OFFICE OF AUDITOR OF STATE
STATE OF IOWA

State Capitol Building
Des Moines, Iowa 50319-0006

Telephone (515) 281-5834
www.auditor.iowa.gov

Rob Sand
Auditor of State

NEWS RELEASE

FOR RELEASE: November 9, 2026

Contact: Pam Bormann – (515) 281-5834

Auditor of State Rob Sand today released an audit report on Harrison County, Iowa.

FINANCIAL HIGHLIGHTS:

The County's revenues totaled $22,604,967 for the year ended June 30, 2025, a less than 1.0% decrease from the prior year. Expenses for County operations for the year ended June 30, 2025 totaled $22,323,587, a 12.4% increase over the prior year. The increase was primarily due to an increase in accrued expenses related to an increase in the compensated absences liability reported, increase in pension expense and an increase in depreciation expense.

AUDIT FINDINGS:

Sand reported nineteen findings related to the receipt and expenditure of taxpayer funds. They are found on pages 84 through 95 of this report. The findings address a lack of segregation of duties, material amounts not properly recorded in the County's financial statements and lack of bank to book reconciliations for the Commissary, DARE, Jail Bond and K-9 accounts. Sand provided the County with recommendations to address each of these findings.

Thirteen of the findings discussed above are repeated from the prior year. The County Board of Supervisors have a fiduciary responsibility to provide oversight of the County's operations and financial transactions. Oversight is typically defined as the "watchful and responsible care" a governing body exercises in its fiduciary capacity.

A copy of the audit report is available for review on the Auditor of State's website at Audit Reports – Auditor of State.

# # #

HARRISON COUNTY

INDEPENDENT AUDITOR'S REPORTS
BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS

JUNE 30, 2025

OFFICE OF AUDITOR OF STATE
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Rob Sand
Auditor of State

September 9, 2026

Officials of Harrison County
Logan, Iowa

Dear Board Members:

I am pleased to submit to you the financial and compliance audit report for Harrison County for the year ended June 30, 2025. The audit was performed pursuant to Chapter 11.6 of the Code of Iowa and 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.

I appreciate the cooperation and courtesy extended by the officials and employees of Harrison County throughout the audit. If I or this office can be of any further assistance, please contact me or my staff at 515-281-5834.

Sincerely,

Rob Sand
Auditor of State

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Harrison County

Officials

(Before January 2025)

Name	Title	Term Expires
John Straight	Board of Supervisors	Jan 2025
Brian Rife	Board of Supervisors	Jan 2027
Tony Smith	Board of Supervisors	Jan 2027
Susan E. Bonham	County Auditor	Jan 2025
Shelia Phillips	County Treasurer	Jan 2027
Felicia Geith	County Recorder	Jan 2027
Brandon Doiel	County Sheriff	Jan 2025
Ashley West-Joons	County Attorney	(Resigned Aug 2024)
Sarah Delanty (Appointed Aug 2024)	County Attorney	Nov 2024
Emily Allmon	County Assessor	Jan 2028

(After January 2025)

Name	Title	Term Expires
Brian Rife	Board of Supervisors	Jan 2027
Tony Smith	Board of Supervisors	Jan 2027
Rebecca Wilkerson	Board of Supervisors	Jan 2029
Megan Reffett	County Auditor	Jan 2029
Shelia Phillips	County Treasurer	Jan 2027
Felicia Geith	County Recorder	Jan 2027
Brandon Doiel	County Sheriff	Jan 2029
Sarah Delanty	County Attorney	Jan 2027
Emily Allmon	County Assessor	Jan 2028

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Rob Sand
Auditor of State

Independent Auditor's Report

To the Officials of Harrison 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 Harrison County, Iowa, as of and for the year ended June 30, 2025, and the related Notes to 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 Harrison County 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. 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 Harrison County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Harrison 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 Harrison 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 Harrison 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, the Budgetary Comparison Information, the Schedule of the County's Proportionate Share of the Net Pension Liability (Asset), the Schedule of County Contributions and the Schedule of Changes in the County's Total OPEB Liability, Related Ratios and Notes on pages 7 through 14 and 62 through 69 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 Harrison County's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the nine years ended June 30, 2024 (which are not presented herein) and expressed unmodified opinions on those financial statements. The supplementary information included in Schedules 1 through 5 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information in Schedules 1 through 5 is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 9, 2026 on our consideration of Harrison 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 Harrison County's internal control over financial reporting and compliance.

Pam Bormann

Pam Bormann, CPA
Deputy Auditor of State

September 9, 2026

Management's Discussion and Analysis

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

2025 FINANCIAL HIGHLIGHTS

- Revenues of the County's governmental activities decreased less than 1%, or approximately $215,000, during fiscal year 2025. Property tax and capital grants, contributions and restricted interest revenues increased approximately $749,000 and $287,000, respectively, while operating grants, contributions and restricted interest and American Rescue Plan Act revenues decreased approximately $618,000 and $917,000, respectively.

- Program expenses of the County's governmental activities increased 12.4%, or approximately $2,451,000 during fiscal year 2025. Public safety and legal services, roads and transportation and administration expenses increased approximately $569,000, $1,191,000 and $588,000, respectively, while county environment and education decreased approximately $347,000.

- The County's governmental activities net position decreased 1.4%, or approximately $937,000 during fiscal year 2025.

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 County'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 Harrison County as a whole and present an overall view of the County's finances.

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

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 (asset) and related contributions, as well as presenting the Schedule of Changes in the County's Total OPEB Liability, Related Ratios and Notes.

Supplementary Information provides detailed information about the nonmajor governmental funds and the individual Custodial Funds.

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 which will not result in cash flow 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 which are available for spending. The governmental funds include: 1) the General Fund and 2) the Special Revenue Funds, such as Rural Services, Secondary Roads and Drainage Districts, 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 which 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 which can be spent in the near future to finance the County's programs.

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

2) A proprietary fund accounts for the County's Enterprise Fund. This fund reports services for which the County charges customers for the service it provides. The proprietary fund is reported in the same way all activities are reported in the Statement of Net Position and the Statement of Activities. The major difference between the proprietary fund and the business type activities included in the government-wide financial statements is the detail and additional information, such as cash flows, provided in the proprietary fund financial statements. The Enterprise, Water and Wastewater Disposal System Fund is considered a major fund of the County. The County is responsible for ensuring the assets reported in this fund are used only for their intended purposes.

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

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 which 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 a Statement of Changes in Fiduciary Net Position.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

Net Position of Governmental Activities
(Expressed in Thousands)

Condensed Statement of Net Position	Governmental Activities June 30, 2025	Governmental Activities June 30, 2024	Business Type Activities June 30, 2025	Business Type Activities June 30, 2024	Total June 30, 2025	Total June 30, 2024
Current and other assets	$ 27,976	25,175	103	100	28,079	25,275
Capital assets	59,678	60,915	1,816	1,848	61,494	62,763
Total assets	87,654	86,090	1,919	1,948	89,573	88,038
Deferred outflows of resources	1,250	1,617	-	-	1,250	1,617
Long-term liabilities	9,422	9,454	570	585	9,992	10,039
Other liabilities	628	434	-	-	628	434
Total liabilities	10,050	9,888	570	585	10,620	10,473
Deferred inflows of resources	12,136	10,164	-	-	12,136	10,164
Net position:						
Net investment in capital assets	56,260	57,023	1,246	1,263	57,506	58,286
Restricted	10,639	10,753	62	58	10,701	10,811
Unrestricted	(181)	(121)	41	42	(140)	(79)
Total net position	$ 66,718	67,655	1,349	1,363	68,067	69,018

Harrison County's combined net position of governmental activities decreased 1.4% (approximately $66.7 million compared to approximately $67.7 million).

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 decreased 1.3%, or approximately $763,000, from the prior year.

Restricted net position represents resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. This net position category decreased approximately $114,000 or 1.1%. The capital projects restricted balance decreased approximately $396,000 while the supplemental levy restricted balance increased approximately $207,000.

Governmental activities unrestricted net position – the part of net position which 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 approximately $121,000 at June 30, 2024 to a deficit of approximately $181,000 at the end of this year, a 49.6% decrease.

Changes in Net Position of Governmental Activities
(Expressed in Thousands)

Condensed Statement of Activities	Governmental Activities June 30, 2025	Governmental Activities June 30, 2024	Business Type Activities June 30, 2025	Business Type Activities June 30, 2024	Total June 30, 2025	Total June 30, 2024
Revenues:						
Program revenues:						
Charges for service	$ 2,311	1,917	43	44	2,354	1,961
Operating grants, contributions and restricted interest	5,573	6,191	-	-	5,573	6,191
Capital grants, contributions and restricted interest	1,379	1,092	-	-	1,379	1,092
General revenues:						
Property and other county tax	10,946	10,197	-	-	10,946	10,197
Penalty and interest on property tax	42	48	-	-	42	48
State tax credits	550	533	-	-	550	533
Local option sales tax	896	921	-	-	896	921
American Rescue Plan Act	-	917	-	-	-	917
Unrestricted investment earnings	605	594	-	-	605	594
Other general revenues	259	366	-	-	259	366
Total revenues	22,561	22,776	43	44	22,604	22,820
Program expenses:						
Public safety and legal services	5,198	4,629	-	-	5,198	4,629
Physical health and social services	2,385	2,007	-	-	2,385	2,007
County environment and education	1,659	2,006	-	-	1,659	2,006
Roads and transportation	9,787	8,596	-	-	9,787	8,596
Governmental services to residents	922	767	-	-	922	767
Administration	2,140	1,582	-	-	2,140	1,582
Non-program	96	136	-	-	96	136
Interest on long-term debt	79	92	-	-	79	92
Water and wastewater disposal system	-	-	57	58	57	58
Total expenses	22,266	19,815	57	58	22,323	19,873
Change in net position	295	2,961	(14)	(14)	281	2,947
Net position beginning of year, as previously reported	67,655	64,694	1,363	1,377	69,018	66,071
Error correction (depreciation)	(1,232)	-	-	-	(1,232)	-
Net position beginning of year, adjusted	66,423	64,694	1,363	1,377	67,786	66,071
Net position end of year	$ 66,718	67,655	1,349	1,363	68,067	69,018

Harrison County's governmental activities net position decreased approximately $937,000 during the year. Revenues for governmental activities decreased approximately $215,000. Operating grants, contributions and restricted interest decreased approximately $618,000. Capital grants, contributions and restricted interest increased 26.3% due to an increase of $265,557 in infrastructure assets contributed by the Iowa Department of Transportation. Federal grants for the American Rescue Plan Act (ARPA) decreased $917,000 as the grant reaches completion.

The County decreased property tax rates for fiscal year 2025 an average of 1.5%. Combined with increases in taxable valuations, the County's property tax revenue increased approximately $749,000 in fiscal year 2025. Based on increases in property tax levy rates and the total assessed valuation, property tax revenue is budgeted to increase an additional $684,000 next year.

The cost of all governmental activities this year was approximately $22.3 million compared to approximately $19.8 million last year. However, as shown in the Statement of Activities on pages 19-20 the amount taxpayers ultimately financed for these activities was approximately $13.0 million because some of the cost was paid by those who directly benefited from the programs (approximately $2,311,000) or by other governments and organizations which subsidized certain programs with grants and contributions (approximately $6,952,000). Overall, the County's governmental program revenues, including intergovernmental aid and charges for services, increased in fiscal year 2025 from approximately $9,200,000 to approximately $9,263,000. As discussed above, the County received contributions of roads and bridges paid for by the Iowa Department of Transportation.

INDIVIDUAL MAJOR FUND ANALYSIS

As Harrison County completed the year, its governmental funds reported a combined fund balance of approximately $14.3 million, an increase of approximately $2,055,000 over last year's total of approximately $12.2 million. The following are the major reasons for the changes in fund balances of the major funds from the prior year:

- General Fund revenues remained consistent at approximately $11,271,000. Expenditures increased approximately $281,000 over the prior year to approximately $10,051,000, an increase of 2.9%, primarily due to increased insurance costs. The ending fund balance increased approximately $818,000, or 23.5%, over the prior year to $4,303,917.

- Special Revenue, Rural Services Fund revenues increased approximately $172,000, or 5.7%, primarily due to an increase in property tax revenues. Expenditures increased approximately $480,000 over the prior year to approximately $1,110,000, an increase of 76%, primarily due to the purchase of vehicles during the current fiscal year. The ending fund balance decreased approximately $104,000 from the prior year to $956,438.

- Special Revenue, Secondary Roads Fund revenues remained consistent at approximately $6,051,000. Expenditures decreased approximately $2,125,000 from the prior year to approximately $8,027,000, or 20.9%, primarily due to fewer road maintenance projects during the current fiscal year. The ending fund balance increased approximately $396,000 over the prior year to $5,966,050.

- Special Revenue, Drainage Districts revenues increased approximately $1,423,000, or 732.9%, primarily due to the FEMA reimbursements received during the current year related to the May 2019 storms. Expenditures decreased approximately $22,000 from the prior year to approximately $285,000, or 7.1%. The ending fund balance increased approximately $1,458,000 over the prior year to $1,550,341.

- Capital Projects revenues decreased approximately $120,000 from the prior year to approximately $41,000, a decrease of 74.7%. Expenditures decreased approximately $542,000 from the prior year to approximately $691,000, or 44.0%. The decrease in revenues and expenditures is primarily due to the decrease in donations and related expenditures for the conservation nature center, which was completed during the prior fiscal year. The ending fund balance decreased approximately $399,000 from the prior year to $264,930.

BUDGETARY HIGHLIGHTS

Over the course of the year, Harrison County amended its budget two times. The first amendment was made in April 2025 and resulted in an increase in budgeted receipts and disbursements of $579,843 and $616,684, respectively. Budgeted disbursements increased for public safety and legal services, physical health and social services, county environment and education, administration and capital projects functions. The second amendment was made in May 2025 and resulted in an increase in budgeted receipts and disbursements of $143,475 and $949,060, respectively. Budgeted disbursements increased for public safety and legal services, physical health and social services, county environment and education and capital projects functions. The budget amendments were made to provide for additional disbursements in certain County disbursements and additional capital projects, primarily the Willow Lake maintenance shop.

The County's receipts were $1,232,380 more than budgeted, a variance of 6.1%. The most significant variance resulted from the County receiving more in intergovernmental receipts from FEMA than anticipated.

Total disbursements were $2,338,392 less than the amended budget. Actual disbursements for the public safety and legal services, roads and transportation and capital projects functions were $156,052, $263,978 and $1,403,487, respectively, less than budgeted. This was primarily due to costs being lower than anticipated and engineer projects being delayed due to staffing changes.

The County did not exceed the budgeted amounts for the year ended June 30, 2025. However, disbursements in certain departments exceeded amounts appropriated.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2025, Harrison County governmental activities had approximately $59.7 million invested in a broad range of capital assets, including public safety equipment, buildings, park facilities, roads, bridges and intangible assets. This is a net decrease (including additions and deletions) of approximately $1,237,000, or 2.0%, from last year.

Capital Assets of Governmental Activities at Year-End
(Expressed in Thousands)

Governmental Activities	June 30, 2025	June 30, 2024
Land	$ 2,371	2,241
Construction in progress	549	-
Buildings and improvements	13,150	13,839
Equipment and vehicles	5,245	5,176
Right-to-use leased assets	19	21
Intangibles	979	978
Infrastructure	37,373	38,660
Total	$ 59,686	60,915

Capital Assets of Business Type Activities at Year-End
(Expressed in Thousands)

Business Type Activities	June 30, 2025	June 30, 2024
Infrastructure	1,804	1,835
Equipment	12	13
Total	$ 1,816	1,848

For governmental activities, the County had depreciation/amortization expense of $2,859,420 in fiscal year 2025 and total accumulated depreciation/amortization of $41,751,589 at June 30, 2025. An error correction of $1,232,289 was made to adjust the accumulated depreciation balance at June 30, 2024 for depreciation expense not properly recorded for the year ended June 30, 2024. Capital assets for business type activities totaled $1,815,611 (net of accumulated depreciation) at June 30, 2025. More detailed information about the County's capital assets is presented in Note 5 to the financial statements.

Long-Term Debt

At June 30, 2025, Harrison County had approximately $5,129,000 of governmental activities general obligation notes and other debt outstanding, compared to approximately $5,761,000 at June 30, 2024, as shown below:

Outstanding Debt of Governmental Activities at Year-End
(Expressed in Thousands)

Governmental Activities	June 30, 2025	June 30, 2024
General obligation notes	$ 4,005	4,570
Drainage warrants	1,110	1,168
Lease agreements	14	23
Total	$ 5,129	5,761

Outstanding Debt of Business Type Activities at Year-End
(Expressed in Thousands)

Business Type Activities	June 30, 2025	June 30, 2024
USDA sewer revenue notes	$ 570	586

Additional information about the County's long-term debt is presented in Note 8 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Harrison 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. One of those factors is the economy. Unemployment in the County now stands at 2.7% versus 2.8% a year ago. This compares with the State's unemployment rate of 3.5% and the national rate of 4.1%.

These indicators were taken into account when adopting the budget for fiscal year 2026. Amounts available for appropriation (i.e., beginning balance plus revenues) in the operating budget were approximately $27,487,000, a decrease of 11.0% from the final fiscal year 2025 budget. Property tax (benefiting from a rate increase and increases in assessed valuations) are expected to increase. Budgeted disbursements are expected to decrease approximately $2,158,000. Decreases in capital projects represent the largest decreases. The County has added no new major programs or initiatives to the fiscal year 2026 budget.

If these estimates are realized, the County's budgetary operating balance is expected to increase by approximately $130,000 by the close of fiscal year 2026.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of Harrison 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 Harrison County Auditor's Office, 111 North Second Avenue, Logan, Iowa 51546.

Basic Financial Statements

Government-wide Financial Statements

Harrison County

Statement of Net Position

June 30, 2025

Account Balance	Governmental Activities	Business Type Activities	Total
Assets			
Cash, cash equivalents and pooled investments	$ 11,999,927	103,505	12,103,432
Receivables:			
Property tax:			
Delinquent	13,800	-	13,800
Succeeding year	11,633,000	-	11,633,000
Penalty and interest on property tax	31,113	-	31,113
Accounts	19,679	-	19,679
Drainage assessments	353,291	-	353,291
Special assessments	186,992	-	186,992
Loan to Harrison County Landfill Commission	515,000	-	515,000
Opioid settlement	599,930	-	599,930
Due from other governments	503,038	-	503,038
Lease receivable	282,504	-	282,504
Inventories	1,716,909	-	1,716,909
Prepaid items	120,542	-	120,542
Capital assets not being depreciated/amortized	3,898,352	-	3,898,352
Capital assets, net of accumulated depreciation/amortization	55,779,452	1,815,611	57,595,063
Total assets	87,653,529	1,919,116	89,572,645
Deferred Outflows of Resources			
Pension related deferred outflows	1,198,114	-	1,198,114
OPEB related deferred outflows	52,190	-	52,190
Total deferred outflows of resources	1,250,304	-	1,250,304

Harrison County

Statement of Net Position

June 30, 2025

Account Balance	Governmental Activities	Business Type Activities	Total
Liabilities			
Accounts payable	519,236	-	519,236
Accrued interest payable	10,540	-	10,540
Salaries and benefits payable	81,660	-	81,660
Due to other governments	16,805	-	16,805
Long-term liabilities:			
Portion due or payable within one year:			
USDA sewer revenue notes	-	16,338	16,338
General obligation notes	580,000	-	580,000
Lease agreements	11,657		11,657
Compensated absences	365,776	-	365,776
Total OPEB liability	13,331	-	13,331
Portion due or payable after one year:			
USDA sewer revenue notes	-	553,587	553,587
General obligation notes	3,425,000	-	3,425,000
Drainage warrants	1,110,330.00	-	1,110,330
Lease agreements	1,874	-	1,874
Compensated absences	1,193,779	-	1,193,779
Net pension liability	2,497,948	-	2,497,948
Total OPEB liability	222,151	-	222,151
Total liabilities	10,050,087	569,925	10,620,012
Deferred Inflows of Resources			
Lease related	282,504	-	282,504
Unavailable property tax revenue	11,633,000	-	11,633,000
Pension related deferred inflows	173,154	-	173,154
OPEB related deferred inflows	47,378	-	47,378
Total deferred inflows of resources	12,136,036	-	12,136,036
Net Position			
Net investment in capital assets	56,260,023	1,245,686	57,505,709
Restricted for:			
Supplemental levy purposes	1,338,640	-	1,338,640
Rural services purposes	926,451	-	926,451
Secondary roads purposes	5,381,050	-	5,381,050
Debt service	597,134	40,544	637,678
Capital projects	264,930	21,105	286,035
Drainage district purposes	793,302	-	793,302
Opioid abatement	805,291	-	805,291
Other purposes	531,925	-	531,925
Unrestricted	(181,036)	41,856	(139,180)
Total net position	$ 66,717,710	1,349,191	68,066,901

See notes to financial statements.

Harrison County

Statement of Activities

Year ended June 30, 2025

Class of Transaction	Expenses	Program Revenues Charges for Service	Program Revenues Operating Grants, Contributions and Restricted Interest	Program Revenues Capital Grants, Contributions and Restricted Interest	Net (Expense) Revenue and Changes in Net Position Governmental Activities	Net (Expense) Revenue and Changes in Net Position Business Type Activities	Net (Expense) Revenue and Changes in Net Position Total
Functions/Programs:							
Governmental activities:							
Public safety and legal services	$ 5,197,752	397,344	120,319	30,006	(4,650,083)	-	(4,650,083)
Physical health and social services	2,385,064	716,080	290,015	-	(1,378,969)	-	(1,378,969)
County environment and education	1,658,970	383,698	140,766	-	(1,134,506)	-	(1,134,506)
Roads and transportation	9,787,494	110,201	5,021,540	1,348,985	(3,306,768)	-	(3,306,768)
Governmental services to residents	922,409	413,671	-	-	(508,738)	-	(508,738)
Administration	2,139,624	40,795	-	-	(2,098,829)	-	(2,098,829)
Non-program	95,638	248,834	-	-	153,196	-	153,196
Interest on long-term debt	79,493	-	-	-	(79,493)	-	(79,493)
Total governmental activities	22,266,444	2,310,623	5,572,640	1,378,991	(13,004,190)	-	(13,004,190)
Business type activities:							
Water and wastewater disposal system	57,143	43,459	-	-	-	(13,684)	(13,684)
Total	$ 22,323,587	2,354,082	5,572,640	1,378,991	(13,004,190)	(13,684)	(13,017,874)

Harrison County

Statement of Activities

Year ended June 30, 2025

Class of Transaction	Expenses	Program Revenues Charges for Service	Program Revenues Operating Grants, Contributions and Restricted Interest	Program Revenues Capital Grants, Contributions and Restricted Interest	Net (Expense) Revenue and Changes in Net Position Governmental Activities	Net (Expense) Revenue and Changes in Net Position Business Type Activities	Net (Expense) Revenue and Changes in Net Position Total
General Revenues:							
Property and other county tax levied for:							
General purposes					10,440,860	-	10,440,860
Debt service					505,420	-	505,420
Penalty and interest on property tax					42,196	-	42,196
State tax credits and replacements					550,396	-	550,396
Local option sales tax					896,368	-	896,368
Unrestricted investment earnings					605,283	-	605,283
Miscellaneous					258,731	-	258,731
Total general revenues					13,299,254	-	13,299,254
Change in net position					295,064	(13,684)	281,380
Net position beginning of year, as previously reported					67,654,935	1,362,875	69,017,810
Error correction (accumulated depreciation)					(1,232,289)	-	(1,232,289)
Net position beginning of year, as adjusted					66,422,646	1,362,875	67,785,521
Net position end of year					$ 66,717,710	1,349,191	68,066,901

See notes to financial statements.

Governmental Fund Financial Statements

Harrison County

Balance Sheet
Governmental Funds

June 30, 2025

Account Balance	General	Special Revenue Rural Services	Special Revenue Secondary Roads	Special Revenue Drainage Districts	Capital Projects	Nonmajor	Total
Assets							
Cash, cash equivalents and pooled investments	$ 4,360,226	935,627	4,112,979	1,550,341	329,206	711,548	11,999,927
Receivables:							
Property tax:							
Delinquent	11,295	1,824	-	-	-	681	13,800
Succeeding year	8,304,000	2,823,000	-	-	-	506,000	11,633,000
Penalty and interest on property tax	31,113	-	-	-	-	-	31,113
Accounts	9,201	600	9,878	-	-	-	19,679
Drainage assessments	-	-	-	353,291	-	-	353,291
Special assessments	-	-	186,992	-	-	-	186,992
Loan to Harrison County Landfill Commission	-	-	-	-	-	515,000	515,000
Opioid Settlement	-	-	-	-	-	599,930	599,930
Due from other funds	3,193	-	-	-	-	-	3,193
Due from other governments	13,054	24,862	465,122	-	-	-	503,038
Lease receivable	282,504	-	-	-	-	-	282,504
Inventories	-	-	1,716,909	-	-	-	1,716,909
Prepaid items	120,542	-	-	-	-	-	120,542
Total assets	$ 13,135,128	3,785,913	6,491,880	1,903,632	329,206	2,333,159	27,978,918
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities:							
Accounts payable	$ 167,463	3,486	276,753	-	64,276	7,258	519,236
Salaries and benefits payable	21,511	329	59,820	-	-	-	81,660
Due to other funds	-	-	-	-	-	3,193	3,193
Due to other governments	13,658	882	2,265	-	-	-	16,805
Total liabilities	202,632	4,697	338,838	-	64,276	10,451	620,894

Harrison County

Balance Sheet
Governmental Funds

June 30, 2025

Account Balance	General	Special Revenue Rural Services	Special Revenue Secondary Roads	Special Revenue Drainage Districts	Capital Projects	Nonmajor	Total
Deferred inflows of resources:							
Unavailable revenues:							
Succeeding year property tax	8,304,000	2,823,000	-	-	-	506,000	11,633,000
Other	42,075	1,778	186,992	353,291	-	600,602	1,184,738
Lease related	282,504	-	-	-	-	-	282,504
Total deferred inflows of resources	8,628,579	2,824,778	186,992	353,291	-	1,106,602	13,100,242
Fund balances:							
Nonspendable:							
Inventories	-	-	1,716,909	-	-	-	1,716,909
Prepaid items	120,542	-	-	-	-	-	120,542
Restricted for:							
Supplemental levy purposes	1,342,868	-	-	-	-	-	1,342,868
Rural services purposes	-	956,438	-	-	-	-	956,438
Secondary roads purposes	-	-	4,249,141	-	-	-	4,249,141
Drainage warrants	-	-	-	1,550,341	-	-	1,550,341
Debt service	-	-	-	-	-	596,462	596,462
Capital projects	-	-	-	-	264,930	-	264,930
Opioid abatement	-	-	-	-	-	215,901	215,901
Other purposes	124,989	-	-	-	-	406,936	531,925
Assigned for Conservation	65,617	-	-	-	-	-	65,617
Unassigned	2,649,901	-	-	-	-	(3,193)	2,646,708
Total fund balances	4,303,917	956,438	5,966,050	1,550,341	264,930	1,216,106	14,257,782
Total liabilities, deferred inflows of resources and fund balances	$ 13,135,128	3,785,913	6,491,880	1,903,632	329,206	2,333,159	27,978,918

See notes to financial statements.

Harrison County

Reconciliation of the Balance Sheet
Governmental Funds to the Statement of Net Position

June 30, 2025

Reconciliation of the Balance Sheet	Amount
Total governmental fund balances (page 23)	$ 14,257,782
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds. The cost of capital assets is $101,429,393 and the accumulated depreciation/amortization is $41,751,589.	59,677,804
Other long-term assets are not available to pay current year expenditures and, therefore, are recognized as deferred inflows of resources in the governmental funds.	1,184,738
Pension and OPEB related deferred outflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds.	1,250,304
Pension and OPEB related deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds.	(220,532)
Long-term liabilities, including notes payable, drainage warrants payable, lease agreements payable, compensated absences payable, net pension liability, total OPEB liability and accrued interest payable, are not due and payable in the current year and, therefore, are not reported in the governmental funds.	(9,432,386)
Net position of governmental activities (page 18)	$ 66,717,710

See notes to financial statements.

Harrison County

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds

Year ended June 30, 2025

Class of Transactions	General	Special Revenue Rural Services	Special Revenue Secondary Roads	Special Revenue Drainage Districts	Capital Projects	Nonmajor	Total
Revenues:							
Property and other county tax	$ 7,665,670	2,774,510	-	-	-	505,438	10,945,618
Local option sales tax	-	224,092	672,276	-	-	-	896,368
Penalty and interest on property tax	55,511	-	-	-	-	-	55,511
Intergovernmental	1,614,529	163,854	5,077,077	1,363,041	-	36,639	8,255,140
Licenses and permits	-	11,000	33,910	-	-	-	44,910
Charges for service	987,930	12,850	42,581	-	-	3,049	1,046,410
Use of money and property	607,143	-	-	-	33,708	17,674	658,525
Miscellaneous	340,266	30,006	225,234	254,319	7,000	28,201	885,026
Total revenues	11,271,049	3,216,312	6,051,078	1,617,360	40,708	591,001	22,787,508
Expenditures:							
Operating:							
Public safety and legal services	3,909,892	644,589	-	-	-	1,000	4,555,481
Physical health and social services	2,058,606	144,096	-	-	-	73,314	2,276,016
County environment and education	1,151,027	321,695	-	-	-	2,403	1,475,125
Roads and transportation	-	-	8,026,813	-	-	-	8,026,813
Governmental services to residents	818,204	-	-	-	-	-	818,204
Administration	1,930,922	-	-	-	-	-	1,930,922
Non-program	-	-	-	95,638	-	-	95,638
Debt service	-	-	-	189,288	-	633,845	823,133
Capital projects	182,423	-	-	-	690,791	4,754	877,968
Total expenditures	10,051,074	1,110,380	8,026,813	284,926	690,791	715,316	20,879,300
Excess (deficiency) of revenues over (under) expenditures	1,219,975	2,105,932	(1,975,735)	1,332,434	(650,083)	(124,315)	1,908,208

Harrison County

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds

Year ended June 30, 2025

Class of Transactions	General	Special Revenue Rural Services	Special Revenue Secondary Roads	Special Revenue Drainage Districts	Capital Projects	Nonmajor	Total
Other financing sources (uses):							
Sale of capital assets	-	-	16,110	-	5,000	-	21,110
Transfers in	-	-	2,356,000	-	246,104	10,000	2,612,104
Transfers out	(402,104)	(2,210,000)	-	-	-	-	(2,612,104)
Drainage warrants issued	-	-	-	125,787	-	-	125,787
Total other financing sources (uses)	(402,104)	(2,210,000)	2,372,110	125,787	251,104	10,000	146,897
Change in fund balances	817,871	(104,068)	396,375	1,458,221	(398,979)	(114,315)	2,055,105
Fund balances beginning of year	3,486,046	1,060,506	5,569,675	92,120	663,909	1,330,421	12,202,677
Fund balances end of year	$ 4,303,917	956,438	5,966,050	1,550,341	264,930	1,216,106	14,257,782

See notes to financial statements.

Harrison County

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities

Year ended June 30, 2025

Reconciliation of the Statement of Changes to the Statement of Activities	Amount
Change in fund balances - Total governmental funds (page 26)	$ 2,055,105
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	1,729,312
Capital assets contributed by the Iowa Department of Transportation	1,196,831
Depreciation/amortization expense	(2,859,420)
Total	66,723
In the Statement of Activities, the loss on the disposition of capital assets is reported, whereas the governmental funds report the proceeds from the disposition as an increase in financial resources.	(71,234)
Because some revenues will not be collected for several months after the County's year end, they are not considered available revenues and are recognized as deferred inflows of resources in the governmental funds, as follows:	
Property tax	662
Other	(1,423,493)
Total	(1,422,831)
Proceeds from issuing long-term liabilities provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Current year repayments exceeded issuances, as follows:	
Issued	(125,787)
Repaid	757,770
Total	631,983
The current year County IPERS contributions are reported as expenditures in the governmental funds but are reported as deferred outflows of resources in the Statement of Net Position.	698,607
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	(575,041)
Pension expense	(1,072,931)
OPEB expense	(10,464)
Interest on long-term debt	(4,853)
Total	(1,663,289)
Change in net position of governmental activities (page 20)	$ 295,064

See notes to financial statements.

Proprietary Fund Financial Statements

Harrison County

Statement of Net Position
Proprietary Fund

June 30, 2025

Account Balance	Enterprise - Water and Wastewater Disposal System
Assets	
Current Assets:	
Cash and cash equivalents	$ 103,505
Capital assets, net of accumulated depreciation	1,815,611
Total assets	1,919,116
Liabilities	
Current Liabilities:	
USDA sewer revenue notes	16,338
Long-term liabilities:	
USDA sewer revenue notes	553,587
Total liabilities	569,925
Net Position	
Net investment in capital assets	1,245,686
Restricted for:	
Debt service	40,544
Capital projects	21,105
Unrestricted	41,856
Total net position	$ 1,349,191

See notes to financial statements.

Harrison County

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund

Year ended June 30, 2025

Class of Transaction	Enterprise - Water and Wastewater Disposal System
Operating revenues:	
Charges for service	$ 43,459
Operating expenses:	
Depreciation	32,543
Operating income	10,916
Non-operating expense:	
Interest expense	(24,600)
Change in net position	(13,684)
Net position beginning of year	1,362,875
Net position end of year	$ 1,349,191

See notes to financial statements.

Harrison County

Statement of Cash Flows
Proprietary Fund

Year ended June 30, 2025

Classification		Enterprise - Water and Wastewater Disposal System
Cash flows from operating activities:		
Cash received from sewer fees	$	43,459
Cash flows from capital and related financing activities:		
Principal paid on USDA sewer revenue notes		(15,679)
Interest paid on USDA sewer revenue notes		(24,600)
Net cash used by capital and related financing activities		(40,279)
Net increase in cash and cash equivalents		3,180
Cash and cash equivalents beginning of year		100,325
Cash and cash equivalents end of year	$	103,505
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	$	10,916
Adjustment to reconcile operating income to net cash provided by operating activities:		
Depreciation		32,543
Net cash provided by operating activities	$	43,459

See notes to financial statements.

Fiduciary Fund Financial Statements

Harrison County

Statement of Fiduciary Net Position
Custodial Funds

June 30, 2025

Account Balances	Amount
Assets	
Cash, cash equivalents and pooled investments:	
County Treasurer	$ 3,720,586
Other County officials	213,769
Property tax receivable:	
Delinquent	41,331
Succeeding year	24,412,000
Accounts receivable	1,254
Drainage assessments receivable	1,300,133
Special assessments receivable	106,498
Due from other governments	306,183
Prepaid expenses	14,180
Total assets	30,115,934
Liabilities	
Accounts payable	3,933
Accrued interest payable	10,166
Stamped warrants payable	1,137,162
Salaries and benefits payable	8,878
Due to other governments	1,409,672
Trusts payable	161,917
Compensated absences	87,265
Total liabilities	2,818,993
Deferred Inflows of Resources	
Unavailable revenues	24,412,000
Net Position	
Restricted for individuals, organizations and other governments	$ 2,884,941

See notes to financial statements.

Harrison County

Statement of Changes in Fiduciary Net Position
Custodial Funds

June 30, 2025

Class of Transaction	Amount
Additions:	
Property and other county tax	$ 23,778,950
911 surcharge	189,727
State tax credits	1,460,349
Office fees and collections	505,367
Driver's license fees, auto licenses, use tax and postage	6,999,658
Assessments	665,148
Trusts	1,247,438
Miscellaneous	1,658,601
Total additions	36,505,238
Deductions:	
Agency remittances:	
To other funds	525,964
To other governments	35,263,028
Trusts paid out	1,112,771
Total deductions	36,901,763
Change in net position	(396,525)
Net position beginning of year	3,281,466
Net position end of year	$ 2,884,941

See notes to financial statements.

(1) Summary of Significant Accounting Policies

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

A. Reporting Entity

For financial reporting purposes, Harrison 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 the 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 Harrison County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

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

Sixty-five drainage districts have been established pursuant to Chapter 468 of the Code of Iowa for the drainage of surface waters from agricultural and other lands or the protection of such lands from overflow. Although these districts are legally separate from the County, they are controlled, managed and supervised by the Harrison County Board of Supervisors. The drainage districts are reported as a Special Revenue Fund. Financial information of the individual drainage districts can be obtained from the Harrison County Auditor's Office.

Jointly Governed Organizations – The County participates in several jointly governed organizations which 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: County Assessor's Conference Board, County Emergency Management Commission and County Joint 911 Service Board. Financial transactions of these organizations are included in the County's financial statements only to the extent of the County's fiduciary relationship with the organization and, as such, are reported in the Custodial Funds of the County.

In addition, the County is involved in the following jointly governed organizations: Southwest Iowa Planning Council, Southwest Iowa Juvenile Emergency Services Board, Harrison County Landfill Commission, Southwest Iowa MHDS and WESCO Industries. Financial transactions of these organizations are not included in the County's financial statements.

B. Basis of Presentation

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

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 are imposed by law through constitutional provisions or enabling legislation.

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

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

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

The County reports the following major governmental funds:

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

Special Revenue:

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

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

The Drainage Districts Fund is used to account for drainage assessments and drainage construction and maintenance.

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

The County reports the following major proprietary fund:

The Enterprise, Water and Wastewater Disposal System fund is utilized to account for the acquisition, system improvements and repayment of related debt. The debt is serviced through payments received from the City of Little Sioux which provides for the operation and maintenance of the system.

Additionally, the County reports the following funds:

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.

C. Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the County considers revenues to be available if they are collected within 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 Enterprise Fund is charges to customers for sales and services. Operating expenses for the Enterprise Fund include depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

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

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

Cash, Cash Equivalents and Pooled Investments – The cash balances of most County funds are pooled and invested. Interest earned on investments is recorded in the General Fund unless otherwise provided by law. Investments are stated at fair value except 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 which 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 receivable 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 receivable has 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.

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

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

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

Special Assessments Receivable – Special assessments receivable represent the amounts due from individuals for work done which benefits their property. These assessments are payable by individuals in not more than 15 annual installments. Each annual installment with interest on the unpaid balance is due on September 30 and is subject to the same interest and penalties as other taxes. Special assessments receivable represent assessments which are due and payable but have not been collected. Special assessment receivable in the Secondary Roads Fund represent assessments established in accordance with Code of Iowa Chapter 311 for the payment of costs associated with road surface improvements. Assessments are payable by property owners in 10 annual installments at an interest rate of 2.5%.

Due from and Due to Other Funds – During the course of its operations, the County has numerous transactions between funds. To the extent certain transactions between funds had not been paid or received as of June 30, 2025, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

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

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 which would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repair which 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 three years.

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

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

Asset Class	Estimated Useful Lives (In Years)
Buildings	25 - 50
Building improvements	25 - 50
Infrastructure	10 - 65
Intangibles	5 - 20
Equipment	3 - 20
Vehicles	5 - 15
Right-to-use leased assets	3 - 20

Leases – **County as Lessee** – Harrison County is the lessee for a noncancellable lease of a building and 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 payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments 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 Harrison County determines the discount rate it uses to discount the expected lease payments to present value, lease term and lease payments.

Harrison 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 the County is reasonably certain to exercise.

The County monitors changes in circumstances which would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur which 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.

County as Lessor – Harrison County is a lessor for a noncancellable lease of farmland. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

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

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

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

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

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

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

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

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

Compensated Absences – County employees accumulate a limited amount of earned but unused vacation, sick leave, comp time and personal 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.

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

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

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

Deferred inflows of resources in the Statement of Net Position consist of succeeding year property tax receivable which will not be recognized until the year for which it is levied, unrecognized items not yet charged to pension expense and actual earnings on pension plan investments 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.

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

Unassigned – All amounts not included in the preceding classifications.

Net Position – The net position of the Enterprise Fund is designated for anticipated future catastrophic losses of the County.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2025, disbursements did not exceed the amounts budgeted. However, disbursements in certain departments exceeded the amounts appropriated.

(2) Cash, Cash Equivalents 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 ensure there will be no loss of public funds.

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

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

(3) Due from and Due to Other Funds

The detail of interfund receivables and payables at June 30, 2025 is as follows:

Receivable Fund	Payable Fund	Amount
General	Special Revenue: Drug Search and Seizure	$ 3,193

(4) Interfund Transfers

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

Transfer to	Transfer from	Amount
Special Revenue: Secondary Roads	General	$ 156,000
Special Revenue: Secondary Roads	Special Revenue: Rural Services	2,200,000
Special Revenue: Flood and Erosion	Special Revenue: Rural Services	10,000
Capital Projects	General	246,104
Total	Transfers	$ 2,612,104

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

(5) Capital Assets

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

Governmental Activities:	Balance Beginning of Year (as restated)	Increases	Decreases	Balance End of Year
Capital assets not being depreciated/amortized:				
Land	$ 2,240,985	129,639	-	2,370,624
Intangibles, road network	978,728	-	-	978,728
Construction in progress	-	1,745,831	(1,196,831)	549,000
Total capital assets not being depreciated/amortized	3,219,713	1,875,470	(1,196,831)	3,898,352
Capital assets being depreciated/amortized:				
Buildings	13,045,921	-	(32,445)	13,013,476
Improvements other than buildings	5,819,500	39,601	-	5,859,101
Equipment and vehicles	13,414,348	1,106,772	(618,445)	13,902,675
Right-to-use leased building	20,775	-	-	20,775
Right-to-use leased equipment	12,549	-	-	12,549
Intangibles	63,559	-	-	63,559
Infrastructure, road network and other	63,462,075	1,196,831	-	64,658,906
Total capital assets being depreciated/amortized	95,838,727	2,343,204	(650,890)	97,531,041
Less accumulated depreciation/amortization for:				
Buildings	4,125,876	338,056	(24,334)	4,439,598
Improvements other than buildings	900,435	382,611	-	1,283,046
Equipment and vehicles	8,238,543	878,312	(459,622)	8,657,233
Right-to-use leased building	6,925	6,925	-	13,850
Right-to use leased equipment	5,975	2,365	-	8,340
Intangibles	63,559	-	-	63,559
Infrastructure, road network and other	26,034,812	1,251,151	-	27,285,963
Total accumulated depreciation/amortization	39,376,125	2,859,420	(483,956)	41,751,589
Total capital assets being depreciated/amortized, net	56,462,602	(516,216)	(166,934)	55,779,452
Governmental activities capital assets, net	$ 59,682,315	1,359,254	(1,363,765)	59,677,804

Business type activities capital asset activity for the year ended June 30, 2025 was as follows:

Business Type Activities:	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Capital assets being depreciated:				
Infrastructure	$ 2,332,995	-	-	2,332,995
Equipment	14,361	-	-	14,361
Total capital assets being depreciated	2,347,356	-	-	2,347,356
Less accumulated depreciation for:				
Infrastructure	497,766	31,107	-	528,873
Equipment	1,436	1,436	-	2,872
Total accumulated depreciation	499,202	32,543	-	531,745
Total capital assets being depreciated, net	$ 1,848,154	(32,543)	-	1,815,611

Depreciation expense was charged to the following functions:

Governmental Activities:	Amount
Public safety and legal services	$ 604,095
Physical health and social services	32,079
County environment and education	217,991
Roads and transportation	1,898,794
Governmental services to residents	33,549
Administration	72,912
Total depreciation/amortization expense - governmental activities	$ 2,859,420
Business type activities:	
Water and wastewater disposal system	$ 32,543

(6) Lease Receivable

The County has entered into rentals for six different farms under the Conservation Reserve Program. These rentals range from November 2013 until September 2034 under a 10-year lease with land renting annually from $1,046 to $18,385. Additionally, the County owns the Harrison County Farm. During fiscal year 2025, the County entered into one 10-year lease with Lynn Wohlers whereby the farm is maintained under the Conservation Reserve Program. The County is to receive $4,737 in land rent annually with an implicit rate of 2.0%.

Details of the County's June 30, 2025 farmland lease receivable is as follows:

Year Ending June 30,	Interest Rates	Principal	Interest	Total
2026	2.00-5.75%	$ 32,806	6,973	39,779
2027	2.00-5.75%	33,564	6,215	39,779
2028	2.00-5.75%	33,297	5,436	38,733
2029	2.00-5.75%	34,076	4,657	38,733
2030	2.00-5.75%	34,878	3,855	38,733
2031-2035	2.00-5.75%	113,883	7,957	121,840
Total	Payments	$ 282,504	35,093	317,597

(7) Due to Other Governments

The County purchases services from other governmental units and also acts as a fee and tax collection agent for various governmental units. Tax collections are remitted to those governments in the month following collection. A summary of amounts due to other governments at June 30, 2025 is as follows:

Fund	Description	Amount
General	Services	$ 13,658
Special Revenue:		
Rural Services	Services	882
Secondary Roads	Services	2,265
Total for governmental funds	Services	$ 16,805
Custodial:		
County Offices	Collections	$ 52,913
Agricultural Extension Education	Collections	5,867
Schools	Collections	109,390
Community Colleges	Collections	12,811
Corporations	Collections	540,583
Auto License and Use Tax	Collections	581,674
All other	Collections	106,434
Total for custodial funds	Collections	$ 1,409,672

(8) Long-Term Liabilities

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

Governmental Activities:	Balance Beginning of Year	Increases	Decreases	Balance End of Year	Due Within One Year
General obligation notes	$ 4,570,000	-	565,000	4,005,000	580,000
Direct borrowing drainage warrants	1,168,036	125,787	183,493	1,110,330	-
Lease agreements	22,808	-	9,277	13,531	11,657
Compensated absences*	984,514	575,041	-	1,559,555	365,776
Net pension liability	2,485,392	12,556	-	2,497,948	-
Total OPEB liability	223,024	25,789	13,331	235,482	13,331
Total	$ 9,453,774	739,173	771,101	9,421,846	970,764

* The change in compensated absences liability is presented as a net change.

Business type activities long term liabilities activity for the year ended June 30, 2025 was as follows:

Business Type Activities:	Balance Beginning of Year	Increases	Decreases	Balance End of Year	Due Within One Year
USDA Sewer Revenue Notes	$ 585,604	-	15,679	569,925	16,338

General Obligation Notes Payable

Details of the County's June 30, 2025 general obligation note indebtedness are as follows:

Year Ending June 30,	Interest Rate	Principal	Interest	Total
2026	2.00%	$ 580,000	56,945	636,945
2027	2.00%	585,000	45,345	630,345
2028	2.00%	595,000	33,645	628,645
2029	0.80%	610,000	21,745	631,745
2030	1.00%	610,000	16,865	626,865
2031-2032	1.00-1.10%	1,025,000	16,430	1,041,430
Total	Payments	$ 4,005,000	190,975	4,195,975

On March 11, 2021, the County issued $6,175,000 of taxable general obligation capital loan refunding notes, with interest rates ranging from 0.80% to 2.00% per annum. The notes were issued partially to refund the outstanding series 2016A general obligation solid waste disposal capital loan notes issued for the purpose of paying the costs of improvements and extensions for the Harrison County Landfill Commission. The remaining proceeds were for the purpose of paying the costs of acquisition, construction and installation of peace officer communication equipment and system and to pay issuance costs. During the year ended June 30, 2025, the County paid $565,000 in principal and $68,245 in interest on the notes.

On November 10, 2021, the County amended the loan agreement signed during fiscal year 2016 with the Harrison County Landfill Commission. Under the loan agreement, the Commission is to make payments to the County equal to the payments the County is required to make on the general obligation notes for the portion related to the landfill debt, as they become due.

The June 30, 2025 loan receivable of $515,000 is recorded in the Debt Service Fund and the principal payments from the Commission are credited to the Debt Service Fund.

Drainage Warrants – Direct Borrowings

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

Drainage warrants are paid from the Special Revenue, Drainage Districts Fund solely from drainage assessments against benefited properties.

Lease Agreements

On January 1, 2022, the County entered into a lease agreement for a copier in the Public Health Department. An initial lease liability was recorded in the amount of $12,548. The agreement requires monthly payments of $210 over five years with an implicit interest rate of 2.00% and final payment due March 1, 2027. During the year ended June 30, 2025, the County paid principal and interest of $2,407 and $113, respectively.

On July 1, 2023, the County entered into a lease agreement for office space for the Juvenile Probation Department. An initial lease liability was recorded in the amount of $20,775. The agreement requires monthly payments of $450 for fiscal year 2024, $617 for fiscal year 2025 and $784 for fiscal year 2026 with an implicit rate of 4.125% and final payment due June 1, 2026. During the year ended June 30, 2025, the County paid principal and interest of $6,870 and $534, respectively.

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

Public Health Copier Machine

Year Ending June 30,	Principal	Interest	Total
2026	$ 2,456	64	2,520
2027	1,874	16	1,890
Total	$ 4,330	80	4,410

Office Space

Year Ending June 30,	Principal	Interest	Total
2026	$ 9,201	207	9,408

Total

Year Ending June 30,	Principal	Interest	Total
2026	$ 11,657	271	11,928
2027	1,874	16	1,890
Total	$ 13,531	287	13,818

USDA Sewer Revenue Notes

Annual debt service requirements to maturity for the USDA sewer revenue notes are as follows:

Year Ending June 30,	Interest Rates	Principal	Interest	Total
2026	4.125-4.250%	$ 16,338	23,941	40,279
2027	4.125-4.250%	17,024	23,255	40,279
2028	4.125-4.250%	17,740	22,539	40,279
2029	4.125-4.250%	18,484	21,795	40,279
2030	4.125-4.250%	19,261	21,018	40,279
2031-2035	4.125-4.250%	109,142	92,253	201,395
2036-2040	4.125-4.250%	134,072	67,323	201,395
2041-2045	4.125-4.250%	164,698	36,697	201,395
2046-2047	4.125-4.250%	73,166	4,602	77,768
Total	Payments	$ 569,925	313,423	883,348

The County has pledged future sewer customer revenues, net of specified operating expenses, to repay $758,000 of sewer revenue notes issued in June 2008. The notes mature annually on July 1 and bear interest at 4.125% to 4.250% per annum, which is also due and payable on July 1. Proceeds from the notes provided financing for the construction of water and wastewater disposal systems in the Little Sioux and River Sioux communities. The notes are payable solely from sewer customer net revenues and are payable through 2047. Annual principal and interest payments on the notes are expected to require more than 100% of net revenues. The total principal and interest remaining to be paid on the notes is $883,348. For the current year, principal and interest paid and total customer net revenues were $40,279 and $10,916, respectively.

The resolution providing for the issuance of the sewer revenue notes includes the following provisions:

(a) Sufficient monthly transfers shall be made to a debt service account for the purpose of making the principal and interest payments when due.

(b) Additional monthly transfers of $337 shall be made to a sewer revenue reserve account until $40,279 has been accumulated. This account is restricted for the purpose of paying principal and interest payments on the notes.

(c) Monthly transfers of $265 shall be made to a short-lived asset depreciation account for future capital improvements.

(d) The County is required to submit a budget projection for the next fiscal year to the USDA Rural Development Office for approval by July 1 each year.

(e) The County is required to submit a year-end report to the USDA Rural Development Office by August 30 each year.

(f) The County is required to provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance and the establishment of adequate reserves.

(9) Loan Receivable

Year Ending June 30,	Interest Rates	Principal	Interest	Total
2026	2.00%	$ 105,000	7,990	112,990
2027	2.00%	100,000	5,890	105,890
2028	2.00%	100,000	3,890	103,890
2029	0.80%	105,000	1,890	106,890
2030	1.00%	105,000	1,050	106,050
Total	Payments	$ 515,000	20,710	535,710

As detailed in Note 8 of the Notes to Financial Statements, the County loaned note proceeds to the Harrison County Landfill Commission. Under the loan agreement, the Commission is to make payments to the County equal to the payments the County is required to make on the general obligation notes for the portion related to the landfill debt as they become due.

(10) Pension Plan

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

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

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

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

Sheriffs and Deputies and Protection Occupation members may retire at normal retirement age, which is generally 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 the member receives benefits before the member's earliest normal retirement age. For service earned on or after July 1, 2012, the reduction is 0.50% for each month the member receives benefits before age 65.

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

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

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

In fiscal year 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 totaled $698,607.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2025, the County reported a liability of $2,497,948 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 IPERS relative to the contributions of all IPERS participating employers. At June 30, 2024, the County's proportion was 0.068597%, which was an increase of 0.013533% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the County recognized pension expense of $1,072,931. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflow and Inflow Sources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 414,881	1,385
Changes of assumptions	-	49,277
Net difference between projected and actual earnings on IPERS' investments	54,709	-
Changes in proportion and differences between County contributions and the County's proportionate share of contributions	29,917	122,492
County contributions subsequent to the measurement date	698,607	-
Total	$ 1,198,114	173,154

$698,607 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 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:

Year Ending June 30,	Amount
2026	$ (381,406)
2027	749,000
2028	44,591
2029	(87,356)
2030	1,524
Total	$ 326,353

There were no non-employer contributing entities to 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:

Actuarial Assumptions	Description
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 building-block method in which best-estimate ranges of expected future real rates (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing 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:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
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%
Total	100.0%	

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

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

Sensitivity of Proportionate Share	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability (asset)	$ 6,979,992	2,497,948	(1,250,067)

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

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

(11) Other Postemployment Benefits (OPEB)

Plan Description – The County administers a single-employer benefit plan which provides medical, prescription drug and dental benefits for employees, retirees and their spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust which meets the criteria in paragraph 4 of GASB Statement No. 75.

OPEB Benefits – Individuals who are employed by Harrison 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, 2025, the following employees were covered by the benefit terms:

Description	Employees
Inactive employees or beneficiaries currently receiving benefit payments	2
Active employees	113
Total	115

Total OPEB Liability – The County's total OPEB liability of $235,482 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, 2025 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Actuarial Assumption	Descriptions
Rate of inflation (effective June 30, 2024)	3.0% per annum.
Rates of salary increase (effective June 30, 2024)	2.75% per annum, including inflation.
Discount rate (effective June 30, 2024)	3.65% compounded annually, including inflation.
Healthcare cost trend rate (effective June 30, 2024)	5.0% annually.

Discount Rate – The discount rate used to measure the total OPEB liability was 3.65% which reflects the index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

Mortality rates are from the RP-2014 annuitant distinct mortality table adjusted to 2006 with MP 2021 generational project of future mortality improvement.

Changes in the Total OPEB Liability	Total OPEB Liability
Total OPEB liability beginning of year	$ 223,024
Changes for the year:	
Service cost	17,262
Interest	8,527
Benefit payments	(13,331)
Net changes	12,458
Total OPEB liability end of year	$ 235,482

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 which is 1% lower (2.65%) or 1% higher (4.65%) than the current discount rate.

Sensitivity of Discount Rate	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB liability	$ 250,108	235,482	221,446

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 it were calculated using healthcare cost trend rates which are 1% lower (4.00%) or 1% higher (6.00%) than the current healthcare cost trend rates.

Sensitivity of Healthcare Rate	1% Decrease (4.00%)	Healthcare Cost Trend Rate (5.00%)	1% Increase (6.00%)
Total OPEB liability	$ 212,775	235,482	262,253

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2025, the County recognized OPEB expense of $10,464. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

Deferred Outflow and Inflow Sources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 41,926	27,421
Changes in assumptions	10,264	19,957
Total	$ 52,190	47,378

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

Year Ending June 30,	Amount
2026	$ (1,994)
2027	(1,994)
2028	(1,994)
2029	2,021
2030	4,708
Thereafter	4,065
Total	$ 4,812

(12) Risk Management

The County is a member of the Iowa Communities Assurance Pool, as allowed by Chapter 670.7 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool whose 805 members include various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, property, employment practices liability, public officials liability, cyber liability and law enforcement liability. There have been no reductions in insurance coverage from prior years.

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

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

The County's property and casualty contributions to the Pool are recorded as expenditures from its operating funds at the time of payment to the Pool. The County's contributions to the Pool for the year ended June 30, 2025 were $538,672.

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

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

The County does not report a liability for losses in excess of reinsurance or excess risk-sharing recoveries unless it is deemed probable 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 or reinsurance coverage since the Pool's inception.

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

The County also carries commercial insurance purchased from other insurers for coverage associated with workers compensation and employee blanket bond in the amount of $1,000,000 and ranging from $40,000 to $100,000, respectively. The County assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

(13) Secondary Roads Department Insurance Benefit

A voluntary termination benefit program has been established for Secondary Roads Department employees who were employed with the County as a full-time employee prior to July 1, 2018. The program allows employees who are eligible, upon a bona fide retirement, to use the value of their unused sick leave to purchase group health insurance after separation.

Upon retirement, the value of the balance of the accrued sick leave is converted based upon the balance of sick leave hours, as follows:

Sick Leave Balance (hours)	Conversion Rate
0 - 559	0%
560 - 879	50%
880 - 1,119	75%
1,120 - 1,488	100%

The final calculated dollar value is credited to the employee's Sick Leave Upon Retirement account. The County will continue to pay the costs of the health insurance premium each month until the converted value of the employee's Sick Leave Upon Retirement account balance is exhausted. The converted value of the sick leave can only be applied to the payment of health, dependent health and/or Medicare supplement insurance premium payments or for the payment of expenses which qualify as medical expenses under the Internal Revenue Code.

For the year ended June 30, 2025, five employees have retired and received benefits totaling $61,124 under the program.

(14) Financial Assurance

The County participates in an agreement with the Harrison County Landfill Commission, which was created under Chapter 28E of the Code of Iowa. The purpose of the Commission includes providing economic disposal of solid waste produced or generated within the member county and municipalities.

The County has provided a local government guarantee for a portion of the closure and postclosure care costs of the Commission in accordance with Chapter 567-113.14(6)(h) of the Iowa Administrative Code. Total estimated costs for closure and postclosure care of the Commission as of June 30, 2025 are $3,281,857 and the County's financial assurance obligation amount is $1,392,091. At June 30, 2025, the County has met the guarantor conditions outlined in Chapter 567-113.14(6)f of the Iowa Administrative Code.

In the event the Commission fails to perform closure or postclosure care in accordance with the appropriate plan or permit, whenever required to do so, or fails to obtain an alternate financial assurance within 90 days of intent to cancel, the County will perform or pay a third party to perform closure and/or postclosure care or establish a standby trust fund in the name of the Commission or obtain alternate financial assurance in the amount of the assured amount.

(15) Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 for employees. The 457 Plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights must be held in trust of the exclusive benefit of plan participants and beneficiaries. These funds are invested and held by an outside investment company and do not constitute a liability of the County.

(16) Tax Abatements

Governmental Accounting Standards Board Statement No. 77 defines tax abatements as a reduction in tax revenues which 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 which 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. For these types of projects, the other entities enter into agreements with developers which require the other entities, after developers meet the terms of the agreements, to rebate a portion of the property tax paid by the developers, to pay the developers an economic development grant or to pay the developers a predetermined dollar amount.

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 Woodbine	Urban renewal and economic development projects	$ 45,812

(17) Error Correction

Beginning net position for governmental activities was adjusted to properly report previously reported accumulated depreciation. The adjustment to retroactively report the change in net position, is as follows:

Governmental Activities	Governmental Activities
Net position June 30, 2024, as previously reported	$ 67,654,935
Depreciation expense not previously reported in error	(1,232,289)
Net position July 1, 2024, as adjusted	$ 66,422,646

Required Supplementary Information

Harrison 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

Class of Transaction	Actual	Less Funds not Required to be Budgeted	Net	Budgeted Amounts Original	Budgeted Amounts Final	Final to Net Variance
Receipts:						
Property and other county tax	$ 11,817,495	-	11,817,495	11,693,418	11,693,418	124,077
Penalty and interest on property tax	55,511	-	55,511	51,500	51,500	4,011
Intergovernmental	6,863,240	1,363,041	5,500,199	6,089,555	6,214,208	(714,009)
Licenses and permits	107,828	-	107,828	59,000	79,000	28,828
Charges for service	1,037,559	-	1,037,559	897,535	996,440	41,119
Use of money and property	662,598	-	662,598	198,324	434,324	228,274
Miscellaneous	2,463,174	254,319	2,208,855	445,015	688,775	1,520,080
Total receipts	23,007,405	1,617,360	21,390,045	19,434,347	20,157,665	1,232,380
Disbursements:						
Public safety and legal services	4,453,621	-	4,453,621	4,380,740	4,609,673	156,052
Physical health and social services	2,264,080	-	2,264,080	2,297,876	2,394,176	130,096
County environment and education	1,472,579	-	1,472,579	1,511,125	1,559,125	86,546
Roads and transportation	7,776,022	-	7,776,022	8,040,000	8,040,000	263,978
Governmental services to residents	822,847	-	822,847	901,705	901,705	78,858
Administration	1,913,341	-	1,913,341	1,995,908	2,180,315	266,974
Non-program	95,638	95,638	-	-	-	-
Debt service	823,132	189,288	633,844	636,245	636,245	2,401
Capital projects	1,040,867	-	1,040,867	1,436,250	2,444,354	1,403,487
Total disbursements	20,662,127	284,926	20,377,201	21,199,849	22,765,593	2,388,392
Excess (deficiency) of receipts over (under) disbursements	2,345,278	1,332,434	1,012,844	(1,765,502)	(2,607,928)	3,620,772
Other financing sources	250,787	125,787	125,000	-	-	125,000
Change in balances	2,596,065	1,458,221	1,137,844	(1,765,502)	(2,607,928)	3,745,772
Balance beginning of year	9,403,862	92,120	9,311,742	10,738,598	10,738,598	(1,426,856)
Balance end of year	$ 11,999,927	1,550,341	10,449,586	8,973,096	8,130,670	2,318,916

See accompanying independent auditor's report.

Harrison County

Budgetary Comparison Schedule – Budget to GAAP Reconciliation

Required Supplementary Information

Year ended June 30, 2025

Class of Transaction	Cash Basis	Accrual Adjustments	Modified Accrual Basis
Revenues	$ 23,007,405	(219,897)	22,787,508
Expenditures	20,662,127	217,173	20,879,300
Net	2,345,278	(437,070)	1,908,208
Other financing sources, net	250,787	(103,890)	146,897
Beginning fund balances	9,403,862	2,798,815	12,202,677
Ending fund balances	$ 11,999,927	2,257,855	14,257,782

See accompanying independent auditor's report.

Harrison County

Notes to Required Supplementary Information – Budgetary Reporting

June 30, 2025

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

In accordance with the Code of Iowa, the County Board of Supervisors annually adopts a budget on the cash basis following required public notice and hearing for all funds except blended component units, the Enterprise 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. 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, two budget amendments increased budgeted disbursements by $1,565,744. The budget amendments are reflected in the final budgeted amounts.

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

During the year ended June 30, 2025, disbursements did not exceed the amounts budgeted by function. However, disbursements in certain departments exceeded the amounts appropriated.

Harrison County

Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)

Iowa Public Employees' Retirement System
For the Last Ten Years*
(In Thousands)

Required Supplementary Information

Description	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
County's proportion of the net pension liability (asset)	0.068597%	0.055064%	0.048719%	0.329105%**	0.061915%	0.060293%	0.058613%	0.060358%	0.061196%	0.058401%
County's proportionate share of net pension liability (asset)	$ 2,498	2,485	1,841	(1,136)	4,349	3,491	3,709	4,021	3,851	2,885
County's covered payroll	$ 7,157	6,900	6,387	6,147	5,932	5,838	5,456	5,305	5,165	4,934
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	34.90%	36.01%	28.82%	-18.48%	73.31%	59.80%	67.98%	75.80%	74.56%	58.47%
IPERS' net position as a percentage of the total pension liability (asset)	92.30%	90.13%	91.40%	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 30 of the preceding year.

** Overall plan net pension asset.

See accompanying independent auditor's report.

Harrison County

Schedule of County Contributions

Iowa Public Employees' Retirement System
For the Last Ten Years
(In Thousands)

Required Supplementary Information

Description		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	$	699	665	645	599	580	563	557	494	483	470
Contributions in relation to the statutorily required contribution		(699)	(665)	(645)	(599)	(580)	(563)	(557)	(494)	(483)	(470)
Contribution deficiency (excess)	$	-	-	-	-	-	-	-	-	-	-
County's covered payroll	$	7,523	7,157	6,900	6,387	6,147	5,932	5,838	5,456	5,305	5,165
Contributions as a percentage of covered payroll		9.29%	9.29%	9.35%	9.38%	9.44%	9.49%	9.54%	9.05%	9.10%	9.10%

See accompanying independent auditor's report.

Harrison County

Notes to Required Supplementary Information – Pension Liability (Asset)

Year Ended June 30, 2025

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 a demographic assumption study dated June 28, 2018:

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

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

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

Harrison County

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

For the Last Eight Years

Required Supplementary Information

Description	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	$ 17,262	16,800	17,008	16,552	11,441	11,135	11,113	10,816
Interest cost	8,527	8,102	5,243	5,179	6,413	6,218	5,578	5,216
Changes of benefit terms	-	-	-	-	-	(18,485)	-	-
Difference between expected and actual experiences	-	(11,901)	-	36,622	-	33,676	-	(58,038)
Changes in assumptions	-	(17,036)	-	14,582	-	550	-	(18,371)
Benefit payments	(13,331)	(14,075)	(18,155)	(20,336)	(10,426)	(13,706)	(7,541)	(4,896)
Net change in total OPEB liability	12,458	(18,110)	4,096	52,599	7,428	19,388	9,150	(65,273)
Total OPEB liability beginning of year	223,024	241,134	237,038	184,439	177,011	157,623	148,473	213,746
Total OPEB liability end of year	$ 235,482	223,024	241,134	237,038	184,439	177,011	157,623	148,473
Covered-employee payroll	$ 6,712,889	6,533,225	6,332,127	6,162,654	5,638,418	5,487,511	5,239,411	5,099,183
Total OPEB liability as a percentage of covered-employee payroll	3.5%	3.4%	3.8%	3.8%	3.3%	3.2%	3.0%	2.9%

See accompanying independent auditor's report.

Harrison County

Notes to Required Supplementary Information – OPEB Liability

Year Ended June 30, 2025

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	3.65%
Year ended June 30, 2024	3.65%
Year ended June 30, 2023	2.14%
Year ended June 30, 2022	2.14%
Year ended June 30, 2021	3.50%
Year ended June 30, 2020	3.50%
Year ended June 30, 2019	3.58%
Year ended June 30, 2018	4.50%
Year ended June 30, 2017	4.25%

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

Supplementary Information

Harrison County

Combining Balance Sheet
Nonmajor Governmental Funds

June 30, 2025

Account Balance	Special Revenue County Recorder's Records Management	Special Revenue Urban Renewal Revenue	Special Revenue Resource Enhancement and Protection	Special Revenue Flood and Erosion	Special Revenue Seizures
Assets:					
Cash, cash equivalents and pooled investments	$ 31,043	111,020	26,472	236,416	1,600
Receivables:					
Property tax :					
Delinquent	-	-	-	-	-
Succeeding year	-	-	-	-	-
Loan to Harrison County Landfill Commission	-	-	-	-	-
Opioid settlement	-	-	-	-	-
Total assets	$ 31,043	111,020	26,472	236,416	1,600
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	$ -	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	-	-	-	-	-
Deferred inflows of resources:					
Unavailable revenues:					
Succeeding year property tax	-	-	-	-	-
Other	-	-	-	-	-
Total Deferred inflows of resources	-	-	-	-	-
Fund balances:					
Restricted:					
Debt service	-	-	-	-	-
Opioid abatement	-	-	-	-	-
Other purposes	31,043	111,020	26,472	236,416	1,600
Unrestricted	-	-	-	-	-
Total Fund Balance	31,043	111,020	26,472	236,416	1,600
Total liabilities, deferred inflows of resources and fund balances	$ 31,043	111,020	26,472	236,416	1,600

Harrison County

Combining Balance Sheet
Nonmajor Governmental Funds

June 30, 2025

Account Balance	Special Revenue Drug Search and Seizures	Special Revenue Pass Thru Grants	Special Revenue Local Government Opioid Abatement	Debt Service	Total
Assets:					
Cash, cash equivalents and pooled investments	-	385	223,159	81,453	711,548
Receivables:					
Property tax :					
Delinquent	-	-	-	681	681
Succeeding year	-	-	-	506,000	506,000
Loan to Harrison County Landfill Commission	-	-	-	515,000	515,000
Opioid settlement	-	-	599,930	-	599,930
Total assets	-	385	823,089	1,103,134	2,333,159
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	-	-	7,258	-	7,258
Due to other funds	3,193	-	-	-	3,193
Total liabilities	3,193	-	7,258	-	10,451
Deferred inflows of resources:					
Unavailable revenues:					
Succeeding year property tax	-	-	-	506,000	506,000
Other	-	-	599,930	672	600,602
Total Deferred inflows of resources	-	-	599,930	506,672	1,106,602
Fund balances:					
Restricted:					
Debt service	-	-	-	596,462	596,462
Opioid abatement	-	-	215,901	-	215,901
Other purposes	-	385	-	-	406,936
Unrestricted	(3,193)	-	-	-	(3,193)
Total Fund Balance	(3,193)	385	215,901	596,462	1,216,106
Total liabilities, deferred inflows of resources and fund balances	-	385	823,089	1,103,134	2,333,159

See accompanying independent auditor's report.

Harrison County

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds

Year ended June 30, 2025

Class of Transaction	Special Revenue County Recorder's Records Management	Special Revenue Urban Renewal Revenue	Special Revenue Resource Enhancement and Protection	Special Revenue Flood and Erosion	Special Revenue Seizures
Revenues:					
Property and other county tax	$ -	-	-	-	-
Intergovernmental	-	-	10,915	-	-
Charges for service	2,974	-	-	-	-
Use of money and property	1,245	-	953	-	-
Miscellaneous	-	-	-	-	-
Total revenues	4,219	-	11,868	-	-
Expenditures:					
Operating:					
Public safety and legal services	-	-	-	-	-
Physical health and social services	-	812	-	-	-
County environment and education	-	-	-	2,403	-
Debt service	-	-	-	-	-
Capital projects	-	-	4,754	-	-
Total expenditures	-	812	4,754	2,403	-
Excess (deficiency) of revenues over (under) expenditures	4,219	(812)	7,114	(2,403)	-
Other financing sources:					
Transfers in	-	-	-	10,000	-
Change in fund balances	4,219	(812)	7,114	7,597	-
Fund balances beginning of year	26,824	111,832	19,358	228,819	1,600
Fund balances end of year	$ 31,043	111,020	26,472	236,416	1,600

Harrison County

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds

Year ended June 30, 2025

Class of Transaction	Special Revenue Drug Search and Seizures	Special Revenue Pass Thru Grants	Special Revenue Local Government Opioid Abatement	Debt Service	Total
Revenues:					
Property and other county tax	-	-	-	505,438	505,438
Intergovernmental	-	-	-	25,724	36,639
Charges for service	75	-	-	-	3,049
Use of money and property	-	-	5,486	9,990	17,674
Miscellaneous	-	-	28,201	-	28,201
Total revenues	75	-	33,687	541,152	591,001
Expenditures:					
Operating:					
Public safety and legal services	1,000	-	-	-	1,000
Physical health and social services	-	-	72,502	-	73,314
County environment and education	-	-	-	-	2,403
Debt service	-	-	-	633,845	633,845
Capital projects	-	-	-	-	4,754
Total expenditures	1,000	-	72,502	633,845	715,316
Excess (deficiency) of revenues over (under) expenditures	(925)	-	(38,815)	(92,693)	(124,315)
Other financing sources:					
Transfers in	-	-	-	-	10,000
Change in fund balances	(925)	-	(38,815)	(92,693)	(114,315)
Fund balances beginning of year	(2,268)	385	254,716	689,155	1,330,421
Fund balances end of year	(3,193)	385	215,901	596,462	1,216,106

See accompanying independent auditor's report.

Harrison County

Combining Schedule of Fiduciary Net Position – Custodial Funds

June 30, 2025

Account Balance	County Offices	Agricultural Extension Education	County Assessor	Schools	Community Colleges	Corporations
Assets						
Cash, cash equivalents and pooled investments:						
County Treasurer	$ -	5,867	426,617	109,390	12,811	540,583
Other County officials	213,769	-	-	-	-	-
Receivables:						
Property tax:						
Delinquent	-	377	653	19,590	2,505	17,728
Succeeding year	-	277,000	480,000	15,731,000	1,847,000	5,498,000
Accounts	1,061	-	-	-	-	-
Drainage assessments	-	-	-	-	-	-
Special assessments	-	-	-	-	-	106,498
Due from other government	-	-	-	-	-	-
Prepaid expenses	-	-	14,180	-	-	-
Total assets	$ 214,830	283,244	921,450	15,859,980	1,862,316	6,162,809
Liabilities						
Accounts payable	-	-	716	-	-	-
Accrued interest payable	-	-	-	-	-	-
Stamped drainage warrants payable	-	-	-	-	-	-
Salaries and benefits payable	-	-	1,037	-	-	-
Due to other governments	52,913	5,867	-	109,390	12,811	540,583
Trusts payable	161,917	-	-	-	-	-
Compensated absences	-	-	43,759	-	-	-
Total liabilities	$ 214,830	5,867	45,512	109,390	12,811	540,583
Deferred Inflows of Resources						
Unavailable revenues	-	277,000	480,000	15,731,000	1,847,000	5,498,000
Net Position						
Restricted for individuals, organizations and other governments	$ -	377	395,938	19,590	2,505	124,226

Harrison County

Combining Schedule of Fiduciary Net Position – Custodial Funds

June 30, 2025

Account Balance	Townships	Auto License and Use Tax	Drainage Districts	911 Service Commission	Other	Total
Assets						
Cash, cash equivalents and pooled investments:						
County Treasurer	54,353	581,674	404,653	741,201	843,437	3,720,586
Other County officials	-	-	-	-	-	213,769
Receivables:						
Property tax:						
Delinquent	478	-	-	-	-	41,331
Succeeding year	579,000	-	-	-	-	24,412,000
Accounts	-	-	-	193	-	1,254
Drainage assessments	-	-	1,300,133	-	-	1,300,133
Special assessments	-	-	-	-	-	106,498
Due from other government	-	-	306,183	-	-	306,183
Prepaid expenses	-	-	-	-	-	14,180
Total assets	633,831	581,674	2,010,969	741,394	843,437	30,115,934
Liabilities						
Accounts payable	-	-	-	3,202	15	3,933
Accrued interest payable	-	-	10,166	-	-	10,166
Stamped drainage warrants payable	-	-	1,137,162	-	-	1,137,162
Salaries and benefits payable	-	-	-	-	7,841	8,878
Due to other governments	54,353	581,674	-	291	51,790	1,409,672
Trusts payable	-	-	-	-	-	161,917
Compensated absences	-	-	-	-	43,506	87,265
Total liabilities	54,353	581,674	1,147,328	3,493	103,152	2,818,993
Deferred Inflows of Resources						
Unavailable revenues	579,000	-	-	-	-	24,412,000
Net Position						
Restricted for individuals, organizations and other governments	478	-	863,641	737,901	740,285	2,884,941

See accompanying independent auditor's report.

Harrison County

Combining Schedule of Changes in Fiduciary Net Position – Custodial Funds

June 30, 2025

Class of Transaction	County Offices	Agricultural Extension Education	County Assessor	Schools	Community Colleges	Corporations
Additions:						
Property and other county tax	$ -	271,565	426,151	15,485,004	1,799,479	5,227,537
911 surcharge	-	-	-	-	-	-
State tax credits	-	15,094	23,575	797,140	92,245	506,542
Office fees and collections	502,486	-	-	-	-	-
Driver's license fees, auto licenses, use tax and postage	-	-	-	-	-	-
Assessments	-	-	-	-	-	37,099
Trusts	1,247,438	-	-	-	-	-
Miscellaneous	-	-	47	-	-	-
Total additions	1,749,924	286,659	449,773	16,282,144	1,891,724	5,771,178
Deductions:						
Agency remittances						
To other funds	272,269	-	-	-	-	-
To other governments	551,809	286,663	400,720	16,282,098	1,891,747	5,790,234
Trusts paid out	925,846	-	-	-	-	-
Total deductions	1,749,924	286,663	400,720	16,282,098	1,891,747	5,790,234
Changes in net position	-	(4)	49,053	46	(23)	(19,056)
Net position beginning of year	-	381	346,885	19,544	2,528	143,282
Net position end of year	$ -	377	395,938	19,590	2,505	124,226

Harrison County

Combining Schedule of Changes in Fiduciary Net Position – Custodial Funds

June 30, 2025

Class of Transaction	Townships	Auto License and Use Tax	Drainage Districts	911 Service Commission	Other	Total
Additions:						
Property and other county tax	567,034	-	-	-	2,180	23,778,950
911 surcharge	-	-	-	189,727	-	189,727
State tax credits	25,627	-	-	-	126	1,460,349
Office fees and collections	-	-	-	-	2,881	505,367
Driver's license fees, auto licenses, use tax and postage	-	6,999,658	-	-	-	6,999,658
Assessments	-	-	445,194	-	182,855	665,148
Trusts	-	-	-	-	-	1,247,438
Miscellaneous	-	-	611,749	44,142	1,002,663	1,658,601
Total additions	592,661	6,999,658	1,056,943	233,869	1,190,705	36,505,238
Deductions:						
Agency remittances						
To other funds	-	253,695	-	-	-	525,964
To other governments	592,668	6,745,963	1,513,350	251,163	956,613	35,263,028
Trusts paid out	-	-	-	-	186,925	1,112,771
Total deductions	592,668	6,999,658	1,513,350	251,163	1,143,538	36,901,763
Changes in net position	(7)	-	(456,407)	(17,294)	47,167	(396,525)
Net position beginning of year	485	-	1,320,048	755,195	693,118	3,281,466
Net position end of year	478	-	863,641	737,901	740,285	2,884,941

See accompanying independent auditor's report.

Harrison County

Schedule of Revenues By Source and Expenditures By Function – All Governmental Funds

For the Last Ten Years

Class of Transaction	2025	2024	2023	2022	2021
Revenues:					
Property and other county tax	$ 10,945,618	10,195,782	9,722,736	8,859,477	8,296,435
Local option sales tax	896,368	920,799	777,921	839,288	861,439
Penalty and interest on property tax	55,511	47,987	49,568	55,558	88,744
Intergovernmental	8,255,140	7,715,713	8,100,518	7,966,170	7,047,207
Licenses and permits	44,910	63,456	25,380	33,942	28,872
Charges for service	1,046,410	963,495	858,294	914,573	830,636
Use of money and property	658,525	665,354	405,612	201,168	221,522
Fines, forfeitures and defaults	-	-	-	75,298	64,671
Miscellaneous	885,026	1,048,700	1,427,576	919,048	2,186,538
Total	$ 22,787,508	21,621,286	21,367,605	19,864,522	19,626,064
Expenditures:					
Operating:					
Public safety and legal services	$ 4,555,481	4,245,777	3,759,274	3,441,813	3,295,537
Physical health and social services	2,276,016	2,029,505	1,983,545	1,899,165	2,060,035
Mental health	-	-	-	309,811	353,350
County environment and education	1,475,125	1,359,783	1,685,364	2,123,691	1,253,228
Roads and transportation	8,026,813	9,305,144	7,894,417	7,259,736	6,758,642
Governmental services to residents	818,204	756,521	696,216	661,399	672,771
Administration	1,930,922	1,680,352	1,713,887	1,549,190	1,495,792
Non-program	95,638	110,344	1,273,909	1,145,192	1,218,724
Debt service	823,133	831,442	1,003,038	1,452,111	1,367,046
Capital projects	877,968	2,437,137	4,072,377	4,334,760	4,533,262
Total	$ 20,879,300	22,756,005	24,082,027	24,176,868	23,008,387

Harrison County

Schedule of Revenues By Source and Expenditures By Function – All Governmental Funds

For the Last Ten Years

Class of Transaction	2020	2019	2018	2017	2016
Revenues:					
Property and other county tax	7,826,323	7,765,897	7,842,767	7,865,485	7,904,596
Local option sales tax	628,102	588,657	550,639	608,649	515,517
Penalty and interest on property tax	21,717	49,470	55,284	51,499	45,715
Intergovernmental	6,403,935	5,756,256	5,603,663	6,008,828	5,618,199
Licenses and permits	36,301	22,538	34,690	28,523	34,181
Charges for service	619,120	634,951	675,444	630,401	618,496
Use of money and property	316,363	273,311	208,692	170,258	113,673
Fines, forfeitures and defaults	53,943	54,209	46,744	37,275	41,392
Miscellaneous	898,814	509,416	693,664	771,633	754,775
Total	16,804,618	15,654,705	15,711,587	16,172,551	15,646,544
Expenditures:					
Operating:					
Public safety and legal services	2,938,183	2,818,485	2,570,566	2,564,821	2,562,760
Physical health and social services	1,698,774	1,728,641	1,687,646	1,617,301	1,565,540
Mental health	352,602	322,129	328,095	399,452	463,101
County environment and education	1,184,183	1,196,038	1,159,670	1,105,633	1,083,407
Roads and transportation	6,712,031	7,725,212	7,383,564	6,253,505	7,576,699
Governmental services to residents	606,556	596,846	584,130	561,024	567,511
Administration	1,462,592	1,534,036	1,450,052	1,295,947	1,397,074
Non-program	261,294	93,264	139,788	266,092	271,984
Debt service	303,127	235,581	356,441	411,269	466,502
Capital projects	1,447,077	572,535	567,897	663,429	280,437
Total	16,966,419	16,822,767	16,227,849	15,138,473	16,235,015

See accompanying independent auditor's report.

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Rob Sand
Auditor of State

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 Harrison 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, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Harrison County, Iowa, as of and for the year ended June 30, 2025, and the related Notes to Financial Statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 9, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Harrison 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 Harrison County's internal control. Accordingly, we do not express an opinion on the effectiveness of Harrison County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 were not identified. However, as described in the accompanying Schedule of Findings, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying Schedule of Findings as items 2025-001 and 2025-002 to be material weaknesses.

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. We consider the deficiencies described in the accompanying Schedule of Findings as items 2025-003 through 2025-0012 to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Harrison 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 which are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of noncompliance or other matters which are described in the accompanying Schedule of Findings.

Comments involving statutory and other legal matters about Harrison 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. 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.

Harrison County's Responses 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. Harrison 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.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Harrison County during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.



Pam Bormann, CPA
Deputy Auditor of State

September 9, 2026

Schedule of Findings

Findings Related to the Financial Statements:

INTERNAL CONTROL DEFICIENCIES:

2025-001 Segregation of Duties

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

Condition – Generally, one or two individuals in the offices identified may have control over the following areas for which no compensating controls exist:

Item	Condition	Applicable Offices
1)	Incoming mail is opened by an employee who is authorized to make entries to the accounting records.	Conservation, Emergency Management, Sheriff (Civil and Jail) and Planning and Zoning
2)	Bank accounts were not reconciled by an individual who does not sign checks, handle or record cash.	Conservation, Recorder and Sheriff (Civil and Jail)
3)	Generally, one individual may have control over approval, preparation, signing and posting of disbursements for which no compensating controls exits.	Recorder and Sheriff (Civil and Jail)
4)	All employees have access to the change fund.	Recorder, Sheriff (Civil and Jail) and Treasurer
5)	Generally, one individual may have control over collecting, depositing, posting and daily reconciling of receipts for which no compensating controls exist.	Conservation, Recorder and Sheriff (Civil and Jail)

Cause – The County offices noted above have a limited number of employees and procedures have not been designed to adequately segregate duties or provide compensating controls through additional oversight of transactions and processes.

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

Recommendation – Each official should review the control activities of their office to obtain the maximum internal control possible under the circumstances. The official should utilize current personnel, including elected officials, to provide additional control through review of financial transactions, reconciliations and reports. Independent reviews should be documented by the signature or initials of the reviewer and the date of the review.

Responses –

County Recorder – Having segregated duties in our office is difficult due to small staff numbers and the hours we all work. One person wouldn't be able to be in charge all day due to lunches as we only have one drawer. After the monthly balance I do have a second person look over the numbers as well as the two checks which get prepared each month in order to prevent error.

County Sheriff – The front office Clerk will prepare monthly a reconciliation of book and bank balances for Sheriff Office accounts and have these items reviewed and signed by the Board of Supervisors. Opening mail will be monitored by County Sheriff or designee. We will review procedures to segregate duties over disbursements and the change fund.

County Treasurer – With a limited staff, it is hard to segregate duties, but we will try to comply with the recommendations that were made. As of January 2026, each staff member has a locking cash box on their desk for motor vehicle transactions. The tax cash drawer is still a single drawer; however, all transactions in and out of that drawer are noted with Solutions with user and time and date stamps.

Conservation – We have a park ranger get the mail from the mailbox. We have the mail opened by the Director and another employee. Then the mail is taken to the administrative assistant to process as needed. We will look for additional ways to segregate duties.

Emergency Management – Segregation of duties is difficult in the Emergency Management, since I am the only employee. I do open my own mail and make account entries. These are reviewed by the County Auditor's Office after turning in the claims sheet. Prior approval is obtained by the Chair or Co-Chair of the Emergency Management Commission before any purchase.

Planning and Zoning – The recommendation has been noted. Steps shall be taken to ensure segregation of duties.

Conclusion – Responses acknowledged. The Offices should also consider utilizing personnel from other offices or departments to provide additional internal control.

2025-002 Financial Reporting

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. Properly designed policies and procedures and implementation of the policies and procedures are an integral part of ensuring the reliability and accuracy of the County's financial statements.

Condition – We identified material amounts of capital assets, infrastructure, payables and receivables which were not properly recorded in the County's financial statements. Adjustments were subsequently made to properly report these amounts in the financial statements.

Cause – County policies do not require and procedures have not been established to require independent review of year end cut-off transactions to ensure the County's financial statements are accurate and reliable.

Effect – Lack of policies and procedures resulted in County employees not detecting the errors in the normal course of performing their assigned functions. As a result, material adjustments to the County's financial statements were necessary.

Recommendation – The County should implement procedures to ensure all capital assets, infrastructure, payables and receivables are identified and properly included in the County's financial statements.

Responses –

County Auditor – Will work with staff to develop processes to better track capital assets and recording payables.

County Engineer – The issue was neither a payable or receivable but a reported value of a capital asset. The error was not in the posting of the monetary value but rather using a future date erroneously causing the value to have not occurred yet and therefore be negative until the date passed. I'm confident the error would have been caught if the reporting entries hadn't been spread across a retiring engineer, interim engineer and the previous engineer. The report shall be reviewed for negative entries between the end of the fiscal year and before approval of the annual report.

County Treasurer – I will be sure to verify where these are being receipted as well as educate other County departments to make sure they are providing the proper documentation for us to receipt.

Conclusion – Response accepted.

2025-003 Payroll

Criteria – An effective internal control system provides for internal controls related to preparation of payroll. Payroll for salaried individuals should be paid after the work is performed.

Condition – The County pays salaried employees on a bi-weekly basis. Most of the County's salaried employees are paid one week in advance of the wages being earned. For example, the paycheck received on June 19, 2025 was for the week beginning June 13, 2025 through the week ending June 26, 2025. Accordingly, when the employee leaves County employment, their final pay warrant must be adjusted by the number of days they are paid in advance.

Cause – Policies have not been established, and procedures have not been implemented to ensure wages are paid after they have been earned.

Effect – Salaried employees were paid in advance of performing work and terminated salaried employees were overpaid as they were compensated for the week which follows their termination date.

Recommendation – The Board of Supervisors should work with the County Attorney to correct the advance pay of current employees. Future employees should be paid correctly from the day they begin employment.

Response – All newly hired employees are paid current. We are in the process of phasing out employees who are paid ahead.

Conclusion – Response accepted.

2025-004 Computer System

Criteria – Properly designed policies and procedures pertaining to control activities over the County's computer system and implementation of the policies and procedures help provide reasonable assurance financial information is safeguarded and reliable, and helps ensure the reliability of financial reporting, the effectiveness and efficiency of operations and compliance with applicable laws and regulations.

Condition – The County does not have a written disaster recovery plan.

Cause – Management has not required a written disaster recovery plan.

Effect – The failure to have a formal disaster recovery plan could result in the County's inability to function in the event of a disaster or continue County business without interruption.

Recommendation – A written disaster recovery plan should be developed.

Response – We are working to develop a written plan. We have recently hired a new IT Director and will work with him to develop a plan.

Conclusion – Response accepted.

2025-005 Conservation Welcome Center

Criteria – An effective internal control system provides for internal controls related to reconciling monthly bank statements to book balances and daily collections to deposit to ensure the accuracy of accounting records.

Condition – Although monthly reconciliations of book to bank balances were prepared, the independent review or the date of review was not always documented.

Also, the daily credit card and cash sales records are not reconciled to deposits by an independent person and voided receipts are not reviewed.

Cause – Policies have not been established, and procedures have not been implemented to require an independent review of bank reconciliations or an independent review of daily collections to deposit and to voided receipts.

Effect – Lack of independent review of the bank reconciliations and the independent review of reconciliations of daily collections to deposit and voided receipts increases the risk misstatements may not have been prevented or detected and corrected on a timely basis in the normal course of operations.

Recommendation – To improve financial accountability and control, the reconciliation of the book and bank balances should be reviewed by an independent person. This review should be documented by the signature or initials of the reviewer and the date of the review.

An independent review of the reconciliation of daily collections to deposit and voided receipts should be performed periodically. The review of the reconciliation should be documented by the signature or initials of the reviewer and the date of the review.

Response – We have two employees verify and review monthly bank statements and deposits. We will prepare and independently review a monthly report of voided receipts.

Conclusion – Response accepted.

2025-006 Conservation Welcome Center Reporting

Criteria – An effective internal control system provides for policies and controls related to ensuring proper accounting for all funds and transactions and maintaining appropriate accounting records and financial reports which provide for proper financial reporting.

Condition – The Conservation Welcome Center did not prepare a year-to-date summary of receipts and disbursements for financial reporting. Additionally, fees for credit card processing are automatically deducted from the Welcome Center's checking account. These amounts were not included in the County's budget or financial reports.

Cause – County policies do not require, and procedures have not been established to require a year-to-date summary of receipts and disbursements as well as requiring all transactions to run through the County's accounting system to ensure the County's financial statements are accurate and reliable.

Effect – Lack of policies and procedures resulted in County employees not detecting the errors in the normal course of performing their assigned functions.

Recommendation – A year-to-date summary of receipts and disbursements should be prepared for financial reporting. Also, the credit card processing fees should be approved by the Conservation Board and included in the County's accounting system and financial reports.

Response – We will discuss with the Board of Supervisors for an increase to the budget to account for the credit card processing fees.

Conclusion – Response acknowledged.

2025-007 Commissary Account Bank Reconciliations

Criteria – An effective internal control system provides for internal controls related to reconciling monthly bank statements to the book balance to ensure the accuracy of the book balance.

Condition – The County Sheriff's Office has not been consistently preparing a monthly bank to book reconciliation for the Commissary bank account.

Cause – Policies have not been established, and procedures have not been implemented to reconcile monthly bank statements to ensure the accuracy of the book balance.

Effect – A lack of monthly bank statement reconciliations could result in misstatements of the book balance which may not be prevented or detected and corrected on a timely basis in the normal course of operations.

Recommendation – To improve financial accountability and control, a reconciliation of the book and bank balances should be prepared monthly. The reconciliations should be reviewed by an independent person and the review documented by the signature or initials of the reviewer and the date of the review.

Response – The Jail Administrator will prepare monthly a reconciliation of book and bank balances for the Commissary account and have these items reviewed and signed by the Board of Supervisors.

Conclusion – Response accepted.

2025-008 DARE Account Bank Reconciliations

Criteria – An effective internal control system provides for internal controls related to reconciling monthly bank statements to the book balance to ensure the accuracy of the book balance.

Condition – The County Sheriff's Office has not been consistently preparing a monthly bank to book reconciliation for the DARE bank account.

Cause – Policies have not been established, and procedures have not been implemented to reconcile monthly bank statements to ensure the accuracy of the book balance.

Effect – A lack of monthly bank statement reconciliations could result in misstatements of the book balance which may not be prevented or detected and corrected on a timely basis in the normal course of operations.

Recommendation – To improve financial accountability and control, a reconciliation of the book and bank balances should be prepared monthly. The reconciliations should be reviewed by an independent person and the review documented by the signature or initials of the reviewer and the date of the review.

Response – The DARE Officer will prepare monthly a reconciliation of book and bank balances for the DARE account and have these items reviewed and signed by the Board of Supervisors.

Conclusion – Response accepted.

2025-009 Jail Bond Account Bank Reconciliations

Criteria – An effective internal control system provides for internal controls related to reconciling monthly bank statements to the book balance to ensure the accuracy of the book balance.

Condition – The County Sheriff's Office has not been consistently preparing a monthly bank to book reconciliation for the Jail Bond bank account.

Cause – Policies have not been established, and procedures have not been implemented to reconcile monthly bank statements to ensure the accuracy of the book balance.

Effect – A lack of monthly bank statement reconciliations could result in misstatements of the book balance which may not be prevented or detected and corrected on a timely basis in the normal course of operations.

Recommendation – To improve financial accountability and control, a reconciliation of the book and bank balances should be prepared monthly. The reconciliations should be reviewed by an independent person and the review documented by the signature or initials of the reviewer and the date of the review.

Response – The Jail Administrator will prepare monthly a reconciliation of book and bank balances for the Jail Bond account and have these items reviewed and signed by the Board of Supervisors.

Conclusion – Response accepted.

2025-010 K-9 Account Bank Reconciliations

Criteria – An effective internal control system provides for internal controls related to reconciling monthly bank statements to the book balance to ensure the accuracy of the book balance.

Condition – The County Sheriff's Office has not been consistently preparing a monthly bank to book reconciliation for the K-9 bank account.

Cause – Policies have not been established, and procedures have not been implemented to reconcile monthly bank statements to ensure the accuracy of the book balance.

Effect – A lack of monthly bank statement reconciliations could result in misstatements of the book balance which may not be prevented or detected and corrected on a timely basis in the normal course of operations.

Recommendation – To improve financial accountability and control, a reconciliation of the book and bank balances should be prepared monthly. The reconciliations should be reviewed by an independent person and the review documented by the signature or initials of the reviewer and the date of the review.

Response – The K-9 Officer will prepare monthly a reconciliation of book and bank balances for the K-9 account and have these items reviewed and signed by the Board of Supervisors.

Conclusion – Response accepted.

2025-011 Unsupported Expenditures

Criteria – Internal controls over safeguarding assets constitutes a process, effected by an entity's Board and other individuals designated to provide reasonable assurance regarding prevention or timely detection of unauthorized transactions and safeguarding assets from error or misappropriation. Such processes include establishing policies addressing proper asset use and proper supporting documentation.

Condition – One County Sheriff monthly credit card statement tested included $2,525 in fuel purchases which were not properly supported by detailed invoices or other supporting documentation.

Cause – Policies and procedures have not been established to ensure vendor receipts are retained for all purchases.

Effect – Lack of supporting documentation for all expenditures could result in unauthorized and unsupported transactions and the opportunity for misappropriation.

Recommendation – The County Sheriff should maintain support for all expenditures to support the total amount paid to the vendor in the future.

Response – Credit card purchases for fuel are documented on each Sheriff Deputy's monthly stats document which is turned into the County Sheriff at the end of every month. Credit card purchases for anything other than fuel are required to have a purchase receipt.

Conclusion – Response acknowledged. County Officials should ensure receipts are obtained.

2025-012 Debit Card

Criteria – Internal controls over safeguarding assets constitutes a process, effected by an entity's governing body, management and other personnel designated to provide reasonable assurance regarding prevention or timely detection of unauthorized transactions and safeguarding assets from error or misappropriation. Such processes include establishing policies addressing proper asset use and proper supporting documentation.

Condition – The County Sheriff has debit cards available for use. Unlike credit cards, debit cards offer limited ability to set guidelines for access and limited, if any, repercussions for fraudulent transactions. In addition, there is no process for prior approval of purchases made with a debit card.

Cause – Officials have been unaware of the repercussions of allowing the use of debit cards.

Effect – Allowing the use of debit cards could result in unauthorized transactions and the opportunity for misappropriations.

Recommendation – The County Sheriff should prohibit the use of debit cards for purchases.

Response – Debit card purchases are required to have a purchase receipt and must be documented through monthly reconciliation of books and bank balances.

Conclusion – Response acknowledged. The County Sheriff should prohibit the use of debit cards for purchases.

INSTANCES OF NONCOMPLIANCE:

No matters were noted.

Other Findings Related to Required Statutory Reporting:

2025-A Certified Budget – Disbursements during the year ended June 30, 2025 did not exceed the amounts budgeted. However, disbursements in certain departments exceeded the amounts appropriated.

Recommendation – Chapter 331.434(6) of the Code of Iowa authorizes the Board of Supervisors, by resolution, to increase or decrease appropriations of one office or department by increasing or decreasing the appropriation of another office or department as long as the service area budget is not increased. Such increases or decreases should be made before disbursements are allowed to exceed the appropriation.

Response – The Claims Clerk and County Auditor will work to make sure disbursements are not exceeding budgeted amounts prior to the amendments.

Conclusion – Response accepted.

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

2025-D Business Transactions – The following business transactions between the County and County officials or employees were noted:

Name, Title and Business Connection	Transaction Description	Amount
Kathy Lundergard, Engineer's Office Manager, sister of Mike Maguire, Owner of Boyer View Trucking, LLC	Trucking and hauling services and salt	$ 97,347
Justin McMurray, Deputy Sheriff Owner of McMurray Auto	Auto Shop	2,017
Laura Hansen, Conservation Office Administrator, mother of Marley Hansen	Nature Center and cabin cleaning	6,667

In accordance with Chapter 331.342(2)(j) of the Code of Iowa, the transactions with McMurray Auto do not appear to represent conflicts of interest since total transactions with the business were less than $6,000 during the fiscal year.

The transactions with Boyer View Trucking, LLC and Marley Hansen may represent a conflict of interest as defined in Chapter 331.342 of the Code of Iowa since the total cumulative transactions were greater than $6,000 during the fiscal year ended June 30, 2025, and the transactions were not competitively bid.

Recommendation – The County should consult legal counsel to determine the disposition of this matter.

Response – The County will consider bidding out these services in the future.

Conclusion – Response accepted.

2025-E Restricted Donor Activity – No transactions were noted between County, County officials, County employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

2025-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-G Board Minutes – No transactions were found which we believe should have been approved in the Board minutes but were not.

2025-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-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-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 and no exceptions were noted.

2025-K Unclaimed Property – Chapter 556.11 of the Code of Iowa requires each entity to report and remit obligations, including checks, outstanding for more than two years to the Office of Treasurer of State annually. The County Sheriff did not remit obligations as required.

Recommendation – Checks outstanding for more than one year should be canceled and remitted to the Office of Treasurer of State annually, as required.

Response – The County Sheriff front office Clerk and Jail Administrator will cancel and remit to the Treasurer's Office any outstanding checks over one year.

Conclusion – Response accepted.

2025-L Separately Maintained Records – The County Sheriff maintains separate accounting records for its DARE and K-9 operations. Monthly financial reports were not provided to the County, and the activity of the outside bank accounts held by the County Sheriff were not included in the County's computer system, accounting records, financial reports or budget.

Recommendation – Chapter 331.552 of the Code of Iowa states, in part, the County Treasurer shall "keep a true account of all receipts and disbursements of the county." For better accountability, financial and budgetary control, the financial activity and balances of all County accounts should be reported to the County Board of Supervisors on a monthly basis and included in the County's computer system, accounting records, financial reports and budget.

Response – K-9 and DARE accounts will be processed through the County Treasurer's Office, and bank activity will be reported to the Board of Supervisors on a monthly basis.

Conclusion – Response accepted.

2025-M Outstanding Checks – Chapter 331.554(6) of the Code of Iowa requires checks outstanding for more than one year be cancelled, removed from the list of outstanding checks and deposited to the account to which the check was written. At June 30, 2025, the County Treasurer's outstanding checks listing included several checks which have been outstanding for over one year.

Recommendation – Checks outstanding for more than one year should be canceled, as required.

Response – This was corrected when brought to my attention. I have put a more efficient process in place, so this does not occur again.

Conclusion – Response accepted.

2025-N Financial Condition – The Special Revenue, Drug Search and Seizures Fund had a deficit fund balance of $3,193 at June 30, 2025.

Recommendation – The County should investigate alternatives to eliminate the deficit fund balance to return the fund to a sound financial position.

Response – We will work to bring the fund to a positive balance.

Conclusion – Response accepted.

2025-O Local Emergency Management Fund – Chapter 29C.17 of the Code of Iowa creates the local emergency management fund. Revenues provided and collected shall be deposited in the fund. We identified a material amount of $895,000 in the General Fund which was owed to the Custodial, Emergency Management Fund. During the year ended June 30, 2025, the County collected $895,000 for the Local Emergency Management Fund, however, the payment from the General Fund was initially not recorded in the County's general ledger. Therefore, the Fund initially reported a negative cash and fund balance. Adjustments were subsequently made to properly report these amounts in the financial statements.

Recommendation – The County should establish procedures to ensure all payments are identified and recorded timely and properly included in the County's financial statements.

Response – The Emergency Management Director and I will work together each year to make sure this payment is made in the appropriate fiscal year. Fund balances will be monitored more closely to make sure they do not become negative.

Conclusion – Response accepted.

Staff

This audit was performed by:

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