area Community College	43,940,000	35.14%	15,442,175
Subtotal, Other District debt			<u>15,442,175</u>
Total overlapping debt			<u>132,957,952</u>
Total direct and overlapping debt			<u>\$138,333,604</u>

Source: Cities, schools, and other districts within Cerro Gordo County.

* The overlapping debt percentage is calculated by dividing the amount of valuation of each taxing jurisdiction that is partially or wholly within the County by the total valuation of each taxing jurisdiction.

CERRO GORDO COUNTY, IOWA

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

(Unaudited)

	2012	2013	2014	2015
Debt Limit, 5% of Assessed Value	\$204,838,061	\$213,746,494	\$216,743,538	\$232,174,069
Total net debt applicable to limit	11,427,102	10,642,734	10,067,496	10,515,250
Legal Debt Margin	\$193,410,959	\$203,103,760	\$206,676,042	\$221,658,819
Total net debt applicable to the limit as a percentage of debt limit	5.58%	4.98%	4.64%	4.53%

Source: County records

Legal Debt Margin Calculation for Fiscal Year 2021

Net Assessed Value	5,823,756,713
Debt Limit (5% of assessed value)	291,187,836
Debt applicable to limit:	
General obligation capital loan notes	4,573,000
LOS&ST Revenue Bonds	<u>167,750</u>
Total net debt applicable to limit	<u>4,740,750</u>
Legal debt margin	<u><u>\$286,447,086</u></u>

2016	2017	2018	2019	2020	2021
\$240,910,859	\$243,561,365	\$247,441,533	\$275,739,263	\$287,235,660	\$291,187,836
<u>9,298,750</u>	<u>8,067,250</u>	<u>7,245,250</u>	<u>6,786,850</u>	<u>5,555,750</u>	<u>4,740,750</u>
<u>\$231,612,109</u>	<u>\$235,494,115</u>	<u>\$240,196,283</u>	<u>\$268,952,413</u>	<u>\$281,679,910</u>	<u>\$286,447,086</u>
3.86%	3.31%	2.93%	2.46%	1.93%	1.63%

CERRO GORDO COUNTY, IOWA

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Calendar Years

(Unaudited)

Year	Population (1)	Personal Income (000's) (2)	Per Capita Personal Income (2)	Public School Enrollment (3)	Private School Enrollment (3)	Unemployment Rate (4)
2011	43,938	1,811,347	41,225	5,757	602	6.40%
2012	43,788	1,992,213	45,497	5,832	566	5.70%
2013	43,575	2,052,553	47,104	5,741	588	5.20%
2014	43,211	2,227,485	51,549	5,712	584	4.52%
2015	43,017	2,438,050	56,676	5,694	600	3.76%
2016	43,070	2,284,221	53,035	5,659	584	3.30%
2017	43,006	2,164,780	50,337	5,505	573	3.10%
2018	42,647	2,274,873	53,342	5,429	595	2.70%
2019	42,450	2,303,031	54,253	5,505	661	2.90%
2020	43,127	2,258,523	53,643	5,493	624	7.00%

(1) U.S. Census Bureau.

(2) Bureau of Economic Analysis, U.S. Department of Commerce.

(3) Iowa Department of Education.

(4) Iowa Workforce Development

CERRO GORDO COUNTY, IOWA

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago
(Unaudited)

	2021			2012		
	Employees	Rank	Percent of Total County Employment	Employees	Rank	Percent of Total County Employment
Mercy Medical Center - North Iowa	1,968	1	8.52%	2,650	1	10.56%
Curries ASSA ABLOY	650	2	2.81%	633	2	2.52%
Mason City Community School District	597	3	2.58%	555	5	2.21%
Cargill Kitchen Solutions	285	4	1.23%			
One Vision	284	5	1.23%	610	3	2.43%
City of Mason City	261	6	1.13%	293	9	1.17%
Smithfield Foods	250	7	1.08%			
Cerro Gordo County	231	8	1.00%			
Dean Snyder Construction	230	9	1.00%			
North Iowa Area Community College	220	10	0.95%			
Woodharbor Doors & Cabinetry	220	10	0.95%			
Hy-Vee Food Stores				578	4	2.30%
Principal Financial Group				490	6	1.95%
Wal-Mart Stores				361	7	1.44%
Good Shepherd Health Center				305	8	1.22%
Graham Manufacturing				260	10	1.04%
	<u>5,196</u>		<u>22.49%</u>	<u>6,735</u>		<u>26.84%</u>

Source: Number of Employees provided by North Iowa Corridor Economic Development Corporation.
Total Cerro Gordo County labor force provided by Iowa Workforce Development.

CERRO GORDO COUNTY, IOWA

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

Last Ten Fiscal Years

(Unaudited)

Function/Program	Fiscal Year			
	2012	2013	2014	2015
Public Safety and Legal Services:				
Sheriff	73.00	73.00	73.00	73.00
Attorney	11.00	12.00	12.00	12.50
Child Support Recovery	6.00	6.00	6.00	6.00
Physical Health and Social Services:				
Health Department	50.00	48.00	46.00	47.00
General Relief	1.35	1.35	1.35	1.35
Veteran Affairs	1.65	1.65	1.65	1.65
Mental Health:				
CPC	3.20	3.20	3.20	3.20
Case Management	9.00	9.00	8.00	8.00
County Environment and Education:				
Conservation	7.00	6.50	6.50	6.50
Planning and Zoning:	1.00	1.00	0.60	0.55
Roads and Transportation:				
Engineer	39.00	38.00	39.00	39.00
Roadsides	2.00	3.00	3.00	3.00
Governmental Services to Residents:				
Treasurer, motor vehicles	5.75	5.75	5.75	5.75
Recorder	5.00	5.00	5.00	5.00
Auditor, elections	3.00	3.00	3.08	3.00
Administration:				
Board of Supervisors	3.50	3.50	3.35	3.30
Auditor	6.50	6.50	6.72	6.50
Treasurer, tax	2.25	2.25	2.25	2.25
IT	6.00	7.00	6.00	8.00
GIS				
Courthouse Maintenance	2.50	2.50	2.60	2.55
Safety	0.50	0.50	0.60	0.55
Personnel	0.50	0.50	0.60	0.55
Total	239.70	239.20	236.25	239.20

Source: County Records

Fiscal Year					
2016	2017	2018	2019	2020	2021
71.00	74.00	74.00	74.00	74.00	70.00
13.50	15.50	17.00	18.00	18.00	17.00
6.00	6.00	6.00	6.00	6.00	6.00
48.00	50.00	52.00	50.00	50.00	49.00
1.35	2.35	2.35	2.35	2.35	0.50
1.65	1.65	1.65	1.65	1.65	1.50
3.20	5.30	6.50	6.00	0.00	0.00
8.00	9.00	1.00	1.00	0.00	0.00
6.50	6.50	6.50	7.00	7.00	7.00
1.05	1.30	1.20	1.20	1.20	1.20
39.00	39.00	39.00	39.00	39.00	39.00
3.00	3.00	3.00	3.00	3.00	3.00
6.50	5.75	5.75	5.75	5.75	5.75
5.00	5.00	5.00	5.00	5.00	5.00
3.00	3.00	3.00	2.50	3.00	3.00
3.30	3.30	3.20	3.20	3.20	3.20
7.50	6.50	6.50	6.50	5.50	5.50
2.50	2.25	2.25	2.25	2.25	2.25
7.00	5.00	6.00	6.00	6.00	7.00
	1.00	1.00	1.00	1.00	1.00
2.55	2.55	2.40	2.40	2.40	2.40
0.55	0.55	0.40	0.40	0.40	0.40
1.05	0.80	0.80	0.80	0.80	0.80
241.20	249.30	246.50	245.00	237.50	230.50

CERRO GORDO COUNTY, IOWA

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

(Unaudited)

Function/Program	Fiscal Year			
	2012	2013	2014	2015
Public Safety and Legal Services:				
Sheriff:				
Weapon permits issued	673	679	705	764
Number of Jail bookings	3,130	3,024	3,071	2,942
Civil Papers Served	4,627	4,650	4,236	3,872
Service Calls	7,554	7,316	8,128	7,859
Number of Arrests	2,546	2,073	1,315	1,019
Citations and Warnings issued	2,755	2,482	3,022	2,841
Attorney:				
Number Cases Filed:				
Felony	234	297	345	373
Indictable Misdemeanor	871	919	1,086	831
Juvenile	165	185	216	166
Physical Health and Social Services:				
Health Department:				
Number of Immunizations	4,978	5,463	4,995	6,398
Number of Nursing Clients	378	411	388	397
Number of Nursing Visits	6,376	6,380	6,958	6,886
Number of Home Care Aide Clients	145	141	259	141
Number of Home Care Aide service hours	12,365	10,987	10,939	11,706
Number of Food Inspections	386	971	810	837
County Environment and Education:				
Conservation:				
Number of camper nights	4,173	3,895	3,527	3,509
Conservation programs presented	271	309	377	358
People attending programs	10,487	10,227	11,558	12,844
Planning and Zoning:				
Zoning Permits issued	103	71	88	90
Board of Adjustment cases	37	28	28	34
Roads and Transportation:				
Engineer: Miles maintained	970	970	970	970
Governmental Services to Residents:				
Treasurer: Titles issued	14,812	15,363	16,631	17,261
Recorder: Documents recorded	9,137	9,899	8,325	7,666
Auditor:				
Registered voters	32,449	31,975	32,211	31,265
Absentee ballots requested	1,530	9,865	2,643	7,639

Source: County Records

Fiscal Year					
2016	2017	2018	2019	2020	2021
1,465	1,156	1,160	795	1,061	1,112
2,934	2,979	2,868	2,742	2,341	2,190
3,822	3,877	3,906	3,571	3,029	2,659
8,225	8,552	8,424	9,834	9,756	9,475
1,113	1,197	1,002	868	715	738
2,900	2,947	2,349	1,988	1,544	1,669
334	377	393	367	377	314
936	912	1,062	991	927	739
203	199	200	207	210	172
6,672	5,610	6,134	6,852	5,293	26,175
405	533	312	236	206	212
7,722	6,652	6,075	5,170	4,598	4,623
135	345	245	150	131	115
11,832	11,432	11,373	10,540	8,984	7,715
500	1,051	724	500	441	280
4,384	4,219	4,771	4,170	4,881	5,003
319	294	294	333	223	246
12,444	12,803	10,070	10,605	5,775	4,650
94	131	100	116	141	148
36	43	41	33	36	32
970	970	970	970	970	970
17,488	18,045	17,163	13,259	12,238	15,763
8,120	7,584	7,655	7,585	8,256	10,491
31,690	31,022	31,197	30,738	30,862	31,095
1,141	10,655	2,999	7,548	6,548	14,447

CERRO GORDO COUNTY, IOWA

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

(Unaudited)

Function/Program	Fiscal Year			
	2012	2013	2014	2015
Public Safety and Legal Services:				
Sheriff:				
Number of vehicles	28	29	29	29
Physical Health and Social Services:				
Health Department:				
Number of vehicles	9	9	9	11
County Environment and Education:				
Conservation:				
Number of park areas	31	31	32	34
Total acres managed	3,284	3,284	3,309	3,433
Number of vehicles	15	15	15	14
Roads and Transportation:				
Engineer:				
Number of vehicles	46	46	46	46
Number of buildings	6	6	7	7
Governmental Services to Residents:				
Auditor, elections:				
Number of voting machines	59	62	62	61

Source: Various County Departments.

Note: Several programs do not have capital assets specific to their area and have been eliminated from this schedule.

Fiscal Year					
2016	2017	2018	2019	2020	2021
29	29	29	29	29	29
9	9	10	10	9	6
35	35	35	34	33	35
3,444	3,444	3,444	3,444	3,444	3,527
14	14	15	15	15	15
46	46	46	47	47	47
7	7	7	9	9	8
64	67	68	68	68	68

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FINANCIAL INFORMATION REQUIRED
BY THE STATE AUDITOR

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CERRO GORDO COUNTY, IOWA

SCHEDULE OF REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION - ALL GOVERNMENTAL FUNDS Years Ended June 30,

	Modified Accrual Basis			
	2021	2020	2019	2018
Revenues:				
Property and Other County Tax	\$ 19,654,834	\$ 19,391,589	\$ 18,585,723	\$ 17,692,061
Tax Increment Financing	-	-	17,286	46,163
Local Option Sales Tax	2,211,608	1,882,685	1,698,530	1,656,500
Interest and Penalty on Property Tax	234,360	78,950	191,486	152,884
Intergovernmental	15,843,728	11,063,532	10,817,246	10,360,262
Licenses and Permits	190,770	205,346	156,893	165,698
Charges for Services	2,002,914	1,518,801	1,800,316	2,124,942
Use of Money and Property	273,337	536,874	716,632	537,827
Fines, Forfeitures, and Defaults	53,380	13,567	36,448	60,961
Miscellaneous	1,542,473	1,565,494	1,139,467	1,190,244
Total	\$ 42,007,404	\$ 36,256,838	\$ 35,160,027	\$ 33,987,542
Expenditures:				
Operating:				
Public Safety and Legal Services	\$ 9,311,862	\$ 9,355,355	\$ 9,100,310	\$ 8,972,657
Physical Health and Social Services	6,158,188	5,976,903	6,118,575	5,637,490
Mental Health	1,311,521	1,790,623	2,088,247	2,329,891
County Environment and Education	1,730,477	1,999,047	1,593,856	1,434,640
Roads and Transportation	6,339,299	7,288,100	7,851,936	6,401,635
Governmental Services to Residents	1,177,559	1,200,493	1,147,836	1,239,005
Administrative Services	3,452,885	3,229,795	3,069,854	3,336,359
Non-program	845,117	705,149	858,987	360,759
Debt Service	1,032,112	997,494	998,567	999,842
Capital Projects	3,193,683	2,045,065	1,875,561	1,200,730
Total	\$ 34,552,703	\$ 34,588,024	\$ 34,703,729	\$ 31,913,008

See Accompanying Independent Auditors' Report.

Modified Accrual Basis					
2017	2016	2015	2014	2013	2012
\$ 16,872,117	\$ 16,531,525	\$ 16,239,286	\$ 16,413,160	\$ 15,472,254	\$ 14,948,508
70,511	0	0	0	0	0
1,732,131	1,803,331	1,748,080	1,505,343	1,584,772	1,682,466
145,759	148,127	158,706	152,169	153,414	163,122
9,802,673	8,703,780	8,278,038	7,961,602	7,144,890	7,295,931
167,887	133,989	154,958	220,980	120,712	125,044
1,645,611	1,710,171	1,402,231	1,422,442	1,304,748	1,332,932
300,827	273,850	188,814	495,212	250,226	283,542
73,916	31,043	79,834	25,191	28,995	58,479
1,090,300	1,321,770	2,285,161	1,036,683	1,284,456	889,753
<u>\$ 31,901,732</u>	<u>\$ 30,657,586</u>	<u>\$ 30,535,108</u>	<u>\$ - \$ 29,232,782</u>	<u>\$ 27,344,467</u>	<u>\$ 26,779,777</u>
\$ 8,712,033	\$ 8,389,453	\$ 8,184,564	\$ 7,962,487	\$ 7,577,137	\$ 7,500,849
5,005,487	5,098,205	5,110,132	4,914,277	4,845,164	4,639,871
2,744,081	1,848,842	2,561,090	2,018,171	2,361,533	3,793,476
1,360,421	1,249,483	1,275,293	1,851,989	1,106,735	1,233,631
5,665,460	5,837,654	5,618,674	5,500,566	4,417,491	5,066,973
1,220,779	1,203,391	1,461,109	1,077,312	1,048,894	1,052,040
3,379,361	3,048,671	2,995,191	2,659,540	2,580,211	2,485,101
364,685	293,382	189,518	95,989	27,405	84,682
1,429,923	1,435,699	1,027,135	991,707	992,257	10,412,411
3,632,991	19,424	1,762,502	978,252	1,850,331	1,769,644
<u>\$ 33,515,221</u>	<u>\$ 28,424,204</u>	<u>\$ 30,185,208</u>	<u>\$ 28,050,290</u>	<u>\$ 26,807,158</u>	<u>\$ 38,038,678</u>

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SINGLE AUDIT SECTION

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CERRO GORDO COUNTY, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2021

Grantor/Program	Assistance Listing Number	Pass-Through Entity Identifying Number	Program Expenditures
Direct:			
U.S. Department of Housing and Urban Development: Office of Lead Hazard Control and Healthy Homes: Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	IALHB0736-19	<u>\$734,657</u>
U.S. Department of Health and Human Services: Food and Drug Administration: Active Managerial Control – the Backbone of Local Food Safety Initiatives	93.103	5U18FD005631-05	<u>22,483</u>
Health Resources and Services Administration: Rural Communities Opioid Response Program – Planning	93.912	G25RH32927	<u>46,553</u>
Total Direct			<u><u>\$803,693</u></u>
Indirect:			
U.S. Department of Agriculture: Iowa Department of Human Services: Human Services Administrative Reimbursements: SNAP Cluster: State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	FY21	<u>\$45,824</u>
U.S. Department of Justice: Iowa Department of Justice: Crime Victim Assistance	16.575	VP-21-120-VWC	<u>59,170</u>
U.S. Department of Transportation: Iowa Department of Transportation: Highway Planning and Construction Cluster: Highway Planning and Construction	20.205 20.205	BROS-C017(76)—8I-17 TAP-R-C017(082)—8T-17	<u>2,004</u> <u>357,100</u> <u>359,104</u>
Iowa Department of Public Safety: Governor’s Traffic Safety Bureau: State and Community Highway Safety Grant State and Community Highway Safety Grant	20.600 20.600	20-402-M0AL, Task 02 21-402-M0AL, Task 01	<u>5,622</u> <u>11,149</u> <u>16,771</u>
National Priority Safety Programs-Impaired Countermeasures Grant	20.616	405d-F24*SE, Task 01	<u>463</u>
U.S. Department of the Treasury Iowa Department of Revenue: COVID-19, Coronavirus Relief Fund	21.019		<u>772,322</u>
U.S. Election Assistance Commission Iowa Department of Secretary of State: COVID-19, 2018 HAVA Election Security Grants	90.404	317-11320-HAVACARES	<u>26,200</u>
U.S. Department of Health and Human Services: National Association of County and City Health Officials Medical Reserve Corps Small Grant Program	93.008	MRC 21-2166	<u>10,000</u>
COVID-19, Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation’s Health	93.421	2021 – 052701	<u>19,688</u>

CERRO GORDO COUNTY, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2021 (Continued)

Grantor/Program	Assistance Listing Number	Pass-Through Entity Identifying Number	Program Expenditures
U.S. Department of Health and Human Services:			
Iowa Department of Elder Affairs:			
Special Programs for the Aging, Title III Homemaker	93.044	FY21	<u>\$18,545</u>
Iowa Department of Public Health:			
Public Health Emergency Preparedness	93.069	5881BT02	<u>210,794</u>
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	5880CH12P	<u>909</u>
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	5881CH12P	<u>30,281</u>
			<u>31,190</u>
Substance Abuse and Mental Health Services Projects of Regional and National Significance			
COVID-19, Immunization Cooperative Agreements	93.243	5885TB417	<u>12,776</u>
COVID-19, Immunization Cooperative Agreements	93.268	5885TB417	<u>107,284</u>
COVID-19, Immunization Cooperative Agreements	93.268	5880I415	<u>8,600</u>
Immunization Cooperative Agreements	93.268	5880I415	<u>9,646</u>
			<u>125,530</u>
COVID-19, Public Health Emergency Response			
National Bioterrorism Hospital Preparedness Program	93.354	5885TB417	<u>1,218</u>
Cancer Prevention and Control Programs for State, Territorial And Tribal Organizations	93.889	5881BHP12	<u>77,439</u>
HIV Care Formula Grants	93.898	5880NB07	<u>8,225</u>
HIV Care Formula Grants	93.917	5880AP04	<u>36,997</u>
HIV Care Formula Grants	93.917	5881AP04	<u>21,124</u>
			<u>58,121</u>
HIV Prevention Activities Health Department Based	93.940	5880AP04	<u>21,427</u>
HIV Prevention Activities Health Department Based	93.940	5881AP04	<u>15,918</u>
			<u>37,345</u>
Iowa Department of Human Services:			
Title IV-V Prevention Program	93.472	FY21	<u>2,250</u>
Foster Care Title IV-E	93.658	FY21	<u>12,031</u>
Adoption Assistance	93.659	FY21	<u>5,897</u>
Social Services Block Grant	93.667	FY21	<u>10,958</u>
Children's Health Insurance Program	93.767	FY21	<u>982</u>
TANF Cluster:			
Temporary Assistance to Needy Families	93.558	FY21	<u>34,000</u>
CCDF Cluster:			
Child Care Mandatory and Matching Funds of the Child Care And Development Fund	93.596	FY21	<u>10,030</u>
Medicaid Cluster:			
Medical Assistance Program	93.778	FY21	<u>39,994</u>
U.S. Department of Homeland Security:			
Iowa Department of Homeland Security and Emergency Management:			
COVID-19, Disaster Grants – Public Assistance (Presidentially Declared Disaster)	97.036	FEMA-4386-DR-1A*	<u>110,351</u>
Emergency Management Performance Grant	97.042	EMPG-20-PT-17	<u>378</u>
COVID-19, Emergency Management Performance Grant	97.042	EMPG-20-PT-17	<u>1,818</u>
Emergency Management Performance Grant	97.042	EMPG-21-PT-17	<u>34,372</u>
			<u>36,568</u>
Homeland Security Grant Program	97.067	17-11-07	<u>9,995</u>
			<u>\$2,163,781</u>
Total Indirect			<u>\$2,163,781</u>
			<u>\$2,967,474</u>
Total			<u>\$2,967,474</u>

CERRO GORDO COUNTY, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2021 (Continued)

*During the year ended June 30, 2021, the Federal Emergency Management Agency approved eligible expenditures that were incurred in the prior year. These approved eligible expenditures incurred in the prior year are included in the Schedule of Expenditures of Federal Awards of Cerro Gordo County for the year ended June 30, 2021.

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

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

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

See Accompanying Independent Auditor's Report.



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 Cerro Gordo County
Mason City, Iowa

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Cerro Gordo County, Iowa, as of and for the year ended June 30, 2021, and the related notes to the financial statements which collectively comprise Cerro Gordo County, Iowa's basic financial statements and have issued our report thereon dated December 22, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cerro Gordo County, Iowa'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 Cerro Gordo County, Iowa's internal control. Accordingly, we do not express an opinion on the effectiveness of Cerro Gordo County, Iowa'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 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 did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item II-A-21 that we consider to be material weaknesses.

Compliance and Other Matters

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

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

Cerro Gordo County, Iowa's Responses to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Gardner + Company, P.C.

Charles City, Iowa

December 22, 2021



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Officials of Cerro Gordo County
Mason City, Iowa

Report on Compliance for Each Major Federal Program

We have audited Cerro Gordo County, Iowa's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Cerro Gordo County, Iowa's major federal programs for the year ended June 30, 2021. Cerro Gordo County, Iowa's major federal programs are identified in Part I of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on Cerro Gordo County, Iowa's compliance.

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control over compliance, described in the accompanying Schedule of Findings and Questioned Costs as item III-A-21 (2021-001) that we consider to be a material weakness.

Cerro Gordo County, Iowa's response to the internal control over compliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Cerro Gordo County, Iowa's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Paulina + Company, P.C.

Charles City, Iowa

December 22, 2021

CERRO GORDO COUNTY, IOWA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2021

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

- a. Unmodified opinions were issued on the financial statements prepared in accordance with U.S. generally accepted accounting principles.
- b. A material weakness in internal control over financial reporting was disclosed by the audit of the financial statements.
- c. The audit did not disclose any non-compliance which is material to the financial statements.
- d. A material weakness in internal control over the major programs was disclosed by the audit of the financial statements.
- e. An unmodified opinion was issued on compliance with requirements applicable to the major programs.
- f. The audit disclosed audit findings which are required to be reported in accordance with the Uniform Guidance, Section 200.516.
- g. The major programs were Assistance Listing Number 14.900 – Lead-Based Paint Hazard Control in Privately-Owned Housing and Assistance Listing Number 21.019 – Coronavirus Relief Fund.
- h. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- i. Cerro Gordo County did not qualify as a low-risk auditee.

CERRO GORDO COUNTY, IOWA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2021

Part II: Findings Related to the Financial Statements:

INTERNAL CONTROL DEFICIENCIES:

II-A-21 Segregation of Duties

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

Condition – Various functions of the County Offices are performed by the same person.

Cause – Limited staff available to segregate duties.

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

Recommendation - We realize that with a limited number of office employees, segregation of duties is difficult. However, each County official should review the operating procedures of their office to obtain the maximum internal control possible under the circumstances utilizing current staff, including Elected Officials.

Response and Corrective Action Planned - We have reviewed procedures and plan to make the necessary changes to improve internal control. We plan to implement these changes as soon as possible.

Conclusion – Response accepted.

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

CERRO GORDO COUNTY, IOWA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2021

Part III: Findings and Questioned Costs for Federal Awards:

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

INTERNAL CONTROL DEFICIENCIES:

Assistance Listing Number 14.900: Lead-Based Paint Hazard Control in Privately-Owned Housing
Federal Award Year: 2021
Prior Year Finding Number: III-A-20 (2020-001)
U.S. Department of Housing and Urban Development

Assistance Listing Number 21.019: Coronavirus Relief Fund
Federal Award Year: 2021
Prior Year Finding Number: N/A
U.S. Department of Treasury
Passed through the Iowa Department of Revenue

III-A-21 **Segregation of Duties over Federal Revenues** – Duties related to the custody, recordkeeping and reconciling of
(2021-001) federal awards are not properly segregated by the County. See item II-A-21.

CERRO GORDO COUNTY, IOWA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2021

Part IV: Other Findings Related to Required Statutory Reporting:

IV-A-21 **Certified Budget** – Disbursements during the year ended June 30, 2021 exceeded the amounts budgeted in the debt service function.

Recommendation – The budget should have been amended in accordance with Chapter 331.435 of the Code of Iowa before disbursements were allowed to exceed the budget.

Response – We will amend the budget when required.

Conclusion – Response accepted.

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

<u>Paid To</u>	<u>Purpose</u>	<u>Amount</u>
Kara Vogelson	Reimbursement for Gift Cards	\$40

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

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

Response – We will document this in the future.

Conclusion – Response accepted.

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

IV-D-21 **Business Transactions** – The following business transactions between the County and County officials or employees were noted:

<u>Name, Title and Business Connection</u>	<u>Transaction</u>	<u>Amount</u>
Tracie Siemers, Auditor's Office		
Steve Siemers, Spouse	Snow Removal	\$1,068
Linda Weatherwax, Mother	Election Worker	435

In accordance with Chapter 331.342 of the Code of Iowa, the transactions with Steve Siemers and Linda Weatherwax do not appear to represent conflicts of interest since total transactions were less than \$6,000 during the fiscal year.

IV-E-21 **Restricted Donor Activity** – No transactions were noted between the County, County officials, County employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

CERRO GORDO COUNTY, IOWA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2021

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

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

IV-G-21 **Board Minutes** – No transactions were found that we believe should have been approved in the Board minutes but were not. However, the Board went into closed session on October 12, 2020 to discuss matters relating to the County. The minutes record did not include the documentation of the vote of each member on the question of holding the closed session as required by Chapter 21.5(2) of the Code of Iowa.

Recommendation – The Board of Supervisors should ensure all closed meetings comply with Chapter 21 of the Code of Iowa.

Response – Roll call vote will be correctly documented going forward.

Conclusion – Response accepted.

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

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

IV-J-21 **Early Childhood Iowa Area Board** – Cerro Gordo County is the fiscal agent for the Cerro Gordo, Hancock, Worth 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 Custodial Funds because of the County's fiduciary relationship with the organization.

IV-K-21 **Tax Increment Financing** – For the year ended June 30, 2021, the County Auditor prepared a reconciliation for each City reconciling TIF receipts with total outstanding TIF debt.

IV-L-21 **Annual Urban Renewal Report** – The Annual Urban Renewal Report was properly approved and certified to the Iowa Department of Management on or before December 1.

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