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

Contact: Brian Brustkern
515/281-5834

FOR RELEASE April 15, 2026

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

FINANCIAL HIGHLIGHTS:

The County's revenues totaled $27,517,063 for the year ended June 30, 2025, a 22.8% increase over the prior year. Expenses for County operations for the year ended June 30, 2025, totaled $21,118,388, a 12.2% increase over the prior year. The increase in revenue is primarily due to an increase in property and other county tax as well as an increase in capital assets contributed by the Iowa Department of Transportation. The increase in expenditures is primarily due to an increase in secondary roads maintenance over the prior fiscal year.

AUDIT FINDINGS:

Sand reported three findings related to the receipt and expenditure of taxpayer funds. They are found on pages 80 through 83 of this report. The findings address a lack of segregation of duties of the County and Friends of Jones County Conservation and Nature Center and the lack of approval by the County Treasurer on the warrant listing. Sand provided the County with recommendations to address the findings.

All of the findings discussed above were repeated from the prior year. The County Board of Supervisors, other elected officials and management of the Friends of Jones County Conservation and Nature Center (Friends) have a fiduciary responsibility to provide oversight of the County's and the Friends' 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.

# # #

JONES COUNTY

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

JUNE 30, 2025

2510-0053-B00F

Jones County

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Des Moines, Iowa 50319-0006

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March 20, 2026

Officials of Jones County
Anamosa, Iowa

Dear Board Members:

I am pleased to submit to you the financial and compliance audit report for Jones 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 U.S. auditing standards 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 Jones 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

Table of Contents

Jones County

Officials

(Before January 2025)

Name	Title	Term Expires
Joe Oswald	Board of Supervisors	Jan 2025
John Shlarmann	Board of Supervisors	Jan 2025
Jeff Swisher	Board of Supervisors	Jan 2025
Ned Rohwedder	Board of Supervisors	Jan 2027
Jon C. Zirkelbach	Board of Supervisors	Jan 2027
Whitney Hein	County Auditor	Jan 2025
Amy L. Picray	County Treasurer	Jan 2027
Sheri L. Jones	County Recorder	Jan 2027
Greg A. Graver	County Sheriff	Jan 2025
Kristofer Lyons	County Attorney	Jan 2027
Sarah Benter	County Assessor	Jan 2028

(After January 2025)

Name	Title	Term Expires
Ned Rohwedder	Board of Supervisors	Resigned Jan 2025
Darrick Hall (Appointed Feb 2025)	Board of Supervisors	Nov 2026
Jon C. Zirkelbach	Board of Supervisors	Jan 2027
Joe Oswald	Board of Supervisors	Jan 2029
John Schlarmann	Board of Supervisors	Jan 2029
Jeff Swisher	Board of Supervisors	Jan 2029
Whitney Hein	County Auditor	Jan 2029
Amy L. Picray	County Treasurer	Jan 2027
Sheri L. Jones	County Recorder	Jan 2027
Greg A. Graver	County Sheriff	Jan 2029
Kristofer Lyons	County Attorney	Jan 2027
Sarah Benter	County Assessor	Jan 2028

Jones County

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Rob Sand
Auditor of State

Independent Auditor's Report

To the Officials of Jones 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 Jones 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 Jones County as of June 30, 2025 and the respective changes in financial position 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 Jones 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 Jones 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 Jones 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 Jones 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 8 through 16 and 54 through 66 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 Jones 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 March 20, 2026 on our consideration of Jones 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 Jones County's internal control over financial reporting and compliance.

Brian R. Brustkern, CPA
Deputy Auditor of State

March 20, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

2025 FINANCIAL HIGHLIGHTS

- Revenues of the County's governmental activities increased 22.8%, or approximately $5,100,000, during fiscal year 2025. Property tax revenues increased approximately $569,000 and capital grants increased approximately $4,800,000. Charges for service decreased approximately $313,000, local optional sales tax decreased $342,000 and American Rescue Plan Act increased approximately $376,000.

- Program expenses of the County's governmental activities increased 12.2%, or approximately $2,297,000, from fiscal year 2024 to fiscal year 2025. Roads and transportation increased by 10.2% or approximately $842,000, administration increased by 16.4%, or approximately $516,000 and public safety and legal services increased by 20.6%, or approximately $870,000.

- The County's net position increased 11.3%, or approximately $6,399,000, over June 30, 2024.

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 Jones 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 Jones 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 Jones 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 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 that will not result in cash flows until future fiscal years.

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

Fund Financial Statements

The County has two kinds of funds:

1) Governmental funds account for most of the County's basic services. These focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental funds include: 1) the General Fund, 2) the Special Revenue Funds, such as Rural Services and Secondary Roads, and 3) 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) 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 Emergency Management, 911 and the County Assessor, to name a few.

   The required financial statement for fiduciary funds is 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 that follows focuses on the changes in the net position of governmental activities.

Net Position of Governmental Activities

	June 30, 2025	2024
Current and other assets	$ 30,292,413	28,236,101
Capital assets	48,870,611	44,298,302
Total assets	79,163,024	72,534,403
Deferred outflows of resources	1,409,779	1,884,184
Long-term liabilities	4,637,189	3,579,115
Other liabilities	1,514,022	2,889,193
Total liabilities	6,151,211	6,468,308
Deferred inflows of resources	11,288,146	11,215,508
Net position:		
Net investment in capital assets	48,577,205	44,234,452
Restricted	10,385,426	9,647,798
Unrestricted	4,170,815	2,852,521
Total net position	$ 63,133,446	56,734,771

Jones County's combined net position of governmental activities increased 11.3% (approximately $63.1 million compared to approximately $56.7 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 increased by 9.8%, or approximately $4,340,000 over the prior year. This increase is primarily due to an increase in capital assets contributed by the Iowa Department of Transportation.

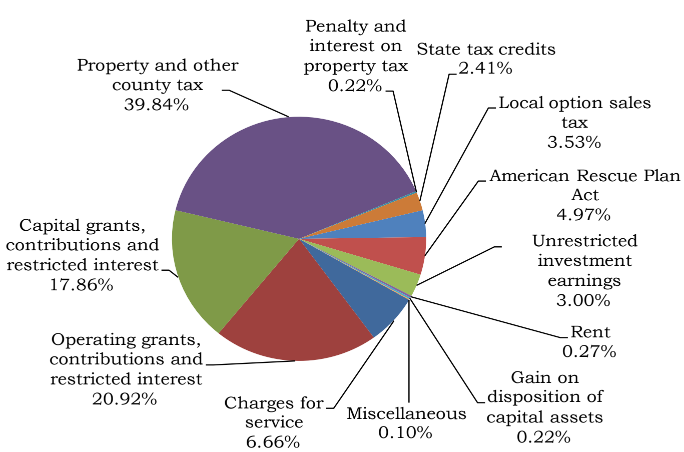
Restricted net position represents resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. This net position category increased approximately $738,000, or 7.7% from the prior year. This increase is primarily due to an increase in the amounts held at year end in the General and Secondary Roads Funds.

Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – increased from approximately $2,853,000 at June 30, 2024 to a balance of approximately $4,171,000 at the end of this year, an increase of 46.2%. This increase is primarily due to an increase in the general fund as well as a decrease in pension related deferred inflows and an increase in pension related deferred outflows.

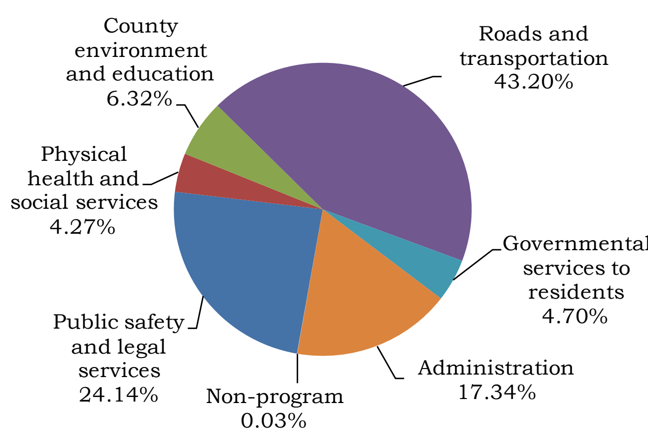
Changes in Net Position of Governmental Activities

	Year ended June 30, 2025	2024
Revenues:		
Program revenues:		
Charges for service	$ 1,833,205	2,145,728
Operating grants, contributions and restricted interest	5,756,176	5,834,069
Capital grants, contributions and restricted interest	4,914,909	111,764
General revenues:		
Property and other county tax	10,962,067	10,392,179
Penalty and interest on property tax	60,327	51,427
State tax credits	664,380	625,244
Local option sales tax	971,172	1,313,169
American Rescue Plan Act	1,368,621	992,581
Unrestricted investment earnings	826,157	760,813
Rent	72,776	81,310
Gain on disposition of capital assets	59,883	41,980
Miscellaneous	27,390	57,201
Total revenues	27,517,063	22,407,465
Program expenses:		
Public safety and legal services	5,097,361	4,227,183
Physical health and social services	901,268	923,248
County environment and education	1,334,072	1,332,399
Roads and transportation	9,123,999	8,280,948
Governmental services to residents	991,857	847,808
Administration	3,663,116	3,147,099
Non-program	6,715	62,927
Total expenses	21,118,388	18,821,612
Net position beginning of year	56,734,771	53,148,918
Net position end of year	$ 63,133,446	56,734,771

Revenues by Source



Expenses by Program



Jones County's governmental activities net position increased approximately $6,399,000 during the year. Revenues for governmental activities increased approximately $5,110,000. The increase is primarily due to an increase in property and other county tax of approximately $570,000 as well as an increase in capital assets contributed by the Iowa Department of Transportation of approximately $4,900,000. Expenses increased approximately $2,297,000. The increase is primarily due to an increase in secondary roads maintenance.

The County's property tax rates did not change for fiscal year 2025. The County's property tax revenue increased approximately $569,000 in fiscal year 2025 as a result of the County wide Taxable Valuation increasing. Based on increases in the total assessed valuation, property tax revenue is budgeted to increase an additional $143,000 next year.

The cost of all governmental activities this year was approximately $21.1 million compared to approximately $18.8 million last year. However, as shown in the Statement of Activities on page 21, the amount taxpayers ultimately financed for these activities was approximately $8.6 million because some of the cost was paid by those who directly benefited from the programs (approximately $1.8 million) or by other governments and organizations which subsidized certain programs with grants and contributions (approximately $10.7 million). Overall, the County's governmental program revenues, including intergovernmental aid and charges for service, increased in fiscal year 2025 from approximately $8,092,000 to approximately $12,504,000, an increase of 54.5%. The increase was primarily due to an increase in capital assets contributed by the Iowa Department of Transportation.

INDIVIDUAL MAJOR FUND ANALYSIS

As Jones County completed the year, its governmental funds reported a combined fund balance of approximately $17.3 million, an increase of approximately $3.5 million over last year's total of approximately $13.8 million. The following are the primary reasons for the changes in fund balances of the major funds from the prior year.

The General Fund, the operating fund for Jones County, ended fiscal year 2025 with a fund balance of $8,342,992. This is an increase of $2,281,347 from June 30, 2024. Revenues increased by about $590,000, or 4.7% over fiscal year 2024 including an increase in property and other county tax of about $454,000 and charges for service of about $107,000. Expenditures decreased by about $359,000 or 3.1%. The most significant expenditures were county environment and education primarily due to large conservation equipment purchases in fiscal year 2024.

The Special Revenue, Rural Services Fund ended fiscal year 2025 with a balance of $578,658, or $93,617 less than the June 30, 2024 balance of $672,275. Property and other county tax increased $90,001, or 3.4%, due to an increase in taxable valuation. The transfer to the Secondary Roads Fund to support road maintenance and road projects increased from $2,648,000 to $2,799,000.

The Special Revenue, Secondary Roads Fund ended fiscal year 2025 with a balance of $6,879,305, an increase of $897,322 from the June 30, 2024 balance of $5,981,983. Of the ending balance, $1,734,339 is unspent local option sales tax for future road and bridge projects, per voter approval in 1999, and $315,368 is the value of materials held in inventory at June 30, 2025. The restricted fund balance within the Secondary Roads Fund reflects a positive balance of $6,563,937 on a GAAP basis, 17.3% higher than the June 30, 2024 balance of $5,597,521. Expenditures increased $67,434, or less than one percent. The County increased its spending for its locally funded road construction activities in fiscal year 2025 by 4.4% ($1,022,760 compared to $979,270 in fiscal year 2024), primarily due to construction schedules. Revenues for the Secondary Roads Fund for fiscal year 2025 reflect a decrease from fiscal year 2024 of $1,035,225. In fiscal year 2025, a transfer was made from the Special Revenue, Rural Services Fund in the amount of $2,799,000 as well as a $1,000 transfer from the general fund, and a transfer of $45,000 from the capital projects fund bringing the total other financing sources for the Secondary Roads Fund to $2,845,000.

The Capital Projects Fund ended fiscal year 2025 with a fund balance of $367,514. The balance represented funds reserved for various projects not yet completed.

Nearly all of the County's conservation recreational area improvements were paid for by insurance proceeds from the Derecho in August 2020 or through donations that had been deposited in the Conservation Trust Fund.

BUDGETARY HIGHLIGHTS

Over the course of fiscal year 2025, Jones County amended its budget once.

The amendment was made on March 18, 2025, primarily to decrease expenditures by 2,093,680. This amendment was needed due to eliminating ARPA expenditures and showing them as a transfer to General Basic instead with part of the transfer being in FY25 and part being in FY26. The revenues were reduced by $72,393. The amendment is for reducing Conservation grant revenues and the current future discontinuance of budgeted programs such as the COAP grant, MHDS Region, and DECAT/CPPC.

The following should be noted when comparing the County's cash basis final amended budget to the cash basis operating statement:

The County's actual receipts were approximately $785,000 more than the final amended budget, a variance of 3.8%. The March 2025 amendment allowed the County to minimize significant variances in budgeted to actual revenues.

Total disbursements were approximately $2,747,000 less than the final amended budget, a 12.5% variance. Actual disbursements for the public safety and legal services, county environment and education, non-program and governmental services to residents were all within 9% of the final amended budget. Disbursements for the physical health and social services function were $239,307, or 21.8%, below budget, primarily due to Senior Dining not serving as many meals as anticipated, not having as many opioid funded projects and Public Health not spending as much on advertising as planned. Disbursements for the roads and transportation function were approximately $1,052,000, or 12.8%, below budget, primarily due to fewer projects in the current fiscal year. Disbursements for the administration function were approximately $153,000, or 4.5%, below budget primarily due to not expending as many ARPA funds as anticipated due to the timing of the construction of the public safety facility and due to not expending as much for general Courthouse maintenance. Disbursements in the capital projects function were approximately $677,000, or 39.8%, below budget, primarily due to minimal funds being spent from the capital project fund and due to not spending as much on road projects as initially anticipated.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2025, Jones County had $48,870,611 invested in a broad range of capital assets, including public safety equipment, buildings, park facilities, roads and bridges. This is a net increase (including additions and deletions) of approximately $4,572,000, or 10.3%, over last year, primarily due to an increase in intangibles, road network in fiscal year 2025.

Capital Assets of Governmental Activities at Year End

	June 30, 2025	June 30, 2024
Land	$ 6,860,374	6,860,374
Intangibles, road network	2,309,437	1,372,549
Construction/intangibles in progress	92,856	891,588
Buildings	2,520,199	2,606,424
Improvements other than buildings	263,635	48,264
Equipment and vehicles	4,895,000	5,188,676
Right-to-use subscription asset	287,449	63,485
Intangibles, other	-	60,000
Infrastructure	31,641,661	27,206,942
Total	$ 48,870,611	44,298,302

This year's major additions included:	
Infrastructure project FM-TSF-CO53(94)--5B-53	$ 3,250,282
Infrastructure project STP-S-TSF-CO53(90)--5P-53	1,646,278
Infrastructure project LFM-C-932--7X-53	936,888
2024 John Deere 6M 140 Cab Tractor	146,058
Total	$ 5,979,506

The County had depreciation/amortization expense of $2,136,074 in fiscal year 2025 and total accumulated depreciation/amortization of $23,058,603 at June 30, 2025.

More detailed information about the County's capital assets is presented in Note 4 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Jones County's elected and appointed officials considered many factors when setting the fiscal year 2025 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 4.4% versus 3.4% a year ago. This compares with the State's unemployment rate of 3.7% and the national rate of 4.1%. The primary factors considered were the increase in taxable valuations and funds needed to maintain existing programs and services.

Jones County's total taxable valuation for the fiscal year 2025 budget increased by 2.49%. By class of property, the County's agricultural valuation increased 3.35%, residential valuation rose 3.51%, commercial valuation reflects a 4.82% increase and industrial valuation reflects a 2.07% increase. The increases reflect new construction and additions to existing buildings and property. Jones County's agricultural land values continue to comprise 31% of Jones County's taxable valuation, while residential values continue to comprise 44% of the total.

The fiscal year 2026 General Fund budget reflects a tax decrease of $477,473 and is projected to produce an unrestricted fund balance on June 30, 2026 of 52.93% of total general operating disbursements (total General Fund balance of 44.69% of total disbursements). The tax decrease of $477,473 was generated by keeping the same General Basic levy rate of 4.06863/1,000 and decreasing the General Supplemental tax levy rate by .41518/1,000 when compared to fiscal year 2025, to the increased valuation. The total General Fund fiscal year 2026 budgeted disbursements (including transfers out) are $956,594 more than the original 2025 fiscal year budget. The General Fund fiscal year 2026 budget reflects a 3.49% decrease in employee wages and benefits, primarily due to the elimination of three MHDS Region positions with overall disbursements projected to increase by 7.44%, primarily due to more General Basic fund expenditures being planned for FY26 due to the construction of a public safety facility. The collective bargaining agreement covering wages to be paid in fiscal year 2026 calls for a 4% wage increase for employees in the bargaining unit. A 4% wage increase rate was granted to most non-union employees. The Board did not re-establish a Compensation Board for FY26 so the Board set wage increases for the elected officials. The Attorney 6.5% increase, Auditor 5% increase, Recorder 5% increase, Sheriff 4% increase, Treasurer 4% increase and a 3% for their own salaries. Budgeted non-tax General Fund receipts are projected to decrease by 5.30% ($604,931) in the fiscal 2026 budget. This is primarily due to the decrease in General Supplemental taxes, and the MHDS Region dissolving.

The fiscal year 2026 Special Revenue, Emergency Medical Services Trust Fund (Iowa Code Chapter 422D) was started in FY24 per the passing of a .35000/1000 levy rate by the voters of Jones County. The projected tax-based revenue for fiscal year 2026 is $458,303. The projected fiscal year 2026 expenditures are $500,000. These funds are remitted to emergency medical services in Jones County on a reimbursement basis. These services may choose to stockpile these funds at the County to save for a larger purchase such as an ambulance or new facility.

The budget for the Special Revenue, Rural Services Fund for fiscal year 2026 reflects a tax increase of $474,243. The tax increase represents the Board's decision to shift three Sheriff vehicles purchases from the General Fund to the Rural Fund. The tax levy rate did increase by .41518/1,000 when compared for fiscal 2025.

The Special Revenue, Secondary Roads Fund budget for fiscal year 2026 reflects a decrease of $100,000 in road maintenance disbursements to $7,900,000, and a $250,000 decrease in the roadway construction budget from the originally budgeted fiscal year 2025 level of $1,450,000 down to $1,200,000 in fiscal year 2026. The County decreased the amount of funds spent on locally funded construction projects from the budgeted fiscal year 2025 budget, primarily due to a planned decrease in construction projects. The County continues to budget to replace outdated and worn equipment and make minor improvements on facilities. This will result in the projected balance in the fund at the end of the fiscal year to decrease $600,000 from the projected fiscal year beginning fund balance.

Budgeted expenditures continue to outpace projected revenues in the Secondary Road fund. The actual ending fund balance is historically considerably higher than initially projected. Design and construction schedules, as well as a re-evaluation of funding sources and projected fund balances, are always considered prior to proceeding with certain road and bridge projects and equipment purchases.

In fiscal year 2025, the Board of Supervisors did not use the debt service levy.

The overall fiscal year 2026 budget reflects no change in the countywide levy rate This was accomplished by decreasing the general supplemental levy rate by .41518 cents and increasing the rural services rate by .41518 cents. The adopted budget generates a 1.17% increase ($133,551) in total tax dollars to be levied to support the County budget.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of Jones 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 Jones County Auditor's Office, 500 W. Main Street, Anamosa, Iowa 52205.

Basic Financial Statements

Jones County

Statement of Net Position

June 30, 2025

	Governmental Activities
Assets	
Cash and pooled investments	$ 17,704,437
Receivables:	
Property tax:	
Delinquent	8,079
Succeeding year	11,042,000
Penalty and interest on property tax	34,499
Accounts	77,503
Opioid settlement	362,674
Accrued interest	13,689
Due from other governments	654,357
Inventories	315,368
Prepaid expense	79,807
Capital assets not being depreciated/amortized	9,262,667
Capital assets, net of accumulated depreciation/amortization	39,607,944
Total assets	79,163,024
Deferred Outflows of Resources	
Pension related deferred outflows	1,372,455
OPEB related deferred outflows	37,324
Total deferred outflows of resources	1,409,779

Jones County

Statement of Net Position

June 30, 2025

	Governmental Activities
Liabilities	
Accounts payable	270,074
Salaries and benefits payable	363,896
Due to other governments	32,594
Unearned revenue	847,458
Long-term liabilities:	
Portion due or payable within one year:	
IT Subscription liability	127,541
Compensated absences	373,434
Total OPEB liability	17,431
Portion due or payable after one year:	
IT Subscription liability	165,865
Compensated absences	1,134,825
Net pension liability	2,639,970
Total OPEB liability	178,123
Total liabilities	6,151,211
Deferred Inflows of Resources	
Unavailable property tax revenue	11,042,000
Pension related deferred inflows	188,712
OPEB related deferred inflows	57,434
Total deferred inflows of resources	11,288,146
Net Position	
Net investment in capital assets	48,577,205
Restricted for:	
Supplemental levy purposes	1,321,321
Rural services purposes	514,942
Secondary roads purposes	6,320,851
Capital projects	567,953
Opioid abatement	520,679
Other purposes	1,139,680
Unrestricted	4,170,815
Total net position	$ 63,133,446

See notes to financial statements.

Jones County

Jones County

Statement of Activities

Year ended June 30, 2025

			Program Revenues		
	Expenses	Charges for Service	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest	Net (Expense) Revenue and Changes in Net Position
Functions/Programs:					
Governmental activities:					
Public safety and legal services	$ 5,097,361	267,555	32,793	-	(4,797,013)
Physical health and social services	901,268	141,366	355,473	-	(404,429)
County environment and education	1,334,072	125,035	21,474	18,349	(1,169,214)
Roads and transportation	9,123,999	341,569	5,333,752	4,896,560	1,447,882
Governmental services to residents	991,857	597,192	-	-	(394,665)
Administration	3,663,116	360,132	6,466	-	(3,296,518)
Non-program	6,715	356	6,218	-	(141)
Total	$ 21,118,388	1,833,205	5,756,176	4,914,909	(8,614,098)
General Revenues:					
Property and other county tax levied for general purposes					10,962,067
Penalty and interest on property tax					60,327
State tax credits and replacements					664,380
Local option sales tax					971,172
American Rescue Plan Act					1,368,621
Unrestricted investment earnings					826,157
Rent					72,776
Gain on disposition of capital assets					59,883
Miscellaneous					27,390
Total general revenues					15,012,773
Change in net position					6,398,675
Net position beginning of year					56,734,771
Net position end of year					$ 63,133,446

See notes to financial statements.

Jones County

Balance Sheet
Governmental Funds

June 30, 2025

		Special Revenue	
	General	Rural Services	Secondary Roads
Assets			
Cash and pooled investments	$ 9,283,676	556,949	6,355,818
Receivables:			
Property tax:			
Delinquent	5,768	1,963	-
Succeeding year	7,386,000	3,210,000	-
Penalty and interest on property tax	34,499	-	-
Accounts	62,445	-	14,908
Opioid settlement	-	-	-
Accrued interest	13,689	-	-
Due from other governments	130,164	33,562	490,631
Inventories	-	-	315,368
Prepaid expenditures	79,807	-	-
Total assets	$ 16,996,048	3,802,474	7,176,725
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities:			
Accounts payable	96,016	298	168,627
Salaries and benefits payable	251,778	11,555	100,563
Due to other governments	17,849	-	358
Unearned revenue	847,458	-	-
Total liabilities	1,213,101	11,853	269,548
Deferred inflows of resources:			
Unavailable revenues:			
Succeeding year property tax	7,386,000	3,210,000	-
Other	53,955	1,963	27,872
Total deferred inflows of resources	7,439,955	3,211,963	27,872
Fund balances:			
Nonspendable:			
Inventories and prepaid expenditures	79,807	-	315,368
Restricted for:			
Supplemental levy purposes	1,377,455	-	-
Rural services purposes	-	578,658	-
Secondary roads purposes	-	-	6,563,937
Conservation land acquisition/capital improvements	554,274	-	-
Capital projects	-	-	-
Conservation department projects	25,126	-	-
Opioid abatement	-	-	-
Other purposes	176,575	-	-
Committed for:			
County facility capital projects/purposes	55,000	-	-
Voting equipment replacement	145,000	-	-
Campground improvements	118,088	-	-
Aerial tax mapping update project	9,531	-	-
Conservation improvements	92,114	-	-
Unassigned	5,710,022	-	-
Total fund balances	8,342,992	578,658	6,879,305
Total liabilities, deferred inflows of resources and fund balances	$ 16,996,048	3,802,474	7,176,725

See notes to financial statements.

Capital Projects	Nonmajor	Total
367,514	1,140,480	17,704,437
-	348	8,079
-	446,000	11,042,000
-	-	34,499
-	150	77,503
-	362,674	362,674
-	-	13,689
-	-	654,357
-	-	315,368
-	-	79,807
367,514	1,949,652	30,292,413
-	5,133	270,074
-	-	363,896
-	14,387	32,594
-	-	847,458
-	19,520	1,514,022
-	446,000	11,042,000
-	352,631	436,421
-	798,631	11,478,421
-	-	395,175
-	-	1,377,455
-	-	578,658
-	-	6,563,937
-	-	554,274
367,514	-	367,514
-	-	25,126
-	168,396	168,396
-	963,105	1,139,680
-	-	55,000
-	-	145,000
-	-	118,088
-	-	9,531
-	-	92,114
-	-	5,710,022
367,514	1,131,501	17,299,970
367,514	1,949,652	30,292,413

Jones County

Jones County

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

June 30, 2025

Total governmental fund balances (page 23)		$ 17,299,970
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 reposted in the governmental funds. The cost of assets is $71,929,214 and the accumulated depreciation/amortization is $23,058,603.		48,870,611
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.		436,421
Pension and OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:		
Deferred outflows of resources	$ 1,409,779	
Deferred inflows of resources	(246,146)	1,163,633
Long-term liabilities, including IT subscription liability, compensated absences payable, net pension liability and total OPEB liability are not due and payable in the current year and, therefore, are not reported in the governmental funds.		(4,637,189)
Net position of governmental activities (page 19)		$ 63,133,446

See notes to financial statements.

Jones County

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

Year ended June 30, 2025

	General	Special Revenue: Rural Services	Special Revenue: Secondary Roads
Revenues:			
Property and other county tax	$ 7,763,223	2,765,354	-
Local option sales tax	-	338,152	633,020
Penalty and interest on property tax	60,324	-	-
Intergovernmental	3,147,332	140,898	4,972,094
Licenses and permits	60,717	-	59,232
Charges for service	842,438	10,465	-
Use of money and property	907,752	1	-
Miscellaneous	315,938	91	106,744
Total revenues	13,097,724	3,254,961	5,771,090
Expenditures:			
Operating:			
Public safety and legal services	4,293,748	276,859	-
Physical health and social services	850,391	-	-
County environment and education	885,344	265,267	-
Roads and transportation	544,948	-	6,694,731
Governmental services to residents	933,341	7,452	-
Administration	3,575,161	-	-
Non-program	8,952	-	-
Capital projects	-	-	1,022,760
Total expenditures	11,091,885	549,578	7,717,491
Excess (deficiency) of revenues over (under) expenditures	2,005,839	2,705,383	(1,946,401)
Other financing sources (uses):			
Sale of capital assets	-	-	44,723
Transfers in	1,000	-	2,799,000
Transfers out	(45,000)	(2,799,000)	-
Right-to-use subscription asset agreement proceeds	319,508	-	-
Total other financing sources (uses)	275,508	(2,799,000)	2,843,723
Change in fund balances	2,281,347	(93,617)	897,322
Fund balances beginning of year	6,061,645	672,275	5,981,983
Fund balances end of year	$ 8,342,992	578,658	6,879,305

See notes to financial statements.

Capital Projects	Nonmajor	Total
-	436,945	10,965,522
-	-	971,172
-	-	60,324
-	40,200	8,300,524
-	-	119,949
-	3,229	856,132
-	871	908,624
-	74,691	497,464
-	555,936	22,679,711
-	185,304	4,755,911
-	20,365	870,756
-	5,855	1,156,466
-	-	7,239,679
-	890	941,683
-	-	3,575,161
-	-	8,952
-	-	1,022,760
-	212,414	19,571,368
-	343,522	3,108,343
-	-	44,723
45,000	-	2,845,000
-	(1,000)	(2,845,000)
-	-	319,508
45,000	(1,000)	364,231
45,000	342,522	3,472,574
322,514	788,979	13,827,396
367,514	1,131,501	17,299,970

Jones 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

Change in fund balances - Total governmental funds (page 27)		$ 3,472,574
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	$ 1,432,432	
Right-to-use subscription asset agreement proceeds	319,508	
Capital assets contributed by the Iowa Department of Transportation	4,896,560	
Depreciation/amortization expense	(2,136,074)	4,512,426
In the Statement of Activities, the gain on the disposition of capital assets is reported, whereas the governmental funds report the proceeds from the disposition as an increase in financial resources.		59,883
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	(3,452)	
Other	(115,639)	(119,091)
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 issuances exceeded repayments, as follows:		
Repaid	89,952	
Issued	(319,508)	(229,556)
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.		710,451
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	(880,544)	
Pension expense	(1,126,126)	
OPEB expense	(1,342)	(2,008,012)
Change in net position of governmental activities (page 21)		$ 6,398,675

See notes to financial statements.

Jones County

Statement of Fiduciary Net Position
Custodial Funds

June 30, 2025

Assets	
Cash and pooled investments:	
County Treasurer	$ 4,760,912
Other County officials	12,437
Receivables:	
Property tax:	
Delinquent	27,353
Succeeding year	28,590,000
Accounts	64,751
Accrued interest	10,697
Special assessments	105,485
Due from other governments	74,732
Total assets	33,646,367
Liabilities	
Accounts payable	128,424
Salaries and benefits payable	55,783
Due to other governments	1,113,557
Trusts payable	12,437
Compensated absences	147,828
Total liabilities	1,458,029
Deferred Inflows of Resources	
Unavailable property tax revenue	28,590,000
Net Position	
Restricted for individuals, organizations and other governments	$ 3,598,338

See notes to financial statements.

Jones County

Jones County

Statement of Changes in Fiduciary Net Position
Custodial Funds

Year Ended June 30, 2025

Additions:	
Property and other county tax	$ 27,622,357
911 surcharge	713,736
State tax credits	1,880,278
Office fees and collections	569,101
Auto licenses, use tax and postage	8,466,049
Assessments	35,023
Trusts	1,078,605
Miscellaneous	1,136,403
Total additions	41,501,552
Deductions:	
Agency remittances:	
To other funds	615,297
To other governments	40,476,302
Trusts paid out	203,153
Total deductions	41,294,752
Change in net position	206,800
Net position beginning of year	3,391,538
Net position end of year	$ 3,598,338

See notes to financial statements.

(1) Summary of Significant Accounting Policies

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

These financial statements present Jones 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 Unit – The following component unit is an entity which is legally separate from the County, but is so intertwined with the County it is, in substance, the same as the County. It is reported as part of the County and blended into the appropriate fund.

The Friends of Jones County Conservation and Nature Center has been incorporated under Chapter 504A of the Code of Iowa to assist and support the functions and efforts of Jones County Conservation by helping to raise funds for designated conservation related projects, providing materials for community involvement, serving as an organizational base for volunteers at the Central Park Nature Center, and advising the Jones County Conservation Board on the needs of the community related to programming and infrastructure. The financial transactions of the Friends are reported as a nonmajor special revenue fund.

Jointly Governed Organizations – The County participates in several jointly governed organizations that provide goods or services to the citizenry of the County but do not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The County Board of Supervisors are members of or appoint representatives to the following boards and commissions: Jones County Assessor's Conference Board, Jones County Emergency Management Commission, Jones County Solid Waste Commission and Jones 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.

The County also participates in the following jointly governed organizations established pursuant to Chapter 28E of the Code of Iowa: Multi-County Cooperative Child Support Agreement, East Central Iowa Employment and Training Consortium, Medical Emergency Response Group, Eastern Iowa Regional Housing Authority, Eastern Iowa Regional Utility Service Systems Commission, Jones County Crime Commission, Jones County Economic Development Commission, Jones County Communications Commission and East Central Iowa Mental Health Region.

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 unit. 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 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. Net position restricted through enabling legislation consists of the balance of the unusual needs levy for Conservation Department projects.

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

Additionally, the County reports the following fund:

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 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.

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 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 non-negotiable certificates of deposit which are stated at amortized cost.

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

Property tax receivable is recognized in these funds on the levy or lien date, which is the date the tax asking is certified by the County Board of Supervisors. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Supervisors to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the Board of Supervisors is required to certify its budget in 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 it is levied.

Property tax revenue recognized in these funds become 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 that 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.

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 have been made but have not been collected.

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 if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repair 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 initial, individual costs in excess of the following thresholds and estimated useful lives in excess of two years.

Asset Class	Amount
Infrastructure	$ 50,000
Land, buildings and improvements	25,000
Intangibles	50,000
Road right of way easements	25,000
Equipment and vehicles	5,000
Right-to-use leased assets	50,000
Right-to-use subscription assets	50,000

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

Asset Class	Estimated Useful lives (In Years)
Buildings	25 - 50
Building improvements	25 - 50
Infrastructure	10 - 65
Intangibles	2 - 65
Equipment	3 - 20
Vehicles	5 - 15
Right-to-use leased assets	2 - 20
Right-to-use subscription assets	5 - 20

<u>Subscription-Based Information Technology Arrangements (SBITA)</u> – Jones County has entered into contracts which convey control of the right-to-use information technology software. The County has recognized an IT subscription liability and an intangible right-to-use IT subscription asset in the government-wide financial statements. The County recognized IT subscription liabilities with an initial, individual value of $50,000 or more.

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

Key estimates and judgments related to IT subscription arrangements include how Jones County determines the discount rate it uses to discount the expected payments to present value, terms and payments.

> Jones County uses the interest rate charged by the IT subscription vendor as the discount rate. When the interest rate charged by the vendor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate.
>
> The IT subscription term includes the noncancellable period of the subscription. Payments included in the measurement of the liability are composed of fixed payments.

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

Right-to-use IT subscription assets are reported with other capital assets and IT subscription liabilities are reported with long-term debt on the statement of net position.

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.

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

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

Compensated Absences – County employees accumulate a limited amount of earned but unused vacation and sick leave hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when each of the following have occurred: the leave is attributable to services already rendered, the leave accumulates and carries forward from one reporting period to the next and the leave is more than 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 financial statements, long-term debt and other long-term obligations are reported as liabilities in the 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 and deferred inflows of resources related to OPEB and OPEB expense, information has been determined based on Jones 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 that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the fund financial statements consist of property tax receivable and other receivables not collected within sixty days after year end and succeeding year property tax receivable which will not be recognized until the year for which it is 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 and unrecognized items not yet charged to pension expense.

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

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

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

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

Unassigned – All amounts not included in the preceding classifications.

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 appropriated in departments.

(2) Cash and Pooled Investments

The County's deposits in banks at June 30, 2025 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to 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 has no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

(3) Interfund Transfers

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

Transfer to	Transfer from	Amount
General	Special Revenues: Resource Enhancement and Protection	$ 1,000
Special Revenue: Secondary Roads	Special Revenue: Rural Services	2,799,000
Capital Projects	General	45,000
Total		$ 2,845,000

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

(4) Capital Assets

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

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental activities:				
Capital assets not being depreciated/amortized:				
Land	$ 6,860,374		-	6,860,374
Intangibles, road network	1,372,549	936,888	-	2,309,437
Construction in progress	891,588	-	798,732	92,856
Total capital assets not being depreciated/amortized	9,124,511	936,888	798,732	9,262,667
Capital assets being depreciated/amortized:				
Buildings	5,165,040	52,047	-	5,217,087
Improvements other than buildings	241,331	239,407	-	480,738
Equipment and vehicles	14,063,617	570,517	255,504	14,378,630
Right-to-use subscription asset	67,617	319,508	-	387,124
Intangibles	160,907	-	-	160,907
Infrastructure, road network	35,859,112	4,896,560	-	40,755,672
Infrastructure, other	788,360	498,029	-	1,286,389
Total capital assets being depreciated/amortized	56,345,984	6,576,068	255,504	62,666,547
Less accumulated depreciation/amortization for:				
Buildings	2,558,616	138,272	-	2,696,888
Improvements other than buildings	193,067	24,036	-	217,103
Equipment and vehicles	8,874,941	858,353	249,664	9,483,630
Right-to-use subscription asset	4,132	95,543		99,675
Intangibles, other	100,907	60,000	-	160,907
Infrastructure, road network	9,208,594	934,142	-	10,142,736
Infrastructure, other	231,936	25,728	-	257,664
Total accumulated depreciation/amortization	21,172,193	2,136,074	249,664	23,058,603
Total capital assets being depreciated/amortized, net	35,173,791	4,439,994	5,840	39,607,944
Governmental activities capital assets, net	$ 44,298,302	5,376,882	804,572	48,870,611

Depreciation/amortization expense was charged to the following functions:

Governmental activities:	
Public safety and legal services	$ 98,714
Physical health and social services	4,417
County environment and education	106,656
Roads and transportation	1,637,646
Governmental services to residents	10,180
Administration	278,461
Total depreciation/amortization expense - governmental activities	$ 2,136,074

(5) 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	$ 17,849
Special Revenue:		
Secondary Roads	Services and materials	358
EMS Trust Fund	Services	14,387
Total for governmental funds		$ 32,594
Custodial:		
Agricultural Extension Education	Collections	$ 2,644
County Assessor		30,046
Schools		173,449
Community Colleges		16,409
Corporations		54,180
Townships		3,862
Auto License and Use Tax		692,414
Solid Waste Management Commission		13,742
All other		126,811
Total for custodial funds		$ 1,113,557

(6) Prepaid Rental Agreement

In September 2023, the County entered into a service agreement with Foxster Opco, LCC for TripMaster Software and service and maintenance. The agreement is for five years.

The County has elected to amortize prepaid expenses of $79,955 over five years. At June 30, 2025 the unamortized prepaid expense balance was $48,153.

In June 2024, the County entered into a service agreement with Encompass for Meraki service licenses for all switches, firewalls and access points. The agreement is for five years.

The County has elected to amortize the prepaid expenses of $49,445 over five years. At June 30, 2025 the unamortized prepaid expense balance was $31,654.

(7) Changes in Long-Term Liabilities

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

	IT Subscription Liability	Compensated Absences	Net Pension Liability	Total OPEB Liability	Total
Balance beginning of year	$ 63,850	627,715	2,692,319	195,231	3,579,115
Increases	319,508	880,544	-	17,754	1,217,806
Decreases	89,952	-	52,349	17,431	159,732
Balance end of year	$ 293,406	1,508,259	2,639,970	195,554	4,637,189
Due within one year	$ 127,541	373,434	-	17,431	518,406

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

IT Subscription Liability

On May 1, 2024, the County entered into an IT subscription license and services information technology agreement with Encompass for Backup Servers. An initial IT subscription liability was recorded in the amount of $67,617. The agreement requires monthly payments of $2,054 over three years with an initial payment made May 21, 2024, for $2,054, with implicit interest rate of 3.5% and the final payment due April 2027. During the year ended June 30, 2025, the County made principal payments of $21,260 and interest payments of $3,388.

On July 1, 2024, the County entered into an IT subscription license and services information technology agreement with Encompass for IT Premium. An initial IT subscription liability was recorded in the amount of $79,064. The agreement requires monthly payments of $2,310 over three years with an initial payment made July 16, 2024, for $2,310, with implicit interest rate of 3.5% and the final payment due June 2027. During the year ended June 30, 2025, the County made principal payments of $25,595 and interest payments of $2,125.

On December 1, 2024, the County entered into an IT subscription license and services information technology agreement with Encompass for Business Premium. An initial IT subscription liability was recorded in the amount of $155,561. The agreement requires monthly payments of $4,545 over three years with an initial payment made December 17, 2024, for $4,545, with an implicit interest rate of 3.5% and the final payment due November 2027. During the year ended June 30, 2025, the County made principal payments of $29,353 and interest payments of $2,462.

On January 1, 2025, the County entered into an IT subscription license and services information technology agreement with Encompass for application, endpoint, server, and website protection. An initial IT subscription liability was recorded in the amount of $84,883. The agreement requires monthly payments of $2,480 over three years with an initial payment made January 14, 2025, for $2,480, with an implicit interest rate of 3.5% and the final payment due December 2027. During the year ended June 30, 2025, the County made principal payments of $13,744 and interest payments of $1,136.

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

Year Ending	Backup Servers			IT Premium		
June 30,	Principal	Interest	Total	Principal	Interest	Total
2026	$ 22,627	2,021	24,648	$ 26,267	1,453	27,720
2027	19,964	576	20,540	27,202	518	27,720
2028	-	-	-	-	-	-
Totals	$ 42,591	2,597	45,188	$ 53,469	1,971	55,440

Year Ending	Business Premium			App, Endpt, Server		
June 30,	Principal	Interest	Total	Principal	Interest	Total
2026	$ 50,935	3,605	54,540	$ 27,712	2,048	29,760
2027	52,746	1,794	54,540	28,698	1,062	29,760
2028	22,526	199	22,725	14,729	151	14,880
Totals	$ 126,207	5,598	131,805	$ 71,139	3,261	74,400

Year Ending	Total		
June 30,	Principal	Interest	Total
2026	$ 127,541	9,127	136,668
2027	128,610	3,950	132,560
2028	37,255	350	37,605
Totals	$ 293,406	13,427	306,833

(8) 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 at age 55. Sheriffs and Deputies and Protection Occupation members may retire any time after reaching age 50 with 22 or more years of covered employment.

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

- 60% of average salary after completion of 22 years of special service, plus an additional 2.5% of average salary for more than 22 years of special service but not more than 30 years of service.
- 1.5% compound cost-of-living adjustment (COLA) for members who retire on or after July 1, 2024, who are at least age 50 when they terminate employment and have at least 22 years of special service.
- The member's highest three-year average salary.

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

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

If a Regular member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month 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 Sheriff 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 $710,451.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2025, the County had a liability of $2,639,970 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, 2025, the County's proportion was 0.072497%, which was an increase of 0.012849% from its proportion measured as of June 30, 2024.

For the year ended June 30, 2025 the County recognized pension expense of $1,126,126. At June 30, 2025 the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 419,682	1,470
Changes of assumptions	-	47,777
Net difference between projected and actual earnings on IPERS' investments	56,038	-
Changes in proportion and differences between County contributions and the County's proportionate share of contributions	186,284	139,465
County contributions subsequent to the measurement date	710,451	-
Total	$ 1,372,455	188,712

$710,451 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	$ (339,720)
2027	820,481
2028	73,054
2029	(82,382)
2030	1,859
Total	$ 473,292

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:

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 dated July 1, 2017 through June 30, 2021.

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

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

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	4.20
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.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability (asset)	$ 7,288,198	2,639,970	(1,247,277)

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.

(9) Other Postemployment Benefits (OPEB)

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

OPEB Benefits – Individuals who are employed by Jones 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:

Inactive employees or beneficiaries currently receiving benefit payments	2
Active employees	105
Total	107

Total OPEB Liability – The County's total OPEB liability of $195,554 was measured as of June 30, 2025 and was determined by an actuarial valuation as of July 1, 2023. The total OPEB liability was rolled forward from the July 1, 2023 valuation date to the June 30, 2025 measurement date.

Actuarial Assumptions – The total June 30, 2025 OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of inflation (effective July 1, 2023)	3.00% per annum.
Rates of salary increase (effective July 1, 2023)	3.00% per annum, including inflation.
Discount rate (effective July 1, 2023)	3.65% compounded annually, including inflation.
Healthcare cost trend rate (effective July 1, 2023)	5.00% 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 Scale MP-2021. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study with dates corresponding to those listed above.

Changes in the Total OPEB Liability

	Total OPEB Liability
Total OPEB liability beginning of year	$ 195,231
Changes for the year:	
Service cost	10,561
Interest	7,193
Benefit payments	(17,431)
Net changes	323
Total OPEB liability end of year	$ 195,554

Sensitivity of the County's Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.65%) or 1% higher (4.65%) than the current discount rate.

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB liability	$ 208,506	195,554	183,664

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

	1% Decrease (4.00%)	Healthcare Cost Trend Rate (5.00%)	1% Increase (6.00%)
Total OPEB liability	$ 179,848	195,554	213,386

OPEB Expense and 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 $1,342. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 27,905	40,443
Changes in assumptions	9,419	16,991
Total	$ 37,324	57,434

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	$ 1,019
2027	2,973
2028	1,795
2029	(6,272)
2030	(6,272)
Thereafter	(13,353)
	$ (20,110)

(10) Risk Management

The County is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The County assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

(11) 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. In addition, the County has adopted a deferred compensation matching plan in accordance with Internal Revenue Code Section 401A. The 401A Plan, available to all County employees participating in the 457 Plan, provides for the County to match 100% of the employee contributions to the 457 Plan, up to a maximum of $50 per month. During the year ended June 30, 2025, the County contributed $49,075 to the 410A Plan.

All amounts of compensation deferred under the plans, 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 the Nationwide Mutual Insurance Company and do not constitute a liability of the County.

(12) Tax Abatements

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

Tax Abatements of Other Entities

Entities within the County 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 entities enter into agreements with developers which require the 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 Anamosa	Urban renewal and economic development projects	$ 29,658
City of Monticello	Urban renewal and economic development projects	81,388
City of Wyoming	Urban renewal and economic development projects	3,172

Jones County

Required Supplementary Information

Jones 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

	Actual	Less Funds not Required to be Budgeted	Net
Receipts:			
Property and other county tax	$ 12,294,088	-	12,294,088
Penalty and interest on property tax	60,324	-	60,324
Intergovernmental	6,627,465	-	6,627,465
Licenses and permits	90,126	-	90,126
Charges for service	841,817	-	841,817
Use of money and property	909,472	-	909,472
Miscellaneous	483,650	7,190	476,460
Total receipts	21,306,942	7,190	21,299,752
Disbursements:			
Public safety and legal services	4,727,082	-	4,727,082
Physical health and social services	860,855	-	860,855
County environment and education	1,146,061	5,855	1,140,206
Roads and transportation	7,181,927	-	7,181,927
Governmental services to residents	939,322	-	939,322
Administration	3,257,634	-	3,257,634
Non-program	16,486	-	16,486
Capital projects	1,022,760	-	1,022,760
Total disbursements	19,152,127	5,855	19,146,272
Excess (deficiency) of receipts over (under) disbursements	2,154,815	1,335	2,153,480
Other financing sources, net	44,723	-	44,723
Change in balances	2,199,538	1,335	2,198,203
Balance beginning of year	15,504,899	23,768	15,481,131
Balance end of year	$ 17,704,437	25,103	17,679,334

See accompanying independent auditor's report.

Budgeted Amounts		Final to Actual
Original	Final	Variance
12,286,750	12,275,050	19,038
27,000	27,000	33,324
6,490,906	6,282,066	345,399
71,835	70,521	19,605
778,410	817,189	24,628
480,644	590,686	318,786
451,449	452,089	24,371
20,586,994	20,514,601	785,151
5,258,609	5,182,196	455,114
1,098,362	1,100,162	239,307
1,738,167	1,226,428	86,222
8,228,358	8,233,776	1,051,849
1,047,625	1,023,389	84,067
4,897,077	3,410,350	152,716
68,271	16,488	2
1,650,000	1,700,000	677,240
23,986,469	21,892,789	2,746,517
(3,399,475)	(1,378,188)	3,531,668
-	-	44,723
(3,399,475)	(1,378,188)	3,576,391
11,463,952	15,481,132	(1)
8,064,477	14,102,944	3,576,390

Jones County

Budgetary Comparison Schedule – Budget to GAAP Reconciliation

Required Supplementary Information

Year ended June 30, 2025

	Governmental Funds		
	Cash Basis	Accrual Adjustments	Modified Accrual Basis
Revenues	$ 21,306,942	1,372,769	22,679,711
Expenditures	19,152,127	419,241	19,571,368
Net	2,154,815	953,528	3,108,343
Other financing sources, net	44,723	319,508	364,231
Beginning fund balances	15,504,899	(1,677,503)	13,827,396
Ending fund balances	$ 17,704,437	(404,467)	17,299,970

See accompanying independent auditor's report.

Jones County

Notes to Required Supplementary Information – Budgetary Reporting

June 30, 2025

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

In accordance with the Code of Iowa, the County Board of Supervisors annually adopts a budget on the cash basis following required public notice and hearing for all funds, except the blended component unit 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 and the Capital Projects Fund. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. Legal budgetary control is also based upon the appropriation to each office or department. During the year, one budget amendments decreased budgeted disbursements by $2,093,680. The budget amendment is reflected in the final budgeted amounts.

In addition, annual budgets are similarly adopted in accordance with the Code of Iowa by the appropriate governing body as indicated: for the County Assessor by the County Conference Board, for the 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.

Jones 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

	2025	2024	2023	2022
County's proportion of the net pension liability (asset)	0.072497%	0.059648%	0.050698%	0.324484% **
County's proportionate share of the net pension liability (asset)	$ 2,640	2,692	1,915	(1,120)
County's covered payroll	$ 7,483	7,370	6,184	6,011
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	35.28%	36.53%	30.97%	(18.63%)
IPERS' net position as a percentage of the total pension liability (asset)	92.30%	90.13%	91.40%	100.81%

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

** Overall plan net pension asset.

See accompanying independent auditor’s report.

2021	2020	2019	2018	2017	2016
0.059388%	0.057322%	0.057892%	0.061877%	0.060335%	0.058300%
4,172	3,319	3,664	4,122	3,797	2,880
5,635	5,595	5,384	5,291	5,003	4,827
74.04%	59.32%	68.05%	77.91%	75.89%	59.66%
82.90%	85.45%	83.62%	82.21%	81.82%	85.19%

Jones County

Schedule of County Contributions

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

Required Supplementary Information

		2025	2024	2023	2022
Statutorily required contribution	$	710	693	686	579
Contributions in relation to the statutorily required contribution		(710)	(693)	(686)	(579)
Contribution deficiency (excess)	$	-	-	-	-
County's covered payroll	$	7,659	7,483	7,370	6,184
Contributions as a percentage of covered payroll		9.27%	9.26%	9.31%	9.36%

See accompanying independent auditor's report.

2021	2020	2019	2018	2017	2016
566	534	534	487	480	455
(566)	(534)	(534)	(487)	(480)	(456)
-	-	-	-	-	-
6,011	5,635	5,595	5,384	5,291	5,003
9.42%	9.48%	9.54%	9.05%	9.07%	9.09%

Jones County

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%.

Jones County

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

For the Past Seven Years
Required Supplementary Information

	2025	2024	2023	2022
Service cost	$ 10,561	10,254	14,178	13,765
Interest cost	7,193	7,099	5,304	5,236
Difference between expected and actual experiences	-	(31,659)	-	(18,981)
Changes in assumptions	-	(21,645)	-	13,946
Benefit payments	(17,431)	(12,738)	(18,470)	(13,979)
Net change in total OPEB liability	323	(48,689)	1,012	(13)
Total OPEB liability beginning of year	195,231	243,920	242,908	242,921
Total OPEB liability end of year	$ 195,554	195,231	243,920	242,908
Covered-employee payroll	$ 6,681,164	6,486,567	5,674,174	5,508,907
Total OPEB liability as a percentage of covered-employee payroll	2.9%	3.0%	4.3%	4.4%

See accompanying independent auditor's report.

2021	2020	2019
8,332	8,089	7,082
8,321	8,108	4,984
-	87,701	-
-	1,006	-
(6,293)	(14,417)	(4,244)
10,360	90,487	7,822
232,561	142,074	134,252
242,921	232,561	142,074
4,986,295	4,841,063	4,839,023
4.9%	4.8%	2.9%

<u>Changes in benefit terms</u>:

There were no significant changes in benefit terms.

<u>Changes in assumptions</u>:

The 2024 valuation implemented the following refinements as a result of a new actuarial opinion dated June 30, 2024:

- Changed mortality assumptions to the RP-2014 annuitant distinct mortality table adjusted to 2006 with scale MP-2021.

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, 2020	3.50%
Year ended June 30, 2019	3.50%
Year ended June 30, 2018	3.58%

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

Supplementary Information

Jones County

Combining Balance Sheet
Nonmajor Governmental Funds

June 30, 2025

				Special
	County Recorder's Records Management	Special Law Enforcement Proceeds	Law Enforcement Canine	Resource Enhancement and Protection
Assets				
Cash and pooled investments	$ 25,950	1,428	39,874	143,746
Receivables:				
Property tax:				
Delinquent	-	-	-	-
Succeeding year property tax	-	-	-	-
Accounts	-	-	150	-
Opioid settlement	-	-	-	-
Total assets	$ 25,950	1,428	40,024	143,746
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	$ -	-	10	-
Due to other governments	-	-	-	-
	$ -	-	10	-
Deferred inflows of resources				
Unavailable revenues:				
Succeeding year property tax	-	-	-	-
Other	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances:				
Restricted for:				
Opioid abatement	-	-	-	-
Other purposes	25,950	1,428	40,014	143,746
Total fund balances	25,950	1,428	40,014	143,746
Total liabilities, deferred inflows of resources and fund balances	$ 25,950	1,428	40,024	143,746

See accompanying independent auditor’s report.

Revenue				
Drug Abuse Resistance Education	Local Government Opioid Abatement	EMS Trust Fund	Friends of Jones County Conservation	Total
2,858	163,128	738,393	25,103	1,140,480
-	-	348	-	348
-	-	446,000	-	446,000
-	-	-	-	150
-	362,674	-	-	362,674
2,858	525,802	1,184,741	25,103	1,949,652
-	5,123	-	-	5,133
-	-	14,387	-	14,387
-	5,123	14,387	-	19,520
-	-	446,000	-	446,000
-	352,283	348	-	352,631
-	352,283	446,348	-	798,631
-	168,396	-	-	168,396
2,858	-	724,006	25,103	963,105
2,858	168,396	724,006	25,103	1,131,501
2,858	525,802	1,184,741	25,103	1,949,652

Jones County

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

Year ended June 30, 2025

	County Recorder's Records Management	Special Law Enforcement Proceeds	Law Enforcement Canine	Special Resource Enhancement and Protection
Revenues:				
Property and other county tax	-	-	-	-
Intergovernmental	$ -	-	-	12,299
Charges for service	3,229	-	-	-
Use of money and property	99	-	-	689
Miscellaneous	-	-	25,760	-
Total revenues	3,328	-	25,760	12,988
Expenditures:				
Operating:				
Public safety and legal services	-	-	17,197	-
Physical health and social services	-	-	-	-
County environment and education	-	-	-	-
Governmental services to residents	890	-	-	-
Total expenditures	890	-	17,197	-
Excess of revenues over expenditures	2,438	-	8,563	12,988
Other financing uses:				
Transfers out	-	-	-	(1,000)
Change in fund balances	2,438	-	8,563	11,988
Fund balances beginning of year	23,512	1,428	31,451	131,758
Fund balances end of year	$ 25,950	1,428	40,014	143,746

See accompanying independent auditor’s report.

Revenue				
Drug Abuse Resistance Education	Local Government Opioid Abatement	EMS Trust Fund	Friends of Jones County Conservation	Total
-	-	436,945	-	436,945
-	-	27,901	-	40,200
-	-	-	-	3,229
-	83	-	-	871
3,479	38,262	-	7,190	74,691
3,479	38,345	464,846	7,190	555,936
2,700	-	165,407	-	185,304
-	20,365	-	-	20,365
-	-	-	5,855	5,855
-	-	-	-	890
2,700	20,365	165,407	5,855	212,414
779	17,980	299,439	1,335	343,522
-	-	-	-	(1,000)
779	17,980	299,439	1,335	342,522
2,079	150,416	424,567	23,768	788,979
2,858	168,396	724,006	25,103	1,131,501

Jones County

Combining Schedule of Fiduciary Net Position
Custodial Funds

June 30, 2025

	County Offices	Agricultural Extension Education	County Assessor	Schools
Assets				
Cash and pooled investments:				
County Treasurer	$ -	2,644	561,046	173,449
Other County officials	12,437	-	-	-
Receivables:				
Property tax:				
Delinquent	-	213	489	14,874
Succeeding year	-	273,000	627,000	18,847,000
Accounts	-	-	-	-
Accrued interest	-	-	-	-
Special assessments	-	-	-	-
Due from other governments	-	-	-	-
Total assets	12,437	275,857	1,188,535	19,035,323
Liabilities				
Accounts payable	-	-	7,191	-
Salaries and benefits payable	-	-	15,188	-
Due to other governments	-	2,644	30,046	173,449
Trusts payable	12,437	-	-	-
Compensated absences	-	-	55,047	-
Total liabilities	12,437	2,644	107,472	173,449
Deferred Inflows of Resources				
Unavailable revenues	-	273,000	627,000	18,847,000
Net Position				
Restricted for individuals, organizations and other governments	$ -	213	454,063	14,874

See accompanying independent auditor's report.

Community Colleges	Corporations	Townships	Auto License and Use Tax	Solid Waste Management Commission	Other	Total
16,409	54,180	3,862	692,414	2,158,409	1,098,499	4,760,912
-	-		-	-	-	12,437
1,422	7,054	328	-	-	2,973	27,353
1,786,000	6,594,000	428,000	-	-	35,000	28,590,000
-	-	-	-	57,993	6,758	64,751
-	-	-	-	10,697	-	10,697
-	-	-	-	-	105,485	105,485
-	-	-	-	2,869	71,863	74,732
1,803,831	6,655,234	432,190	692,414	2,229,968	1,320,578	33,646,367
-	-	-	-	103,108	18,125	128,424
-	-	-	-	7,924	32,671	55,783
16,409	54,180	3,862	692,414	13,742	126,811	1,113,557
-	-	-	-	-	-	12,437
-	-	-	-	49,619	43,162	147,828
16,409	54,180	3,862	692,414	174,393	220,769	1,458,029
1,786,000	6,594,000	428,000	-	-	35,000	28,590,000
1,422	7,054	328	-	2,055,575	1,064,809	3,598,338

Jones County

Combining Schedule of Changes in Fiduciary Net Position
Custodial Funds

Year ended June 30, 2025

	County Offices	Agricultural Extension Education	County Assessor	Schools
Additions:				
Property and other county tax	$ -	274,415	595,182	18,213,074
911 surcharges	-	-	-	-
State tax credits	-	17,970	38,186	1,087,701
Office fees and collections	569,101	-	-	-
Auto licenses, use tax and postage	-	-	-	-
Assessments	-	-	-	-
Trusts	203,074	-	-	-
Miscellaneous	-	-	-	-
Total additions	772,175	292,385	633,368	19,300,775
Deductions:				
Agency remittances:				
To other funds	183,643	-	-	-
To other governments	385,379	292,397	577,046	19,301,342
Trusts paid out	203,153		-	-
Total deductions	772,175	292,397	577,046	19,301,342
Changes in net position	-	(12)	56,322	(567)
Net position beginning of year	-	225	397,741	15,441
Net position end of year	$ -	213	454,063	14,874

See accompanying independent auditor's report.

Community Colleges	Corporations	Townships	Auto License and Use Tax	Solid Waste Management Commission	Other	Total
1,711,575	6,419,181	365,669	-	-	43,261	27,622,357
-	-	-	-	-	713,736	713,736
102,649	613,779	18,258	-	-	1,735	1,880,278
-	-	-	-	-	-	569,101
-	-	-	8,465,650	-	399	8,466,049
-	-	-	-	-	35,023	35,023
-	-	-	-	-	875,531	1,078,605
-	-	-	-	1,136,403	-	1,136,403
1,814,224	7,032,960	383,927	8,465,650	1,136,403	1,669,685	41,501,552
-	-	-	431,654	-	-	615,297
1,814,234	7,031,197	383,956	8,033,996	1,157,243	1,499,512	40,476,302
-	-	-	-	-	-	203,153
1,814,234	7,031,197	383,956	8,465,650	1,157,243	1,499,512	41,294,752
(10)	1,763	(29)	-	(20,840)	170,173	206,800
1,432	5,291	357	-	2,076,415	894,636	3,391,538
1,422	7,054	328	-	2,055,575	1,064,809	3,598,338

Jones County

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

For the Last Ten Years

	2025	2024	2023	2022
Revenues:				
Property and other county tax	$ 10,965,522	10,400,241	9,083,752	8,577,199
Local option sales tax	971,172	1,315,370	1,303,432	1,488,367
Penalty and interest on property tax	60,324	51,044	43,963	46,247
Intergovernmental	8,300,524	7,968,868	8,018,474	6,740,211
Licenses and permits	119,949	100,891	89,926	76,305
Charges for service	856,132	750,781	700,467	774,389
Use of money and property	908,624	842,403	569,203	235,034
Miscellaneous	497,464	587,912	539,812	440,368
Total	$ 22,679,711	22,017,510	20,349,029	18,378,120
Expenditures:				
Operating:				
Public safety and legal services	$ 4,755,911	4,442,553	4,368,748	3,554,477
Physical health and social services	870,756	931,588	912,146	866,310
Mental health	-	-	-	886,810
County environment and education	1,156,466	1,380,742	1,855,749	1,737,321
Roads and transportation	7,239,679	7,229,230	9,371,664	7,453,220
Governmental services to residents	941,683	859,889	860,457	843,240
Administration	3,575,161	3,698,375	2,674,899	2,232,942
Non-program	8,952	62,097	111,002	188,138
Debt service	-	-	-	-
Capital projects	1,022,760	991,980	513,061	1,139,343
Total	$ 19,571,368	19,596,454	20,667,726	18,901,801

See accompanying independent auditor’s report.

2021	2020	2019	2018	2017	2016
8,558,426	8,064,872	7,736,768	7,849,305	7,693,151	7,434,518
1,247,608	1,042,500	884,799	834,067	857,403	832,518
68,305	26,421	41,656	43,490	40,000	42,938
7,228,557	6,233,307	7,806,986	6,525,175	6,450,432	7,192,925
60,436	68,837	74,219	55,973	51,086	70,810
750,698	682,893	677,344	690,298	640,945	637,180
241,736	347,503	338,617	258,880	214,765	172,370
1,086,526	526,776	521,275	1,066,863	437,154	454,828
19,242,292	16,993,109	18,081,664	17,324,051	16,384,936	16,838,087
3,309,174	3,108,388	2,979,007	2,996,084	2,752,376	2,722,911
748,550	780,697	763,300	715,706	722,072	702,077
953,076	903,477	698,812	795,583	1,157,430	1,115,440
991,059	1,082,084	1,637,676	978,695	948,592	923,276
6,662,954	6,550,025	7,071,882	6,285,831	6,836,332	6,600,997
820,210	775,571	737,428	717,962	677,712	796,892
1,979,976	1,787,845	1,790,139	1,815,971	1,707,156	1,758,826
187,606	592,253	82,990	82,243	93,130	89,655
-	450,482	450,000	383,021	400,000	-
1,217,221	2,724,950	2,311,687	1,874,604	354,087	923,830
16,869,826	18,755,772	18,522,921	16,645,700	15,648,887	15,633,904

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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 Jones 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 Jones 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 March 20, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jones 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 the County's operations for the year ended June 30, 2025 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the County. 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.

Jones County's Responses to Findings

Government Auditing Standards require the auditor to perform limited procedures on Jones County's responses to the findings identified in our audit and described in the accompanying Schedule of Findings. Jones 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 Jones 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.

Brian R. Brustkern, CPA
Deputy Auditor of State

March 20, 2026

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:

	Applicable Offices
(1) Collecting, depositing, posting, maintaining receivable records and daily reconciling of receipts for which no compensating controls exist.	Conservation Recorder
(2) Incoming mail is opened by an employee who is authorized to make entries to the accounting records.	Recorder
(3) The person who signs checks is not independent of the person preparing checks, approving disbursements and recording cash receipts	Recorder

Cause – The County Conservation office and Recorder's office 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 – We realize segregation of duties is difficult with a limited number of employees. However, the operating procedures should be reviewed to obtain the maximum internal control possible under the circumstances. Current personnel, including elected officials and personnel from other County offices, should be utilized to provide additional control through review of financial transactions and reconciliations. Such reviews should be performed by independent persons and should be documented by the signature or initials of the reviewer and the date of the review.

Responses –

Recorder – The Recorder's office will do our best to segregate duties.

Conservation – We will review procedures and see if the use of County employees outside of the Department will support better segregation of duties.

Conclusions – Responses accepted.

2025-002 Segregation of Duties – Friends of Jones County Conservation and Nature Center (Friends)

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 individual. This segregation of duties helps prevent losses from error or dishonesty and maximizes the accuracy of the Friend's financial statements.

Condition – Generally, one individual has control over account billings, collections, depositing, and recording functions.

Cause – The Friends have a limited number of individuals on the board 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 the Friend's ability to prevent or detect and correct misstatements, errors, or misappropriation on a timely basis by individuals the normal course of performing their assigned functions.

Recommendation – We realize segregation of duties is difficult with a limited number of individuals. However, the operating procedures should be reviewed to obtain the maximum internal control possible under the circumstances. Current personnel, including elected officials and personnel from other County offices, should be utilized to provide additional control through review of financial transactions and reconciliations. Such reviews should be performed by independent persons and should be documented by the signature or initials of the reviewer and the date of the review.

Response – Moving forward, Friends will do our best to segregate duties.

Conclusion – Responses accepted.

INSTANCES OF NONCOMPLIANCE:

No matters were noted.

<u>Findings Related to Required Statutory Reporting</u>:

2025-A <u>Certified Budget</u> – Disbursements during the year ended June 30, 2025 did not exceed the amounts budgeted by function.

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

2025-D <u>Business Transactions</u> – Business transactions between the County and County officials or employees are detailed as follows:

Vendor and County Connection	Transaction Description	Amount
Benter Inc., owned by father-in-law and husband of Assessor	Dust control	$ 8,000
WM Burger - Land Surveyor, father of Secondary Roads Employee - Matt Burger	Review/Sign off of project	600
Hein Land & Livestock, LLC Husband of Auditor	Animal transportation	100

The Benter Inc. transactions do not appear to represent conflicts of interest in accordance with Chapter 331.342(2)(d) of the Code of Iowa since the remuneration of employment will not be directly affected as a result of the contract and the duties of employment do not directly involve the procurement or preparation of any part of the contract.

In accordance with Chapter 331.342(2)(j) of the Code of Iowa the transactions with WM Burger and Hein Land & Livestock, LLC do not appear to represent a conflict of interest since the total transactions with each individual or business were less than $6,000 during the year.

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

2025-F <u>Bond Coverage</u> – Surety bond coverage of County officials and employees is in accordance with statutory provisions. The amount of coverage should be periodically reviewed to ensure the coverage is adequate for current operations.

2025-G <u>Board Minutes</u> – No transactions were found that we believe should have been approved in the Board minutes but were not.

2025-H <u>Deposits and Investments</u> – No instances of noncompliance with the deposit and investment provisions of Chapter 12B and Chapter 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 Issuance of Warrants – The warrant listing did not contain the signature of the County Treasurer as required by Chapter 331.506(1)(b) of the Code of Iowa.

Recommendation – The County should ensure the warrant listing contains the County Treasurer's signature as required by the Code of Iowa.

Response – This was brought to our attention in January 2025, and we have since been receiving a warrant listing from the County Auditor for the Treasurer's signature.

Conclusion – Response accepted.

Jones County

Staff

This audit was performed by:

Brian R. Brustkern, CPA, Deputy
Gwen D. Fangman, CPA, Manager
William R. Bamber, CPA, Senior Auditor
Brianna M. Denton, Staff Auditor
Dillon J. Hoit, Staff Auditor
Christopher M. Krajicek, Assistant Auditor
Christofer S. Kingrey, Assistant Auditor