

COUNTY OF SCOTT, IOWA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

As of and for the Year Ended June 30, 2020

Prepared by

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INTRODUCTORY

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County of Scott, Iowa

Table of Contents

Introductory Section	
Table of contents	i - ii
County officials	iii
Organizational chart	iv
Certificate of Achievement for Excellence in Financial Reporting	v
Transmittal letter	vi - x
Financial Section	
Independent auditors' report	1 – 3
Management's discussion and analysis (required supplementary information)	4 – 16
Basic financial statements:	
Government-wide financial statements:	
Statement of net position	17 – 18
Statement of activities	19 – 20
Fund financial statements:	
Balance sheet – governmental funds	21 – 22
Reconciliation of total governmental fund balances to net position of governmental activities	23
Statement of revenues, expenditures and changes in fund balances – governmental funds	24 – 25
Reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities	26
Statement of net position – proprietary funds	27
Statement of revenues, expenses and changes in net position – proprietary funds	28
Statement of cash flows – proprietary funds	29
Statement of assets and liabilities – agency funds	30
Statement of net position – discretely presented component units	31
Statement of activities – discretely presented component units	32
Notes to basic financial statements	33 – 76
Required supplementary information:	
Budgetary comparison schedule – All Governmental Funds – Primary Government	77
Budgetary comparison schedule – Scott Emergency Communication Center	78 – 79
Budgetary comparison schedule – All Governmental Funds to Primary Government Budgeted Funds	80
Schedule of County's Proportionate Share of Net Pension Liability	81
Schedule of County Contributions	82 – 83
Schedule of the County's Total OPEB Liability, Related Ratios and Notes	84
Notes to required supplementary information	85 – 86
Supplementary information:	
Nonmajor governmental funds:	
Combining balance sheet	87
Combining statement of revenues, expenditures and changes in fund balances	88
Combining statement of net position – internal service funds	89
Combining statement of revenues, expenses, and changes in net position – internal service funds	90
Combining statement of cash flows – internal service funds	91

County of Scott, Iowa

Table of Contents

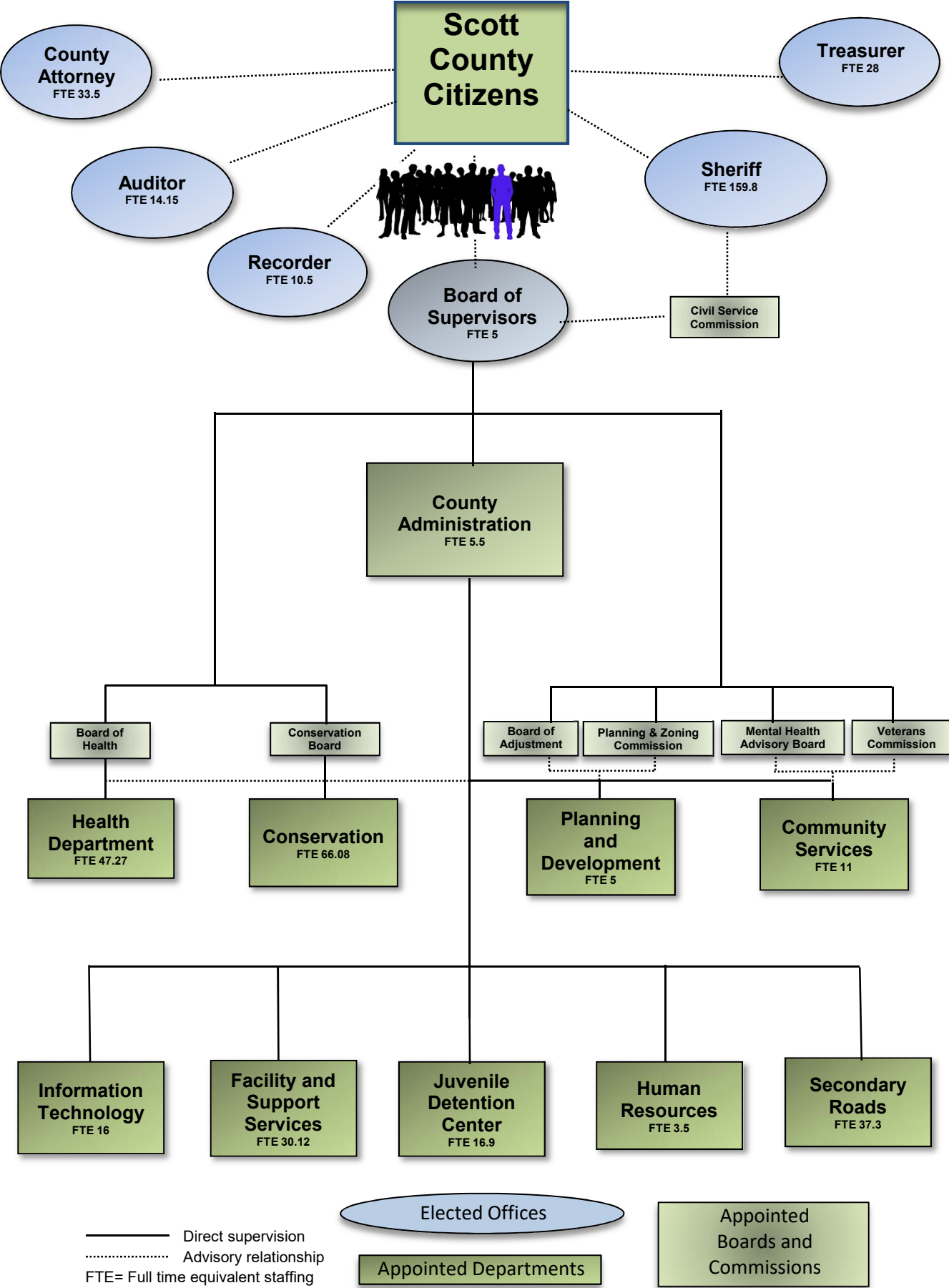
Financial Section (continued)	
Combining statement of changes in assets and liabilities – all agency funds	92 – 96
Combining balance sheet and reconciliation to statement of net position – discretely presented component units	97
Combining statement of revenues, expenditures and changes in fund balances and reconciliation to statement of activities – discretely presented component units	98 – 99
Statistical Section	
Statistical section contents	
Net position by component	100 – 101
Changes in net position	102 – 105
Fund balances, governmental funds	106 – 107
Changes in fund balances, governmental funds	108 – 109
Program revenues by function/program	110 – 111
Revenues by source, governmental funds	112 – 113
Assessed value and actual value of taxable property	114 – 115
Principal property taxpayers	116
Property tax levies and collections	117
Direct and overlapping property tax rates	118 – 119
Ratios of outstanding debt by type	120 – 121
Ratios of general bonded debt outstanding	122
Direct and overlapping governmental activities debt	123
Legal debt margin information	124 – 125
Demographic and economic statistics	126
Principals employers	127
Full-time equivalent county government employees by function/program	128 – 129
Operating indicators by function/program	130 – 133
Capital asset statistics by function/program	134 – 135
Compliance Section	
Schedule of expenditures of federal awards (supplementary information)	136 – 138
Notes to schedule of expenditures of federal awards	139
Summary schedule of prior audit findings	140
Independent auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with <i>Government Auditing Standards</i>	141 – 142
Independent auditors' report on compliance for the major federal program; and report on internal control over compliance required by the Uniform Guidance	143 – 144
Schedule of findings and questioned costs	145 – 147

County of Scott, Iowa

County Officials

Official Title	Official	Term Expiration Date of Elected Officials
Elected Officials		
Supervisor, Chairperson	Tony Knobbe	2025
Supervisor, Vice-Chair	Ken Beck	2025
Supervisor	Ken Croken	2023
Supervisor	Brinson Kinzer	2023
Supervisor	John Maxwell	2023
Attorney	Mike Walton	2023
Auditor	Roxanna Moritz	2025
Recorder	Rita Vargas	2023
Sheriff	Tim Lane	2025
Treasurer	Mike Fennelly	2023
Administration		
County Administrator	Maresh Sharma	
Department Heads		
Budget and Administrative Services	David Farmer	
Community Services	Lori Elam	
Conservation	Roger Kean	
Facility and Support Services	Tammy Speidel	
Health	Ed Rivers	
Human Resources	Mary Thee	
Information Technology	Matt Hirst	
Juvenile Detention Center	Jeremy Kaiser	
Planning and Development	Tim Huey	
Secondary Roads	Angie Kersten	

Scott County Government Organizational Chart





Government Finance Officers Association

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

Presented to

**County of Scott
Iowa**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

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OFFICE OF THE COUNTY ADMINISTRATOR

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January 22, 2021

To the Members of the Scott County Board of Supervisors, and Citizens of Scott County:

State law requires that every general-purpose local government publish within nine months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2020.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Baker Tilly US, LLP (formerly known as Baker Tilly Virchow Krause, LLP), have issued an unmodified ("clean") opinion of Scott County's financial statements for the year ended June 30, 2020. The independent auditor's report is located at the front of the financial section of this 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. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of Scott County Government

Scott County, Iowa was incorporated on December 31, 1838. Antoine LeClaire, an early settler of the County, donated the square of land the Scott County Courthouse stands on today. If the County ever abandons the site, the property would revert to the heirs of Antoine LeClaire. The first courthouse was erected on this land during 1841. The following years to 1874 saw changes and additions to the structure of Scott County government. One of the major changes was in the structure of the governing board. From 1838 until 1850 county commissioners were elected on an annual basis. By 1861 the name Board of Supervisors had been mandated, with 14 supervisors from throughout the county representing the citizens. In 1870 the structure changed again, and only three board supervisors were elected countywide. In 1874, the membership of the board of supervisors increased to its present five officials, all elected at-large.

In 1979 an administrator form of government was adopted, and the Board of Supervisors hired a county administrator. Subsequently, staff and departments have grown in efficiency and capacity to serve citizens. In 1978 the County Home Rule Bill was enacted, granting all powers to counties consistent with state laws and not specifically prohibited by the Iowa General Assembly.

The County provides a full range of services. These services include law enforcement and legal services, physical health and social services, mental health and developmental disabilities services, county environment and education, planning and zoning, construction and maintenance of secondary roads, and general administrative services.

Component units are legally separate entities for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

There are two blended presented component units: Scott Emergency Communication Center (SECC), which provides county-wide consolidated emergency 911 dispatch services; and the Scott County Public Safety Authority, which is the owner of the voter approved jail expansion project.

Also, there are two discretely presented component units: Emergency Management Agency, which provides direction for the delivery of the emergency management services and planning, administration, coordination, training and support for local governments and their departments, and the County Library, which provides library services to all cities within Scott County with the exception of the City of Bettendorf, the City of Davenport, and the City of LeClaire.

These component units are discretely presented in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position, results of operations and cash flows from those of the primary government. The County Board is a voting member of each of the governing bodies of all component units except for the Scott County Library for which the County Board appoints all the Library Trustees and the Public Safety Authority for which the County Board appoints two commissioners, one jointly appointed with the City of Davenport. The component units are discussed further in Note 1.

The Board is required to adopt a final budget by no later than March 30th prior to the beginning of the fiscal year. This annual budget serves as the foundation for Scott County's financial planning and control. The State of Iowa requires the passage of an annual budget of total County operating expenditures by major program service areas (i.e., public safety and legal services, physical health and social services, etc.). Activities of the general fund, special revenue funds, capital projects fund and 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. The County also maintains administrative budgetary control beyond the State required program service area level at the major object of expenditure basis within each County department.

The Scott Emergency Communication Center adopts an operating budget on an entity wide basis, and the level of budgetary control is at the entity basis, excluding capital improvements and certain expense reimbursements. The Public Safety Authority does not adopt a budget.

Local Economy

Scott County is part of a four county, bi-state, metropolitan area referred to as the Quad-Cities. The counties of Scott (Iowa), Rock Island, Henry and Mercer (Illinois), contain the Davenport-Rock Island-Moline Metropolitan Statistical Area (MSA), with a 2010 U.S. Census Bureau count of 379,690 which is a 1.0% increase over the 2000 census count of 376,019. The U. S. Census Bureau's 2010 population of Scott County was 165,224, which is a 4.1% increase over the 2000 census count of 158,689. The 2020 population estimate is 172,943.

The Quad-Cities has been historically known as an industrial, retail/service and transportation center. In the last thirty years the economy has shifted, showing a decline in the number of manufacturing sector jobs. In 1980, 30% of the area jobs were in manufacturing and 53% in the service sector. In 1990 that had changed to 17% manufacturing, 41% service sector; with 20% classified as trade and 4% mining and construction. In 2000 the split was 16% manufacturing and 46.5% classified as service sector; with 18% classified as trade and 5% mining and construction. In 2010 the split changed only slightly to 12% manufacturing and 50% classified as service sector; with 17% classified as trade and 5% mining and construction. The portion of government sector jobs has remained even at 16% in 1980 and 1990, 14.5% in 2000 and back to 16% in 2010. There are five target industries in the Quad Cities region: Advanced Metals & Materials; Agricultural Innovation; Corporate Operations; Defense; and Logistics.

The annual average labor force in the Quad Cities MSA (four counties) was 204,440 in 2010. The region now looks at the Quad Cities CSA of Clinton, Muscatine, Scott Counties in Iowa and Henry Mercer and Rock Island Counties in Illinois. The Quad Cities CSA is a population of 476,333 and total workforce of 250,668. The annual average labor force for Scott County was 87,500 in 2020 which is a decline over the 2010 labor force of 89,950. In 2010 the unemployment rate for Scott County was 6.9% and for the MSA it was 8.4%. In September of 2020 the Scott County rate was 5.9 and the state rate was 4.3%. The August 2020 unemployment rate in the MSA was 8.1%, but decreasing from April 2020 at 15.3% and the onset of the COVID-19 pandemic.

In 2010 the median household income for the MSA was \$48,091 and for Scott County it was \$52,218. The median household income in Scott County rose between 1980 and 2000, from \$20,767 in 1980 to \$29,979 in 1990 and \$42,701 in 2000. That is an increase of 106% over the twenty-year period. The median household income in 2008 in Scott County increased another 22% over the 2000 figure to \$52,013, just a shade under the 2008 U.S. median household income of \$52,029. The current estimate is \$56,125.

New residential construction slowed in the Quad Cities MSA and Scott County after very strong years from 2000-2007 in 2009-2011. New starts since 2007 have averaged 286 new starts a year between 2006 and 2020. New housing starts were 272 in 2020.

The Quad Cities housing market remains one of the most affordable housing markets in the country. The average sales price for homes in the Iowa Quad Cities was \$225,700 in September of 2020 which is up from \$220,400 in September of 2019. On the Illinois side of the river the average sales price was \$134,500 in September of 2020, the same as \$131,100 in September of 2019. The average home value in north Scott County (Eldridge and unincorporated Scott County) for 2020 was \$297,600. In the last five years home prices have risen 13.75% in the Quad Cities area.

Economic development efforts for the Quad Cities as a whole continues on the path to diversify the economy, while taking advantage of its unique location on major transportation corridors and the tremendous asset of the Mississippi River. The global, national and regional economic development marketing for the Quad Cities have been led by Quad Cities First, the regional marketing public-private partnership managed by the Chamber of Commerce. The consolidation of the two Chambers of Commerce into one Quad Cities wide organization has helped with these regional marketing efforts. Scott County, as always, is part of those efforts.

Long-Term Financial Planning

Unassigned fund balance in the general fund (20.0% of total 2020 general fund expenditures including transferred expenditures to blended component units) falls within the policy guidelines set by the Board for budgetary and planning purposes (i.e., minimum of 15 percent of total general fund expenditures). Fiscal year 2020 ended with an increase in the unassigned general fund balance of approximately \$560,000. Additionally, the County assigned fund balance to establish a long term building improvement capital plan and added reserves to enhance the employee health and dental benefit expenses. During these challenging economic times, as the county faces cutbacks at the state level, the COVID-19 pandemic, and increased reliance on property tax funding, retaining the current level of fund balance is important. The County is continuing to find ways to reduce its costs for providing services through collaborating with other jurisdictions in delivering services. This consolidation or service sharing is very important as the County weathers the changes in property tax enacted by the State in 2013. We are committed to remain a county with a superior level of service at one of the lowest tax rates in the State of Iowa.

Relevant Financial Policies

It is Scott County's policy to use its share of riverboat gaming proceeds for capital projects. The County currently uses these funds toward pay as you go remodeling and renovation projects.

Major Initiatives

In fiscal year 2017, the County began a new strategic plan to develop a mission and vision for the County in 2032, while setting goals of where the County should be by 2022. The County continued those efforts in fiscal year 2020, by developing an updated plan for fiscal years 2021-2022. The strategic plan will focus the county to be financially responsible, local and regional economic growth, a high-performing organization and a great place to live. The County is committed to providing the resources to achieving the goals of the organization. More information is available on the County website.

The County continues to implement initiatives of the capital master plan. The capital master plan is major projects including information technology infrastructure needs, adult and juvenile capacity planning and long term conservation capital projects. The County is midst of a lake restoration at West Lake Park with the help of state funding, capital maintenance projects including windows and siding and Scott Emergency Communication Center radio tower and infrastructure project. New projects may develop after the completion of a continuity of government and continuing operations study to be completed in fiscal year 2021.

Awards and Acknowledgements

Scott County and Rock Island County, Illinois joint submitted the Quad-City P25 Radio Project to the Government Finance Officers Association and was awarded a 2020 winner for Creative Solution to a Common Challenge Award for Excellence in Government Finance. The joint project between the two counties is creating a new digital emergency radio system that shares lines and frequencies and allows for communication through the Quad City area. The project also allocates ownership and funding between the two counties located in neighboring states. The Counties are one of eight 2020 winners by the GFOA.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Scott County for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2019. This was the thirty-third consecutive year that Scott County has received this prestigious award. In order to be awarded a

Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both general 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 CAFR 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 Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Scott County for its Popular Annual Financial Report for the fiscal year ended June 30, 2019. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government popular reports. This is the fourth year for receiving the award.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to a program standards of creativity, presentation, understandability and reader appeal.

A Certificate of Achievement is valid for a period of one year only. We believe that our current PAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another Award.

In addition, Scott County also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated July 1, 2020. This was the twenty-sixth consecutive year that Scott County has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staffs of the Auditor's Office, Treasurer's Office and the Administration Office. We wish to express our appreciation to all members of our offices who assisted and contributed to the preparation of this report. We appreciate the assistance and guidance of our independent auditors. Credit also must be given to the Board of Supervisors for their unfailing support for maintaining the highest standards of professionalism in the management of Scott County's finances.

Respectfully submitted,



Mike Fennelly
County Treasurer



Roxanna Moritz
County Auditor



Mahesh Sharma
County Administrator

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FINANCIAL

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INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors
County of Scott
Davenport, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Scott, Iowa, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County of Scott's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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.

Auditors' 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 auditors' 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 over financial reporting relevant to the County of Scott's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the County of Scott'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.

To the Board of Supervisors
County of Scott

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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Scott, Iowa, as of June 30, 2020 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 required supplementary information as listed in the table of contents 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 the County of Scott's basic financial statements. The supplementary information which includes 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* as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Scott's basic financial statements. The "Introductory Section" and "Statistical Section" listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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 it.

To the Board of Supervisors
County of Scott

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 22, 2021 on our consideration of the County of Scott's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County of Scott's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Scott's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Baker Tilly US, LLP (formerly known as Baker Tilly Virchow Krause, LLP)
Milwaukee, Wisconsin
January 22, 2021

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County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2020

It is an honor to present to you the financial picture of the County of Scott, Iowa (the "County"). We offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County of Scott, Iowa for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

The assets and deferred outflows of resources of the County of Scott exceeded its liabilities and deferred inflows of resources as of June 30, 2020 and 2019 by \$118,374,435 and \$112,490,462 (net position), respectively. Of this amount, \$13,096,894 and \$8,576,423, respectively, may be used to meet the government's ongoing obligations to citizens and creditors.

The government's total net position increased by \$5,883,973 during the year ended June 30, 2020 and increased by \$5,827,350 during the year ended June 30, 2019.

As of June 30, 2020, the County of Scott's governmental funds reported combined ending fund balances of \$47,425,932, an increase of \$4,600,308 in comparison with 2019. Approximately 25 percent of this total amount, \$11,916,336 is available for spending at the government's discretion (unassigned). The increase between 2020 and 2019 is due to the issuance of general obligation debt to support the SECC radio tower and communication project, and FEMA reimbursements, from the 2018 flood, and controlled spending with the onset of the pandemic. As of June 30, 2019, the County of Scott's governmental funds reported combined ending fund balances of \$42,825,624, a decrease of \$787,159 in comparison with 2018. Approximately 27 percent of this total amount, \$11,354,228 is available for spending at the government's discretion (unassigned). The decrease between 2019 and 2018 is due to unexpected costs related to jail and juvenile detainment costs, mental health services exceeding current revenues, and investment in long term capital projects including radio tower infrastructure, building improvements and West Lake Park lake restoration.

As of June 30, 2020, unassigned fund balance for the General Fund was \$11,916,336 or 20.0 percent of total General Fund expenditures including transfers to blended component units and \$11,354,228 or 20.0 percent of total General Fund expenditures including transfers to blended component units for 2019.

The County's total long-term debt, excluding compensated absences, net pension liability, other postemployment benefits and claims payable, increased by \$2,935,000 during fiscal year June 30, 2020 and decreased by \$3,080,000 during fiscal year June 30, 2019. The increase in balance from 2019 to 2020 was attributable the issuance of \$12,680,000 in new general obligation bonds of the County offset by the current refunding of the 2009 bonds. The decrease in balance from 2018 to 2019 was attributable to payment of scheduled debt service.

Overview of the Financial Statements

This Discussion and Analysis is intended to serve as an introduction to the County of Scott's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of the County of Scott's finances, in a manner similar to a private-sector business.

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2020

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

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguished functions of the County of Scott that are principally supported by taxes (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, government services to residents and administration. The business-type activities include an 18-hole golf course.

The government-wide financial statements include the following blended component units: Public Safety Authority and Scott Emergency Communication Center; and the following discretely presented component units: Emergency Management Agency and County Library. There are no other organizations or agencies whose financial statements should be combined and presented with the financial statements of the County.

The government-wide financial statements can be found on pages 17 through 20 of this report.

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County of Scott, Iowa, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County of Scott, Iowa maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Mental Health/Development Disabilities Fund, Secondary Roads Fund, Debt Service Fund, Scott Emergency Communication Center and Capital Projects which are considered to be major funds. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2020

data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 21 through 26 of this report.

Proprietary funds: The County of Scott maintains two types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County of Scott maintains one enterprise fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County of Scott's various functions. The County of Scott maintains two internal service funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Golf Course Fund. This fund is considered to be a nonmajor fund of the County of Scott.

The basic proprietary fund financial statements can be found on pages 27 through 29 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County of Scott, Iowa's own programs. The fiduciary funds of the County are considered agency funds. Total assets of the fiduciary funds were \$298,970,507 and \$285,467,162 for the years ended June 30, 2020 and 2019, respectively.

The basic fiduciary fund financial statements can be found on page 30 of this report.

Notes to basic financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County of Scott, Iowa's budgetary comparison, schedule of the County's proportionate share of the net pension liability, schedule of the County's contributions, and schedule of the County's total OPEB liability, related ratios and notes. This information can be found on pages 77 through 86 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to basic financial statements and the required supplementary information.

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2020

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The County's total net position has increased from a year ago from \$112,490,462 to \$118,374,435. This is due to the net effect of the increase in net position for the 2020 activity.

Of the County of Scott's net position, 83 percent reflects its investment in capital assets (e.g., land, buildings and improvements, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The County of Scott uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The County's net investment in capital assets, was \$98,551,765 for 2020 and \$91,480,044 for 2019. 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 used to liquidate these liabilities.

Table 1 - County of Scott's Net Position

	Governmental Activities		Business-Type Activities		Total County	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 115,085,318	\$ 102,618,243	\$ 454,088	\$ 502,631	\$ 115,539,406	\$ 103,120,874
Capital assets, net	116,607,178	113,585,521	2,211,681	2,229,785	118,818,859	115,815,306
Other noncurrent assets	6,830,000	7,190,000	-	-	6,830,000	7,190,000
Total assets	238,522,496	223,393,764	2,665,769	2,732,416	241,188,265	226,126,180
Deferred outflows of resources	5,896,504	7,046,591	217,549	152,750	6,114,053	7,199,341
Current liabilities	11,867,008	11,226,402	90,533	85,719	11,957,541	11,312,121
Noncurrent liabilities outstanding	50,557,518	48,869,084	190,246	209,492	50,747,764	49,078,576
Total liabilities	62,424,526	60,095,486	280,779	295,211	62,705,305	60,390,697
Deferred inflows of resources	66,216,377	60,443,303	6,201	1,059	66,222,578	60,444,362
Net position:						
Net investment in capital assets	96,340,084	89,250,258	2,211,681	2,229,786	98,551,765	91,480,044
Restricted	6,725,776	12,433,995	-	-	6,725,776	12,433,995
Unrestricted	12,712,237	8,217,313	384,657	359,110	13,096,894	8,576,423
Total net position	\$ 115,778,097	\$ 109,901,566	\$ 2,596,338	\$ 2,588,896	\$ 118,374,435	\$ 112,490,462

Net position is reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted through enabling legislation for 2020 and 2019 consist of \$226,578 and \$3,993,594 for debt service, \$770,555 and \$433,125 for mental health, \$4,968,351 and \$7,062,383 for secondary roads, \$633,589 and \$801,945 for other statutory programs, and \$126,703 and \$142,948 for rural services, respectively. The remaining balance of unrestricted net position, \$13,096,874 for 2020 and \$8,576,423 for 2019, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County of Scott, Iowa is able to report positive balances in all three categories of net position for governmental activities. The same situation held true for the prior fiscal year.

The County's total net position increased by \$5,883,973 during the current fiscal year as compared to an increase of \$5,827,350 in 2019. The governmental-type activities' net position increased by \$5,876,531 in 2020 and increased by \$5,909,789 in 2019. Operating grants increased by \$2.7 million due to Iowa Local Relief Grant funding to respond to COVID-19 of \$2.1 million. This grant is unavailable to the general fund until 2021, but was incurred in 2020. Capital contributions decreased by \$1.6 million related to state contributions for road improvements and the West Lake Park lake restoration. General revenues increased \$3.8 million due to property taxes of \$3.9 million, local option sales taxes of \$400,000 and decreases in gaming taxes and investment earnings. Expenses increased \$5.4 million from the prior year due to salary and wage adjustments of \$2.0 million, benefit adjustments of \$1.0 million, increase

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2020

contributions to the Eastern Iowa Mental Health and Disabilities Region of \$1.5 million, an increase adult out of county placement of \$170,000. In fiscal year 2020, the county implemented its first salary study in a number of years which changed scale and steps to market rates. The total business-type activities' net position increased by \$7,422 in 2020 and decreased by \$82,439 in 2019. The increase in 2020 and decrease 2019 was due to normal operating activities, while the number of golf rounds played increased 8.5% due to weather related events and increased rounds played due to social distancing activities including golf.

Table 2 highlights the County's revenues and expenses for the fiscal year ended June 30, 2020 and 2019. These two main components are subtracted to yield the change in net position. This table utilizes the accrual method of accounting.

Revenue is further divided into two major components: program revenue and general revenue. Program revenue is defined as charges for services and sales and services, operating grants and contributions and capital grants and contributions. General revenue includes taxes, investment income and other unrestricted revenue sources.

	Governmental Activities		Business-Type Activities		Total County	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 7,451,128	\$ 6,799,906	\$ 933,761	\$ 882,268	\$ 8,384,889	\$ 7,682,174
Operating grants and contributions	6,521,082	3,898,150	-	-	6,521,082	3,898,150
Capital grants and contributions	1,204,224	2,831,623	-	-	1,204,224	2,831,623
General revenues:						
Taxes:						
Property taxes	53,516,264	49,636,074	-	-	53,516,264	49,636,074
Local option sales tax	4,939,394	4,535,941	-	-	4,939,394	4,535,941
Gaming	577,668	683,200	-	-	577,668	683,200
Other taxes	93,200	69,001	-	-	93,200	69,001
Utility tax replacements	1,857,243	1,796,259	-	-	1,857,243	1,796,259
Penalties, interest and costs on taxes	314,158	690,085	-	-	314,158	690,085
State tax replacement credits	4,137,625	3,925,518	-	-	4,137,625	3,925,518
State shared revenues	4,497,873	4,336,309	-	-	4,497,873	4,336,309
Payments in lieu of taxes	8,040	7,923	-	-	8,040	7,923
Investment earnings	1,153,507	1,479,711	5,382	10,669	1,158,889	1,490,380
Miscellaneous	2,069,597	2,200,841	-	-	2,069,597	2,200,841
Total revenues	88,341,003	82,890,541	939,143	892,937	89,280,146	83,783,478
Expenses:						
Public safety and legal services	28,562,069	27,031,854	-	-	28,562,069	27,031,854
Public safety and legal services - SECC	8,015,430	7,748,036	-	-	8,015,430	7,748,036
Physical health and social services	6,543,433	6,074,511	-	-	6,543,433	6,074,511
Mental health	5,630,174	4,485,813	-	-	5,630,174	4,485,813
County environment and education	6,089,395	5,799,730	-	-	6,089,395	5,799,730
Roads and transportation	10,742,814	9,900,614	-	-	10,742,814	9,900,614
Government services to residents	2,913,233	2,710,339	-	-	2,913,233	2,710,339
Administration	13,109,065	12,298,729	-	-	13,109,065	12,298,729
Interest on long-term debt	858,859	931,126	-	-	858,859	931,126
Golf course	-	-	931,701	975,376	931,701	975,376
Total expenses	82,464,472	76,980,752	931,701	975,376	83,396,173	77,956,128
Increase (decrease) in net position	5,876,531	5,909,789	7,442	(82,439)	5,883,973	5,827,350
Net position, beginning	109,901,566	103,991,777	2,588,896	2,671,335	112,490,462	106,663,112
Net position, ending	\$ 115,778,097	\$ 109,901,566	\$ 2,596,338	\$ 2,588,896	\$ 118,374,435	\$ 112,490,462

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2020

Table 3 below discloses cost of services for governmental activities. The total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program revenues. Succinctly put, net costs are costs that must be covered by local taxes or other general revenue or transfers.

Table 3 - County of Scott's Governmental Activities

Programs	Total Cost of 2020	Total Cost of 2019	Net (Expense) of Services 2020	Net (Expense) of Services 2019
Public safety and legal services	\$ 28,562,069	\$ 27,031,854	\$ (24,096,021)	\$ (24,993,149)
Public safety and legal services - SECC	8,015,430	7,748,036	(8,009,430)	(7,731,062)
Physical health and social services	6,543,433	6,074,511	(4,091,427)	(4,209,745)
Mental health	5,630,174	4,485,813	(5,293,404)	(4,326,493)
County environment and education	6,089,395	5,799,730	(3,948,159)	(4,095,182)
Roads and transportation	10,742,814	9,900,614	(10,048,415)	(7,218,716)
Government services to residents	2,913,233	2,710,339	487,382	327,830
Administration	13,109,065	12,298,729	(12,848,932)	(11,844,844)
Debt service, interest	858,859	931,126	560,368	640,288
Total	\$ 82,464,472	\$ 76,980,752	\$ (67,288,038)	\$ (63,451,073)

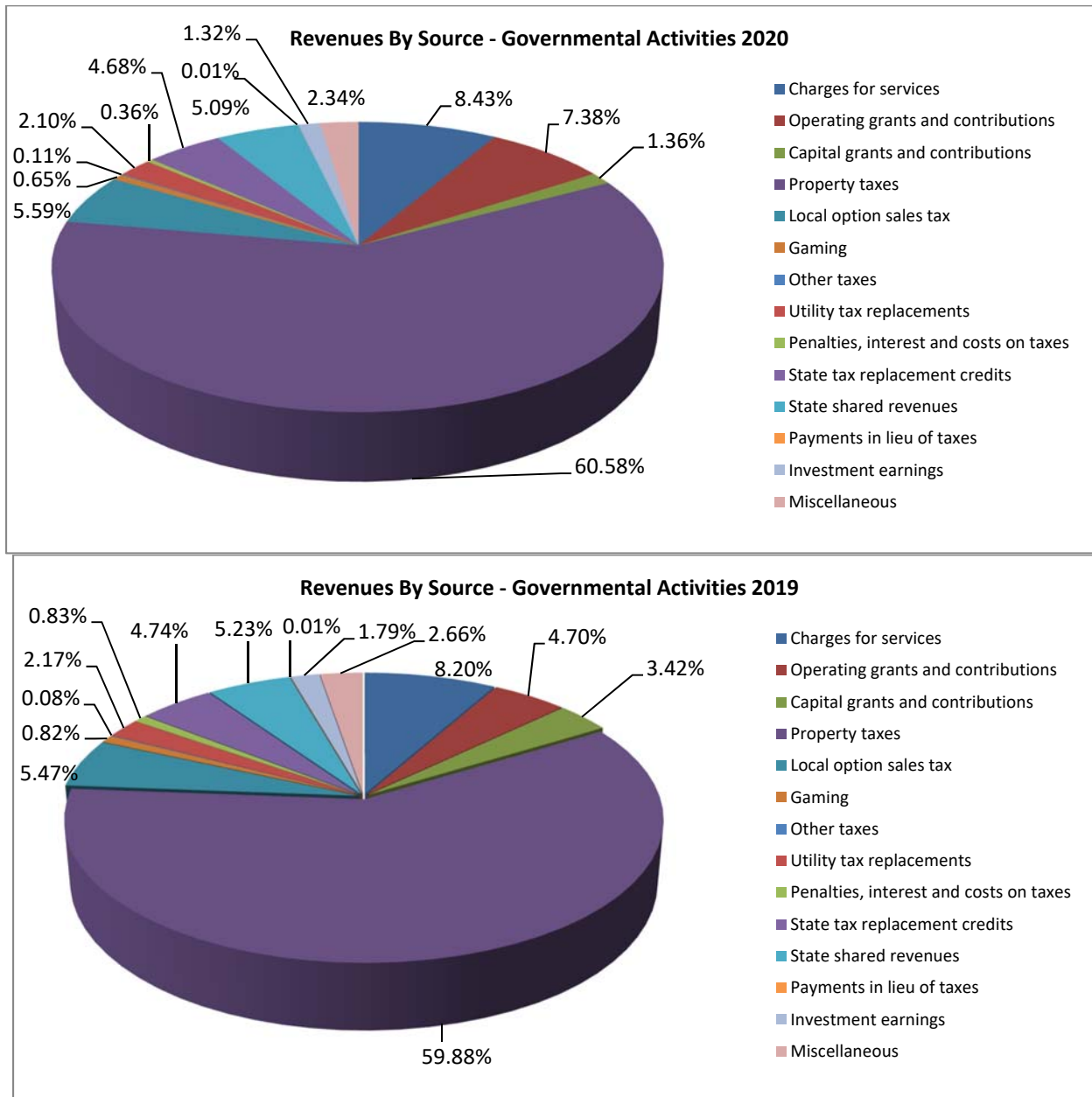
Net cost of services is 82 percent of total cost of services in 2020 and 82 percent in 2019. The change in net cost was impacted by the county receiving operating related grants and donations related to public safety and legal services and physical health and social services. Mental health services increased \$1.2 million, while the net cost of the county increased by \$900,000, both related to an increase costs for shared contribution of services to the mental health region. Road and transportation costs increased \$800,000 due to road rock maintenance, while contributed capital decreased \$2.1 million. Public safety and legal services experienced \$1.5 million more in expenses due to recent increased adult and juvenile care costs outside of the county and related salaries and benefits. The remaining programs net expense is related to changes in general program revenue.

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2020

Governmental Activities

The graphs below show the percentage of the total governmental activities revenues allocated by each revenue type for 2020 and 2019.

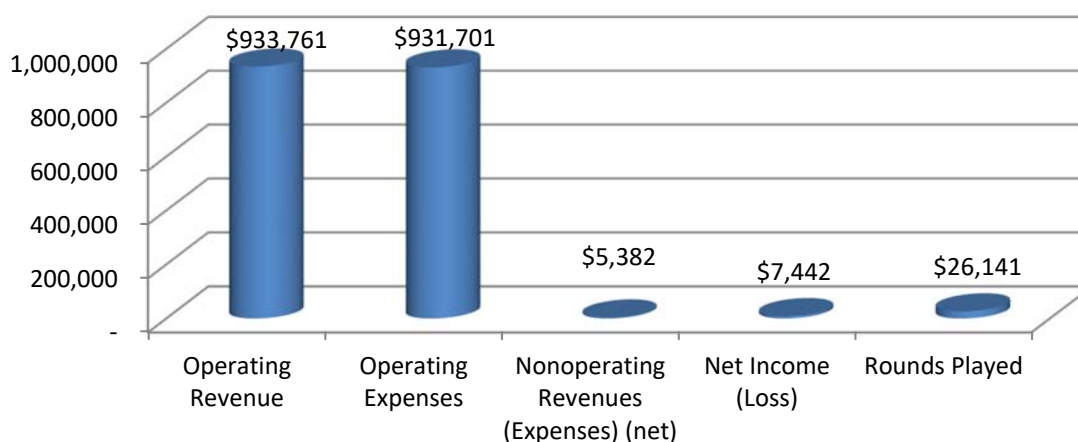


County of Scott, Iowa

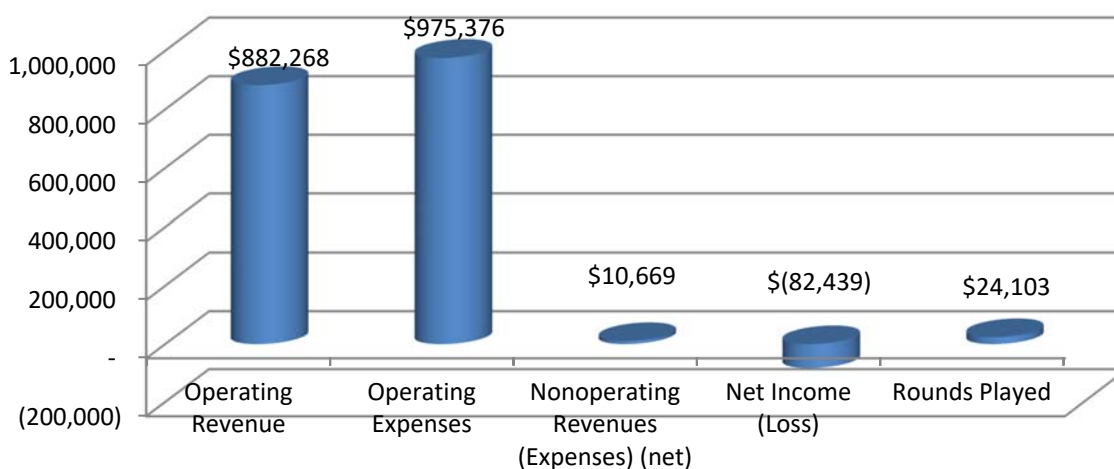
Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2020

Total business-type activities' operating revenue for the fiscal years ended June 30, 2020 and 2019 was \$933,761 and \$882,268, respectively. All of this revenue was generated for specific business-type activity expenses. The graphs below show a comparison between the business-type activity expenditures and program revenues and operations for Glynn's Creek Golf Course in 2020 and 2019. The golf course experienced an 8.5% increase in rounds played, while operating revenue increased to \$933,761 or a 5.8% increase. The increase in revenue is attributable to general green fees realized due to golf being considered a socially distant safe activity in light of COVID-19. The fund expended less on personnel expenses and less on other expenses such as maintenance and unemployment costs despite the increase in rounds.

Golf Course Operations 2020



Golf Course Operations 2019



Business-type activities: Business-type activities increased net position by \$7,442 in the government's net position in fiscal year ended June 30, 2020 compared to an decrease of \$82,439 in fiscal year ended June 30, 2019.

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2020

Financial Analysis of the Government's Funds

As noted earlier, the County of Scott, Iowa uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds: The focus of the County of Scott, Iowa's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, spendable fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County of Scott, Iowa's governmental funds reported combined ending fund balances of \$47,425,932, an increase of \$4,600,308 in comparison with the prior year fund balance of \$42,825,624. Approximately 25 percent of the 2020 total amount or \$11,916,336 constitutes unassigned fund balance. Approximately \$11,354,228, or 27 percent, for 2019 constitutes unassigned fund balance. Unassigned fund balance is available for spending at the government's discretion. The remainder of the fund balance is either nonspendable, restricted or assigned to indicate that it is not available for new spending. Restricted fund balance increased between years primarily due to the issuance of debt for the Scott Emergency Communication Center fund the radio and infrastructure project. Additionally, the assigned fund balances decreased between years due to less funds being assigned for health claims.

The General Fund is the chief operating fund of the County. At the end of the fiscal year, the unassigned fund balance of the General Fund was \$11,916,336 for 2020. The amount unassigned was \$11,354,228 for 2019 while total fund balance was \$14,938,375 for 2020 and \$13,584,085 for 2019. Fund balance increased due to revenues increasing 4.1% to \$64,668,763, expenditures increasing 5.5% to \$51,331,700 and a \$1.9 million less fund balance transferred to the other funds. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance and total fund balance to fund expenditures including transfers to blended component units. Unassigned fund balance represents 20.0 percent of General Fund expenditures including transfers to blended component units for 2020, while the unassigned fund balance represented 20.0 percent of total General Fund expenditures including transfers to blended component units for 2019. Total fund balance also represents approximately 25 and 24 percent of expenditures including transfers to blended component units for 2020 and 2019, respectively.

The fund balance of the County's General Fund increased by \$1,354,290 during the year ended June 30, 2020. Property tax revenues increased approximately \$2.2 million due to property tax reassessments and new property tax dollars when the County increased the general fund property tax rate by \$0.07 per \$1,000 of valuation and gained 4.6% assessment growth. Local option sales taxes increased by \$550,000 due to a net change in collections mostly from the taxes on online transactions. Intergovernmental grants increased \$620,000, mostly through the FEMA hazard mitigation of \$118,000, tax levy credits of \$92,000, local election reimbursements of \$166,000, and detention care reimbursement of \$81,000. Net charges for services decreased by \$419,000, mostly due to sheriff service fees and conservation usage fees decreasing from the prior year. The conservation service fees were impacted by the West Lake restoration project, the Buffalo Shores septic system repair, and COVID-19 activities. The County's General Fund expenditures were \$51,331,700 in fiscal year 2020, compared to \$48,672,072 in fiscal year 2019 or an increase of approximately \$2.7 million. Salary and benefit expenditures across all departments increased \$2.6 million or 7.4% from the prior fiscal period. In fiscal year 2020, the county implemented its first salary study in a number of years which changed pay scales and steps to market rates. Other expenditures increased in public safety and legal services due to placement of adults out of county and positional staff overhiring, and physical health and safety services for non-congregate sheltering to eventually be supported by FEMA public assistance.

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2020

The fund balance of the County's Mental Health / Development Disabilities fund increased by \$337,430 in 2020 compared to a decrease of \$227,639 in 2019. The key factor in the increase, is the increase in property tax rate to the maximum available levy, a change in utilization of mental health services within the county and the transfer of county contribution to the Eastern Iowa Mental Health and Disabilities Region.

The Secondary Roads fund decrease of \$2,094,032 in 2020 compared to an increase of \$416,158 in 2019. The decrease in fund balance relates to higher than anticipated revenues during the year of the road use tax, while the use of the funds on capital projects occurred in 2020 and 2019. The county chose not to plan projects until monies were realized for future work. Now that money from the 2015 Road Use Tax is being realized, long term bridge and road projects are planned for FY 2020 through FY 2022.

The Debt Service fund decreased \$4,117,969 in 2020 compared to an increase of \$272,463 in 2019. The decrease in 2020 is related to the issuance of debt and current refunding of the 2009A General Obligation Emergency Communication Equipment bonds and the increase in 2018 is related to the 911 surcharge fee revenue exceeding the amount necessary to pay for the 2009 Emergency Equipment bonds.

The Scott Emergency Communication Center increased fund balance by \$1,410,579 in 2020 compared to \$917,830 decrease in 2019. The Center expended the first payment to the vendor for the radio and tower infrastructure system in 2019 and was reimbursed through a transfer in 2020. The system will be a combined radio system between Scott County and Rock Island County, Illinois. Funding for the project will be reimbursed from the Scott County capital fund in fiscal year 2020 and 2021. Transferred contributions from the County tax levy increased by \$2.9 million, while expenditures increased by \$525,000.

The Capital Projects fund increased fund balance by \$7,733,264 compared to \$130,468 increase in the prior year. The County issued \$10,260,000 in general obligation bonds for the Scott Emergency Communication Center project and will transfer the proceeds to the fund as expenditures are incurred. The transfers in from the County's general fund decreased by \$1,729,574 to \$3,034,150. The decline is attributed to the County holding assigned fund balance in the general fund rather than transferring to the capital fund due to the COVID-19 pandemic. This funding is a mix of budgeted yearly funding transfers and prior year general fund savings assigned to the capital fund based on prior year results. The County is in the midst of a multi-year building improvement plan including Conservation facility improvements and West Lake Park lake restoration, and administration center windows and siding project. Many of these projects are ongoing.

Proprietary funds: The County of Scott's proprietary funds provide the same type of information found in the government-wide financial statements but in more detail. Other factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

Budgetary Highlights

Formal and legal budgetary control is based on nonmajor classes of disbursements known as functions, not by fund or fund type. Differences between the original budget and the final amended budget can be summarized as follows:

- The total original revenue budget of \$83,042,988 was increased to \$83,098,842 (an increase of \$55,854) mainly due to expected increased for intergovernmental funding related to the COVID-19 pandemic, and operating grants, offset by reduction of charges for services and local option sales taxes reflecting the uncertain nature of the pandemic on revenue resources. Actual revenues received were \$83,544,966.

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2020

- The total original expenditure budget of \$89,570,947 was increased to \$110,515,386 (an increase of \$20,944,439). Significant increases include capital outlay expenditures of \$9,377,999 for the issuance and use of debt for the SECC radio project; an increase of debt service of \$6,892,968 for the current refunding; an increase in public safety and legal services of \$1,081,034 for contracted services and salary and benefit estimates; \$1,273,372 for physical health and social service, for non-congregate care and other COVID-19 services; and \$933,811 for additional mental health services. Actual expenditures were \$95,039,214.
- The total original budget for transfers to governmental funds in and out of \$15,928,447 was increased to \$16,541,063 (an increase of \$612,616). Additionally, the County did not budget for the debt issuance of the radio tower and communication project and refunding of the 2009 bonds, however the transaction occurred August, 2019 and was subsequently amended.

During the year, however, actual expenditures were less than budgeted expenditures. Iowa law requires budget amendments to specific expenditure 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 since 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 capital outlay function when projects may roll over to a subsequent fiscal year. The budgeted transfers out are for transfers to capital projects and special revenue funds.

Capital Asset and Debt Administration

Capital assets: The County's investment in capital assets for its governmental and business-type activities as of June 30, 2020 and 2019, amounts to \$118,818,859 and \$115,815,306 (net of accumulated depreciation), respectively. This investment in capital assets includes land, buildings and improvements, equipment, infrastructure and construction-in-progress. The total increased in capital assets for 2020 was 2.6 percent (a 2.7 percent increase for governmental activities and a 0.8 percent decrease for business-type activities). The total decrease in capital assets for 2019 was 2.7 percent (a 2.8 percent increase for governmental activities and a 2.1 percent decrease for business-type activities).

Major capital asset events during the current fiscal year ended June 30, 2020 included placing in service the West Lake Park water treatment plant, elevator modernization project, HVAC controls and large and small vehicles. Additionally the county is in the midst of two long term construction projects related to the radio tower infrastructure project and West Lake Park lake restoration project, as well as the Incachias campground construction and Administration Center EFIS and Window replacement project.

	Capital Assets					
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 4,820,598	\$ 4,701,961	\$ 1,556,336	\$ 1,556,336	\$ 6,376,934	\$ 6,258,297
Construction-in-progress	7,205,800	9,065,970	-	-	7,205,800	9,065,970
Buildings	97,217,514	94,908,581	577,483	577,483	97,794,997	95,486,064
Improvements other than buildings	9,661,943	9,537,661	307,632	307,632	9,969,575	9,845,293
Infrastructure	108,458,778	101,300,785	-	-	108,458,778	101,300,785
Intangible-software	4,700,050	4,606,926	-	-	4,700,050	4,606,926
Machinery and equipment	38,665,886	35,699,781	1,468,567	1,448,701	40,134,453	37,148,482
Accumulated depreciation	(154,123,391)	(146,236,144)	(1,698,337)	(1,660,367)	(155,821,728)	(147,896,511)
Total	\$ 116,607,178	\$ 113,585,521	\$ 2,211,681	\$ 2,229,785	\$ 118,818,859	\$ 115,815,306

Additional information on the County of Scott's capital assets can be found in Note 4 of this report.

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2020

Debt: As of June 30, 2020, the County of Scott, Iowa had general obligation bonds outstanding totaling \$18,610,000, revenue bonds for the jail facility for \$9,275,000, and notes payable of \$5,850,000. In the fiscal year 2020, all planned debt service payments were funded and paid. The county issued \$12,680,000 in new general obligation bonds to fund the SECC radio tower infrastructure and equipment project, and current refund the 2009 bonds. The County was rated Aa1 by Moody's investment services for the issuance of the 2019 bonds.

Debt: As of June 30, 2019, the County of Scott, Iowa had general obligation bonds outstanding totaling \$13,380,000, revenue bonds for the jail facility for \$11,040,000, and notes payable of \$6,380,000. In the fiscal year 2019, all planned debt service payments were funded and paid. Subsequent to year end, the County issued \$12,680,000 in general obligation bonds for the refinancing of the 2009 general obligation debt and to finance the radio tower infrastructure and equipment project.

Table 5 - County of Scott's Outstanding Debt, June 30

	2020	2019	Maturity
Govenmental activities:			
General obligation bonds	\$ 18,610,000	\$ 13,380,000	2035
Revenue bonds	9,275,000	11,040,000	2025
Notes payable	5,850,000	6,380,000	2029
Total governmental activities	<u>\$ 33,735,000</u>	<u>\$ 30,800,000</u>	

Additional information about the County's long-term debt can be found in Note 5 of the financial statements.

Economic Factors and Next Year's Budgets and Rates

- Scott County's urban levy rate moved to \$6.21 for FY21 in property taxes rates, the second levy rate increase since fiscal year 2011. The increase was to finance additional adult and juvenile care costs, additional position changes within the organization, particularly for public safety, and debt service on the 2019 bonds. The rural county levy rate increased \$9.11 for the budget year ending June 30, 2021 due to underlying increases within the urban levy rate. The tax base for the County of Scott increased 3.0 percent over the previous year and 4.3 percent in total assessment.
- Health care costs and personnel costs, which make up a significant portion of the County's operating costs, continue to be reasonably controlled and negotiated. The County's move to self-funded health insurance had resulted in 42 months of zero increase in County insurance premiums between 2010 and 2014. A premium rate increase for family insurance of 4.1 percent was approved by the board in October 2020 for the calendar year 2021. The county dental plan premium will increase 3.7%. The County's blended component unit SECC has one bargaining unit up for negotiation in the fall of 2020, pending recertification by the union. To help curb future costs, the County has negotiated and changed plan design for all employees including a 4th tier for co-pays to take a place January 1, 2021.
- The County's revenues are stable but are dependent on property tax revenue growth. There is an unknown on how COVID-19 will impact local revenue drivers including property tax valuation, local option sales tax or charges for services. Scott County developed and approved the 2021 budget before the impacts of COVID-19 could be evaluated. The County will continue to seek local, state and federal funding opportunities to address changing program services under COVID-19. Additionally the savings from the previous year's General Fund continue to be transferred to the Capital Projects Fund to fund the space utilization master plan.

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2020

- In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei province, China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United States, including to areas impacting the County. The County's evaluation of the effects of these events is ongoing; however we anticipate this situation could impact: investment valuations and decreased investment income; decline in demand for services such as conservation group activities such as day camps and pool usage; increase in delinquencies or uncollectible account receivable for property taxes; or increase for community services aid. Additionally the County is seeking intergovernmental aid and programming to address COVID-19 locally.

The extent of the impact of COVID-19 on the County's operational and financial performance will depend on future developments, including the duration and spread of the outbreak and related governmental or other regulatory actions.

All of these factors were considered in preparing the County of Scott, Iowa's budget for the June 30, 2021 fiscal year or future amendments.

Requests for Information

These financial statements and discussions are designed to provide our citizens, taxpayers, investors and creditors with a complete disclosure 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, please write David Farmer, Director of Budget and Administrative Services, Scott County Administrative Center, 600 West 4th Street, Davenport, Iowa 52801-1003.

County of Scott, Iowa

Statement of Net Position
As of June 30, 2020

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Current assets:				
Cash and investments	\$ 38,196,640	\$ 443,454	\$ 38,640,094	\$ 677,789
Restricted cash and investments	9,264,032	-	9,264,032	-
Receivables:				
Property taxes, net of allowance for collection losses	62,674,799	-	62,674,799	-
Accounts	415,817	-	415,817	27,258
Interest	120,338	1,100	121,438	1,852
Due from other governmental agencies	4,215,218	-	4,215,218	39,000
Prepays	198,474	-	198,474	11,507
Inventories	-	9,534	9,534	-
Total current assets	115,085,318	454,088	115,539,406	757,406
Noncurrent assets:				
Receivables:				
Loans	6,830,000	-	6,830,000	-
Capital assets:				
Not depreciated or amortized:				
Land	4,820,598	1,556,336	6,376,934	16,600
Construction-in-progress	7,205,800	-	7,205,800	-
Depreciated or amortized:				
Buildings	97,217,514	577,483	97,794,997	1,131,866
Improvements other than buildings	9,661,943	307,632	9,969,575	-
Infrastructure	108,458,778	-	108,458,778	-
Intangible - software	4,700,050	-	4,700,050	-
Machinery and equipment	38,665,886	1,468,567	40,134,453	879,903
Less accumulated depreciation and amortization	(154,123,391)	(1,698,337)	(155,821,728)	(1,276,412)
Total capital assets	116,607,178	2,211,681	118,818,859	751,957
Total noncurrent assets	123,437,178	2,211,681	125,648,859	751,957
Total assets	238,522,496	2,665,769	241,188,265	1,509,363
Deferred Outflows of Resources				
OPEB related deferred outflows	227,809	2,893	230,702	4,057
Pension related deferred outflows	5,668,695	214,656	5,883,351	343,503
Total deferred outflows of resources	5,896,504	217,549	6,114,053	347,560
Total assets and deferred outflows of resources	\$ 244,419,000	\$ 2,883,318	\$ 247,302,318	\$ 1,856,923

See Notes to Basic Financial Statements

Liabilities, Deferred Inflows of Resources, and Net Position	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Liabilities:				
Accounts payable	\$ 3,309,384	\$ 28,945	\$ 3,338,329	\$ 54,539
Current portion of claims payable	806,343	-	806,343	-
Accrued liabilities	1,431,136	39,004	1,470,140	42,577
Interest payable	92,177	-	92,177	-
Unearned revenue	32,877	5,628	38,505	-
Compensated absences	1,735,091	16,956	1,752,047	23,589
Current portion of general obligation bonds	2,110,000	-	2,110,000	-
Current portion of notes payable	550,000	-	550,000	-
Current portion of revenue bonds	1,800,000	-	1,800,000	-
Total current liabilities	11,867,008	90,533	11,957,541	120,705
Noncurrent liabilities:				
Claims payable	37,038	-	37,038	-
Compensated absences	1,930,840	44,446	1,975,286	47,758
Total OPEB liability	1,555,156	19,749	1,574,905	27,698
Net pension liability	16,122,322	126,051	16,248,373	518,739
General obligation bonds payable, net bond premium	18,087,662	-	18,087,662	-
Note payable	5,300,000	-	5,300,000	-
Revenue bonds payable, net bond premium	7,524,500	-	7,524,500	-
Total noncurrent liabilities	50,557,518	190,246	50,747,764	594,195
Total liabilities	62,424,526	280,779	62,705,305	714,900
Deferred inflows of resources:				
OPEB related deferred inflows	67,445	856	68,301	1,201
Pension related deferred inflows	4,422,460	5,345	4,427,805	13,223
Deferred property tax revenue	61,726,472	-	61,726,472	-
Total deferred inflows of resources	66,216,377	6,201	66,222,578	14,424
Net position:				
Net investment in capital assets	96,340,084	2,211,681	98,551,765	751,957
Restricted for:				
Debt service	226,578	-	226,578	-
Other statutory programs	633,589	-	633,589	-
Mental health	770,555	-	770,555	-
Secondary roads	4,968,351	-	4,968,351	-
Rural services	126,703	-	126,703	-
Unrestricted	12,712,237	384,657	13,096,894	375,642
Total net position	115,778,097	2,596,338	118,374,435	1,127,599
Total liabilities, deferred inflows of resources, and net position	\$ 244,419,000	\$ 2,883,318	\$ 247,302,318	\$ 1,856,923

County of Scott, Iowa

Statement of Activities
For the Year Ended June 30, 2020

Functions / Programs	Program Revenues			
	Expenses	Charges for Sales and Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
Public safety and legal services	\$ 28,562,069	\$ 2,052,234	\$ 2,413,814	\$ -
Public safety and legal services - SECC	8,015,430	-	6,000	-
Physical health and social services	6,543,433	480,139	1,971,867	-
Mental health	5,630,174	336,770	-	-
County environment and education	6,089,395	1,308,718	136,282	696,236
Roads and transportation	10,742,814	107,903	78,508	507,988
Government services to residents	2,913,233	3,031,920	368,695	-
Administration	13,109,065	133,444	126,689	-
Interest on long-term debt	858,859	-	1,419,227	-
Total governmental activities	82,464,472	7,451,128	6,521,082	1,204,224
Business-Type activities, golf	931,701	933,761	-	-
Total primary government	\$ 83,396,173	\$ 8,384,889	\$ 6,521,082	\$ 1,204,224
Component Units				
Emergency Management Agency	\$ 473,694	\$ 75,890	\$ 360,251	\$ -
County Library	1,171,013	10,010	1,220,948	-
Total component units	\$ 1,644,707	\$ 85,900	\$ 1,581,199	\$ -
General Revenues				
Taxes:				
Property taxes				
Local option sales tax				
Gaming				
Other taxes				
Utility tax replacements				
Penalties, interest and costs on taxes				
State tax replacement credits, unrestricted				
State shared revenues, unrestricted				
Payments in lieu of taxes				
Investment earnings				
Miscellaneous				
Total general revenues				
Changes in net position				
Net position, beginning of year				
Net position, end of year				

See Notes to Basic Financial Statements.

Net (Expense) Revenue and Changes in Net Position				
Primary Government				
Governmental Activities	Business-Type Activities	Total	Component Units	
\$ (24,096,021)	\$ -	\$ (24,096,021)	\$ -	-
(8,009,430)	-	(8,009,430)	-	-
(4,091,427)	-	(4,091,427)	-	-
(5,293,404)	-	(5,293,404)	-	-
(3,948,159)	-	(3,948,159)	-	-
(10,048,415)	-	(10,048,415)	-	-
487,382	-	487,382	-	-
(12,848,932)	-	(12,848,932)	-	-
560,368	-	560,368	-	-
(67,288,038)	-	(67,288,038)	-	-
-	2,060	2,060	-	-
(67,288,038)	2,060	(67,285,978)	-	-
			(37,553)	
			59,945	
			22,392	
53,516,264	-	53,516,264	-	-
4,939,394	-	4,939,394	-	-
577,668	-	577,668	-	-
93,200	-	93,200	-	-
1,857,243	-	1,857,243	-	-
314,158	-	314,158	-	-
4,137,625	-	4,137,625	-	-
4,497,873	-	4,497,873	-	-
8,040	-	8,040	-	-
1,153,507	5,382	1,158,889	9,770	
2,069,597	-	2,069,597	14,805	
73,164,569	5,382	73,169,951	24,575	
5,876,531	7,442	5,883,973	46,967	
109,901,566	2,588,896	112,490,462	1,080,632	
\$ 115,778,097	\$ 2,596,338	\$ 118,374,435	\$ 1,127,599	

County of Scott, Iowa

Balance Sheet
Governmental Funds
As of June 30, 2020

	General	Mental Health/ Development Disabilities
Assets		
Cash and investments	\$ 15,543,479	\$ 1,178,362
Restricted cash and investments	-	-
Receivables		
Property taxes, net of allowance for collection losses	50,781,605	5,421,556
Accounts	99,115	12,914
Interest	57,991	3,215
Loans	-	-
Due from other governmental agencies	3,372,858	-
Prepays	92,204	-
Total assets	\$ 69,947,252	\$ 6,616,047
Liabilities, Deferred Inflows of Resources, and Fund Balances		
Liabilities:		
Accounts payable	\$ 890,063	\$ 406,971
Claims payable	22,343	-
Accrued liabilities	1,121,338	46,380
Unearned revenue	32,877	-
Total liabilities	2,066,621	453,351
Deferred Inflows of Resources:		
Unavailable revenue	2,945,273	58,490
Unavailable property tax revenue	49,996,983	5,333,651
Total deferred resources of inflows	52,942,256	5,392,141
Fund balances:		
Nonspendable	92,204	-
Restricted	625,764	770,555
Assigned	2,304,071	-
Unassigned	11,916,336	-
Total fund balances	14,938,375	770,555
Total liabilities, deferred inflows of resources, and fund balances	\$ 69,947,252	\$ 6,616,047

See Notes to Basic Financial Statements

Secondary Roads		Scott Emergency Communication Center	Capital Projects	Debt Service	Nonmajor Governmental Funds		Total
\$	5,011,525	\$ 2,731,792	\$ 8,937,329	\$ 79,611	\$ 193,299	\$	33,675,397
	-	-	9,264,030	-	2		9,264,032
	-	-	-	3,122,338	3,349,300		62,674,799
	-	1,824	11,288	282,720	-		407,861
	13,672	7,453	24,861	283	528		108,003
	-	-	-	6,830,000	-		6,830,000
	839,860	-	2,500	-	-		4,215,218
	-	23,640	-	-	-		115,844
\$	5,865,057	\$ 2,764,709	\$ 18,240,008	\$ 10,314,952	\$ 3,543,129	\$	117,291,154
\$	482,653	\$ 258,590	\$ 1,261,179	\$ 250	\$ -	\$	3,299,706
	-	-	-	-	-		22,343
	111,565	151,853	-	-	-		1,431,136
	-	-	-	-	-		32,877
	594,218	410,443	1,261,179	250	-		4,786,062
	302,488	-	-	16,654	29,783		3,352,688
	-	-	-	3,087,422	3,308,416		61,726,472
	302,488	-	-	3,104,076	3,338,199		65,079,160
	-	23,640	-	-	-		115,844
	4,968,351	2,330,626	9,264,030	7,210,626	204,930		25,374,882
	-	-	7,714,799	-	-		10,018,870
	-	-	-	-	-		11,916,336
	4,968,351	2,354,266	16,978,829	7,210,626	204,930		47,425,932
\$	5,865,057	\$ 2,764,709	\$ 18,240,008	\$ 10,314,952	\$ 3,543,129	\$	117,291,154

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County of Scott, Iowa

**Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
As of June 30, 2020**

Total governmental fund balances		\$	47,425,932
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Amounts reported for governmental activities are not financial resources and, therefore, are not reported in the funds:

Land	\$	4,820,598	
Construction-in-progress		7,205,800	
Buildings		97,217,514	
Improvements other than buildings		9,661,943	
Infrastructure		108,458,778	
Intangibles - software		4,700,050	
Machinery and equipment		38,665,886	
Accumulated depreciation and amortization		(154,123,391)	116,607,178

Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds:

Delinquent tax		613,810
Local option sales tax		233,000
Intergovernmental reimbursement		302,488
Operating grants		2,203,388

Internal service funds are used by management to charge costs associated with self-insured health insurance. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position is:

4,141,486

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

Deferred outflows of resources	227,809
Deferred inflows of resources	(67,445)

Pension 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 funds:

Deferred outflows of resources	5,668,695
Deferred inflows of resources	(4,422,460)

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:

Claims payable	(348,036)	
Compensated absences	(3,665,931)	
Total OPEB liability	(1,555,156)	
Accrued interest payable	(92,177)	
Notes payable	(5,850,000)	
Bond premium	(1,637,162)	
Net pension liability - cost sharing plan	(16,122,322)	
Revenue bonds payable	(9,275,000)	
General obligation bonds payable	(18,610,000)	(57,155,784)
Net position of governmental activities		\$ 115,778,097

See Notes to Basic Financial Statements.

County of Scott, Iowa

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

	General	Mental Health/ Development Disabilities
Revenues:		
Property taxes	\$ 43,339,662	\$ 4,853,949
Local option sales tax	5,006,394	-
Other taxes	1,629,153	177,430
Interest and penalties on taxes	314,158	-
Intergovernmental	6,315,275	386,696
Charges for services	5,434,610	186,522
Investment earnings	656,953	18,287
Licenses and permits	823,089	-
Rentals and fees	97,821	-
Other	1,051,648	296,449
Total revenues	64,668,763	5,919,333
Expenditures:		
Current:		
Public safety and legal services	25,644,363	-
Physical health and social services	6,289,669	-
Mental health	2,126	5,581,903
County environment and education	4,568,621	-
Roads and transportation	-	-
Government services to residents	2,687,634	-
Administration	12,033,996	-
Capital outlay	105,291	-
Debt service		
Principal	-	-
Interest and fees	-	-
Total Expenditures	51,331,700	5,581,903
Excess (deficiency) of revenues over expenditures	13,337,063	337,430
Other financing sources (uses):		
Transfers in	20,000	-
Transfers out	(12,002,773)	-
Debt issued	-	-
Premium on debt issued	-	-
Proceeds from sale of capital assets	-	-
Total other financing sources (uses)	(11,982,773)	-
Net change in fund balances	1,354,290	337,430
Fund balances, beginning of year	13,584,085	433,125
Fund balances, end of year	\$ 14,938,375	\$ 770,555

See Notes to Basic Financial Statements.

		Scott Emergency Communication	Nonmajor			
Secondary Roads	Center	Capital Projects	Debt Service	Governmental Funds	Total	
\$ -	\$ -	\$ -	\$ 1,786,676	\$ 3,032,749	\$ 53,013,036	
-	-	-	-	-	5,006,394	
-	-	577,668	62,037	81,826	2,528,114	
-	-	-	-	-	314,158	
4,576,381	6,000	193,105	1,557,757	160,874	13,196,088	
57,200	-	-	-	36,819	5,715,151	
67,448	31,345	307,005	14,849	6,244	1,102,131	
50,703	-	-	-	-	873,792	
-	21,000	-	-	-	118,821	
51,804	276	37,228	-	-	1,437,405	
4,803,536	58,621	1,115,006	3,421,319	3,318,512	83,305,090	
-	6,724,697	-	-	-	32,369,060	
-	-	-	-	-	6,289,669	
-	-	-	-	-	5,584,029	
-	-	-	-	587,575	5,156,196	
6,596,272	-	-	-	-	6,596,272	
-	-	-	-	-	2,687,634	
-	-	-	-	-	12,033,996	
3,953,332	1,949,246	5,580,177	-	-	11,588,046	
-	530,000	-	7,450,000	1,765,000	9,745,000	
-	169,000	-	866,748	203,109	1,238,857	
10,549,604	9,372,943	5,580,177	8,316,748	2,555,684	93,288,759	
(5,746,068)	(9,314,322)	(4,465,171)	(4,895,429)	762,828	(9,983,669)	
3,650,000	10,724,901	3,034,150	-	1,967,918	19,396,969	
-	-	(2,772,278)	(1,967,918)	(2,754,000)	(19,496,969)	
-	-	10,260,000	2,420,000	-	12,680,000	
-	-	1,557,214	325,378	-	1,882,592	
2,036	-	119,349	-	-	121,385	
3,652,036	10,724,901	12,198,435	777,460	(786,082)	14,583,977	
(2,094,032)	1,410,579	7,733,264	(4,117,969)	(23,254)	4,600,308	
7,062,383	943,687	9,245,565	11,328,595	228,184	42,825,624	
\$ 4,968,351	\$ 2,354,266	\$ 16,978,829	\$ 7,210,626	\$ 204,930	\$ 47,425,932	

County of Scott, Iowa

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2020**

Net change in fund balances - governmental funds		\$	4,600,308
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following is the detail of the amount by which capital outlays exceeded depreciation in the current year:</p>			
Capital outlay capitalized			11,482,999
Contributed capital			478,488
Depreciation			
Public safety and legal services	\$	(1,685,194)	
Public safety and legal services - SECC		(1,530,295)	
Physical health and social services		(26,604)	
Mental health		(2,589)	
County environment and education		(707,358)	
Roads and transportation		(3,894,451)	
Governmental services to residents		(123,807)	
Administration		<u>(643,346)</u>	
			(8,613,644)
Book value of capital assets retired			(326,186)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			2,941,455
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities			1,434,068
<p>The issuance of long-term debt (e.g. bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds an interest expenditure is reported when due. The following is a detail of the net effect of these differences in the treatment of long-term debt and related items:</p>			
Repayment of principal			9,745,000
Interest expense			(16,619)
Amortization of bond premium			396,616
Principal issued			(12,680,000)
Premium on debt issued			(1,882,592)
<p>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:</p>			
Change in claims payable			(66,351)
Change in compensated absences			(381,353)
Change in net pension liability			1,942,222
Change in net pension related deferred inflows			(1,981,415)
Change in net pension related deferred outflows			(1,126,106)
Change in total OPEB liability			(53,477)
Change in OPEB related deferred inflows			7,099
Change in OPEB related deferred outflows			<u>(23,981)</u>
Change in net position of governmental activities		\$	<u><u>5,876,531</u></u>

See Notes to Basic Financial Statements.

County of Scott, Iowa

Statement of Net Position
Proprietary Funds
As of June 30, 2020

	Nonmajor Business-Type Activities Enterprise Fund - Golf Course	Governmental Activities Internal Service Funds
Assets		
Current assets:		
Cash and investments	\$ 443,454	\$ 4,521,243
Receivables:		
Accounts	-	7,956
Interest	1,100	12,335
Prepays	-	82,630
Inventories	9,534	-
Total current assets	454,088	4,624,164
Noncurrent assets:		
Capital assets:		
Land	1,556,336	-
Buildings	577,483	-
Improvements other than buildings	307,632	-
Machinery and equipment	1,468,567	-
Less accumulated depreciation	(1,698,337)	-
Total capital assets	2,211,681	-
Total assets	2,665,769	4,624,164
Deferred Outflows of Resources		
OPEB related deferred outflows	2,893	-
Pension related deferred outflows	214,656	-
Total deferred outflows of resources	217,549	-
Total assets and deferred outflows of resources	\$ 2,883,318	\$ 4,624,164
Liabilities and Net Position		
Current liabilities:		
Accounts payable	\$ 28,945	\$ 9,678
Claims payable	-	473,000
Accrued liabilities	39,004	-
Unearned revenue	5,628	-
Compensated absences	16,956	-
Total current liabilities	90,533	482,678
Noncurrent liabilities		
Compensated absences	44,446	-
Total OPEB liability	19,749	-
Net pension liability	126,051	-
Total noncurrent liabilities	190,246	-
Total liabilities	280,779	482,678
Deferred Inflows of Resources		
OPEB related deferred inflows	856	-
Pension related deferred inflows	5,345	-
Total deferred inflows	6,201	-
Net Position:		
Investment in capital assets	2,211,681	-
Unrestricted	384,657	4,141,486
Total net position	2,596,338	4,141,486
Total liabilities, deferred inflows of resources and net position	\$ 2,883,318	\$ 4,624,164

See Notes to Basic Financial Statements.

County of Scott, Iowa

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2020

	Nonmajor Business-Type Activities Enterprise Fund - Golf Course	Governmental Activities Internal Service Funds
Operating revenues:		
Charges for services	\$ 820,995	\$ 9,023,818
Sales, net of cost of goods sold of \$69,027	111,990	-
Other	776	45,665
Total operating revenues	933,761	9,069,483
Operating expenses:		
Personnel	570,718	-
Depreciation	95,580	-
Administrative Charges	-	627,810
Claims	-	7,158,981
Other	263,399	-
Total operating expenses	929,697	7,786,791
Operating income	4,064	1,282,692
Nonoperating revenues (expenses):		
Loss on assets disposed	(2,004)	-
Investment earnings	5,382	51,376
Total nonoperating revenues (expenses)	3,378	51,376
Income before transfers	7,442	1,334,068
Transfers in	-	100,000
Change in net position	7,442	1,434,068
Total net position, beginning of year	2,588,896	2,707,418
Total net position, end of year	<u>\$ 2,596,338</u>	<u>\$ 4,141,486</u>

See Notes to Basic Financial Statements.

County of Scott, Iowa

Statement of Cash Flows

Proprietary Funds

For the Year Ended June 30, 2020

	Business-Type Activities Enterprise Fund - Golf Course	Governmental Activities Internal Service Funds
Cash flows from operating activities:		
Cash received from customers	\$ 1,002,791	\$ 9,023,942
Customer deposits (released)	(2,295)	-
Refunds from outside sources	-	45,123
Cash payments to suppliers for goods and services	(403,231)	(7,918,260)
Cash payments to employees for services	(569,805)	-
Net cash from operating activities	27,460	1,150,805
Cash flows from capital and related financing activities:		
Purchase of capital assets	(79,479)	-
Net cash from capital and related financing activities	(79,479)	-
Cash flows from noncapital financing activities		
Transfers	-	100,000
Net cash from noncapital financing activities	-	100,000
Cash flows from investing activities, interest received	5,640	49,306
Net increase (decrease) in cash and cash equivalents	(46,379)	1,300,111
Cash and cash equivalents:		
Beginning	489,833	3,221,132
Ending	<u>\$ 443,454</u>	<u>\$ 4,521,243</u>
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income	\$ 4,064	\$ 1,282,692
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Depreciation	95,580	-
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
Receivables	-	(417)
Prepays	-	(66,677)
Inventories	1,905	-
Accounts payable	2,869	3,250
Claims payable	-	(68,043)
Accrued compensation	969	-
Compensated absences	(5,288)	-
Total OPEB liability and deferrals	680	-
Net pension liability and deferrals	(71,024)	-
Customer deposits	(2,295)	-
Net cash from operating activities	\$ 27,460	\$ 1,150,805

See Notes to Basic Financial Statements.

County of Scott, Iowa

Statement of Assets and Liabilities

Agency Funds

As of June 30, 2020

Assets

Cash and investments	\$	11,594,980
Receivables:		
Property taxes		287,344,464
Interest		7,478
Other		11,741
Prepays		11,844
Total assets	\$	298,970,507

Liabilities

Accounts payable	\$	208,678
Due to other governmental agencies		297,974,629
Due to private individuals		787,200
Total liabilities	\$	298,970,507

See Notes to Basic Financial Statements.

County of Scott, Iowa

Statement of Net Position

Discretely Presented Component Units

As of June 30, 2020

	Emergency Management Agency	County Library	Total
Assets			
Current assets:			
Cash and investments	\$ 239,408	\$ 438,381	\$ 677,789
Receivables:			
Accrued Interest	657	1,195	1,852
Accounts	27,258	-	27,258
Due from other governmental agencies	39,000	-	39,000
Prepaid Items	-	11,507	11,507
Total current assets	306,323	451,083	757,406
Noncurrent assets:			
Capital assets:			
Land	-	16,600	16,600
Buildings	-	1,131,866	1,131,866
Machinery and equipment	638,969	240,934	879,903
Accumulated depreciation	(613,279)	(663,133)	(1,276,412)
Total capital assets, net	25,690	726,267	751,957
Total noncurrent assets	25,690	726,267	751,957
Total assets	332,013	1,177,350	1,509,363
Deferred Outflows of Resources			
OPEB related deferred outflows	172	3,885	4,057
Pension related deferred outflows	68,464	275,039	343,503
Total deferred outflows of resources	68,636	278,924	347,560
Total assets and deferred outflows of assets	\$ 400,649	\$ 1,456,274	\$ 1,856,923
Liabilities, Deferred Inflows of Resources and Net Position			
Current liabilities:			
Accounts payable	\$ 21,493	\$ 33,046	\$ 54,539
Accrued liabilities	13,277	29,300	42,577
Compensated absences	-	23,589	23,589
Total current liabilities	34,770	85,935	120,705
Noncurrent liabilities:			
Compensated absences	8,537	39,221	47,758
Net pension liability	62,445	456,294	518,739
Total OPEB liability	1,177	26,521	27,698
Total noncurrent liabilities	72,159	522,036	594,195
Total liabilities	106,929	607,971	714,900
Deferred Inflows of Resources			
OPEB related deferred inflows	51	1,150	1,201
Pension related deferred inflows	2,370	10,853	13,223
Total deferred inflows of resources	2,421	12,003	14,424
Net Position:			
Investment in capital assets	25,690	726,267	751,957
Unrestricted	265,609	110,033	375,642
Total net position	291,299	836,300	1,127,599
Total liabilities, deferred inflows of resources, and net position	\$ 400,649	\$ 1,456,274	\$ 1,856,923

See Notes to Basic Financial Statements.

County of Scott, Iowa

Combining Statement of Activities
Discretely Presented Component Units
For the Year Ended June 30, 2020

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Sales and Services	Operating Grants and Contributions	Emergency Management Agency	County Library	Total
Emergency Management Agency						
Public safety and legal services	\$ 473,694	\$ 75,890	\$ 360,251	\$ (37,553)	\$ -	\$ (37,553)
County Library						
County environment and education	1,171,013	10,010	1,220,948	-	59,945	59,945
Total component units	\$ 1,644,707	\$ 85,900	\$ 1,581,199	(37,553)	59,945	22,392
General Revenues						
Investment earnings				4,646	5,124	9,770
Miscellaneous				-	14,805	14,805
Total general revenues				4,646	19,929	24,575
Changes in net position				(32,907)	79,874	46,967
Net Position, beginning of year				324,206	756,426	1,080,632
Net Position, end of year				\$ 291,299	\$ 836,300	\$ 1,127,599

See Notes to Basic Financial Statements

County of Scott, Iowa

Notes To Basic Financial Statements

As of and for the Year Ended June 30, 2020

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies

Nature of operations:

The County of Scott, Iowa (the "County") is incorporated and operates under the provisions of the Code of Iowa. The County is governed by a County Board and managed by the County Administrator. The powers and duties of the County Administrator are to coordinate and direct all administrative and management functions of the County government not otherwise vested by law in boards or commissions or in other elected officials. The County provides many functions and services to citizens, including law enforcement, health and social services, parks and cultural activities, planning and zoning, education and general administrative services. Other activities include the operation of a road department and contracts with a third party to provide mental health services.

Financial reporting entity:

In accordance with the Codification of Governmental Accounting and Financial Reporting Standards, the basic financial statements include all funds, organizations, agencies, boards, commissions and authorities for which the County is financially accountable. The County has also considered all other potential organizations for which the nature and significance of their relationships with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by the individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of two methods, discrete presentation or blending. Generally component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantially the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from the resources of the primary government. All of the component units have a June 30 year-end. Blended component units are the Public Safety Authority and Scott Emergency Communication Center. Discretely presented component units are the Emergency Management Agency and County Library.

County of Scott, Iowa

Notes To Basic Financial Statements

As of and for the Year Ended June 30, 2020

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

Blended Component Units:

Public Safety Authority: The Public Safety Authority (PSA) is responsible for the jail expansion project through the issuance of revenue bonds. The jail expansion will provide holding cells and a centralized booking area to the County and the City of Davenport. The Authority entered into a lease with the County to provide the funding necessary for the bond repayment schedule. Although the PSA has a jointly appointed Board by the County and the City of Davenport, it is considered a component unit of the County because it would be misleading to exclude due to the PSA being fiscally dependent on the lease payments from the County, making the County financially accountable for the PSA. Additionally, the Agency is fiscally dependent on the County for any debt obligations, which are payable almost entirely with the resources of Scott County. The authority does not issue separate financial statements.

Scott Emergency Communication Center: The Scott Emergency Communication Center (SECC) provides public safety dispatch and communication services for all participating public safety answering points to improve services to the citizens of the County. Although the SECC has a jointly appointed Board by the members, it is considered a component unit of the County due to the Code of Iowa providing for circumstances whereby the SECC can create a potential financial burden or benefit on the County. A material amount of operating contributions to fund SECC operations and debt service is provided by the County's general tax levy which are payable almost entirely with the resources of Scott County. The SECC does not issue separate financial statements.

Discretely Presented Component Units:

Emergency Management Agency: The Scott County Emergency Management Commission provides direction for the delivery of the emergency management services of planning, administration, coordination, training and support for all local governments within the County and their departments. The Commission coordinates its services in the event of a disaster. The County appoints one board member to the agency. The Commission receives its funding from the federal government, public utility companies and voluntary allocations from the participating governments, including significant fiscal dependence from Scott County through a county-wide tax levy administered through the County levy. The Code of Iowa provides for circumstances whereby the Commission can create a potential financial burden or benefit on the County. The Commission does not issue separate financial statements.

County Library: The Scott County Library Board of Trustees provides library services to all the cities within Scott County with the exception of the City of Bettendorf, the City of LeClaire and the City of Davenport. In addition, the Library provides services to the unincorporated residents of Scott County and also to the citizens of the City of Durant through a contractual arrangement. The Trustees annually direct the Board of Supervisors to levy property taxes to the unincorporated area, in addition to providing tax levying amounts to each of the participating cities. The Board of Trustees is appointed by the Board of Supervisors and the Code of Iowa provides for circumstances whereby the Library can create a potential financial burden or benefit on the County. The Library does not issue separate financial statements.

County of Scott, Iowa

Notes To Basic Financial Statements

As of and for the Year Ended June 30, 2020

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

Basis of presentation:

The County's basic financial statements consist of government-wide statements including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide and fund financial statements: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for support.

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 that are clearly identifiable with a specific function. The County does not allocate indirect expenses to functions in the statement of activities. 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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

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. The focus of fund financial statements is on major funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.

Fund accounting: The accounts of the County are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self balancing accounts which comprise its assets, deferred outflows of resources, liabilities/deferred inflows of resources, reserves, fund balance/net position, revenues and expenditures or expenses, as appropriate.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- a. Total assets / deferred outflows of resources, liabilities / deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all funds of that category or type, and
- c. In addition, any other governmental or enterprise fund that the County believes is particularly important to financial statement users may be reported as a major fund.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

The County has the following fund types:

Governmental fund types: Governmental fund types are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets/deferred outflows of resources, and liabilities/deferred inflows of resources, the fund equity, is referred to as "fund balance." The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the County's major governmental funds:

General Fund: The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Mental Health/Developmental Disabilities Fund: To account for property taxes, state revenue and other revenue that are restricted or committed to be used to provide mental health and disability services. The Mental Health/Developmental Disabilities Fund is a special revenue fund.

Secondary Roads Fund: To account for state revenue and other revenue that are restricted or committed to be used to maintain and improve the County's roads. The Secondary Roads Fund is a special revenue fund.

Scott Emergency Communication Center Fund: To account for Scott Emergency Communication Center Fund revenue and other revenue that are restricted or committed to be used for public safety dispatch and communication services for all participating public safety answering points. The Scott Emergency Communication Center Fund is a blended component unit special revenue fund.

Capital Projects Fund: To account for and report financial resources that are restricted, committed or assigned for the acquisition of property and equipment or construction of major capital projects not being financed by proprietary funds

Debt Service Fund: To account for and report financial resources that are restricted, committed or assigned to the servicing of the general long-term debt not financed by a specific source.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

The other governmental funds of the County are considered nonmajor and are as follows:

Special Revenue Funds: are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes (other than debt service or capital projects).

Rural Services Fund: To account for taxes levied to benefit the rural residents of the County.

Recorders Management Fees Fund: To account for one dollar fee collected for each recorded transaction to be used for the purpose of preserving and maintaining public records.

Debt Service Fund: used to account for the proceeds dedicated to debt service principal, interest and fees.

Public Safety Authority Fund: To account for and report financial resources that are restricted, committed or assigned to the servicing of the Public Safety Authority debt not financed by a specific source. The Public Safety Authority Fund is a blended component unit debt service fund.

Proprietary fund types: are used to account for a government's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position and cash flows.

Enterprise Funds: are used to account for those operations that are financed and operated in a manner similar to private business or where the County has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

The following is the County's non-major Enterprise Fund:

Glynns Creek Golf Course Fund: is used to account for the operation and maintenance for the County's 18-hole golf course.

Internal Service fund types: are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the County, or to other governmental entities, on a cost-reimbursement basis. The County's internal service fund consists of the following:

Health Insurance Fund: To account for health insurance provided to the County departments and component units.

Dental Insurance Fund: To account for dental insurance provided to the County departments and component units.

County of Scott, Iowa

Notes To Basic Financial Statements

As of and for the Year Ended June 30, 2020

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

Fiduciary fund types: Fiduciary fund types are used to account for net position and changes in net position. The fiduciary funds of the County are considered agency funds. Agency funds are custodial in nature (assets equal liabilities), follow the accrual basis of accounting and do not involve measurement of results of operations. The County's agency funds consist of the following:

Agricultural Extension Service Fund, Bangs Eradication Fund, City Taxing Districts Fund, Community College Taxing District Fund, Fire Taxing District Fund, School Taxing District Fund, Township Taxing District Fund and Other Holding Accounts Fund: To account for the property taxes collected by the County for the Districts.

City Special Assessments Fund: To account for the special assessment taxes collected by the County on behalf of the cities within the county.

County Sheriff Agency Fund: To account for the funds received for court services performed by the Sheriff's department.

Community Services Fund: To account for funds for those individuals who are incapable of managing their own affairs.

County Recorder Agency Fund, Motor Vehicle Tax Fund and Use Tax Fund: To account for fees and taxes collected by the County for the state.

Eastern Iowa Mental Health and Disabilities Region: To account for assets and liabilities for the regional joint 28E agreement.

E 911 Fee Fund: To account for assets and liabilities for the E 911 Board.

Tax Sale Redemption Fund: To account for the tax sale proceeds collected by the County.

Jail Inmate Fund: To account for receipts from the sale of commissary items to inmates and for funds confiscated upon arrest.

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

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

Rivershare Fund: To account for funds held on behalf of the County Library 28E agreement.

Measurement focus and basis of accounting:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements, the agency fund financial statements and the discretely presented component unit financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds do not have a measurement focus.

County of Scott, Iowa

Notes To Basic Financial Statements

As of and for the Year Ended June 30, 2020

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the County; therefore, revenues are recognized based upon the expenditures recorded and the availability criteria. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met. Amounts received before eligibility requirements (excluding time) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows of resources.

Licenses and permits, fines and forfeitures, charges for sales and services, and miscellaneous revenues are generally recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are measurable and available.

Property taxes are recognized as a receivable at the time an enforceable legal claim is established. This is determined to occur when the budget is certified and approved by the state of Iowa. The current tax levy recognized in revenue was certified in May 2019, based on the 2018 assessed valuations. These taxes are due in two installments, on September 30 and March 31, with a 1.5 percent per month penalty for delinquent payment. Due to the COVID-19 Pandemic, the State of Iowa decreed the 1.5 percent interest could not be applied from March 31 to August 24, 2020.

In addition to property taxes for the County, property taxes are collected for and remitted to other taxing bodies within the county. Property taxes are levied in the current year for the succeeding year are reflected as receivables and due to other governments on the accompanying statement of assets and liabilities – agency funds.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

County of Scott, Iowa

Notes To Basic Financial Statements

As of and for the Year Ended June 30, 2020

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

Significant accounting policies:

The significant accounting policies of the County, its blended component units, and its discretely presented component units are as follows:

Pooled cash and investment account: Separate bank accounts and investments are not maintained for all County funds, as certain funds maintain their cash and investment balances in a pooled account. Accounting records are maintained to show the portion of the pooled account attributable to each participating fund. The investments of the Public Safety Authority are not maintained in the pooled cash and investment fund, but in separately held escrow accounts. This investment is restricted cash and investments.

Earnings on the pooled account are allocated to the General Fund unless statutes require otherwise or the Board of Supervisors has authorized otherwise. These respective allocations are made based on the average balances by fund.

Investments: Investments are reported at fair value. Short-term investments are reported at cost which approximates fair value. Securities traded on the national or international exchange are valued at the last reported sales price at current exchange rates.

Statement of cash flows: For purposes of cash flows, the County considers its pooled cash and investment accounts as cash equivalents since these accounts have the general characteristics of demand deposits. Also, all highly liquid investments, with a maturity of three months or less when purchased, are considered to be cash equivalents.

Inventories: Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are carried at cost, as determined using the first-in, first-out method.

Prepaid items: Prepaid items, i.e. secondary insurance, and contracted service agreements, are charged to expenditure accounts when consumed.

Capital assets: Capital assets, including land, construction-in-progress, buildings, improvements other than buildings, machinery and equipment, intangible software and infrastructure are reported in the applicable governmental or business type activities columns in the government-wide financial statements. Infrastructure also includes assets acquired prior to June 30, 1980. Capital assets are defined by the County as assets with an initial, individual cost of more than \$10,000 and an initial useful life of one year or greater. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized in the current fiscal year.

All reported capital assets except land and construction-in-progress are depreciated.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

Depreciation and amortization has been provided using the straight-line method over the estimated useful lives of the respective:

Building	50 years
Improvements other than buildings	20 years
Infrastructure	10 - 100 years
Machinery and equipment	5 - 20 years
Intangible - software	5 - 20 years

The County's collection of works of art, library books and other similar assets are not capitalized. These collections are unencumbered, held for public exhibition and education, protected, cared for and preserved and subject to County policy that requires proceeds from the sale of these items, if any, to be used to acquire other collection items.

Unearned / unavailable revenue: Unearned / unavailable revenues arise from taxes levied in the current year which are for subsequent year's operations. For governmental fund financial statements, unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received before the County has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized. Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Deferred outflows or inflows of resources: A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time. A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Interfund transactions: Transactions from County funds that would be treated as revenues and expenditures or expenses if they involved organizations external to County government are accounted for as revenues and expenditures or expenses in the funds involved.

Transactions which constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which revenues are to be expended, are separately reported in the respective funds' operating statements.

Activity between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

County of Scott, Iowa

Notes To Basic Financial Statements

As of and for the Year Ended June 30, 2020

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

Noncurrent portions of long-term inter-fund loan receivables are reported as advances. Within the governmental funds, advances are offset equally by a fund balance nonspendable account which indicates they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

For the statement of net position and statement of activities, interfund balances, advances and transfers within the governmental activities or business-type activities are netted and eliminated.

Compensated absences: Under terms of the County's personnel policy, County employees are granted vacation and sick leave in varying amounts based upon length of employment by the County. Vacation days accumulate up to two times the employee's yearly vacation rate, and total accumulated vacation will be paid upon termination of employment. Sick leave accumulates without limit. Employees hired before July 1, 2000 have an option of being paid 50 percent of all hours above 720 up to a maximum of 1,680 hours or to be paid 25 percent of all hours available up to a maximum of 1,680 hours. Payment should not exceed 480 hours. The option is not selected until retirement. Employees hired after July 1, 2000 are paid 25 percent of all hours available up to a maximum of 1,680. Payment should not exceed 420 hours.

For proprietary fund types, these accumulations are recorded as expenses and liabilities of the appropriate fund in the fiscal year earned. The governmental fund types report the amount of accumulated unpaid vacation and sick leave, which is considered due, as a result of employee retirements and resignations. The amount of the liability not considered due is not reported in the fund financial statements. However, the entire compensated absence liability is reported in the government-wide financial statements.

Fund equity: In accordance with Governmental Accounting Standards Board Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions, the County classifies governmental fund balance as follows:

- **Nonspendable** – Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- **Restricted** – Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- **Committed** – Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (ordinance, resolution) of the County. The Board of Supervisors may commit funds through a resolution or ordinance as each is considered equally binding. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the County that originally created the commitment.

County of Scott, Iowa

Notes To Basic Financial Statements

As of and for the Year Ended June 30, 2020

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

- **Assigned** – Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following; 1) the County has adopted a financial policy authorizing the County Administrator to assign amounts for a specific purpose. 2) All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments were prepared by the County Administrator in preparation of the financial statements.
- **Unassigned** – Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

The County has adopted a fund balance policy for all governmental funds as follows: General Fund unassigned fund balance is to exceed 15% of annual operating expenses; Secondary Roads Fund restricted fund balances is to be, at minimum, between 5% and 10% of annual operating expenses; Mental Health / Developmental Disabilities Fund is restricted with no minimum balance; Debt Service Fund is to exceed a \$25,000 minimum balance and Rural Services Fund is to exceed \$25,000 minimum balance. As of June 30, 2020, the Secondary Roads Fund had fund balance at 47% of annual operating expenses. The Secondary Roads Fund exceeded the policy due to unanticipated intergovernmental revenue through the motor fuel tax accumulating for future capital projects and operating expenditures running smaller than expected. The General Fund, Mental Health / Developmental Disabilities Fund, Debt Service Fund, and Rural Services Fund are in compliance with the fund balance policy.

The Public Safety Authority and Scott Emergency Communication Center do not have a governmental fund balance policy.

Net position: Net position represents the difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on their use through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Unrestricted net position is all other net position that does not meet the definitions of "restricted" or "net investment in capital assets".

The County first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the County would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Bond discounts, premiums and issue costs: In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond discounts and premiums are amortized over the life of the bonds using the effective interest method. The balance at year end of premiums and discounts is shown as an increase or decrease in the liability section of the statement of net position.

County of Scott, Iowa

Notes To Basic Financial Statements

As of and for the Year Ended June 30, 2020

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

In the fund financial statements, governmental fund types recognize bond discounts and premiums, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Discounts on debt issuances are reported as other financing uses while premiums on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Budgetary information: Scott County budgets are prepared using the same accounting basis and practices as are used to account for and prepare financial reports for the funds; thus, budgets presented in this report for comparison to actual amounts are presented in accordance with accounting principles generally accepted in the United States of America. The blending of component units require reclassifications of expenditures to the County to the blended component units. These expenditures are reclassified between transfers and service provided.

The County uses the following procedures when establishing their operational budget, excluding blended component units:

Prior to January 15, each County Officer and department submits budget estimates for the coming fiscal year to the Director of Budget and Administrative Services. The Director of Budget and Administrative Services compiles the budget estimates received from the officers and departments. The County Administrator presents them to the County Board prior to the end of January.

- Public hearings are conducted to obtain taxpayer comments.
- Prior to March 31, the budget is legally adopted by resolution of the County Board.
- The budget may be amended by majority approval of the County Board prior to May 31 after public notice has been published.
- Encumbrances are not recognized in the budget and appropriations lapse at year-end.

The legal level of control is at the program expenditure level. These seven classes are: public safety and legal services, physical health and social services, mental health, County environment and education, roads and transportation, governmental services to residents and administration.

In addition, the County Board must appropriate, by resolution, the budgets for each of the different County offices and departments. Emphasis is placed on monitoring budgets at the departmental level by major class of expenditures, rather than by line item expenditure. County management can approve budget shifts within the major classes but not between major classes. During the year, there were three budget amendments adopted in August, 2019, March, 2020 and May, 2020.

Scott Emergency Communications Center did not amend its budget in fiscal year 2020. The legal level of control is at the organization level. The Public Safety Authority did not adopt a budget in fiscal year 2020.

County of Scott, Iowa

Notes To Basic Financial Statements

As of and for the Year Ended June 30, 2020

Note 1. Nature of Operations, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Note 2. Deposits and Investments

As of June 30, 2020, the County's cash and investments were as follows:

Cash on hand, deposits and investments with financial institutions	\$ 38,640,094
Restricted Cash and Investments with financial institutions	9,264,032
Cash on hand and deposits with financial institutions, discretely presented component units	677,789
Cash on hand, deposits and investments with financial institutions, agency funds	11,594,980
	<u>\$ 60,176,895</u>

Interest rate risk: Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In accordance with the County's investment policy, portfolio maturities shall be staggered in a way that avoids undue concentration of assets in a specific maturity sector. Maturities shall be selected which provide stability of income and reasonable liquidity.

As of June 30, 2020, the County had the following investments subject to interest rate risk:

Type	0 - 6 Months	7 - 12 Months	12 - 18 Months	Total
Certificates of Deposit	\$ 27,547,338	\$ 9,183,302	\$ -	\$ 36,730,640
Federal Farm Credit Bank Notes	-	-	999,660	999,660
US Treasury Notes	1,506,225	3,043,590	-	4,549,815
Total	<u>\$ 29,053,563</u>	<u>\$ 12,226,892</u>	<u>\$ 999,660</u>	<u>\$ 42,280,115</u>

County of Scott, Iowa

Notes To Basic Financial Statements

As of and for the Year Ended June 30, 2020

Note 2. Deposits and Investments

Credit risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County is authorized by statute to invest in U.S. government and agency obligations, perfected repurchase agreements and commercial paper rated within the two highest prime classifications by at least one of the standard rating services. The County's investment policy does limit them from investing in reverse repurchase agreements, futures and options contracts, inverse floaters, and stripped securities, including principal only and interest only strips.

As of June 30, 2020, the investment in the Federal Farm Credit Bank Notes are rated AAA by Moody's and AA+ by Standard & Poor's.

Custodial credit risk: For deposits, this is the risk that in the event of bank failure, the County's deposits may not be returned to it. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's bank account deposits at June 30, 2020 were entirely covered by Federal depository insurance, or by a collateral pool in accordance with Chapter 12C of the Code of Iowa. The County's credit union deposits were entirely covered by Federal depository insurance and a letter of credit held by the County's agent in the County's name. As of June 30, 2020, the County did not have any deposits or investments exposed to custodial credit risk.

Concentration of credit risk: Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer. The County's policy, as set by state law, limits them from investing in corporate debt of more than 10% of the investment portfolio and more than 5% of the investment portfolio in a single issuer.

At June 30, 2020, the County had 11% of its investment portfolio in US Treasury Notes.

Fair Value Measurement: The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is 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 County's level 2 observable inputs included stated market pricing from treasury management vendors using a bullet (non-call) spread cycle created for each issuer for maturities going out to forty years.

The valuation method as of June 30, 2020 for recurring fair value measurements follows the market approach using quoted market prices.

Type	Level 1	Level 2	Level 3	Total
Federal Farm Credit Bank Notes	\$ -	\$ 999,660	\$ -	\$ 999,660
US Treasury Notes	4,549,815	-	-	4,549,815
Total	<u>\$ 4,549,815</u>	<u>\$ 999,660</u>	<u>\$ -</u>	<u>\$ 5,549,475</u>

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 3. Interfund Transfers

The following is a schedule of interfund transfers:

	<u>Transfers In</u>	<u>Transfer Out</u>
Governmental activities:		
Major governmental funds:		
General	\$ 20,000	\$ 12,002,773
Scott emergency communication center	10,724,901	-
Capital projects	3,034,150	2,772,278
Secondary roads	3,650,000	-
Debt service	-	1,967,918
Nonmajor governmental funds:		
Rural services	-	2,709,000
Recorders management fees	-	45,000
Public safety authority	1,967,918	-
Internal service fund		
Health insurance	100,000	-
Total governmental activities	<u>19,496,969</u>	<u>19,496,969</u>
 Total Transfers	 <u>\$ 19,496,969</u>	 <u>\$ 19,496,969</u>

Transfers are used to (1) move revenues from the fund that statute, bond resolution or budget requires to collect them to the fund that statute or budget requires to expend them, or (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 4. Capital Assets

The following is a summary of changes in capital assets for the year ended June 30, 2020:

Governmental Activities	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Capital assets not being depreciated				
Land	\$ 4,701,961	\$ 118,637	\$ -	\$ 4,820,598
Construction in progress	9,065,970	4,983,176	(6,843,346)	7,205,800
Total Capital Assets Not Being Depreciated and Amortized	13,767,931	5,101,813	(6,843,346)	12,026,398
Capital assets being depreciated and amortized				
Buildings	94,908,581	2,308,933	-	97,217,514
Improvements other than buildings	9,537,661	124,282	-	9,661,943
Infrastructure	101,300,785	7,157,993	-	108,458,778
Intangible - software	4,606,926	93,124	-	4,700,050
Machinery and equipment	35,699,781	4,018,688	(1,052,583)	38,665,886
Total Capital Assets Being Depreciated and Amortized	246,053,734	13,703,020	(1,052,583)	258,704,171
Less: accumulated depreciation and amortization for				
Buildings	38,364,437	1,901,273	-	40,265,710
Improvements other than buildings	5,177,093	400,272	-	5,577,365
Infrastructure	74,160,799	3,012,248	-	77,173,047
Intangible - software	3,683,874	146,855	-	3,830,729
Machinery and equipment	24,849,941	3,152,996	(726,397)	27,276,540
Total Accumulated Depreciation and Amortization	146,236,144	8,613,644	(726,397)	154,123,391
Total Capital Assets Being Depreciated and Amortized	99,817,590	5,089,376	(326,186)	104,580,780
Governmental Activities Capital Assets, Net of Depreciation and Amortization	\$ 113,585,521	\$ 10,191,189	\$ (7,169,532)	\$ 116,607,178

Accumulated depreciation as of June 30, 2019 was reclassified between intangible – software and machinery and equipment.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 4. Capital Assets (Continued)

Business-Type Activities	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Capital assets not being depreciated				
Land	\$ 1,556,336	\$ -	\$ -	\$ 1,556,336
Total Capital Assets Not Being Depreciated	<u>1,556,336</u>	<u>-</u>	<u>-</u>	<u>1,556,336</u>
Capital assets being depreciated				
Buildings	577,483	-	-	577,483
Improvements other than buildings	307,632	-	-	307,632
Machinery and equipment	1,448,701	92,479	(72,613)	1,468,567
Total Capital Assets Being Depreciated	<u>2,333,816</u>	<u>92,479</u>	<u>(72,613)</u>	<u>2,353,682</u>
Less: accumulated depreciation for				
Buildings	332,134	10,302	-	342,436
Improvements other than buildings	289,870	4,441	-	294,311
Machinery and equipment	1,038,363	80,837	(57,610)	1,061,590
Total Accumulated Depreciation	<u>1,660,367</u>	<u>95,580</u>	<u>(57,610)</u>	<u>1,698,337</u>
Total Capital Assets Being Depreciated	<u>673,449</u>	<u>(3,101)</u>	<u>(15,003)</u>	<u>655,345</u>
Business-Type Activities				
Capital Assets, Net of Depreciation	<u>\$ 2,229,785</u>	<u>\$ (3,101)</u>	<u>\$ (15,003)</u>	<u>\$ 2,211,681</u>

A summary of the changes in capital assets of the discretely presented component units is as follows:

Discretely Presented Component Units	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Capital assets not being depreciated				
Land	\$ 16,600	\$ -	\$ -	\$ 16,600
Total Capital Assets Not Being Depreciated	<u>16,600</u>	<u>-</u>	<u>-</u>	<u>16,600</u>
Capital assets being depreciated				
Buildings	1,131,866	-	-	1,131,866
Machinery and equipment	879,903	-	-	879,903
Total Capital Assets Being Depreciated	<u>2,011,769</u>	<u>-</u>	<u>-</u>	<u>2,011,769</u>
Less: accumulated depreciation for				
Buildings	426,574	20,744	-	447,318
Machinery and equipment	818,659	10,435	-	829,094
Total Accumulated Depreciation	<u>1,245,233</u>	<u>31,179</u>	<u>-</u>	<u>1,276,412</u>
Total Capital Assets Being Depreciated	<u>766,536</u>	<u>(31,179)</u>	<u>-</u>	<u>735,357</u>
Total Governmental Activities				
Capital Assets, Net of Depreciation	<u>\$ 783,136</u>	<u>\$ (31,179)</u>	<u>\$ -</u>	<u>\$ 751,957</u>

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 4. Capital Assets (Continued)

Depreciation expense was charged to the functions of the primary government as follows:

Governmental Activities:	
Public safety and legal services	\$ 1,685,194
Public safety and legal services - SECC	1,530,295
Physical health and social services	26,604
Mental health	2,589
County environment and education	707,358
Roads and transportation	3,894,451
Governmental services to residents	123,807
Administration	643,346
Total Governmental Activities Depreciation and Amortization Expense	\$ 8,613,644
Business-Type activities, golf course	\$ 95,580
Discretely Presented Component Units:	
Emergency Management Agency	\$ 3,452
County Library	27,727
Total Discretely Presented Component Units Depreciation Expense	\$ 31,179

Note 5. Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2020:

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020	Due Within One Year
Governmental Activities:					
General obligation bonds	\$ 13,380,000	\$ 12,680,000	\$ 7,450,000	\$ 18,610,000	\$ 2,110,000
Revenue bonds	11,040,000	-	1,765,000	9,275,000	1,800,000
Deferred amount for:					
Premium	151,186	1,882,592	396,616	1,637,162	-
Subtotal for bonds	24,571,186	14,562,592	9,611,616	29,522,162	3,910,000
Other Liabilities:					
Compensated absences	3,284,578	2,723,680	2,342,327	3,665,931	1,735,091
Note payable	6,380,000	-	530,000	5,850,000	550,000
Net pension liability	18,064,544	-	1,942,222	16,122,322	-
Total OPEB liability	1,501,679	53,477	-	1,555,156	-
Claims payable	843,392	7,667,023	7,667,034	843,381	806,343
Total Governmental Activities Long-Term Liabilities	\$ 54,645,379	\$ 25,006,772	\$ 22,093,199	\$ 57,558,952	\$ 7,001,434

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 5. Long-Term Liabilities (Continued)

	Balance June 30, 2019	Additions	Retirements	Balance June 30, 2020	Due Within One Year
Business-Type Activities:					
Other Liabilities:					
Compensated absences	\$ 66,690	\$ 12,335	\$ 17,623	\$ 61,402	\$ 16,956
Net pension liability	137,418	-	11,367	126,051	-
Total OPEB liability	19,069	680	-	19,749	-
Total Business Type Activities	<u>\$ 223,177</u>	<u>\$ 13,015</u>	<u>\$ 28,990</u>	<u>\$ 207,202</u>	<u>\$ 16,956</u>
	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020	Due Within One Year
Discretely Presented Component Units Activities:					
Other Liabilities:					
Compensated absences	\$ 61,802	\$ 47,925	\$ 38,380	\$ 71,347	\$ 23,589
Net pension liability	545,752	-	27,013	518,739	-
Total OPEB liability	<u>26,746</u>	<u>952</u>	<u>-</u>	<u>27,698</u>	<u>-</u>
Total Discretely Presented Component Units Long-Term Liabilities	<u>\$ 634,300</u>	<u>\$ 48,877</u>	<u>\$ 65,393</u>	<u>\$ 617,784</u>	<u>\$ 23,589</u>

General Obligation Bonds

General obligation bonds outstanding as of June 30, 2020 consist of \$11,780,000 of general obligation communications and refunding bonds with interest at rates at 5.0 percent, and \$6,830,000 general obligation solid waste disposal bonds with interest rates ranging from to 2.0 percent to 4.0 percent.

County of Scott, Iowa

**Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020**

Note 5. Long-Term Liabilities (Continued)

General Obligation Bonds (Continued)

On August 12, 2019, the County issued \$12,680,000 in General Obligation Communications and Refunding Bonds, Series 2019. The bonds were issued to finance the acquisition of communications equipment, related costs and to current refund \$6,190,000 of the taxable General Obligation Emergency Services Communication Bonds, Series 2009A. The bonds are due in annual installments of \$55,000 to \$2,180,000 through 2028 at interest rates of 5.0 percent.

On December 17, 2015, the County issued \$8,215,000 in General Obligation Solid Waste Disposal Bonds, Series 2015A. The bonds were issued to finance the solid waste recycling equipment and building improvements of the Scott County Waste Commission. The bonds are due in annual installments of \$370,000 to \$545,000 through 2035 at interest rates from 2.0 percent to 4.0 percent.

Current Refunding

On August 12, 2019, the County issued and used a portion of the \$12,680,000 in General Obligation Communications and Refunding Bonds, Series 2019 with an average interest rate of 5.0% and cash on hand of \$3,600,000 to current refund \$6,190,000 of 2009A General Obligation Emergency Equipment Bonds outstanding bonds with an average interest rate of 5.35%. The net proceeds of \$6,273,443 (after payment of \$19,967 in underwriting fees, insurance and other issuance costs) were used to current refund the prior bonds.

The cash flow requirements on the refunded bonds prior to the current refunding was \$7,516,299 from December 1, 2019 through June 1, 2029. The cash flow requirements on the portion 2019 refunding bonds are \$6,368,136 from December 1, 2019 through June 1, 2024. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$738,439.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 5. Long-Term Liabilities (Continued)

The debt service requirements on the general obligation bonds outstanding as of June 30, 2020 are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 2,110,000	\$ 780,131	\$ 2,890,131
2022	2,215,000	682,031	2,897,031
2023	2,315,000	578,882	2,893,882
2024	2,430,000	467,081	2,897,081
2025	2,605,000	349,681	2,954,681
2026-2030	4,360,000	696,388	5,056,388
2031-2035	2,575,000	235,038	2,810,038
Total	\$ 18,610,000	\$ 3,789,232	\$ 22,399,232

Revenue Bonds

Revenue bonds outstanding as of June 30, 2020 consist of \$9,275,000 of Jail Lease Refunding bonds ranging from 1.60 percent to 2.00 percent.

On December 27, 2012, the Public Safety Authority, a blended component unit, issued \$9,750,000 Jail Facilities Revenue Refunding Bonds, Series 2012. As of June 30, 2020 there was \$9,160,000 outstanding. The bonds were issued for the purpose of crossover refunding the Public Safety Authority Jail Facilities Revenue Bonds, Series 2006. The bonds were issued with interest rates ranging from 1.60 percent to 2.00 percent.

On January 9, 2013, the Public Safety Authority, a blended component unit, issued \$7,925,000 Jail Facilities Revenue Refunding Bonds, Series 2013. As of June 30, 2020 there was \$115,000 outstanding. The bonds were issued for the purpose of crossover refunding the Public Safety Authority Jail Facilities Revenue Bonds, Series 2006. The bonds were issued with interest rates of 2.00 percent.

In the event of default by the County, in cases of default of performance or observance of covenants, agreements or conditions on the part of the issues, failure to pay after notification of non-receipt, or voluntary petition of bankruptcy or similar, not less than 25% of principal bondholders may declare all bonds then outstanding and the interest accrued thereon immediately due and payable. The trustee may also declare all the principal of all bonds then outstanding and interest immediately due and payable if there is an event of default due to punctual payment of the principal of or interest on any bond.

The debt service requirements on the revenue bonds outstanding as of June 30, 2020 are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,800,000	\$ 167,617	\$ 1,967,617
2022	1,810,000	131,618	1,941,618
2023	1,850,000	95,418	1,945,418
2024	1,890,000	65,817	1,955,817
2025	1,925,000	33,687	1,958,687
Total	\$ 9,275,000	\$ 494,157	\$ 9,769,157

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 5. Long-Term Liabilities (Continued)

Revenue Bonds (Continued)

The County has pledged as security for bonds issued by the Public Safety Authority, a blended component unit, a portion of the County's property taxes. The bonds issued by the Public Safety Authority in February 2006 in the amount of \$29,700,000 for the purpose of renovation and construction additions to existing jail facilities are payable through 2025. The bonds issued by the Public Safety Authority in December 2012 and January 2013 in the amount of \$9,750,000 and \$7,925,000, respectively, for the purposes of crossover refunding the 2006 bond issue. The County has committed to appropriate each year, from the property taxes, amount sufficient to cover the principal and interest requirements on the Public Safety Authority's debt. The Public Safety Authority has pledged as sole security for the bonds the appropriation from the County. Annual principal and interest payment on the bonds are expected to require 100% of lease payments received. Total principal and interest remaining on the debt is \$9,769,157 with annual requirements ranging from \$1,941,618 to \$1,967,617. Property taxes, from which the appropriations will be made, have been equal to the principal and interest amount owed per year before consideration of restricted assets for the cross over refunding. For the current year, principal and interest paid by the Public Safety Authority totaled \$1,967,617 and property taxes recognized by the County were \$1,968,109 each.

Legal Debt Margin

The computation of the County's legal margin as of June 30, 2020 is as follows:

2018 assessed valuation	\$ 15,037,172,378
Less military exemption	<u>(14,932,676)</u>
Total assessed value	<u>\$ 15,022,239,702</u>
Debt limit, 5% of assessed valuation (Iowa statutory limitation)	\$ 751,111,985
Total amount of debt applicable to debt margin	<u>(27,885,000)</u>
Legal debt margin	<u>\$ 723,226,985</u>

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 5. Long-Term Liabilities (Continued)

Notes Payable

On November 2, 2009, the City of Davenport issued \$10,125,000 General Obligation Communication Building Bonds, Series 2009C on behalf of the SECC. The bonds were issued for the purpose of building a new communications and emergency operations center. The SECC has issued a note payable to the City of Davenport with terms for repayment identical to the bonds. In 2017, the City refinanced the bond issuance and subsequently the note payable to the City of Davenport was adjusted. The City's General Obligation Refunding Bonds, Series 2017B was issued March 21, 2017 in the amount of \$7,345,000. As of June 30, 2020, the amount outstanding is \$5,850,000. The bonds were issued with interest rates ranging from 2.0% to 3.0%.

The debt service requirements on the notes payable outstanding as of June 30, 2020 are as follows:

Year Ending June 30	City of Davenport GO Note		
	Principal	Interest	Total
2021	\$ 550,000	\$ 158,400	\$ 708,400
2022	570,000	147,400	717,400
2023	590,000	136,000	726,000
2024	615,000	124,200	739,200
2025	645,000	105,750	750,750
2026-2029	<u>2,880,000</u>	<u>220,200</u>	<u>3,100,200</u>
Total	<u>\$ 5,850,000</u>	<u>\$ 891,950</u>	<u>\$ 6,741,950</u>

County of Scott, Iowa

Notes To Basic Financial Statements As of and for the Year Ended June 30, 2020

Note 5. Long-Term Liabilities (Continued)

Other Long-Term Liabilities

Compensated absences attributable to governmental activities are generally liquidated by the General Fund and Scott Emergency Communication Center Fund. Claims payable are generally liquidated by the General Fund and the Self – Insurance Fund of the County. Net other postemployment benefit obligations are liquidated by the Internal Service Health and Dental Funds.

Note 6. Retirement System

Plan Description - IPERS membership is mandatory for employees of the County, except for those covered by another retirement system. Employees of the County are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at 7401 Register Drive 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.

As a multi-employer pension plan, IPERS recognizes County activity as the accumulation of transactions from Scott County, primary government; Scott Emergency Communication Center, blended component unit; Emergency Management Agency, discrete component unit; County Library, discrete component unit; and County Assessor, agency fund. The net pension liability is liquidated by each fund that includes payroll and benefit expense. The footnote information includes the actuarial data for all reporting units, while the government-wide financial statements does not include the County Assessor data, an agency fund.

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, the highest three-year average salary as of that date will be used if it is greater than the highest five-year average salary.

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

County of Scott, Iowa

Notes To Basic Financial Statements As of and for the Year Ended June 30, 2020

Note 6. Retirement System (Continued)

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

- 60% of average salary after completion of 22 years of service, plus an additional 1.5% of average salary for years of service greater than 22 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 percent for each month that the member receives benefits before the member's earliest normal retirement age. For service earned starting July 1, 2012, the reduction is 0.50 percent for each month that the member receives benefits before age 65.

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

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

Contributions - Contribution rates are established by IPERS following the annual actuarial valuation which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires 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 2020, pursuant to the required rate, Regular members contributed 6.29 percent of covered payroll and the County contributed 9.44 percent for a total rate of 15.73 percent. Sheriff and deputy members and the County both contributed 9.51 percent of covered payroll for a total rate of 19.02 percent. Protection occupation members contributed 6.61 percent of covered payroll and the County contributed 9.91 percent for a total rate of 16.52 percent.

The County's, including all pension reporting units, contributions to IPERS for the year ended June 30, 2020 were \$3,259,184.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 6. Retirement System (Continued)

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2020, the County, including all pension reporting units (primary government, component unit and fiduciary), reported a liability of \$17,110,370 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, 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, 2019, the County's collective proportion was 0.2954823%, which was a decrease of 0.006482% from its collective proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the County recognized pension expense of \$4,173,672. At June 30, 2020 the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Regular Membership		Sheriff and Deputies	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 40,312	\$ 634,893	\$ 41,588	\$ 83,694
Changes in assumptions	1,556,697	-	336,953	483,484
Net difference between projected and actual earnings on pension plan investments	-	1,990,596	-	431,462
Changes in proportion and difference between County contributions and proportionate share of contributions	352,734	188,654	8,830	43,668
County contributions subsequent to the measurement dates	2,189,939	-	364,039	-
Total	<u>\$ 4,139,682</u>	<u>\$ 2,814,143</u>	<u>\$ 751,410</u>	<u>\$ 1,042,308</u>

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 6. Retirement System (Continued)

	Protection Occupation		Total - All Groups	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 35,171	\$ 16,944	\$ 117,071	\$ 735,531
Changes in assumptions	370,349	14,628	2,263,999	498,112
Net difference between projected and actual earnings on pension plan investments	-	538,299	-	2,960,357
Changes in proportion and difference between County contributions and proportionate share of contributions	7,563	1,483	369,127	233,805
County contributions subsequent to the measurement dates	<u>579,176</u>	<u>-</u>	<u>3,133,154</u>	<u>-</u>
Total	<u>\$ 992,259</u>	<u>\$ 571,354</u>	<u>\$ 5,883,351</u>	<u>\$ 4,427,805</u>

County of Scott, Iowa

**Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020**

Note 6. Retirement System (Continued)

The deferred outflows and deferred inflows related to the pensions for the discrete component unit are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 5,621	\$ 3,119
Changes in assumptions	216,446	-
Net difference between projected and actual earnings on pension plan investments	-	9,229
Changes in proportion and difference between County contributions and proportionate share of contributions	49,045	875
County contributions subsequent to the measurement dates	<u>72,391</u>	<u>-</u>
Total	<u>\$ 343,503</u>	<u>\$ 13,223</u>

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 6. Retirement System (Continued)

\$3,133,154, primary government, and \$72,391, discrete component units, reported as deferred outflows of resources related to pensions resulting from the County contributions subsequent to the measurement date, but before the end of the County's fiscal year of June 30, 2020, will be recognized as a reduction of the net pension liability in the measurement year ended June 30, 2021. 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	Primary Government Total	Discrete Component Units Total
2021	\$ 592,841	\$ (91,134)
2022	(946,601)	145,515
2023	(725,276)	111,492
2024	(585,074)	89,940
2025	(13,498)	2,076
Total	\$ (1,677,608)	\$ 257,889

There were no non-employer contributing entities at IPERS.

Actuarial Assumptions - The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation (effective June 30, 2017)	2.6 percent per annum
Rates of salary increase (effective June 30, 2017)	3.25 to 16.25 percent average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 2017)	7.00 percent compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2017)	3.25 percent per annum, based on 2.60 percent inflation and 0.65 percent real wage inflation

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience study dated March 24, 2017 and a demographic assumption study dated June 28, 2018.

Mortality rates used in the 2019 valuation were based on the RP-2014 Employee and Health Annuitant Tables with MP-2017 generational adjustments.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 6. Retirement System (Continued)

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

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	22.0%	5.60%
International equity	15.0%	6.08
Global smart beta equity	3.0%	5.82
Core-plus fixed income	27.0%	1.71
Public credit	3.5%	3.32
Public real assets	7.0%	2.81
Cash	1.0%	(0.21)
Private equity	11.0%	10.13
Private real assets	7.5%	4.76
Private credit	3.0%	3.01
Total	<u>100.0%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that contributions from the County will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2020

Note 6. Retirement System (Continued)

Sensitivity of the County's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate - The following presents the County's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.0 percent, as well as what the County's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate.

County primary government:

	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Regular Membership Group	\$ 30,082,726	\$ 16,941,551	\$ 5,918,878
Sheriffs and Deputies	2,368,820	(240,351)	(2,427,186)
Protection Occupation	2,874,313	(452,827)	(3,239,015)
Total	<u>\$ 35,325,859</u>	<u>\$ 16,248,373</u>	<u>\$ 252,677</u>

Discrete component units:

	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Regular Membership Group	<u>\$ 921,113</u>	<u>\$ 518,739</u>	<u>\$ 181,232</u>

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at www.ipers.org.

Payables to the Pension Plan - At June 30, 2020, the County reported payables to the defined benefit pension plan of \$260,015 for legally required employer contributions and \$182,645 for legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

County of Scott, Iowa

Notes To Basic Financial Statements

As of and For the Year Ended June 30, 2020

Note 7. Other Postemployment Benefits

Plan description: The County sponsors a single-employer health care plan that provides medical, prescription drugs, dental and vision benefits to all active and retired employees and their eligible dependents. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The benefits are offered to Scott County, primary government; Scott Emergency Communication Center, blended component unit; Emergency Management Agency, discrete component unit; and County Library, discrete component unit. The medical and dental benefits are liquidated by each the self-insurance fund of the County. The vision insurance is a premium insurance funded by each fund with payroll or benefit expense. The footnote information includes the actuarial data for all reporting units, while the government-wide financial statements does not include the County Assessor data, an agency fund.

OPEB Benefits: Individuals who are employed by Scott County or related reporting units, Sheriff's deputies must be a minimum of age 50 with 22 or more years of service to be eligible for retiree benefits. All other employees must be a minimum of age 55 with 20 or more years of service to be eligible for retiree benefits. Eligibility requirements under IPERS is summarized as follows: Normal Retirement - a) General Employees - age 65, any age when age plus years of service equal or exceed 88 with a minimum age of 55, or age 62 with 20 years of service, b) Sheriffs and Deputies - age 55 or age 50 with 22 years of service.

The health insurance plan contributions on behalf of employees are negotiated by management and the union and governed by the County's union contracts. Employees pay all or a portion of the premium in excess of the full single rate premium. The current funding policy of the County is to pay health claims as they occur. Retirees under age 65 pay the same premium as active employees, which results in an implicit rate subsidy and an OPEB liability. The plan does not issue a stand-alone financial report.

As of January 1, 2019, the following employees were covered by the benefit terms:

	Number of Members
Active	475
Inactive currently receiving benefits	14
Total	489

Total OPEB Liability: The County and reporting unit's total OPEB liability of \$1,602,603 was measured as of June 30, 2020, and was determined by an actuarial valuation as of January 1, 2019.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and For the Year Ended June 30, 2020

Note 7. Other Postemployment Benefits (Continued)

Actuarial Assumptions: The total OPEB liability in the January 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.

Measure date	June 30, 2020
Actuarial valuation date	January 1, 2019
Rate of inflation (effective June 30, 2019)	3.0 percent per year
Rates of salary increase (effective June 30, 2019)	4.0 percent per year
Discount rate (effective June 30, 2019)	4.10 percent per year
Healthcare cost trend rate (effective June 30, 2019)	5.0 percent per year

Discount Rate: The discount rate used to measure the total OPEB liability was 4.10 percent which reflects the index rate for the 20-year tax-exempt general obligation municipal bonds with an average rate of AA/Aa or higher as of the January 1, 2019.

Mortality rates are from the RP2014 Annuitant distinct mortality table adjusted to 2006 with MP 2018 generational projection of future mortality improvement.

The actuarial assumption used in the June 30, 2020 valuation were based on the results of an actuarial experience study as of January 1, 2019.

Changes in the Total OPEB Liability:

Total OPEB Liability beginning of year	\$ 1,547,494
Service cost	60,816
Expected interest	64,501
Benefit payments	<u>(70,208)</u>
Total OPEB liability - end of year	<u>\$ 1,602,603</u>

County of Scott, Iowa

Notes To Basic Financial Statements
As of and For the Year Ended June 30, 2020

Note 7. Other Postemployment Benefits (Continued)

Sensitivity of the County's Total OPEB Liability to Changes in the Discount Rate - The following presents the County's proportionate share of the total OPEB liability calculated, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percent lower (3.10 percent) or 1 percent higher (5.10 percent) than the current discount rate.

	1% Decrease 3.10%	Discount Rate 4.10%	1% Increase 5.10%
Total OPEB Liability	\$ 1,752,211	\$ 1,602,603	\$ 1,468,299

Sensitivity of the County's Total OPEB Liability to Changes in the Healthcare Cost Trend Rate - The following presents the County's proportionate share of the total OPEB liability calculated, as well as what the County's total OPEB liability would be if it were calculated using a health care costs trend rate that is 1 percent lower (4.00 percent) or 1 percent higher (6.00 percent) than the current discount rate.

	1% Decrease 4.00%	Discount Rate 5.00%	1% Increase 6.00%
Total OPEB Liability	\$ 1,435,329	\$ 1,602,603	\$ 1,798,674

OPEB Expense, Deferred Inflows of Resources and Deferred Outflows of Resources Related to OPEB - For the year ended June 30, 2020, the County recognized OPEB expense of \$142,713. At June 30, 2020, the County reported deferred inflows and deferred outflows of resources related to OPEB from the following resources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ -	\$ 132,038
Changes in assumptions	69,502	102,721
	<u>\$ 69,502</u>	<u>\$ 234,759</u>

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

	Year Ending June 30	Total
2021		\$ 17,396
2022		17,396
2023		17,396
2024		17,396
2025		17,396
Thereafter		78,277
Total		<u>\$ 165,257</u>

County of Scott, Iowa

Notes To Basic Financial Statements

As of and For the Year Ended June 30, 2020

Note 8. Risk Management and Insurance

The County is self-insured for general and automobile liability, property and workers' compensation claims. This activity is accounted for within the County's General Fund. Charges were made to the operating funds based upon actual claims, historical claim experience and estimated claims incurred and not yet reported for general and automobile liability, property and worker's compensation. Unemployment claims were charged quarterly to the applicable funds based upon actual claims as assessed by the state. Claim settlement and loss expenses are accrued in the General Fund for the estimated settlement value of general, automobile liability, property and workers' compensation claims reported and unreported arising from incidents during the year except for the long-term portion of such estimated claim settlements which are recorded in the government-wide statements until amounts are due and spendable resources become available to liquidate such liabilities.

Self-insurance is in effect up to a stop loss amount of approximately \$300,000 per claim for general and automobile liability, \$100,000 per claim for property and \$500,000 per claim for workers' compensation. Coverage from a private insurance company is maintained for losses in excess of the aggregate stop loss amount with \$9,000,000 maximum coverage on general and automobile liability, \$133,326,850 maximum coverage on property and limited statutory \$2,000,000 maximum coverage on workers' compensation. Settled claims have not exceeded the commercial coverage in any of the past three years. All claims handling procedures are performed by the County.

The County is self-insured for health and dental care of its employees. This activity is accounted for within the County's Internal Service Fund. Charges were made to the operating funds based upon estimated premium equivalency amounts.

Self-insurance is in effect up to a stop loss amount of approximately \$175,000 per claim for health care. Coverage from a private insurance company is maintained for losses in excess of the aggregate stop loss amount of 125% of total claims. Settled individual claims did not exceed the commercial coverage in fiscal year 2020.

As of June 30, 2020, the amount of liabilities recorded for estimated claim settlements for general, automobile, property and workers' compensation liability claims was \$370,379 of which \$22,343 was recorded in the General Fund. The County has assigned \$348,036 of General Fund balance for payment of future claims liability.

County of Scott, Iowa

**Notes To Basic Financial Statements
As of and For the Year Ended June 30, 2020**

Note 8. Risk Management and Insurance (Continued)

The changes in the aggregate liabilities for general, automobile, property and workers' compensation liability claims are as follows:

	2020	2019
Claims payable, beginning of year	\$ 302,349	\$ 264,367
Claims expense and change in reserve	576,088	488,133
Claims payments	(508,056)	(450,151)
Claims payable, end of year	<u>\$ 370,381</u>	<u>\$ 302,349</u>

The changes in the aggregate liabilities for health care and dental claims are as follows:

	2020	2019
Claims payable, beginning of year	\$ 541,043	\$ 605,160
Claims expense and change in reserve	7,090,937	6,966,879
Claims payments	(7,158,980)	(7,030,996)
Claims payable, end of year	<u>\$ 473,000</u>	<u>\$ 541,043</u>

The Emergency Management Agency, County Library, and Public Safety Authority and Scott Emergency Communication Center component units of the County have transferred risk by purchasing commercial insurance. Settled claims have not exceeded this coverage in any of the past three fiscal years.

Note 9. Conduit Debt Obligations

From time to time, the County has issued revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the County, the state, nor any political subdivision, thereof, is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2020, there were three series of revenue bonds outstanding. The aggregate principal balance of the revenue bonds outstanding is \$13,884,000.

County of Scott, Iowa

Notes To Basic Financial Statements

As of and For the Year Ended June 30, 2020

Note 10. Scott Area Solid Waste Management Commission Agreement

In November 2015, the County issued \$8,215,000 in General Obligation County Solid Waste Disposal Bonds for which the County pledged its full faith and credit and power to levy direct general ad valorem taxes without limit as to rate or amount. The total amount of the bonds outstanding as of June 30, 2020 is \$6,830,000.

The County loaned the proceeds from the sale of the bonds to the Scott Area Solid Waste Management Commission ("the Commission") for the construction and equipping of a solid waste recycling facility ("the Project") pursuant to the Financing Agreement by and between the County and the Commission. To obligate itself under the Financing Agreement, the Commission issued an \$8,215,000 Solid Waste Disposal Revenue Bond to the County pursuant to a resolution dated December 1, 2015. The repayment of the Revenue Bond corresponds to the payment of the Bonds by the County.

Under the terms of the Financing Agreement, dated December 1, 2015, the Commission is obligated to establish rates, charges and fees sufficient to pay the cost of operations and maintenance of the Project and to leave net revenues sufficient to pay the semiannual debt service requirements of the bonds. In the event that net revenues are insufficient to pay 100 percent of the debt service on the bonds, the Commission is obligated to pay the County from other funds it has legally available, including the Reserve Fund, which is equal to the maximum annual debt service requirement on the bonds due in any remaining fiscal year. If the Commission does not have sufficient funds to pay 100 percent of the debt service on the bonds when due, the County is obligated to pay such deficiency from and of its funds legally available. Any amounts which are paid by the County for debt service payments on the bonds must be reimbursed by the Commission out of future net revenues of the Project or other Commission funds which become available. Therefore, the County recorded loans receivable in the amount of \$6,830,000 in the Debt Service Fund.

In the event future net revenues or other Commission funds are insufficient to repay the County, each of the Members of the Commission have obligated itself to repay the County its pro rata share of the deficiency from rates imposed on each property within its jurisdiction. The Financing Agreement may not be terminated so long as the bonds are outstanding.

Financial statements of the Commission may be obtained by contacting Scott Area Solid Waste Commission, 11555 110th Avenue, Davenport, Iowa 52804.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and For the Year Ended June 30, 2020

Note 11. Fund Balances

Governmental fund balances reported on the fund financial statements at June 30, 2020 are:

	General	Mental Health/ Development Disability	Secondary Roads	Scott Emergency Communication Center
Fund Balances:				
Nonspendable				
Prepays	\$ 92,204	\$ -	\$ -	\$ 23,640
Restricted				
Debt service	-	-	-	-
Secondary roads	-	-	4,968,351	-
Mental health	-	770,555	-	-
Emergency services	-	-	-	2,330,626
Capital projects	-	-	-	-
Records management fee	-	-	-	-
Rural services	-	-	-	-
Other statutory programs	625,764	-	-	-
Subtotal Restricted	625,764	770,555	4,968,351	2,330,626
Assigned				
Capital projects	1,826,035	-	-	-
Claim liabilities	348,036	-	-	-
Strategic planning initiatives	130,000	-	-	-
Subtotal Assigned	2,304,071	-	-	-
Unassigned	11,916,336	-	-	-
Total Fund Balances	\$ 14,938,375	\$ 770,555	\$ 4,968,351	\$ 2,354,266

County of Scott, Iowa

Notes To Basic Financial Statements
As of and For the Year Ended June 30, 2020

Note 11. Fund Balances (Continued)

	Capital Projects	Debt Service	Nonmajor Governmental	Total
Fund Balances:				
Nonspendable				
Prepays	\$ -	\$ -	\$ -	\$ 115,844
Restricted				
Debt Service	-	7,210,626	2	7,210,628
Secondary Roads	-	-	-	4,968,351
Mental health	-	-	-	770,555
Emergency Services	-	-	-	2,330,626
Records management fee	-	-	78,225	78,225
Capital projects	9,264,030	-	-	9,264,030
Rural services	-	-	126,703	126,703
Other statutory programs	-	-	-	625,764
Subtotal Restricted	<u>9,264,030</u>	<u>7,210,626</u>	<u>204,930</u>	<u>25,374,882</u>
Assigned				
Capital projects	7,714,799	-	-	9,540,834
Claim liabilities	-	-	-	348,036
Strategic planning initiatives	-	-	-	130,000
Subtotal Assigned	<u>7,714,799</u>	<u>-</u>	<u>-</u>	<u>10,018,870</u>
Unassigned	-	-	-	11,916,336
Total Fund Balances	<u><u>\$ 16,978,829</u></u>	<u><u>\$ 7,210,626</u></u>	<u><u>\$ 204,930</u></u>	<u><u>\$ 47,425,932</u></u>

Note 12. Litigation

The County is a defendant in several claims and lawsuits. In the opinion of the County Attorney and management, the resolution of these matters will not have a material adverse effect on the future financial statements of the County.

County of Scott, Iowa

Notes To Basic Financial Statements

As of and For the Year Ended June 30, 2020

Note 13. Commitments and Contingency

The County has financial commitments relating to future purchases of \$345,196, payable from the General Fund, \$1,182,545, payable from the Capital Projects fund, \$7,367,558, payable from the Scott Emergency Communication Center Fund, \$19,575, payable from the Secondary Roads Fund, and \$24,120 payable from the Emergency Management Agency Fund.

The County has received federal and state grants for specific programs that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei province, China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United States, including to areas impacting the Entity. As of the audit opinion date, the County's evaluation of the effects of these events is ongoing; however, based on current information we believe this situation will impact: investment valuations and decreased investment income; decline in demand for services such as conservation group activities such as day camps and pool usage; increase in delinquencies or uncollectible account receivable for property taxes; or increase for community services aid. Additionally the County is seeking intergovernmental aid and programming to address COVID-19 locally.

The extent of the impact of COVID-19 on the County's operational and financial performance will depend on future developments, including the duration and spread of the outbreak and related governmental or other regulatory actions.

County of Scott, Iowa

Notes To Basic Financial Statements

As of and For the Year Ended June 30, 2020

Note 14. Scott County Financial Information Included in the Eastern Iowa Mental Health and Disabilities Region

Eastern Iowa Mental Health and Disabilities Region, a jointly governed organization formed pursuant to the provisions of Chapter 28E of the Code of Iowa which became effective July 1, 2014, includes the following member counties: Cedar County, Clinton County, Jackson County, Muscatine County, and Scott County. The financial activity of Scott County's Special Revenue, Mental Health / Disabilities Fund is included in the Eastern Iowa Mental Health and Disabilities Health Region for the year ended June 30, 2020 as follows:

Revenues:

Property tax	\$	4,853,949
Other tax		177,430
Intergovernmental revenues:		
State tax credits and replacements		386,696
Charges for services - care keep		186,522
Investment earnings		18,287
Reimbursements and miscellaneous - from fiscal agent		150,590
Reimbursements and miscellaneous		<u>145,859</u>
Total revenues		5,919,333

Expenditures

Services to persons with:

Mental illness	3,457,176	
Intellectual disability	207,402	
Other developmental disabilities	<u>92,554</u>	3,757,132

County provided services 24,198

General administration

Reimbursed Administration - Fiscal Agent	150,590
Direct administration	97,568
Distribution to regional fiscal agent	<u>1,552,415</u>

Total expenditures 5,581,903

Excess of expenditures over revenues 337,430

Fund balances beginning of the year 433,125

Fund balance end of the year \$ 770,555

County of Scott, Iowa

Notes To Basic Financial Statements As of and For the Year Ended June 30, 2020

Note 15. Tax Abatements

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

For the year ended June 30, 2020, the County did not abate any property tax under the urban renewal and economic development projects.

Tax Abatements of Other Entities

Property tax revenues of the County were reduced by the following amounts for the year ended June 30, 2020 under agreements entered into by the following entities:

Entity	Tax Abatement Program	Amount of Tax Abated
City of Bettendorf	Economic development and / or other benefits	\$ 367,701
City of Blue Grass	Economic development and / or other benefits	35,068
City of Davenport	Economic development and / or other benefits	452,471
City of Eldridge	Economic development and / or other benefits	176,971
City of LeClaire	Economic development and / or other benefits	742,045
Total		<u>\$ 1,774,256</u>

Note 16. Governmental Accounting Standards Board (GASB) Statements

The County adopted the following statements as of May, 2020:

- GASB Statement No 95, *Postponement Of The Effective Dates of Certain Authoritative Guidance*, Issued June 2020, became effective for the County beginning with the year June 30, 2020. This statement is to provide temporary relief to governments and other stakeholders in light of COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018 or later. The updated effective dates are reflected below.

Notes To Basic Financial Statements
As of and For the Year Ended June 30, 2020

Note 16. Governmental Accounting Standards Board (GASB) Statements (Continued)

The Governmental Accounting Standards Board (GASB) has issued the following statement not yet implemented by the County. The Statements which may impact the County are as follows:

- GASB Statement No 84, *Fiduciary Activities*, Issued January 2017, will be effective for the County beginning with the year June 30, 2021. This statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhances the value provided by information reported in financial statements for assessing government accountability and stewardship.
- GASB Statement No 87, *Leases*, issued June 2017 will be effective for the County beginning with the year June 30, 2022. This statement will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported. It will enhance comparability of financial statements among governments by requiring lessees and lessors to report leases under a single model.
- GASB Statement No 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*, issued June 2018 will be effective for the County beginning with the year June 30, 2022. This statement is to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest costs incurred before the end of a construction period.
- GASB Statement No 90, *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*, issued August 2018 will be effective for the County beginning with the year June 30, 2021. This statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.
- GASB Statement No 91, *Conduit Debt Obligations*, issued May 2019 will be effective for the County beginning with the year end June 30, 2023. This statement is to improve financial reporting by eliminating the existing option for issuers to report conduit debt obligations as their own liabilities, thereby ending significant diversity in practice.
- GASB Statement No 92, *Omnibus 2020*, issued January 2020 will be effective for the County beginning with the year end June 30, 2022. This statement is to enhance comparability in accounting and financial reporting and to improve consistency in authoritative literature.
- GASB Statement No 93, *Replacement of Interbank Offered Rates*, issued March 2020 will be effective for the County beginning with the year June 30, 2022. This statement is to address the accounting and financial reporting implication that result from the replacement of interbank offered rate, most notably, the London Interbank Offered Rate (LIBOR).
- GASB Statement No 94, *Public – Private and Public-Public Partnerships and Availability Payment Arrangements*, will be effective for the County beginning with the year June 30, 2023. This statement provides guidance for accounting and financial reporting of public-private and public-public partnership arrangement and availability payment arrangements.

County of Scott, Iowa

Notes To Basic Financial Statements

As of and For the Year Ended June 30, 2020

Note 16. Governmental Accounting Standards Board (GASB) Statements (Continued)

- GASB Statement No 96, *Subscription-Based Information Technology Arrangements*, will be effective for the County beginning with the year June 30, 2023. This statement provides guidance for subscription-based information technology arrangements for government end users.
- GASB Statement No 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No 14 and No 84, and a Supersession of GASB Statement No. 32*, will be effective for the County beginning with the year June 30, 2022. This statement will result in more consistent financial reporting of defined contributions pension plans, defined contribution OPEB plans and other employee benefit plans, while mitigating the costs associated with reporting those plans.

The County's management has not yet determined the effect these GASB statements will have on the County's future financial statements.

County of Scott, Iowa

Required Supplementary Information
 Budgetary Comparison Schedule (Non-GAAP)
 All Governmental Funds - Primary Government
 For the Year Ended June 30, 2020

	Budget		Actual -	Variance with
	Original	Final	Budgetary	Final Budget
			Basis	Favorable
				(Unfavorable)
Revenues:				
Property taxes	\$ 53,750,550	\$ 53,750,550	\$ 53,013,036	\$ (737,514)
Local option sales tax	4,600,000	4,110,000	5,006,394	896,394
Other taxes	2,607,903	2,453,828	2,528,114	74,286
Interest and penalties on taxes	590,000	296,500	314,158	17,658
Intergovernmental	12,187,023	14,290,936	13,488,585	(802,351)
Charges for services	6,413,272	5,169,998	5,715,151	545,153
Investment earnings	883,000	955,800	1,070,786	114,986
Licenses and permits	832,645	784,795	873,792	88,997
Rentals and fees	146,099	81,564	97,821	16,257
Other	1,032,496	1,204,871	1,437,129	232,258
Total revenues	83,042,988	83,098,842	83,544,966	446,124
Expenditures				
Current:				
Public safety and legal services	34,289,553	35,370,587	33,894,363	1,476,224
Physical health and social services	6,398,499	7,671,871	6,289,669	1,382,202
Mental health	5,396,295	6,330,106	5,584,029	746,077
County environment and education	5,422,061	5,746,147	5,156,196	589,951
Roads and transportation	7,378,600	7,906,420	6,596,272	1,310,148
Government services to residents	2,665,913	3,003,527	2,687,634	315,893
Nonprogram Current	-	100,000	100,000	-
Administration	12,840,617	12,936,352	12,033,996	902,356
Capital outlay	11,777,170	21,155,169	12,412,198	8,742,971
Debt service	3,402,239	10,295,207	10,284,857	10,350
Total expenditures	89,570,947	110,515,386	95,039,214	15,476,172
Excess (deficiency) of revenues over expenditures	(6,527,959)	(27,416,544)	(11,494,248)	15,922,296
Other financing sources (uses):				
Transfers in	15,928,447	16,541,063	17,311,202	770,139
Transfers out	(15,928,447)	(16,541,063)	(17,311,202)	(770,139)
Debt issued	-	14,562,592	12,680,000	(1,882,592)
Premium on debt issued	-	-	1,882,592	1,882,592
Proceeds from sale of capital assets	210,000	234,000	121,385	(112,615)
Total other financing sources (uses)	210,000	14,796,592	14,683,977	(112,615)
Net change in fund balances	\$ (6,317,959)	\$ (12,619,952)	\$ 3,189,729	\$ 15,809,681

See page 80 for reconciliation to GAAP.

See Independent Auditors' Report and Notes to Required Supplementary Information.

County of Scott, Iowa

Required Supplementary Information
 Budgetary Comparison Schedule
 Scott Emergency Communication Center
 For the Year Ended June 30, 2020

	Budget Original & Final	Actual - GAAP Basis
Revenues:		
Intergovernmental	\$ 11,862,000	\$ 6,000
Investment earnings	39,000	31,345
Rental & Fees	-	21,000
Other	250	276
Total revenues	11,901,250	58,621
Expenditures		
Current:		
Public safety and legal services	7,307,606	6,724,697
Capital outlay	4,120,500	1,949,246
Debt service	699,000	699,000
Total expenditures	12,127,106	9,372,943
Excess (deficiency) of revenues over expenditures	(225,856)	(9,314,322)
Other financing sources:		
Transfers in	-	10,724,901
Total other financing sources	-	10,724,901
Net change in fund balances	\$ (225,856)	\$ 1,410,579

See Independent Auditors' Report and Notes to Required Supplementary Information.

Reclassifications	Actual - Budgetary Basis	Variance with Final Budget Favorable (Unfavorable)
\$ 11,023,398	\$ 11,029,398	\$ (832,602)
-	31,345	(7,655)
-	21,000	21,000
-	276	26
11,023,398	11,082,019	(819,231)
298,497	7,023,194	284,412
-	1,949,246	2,171,254
-	699,000	-
298,497	9,671,440	2,455,666
10,724,901	1,410,579	1,636,435
(10,724,901)	-	-
(10,724,901)	-	-
\$ -	\$ 1,410,579	\$ 1,636,435

County of Scott, Iowa

Schedule of Comparison

Budgetary Comparison Schedule

All Governmental Funds to Primary Government Budgeted Funds

For the Year Ended June 30, 2020

	Governmental Fund Types Actual	Scott Emergency Communications Center Component Unit	Public Safety Authority Component Unit	Reclassifications	Actual - Budgetary Basis
Revenues:					
Property taxes	\$ 53,013,036	\$ -	\$ -	\$ -	\$ 53,013,036
Local option sales tax	5,006,394	-	-	-	5,006,394
Other taxes	2,528,114	-	-	-	2,528,114
Interest and penalties on taxes	314,158	-	-	-	314,158
Intergovernmental	13,196,088	(6,000)	-	298,497	13,488,585
Charges for services	5,715,151	-	-	-	5,715,151
Investment earnings	1,102,131	(31,345)	-	-	1,070,786
Licenses and permits	873,792	-	-	-	873,792
Rentals and fees	118,821	(21,000)	-	-	97,821
Other	1,437,405	(276)	-	-	1,437,129
Total revenues	83,305,090	(58,621)	-	298,497	83,544,966
Expenditures					
Current:					
Public safety and legal services	32,369,060	(6,724,697)	-	8,250,000	33,894,363
Physical health and social services	6,289,669	-	-	-	6,289,669
Mental health	5,584,029	-	-	-	5,584,029
County environment and education	5,156,196	-	-	-	5,156,196
Roads and transportation	6,596,272	-	-	-	6,596,272
Government services to residents	2,687,634	-	-	-	2,687,634
Nonprogram current	-	-	-	100,000	100,000
Administration	12,033,996	-	-	-	12,033,996
Capital outlay	11,588,046	(1,949,246)	-	2,773,398	12,412,198
Debt service	10,983,857	(699,000)	(1,967,918)	1,967,918	10,284,857
Total expenditures	93,288,759	(9,372,943)	(1,967,918)	13,091,316	95,039,214
Excess (deficiency) of revenues over expenditures	(9,983,669)	9,314,322	1,967,918	(12,792,819)	(11,494,248)
Other financing sources (uses):					
Transfers in	19,396,969	(10,724,901)	(1,967,918)	10,607,052	17,311,202
Transfers out	(19,496,969)	-	-	2,185,767	(17,311,202)
Debt issued	12,680,000	-	-	-	12,680,000
Premium on debt issued	1,882,592	-	-	-	1,882,592
Proceeds from sale of capital assets	121,385	-	-	-	121,385
Total other financing sources (uses)	14,583,977	(10,724,901)	(1,967,918)	12,792,819	14,683,977
Net change in fund balances	\$ 4,600,308	\$ (1,410,579)	\$ -	\$ -	\$ 3,189,729

See Independent Auditors' Report and Notes to Required Supplementary Information.

County of Scott, Iowa

Schedule of the County's Proportionate Share of Net Pension Liability
Iowa Public Employers' Retirement System
Last Ten Fiscal Years*

	2015	2016	2017	2018	2019	2020
County's proportion of net pension liability	0.274511%	0.293765%	0.315698%	0.325938%	0.301965%	0.295482%
County's proportionate share of net pension liability	\$ 10,886,862	\$ 14,513,418	\$ 19,867,842	\$ 21,711,318	\$ 19,109,062	\$ 17,110,370
County's covered payroll	\$ 28,172,699	\$ 28,766,876	\$ 29,388,451	\$ 31,387,807	\$ 31,282,997	\$ 32,182,507
County's proportionate share of net pension liability as a percentage of its covered payroll	38.64%	50.45%	67.60%	69.17%	61.08%	53.17%
Plan fiduciary net position as a percentage of the total pension liability	87.61%	85.19%	81.82%	82.21%	83.62%	85.45%

* The amounts presented for each fiscal year were determined as of June 30

Net Pension data is provided by the State for major employer. Specific allocation between the County, discretely presented component units and fiduciary fund employer is not possible. As such, the entire amount is reported as RSI.

See Independent Auditors' Report and Notes to Required Supplementary Information.

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

County of Scott, Iowa

Schedule of County Contributions
Iowa Public Employers' Retirement System
Last Ten Fiscal Years

	2011	2012	2013	2014
Statutorily required contribution	\$ 1,985,400	\$ 2,299,215	\$ 2,516,323	\$ 2,605,252
Contributions in relation to the statutorily required contribution	1,985,400	2,299,215	2,516,323	2,605,252
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
County's covered payroll	25,753,487	26,725,226	27,682,627	28,172,699
Contributions as a percentage of covered payroll	7.71%	8.60%	9.09%	9.25%

See Independent Auditors' Report and Notes to Required Supplementary Information.

2015		2016		2017		2018		2019		2020	
\$	2,660,923	\$	2,701,309	\$	2,876,113	\$	2,857,155	\$	3,090,585	\$	3,259,184
2,660,923		2,701,309		2,876,113		2,857,155		3,090,585		3,259,184	
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
28,766,876		29,388,451		31,387,807		31,282,997		32,182,507		34,204,264	
9.25%		9.19%		9.16%		9.13%		9.60%		9.53%	

County of Scott, Iowa

**Schedule of the County's Total OPEB Liability, Related Ratios and Notes
For the Last Years**

	2018	2019	2020
Service cost	\$ 77,835	\$ 58,477	\$ 60,816
Interest costs	49,637	62,322	64,501
Difference between expected and actual experiences	47,262	116,355	-
Change in assumptions	135,160	(84,135)	-
Benefit payments	(103,958)	(69,760)	(70,208)
Net change in total OPEB liability	205,936	83,259	55,109
Total OPEB liability beginning of year, as restated	1,258,299	1,464,235	1,547,494
Total OPEB liability end of year	<u>\$ 1,464,235</u>	<u>\$ 1,547,494</u>	<u>\$ 1,602,603</u>
Covered-employee payroll	\$ 28,385,184	\$ 28,670,702	\$ 29,817,530
Total OPEB liability as a percentage of covered-employee payroll	5.16%	5.40%	5.37%

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

The County implemented GASB Statement No. 75 in fiscal year 2018. Information prior to 2018 is not available

There are no significant changes in benefit terms.

The above table represents all reporting units.

Changes in assumptions and other inputs reflect the effect of changes in the discount rate each period.

The following are the discount rates used in each period.

3.44%	4.10%	4.10%
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See Independent Auditors' Report and Notes to Required Supplementary Information.

County of Scott, Iowa

Notes to Required Supplementary Information As of and For the Year Ended June 30, 2020

Note 1. Budgetary Comparison Schedule

In accordance with the Code of Iowa, the County Board of Supervisors annually adopts a budget following required public notice and hearing for all governmental funds. The budget basis of accounting is in accordance with accounting principles generally accepted in the United States of America. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control is based upon ten major classes of disbursements known as functions, not by fund or fund type. These ten functions are: public safety and legal services, physical health and social services, mental health, County environment and education, roads and transportation, government services to residents, nonprogram current, administration, capital outlay and debt service. Function expenditures required to be budgeted do not include expenses for the enterprise fund. The legal level of control is at the aggregated function level, not at the fund or fund type level. During the year, three budget amendments increased budgeted expenditures by \$20,944,439. The budget amendment was adjusted estimates of current year activity, an estimate for bonds proceeds to be received and issued to the blended component unit, Scott Emergency Communication Center fund, and unplanned COVID-19 expenditures.

The Public Safety Authority did not adopt a budget in fiscal year 2020.

Reclassifications consist of revenues and expenditures that are transferred from the primary government to the blended component unit, as well as reclassification of budgetary object classifications such as nonprogram current and debt service expenditures.

Note 2. Net Pension Liability

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

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

- Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive 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 percent to 2.60 percent.
- Decreased the assumed rate of interest on member accounts from 3.75 percent to 3.50 percent per year.
- Decreased the discount rate from 7.50 percent to 7.00 percent.
- Decreased the wage growth assumption from 4.00 percent to 3.25 percent.
- Decreased the payroll growth assumption from 4.00 percent to 3.25 percent.

County of Scott, Iowa

**Notes to Required Supplementary Information
As of and For the Year Ended June 30, 2020**

Note 2. Net Pension Liability (Continued)

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

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

See Independent Auditors' Report.

County of Scott, Iowa

Combining Balance Sheet
Nonmajor Governmental Funds
As of June 30, 2020

	Special Revenue		Debt Service		
	Rural Services	Recorders	Public Safety		
	Fund	Management	Authority		Total
		Fees Fund			
Assets					
Cash and investments	\$ 115,287	\$ 78,012	\$ -	\$	193,299
Restricted Cash and Investments	-	-	2		2
Receivables:					
Property taxes, net of allowance for collection losses	3,349,300	-	-		3,349,300
Accrued interest	315	213	-		528
Total assets	\$ 3,464,902	\$ 78,225	\$ 2	\$	3,543,129
Deferred Inflows of Resources and Fund Balance					
Deferred Inflows of Resources					
Unavailable revenue	\$ 29,783	\$ -	\$ -	\$	29,783
Unavailable property tax revenue	3,308,416	-	-		3,308,416
Total deferred inflows of resources	3,338,199	-	-		3,338,199
Fund balances					
Restricted	126,703	78,225	2		204,930
Total fund balance	126,703	78,225	2		204,930
Total deferred inflows of resources and fund balances	\$ 3,464,902	\$ 78,225	\$ 2	\$	3,543,129

County of Scott, Iowa

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2020

	Special Revenue		Debt Service	
	Recorders			
	Rural Services	Management	Public Safety	Total
	Fund	Fees Fund	Authority	
Revenues:				
Property taxes	\$ 3,032,749	\$ -	\$ -	\$ 3,032,749
Other taxes	81,826	-	-	81,826
Intergovernmental	160,874	-	-	160,874
Charges for services	-	36,819	-	36,819
Investment earnings	4,881	1,363	-	6,244
Total revenues	3,280,330	38,182	-	3,318,512
Expenditures:				
Current:				
County environment and education	587,575	-	-	587,575
Debt Service				
Principal	-	-	1,765,000	1,765,000
Interest and fees	-	-	203,109	203,109
Total Expenditures	587,575	-	1,968,109	2,555,684
Excess (deficiency) of revenue over expenditures	2,692,755	38,182	(1,968,109)	762,828
Other financing sources (uses):				
Transfers In	-	-	1,967,918	1,967,918
Transfers Out	(2,709,000)	(45,000)	-	(2,754,000)
Total Other Financing Sources (Uses)	(2,709,000)	(45,000)	1,967,918	(786,082)
Net change in fund balances	(16,245)	(6,818)	(191)	(23,254)
Fund balances, beginning of year	142,948	85,043	193	228,184
Fund balances, end of year	\$ 126,703	\$ 78,225	\$ 2	\$ 204,930

County of Scott, Iowa

Combining Statement of Net Position
Internal Service Funds
As of June 30, 2020

	Internal Service Funds		
	Dental Insurance Fund	Health Insurance Fund	Total
Assets			
Current assets:			
Cash and investments	\$ 342,618	\$ 4,178,625	\$ 4,521,243
Accounts receivable	31	7,925	7,956
Interest receivable	935	11,400	12,335
Prepays	-	82,630	82,630
Total current assets	343,584	4,280,580	4,624,164
Total assets	\$ 343,584	\$ 4,280,580	\$ 4,624,164
Liabilities and Net Position			
Current liabilities:			
Accounts payable	\$ 2,646	\$ 7,032	\$ 9,678
Claims payable	20,000	453,000	473,000
Total liabilities	22,646	460,032	482,678
Net Position:			
Unrestricted	320,938	3,820,548	4,141,486
Total net position	320,938	3,820,548	4,141,486
Total liabilities and net position	\$ 343,584	\$ 4,280,580	\$ 4,624,164

County of Scott, Iowa

Combining Statement of Revenues, Expenses, and Changes in Net Position

Internal Service Funds

For the Year Ended June 30, 2020

	Internal Service Funds		
	Dental Insurance Fund	Health Insurance Fund	Total
Operating revenues:			
Charges for services	\$ 480,357	\$ 8,543,461	\$ 9,023,818
Other	-	45,665	45,665
Total operating revenues	480,357	8,589,126	9,069,483
Operating expenses:			
Administrative charges	31,644	596,166	627,810
Claims	384,016	6,774,965	7,158,981
Total operating expenses	415,660	7,371,131	7,786,791
Operating income	64,697	1,217,995	1,282,692
Nonoperating revenues:			
Investment earnings	3,875	47,501	51,376
Total nonoperating revenues	3,875	47,501	51,376
Income before transfers	68,572	1,265,496	1,334,068
Transfers in	-	100,000	100,000
Change in Net Position	68,572	1,365,496	1,434,068
Total Net Position, beginning of year	252,366	2,455,052	2,707,418
Total Net Position, end of year	\$ 320,938	\$ 3,820,548	\$ 4,141,486

County of Scott, Iowa

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2020

	Internal Service Funds		
	Dental Insurance Fund	Health Insurance Fund	Total
Cash flows from operating activities:			
Cash received from customers	\$ 480,481	\$ 8,543,461	\$ 9,023,942
Refunds from outside sources	-	45,123	45,123
Cash payments to suppliers for goods and services	(441,585)	(7,476,675)	(7,918,260)
Net cash from operating activities	38,896	1,111,909	1,150,805
Cash flows from noncapital financing activities,			
Transfer from other funds	-	100,000	100,000
Cash flows from investing activities, interest received	3,978	45,328	49,306
Net increase (decrease) in cash and cash equivalents	42,874	1,257,237	1,300,111
Cash and cash equivalents:			
Beginning	299,744	2,921,388	3,221,132
Ending	<u>\$ 342,618</u>	<u>\$ 4,178,625</u>	<u>\$ 4,521,243</u>
Reconciliation of operating income to net cash			
from operating activities:			
Operating income	\$ 64,697	\$ 1,217,995	\$ 1,282,692
Adjustments to reconcile operating income (loss) to net cash			
from operating activities:			
Changes in assets and liabilities:			
Prepays	-	(66,677)	(66,677)
Accounts receivable	124	(541)	(417)
Accounts payable	63	3,187	3,250
Claims payable	(25,988)	(42,055)	(68,043)
Net cash from operating activities	\$ 38,896	\$ 1,111,909	\$ 1,150,805

County of Scott, Iowa

Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Agricultural Extension Service Fund				
Assets				
Cash and investments	\$ 2,932	\$ 596,856	\$ 595,610	\$ 4,178
Receivables, property taxes	589,274	610,372	589,921	609,725
Total assets	\$ 592,206	\$ 1,207,228	\$ 1,185,531	\$ 613,903
Liabilities, due to other government funds	\$ 592,206	\$ 1,207,228	\$ 1,185,531	\$ 613,903
Bangs Eradication Fund				
Assets				
Cash and investments	\$ 12,218	\$ 25,869	\$ 37,448	\$ 639
Receivables, property taxes	24,732	25,096	24,732	25,096
Total assets	\$ 36,950	\$ 50,965	\$ 62,180	\$ 25,735
Liabilities				
Accounts payable	\$ 12,089	\$ 25,358	\$ 37,447	\$ -
Due to other governmental funds	24,861	26,304	25,430	25,735
Total liabilities	\$ 36,950	\$ 51,662	\$ 62,877	\$ 25,735
City Taxing Districts Fund				
Assets				
Cash and investments	\$ 661,774	\$ 132,322,678	\$ 131,798,756	\$ 1,185,696
Receivables, property taxes	131,000,808	139,539,153	131,076,456	139,463,505
Total assets	\$ 131,662,582	\$ 271,861,831	\$ 262,875,212	\$ 140,649,201
Liabilities, due to other government funds	\$ 131,662,582	\$ 271,861,831	\$ 262,875,212	\$ 140,649,201
Community College Taxing District Fund				
Assets				
Cash and investments	\$ 46,292	\$ 9,235,460	\$ 9,216,050	\$ 65,702
Receivables, property taxes	9,124,648	7,985,128	9,134,542	7,975,234
Total assets	\$ 9,170,940	\$ 17,220,588	\$ 18,350,592	\$ 8,040,936
Liabilities, due to other government funds	\$ 9,170,940	\$ 17,220,588	\$ 18,350,592	\$ 8,040,936
Fire Taxing District Fund				
Assets				
Cash and investments	\$ 1,325	\$ 451,752	\$ 448,818	\$ 4,259
Receivables, property taxes	453,133	465,465	454,969	463,629
Total assets	\$ 454,458	\$ 917,217	\$ 903,787	\$ 467,888
Liabilities, due to other government funds	\$ 454,458	\$ 917,217	\$ 903,787	\$ 467,888

(continued)

County of Scott, Iowa

Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
School Taxing District Fund				
Assets				
Cash and investments	\$ 671,774	\$ 131,785,174	\$ 131,498,756	\$ 958,192
Receivables, property taxes	130,226,168	136,503,861	130,362,406	136,367,623
Total assets	\$ 130,897,942	\$ 268,289,035	\$ 261,861,162	\$ 137,325,815
Liabilities, due to other government funds	\$ 130,897,942	\$ 268,289,035	\$ 261,861,162	\$ 137,325,815
Township Taxing District Fund				
Assets				
Cash and investments	\$ 1,004	\$ 268,195	\$ 266,809	\$ 2,390
Receivables, property taxes	270,136	278,713	270,665	278,184
Total assets	\$ 271,140	\$ 546,908	\$ 537,474	\$ 280,574
Liabilities, due to other government funds	\$ 271,140	\$ 546,908	\$ 537,474	\$ 280,574
Other Holding Accounts Fund				
Assets				
Cash and investments	\$ 4,800,531	\$ 418,004,706	\$ 417,447,787	\$ 5,357,450
Receivables, property taxes	31,385	366,710	359,944	38,151
Total assets	\$ 4,831,916	\$ 418,371,416	\$ 417,807,731	\$ 5,395,601
Liabilities				
Accounts payable	\$ 20,059	\$ 160,917	\$ 153,100	\$ 27,876
Due to other governmental agencies	4,811,857	408,810,186	408,254,318	5,367,725
Total liabilities	\$ 4,831,916	\$ 408,971,103	\$ 408,407,418	\$ 5,395,601
City Special Assessments Fund				
Assets, cash and investments	\$ 324,120	\$ 3,407,683	\$ 3,623,738	\$ 108,065
Liabilities, due to other governmental agencies	\$ 324,120	\$ 3,407,683	\$ 3,623,738	\$ 108,065
County Recorder Agency Fund				
Assets				
Assets, cash and investments	\$ 107,370	\$ 1,836,849	\$ 1,882,127	\$ 62,092
Liabilities, due to other governmental agencies	\$ 107,370	\$ 1,836,886	\$ 1,882,164	\$ 62,092
(continued)				

County of Scott, Iowa

Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
County Sheriff Agency Fund				
Assets				
Assets, cash and investments	\$ 285,355	\$ 6,767,512	\$ 6,892,812	\$ 160,055
Receivables, accounts	-	18,211	6,470	11,741
Total assets	\$ 285,355	\$ 6,785,723	\$ 6,899,282	\$ 171,796
Liabilities				
Accounts Payable	\$ 119,673	\$ 6,537,351	\$ 6,653,102	\$ 3,922
Due from other government agencies	165,682	316,869	314,677	167,874
Total Liabilities	\$ 285,355	\$ 6,854,220	\$ 6,967,779	\$ 171,796
Motor Vehicle Tax Fund				
Assets, cash and investments	\$ 26,764	\$ -	\$ -	\$ 26,764
Liabilities, due to other governmental agencies	\$ 26,764	\$ -	\$ -	\$ 26,764
Tax Sale Redemption Fund				
Assets, cash and investments	\$ 77,337	\$ -	\$ -	\$ 77,337
Liabilities, due to other governmental agencies	\$ 77,337	\$ -	\$ -	\$ 77,337
Community Services Fund				
Assets, cash and investments	\$ 554,226	\$ 63,216	\$ -	\$ 617,442
Liabilities, due to private individuals	\$ 554,226	\$ 63,216	\$ -	\$ 617,442
County Assessor Fund				
Assets				
Cash and investments	\$ 1,069,697	\$ 878,504	\$ 864,117	\$ 1,084,084
Receivables, property taxes	851,047	810,646	852,468	809,225
Receivables, interest	3,378	2,957	3,378	2,957
Prepaid	24,812	-	24,812	-
Total assets	\$ 1,948,934	\$ 1,692,107	\$ 1,744,775	\$ 1,896,266
Liabilities				
Accounts payable	\$ 5,027	\$ 177,543	\$ 171,834	\$ 10,736
Due to other governmental agencies	1,943,907	2,442,372	2,500,749	1,885,530
Total liabilities	\$ 1,948,934	\$ 2,619,915	\$ 2,672,583	\$ 1,896,266

(continued)

County of Scott, Iowa

Combining Statement of Changes in Assets and Liabilities
All Agency Funds (Continued)
For the Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
City Assessor Fund				
Assets				
Cash and investments	\$ 1,091,209	\$ 1,518,383	\$ 1,314,576	\$ 1,295,015
Receivables, property taxes	1,472,947	1,314,870	1,473,725	1,314,092
Receivables, interest	3,446	3,533	3,446	3,533
Prepaid Items	-	7,920	-	7,920
Total assets	\$ 2,567,602	\$ 2,844,705	\$ 2,791,747	\$ 2,620,560
Liabilities				
Accounts payable	\$ 98,316	\$ 1,381,209	\$ 1,313,612	\$ 165,913
Due to other governmental agencies	2,469,286	2,832,264	2,846,903	2,454,647
Total liabilities	\$ 2,567,602	\$ 4,213,473	\$ 4,160,515	\$ 2,620,560
Eastern Iowa Mental Health and Disabilities Services Region				
Assets				
Cash and investments	\$ 1,439,980	\$ 3,795,706	\$ 4,873,264	\$ 362,422
Receivables, accrued interest	4,547	989	4,548	988
Prepaid	5,610	3,923	5,609	3,924
Total assets	\$ 1,450,137	\$ 3,800,618	\$ 4,883,421	\$ 367,334
Liabilities				
Accounts payable	\$ 14,800	\$ 5,801,987	\$ 5,816,787	\$ -
Due to other governmental agencies	1,435,337	2,702,265	3,770,268	367,334
Total liabilities	\$ 1,450,137	\$ 8,504,252	\$ 9,587,055	\$ 367,334
Jail Inmate Fund				
Assets, cash and investments	\$ 177,029	\$ -	\$ 7,271	\$ 169,758
Liabilities, due to private individuals	\$ 177,029	\$ -	\$ 7,271	\$ 169,758
Rivershare Fund				
Assets				
Cash and investments	\$ 30,154	\$ 109,880	\$ 109,899	\$ 30,135
Liabilities				
Accounts payable	\$ 229	\$ 107,207	\$ 107,205	\$ 231
Due to other government agencies	29,925	109,880	109,901	29,904
Total liabilities	\$ 30,154	\$ 217,087	\$ 217,106	\$ 30,135

(continued)

County of Scott, Iowa

Combining Statement of Changes in Assets and Liabilities

All Agency Funds (Continued)

For the Year Ended June 30, 2020

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
E 911 Funds				
Assets, cash and investments	\$ -	\$ 1,229,418	\$ 1,206,113	\$ 23,305
Liabilities, due to other governmental agencies	\$ -	\$ 1,229,418	\$ 1,206,113	\$ 23,305
Total Combined Funds				
Assets				
Cash and investments	\$ 11,381,091	\$ 712,297,841	\$ 712,083,951	\$ 11,594,980
Receivables:				
Property taxes	274,044,278	287,900,014	274,599,828	287,344,464
Interest	11,371	7,479	11,372	7,478
Other	-	18,211	6,470	11,741
Prepaid	30,422	11,843	30,421	11,844
Total Assets	\$ 285,467,162	\$ 1,000,235,387	\$ 986,732,042	\$ 298,970,507
Liabilities				
Accounts payable	\$ 270,193	\$ 14,191,572	\$ 14,253,087	\$ 208,678
Due to other governmental agencies	284,465,714	983,756,934	970,248,019	297,974,629
Due to private individuals	731,255	63,216	7,271	787,200
Total Liabilities	\$ 285,467,162	\$ 998,011,722	\$ 984,508,377	\$ 298,970,507

County of Scott, Iowa

Combining Balance Sheet and Reconciliation to Statement of Net Position
Discretely Presented Component Units
As of June 30, 2020

	Emergency Management Agency	County Library	Total
Assets			
Cash and investments	\$ 239,408	\$ 438,381	\$ 677,789
Receivables:			
Accounts	27,258	-	27,258
Accrued interest	657	1,195	1,852
Due from other governmental agencies	39,000	-	39,000
Prepaid Items	-	11,507	11,507
Total assets	\$ 306,323	\$ 451,083	\$ 757,406
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	\$ 21,493	\$ 33,046	\$ 54,539
Accrued liabilities	13,277	29,300	42,577
Total liabilities	34,770	62,346	97,116
Deferred Inflows of Resources			
Liabilities:			
Unavailable Revenue	39,000	-	39,000
Total deferred inflows of resources	39,000	-	39,000
Fund balances:			
Nonspendable	-	11,507	11,507
Assigned	-	16,000	16,000
Unassigned	232,553	361,230	593,783
Total fund balances	232,553	388,737	621,290
Total liabilities, deferred inflows of resources, and fund balances	\$ 306,323	\$ 451,083	\$ 757,406
Reconciliation to statement of net position			
Total component unit fund balances	\$ 232,553	\$ 388,737	\$ 621,290
Amounts reported for governmental activities in the statement of net position are different because			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds			
Capital assets:			
Land	-	16,600	16,600
Buildings	-	1,131,866	1,131,866
Machinery and equipment	638,969	240,934	879,903
Accumulated depreciation	(613,279)	(663,133)	(1,276,412)
Pension related deferred outflow of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the funds			
Pension Deferred outflows of resources	68,464	275,039	343,503
OPEB Deferred outflows of resources	172	3,885	4,057
Pension Deferred inflows of resources	(2,370)	(10,853)	(13,223)
OPEB Deferred intflows of resources	(51)	(1,150)	(1,201)
Liabilities not due and payable in the current period are not reported in the funds:			
Compensated absences	(8,537)	(62,810)	(71,347)
Net pension liability	(62,445)	(456,294)	(518,739)
Other post employment benefits obligation	(1,177)	(26,521)	(27,698)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	39,000	-	39,000
Total net position	\$ 291,299	\$ 836,300	\$ 1,127,599

County of Scott, Iowa

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances and Reconciliation
to Statement of Activities - Discretely Presented Component Units
For the Year Ended June 30, 2020**

	Emergency Management Agency	County Library	Total
Revenues:			
Intergovernmental			
Operating	\$ 360,251	\$ 1,220,948	\$ 1,581,199
Charges for services	75,890	10,010	85,900
Investment earnings	4,646	5,124	9,770
Other	-	14,805	14,805
Total revenues	440,787	1,250,887	1,691,674
Expenditures:			
Current:			
Public safety and legal services	495,681	-	495,681
County environment and education	-	1,217,661	1,217,661
Total expenditures	495,681	1,217,661	1,713,342
Net change in fund balances	(54,894)	33,226	(21,668)
Fund balances, beginning of year	287,447	355,511	642,958
Fund balances, end of year	<u>\$ 232,553</u>	<u>\$ 388,737</u>	<u>\$ 621,290</u>

County of Scott, Iowa

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances and Reconciliation
to Statement of Activities - Discretely Presented Component Units (Continued)
For the Year Ended June 30, 2020**

	Emergency Management Agency	County Library	Total
Reconciliation to statement of activities,			
Net change in fund balances	\$ (54,894)	\$ 33,226	\$ (21,668)
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following is the detail of the amount by which capital outlays exceeded depreciation in the current year:</p>			
Depreciation	(3,452)	(27,727)	(31,179)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the component unit:</p>			
Change in compensated absences	3,300	(12,845)	(9,545)
Change in other post employment benefits obligation	(53)	(1,200)	(1,253)
Change in pension expense	22,192	88,420	110,612
Changes in Net Position of component units	\$ (32,907)	\$ 79,874	\$ 46,967

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STATISTICAL

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County of Scott, Iowa

Statistical Section Contents

The statistical section of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures and required supplementary information say about the County's overall financial health.

Contents	Page
Financial Trends	100
These schedules contain trend information to help the reader understand how the County's financial performance and well being have changed over time.	
Revenue Capacity	112
These schedules contain information to help the reader assess the County's most significant local revenue sources, the property tax (or sales tax).	
Debt Capacity	122
These schedules present information to help the reader assess the affordability of the County's current level of outstanding debt and the County's ability to issue additional debt in the future.	
Demographic and Economic Information	126
These schedule offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	
Operating Information	130
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.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual report for the relevant year.

County of Scott, Iowa

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	2011	2012	2013
Governmental activities:			
Net investment in capital assets	\$ 64,874,432	\$ 74,766,566	\$ 71,325,134
Restricted for:			
Debt service	2,503,008	2,160,323	1,491,035
County conservation sewage treatment	210,592	212,459	212,430
Mental health	1,221,960	343,637	-
Other statutory programs	783,546	786,943	968,492
Rural services	57,929	70,995	154,168
Scott Emergency Communication Center	-	2,762,297	2,689,733
Secondary roads	885,011	1,839,278	2,320,739
Unrestricted	10,009,511	14,045,782	15,050,677
Total governmental activities net position	\$ 80,545,989	\$ 96,988,280	\$ 94,212,408
Business-Type activities			
Net investment in capital assets	\$ 1,640,815	\$ 2,226,682	\$ 2,214,625
Restricted for lease purchase contract	324,407	-	-
Unrestricted	(4,233,323)	(4,447,949)	93,780
Total business-type activities net position	\$ (2,268,101)	\$ (2,221,267)	\$ 2,308,405
Primary government:			
Net investment in capital assets	\$ 66,515,247	\$ 76,993,248	\$ 73,539,759
Restricted for:			
Debt service	2,503,008	2,160,323	1,491,035
County conservation sewage treatment	210,592	212,459	212,430
Lease purchase contract	324,407	-	-
Mental health	1,221,960	343,637	-
Other statutory programs	783,546	786,943	968,492
Rural services	57,929	70,995	154,168
Scott Emergency Communication Center	-	2,762,297	2,689,733
Secondary roads	885,011	1,839,278	2,320,739
Unrestricted	5,776,188	9,597,833	15,144,457
Total primary government net position	\$ 78,277,888	\$ 94,767,013	\$ 96,520,813

Note: A restatement to blend component units was applied in Fiscal Year 2013 to 2012 and 2013 comparative data.

Note: A restatement to expense issuance costs as incurred was applied in Fiscal Year 2014 to 2014 and 2013 comparative data.

Note: A restatement of pension liability incurred as of June 30, 2014 was recorded to Fiscal Year 2015, prior years were not restated.

Note: A restatement of OPEB liability incurred as of June 30, 2017 was recorded to Fiscal Year 2018, prior years were not restated.

Source: County records.

Fiscal Year							
2014	2015	2016	2017	2018	2019	2020	
\$ 69,647,344	\$ 73,242,465	\$ 76,525,390	\$ 84,867,870	\$ 83,682,338	\$ 89,250,258	\$ 96,340,084	
1,802,355	1,936,389	2,217,903	2,754,062	3,390,905	3,993,594	226,578	
212,430	208,552	-	-	-	-	-	
1,966,913	5,116,780	359,933	977,859	660,764	433,125	770,555	
979,625	955,941	923,278	724,052	735,036	801,945	633,589	
150,016	148,630	154,804	138,403	140,803	142,948	126,703	
3,049,339	120,370	-	-	-	-	-	
3,149,287	3,830,301	3,475,520	4,972,038	6,646,225	7,062,383	4,968,351	
20,624,047	11,928,034	13,322,400	8,299,780	8,735,706	8,217,313	12,712,237	
<u>\$ 101,581,356</u>	<u>\$ 97,487,462</u>	<u>\$ 96,979,228</u>	<u>\$ 102,734,064</u>	<u>\$ 103,991,777</u>	<u>\$ 109,901,566</u>	<u>\$ 115,778,097</u>	
\$ 2,168,898	\$ 2,167,093	\$ 2,088,255	\$ 2,089,796	\$ 2,242,699	\$ 2,229,786	\$ 2,211,681	
-	-	-	-	-	-	-	
173,029	290,861	462,282	564,622	428,636	359,110	384,657	
<u>\$ 2,341,927</u>	<u>\$ 2,457,954</u>	<u>\$ 2,550,537</u>	<u>\$ 2,654,418</u>	<u>\$ 2,671,335</u>	<u>\$ 2,588,896</u>	<u>\$ 2,596,338</u>	
\$ 71,816,242	\$ 75,409,558	\$ 78,613,645	\$ 86,957,666	\$ 85,925,037	\$ 91,480,044	\$ 98,551,765	
1,802,355	1,936,389	2,217,903	2,754,062	3,390,905	3,993,594	226,578	
212,430	208,552	-	-	-	-	-	
-	-	-	-	-	-	-	
1,966,913	5,116,780	359,933	977,859	660,764	433,125	770,555	
979,625	955,941	923,278	724,052	735,036	801,945	633,589	
150,016	148,630	154,804	138,403	140,803	142,948	126,703	
3,049,339	120,370	-	-	-	-	-	
3,149,287	3,830,301	3,475,520	4,972,038	6,646,225	7,062,383	4,968,351	
20,797,076	12,218,895	13,784,682	8,864,402	9,164,342	8,576,423	13,096,894	
<u>\$ 103,923,283</u>	<u>\$ 99,945,416</u>	<u>\$ 99,529,765</u>	<u>\$ 105,388,482</u>	<u>\$ 106,663,112</u>	<u>\$ 112,490,462</u>	<u>\$ 118,374,435</u>	

County of Scott, Iowa

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

(Unaudited)

	2011	2012	2013
Expenses:			
Governmental activities:			
Public safety and legal services	\$ 36,474,619	\$ 20,806,047	\$ 21,551,072
Public safety and legal services -SECC	-	6,785,573	7,650,488
Physical health and social services	5,695,818	5,439,626	5,293,759
Mental health	15,279,397	17,508,289	8,256,862
County environment and education	4,893,713	5,045,765	5,063,295
Roads and transportation	7,863,504	9,171,403	8,296,547
Governmental services to residents	2,117,384	2,262,947	2,236,126
Administration	11,500,872	10,131,539	10,869,732
Interest on long-term debt	1,674,554	2,090,153	2,281,028
Total governmental activities expenses	85,499,861	79,241,342	71,498,909
Business-Type activities, golf course	949,850	1,168,516	976,713
Total government expenses	\$ 86,449,711	\$ 80,409,858	\$ 72,475,622
Program revenues:			
Governmental activities			
Charges for services			
Public safety and legal services	\$ 1,457,575	\$ 1,622,292	\$ 1,413,724
Physical health and social services	376,158	399,182	392,116
Mental health	50,250	74,244	176,661
County environment and education	1,017,239	1,145,202	1,131,480
Roads and transportation	20,863	18,900	20,531
Governmental services to residents	2,469,734	2,588,909	2,893,332
Administration	267,955	267,800	289,722
Operating grants and contributions	12,882,216	12,358,943	7,988,482
Capital grants and contributions	2,567,522	1,111,863	459,141
Total governmental activities program revenues	21,109,512	19,587,335	14,765,189
Business-Type activities, golf course	900,741	1,002,459	890,259
Total government program revenues	\$ 22,010,253	\$ 20,589,794	\$ 15,655,448
Net (expense)/revenue:			
Governmental activities	\$ (64,390,349)	\$ (59,654,007)	\$ (56,733,720)
Business-Type activities	(49,109)	(166,057)	(86,454)
Total government net expense	\$ (64,439,458)	\$ (59,820,064)	\$ (56,820,174)

(Continued)

Fiscal Year							
2014	2015	2016	2017	2018	2019	2020	
\$ 21,994,460	\$ 21,575,674	\$ 22,496,478	\$ 23,652,149	\$ 25,159,172	\$ 27,031,854	\$ 28,562,069	
7,755,245	8,263,625	8,990,086	8,253,613	8,457,924	7,748,036	8,015,430	
5,387,800	5,632,413	5,989,809	6,380,863	6,222,569	6,074,511	6,543,433	
7,075,477	6,009,778	8,609,386	3,943,078	4,245,808	4,485,813	5,630,174	
5,374,619	5,378,738	5,887,071	5,376,513	5,724,941	5,799,730	6,089,395	
8,862,285	8,252,046	8,545,470	8,361,816	9,634,295	9,900,614	10,742,814	
2,204,779	2,060,111	2,336,652	2,500,771	2,590,622	2,710,339	2,913,233	
10,071,070	10,483,274	10,702,812	11,154,664	11,828,111	12,298,729	13,109,065	
2,074,927	1,895,452	1,332,866	1,258,313	1,038,114	931,126	858,859	
70,800,662	69,551,111	74,890,630	70,881,780	74,901,556	76,980,752	82,464,472	
1,013,810	947,995	947,360	970,395	962,376	975,376	931,701	
\$ 71,814,472	\$ 70,499,106	\$ 75,837,990	\$ 71,852,175	\$ 75,863,932	\$ 77,956,128	\$ 83,396,173	
\$ 1,633,110	\$ 1,860,399	\$ 1,462,328	\$ 1,276,141	\$ 1,504,387	\$ 1,473,229	\$ 2,052,234	
398,670	404,322	420,561	417,911	419,873	476,818	480,139	
203,301	162,920	145,831	148,816	142,014	159,320	336,770	
1,466,769	1,537,819	1,598,171	1,374,814	1,579,497	1,430,501	1,308,718	
35,159	17,551	42,480	46,344	53,071	53,377	107,903	
2,576,380	2,616,710	2,750,040	2,867,386	2,915,865	2,840,479	3,031,920	
178,279	316,678	415,863	368,609	361,042	366,182	133,444	
10,336,825	9,490,079	4,687,936	5,877,692	4,681,612	3,898,150	6,521,082	
1,124,208	3,343,518	465,967	1,466,522	542,580	2,831,623	1,204,224	
17,952,701	19,749,996	11,989,177	13,844,235	12,199,941	13,529,679	15,176,434	
901,872	926,316	939,155	907,586	974,321	882,268	933,761	
\$ 18,854,573	\$ 20,676,312	\$ 12,928,332	\$ 14,751,821	\$ 13,174,262	\$ 14,411,947	\$ 16,110,195	
\$ (52,847,961)	\$ (49,801,115)	\$ (62,901,453)	\$ (57,037,545)	\$ (62,701,615)	\$ (63,451,073)	\$ (67,288,038)	
(111,938)	(21,679)	(8,205)	(62,809)	11,945	(93,108)	2,060	
\$ (52,959,899)	\$ (49,822,794)	\$ (62,909,658)	\$ (57,100,354)	\$ (62,689,670)	\$ (63,544,181)	\$ (67,285,978)	

County of Scott, Iowa

Changes in Net Position (Continued)

Last Ten Fiscal Years

(accrual basis of accounting)

(Unaudited)

	2011	2012	2013
General revenues and other changes in net position:			
Governmental activities:			
Taxes:			
Property taxes	\$ 43,052,682	\$ 44,980,224	\$ 46,156,117
Local option sales tax	3,863,574	4,052,754	4,049,552
Gaming	584,582	596,840	579,504
Other taxes	68,512	68,374	70,286
Utility tax replacements	1,539,020	1,625,295	1,598,817
Penalties, interest and costs on taxes	791,685	789,143	816,474
State tax replacement credits	4,930,224	4,898,515	1,205,628
Payments in lieu of taxes	6,782	6,682	6,521
State shared revenues	2,775,120	3,146,564	3,156,344
Investment earnings	228,038	162,822	125,127
Miscellaneous	1,102,391	1,380,103	1,274,786
Total General Revenues	58,942,610	61,707,316	59,039,156
Transfers (out)	(176,990)	(212,891)	(4,616,126)
Total governmental activities	58,765,620	61,494,425	54,423,030
Business-Type activities:			
Investment earnings	-	-	-
Transfers	176,990	212,891	4,616,126
Total Business-Type Activities	176,990	212,891	4,616,126
Total primary government	\$ 58,942,610	\$ 61,707,316	\$ 59,039,156
Change in net position:			
Governmental activities	\$ (5,624,729)	\$ 1,840,418	\$ (2,310,690)
Business-Type activities	127,881	46,834	4,529,672
Total primary government	\$ (5,496,848)	\$ 1,887,252	\$ 2,218,982

Note: A restatement to blend component units was applied in Fiscal Year 2013 to 2012 and 2013 comparative data.

Note: A restatement to expense issuance costs as incurred was applied in Fiscal Year 2014 to 2014 and 2013 comparative data.

Source: County records.

Fiscal Year						
2014	2015	2016	2017	2018	2019	2020
\$ 46,924,802	\$ 46,038,682	\$ 45,202,178	\$ 45,413,623	\$ 46,927,152	\$ 49,636,074	\$ 53,516,264
4,285,414	4,413,667	4,390,854	4,685,617	4,504,711	4,535,941	4,939,394
527,014	528,381	569,059	693,456	678,633	683,200	577,668
4,658,521	71,501	68,619	67,761	67,391	69,001	93,200
1,558,330	1,891,293	1,887,781	1,793,615	1,764,932	1,796,259	1,857,243
930,986	715,763	725,336	611,959	577,759	690,085	314,158
1,450,873	2,598,044	3,848,505	3,825,047	3,840,813	3,925,518	4,137,625
7,306	7,058	7,980	7,273	7,784	7,923	8,040
3,200,405	3,438,603	4,085,495	4,267,366	4,110,946	4,336,309	4,497,873
147,401	150,728	122,472	167,158	742,625	1,479,711	1,153,507
1,263,537	1,860,536	1,584,940	1,424,218	1,443,060	2,200,841	2,069,597
64,954,589	61,714,256	62,493,219	62,957,093	64,665,806	69,360,862	73,164,569
(145,460)	(223,361)	(100,000)	(164,712)	-	-	-
64,809,129	61,490,895	62,393,219	62,792,381	64,665,806	69,360,862	73,164,569
-	363	788	1,978	8,203	10,669	5,382
145,460	223,361	100,000	164,712	-	-	-
145,460	223,724	100,788	166,690	8,203	10,669	5,382
\$ 64,954,589	\$ 61,714,619	\$ 62,494,007	\$ 62,959,071	\$ 64,674,009	\$ 69,371,531	\$ 73,169,951
\$ 11,961,168	\$ 11,689,780	\$ (508,234)	\$ 5,754,836	\$ 1,964,191	\$ 5,909,789	\$ 5,876,531
33,522	202,045	92,583	103,881	20,148	(82,439)	7,442
\$ 11,994,690	\$ 11,891,825	\$ (415,651)	\$ 5,858,717	\$ 1,984,339	\$ 5,827,350	\$ 5,883,973

County of Scott, Iowa

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

	2011 *	2012	2013	2014
General Fund:				
Nonspendable:				
Notes receivable	\$ 113,358	\$ 81,428	\$ 58,777	\$ 58,777
Advances	3,720,324	4,041,594	-	-
Prepays	109,106	109,906	131,406	131,406
Restricted:				
County conservation sewage treatment	210,592	212,459	212,430	207,617
Other statutory programs	783,546	786,943	926,297	945,547
Assigned:				
Capital projects	-	1,500,000	3,150,000	3,850,000
Health claim liabilities	-	340,000	150,000	150,000
Strategic plan elements	-	-	-	-
Future budgetary reductions	-	560,257	-	-
Claim liabilities	694,052	398,656	383,941	330,680
Unassigned	9,247,282	9,477,799	10,041,990	9,832,639
Total general fund	\$ 14,878,260	\$ 17,509,042	\$ 15,054,841	\$ 15,506,666
All other governmental funds:				
Nonspendable:				
Prepays	\$ -	\$ -	\$ -	\$ -
Restricted:				
Debt service	2,558,322	2,053,084	19,541,476	19,518,523
Secondary Roads	885,011	1,839,278	2,320,739	3,149,287
Rural services	57,929	70,995	154,168	150,016
Mental health	-	-	-	1,966,913
Other statutory programs	-	343,637	-	-
Records management fee	72,687	48,418	42,194	53,327
Capital projects	1,712,860	1,252,027	-	-
Scott Emergency Communications Center	-	2,762,297	2,689,733	3,085,355
Assigned:				
Mental health/development disabilities	1,221,960	-	-	-
Other capital projects	1,473,162	2,578,797	5,494,375	9,019,502
Unassigned (Deficit)	-	(75,318)	(388,176)	-
Total all other governmental funds	\$ 7,981,931	\$ 10,873,215	\$ 29,854,509	\$ 36,942,923

Note: A restatement to blend component units was applied in Fiscal Year 2013 to 2012 and 2013 comparative data.

Source: County records.

* In 2011, the County implemented GASB Statement No. 54 - *Fund Balance Reporting and Governmental Fund Type Definitions* which changed the reporting of the components of fund balance. Retroactive application to years prior to 2011 was not required.

2015	2016	2017	2018	2019	2020
\$ 58,777	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
140,244	553,834	93,657	187,308	127,290	92,204
208,552	-	-	-	-	-
902,614	849,023	637,475	771,661	716,902	625,764
2,350,000	2,500,000	1,070,198	1,184,554	783,980	1,826,035
270,000	500,000	515,000	465,000	100,000	-
-	-	1,000,000	349,500	220,000	130,000
-	-	-	-	-	-
407,715	308,160	273,059	254,474	281,685	348,036
10,098,835	10,212,287	10,474,822	10,821,990	11,354,228	11,916,336
\$ 14,436,737	\$ 14,923,304	\$ 14,064,211	\$ 14,034,487	\$ 13,584,085	\$ 14,938,375

\$ 18,979	\$ 15,719	\$ -	\$ -	\$ -	\$ 23,640
1,980,550	10,587,713	10,776,725	11,056,132	11,328,788	7,210,628
3,830,301	3,475,520	4,972,038	6,646,225	7,062,383	4,968,351
148,630	154,804	138,403	140,803	142,948	126,703
5,116,780	359,933	977,859	660,764	433,125	770,555
-	-	-	-	-	-
63,714	74,255	86,578	97,562	85,043	78,225
-	-	-	-	-	9,264,030
2,393,687	1,758,132	1,538,408	1,861,517	943,687	2,330,626
-	-	-	-	-	-
12,476,234	11,445,896	7,938,049	9,115,097	9,245,565	7,714,799
-	-	-	-	-	-
\$ 26,028,875	\$ 27,871,972	\$ 26,428,060	\$ 29,578,100	\$ 29,241,539	\$ 32,487,557

County of Scott, Iowa

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	2011	2012*	2013*	2014
Revenues:				
Property taxes	\$ 43,098,556	\$ 44,978,360	\$ 46,158,852	\$ 46,920,952
Local option sales tax	3,863,574	4,052,754	4,098,552	4,268,291
Other taxes	2,192,115	2,290,508	2,248,606	2,151,644
Interest and penalty on taxes	791,685	789,143	816,474	930,986
Intergovernmental	20,595,340	20,410,705	12,290,563	15,163,356
Charges for services	4,993,149	5,463,130	5,562,494	5,710,597
Investment earnings	221,853	155,838	120,569	143,039
Licenses and permits	666,627	653,399	772,296	781,072
Rentals and fees	188,240	222,959	176,562	80,591
Other	598,716	937,286	1,011,563	1,102,063
Total revenues	77,209,855	79,954,082	73,256,531	77,252,591
Expenditures:				
Public safety and legal services	26,494,923	25,163,609	26,258,655	26,708,744
Physical health and social services	6,511,764	5,395,364	5,256,671	5,381,859
Mental health	15,221,435	17,466,386	8,216,389	7,030,247
County environment and education	4,338,106	4,450,578	4,510,564	4,388,314
Roads and transportation	4,540,049	5,111,168	4,969,030	4,528,796
Governmental services to residents	2,022,332	2,210,614	2,178,373	2,202,471
Administration	9,094,998	9,203,859	9,341,135	9,598,011
Capital outlay	7,748,371	2,916,473	4,464,108	4,017,248
Debt service:				
Principal	2,680,000	3,145,000	3,331,240	3,461,240
Interest and fees	1,675,660	2,050,550	2,088,389	2,180,845
Total expenditures	80,327,638	77,113,601	70,614,554	69,497,775
Excess of revenues over (under) expenditures	(3,117,783)	2,840,481	2,641,977	7,754,816
Other financing sources (uses):				
Transfers in	8,433,584	11,825,251	16,347,711	17,961,921
Transfers out	(8,610,574)	(12,038,142)	(20,809,984)	(18,257,381)
Proceeds from sale of capital assets	157,209	339,441	113,638	80,883
Proceeds from issuance of long-term debt	-	-	17,675,000	-
Distribution of advance crossover refunding	-	-	-	-
Bond premium	-	-	558,751	-
Payment to refunded bond escrow agent	-	-	-	-
Total other financing sources (uses)	(19,781)	126,550	13,885,116	(214,577)
Net Change in fund balances	(3,137,564)	2,967,031	16,527,093	7,540,239
Fund balances, beginning of year	25,840,547	25,415,226	28,382,257	44,909,350
Fund balances, end of year	\$ 22,702,983	\$ 28,382,257	\$ 44,909,350	\$ 52,449,589
Debt service as a percentage of noncapital expenditures	5.88%	7.11%	7.96%	8.62%

Note: A restatement to blend component units was applied in Fiscal Year 2013 to 2012 and 2013 comparative data.

Source: County records.

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 46,024,012	\$ 45,210,754	\$ 45,414,065	\$ 46,909,476	\$ 49,667,622	\$ 53,013,036
4,403,167	4,390,604	4,786,393	4,404,685	4,455,941	5,006,394
2,491,175	2,525,458	2,554,833	2,510,955	2,548,460	2,528,114
715,763	725,336	611,959	577,759	690,085	314,158
15,654,761	12,904,819	13,975,531	13,067,282	12,553,616	13,196,088
6,164,147	5,994,739	5,770,914	6,255,443	6,038,592	5,715,151
146,338	118,916	160,690	715,796	1,415,702	1,102,131
752,254	833,144	729,106	720,306	756,807	873,792
85,462	89,743	93,799	142,622	139,838	118,821
1,690,480	1,232,794	1,245,049	1,223,083	1,296,009	1,437,405
78,127,559	74,026,307	75,342,339	76,527,407	79,562,672	83,305,090
27,252,039	27,467,752	28,181,904	28,962,453	31,142,973	32,369,060
5,461,001	5,922,900	6,247,529	5,969,023	5,921,631	6,289,669
6,037,145	8,424,829	3,904,502	4,186,504	4,417,274	5,584,029
4,467,281	4,750,264	4,622,713	4,871,037	4,949,600	5,156,196
4,696,791	4,723,640	4,433,237	5,527,111	6,495,669	6,596,272
2,141,186	2,334,861	2,429,984	2,471,843	2,555,119	2,687,634
10,030,585	9,976,262	10,303,922	10,810,879	11,423,782	12,033,996
6,646,807	11,746,853	12,236,254	6,083,141	9,183,774	11,588,046
3,712,442	3,230,000	3,350,000	2,965,000	3,080,000	9,745,000
2,060,981	1,329,164	1,355,957	1,112,259	992,093	1,238,857
72,506,258	79,906,525	77,066,002	72,959,250	80,161,915	93,288,759
5,621,301	(5,880,218)	(1,723,663)	3,568,157	(599,243)	(9,983,669)
18,867,438	17,212,770	17,780,640	17,520,906	18,057,090	19,396,969
(19,240,799)	(17,582,770)	(18,445,352)	(18,045,906)	(18,522,090)	(19,496,969)
83,083	265,425	85,370	77,355	277,084	121,385
-	8,215,000	-	-	-	12,680,000
(17,315,000)	-	-	-	-	-
-	99,457	-	-	-	1,882,592
-	-	-	-	-	-
(17,605,278)	8,209,882	(579,342)	(447,645)	(187,916)	14,583,977
(11,983,977)	2,329,664	(2,303,005)	3,120,512	(787,159)	4,600,308
52,449,589	40,465,612	42,795,276	40,492,271	43,612,783	42,825,624
\$ 40,465,612	\$ 42,795,276	\$ 40,492,271	\$ 43,612,783	\$ 42,825,624	\$ 47,425,932
8.29%	6.19%	7.06%	6.68%	5.45%	13.43%

County of Scott, Iowa

Program Revenues by Function/Program
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

Function / Program	2011	2012	2013
Governmental activities:			
Public safety and legal services	\$ 2,603,842	\$ 2,790,937	\$ 2,659,176
Public safety and legal services - SECC	-	-	-
Physical health and social services	2,449,219	1,835,979	1,675,662
Mental health	7,753,736	8,547,369	4,094,415
County environment and education	1,094,796	1,223,753	1,177,856
Roads and transportation	2,645,043	1,083,772	527,378
Governmental services and residents	2,656,916	2,859,866	3,076,697
Administration	1,502,699	693,626	916,371
Interest on long-term debt	403,261	552,033	637,634
Total governmental activities	21,109,512	19,587,335	14,765,189
Business-Type activities, Glynn's Creek Golf Course	900,741	1,002,459	890,259
Total government	\$ 22,010,253	\$ 20,589,794	\$ 15,655,448

Note: A restatement to blend component units was applied in Fiscal Year 2013 to 2012 and 2013 comparative data.

Source: County records.

Fiscal Year							
2014	2015	2016	2017	2018	2019	2020	
\$ 2,690,456	\$ 2,714,412	\$ 2,469,186	\$ 2,181,524	\$ 2,180,331	\$ 2,038,705	\$ 4,466,048	
127	98,125	1,313	776	16,330	16,974	6,000	
1,650,038	1,577,835	1,986,817	2,428,846	1,981,098	1,864,766	2,452,006	
5,910,035	5,696,143	145,831	1,015,396	142,014	159,320	336,770	
1,530,559	1,608,436	1,663,520	1,445,130	1,775,032	1,704,548	2,141,236	
1,182,305	3,417,400	632,869	1,577,461	762,891	2,681,898	694,399	
2,957,422	2,855,609	3,108,436	3,033,057	3,235,784	3,038,169	3,400,615	
575,570	423,280	543,309	471,277	469,538	453,885	260,133	
1,456,189	1,358,756	1,437,896	1,690,768	1,636,923	1,571,414	1,419,227	
17,952,701	19,749,996	11,989,177	13,844,235	12,199,941	13,529,679	15,176,434	
901,872	926,316	939,155	907,586	974,321	882,268	933,761	
\$ 18,854,573	\$ 20,676,312	\$ 12,928,332	\$ 14,751,821	\$ 13,174,262	\$ 14,411,947	\$ 16,110,195	

County of Scott, Iowa

Revenues by Source, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

Fiscal Year	Property	Local Option Sales Tax	Other Tax	Interest & Penalties on Taxes	Intergovernmental
2011	\$ 43,098,556	\$ 3,863,574	\$ 2,192,115	\$ 791,685	\$ 20,595,340
2012	44,978,360	4,052,754	2,290,508	789,143	20,410,705
2013	46,158,852	4,098,552	2,248,606	816,474	12,290,563
2014	46,920,952	4,268,291	2,151,644	930,986	15,163,356
2015	46,024,012	4,403,167	2,491,175	715,763	15,654,761
2016	45,210,754	4,390,604	2,525,458	725,336	12,904,819
2017	45,414,065	4,786,393	2,554,833	611,959	13,975,531
2018	46,909,476	4,404,685	2,510,955	577,759	13,067,282
2019	49,667,622	4,455,941	2,548,460	690,085	12,553,616
2020	53,013,036	5,006,394	2,528,114	314,158	13,196,088
Change					
2011-2020	23.00%	29.58%	15.33%	-60.32%	-35.93%

Note: A restatement to blend component units was applied in Fiscal Year 2013 to 2012 and 2013 comparative data.

Source: County records.

Charges for Services	Investment Earnings	Licenses & Permits	Rentals & Fees	Other	Total
\$ 4,993,149	\$ 221,853	\$ 666,627	\$ 188,240	\$ 755,925	\$ 77,367,064
5,463,130	155,838	653,399	222,959	937,286	79,954,082
5,562,494	120,569	772,296	176,562	1,011,563	73,256,531
5,710,597	143,039	781,072	80,591	1,102,063	77,252,591
6,164,147	146,338	752,254	85,462	1,690,480	78,127,559
5,994,739	118,916	833,144	89,743	1,232,794	74,026,307
5,770,914	160,690	729,106	93,799	1,245,049	75,342,339
6,255,443	715,796	720,306	142,622	1,223,083	76,527,407
6,038,592	1,415,702	756,807	139,838	1,296,009	79,562,672
5,715,151	1,102,131	873,792	118,821	1,437,405	83,305,090
14.46%	396.78%	31.08%	-36.88%	90.15%	7.68%

County of Scott, Iowa

**Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended June 30	Real Property		Utilities		Total	
	Taxable Value	Assessed Value	Taxable Value	Assessed Value	Taxable Value	Assessed Value
2011	\$ 6,408,604,034	\$ 11,185,801,070	\$ 382,244,194	\$ 501,524,388	\$ 6,790,848,228	\$ 11,687,325,458
2012	6,673,545,437	11,407,016,930	402,661,960	519,674,870	7,076,207,397	11,926,691,800
2013	6,943,020,526	11,830,247,547	402,322,998	402,322,998	7,345,343,524	12,232,570,545
2014	7,139,915,401	11,936,989,741	406,196,703	406,196,703	7,546,112,104	12,343,186,444
2015	7,240,638,632	12,109,481,489	394,987,689	538,804,065	7,635,626,321	12,648,285,554
2016	7,319,187,974	12,162,390,696	395,641,402	615,595,708	7,714,829,376	12,777,986,404
2017	7,597,944,724	12,779,295,631	391,113,465	649,309,189	7,989,058,189	13,428,604,820
2018	7,852,430,879	13,094,122,976	374,014,313	612,028,444	8,226,445,192	13,706,151,420
2019	8,310,742,928	13,887,123,403	388,373,917	712,185,371	8,699,116,845	14,599,308,774
2020	8,716,555,374	14,284,438,067	385,887,791	752,734,311	9,102,443,165	15,037,172,378

Source: Auditor's Office

Note 1: Property is assessed at actual value; therefore, the assessed values are equal to the actual value.

Note 2: Tax rates are per \$1,000 of assessed value.

Ratio Taxable to Assessed Value	Tax Increment Financing District Values	Weighted Average County Property Tax Rate
58.1%	\$ 371,369,162	6.74
59.3%	360,551,426	6.75
60.0%	379,706,751	6.67
61.1%	395,699,656	6.51
60.4%	406,555,742	6.50
60.4%	425,111,551	6.37
59.5%	413,836,841	6.19
60.0%	449,518,457	6.19
59.6%	439,662,541	6.19
60.5%	436,750,524	6.35

County of Scott, Iowa

Principal Property Taxpayers
Current Year and Nine Years Ago
(Unaudited)

Taxpayer	2011		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
MidAmerican Energy	\$ 326,959,565	1	4.92%
Isle of Capri Bettendorf	85,002,320	2	1.28%
SDG Macerich Properties	63,972,785	3	0.96%
Iowa American Water Company	55,894,471	4	0.84%
ALCOA	40,858,880	5	0.61%
QWEST Corp	29,780,024	6	0.45%
Northern Border Pipelin	25,364,152	7	0.38%
Gulf Investments	24,522,800	8	0.37%
Deere & Company	22,600,000	9	0.34%
Davenport - Durler Family Trust	20,554,200	10	0.31%
Total	\$ 695,509,197		10.46%

Taxpayer	2020		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
MidAmerican Energy	\$ 213,544,955	1	2.35%
Iowa American Water Company	62,373,681	2	0.69%
Rhythm City Casino LLC	61,729,938	3	0.68%
Isle of Capri, Bettendorf LC	58,758,021	4	0.65%
Sterilite Corporation	57,721,581	5	0.63%
Macerich North Park Mall LLC	52,870,725	6	0.58%
Kraft Heinze Foods Company	39,353,067	7	0.43%
Arconic Inc.	38,129,433	8	0.42%
THF Davenport North Development	31,863,574	9	0.35%
John Deere Construction	28,997,258	10	0.32%
Total	\$ 645,342,233		7.10%

Source: County records

County of Scott, 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 Tax Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 247,987,832	\$ 246,709,768	99.48%	\$ 357,380	\$ 247,067,148	99.63%
2012	258,210,732	256,655,331	99.40%	206,819	256,862,150	99.48%
2013	270,826,988	269,647,673	99.56%	26,946	269,674,619	99.57%
2014	274,898,466	273,903,646	99.64%	120,676	274,024,322	99.68%
2015	278,170,184	277,259,736	99.67%	161,251	277,420,987	99.73%
2016	278,996,517	276,343,974	99.05%	231,200	276,575,174	99.13%
2017	285,702,180	284,477,209	99.57%	100,395	284,577,604	99.61%
2018	296,707,046	296,406,357	99.90%	83,670	296,490,027	99.93%
2019	309,547,446	309,166,971	99.88%	346,011	309,512,982	99.99%
2020	320,645,743	314,896,794	98.21%	68,880	314,965,674	98.23%

Source: County records

County of Scott, Iowa

Direct and Overlapping Property Tax Rates Last Ten Years (rate per \$1,000 of assessed value) (Unaudited)

	2011	2012	2013	2014
County direct rates:				
Scott County Urban Rate	\$ 6.37607	\$ 6.37759	\$ 6.30156	\$ 6.23534
Scott County Rural Rate	9.39561	9.51525	9.43922	9.28021
City and town rates:				
Bettendorf	12.60000	12.60000	12.55000	12.55000
Blue Grass	11.18972	11.30132	11.57130	11.64547
Buffalo	8.17540	9.12078	9.12604	9.12332
Davenport	15.53000	15.53000	16.78000	16.78000
Dixon	8.10000	8.10000	8.10000	8.10000
Donahue	7.21883	7.22080	7.22267	7.22420
Durant	15.70846	15.70847	17.07103	13.47399
Eldridge	6.74852	6.75418	6.75396	6.75436
LeClaire	16.00434	15.07379	14.69999	14.47264
Long Grove	11.03125	10.90085	10.74199	10.60442
Maysville	5.16962	5.16951	5.16957	5.57674
McCausland	9.25982	9.21668	9.22504	8.10000
New Liberty	3.96650	3.12506	7.88563	3.61168
Panorama Park	5.56196	5.51713	5.47320	5.26743
Princeton	9.58242	9.58242	10.26832	10.27159
Riverdale	3.37602	7.00244	10.55647	10.55525
Walcott	9.99999	10.00000	9.99999	9.99999
School District Rates:				
Bennett Schools	11.23830	12.47240	12.05990	11.09204
Bettendorf Schools	15.00820	15.00244	15.00292	14.54629
Davenport Schools	17.11276	17.05061	17.04996	16.66333
Durant Schools	11.84246	13.62815	12.39188	13.10599
North Scott Schools	14.75964	14.75525	14.50592	14.18910
Pleasant Valley Schools	14.74116	14.73829	14.64092	14.74093
Area IX CC	0.92444	1.01724	0.91511	0.92043
Other:				
Scott County Assessor	0.28465	0.28110	0.28081	0.27996
Davenport City Assessor	0.23892	0.25171	0.31490	0.37452
Ag. Extension - BANGS	0.06946	0.06891	0.06865	0.06890

Source: County records - Auditor's Office.

Year Taxes are Payable					
2015	2016	2017	2018	2019	2020
\$ 6.13204	\$ 6.00377	\$ 5.82228	\$ 5.82167	\$ 5.82167	\$ 5.99401
9.17153	9.01072	8.78518	8.76857	8.74885	8.90566
12.55000	12.55000	12.55000	12.50000	12.50000	12.50000
11.65175	11.79368	11.85288	11.22612	11.87120	11.52289
9.03935	9.12879	9.12833	9.13413	9.74117	9.74273
16.78000	16.78000	16.78000	16.78000	16.78000	16.78000
8.09989	8.10000	8.37000	8.37000	8.37000	8.37000
7.22152	7.22036	7.22091	7.21575	7.22249	7.22454
15.06085	15.11071	15.14000	15.12765	14.77977	14.67377
6.75442	6.82817	6.74841	6.74820	6.74728	6.74949
14.47264	14.29804	14.29798	13.92602	13.64999	13.35596
10.52099	10.45768	10.29541	10.21368	9.98558	9.92845
5.99993	5.99988	5.99003	6.00002	5.99993	6.00003
8.10000	8.10000	8.10000	8.10000	7.89303	9.76833
3.61588	3.65483	3.71455	3.58165	3.48930	3.45930
5.26355	5.79870	5.80468	5.80424	5.80408	5.80405
10.27158	10.27158	10.25069	10.02797	10.22336	9.79527
12.21629	11.90048	11.99199	11.99735	11.84593	9.39248
10.12000	10.12002	10.12001	10.08258	10.08263	10.08265
12.09305	12.69625	13.85580	11.64665	11.03672	10.98303
14.01636	14.01633	13.84477	13.86592	13.96592	13.07309
15.83747	15.67601	15.37043	15.90267	15.45640	15.26852
13.21664	11.80029	11.45621	10.65976	11.61289	12.08308
14.19507	14.01459	13.85580	13.82050	13.74358	12.42408
14.49409	14.34409	14.14425	13.95589	13.65587	13.41138
0.92782	0.96863	1.00909	1.03000	1.03000	0.99000
0.27068	0.27052	0.23792	0.22975	0.19523	0.18832
0.37409	0.34691	0.31859	0.32839	0.32800	0.31997
0.07009	0.07135	0.07089	0.07057	0.06842	0.06740

County of Scott, Iowa

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

(dollars in thousands, except per capita)

(Unaudited)

Fiscal Year	Governmental Activities			
	General Obligation Bonds	Revenue Bonds	Notes Payable	Capital Lease
2011	\$ 15,660	\$ -	\$ -	\$ 22,410
2012	14,080	21,210	-	-
2013	12,482	38,163	9,638	-
2014	10,798	36,776	9,162	-
2015	9,348	18,024	8,240	-
2016	16,454	16,321	7,820	-
2017	15,176	14,598	7,345	-
2018	14,323	12,872	6,890	-
2019	13,450	11,122	6,380	-
2020	20,198	9,325	5,850	-

*Calculation made using population and personal income figures from Demographics and Economics Statistics Table.

Note: A restatement to blend component units was applied in Fiscal Year 2013. The restatement moved the Capital Lease to Revenue Bonds of the Blended Public Safety Authority Component Unit. In addition, the blended component unit's notes payable was included with the schedule.

Source: County records.

N/A - Not Available

Business-Type Activities

Capital Lease	Purchase Contract	Total Government	Percentage of Personal Income*	Per Capita*
\$ -	\$ 585	\$ 38,655	0.48%	\$ 231.34
-	-	35,290	0.44%	210.15
-	-	60,283	0.74%	357.19
-	-	56,736	0.69%	334.47
-	-	35,612	0.42%	206.48
104	-	40,699	0.48%	236.56
71	-	37,190	0.42%	215.58
37	-	34,122	0.36%	196.91
-	-	30,952	N/A	179.23
-	-	35,373	N/A	204.54

County of Scott, Iowa

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

	General Bonded Debt Outstanding		Accumulated Resources Restricted to Repaying the Principal of General		Percent of Debt to Assessed Value	Per Capita*
Fiscal Year	General Obligation Bonds	Bonded Debt	Net General Bonded Debt			
2011	\$ 15,660,000	\$ 2,558,322	\$ 13,101,678	0.11%	\$ 78.02	
2012	14,080,000	2,053,084	12,026,916	0.10%	71.62	
2013	12,491,845	1,644,097	10,847,748	0.09%	64.27	
2014	10,797,620	1,909,227	8,888,393	0.07%	52.40	
2015	9,348,254	1,974,416	7,373,838	0.06%	42.97	
2016	16,454,038	10,581,576	5,872,462	0.05%	34.13	
2017	15,176,372	10,770,553	4,405,819	0.03%	25.54	
2018	14,322,809	11,056,328	3,266,481	0.02%	18.85	
2019	13,449,638	11,328,788	2,120,850	0.02%	12.28	
2020	20,197,662	7,210,626	12,987,036	0.09%	75.09	

*Calculated using population figure from Demographics and Economics Statistics Table.

Accumulated resources restricted to repaying the principal of general obligation debt represents debt service fund balance of accumulated resources including note receivable for general obligation debt.

Source: County records.

County of Scott, Iowa

**Direct and Overlapping Governmental Activities Debt
As of June 30, 2020
(Unaudited)**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Direct Debt:			
Scott County	35,372,162	100.00%	<u>\$ 35,372,162</u>
Overlapping Debt:			
School Districts:			
Pleasant Valley Community	15,905,000	100.00%	15,905,000
Eastern Iowa Community College	31,875,000	60.37%	19,242,938
Subtotal, School Districts			<u>35,147,938</u>
Cities:			
Bettendorf	121,395,000	100.00%	121,395,000
Blue Grass	1,036,486	94.29%	977,303
Buffalo	342,000	100.00%	342,000
Davenport	201,565,000	100.00%	201,565,000
Donahue	110,000	100.00%	110,000
Durant	2,738,000	3.43%	93,913
Eldridge	10,810	100.00%	10,810
LeClaire	19,153,265	100.00%	19,153,265
Long Grove	513,000	100.00%	513,000
New Liberty	232,373	100.00%	232,373
Princeton	280,000	100.00%	280,000
Riverdale	380,000	100.00%	380,000
Subtotal, Cities			<u>345,052,664</u>
Overlapping Debt:			<u>380,200,602</u>
Total direct and overlapping debt:			<u><u>\$ 415,572,764</u></u>

Source: County records

Outstanding debt amounts are obtained directly from the debt issuing entity. The percentage of overlapping debt attributed to Scott County is based on the percentage of the entity's total taxable valuation that lies within Scott County.

The note payable with the City of Davenport has been reclassified from the City of Davenport to Scott County.

County of Scott, Iowa

Legal Debt Margin Information
As of June 30, 2020
(Unaudited)

	2011	2012	2013	2014
Debt limit	\$ 584,366,273	\$ 595,431,703	\$ 610,756,097	\$ 616,290,777
Total net debt applicable to limit	38,070,000	35,290,000	50,095,000	47,110,000
Legal debt margin	\$ 546,296,273	\$ 560,141,703	\$ 560,661,097	\$ 569,180,777
Total net debt applicable to the limit as a percentage of debt limit	6.51%	5.93%	8.20%	7.64%

Note: A restatement to blend component units was applied in Fiscal Year 2013.

Source: County records.

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed value, net of military exemption	<u>\$ 15,022,239,702</u>
Debt limit (5% of assessed value)	<u>\$ 751,111,985</u>
Debt applicable to limit:	
General obligation bonds	18,610,000
Revenue Bonds	<u>9,275,000</u>
Total net applicable to limit	<u>27,885,000</u>
Legal debt margin	<u>\$ 723,226,985</u>

2015	2016	2017	2018	2019	2020
\$ 631,566,151	\$ 638,067,587	\$ 670,621,287	\$ 684,521,304	\$ 729,195,285	\$ 751,111,985
27,005,000	32,410,000	29,500,000	26,990,000	24,420,000	27,885,000
<u>\$ 604,561,151</u>	<u>\$ 605,657,587</u>	<u>\$ 641,121,287</u>	<u>\$ 657,531,304</u>	<u>\$ 704,775,285</u>	<u>\$ 723,226,985</u>
4.28%	5.08%	4.40%	3.94%	3.35%	3.71%

County of Scott, Iowa

Demographic and Economic Statistics Last Ten Calendar Years (Unaudited)

Year	Population ¹	Personal Income (000's) ²	Per Capita Personal Income ²	Farm Proprietors ³	School Enrollment ⁴	Unemployment Rate ⁵
2011	167,095	\$ 7,861,586	\$ 47,026	N/A	\$ 26,979	6.8
2012	167,924	8,137,008	48,205	759	27,180	6.3
2013	168,771	8,023,456	47,090	N/A	27,195	5.9
2014	169,630	8,164,378	47,637	N/A	27,230	6.0
2015	171,616	8,424,293	48,943	N/A	27,238	4.9
2016	172,045	8,455,137	49,023	N/A	27,468	4.5
2017	172,509	8,903,571	51,612	1,111	28,777	3.6
2018	173,283	9,413,211	54,323	N/A	28,864	3.0
2019	172,692	N/A	N/A	N/A	27,291	4.0
2020	172,943	N/A	N/A	N/A	28,736	10.3

Sources:

¹ US Census Bureau

Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2018

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

³ USDA, National Agricultural Statistics Services (2005-09) and 2012 Census of Agriculture

⁴ Iowa Department of Education

Total Enrollment includes Bettendorf CSD, Davenport CSD, North Scott CSD, and Pleasant Valley CSD

School enrollments are for the fall of year posted (i.e. 2011-12 would be listed under 2011)

⁵ Iowa Workforce Development

<https://www.iowaworkforcedevelopment.gov/labor-market-information-division>

Date accessed: 10/20/20

County of Scott, Iowa

**Principal Employers
Current Year and Nine Years Ago
(Unaudited)**

Employer	2011		
	Employees	Rank	Percentage of Total County Employment
Genesis Health System	3,850	1	4.5%
Davenport Community School District	1,950	2	2.3%
Alcoa	1,900	3	2.2%
Kraft Foods (Oscar Mayer)	1,500	4	1.8%
City of Davenport	980	5	1.2%
Isle of Capri	925	6	1.1%
APAC Customer Service Inc.	900	7	1.1%
MidAmerican Energy	780	8	0.9%
Rhythm City Casino	750	9	0.9%
St Ambrose University	670	10	0.8%

Employer	2020		
	Employees	Rank	Percentage of Total County Employment
Davenport Community School District	2,500	1	2.9%
John Deere Davenport Works	2,000	2	2.3%
Arconic	2,000	3	2.3%
Kraft Heinz	1,600	4	1.8%
Genesis Medical Ctr (all Scott Co Locations)	1,574	5	1.8%
Tri City Engineering & Integration	1,200	6	1.4%
Rhythm City Casino	1,000	7	1.1%
Cobham Mission Equipment	900	8	1.0%
City of Davenport	800	9	0.9%
Bettendorf Event Center	600	10	0.7%

Sources:

2010 - Dunn and Bradstreet Marketplace 2nd Qtr 2009, 3rd Qtr 2010 and responses from individual organizations, compiled by Bi-State Regional Commission

Infogroup, ReferenceUSA GOV and Individual Employers, October 2020

Date accessed: 10/10/20

County of Scott, Iowa

**Full-Time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years
(Unaudited)**

Function / Program	2011	2012	2013	2014
Public safety and legal services:				
Attorney	31.00	31.00	32.50	32.50
Health	11.15	11.15	11.80	11.80
Juvenile Detention Center	14.20	14.20	14.20	14.20
Sheriff	167.35	154.35	156.80	158.80
Physical health and social services:				
Community Services	7.70	7.00	7.00	7.00
Health	31.85	32.10	32.10	32.57
Mental Health, Mental Retardation & Developmental Disabilities:				
Community Services	3.80	3.00	3.00	3.00
County Environment and Education				
Conservation	51.87	48.62	49.24	49.24
Golf Course	19.35	19.35	17.98	17.98
Planning & Development	4.08	4.08	4.08	4.08
Roads and Transportation				
Secondary Roads	35.15	35.40	34.40	34.40
Governmental services to residents:				
Auditor	5.00	5.00	5.00	5.00
Recorder	11.50	11.00	11.00	11.00
Treasurer	12.20	12.40	12.40	12.40
Administration:				
Administration	3.50	3.50	3.50	3.50
Auditor	9.40	9.05	9.05	9.05
Facility & Support Services	31.04	30.55	30.55	30.50
Human Resources	4.50	4.50	3.50	3.50
Information Technology	15.00	15.40	15.40	15.40
Non-Departmental				
Supervisors, Board of	5.00	5.00	5.00	5.00
Treasurer	15.40	15.60	15.60	15.60
Total	490.04	472.25	474.10	476.52

Source: Scott County Year-End Actual Revenue and Expenditure Reports

Fiscal Year					
2015	2016	2017	2018	2019	2020
32.50	33.50	33.50	33.50	33.50	34.50
11.80	11.80	11.80	11.80	11.80	11.80
15.00	15.00	16.40	16.90	16.90	16.90
157.80	157.80	159.00	158.80	159.80	160.80
7.00	7.00	7.00	8.00	8.00	8.00
33.14	33.72	34.72	35.12	35.92	36.27
3.00	3.00	3.00	3.00	3.00	3.00
48.85	48.85	48.85	49.10	49.10	49.10
17.98	17.98	16.98	16.98	16.98	16.98
3.83	4.33	4.33	4.58	5.00	5.00
34.10	35.45	37.15	37.30	37.30	37.30
5.00	5.00	5.00	5.00	5.00	5.00
10.50	10.50	10.50	10.50	10.50	10.50
12.40	12.40	12.40	12.40	12.40	12.40
4.50	4.90	5.90	5.50	5.50	5.50
9.05	9.05	9.05	9.05	9.40	9.40
29.50	28.50	28.70	29.87	29.87	29.87
3.50	3.50	3.50	3.50	3.50	3.50
15.40	15.40	15.00	16.00	16.00	16.00
5.00	5.00	5.00	5.00	5.00	5.00
15.60	15.60	15.60	15.60	15.60	15.60
475.45	478.28	483.38	487.50	490.07	492.42

County of Scott, Iowa

**Operating Indicators by Function/Program
Last Ten Fiscal Years
(Unaudited)**

<u>Function / Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Public Safety and Legal Services				
Attorney:				
# of felonies/aggravated field cases filed	4,664	4,256	4,140	4,317
# of new felony cases	998	1,040	1,044	1,164
Sheriff:				
# of civil papers received	11,284	10,674	11,755	12,591
# of jail bookings	8,283	N/A	N/A	N/A
Inmate instances of programming attendance	N/A	22,231	26,686	29,188
# of traffic citations written	4,028	N/A	N/A	N/A
# of traffic contacts	N/A	2,195	2,481	2,965
Physical Health and Social Services				
Community Services:				
# of applications for general assistance	7,294	1,428	1,076	1,155
# of applications approved for general assist	4,065	756	479	606
# of requests for veteran services	1,134	1,160	1,164	1,399
# of invol commit filed for substance abuse	246	N/A	N/A	210
Health Department:				
# of health related inmate contacts within jail	12,618	13,888	12,466	16,426
# of comm disease requiring investigation	442	276	317	300
# of environmental health inspections conducted	4,141	4,773	4,409	4,277
# of public health nuisance complaints received	N/A	167	174	240
Mental Health, HR & DD				
Community Services:				
# of invol commit filed for mental health	450	405	340	434
# of juvenile MH commitments	N/A	91	88	104
# of persons with MR/DD served	409	N/A	N/A	N/A
# of adult MH commitments	N/A	246	340	311
# of protective payee cases	384	313	304	358
County Environment and Education				
Conservation:				
# of camp sites available	788	N/A	N/A	N/A
# of acres managed	N/A	2,509	2,509	2,509
# of rounds of golf course	28,553	30,476	26,175	26,480
Planning & Development:				
# of building permits issued	728	735	933	865

(Continued)

Source: County records - Year-end Indicator Report

Fiscal Year					
2015	2016	2017	2018	2019	2020
3,850	4,077	4,004	4,258	5,044	4,467
1,053	1,112	991	1,119	1,355	1,208
11,668	11,441	11,232	11,319	9,389	9,350
N/A	N/A	N/A	N/A	N/A	N/A
28,033	29,812	26,028	24,953	27,013	15,848
N/A	N/A	N/A	N/A	N/A	N/A
1,851	1,472	3,492	3,922	5,877	6,872
920	929	806	792	689	735
453	416	292	409	328	286
1,459	1,614	1,212	1,143	1,293	895
224	182	149	176	144	140
29,046	31,005	35,538	29,966	36,826	17,778
388	335	258	293	185	800
4,153	4,182	3,649	4,129	4,018	2,724
222	84	42	42	43	22
423	341	342	336	319	345
64	78	56	41	35	60
N/A	N/A	N/A	N/A	N/A	N/A
345	243	255	269	275	265
394	398	408	420	447	447
N/A	N/A	N/A	N/A	N/A	N/A
2,509	2,509	2,509	2,509	2,509	2,509
26,814	27,858	26,456	26,350	24,103	26,141
849	877	910	799	908	1,172

County of Scott, Iowa

Operating Indicators by Function/Program (Continued)
Last Ten Fiscal Years
(Unaudited)

Function / Program	2011	2012	2013	2014
Roads and Transportation:				
Secondary Roads:				
# of miles of road paved	183	219	221	223
# of bridges/culverts repaired/replaced	89	89	120	N/A
# of bridges/culverts maintained	N/A	N/A	N/A	2,123
# of bridges/culverts/driveway culverts maint.	N/A	N/A	N/A	N/A
Governmental Services to Residents				
Auditor:				
# of elections	3	4	3	4
# of registered voters	123,115	124,263	124,356	126,182
Recorder:				
# of real estate transactions recorded	38,493	31,385	34,697	26,954
# of vital statistics registered/issued	20,776	20,313	22,863	21,509
# of passport applications accepted	1,151	1,142	1,177	1,300
# of conservation licenses - ATV/Snow boat reg, titles and liens and privileges issued	5,852	6,611	12,494	8,221
Treasurer:				
# of title and security interest trans processed	71,883	69,904	69,097	65,465
Administration				
Auditor:				
# of real estate transactions processed	6,663	N/A	N/A	N/A
# invoices processed	N/A	25,035	22,453	20,148
Facility & Support Service:				
# of service calls	2,197	N/A	N/A	N/A
# hours spent in safety training		83	24	24
# of pieces of outgoing mail	446,405	N/A	N/A	N/A
# of square feet of hard surface floors maintained	N/A	728,940	559,100	107,473
# of files imaged	698,680	N/A	N/A	N/A
# of hours spend on imaging	N/A	2,744	2,489	2,830
Information Technology:				
# of network users	1,094	724	915	938
# of network connections supported	N/A	2,680	2,776	2,776
# of 3rd party applications maintained	67	95	99	101
# of users supported	N/A	724	915	938
Treasurer:				
# of prop tax/spec assessment statutes issued	198,053	195,415	197,579	195,586
# of tax certifications issued	1,691	2,144	1,728	1,659

Fiscal Year					
2015	2016	2017	2018	2019	2020
223	223	221	226	226	226
N/A	36	29	41	45	49
2,123	2,123	2,123	NA	NA	NA
N/A	N/A	N/A	4,969	4,975	4,975
1	4	1	3	1	2
121,231	124,844	123,849	125,578	125,381	128,253
34,188	35,161	27,630	34,681	32,537	38,141
13,976	13,313	12,086	12,919	15,522	16,971
2,041	1,124	1,588	1,479	1,365	425
4,562	12,109	5,276	4,548	12,362	4,763
70,031	80,842	83,091	91,217	83,164	83,294
N/A	N/A	N/A	N/A	N/A	N/A
23,066	23,982	24,902	24,644	25,401	25,401
N/A	N/A	N/A	N/A	N/A	N/A
24	74	330	122	142	84
N/A	N/A	N/A	N/A	N/A	N/A
568,367	527,450	560,208	560,208	384,844	525,850
N/A	N/A	N/A	N/A	N/A	N/A
2,023	2,059	1,603	2,912	2,919	3,161
938	910	897	971	1,060	1,108
2,776	3,144	3,210	3,370	4,672	4,702
96	98	100	N/A	N/A	N/A
838	910	897	971	1,060	1,108
191,036	188,783	189,687	198,118	194,889	183,510
2,396	1,037	989	1,015	1,217	-

County of Scott, Iowa

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

(Unaudited)

<u>Function / Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Public safety and legal services:			
Sheriff:			
# of patrol cars - marked	46	44	53
# of other vehicles	N/A	N/A	N/A
Physical health and social services:			
Health Department			
# of vehicles	13	13	13
Community Services			
# of vehicles	N/A	N/A	N/A
Conservation			
# of acres managed	2,509	2,509	2,509
Planning and Development			
# of vehicles	2	2	2
Roads and transportation:			
Secondary Roads			
# of vehicles	61	60	60
# of buildings	10	10	10
Administration:			
Facility and Support Services			
# of vehicles	6	6	7
# of buildings maintained	11	11	11
Attorney's office (Risk Management)			
# of vehicles	1	1	1

Source: County records - Vehicle Report & FSS, Conservation Offices, Fleet Manager.

Fiscal Year						
2014	2015	2016	2017	2018	2019	2020
48	52	28	26	27	32	38
N/A	11	35	32	33	33	21
13	14	13	13	13	13	10
N/A	N/A	1	1	1	1	1
2,509	2,509	2,509	2,509	2,509	2,509	2,509
2	2	2	2	2	2	2
60	60	65	59	59	63	67
10	11	11	11	11	11	11
7	7	8	12	14	15	7
11	12	12	11	11	11	11
1	1	0	0	0	0	2

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COMPLIANCE

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County of Scott, Iowa

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Identifying Number	Federal Expenditures	Pass Through To Subrecipients
U.S. Department of Agriculture				
Child Nutrition Cluster				
<i>(Passed through the Iowa Department of Human Services)</i>				
National School Lunch Program	10.555	N/A	\$ 22,219	\$ -
<i>(Passed through Iowa Department of Education, Bureau/Division of Nutrition & Health)</i>				
Summer Food Service Program for Children	10.559	33518	840	-
Total Child Nutrition Cluster			<u>23,059</u>	<u>-</u>
SNAP Cluster				
<i>(Passed through Iowa Department of Human Services)</i>				
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561	5880NU34	17,018	-
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561	N/A	70,510	-
Total 10.561			<u>87,528</u>	<u>-</u>
Total U.S. Department of Agriculture			<u>110,587</u>	<u>-</u>
U.S. Department of Justice				
<i>(Direct Program)</i>				
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034	220-VD-BC-1098	43,402	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0642	86,541	28,847
<i>(Passed through the Governor's Office of Drug Control Policy)</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	17-JAG-299244	60,590	30,295
Total 16.738			<u>147,131</u>	<u>59,142</u>
<i>(Passed through State of Iowa Department of Justice, Crime Victim Assistance Division)</i>				
Violence Against Women Formula Grants	16.588	2018-WF-AX-0013	14,962	-
Violence Against Women Formula Grants	16.588	2019-WF-AX-0020	53,952	-
Total 16.588			<u>68,914</u>	<u>-</u>
<i>(Passed through Office of Justice Programs Bureau of Justice Assistance)</i>				
State Criminal Alien Assistance Program	16.606	2015-AP-BX-0303	1,489	-
State Criminal Alien Assistance Program	16.606	2016-AP-BX-0302	9,873	-
Total 16.606			<u>11,362</u>	<u>-</u>
ME-Coverdell Forensic Ag	16.742	SERV5880SME24	1,960	-
<i>(Passed through Community Oriented Policing Services)</i>				
Anti-Heroin Task Force	16.710	18-COPS Heroin-06	8,449	-
ME-Coverdell Forensic Ag	16.742	18-CMP-13	5,000	-
Total 16.742			<u>6,960</u>	<u>-</u>
Total U.S. Department of Justice			<u>286,218</u>	<u>59,142</u>
U.S. Department of Transportation				
Highway Safety Cluster				
<i>(Passed through Iowa Department of Public Safety-Governor's Traffic Safety Division)</i>				
State and Community Highway Safety	20.600	PAP 19-402-MOOP, Task 11-00-00	21,041	-
State and Community Highway Safety	20.600	PAP 20-402-MOOP, Task 35-00-00	33,063	-
Total 20.600			<u>54,104</u>	<u>-</u>
Total U.S. Department of Transportation			<u>54,104</u>	<u>-</u>
U.S. Department of Treasury				
<i>(Passed through Iowa Department of Revenue)</i>				
COVID-19 - Coronavirus Relief Fund	21.019	145	2,192,573	-
Total U.S. Department of Treasury			<u>2,192,573</u>	<u>-</u>

(Continued)

County of Scott, Iowa

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Identifying Number	Federal Expenditures	Pass Through To Subrecipients
U.S. Election Assistance Commission (Passed through Iowa Department of Secretary of State)				
COVID 19 - 2018 HAVA Election Security Grants	90.404	N/A	\$ 19,500	\$ -
Total U.S. Election Assistance Commission			<u>19,500</u>	<u>-</u>
U.S. Department of Homeland Security (DHS) (Passed through Iowa Homeland Security and Emergency Management Department)				
Hazard Mitigation Grant	97.039	DR 1763	128,814	-
Disaster Grants - Public Assistance -				
Emergency Preparedness	97.036	4421DR-IA-111655	5,764	-
Category A Debris Clean up	97.036	4421DR-IA-111655	10,952	-
Donated Resources	97.036	4421DR-IA-113292	10,868	-
Category G Roads	97.036	4421DR-IA-112131	32,524	-
Category A Debris Clean up	97.036	4421DR-IA-112152	32,746	-
Category G Permanent	97.036	4421DR-IA-117669	17,594	-
Emergency Work Donated Resources	97.036	4421DR-IA-113261	9,251	-
Emergency Protective Measures	97.036	4421DR-IA-113276	40,514	-
Category Z-Management Costs	97.036	4421DR-IA-126255	2,701	-
Total 97.036			<u>162,914</u>	<u>-</u>
Emergency Management Performance - State and Local Assistance Grant	97.042	EMPG-20-PT-82	39,000	-
Total U.S. Department of Homeland Security (DHS)			<u>330,728</u>	<u>-</u>
U.S. Department of Health and Human Services (Passed through the Iowa Department of Health)				
Association of Food and Drug Office	93.103	D-T-1809-06088	2,352	-
TB Direct Observed Therapy	93.116	MOU-2019-TB814	809	431
TB Direct Observed Therapy	93.116	MOU-2020-TB07	19	19
Total 93.116			<u>828</u>	<u>450</u>
Grants to States to Support Oral Health Workforce Activities	93.236	5888DH33	45,584	-
Immunization Cooperative Agreements	93.268	5889I477	42,395	30,568
Target Populations Grant	93.426	5880CD35	300	-
Well-Integrated Screening and Evaluation for Women Across the Nation (Wisewoman)	93.436	5889NB21WW	2,375	2,375
(Passed through Iowa Department of Human Services)				
Public Health Preparedness and Responsiveness	93.069	5885BT482	22,921	-
Local Bioterrorism Grant	93.074	5889BT03	82,240	-
Title IV-E Gap	93.090	N/A	13	-
Refugee and Entrant Assistance	93.566	N/A	44	-
CCDF Cluster				
Child Care Development Fund	93.596	N/A	16,633	-
Foster Care Title IV-E	93.658	N/A	23,950	-
Adoption	93.659	N/A	9,657	-
Social Services Block Grant - Indirect	93.667	N/A	20,595	-
Children's Health Insurance Program	93.767	N/A	2,456	-
(Passed through the Iowa Department of Health)				
Children's Health Insurance Program				
Children's Health Insurance Program - Hawk-I	93.767	5888MH17	5,619	-
Children's Health Insurance Program - Hawk-I	93.767	5889MH16	15,062	-
Children's Health Insurance Program Hawk-I Outreach FFS	93.767	5889MH19	135	-
Children's Health Insurance Program Hawk-I Outreach FFS	93.767	5880MH16	397	-
Total 93.767			<u>23,669</u>	<u>-</u>
Medicaid Cluster (Passed through Iowa Department of Human Services)				
Medical Assistance Program (Title XIX)	93.778	N/A	107,362	-
(Passed through the Iowa Department of Health)				
Medical Assistance Program				
CA FFS & MH FFS	93.778	5888MH17	25,493	-
CA FFS & MH FFS	93.778	5889MH16	32,044	-
I-Smile Silver	93.778	5888MH17	16,312	-
I-Smile Silver	93.778	5889MH16	12,187	-
Maternal Health FFS	93.778	5888MH17	839	-
Total 93.778			<u>194,237</u>	<u>-</u>

(Continued)

County of Scott, Iowa

Schedule of Expenditures of Federal Awards (Concluded)
For the Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Identifying Number	Federal Expenditures	Pass Through To Subrecipients
U.S. Department of Health and Human Services (continued)				
<i>(Passed through the Iowa Department of Health)</i>				
Cancer Prevent and Control Programs for State, Territorial and Tribal Organizations	93.898	5889NB21	\$ 12,664	\$ 12,664
HIV Care Formula Grants	93.917	5888AP29	9,998	-
HIV Care Formula Grants	93.917	5889AP29	17,430	-
Total 93.917			<u>27,428</u>	<u>-</u>
HIV Prevention Activities Health Department Based	93.940	5888AP29	71,476	-
HIV Prevention Activities Health Department Based	93.940	5889AP29	59,318	-
Total 93.940			<u>130,794</u>	<u>-</u>
Total Disability Inclusive 5210	93.991	SERV5880CB06	4,000	-
Maternal and Child Health Services Block Grant to the States				
Maternal and Child Health Services Block Grant to States - EPSDT	93.994	5880MH16	2,595	-
Maternal and Child Health Services Block Grant to States - EPSDT	93.994	5880MH16	53,869	-
Maternal and Child Health Services Block Grant to States - Maternal Health	93.994	5880MH16	1,730	-
Maternal and Child Health Services Block Grant to States - Maternal Health	93.994	5889MH17	24,931	-
Maternal and Child Health Services Block Grant to States - CA & DH FFS	93.994	5880MH16	17,153	-
Maternal and Child Health Services Block Grant to States - Dental Health Grant	93.994	5889MH17	4,301	-
Total 93.994			<u>104,579</u>	<u>-</u>
Total U.S. Department of Health and Human Services			<u>767,258</u>	<u>46,057</u>
Total Expenditures of Federal Awards			<u>\$ 3,760,968</u>	<u>\$ 105,199</u>

See Notes to Schedule of Expenditures of Federal Awards.

County of Scott, Iowa

Notes to Schedule of Expenditures of Federal Awards

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the County of Scott, Iowa under programs of the federal and state government for the year ended June 30, 2020. 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 the County of Scott, Iowa, it is not intended to and does not present the financial position, changes in net position or cash flows of the County of Scott, Iowa.

Note 2. Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual or 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. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

The underlying accounting records for some grant programs are maintained on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred. The accounting records for other grant programs are maintained on the accrual basis, i.e., when the revenue has been earned and the liability is incurred.

Note 3. Indirect Cost Rate

The County of Scott has elected to use the 10% de minimis indirect cost rate of the Uniform Guidance.

Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2020

There were no findings relative to federal awards reported
in the County of Scott's single audit report for the year
ended June 30, 2019.

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**Independent Auditors' 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 Board of Supervisors
County of Scott
Davenport, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Scott, Iowa, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County of Scott, Iowa's basic financial statements, and have issued our report thereon dated January 22, 2021.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001 that we consider to be a significant deficiency.

Compliance and Other Matters

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

Comments involving statutory and other legal matters about the County of Scott's operations for the year ended June 30, 2020, are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the County of Scott. Since our audit was based on tested 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.

The County of Scott's Response to Finding

The County of Scott's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County of Scott's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Baker Tilly US, LLP

Baker Tilly US, LLP (formerly known as Baker Tilly Virchow Krause, LLP)
Milwaukee, Wisconsin
January 22, 2021

**Independent Auditors' Report on Compliance
for the Major Federal Program and Report on
Internal Control Over Compliance Required
by the Uniform Guidance**

To the Board of Supervisors of
County of Scott
Davenport, Iowa

Report on Compliance for the Major Federal Program

We have audited the County of Scott, Iowa's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the County of Scott's major federal program for the year ended June 30, 2020. The County of Scott's major federal program is identified in the summary of auditors' results section 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 program.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the County of Scott's major federal program 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* 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 noncompliance 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 the County of Scott'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 the major federal program. However, our audit does not provide a legal determination of the County of Scott's compliance.

Opinion on the Major Federal Program

In our opinion, the County of Scott complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the County of Scott 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 the County of Scott's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 the County of Scott's internal control over compliance.

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

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

Purpose of This Report

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.



Baker Tilly US, LLP (formerly known as Baker Tilly Virchow Krause, LLP)
Milwaukee, Wisconsin
January 22, 2021

County of Scott, Iowa

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

Section I: Summary of Auditors' Results

Financial Statements

Type of auditor's report issued on whether the financial statements were in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
Significant deficiency(ies) identified?	<u> X </u> yes	<u> </u> none reported

Noncompliance material to financial statements noted?

<u> </u> yes	<u> X </u> no
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Federal Awards

Internal control over major programs:

Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u> X </u> none reported

Type of auditor's report issued on compliance for major program: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 516(a) of the Uniform Guidance?

<u> </u> yes	<u> X </u> no
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Auditee qualified as low-risk auditee?

<u> X </u> yes	<u> </u> no
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Identification of major federal program

CFDA NUMBER(S)
21.019

Name of Federal Program or Cluster
Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs

\$ 750,000

(Continued)

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2020

Section II: Financial Statement Findings Required to be Reported in Accordance with *Government Auditing Standards*

2020-001: **Internal Control Environment over Payroll**

Criteria: Management is responsible for establishing and maintaining internal control. This system of internal control should be followed to achieve reliability that errors or irregularities in your processes would be discovered by your staff.

Condition: During the audit process, we performed testing over a population of payroll transactions. During this testing, we identified a specific class of worker where the hourly rate that was paid to each was not the board authorized hourly rate.

Cause: The County had difficulty obtaining election workers for the spring election.

Effect: Certain election workers received a higher rate of pay than was approved in the official pay scale.

Recommendation: When adjustments to pay rates are necessary, they should be taken to the board for approval.

Views of Responsible Officials: The recommendation is correct that a resolution should have been presented to the board for approval of a pay rate in regards to the amount paid to the poll workers. Because of the timing in regards to Covid-19 and the timing of the Federal Primary, the office simply overlooked getting a resolution to the board and made a decision when losing precinct election officials, to pay them a higher rate to ensure that we were able to provide an election.

Section III: Federal Awards Findings and Questioned Costs

There were no findings in 2020.

County of Scott, Iowa

**Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2020**

Section IV: Other Findings Related to Required Statutory Reporting

2020-IV-A Certified Budget

Disbursements during the year ended June 30, 2020 did not exceed the amounts budgeted.

2020-IV-B Questionable expenditures

No expenditures were noted that may not meet the requirements of public purpose as defined in the Attorney General's opinion dated April 25, 1979.

2020-IV-C Travel Expense

No expenditures of County money for travel expenses of spouses of County officials or employees were noted.

2020-IV-D Business Transactions

No business transactions between the County and County officials or employees were noted.

2020-IV-E Restricted Donor Activity (Gift Law)

No receiving or soliciting of prohibited gifts were noted.

2020-IV-F Bond Coverage

Surety bond coverage of County officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that coverage is adequate for current operations.

2020-IV-G Board Minutes

No transactions were found that we believe should have been approved in the Board minutes but were not, except for the payroll finding identified in 2020-001.

2020-IV-H Deposits and Investments

One instance of noncompliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and County's investment policy was noted. A Credit Union account opened by a non-treasurer department was not included in the board's written resolution.

Recommendation: The resolution approving and listing the financial institutions to be depositories of county funds should be modified to include this account.

Response: The County Board approved the credit union as an authorized depository on November 24, 2020.

Conclusion: This finding has been resolved.

2020-IV-I Resource Enhancement and Protection Certification

The County properly dedicated property tax revenue to conservation purposes as required by Chapter 455A.19(1)(b) of the Code of Iowa in order to receive the additional REAP funds allocated in accordance with Subsections (b)(2) and (b)(3).

2020-IV-J Capital Lease Purchase Agreements

The County did not enter into any new capital lease agreements during the year ended June 30, 2020.

2020-IV-K County Extension Office

The County Extension Office is operated under the authority of Chapter 176A of the Code of Iowa and serves as an agency of the State of Iowa. This fund is administered by an extension council separate and distinct from County operations.

Disbursements during the year ended June 30, 2020 for the County Extension Office did not exceed the amount budgeted.