

BOARD OF SUPERVISORS MEETING

Meeting Notice

Tama County Board of Supervisors

Mon., Apr. 6, 2026

Meetings may also be available online for viewing and/or participating in by clicking the below link barring no power, internet, or equipment failure or other unforeseen circumstances. Meetings will still be held if there is no electronic availability.

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Agenda Schedule

** Agenda is not printed in any particular order, only time specific items will be addressed at certain times

8:30AM

Call to Order, Pledge of Allegiance

Approve agenda

Public comments-This time is set aside for public comments on County business topics. To be recognized raise your hand or stand. After recognition by the Chair, state your name and address. You may speak one time per issue. If the comment is for an item not on the agenda, please understand the Board of Supervisors will not act on your comments at this meeting due to the Open Meetings Law requirements but may do so at a future board meeting by placing it on the agenda. The Chair and Board members welcome comments from the public; however, all comments must be directed to the board and not others in attendance; keep your comments germane; it is not appropriate to use profane, obscene, or slanderous language. No personal attacks will be allowed. The Chair may limit each speaker to three minutes.

Discuss/Approve 3/30/26 regular minutes & work session minutes

Engineer-road projects report

Discussion/possible action on Backyard Vines liquor license

Discussion/possible action on contract with Ninjaone

Discussion/possible action on FY25 County Audit

Discussion/possible action on Short Term & Long Term Disability

Discussion/possible action on Mental Health Physicals for Sheriff's Department

Discussion/possible action on Tama County Home Health

Discussion/approve claims

New Business:

Discussion/possible action: Supervisor reports

Public comments

Adjourn

Board of Supervisors Minutes
March 30, 2026

The Tama County Board of Supervisors met at 8:30 a.m. March 30, 2026. Present: 1st District Supervisor, Curt Hilmer; 2nd District Supervisor, David Turner; 3rd District Supervisor, Heather Knebel and 4th District Supervisor, Mark Doland. Also, Tama County Auditor, Karen Rohrs, and members of the public. Absent: 5th District Supervisor, Curt Kupka.

The Pledge of Allegiance was recited.

Motion by Turner, seconded by Knebel to approve the agenda. Discussion: None. All voted aye. Motion carried.

Public Comments: Public comments were heard from Karen Murty and Jack Cooper. Public comment time closed at 8:36 am.

Motion by Knebel, seconded by Hilmer to approve the minutes of the March 23rd regular meeting and March 23rd special tax levy meeting. Discussion: None. All voted aye. Motion carried.

Supervisor Hilmer gave a brief roads project report. Supervisors Knebel and Turner informed the Board of some road issues.

The engineer's office had received a utility permit from Olsson on behalf of MidAmerican Energy. The road foremen have been out to review the locations. Interim county engineer, Nick Amelon, recommends the Board sign the permit. Motion by Turner, seconded by Knebel to approve the utility permit for Olsson on behalf of MidAmerican Energy and authorize the chairman to sign the utility permit. Discussion: This will be for broadband. All voted aye. Motion carried.

The engineer's office also received a utility permit from Windstream Iowa Communications. Motion by Hilmer, seconded by Knebel to approve the utility permit for Windstream Iowa Communications and authorize the chairman to sign the utility permit. Discussion: None. All voted aye. Motion carried.

Interim county engineer, Nick Amelon, received notification from the DOT recommending counties place rumble/mumble panels on all roads that lead to Highway 30. Right now, Highway T47 is the only approaching road to Highway 30 that doesn't have rumble/mumble panels. Amelon recommends the rumble panels. Motion by Turner, seconded by Knebel to approve rumble panels for Highway T47. Discussion: It was noted that noise from the rumble panels is not expected to be an issue, given the existing traffic noise from Highway 30. It was also stated that a "Stop Ahead" sign will be installed. The county will get reimbursed for the rumbles. All voted aye. Motion carried.

The Board held discussion regarding setting wages for elected officials. Motion by Hilmer, seconded by Turner to approve the following resolution. Discussion: It was discussed how a study had been conducted.

RESOLUTION 3-30-2026A

WHEREAS, the Board of Supervisors approve wage increases for all elected officials.
 THEREFORE, BE IT RESOLVED that the Tama County Board of Supervisors approves the following salary adjustments for the following elected officials for the fiscal year beginning July 1, 2026:

<u>Elected Official</u>	<u>Approved Salary</u>	<u>Approved Increase</u>
Attorney	\$136,596	14.794%
Auditor	\$85,010	8.26%
Recorder	\$80,660	3.0%
Sheriff	\$125,306	4.249%
Supervisors	\$40,224	3.873%
Treasurer	\$80,771	3.0%

Roll Call Vote: Hilmer, aye. Turner, aye. Knebel, aye. Doland, aye. Resolution passed and adopted this 30th day of March, 2026. Mark Doland, Chairman, Board of Supervisors. Karen Rohrs, County Auditor.

The Board discussed the need to have an updated resolution regarding the budget director's wages. Motion by Turner, seconded by Knebel to approve the following resolution to appoint a Budget Director. Discussion: It was discussed that an existing resolution explicitly designated the former auditor as Budget Director. This new resolution will not name a specific individual, instead allowing the current auditor to serve in that role.

RESOLUTION 3-30-2026B
RESOLUTION APPOINTING THE TAMA COUNTY AUDITOR AS BUDGET DIRECTOR

WHEREAS, the Tama County Board of Supervisors does see the need for appointing someone to serve as the Tama County Budget Director.

WHEREAS, the Tama County Board of Supervisors does wish the Budget Director to have a background in accounting, bookkeeping, and/or a working knowledge of governmental accounting standards.

WHEREAS, the Tama County Board of Supervisors does establish the following duties as those of the budget director:

1. Assure compliance with state laws regarding governmental budgeting and reporting.
2. Prepare the Tama County budget, including attending budget meetings and work sessions with Department Heads and Supervisors as necessary and requested by the Board of Supervisors.
3. Process all proposed department budgets into the County budget for presentation to the Board of Supervisors.
4. Compile the Board's approved budget into the appropriate state forms and prepare publications and public hearings related to the annual budget process.
5. Distribute approved budgets to all departments.
6. File and adopt approved budget on the State of Iowa website.
7. Project anticipated income, expenditures, and fund balances for budgeting purposes.
8. Assist Department Heads with managing budgets and ensuring that budgeted amounts are not exceeded in Dept, Fund, and Service Area.

9. Coordinate and prepare budget amendments, prepare publications and public hearings related to the amendment process.
10. File and adopt approved amendments on the State of Iowa website.
11. Assure accurate recording of budget and financial transactions in the computer system.
12. Coordinate the preparation of monthly cash basis financial reports to the Supervisors and Department Heads.
13. Prepare audit lead schedules and other reports and reconciliations as required for annual audit and state reporting.
14. Coordinate the preparation of numerous expenditure and cost reports as required by the legislature.
15. Fixed Asset accounting and reporting.
16. Prepare and file the annual cash report.
17. File the annual accrual report.

THEREFORE, BE IT RESOLVED that the Tama County Board of Supervisors designate the Tama County Auditor to serve as Budget Director and be responsible for the duties previously listed. A stipend in the amount of \$3,500 shall be allocated to the Auditor out of the Board of Supervisors' budget.

Roll Call Vote: Hilmer, aye. Turner, aye. Knebel, aye. Doland, aye. Resolution passed and adopted this 30th day of March, 2026. Mark Doland, Chairman, Board of Supervisors. Karen Rohrs, County Auditor.

The Board held discussion regarding setting wages for non-elected and non-union employees. Motion by Knebel, seconded by Turner to approve 3.0% increase to wages for non-elected and non-union employees for fiscal year 2027. Discussion: It was discussed how merit-based pay increases should be looked into. All voted aye. Motion carried.

Union negotiations have been completed, and agreements have been reached regarding wage increases for each bargaining unit. Motion by Knebel, seconded by Turner, to approve the following wage adjustments: 1.5% for Secondary Roads, 3% for 911 Dispatchers, 3% for Jailers, and 6% for Deputy Sheriffs. Discussion: Appreciation was given to Paul Greufe, the auditor's office, and the department heads involved in the negotiations for their contributions and efforts. All voted aye. Motion carried.

Auditor Rohrs stated that a public hearing must be scheduled for the final approval and adoption of the FY27 County Budget. Rohrs recommended Monday, April 20, at 8:45 a.m.; however, the Board may set the hearing at any time they prefer and is not required to hold it during a regular Monday morning meeting. Motion by Turner, seconded by Hilmer to approve setting the FY27 County Budget public hearing for Monday, April 20th at 8:45 am. Discussion: None. All voted aye. Motion carried.

Motion by Turner, seconded by Knebel to approve the claims for payment as presented in the amount of \$142,949.15. Discussion: None. All voted aye. Motion carried.

New Business: Supervisor Turner informed the Board of a reduced bill on a contract that was cancelled. He stated he is waiting for Windstream to get back to him. Supervisor Doland stated he had attended the Central Iowa Juvenile Detention Center meeting and that everything is moving

along. He stated there will be a fee for counties that had been previously removed to join again and that Tama County is still a member. Supervisor Knebel stated she had attended the Heartland Risk Pool meeting and that there will be a newly elected/elected officials seminar held on November 13, 2026. This will be a time that newly elected or appointed officials can take the IPIB training. She also wanted to remind everyone that the Land Use Plan is being updated and that the survey is due tomorrow, March 31st. Supervisor Doland stated that he would be attending a Region 6 planning meeting today.

Public Comments: Public comments were heard from Karen Murty and Amelia Kemper. Public comment time closed at 9:06 am.

Motion by Hilmer, seconded by Turner to adjourn the meeting. All voted aye. Motion carried. Chairman Doland adjourned the meeting at 9:06 am.

These minutes are intended to provide a summary of the discussions and decisions made during the Board of Supervisor meeting. For the most accurate and comprehensive record, please refer to the audio recording of the meeting that can be provided upon request at the auditor's office.

Board of Supervisors Work Session
March 30, 2026

The Tama County Board of Supervisors met at 10:30 a.m. March 30, 2026 to hold a budget work session with Tama County Public Health. Present: 1st District Supervisor, Curt Hilmer; 2nd District Supervisor, David Turner. Also, Tama County Auditor, Karen Rohrs, Tama County Public Health Director, Stacy Koeppen, and Tama County Public Health, Executive/Fiscal Assistant, Jolynn Harger. Members of the Tama County Board of Health, Micki Ferris, Richard Arp, and Sherri Vesely and members of the public. 3rd District Supervisor, Heather Knebel and 4th District Supervisor, Mark Doland joined by phone. Absent: 5th District Supervisor, Curt Kupka.

Tama County Public Health Director, Stacy Koeppen, presented a proposal to the Tama County Board of Supervisors, to purchase the Home Health portion of public health in the amount of \$20.00. The Board held a lengthy discussion with Koeppen on what the transition would look like and how patients that don't qualify to be covered by insurance would still need care and to be covered by the county. The Board also discussed if sealed bids or a public hearing would be required.

Motion by Hilmer, seconded by Turner to proceed with selling the in home care after legal counsel confirms the process and be a sealed bids. Discussion: Supervisor Turner stated he is for it because it will keep services here and it takes care of liability issues and any back Medicare/Medicaid look backs, but it needs to be legal. Doland stated they don't know what they are agreeing to and if it is legal and it doesn't take care of the patients that need to be taken care of. It is interfering with the private sector. Knebel stated she is interested in selling as long as it is legal and that it is taxpayer money and taxpayer assets and more answers need to be researched. Hilmer, aye. Turner, aye. Knebel, aye. Doland, nay. Motion carried.

Motion by Doland, seconded by Turner to direct the Board of Health to submit a transition plan to cover the individuals without health insurance that are receiving services and a proposal back to the Board of Supervisors of what the cost to the county would be and what staffing level would be required. Discussion: Knebel asked if it was just people that don't have insurance. Doland stated it would be people identified by public health. Hilmer, aye. Turner, aye. Knebel, aye. Doland, aye. Motion carried.

More discussion was held on who would cover the cost of the people who don't qualify for insurance.

Doland left the meeting at 11:58 am.

The work session adjourned at 12:01 pm.

These minutes are intended to provide a summary of the discussions and decisions made during the Board of Supervisor work session. For the most accurate and comprehensive record, please refer to the audio recording of the work session that can be provided upon request at the auditor's office.

SPECIAL CLASS "C" RETAIL NATIVE WINE LICENSE RENEWAL

Business Information

Name of Legal Entity: BACKYARD VINES LLC

FEIN: XX-XXX2920

Business Type: Limited Liability Company

This business is registered with the Secretary of State.

Business Number of Secretary of State: 766641

Premises Information

Premises DBA:

Premises Address:

Premises Type: Vintner

Number of Floors: 1

Control of Premises: Own

Is your premises equipped with at least one adequate, conveniently located indoor or outdoor toilet facility for use by patrons?

Yes

Does your premises conform to all local and state health, fire and building laws and regulations?

Yes

Is your establishment equipped with tables and seats to accommodate a minimum of 25?

Yes

Has the number of floors of the premises changed?

No

Have there been any changes to the premises in the last 12 months? This includes any changes that affect where alcohol is manufactured, stored, sold or consumed, such as adding, deleting, or changing permanent outdoor service areas.

No

Has there been a change in the control of property over the last 12 months? This includes a renewed/updated lease agreement, or changing from a deed to a lease, or a lease to a deed.

No

License Information

Effective Date: 01-May-2026

Length of License Requested: 12MONTH

Privilege(s) Requested

Outdoor Service - Allows the selling/serving of alcoholic beverages by the license/permit in a designated, adjacent outdoor area.

Living Quarters - Separates private living quarters from the licensed premises; protects licensee/permittee from warrantless searches of living quarters.

Provided description of the Outdoor Service Area:

The outdoor area is adjacent to the current winery/tasting room. There is a paved area approximately 48' x 60'.

Endorsements

Local Authority: Tama County

Dramshop Company: FOUNDERS INSURANCE COMPANY

Ownership Information

Type	Name	ID Type	ID	DOB	Phone	Address	Percentage
Individual	HARFORD, GEORGE	SSN	***-**-****	17-Jul-195 6	31933091 60	2624 195TH ST TRAER IA 50675-9323	100.00

Criminal History Details

Has anyone listed on the Ownership page been charged or convicted of a felony offense in Iowa or any other state of the United States?

No

Has anyone listed on the Ownership page been convicted of any violation of any state, county, city, federal or foreign law? For traffic violations, only include those that are drug or alcohol related.

No

Criminal Violations

Contact Information

Contact Name: DEVONNE JOLENE HARFORD

Phone Number: 3195404611

Email Address: devonne1962@live.com

Address: 2624 195TH ST TRAER IA 50675-9323

Owner Attestation

Name of Owner: GEORGE HARFORD

Attestation Date: 25-Mar-2026



March 26, 2026

To the Board of Supervisors
Tama County, Iowa

We have audited the financial statements of Tama County, Iowa (County) as of and for the year ended June 30, 2025, and have issued our report thereon dated March 26, 2026. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards* and our Compliance Audit under the Uniform Guidance

As communicated in our letter dated February 14, 2025, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America and to express an opinion on whether the County complied with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the County's major federal program. Our audit of the financial statements and major program compliance does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the County solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Our responsibility, as prescribed by professional standards as it relates to the audit of the County's major federal program compliance, is to express an opinion on the compliance for the County's major federal program based on our audit of the types of compliance requirements referred to above. An audit of major program compliance includes consideration of internal control over compliance with the types of compliance requirements referred to above as a basis for designing 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 internal control over compliance. Accordingly, as a part of our major program compliance audit, we considered internal control over compliance for these purposes and not to provide any assurance on the effectiveness of the County's internal control over compliance.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated March 26, 2026. We have also provided our comments regarding compliance with the types of compliance requirements referred to above and internal controls over compliance during our audit in our Independent Auditor's Report on Compliance with the Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance dated March 26, 2026.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. The significant accounting policies used by the County are described in Note 1 to the financial statements. As discussed in Notes 1 and 12 to the financial statements, the County has changed accounting policies related to accounting for compensated absences to adopt the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Accordingly, the accounting change has been retrospectively applied to the financial statements beginning July 1, 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of the total Other Postemployment Benefits (OPEB) liability, related deferred outflows of resources and deferred inflows of resources, and OPEB expense are based on a calculation of actuarially determined contributions for health insurance benefits. We evaluated the key factors and assumptions used to develop the OPEB related balances in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net pension liability, pension related deferred outflows of resources and deferred inflows of resources, and pension expense are based on plan level actuarial reports, allocated to the County using annual employer contributions. We evaluated the key factors and assumptions used to develop the pension related balances in determining that they are reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the County's financial statements relate to net pension liability and the total OPEB liability.

Irregularities

During our audit, we were provided information of potential irregularities regarding a former Human Resource Manager and a former Conservation Department Director. The Office of the Auditor of State of Iowa has conducted special investigations and have issued reports dated February 3, 2026, for the former Human Resource Manager and October 2, 2024, for the former Conservation Department Director. The reports are available on the Office of the Auditor of State website (<https://www.auditor.iowa.gov/>). Based on the findings in the reports, we increased our audit testing of American Rescue Plan Act (ARPA) and health insurance expenditures. The results of our testing had no impact on the financial statements or our Independent Auditor's Report.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. There were no uncorrected misstatements identified as a result of our audit procedures.

The following misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management:

	Fund Balance/Net Position Increase (Decrease)	
	Fund Statements	Governmental Activities
General Fund		
To adjust receivables	\$ 12,914	\$ 12,914
Secondary Roads Fund		
To adjust receivables	439,272	439,272
Rural Services Fund		
To adjust receivables	143,912	143,912
Internal Service Fund		
To adjust receivables	113,030	113,030
Governmental Activities		
To adjust capital assets	-	386,701

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor’s report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor’s Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor’s report. As described in Note 1 to the financial statements, due to the adoption of GASB Statement No. 101, *Compensated Absences*, the County restated opening balances as of July 1, 2024. The purpose of the paragraph is to draw attention to the disclosures for the adoption of the standards update. We have included an emphasis of matter in our report regarding this restatement. We did not modify our opinion related to this matter.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated March 26, 2026.

Management’s Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the County, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the County's auditors.

Other Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the County's Financial Statements, does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, 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.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing has come to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the Board of Supervisors and management of Tama County, Iowa and is not intended to be, and should not be, used by anyone other than these specified parties.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, professional style.

Dubuque, Iowa

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June 30, 2025
Tama County

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Tama County

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Curt Hilmer	Board of Supervisors	January 2029
David Turner	Board of Supervisors	January 2027
Heather Knebel	Board of Supervisors	January 2027
Mark Doland	Board of Supervisors	January 2029
Curt Kupka	Board of Supervisors	January 2029
Karen Rohrs	County Auditor	January 2029
Amanda Kriegel	County Treasurer	January 2027
Amelia Kemper	County Recorder	January 2027
Casey Schmidt	County Sheriff	January 2029
Brent D. Heeren	County Attorney	January 2027



Independent Auditor's Report

To the Officials of Tama County

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tama County, Iowa (the County), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Tama County, Iowa, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Adoption of New Accounting Standard

As discussed in Notes 1 and 12 to the financial statements, the County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* for the year ended June 30, 2025. Accordingly, a restatement has been made to the governmental activities net position as of July 1, 2024, to restate beginning net position. 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

The County's basic financial statements for each of the nine years ended June 30, 2024 through June 30, 2016 (not presented herein), were audited by other auditors whose reports for each of the years expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The reports of the other auditors stated that the schedule of revenues by source and expenditures by function for each of the nine years ended June 30, 2024 through June 30, 2016 was subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or the those basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in their opinion, was fairly stated in all material respects in relation to the basic financial statements as a whole for each of the nine years ended June 30, 2024 through June 30, 2016.

Other Information

Management is responsible for the other information included in the Financial Statements. The other information comprises the list of officials but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2026, 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.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Dubuque, Iowa
March 26, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

Tama County provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2025. We encourage readers to consider this information in conjunction with the County's financial statements, which follow.

FINANCIAL HIGHLIGHTS

Revenues of the County's governmental activities increased 5.2%, or 1,329,340, from fiscal year 2024 to fiscal year 2025. Property tax revenues increased \$1,407,907, charges for services increased \$91,361, operating grants and contributions increased \$539,711, capital grants and contributions decreased \$1,463,747, and other general revenues increased \$754,108.

Program expenses of the County's governmental activities were 7.3%, or \$1,681,947 higher in fiscal year 2025 than in fiscal year 2024. Physical Health and Social Services had an increase of \$415,457, and Roads and Transportation had an increase of \$432,741.

The County's net position increased 4.4%, or \$2,415,876, over the June 30, 2024 balance.

USING THIS ANNUAL REPORT

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

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

The *Government-wide Financial Statements* consist of a statement of net position and a statement of activities. These provide information about the activities of Tama County as a whole and present an overall view of the County's finances.

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

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

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

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

REPORTING THE COUNTY'S FINANCIAL ACTIVITIES

Government-wide Financial Statements

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

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

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

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

Fund Financial Statements

The County has three kinds of funds:

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

The required financial statements for the governmental funds include a balance sheet and a statement of revenues, expenditures, and changes in fund balances.

2) A proprietary fund accounts for the County's Employee Group Health Insurance Fund. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions.

The required financial statements for the proprietary funds include a statement of net position, a statement of revenues, expenses, and changes in fund net position and a statement of cash flows.

3) Fiduciary funds are used to report assets held in a trust or custodial capacity for others which cannot be used to support the County's own programs. These fiduciary funds include Custodial Funds that account for drainage districts, emergency management services and the County Assessor, to name a few.

The required financial statements for fiduciary funds include a statement of fiduciary net position and statement of changes in fiduciary net position.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

NET POSITION OF GOVERNMENTAL ACTIVITIES **(as shown in the Statement of Net Position)**

	June 30,	
	2025	2024 (not restated)
Current and Other Assets	\$ 26,882,498	\$ 24,555,564
Capital Assets	54,518,434	54,109,075
Total assets	81,400,932	78,664,639
Deferred Outflows of Resources	1,340,885	1,638,215
Other Liabilities	1,336,032	1,785,895
Long-term Liabilities	10,205,375	10,609,783
Total liabilities	11,541,407	12,395,678
Deferred Inflows of Resources	13,904,383	12,839,214
Net Position		
Net investment in capital assets	47,956,740	46,799,093
Restricted	11,164,312	8,475,421
Unrestricted	(1,825,025)	(206,552)
Total net position	\$ 57,296,027	\$ 55,067,962

Tama County's combined net position of governmental activities increased 4.0% from \$55,067,962 at June 30, 2024 to \$57,296,027 at June 30, 2025.

The largest portion of the County's net position is invested in capital assets (e.g., land, infrastructure, intangibles, buildings and equipment), less the related debt. The debt related to the investment in capital assets is liquidated with resources other than capital assets. This net position category increased 2.5%, or \$1,157,647.

Restricted net position represents resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. This net position category increased \$2,688,891, or 31.7%.

Unrestricted net position — the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements — decreased from a deficit of \$206,552 at June 30, 2024 to a deficit of \$1,825,025 at the end of this year.

Effective July 1, 2024, the County adopted provisions of GASB Statement No. 101, *Compensated Absences*. As a result of this change in accounting principle, it was not appropriate for the County to restate prior-period information for earlier periods than those presented in the basic financial statements. Therefore, information for the year ended June 30, 2024 was not restated. See Note 12 to the financial statements for further information on the change in accounting principle.

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES
(as shown in the Statement of Activities)

	Year Ended June 30,	
	2025	2024 (not restated)
Revenues		
Charges for services	\$ 2,089,178	\$ 1,997,817
Operating grants and contributions	7,188,697	6,648,986
Capital grants and contributions	2,525,415	3,989,162
Property taxes	11,743,437	10,335,530
Tax increment financing	452,821	411,230
Penalty and interest on property taxes	37,293	70,051
State tax credits	670,647	631,500
Special assessments	-	3,467
Local option sales tax	869,194	854,483
Unrestricted investment earnings	383,359	518,360
Gain on sale of capital assets	33,868	-
Miscellaneous	1,140,341	344,324
	<u>27,134,250</u>	<u>25,804,910</u>
Expenses		
Public safety and legal services	4,794,737	4,831,961
Physical health and social services	2,313,944	1,898,487
County environment and education	1,333,350	1,000,254
Roads and transportation	11,661,954	11,229,213
Government services to residents	938,592	674,882
Administration	3,440,432	3,170,513
Non-program	31,981	1,532
Interest on long-term debt	203,384	229,585
	<u>24,718,374</u>	<u>23,036,427</u>
Change in net position	2,415,876	2,768,483
Net position, as previously reported	55,067,962	52,299,479
Adjustments (Note 12)	(187,811)	-
	<u>54,880,151</u>	<u>-</u>
Net position, as restated	54,880,151	-
Net position end of year	<u>\$ 57,296,027</u>	<u>\$ 55,067,962</u>

The County's governmental activities net position increased \$2,415,876 during the year. Revenues for governmental activities increased \$1,329,340. The main cause of this increase was an increase in property tax revenues.

The cost of all governmental activities this year was \$24,718,374 compared to \$23,036,427 last year. Overall, the County's governmental program revenues, including intergovernmental aid and charges for service, decreased in fiscal year 2025 from \$12,635,965 to \$11,803,290. In fiscal year 2024, the County received a large amount of contributions of roads and bridges paid for by the Iowa Department of Transportation as compared to 2025.

INDIVIDUAL MAJOR FUND ANALYSIS

As Tama County completed the year, its governmental funds reported a combined fund balance of \$7,589,192, an increase of \$972,202 from last year's total of \$6,616,990. The following are the major reasons for the changes in fund balances of the major funds from the prior year:

General Fund revenues increased \$986,014 due to an increase in property tax revenues. Expenditures increased \$467,127 due to wage increases. The ending fund balance increased \$99,336, or 4.2%, to \$2,483,298.

The Rural Services Fund revenues increased \$492,013 due to an increase in property tax revenues. Expenditures increased \$205,208 due to wage increases. The ending fund balance increased \$299,144, or 83.6%, to \$657,155.

In the Secondary Roads Fund, revenues increased \$228,498, expenditures decreased \$496,912, and transfers from the General and Rural Services Funds decreased \$614,321. These factors increased the ending fund balance by \$371,955.

BUDGETARY HIGHLIGHTS

Over the course of the year, Tama County amended its budget one time. This amendment was made in June 2025 and resulted in an increase in budgeted receipts and disbursements related to the receipt of additional grants and increased costs for juvenile detention and employee wages.

The County's receipts were \$990,100 higher than budgeted, a variance of 4.1%. Total disbursements were \$6,320,809 less than the amended budget. Actual disbursements for the public safety and legal services and capital projects functions were \$1,974,628 and \$1,439,391, respectively, less than budgeted.

During the year ended June 30, 2025, disbursements did not exceed the amounts budgeted for any function.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2025, Tama County had \$54,518,434 invested in a broad range of capital assets, including public safety equipment, buildings, park facilities, and roads and bridges. This is a net increase (including additions and deletions) of \$409,359 or 0.8%, over last year.

	<u>Year Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>
Land	\$ 3,265,651	\$ 3,265,651
Construction in progress	8,366	446,378
Buildings and improvements	5,103,144	5,293,670
Equipment and vehicles	12,499,024	11,729,111
Right to use leased assets	69,615	102,932
Infrastructure	<u>33,572,634</u>	<u>33,271,333</u>
Total	<u>\$ 54,518,434</u>	<u>\$ 54,109,075</u>

The County had depreciation/amortization expense of \$3,734,569 in fiscal year 2025 and total accumulated depreciation/amortization of \$54,110,313 at June 30, 2025.

The most significant capital asset additions in 2025 were related to bridge replacements and projects paid for by the Iowa Department of Transportation. More detailed information about the County's capital assets is presented in Note 5 to the financial statements.

Debt

At June 30, 2025, Tama County had \$6,561,694 of general obligation bonds and other debt outstanding, compared to \$7,309,982 at June 30, 2024, as shown below:

	<u>Year Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>
General obligation capital loan notes	\$ 6,490,000	\$ 7,210,000
Lease agreements	<u>71,694</u>	<u>99,982</u>
Total	<u>\$ 6,561,694</u>	<u>\$ 7,309,982</u>

Debt decreased as a result of payments on the general obligation capital loan notes and lease agreements.

The Constitution of the State of Iowa limits the amount of general obligation debt counties can issue to 5% of the assessed value of all taxable property within the County's corporate limits. The County's outstanding general obligation debt and tax increment financing obligations are significantly below its constitutional debt limit of approximately \$89 million. Additional information about the County's long-term debt is presented in Note 6 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Tama County's elected and appointed officials and citizens considered many factors when setting the fiscal year 2026 budget, tax rates, and the fees charged for various County activities. Levy rates increased \$0.69 per \$1,000 of valuation and property valuations showed a slight increase from fiscal year 2025 to fiscal year 2026. The proposed budget for fiscal year 2026 includes a decrease in expenditures from the prior year and an increase in budgeted revenue of approximately \$1.4 million related to the increase in property tax levies.

The County continues to seek ways to contain costs by sharing programs and personnel with other counties and to increase revenues through user fees, grants, and contracts, rather than solely relying on tax income.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of Tama County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Auditor's Office, Tama County Administration Building, 104 West State Street, P.O. Box 61, Toledo, Iowa, 52343.

Basic Financial Statements
Tama County

Tama County
Exhibit A – Statement of Net Position
June 30, 2025

	Governmental Activities
Assets	
Cash and Pooled Investments	\$ 11,404,604
Receivables	
Property tax	
Delinquent	21,717
Succeeding year	13,770,503
Interest and penalty on property tax	108,891
Accounts	338,219
Opioid settlement	339,405
Due from Other Governments	643,955
Inventories	212,423
Prepaid Expenses	42,781
Capital Assets	
Capital assets, not being depreciated/amortized	3,274,017
Capital assets, net of accumulated depreciation/amortization	51,244,417
Total assets	81,400,932
Deferred Outflows of Resources	
Pension Related Deferred Outflows	1,306,311
OPEB Related Deferred Outflows	34,574
Total deferred outflows of resources	1,340,885
Liabilities	
Accounts Payable	576,203
Salaries and Benefits Payable	496,762
Unearned Revenue	244,827
Accrued Interest Payable	14,524
Due to Other Governments	3,716
Long-Term Liabilities	
Portion due or payable within one year	
Lease agreements	28,203
General obligation bonds	745,000
Compensated absences	835,735
Portion due or payable after one year	
Lease agreements	43,491
General obligation bonds	5,745,000
Net pension liability	2,706,699
Total OPEB liability	101,247
Total liabilities	11,541,407

Tama County
Exhibit A – Statement of Net Position
June 30, 2025

	Governmental Activities
Deferred Inflows of Resources	
Succeeding Year Property Tax Revenue	\$ 13,770,503
Pension Related Deferred Inflows	124,916
OPEB Related Deferred Inflows	8,964
Total deferred inflows of resources	13,904,383
Net Position	
Net Investment in Capital Assets	47,956,740
Restricted for	
Secondary roads purposes	3,779,922
Rural services purposes	660,726
Supplemental levy purposes	1,771,562
Other purposes	4,952,102
Unrestricted	(1,825,025)
Total net position	\$ 57,296,027

Tama County
Exhibit B - Statement of Activities
Year Ended June 30, 2025

	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Service	Operating Grants and Contributions		Capital Grants and Contributions
Functions/Programs					
Governmental Activities					
Public safety and legal services	\$ 4,794,737	\$ 507,007	\$ 35,936	\$ -	\$ (4,251,794)
Physical health and social services	2,313,944	297,544	475,475	-	(1,540,925)
County environment and education	1,333,350	110,771	-	-	(1,222,579)
Roads and transportation	11,661,954	486,873	6,043,734	2,525,415	(2,605,932)
Government services to residents	938,592	541,805	-	-	(396,787)
Administration	3,440,432	102,442	633,552	-	(2,704,438)
Non-program	31,981	42,736	-	-	10,755
Interest on long-term debt	203,384	-	-	-	(203,384)
Total Governmental Activities	<u>\$ 24,718,374</u>	<u>\$ 2,089,178</u>	<u>\$ 7,188,697</u>	<u>\$ 2,525,415</u>	<u>\$ (12,915,084)</u>
General Revenues					
Property and other County tax levied for					
General purposes					\$ 11,244,961
Debt service					498,476
Tax increment financing					452,821
Penalty and interest on property tax					37,293
State tax credits					670,647
Local option sales tax					869,194
Unrestricted investment earnings					383,359
Gain on sale of capital assets					33,868
Miscellaneous					<u>1,140,341</u>
Total General Revenues					<u>15,330,960</u>
Change in Net Position					2,415,876
Net Position Beginning of Year, as Previously Reported					55,067,962
Restatement, Note 12					<u>(187,811)</u>
Net Position Beginning of Year, as Restated					<u>54,880,151</u>
Net Position End of Year					<u>\$ 57,296,027</u>

Tama County
Exhibit C – Balance Sheet
Governmental Funds
June 30, 2025

	Special Revenue				Nonmajor Governmental Funds	Total
	General	Rural Services	Secondary Roads			
Assets						
Cash and Pooled Investments	\$ 2,729,982	\$ 516,603	\$ 3,353,087	\$ 882,784	\$ 7,482,456	
Receivables						
Property tax						
Delinquent	17,115	3,571	-	1,031	21,717	
Succeeding year	8,637,214	3,305,904	-	1,827,385	13,770,503	
Interest and penalty on property tax	108,891	-	-	-	108,891	
Accounts	100,753	-	105,662	-	206,415	
Opioid settlement	-	-	-	339,405	339,405	
Due from Other Governments	47,530	143,912	452,513	-	643,955	
Inventories	-	-	212,423	-	212,423	
Prepays	35,365	-	30	7,386	42,781	
Total assets	\$ 11,676,850	\$ 3,969,990	\$ 4,123,715	\$ 3,057,991	\$ 22,828,546	
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities						
Accounts payable	\$ 105,668	\$ -	\$ 159,725	\$ 1,910	\$ 267,303	
Salaries and benefits payable	313,050	3,360	180,352	-	496,762	
Unearned revenue	-	-	-	244,827	244,827	
Due to other governments	-	-	3,716	-	3,716	
Total liabilities	418,718	3,360	343,793	246,737	1,012,608	
Deferred Inflows of Resources						
Unavailable revenues						
Succeeding year property tax	8,637,214	3,305,904	-	1,827,385	13,770,503	
Other	137,620	3,571	-	315,052	456,243	
Total deferred inflows of resources	8,774,834	3,309,475	-	2,142,437	14,226,746	
Fund Balances						
Nonspendable	35,365	-	212,453	-	247,818	
Restricted	2,145,618	657,155	3,567,469	522,879	6,893,121	
Assigned	148,867	-	-	145,938	294,805	
Unassigned	153,448	-	-	-	153,448	
Total fund balances	2,483,298	657,155	3,779,922	668,817	7,589,192	
Total liabilities, deferred inflows of resources, and fund balances	\$ 11,676,850	\$ 3,969,990	\$ 4,123,715	\$ 3,057,991	\$ 22,828,546	

Tama County
 Exhibit D – Reconciliation of the Balance Sheet –
 Governmental Funds to the Statement of Net Position
 June 30, 2025

Total Governmental Fund Balances		\$ 7,589,192
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.		54,518,434
Other long-term assets are not available to pay current period expenditures and, therefore, are reported as deferred inflows of resources in the governmental funds.		456,243
Pension and OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:		
Deferred outflows of resources		1,340,885
Deferred inflows of resources		(133,880)
The Internal Service Fund is used by the County to charge the costs of health insurance to the individual funds. The assets and liabilities of the Internal Service Fund are included with governmental activities in the Statement of Net Position.		3,745,052
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and, therefore, are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the Statement of Net Position. Balances at June 30, 2025, are:		
Compensated absences	\$ (835,735)	
Lease agreements	(71,694)	
Total OPEB liability	(101,247)	
General obligation bonds, including premium	(6,490,000)	
Accrued interest	(14,524)	
Net pension liability	(2,706,699)	
Total long-term liabilities	(10,219,899)	(10,219,899)
Net Position of Governmental Activities		\$ 57,296,027

Tama County
 Exhibit E – Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 Year Ended June 30, 2025

	Special Revenue				Debt Service	Nonmajor Governmental Funds	Total
	General	Rural Services	Secondary Roads	American Rescue Plan			
Revenues							
Property and other County tax	\$ 8,125,828	\$ 3,109,786	\$ -			\$ 959,661	\$ 12,195,275
Local option sales tax	-	869,194	-			-	869,194
Interest and penalty on property tax	80,688	-	-			-	80,688
Intergovernmental	1,427,522	120,065	7,079,203			617,029	9,243,819
Licenses and permits	14,695	-	44,519			-	59,214
Charges for service	788,130	-	6,242			3,206	797,578
Use of money and property	422,291	-	-			12,800	435,091
Miscellaneous	1,249,827	-	323,590			161,860	1,735,277
Total revenues	12,108,981	4,099,045	7,453,554			1,754,556	25,416,136
Expenditures							
Operating							
Public safety and legal services	4,526,695	328,427	-			8,781	4,863,903
Physical health and social services	2,506,771	-	-			-	2,506,771
County environment and education	913,170	202,427	-			-	1,115,597
Roads and transportation	-	647,062	8,915,951			-	9,563,013
Governmental services to residents	938,302	4,051	-			5,931	948,284
Administration	2,769,113	-	-			578,940	3,348,053
Non-program	13,280	-	18,701			-	31,981
Debt service	-	-	-			925,784	925,784
Capital projects	152,142	74,672	919,769			33,353	1,179,936
Total expenditures	11,819,473	1,256,639	9,854,421			1,552,789	24,483,322
Excess (Deficiency) of Revenues Over (Under) Expenditures	289,508	2,842,406	(2,400,867)			201,767	932,814
Other Financing Sources (Uses)							
Sale of capital assets	5,520	-	33,868			-	39,388
Transfers in	-	-	2,738,954			461,000	3,199,954
Transfers out	(195,692)	(2,543,262)	-			(461,000)	(3,199,954)
Total other financing sources (uses)	(190,172)	(2,543,262)	2,772,822			-	39,388
Net Change in Fund Balances	99,336	299,144	371,955			201,767	972,202
Fund Balances Beginning of Year, as Previously Reported							
Previously Reported	2,383,962	358,011	3,407,967	\$ -	\$ 36,841	430,209	6,616,990
Change within the Financial Reporting Entity	-	-	-	-	(36,841)	36,841	-
Fund Balances Beginning of Year, as Restated	2,383,962	358,011	3,407,967	\$ -	\$ -	467,050	6,616,990
Fund Balances End of Year	\$ 2,483,298	\$ 657,155	\$ 3,779,922			\$ 668,817	\$ 7,589,192

Exhibit F – Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds to the Statement of Activities
Year Ended June 30, 2025

Net Change in Fund Balances - Total Governmental Funds \$ 972,202

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

Governmental funds report capital outlays as expenditures while governmental activities report depreciation/amortization expense to allocate those expenditures over the life of the assets. Capital Outlay expenditures and contributed capital assets exceeded depreciation/amortization expense in the current year, as follows:

Expenditures for capital assets	\$ 2,541,460	
Contributed capital assets	1,602,468	
Depreciation/amortization expense	<u>(3,734,569)</u>	409,359

Proceeds from issuing long-term liabilities are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position.

Repayments		748,288
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Because some revenues will not be collected for several months after the County's year end, they are not considered available revenues and are reported as deferred inflows of resources in the governmental funds as follows:

Property tax	(42,957)	
Other	<u>119,215</u>	76,258

The current year County IPERS contributions are reported as expenditures in the governmental funds, but are reported as a deferred outflow of resources in the Statement of Net Position.		746,268
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Exhibit F – Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds to the Statement of Activities
Year Ended June 30, 2025

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds as follows:

Compensated absences	\$ (80,852)	
OPEB income	4,127	
Change in accrued interest payable	2,400	
Pension expense	<u>(1,023,946)</u>	
		\$ (1,098,271)

The Internal Service Fund is used by the County to charge the costs of employee health benefits to individual funds. The change in net position of the Internal Service Fund is reported with governmental activities.

561,772

Change in Net Position of Governmental Activities

\$ 2,415,876

Tama County
 Exhibit G – Statement of Net Position
 Proprietary Fund
 June 30, 2025

	Internal Service - Employee Group Health
Assets	
Cash and cash equivalents	\$ 3,922,148
Accounts receivable	<u>131,804</u>
Total assets	<u>4,053,952</u>
Liabilities	
Accounts payable	<u>308,900</u>
Net Position	
Restricted for employee health	<u><u>\$ 3,745,052</u></u>

Tama County
 Exhibit H – Statement of Revenues, Expenses, and Changes in Fund Net Position
 Proprietary Fund
 Year Ended June 30, 2025

	Internal Service - Employee Group Health
Operating Revenues	
Reimbursements from operating funds	\$ 2,905,285
Reimbursements from employees and others	628,779
Miscellaneous	239,812
Total operating revenues	3,773,876
Operating Expenses	
Medical claims	2,463,627
Insurance premiums	735,007
Administrative expenses	135,063
Total operating expenses	3,333,697
Operating Income	440,179
Non-Operating Revenues	
Interest income	121,593
Change in Net Position	561,772
Net Position Beginning of Year	3,183,280
Net Position End of Year	\$ 3,745,052

Tama County
 Exhibit I – Statement of Cash Flows
 Proprietary Fund
 Year Ended June 30, 2025

	Internal Service - Employee Group Health
Cash Flows from Operating Activities	
Cash received from operating fund reimbursements	\$ 2,905,285
Cash received from employees and others	496,975
Cash paid to suppliers for services	<u>(3,118,740)</u>
Net Cash provided by Operating Activities	<u>283,520</u>
Cash Flows from Investing Activities	
Interest on investments	<u>121,593</u>
Cash and Cash Equivalents Beginning of Year	<u>3,517,035</u>
Cash and Cash Equivalents End of Year	<u>\$ 3,922,148</u>
Reconciliation of Operating Income to Net Cash Used by Operating Activities	
Operating income	\$ 440,179
Adjustments to reconcile operating income to net cash provided by operating activities	
Increase in accounts receivable	(131,804)
Decrease in accounts payable	<u>(24,855)</u>
Net Cash provided by Operating Activities	<u>\$ 283,520</u>

Tama County
 Exhibit J – Statement of Fiduciary Net Position
 Custodial Funds
 June 30, 2025

Assets	
Cash and pooled investments	
County Treasurer	\$ 3,239,826
Other County officials	110,023
Receivables	
Property tax	
Delinquent	64,554
Succeeding year	25,262,668
Special assessments	117,133
Accounts	43,140
Due from other governments	<u>59,955</u>
Total assets	<u>28,897,299</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances	
Liabilities	
Accounts payable	35,733
Salaries and benefits payable	110,834
Due to other governments	985,014
Trusts payable	11,621
Compensated absences	<u>64,247</u>
Total liabilities	<u>1,207,449</u>
Deferred Inflows of Resources	
Unavailable revenues	
Succeeding year property tax	<u>25,262,668</u>
Net Position	<u><u>\$ 2,427,182</u></u>

Tama County
 Exhibit K – Statement of Changes in Fiduciary Net Position
 Custodial Funds
 Year Ended June 30, 2025

Additions	
Property and other County tax	\$ 23,384,067
911 surcharge	256,241
State tax credits	994,127
Intergovernmental	1,499,777
Interest	85,150
Office fees and collections	593,215
Auto licenses and use tax	6,909,387
Assessments	21,749
Trusts	445,313
Miscellaneous	<u>1,065,398</u>
Total additions	<u>35,254,424</u>
Deductions	
Agency remittances	
To other governments	35,783,552
To other funds	290,866
Trusts	<u>376,174</u>
Total deductions	<u>36,450,592</u>
Changes in Net Position	(1,196,168)
Net Position Beginning of Year	<u>3,623,350</u>
Net Position End of Year	<u><u>\$ 2,427,182</u></u>

Note 1 - Summary of Significant Accounting Policies

Tama County (County) is a political subdivision of the State of Iowa and operates under the Home Rule provisions of the Constitution of Iowa. The County operates under the Board of Supervisors form of government. Elections are on a partisan basis. Other elected officials operate independently with the Board of Supervisors. These officials are the Auditor, Recorder, Treasurer, Sheriff, and Attorney. The County provides numerous services to citizens, including law enforcement, health and social services, parks and cultural activities, planning and zoning, roadway construction and maintenance, and general administrative services.

The County's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

Reporting Entity

For financial reporting purposes, Tama County has included all funds, organizations, agencies, boards, commissions, and authorities. The County has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the County to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the County.

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

Blended Component Units

The following component unit is an entity which is legally separate from the County, but is so intertwined with the County that it is, in substance, the same as the County. It is reported as part of the County and blended into the appropriate funds.

Drainage District #3 has been established pursuant to Chapter 468 of the Code of Iowa for the drainage of surface waters from agricultural and other lands or the protection of such lands from overflow. Although this district is legally separate from the County, it is controlled, managed, and supervised by the Tama County Board of Supervisors. This drainage district is reported as a Special Revenue Fund. Financial information of the individual drainage districts can be obtained from the Tama County Auditor's Office.

Jointly Governed Organizations

The County participates in several jointly governed organizations that provide goods or services to the citizenry of the County but do not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The County Board of Supervisors are members of or appoint representatives to the following boards and commissions: Tama County Assessor's Conference Board, Tama County Emergency Management Commission, Tama County Joint E911 Service Board, Tama County Economic Development Commission, and Tama County Solid Waste Disposal Commission. Financial transactions of these organizations are included in the County's financial statements only to the extent of the County's fiduciary relationship with the organization and, as such, are reported in the Custodial Funds of the County.

The County also participates in the following additional jointly governed organizations established pursuant to Chapter 28E of the Code of Iowa: County Social Services Mental Health Region, Heartland Risk Pool Insurance, County Case Management Services, Mid-Iowa Drug Task Force, Northeast Iowa Response Group, Central Iowa Juvenile Detention Center, and Region VI Planning Commission.

Basis of Presentation

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the County and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by property tax, intergovernmental revenues and other nonexchange transactions.

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

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

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

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

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

Fund Financial Statements

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

The County reports the following major governmental funds:

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

Special Revenue Funds –

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

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

Additionally, the County reports the following fund types:

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

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

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

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

Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current 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 after year end.

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

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

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

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

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

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

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

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

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

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

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

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

Property tax revenue recognized in these funds becomes due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2023 assessed property valuations; is for the tax accrual period July 1, 2024 through June 30, 2025, and reflects the tax asking contained in the budget certified by the County Board of Supervisors in April 2024.

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

Opioid Litigation Settlement – 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.

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

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

Prepaid Items – Prepaid items represent certain payments to vendors that reflect costs applicable to future accounting periods.

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

Asset Class	Amount
Infrastructure	\$ 50,000
Land, buildings, and improvements	25,000
Right-to-use leased assets	5,000
Equipment and vehicles	5,000

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

Asset Class	Estimated Useful Lives (In Years)
Buildings	20 - 50
Building improvements	20 - 50
Infrastructure	30 - 50
Right-to-use leased assets	5 - 10
Equipment	5 - 20
Vehicles	7 - 10

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

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

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

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

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

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

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

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

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

Unearned Revenue – Unearned revenue in the governmental fund financial statements represents the amount of assets that have been recognized, but the related revenue has not been recognized since the County has not made a qualifying expenditure. Unearned revenue consists of unspent American Rescue Plan Act proceeds.

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

Compensated Absences – County employees accumulate a limited amount of earned but unused vacation and sick leave hours for subsequent use or for payment upon termination, death, or retirement. A liability is recorded when each of the following have occurred: the leave is attributable to services already rendered, the leave accumulates and carries forward from one reporting period to the next and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. A liability for these amounts is reported in governmental fund financial statements only for employees who have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2025.

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

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

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Total OPEB Liability – For purposes of measuring the total OPEB liability, deferred outflows of resources related to OPEB, deferred inflows of resources related to OPEB, and OPEB expense, information has been determined based on Tama County's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

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

Deferred inflows of resources in the Statement of Net Position consist of succeeding year property tax and tax increment financing receivables that will not be recognized until the year for which they are levied, unrecognized items not yet charged to pension expense and the unamortized portion of the net difference between projected and actual earnings on pension plan assets, the unamortized portion of gains or losses and changes in the liability related to OPEB, and deferred amounts related to leases.

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

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

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

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

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

Unassigned – All amounts not included in other classifications.

Net Position – The net position of the internal service fund, Employee Group Health, is restricted for future payments of premiums and claims and administrative expenses of the County.

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Supervisors has provided otherwise in its commitment of assignment actions.

As of June 30, 2025, fund balances are composed of the following:

Fund Balance Classification	Purpose	Fund	Amount
Nonspendable	Prepays	General Fund	\$ 35,365
	Inventories	Secondary Roads	212,423
	Prepays	Secondary Roads	30
			<u>\$ 247,818</u>
Restricted	General Supplemental Conservation Land	General Fund	\$ 1,762,992
	Acquisition	General Fund	382,626
	Rural Services	Rural Services	657,155
	Secondary Roads	Secondary Roads	3,567,469
	Debt Service	Debt Service	97,111
	Records Management	County Recorder's Records Management	3,096
	Conservation	REAP	108,926
	Drainage Districts	Drainage Certificates	859
	Sheriff	Sheriff's Forfeiture Fund	2,282
	Sheriff	Sheriff's Operations	60,865
	County Attorney	County Attorney Forfeiture Fund	4,965
	Tax Increment Financing	Tax Increment Financing	41,043
	Compliance	Tobacco Compliance	11,285
	Opioid Abatement	Opioid Abatement	192,447
			<u>\$ 6,893,121</u>
Assigned	Mental Health	General Fund	\$ 35,673
	Security Services	General Fund	32,037
	Weapons Training	General Fund	7,149
	Nature Center	General Fund	33,400
	Shield - Mobile	General Fund	19,940
	Voting Equipment	General Fund	188
	Computer Equipment	General Fund	3,283
	Conservation Equipment	General Fund	8,739
	Medicaid Claiming	General Fund	8,458
	Capital Projects	Capital Projects	145,938
		<u>\$ 294,805</u>	

Budgets and Budgetary Accounting – The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2025, disbursements did not exceed the amounts budgeted by function.

Adoption of New Standard – As of July 1, 2024, the County adopted GASB Statement No. 101, *Compensated Absences*. The provisions of this standard modernize the types of leave that are considered a compensated absence and provides guidance for a consistent recognition and measurement of the compensated absence liability. The effect of implementation of this standard on beginning net position is disclosed in Note 12.

Estimates

The preparation of the 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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 2 - Cash and Pooled Investments

The County's deposits in banks at June 30, 2025, were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

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

The County had investments in the Iowa Public Agency Investment Trust (IPAIT) which are valued at an amortized cost of \$3,775,225. There were no limitations or restrictions on withdrawals for the IPAIT investments. The County's investment in IPAIT is unrated. The County had no other investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

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

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's investment in the Iowa Public Agency Investment Trust is unrated.

Note 3 - Transfers

The detail of interfund transfers for the year ended June 30, 2025, is as follows:

Transfer To	Transfer From	Amount
Secondary Roads	Rural Services General	\$ 2,543,262 <u>195,692</u>
		2,738,954
Nonmajor Governmental	Nonmajor Governmental	<u>461,000</u>
Total		<u><u>\$ 3,199,954</u></u>

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

Note 4 - Due to Other Governments for Tax Collections

The County acts as a fee and tax collection agent for various governmental units. The custodial funds also include accruals of property tax for the succeeding year. Tax collections are remitted to those governments in the month following collection. A summary of amounts due to other governments related to tax collections at June 30, 2025, is as follows:

Custodial		
County Recorder	\$	14,839
County Sheriff		88,279
Agricultural Extension		3,958
Schools		164,332
Community Colleges		19,209
Corporations		54,160
Townships		4,476
Auto License and Use Tax		514,990
Special Assessments		119,360
Other		<u>1,411</u>
Total for Custodial Funds	\$	<u><u>985,014</u></u>

Note 5 - Capital Assets

Capital assets activity for the year ended June 30, 2025, was as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental Activities				
Capital assets not being depreciated/amortized				
Land	\$ 3,265,651	\$ -	\$ -	\$ 3,265,651
Construction in progress	446,378	1,057,036	(1,495,048)	8,366
Total capital assets not being depreciated/amortized	<u>3,712,029</u>	<u>1,057,036</u>	<u>(1,495,048)</u>	<u>3,274,017</u>
Capital assets being depreciated/ amortized				
Buildings	8,648,522	-	-	8,648,522
Equipment	19,769,216	1,883,414	(58,264)	21,594,366
Right-to-use leased assets - equipment	216,212	-	(59,915)	156,297
Infrastructure, road network	<u>72,257,019</u>	<u>2,698,526</u>	<u>-</u>	<u>74,955,545</u>
Total capital assets being depreciated/amortized	<u>100,890,969</u>	<u>4,581,940</u>	<u>(118,179)</u>	<u>105,354,730</u>
Less accumulated depreciation/ amortization for				
Buildings	3,354,852	190,526	-	3,545,378
Equipment	8,040,105	1,113,501	(58,264)	9,095,342
Right-to-use leased assets - equipment	113,280	33,317	(59,915)	86,682
Infrastructure, road network	<u>38,985,686</u>	<u>2,397,225</u>	<u>-</u>	<u>41,382,911</u>
Total accumulated depreciation/ amortization	<u>50,493,923</u>	<u>3,734,569</u>	<u>(118,179)</u>	<u>54,110,313</u>
Total capital assets being depreciated/amortized, net	<u>50,397,046</u>	<u>847,371</u>	<u>-</u>	<u>51,244,417</u>
Governmental Activities Capital Assets, Net	<u>\$ 54,109,075</u>	<u>\$ 1,904,407</u>	<u>\$ (1,495,048)</u>	<u>\$ 54,518,434</u>

Depreciation/amortization expense was charged to the following functions:

Governmental Activities	
Public safety and legal services	\$ 194,980
Physical health and social services	22,641
County environment and education	72,652
Roads and transportation	3,065,049
Administration	<u>379,247</u>
Total Depreciation/Amortization Expense – Governmental Activities	<u>\$ 3,734,569</u>

Note 6 - Long-Term Liabilities

A summary of changes in long-term liabilities for the year ended June 30, 2025, is as follows:

	General Obligation Bonds	Lease Agreements	Compensated Absences	Total
Balance beginning of year, as restated	\$ 7,210,000	\$ 99,982	\$ 754,883	\$ 8,064,865
Increases	-	-	80,852	80,852
Decreases	<u>(720,000)</u>	<u>(28,288)</u>	<u>-</u>	<u>(748,288)</u>
Balance end of year	<u>\$ 6,490,000</u>	<u>\$ 71,694</u>	<u>\$ 835,735</u>	<u>\$ 7,397,429</u>
Due within one year	<u>\$ 745,000</u>	<u>\$ 28,203</u>	<u>\$ 835,735</u>	<u>\$ 1,608,938</u>

The roll-forward schedule only reports the net change in the compensated absences liability.

Bonds Payable

On May 4, 2020, the County issued \$5,530,000 of general obligation refunding bonds, Series 2020B, with interest rates ranging from 2.00%-4.00% per annum, with a final maturity of June 1, 2032. The bonds were issued to refinance Urban Renewal Bonds issued on February 20, 2013, at a lower interest rate. During the year ended June 30, 2025, the County retired \$435,000 in principal and \$116,000 of interest on the bonds.

On May 5, 2020, the County issued \$4,655,000 of general obligation bonds, Series 2020A, with interest rates ranging from 2.00%-4.00% per annum, with a final maturity of June 1, 2034. The bonds were issued to provide funds to construct new E911 communication towers. During the year ended June 1, 2025, the County retired \$285,000 in principal and \$87,085 of interest on the bonds.

A summary of the County's June 30, 2025, general obligation bonded indebtedness is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 745,000	\$ 174,285	\$ 919,285
2027	775,000	144,485	919,485
2028	815,000	113,485	928,485
2029	835,000	87,285	922,285
2030	850,000	70,585	920,585
2031-2034	<u>2,470,000</u>	<u>112,995</u>	<u>2,582,995</u>
Total	<u><u>\$ 6,490,000</u></u>	<u><u>\$ 703,120</u></u>	<u><u>\$ 7,193,120</u></u>

Lease agreements

On June 30, 2023, the County entered into a lease agreement for a copier for the veterans affairs' office. An initial lease liability was recorded in the amount of \$14,017. The agreement requires monthly payments of \$248 over 5 years, with an implicit rate of 2.5% and a final payment due on June 1, 2028.

On February 1, 2023, the County entered into a lease agreement for three copiers for the sheriffs office. An initial lease liability was recorded in the amount of \$43,014. The agreement requires monthly payments of \$762 over 5 years, with an implicit rate of 2.5% and a final payment due on January 1, 2028.

On February 1, 2021, the County entered into a lease agreement for a postage machine. An initial lease liability was recorded in the amount of \$15,908. The agreement requires quarterly payments of \$834 over 5 years, with an implicit rate of 2.0% and a final payment due on November 1, 2025.

On January 1, 2022, the County entered into a lease agreement for a copier and printer for the human resources' office. An initial lease liability was recorded in the amount of \$41,275. The agreement requires monthly payments of \$722 over 5 years, with an implicit rate of 2.0% and a final payment due on December 1, 2026.

On May 5, 2022, the County entered into a lease agreement for a copier for the secondary roads' office. An initial lease liability was recorded in the amount of \$12,413. The agreement requires monthly payments of \$217 over 5 years, with an implicit rate of 2.0% and a final payment due on April 5, 2027.

On April 1, 2024, the County entered into a lease agreement for a copier for the auditor's office. An initial lease liability was recorded in the amount of \$29,670. The agreement requires monthly payments of \$549 over 5 years, with an implicit rate of 4.3% and a final payment due on March 1, 2029.

Future principal and interest lease payments as of June 30, 2025, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 28,203	\$ 1,779	\$ 29,982
2027	24,180	1,032	25,212
2028	14,457	442	14,899
2029	4,854	88	4,942
Total	<u>\$ 71,694</u>	<u>\$ 3,341</u>	<u>\$ 75,035</u>

Note 7 - Pension Plan

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

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

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

A multiplier (based on years of service).

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

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

The formula used to calculate a Sheriffs and Deputies member's monthly IPERS benefit includes:

60% of average salary after completion of 22 years of special service, plus an additional 2.5% of average salary for more than 22 years of special service but not more than 30 years of service.

1.5% compound cost-of-living adjustment (COLA) for members who retire on or after July 1, 2024, who are at least age 50 when they terminate employment and have at least 22 years of special service.

The member's highest three-year average salary.

The formula used to calculate a Protection Occupation member's monthly IPERS benefit includes:

60% of average salary after completion of 22 years of special service, plus an additional 1.5% of average salary for more than 22 years of special service but not more than 30 years of service.

The member's highest three-year average salary.

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

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

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

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

In fiscal year 2025, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the County contributed 9.44% of covered payroll, for a total rate of 15.73%. The Sheriffs and Deputies members and the County each contributed 8.51% of covered payroll, for a total rate of 17.02%. Protection Occupation members contributed 6.21% of covered payroll and the County contributed 9.31% of covered payroll, for a total rate of 15.52%. The County's contributions to IPERS for the year ended June 30, 2025, were \$746,268.

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2025, the County reported a liability of \$2,706,699 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2024, the County's collective proportion was 0.074330%, which was an increase of 0.016166% from its collective proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the County recognized pension expense of \$1,067,151. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual results	\$ 406,194	\$ 1,479
Changes of assumptions	-	43,377
Net difference between projected and actual earnings on pension plan investments	56,335	-
Changes in proportion and differences between county contributions and proportionate share of contributions	97,514	80,060
County contributions subsequent to the measurement date	746,268	-
Total	\$ 1,306,311	\$ 124,916

\$746,268 reported as deferred outflows of resources related to pensions resulting from the County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ended June 30,	Total
2026	\$ (374,551)
2027	799,100
2028	66,573
2029	(67,379)
2030	11,384
	\$ 435,127

There were no non-employer contributing entities at IPERS.

Actuarial Assumptions – The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021.

Mortality rates used in the 2024 valuation were based on the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.

The long-term expected rate of return on IPERS' investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of 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 geometric 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 Rate of Return</u>
Domestic equity	21.0 %	3.52 %
International equity	13.0	5.18
Global smart beta equity	5.0	4.12
Core-plus fixed income	25.5	3.04
Public credit	3.0	4.53
Cash	1.0	1.69
Private equity	17.0	8.89
Private real assets	9.0	4.25
Private credit	5.5	6.62
	<u>100.00 %</u>	

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

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 calculated using the discount rate of 7.00%, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability (asset)	\$ 7,294,086	\$ 2,706,699	\$ (1,129,401)

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

Payables to IPERS– All legally required County contributions and legally required employee contributions which had been withheld from employee wages were remitted by the County to IPERS by June 30, 2025.

Note 8 - Other Postemployment Benefits (OPEB)

Plan Description – The County operates a single-employer defined benefit plan which provides medical, prescription drug, and dental benefits for employees, retirees, and their spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue a standalone report.

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

Retired participants must be age 55 or older at retirement. At June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefit payments		1
Active employees		130
Total		131

Total OPEB Liability- The County’s total OPEB liability of \$101,247 was measured as of June 30, 2024, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions- The total OPEB liability in the June 30, 2024 actuarial measurement was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of inflation (effective June 30, 2024)	3.00% per annum
Rates of salary increase (effective June 30, 2024)	3.00% per annum including inflation
Discount rate (effective June 30, 2024)	3.93% compounded annually including inflation
Healthcare cost trend rate (effective June 30, 2024)	5.00% per annum

Discount Rate- The discount rate used to measure the total OPEB liability was 3.93%, which reflects the index rate for 20-year tax-exempt general obligation municipal bonds with an average rating AA/Aa or higher as of the measurement date.

Mortality rates are from the RP-2014 annuitant distinct mortality table adjusted to 2006 with MP 2021 generational projection of future mortality improvement. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study with dates corresponding to those listed above.

Changes in the Total OPEB Liability

	Total OPEB Liability
Total OPEB Liability Beginning of Year	\$ 107,423
Changes for the Year	
Service cost	3,531
Interest	4,090
Benefit payments	(13,797)
Net Changes	(6,176)
Total OPEB Liability End of Year	\$ 101,247

Sensitivity of the County's Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.93%) or 1% higher (4.93%) than the current discount rate.

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	\$ 106,169	\$ 101,247	\$ 96,666

Sensitivity of the County's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (4.00%) or 1% higher (6.00%) than the current healthcare cost trend rates.

	1% Decrease (4.00%)	Healthcare Cost Trend Rates (5.00%)	1% Increase (6.00%)
Total OPEB liability	\$ 94,621	\$ 101,247	\$ 108,766

OPEB Expense and Deferred Outflows of Resources Related to OPEB – For the year ended June 30, 2025, the County recognized OPEB expense of \$9,670. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 31,553	\$ 1,926
Changes in assumptions	3,021	7,038
Total	\$ 34,574	\$ 8,964

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

Year Ending June 30,	Total
2026	\$ 2,049
2027	2,049
2028	2,049
2029	2,049
2030	2,107
Thereafter	15,307
Total	\$ 25,610

Note 9 - Risk Management

Tama County is a member in the Heartland Risk Pool, as allowed by Chapter 331.301 of the Code of Iowa. The Heartland Risk Pool (Pool) is a local government risk-sharing pool whose members include ten counties throughout the State of Iowa. The Pool was formed July 1, 1987, for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, public officials liability, property, inland marine and boiler/machinery. There have been no reductions in insurance coverage from prior years.

Each member County is responsible for the payment of member contributions to the risk pool on an annual basis. Member contributions to the risk pool are recorded as expenditures from the operating funds at the time of payment to the risk pool. In the event of payment of any loss by the risk pool, the risk pool is subrogated to the extent of such payment to all the rights of the member County against any person or other entity legally responsible for damages for said loss, and in such event, the member County is responsible for rendering all reasonable assistance, other than pecuniary assistance, to affect recovery. The risk pool is responsible for paying the reinsurance premiums on the insurance policies when due, to pay claims in accordance with the various coverages and to make other payments as required by applicable law, to establish and accumulate a reserve or reserves in amounts which are deemed advisable or required by law to carry out the purposes of the risk pool, and to pay all reasonable and necessary expenses for administering the risk pool.

Initial risk of loss for the self-insured coverages is retained by the risk pool. The risk pool obtained a reinsurance policy for the year ended June 30, 2025, which covered exposures of specific losses in excess of \$750,000, with a \$250,000 corridor deductible, per occurrence up to the statutory limits for workers' compensation, including the retention of the pool. The pool also purchased a reinsurance policy for property coverage with a retention of \$250,000 per occurrence for losses involving covered wind and hail events and a retention of \$100,000 per occurrence for all other covered events to a maximum of \$30,000,000 (limited to scheduled values) in covered property (including the retention). In addition, the pool purchased a reinsurance policy in excess of \$400,000 per covered occurrence up to a maximum of \$7,000,000 per occurrence, including the retention of the pool for general liability, automobile liability, law enforcement liability, and public officials' liability coverage. The risk pool fund records a liability for unpaid claims based on estimates of the costs of individual cases of losses and claims reported to year-end, plus a provision for losses incurred but not yet reported (IBNR). The IBNR estimates are based on the past experience of the Pool and upon the recommendations of By the Numbers Actuarial Consulting, Inc., who also performs an annual actuarial review of the entire program. At June 30, 2025, 2024, and 2023, the risk pool fund reported a surplus of pool assets over liabilities.

The County does not report a liability for losses in excess of reinsurance or excess risk-sharing recoveries unless it is deemed probable such losses have occurred and the amount of such loss can be reasonably estimated. Accordingly, at June 30, 2025, no liability has been recorded in the County's financial statements. As of June 30, 2025, settled claims have not exceeded the risk pool reinsurance coverage since the pool's inception.

The County's property and casualty contributions to the risk pool are recorded as expenditures from its operating funds at the time of payment to the risk pool. The County's contributions to the Pool for the year ended June 30, 2025, were \$747,828.

Initial membership into the Pool is for a mandatory three-year period. Subsequent to the initial term, a member County may withdraw at the end of any given fiscal year. The initial membership period for Tama County commenced July 1, 1987 and is subject to renewal every five years. The county assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 10 - Employee Health Insurance Plan

The Employee Group Health Fund was established to account for the partial self-funding of the County's health insurance benefit plan. The plan is funded by both employee and County contributions and is administered through a service agreement with Health Partners. The agreement is subject to automatic renewal provisions. The County assumes liability for claims up to the individual stop loss limitation of \$50,000. Claims in excess of coverage are insured through purchase of stop loss insurance.

Monthly payments of service fees and plan contributions to the Employee Group Health Fund are recorded as expenditures from the operating funds. Under the administrative services agreement, monthly payments of service fees and claims processed are paid to Health Partners from the Employee Group Health Fund. The County's contribution for the year ended June 30, 2025, was \$2,905,285.

Amounts payable from the Employee Group Health Insurance Fund at June 30, 2025 total \$308,900, which is for incurred but not reported (IBNR) and reported but not paid claims. The amounts are based on actuarial estimates of the amounts necessary to pay prior-year and current-year claims and to establish a reserve for catastrophic losses. That reserve was \$3,745,052 at June 30, 2025, and is reported as restricted in the Internal Service, Employee Group Health Fund net position. A liability has been established based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Settlements have not exceeded the stop-loss coverage in any of the past three years. A reconciliation of changes in the aggregate liability for claims is as follows:

	2025	2024
Unpaid Claims Beginning of Year	\$ 333,755	\$ 518,031
Incurred Claims	2,463,627	1,699,884
Payments		
Payment on claims during the year	2,488,482	1,884,160
Unpaid Claims End of Year	\$ 308,900	\$ 333,755

Note 11 - Tax Abatements

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

Tax Abatements of Other Entities

Other entities within the County also provided tax abatements for urban renewal and economic development projects pursuant to Chapters 15 and 403 of the Code of Iowa.

Property tax revenues of the County were reduced by the following amounts for the year ended June 30, 2025, under agreements entered into by the following entities:

Entity	Tax Abatement Program	Amount of Tax Abated
City of Toledo	Urban renewal and economic development projects	\$ 150,141
City of Dysart	Urban renewal and economic development projects	16,196
City of Elberon	Urban renewal and economic development projects	11,347

Note 12 - Changes within the Financial Reporting Entity and Change in Accounting Principle

During fiscal year 2025, the Debt Service Fund and American Rescue Plan Fund, which were previously reported as major governmental funds, are no longer major funds due to not meeting the quantitative threshold to be classified as major funds.

As of July 1, 2024, the County implemented GASB Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

The effect of the changes within the financial reporting entity and change in accounting principle on beginning net position and fund balances is shown are as follows:

	July 1, 2024, As Previously Reported	Change within the Financial Reporting Entity	Change in Accounting Principle	July 1, 2024, As Restated
Governmental Activities				
Net position	\$ 55,067,962	\$ -	\$ (187,811)	\$ 54,880,151
Governmental Funds				
Major Funds				
General	\$ 2,383,962	\$ -	\$ -	\$ 2,383,962
Rural Services	358,011	-	-	358,011
Secondary Roads	3,407,967	-	-	3,407,967
American Rescue Plan	-	-	-	-
Debt Service	36,841	(36,841)	-	-
Nonmajor Funds	430,209	36,841	-	467,050
Total Governmental Funds	\$ 6,616,990	\$ -	\$ -	\$ 6,616,990

Note 13 - Subsequent Event – Wind Turbine Settlements

In July 2025, the County entered into a settlement agreement with Salt Creek Wind related to phase 1 of their wind turbine construction project. As part of the agreement the County will receive \$1,200,000. In September 2025, the County entered into a settlement agreement related to phase 2, in which the County could receive \$1,300,000.

Required Supplementary Information
June 30, 2025

Tama County

Tama County

**Budgetary Comparison Schedule of Receipts, Disbursements, and Changes in Balances – Budget and Actual
(Cash Basis) – All Governmental Funds
Required Supplementary Information
Year Ended June 30, 2025**

	Governmental Fund Types Actual	Budgeted Amounts		Variance- Over (Under) Budget	Actual as % of Final Budget
		Original	Final		
Receipts					
Property and other County tax	\$ 13,295,773	\$ 13,715,846	\$ 13,715,846	\$ (420,073)	97%
Interest and penalty on property tax	80,447	28,728	28,728	51,719	280
Intergovernmental	8,717,402	8,796,493	9,013,387	(295,985)	97
Licenses and permits	60,369	38,650	38,650	21,719	156
Charges for service	759,152	633,967	633,967	125,185	120
Use of money and property	435,603	144,855	144,855	290,748	301
Miscellaneous	1,505,798	289,011	289,011	1,216,787	521
Total receipts	24,854,544	23,647,550	23,864,444	990,100	104
Disbursements					
Operating					
Public safety and legal services	4,726,421	6,479,249	6,701,049	(1,974,628)	71%
Physical health and social services	2,457,892	2,448,602	2,947,492	(489,600)	83
County environment and education	1,115,278	1,359,659	1,394,159	(278,881)	80
Roads and transportation	9,529,400	10,424,391	10,424,391	(894,991)	91
Governmental services to residents	926,096	985,282	1,000,147	(74,051)	93
Administration	3,422,786	4,585,523	4,587,523	(1,164,737)	75
Non-program	13,270	15,500	15,500	(2,230)	86
Debt service	924,285	926,585	926,585	(2,300)	100
Capital projects	1,166,619	2,606,010	2,606,010	(1,439,391)	45
Total disbursements	24,282,047	29,830,801	30,602,856	(6,320,809)	79
Excess (Deficiency) of Receipts Over (Under) Disbursements	572,497	(6,183,251)	(6,738,412)	7,310,909	
Other Financing Sources, Net	39,388	1,500	1,500	37,888	
Excess (Deficiency) of Receipts and Other Financing Sources Over (Under) Disbursements and Other Financing Uses	611,885	(6,181,751)	(6,736,912)	7,348,797	
Balance Beginning of Year	7,317,365	5,233,157	5,233,157	2,084,208	
Balance End of Year	\$ 7,929,250	\$ (948,594)	\$ (1,503,755)	\$ 9,433,005	

Tama County
 Budgetary Comparison Schedule – Budget to GAAP Reconciliation
 Required Supplementary Information
 Year Ended June 30, 2025

	Governmental Funds		
	Cash Basis	Accrual Adjustments	Modified Accrual Basis
Revenues	\$ 24,854,544	\$ 561,592	\$ 25,416,136
Expenditures	24,282,047	201,275	24,483,322
Net	572,497	360,317	932,814
Other financing sources, net	39,388	-	39,388
Beginning fund balances	7,317,365	(700,375)	6,616,990
Ending fund balances	\$ 7,929,250	\$ (340,058)	\$ 7,589,192

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

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

Formal and legal budgetary control is based upon nine major classes of expenditures known as functions, not by fund or fund type. These nine functions are: public safety and legal services, physical health and social services, county environment and education, roads and transportation, governmental services to residents, administration, non-program, debt service and capital projects. Function disbursements required to be budgeted include disbursements for the General Fund, the Special Revenue Funds, the Debt Service Fund, and the Capital Projects Fund. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. Legal budgetary control is also based upon the appropriation to each office or department. During the year, one budget amendment increased budgeted disbursements by \$772,055. The budget amendment is reflected in the final budgeted amounts.

In addition, annual budgets are similarly adopted in accordance with the Code of Iowa by the appropriate governing body as indicated: for the County Assessor by the County Conference Board, for the E911 System by the Joint E911 Service Board, and for Emergency Management Services by the County Emergency Management Commission.

During the year ended June 30, 2025, disbursements did not exceed the amounts budgeted in any function.

Tama County
Schedule of the County's Proportionate Share of the Net Pension Liability
Iowa Public Employee's Retirement System
For the Last Ten Years
Required Supplementary Information

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
County's collective proportion of the net pension liability (asset)	0.0743%	0.0582%	0.0538%	-0.3440%	0.0639%	0.0664%	0.0675%	0.0710%	0.0699%	0.0669%
County's collective proportionate share of the net pension liability (asset)	\$ 2,706,699	\$ 2,625,306	\$ 2,033,288	\$ (1,187,588)	\$ 4,488,107	\$ 3,846,120	\$ 4,272,500	\$ 4,730,756	\$ 4,401,445	\$ 3,307,525
County's covered payroll	\$ 7,613,581	\$ 7,022,052	\$ 6,665,139	\$ 6,541,145	\$ 6,252,056	\$ 6,342,241	\$ 6,099,631	\$ 6,060,996	\$ 5,785,228	\$ 5,545,341
County's collective proportionate share of the net pension liability (asset) as a percentage of its covered payroll	35.55%	37.39%	30.51%	-18.16%	71.79%	60.64%	70.05%	78.05%	76.08%	59.65%
Plan fiduciary net position as a percentage of the total pension liability (asset)	92.30%	90.13%	91.41%	100.81%	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%

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

Tama County
Schedule of the County Contributions
Iowa Public Employee's Retirement System
For the Last Ten Years
Required Supplementary Information

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 746,268	\$ 707,977	\$ 655,461	\$ 624,634	\$ 616,567	\$ 592,383	\$ 604,643	\$ 550,808	\$ 549,705	\$ 526,621
Contributions in relation to the statutorily required contribution	<u>746,268</u>	<u>707,977</u>	<u>655,461</u>	<u>624,634</u>	<u>616,567</u>	<u>592,383</u>	<u>604,643</u>	<u>550,808</u>	<u>549,705</u>	<u>526,621</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 8,311,095	\$ 7,613,581	\$ 7,022,052	\$ 6,665,139	\$ 6,541,145	\$ 6,252,056	\$ 6,342,241	\$ 6,099,631	\$ 6,060,996	\$ 5,785,228
Contributions as a percentage of covered payroll	8.98%	9.30%	9.33%	9.37%	9.43%	9.48%	9.53%	9.03%	9.07%	9.10%

Changes of Benefit Terms

Legislation passed in 2024 modified benefit terms for current Sheriffs and Deputies. The benefit enhancements:

- Increased the benefit multiplier from 1.5 % to 2.5% for years of special service between 22 and 30, thereby increasing the maximum benefit from 72% to 80% of average salary.
- Granted an automatic 1.5% compound of cost-of-living adjustment (COLA) for members who retire on or after July 1, 2024, who are at least age 50 when they terminate employment and have at least 22 years of special service.

Changes of Assumptions

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

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

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

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

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

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

Tama County
Schedule of Changes in the County's Total OPEB Liability, Related Ratios and Notes
For the Last Eight Years
Required Supplementary Information

	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	\$ 3,531	\$ 2,712	\$ 2,633	\$ 1,996	\$ 1,938	\$ 1,429	\$ 1,387	\$ 1,277
Interest cost	4,090	2,776	2,917	1,963	1,741	3,042	2,866	3,217
Difference between expected and actual experiences	-	32,607	-	3,569	-	(3,672)	-	2,897
Changes in assumptions	-	(1,539)	-	(6,120)	-	5,764	-	(4,100)
Benefit payments	(13,797)	(9,701)	(9,509)	(7,446)	-	-	-	-
Net change in total OPEB liability	(6,176)	26,855	(3,959)	(6,038)	3,679	6,563	4,253	3,291
Total OPEB liability beginning of year	107,423	80,568	84,527	90,565	86,886	80,323	76,070	72,779
Total OPEB liability end of year	\$ 101,247	\$ 107,423	\$ 80,568	\$ 84,527	\$ 90,565	\$ 86,886	\$ 80,323	\$ 76,070
Covered-employee payroll	\$ 8,723,534	\$ 8,469,450	\$ 6,239,817	\$ 6,058,075	\$ 6,213,981	\$ 5,716,099	\$ 5,908,665	\$ 6,005,514
Total OPEB liability as a percentage of covered-employee payroll	1.2%	1.3%	1.3%	1.4%	1.5%	1.5%	1.4%	1.3%

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

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

Changes in benefit terms:

There were no significant changes in benefit terms.

Changes in assumptions:

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

Year ended June 30, 2025	3.93%
Year ended June 30, 2024	3.93%
Year ended June 30, 2023	3.54%
Year ended June 30, 2022	3.54%
Year ended June 30, 2021	2.21%
Year ended June 30, 2020	2.21%
Year ended June 30, 2019	3.87%
Year ended June 30, 2018	3.87%

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

Other Supplementary Information
Tama County

Tama County
Schedule 1 – Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds						
	Resource Enhancement and Protection	County Recorder's Records Management	County Sheriff's Forfeiture Fund	County Attorney's Forfeiture Fund	County Sheriff's Accounts	Tax Increment Financing	Tobacco Compliance
Assets							
Cash and Pooled Investments	\$ 108,926	\$ 3,353	\$ 2,282	\$ 4,965	\$ 60,865	\$ 41,043	\$ 11,285
Receivables							
Property tax							
Delinquent	-	-	-	-	-	-	-
Succeeding year	-	-	-	-	-	461,418	-
Opioid settlement	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-
Total assets	<u>\$ 108,926</u>	<u>\$ 3,353</u>	<u>\$ 2,282</u>	<u>\$ 4,965</u>	<u>\$ 60,865</u>	<u>\$ 502,461</u>	<u>\$ 11,285</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances							
Liabilities							
Accounts payable	\$ -	\$ 257	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>257</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources							
Unavailable revenues							
Succeeding year property tax	-	-	-	-	-	461,418	-
Other	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>461,418</u>	<u>-</u>
Fund Balances							
Restricted	108,926	3,096	2,282	4,965	60,865	41,043	11,285
Assigned	-	-	-	-	-	-	-
Total fund balances	<u>108,926</u>	<u>3,096</u>	<u>2,282</u>	<u>4,965</u>	<u>60,865</u>	<u>41,043</u>	<u>11,285</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 108,926</u>	<u>\$ 3,353</u>	<u>\$ 2,282</u>	<u>\$ 4,965</u>	<u>\$ 60,865</u>	<u>\$ 502,461</u>	<u>\$ 11,285</u>

Tama County
Schedule 1 – Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds						Total Nonmajor Governmental Funds
	Local Government Opioid Abatement Fund	Drainage District	Emergency Management Services Trust Fund	American Rescue Plan	Debt Service	Capital Projects	
Assets							
Cash and Pooled Investments	\$ 167,077	\$ 859	\$ -	\$ 237,594	\$ 98,597	\$ 145,938	\$ 882,784
Receivables							
Property Tax							
Delinquent	-	-	-	-	1,031	-	1,031
Succeeding year	-	-	904,600	-	461,367	-	1,827,385
Opioid settlement	339,405	-	-	-	-	-	339,405
Prepays	-	-	-	7,386	-	-	7,386
Total assets	<u>\$ 506,482</u>	<u>\$ 859</u>	<u>\$ 904,600</u>	<u>\$ 244,980</u>	<u>\$ 560,995</u>	<u>\$ 145,938</u>	<u>\$ 3,057,991</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ 153	\$ 1,500	\$ -	\$ 1,910
Unearned revenue	-	-	-	244,827	-	-	244,827
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>244,980</u>	<u>1,500</u>	<u>-</u>	<u>246,737</u>
Deferred Inflows of Resources							
Unavailable revenues							
Succeeding year property tax	-	-	904,600	-	461,367	-	1,827,385
Other	314,035	-	-	-	1,017	-	315,052
Total deferred inflows of resources	<u>314,035</u>	<u>-</u>	<u>904,600</u>	<u>-</u>	<u>462,384</u>	<u>-</u>	<u>2,142,437</u>
Fund Balances							
Restricted	192,447	859	-	-	97,111	-	522,879
Assigned	-	-	-	-	-	145,938	145,938
Total fund balances	<u>192,447</u>	<u>859</u>	<u>-</u>	<u>-</u>	<u>97,111</u>	<u>145,938</u>	<u>668,817</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 506,482</u>	<u>\$ 859</u>	<u>\$ 904,600</u>	<u>\$ 244,980</u>	<u>\$ 560,995</u>	<u>\$ 145,938</u>	<u>\$ 3,057,991</u>

Tama County
Schedule 2 – Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2025

	Special Revenue Funds						
	Resource Enhancement and Protection	County Recorder's Records Management	County Sheriff's Forfeiture Fund	County Attorney's Forfeiture Fund	County Sheriff's Accounts	Tax Increment Financing	
Revenues							
Property and other County tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 460,988	\$ -
Intergovernmental	11,498	-	-	-	-	-	210
Charges for service	-	3,206	-	-	-	-	-
Use of money and property	3,497	187	-	-	307	-	-
Miscellaneous	-	-	-	-	102,512	-	-
Total revenues	14,995	3,393	-	-	102,819	460,988	210
Expenditures							
Operating							
Public safety and legal services	-	-	-	-	8,601	-	180
Governmental services to residents	-	5,931	-	-	-	-	-
Administration	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital projects	-	-	-	-	33,353	-	-
Total expenditures	-	5,931	-	-	41,954	-	180
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,995	(2,538)	-	-	60,865	460,988	30
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(461,000)	-
Total other financing sources (uses)	-	-	-	-	-	(461,000)	-
Net change in fund balances	14,995	(2,538)	-	-	60,865	(12)	30
Fund Balances Beginning of Year, as Previously Reported	93,931	5,634	2,282	4,965	-	41,055	11,255
Change within the Financial Reporting Entity	-	-	-	-	-	-	-
Fund Balances Beginning of Year, as Restated	93,931	5,634	2,282	4,965	-	41,055	11,255
Fund Balances End of Year	\$ 108,926	\$ 3,096	\$ 2,282	\$ 4,965	\$ 60,865	\$ 41,043	\$ 11,285

Tama County
Schedule 2 – Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2025

	Special Revenue Funds					Capital Projects	Total Nonmajor Governmental Funds
	Local Government Opioid Abatement Fund	Drainage District	Emergency Management Services Trust Fund	American Rescue Plan	Debt Service		
Revenues							
Property and other County tax	\$ -	\$ -	\$ -	\$ -	\$ 498,673	\$ -	\$ 959,661
Intergovernmental	-	-	-	578,940	26,381	-	617,029
Charges for service	-	-	-	-	-	-	3,206
Use of money and property	8,809	-	-	-	-	-	12,800
Miscellaneous	59,348	-	-	-	-	-	161,860
Total revenues	68,157	-	-	578,940	525,054	-	1,754,556
Expenditures							
Operating							
Public safety and legal services	-	-	-	-	-	-	8,781
Governmental services to residents	-	-	-	-	-	-	5,931
Administration	-	-	-	578,940	-	-	578,940
Debt service	-	-	-	-	925,784	-	925,784
Capital projects	-	-	-	-	-	-	33,353
Total expenditures	-	-	-	578,940	925,784	-	1,552,789
Excess (Deficiency) of Revenues Over (Under) Expenditures	68,157	-	-	-	(400,730)	-	201,767
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	461,000	-	461,000
Transfers out	-	-	-	-	-	-	(461,000)
Total other financing sources (uses)	-	-	-	-	461,000	-	-
Net change in fund balances	68,157	-	-	-	60,270	-	201,767
Fund Balances Beginning of Year, as Previously Reported	124,290	859	-	-	-	145,938	430,209
Change within the Financial Reporting Entity	-	-	-	-	36,841	-	36,841
Fund Balances Beginning of Year, as Restated	124,290	859	-	-	36,841	145,938	467,050
Fund Balances End of Year	\$ 192,447	\$ 859	\$ -	\$ -	\$ 97,111	\$ 145,938	\$ 668,817

Tama County
Schedule 3 – Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2025

	County Recorder	County Sheriff	Agricultural Extension Education	County Assessor	Schools	Community Colleges	Corporations	Townships	Brucellosis and Tuberculosis Eradication
Assets									
Cash and Pooled Investments									
County Treasurer	\$ -	\$ -	\$ 3,958	\$ 671,341	\$ 163,332	\$ 19,209	\$ 54,160	\$ 4,476	\$ 1,015
Other County officials	10,123	99,900	-	-	-	-	-	-	-
Receivables									
Property tax									
Delinquent	-	-	575	1,215	33,422	3,753	25,327	258	4
Succeeding year	-	-	291,498	425,004	16,607,707	1,862,587	5,664,730	411,142	-
Special assessments	-	-	-	-	-	-	-	-	-
Accounts	4,716	-	-	-	-	-	-	-	-
Due From Other Governments	-	-	-	-	-	-	-	-	-
Total assets	14,839	99,900	296,031	1,097,560	16,804,461	1,885,549	5,744,217	415,876	1,019
Liabilities, Deferred Inflows of Resources, and Fund Balances									
Liabilities									
Accounts payable	-	-	-	2,366	-	-	-	-	-
Salaries and benefits payable	-	-	-	12,156	-	-	-	-	-
Due to other governments	14,839	88,279	3,958	-	164,332	19,209	54,160	4,476	1,015
Trust payable	-	11,621	-	-	-	-	-	-	-
Compensated absences	-	-	-	15,615	-	-	-	-	-
Total liabilities	14,839	99,900	3,958	30,137	164,332	19,209	54,160	4,476	1,015
Deferred Inflows of Resources									
Unavailable revenues									
Succeeding year property tax	-	-	291,498	425,004	16,607,707	1,862,587	5,664,730	411,142	-
Net Position									
Restricted for individuals, organizations and other governments	\$ -	\$ -	\$ 575	\$ 642,419	\$ 32,422	\$ 3,753	\$ 25,327	\$ 258	\$ 4

Tama County
Schedule 3 – Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2025

	Fire District	Auto License and Use Tax	Emergency Management Services	E911	Special Assessments	Economic Development	Sanitary Landfill	Other	Total
Assets									
Cash and Pooled Investments									
County Treasurer	\$ 396	\$ 514,990	\$ 340,407	\$ 688,356	\$ 2,227	\$ 35,977	\$ 635,535	\$ 104,447	\$ 3,239,826
Other County officials	-	-	-	-	-	-	-	-	110,023
Receivables									
Property tax									
Delinquent	-	-	-	-	-	-	-	-	64,554
Succeeding year	-	-	-	-	-	-	-	-	25,262,668
Special assessments	-	-	-	-	117,133	-	-	-	117,133
Accounts	-	-	-	44	-	-	38,380	-	43,140
Due From Other Governments	-	-	-	59,955	-	-	-	-	59,955
Total assets	396	514,990	340,407	748,355	119,360	35,977	673,915	104,447	28,897,299
Liabilities, Deferred Inflows of Resources, and Fund Balances									
Liabilities									
Accounts payable	-	-	1,328	9,998	-	21	22,020	-	35,733
Salaries and benefits payable	-	-	3,622	44,243	-	34,335	16,478	-	110,834
Due to other governments	396	514,990	-	-	119,360	-	-	-	985,014
Trust payable	-	-	-	-	-	-	-	-	11,621
Compensated absences	-	-	5,366	42,635	-	-	631	-	64,247
Total liabilities	396	514,990	10,316	96,876	119,360	34,356	39,129	-	1,207,449
Deferred Inflows of Resources									
Unavailable revenues									
Succeeding year property tax	-	-	-	-	-	-	-	-	25,262,668
Net Position									
Restricted for individuals, organizations and other governments	\$ -	\$ -	\$ 330,091	\$ 651,479	\$ -	\$ 1,621	\$ 634,786	\$ 104,447	\$ 2,427,182

Tama County
Schedule 4 – Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
Year Ended June 30, 2025

	County Recorder	County Sheriff	Agricultural Extension Education	County Assessor	Schools	Community Colleges	Corporations	Townships	Brucellosis and Tuberculosis Eradication
Additions									
Property and other County tax	\$ -	\$ -	\$ 273,086	\$ 576,941	\$ 14,825,917	\$ 1,755,832	\$ 5,531,229	\$ 406,887	\$ 2,042
911 surcharge	-	-	-	-	-	-	-	-	-
State tax credits	-	-	11,289	23,792	609,325	72,971	261,833	14,572	87
Intergovernmental	-	-	5,622	11,279	232,811	27,531	307,947	2,718	46
Interest	-	-	-	-	-	-	-	-	-
Office fees and collections	202,723	390,492	-	-	-	-	-	-	-
Auto licenses and use tax	-	-	-	-	-	-	-	-	-
Assessments	-	-	-	-	-	-	-	-	-
Trusts	-	188,330	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Total additions	202,723	578,822	289,997	612,012	15,668,053	1,856,334	6,101,009	424,177	2,175
Deductions									
Agency remittances									
To other governments	202,723	390,492	290,118	470,309	15,675,709	1,857,164	6,107,390	424,271	2,176
To other funds	-	-	-	-	-	-	-	-	-
Trusts	-	188,330	-	-	-	-	-	-	-
Total deductions	202,723	578,822	290,118	470,309	15,675,709	1,857,164	6,107,390	424,271	2,176
Changes in Net Position	-	-	(121)	141,703	(7,656)	(830)	(6,381)	(94)	(1)
Net Position Beginning of Year	-	-	696	500,716	40,078	4,583	31,708	352	5
Net Position End of Year	\$ -	\$ -	\$ 575	\$ 642,419	\$ 32,422	\$ 3,753	\$ 25,327	\$ 258	\$ 4

Tama County
Schedule 4 – Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
Year Ended June 30, 2025

	Fire District	Auto License and Use Tax	Emergency Management Services	E911	Special Assessments	Economic Development	Sanitary Landfill	Other	Total
Additions									
Property and other County tax	\$ 12,133	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,384,067
911 surcharge	-	-	-	256,241	-	-	-	-	256,241
State tax credits	258	-	-	-	-	-	-	-	994,127
Intergovernmental	51	-	207,312	527,419	-	177,041	-	-	1,499,777
Interest	-	-	-	85,150	-	-	-	-	85,150
Office fees and collections	-	-	-	-	-	-	-	-	593,215
Auto licenses and use tax	-	6,909,387	-	-	-	-	-	-	6,909,387
Assessments	-	-	-	-	21,749	-	-	-	21,749
Trusts	-	-	-	-	-	-	-	256,983	445,313
Miscellaneous	-	-	100	23,339	-	26,382	956,845	58,732	1,065,398
Total additions	12,442	6,909,387	207,412	892,149	21,749	203,423	956,845	315,715	35,254,424
Deductions									
Agency remittances									
To other governments	12,442	6,640,270	142,297	2,413,136	-	244,676	882,110	28,269	35,783,552
To other funds	-	269,117	-	-	21,749	-	-	-	290,866
Trusts	-	-	-	-	-	-	-	187,844	376,174
Total deductions	12,442	6,909,387	142,297	2,413,136	21,749	244,676	882,110	216,113	36,450,592
Changes in Net Position	-	-	65,115	(1,520,987)	-	(41,253)	74,735	99,602	(1,196,168)
Net Position Beginning of Year	-	-	264,976	2,172,466	-	42,874	560,051	4,845	3,623,350
Net Position End of Year	\$ -	\$ -	\$ 330,091	\$ 651,479	\$ -	\$ 1,621	\$ 634,786	\$ 104,447	\$ 2,427,182

Tama County

Schedule 5 – Schedule of Revenues by Source and Expenditure by Function – All Governmental Funds
For the Last Ten Years

	Modified Accrual Basis									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues										
Property and other County tax	\$ 11,734,287	\$ 10,336,980	\$ 9,861,958	\$ 9,641,439	\$ 9,561,584	\$ 9,150,487	\$ 8,953,997	\$ 8,662,570	\$ 8,662,026	\$ 8,360,821
Tax increment financing	460,988	411,342	408,554	414,658	466,036	413,583	345,119	277,102	192,386	-
Local option sales tax	869,194	854,483	795,770	1,085,563	736,537	613,415	666,176	543,380	584,834	623,187
Interest and penalty on property tax	80,688	66,404	63,556	63,814	96,377	29,053	64,272	59,603	63,967	57,094
Intergovernmental	9,243,819	9,503,629	9,685,825	8,336,511	9,702,800	7,105,378	7,053,289	7,442,527	7,697,518	7,307,458
Licenses and permits	59,214	54,793	46,340	63,008	26,473	18,710	14,414	22,276	25,003	16,239
Charges for service	797,578	866,609	804,466	762,132	641,892	684,722	673,493	771,451	739,776	734,430
Use of money and property	435,091	591,788	371,588	131,471	98,747	217,130	277,510	143,627	98,573	90,141
Miscellaneous	1,735,277	868,109	553,478	361,265	508,603	103,222	134,580	105,127	80,255	108,037
Total	\$ 25,416,136	\$ 23,554,137	\$ 22,591,535	\$ 20,859,861	\$ 21,839,049	\$ 18,335,700	\$ 18,182,850	\$ 18,027,663	\$ 18,144,338	\$ 17,297,407
Expenditures										
Operating										
Public safety and legal services	\$ 4,863,903	\$ 5,105,950	\$ 4,965,989	\$ 4,635,669	\$ 3,765,172	\$ 3,600,742	\$ 3,564,399	\$ 3,528,069	\$ 3,522,416	\$ 3,193,127
Physical health and social services	2,506,771	2,065,481	1,955,025	2,042,005	1,865,364	1,762,014	1,639,695	1,575,159	1,525,032	1,507,472
Mental health	-	-	-	567,989	563,094	716,516	910,268	944,682	933,007	818,015
County environment and education	1,115,597	1,050,505	950,372	839,411	1,006,687	778,854	795,983	802,835	936,070	981,040
Roads and transportation	9,563,013	9,952,076	10,782,693	7,163,789	7,529,706	8,553,292	8,731,196	7,189,245	7,243,304	6,554,436
Governmental services to residents	948,284	785,253	661,368	623,553	724,247	617,526	551,663	528,690	518,372	522,006
Administration	3,348,053	3,107,853	4,054,223	2,476,733	2,192,709	1,700,096	1,578,009	1,502,160	1,445,871	1,336,998
Non-program	31,981	1,532	2,689	48,290	1,154	2,826	12,133	1,502	4,180	7,679
Debt service	925,784	921,885	928,685	930,085	908,161	6,882,161	569,835	571,135	349,060	250,485
Capital projects	1,179,936	1,376,576	4,402,243	1,598,850	4,432,903	708,384	1,479,682	1,121,592	844,908	696,424
Total	\$ 24,483,322	\$ 24,367,111	\$ 28,703,287	\$ 20,926,374	\$ 22,989,197	\$ 25,322,411	\$ 19,832,863	\$ 17,765,069	\$ 17,322,220	\$ 15,867,682

Information Provided to Comply with
Government Auditing Standards and the Uniform Guidance
June 30, 2025

Tama County



Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Officials of Tama County:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tama County, Iowa (County), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements and have issued our report thereon dated March 26, 2026.

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 County’s financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2025-001, 2025-002, 2025-003, and 2025-004 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

Comments involving statutory and other legal matters about the County's operations for the year ended June 30, 2025, are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the County and are reported in Part IV of the schedule of findings and questioned costs. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

County's Response to Findings

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

Purpose of this Report

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



Dubuque, Iowa
March 26, 2026



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

To the Officials of Tama County

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Tama County, Iowa’s (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, 2025. The County’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, Tama 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, 2025.

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 Auditor’s Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

Dubuque, Iowa
March 26, 2026

Tama County
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Health and Human Services Pass-through program from Iowa Department of Human Services SNAP Cluster State Administrative Matching Grants for the Supplemental Nutritional Assistance Program	10.561	00002130675	\$ 16,016
Department of Transportation Pass-through program from Iowa Department of Transportation Highway Planning and Construction	20.205	BROS-86(108)8J-86	94,228
Highway Planning and Construction	20.205	BROS-86(109)8J-86	256,055
Highway Planning and Construction	20.205	BROS-86(110)8J-86	246,109
Highway Planning and Construction	20.205	BROS-86(111)8J-86	249,202
Total Department of Transportation			<u>845,594</u>
Department of Treasury COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		<u>578,940</u>
Department of Health and Human Services Pass-through program from Iowa Department of Health and Human Services Guardianship Assistance	93.090	00002130675	<u>4</u>
Title IV-E Prevention Program	93.472	00002130675	<u>562</u>
Refugee and Entrant Assistance - State Administered Programs	93.566	00002130675	<u>99</u>
CCDF Cluster Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	00002130675	<u>2,815</u>
Foster Care-Title IV-E	93.658	00002130675	<u>3,066</u>
Adoption Assistance - Title IV-E	93.659	00002130675	<u>2,133</u>
Social Services Block Grant	93.667	00002130675	<u>4,362</u>
Children's Health Insurance Program	93.767	00002130675	<u>484</u>
Medicaid Cluster Medical Assistance Program	93.778	00002130675	<u>24,862</u>
Pass-through program from Iowa Department of Public Health Public Health Emergency Preparedness	93.069	588BT186-6	<u>15,961</u>
Pass-through program from Polk County Public Health Emergency Preparedness	93.069	5884CO86	<u>51,628</u>
Total Public Health Emergency Preparedness			<u>67,589</u>
Immunization Cooperative Agreements	93.268	PUHEIMT2586	<u>9,100</u>
Pass-through program from Mid-Iowa Community Action Head Start Cluster Head Start	93.600	FY25	<u>601</u>
Total Department of Health and Human Services			<u>115,677</u>

Tama County
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Homeland Security			
Pass-through program from			
Iowa Department of Homeland Security			
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	754810	\$ 78,604
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	754815	3,339
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	759763	44,175
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	759957	268,164
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	759959	<u>44,288</u>
Total Department of Homeland Security			<u>438,570</u>
Total Federal Financial Assistance			<u>\$ 1,994,797</u>

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of Tama County, Iowa, (the County) under programs of the federal government for the year ended June 30, 2025. The information 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, it is not intended to and does not present the financial position, changes in fund balance/net position, or cash flows of the County.

Note 2 - Significant Accounting Policies

Expenditures reported in the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Note 3 - Indirect Cost Rate

The County has not elected to use the de minimis cost rate of up to 15% as allowed under the Uniform Guidance.

Part I: Summary of Independent Auditor's Results:

Financial Statements

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

Federal Awards

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None reported
Type of auditor's report issued on compliance for major program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No

Identification of major program:

<u>Name of Federal Program</u>	<u>Federal Financial Assistance Listing</u>
Highway Planning and Construction	20.205
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

Part II: Findings Related to the Basic Financial Statements:

Material Weaknesses

2025-001 Preparation of Financial Statements and Audit Adjustments

Criteria – A properly designed system of internal control over financial reporting allows entities to initiate, authorize, record, process, and report financial data reliably in accordance with generally accepted accounting principles. This includes the preparation of an entity's financial statements and accompanying notes to the financial statements and the schedule of expenditures of federal awards by internal personnel of the entity.

Condition – As auditors, we were requested to draft the financial statements and accompanying notes to the financial statements and the schedule of expenditures of federal awards. It is the responsibility of management and those charged with governance to make the decision to accept the degree of risk associated with this condition because of cost or other considerations. In addition, we proposed audit adjustments to receivables and capital assets.

Cause – We recognize that with a limited number of office employees, preparation of the financial statements is difficult. This also significantly limits the County's review procedures.

Effect – The effect of this condition is that the year-end financial reporting is prepared by a party outside of the entity. The outside party does not have the constant contact with ongoing financial transactions that internal staff have. In addition, financial data was not in accordance with generally accepted accounting principles.

Recommendation – We recommend that County officials continue reviewing operating procedures in order to obtain the maximum internal control possible under the circumstances and that additional review procedures be implemented, especially in the areas of accounts receivables, accounts payables and capital assets.

Response – We acknowledge the finding and will work to improve our processes, particularly in the areas noted.

Part II: Findings Related to the Basic Financial Statements (continued):

2025-002 Sheriff's Office, Treasurer's Office, and Recorder's Office Segregation of Duties

Criteria – Properly designed segregation of duties allows entities to initiate, authorize, record, process, and report financial data reliably in accordance with generally accepted accounting principles.

Condition – The various offices have individuals with the ability to perform record-keeping and reconciling functions for the office.

Cause – With a limited number of office employees, segregation of duties is difficult.

Effect – Since job functions were not properly segregated, misstatements may not have been prevented or detected on a timely basis in the normal course of operations.

Recommendation – County officials should review the operating procedures of the office to obtain the maximum internal control possible under the circumstances.

Response – With a limited number of personnel in the office, it is difficult to separate duties. However, we will utilize all staff to continue to work on segregating duties where possible. Compensating controls will be increased, including rotating duties and review procedures.

2025-003 Documentation of the Review and Approval of Journal Entries

Criteria – A deficiency in internal control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements of the financial statements on a timely basis.

Condition – The County does not have an internal control process for the review and approval of journal entries. The oversight provided by an effective review and approval process is important to the County because of the limited segregation of duties that exists due to the number of office employees participating in the reporting process.

Cause – With a limited number of office employees, segregating the posting and the review and approval duties can be a challenge.

Effect – The lack of a review and approval process for journal entries increases the risk of material misstatement in the financial statements, either due to error or fraud.

Recommendation – The County Auditor and County Treasurer should review the operating procedures of the offices to obtain the maximum internal control possible under the circumstances.

Response – The County Auditor will give the Treasurer a copy of the journal entries she performs and have the Treasurer review the journal entry and initial it.

Part II: Findings Related to the Basic Financial Statements (continued):

2025-004 Disbursement Approval

Criteria – An effective internal control system provides for internal controls related to ensuring proper accounting for disbursements. Internal controls over safeguarding assets constitute a process, effected by an entity’s governing body, management and other personnel designed to provide reasonable assurance regarding prevention or timely detection of unauthorized transactions and safeguarding assets from error or misappropriation.

Condition – During fiscal year 2025, disbursements from the County’s Health Insurance Fund were not included on the Board of Supervisors’ claim registers, and therefore, the disbursements were not approved by the Board.

Cause – The Health Insurance Fund was maintained in a separate checking account with disbursements being recorded by journal entry, instead of through accounts payable packets through the Auditor’s Office.

Effect – Lack of proper approval could result in unauthorized or improper transactions and the opportunity for misappropriation.

Recommendation – The County should ensure all expenditures are properly approved.

Response – Health Insurance Fund payments are now being paid out of the Tyler software and will get Board prior approval like claims do now. For payments still being performed by journal entries by the Treasurer, the County Auditor will review monthly bank statements to match the payments being journal entered with statements from the health insurance carrier.

Part III: Federal Findings and Questioned Costs for Federal Awards:

There were no federal findings and questioned costs to report.

Part IV: Other Findings Related to Required Statutory Reporting:

2025-IA-A Certified Budget – Disbursements during the year ended June 30, 2025, did not exceed the amounts budgeted by function or department.

2025-IA-B Questionable Expenditures – No expenditures that we believe may not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979, were noted.

2025-IA-C Travel Expense – No expenditures of County money for travel expenses of spouses of County officials or employees were noted.

2025-IA-D Business Transactions – No business transactions between the County and County officials or employees were noted.

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

- 2025-IA-E Restricted Donor Activity** – No transactions were noted between the County and County officials, County employees, and restricted donors in compliance with Chapter 68B of the Code of Iowa.
- 2025-IA-F Bond Coverage** – Surety bond coverage of County officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure the coverage is adequate for current operations.
- 2025-IA-G Board Minutes** – No transactions were found that we believe should have been approved in the Board minutes but were not.
- 2025-IA-H Deposits and Investments** – No instances of noncompliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the County’s investment policy were noted.
- 2025-IA-I Resource Enhancement and Protection Certification** – The County properly dedicated property tax revenue to conservation purposes as required by Chapter 455A.19(1)(b) of the Code of Iowa in order to receive the additional REAP funds allocated in accordance with subsections (b)(2) and (b)(3).
- 2025-IA-J Annual Urban Renewal Report** – The Annual Urban Renewal Report was properly approved and certified to the Iowa Department of Management on or before December 1.



NORTH RISK PARTNERS®

Tama County

Hartford Short-Term Disability Plan Options
Effective April 1, 2026

Plans 1 & 2 (Class): All Eligible Non-Union Employees*, Sheriff Union, 911 Union; Excluding Road Union

Plans 3 & 4 (Class): All Eligible Non-Union Employees*; Excluding All Eligible Union Employees (Sheriff, 911 and Roads)

CARRIER	Hartford Plan 1	Hartford Plan 2	Hartford Plan 3	Hartford Plan 4
Classes: All Eligible	Non-Union Sheriff 911	Non-Union Sheriff 911	Non-Union	Non-Union
Benefit Percentage	66 2/3%	66 2/3%	66 2/3%	66 2/3%
Weekly Benefit	\$1,000	\$1,000	\$1,000	\$1,000
Guaranteed Issue	\$1,000	\$1,000	\$1,000	\$1,000
Elimination Period				
Accident/Sickness	0 Days / 7 Days	0 Days / 7 Days	0 Days / 7 Days	0 Days / 7 Days
Benefit Duration	13 Weeks	26 Weeks	13 Weeks	26 Weeks
Pre-existing Condition Limitation	None	None	None	None
IA Public ER Retirement	No Benefit Offset	No Benefit Offset	No Benefit Offset	No Benefit Offset
Employer Contribution	Premium Gross-up	Premium Gross-up	Premium Gross-up	Premium Gross-up
Taxation of Benefit	Non-Taxable	Non-Taxable	Non-Taxable	Non-Taxable
Weekly Benefit Volume	\$73,809	\$73,809	\$52,308	\$52,308
STD Rate Per \$10 of WB	\$0.47	\$0.60	\$0.43	\$0.57
<i>Estimated Monthly Cost</i>	\$3,469.02	\$4,428.53	\$2,249.25	\$2,981.56
<i>Estimated Annual Cost</i>	\$41,628.19	\$53,142.36	\$26,990.97	\$35,778.73
Rate Guarantee	24 Months	24 Months	24 Months	24 Months
Participation Requirement	100%	100%	100%	100%

This is a brief summary of benefits. The actual contract will prevail.

* All Eligible Non-Union Employees include Board of Supervisors and Elected Officials.

**FICA match service not included.



NORTH RISK PARTNERS®

Tama County

Hartford Long-Term Disability Plan Options

Effective April 1, 2026

Plans 1 & 2 (Class): All Eligible Non-Union Employees*, Sheriff Union, 911 Union; Excluding Road Union

Plans 3 & 4 (Class): All Eligible Non-Union Employees*; Excluding All Eligible Union Employees (Sheriff, 911 and Roads)

CARRIER	Hartford	Hartford	Hartford	Hartford
	Plan 1	Plan 2	Plan 3	Plan 4
Benefit Percentage	60%	60%	60%	60%
Monthly Benefit	\$7,000	\$7,000	\$7,000	\$7,000
Guaranteed Issue	\$7,000	\$7,000	\$7,000	\$7,000
Elimination Period	90 Days	180 Days	90 Days	180 Days
Benefit Duration	RBD to SSNRA	RBD to SSNRA	RBD to SSNRA	RBD to SSNRA
Own Occupation Period	2-Year Own Occ	2-Year Own Occ	2-Year Own Occ	2-Year Own Occ
Definition of Disability	AND	AND	AND	AND
Pre-existing Condition Limitation	3/12	3/12	3/12	3/12
Contract Provisions				
Partial Disability	Included	Included	Included	Included
Mental Health Limitation	24 Months Lifetime Combined	24 Months Lifetime Combined	24 Months Lifetime Combined	24 Months Lifetime Combined
Substance Abuse Limitation	24 Months Lifetime Combined	24 Months Lifetime Combined	24 Months Lifetime Combined	24 Months Lifetime Combined
Other Limited Conditions	None	None	None	None
Social Security Integration	Family	Family	Family	Family
Survivor Benefit	Included	Included	Included	Included
Rehabilitation/Vocational Incentive	Included	Included	Included	Included
Employee Assistance Program	Included	Included	Included	Included
Employer Contribution	Premium Gross-up	Premium Gross-up	Premium Gross-up	Premium Gross-up
Taxation of Benefit	Non-Taxable	Non-Taxable	Non-Taxable	Non-Taxable
Monthly Covered Payroll	\$508,456	\$508,456	\$369,065	\$369,065
LTD Rate per \$100 of Covered Payroll	\$0.32	\$0.22	\$0.35	\$0.23
<i>Estimated Monthly Cost</i>	\$1,627.06	\$1,118.60	\$1,291.73	\$848.85
<i>Estimated Annual Cost</i>	\$19,524.72	\$13,423.24	\$15,500.73	\$10,186.19
Rate Guarantee	24 Months	24 Months	24 Months	24 Months
Participation Requirement	100%	100%	100%	100%

This is a brief summary of benefits. The actual contract will prevail.

*RBD (Reducing Benefit Duration) to Social Security Normal Retirement Age.