

COUNTY OF SCOTT, IOWA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

As of and for the Year Ended June 30, 2023

Prepared by

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INTRODUCTORY

County of Scott, Iowa

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County of Scott, Iowa

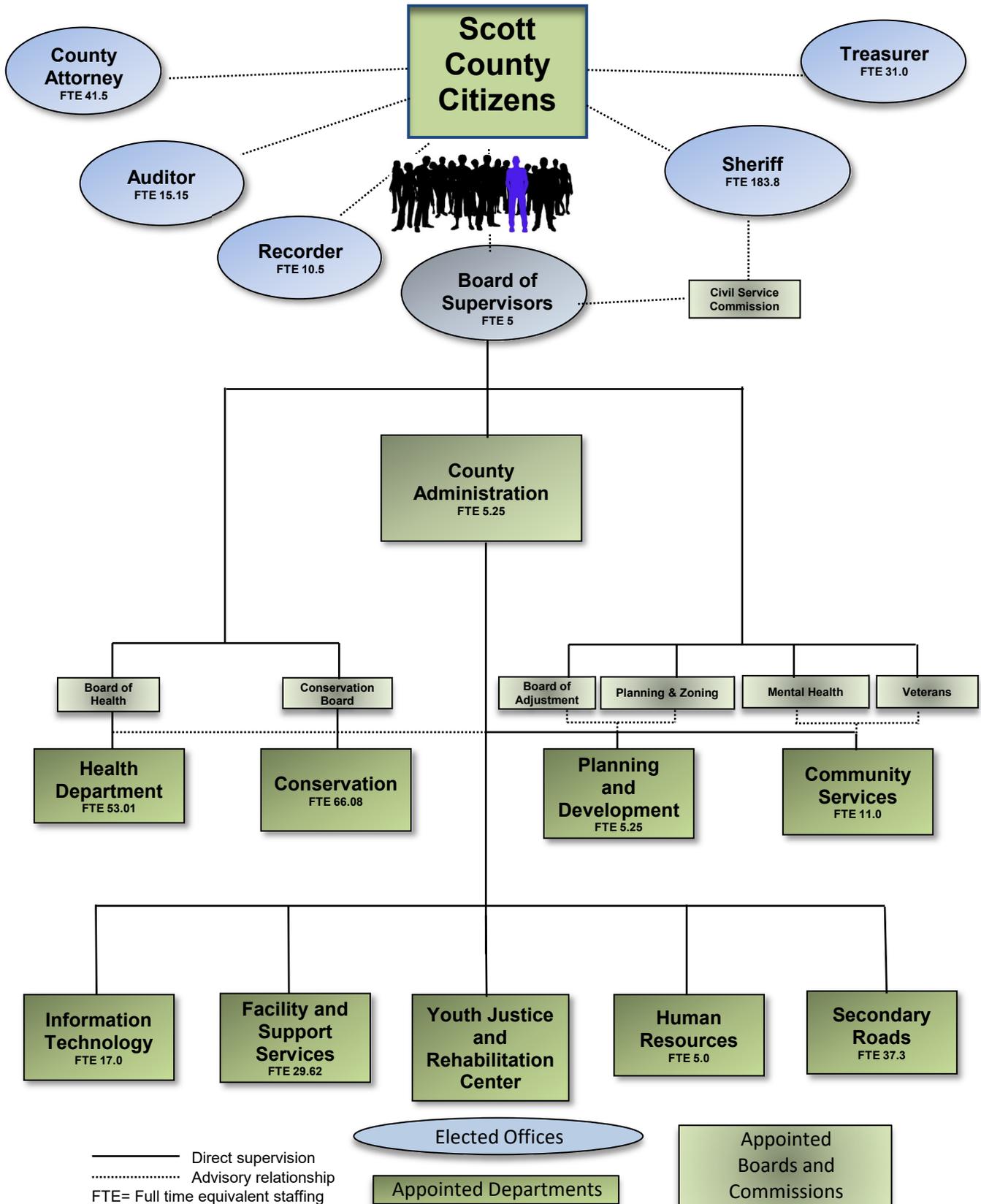
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Scott County Government Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Scott
Iowa**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

OFFICE OF THE COUNTY ADMINISTRATOR

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December 5, 2023

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, 2023.

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, Certified Public Accountants, have issued an unmodified (“clean”) opinion of Scott County’s financial statements for the year ended June 30, 2023. 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 complements 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 31st 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-Moline, IA-IL CSA, with a 2021 estimate U.S. Census Bureau count of 468,095, a decrease of 1.25 percent from the 2020 U.S. Census Bureau count of 474,019. The U. S. Census Bureau's July 1, 2022 population estimate of Scott County was 173,924, a decrease of 0.4 percent from the 2020 estimate base. The 2020 population of Scott County was 174,669, which was 5.7 percent increase over the 2010 census count of 165,224. The 2010 census count was a 4.1 percent increase over the 2000 census count of 158,689. The US Census has not released 2023 data estimates yet.

The Quad-Cities has been historically known as an industrial, retail/service and transportation center. There are five target industries in the Quad Cities region: Advanced Metals & Materials; Agricultural Innovation; Corporate Operations; Defense; and Logistics. The Quad Cities Chamber reports the top five industries for employed workers are: Manufacturing, 17 percent; Wholesale and retail trade, 15 percent; Healthcare and social services, 14 percent; Education, 9 percent; and Professional services, 8 percent. In the last forty years the economy has shifted, showing a decline in the number of manufacturing sector jobs. In 1980, 30 percent of the area jobs were in manufacturing and 53 percent in the service sector. In 1990 that had changed to 17 percent manufacturing, 41 percent service sector; with 20 percent classified as trade and 4 percent mining and construction. In 2000 the split was 16 percent manufacturing and 46.5 percent classified as service sector; with 18 percent classified as trade and 5 percent mining and construction. In 2010 the split changed only slightly to 12 percent manufacturing and 50 percent classified as service sector; with 17 percent classified as trade and 5 percent mining and construction. The portion of government sector jobs has remained even at 16 percent in 1980 and 1990, 14.5 percent in 2000 and back to 16 percent in 2010.

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 (combined statistical area) of Clinton, Muscatine, Scott Counties in Iowa and Henry, Mercer and Rock Island Counties in Illinois. The Quad Cities CSA is a population of 468,095 and a labor shed of 704,691. The annual average labor force for Scott County was 89,009 in May 2023 which is an increase over the 2022 labor force of 88,100. In 2010 the unemployment rate for Scott County was 6.9 percent and for the MSA it was 8.4 percent. In August of 2023 the Scott County rate was 3.8 percent and the state rate was 3.0 percent for the month of September 2023.

The current estimate of median house hold income is \$67,675. 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 percent over the twenty-year period.

New residential construction slowed in the Quad Cities MSA and Scott County after very strong years from 2000-2007 and in 2009-2011. New starts since 2007 have averaged 286 a year between 2006 and 2020. New housing starts were 190 in 2023 through June.

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 \$268,100 in September of 2023 which is up from \$256,000 in September of 2022. On the Illinois side of the river the average sales price was \$167,700 in September of 2023, up from \$154,200 in September of 2022. The average home value in north Scott County (Eldridge and unincorporated Scott County) for 2023 was \$313,900.

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 (19.9 percent of total 2023 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 2023 ended with an increase in the unassigned general fund balance of approximately \$900,000. Additionally, the County assigned fund balance to establish a long term building improvement capital. During these challenging economic times, as the county faces cutbacks at the state level, inflationary impacts of wages and supplies, 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, 2021, and 2023. The state enacted changes to reduce taxable values of all property. The impact will not be known until the 2025 budget process is under way. 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 2023, the County began a new strategic plan to develop a mission and vision for the County in 2032, while setting goals for the next three years. The county repeated the process to affirm the strategic plan in October, 2023 and include the desired outcomes in the development of the 2025 budget. The strategic plan will focus the county to address strategic needs in staffing, facilities and organizational efficiencies. The County is committed to providing the resources to achieving the goals of the organization. The County's 2025 budget is in development and will build off of prior goals in place and new goals set by the board in October 2023. 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 has broken ground on a new youth justice and rehabilitation center funded with local dollars and no borrowing of capital, capital maintenance information technology infrastructure and Scott Emergency Communication Center radio tower and infrastructure project. New projects may develop after the completion of an information technology master plan that is under consideration in fiscal year 2024.

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. This project will reach its go-live completion in the coming fiscal year 2024.

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 annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2022. This was the thirty-sixth 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 ACFR 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 ACFR 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 (PAFR) for the fiscal year ended June 30, 2022. 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 seventh 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.

Scott County was recognized as one of 331 governments nation-wide to earn the GFOA's "Triple Crown" award for the fiscal year July 1, 2021 through June 30, 2022.

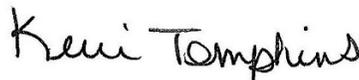
In addition, Scott County also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated July 1, 2023. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial 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,



Tony Knobbe
County Treasurer



Kerri Tompkins
County Auditor



Mahesh Sharma
County Administrator

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FINANCIAL

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Independent Auditors' Report

To the Board of Supervisors of
County of Scott

Report on the Audit of the Financial Statements

Opinions

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 (the County), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Emphasis of Matter

As discussed in Note #17, the County adopted the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective July 1, 2022. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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'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

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the Introductory Section and Statistical Section as listed in the accompanying table of contents but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2023 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Milwaukee, Wisconsin
December 5, 2023

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2023

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, 2023. 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, 2023 and 2022 by \$185,593,065 and \$151,209,183 (net position), respectively. Of this amount, \$31,714,396 and \$15,859,118, respectively, may be used to meet the government's ongoing obligations to citizens and creditors.

The government's total net position increased by \$34,383,882 during the year ended June 30, 2023 and increased by \$19,787,826 during the year ended June 30, 2022.

As of June 30, 2023, the County of Scott's governmental funds reported combined ending fund balances of \$53,692,347, an increase of \$3,796,596 in comparison with 2022. Approximately 25 percent of this total amount, \$13,612,724 is available for spending at the government's discretion (unassigned). The increase between 2023 and 2022 is due to opioid settlement funds of \$1.8 million, transfer in from the health insurance fund, a proprietary fund, of \$1.3 million, and a net increase in investment earnings by \$3.4 million, offset by increased expenditures. As of June 30, 2022, the County of Scott's governmental funds reported combined ending fund balances of \$49,895,751, an increase of \$472,428 in comparison with 2021. Approximately 25 percent of this total amount, \$12,586,987 is available for spending at the government's discretion (unassigned). The increase between 2022 and 2021 is due to intergovernmental funding from COVID -19 Public Assistance funding received by the County, increases from local option sales tax funding, increases in charges for services, and controlled spending with the onset of the pandemic.

As of June 30, 2023, unassigned fund balance for the General Fund was \$13,612,724 or 19.9 percent of total General Fund expenditures including transfers to blended component units and \$12,702,548 or 20.0 percent of total General Fund expenditures including transfers to blended component units for 2022.

The County's total long-term debt, excluding compensated absences, net pension liability (asset), leases, other postemployment benefits and claims payable, decreased by \$4,165,000 during fiscal year June 30, 2023 and decreased by \$4,025,000 during fiscal year June 30, 2022. The decrease in balance from 2022 to 2023 and from 2021 to 2022 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.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance for subscription-based information technology arrangements for government end users. This standard was implemented July 1, 2022. Prior comparative balances were not restated.

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2023

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.

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, 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 18 through 21 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.

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2023

The County of Scott, Iowa maintains ten 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, Secondary Roads Fund, Debt Service Fund, Scott Emergency Communication Center, ARPA Fund, and Capital Projects which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund 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 22 through 27 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 28 through 30 of this report.

Custodial 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 custodial funds. Total assets of the custodial funds were \$322,380,109 and \$328,151,629 for the years ended June 30, 2023 and 2022, respectively.

The basic custodial fund financial statements can be found on pages 31 through 32 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 81 through 92 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, 2023

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 \$151,209,183 to \$185,593,065. This is due to the net effect of the increase in net position for the 2023 activity.

Of the County of Scott's net position, 73 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 \$135,363,128 for 2023 and \$115,908,508 for 2022. 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	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 154,790,465	\$ 154,547,730	\$ 413,396	\$ 303,216	\$ 155,203,861	\$ 154,850,946
Capital assets, net	150,624,363	132,596,253	2,341,532	2,303,367	152,965,895	134,899,620
Other noncurrent assets	5,685,000	15,252,470	-	-	5,685,000	15,252,470
Total assets	311,099,828	302,396,453	2,754,928	2,606,583	313,854,756	305,003,036
Deferred outflows of resources	5,465,384	5,355,730	35,781	44,524	5,501,165	5,400,254
Current liabilities	40,372,646	47,826,943	118,369	95,451	40,491,015	47,922,394
Noncurrent liabilities outstanding	26,226,725	23,784,525	163,910	52,379	26,390,635	23,836,904
Total liabilities	66,599,371	71,611,468	282,279	147,830	66,881,650	71,759,298
Deferred inflows of resources	66,867,742	87,286,441	13,464	148,368	66,881,206	87,434,809
Net position:						
Net investment in capital assets	133,063,134	113,805,141	2,299,994	2,103,367	135,363,128	115,908,508
Restricted	18,515,541	19,441,557	-	-	18,515,541	19,441,557
Unrestricted	31,519,424	15,607,576	194,972	251,542	31,714,396	15,859,118
Total net position	\$ 183,098,099	\$ 148,854,274	\$ 2,494,966	\$ 2,354,909	\$ 185,593,065	\$ 151,209,183

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 2023 and 2022 consist of \$302,770 and \$299,323 for debt service, \$6,925,963 and \$0 for opioid treatment and mitigation; \$8,936,224 and \$8,383,300 for secondary roads, \$1,295,263 and \$639,240 for other statutory programs, \$863,937 and \$827,215 for Scott Emergency Communications Center, and \$191,384 and \$120,009 for rural services, respectively. The remaining balance of unrestricted net position, \$31,714,396 for 2023 and \$15,859,118 for 2022, 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.

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2023

The County's total net position increased by \$34,383,882 during the current fiscal year as compared to an increase of \$19,787,826 in 2022. The governmental-type activities' net position increased by \$34,243,825 in 2023 and increased by \$19,877,956 in 2022. FEMA grant funding was unavailable to the general fund until 2023, but was incurred in 2021. Operating grants and contributions remained high compared to prior years due to intergovernmental funding to address ARPA stimulus funding and opioid settlement funding. Capital grants increased due to use of ARPA funding for County capital projects. General revenues increased \$5.0 million due to property taxes increasing \$1.1 million, and increases in investment earnings of \$3.5 million. Expenses increased due to salary and wage increases of \$1.9 million, benefit adjustments of \$0.3 million, an decrease in ARPA related grants of \$0.7 million for housing programs and an increase in depreciation and amortization expenses of \$0.4 million. Fiscal year 2022 was the last year of mental health functional expenditures as these were transferred to a regional expenditure. 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 \$140,057 in 2023 and decreased by \$90,130 in 2022. The increase in 2023 was related to increased golf rounds played and cost containment. The decrease in 2022 was related to retirement of capital assets before depreciation. The number of golf rounds played increased 2.8 percent in 2023 due to weather related events and increased rounds played due new outreach efforts.

Table 2 highlights the County's revenues and expenses for the fiscal year ended June 30, 2023 and 2022. 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.

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited)
As of and For the Year Ended June 30, 2023

Table 2 - County of Scott's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total County	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 8,682,340	\$ 9,075,722	\$ 1,196,677	\$ 1,069,560	\$ 9,879,017	\$ 10,145,282
Operating grants and contributions	13,575,513	6,321,905	1,892	1,892	13,577,405	6,323,797
Capital grants and contributions	9,966,081	2,694,944	-	-	9,966,081	2,694,944
General revenues:						
Taxes:						
Property taxes	58,470,473	57,386,092	-	-	58,470,473	57,386,092
Local option sales tax	5,717,133	5,846,901	-	-	5,717,133	5,846,901
Gaming	899,565	932,485	-	-	899,565	932,485
Other taxes	65,495	63,743	-	-	65,495	63,743
Utility tax replacements	1,989,943	1,784,030	-	-	1,989,943	1,784,030
Penalties, interest and costs on taxes	624,139	707,410	-	-	624,139	707,410
State tax replacement credits	4,021,159	4,225,664	-	-	4,021,159	4,225,664
State shared revenues	4,803,897	4,626,628	-	-	4,803,897	4,626,628
Payments in lieu of taxes	8,933	8,325	-	-	8,933	8,325
Investment earnings	3,501,503	(60,188)	15,428	297	3,516,931	(59,891)
Miscellaneous	2,697,302	2,240,264	-	-	2,697,302	2,240,264
Total revenues	115,023,476	95,853,925	1,213,997	1,071,749	116,237,473	96,925,674
Expenses:						
Public safety and legal services	30,442,548	26,413,894	-	-	30,442,548	26,413,894
Public safety and legal services - SECC	7,056,984	6,692,207	-	-	7,056,984	6,692,207
Physical health and social services	6,056,716	5,725,809	-	-	6,056,716	5,725,809
Mental health	-	4,502,531	-	-	-	4,502,531
County environment and education	8,059,327	6,897,048	-	-	8,059,327	6,897,048
Roads and transportation	9,725,541	9,246,604	-	-	9,725,541	9,246,604
Government services to residents	2,872,945	2,660,308	-	-	2,872,945	2,660,308
Administration	16,048,776	13,248,210	-	-	16,048,776	13,248,210
Interest on long-term debt	516,814	589,358	-	-	516,814	589,358
Golf course	-	-	1,073,940	1,161,879	1,073,940	1,161,879
Total expenses	80,779,651	75,975,969	1,073,940	1,161,879	81,853,591	77,137,848
Increase (decrease) in net position	34,243,825	19,877,956	140,057	(90,130)	34,383,882	19,787,826
Net position, beginning	148,854,274	128,976,318	2,354,909	2,445,039	151,209,183	131,421,357
Net position, ending	\$ 183,098,099	\$ 148,854,274	\$ 2,494,966	\$ 2,354,909	\$ 185,593,065	\$ 151,209,183

County of Scott, Iowa

**Management's Discussion and Analysis (Unaudited)
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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 2023	Total Cost of 2022	Net (Expense) of Services 2023	Net (Expense) of Services 2022
Public safety and legal services	\$ 30,442,548	\$ 26,413,894	\$ (27,834,699)	\$ (23,721,322)
Public safety and legal services - SECC	7,056,984	6,692,207	(7,047,984)	(6,680,207)
Physical health and social services	6,056,716	5,725,809	(1,617,505)	(3,054,153)
Mental health	-	4,502,531	-	(4,502,531)
County environment and education	8,059,327	6,897,048	(4,159,494)	(2,640,075)
Roads and transportation	9,725,541	9,246,604	(6,263,031)	(7,472,386)
Government services to residents	2,872,945	2,660,308	316,430	980,233
Administration	16,048,776	13,248,210	(2,644,680)	(11,454,123)
Debt service, interest	516,814	589,358	695,246	661,166
Total	\$ 80,779,651	\$ 75,975,969	\$ (48,555,717)	\$ (57,883,398)

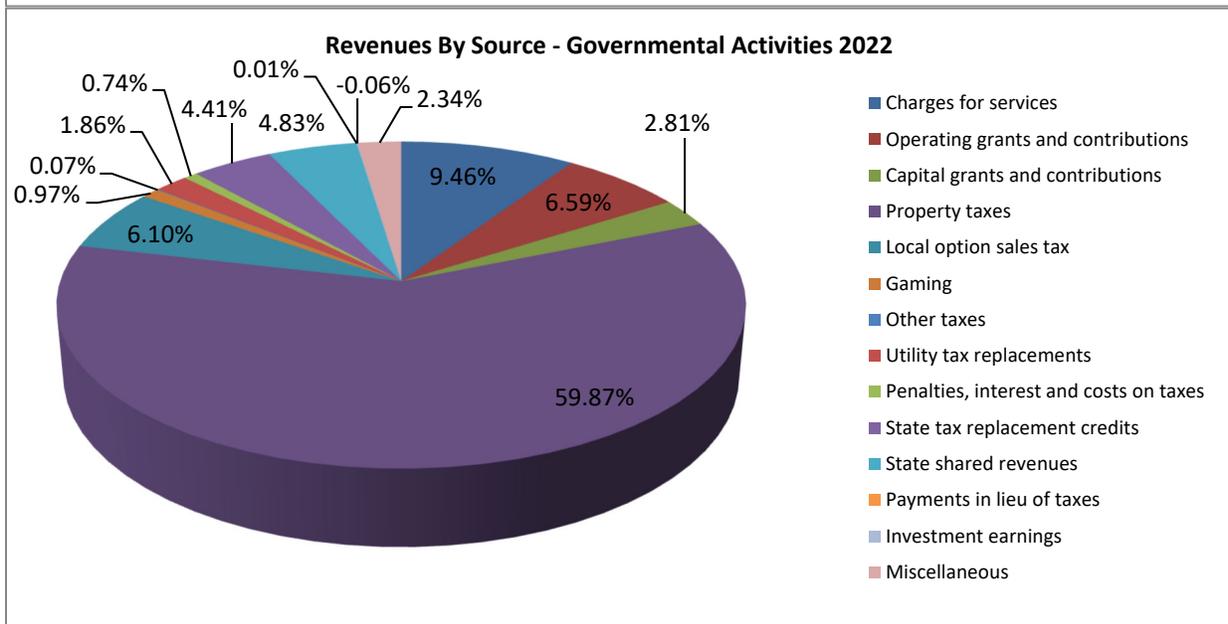
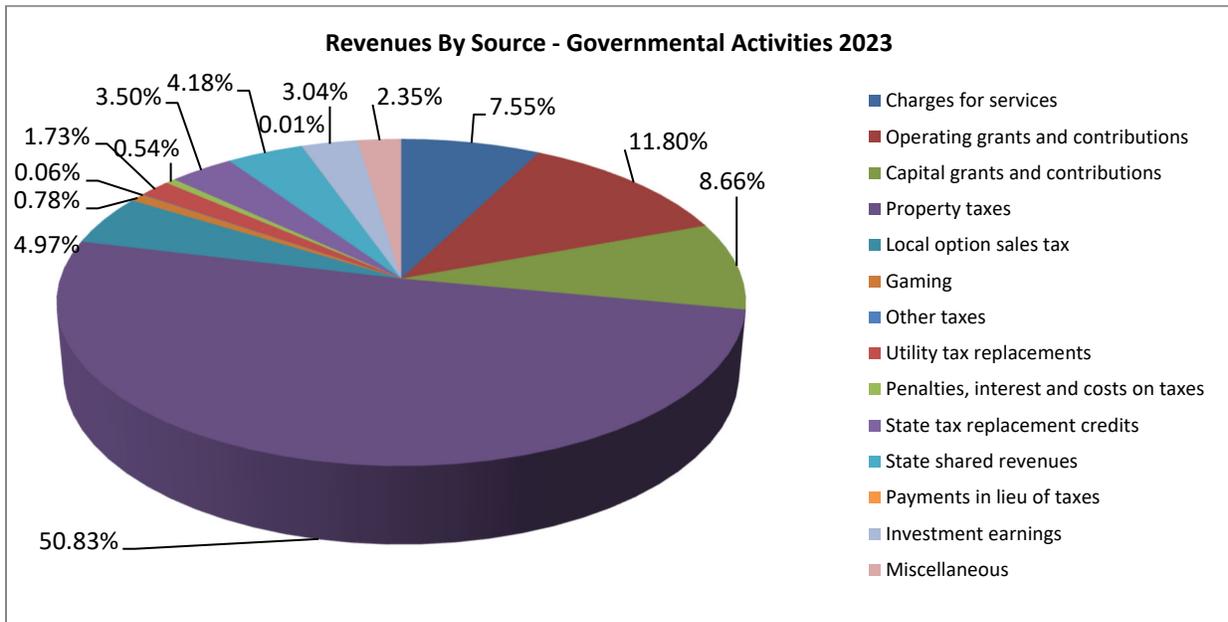
Net cost of services is 60 percent of total cost of services in 2023 and 76 percent in 2022. The change in net cost was impacted by the County reduction the cost of services related to the reduction of mental health services incurred by the County and ARPA grants and Opioid settlements for future expenses.

County of Scott, Iowa

**Management's Discussion and Analysis (Unaudited)
As of and For the Year Ended June 30, 2023**

Governmental Activities

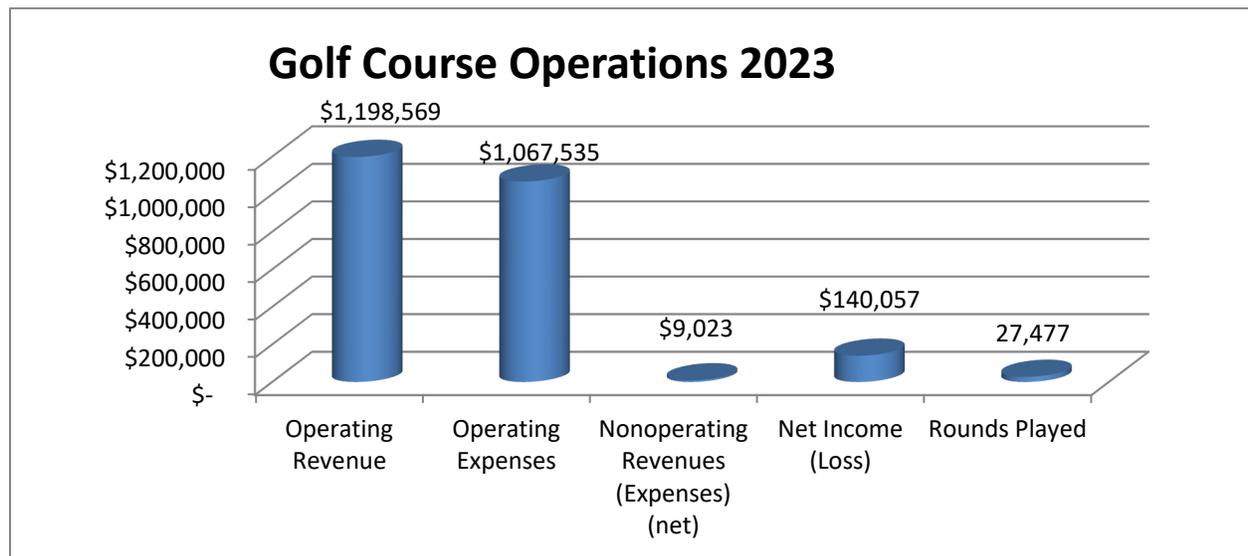
The graphs below show the percentage of the total governmental activities revenues allocated by each revenue type for 2023 and 2022.



County of Scott, Iowa

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Total business-type activities' operating revenue for the fiscal years ended June 30, 2023 and 2022 was \$1,198,569 and \$1,071,452, 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 2023 and 2022. The golf course experienced a 2.8 percent increase in rounds played, while operating revenue increased to \$1,198,569 or a 11.8 percent increase. The increase in revenue is attributable to general green fees realized due to types of rounds played and an increased in concession sales during the same time period. The fund expended less on personnel expenses related to pension benefit expenses and separation compensation.



Business-type activities: Business-type activities increased net position by \$140,057 in the government's net position in fiscal year ended June 30, 2023 compared to a decrease of \$90,130 in fiscal year ended June 30, 2022.

County of Scott, Iowa

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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 \$53,692,347, an increase of \$3,796,596 in comparison with the prior year fund balance of \$49,895,751. Approximately 25 percent of the 2023 total amount or \$13,612,724 constitutes unassigned fund balance. Approximately \$12,586,987, or 25 percent, for 2022 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 due to the receipt of opioid settlement funding. Additionally, the assigned fund balances increased between years due to additional general fund and capital projects balance set aside for future capital acquisitions.

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 \$13,612,724 for 2023. The amount unassigned was \$12,702,548 for 2022 while total fund balance was \$20,483,618 for 2023 and \$19,629,618 for 2022. Fund balance increased due to revenues increasing 9 percent to \$79,893,852, expenditures increasing 8.7 percent to \$59,784,902 and a \$1.0 million more 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 19.9 percent of General Fund expenditures including transfers to blended component units for 2023, while the unassigned fund balance represented 20.0 percent of total General Fund expenditures including transfers to blended component units for 2022. Total fund balance also represents approximately 23 and 31 percent of expenditures including transfers to blended component units for 2023 and 2022, respectively.

The fund balance of the County's General Fund increased by \$854,000 during the year ended June 30, 2023. Property tax revenues increased approximately \$4.4 million due to property tax reassessments and new property tax dollars when the County increased the general fund property tax rate by \$0.29 per \$1,000 of valuation and gained 4.0 percent assessment growth. Local option sales taxes decreased by \$0.3 million due to a net change in distributions methods and the general economy. Intergovernmental grants increased \$0.2 million, mostly through the FEMA funding grants. Net charges for services remained decreased, mostly due to offsetting sheriff service fees decreasing, recording of instruments decreasing, and conservation usage fees increasing from the prior year. Investment earnings increased \$1.6 million due to changes in market rate investments. The County's General Fund expenditures were \$59,784,902 in fiscal year 2023, compared to \$55,010,480 in fiscal year 2022 or an increase of approximately \$4.8 million. Salary and benefit expenditures across all departments increased \$2.0 million or 4.9 percent from the prior fiscal period. This is line with annual step adjustments and approved costs of living adjustments for all staff, special occasion compensation for retained staffing, and staffing changes. Other expenditures increased in risk claims for the County Jail roof, \$0.7 million, IT contracts issued, and supplies for the jail and youth justice and rehabilitation center.

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2023

The County closed the Mental Health / Development Disabilities fund in 2022 via a transfer of all equity to the Eastern Iowa Mental Health and Disabilities Region by June 30, 2022. Administrative staff was transferred to the General fund.

The Secondary Roads fund increase of \$552,924 in 2023 compared to an increase of \$2,243,618 in 2022. The increase in fund balance is due to the planned use of funds for operations and capital projects is being delayed until 2023 and 2024. 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 2024 through FY 2029. Additionally the County continues to seek grants to fund projects in conjunction with local dollars.

The fund balance of the ARPA fund increased by \$715,797 in 2023 and decreased by \$115,561 in 2022. In 2023, the investment earnings earned \$715,797. In 2022, the key factor in the decrease, is mark to market investment loss on assets held in the fund. The County incurred \$8.7 million in revenues and expenditures for the grant funded expenditures. Future expenditures are budgeted to occur in FY 2024.

The Scott Emergency Communication Center decreased fund balance by \$263,701 in 2023 compared to \$108,863 decrease in 2022. 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 and 2021. The system will be a combined radio system between Scott County and Rock Island County, Illinois. Funding for the project is reimbursed from the Scott County capital fund in fiscal year 2021 and 2022. The project was completed in fiscal year 2024, and the final reimbursement was delayed until that time. Transferred contributions from the County's capital fund decreased by \$1.1 million, while expenditures decreased by \$1.3 million due to project construction efforts.

The Capital Projects fund increased fund balance by \$508,609 compared to \$1,168,561 increase in the prior year. The transfers in from the County's ARPA fund increased by \$6,800,883. The increase is attributed to the County expending ARPA dollars for county projects, including the lost revenue provision and HVAC at the County administration center. Additionally the County's general fund contributed to the Capital fund. 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 a new youth justice and rehabilitation center, and information technology projects. Many of these projects are ongoing.

The Debt Service fund decreased \$412,155 in 2023 compared to a decrease of \$452,541 in 2022. The decrease in 2022 and 2023 is related to planned debt service of ongoing bonded projects.

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 \$109,357,645 was increased to \$113,119,614 (an increase of \$3,761,969) mainly due to decreasing intergovernmental aid of less ARPA revenue recognized in the current year, investment earnings are increasing, opioid settlement revenues, and transfer from the health insurance fund. Actual revenues received were \$107,578,426.

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2023

- The total original expenditure budget of \$119,368,505 was increased to \$125,182,109 (an increase of \$5,813,604). Significant increases include progress on the Youth Justice Rehabilitation Center and the use of ARPA funding for capital projects; an increase in public safety and legal services budget of \$1,185,717 for contracted services, overtime and supplies for the jail and other salary and benefit estimates; \$1,837,700 for secondary roads operations and \$1,327,932 for Administration additional risk management expenditures. Actual expenditures were \$104,040,038.
- The total original budget for transfers to governmental funds in and out of \$27,938,070 was increased to \$31,619,411, an increase of \$3,681,341. The increase was due to higher than expected general fund balance from FY 2022 moving to the capital fund.

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, 2023 and 2022, amounts to \$152,965,895 and \$134,899,620 (net of accumulated depreciation and amortization), respectively. This investment in capital assets includes land, buildings and improvements, equipment, infrastructure and construction-in-progress. The total increased in capital assets for 2023 was 13.4 percent (a 13.6 percent increase for governmental activities and a 1.7 percent increase for business-type activities). The total increase in capital assets for 2022 was 5.8 percent (5.8 percent increase for governmental activities and a 4.3 percent decrease for business-type activities).

Major capital asset events during the current fiscal year ended June 30, 2023 included two long term construction projects related to the radio tower infrastructure project and a new youth justice and rehabilitation center, information technology projects and large and small vehicles.

Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 4,827,210	\$ 4,827,377	\$ 1,556,336	\$ 1,556,336	\$ 6,383,546	\$ 6,383,713
Construction-in-progress	32,923,268	15,293,517	-	-	32,923,268	15,293,517
Buildings	103,361,210	105,175,446	577,483	577,483	103,938,693	105,752,929
Improvements other than buildings	16,878,968	16,469,876	307,632	307,632	17,186,600	16,777,508
Infrastructure	114,584,211	112,522,306	-	-	114,584,211	112,522,306
Intangible-software	4,730,315	4,730,315	-	-	4,730,315	4,730,315
Machinery and equipment	41,979,368	40,815,390	1,637,619	1,688,881	43,616,987	42,504,271
Leases	223,718	223,718	41,538	-	265,256	223,718
Subscription based contracts	465,945	-	-	-	465,945	-
Accumulated depreciation and amortization	(169,349,850)	(167,461,692)	(1,779,076)	(1,826,965)	(171,128,926)	(169,288,657)
Total	\$ 150,624,363	\$ 132,596,253	\$ 2,341,532	\$ 2,303,367	\$ 152,965,895	\$ 134,899,620

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

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2023

Debt: As of June 30, 2023, the County of Scott, Iowa had general obligation bonds outstanding totaling \$11,970,000, revenue bonds for the jail facility for \$3,815,000 and notes payable of \$4,140,000. In the fiscal year 2023, all planned debt service payments were funded and paid. The County was rated Aa1 by Moody's investment services for the issuance of the 2019 bonds and remained rated Aa1 in the annual issuer comment letter.

As of June 30, 2022, the County of Scott, Iowa had general obligation bonds outstanding totaling \$14,285,000, revenue bonds for the jail facility for \$5,665,000, and notes payable of \$4,730,000. In the fiscal year 2022, all planned debt service payments were funded and paid. The County was rated Aa1 by Moody's investment services for the issuance of the 2019 bonds. Moody's included Environmental, Social and Governance scores within the ratings. Scott County was rated ESG Credit Impact Score of CIS-2, neutral to low impact of ESG on the County. Individual scores includes E-3, S-2 and G-1.

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

	2023	2022	Maturity
Governmental activities:			
General obligation bonds	\$ 11,970,000	\$ 14,285,000	2035
Revenue bonds	3,815,000	5,665,000	2025
Notes payable	4,140,000	4,730,000	2029
Total governmental activities	<u>\$ 19,925,000</u>	<u>\$ 24,680,000</u>	

Additional information about the County's long-term debt can be found in Note 6 of the financial statements.

Economic Factors and Next Year's Budgets and Rates

- Scott County's urban levy rate remained at \$5.95 for FY24 in property taxes rates. The same rate allowed the County to maintain as much services as possible after the state of Iowa implemented a change in the taxable values of residential property. The decrease in taxable values decreased revenues by about \$1.6 million. The County Board made the decision to cut funding to three authorized agencies in order to maintain other services and not raise property tax rates. The rural county levy rate decreased to \$8.78 for the budget year ending June 30, 2024 due to underlying valuation changes in the rural area. The tax base for the County of Scott increased 0.8 percent over the previous year and 3.4 percent in total assessment.
- Beginning in fiscal year 2025, the State implemented a valuation limitation process which will reduce the overall taxable growth by 0 percent, 2 percent or 3 percent based on the level of assessed growth in each community. It is unknown how the new tax valuation system will impact the County until preliminary valuations are received in January 2024.
- 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 decrease for family insurance of 13 percent was approved by the board in October 2023 for the calendar year 2024. The County was able to apply a 5.4 percent decrease in 2023. The two year span approximates 8 percent medical inflation. The County dental plan premium will remain the same.
- All of the County's union contracts expire at the end of June 30, 2023. New multi-year extensions were negotiated through June 30, 2024, 2026 and 2028. The three and five year contracts include wage re-openers to adjust wages based on current cost of living adjustments.

County of Scott, Iowa

Management's Discussion and Analysis (Unaudited) As of and For the Year Ended June 30, 2023

- The County is the recipient of \$33,592,150 of American Rescue Plan act funds (ARPA). The first and second installments of ARPA funds were received by July 2022. The County developed an expenditure plan for the use of the funds; however, further contracts and for services are still being developed. Funds must be obligated by December 31, 2024 and expended by December 31, 2026. The funds are being expended in a special revenue fund or the capital projects fund as appropriate.
- The County's revenues are stable but are dependent on property tax revenue growth. There is an unknown on how nation wide inflationary costs will impact local revenue drivers including property tax valuation, local option sales tax or charges for services. Scott County developed and approved the 2024 budget while the impacts continue to be understood. The County will continue to seek local, state and federal funding opportunities to address changing program services under the current economic situation. 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.

All of these factors were considered in preparing the County of Scott, Iowa's budget for the June 30, 2024 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, 2023

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Current assets:				
Cash and investments	\$ 79,630,171	\$ 546,439	\$ 80,176,610	\$ 694,002
Restricted cash and investments	1,052,790	-	1,052,790	-
Receivables:				
Property taxes, net of allowance for collection losses	63,966,942	-	63,966,942	-
Accounts	6,017,681	-	6,017,681	48,507
Interest	704,792	3,938	708,730	4,970
Due from other governmental agencies	2,375,361	-	2,375,361	28,402
Internal Balances	150,000	(150,000)	-	-
Prepays	892,728	-	892,728	15,546
Inventories	-	13,019	13,019	-
Total current assets	154,790,465	413,396	155,203,861	791,427
Noncurrent assets:				
Receivables:				
Loans	5,685,000	-	5,685,000	-
Capital assets:				
Not depreciated or amortized:				
Land	4,827,210	1,556,336	6,383,546	16,600
Construction-in-progress	32,923,268	-	32,923,268	68,213
Depreciated or amortized:				
Buildings	103,361,210	577,483	103,938,693	1,131,866
Improvements other than buildings	16,878,968	307,632	17,186,600	-
Infrastructure	114,584,211	-	114,584,211	-
Machinery and equipment	41,979,368	1,637,619	43,616,987	837,802
Intangible - software	4,730,315	-	4,730,315	-
Leases	223,718	41,538	265,256	111,079
Subscription based contracts	465,945	-	465,945	-
Less accumulated depreciation and amortization	(169,349,850)	(1,779,076)	(171,128,926)	(1,283,049)
Total capital assets	150,624,363	2,341,532	152,965,895	882,511
Total noncurrent assets	156,309,363	2,341,532	158,650,895	882,511
Total assets	311,099,828	2,754,928	313,854,756	1,673,938
Deferred Outflows of Resources				
OPEB related deferred outflows	476,636	3,097	479,733	3,009
Pension related deferred outflows	4,988,748	32,684	5,021,432	101,503
Total deferred outflows of resources	5,465,384	35,781	5,501,165	104,512
Total assets and deferred outflows of resources	\$ 316,565,212	\$ 2,790,709	\$ 319,355,921	\$ 1,778,450

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	\$ 5,919,288	\$ 33,779	\$ 5,953,067	\$ 89,367
Current portion of claims payable	968,879	-	968,879	-
Accrued liabilities	2,119,050	57,753	2,176,803	71,480
Interest payable	59,240	-	59,240	-
Unearned revenue	23,838,396	7,964	23,846,360	-
Compensated absences	2,300,149	8,485	2,308,634	38,492
Current portion of lease liability	10,574	10,388	20,962	23,012
Current portion of subscription based contracts	124,030	-	124,030	-
Current portion of OPEB liability	98,040	-	98,040	-
Current portion of general obligation bonds	2,430,000	-	2,430,000	-
Current portion of notes payable	615,000	-	615,000	-
Current portion of revenue bonds	1,890,000	-	1,890,000	-
Total current liabilities	40,372,646	118,369	40,491,015	222,351
Noncurrent liabilities:				
Claims payable	35,209	-	35,209	-
Compensated absences	734,045	27,915	761,960	25,597
Lease liability	139,493	31,150	170,643	23,702
Subscription based contracts	190,328	-	190,328	-
OPEB liability	1,869,169	12,785	1,881,954	12,425
Net pension liability	7,742,142	92,060	7,834,202	291,999
General obligation bonds payable, net bond premium	10,056,530	-	10,056,530	-
Note payable	3,525,000	-	3,525,000	-
Revenue bonds payable, net bond premium	1,934,809	-	1,934,809	-
Total noncurrent liabilities	26,226,725	163,910	26,390,635	353,723
Total liabilities	66,599,371	282,279	66,881,650	576,074
Deferred inflows of resources:				
Lease receivable inflows	43,598	-	43,598	-
OPEB related deferred inflows	288,894	1,877	290,771	1,825
Pension related deferred inflows	2,700,907	11,587	2,712,494	37,047
Property tax revenue	63,834,343	-	63,834,343	-
Total deferred inflows of resources	66,867,742	13,464	66,881,206	38,872
Net position:				
Net investment in capital assets	133,063,134	2,299,994	135,363,128	835,797
Restricted for:				
Debt service	302,770	-	302,770	-
Opioids treatment and mitigation	6,925,963	-	6,925,963	-
Other statutory programs	1,295,263	-	1,295,263	-
Scott Emergency Communications Center	863,937	-	863,937	-
Secondary roads	8,936,224	-	8,936,224	-
Rural services	191,384	-	191,384	-
Unrestricted	31,519,424	194,972	31,714,396	327,707
Total net position	183,098,099	2,494,966	185,593,065	1,163,504
Total liabilities, deferred inflows of resources, and net position	\$ 316,565,212	\$ 2,790,709	\$ 319,355,921	\$ 1,778,450

See notes to basic financial statements

County of Scott, Iowa

Statement of Activities
For the Year Ended June 30, 2023

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	\$ 30,442,548	\$ 2,085,122	\$ 522,727	\$ -
Public safety and legal services - SECC	7,056,984	-	9,000	-
Physical health and social services	6,056,716	678,166	3,761,045	-
County environment and education	8,059,327	1,985,619	1,914,214	-
Roads and transportation	9,725,541	272,412	24,900	3,165,198
Government services to residents	2,872,945	2,949,909	239,466	-
Administration	16,048,776	711,112	5,892,101	6,800,883
Interest on long-term debt	516,814	-	1,212,060	-
Total governmental activities	80,779,651	8,682,340	13,575,513	9,966,081
Business-Type activities, golf	1,073,940	1,196,677	1,892	-
Total primary government	\$ 81,853,591	\$ 9,879,017	\$ 13,577,405	\$ 9,966,081
Component Units				
Emergency Management Agency	\$ 616,452	\$ 5,107	\$ 520,045	\$ 11,327
County Library	1,220,130	9,383	1,263,504	-
Total component units	\$ 1,836,582	\$ 14,490	\$ 1,783,549	\$ 11,327

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

Net (Expense) Revenue and Changes in Net Position				
Primary Government				
Governmental Activities	Business-Type Activities	Total	Component Units	
\$ (27,834,699)	\$ -	\$ (27,834,699)	\$ -	-
(7,047,984)	-	(7,047,984)	-	-
(1,617,505)	-	(1,617,505)	-	-
(4,159,494)	-	(4,159,494)	-	-
(6,263,031)	-	(6,263,031)	-	-
316,430	-	316,430	-	-
(2,644,680)	-	(2,644,680)	-	-
695,246	-	695,246	-	-
(48,555,717)	-	(48,555,717)	-	-
-	124,629	124,629	-	-
(48,555,717)	124,629	(48,431,088)	-	-
			(79,973)	
			52,757	
			(27,216)	
58,470,473	-	58,470,473	-	-
5,717,133	-	5,717,133	-	-
899,565	-	899,565	-	-
65,495	-	65,495	-	-
1,989,943	-	1,989,943	-	-
624,139	-	624,139	-	-
4,021,159	-	4,021,159	-	-
4,803,897	-	4,803,897	-	-
8,933	-	8,933	-	-
3,501,503	15,428	3,516,931	22,163	-
2,697,302	-	2,697,302	84,086	-
82,799,542	15,428	82,814,970	106,249	-
34,243,825	140,057	34,383,882	79,033	-
148,854,274	2,354,909	151,209,183	1,084,471	-
\$ 183,098,099	\$ 2,494,966	\$ 185,593,065	\$ 1,163,504	-

See notes to basic financial statements

County of Scott, Iowa

Balance Sheet
 Governmental Funds
 As of June 30, 2023

	General	Secondary Roads	ARPA
Assets			
Cash and investments	\$ 21,413,403	\$ 9,193,901	\$ 24,338,860
Restricted cash and investments	-	-	-
Receivables			
Property taxes, net of allowance for collection losses	57,221,132	-	-
Accounts	196,862	-	-
Interest	246,849	69,544	199,097
Loans	-	-	-
Advance to other funds	-	-	-
Due from other governmental agencies	1,927,499	445,990	-
Prepays	152,358	-	-
Total assets	\$ 81,158,103	\$ 9,709,435	\$ 24,537,957
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities:			
Accounts payable	\$ 1,131,550	\$ 591,229	\$ 118,292
Claims payable	53,365	-	-
Accrued liabilities	1,776,118	142,223	-
Unearned revenue	18,967	-	23,819,429
Total liabilities	2,980,000	733,452	23,937,721
Deferred Inflows of Resources:			
Lease receivable	43,598	-	-
Unavailable revenue	551,751	39,759	-
Property tax revenue	57,099,136	-	-
Total deferred resources of inflows	57,694,485	39,759	-
Fund balances:			
Nonspendable	152,358	-	-
Restricted	649,548	8,936,224	600,236
Assigned	6,068,988	-	-
Unassigned	13,612,724	-	-
Total fund balances	20,483,618	8,936,224	600,236
Total liabilities, deferred inflows of resources, and fund balances	\$ 81,158,103	\$ 9,709,435	\$ 24,537,957

Scott Emergency Communication Center	Capital Projects	Debt Service	Nonmajor Governmental Funds	Total
\$ 2,774,007	\$ 15,214,831	\$ 149,527	\$ 1,759,868	\$ 74,844,397
-	1,051,376	-	1,414	1,052,790
-	-	3,247,075	3,498,735	63,966,942
1,750	6,520	247,071	5,389,506	5,841,709
21,107	118,207	640	13,307	668,751
-	-	5,685,000	-	5,685,000
-	150,000	-	-	150,000
-	1,872	-	-	2,375,361
495,591	-	-	-	647,949
<u>\$ 3,292,455</u>	<u>\$ 16,542,806</u>	<u>\$ 9,329,313</u>	<u>\$ 10,662,830</u>	<u>\$ 155,232,899</u>
\$ 949,050	\$ 3,120,084	\$ 250	\$ -	\$ 5,910,455
-	-	-	-	53,365
200,709	-	-	-	2,119,050
-	-	-	-	23,838,396
<u>1,149,759</u>	<u>3,120,084</u>	<u>250</u>	<u>-</u>	<u>31,921,266</u>
-	-	-	-	43,598
-	-	6,272	5,143,563	5,741,345
-	-	3,240,568	3,494,639	63,834,343
-	-	3,246,840	8,638,202	69,619,286
495,591	-	-	-	647,949
1,647,105	1,059,342	6,082,223	2,024,628	20,999,306
-	12,363,380	-	-	18,432,368
-	-	-	-	13,612,724
<u>2,142,696</u>	<u>13,422,722</u>	<u>6,082,223</u>	<u>2,024,628</u>	<u>53,692,347</u>
<u>\$ 3,292,455</u>	<u>\$ 16,542,806</u>	<u>\$ 9,329,313</u>	<u>\$ 10,662,830</u>	<u>\$ 155,232,899</u>

See notes to basic financial statements

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County of Scott, Iowa

**Reconciliation of Total Governmental Fund Balances
to Net Position of Governmental Activities
As of June 30, 2023**

Total governmental fund balances		\$ 53,692,347
Amounts reported for governmental activities are not financial resources and, therefore, are not reported in the funds:		
Land	\$ 4,827,210	
Construction-in-progress	32,923,268	
Buildings	103,361,210	
Improvements other than buildings	16,878,968	
Infrastructure	114,584,211	
Machinery and equipment	41,979,368	
Intangibles - software	4,730,315	
Leases	223,718	
Subscription based contracts	465,945	
Accumulated depreciation and amortization	<u>(169,349,850)</u>	150,624,363
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds:		
Delinquent tax		127,937
Opioid settlement		5,133,532
Intergovernmental reimbursement		135,034
Operating grants		344,842
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:		
		4,581,733
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		476,636
Deferred inflows of resources		(288,894)
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		4,988,748
Deferred inflows of resources		(2,700,907)
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	(298,723)	
Compensated absences	(3,034,194)	
Lease liability	(150,067)	
Subscription based contracts	(314,358)	
Total OPEB liability	(1,967,209)	
Accrued interest payable	(59,240)	
Notes payable	(4,140,000)	
Bond premium	(526,339)	
Net pension liability	(7,742,142)	
Revenue bonds payable	(3,815,000)	
General obligation bonds payable	<u>(11,970,000)</u>	(34,017,272)
Net position of governmental activities		<u><u>\$ 183,098,099</u></u>

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, 2023

	General	Secondary Roads	ARPA
Revenues:			
Property taxes	\$ 52,356,517	\$ -	\$ -
Local option sales tax	6,193,133	-	-
Other taxes	1,874,260	-	-
Interest and penalties on taxes	624,139	-	-
Intergovernmental	7,391,150	4,828,797	8,669,124
Charges for services	6,805,597	234,110	-
Investment earnings (losses)	1,637,462	328,172	715,797
Licenses and permits	835,033	59,512	-
Rentals and fees	157,309	-	-
Other	2,019,252	55,018	-
Total revenues	79,893,852	5,505,609	9,384,921
Expenditures:			
Current:			
Public safety and legal services	30,227,112	-	-
Physical health and social services	6,421,618	-	-
County environment and education	4,895,301	-	1,868,241
Roads and transportation	-	7,053,960	-
Government services to residents	2,892,831	-	-
Administration	14,785,786	-	-
Capital outlay	418,271	1,928,725	-
Debt service			
Principal	142,076	-	-
Interest and fees	1,907	-	-
Total Expenditures	59,784,902	8,982,685	1,868,241
Excess (deficiency) of revenues over expenditures	20,108,950	(3,477,076)	7,516,680
Other financing sources (uses):			
Transfers in	1,320,000	3,970,000	-
Transfers out	(20,862,351)	-	(6,800,883)
Subscription based contracts issued	287,401	-	-
Proceeds from sale of capital assets	-	60,000	-
Total other financing sources (uses)	(19,254,950)	4,030,000	(6,800,883)
Net change in fund balances	854,000	552,924	715,797
Fund balances, beginning of year	19,629,618	8,383,300	(115,561)
Fund balances, end of year	\$ 20,483,618	\$ 8,936,224	\$ 600,236

Scott Emergency Communication		Nonmajor			
Center	Capital Projects	Debt Service	Governmental Funds	Total	
\$ -	\$ -	\$ 2,863,411	\$ 3,255,729	\$ 58,475,657	
-	-	-	-	6,193,133	
-	899,565	96,353	84,826	2,955,004	
-	-	-	-	624,139	
9,000	3,645	1,406,844	222,961	22,531,521	
-	-	-	24,591	7,064,298	
109,586	386,635	68,046	62,821	3,308,519	
-	-	-	-	894,545	
22,750	-	-	-	180,059	
4,954	58,532	-	1,741,435	3,879,191	
146,290	1,348,377	4,434,654	5,392,363	106,106,066	
6,894,309	-	-	-	37,121,421	
-	-	-	-	6,421,618	
-	-	-	576,241	7,339,783	
-	-	-	-	7,053,960	
-	-	-	-	2,892,831	
-	-	-	-	14,785,786	
1,019,606	19,403,813	-	-	22,770,415	
594,775	8	2,315,000	1,850,000	4,901,859	
146,301	12,339	586,481	95,328	842,356	
8,654,991	19,416,160	2,901,481	2,521,569	104,130,029	
(8,508,701)	(18,067,783)	1,533,173	2,870,794	1,976,037	
8,245,000	18,403,234	-	1,945,328	33,883,562	
-	-	(1,945,328)	(2,975,000)	(32,583,562)	
-	36,084	-	-	323,485	
-	137,074	-	-	197,074	
8,245,000	18,576,392	(1,945,328)	(1,029,672)	1,820,559	
(263,701)	508,609	(412,155)	1,841,122	3,796,596	
2,406,397	12,914,113	6,494,378	183,506	49,895,751	
\$ 2,142,696	\$ 13,422,722	\$ 6,082,223	\$ 2,024,628	\$ 53,692,347	

See notes to basic financial statements

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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, 2023**

Net change in fund balances - governmental funds	\$	3,796,596
<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		22,756,041
Contributed capital		3,237,276
Depreciation and amortization		
Public safety and legal services	\$ (1,791,472)	
Public safety and legal services - SECC	(468,363)	
Physical health and social services	(32,127)	
County environment and education	(852,742)	
Roads and transportation	(2,867,548)	
Governmental services to residents	(139,217)	
Administration	(995,340)	(7,146,809)
Book value of capital assets retired		(946,046)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		4,386,374
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		(1,051,062)
<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		4,755,000
Repayment of lease principal		22,415
Repayment of IT contract principal		136,775
Proceeds of IT Contracts issued		(323,485)
Interest expense		8,735
Amortization of bond premium		302,929
<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		102,486
Change in compensated absences		24,946
Change in net pension liability		(16,914,612)
Change in net pension related deferred inflows		21,191,372
Change in net pension related deferred outflows		36,908
Change in total OPEB liability		27,071
Change in OPEB related deferred inflows		(231,831)
Change in OPEB related deferred outflows		72,746
Change in net position of governmental activities	\$	34,243,825

County of Scott, Iowa

Statement of Net Position
 Proprietary Funds
 As of June 30, 2023

	Nonmajor Business-Type Activities Enterprise Fund - Golf Course	Governmental Activities Internal Service Funds
Assets		
Current assets:		
Cash and investments	\$ 546,439	\$ 4,785,774
Receivables:		
Accounts	-	175,972
Interest	3,938	36,041
Prepays	-	244,779
Inventories	13,019	-
Total current assets	<u>563,396</u>	<u>5,242,566</u>
Noncurrent assets:		
Capital assets:		
Land	1,556,336	-
Buildings	577,483	-
Improvements other than buildings	307,632	-
Machinery and equipment	1,637,619	-
Lease - equipment	41,538	-
Less accumulated depreciation and amortization	(1,779,076)	-
Total capital assets	<u>2,341,532</u>	<u>-</u>
Total assets	<u>2,904,928</u>	<u>5,242,566</u>
Deferred Outflows of Resources		
OPEB related deferred outflows	3,097	-
Pension related deferred outflows	32,684	-
Total deferred outflows of resources	<u>35,781</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 2,940,709</u>	<u>\$ 5,242,566</u>
Liabilities and Net Position		
Current liabilities:		
Accounts payable	\$ 33,779	\$ 8,833
Claims payable	-	652,000
Accrued liabilities	57,753	-
Unearned revenue	7,964	-
Compensated absences	8,485	-
Current portion of lease	10,388	-
Total current liabilities	<u>118,369</u>	<u>660,833</u>
Noncurrent liabilities		
Advance from other funds	150,000	-
Lease liability	31,150	-
Compensated absences	27,915	-
Total OPEB liability	12,785	-
Net pension liability	92,060	-
Total noncurrent liabilities	<u>313,910</u>	<u>-</u>
Total liabilities	<u>432,279</u>	<u>660,833</u>
Deferred Inflows of Resources		
OPEB related deferred inflows	1,877	-
Pension related deferred inflows	11,587	-
Total deferred inflows	<u>13,464</u>	<u>-</u>
Net Position:		
Investment in capital assets	2,299,994	-
Unrestricted	194,972	4,581,733
Total net position	<u>2,494,966</u>	<u>4,581,733</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 2,940,709</u>	<u>\$ 5,242,566</u>

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, 2023

	Nonmajor Business-Type Activities <u>Enterprise Fund - Golf Course</u>	Governmental Activities <u>Internal Service Funds</u>
Operating revenues:		
Charges for services	\$ 1,050,668	\$ 9,698,281
Sales, net of cost of goods sold of \$102,599	146,814	-
Other	1,087	509,868
Total operating revenues	<u>1,198,569</u>	<u>10,208,149</u>
Operating expenses:		
Personnel	615,704	-
Depreciation and amortization	152,158	-
Administrative Charges	-	745,734
Claims	-	9,406,460
Other	299,673	-
Total operating expenses	<u>1,067,535</u>	<u>10,152,194</u>
Operating income (loss)	<u>131,034</u>	<u>55,955</u>
Nonoperating revenues (expenses):		
Loss on assets disposed	(6,405)	-
Investment earnings	15,428	192,983
Total nonoperating revenues (expenses)	<u>9,023</u>	<u>192,983</u>
Income before transfers	140,057	248,938
Transfers out	<u>-</u>	<u>(1,300,000)</u>
Change in net position	140,057	(1,051,062)
Total net position, beginning of year	<u>2,354,909</u>	<u>5,632,795</u>
Total net position, end of year	<u>\$ 2,494,966</u>	<u>\$ 4,581,733</u>

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County of Scott, Iowa

Statement of Cash Flows
 Proprietary Funds
 For the Year Ended June 30, 2023

	Business-Type Activities Enterprise Fund - Golf Course	Governmental Activities Internal Service Funds
Cash flows from operating activities:		
Cash received from customers	\$ 1,200,071	\$ 9,701,191
Customer deposits (released)	(4,442)	-
Refunds from outside sources	-	334,553
Cash payments to suppliers for goods and services	(332,225)	(10,107,655)
Cash payments to employees for services	(613,666)	-
Net cash from operating activities	<u>249,738</u>	<u>(71,911)</u>
Cash flows from capital and related financing activities:		
Net cash paid from interfund loan	(50,000)	-
Purchase of capital assets	(155,192)	-
Net cash from capital and related financing activities	<u>(205,192)</u>	<u>-</u>
Cash flows from noncapital financing activities		
Transfers	-	(1,300,000)
Net cash from noncapital financing activities	<u>-</u>	<u>(1,300,000)</u>
Cash flows from investing activities, interest received		
	<u>11,722</u>	<u>160,097</u>
Net increase (decrease) in cash and cash equivalents	56,268	(1,211,814)
Cash and cash equivalents:		
Beginning	490,171	5,997,588
Ending	<u>\$ 546,439</u>	<u>\$ 4,785,774</u>
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	\$ 131,034	\$ 55,955
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Depreciation and amortization	152,158	-
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
Receivables	-	1,176
Prepays	-	(175,473)
Inventories	(206)	-
Accounts payable	4,309	431
Claims payable	-	46,000
Accrued compensation	5,213	-
Compensated absences	11,788	-
Total OPEB liability and deferrals	(8,955)	-
Net pension liability/asset and deferrals	(41,161)	-
Customer deposits	(4,442)	-
Net cash from operating activities	<u>\$ 249,738</u>	<u>\$ (71,911)</u>

The Golf Course includes non-cash issuance of lease in the amount of \$41,538

County of Scott, Iowa

Statement of Fiduciary Net Position

Custodial Funds

As of June 30, 2023

Assets

Cash and investments	\$ 17,819,511
Receivables:	
Property taxes, net of allowance for collection losses	303,850,810
Accounts	709,788
Total assets	<u>\$ 322,380,109</u>

Liabilities and net position

Liabilities:	
Accounts payable	\$ 2,384,554
Due to other governmental agencies	313,253,339
Total liabilities	<u>315,637,893</u>

Net Position:

Restricted for other individuals, organizations, and governments	<u>6,742,216</u>
Total net position	<u>6,742,216</u>

Total liabilities and net position	<u>\$ 322,380,109</u>
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County of Scott, Iowa

Statement of Additions, Deductions and Changes in Net Position

Custodial Funds

For the Year Ended June 30, 2023

	<u>Total</u>
Additions:	
Property taxes and intergovernmental credits	\$ 305,356,565
Other taxes	72,276,151
Intergovernmental	10,465,578
Investment earnings	361,745
Benefit program client income - Social Security and SSI	5,446,237
Custodial individual income or contributions	2,739,607
Miscellaneous	20,343
Total additions	<u>396,666,226</u>
Deductions:	
Current:	
Public safety and legal services	1,043,429
Library & education services	144,056
Mental health	13,750,731
Release to individuals	7,962,195
Release to State for state mandated functions	71,466,698
Release to other governments for property taxes and intergovernmental credits	303,039,511
Assessment expense	2,812,283
Total deductions:	<u>400,218,903</u>
Change in Net Position	<u>(3,552,677)</u>
Net position, beginning of year	10,294,893
Net position, end of year	<u>\$ 6,742,216</u>

County of Scott, Iowa

Statement of Net Position
Discretely Presented Component Units
As of June 30, 2023

	Emergency Management Agency	County Library	Total
Assets			
Current assets:			
Cash and investments	\$ 239,128	\$ 454,874	\$ 694,002
Receivables:			
Accrued Interest	1,520	3,450	4,970
Accounts	48,507	-	48,507
Due from other governmental agencies	25,432	2,970	28,402
Prepaid Items	5,434	10,112	15,546
Total current assets	<u>320,021</u>	<u>471,406</u>	<u>791,427</u>
Noncurrent assets:			
Capital assets:			
Land	-	16,600	16,600
Construction in progress	68,213	-	68,213
Buildings	-	1,131,866	1,131,866
Machinery and equipment	725,845	111,957	837,802
Leases	-	111,079	111,079
Accumulated depreciation and amortization	(620,595)	(662,454)	(1,283,049)
Total capital assets, net	<u>173,463</u>	<u>709,048</u>	<u>882,511</u>
Total noncurrent assets	<u>173,463</u>	<u>709,048</u>	<u>882,511</u>
Total assets	<u>493,484</u>	<u>1,180,454</u>	<u>1,673,938</u>
Deferred Outflows of Resources			
OPEB related deferred outflows	858	2,151	3,009
Pension related deferred outflows	21,925	79,578	101,503
Total deferred outflows of resources	<u>22,783</u>	<u>81,729</u>	<u>104,512</u>
Total assets and deferred outflows of assets	<u>\$ 516,267</u>	<u>\$ 1,262,183</u>	<u>\$ 1,778,450</u>
Liabilities, Deferred Inflows of Resources and Net Position			
Current liabilities:			
Accounts payable	\$ 86,247	\$ 3,120	\$ 89,367
Accrued liabilities	30,738	40,742	71,480
Capital leases	-	23,012	23,012
Compensated absences	8,069	30,423	38,492
Total current liabilities	<u>125,054</u>	<u>97,297</u>	<u>222,351</u>
Noncurrent liabilities:			
Compensated absences	7,295	18,302	25,597
Capital leases	-	23,702	23,702
Net pension liability	68,511	223,488	291,999
Total OPEB liability	3,543	8,882	12,425
Total noncurrent liabilities	<u>79,349</u>	<u>274,374</u>	<u>353,723</u>
Total liabilities	<u>204,403</u>	<u>371,671</u>	<u>576,074</u>
Deferred Inflows of Resources			
OPEB related deferred inflows	521	1,304	1,825
Pension related deferred inflows	8,690	28,357	37,047
Total deferred inflows of resources	<u>9,211</u>	<u>29,661</u>	<u>38,872</u>
Net Position:			
Investment in capital assets	173,463	662,334	835,797
Unrestricted	129,190	198,517	327,707
Total net position	<u>302,653</u>	<u>860,851</u>	<u>1,163,504</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 516,267</u>	<u>\$ 1,262,183</u>	<u>\$ 1,778,450</u>

See notes to basic financial statements

County of Scott, Iowa

Statement of Activities
 Discretely Presented Component Units
 For the Year Ended June 30, 2023

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Sales and Services	Operating Grants and Contributions	Capital Grants and Contributions	Emergency Management Agency	County Library	Total
Emergency Management Agency Public safety and legal services	\$ 616,452	\$ 5,107	\$ 520,045	\$ 11,327	\$ (79,973)	\$ -	\$ (79,973)
County Library County environment and education	1,220,130	9,383	1,263,504	-	-	52,757	52,757
Total component units	\$ 1,836,582	\$ 14,490	\$ 1,783,549	\$ 11,327	(79,973)	52,757	(27,216)
General Revenues							
Investment earnings					7,361	14,802	22,163
Miscellaneous					49,917	34,169	84,086
Total general revenues					57,278	48,971	106,249
Changes in net position					(22,695)	101,728	79,033
Net Position, beginning of year					325,348	759,123	1,084,471
Net Position, end of year					\$ 302,653	\$ 860,851	\$ 1,163,504

See notes to basic financial statements

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

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 secondary road department.

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.

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

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 Authority 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.

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

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 percent 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 percent test is at least 5 percent 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.

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

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.

American Rescue Plan Act (ARPA) Fund: To account for federal revenue and other revenue that are restricted or committed to be used to recover from the COVID-19 Pandemic. The ARPA 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.

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

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.

Opioid Litigation Fund: To account for Opioid settlement funds for remediation of the opioid crisis and treat or mitigate opioid use disorder through prevention, harm reduction, treatment and recovery services.

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.

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

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

Custodial fund types: Custodial fund types are used to account for net position and changes in net position. The County's custodial 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, and Township Taxing District Fund: To account for the property taxes collected by the County for the Districts.

Other Holding Accounts Fund: To account for motor vehicle and other taxes collected for the state and other taxing 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 Custodial 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 Custodial 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 custodial 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. Custodial funds have an economic measurement focus.

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

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 June 2022, based on the 2021 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.

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 – custodial 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.

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

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.

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

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

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

Capital assets: Capital assets, including land, construction-in-progress, buildings, improvements other than buildings, machinery and equipment including the right to use lease assets, 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 \$15,000 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.

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.

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

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

Leases: The County is a lessee because it leases capital assets from other entities. As a lessee, the County reports a lease liability and intangible right to use capital asset (known as the lease asset) on the government-wide financial statement and propriety fund statements. In the government fund financial statements, the County recognizes lease proceeds and capital outlay at the initiation of the lease, and the outflow of resources for the lease liability as a debt service payment. The County has a policy to recognize leases over \$15,000 as a lease liability and intangible capital asset. The lease asset is amortized over the life of the lease.

Subscription Information Technology Contracts: The County has entered into contracts that conveys control of the right to use information technology software. The County has recognized an IT subscription liability and an intangible right-to-use IT subscription asset in the government-wide financial statements.

At the commencement of the IT subscription term, the County initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently the IT subscription liability is reduced by the principal portion of payments made. The right-to-use an IT subscription assets is initially measured as the sum of initial IT subscription liability, adjusted for payments made at or before the commencement date, plus capitalization implementation costs less any incentives received from the vendor at or before the commencement of the subscription term. Subsequently, the right-to-use IT subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to IT subscription arrangements include how the County determines the discount rate it uses to discount the expected payments to present value, term and payments. The County uses interest rates charged by the IT subscription vendor as the discount rate. When the interest rate is charged by the vendor is not provided, the County generally uses the estimated incremental borrowing rate as the discount rate. The IT subscription term includes the noncancellable period of the subscription. Payments included in the measurement of the liability are composed of fixed payments.

The County monitors changes in circumstances that would require a remeasurement of its IT subscription and will remeasure the right-to-use IT subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. Right-to-use IT subscription assets are reported with other capital assets and IT subscription liabilities are reported with long-term debt on the statement of net position.

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

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

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 assets 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 assets 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."

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.

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

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

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, 2,000 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.
- **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.

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

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 adopted a fund balance policy for all governmental funds as follows: General Fund unassigned fund balance is to exceed 15 percent of annual operating expenses; Secondary Roads Fund restricted fund balances is to be, at minimum, between 5 percent and 10 percent of annual operating expenses; 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, 2023, the Secondary Roads Fund had fund balance at 99 percent 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. General Fund, Debt Service Fund, and Rural Services Fund are in compliance with the fund balance policy.

The ARPA, Opioid Settlement, 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.

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. Expenditures for leases and subscriptions were budgeted as current functional expenditures. 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.

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

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

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 two budget amendments adopted in March, 2023 and May, 2023.

Scott Emergency Communications Center amended its budget in fiscal year 2023. The legal level of control is at the organization level. The Public Safety Authority did not adopt a budget in fiscal year 2023.

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.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 2. Deposits and Investments

As of June 30, 2023, the County's cash and investments were as follows:

Cash on hand, deposits and investments with financial institutions	\$ 80,176,610
Restricted Cash and Investments with financial institutions	1,052,790
Cash on hand and deposits with financial institutions, discretely presented component units	694,002
Cash on hand, deposits and investments with financial institutions, custodial funds	<u>17,819,511</u>
	<u>\$ 99,742,913</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, 2023, the County had the following investments subject to interest rate risk:

<u>Type</u>	<u>0 - 6 Months</u>	<u>7 - 12 Months</u>	<u>12 - 24 Months</u>	<u>Total</u>
Federal Home Loan Mortgage Corporation Notes	\$ -	\$ 4,936,450	\$ 9,686,611	\$ 14,623,061
Federal Home Loan Bank Notes	6,983,100	17,862,400	3,964,660	28,810,160
US Treasury Notes	8,865,500	-	-	8,865,500
Commercial Paper	<u>3,991,950</u>	<u>-</u>	<u>-</u>	<u>3,991,950</u>
Total	<u>\$ 19,840,550</u>	<u>\$ 22,798,850</u>	<u>\$ 13,651,271</u>	<u>\$ 56,290,671</u>

County of Scott, Iowa

Notes To Basic Financial Statements As of and for the Year Ended June 30, 2023

Note 2. Deposits and Investments (Continued)

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, 2023, the investment in the Federal Home Loan Mortgage Corporation Notes and Federal Home Loan Bank Notes are rated Aaa by Moody's and AA+ by Standard & Poor's. The County's investment in Commercial Paper is rated A-1 by Standard & Poor's and P-1 by Moody'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, 2023 were entirely covered by Federal depository insurance, or by a collateral pool in accordance with Chapter 12C of the Code of Iowa. As of June 30, 2023, 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 percent of the investment portfolio and more than 5 percent of the investment portfolio in a single issuer.

At June 30, 2023, the County had 42 percent of its investment portfolio in Federal Home Loan Bank notes, 21 percent of its investment portfolio in Federal Home Loan Mortgage Corporation notes, and 5 percent of its investment portfolio in commercial paper.

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, 2023 for recurring fair value measurements follows the market approach using quoted market prices.

Type	Level 1	Level 2	Level 3	Total
Federal Home Loan Mortgage Corporation Notes	\$ -	\$ 14,623,061	\$ -	\$ 14,623,061
Federal Home Loan Bank Notes	-	28,810,160	-	28,810,160
US Treasury Notes	8,865,500	-	-	8,865,500
Commercial paper	-	3,991,950	-	3,991,950
Total	<u>\$ 8,865,500</u>	<u>\$ 47,425,171</u>	<u>\$ -</u>	<u>\$ 56,290,671</u>

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 3. Interfund Transfers

The following is a schedule of interfund transfers:

	<u>Transfers In</u>	<u>Transfer Out</u>	<u>Reason</u>
Governmental activities:			
Major governmental funds:			
General	\$ 1,320,000	\$ 20,862,351	In - (1), (2); Out (1), (2)
Scott emergency communication center	8,245,000	-	In - (1)
ARPA	-	6,800,883	Out - (1)
Capital projects	18,403,234	-	In - (1), (2)
Secondary roads	3,970,000	-	In - (1)
Debt service	-	1,945,328	Out - (1)
Nonmajor governmental funds:			
Rural services	-	2,930,000	Out - (1)
Recorders management fees	-	45,000	Out - (1)
Public safety authority	1,945,328	-	Out - (1)
Internal service fund			
Health insurance	-	1,300,000	Out - (2)
Total governmental activities	<u>33,883,562</u>	<u>33,883,562</u>	
 Total Transfers	 <u>\$ 33,883,562</u>	 <u>\$ 33,883,562</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 or Internal Service fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 4. Interfund Advances

The following is a schedule of interfund balances:

	<u>Due From</u>	<u>Due To</u>
Golf Course	\$ 150,000	\$ -
Capital Projects	-	150,000
Total governmental activities	<u>\$ 150,000</u>	<u>\$ 150,000</u>

Due to and due from are used to finance the purchase of capital assets for the Golf Course fund with capital from the Capital Projects fund. The amount is expected to be repaid within four years.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 5. Capital Assets

The following is a summary of changes in capital assets for the year ended June 30, 2023:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 4,827,377	\$ -	\$ (167)	\$ 4,827,210
Construction in progress	<u>15,293,517</u>	<u>22,375,267</u>	<u>(4,745,516)</u>	<u>32,923,268</u>
Total Capital Assets Not Being Depreciated and Amortized	<u>20,120,894</u>	<u>22,375,267</u>	<u>(4,745,683)</u>	<u>37,750,478</u>
Capital assets being depreciated and amortized				
Buildings	105,175,446	1,027,998	(2,842,234)	103,361,210
Improvements other than buildings	16,469,876	459,027	(49,935)	16,878,968
Infrastructure	112,522,306	2,061,905	-	114,584,211
Machinery and equipment	40,815,390	4,476,339	(3,312,361)	41,979,368
Intangible - software	4,730,315	-	-	4,730,315
Subscription based contracts*	127,648	338,297	-	465,945
Lease land	4,572	-	-	4,572
Lease buildings	51,840	-	-	51,840
Lease infrastructure telecommunications	<u>167,306</u>	<u>-</u>	<u>-</u>	<u>167,306</u>
Total Capital Assets Being Depreciated and Amortized	<u>280,064,699</u>	<u>8,363,566</u>	<u>(6,204,530)</u>	<u>282,223,735</u>
Less: accumulated depreciation and amortization for				
Buildings	43,985,579	1,975,227	(2,003,590)	43,957,216
Improvements other than buildings	6,427,297	542,808	(49,935)	6,920,170
Infrastructure	81,307,333	2,071,883	-	83,379,216
Machinery and equipment	31,561,061	2,305,782	3,205,126)	30,661,717
Intangible - software	4,129,186	149,649	-	4,278,835
Subscription based contracts*	-	78,423	-	78,423
Lease land	452	133	-	585
Lease buildings	34,200	17,640	-	51,840
Lease infrastructure telecommunications	<u>16,584</u>	<u>5,264</u>	<u>-</u>	<u>21,848</u>
Total Accumulated Depreciation and Amortization	<u>167,461,692</u>	<u>7,146,809</u>	<u>(5,258,651)</u>	<u>169,349,850</u>
Total Capital Assets Being Depreciated and Amortized	<u>112,603,007</u>	<u>1,216,757</u>	<u>(945,879)</u>	<u>112,873,885</u>
Governmental Activities Capital Assets, Net of Depreciation and Amortization	<u>\$132,723,901</u>	<u>\$23,592,024</u>	<u>\$(5,691,562)</u>	<u>\$150,624,363</u>

*See Note 18 Accounting Change

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 5. Capital Assets (Continued)

<u>Business-Type Activities</u>	Balance <u>June 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2023</u>
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	1,688,881	182,016	(233,278)	1,637,619
Lease equipment	<u>-</u>	<u>41,538</u>	<u>-</u>	<u>41,538</u>
Total Capital Assets Being Depreciated and Amortized	<u>2,573,996</u>	<u>223,554</u>	<u>(233,278)</u>	<u>2,564,272</u>
Less: accumulated depreciation and amortization for				
Buildings	363,040	10,302	-	373,342
Improvements other than buildings	303,193	4,441	-	307,634
Machinery and equipment	1,160,732	132,223	(200,047)	1,092,908
Lease equipment	<u>-</u>	<u>5,192</u>	<u>-</u>	<u>5,192</u>
Total Accumulated Depreciation	<u>1,826,965</u>	<u>152,158</u>	<u>(200,047)</u>	<u>1,779,076</u>
Total Capital Assets Being Depreciated	<u>747,031</u>	<u>71,396</u>	<u>(33,231)</u>	<u>785,196</u>
Business-Type Activities Capital Assets, Net of Depreciation	<u>\$ 2,303,367</u>	<u>\$ 71,396</u>	<u>\$ (33,231)</u>	<u>\$ 2,341,532</u>

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 5. Capital Assets (Continued)

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

<u>Discretely Presented Component Units</u>	Balance <u>June 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2023</u>
Capital assets not being depreciated				
Land	\$ 16,600	\$ -	\$ -	\$ 16,600
Construction in Progress	-	68,213	-	68,213
Total Capital Assets Not Being Depreciated	<u>16,600</u>	<u>68,213</u>	<u>-</u>	<u>84,813</u>
Capital assets being depreciated and amortized				
Buildings	1,131,866	-	-	1,131,866
Machinery and equipment	995,746	11,354	(169,298)	837,802
Lease buildings	106,470	-	-	106,470
Lease equipment	4,609	-	-	4,609
Total Capital Assets Being Depreciated and Amortized	<u>2,238,691</u>	<u>11,354</u>	<u>(169,298)</u>	<u>2,080,747</u>
Less: accumulated depreciation for				
Buildings	488,806	20,744	-	509,550
Machinery and equipment	852,468	25,787	(169,298)	708,957
Lease building	40,482	21,389	-	61,871
Lease equipment	1,752	919	-	2,671
Total Accumulated Depreciation and Amortization	<u>1,383,508</u>	<u>68,839</u>	<u>(169,298)</u>	<u>1,283,049</u>
Total Capital Assets Being Depreciated	<u>855,183</u>	<u>(57,485)</u>	<u>-</u>	<u>797,698</u>
Total Governmental Activities Capital Assets, Net of Depreciation	<u>\$ 871,783</u>	<u>\$ 10,728</u>	<u>\$ -</u>	<u>\$ 882,511</u>

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

Governmental Activities:

Public safety and legal services	\$ 1,791,472
Public safety and legal services - SECC	468,363
Physical health and social services	32,127
County environment and education	852,742
Roads and transportation	2,867,548
Governmental services to residents	139,217
Administration	995,340
Total Governmental Activities Depreciation and Amortization Expense	<u>\$ 7,146,809</u>

Business-Type activities, golf course	<u>\$ 152,158</u>
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Discretely Presented Component Units:

Emergency Management Agency	\$ 21,305
County Library	47,534
Total Discretely Presented Component Units Depreciation and Amortization Expense	<u>\$ 68,839</u>

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 6. Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2023:

	Balance <u>June 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2023</u>	Due Within <u>One Year</u>
Governmental Activities:					
General obligation bonds	\$ 14,285,000	\$ -	\$ 2,315,000	\$ 11,970,000	\$2,430,000
Revenue bonds	5,665,000	-	1,850,000	3,815,000	1,890,000
Deferred amount for:					
Premium	<u>829,268</u>	<u>-</u>	<u>302,929</u>	<u>526,339</u>	<u>-</u>
Subtotal for bonds	<u>20,779,268</u>	<u>-</u>	<u>4,467,929</u>	<u>16,311,339</u>	<u>4,320,000</u>
Other Liabilities:					
Compensated absences	3,063,989	2,694,147	2,723,942	3,034,194	2,300,149
Lease liability	172,482	-	22,415	150,067	10,574
Subscription based contract*	127,648	323,485	136,775	314,358	124,030
Note payable	4,730,000	-	590,000	4,140,000	615,000
Net pension liability (asset)	(9,172,470)	16,914,612	-	7,742,142	-
Total OPEB liability	1,994,280	-	27,071	1,967,209	98,040
Claims payable	<u>990,571</u>	<u>10,569,074</u>	<u>10,555,557</u>	<u>1,004,088</u>	<u>968,879</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 22,685,768</u>	<u>\$ 30,501,318</u>	<u>\$ 18,523,689</u>	<u>\$ 34,663,397</u>	<u>\$8,436,672</u>

*See Note 18 Accounting Change

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 6. Long-Term Liabilities (Continued)

	Balance <u>June 30, 2022</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>June 30, 2023</u>	Due Within <u>One Year</u>
Business-Type Activities:					
Other Liabilities:					
Compensated absences	\$ 31,187	\$ 13,879	\$ 8,666	\$ 36,400	\$ 8,485
Lease liability	-	41,538	-	41,538	10,388
Net pension liability	3,962	88,098	-	92,060	-
Total OPEB liability	<u>24,840</u>	<u>-</u>	<u>12,055</u>	<u>12,785</u>	<u>-</u>
Total Business Type Activities Long-Term Liabilities	<u>\$ 59,989</u>	<u>\$ 143,515</u>	<u>\$ 20,721</u>	<u>\$ 182,783</u>	<u>\$ 18,873</u>
	Balance <u>June 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2023</u>	Due Within <u>One Year</u>
Discretely Presented Component Units Activities:					
Other Liabilities:					
Compensated absences	\$ 63,635	\$ 75,064	\$ 74,610	\$ 64,089	\$ 38,492
Lease liability	68,845	-	22,131	46,714	23,012
Net pension liability	10,319	281,680	-	291,999	-
Total OPEB liability	<u>25,175</u>	<u>-</u>	<u>12,750</u>	<u>12,425</u>	<u>-</u>
Total Discretely Presented Component Units Long-Term Liabilities	<u>\$ 167,974</u>	<u>\$ 356,744</u>	<u>\$ 109,491</u>	<u>\$ 415,227</u>	<u>\$ 61,504</u>

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 6. Long-Term Liabilities (Continued)

General Obligation Bonds

General obligation bonds outstanding as of June 30, 2023 consist of \$6,285,000 of general obligation communications and refunding bonds with interest at rates at 5.0 percent, and \$5,685,000 general obligation solid waste disposal bonds with interest rates ranging from to 2.0 percent to 4.0 percent.

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 \$380,000 to \$545,000 through 2035 at interest rates from 2.0 percent to 4.0 percent.

The debt service requirements on the general obligation bonds outstanding as of June 30, 2023 are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 2,430,000	\$ 467,081	\$ 2,897,081
2025	2,605,000	349,681	2,954,681
2026	1,620,000	232,181	1,852,181
2027	1,290,000	164,231	1,454,231
2028	510,000	112,525	622 525
2029-2033	2,440,000	373,889	2,813,889
2034-2035	<u>1,075,000</u>	<u>48,600</u>	<u>1,123,600</u>
Total	<u>\$ 11,970,000</u>	<u>\$ 1,748,188</u>	<u>\$ 13,718,188</u>

**Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023**

Note 6. Long-Term Liabilities (Continued)

Revenue Bonds

Revenue bonds outstanding as of June 30, 2023, consist of \$3,815,000 of Jail Lease Refunding bonds ranging from 1.60 percent to 1.75 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, 2023 there was \$3,815,000 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.

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 percent 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, 2023 are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,890,000	\$ 65,817	\$ 1,955,817
2025	<u>1,925,000</u>	<u>33,687</u>	<u>1,958,687</u>
Total	<u>\$ 3,815,000</u>	<u>\$ 99,504</u>	<u>\$ 3,914,504</u>

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 percent of lease payments received. Total principal and interest remaining on the debt is \$3,914,505 with annual requirements ranging from \$1,955,817 to \$1,958,687. 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 \$1,945,418 and property taxes recognized by the County were \$1,945,418 each.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 6. Long-Term Liabilities (Continued)

Legal Debt Margin

The computation of the County's legal margin as of June 30, 2023 is as follows:

2021 assessed valuation	\$ 17,142,341,867
Less military exemption	<u>(13,219,576)</u>
Total assessed value	<u>\$ 17,129,122,291</u>
Debt limit, 5% of assessed valuation (Iowa statutory limitation)	\$ 856,456,115
Total amount of debt applicable to debt margin	<u>(15,785,000)</u>
Legal debt margin	<u>\$ 840,671,115</u>

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, 2023, the amount outstanding is \$4,140,000. The bonds were issued with interest rates ranging from 2.0 percent to 3.0 percent.

The debt service requirements on the notes payable outstanding as of June 30, 2023 are as follows:

Year Ending June 30	City of Davenport GO Note		
	Principal	Interest	Total
2024	\$ 615,000	\$ 124,200	\$ 739,200
2025	645,000	105,750	750,750
2026	675,000	86,400	761,400
2027	710,000	66,150	776,150
2028	735,000	44,850	779,850
2029	<u>760,000</u>	<u>22,800</u>	<u>782,800</u>
Total	<u>\$ 4,140,000</u>	<u>\$ 450,150</u>	<u>\$ 4,590,150</u>

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 6. Long-Term Liabilities (Continued)

Leases

Leases are payable from the County's General Fund, SECC Fund, Golf Fund, and the discretely presented component unit Library Fund. Leases as of June 30, 2023 consist of the following:

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance</u>
Governmental Activities:					
Land	7/1/2020	7/31/2035	3%	\$ 4,500	\$ 2,986
Land	4/8/2020	9/30/2035	3%	1,500	995
Transmission Tower (Infrastructure)	2/1/2020	1/31/2035	3%	<u>220,800</u>	<u>146,086</u>
Total Governmental Activities				<u>\$ 226,800</u>	<u>\$ 150,067</u>
Business-Type Activities:					
Equipment	1/1/2023	12/31/2026	2.6760%	<u>\$ 41,538</u>	<u>\$ 41,538</u>
Discretely Presented Component Units - Library:					
Building	6/1/2000	5/31/2025	3%	\$ 120,000	\$ 9,185
Building	1/1/2016	1/1/2025	3%	157,500	35,590
Equipment	1/28/2021	4/28/2025	3%	<u>5,319</u>	<u>1,939</u>
Total Library Component Unit				<u>\$ 282,819</u>	<u>\$ 46,714</u>

Debt service requirements to maturity are as follows:

Year Ending June 30	Governmental Activities			Component Unit Activities		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 10,574	\$ 4,502	\$ 15,076	\$ 23,012	\$ 1,401	\$ 24,413
2025	10,891	4,185	15,076	23,702	711	24,413
2026	11,218	3,858	15,076	-	-	-
2027	11,554	3,522	15,076	-	-	-
2028	11,901	3,175	15,076	-	-	-
2029-2033	65,080	10,300	75,380	-	-	-
2034-2035	28,849	1,305	30,154	-	-	-
Total	<u>\$ 150,067</u>	<u>\$ 30,847</u>	<u>\$ 180,914</u>	<u>\$ 46,714</u>	<u>\$ 2,112</u>	<u>\$ 48,826</u>

Year Ending June 30	Business-Type Activities		
	Principal	Interest	Total
2024	\$ 10,388	\$ 556	\$ 10,944
2025	10,110	834	10,944
2026	10,381	563	10,944
2027	10,659	285	10,944
Total	<u>\$ 41,538</u>	<u>\$ 2,238</u>	<u>\$ 43,776</u>

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 6. Long-Term Liabilities (Continued)

Subscription Based Contracts

Subscription Based Contracts are payable from the County's General Fund, and Capital Fund. Contracts have been entered into by the County in 2023 and prior years. Subscription based contracts as of June 30, 2023 consist of the following:

On July 1, 2022, Scott County, IA entered into a 25 month subscription for the use of Acquia Cloud Platform - Website Hosting. An initial subscription liability was recorded in the amount of \$35,259. As of June 30, 2023 the value of the subscription liability is \$17,496. The County is required to make annual fixed payments of \$18,000. The subscription has an interest rate of 2.0237 percent. The value of the right to use asset as of June 30, 2023 is \$35,259 with accumulated amortization of \$16,614.

On July 1, 2022, Scott County, IA entered into a 34 month subscription for the use of NOVA5000 Standard and Advanced Scheduler (ASCENTIS). An initial subscription liability was recorded in the amount of \$68,456. As of June 30, 2023, the value of the subscription liability is \$34,516. The County is required to make annual fixed payments of \$35,400. The subscription has an interest rate of 2.5600 percent. The value of the right to use asset as of June 30, 2023 is \$68,456 with accumulated amortization of \$24,161.

On July 1, 2022, Scott County, IA entered into a 36 month subscription for the use of NOVA5000 Advanced Mobile Function. An initial subscription liability was recorded in the amount of \$23,933. As of June 30, 2023, the value of the subscription liability is \$11,693. The County is required to make annual fixed payments of \$6,120. The subscription has an interest rate of 3.1023 percent. The value of the right to use asset as of June 30, 2023 is \$23,933 with accumulated amortization of \$7,978.

On February 7, 2023, Scott County, IA entered into a 36 month subscription for the use of Meraki Licenses. An initial subscription liability was recorded in the amount of \$36,084. As of June 30, 2023, the value of the subscription liability is \$23,745. The County is required to make annual fixed payments of \$12,348. The subscription has an interest rate of 2.6560 percent. The value of the right to use asset as of June 30, 2023 is \$36,084 with accumulated amortization of \$4,811.

On August 4, 2022, Scott County, IA entered into a 60 month subscription for the use of Cisco Collab Flex Plan Meetings - License - Webex. An initial subscription liability was recorded in the amount of \$71,441. As of June 30, 2023, the value of the subscription liability is \$56,476. The County is required to make annual fixed payments of \$14,964. The subscription has an interest rate of 2.3657 percent. The value of the right to use asset as of June 30, 2023 is \$71,441 with accumulated amortization of \$12,978.

On March 20, 2023, Scott County, IA entered into a 60 month subscription for the use of Evidence Management Software. An initial subscription liability was recorded in the amount of \$146,642. As of June 30, 2023, the value of the subscription liability is \$115,617. The County is required to make annual fixed payments of \$31,026. The subscription has an interest rate of 2.8943 percent. The value of the right to use asset as of June 30, 2023 is \$159,554 with accumulated amortization of \$8,953.

On April 17, 2023, Scott County, IA entered into a 60 month subscription for the use of Modus Elections Software. An initial subscription liability was recorded in the amount of \$69,318. As of June 30, 2023, the value of the subscription liability is \$54,814. Scott County, IA is required to make annual fixed payments of \$14,504. The subscription has an interest rate of 2.3100 percent. The value of the right to use asset as of June 30, 2023 is \$71,218 with accumulated amortization of \$2,928.

The value of all contracts is \$465,945 and accumulated amortization of \$78,423.

**Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023**

Note 6. Long-Term Liabilities (Continued)

Debt service requirements to maturity are as follows:

Year Ending June 30	Government-Type Activities		
	Principal	Interest	Total
2024	\$ 124,030	\$ 8,181	\$ 132,211
2025	73,938	3,052	76,990
2026	57,441	1,546	58,987
2027	58,948	285	59,233
Total	\$ 314,357	\$ 13,064	\$ 327,421

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 7. 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, custodial 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, a custodial 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.

County of Scott, Iowa

Notes To Basic Financial Statements As of and for the Year Ended June 30, 2023

Note 7. Retirement System (Continued)

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.

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

- 60 percent of average salary after completion of 22 years of service, plus an additional 1.5 percent 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 percentage point. IPERS Contribution Rate Funding Policy requires the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2023, pursuant to the required rate, Regular members contributed 6.29 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 8.76 percent of covered payroll for a total rate of 17.52 percent. Protection occupation members contributed 6.21 percent of covered payroll and the County contributed 9.31 percent for a total rate of 15.52 percent.

The County's, including all pension reporting units, contributions to IPERS for the year ended June 30, 2023 were \$3,493,003.

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 7. Retirement System (Continued)

Net Pension Liability (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2023, the County, including all pension reporting units (primary government, component unit and custodial), reported a liability of \$8,328,040 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2022, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability (asset) was based on the County's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2022, the County's collective proportion was 0.220426 percent, which was a decrease of 2.430747 percent from its collective proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the County recognized pension expense of \$4,313,668. At June 30, 2023, 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	\$ 511,251	\$ 157,975	\$ 292,088	\$ 7,634
Changes in assumptions	9,786	275	-	298,572
Net difference between projected and actual earnings on pension plan investments	-	1,234,558	-	136,004
Changes in proportion and difference between County contributions and proportionate share of contributions	209,587	69,104	17,407	10,466
County contributions subsequent to the measurement dates	<u>2,353,120</u>	<u>-</u>	<u>397,787</u>	<u>-</u>
Total	<u>\$ 3,083,744</u>	<u>\$ 1,461,912</u>	<u>\$ 707,282</u>	<u>\$ 452,676</u>

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 7. 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	\$ 628,929	\$ 903	\$ 1,432,268	\$ 166,512
Changes in assumptions	-	394,054	9,786	692,901
Net difference between projected and actual earnings on pension plan investments	-	399,312	-	1,769,874
Changes in proportion and difference between County contributions and proportionate share of contributions	2,026	3,637	229,020	83,207
County contributions subsequent to the measurement dates	<u>599,451</u>	<u>-</u>	<u>3,350,358</u>	<u>-</u>
Total	<u>\$ 1,230,406</u>	<u>\$ 797,906</u>	<u>\$ 5,021,432</u>	<u>\$ 2,712,494</u>

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 7. 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	\$ 12,956	\$ 4,003
Changes in assumptions	248	7
Net difference between projected and actual earnings on pension plan investments	-	31,286
Changes in proportion and difference between County contributions and proportionate share of contributions	5,311	1,751
County contributions subsequent to the measurement dates	<u>82,988</u>	<u>-</u>
Total	<u>\$ 101,503</u>	<u>\$ 37,047</u>

County of Scott, Iowa

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 7. Retirement System (Continued)

\$3,350,358, primary government, and \$82,988, 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, 2023, will be recognized as a reduction of the net pension liability (asset) in the measurement year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending</u> <u>June 30</u>	Primary Government <u>Total</u>	Discrete Component <u>Units Total</u>
2024	\$ (1,579,781)	\$ (26,385)
2025	(1,145,805)	(19,696)
2026	(2,226,785)	(37,186)
2027	3,908,250	64,100
2028	<u>2,701</u>	<u>635</u>
Total	<u>\$ (1,041,420)</u>	<u>\$ (18,532)</u>

There were no non-employer contributing entities at IPERS.

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

Rate of inflation (effective June 30, 2017)	2.6 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, 2022 valuation were based on the results of actuarial quadrennial experience study covering the period of July 1, 2017 through June 30, 2021.

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

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 7. 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%	3.57%
International equity	17.5	4.79
Global smart beta equity	6.0	4.16
Core-plus fixed income	20.0	1.66
Public credit	4.0	3.77
Cash	1.0	0.77
Private equity	13.0	7.57
Private real assets	8.5	3.55
Private credit	8.0	3.63
Total	<u>100.0%</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 (asset).

Notes To Basic Financial Statements
As of and for the Year Ended June 30, 2023

Note 7. 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	\$ 21,488,038	\$ 11,533,361	\$ 2,760,554
Sheriffs and Deputies	614,192	(1,646,891)	(3,627,038)
Protection Occupation	578,766	(2,052,268)	(4,357,973)
Total	<u>\$ 22,680,996</u>	<u>\$ 7,834,202</u>	<u>\$ (5,224,457)</u>

Discrete component units:

	1% Decrease 6.00%	Rate 7.00%	1% Increase 8.00%
Regular Membership Group	<u>\$ 544,029</u>	<u>\$ 291,999</u>	<u>\$ 69,891</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, 2023, the County reported payables to the defined benefit pension plan of \$350,150 for legally required employer contributions and \$246,664 for legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

**Notes To Basic Financial Statements
As of and For the Year Ended June 30, 2023**

Note 8. 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, a custodial 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, 2023, the following employees were covered by the benefit terms:

	<u>Number of Members</u>
Active	506
Inactive currently receiving benefits	<u>16</u>
Total	<u><u>522</u></u>

Total OPEB Liability: The County and reporting units' total OPEB liability of \$1,992,419 was measured as of June 30, 2023, and was determined by an actuarial valuation as of January 1, 2023.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and For the Year Ended June 30, 2023

Note 8. Other Postemployment Benefits (Continued)

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

Measure date	June 30, 2023
Actuarial valuation date	January 1, 2023
Rate of inflation (effective June 30, 2023)	3.0 percent per year
Rates of salary increase (effective June 30, 2023)	4.0 percent per year
Discount rate (effective June 30, 2023)	3.72 percent per year
Healthcare cost trend rate (effective June 30, 2023)	5.0 percent per year

Discount Rate: The discount rate used to measure the total OPEB liability was 3.72 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, 2023.

Mortality rates are from the RP2014 Annuitant distinct mortality table adjusted to 2006 with MP 2021 generational projection of future mortality improvement.

The actuarial assumption used in the June 30, 2023 measurement were based on the results of an actuarial experience study as of January 1, 2023.

Changes in the Total OPEB Liability:

Total OPEB Liability beginning of year	\$ 2,044,295
Service cost	99,296
Expected interest	73,088
Difference between expected and actual experience	133,593
Changes of assumptions	(267,046)
Benefit payments	(90,807)
Total OPEB liability - end of year	<u>\$ 1,992,419</u>

The benefit payments are funded through the County's Governmental Activities Internal Service Fund and are not allocated to the individual reporting units.

County of Scott, Iowa

Notes To Basic Financial Statements
As of and For the Year Ended June 30, 2023

Note 8. 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 (2.72 percent) or 1 percent higher (4.72 percent) than the current discount rate.

	1% Decrease 2.72%	Rate 3.72%	1% Increase 4.72%
Total OPEB Liability - County	\$ 2,164,134	\$ 1,979,994	\$ 1,812,754
Total OPEB Liability - Discrete Component Units	\$ 13,580	\$ 12,425	\$ 11,376

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%	Rate 5.00%	1% Increase 6.00%
Total OPEB Liability - County	\$ 1,757,952	\$ 1,979,994	\$ 2,241,839
Total OPEB Liability - Discrete Component Units	\$ 11,032	\$ 12,425	\$ 14,069

OPEB Expense, Deferred Inflows of Resources and Deferred Outflows of Resources Related to OPEB - For the year ended June 30, 2023, the County recognized OPEB expense of \$198,444. At June 30, 2023, the County reported deferred inflows and deferred outflows of resources related to OPEB from the following resources:

	County		Discrete Component Units	
	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 3,167	\$ 210,010	\$ 20	\$ 1,316
Changes in assumptions	287,604	269,723	1,805	1,693
	\$ 290,771	\$ 479,733	\$ 1,825	\$ 3,009

County of Scott, Iowa

**Notes To Basic Financial Statements
As of and For the Year Ended June 30, 2023**

Note 8. Other Postemployment Benefits (Continued)

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	County	Discrete Component Units
2023	\$ 31,722	\$ 199
2024	31,722	199
2025	31,722	199
2026	31,722	199
2027	31,722	199
Thereafter	<u>30,352</u>	<u>189</u>
Total	<u><u>\$ 188,962</u></u>	<u><u>\$ 1,184</u></u>

Note 9. 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, \$132,002,371 maximum coverage on property and limited statutory \$2,000,000 maximum coverage on workers' compensation. Settled claims exceeded the commercial coverage in 2023 for building wind damage. \$655,823 has been received for settled claims. All general liability claims handling procedures are performed by the County. Healthcare claims have a stop loss policy of \$175,000 and an additional \$50,000 aggregate. Stop loss reimbursements of \$445,394 were received by the County.

As of June 30, 2023, the amount of liabilities recorded for estimated claim settlements for general, automobile, property and workers' compensation liability claims was \$352,088 of which \$53,365 was recorded in the General Fund. The County has assigned \$352,088 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, 2023

Note 9. Risk Management and Insurance (Continued)

	2023	2022
Claims payable, beginning of year	\$ 424,571	\$ 365,638
Claims expense and change in reserve	1,076,614	600,161
Claims payments	<u>(1,149,097)</u>	<u>(541,228)</u>
Claims payable, end of year	<u>\$ 352,088</u>	<u>\$ 424,571</u>

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

	2023	2022
Claims payable, beginning of year	\$ 566,000	\$ 570,000
Claims expense and change in reserve	9,492,460	7,478,931
Claims payments	<u>(9,406,460)</u>	<u>(7,482,931)</u>
Claims payable, end of year	<u>\$ 652,000</u>	<u>\$ 566,000</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 10. 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, 2023, there were two series of revenue bonds outstanding. The aggregate principal balance of the revenue bonds outstanding is \$12,199,000.

**Notes To Basic Financial Statements
As of and For the Year Ended June 30, 2023**

Note 11. 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, 2023 is \$5,685,000.

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 \$5,685,000 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, 2023

Note 12. Fund Balances

Governmental fund balances reported on the fund financial statements at June 30, 2023 are:

	General	Secondary Roads	ARPA	Scott Emergency Communication Center
Fund Balances:				
Nonspendable				
Prepays	\$ 152,358	\$ -	\$ -	\$ 495,591
Restricted				
Debt service	-	-	-	-
Secondary roads	-	8,936,224	-	-
ARPA	-	-	600,236	-
Emergency services	-	-	-	1,647,105
Capital projects	-	-	-	-
Records management fee	-	-	-	-
Rural services	-	-	-	-
Opioid settlement	-	-	-	-
Other statutory programs	649,548	-	-	-
Subtotal Restricted	<u>649,548</u>	<u>8,936,224</u>	<u>600,236</u>	<u>1,647,105</u>
Assigned				
Capital projects	5,770,265	-	-	-
Claim liabilities	298,723	-	-	-
Subtotal Assigned	<u>6,068,988</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unassigned	<u>13,612,724</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>\$ 20,483,618</u>	<u>\$ 8,936,224</u>	<u>\$ 600,236</u>	<u>\$ 2,142,696</u>

County of Scott, Iowa

Notes To Basic Financial Statements
As of and For the Year Ended June 30, 2023

Note 12. Fund Balances (Continued)

	Capital Projects	Debt Service	Nonmajor Governmental	Total
Fund Balances:				
Nonspendable				
Prepays	\$ -	\$ -	\$ -	\$ 647,949
Subtotal Nonspendable	-	-	-	647,949
Restricted				
Debt service	-	6,082,223	1,414	6,083,637
Secondary roads	-	-	-	8,936,224
ARPA	-	-	-	600,236
Emergency services	-	-	-	1,647,105
Records management fee	-	-	45,479	45,479
Capital projects	1,059,342	-	-	1,059,342
Rural services	-	-	191,384	191,384
Opioid settlement	-	-	1,786,351	1,786,351
Other statutory programs	-	-	-	649,548
Subtotal Restricted	1,059,342	6,082,223	2,024,628	20,999,306
Assigned				
Capital projects	12,363,380	-	-	18,080,280
Claim liabilities	-	-	-	352,088
Subtotal Assigned	12,363,380	-	-	18,432,368
Unassigned				
	-	-	-	13,612,724
Total Fund Balances	\$ 13,422,722	\$ 6,082,223	\$ 2,024,628	\$ 53,692,347

Note 13. 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.

**Notes To Basic Financial Statements
As of and For the Year Ended June 30, 2023**

Note 14. Commitments and Contingency

The County has financial commitments relating to future purchases of \$13,597, payable from the General fund; \$16,050,658, payable from the Capital Projects fund; \$900,672, payable from the Scott Emergency Communication Center Fund; and \$1,453,824, payable from the Secondary Roads 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.

Note 15. Leases Receivable

On July 1, 2022, Scott County, IA entered into a 24 month lease as lessor for the use of Warehouse space. An initial lease receivable was recorded in the amount of \$87,195. For 2023, the value of the lease receivable is \$88,944. The lessee is required to make monthly fixed payments of \$1.00 for 2023. The lease has an interest rate of 2.1840 percent. The Buildings estimated useful life was 600 months as of the contract commencement. The value of the deferred inflow of resources as of June 30, 2023 was \$43,597, and the County recognized lease revenue of \$43,597 during the fiscal year. The lessee had a termination period of 6 months as of the lease commencement. Scott County, IA had a termination period of 24 months as of the lease commencement.

In fiscal year 2024, the County expect to receive principal payments of \$88,944, interest payments of \$1,056 for a total of \$90,000.

Note 16. 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, 2023, the County did not abate any property tax under the urban renewal and economic development projects.

Tax Abatements of Other Entities

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

County of Scott, Iowa

Notes To Basic Financial Statements
As of and For the Year Ended June 30, 2023

Note 16. Tax Abatements (Continued)

Entity	Tax Abatement Program	Amount of Tax Abated
City of Bettendorf	Economic development and / or other benefits	\$ 795,095
City of Blue Grass	Economic development and / or other benefits	18,140
City of Davenport	Economic development and / or other benefits	762,184
City of Eldridge	Economic development and / or other benefits	31,027
City of LeClaire	Economic development and / or other benefits	279,965
City of Riverdale	Economic development and / or other benefits	2,209
City of Walcott	Economic development and / or other benefits	19,898
Total		\$ 1,908,518

Note 17. Governmental Accounting Standards Board (GASB) Statements

The County adopted the following statements as of June, 2023:

- 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 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.
- 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 99, *Omnibus 2022*, will be effective for the County upon issuance with certain requirements effective for the year ended June 30, 2023. This statement provides guidance to enhance comparability in the application of accounting and financial reporting requirements for derivative instruments, leases, public-private and public-public partnerships and availability payment arrangements, subscription-based information technology arrangements, LIBOR, SNAP, nonmonetary transactions, pledges of future revenues, and financial reporting.

**Notes To Basic Financial Statements
As of and For the Year Ended June 30, 2023**

Note 17. 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 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No 62*, will be effective for the year ended June 30, 2024. This statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.
- GASB Statement No 101, *Compensated Absences*, will be effective for the year ended June 30, 2025. This statement will unify recognition and measurement model in a liability for compensated absences for more appropriately reflects when a government incurs an obligation.

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

Note 18. Accounting Change

Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*, was implemented during the fiscal year 2023. The new requirements require the reporting of certain subscription information technology contracts assets and liabilities which were previously not reported. The results of these changes had no effect on the beginning net position.

	<u>Governmental Activities</u>
Capital Assets (Note 5)	
Balances June 30, 2022, as previously reported	\$ 132,596,253
Change to implement GASB No. 96	<u>127,648</u>
Balances July 1, 2022, as restated	<u><u>\$ 132,723,901</u></u>
Long-Term Liabilities (Note 6)	
Balances June 30, 2021, as previously reported	\$ 31,730,590
Change to implement GASB No. 96	<u>127,648</u>
Balances July 1, 2022, as restated	<u><u>\$ 31,858,238</u></u>

Note 19. Subsequent Event

Subsequent to year end, the County entered into a contract for the receipt of MEDIC EMS, a 501(c) 3 organization's assets and liabilities as of January 1, 2024. The County will then assume ground emergency transport and non-emergency transport services within Scott County and other contracted areas. The agreement is subject to a final asset transfer agreement to be finalized in 2023.

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County of Scott, Iowa

Required Supplementary Information
 Budgetary Comparison Schedule (Non-GAAP)
 All Governmental Funds - Primary Government
 For the Year Ended June 30, 2023

	Budget		Actual - Budgetary Basis	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Property taxes	\$ 58,960,186	\$ 58,960,186	\$ 58,475,657	\$ (484,529)
Local option sales tax	5,850,000	5,850,000	6,193,133	343,133
Other taxes	2,858,035	2,958,035	2,955,004	(3,031)
Interest and penalties on taxes	590,000	640,000	624,139	(15,861)
Intergovernmental	31,829,566	29,668,934	22,842,521	(6,826,413)
Charges for services	7,120,085	7,224,904	7,064,298	(160,606)
Investment earnings	196,950	2,460,500	3,197,583	737,083
Licenses and permits	758,595	871,350	894,545	23,195
Rentals and fees	137,505	120,705	157,309	36,604
Other	1,056,723	4,715,000	5,174,237	459,237
Total revenues	109,357,645	113,469,614	107,578,426	(5,891,188)
Expenditures				
Current:				
Public safety and legal services	40,329,089	41,514,806	38,792,112	2,722,694
Physical health and social services	7,588,116	7,462,808	6,421,618	1,041,190
County environment and education	8,775,109	8,350,892	7,339,783	1,011,109
Roads and transportation	9,202,500	11,040,200	7,053,960	3,986,240
Government services to residents	3,537,755	3,608,569	2,907,335	701,234
Administration	15,018,636	16,346,568	14,915,265	1,431,303
Capital outlay	30,066,500	32,007,566	21,763,156	10,244,410
Debt service	4,850,800	4,850,700	4,846,809	3,891
Total expenditures	119,368,505	125,182,109	104,040,038	21,142,071
Excess (deficiency) of revenues over expenditures	(10,010,860)	(11,712,495)	3,538,388	15,250,883
Other financing sources (uses):				
Transfers in	27,938,070	31,619,411	24,895,125	(6,724,286)
Transfers out	(27,938,070)	(31,619,411)	(24,895,125)	6,724,286
Subscription based contracts issued	-	-	323,485	323,485
Proceeds from sale of capital assets	167,000	232,600	197,074	(35,526)
Total other financing sources (uses)	167,000	232,600	520,559	287,959
Net change in fund balances	\$ (9,843,860)	\$ (11,479,895)	\$ 4,058,947	\$ 15,538,842

See page 84 for reconciliation to GAAP.

County of Scott, Iowa

Required Supplementary Information
 Budgetary Comparison Schedule
 Scott Emergency Communication Center
 For the Year Ended June 30, 2023

	Budget		Actual - GAAP Basis
	Original	Final	
Revenues:			
Intergovernmental	\$ 9,002,000	\$ 9,777,000	\$ 9,000
Investment earnings	5,000	3,800	109,586
Charges for services	25,500	5,000	-
Rental & Fees	21,000	21,000	22,750
Other	300	4,880	4,954
Total revenues	9,053,800	9,811,680	146,290
Expenditures			
Current:			
Public safety and legal services	7,593,433	7,320,822	6,894,309
Capital outlay	989,500	1,764,500	1,019,606
Debt service	726,000	726,000	741,076
Total expenditures	9,308,933	9,811,322	8,654,991
Excess (deficiency) of revenues over expenditures	(255,133)	358	(8,508,701)
Other financing sources:			
Transfers in	-	-	8,245,000
Total other financing sources	-	-	8,245,000
Net change in fund balances	\$ (255,133)	\$ 358	\$ (263,701)

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

Reclassifications	Actual - Budgetary Basis	Variance with Final Budget Over (Under)
\$ 8,565,000	\$ 8,574,000	\$ (1,203,000)
-	109,586	105,786
-	-	(5,000)
-	22,750	1,750
-	4,954	74
<u>8,565,000</u>	<u>8,711,290</u>	<u>(1,100,390)</u>
335,076	7,229,385	91,437
-	1,019,606	744,894
(15,076)	726,000	-
<u>320,000</u>	<u>8,974,991</u>	<u>836,331</u>
8,245,000	(263,701)	(264,059)
(8,245,000)	-	-
<u>(8,245,000)</u>	<u>-</u>	<u>-</u>
\$ -	\$ (263,701)	\$ (264,059)

See independent auditors' report and notes to required supplementary information

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County of Scott, Iowa

Schedule of Comparison
 Budgetary Comparison Schedule
 All Governmental Funds to Primary Government Budgeted Funds
 For the Year Ended June 30, 2023

	Governmental	Scott Emergency			Actual - Budgetary Basis
	Fund	Communications	Public Safety Authority	Reclassifications	
	Types Actual	Center Component Unit	Component Unit		
Revenues:					
Property taxes	\$ 58,475,657	\$ -	\$ -	\$ -	\$ 58,475,657
Local option sales tax	6,193,133	-	-	-	6,193,133
Other taxes	2,955,004	-	-	-	2,955,004
Interest and penalties on taxes	624,139	-	-	-	624,139
Intergovernmental	22,531,521	(9,000)	-	320,000	22,842,521
Charges for services	7,064,298	-	-	-	7,064,298
Investment earnings	3,308,519	(109,586)	(1,350)	-	3,197,583
Licenses and permits	894,545	-	-	-	894,545
Rentals and fees	180,059	(22,750)	-	-	157,309
Other	3,879,191	(4,954)	-	1,300,000	5,174,237
Total revenues	106,106,066	(146,290)	(1,350)	1,620,000	107,578,426
Expenditures					
Current:					
Public safety and legal services	37,121,421	(6,894,309)	-	8,565,000	38,792,112
Physical health and social services	6,421,618	-	-	-	6,421,618
County environment and education	7,339,783	-	-	-	7,339,783
Roads and transportation	7,053,960	-	-	-	7,053,960
Government services to residents	2,892,831	-	-	14,504	2,907,335
Administration	14,785,786	-	-	129,479	14,915,265
Capital outlay	22,770,415	(1,019,606)	-	12,347	21,763,156
Debt service	5,744,215	(741,076)	(1,945,328)	1,788,998	4,846,809
Total expenditures	104,130,029	(8,654,991)	(1,945,328)	10,510,328	104,040,038
Excess (deficiency) of revenues over expenditures	1,976,037	8,508,701	1,943,978	(8,890,328)	3,538,388
Other financing sources (uses):					
Transfers in	33,883,562	(8,245,000)	(1,945,328)	1,201,891	24,895,125
Transfers out	(32,583,562)	-	-	7,688,437	(24,895,125)
Subscription based contracts issued	323,485	-	-	-	323,485
Proceeds from sale of capital assets	197,074	-	-	-	197,074
Total other financing sources (uses)	1,820,559	(8,245,000)	(1,945,328)	8,890,328	520,559
Net change in fund balances	\$ 3,796,596	\$ 263,701	\$ (1,350)	\$ -	\$ 4,058,947

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 (Asset)
 Iowa Public Employers' Retirement System
 Last Ten Fiscal Years*

	2015	2016	2017	2018
County's proportion of net pension liability (asset)	0.274511%	0.293765%	0.315698%	0.325938%
County's proportionate share of net pension liability (asset) \$	10,886,862	\$ 14,513,418	\$ 19,867,842	\$ 21,711,318
County's covered payroll \$	28,172,699	\$ 28,766,876	\$ 29,388,451	\$ 31,387,807
County's proportionate share of net pension liability (asset) as a percentage of its covered payroll	38.64%	50.45%	67.60%	69.17%
Plan fiduciary net position as a percentage of the total pension liability	85.61%	85.19%	81.82%	82.21%

* 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.

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.

2019	2020	2021	2022	2023
0.301965%	0.295482%	0.322883%	2.650748%	0.224026%
\$ 19,109,062	\$ 17,110,370	\$ 22,681,671	\$ (9,151,092)	\$ 8,328,040
\$ 31,282,997	\$ 32,182,507	\$ 34,204,264	\$ 35,177,431	\$ 36,024,607
61.08%	53.17%	66.31%	-26.01%	23.12%
83.62%	85.45%	82.90%	100.81%	91.40%

See independent auditors' report and notes to required supplementary information

County of Scott, Iowa

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

	2014	2015	2016	2017	2018
Statutorily required contribution	\$ 2,605,252	\$ 2,660,923	\$ 2,701,309	\$ 2,876,113	\$ 2,857,155
Contributions in relation to the statutorily required contribution	2,605,252	2,660,923	2,701,309	2,876,113	2,857,155
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	28,172,699	28,766,876	29,388,451	31,387,807	31,282,997
Contributions as a percentage of covered payroll	9.25%	9.25%	9.19%	9.16%	9.13%

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

Source is IPERS annual Report

	2019	2020	2021	2022	2023
\$	3,090,585	\$ 3,259,184	\$ 3,324,046	\$ 3,374,936	\$ 3,493,003
	3,090,585	3,259,184	3,324,046	3,374,936	3,493,003
\$	-	\$ -	\$ -	\$ -	\$ -
	32,182,507	34,204,264	35,177,431	36,024,607	37,418,136
	9.60%	9.53%	9.45%	9.37%	9.34%

See independent auditors' report and notes to required supplementary information

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	<u>(103,958)</u>	<u>(69,760)</u>	<u>(70,208)</u>
Net change in total OPEB liability	205,936	83,259	55,109
Total OPEB liability beginning of year, as restated	<u>1,258,299</u>	<u>1,464,235</u>	<u>1,547,494</u>
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.

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

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%
-------	-------	-------

	2021	2022	2023
\$	106,439	\$ 110,697	\$ 99,297
	41,488	43,236	73,088
	(4,498)	-	133,593
	283,789	-	(267,046)
	<u>(62,700)</u>	<u>(76,759)</u>	<u>(90,808)</u>
	364,518	77,174	(51,876)
	<u>1,602,603</u>	<u>1,967,121</u>	<u>2,044,295</u>
\$	<u>1,967,121</u>	\$ <u>2,044,295</u>	\$ <u>1,992,419</u>
\$	31,159,826	\$ 32,406,219	\$ 33,833,226
	6.31%	6.31%	5.89%
	2.12%	2.12%	3.72%

See independent auditors' report and notes to required supplementary information

**Notes to Required Supplementary Information
As of and For the Year Ended June 30, 2023**

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, two budget amendments increased budgeted expenditures by \$5,813,604. The budget amendment was adjusted estimates of current year activity, ARPA grant funding, capital outlay and project progress.

The Public Safety Authority did not adopt a budget in fiscal year 2023.

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 (Asset)

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

The 2022 valuation implemented the following refinements as a result of a quadrennial experience study:

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

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

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

**Notes to Required Supplementary Information
As of and For the Year Ended June 30, 2023**

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, 2023

	Special Revenue		Debt Service		Total
	Opioid Settlement Fund	Rural Services Fund	Recorders Management Fees Fund	Public Safety Authority	
Assets					
Cash and investments	\$ 1,524,863	\$ 189,861	\$ 45,144	\$ -	\$ 1,759,868
Restricted Cash and Investments	-	-	-	1,414	1,414
Receivables:					
Property taxes, net of allowance for collection losses	-	3,498,735	-	-	3,498,735
Accrued interest	11,594	1,378	335	-	13,307
Accounts	5,389,506	-	-	-	5,389,506
Total assets	\$ 6,925,963	\$ 3,689,974	\$ 45,479	\$ 1,414	\$ 10,662,830
Deferred Inflows of Resources and Fund Balance					
Deferred Inflows of Resources					
Unavailable revenue	\$ 5,139,612	\$ 3,951	\$ -	\$ -	\$ 5,143,563
Property tax revenue	-	3,494,639	-	-	3,494,639
Total deferred inflows of resources	5,139,612	3,498,590	-	-	8,638,202
Fund balances					
Restricted	1,786,351	191,384	45,479	1,414	2,024,628
Total fund balance	1,786,351	191,384	45,479	1,414	2,024,628
Total deferred inflows of resources and fund balances	\$ 6,925,963	\$ 3,689,974	\$ 45,479	\$ 1,414	\$ 10,662,830

County of Scott, Iowa

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2023**

	Special Revenue			Debt Service		Total
	Opioid Settlement Fund	Rural Services Fund	Recorders Management Fees Fund	Public Safety Authority		
Revenues:						
Property taxes	\$ -	\$ 3,255,729	\$ -	\$ -	\$ -	\$ 3,255,729
Other taxes	-	84,826	-	-	-	84,826
Intergovernmental	-	222,961	-	-	-	222,961
Charges for services	-	-	24,591	-	-	24,591
Investment earnings	44,916	14,100	2,455	1,350	-	62,821
Other	1,741,435	-	-	-	-	1,741,435
Total revenues	1,786,351	3,577,616	27,046	1,350	-	5,392,363
Expenditures:						
Current:						
County environment and education	-	576,241	-	-	-	576,241
Debt Service						
Principal	-	-	-	1,850,000	-	1,850,000
Interest and fees	-	-	-	95,328	-	95,328
Total Expenditures	-	576,241	-	1,945,328	-	2,521,569
Excess (deficiency) of revenue over expenditures	1,786,351	3,001,375	27,046	(1,943,978)	-	2,870,794
Other financing sources (uses):						
Transfers In	-	-	-	1,945,328	-	1,945,328
Transfers Out	-	(2,930,000)	(45,000)	-	-	(2,975,000)
Total Other Financing Sources (Uses)	-	(2,930,000)	(45,000)	1,945,328	-	(1,029,672)
Net change in fund balances	1,786,351	71,375	(17,954)	1,350	-	1,841,122
Fund balances, beginning of year	-	120,009	63,433	64	-	183,506
Fund balances, end of year	\$ 1,786,351	\$ 191,384	\$ 45,479	\$ 1,414	\$ -	\$ 2,024,628

County of Scott, Iowa

Combining Statement of Net Position
Internal Service Funds
As of June 30, 2023

	Internal Service Funds		
	Dental Insurance Fund	Health Insurance Fund	Total
Assets			
Current assets:			
Cash and investments	\$ 487,637	\$ 4,298,137	\$ 4,785,774
Accounts receivable	-	175,972	175,972
Interest receivable	3,697	32,344	36,041
Prepays	40,000	204,779	244,779
Total current assets	531,334	4,711,232	5,242,566
Total assets	\$ 531,334	\$ 4,711,232	\$ 5,242,566
Liabilities and Net Position			
Current liabilities:			
Accounts payable	\$ 2,781	\$ 6,052	\$ 8,833
Claims payable	20,000	632,000	652,000
Total liabilities	22,781	638,052	660,833
Net Position:			
Unrestricted	508,553	4,073,180	4,581,733
Total net position	508,553	4,073,180	4,581,733
Total liabilities and net position	\$ 531,334	\$ 4,711,232	\$ 5,242,566

County of Scott, Iowa

Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2023

	Internal Service Funds		
	Dental Insurance Fund	Health Insurance Fund	Total
Operating revenues:			
Charges for services	\$ 494,104	\$ 9,204,177	\$ 9,698,281
Other	-	509,868	509,868
Total operating revenues	494,104	9,714,045	10,208,149
Operating expenses:			
Administrative charges	33,344	712,390	745,734
Claims	382,669	9,023,791	9,406,460
Total operating expenses	416,013	9,736,181	10,152,194
Operating income (loss)	78,091	(22,136)	55,955
Nonoperating revenues:			
Investment earnings	16,262	176,721	192,983
Total nonoperating revenues	16,262	176,721	192,983
Income before transfers	94,353	154,585	248,938
Transfers Out	-	(1,300,000)	(1,300,000)
Change in Net Position	94,353	(1,145,415)	(1,051,062)
Total Net Position, beginning of year	414,200	5,218,595	5,632,795
Total Net Position, end of year	\$ 508,553	\$ 4,073,180	\$ 4,581,733

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County of Scott, Iowa

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2023

	Internal Service Funds		
	Dental Insurance Fund	Health Insurance Fund	Total
Cash flows from operating activities:			
Cash received from customers	\$ 494,135	\$ 9,207,056	\$ 9,701,191
Refunds from outside sources	-	334,553	334,553
Cash payments to suppliers for goods and services	(456,998)	(9,650,657)	(10,107,655)
Net cash from operating activities	37,137	(109,048)	(71,911)
Cash flows from noncapital financing activities,			
Transfer to other funds	-	(1,300,000)	(1,300,000)
Cash flows from investing activities, interest received	12,795	147,302	160,097
Net increase (decrease) in cash and cash equivalents	49,932	(1,261,746)	(1,211,814)
Cash and cash equivalents:			
Beginning	437,705	5,559,883	5,997,588
Ending	\$ 487,637	\$ 4,298,137	\$ 4,785,774
Reconciliation of operating income (loss) to net cash			
from operating activities:			
Operating income (loss)	\$ 78,091	\$ (22,136)	\$ 55,955
Adjustments to reconcile operating income (loss) to net cash			
from operating activities:			
Changes in assets and liabilities:			
Prepays	31	(175,504)	(175,473)
Accounts receivable	-	1,176	1,176
Accounts payable	15	416	431
Claims payable	(41,000)	87,000	46,000
Net cash from operating activities	\$ 37,137	\$ (109,048)	\$ (71,911)

County of Scott, Iowa

Combining Statement of Fiduciary Net Position
 Custodial Funds
 As of June 30, 2023

	Community Services Fund	Jail General Fund	Agricultural Ext Service Fund
Assets			
Cash and investments	\$ 839,501	\$ 121,152	\$ 4,206
Receivables			
Property taxes, net of allowance for collection losses	-	-	656,363
Accounts	-	-	-
Total assets	<u>\$ 839,501</u>	<u>\$ 121,152</u>	<u>\$ 660,569</u>
Liabilities and Net Position			
Liabilities:			
Accounts payable	-	-	-
Due to other governmental agencies	-	-	660,569
Total liabilities	<u>-</u>	<u>-</u>	<u>660,569</u>
Net Position:			
Restricted for other individuals, organizations, and governments	839,501	121,152	-
Total net position	<u>839,501</u>	<u>121,152</u>	<u>-</u>
Total liabilities and net position	<u>\$ 839,501</u>	<u>\$ 121,152</u>	<u>\$ 660,569</u>

Bangs Eradication Fund	City Taxing District Fund	Com College Taxing District Fund	Fire Taxing District Fund	Subtotal
\$ 990	\$ 1,029,541	\$ 63,533	\$ 3,544	\$ 2,062,467
17,707	149,041,762	9,736,861	496,091	159,948,784
-	-	-	-	-
<u>\$ 18,697</u>	<u>\$ 150,071,303</u>	<u>\$ 9,800,394</u>	<u>\$ 499,635</u>	<u>\$ 162,011,251</u>
-	-	-	-	-
18,697	150,071,303	9,800,394	499,635	161,050,598
<u>18,697</u>	<u>150,071,303</u>	<u>9,800,394</u>	<u>499,635</u>	<u>161,050,598</u>
-	-	-	-	960,653
-	-	-	-	960,653
<u>\$ 18,697</u>	<u>\$ 150,071,303</u>	<u>\$ 9,800,394</u>	<u>\$ 499,635</u>	<u>\$ 162,011,251</u>

County of Scott, Iowa

Combining Statement of Fiduciary Net Position
 Custodial Funds
 As of June 30, 2023

	School Taxing District Fund	Township Taxing District Fund
Assets		
Cash and investments	\$ 951,791	\$ 2,213
Receivables		
Property taxes, net of allowance for collection losses	140,735,956	298,671
Accounts	-	-
Total assets	<u>\$ 141,687,747</u>	<u>\$ 300,884</u>
Liabilities and Net Position		
Liabilities:		
Accounts payable	\$ -	\$ -
Due to other governmental agencies	141,687,747	300,884
Total liabilities	<u>141,687,747</u>	<u>300,884</u>
Net Position:		
Restricted for other individuals, organizations, and governments	-	-
Total net position	<u>-</u>	<u>-</u>
Total liabilities and net position	<u>\$ 141,687,747</u>	<u>\$ 300,884</u>

Other Taxing Districts Fund	Other Holding Accounts Fund	City Special Assessments Fund	Rivershare Custodial Fund	Subtotal
\$ 149	\$ 6,216,852	\$ 445,715	\$ 50,994	\$ 7,667,714
57,653	-	-	-	141,092,280
-	269,497	-	-	269,497
<u>\$ 57,802</u>	<u>\$ 6,486,349</u>	<u>\$ 445,715</u>	<u>\$ 50,994</u>	<u>\$ 149,029,491</u>
\$ -	\$ 20,819	\$ -	\$ 239	\$ 21,058
57,802	6,465,530	445,715	-	148,957,678
<u>57,802</u>	<u>6,486,349</u>	<u>445,715</u>	<u>239</u>	<u>148,978,736</u>
-	-	-	50,755	50,755
-	-	-	50,755	50,755
<u>\$ 57,802</u>	<u>\$ 6,486,349</u>	<u>\$ 445,715</u>	<u>\$ 50,994</u>	<u>\$ 149,029,491</u>

County of Scott, Iowa

Combining Statement of Fiduciary Net Position
Custodial Funds
As of June 30, 2023

	County Recorder Custodial Fund	County Sheriff Custodial Fund
Assets		
Cash and investments	\$ 199,388	\$ 283,839
Receivables		
Property taxes, net of allowance for collection losses	-	-
Accounts	-	25,645
Total assets	<u>\$ 199,388</u>	<u>\$ 309,484</u>
Liabilities and net position		
Liabilities:		
Accounts payable	\$ -	\$ 125,757
Due to other governmental agencies	199,388	-
Total liabilities	<u>199,388</u>	<u>125,757</u>
Net Position:		
Restricted for other individuals, organizations, and governments	-	183,727
Total net position	<u>-</u>	<u>183,727</u>
Total liabilities and net position	<u>\$ 199,388</u>	<u>\$ 309,484</u>

Eastern Iowa Mental Health Region	E911	County Assessor Fund	City Assessor Fund	Subtotal Previous Pages	Total Custodial Funds
\$ 6,160,866	\$ -	\$ 715,071	\$ 730,166	\$ 9,730,181	\$ 17,819,511
-	-	1,106,287	1,703,459	301,041,064	303,850,810
167,575	247,071	-	-	269,497	709,788
<u>\$ 6,328,441</u>	<u>\$ 247,071</u>	<u>\$ 1,821,358</u>	<u>\$ 2,433,625</u>	<u>\$ 311,040,742</u>	<u>\$ 322,380,109</u>
\$ 2,002,772	\$ -	\$ 42,648	\$ 192,319	\$ 21,058	\$ 2,384,554
-	247,071	1,100,869	1,697,735	310,008,276	313,253,339
<u>2,002,772</u>	<u>247,071</u>	<u>1,143,517</u>	<u>1,890,054</u>	<u>310,029,334</u>	<u>315,637,893</u>
4,325,669	-	677,841	543,571	1,011,408	6,742,216
<u>4,325,669</u>	<u>-</u>	<u>677,841</u>	<u>543,571</u>	<u>1,011,408</u>	<u>6,742,216</u>
<u>\$ 6,328,441</u>	<u>\$ 247,071</u>	<u>\$ 1,821,358</u>	<u>\$ 2,433,625</u>	<u>\$ 311,040,742</u>	<u>\$ 322,380,109</u>

County of Scott, Iowa

Combining Statement of Changes in Fiduciary Net Position
 Custodial Funds
 For the Year Ended June 30, 2023

	Community Services Fund	Jail General Fund
Additions:		
Property taxes and intergovernmental credits	\$ -	\$ -
Other taxes	-	-
Intergovernmental	-	-
Investment earnings	-	-
Benefit program client income - Social Security and SSI	5,446,237	-
Custodial individual income or contributions	-	2,413,982
Miscellaneous	-	-
Total additions	<u>5,446,237</u>	<u>2,413,982</u>
Deductions:		
Current:		
Public safety and legal services	-	-
Library & education services	-	-
Mental health	-	-
Release to individuals	5,437,081	2,525,114
Release to State for state mandated functions	-	-
Release to other governments for property taxes and intergovernmental credits	-	-
Assessment Expense	-	-
Total deductions	<u>5,437,081</u>	<u>2,525,114</u>
Change in Net Position	<u>9,156</u>	<u>(111,132)</u>
Net position, beginning of year	830,345	232,284
Net Position, end of year	<u>\$ 839,501</u>	<u>\$ 121,152</u>

Agricultural Ext Service Fund	Bangs Eradication Fund	City Taxing District Fund	Com College Taxing District Fund	Fire Taxing District Fund	Subtotal
\$ 667,471	\$ 18,170	\$ 147,103,218	\$ 10,008,380	\$ 497,619	\$ 158,294,858
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	5,446,237
-	-	-	-	-	2,413,982
-	-	-	-	-	-
667,471	18,170	147,103,218	10,008,380	497,619	166,155,077
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	7,962,195
-	-	-	-	-	-
667,471	18,170	147,103,218	10,008,380	497,619	158,294,858
-	-	-	-	-	-
667,471	18,170	147,103,218	10,008,380	497,619	166,257,053
-	-	-	-	-	(101,976)
-	-	-	-	-	-
-	-	-	-	-	1,062,629
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 960,653

County of Scott, Iowa

Combining Statement of Changes in Fiduciary Net Position

Custodial Funds

For the Year Ended June 30, 2023

	School Taxing District Fund	Township Taxing District Fund
Additions:		
Property taxes and intergovernmental credits	\$ 140,013,561	\$ 299,941
Other taxes	-	-
Intergovernmental	-	-
Investment earnings	-	-
Benefit program client income - Social Security and SSI	-	-
Custodial individual Income	-	-
Miscellaneous	-	-
Total additions	140,013,561	299,941
Deductions:		
Current:		
Public safety and legal services	-	-
Library & education services	-	-
Mental health	-	-
Release to individuals	-	-
Release to State for state mandated functions	-	-
Release to other governments for property taxes and intergovernmental credits	140,013,561	299,941
Assessment expense	-	-
Total deductions	140,013,561	299,941
Change in Net Position	-	-
Net position, beginning of year	-	-
Net Position, end of year	\$ -	\$ -

Other Taxing Districts Fund	Other Holding Accounts Fund	City Special Assessments Fund	Rivershare Custodial Fund	Subtotal
\$ 93,855	\$ -	\$ 4,337,296	\$ -	\$ 144,744,653
-	68,961,776	-	-	68,961,776
-	-	-	146,034	146,034
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
93,855	68,961,776	4,337,296	146,034	213,852,463
-	-	-	-	-
-	-	-	144,056	144,056
-	-	-	-	-
-	-	-	-	-
-	68,961,776	-	-	68,961,776
93,855	-	4,337,296	-	144,744,653
-	-	-	-	-
93,855	68,961,776	4,337,296	144,056	213,850,485
-	-	-	1,978	1,978
-	-	-	48,777	48,777
\$ -	\$ -	\$ -	\$ 50,755	\$ 50,755

County of Scott, Iowa

**Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2023**

	County Recorder Custodial Fund	County Sheriff Custodial Fund
Additions:		
Property taxes and intergovernmental credits	\$ -	\$ -
Other taxes	2,184,002	-
Intergovernmental	-	-
Investment earnings	-	-
Benefit program client income - Social Security and SSI	-	-
Custodial individual income or contributions	-	325,625
Miscellaneous	-	-
Total additions	<u>2,184,002</u>	<u>325,625</u>
Deductions:		
Current:		
Public safety and legal services	-	-
Library & education services	-	-
Mental health	-	-
Release to individuals	-	-
Release to State for state mandated functions	2,184,002	320,920
Release to other governments for property taxes and intergovernmental credits	-	-
Assessment expense	-	-
Total deductions:	<u>2,184,002</u>	<u>320,920</u>
Change in Net Position	<u>-</u>	<u>4,705</u>
Net position, beginning of year	-	179,022
Net Position, end of year	<u>\$ -</u>	<u>\$ 183,727</u>

Eastern Iowa Mental Health Region	E911	County Assessor Fund	City Assessor Fund	Subtotal previous pages	Total
\$ -	\$ -	\$ 935,676	\$ 1,381,378	\$ 303,039,511	\$ 305,356,565
-	1,043,429	24,558	62,386	68,961,776	72,276,151
10,159,751	-	50,976	108,817	146,034	10,465,578
305,371	-	27,191	29,183	-	361,745
-	-	-	-	5,446,237	5,446,237
-	-	-	-	2,413,982	2,739,607
12,278	-	799	7,266	-	20,343
10,477,400	1,043,429	1,039,200	1,589,030	380,007,540	396,666,226
-	1,043,429	-	-	-	1,043,429
-	-	-	-	144,056	144,056
13,750,731	-	-	-	-	13,750,731
-	-	-	-	7,962,195	7,962,195
-	-	-	-	68,961,776	71,466,698
-	-	-	-	303,039,511	303,039,511
-	-	1,092,164	1,720,119	-	2,812,283
13,750,731	1,043,429	1,092,164	1,720,119	380,107,538	400,218,903
(3,273,331)	-	(52,964)	(131,089)	(99,998)	(3,552,677)
7,599,000	-	730,805	674,660	1,111,406	10,294,893
\$ 4,325,669	\$ -	\$ 677,841	\$ 543,571	\$ 1,011,408	\$ 6,742,216

County of Scott, Iowa

Combining Balance Sheet and Reconciliation to Statement of Net Position
Discretely Presented Component Units
As of June 30, 2023

	Emergency Management Agency	County Library	Total
Assets			
Cash and investments	\$ 239,128	\$ 454,874	\$ 694,002
Receivables:			
Accounts	48,507	-	48,507
Accrued interest	1,520	3,450	4,970
Due from other governmental agencies	25,432	2,970	28,402
Prepaid Items	5,434	10,112	15,546
Total assets	\$ 320,021	\$ 471,406	\$ 791,427
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	\$ 86,247	\$ 3,120	\$ 89,367
Accrued liabilities	30,738	40,742	71,480
Total liabilities	116,985	43,862	160,847
Deferred Inflows of Resources			
Unearned Revenue	-	-	-
Unavailable Revenue	22,500	-	22,500
Total deferred inflows of resources	22,500	-	22,500
Fund balances:			
Nonspendable	5,434	10,112	15,546
Assigned	-	26,000	26,000
Unassigned	175,102	391,432	566,534
Total fund balances	180,536	427,544	608,080
Total liabilities, deferred inflows of resources, and fund balances	\$ 320,021	\$ 471,406	\$ 791,427
Reconciliation to statement of net position			
Total component unit fund balances	\$ 180,536	\$ 427,544	\$ 608,080
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
Construction in progress	68,213	-	68,213
Buildings	-	1,131,866	1,131,866
Machinery and equipment	725,845	111,957	837,802
Leases	-	111,079	111,079
Accumulated depreciation and amortization	(620,595)	(662,454)	(1,283,049)
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	21,925	79,578	101,503
OPEB Deferred outflows of resources	858	2,151	3,009
Pension Deferred inflows of resources	(8,690)	(28,357)	(37,047)
OPEB Deferred inflows of resources	(521)	(1,304)	(1,825)
Liabilities not due and payable in the current period are not reported in the funds:			
Compensated absences	(15,364)	(48,725)	(64,089)
Leases Liability	-	(46,714)	(46,714)
Net pension liability	(68,511)	(223,488)	(291,999)
Other post employment benefits obligation	(3,543)	(8,882)	(12,425)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	22,500	-	22,500
Total net position	\$ 302,653	\$ 860,851	\$ 1,163,504

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, 2023**

	Emergency Management		Total
	Agency	County Library	
Revenues:			
Intergovernmental			
Operating	\$ 541,716	\$ 1,263,504	\$ 1,805,220
Charges for services	5,107	9,383	14,490
Investment earnings	7,361	14,802	22,163
Other	49,917	34,169	84,086
Total revenues	604,101	1,321,858	1,925,959
Expenditures:			
Current:			
Public safety and legal services	629,944	-	629,944
County environment and education	-	1,312,833	1,312,833
Total expenditures	629,944	1,312,833	1,942,777
Excess (deficiency) of revenues over expenditures	(25,843)	9,025	(16,818)
Other financing sources:			
Proceeds on sale of capital assets	11,327	-	11,327
Total other financing sources (uses)	11,327	-	11,327
Net change in fund balances	(14,516)	9,025	(5,491)
Fund balances, beginning of year	195,052	418,519	613,571
Fund balances, end of year	\$ 180,536	\$ 427,544	\$ 608,080

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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, 2023

	Emergency Management Agency	County Library	Total
Reconciliation to statement of activities,			
Net change in fund balances	\$ (14,516)	\$ 9,025	\$ (5,491)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(21,671)	-	(21,671)
Amounts reported for governmental activities in the statement of activities are different because:			
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:			
Capital outlay capitalized	68,213	11,354	79,567
Depreciation and amortization	(21,305)	(47,534)	(68,839)
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:			
Change in compensated absences	(3,241)	2,787	(454)
Change in lease liability	-	22,131	22,131
Change in other post employment benefits obligation	(1,488)	11,044	9,556
Change in pension expense	(28,687)	92,921	64,234
Changes in Net Position of component units	\$ (22,695)	\$ 101,728	\$ 79,033

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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	113
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	123
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	133
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	139
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	143
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)

	2014	2015	2016
Governmental activities:			
Net investment in capital assets	\$ 69,647,344	\$ 73,242,465	\$ 76,525,390
Restricted for:			
Debt service	1,802,355	1,936,389	2,217,903
Net pension asset	-	-	-
County conservation sewage treatment	212,430	208,552	-
Mental health	1,966,913	5,116,780	359,933
Opioid treatment and mitigation	-	-	-
Other statutory programs	979,625	955,941	923,278
Rural services	150,016	148,630	154,804
Scott Emergency Communication Center	3,049,339	120,370	-
Secondary roads	3,149,287	3,830,301	3,475,520
Unrestricted	20,624,047	11,928,034	13,322,400
Total governmental activities net position	\$ 101,581,356	\$ 97,487,462	\$ 96,979,228
Business-Type activities			
Net investment in capital assets	\$ 2,168,898	\$ 2,167,093	\$ 2,088,255
Unrestricted	173,029	290,861	462,282
Total business-type activities net position	\$ 2,341,927	\$ 2,457,954	\$ 2,550,537
Primary government:			
Net investment in capital assets	\$ 71,816,242	\$ 75,409,558	\$ 78,613,645
Restricted for:			
Debt service	1,802,355	1,936,389	2,217,903
Pension	-	-	-
County conservation sewage treatment	212,430	208,552	-
Mental health	1,966,913	5,116,780	359,933
Opioid treatment and mitigation	-	-	-
Other statutory programs	979,625	955,941	923,278
Rural services	150,016	148,630	154,804
Scott Emergency Communication Center	3,049,339	120,370	-
Secondary roads	3,149,287	3,830,301	3,475,520
Unrestricted	20,797,076	12,218,895	13,784,682
Total primary government net position	\$ 103,923,283	\$ 99,945,416	\$ 99,529,765

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							
2017	2018	2019	2020	2021	2022	2023	
\$ 84,867,870	\$ 83,682,338	\$ 89,250,258	\$ 96,340,084	\$ 104,739,857	\$ 114,005,141	\$ 133,063,134	
2,754,062	3,390,905	3,993,594	226,578	352,314	299,323	302,770	
-	-	-	-	-	9,172,470	-	
-	-	-	-	-	-	-	
977,859	660,764	433,125	770,555	672,340	-	-	
-	-	-	-	-	-	6,925,963	
724,052	735,036	801,945	633,589	518,556	639,240	1,295,263	
138,403	140,803	142,948	126,703	131,460	120,009	191,384	
-	-	-	-	-	827,215	863,937	
4,972,038	6,646,225	7,062,383	4,968,351	6,139,682	8,383,300	8,936,224	
8,299,780	8,735,706	8,217,313	12,712,237	16,422,109	15,407,576	31,519,424	
<u>\$ 102,734,064</u>	<u>\$ 103,991,777</u>	<u>\$ 109,901,566</u>	<u>\$ 115,778,097</u>	<u>\$ 128,976,318</u>	<u>\$ 148,854,274</u>	<u>\$ 183,098,099</u>	

\$ 2,089,796	\$ 2,242,699	\$ 2,229,786	\$ 2,211,681	\$ 2,207,005	\$ 2,103,367	\$ 2,299,994	
564,622	428,636	359,110	384,657	238,034	251,542	194,972	
<u>\$ 2,654,418</u>	<u>\$ 2,671,335</u>	<u>\$ 2,588,896</u>	<u>\$ 2,596,338</u>	<u>\$ 2,445,039</u>	<u>\$ 2,354,909</u>	<u>\$ 2,494,966</u>	

\$ 86,957,666	\$ 85,925,037	\$ 91,480,044	\$ 98,551,765	\$ 106,946,862	\$ 116,108,508	\$ 135,363,128	
2,754,062	3,390,905	3,993,594	226,578	352,314	299,323	302,770	
-	-	-	-	-	9,172,470	-	
-	-	-	-	-	-	-	
977,859	660,764	433,125	770,555	672,340	-	-	
-	-	-	-	-	-	6,925,963	
724,052	735,036	801,945	633,589	518,556	639,240	1,295,263	
138,403	140,803	142,948	126,703	131,460	120,009	191,384	
-	-	-	-	-	827,215	863,937	
4,972,038	6,646,225	7,062,383	4,968,351	6,139,682	8,383,300	8,936,224	
8,864,402	9,164,342	8,576,423	13,096,894	16,660,143	15,659,118	31,714,396	
<u>\$ 105,388,482</u>	<u>\$ 106,663,112</u>	<u>\$ 112,490,462</u>	<u>\$ 118,374,435</u>	<u>\$ 131,421,357</u>	<u>\$ 151,209,183</u>	<u>\$ 185,593,065</u>	

County of Scott, Iowa

Changes in Net Position
 Last Ten Fiscal Years
 (accrual basis of accounting)
 (Unaudited)

	2014	2015	2016
Expenses:			
Governmental activities:			
Public safety and legal services	\$ 21,994,460	\$ 21,575,674	\$ 22,496,478
Public safety and legal services -SECC	7,755,245	8,263,625	8,990,086
Physical health and social services	5,387,800	5,632,413	5,989,809
Mental health	7,075,477	6,009,778	8,609,386
County environment and education	5,374,619	5,378,738	5,887,071
Roads and transportation	8,862,285	8,252,046	8,545,470
Governmental services to residents	2,204,779	2,060,111	2,336,652
Administration	10,071,070	10,483,274	10,702,812
Interest on long-term debt	2,074,927	1,895,452	1,332,866
Total governmental activities expenses	70,800,662	69,551,111	74,890,630
Business-Type activities, golf course	1,013,810	947,995	947,360
Total government expenses	\$ 71,814,472	\$ 70,499,106	\$ 75,837,990
Program revenues:			
Governmental activities			
Charges for services			
Public safety and legal services	\$ 1,633,110	\$ 1,860,399	\$ 1,462,328
Physical health and social services	398,670	404,322	420,561
Mental health	203,301	162,920	145,831
County environment and education	1,466,769	1,537,819	1,598,171
Roads and transportation	35,159	17,551	42,480
Governmental services to residents	2,576,380	2,616,710	2,750,040
Administration	178,279	316,678	415,863
Operating grants and contributions	10,336,825	9,490,079	4,687,936
Capital grants and contributions	1,124,208	3,343,518	465,967
Total governmental activities program revenues	17,952,701	19,749,996	11,989,177
Business-Type activities, golf course	901,872	926,316	939,155
Total government program revenues	\$ 18,854,573	\$ 20,676,312	\$ 12,928,332
Net (expense)/revenue:			
Governmental activities	\$ (52,847,961)	\$ (49,801,115)	\$ (62,901,453)
Business-Type activities	(111,938)	(21,679)	(8,205)
Total government net expense	\$ (52,959,899)	\$ (49,822,794)	\$ (62,909,658)

(Continued)

		Fiscal Year											
		2017	2018	2019	2020	2021	2022	2023					
\$	23,652,149	\$	25,159,172	\$	27,031,854	\$	28,562,069	\$	28,095,842	\$	26,413,894	\$	30,442,548
	8,253,613		8,457,924		7,748,036		8,015,430		9,540,718		6,692,207		7,056,984
	6,380,863		6,222,569		6,074,511		6,543,433		8,342,322		5,725,809		6,056,716
	3,943,078		4,245,808		4,485,813		5,630,174		5,892,022		4,502,531		-
	5,376,513		5,724,941		5,799,730		6,089,395		5,837,630		6,897,048		8,059,327
	8,361,816		9,634,295		9,900,614		10,742,814		9,559,824		9,246,604		9,725,541
	2,500,771		2,590,622		2,710,339		2,913,233		3,510,908		2,660,308		2,872,945
	11,154,664		11,828,111		12,298,729		13,109,065		14,097,254		13,248,210		16,048,776
	1,258,313		1,038,114		931,126		858,859		670,991		589,358		516,814
	70,881,780		74,901,556		76,980,752		82,464,472		85,547,511		75,975,969		80,779,651
	970,395		962,376		975,376		931,701		1,233,799		1,161,879		1,073,940
\$	71,852,175	\$	75,863,932	\$	77,956,128	\$	83,396,173	\$	86,781,310	\$	77,137,848	\$	81,853,591
\$	1,276,141	\$	1,504,387	\$	1,473,229	\$	2,052,234	\$	2,499,478	\$	2,225,522	\$	2,085,122
	417,911		419,873		476,818		480,139		632,740		657,598		678,166
	148,816		142,014		159,320		336,770		150,397		-		-
	1,374,814		1,579,497		1,430,501		1,308,718		1,637,622		1,861,732		1,985,619
	46,344		53,071		53,377		107,903		132,970		287,750		272,412
	2,867,386		2,915,865		2,840,479		3,031,920		3,485,474		3,337,965		2,949,909
	368,609		361,042		366,182		133,444		785,032		705,155		711,112
	5,877,692		4,681,612		3,898,150		6,521,082		6,512,383		6,321,905		13,575,513
	1,466,522		542,580		2,831,623		1,204,224		3,076,209		2,694,944		9,966,081
	13,844,235		12,199,941		13,529,679		15,176,434		18,912,305		18,092,571		32,223,934
	907,586		974,321		882,268		933,761		1,081,262		1,071,452		1,198,569
\$	14,751,821	\$	13,174,262	\$	14,411,947	\$	16,110,195	\$	19,993,567	\$	19,164,023	\$	33,422,503
\$	(57,037,545)	\$	(62,701,615)	\$	(63,451,073)	\$	(67,288,038)	\$	(66,635,206)	\$	(57,883,398)	\$	(48,555,717)
	(62,809)		11,945		(93,108)		2,060		(152,537)		(90,427)		124,629
\$	(57,100,354)	\$	(62,689,670)	\$	(63,544,181)	\$	(67,285,978)	\$	(66,787,743)	\$	(57,973,825)	\$	(48,431,088)

County of Scott, Iowa

Changes in Net Position (Continued)

Last Ten Fiscal Years

(accrual basis of accounting)

(Unaudited)

	2014	2015	2016
General revenues and other changes in net position:			
Governmental activities:			
Taxes:			
Property taxes	\$ 46,924,802	\$ 46,038,682	\$ 45,202,178
Local option sales tax	4,285,414	4,413,667	4,390,854
Gaming	527,014	528,381	569,059
Other taxes	4,658,521	71,501	68,619
Utility tax replacements	1,558,330	1,891,293	1,887,781
Penalties, interest and costs on taxes	930,986	715,763	725,336
State tax replacement credits	1,450,873	2,598,044	3,848,505
Payments in lieu of taxes	7,306	7,058	7,980
State shared revenues	3,200,405	3,438,603	4,085,495
Investment earnings	147,401	150,728	122,472
Miscellaneous	1,263,537	1,860,536	1,584,940
Total General Revenues	64,954,589	61,714,256	62,493,219
Transfers (out)	(145,460)	(223,361)	(100,000)
Total governmental activities	64,809,129	61,490,895	62,393,219
Business-Type activities:			
Investment earnings	-	363	788
Transfers	145,460	223,361	100,000
Total Business-Type Activities	145,460	223,724	100,788
Total primary government	\$ 64,954,589	\$ 61,714,619	\$ 62,494,007
Change in net position:			
Governmental activities	\$ 11,961,168	\$ 11,689,780	\$ (508,234)
Business-Type activities	33,522	202,045	92,583
Total primary government	\$ 11,994,690	\$ 11,891,825	\$ (415,651)

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						
2017	2018	2019	2020	2021	2022	2023
\$ 45,413,623	\$ 46,927,152	\$ 49,636,074	\$ 53,516,264	\$ 57,145,720	\$ 57,386,092	\$ 58,470,473
4,685,617	4,504,711	4,535,941	4,939,394	6,346,568	5,846,901	5,717,133
693,456	678,633	683,200	577,668	900,192	932,485	899,565
67,761	67,391	69,001	93,200	72,895	63,743	65,495
1,793,615	1,764,932	1,796,259	1,857,243	1,886,385	1,784,030	1,989,943
611,959	577,759	690,085	314,158	1,123,229	707,410	624,139
3,825,047	3,840,813	3,925,518	4,137,625	4,270,750	4,225,664	4,021,159
7,273	7,784	7,923	8,040	8,136	8,325	8,933
4,267,366	4,110,946	4,336,309	4,497,873	4,885,043	4,626,628	4,803,897
167,158	742,625	1,479,711	1,153,507	213,280	(60,188)	3,501,503
1,424,218	1,443,060	2,200,841	2,069,597	2,981,229	2,240,264	2,697,302
62,957,093	64,665,806	69,360,862	73,164,569	79,833,427	77,761,354	82,799,542
(164,712)	-	-	-	-	-	-
62,792,381	64,665,806	69,360,862	73,164,569	79,833,427	77,761,354	82,799,542
1,978	8,203	10,669	5,382	1,238	297	15,428
164,712	-	-	-	-	-	-
166,690	8,203	10,669	5,382	1,238	297	15,428
\$ 62,959,071	\$ 64,674,009	\$ 69,371,531	\$ 73,169,951	\$ 79,834,665	\$ 77,761,651	\$ 82,814,970
\$ 5,754,836	\$ 1,964,191	\$ 5,909,789	\$ 5,876,531	\$ 13,198,221	\$ 19,877,956	\$ 34,243,825
103,881	20,148	(82,439)	7,442	(151,299)	(90,130)	140,057
\$ 5,858,717	\$ 1,984,339	\$ 5,827,350	\$ 5,883,973	\$ 13,046,922	\$ 19,787,826	\$ 34,383,882

County of Scott, Iowa

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

	2014	2015	2016
General Fund:			
Nonspendable:			
Notes receivable	\$ 58,777	\$ 58,777	\$ -
Prepays	131,406	140,244	553,834
Restricted:			
County conservation sewage treatment	207,617	208,552	-
Other statutory programs	945,547	902,614	849,023
Assigned:			
Capital projects	3,850,000	2,350,000	2,500,000
Health claim liabilities	150,000	270,000	500,000
Strategic plan elements	-	-	-
Future budgetary reductions	-	-	-
Claim liabilities	330,680	407,715	308,160
Unassigned	9,832,639	10,098,835	10,212,287
Total general fund	\$ 15,506,666	\$ 14,436,737	\$ 14,923,304
All other governmental funds:			
Nonspendable:			
Prepays	\$ -	\$ 18,979	\$ 15,719
Restricted:			
Debt service	19,518,523	1,980,550	10,587,713
Secondary Roads	3,149,287	3,830,301	3,475,520
ARPA	-	-	-
Opioid Settlement	-	-	-
Rural services	150,016	148,630	154,804
Mental health	1,966,913	5,116,780	359,933
Records management fee	53,327	63,714	74,255
Capital projects	-	-	-
Scott Emergency Communications Center	3,085,355	2,393,687	1,758,132
Assigned:			
Other capital projects	9,019,502	12,476,234	11,445,896
Unassigned (Deficit)	-	-	-
Total all other governmental funds	\$ 36,942,923	\$ 26,028,875	\$ 27,871,972

Source: County records.

	2017	2018	2019	2020	2021	2022	2023
\$	-	\$	-	\$	-	\$	-
	93,657	187,308	127,290	92,204	167,299	178,907	152,358
	-	-	-	-	-	-	-
	637,475	771,661	716,902	625,764	445,493	575,807	649,548
	1,070,198	1,184,554	783,980	1,826,035	7,439,973	5,393,591	5,716,900
	515,000	465,000	100,000	-	-	-	-
	1,000,000	349,500	220,000	130,000	313,920	377,556	-
	-	-	-	-	-	-	-
	273,059	254,474	281,685	348,036	306,891	401,209	352,088
	10,474,822	10,821,990	11,354,228	11,916,336	12,525,469	12,702,548	13,612,724
\$	14,064,211	\$ 14,034,487	\$ 13,584,085	\$ 14,938,375	\$ 21,199,045	\$ 19,629,618	\$ 20,483,618

\$	-	\$	-	\$	-	\$	23,640	\$	461,762	\$	488,243	\$	495,591
	10,776,725	11,056,132	11,328,788	7,210,628	6,946,921	6,494,378	6,083,637						
	4,972,038	6,646,225	7,062,383	4,968,351	6,139,682	8,383,300	8,936,224						
	-	-	-	-	-	-	600,236						
	-	-	-	-	-	-	1,786,351						
	138,403	140,803	142,948	126,703	131,460	120,073	191,384						
	977,859	660,764	433,125	770,555	672,340	-	-						
	86,578	97,562	85,043	78,225	73,063	63,433	45,479						
	-	-	-	9,264,030	4,392,302	1,024,834	1,059,342						
	1,538,408	1,861,517	943,687	2,330,626	2,053,498	1,918,154	1,647,105						
	7,938,049	9,115,097	9,245,565	7,714,799	7,353,250	11,889,279	12,363,380						
	-	-	-	-	-	(115,561)	-						
\$	26,428,060	\$ 29,578,100	\$ 29,241,539	\$ 32,487,557	\$ 28,224,278	\$ 30,266,133	\$ 33,208,729						

County of Scott, Iowa

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

	2014	2015	2016	2017
Revenues:				
Property taxes	\$ 46,920,952	\$ 46,024,012	\$ 45,210,754	\$ 45,414,065
Local option sales tax	4,268,291	4,403,167	4,390,604	4,786,393
Other taxes	2,151,644	2,491,175	2,525,458	2,554,833
Interest and penalty on taxes	930,986	715,763	725,336	611,959
Intergovernmental	15,163,356	15,654,761	12,904,819	13,975,531
Charges for services	5,710,597	6,164,147	5,994,739	5,770,914
Investment earnings (losses)	143,039	146,338	118,916	160,690
Licenses and permits	781,072	752,254	833,144	729,106
Rentals and fees	80,591	85,462	89,743	93,799
Other	1,102,063	1,690,480	1,232,794	1,245,049
Total revenues	77,252,591	78,127,559	74,026,307	75,342,339
Expenditures:				
Public safety and legal services	26,708,744	27,252,039	27,467,752	28,181,904
Physical health and social services	5,381,859	5,461,001	5,922,900	6,247,529
Mental health	7,030,247	6,037,145	8,424,829	3,904,502
County environment and education	4,388,314	4,467,281	4,750,264	4,622,713
Roads and transportation	4,528,796	4,696,791	4,723,640	4,433,237
Governmental services to residents	2,202,471	2,141,186	2,334,861	2,429,984
Administration	9,598,011	10,030,585	9,976,262	10,303,922
Capital outlay	4,017,248	6,646,807	11,746,853	12,236,254
Debt service:				
Principal	3,461,240	3,712,442	3,230,000	3,350,000
Interest and fees	2,180,845	2,060,981	1,329,164	1,355,957
Total expenditures	69,497,775	72,506,258	79,906,525	77,066,002
Excess of revenues over (under) expenditures	7,754,816	5,621,301	(5,880,218)	(1,723,663)
Other financing sources (uses):				
Transfers in	17,961,921	18,867,438	17,212,770	17,780,640
Transfers out	(18,257,381)	(19,240,799)	(17,582,770)	(18,445,352)
Proceeds from sale of capital assets	80,883	83,083	265,425	85,370
Proceeds from issuance of subscription based contracts	-	-	-	-
Proceeds from issuance of long-term debt	-	-	8,215,000	-
Distribution of advance crossover refunding	-	(17,315,000)	-	-
Bond premium	-	-	99,457	-
Total other financing sources (uses)	(214,577)	(17,605,278)	8,209,882	(579,342)
Net Change in fund balances	7,540,239	(11,983,977)	2,329,664	(2,303,005)
Fund balances, beginning of year	44,909,350	52,449,589	40,465,612	42,795,276
Fund balances, end of year	\$ 52,449,589	\$ 40,465,612	\$ 42,795,276	\$ 40,492,271
Debt service as a percentage of noncapital expenditures	8.62%	8.29%	6.19%	7.06%

Source: County records.

Fiscal Year						
2018	2019	2020	2021	2022	2023	
\$ 46,909,476	\$ 49,667,622	\$ 53,013,036	\$ 57,618,951	\$ 57,393,551	\$ 58,475,657	
4,404,685	4,455,941	5,006,394	5,462,760	6,487,709	6,193,133	
2,510,955	2,548,460	2,528,114	2,859,472	2,780,259	2,955,004	
577,759	690,085	314,158	1,123,229	707,410	624,139	
13,067,282	12,553,616	13,196,088	17,356,486	15,206,762	22,531,521	
6,255,443	6,038,592	5,715,151	7,338,728	7,516,619	7,064,298	
715,796	1,415,702	1,102,131	202,883	(60,546)	3,308,519	
720,306	756,807	873,792	1,068,705	855,538	894,545	
142,622	139,838	118,821	139,143	128,172	180,059	
1,223,083	1,296,009	1,437,405	1,784,514	1,575,553	3,879,191	
76,527,407	79,562,672	83,305,090	94,954,871	92,591,027	106,106,066	
28,962,453	31,142,973	32,369,060	33,469,633	35,319,963	37,121,421	
5,969,023	5,921,631	6,289,669	7,918,656	6,303,034	6,421,618	
4,186,504	4,417,274	5,584,029	5,853,788	4,569,877	-	
4,871,037	4,949,600	5,156,196	5,006,359	6,380,816	7,339,783	
5,527,111	6,495,669	6,596,272	6,217,038	6,442,778	7,053,960	
2,471,843	2,555,119	2,687,634	3,108,837	2,811,805	2,892,831	
10,810,879	11,423,782	12,033,996	12,572,610	12,933,352	14,785,786	
6,083,141	9,183,774	11,588,046	13,417,925	12,045,667	22,770,415	
2,965,000	3,080,000	9,745,000	4,460,000	4,621,024	4,901,859	
1,112,259	992,093	1,238,857	1,119,846	972,601	842,356	
72,959,250	80,161,915	93,288,759	93,144,692	92,400,917	104,130,029	
3,568,157	(599,243)	(9,983,669)	1,810,179	190,110	1,976,037	
17,520,906	18,057,090	19,396,969	26,182,496	25,950,982	33,883,562	
(18,045,906)	(18,522,090)	(19,496,969)	(26,182,496)	(25,950,982)	(32,583,562)	
77,355	277,084	121,385	187,212	282,318	197,074	
-	-	-	-	-	323,485	
-	-	12,680,000	-	-	-	
-	-	-	-	-	-	
-	-	1,882,592	-	-	-	
(447,645)	(187,916)	14,583,977	187,212	282,318	1,820,559	
3,120,512	(787,159)	4,600,308	1,997,391	472,428	3,796,596	
40,492,271	43,612,783	42,825,624	47,425,932	49,423,323	49,895,751	
\$ 43,612,783	\$ 42,825,624	\$ 47,425,932	\$ 49,423,323	\$ 49,895,751	\$ 53,692,347	
6.68%	5.45%	13.43%	6.84%	6.92%	7.06%	

County of Scott, Iowa

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

Function / Program	2014	2015	2016
Governmental activities:			
Public safety and legal services	\$ 2,690,456	\$ 2,714,412	\$ 2,469,186
Public safety and legal services - SECC	127	98,125	1,313
Physical health and social services	1,650,038	1,577,835	1,986,817
Mental health	5,910,035	5,696,143	145,831
County environment and education	1,530,559	1,608,436	1,663,520
Roads and transportation	1,182,305	3,417,400	632,869
Governmental services and residents	2,957,422	2,855,609	3,108,436
Administration	575,570	423,280	543,309
Interest on long-term debt	1,456,189	1,358,756	1,437,896
Total governmental activities	17,952,701	19,749,996	11,989,177
Business-Type activities, Glynn's Creek Golf Course	901,872	926,316	939,155
Total government	\$ 18,854,573	\$ 20,676,312	\$ 12,928,332

Source: County records.

Fiscal Year							
2017	2018	2019	2020	2021	2022	2023	
\$ 2,181,524	\$ 2,180,331	\$ 2,038,705	\$ 4,466,048	\$ 3,945,321	\$ 2,692,572	\$ 2,607,849	
776	16,330	16,974	6,000	37,553	12,000	9,000	
2,428,846	1,981,098	1,864,766	2,452,006	3,341,626	2,671,656	4,439,211	
1,015,396	142,014	159,320	336,770	150,397	-	-	
1,445,130	1,775,032	1,704,548	2,141,236	3,014,309	4,256,973	3,899,833	
1,577,461	762,891	2,681,898	694,399	1,911,986	1,774,218	3,462,510	
3,033,057	3,235,784	3,038,169	3,400,615	4,095,236	3,640,541	3,189,375	
471,277	469,538	453,885	260,133	1,010,618	1,794,087	13,404,096	
1,690,768	1,636,923	1,571,414	1,419,227	1,405,259	1,250,524	1,212,060	
13,844,235	12,199,941	13,529,679	15,176,434	18,912,305	18,092,571	32,223,934	
907,586	974,321	882,268	933,761	1,081,262	1,071,452	1,198,569	
\$ 14,751,821	\$ 13,174,262	\$ 14,411,947	\$ 16,110,195	\$ 19,993,567	\$ 19,164,023	\$ 33,422,503	

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
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
2021	57,618,951	5,462,760	2,859,472	1,123,229	17,356,486
2022	57,393,551	6,487,709	2,780,259	707,410	15,206,762
2023	58,475,657	6,193,133	2,955,004	624,139	22,531,521
Change 2014-2023	24.63%	45.10%	37.34%	-32.96%	48.59%

Source: County records.

Charges for Services	Investment Earnings/Losses	Licenses & Permits	Rentals & Fees	Other	Total
\$ 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
7,338,728	202,883	1,068,705	139,143	1,784,514	94,954,871
7,516,619	(60,546)	855,538	128,172	1,575,553	92,591,027
7,064,298	3,308,519	894,545	180,059	3,879,191	106,106,066
23.71%	2213.02%	14.53%	123.42%	251.99%	37.35%

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
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
2021	9,005,278,205	14,902,311,117	373,497,069	783,621,853	9,378,775,274	15,685,932,970
2022	9,284,059,246	15,208,688,370	359,446,370	802,601,606	9,643,505,616	16,011,289,976
2023	9,626,734,207	16,234,933,335	406,794,566	907,408,532	10,033,528,773	17,142,341,867

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.

Note 3: Personal property is not taxable.

Ratio Taxable to Assessed Value	Tax Increment Financing District Values	Weighted Average County Property Tax Rate
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
59.8%	469,701,411	6.56
60.2%	532,941,840	6.40
58.5%	534,009,105	6.30

County of Scott, Iowa

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

Taxpayer	2014		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
MidAmerican Energy	\$ 233,956,408	1	3.10%
Isle of Capri Bettendorf	80,752,204	2	1.07%
Iowa American Water Company	58,960,052	3	0.78%
Macerich North Park Mall LLC	55,488,075	4	0.74%
ALCOA	37,944,196	5	0.50%
QWEST Corp	26,520,800	6	0.35%
Deer & Company	26,300,475	7	0.35%
North Border Pipeline Company	22,877,800	8	0.30%
RS Davenport Retail LLC	22,162,550	9	0.29%
LaGarge Corporation	21,371,986	10	0.28%
Total	\$ 586,334,546		7.76%

Taxpayer	2023		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
MidAmerican Energy	\$ 248,275,810	1	2.47%
Iowa American Water Company	62,873,920	2	0.63%
GLP Capital LP	60,326,424	3	0.60%
Sterilite Corporation	57,721,581	4	0.58%
Rhythm City Casino LLC	57,200,787	5	0.57%
Kraft Heinz Foods Company	43,545,339	6	0.43%
Arconic Inc.	39,556,136	8	0.39%
Macerich North Park Mall LLC	38,388,888	7	0.38%
THF Davenport North Development	34,701,872	9	0.35%
John Deere Construction & Forestry Co.	29,074,750	10	0.29%
Total	\$ 671,665,507		6.69%

Source: County records
Assessment Year 2021, Payable 2023

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
2014	\$ 274,898,466	\$ 273,903,646	99.64%	\$ 105,513	\$ 274,009,159	99.68%
2015	278,170,184	277,259,736	99.67%	99,948	277,359,684	99.71%
2016	278,996,517	276,343,974	99.05%	130,300	276,474,274	99.10%
2017	285,702,180	284,477,209	99.57%	148,394	284,625,603	99.62%
2018	296,707,046	296,406,357	99.90%	189,670	296,596,027	99.96%
2019	309,547,446	309,166,971	99.88%	85,939	309,252,910	99.90%
2020	320,645,743	314,896,794	98.21%	5,494,096	320,390,890	99.92%
2021	333,304,850	332,244,754	99.68%	21,677	332,266,431	99.69%
2022	342,740,180	342,478,971	99.92%	40,463	342,519,434	99.94%
2023	353,450,702	352,043,732	99.60%	-	352,043,732	99.60%

Source: County records

County of Scott, Iowa

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

	2014	2015	2016	2017
County direct rates:				
Scott County Urban Rate	\$ 6.23534	\$ 6.13204	\$ 6.00377	\$ 5.82228
Scott County Rural Rate	9.28021	9.17153	9.01072	8.78518
City and town rates:				
Bettendorf	12.55000	12.55000	12.55000	12.55000
Blue Grass	11.64547	11.65175	11.79368	11.85288
Buffalo	9.12332	9.03935	9.12879	9.12833
Davenport	16.78000	16.78000	16.78000	16.78000
Dixon	8.10000	8.09989	8.10000	8.37000
Donahue	7.22420	7.22152	7.22036	7.22091
Durant	13.47399	15.06085	15.11071	15.14000
Eldridge	6.75436	6.75442	6.82817	6.74841
LeClaire	14.47264	14.47264	14.29804	14.29798
Long Grove	10.60442	10.52099	10.45768	10.29541
Maysville	5.57674	5.99993	5.99988	5.99003
McCausland	8.10000	8.10000	8.10000	8.10000
New Liberty	3.61168	3.61588	3.65483	3.71455
Panorama Park	5.26743	5.26355	5.79870	5.80468
Princeton	10.27159	10.27158	10.27158	10.25069
Riverdale	10.55525	12.21629	11.90048	11.99199
Walcott	9.99999	10.12000	10.12002	10.12001
School District Rates:				
Bennett Schools	11.09204	12.09305	12.69625	13.85580
Bettendorf Schools	14.54629	14.01636	14.01633	13.84477
Davenport Schools	16.66333	15.83747	15.67601	15.37043
Durant Schools	13.10599	13.21664	11.80029	11.45621
North Scott Schools	14.18910	14.19507	14.01459	13.85580
Pleasant Valley Schools	14.74093	14.49409	14.34409	14.14425
Area IX CC	0.92043	0.92782	0.96863	1.00909
Other:				
Scott County Assessor	0.27996	0.27068	0.27052	0.23792
Davenport City Assessor	0.37452	0.37409	0.34691	0.31859
Ag. Extension - BANGS	0.06890	0.07009	0.07135	0.07089

Source: County records - Auditor's Office.

Year Taxes are Payable

	2018	2019	2020	2021	2022	2023
\$	5.82167	\$ 5.82167	\$ 5.99401	\$ 6.21304	\$ 6.04197	\$ 5.95000
	8.76857	8.74885	8.90566	9.11441	8.94102	8.82000
	12.50000	12.50000	12.50000	12.80000	12.80000	12.65000
	11.22612	11.87120	11.52289	11.85624	11.75975	11.15388
	9.13413	9.74117	9.74273	9.74190	9.74190	9.20240
	16.78000	16.78000	16.78000	16.78000	16.78000	16.78000
	8.37000	8.37000	8.37000	8.37000	8.36992	7.96819
	7.21575	7.22249	7.22454	7.22444	6.44034	6.82903
	15.12765	14.77977	14.67377	14.92904	14.81504	14.64314
	6.74820	6.74728	6.74949	6.73610	7.02670	7.40732
	13.92602	13.64999	13.35596	13.09828	12.83631	12.64166
	10.21368	9.98558	9.92845	9.79800	9.62550	9.62879
	6.00002	5.99993	6.00003	5.99990	5.99993	6.00004
	8.10000	7.89303	9.76833	12.34708	10.61954	10.07802
	3.58165	3.48930	3.45930	3.49648	3.44360	2.54652
	5.80424	5.80408	5.80405	5.97332	6.11078	5.68321
	10.02797	10.22336	9.79527	10.95783	10.00266	9.98495
	11.99735	11.84593	9.39248	9.39665	6.03216	5.63532
	10.08258	10.08263	10.08265	10.08240	10.12383	10.12356
	11.64665	11.03672	10.98303	11.42893	10.55358	11.07648
	13.86592	13.96592	13.07309	12.87278	12.85586	12.38015
	15.90267	15.45640	15.26852	15.29549	15.29534	15.59716
	10.65976	11.61289	12.08308	11.49740	10.33125	9.36493
	13.82050	13.74358	12.42408	12.13741	11.64722	11.47542
	13.95589	13.65587	13.41138	13.78152	13.76024	13.46043
	1.03000	1.03000	0.99000	0.82406	0.92357	0.94542
	0.22975	0.19523	0.18832	0.17432	0.17298	0.49858
	0.32839	0.32800	0.31997	0.26758	0.26312	0.30404
	0.07057	0.06842	0.06740	0.06667	0.00260	0.06621

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	IT Subscriptions
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	-
2021	17,668	7,507	5,300	-
2022	15,095	5,684	4,730	-
2023	12,486	3,825	4,140	314

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

Source: County records.

N/A - Not Available

Business-
Type Activities

Lease Liability	Lease	Total Government	Percentage of Personal Income*	Per Capita*
\$ -	\$ -	\$ 56,736	0.68%	\$ 333.34
-	-	35,612	0.42%	207.87
-	104	40,699	0.47%	236.72
-	71	37,190	0.41%	215.94
-	37	34,122	0.37%	197.59
-	-	30,952	0.32%	178.62
-	-	35,373	0.35%	204.54
-	-	30,475	0.29%	174.47
172	-	25,681	N/A	147.45
150	41	20,956	N/A	120.49

County of Scott, Iowa

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

Fiscal Year	General Bonded Debt Outstanding		Accumulated Resources Restricted to Repaying the Principal of General Bonded Debt		Net General Bonded Debt	Percent of Debt to Assessed Value	Per Capita*
	General Obligation Bonds		Bonded Debt				
2014	\$	10,797,620	\$	1,802,355	\$ 8,995,265	0.10%	\$ 52.85
2015		9,348,254		1,936,389	7,411,865	0.06%	43.26
2016		16,454,038		2,217,903	14,236,135	0.11%	82.80
2017		15,176,372		2,754,062	12,422,310	0.10%	72.13
2018		14,322,809		3,390,905	10,931,904	0.08%	63.30
2019		13,449,638		3,993,594	9,456,044	0.07%	54.57
2020		20,197,662		226,578	19,971,084	0.14%	115.48
2021		17,668,209		352,314	17,315,895	0.12%	99.14
2022		15,095,053		299,323	14,795,730	0.09%	84.95
2023		12,486,530		302,770	12,183,760	0.08%	70.05

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

Source: County records.

County of Scott, Iowa

**Direct and Overlapping Governmental Activities Debt
As of June 30, 2023
(Unaudited)**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Direct Debt:			
Scott County	\$ 20,915,764	100.00%	<u>\$ 20,915,764</u>
Overlapping Debt:			
School Districts:			
Davenport Community	1,180,000	99.07%	1,169,026
Pleasant Valley Community	10,380,000	100.00%	10,380,000
Eastern Iowa Community College	42,400,000	60.62%	<u>25,702,880</u>
Subtotal, School Districts			<u><u>37,251,906</u></u>
Cities:			
Bettendorf	133,648,996	100.00%	133,648,996
Buffalo	274,000	100.00%	274,000
Davenport	204,510,000	100.00%	204,510,000
Donahue	77,000	100.00%	77,000
Durant	1,620,000	3.91%	63,342
Eldridge	12,084,906	100.00%	12,084,906
LeClaire	19,263,618	100.00%	19,263,618
Long Grove	2,321,000	100.00%	2,321,000
McCausland	74,566	100.00%	74,566
New Liberty	210,053	100.00%	210,053
Walcott	1,700,000	100.00%	<u>1,700,000</u>
Subtotal, Cities			<u><u>374,227,481</u></u>
			<u><u>411,479,387</u></u>
			<u><u>\$ 432,395,151</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, 2023
(Unaudited)

	2014	2015	2016	2017
Debt limit	\$ 616,290,777	\$ 631,566,151	\$ 638,067,587	\$ 670,621,287
Total net debt applicable to limit	47,110,000	27,005,000	32,410,000	29,500,000
Legal debt margin	\$ 569,180,777	\$ 604,561,151	\$ 605,657,587	\$ 641,121,287
Total net debt applicable to the limit as a percentage of debt limit	7.64%	4.28%	5.08%	4.40%

Source: County records.

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed value, net of military exemption	<u>\$ 17,129,122,291</u>
Debt limit (5% of assessed value)	<u>\$ 856,456,115</u>
Debt applicable to limit:	
General obligation bonds	11,970,000
Revenue Bonds	<u>3,815,000</u>
Total net applicable to limit	<u>15,785,000</u>
Legal debt margin	<u>\$ 840,671,115</u>

	2018	2019	2020	2021	2022	2023
\$	684,521,304	\$ 729,195,285	\$ 751,111,985	\$ 783,573,072	\$ 799,872,873	\$ 856,456,115
	26,990,000	24,420,000	27,885,000	23,975,000	19,950,000	15,785,000
\$	657,531,304	\$ 704,775,285	\$ 723,226,985	\$ 759,598,072	\$ 779,922,873	\$ 840,671,115
	3.94%	3.35%	3.71%	3.06%	2.49%	1.84%

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
2013	170,206	\$ 8,074,638	\$ 47,408	N/A	28,626	5.60
2014	171,317	8,312,940	48,484	N/A	28,666	5.20
2015	171,927	8,521,813	49,525	N/A	28,933	4.60
2016	172,223	8,711,590	50,543	N/A	28,851	4.50
2017	172,692	9,070,478	52,524	1,111	28,777	3.60
2018	173,283	9,283,263	53,655	N/A	28,864	2.90
2019	172,943	9,553,308	55,094	N/A	28,736	3.20
2020	174,669	10,127,058	58,465	N/A	27,970	6.60
2021	174,170	10,510,926	60,349	N/A	26,841	4.90
2022	173,924	N/A	N/A	N/A	26,628	3.20

Sources:

- ¹ US Census Bureau, Annual Estimates of the Resident Population, 2020 Decennial Census
- ² Bureau of Economic Analysis. Not adjusted for inflation. Revised figures for 2010-2020.
- ³ USDA, National Agricultural Statistics Services, Census of Agriculture (2012, 2017). Note: 2022 data release in Feb. 2024
- 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. 2022-23 would be listed under 2022)
- ⁵ Bureau of Labor Statistics, Local Area Unemployment Statistics, Annual Figures. Revised figures for 2010-2021.

Date accessed: 10/9/2023

County of Scott, Iowa

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

Employer	2014		
	Employees	Rank	Percentage of Total County Employment
Genesis Health System	5,100	1	6.0%
HyVee	2,645	2	3.1%
Davenport CSD	2,200	3	2.6%
Alcoa Inc.	2,000	4	2.4%
Oscar Mayer Foods Corp	1,600	5	1.9%
City of Davenport	1,295	6	1.5%
APAC Customer Service Inc.	1,200	7	1.4%
Isle Casino Hotel Bettendorf	1,000	8	1.2%
Walmart	985	9	1.2%
John Deere Davenport Works	840	10	1.0%

Employer	2023		
	Employees	Rank	Percentage of Total County Employment
Davenport School District	2,500	1	2.8%
Arconic	2,400	2	2.7%
Deere & Co	2,000	3	2.3%
Genesis Medical Ctr Davenport	1,500	4	1.7%
Tri City Electric Co.	1,200	5	1.4%
Kraft Heinz	1,200	6	1.4%
City of Davenport	1,135	7	1.3%
Nestle Purina	1,000	8	1.1%
Eaton: Cobham Mission Systems	950	9	1.1%
MidAmerican Energy	720	10	0.8%

Scott Co Total Employment (2022) 88,383

Sources:

2013 Financial Statements

DataAxle, ReferenceUSA GOV and Individual Employers, Accessed October 2023.

QC Chamber Top Employers, Accessed October 2023.

Total Employment - Bureau of Labor Statistics, Quarterly Census of Employment and Wages (2022, Annual)

County of Scott, Iowa

Full-Time Equivalent County Government Employees by Function/Program

Last Ten Fiscal Years

(Unaudited)

Function / Program	2014	2015	2016	2017
Public safety and legal services:				
Attorney	32.50	32.50	33.50	33.50
Health	11.80	11.80	11.80	11.80
Youth Justice & Rehabilitation Center	14.20	15.00	15.00	16.40
Sheriff	158.80	157.80	157.80	159.00
Physical health and social services:				
Community Services	7.00	7.00	7.00	7.00
Health	32.57	33.14	33.72	34.72
Mental Health, Mental Retardation & Developmental Disabilities:				
Community Services	3.00	3.00	3.00	3.00
County Environment and Education				
Conservation	49.24	48.85	48.85	48.85
Golf Course	17.98	17.98	17.98	16.98
Planning & Development	4.08	3.83	4.33	4.33
Roads and Transportation				
Secondary Roads	34.40	34.10	35.45	37.15
Governmental services to residents:				
Auditor	5.00	5.00	5.00	5.00
Recorder	11.00	10.50	10.50	10.50
Treasurer	12.40	12.40	12.40	12.40
Administration:				
Administration	3.50	4.50	4.90	5.90
Auditor	9.05	9.05	9.05	9.05
Facility & Support Services	30.50	29.50	28.50	28.70
Human Resources	3.50	3.50	3.50	3.50
Information Technology	15.40	15.40	15.40	15.00
Non-Departmental				
Supervisors, Board of	5.00	5.00	5.00	5.00
Treasurer	15.60	15.60	15.60	15.60
Total	476.52	475.45	478.28	483.38

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

Fiscal Year					
2018	2019	2020	2021	2022	2023
33.50	33.50	34.50	36.50	40.50	41.50
11.80	11.80	11.80	11.80	11.80	11.80
16.90	16.90	16.90	16.90	18.90	19.30
158.80	159.80	160.80	172.80	172.80	183.80
8.00	8.00	8.00	8.00	8.00	11.00
35.12	35.92	36.27	37.21	38.21	41.21
3.00	3.00	3.00	3.00	3.00	0.00
49.10	49.10	49.10	49.10	49.10	49.10
16.98	16.98	16.98	16.98	16.98	16.98
4.58	5.00	5.00	5.25	5.25	5.25
37.30	37.30	37.30	37.30	37.30	37.30
5.00	5.00	5.00	5.00	5.65	5.65
10.50	10.50	10.50	10.50	10.50	10.50
12.40	12.40	12.40	12.90	13.90	14.40
5.50	5.50	5.50	5.50	5.75	5.25
9.05	9.40	9.40	9.50	9.50	9.50
29.87	29.87	29.87	30.12	30.12	29.62
3.50	3.50	3.50	3.50	3.50	5.00
16.00	16.00	16.00	17.00	17.00	17.00
5.00	5.00	5.00	5.00	5.00	5.00
15.60	15.60	15.60	16.10	16.10	16.60
487.50	490.07	492.42	509.96	518.86	535.76

County of Scott, Iowa

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

<u>Function / Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Public Safety and Legal Services				
Attorney:				
# of felonies/aggravated field cases filed	4,317	3,850	4,077	4,004
# of new felony cases	1,164	1,053	1,112	991
Sheriff:				
# of civil papers received	12,591	11,668	11,441	11,232
Inmate instances of programming attendance	29,188	28,033	29,812	26,028
# of traffic contacts	2,965	1,851	1,472	3,492
Physical Health and Social Services				
Community Services:				
# of applications for general assistance	1,155	920	929	806
# of applications approved for general assist	606	453	416	292
# of requests for veteran services	1,399	1,459	1,614	1,212
# of invol commit filed for substance abuse	210	224	182	149
Health Department:				
# of health related inmate contacts within jail	16,426	29,046	31,005	35,538
# of comm disease requiring investigation	300	388	335	258
# of environmental health inspections conducted	4,277	4,153	4,182	3,649
# of public health nuisance complaints received	240	222	84	42
Mental Health, HR & DD				
Community Services:				
# of invol commit filed for mental health	434	423	341	342
# of juvenile MH commitments	104	64	78	56
# of adult MH commitments	311	345	243	255
# of protective payee cases	358	394	398	408
County Environment and Education				
Conservation:				
# of acres managed	2,509	2,509	2,509	2,509
# of rounds of golf course	26,480	26,814	27,858	26,456
Planning & Development:				
# of building permits issued	865	849	877	910

Note: Mental Health, HR & DD is no longer a County function as of FY 2023.

(Continued)

Source: County records - Year-end Indicator Report

Fiscal Year					
2018	2019	2020	2021	2022	2023
4,258	5,044	4,467	3,770	2,691	3,053
1,119	1,355	1,208	1,173	1,101	1,280
11,319	9,389	9,350	8,609	9,536	10,239
24,953	27,013	15,848	5,348	5,435	9,539
3,922	5,877	6,872	2,748	5,176	4,652
792	689	735	1,006	1,041	1,248
409	328	286	249	268	285
1,143	1,293	895	778	903	1,133
176	144	140	142	184	143
29,966	36,826	17,778	29,885	37,067	39,559
293	185	800	100	148	111
4,129	4,018	2,724	2,996	3,033	2,690
42	43	22	11	16	15
336	319	345	419	489	N/A
41	35	60	66	66	N/A
269	275	265	331	383	N/A
420	447	447	422	425	N/A
2,509	2,509	2,509	2,509	2,509	2,509
26,350	24,103	26,141	28,943	26,733	27,477
799	908	1,172	1,522	1,298	1,221

County of Scott, Iowa

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

Function / Program	2014	2015	2016	2017
Roads and Transportation:				
Secondary Roads:				
# of miles of road paved	223	223	223	221
# of bridges/culverts repaired/replaced	N/A	N/A	36	29
# of bridges/culverts maintained	2,123	2,123	2,123	2,123
# of bridges/culverts/driveway culverts maint.	N/A	N/A	N/A	N/A
Governmental Services to Residents				
Auditor:				
# of elections	4	1	4	1
# of registered voters	126,182	121,231	124,844	123,849
Recorder:				
# of real estate transactions recorded	26,954	34,188	35,161	27,630
# of vital statistics registered/issued	21,509	13,976	13,313	12,086
# of passport applications accepted	1,300	2,041	1,124	1,588
# of conservation licenses - ATV/Snow boat reg, titles and liens and privileges issued	8,221	4,562	12,109	5,276
Treasurer:				
# of title and security interest trans processed	65,465	70,031	80,842	83,091
Administration				
Auditor:				
# invoices processed	20,148	23,066	23,982	24,902
Facility & Support Service:				
# hours spent in safety training	24	24	74	330
# of square feet of hard surface floors maintained	107,473	568,367	527,450	560,208
# of hours spend on imaging	2,830	2,023	2,059	1,603
Information Technology:				
# of network users	938	938	910	897
# of network connections supported	2,776	2,776	3,144	3,210
# of 3rd party applications maintained	101	96	98	100
# of users supported	938	838	910	897
Treasurer:				
# of prop tax/spec assessment statutes issued	195,586	191,036	188,783	189,687
# of tax certifications issued	1,659	2,396	1,037	989

Fiscal Year					
2018	2019	2020	2021	2022	2023
226	226	226	225	225	225
41	45	49	50	2	1
NA	NA	NA	NA	NA	NA
4,969	4,975	4,975	4,979	5,001	5,005
3	1	2	2	2	1
125,578	125,381	128,253	129,642	131,182	126,920
34,681	32,537	38,141	45,358	61,286	39,013
12,919	15,522	16,971	16,224	18,343	17,503
1,479	1,365	425	-	311	715
4,548	12,362	4,763	4,523	11,328	4,975
91,217	83,164	83,294	88,988	79,944	74,044
24,644	25,401	25,401	19,163	19,611	29,562
122	142	84	63	86	59
560,208	384,844	525,850	426,444	440,538	348,398
2,912	2,919	3,161	1,683	2,066	2,290
971	1,060	1,108	1,080	600	624
3,370	4,672	4,702	4,702	4,703	4,703
N/A	N/A	N/A	N/A	45	45
971	1,060	1,108	1,080	1,104	1,104
198,118	194,889	183,510	206,071	193,372	114,433
1,015	1,217	-	1,259	1,275	1,062

County of Scott, Iowa

**Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)**

<u>Function / Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Public safety and legal services:			
Sheriff:			
# of patrol cars - marked	48	52	28
# of other vehicles	N/A	11	35
Physical health and social services:			
Health Department			
# of vehicles	13	14	13
Community Services			
# of vehicles	N/A	N/A	1
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	60	60	65
# of buildings	10	11	11
Administration:			
Facility and Support Services			
# of vehicles	7	7	8
# of buildings maintained	11	12	12
Attorney's office (Risk Management)			
# of vehicles	1	1	0

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

Fiscal Year						
2017	2018	2019	2020	2021	2022	2023
26	27	32	38	47	47	51
32	33	33	21	30	25	25
13	13	13	10	13	13	14
1	1	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
59	59	63	67	63	62	61
11	11	11	11	11	11	11
12	14	15	7	15	15	11
11	11	11	11	12	12	13
0	0	0	2	2	2	2

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COMPLIANCE

County of Scott, Iowa

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing 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	\$ 10,281	\$ -
<i>(Passed through Iowa Department of Education, Bureau/Division of Nutrition & Health)</i>				
Summer Food Service Program for Children	10.559	20122	560	-
Total 21.032			10,841	-
Total Child Nutrition Cluster				
SNAP Cluster				
<i>(Passed through Iowa Department of Human Services)</i>				
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561	5882NU34	2,052	-
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561	N/A	89,513	-
Total SNAP Cluster				
			91,565	-
Total U.S. Department of Agriculture				
			102,406	-
U.S. Department of Justice				
<i>(Passed Through Iowa Juvenile Court Services)</i>				
Delinquency Prevention Program	16.548	2023-DLNQ-02	29,587	-
<i>(Passed through the Office of Justice Programs Bureau of Justice Assistance)</i>				
State Criminal Alien Assistance Program	16.606	15PBJA-20-RR-00364-SCAA	6,962	-
State Criminal Alien Assistance Program	16.606	15PBJA-21-RR-05172-SCAA	3,886	-
State Criminal Alien Assistance Program	16.606	15PBJA-22-RR-05349-SCAA	688	-
Total 16.606				
			11,536	-
<i>(Direct Program)</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA21GG02255JAGX	89,579	44,790
<i>(Passed through the Governor's Office of Drug Control Policy)</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	20-JAG-44810	59,000	29,500
Total 16.738				
			148,579	74,290
<i>(Passed through State of Iowa Department of Justice, Crime Victim Assistance Division)</i>				
Violence Against Women Formula Grants	16.588	LE-2022-ScottCountySheriff'sOffice-00178	17,055	-
Violence Against Women Formula Grants	16.588	LE-2023-ScottCountySheriff'sOffice-00178	49,287	-
Total 16.588				
			66,342	-
<i>(Passed through Community Oriented Policing Services)</i>				
Public Safety Partnership and Community Policing Grants	16.710	#19-Heroin-08	1,512	-
Public Safety Partnership and Community Policing Grants	16.710	#22- Heroin-08	1,877	-
Public Safety Partnership and Community Policing Grants	16.710	#21-CAMP-11	12,000	-
Total 16.710				
			15,389	-
<i>(Passed through State of Iowa, Division of Public Health)</i>				
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	N/A	499	-
Total U.S. Department of Justice				
			271,932	74,290
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-22-402-M0PT,Task 61-00-00 and PAP 22-405d-M6OT, Task 00-61-00	9,748	-
State and Community Highway Safety	20.600	PAP-22-402-M0PT,Task 61-00-00 and PAP 204-AL-2024, Task 02-40-79	29,629	-
Total Highway Safety Cluster				
			39,377	-
Total U.S. Department of Transportation				
			39,377	-

(Continued)

County of Scott, Iowa

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor's Identifying Number	Federal Expenditures	Pass Through To Subrecipients
U.S. Department of the Treasury				
<i>(Direct Program)</i>				
COVID-19 - Coronavirus State and Local Fiscal Recovery Fund	21.027	N/A	\$ 8,669,124	\$ 1,868,241
Total 21.027			<u>8,669,124</u>	<u>1,868,241</u>
<i>(Direct Program)</i>				
Local Assistance and Tribal Consistency Fund	21.032	N/A	100,000	-
Total 21.032			<u>100,000</u>	<u>-</u>
Total U.S. Department of Treasury			<u>8,769,124</u>	<u>1,868,241</u>
U.S. Department of Homeland Security (DHS)				
<i>(Passed through Iowa Homeland Security and Emergency Management Department)</i>				
Emergency Management Performance Grants	97.042	EMPG-EXT-22-PT-82	39,000	-
Emergency Management Performance - State and Local Assistance Grant	97.042	EMPG-ARPA-21-PT-82	39,000	-
Total 97.042			<u>78,000</u>	<u>-</u>
BRIC: Building Resilient Infrastructure and Communities	97.047	EMK-2020-BR-010-0003	22,500	-
Homeland Security Grant Program - Reallocation Grant	97.067	HSGP-19-11-07	40,344	-
Total U.S. Department of Homeland Security			<u>140,844</u>	<u>-</u>
U.S. Department of Health and Human Services				
<i>(Passed through the Iowa Department of Health)</i>				
Public Health Emergency Preparedness - Local Bioterrorism Grant	93.069	5881BT03E2	57,365	-
CCDF Cluster				
<i>(Passed through Scott County Kids)</i>				
Child Care and Development Block Grant	93.575	5883CH14	8,268	1,080
Child Care and Development Block Grant	93.575	5883CH14	1,478	455
Total CCDF Cluster			<u>9,746</u>	<u>1,080</u>
<i>(Passed through the Iowa Department of Health)</i>				
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	5885BT482	236,181	19,005
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	5885BT482	98,120	-
Grants to States to Support Oral Health Workforce Activities	93.236	5883DH33	68,096	-
Immunization Cooperative Agreements	93.268	5883I478	46,107	32,921
Immunization Cooperative Agreements	93.268	588BT482	1,835	-
Total 93.268			<u>47,942</u>	<u>32,921</u>
State Actions to Improve Oral Health Outcomes and Partner Actions to Improve Oral Health Outcomes	93.366	5883CH14	6,395	-
Well-Integrated Screening and Evaluation for Women Across the Nation (Wisewoman)	93.436	5881NB21WWE	500	500
Well-Integrated Screening and Evaluation for Women Across the Nation (Wisewoman)	93.436	5883NB21WW	2,725	2,725
Total 93.436			<u>3,225</u>	<u>3,225</u>
<i>(Passed through Iowa Department of Human Services)</i>				
Guardianship Assistance	93.090	N/A	20	-
Refugee and Entrant Assistance - State Administered Programs	93.566	N/A	246	-
Refugee and Entrant Assistance - State Administered Programs-Child Care Development Fund	93.566	N/A	20,563	-
Total 93.566			<u>20,809</u>	<u>-</u>
Foster Care Title IV-E	93.658	N/A	18,878	-
Adoption Assistance	93.659	N/A	10,443	-
Social Services Block Grant - Indirect	93.667	N/A	23,664	-
Title IV-E Prevention Program	93.472	N/A	2,657	-
Children's Health Insurance Program	93.767	N/A	1,548	-
<i>(Passed through the Iowa Department of Health)</i>				
Maternal and Child Health Services Block Grant to the States				
Children's Health Insurance Program - Hawk-i	93.767	5881MH16E	6,247	-
Children's Health Insurance Program - Hawk Outreach FFS	93.767	5883CH14	17,946	-
Total 93.767			<u>25,741</u>	<u>-</u>

(Continued)

**Schedule of Expenditures of Federal Awards (Concluded)
For the Year Ended June 30, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor's Identifying Number	Federal Expenditures	Pass Through To Subrecipients
U.S. Department of Health and Human Services (continued)				
Medicaid Cluster				
<i>(Passed through Iowa Department of Human Services)</i>				
Medical Assistance Program (Title XIX)	93.778	N/A	\$ 102,413	\$ -
<i>(Passed through the Iowa Department of Health)</i>				
Medical Assistance Program				
CA & DH FFS	93.778	5881MH16E	19,253	-
Total 21.032	93.778	5883CH14	23,451	-
MH FFS	93.778	5881MH16E	10,060	-
MH FFS	93.778	5883MH14	11,210	-
I-Smile	93.778	5881MH16E	11,405	-
I-Smile	93.778	5883CH14	26,189	-
Total Medicaid Cluster			203,981	-
<i>(Passed through the Iowa Department of Health)</i>				
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	5883NB21	11,600	11,600
HIV Care Formula Grants	93.917	5882AP29	16,841	-
HIV Care Formula Grants	93.917	5883AP29	11,888	-
Total 93.917			28,729	-
HIV Prevention Activities Health Department Based	93.940	5881AP29	55,741	-
HIV Prevention Activities Health Department Based	93.940	5882AP29	42,330	-
Total 93.940			98,071	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	5883ST13	51,214	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	588CY3ST13	53,350	-
Total 93.977			104,564	-
Maternal and Child Health Services Block Grant to the States				
Maternal and Child Health Services Block Grant to States - Doula Project	93.994	5881MH16E	26	-
Maternal and Child Health Services Block Grant to States - Doula Project	93.994	5883MH14	1,945	-
Maternal and Child Health Services Block Grant to States - CH-EPSDT	93.994	5880MH16E	15,670	-
Maternal and Child Health Services Block Grant to States - Maternal Health	93.994	5881MH16E	11,636	-
Maternal and Child Health Services Block Grant to States - Maternal Health	93.994	5883MH14	38,423	-
Maternal and Child Health Services Block Grant to States - Dental Health Grant	93.994	5883CH14	6,395	-
Maternal and Child Health Services Block Grant to States - Dental Health Grant	93.994	5883CH14	4,587	-
Total 93.994			78,682	-
Total U.S. Dept of Health and Human Services			1,154,909	68,286
Total Expenditures of Federal Awards			\$ 10,478,592	\$ 2,010,817

See Notes to Schedule of Expenditures of Federal Awards.

County of Scott, Iowa

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

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, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of 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.

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.

3. Indirect Cost Rate

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

County of Scott, Iowa

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2023

There were no findings relative to federal awards reported in the county of Scott's single audit report for the year ended June 30, 2022.

**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***

Independent Auditors' Report

To the Board of Supervisors of
County of Scott, 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 (*Government Auditing Standards*), 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 (the County), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 5, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Comments involving statutory and other legal matters about the County's operations for the year ended June 30, 2023, are based on knowledge obtained from procedures performed during our audit of the financial statements of the County. Since our audit was based on testing 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.

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.

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

Milwaukee, Wisconsin
December 5, 2023

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

Independent Auditors' Report

To the Board of Supervisors of
County of Scott, Iowa

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

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

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2023.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Milwaukee, Wisconsin
December 5, 2023

County of Scott, Iowa

Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Section I - Summary of Auditors' Results

Financial Statements

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

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance? _____ yes X no

Identification of major federal programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	COVID – 19 Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? _____ yes X no

Section II - Financial Statement Findings Required to be Reported in Accordance With Government Auditing Standards

None.

Section III - Federal Award Findings and Questioned Costs

None.

County of Scott, Iowa

Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Section IV - Other Findings Related to Required Statutory Reporting

2023-IV-A Certified Budget

Disbursements during the year ended June 30, 2023 did not exceed the amounts budgeted.

2023-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.

2023-IV-C Travel Expense

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

2023-IV-D Business Transactions

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

2023-IV-E Restricted Donor Activity (Gift Law)

No receiving or soliciting of prohibited gifts were noted.

2023-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.

2023-IV-G Board Minutes

No transactions were found that we believe should have been approved in the Board minutes but were not.

2023-IV-H Deposits and Investments

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

2023-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).

2023-IV-J Lease Agreements

The County did not enter into any new lease agreements during the year ended June 30, 2023.