

POLK COUNTY, IOWA

**Required Supplementary Information
Schedule of Changes in the County's Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2022**

	Fiscal Year				
	2018	2019	2020	2021	2022
Service cost	\$ 818,000	\$ 849,000	\$ 939,000	\$ 1,213,000	\$ 1,250,000
Interest cost	469,000	489,000	491,000	351,000	365,000
Differences between expected and actual experience	-	-	(799,000)	-	2,324,000
Changes in assumptions or other inputs	(326,000)	446,000	1,546,000	75,000	(403,000)
Benefit payments	(359,000)	(526,000)	(494,000)	(663,000)	(638,000)
Net change in total OPEB liability	602,000	1,258,000	1,683,000	976,000	2,898,000
Total OPEB liability beginning of year	11,467,000	12,069,000	13,327,000	15,010,000	15,986,000
Total OPEB liability end of year	\$ 12,069,000	\$ 13,327,000	\$ 15,010,000	\$ 15,986,000	\$ 18,884,000
Covered payroll	\$ 87,753,289	\$ 90,825,000	\$ 95,838,732	\$ 99,193,000	107,043,000
Total OPEB liability as a percentage of covered payroll	14%	15%	16%	16%	18%

Notes:

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

2017	3.58%
2018	3.87%
2019	3.50%
2020	2.21%
2021	2.16%
2022	3.54%

GASB Statement No. 75 requires the presentation of 10 years of information. However, until a full 10-year trend is compiled, the County will present information for those years which information is available.

(This page was left blank intentionally)

POLK COUNTY, IOWA

**Required Supplementary Information
Schedule of County's Proportionate Share of the Net Pension Liability (Asset)
Iowa Public Employees' Retirement System
For the Year Ended June 30, 2022**

	Fiscal Year		
	2015	2016	2017
County's collective proportion of the net pension liability (asset)	0.772%	0.845%	0.917%
County's collective proportionate share of the net pension liability (asset)	\$ 30,599,492	\$ 41,742,830	\$ 57,706,303
County's covered payroll	\$ 80,989,791	\$ 83,272,164	\$ 85,876,171
County's collective proportionate share of the net pension liability (asset) as a percentage of its covered payroll	37.78%	50.13%	67.20%
IPERS net position as a percentage of the total pension liability (asset)	87.61%	85.19%	81.82%

Note: In accordance with GASB Statement No. 68, the amounts presented for each fiscal year were determined as of June 30 of the preceding year. GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

See Notes to Required Supplementary Information.

Fiscal Year				
2018	2019	2020	2021	2022
0.955%	0.874%	0.859%	0.934%	8.59%
\$ 63,605,131	\$ 55,279,039	\$ 49,746,611	\$ 65,612,952	\$ (29,651,331)
\$ 92,676,838	\$ 92,543,147	\$ 96,884,023	\$ 100,714,922	\$ 102,922,972
68.63%	59.73%	51.35%	65.15%	-28.81%
82.21%	83.62%	85.45%	82.90%	100.81%

POLK COUNTY, IOWA

**Required Supplementary Information
Schedule of County Contributions
Iowa Public Employees' Retirement System
Last Ten Fiscal Years**

	Fiscal Year			
	2013	2014	2015	2016
Statutorily required contribution	\$ 7,178,473	\$ 7,499,317	\$ 7,705,776	\$ 7,897,049
Contributions in relation to the statutorily required contribution	(7,178,473)	(7,499,317)	(7,705,776)	(7,897,049)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
County's covered payroll	N/A	\$ 80,989,791	\$ 83,272,164	\$ 85,876,171
Contributions as a percentage of covered payroll	N/A	9.26%	9.25%	9.20%

N/A - information is not available for this fiscal year.

See Notes to Required Supplementary Information.

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 8,486,841	\$ 8,457,052	\$ 9,303,317	\$ 9,579,734	\$ 9,710,249	\$ 10,007,764
(8,486,841)	(8,457,052)	(9,303,317)	(9,579,734)	(9,710,249)	(10,007,764)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 92,676,838	\$ 92,543,147	\$ 96,884,023	\$ 100,714,922	\$ 102,922,972	\$ 106,969,352
9.16%	9.14%	9.60%	9.51%	9.43%	9.36%

POLK COUNTY, IOWA

Notes to the Required Supplementary Information Pension Liability (Asset) For the Year Ended June 30, 2022

Changes of Benefit Terms:

There are no significant changes in benefit terms.

Changes of Assumptions:

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

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

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

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

POLK COUNTY, IOWA

Required Supplementary Information Budgetary Comparison Schedule All Governmental Funds For the Year Ended June 30, 2022

	Original Budget	Amended Budget	Actual	Variance
REVENUES:				
Property taxes	\$ 194,072,398	\$ 194,278,700	\$ 195,035,229	\$ 756,529
Other County taxes	6,014,803	7,664,803	7,970,889	306,086
Interest and penalty on delinquent taxes	1,225,000	1,225,000	1,409,182	184,182
Intergovernmental	48,552,557	209,400,566	200,443,622	(8,956,944)
Licenses and permits	1,301,950	1,301,950	1,254,351	(47,599)
Charges for services	16,991,918	19,305,051	20,031,907	726,856
Use of money and property	6,670,689	8,144,451	8,456,915	312,464
Miscellaneous	1,727,900	3,130,608	4,878,532	1,747,924
Total receipts	276,557,215	444,451,129	439,480,627	(4,970,502)
EXPENDITURES:				
Current:				
Public safety and legal services	88,783,002	91,819,424	89,525,734	2,293,690
Physical health and social services	42,831,147	43,469,560	38,658,382	4,811,178
Mental health	18,991,222	28,938,316	27,216,004	1,722,312
County environment and education	21,194,547	41,812,513	34,551,592	7,260,921
Roads and transportation	12,428,855	12,778,769	12,102,849	675,920
Government services to residents	9,244,694	9,745,467	9,271,197	474,270
Administration	41,113,515	150,308,883	145,597,951	4,710,932
Debt service	23,046,088	23,277,303	23,174,883	102,420
Capital projects	19,380,356	37,111,219	30,440,984	6,670,235
Total disbursements	277,013,426	439,261,454	410,539,576	28,721,878
OTHER FINANCING SOURCES (USES):				
General long-term debt proceeds	-	-	31,619,321	31,619,321
Proceeds from sale of capital assets	49,000	79,600	99,553	19,953
Transfers in (out)	1,895,299	2,157,897	2,685,255	527,358
Refunded debt/Payments to escrow	-	-	(3,405,000)	(3,405,000)
Total other financing sources (uses)	1,944,299	2,237,497	30,999,129	28,761,632
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES - BUDGETARY BASIS				
	\$ 1,488,088	\$ 7,427,172	59,940,180	\$ 52,513,008
RECONCILIATION TO GAAP BASIS:				
Basis differences:				
Increase (decrease) in accrual basis assets/deferred outflows			15,534,906	
(Increase) decrease in accrual basis liabilities/deferred inflows			(17,544,793)	
			15,534,906	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses - GAAP basis			57,930,293	
Fund balance at beginning of year - GAAP basis			146,072,885	
			146,072,885	
Fund balance at end of year - GAAP basis			\$ 204,003,178	
			\$ 204,003,178	

POLK COUNTY, IOWA

Notes to the Required Supplementary Information Budgetary Reporting For the Year Ended June 30, 2022

The County prepares its budgets on a cash basis. The basic financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

State law mandates that annual budgets for the fiscal year beginning July 1 must be certified to the County Auditor no later than March 15, preceding the beginning of the fiscal year. Amendments to the budget are considered when program activities change. The budgeted amounts presented in the financial statements reflect the original and amended budget.

In accordance with the Code of Iowa and provisions of the Iowa Administrative Code, annual budgets are adopted collectively for the General, Special Revenue, Capital Projects, and Debt Service Funds on the cash basis (budgetary basis) by the Board of Supervisors, following required public notice and hearing. The Board of Supervisors then appropriates by resolution the amounts by program service area deemed necessary for each of the different County offices and departments. Appropriations as adopted or amended lapse at the end of the fiscal year. Thus, no encumbrances exist at year end.

A budget amendment must be prepared and adopted in the same manner as the original budget. The County budget was amended as prescribed and the original and final amended amounts are shown in the budgetary schedules. Supplemental appropriations are provided when unanticipated revenues become available or when unanticipated program expenditures are needed. During the year ended June 30, 2022 there were two supplemental appropriations resulting in an increase in total disbursements of \$162,248,028.

County management may amend detail line-item budgets as long as the total budget for each program service area does not exceed the budgeted level of authorized expenditures.

The legal level of control (the level of which expenditures may not legally exceed appropriations) is program service area for budgeted governmental funds in total, rather than by individual fund type. Formal and legal budgetary control is based on 10 major classes of expenditures known as program service areas. These 10 program service areas are: public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, government services to residents, administration, non-program services, debt service and capital projects. Legal budgetary control is also based upon the appropriation to each office or department, in accordance with State of Iowa statute.

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 Assessor Conference Board, for the 911 System by the Joint 911 Service Board and for Emergency Management, by the County Emergency Management Commission.