Johnson County, Iowa

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2016

Johnson County, Iowa

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2016

Prepared by
Johnson County Finance Department

JOHNSON COUNTY, IOWA

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JOHNSON COUNTY, IOWA

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JOHNSON COUNTY, IOWA

OFFICIALS, DEPARTMENT HEADS

BOARD OF SUPERVISORS:

Rod Sullivan
County Supervisor – Chair
Term expiration: 12/31/2016

Janelle Rettig
County Supervisor
Term expiration: 12/31/2018

Mike Carberry
County Supervisor
Term expiration: 12/31/2018

Terrence Neuzil
County Supervisor
Resigned: 11/30/2015

Pat Harney
County Supervisor
Term expiration: 12/31/2016

Lisa Green-Douglas
County Supervisor
Term: 01/27/16 – 12/31/16

JOHNSON COUNTY, IOWA

OFFICIALS, DEPARTMENT HEADS

ELECTED OFFICIALS:

Tom Kriz
County Treasurer
Term expiration: 12/31/2018

Lonny Pulkrabek
County Sheriff
Term expiration: 12/31/2016

Janet Lyness
County Attorney
Term expiration: 12/31/2018

Travis Weipert
County Auditor
Term expiration: 12/31/2016

Kim Painter
County Recorder
Term expiration: 12/31/2018

JOHNSON COUNTY, IOWA

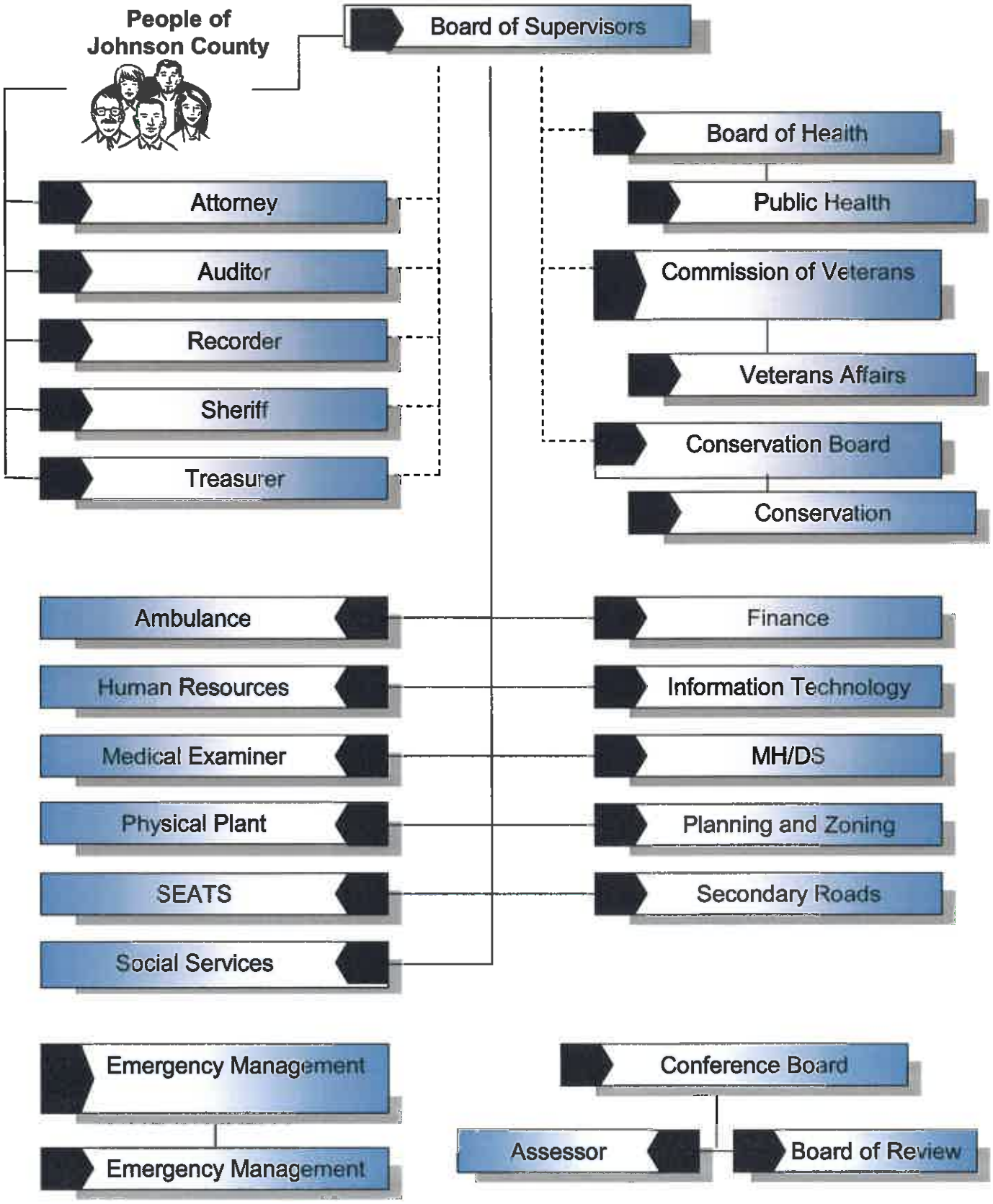
OFFICIALS, DEPARTMENT HEADS

DEPARTMENT HEADS:

Name	Department
Steve Spenler	Ambulance
Larry Gullett	Conservation
Dana Aschenbrenner	Finance
Lora Shramek	Human Resources
Bill Horning	Information Technology
Mike Hensch	Medical Examiner
Jan Shaw	Mental Health/Disability Services
Eldon Slaughter	Physical Plant
Josh Busard	Planning, Development and Sustainability
Doug Beardsley	Public Health
Tom Brase	SEATS
Greg Parker	Secondary Roads
Lynette Jacoby	Social Services
Gary Boseneiler	Veterans Affairs

JOHNSON COUNTY, IOWA

ORGANIZATION CHART



AUDITOR and COMMISSIONER OF ELECTIONS

Travis Weipert
Auditor

January 30, 2017

Board of Supervisors and Citizens
Johnson County, Iowa

The Comprehensive Annual Financial Report (CAFR) for Johnson County, Iowa for the fiscal year ended June 30, 2016, is hereby submitted in accordance with the provisions of Section 331.403 of the Code of Iowa.

This report consists of management's representations concerning the finances of the County. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal controls. Financial internal controls are established to protect the County's assets from loss, theft, misuse and to ensure that generally acceptable accounting principles (GAAP) are followed. Because the cost of internal controls should not exceed the benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from any material misstatements.

Anderson, Larkin, & Co., P.C., a firm of licensed certified public accountants has audited Johnson County's financial statements. The goal of the independent audit was to provide a reasonable assurance that the financial statements for the fiscal year ended June 30, 2016 are free of material misstatement. The independent auditor's report is presented at the front of the Financial Section of this report.

Management's Discussion and Analysis (MD&A) provides a narrative introduction, overview, and analysis to accompany the basic financial statements. The MD&A should be read in conjunction with this letter of transmittal and is located immediately following the independent auditor's report in the Financial Section of this CAFR.

Profile of Johnson County

Johnson County, Iowa was organized in 1837. It currently is governed by a five member Board of Supervisors. Board members serve overlapping four-year terms with elections held every two years. The Board annually adopts a budget and establishes tax rates to support county programs. Also elected to four-year terms are the following officials: Attorney, Auditor, Recorder, Sheriff, and Treasurer. These officials, along with department heads appointed by the Board, are responsible for administration of the programs and policies adopted by the Board of Supervisors.

Johnson County provides a full range of services to the residents. These services include public safety and legal services, physical health and social services, services to people with mental health and physical disabilities, county environment and education, construction and maintenance of secondary roads, general services to residents, and administrative services.

The County is required by the State of Iowa to adopt an annual budget for the total operating expenditures of the county by functional area. The budget is required to be adopted by March 15th prior to the beginning of the fiscal year (July 1). This annual budget serves as the foundation for Johnson County's financial planning and control. The budget is prepared by fund (i.e. general, special revenue, debt), function (i.e. public safety & legal services, physical health & social services), and department (i.e. Sheriff, Human Resources, Medical Examiner). Departments can transfer resources (funds) within their department as they see fit, however, they cannot exceed the total amount budgeted to their department. Transfers between departments and funds, in addition to increasing or reducing a department's budget, requires special approval by the Board of Supervisors in the form of a budget amendment. Budget amendments are typically done in the fall and spring.

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AUDITOR and COMMISSIONER OF ELECTIONS

Travis Weipert
Auditor

Local Economy

Johnson County has the fourth largest population of the ninety-nine counties in the state of Iowa. The cities of Iowa City, Coralville, and North Liberty make up 73% of the county population. The balance of the County is made up rural residents and seven smaller towns each with a population under 2,500.

Based on U.S. Census Bureau information, population of the County has increased by 1,830 from 142,421 in the calendar year 2014 to 144,251 in calendar year 2015, equaling a growth of 1.3% for the year. The 2010 US census shows the County population at 133,733, which equals a 4 year growth of 10,518, or 7.9%. Household income per capita in 2015 was $46,933 up $1,343 or 2.9% from 2014 household income per capita of $45,590.

The labor force living in Johnson County who work in nonfarm employment decreased from about 84,000 in 2014 with an unemployment rate of 3.2% to about 83,100 in 2015 with an unemployment rate of 3.2% unemployment according to Iowa Workforce Development. From July 2014 to June 2015 there was a net decrease of 900 jobs or 1% of the labor force.

The total number of housing units in 2015 was 55,711 units, an increase of 137 or .2% over 2014 units of 55,574 units. In 2011, the number of housing units was 53,910. Johnson County has added 1,801 units in the last 4 years, an increase of 3.3%. New housing starts (single family detached) increased 74 in 2015 for a total value of $26.47 million with an average home value of $347,709. That is an increase in total value of $7.88 million from 2014 total of $18.59 million.

There has been major construction in the County for the last several years. In fiscal year 2016 the University of Iowa had construction projects totaling $490 million. In addition, there were major construction projects for other businesses in the amount of $40.7 million. The large amount of construction in the area has led to a shortage in the construction industry labor pool and thus has increased the cost of construction in Johnson County.

The largest employer in the County is the University of Iowa and University of Iowa Healthcare. The University of Iowa had an increase in revenue of $207.1 million in fiscal year 2016. The University of Iowa Healthcare had an increase in revenues of $17.1 million in fiscal year 2016. The increased funding level for both organizations shows stability for these major employers.

Long Term Financial Planning

The unassigned fund balance in the general fund equals $14,599,342 which is greater than the 30% of the fiscal year 2016 tax asking for the General Basic Fund according to the policy guideline set by the Board of Supervisors for budgetary and planning purposes. Fiscal year 2016 ended with an increase in the general fund balance of $3,546,351. As the county faces cutbacks in state funding and reduced property tax funding, the need to keep a reserve has never been greater.

Relevant Financial Policies

The County has adopted a practice in the last several years of using debt to access Tax Increment Financing (TIF) districts to lower residential property tax askings. The way TIF works is that the frozen base valuations are set at the level of the year prior to the first filing of TIF debt with the County Auditor. Taxes on the frozen base are collected and distributed as they would be if not in the TIF. Increases in valuation in a TIF district are called the increment. Most of the taxes on the increment go to the City to pay off TIF debt.

Debt service levies for all taxing authorities, as well as school physical plant and equipment levy (PPEL) and instructional support levies are distributed to those agencies. Increments are reduced and shifted back to the base when debt is paid or a City requests a reduction. Counties are allowed to finance certain qualified expenses by borrowing the funds and paying off the resulting loans/bonds through the Debt Service fund tax levy.

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The Debt Service levy is the only means available to the County to access the TIF areas via property taxation. The TIF will then be contributing to the cost of county government via the Debt Service levy.

Without the Debt Service tax, TIF areas would contribute very little towards the cost of our County's operations, services or projects. For FY 2016, Johnson County identified $13.9 M of expenses that qualify for financing via loans/bonding which include:

$7.2 M for all County & JECC insurance

$3.0 M for the IWV Road construction project

$1.6 M for capital repairs & improvements

$1.7 M for conservation projects

$0.40 M for technology and equipment purchases

These identified costs are generally unavoidable and would have been a component of the FY 2016 budgeted expenses, financed through either the General Fund tax levy or through the use of the Debt Service Fund tax levy. By using the Debt Service tax levy for these qualified bonding opportunities in FY 2016, the TIF areas within Johnson County contributed ~$1.9M in taxes. These additional TIF taxes have reduced the cost of the typical residential property's tax bill for those qualified expenses by 11.9% or $25.26 per $100,000 of taxable valuation.

Major Initiatives

Three initiatives in the Board of Supervisors Strategic Plan that impacted FY2016 were:

1) Development of capital project standards for supporting energy efficiencies and green building techniques in county maintenance and capital projects. All maintenance and capital projects are now reviewed by the County sustainability staff to ensure energy efficiencies and green building techniques are considered. Solar arrays were installed at the new Secondary Roads maintenance garage. These items address strategic goal I(C).

2) Renovation of the County jail, fund building security items, and established a plan to fund tail and land purchase for Conservation. These items address strategic goals II(A) and II(B).

3) Make the County finances more transparent by improving the standard of the comprehensive annual financial report (CAFR) and annual budget book. These financial documents were submitted to the Government Financial Officers Association (GFOA) award program for review. These items address strategic goals I(E) and III(B).

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Johnson County for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2015. This is the second year the county has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

AUDITOR and COMMISSIONER OF ELECTIONS

Travis Weipert
Auditor

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the Comprehensive Annual Financial Report could not have been completed without the cooperation and services of the staffs of the Auditor and Treasurer offices. In addition, gratitude is expressed to the independent auditors, Anderson, Larkin & Co., P.C., who provided support and assistance in preparing the financial statements. Thank you as well, to the Johnson County Board of Supervisors for their support.

Respectfully submitted,

Dana Aschenbrenner
Finance Administrator

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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Johnson County

Iowa

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

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ANDERSON, LARKIN & CO. P.C.
Certified Public Accountants
"Achieving your goals with our knowledge."

Kenneth E. Crosser, CPA
April D. Crosser, CPA
Michael J. Podliska, CPA
Bradley T. Barnes, CPA

INDEPENDENT AUDITOR'S REPORT

To the Elected Officials of
Johnson County, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Johnson County, Iowa as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the 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 Johnson County, Iowa, as of June 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require management's discussion and analysis, budgetary comparison information, the schedule of the County's proportionate share of the net pension liability, the schedule of County contributions and schedule of funding progress for the retiree health plan on pages 14 through 20 and 54 through 61 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Johnson County, Iowa'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 seven years ended June 30, 2015 (which are not presented herein) and expressed unmodified opinions on those financial statements. The financial statements for the two years ended June 30, 2009 (which are not presented herein) were audited by other auditors, who expressed unmodified opinions on those financial statements. The supplementary information included in Schedules 1 through 7, including the Schedule of Expenditures of Federal Awards required by Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2017, on our consideration of Johnson County, Iowa'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 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 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 Johnson County, Iowa's internal control over financial reporting and compliance.

ANDERSON, LARKIN & CO. P.C.

Anderson, Larkin & Co. P.C.

Ottumwa, Iowa
January 30, 2017

Johnson County, Iowa
Management's Discussion and Analysis (MD&A)
June 30, 2016

Johnson County, Iowa 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, 2016. We encourage readers to consider this information in conjunction with the County's financial statements, which follow.

2016 FINANCIAL HIGHLIGHTS

- Total net position was $130,856,579 at June 30, 2016. This was an increase of $13,728,036 (11.7%) compared to the prior fiscal year.

- Overall revenues of governmental activities increased 3.8% or $3,139,574 from fiscal year 2015. Property and other County tax increased $1,697,375, operating grants, contributions and restricted interest decreased $1,768,905, charges for services increased 495,471, tax credit revenues increased $1,295,175 and capital grants, contributions and restricted interest decreased $5,457,688.

- Overall program expenses increased 1.7%, or $1,096,280 from fiscal year 2015. Public safety and legal services increased $258,407, physical health and social services increased $634,897, mental health expenses increased $1,485,832, county environment and education expenses increased $251,164, roads and transportation expenses decreased $1,946,723, governmental services to residents increased $216,235, administration expense increased $235,493, non-program expenses decreased $1,268, and interest expense on the County's long-term debt decreased by $37,757.

OVERVIEW OF FINANCIAL STATEMENTS

This 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 activities.

- **Government-wide Financial Statements** – Comprise the first two statements, providing both short-term and long-term information about Johnson County, Iowa's overall financial position.

- **Fund Financial Statements** – Focus on reporting how government services were financed in the short term as well as what remains for future spending. Fund financial statements report operations in more detail by providing information about the most significant funds. The remaining statements provide financial information activities for which Johnson County, Iowa acts solely as an agent or custodian for the benefit of those outside of County government (agency funds).

- **Notes to Financial Statements** – provides additional information essential to a full understanding of the data provided in the basic financial statements.

- **Required Supplementary Information** – further explains and supports the financial statements with a comparison of the County's budget for the year, the County's proportionate share of the net pension liability and related contributions and details of the County's funding progress of the retiree health plan.

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

Government-wide Financial Statements

The government-wide financial statements report information about the County as a whole using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most private-sector companies. The statement of net position includes all of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements (Statement of Net Position and the Statement of Activities) report the County's net position and how it has changed. Net position, is the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources and is one way to measure the County's financial health.

- Over time, increases or decreases in the County's net position may serve as an indicator of whether its financial health is improving or deteriorating, respectively.

- To assess the overall health of the County, one needs to consider additional non-financial factors such as changes in population, changes in the property tax base, and changes in program funding by the Federal and State governments, and condition of facilities.

The government-wide financial statements of the County include governmental activities such as public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, governmental services to residents, administration, interest on long term debt, and non-program activities. Most of the County's basic services are included here, such as the Sheriff, County Attorney, Recorder, Treasurer, Auditor, Board of Supervisors, Ambulance, Public Health, Medical Examiner, Paratransit Services (SEATS), Planning & Zoning, Conservation, Human Services, Veteran Affairs, Juvenile Court Services, Mental Health/Developmental Services, rural funding to libraries, Secondary Roads, and Court Services. Property tax and state and federal grants fund most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant funds, not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular programs. Some funds are required to be established by state law. The Board of Supervisors establishes other funds to control and manage money for particular purposes or to show that the County is meeting legal responsibilities for using certain revenues. The County has three kinds of funds:

Governmental funds – Most of the County's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for future use. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information following the governmental fund statements that explains the relationship (or differences) between them. Funds included are the General Fund, Debt Service Fund, Capital Projects Fund, and Special Revenue Funds (Rural Services, Mental Health Fund, Secondary Roads Fund, etc.). The required financial statements for governmental funds include a balance sheet and a statement of revenues, expenditures, and changes in fund balances.

Fiduciary funds – the County is the trustee, or fiduciary, for assets that belong to others. Fiduciary funds for Johnson County include the E-911 Fund, the Empowerment Fund, The Iowa City & Johnson County Assessor Funds, the Emergency Management Fund, the Precinct Atlas Consortium Fund and the Abandoned Storage Fund. The County is responsible for ensuring that assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary assets and liabilities. We exclude these activities from the County-wide financial statements because the County cannot use the assets to finance its operations. The required financial statements for fiduciary funds include a statement of fiduciary assets and liabilities.

Proprietary funds – The County has an internal service fund set up for the administration of its self-funded employee health insurance plans. Funds are paid into the health insurance fund from other County funds for payment of premiums, claims and administration costs. The internal service fund is an accounting device used to accumulate and allocate costs internally among the County's various functions. The required statements include a statement of net position, a statement of revenues, expenses, and changes in fund net position, and a statement of cash flows.

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

FINANCIAL ANALYSIS OF JOHNSON COUNTY -- Net Position

The County's combined net position increased from $117,128,543 to $130,856,579. See Table 1. Analysis will focus on changes in net position for governmental activities.

Table 1:
Net Position

	Governmental Activities		Total Percentage Change
	June 30, 2016	June 30, 2015, as restated	2016-2015
Assets:			
Current assets	$ 101,203,121	$ 92,278,549	9.7 %
Capital assets	117,607,853	111,455,566	5.5
Total assets	218,810,974	203,734,115	7.4
Deferred outflows of resources	3,054,300	2,981,954	2.4
Liabilities:			
Long-term liabilities	31,612,705	27,914,868	13.2
Other liabilities	4,679,266	4,499,669	4.0
Total liabilities	36,291,971	32,414,537	12.0
Deferred inflows of resources	54,716,724	57,172,989	(4.3)
Net position:			
Net investment in capital assets	104,917,853	98,625,566	9.4
Restricted	25,423,792	22,194,269	14.6
Unrestricted	514,934	(3,691,292)	113.9
Total net position	$ 130,856,579	$ 117,128,543	11.7

Changes In Net Position

Net position may serve as an indicator of the government's financial position. The total net position of governmental activities increased by 11.7% compared to fiscal year 2015. The increase in total liabilities for fiscal year 2016 is primarily due to increases in the reported pension liability as required by GASB Statement No. 68. Additionally, the increase to current assets was primarily a result of increases in both the County's cash position and succeeding year taxes receivable. The largest portion of the County's net position is invested in capital assets (land, buildings, equipment), net of related debt. The debt related to investment in capital assets is liquidated with sources other than capital assets. Restricted net position represent resources that are subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used. Unrestricted net position increased from $(3,691,292) in fiscal year 2015 to $514,934 in fiscal year 2016, an increase of 113.9%, due primarily to the effect of the County's increase in total assets and deferred outflows of resources exceeding the increases seen in the County's liabilities, deferred inflows of resources, capital assets net of related debt and restricted net position at fiscal year-end.

Table 2:
Changes in Net Position

	Governmental Activities		Total Percentage Change
	June 30, 2016	June 30, 2015, as restated	2016-2015
Revenues:			
Program revenues:			
Charges for services	$ 8,682,276	$ 8,186,805	6.1 %
Operating grants, contributions and restricted interest	14,620,176	16,389,081	(10.8)
Capital grants, contributions and restricted interest	393,674	5,851,362	(93.3)
General revenues:			
Property and other taxes levied for:			
General purpose	36,740,708	33,145,026	10.8
Debt service	12,621,187	14,539,919	(13.2)
Other county taxes	1,005,973	985,548	2.1
Penalties and interest on property taxes	718,558	163,223	340.2
State tax credits	3,433,072	2,137,897	60.6
Unrestricted investment earnings	352,970	284,516	24.1
Miscellaneous	141,129	165,920	(14.9)
Total revenues	78,709,723	81,849,297	(3.8)
Program expenses:			
Public safety and legal services	21,681,544	21,423,137	1.2
Physical health and social services	9,096,966	8,462,069	7.5
Mental health	7,383,813	5,897,981	25.2
County environment and education	4,181,307	3,930,143	6.4
Roads and transportation	11,406,730	13,353,453	(14.6)
Governmental services to residents	2,259,982	2,043,747	10.6
Administration	8,591,357	8,355,864	2.8
Non-program	5,107	6,375	(19.9)
Interest on long-term debt	374,881	412,638	(9.2)
Total expenses	64,981,687	63,885,407	1.7
Change in net position	13,728,036	17,963,890	(23.6)
Net position beginning of year, as restated	117,128,543	99,164,653	18.8
Net position end of year	$ 130,856,579	$ 117,128,543	11.7

The County increased property taxes levied for 2016 by 4.6%. This increase raised the County's property tax revenue by $2,272,426. Based on increases in the tax levies and total assessed valuation, property tax revenue is budgeted to increase by an additional $3.1 million for fiscal year 2017.

The cost of all government services this year was $64,981,687 compared to $63,885,407 last year. The amount financed by taxpayers was $41,285,561 (See Statement of Activities). Some of the cost was paid for by those who benefited from programs or other government grants and contributions. The County's program revenues decreased from $30,427,248 to $23,696,126 from fiscal year 2015 to 2016, due to substantial decrease in capital grants, contributions and restricted interest and operating grants, contributions and restricted interest. Those decreases are offset by a smaller increase in charges for services revenue during fiscal year 2016.

MAJOR FUND ANALYSIS

Governmental funds reported a combined fund balance of $40,137,612 an increase of $6,322,571 compared to the prior year.

- General Fund revenues had an overall decrease of $5,622,723 due to a decrease in property and other County tax revenue of $3,408,394 an increase in interest and penalty on property tax of $543,435, an increase in intergovernmental revenue of $1,178,947, an increase in licenses and permits revenue of $70,332, an increase in charges for services revenue of $228,672, an increase in use of money and property revenue of $62,368, and an increase in miscellaneous revenue of $130,575. Total General Fund expenditures increased $1,564,148 due to an increase in public safety and legal services expenses of $290,879, an increase in physical health and social services expenses of $543,154, an increase in mental health expenses of $74,062, an increase in county environment and education expenses of $162,031, an increase in governmental services to residents expenses of $183,856 an increase in administration expenses of $238,164, an increase in debt service principal of $15,000, and an increase in capital projects expenses of $68,425. These expense increases were offset by a decrease in non-program expenses of $1,249, and a decrease in debt service interest expense of $10,174.
- Rural Services Fund revenues increased by $332,755 largely as a result of an increase in property tax revenue of $264,196 and an increase in intergovernmental revenue of $61,559. Expenditures increased $183,010 and the transfer out to Secondary Roads increased $384,547 compared to the prior year. The ending fund balance showed a decrease of $99,465 from the prior year to a year-end total $357,889.
- Secondary Roads Fund revenues decreased by $1,202,342 compared to the prior year, largely due to a decrease in intergovernmental revenues. Expenditures decreased in the Secondary Roads Fund by $1,714,157 due to a decrease in capital projects of $1,472,916 and a decrease in roads & transportation expenses of $241,241. Interfund transfers into the Secondary Roads fund increased by $478,053 compared to the prior fiscal year. The ending fund balance showed an increase of $1,176,240 from the prior year to a year-end total of $4,618,034.
- Mental Health Fund revenues decreased by $1,438,583 from the prior year, due largely to a decrease in intergovernmental revenue of $1,400,812. Expenditures increased by $1,455,211 compared to the prior year largely due to increasing transfers from the County to the mental health region. The Mental Health fund balance decreased $1,228,168 to $3,689,519 in 2016.
- Capital Projects Fund revenues, transfers in and other financing sources increased by $3,167,840 and expenditures decreased by $4,087,478. The fund balance increased from $10,601,337 to $13,462,731 in fiscal year 2016. The revenues and expenditures of this class of fund vary depending on the timing of projects.
- Debt Service Fund revenues and transfers in decreased by $1,511,244 and expenditures and transfers out also decreased by $1,579,192 compared to the prior year. The fund balance decreased by $104,220 during FY16, ending the year with a balance of $173,937.

General Fund Budgetary Highlights

Johnson County, Iowa amended the budget twice during the 2016 fiscal year. The first amendment occurred in November 2015 and was necessary to recognize additional grant revenues and grant program expenses, reduction of the Medicaid offset payment and increase the transfer to the mental health region, add revenues and expenses for the Drug Court program, establish budgetary authority for the County's new fleet program, establish a budget for EMS training and additional expenses for juvenile crime prevention, and establish sufficient budgetary authority for the fiscal year's planned and ongoing capital projects expense activity. The second amendment occurred in May 2016. Budgetary adjustments were made for new program grant revenues and associated expenses, capital project expenses, secondary roads repairs and equipment purchases, increased program expenses in juvenile crime prevention and adjustments for merit pay, retirement payouts and other payroll related expenses.

Amendment and other budgetary information is available in the County Auditor's Office or by visiting the Johnson County Iowa Finance department's webpage.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

For fiscal year 2016 the County had a net increase of $6,262,391 in a broad range of capital assets, including land, intangible assets, equipment, vehicles, and infrastructure. Significant expenditures were related to Secondary Roads infrastructure projects, acquisition of technology assets, purchases of vehicles and equipment, County buildings, construction of a new security entrance at the County Courthouse, beginning costs of the new Ambulance/Medical Examiner facility and the final stages of the Mehaffey Bridge project. See Table 3. More detailed information about the County's capital assets is presented in note 4 to the financial statements.

Table 3
Capital Assets

	June 30, 2016	June 30, 2015, As restated	Total Percentage Change 2016 – 2015
Non-Depreciated:			
Land	$ 15,337,706	$ 13,919,180	10.2 %
Intangible assets	197,926	63,845	210.0
Construction in progress	16,312,686	24,092,064	(32.3)
Total not being depreciated	31,848,318	38,075,089	(16.4)
Depreciable:			
Buildings and improvements	44,856,812	39,210,396	14.4
Machinery and equipment	16,849,626	16,091,962	4.7
Infrastructure	88,086,049	77,826,460	13.2
Total depreciable assets	149,792,487	133,128,818	12.5
Total Accumulated depreciation	64,032,952	59,748,341	7.2
Net capital assets	$ 117,607,853	$ 111,455,566	5.5

The County had depreciation expense of $5,025,565 in fiscal year 2016 and total accumulated depreciation of $64,032,952 on June 30, 2016.

The County's fiscal year 2017 amended budget projects spending of $24,297,568 for continued construction and outfitting of a new Ambulance/Medical Examiner facility, Secondary Roads work for the IWV Road project and other road related infrastructure, the County's technology needs, vehicle and equipment acquisitions for many county departments, conservation related land acquisitions and facility improvements and continuing repair, renovation and enhancement of various County buildings and sites. The County annually completes a Five Year Road Plan and Capital Improvement Plan (CIP). Both can be viewed by contacting management or are available on the County's web site www.johnson-county.com.

For more detailed information on the County's capital assets please see Note 4 in the financial statements.

Long-Term Liabilities

At fiscal year end, the County had $31,612,705 in long-term liabilities, consisting of general obligation capital notes, compensated absences, net pension liability, and net OPEB liability (Table 4). In 2016, the County issued $13,940,000 in new general obligation capital loan notes with $7,640,000 being a 120 day short term note that was paid back in the same fiscal year, and $6,300,000 in a three year note. During fiscal year 2016 the County retired $6,440,000 not associated with the short term notes mentioned above.

Table 4
Long-Term Liabilities

	Total Year End Fiscal Year 2016 Long-Term Liabilities June 30, 2016	June 30, 2015	Total Percentage Change 2015-2016
General obligation capital loan notes	$ 12,690,000	$ 12,830,000	(1.1) %
Compensated absences	3,079,881	2,937,736	4.8
Net pension liability	13,781,545	10,195,072	35.2
Net OPEB liability	2,061,279	1,952,060	5.6
Total Long-Term Liabilities	$ 31,612,705	$ 27,914,868	13.2

The Constitution of the State of Iowa limits the amount of general obligation debt counties can issue to 5% of the assessed value of all taxable property with the County's corporate limits ($10,749,978,104). Johnson County, Iowa's outstanding general obligation debt is significantly below its constitutional debt limit of approximately $537 million.

For more detailed information on the County's long-term debt please see Note 6 in the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

At the time these financial statements were prepared and audited, the County was aware of several circumstances that could affect its future financial health:

- Johnson County, Iowa is one of the fastest-growing counties in Iowa. Johnson County Iowa's population grew from 130,882 residents in 2010 to an estimated 144,251 in July of 2015.

- Johnson County, Iowa continues to enjoy a strong economy. Johnson County's June 2016 unemployment rate of 3.2% is below the State average of 4.0% and well below the national average of 4.9%.

- Johnson County Iowa's taxable valuation growth of 7.6% for the FY17 budget year is an indication of the County's overall economic stability and continuing financial viability.

- Recent legislative changes in the taxation of commercial property will continue to cause a significant shift of the property tax burden from commercial properties to residential properties and will present an ongoing challenge to local governmental funding now and into the near future.

- The use of tax increment financing (TIF) by most cities in Johnson County, Iowa continues to pose challenges to other local governments, including Johnson County, Iowa. Johnson County, Iowa has the ability to tax the incremental growth in the value of these TIF districts only through the use of the debt service levy, which the County has deliberately utilized to lower the tax impact on their County's residential property owners.

- Reorganization of Mental Health and Disability Services from a county based system to a regional system as implemented by the State of Iowa will continue to significantly impact the provision of services and how they are funded locally.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, stakeholders, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact:

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JOHNSON COUNTY, IOWA

BASIC FINANCIAL STATEMENTS

Exhibit A

JOHNSON COUNTY, IOWA

STATEMENT OF NET POSITION
JUNE 30, 2016

	Governmental Activities
ASSETS:	
Cash, cash equivalents and pooled investments	$ 44,269,339
Receivables:	
Property tax:	
Delinquent	110,831
Succeeding year	52,593,024
Accounts	1,514,200
Due from other governments	1,972,664
Inventories	295,561
Prepaid expenses	447,502
Land, construction in progress and intangible assets	31,848,318
Other capital assets, net of accumulated depreciation	85,759,535
Total assets	218,810,974
DEFERRED OUTFLOWS OF RESOURCES:	
Pension related deferred outflows	3,054,300
LIABILITIES:	
Accounts payable	2,754,559
Accrued interest payable	22,865
Salaries and benefits payable	1,095,502
Due to other governments	205,197
Contracts payable	294,143
Unearned revenue	307,000
Long-term liabilities:	
Portion due or payable within one year:	
General obligation notes	4,920,000
Compensated absences	3,079,881
Portion due or payable after one year:	
General obligation notes	7,770,000
Net pension liability	13,781,545
Net OPEB liability	2,061,279
Total liabilities	36,291,971
DEFERRED INFLOWS OF RESOURCES:	
Succeeding year property tax revenue	52,593,024
Pension related deferred inflows	2,123,700
	54,716,724
NET POSITION:	
Net investment in capital assets	104,917,853
Restricted for:	
Rural services purposes	357,889
Supplemental levy purposes	2,241,868
Secondary roads purposes	4,618,034
Mental health purposes	3,689,519
Capital projects	13,462,731
Debt service	173,937
Other purposes	879,814
Unrestricted	514,934
Total net position	$ 130,856,579

See Notes to Financial Statements

Exhibit B

JOHNSON COUNTY, IOWA

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2016

	Expenses	Program Revenues: Charges for Service	Program Revenues: Operating Grants, Contributions and Restricted Interest	Program Revenues: Capital Grants, Contributions and Restricted Interest	Net (Expense) Revenue and Changes in Net Position
FUNCTIONS/PROGRAMS:					
Governmental activities:					
Public safety and legal services	$ 21,681,544	$ 3,063,034	$ 1,350,778	$ -	$ (17,267,732)
Physical health and social services	9,096,966	551,161	3,841,032	-	(4,704,773)
Mental health	7,383,813	934,351	2,097,142	-	(4,352,320)
County environment and education	4,181,307	525,305	995,930	-	(2,660,072)
Roads and transportation	11,406,730	54,048	6,081,987	372,424	(4,898,271)
Governmental services to residents	2,259,982	2,159,040	91,473	-	(9,469)
Administration	8,591,357	1,395,337	161,834	-	(7,034,186)
Non-program	5,107	-	-	21,250	16,143
Interest on long-term debt	374,881	-	-	-	(374,881)
Total	$ 64,981,687	$ 8,682,276	$ 14,620,176	$ 393,674	(41,285,561)
General revenues:					
Property and other County tax levied for:					
General purposes					36,740,708
Debt service					12,621,187
Other County taxes					1,005,973
Penalty and interest on property tax					718,558
State tax credits and replacements					3,433,072
Unrestricted investment earnings					352,970
Miscellaneous					141,129
Total general revenues					55,013,597
Change in net position					13,728,036
NET POSITION - Beginning of year, as restated					117,128,543
NET POSITION - End of year					$ 130,856,579

See Notes to Financial Statements

JOHNSON COUNTY, IOWA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

		Special Revenue		
	General	Rural Services	Secondary Roads	Mental Health
ASSETS				
Cash, cash equivalents and pooled investments	$ 16,480,034	$ 361,297	$ 4,382,370	$ 3,452,389
Receivables:				
Property tax:				
Delinquent	81,802	11,695	-	3,684
Succeeding year	29,001,196	5,226,481	-	2,985,085
Accounts	1,344,321	-	895	10
Due from other governments	1,259,523	-	451,372	261,769
Inventories	734	-	294,827	-
Prepaid items	213,651	-	16,784	-
TOTAL ASSETS	$ 48,381,261	$ 5,599,473	$ 5,146,248	$ 6,702,937
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES:				
Accounts payable	$ 451,124	$ -	$ 289,441	$ 1,840
Salaries and benefits payable	946,617	2,014	123,978	22,893
Contracts payable	-	-	27,223	-
Due to other governments	115,445	2,126	87,572	54
TOTAL LIABILITIES	1,513,186	4,140	528,214	24,787
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenues:				
Succeeding year property tax	29,001,196	5,226,481	-	2,985,085
Other	911,191	10,963	-	3,546
TOTAL DEFERRED INFLOWS OF RESOURCES	29,912,387	5,237,444	-	2,988,631
FUND BALANCES:				
Nonspendable:				
Inventories	734	-	294,827	-
Prepaid expenses	213,651	-	16,784	-
Restricted for:				
Supplemental levy purposes	2,141,961	-	-	-
Mental health purposes	-	-	-	3,689,519
Rural services purposes	-	357,889	-	-
Secondary roads purposes	-	-	4,306,423	-
Debt service	-	-	-	-
Capital projects	-	-	-	-
Other purposes	-	-	-	-
Assigned	-	-	-	-
Unassigned	14,599,342	-	-	-
TOTAL FUND BALANCES	16,955,688	357,889	4,618,034	3,689,519
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 48,381,261	$ 5,599,473	$ 5,146,248	$ 6,702,937

See Notes to Financial Statements

Capital Projects	Debt Service	Other Nonmajor Governmental Funds	Total
$ 14,322,140	$ 173,273	$ 878,344	$ 40,049,847
-	13,650	-	110,831
-	15,380,262	-	52,593,024
7,062	-	3,580	1,355,868
-	-	-	1,972,664
-	-	-	295,561
216,966	-	101	447,502
$ 14,546,168	$ 15,567,185	$ 882,025	$ 96,825,297
$ 816,517	$ -	$ 2,211	$ 1,561,133
-	-	-	1,095,502
266,920	-	-	294,143
-	-	-	205,197
1,083,437	-	2,211	3,155,975
-	15,380,262	-	52,593,024
-	12,986	-	938,686
-	15,393,248	-	53,531,710
-	-	-	295,561
216,966	-	101	447,502
-	-	-	2,141,961
-	-	-	3,689,519
-	-	-	357,889
-	-	-	4,306,423
-	173,937	-	173,937
3,288,787	-	-	3,288,787
-	-	879,713	879,713
9,956,978	-	-	9,956,978
-	-	-	14,599,342
13,462,731	173,937	879,814	40,137,612
$ 14,546,168	$ 15,567,185	$ 882,025	$ 96,825,297

JOHNSON COUNTY, IOWA

Exhibit D

JOHNSON COUNTY, IOWA

RECONCILIATION OF THE BALANCE SHEET -
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2016

TOTAL GOVERNMENTAL FUND BALANCES		$ 40,137,612
AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION ARE DIFFERENT BECAUSE:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds. The cost of assets is $181,638,205 and the accumulated depreciation is $63,920,248.		
Land	$ 15,337,706	
Intangible assets	197,926	
Construction in progress	16,312,686	
Infrastructure	50,288,513	
Buildings and improvements	30,924,496	
Machinery and equipment	4,546,526	
Total capital assets, net		117,607,853
Other long-term assets are not available to pay current year expenditures and, therefore, are recognized as deferred inflows in the governmental funds.		631,686
The Internal Service Fund is used by the County to charge the costs of partial self-funding of the County's health insurance benefit plan to the individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position.		3,184,398
Pension related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental fund, as follows:		
Deferred outflows of resources	3,054,300	
Deferred inflows of resources	(2,123,700)	930,600
Long-term liabilities, including capital loan notes payable, accrued interest payable, compensated absences payable net pension liability and net OPEB liability are not due and payable in the current year and, therefore, are not reported in the governmental funds.		
General obligation capital loan notes payable	(12,690,000)	
Accrued interest on capital loan notes	(22,865)	
Compensated absences	(3,079,881)	
Net pension liability	(13,781,545)	
Net OPEB liability	(2,061,279)	
Total long-term liabilities		(31,635,570)
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 130,856,579

See Notes to Financial Statements

JOHNSON COUNTY, IOWA

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

		Special Revenue		
	General	Rural Services	Secondary Roads	Mental Health
REVENUES:				
Property and other County tax	$ 29,507,113	$ 4,988,448	$ -	$ 3,038,083
Interest and penalty on property tax	712,984	-	-	-
Intergovernmental	10,871,138	223,640	6,135,307	1,117,117
Licenses and permits	741,202	-	6,900	-
Charges for service	4,370,708	-	-	-
Use of money and property	317,994	-	287	-
Miscellaneous	1,377,676	-	64,364	1,977
Total revenues	47,898,815	5,212,088	6,206,858	4,157,177
EXPENDITURES:				
Operating:				
Public safety and legal services	20,996,874	-	-	-
Physical health and social services	9,017,307	-	-	-
Mental health	2,133,589	-	-	5,385,445
County environment and education	2,941,502	1,086,938	-	-
Roads and transportation	-	-	8,842,350	-
Governmental services to residents	2,186,648	-	-	-
Administration	7,728,567	-	-	-
Non-program	3,183	-	-	-
Debt service:				
Principal	385,000	-	-	-
Interest	73,483	-	-	-
Capital projects	103,001	-	1,517,514	-
Total expenditures	45,569,154	1,086,938	10,359,864	5,385,445
Excess (deficiency) of revenues over (under) expenditures	2,329,661	4,125,150	(4,153,006)	(1,228,268)
Other financing sources (uses):				
Capital loan notes issued	4,600,000	-	-	-
Sale of capital assets	17,195	-	290	100
Transfers in	7,640,000	-	5,328,956	-
Transfers out	(11,040,505)	(4,224,615)	-	-
Total other financing sources (uses)	1,216,690	(4,224,615)	5,329,246	100
Change in fund balances	3,546,351	(99,465)	1,176,240	(1,228,168)
FUND BALANCES - Beginning of year	13,409,337	457,354	3,441,794	4,917,687
FUND BALANCES - End of year	$ 16,955,688	$ 357,889	$ 4,618,034	$ 3,689,519

See Notes to Financial Statements

Capital Projects	Debt Service	Nonmajor Governmental Funds	Total
$ -	$ 12,831,106	$ -	$ 50,364,750
-	-	-	712,984
-	892,686	1,016,571	20,256,459
-	-	-	748,102
-	-	28,863	4,399,571
13,070	-	21,391	352,742
74,148	-	26,463	1,544,628
87,218	13,723,792	1,093,288	78,379,236
-	-	12,853	21,009,727
-	-	-	9,017,307
-	-	-	7,519,034
-	-	-	4,028,440
-	-	-	8,842,350
-	-	10,775	2,197,423
-	-	-	7,728,567
-	-	-	3,183
-	6,055,000	-	6,440,000
-	303,012	-	376,495
8,581,279	-	1,010,680	11,212,474
8,581,279	6,358,012	1,034,308	78,375,000
(8,494,061)	7,365,780	58,980	4,236
1,700,000	-	-	6,300,000
750	-	-	18,335
9,654,705	170,000	111,459	22,905,120
-	(7,640,000)	-	(22,905,120)
11,355,455	(7,470,000)	111,459	6,318,335
2,861,394	(104,220)	170,439	6,322,571
10,601,337	278,157	709,375	33,815,041
$ 13,462,731	$ 173,937	$ 879,814	$ 40,137,612

Exhibit F

JOHNSON COUNTY, IOWA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2016

CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		$ 6,322,571
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 expense to allocate those expenditures over the life of the assets. Capital outlays expenditures and contributed assets exceeded depreciation expense in the current year as follows:		
Expenditures for capital assets	$ 10,862,750	
Capital assets contributed by the Iowa Department of Transportion	337,203	
Depreciation expense	(5,025,565)	6,174,388
In the Statement of Activities, the loss on disposal of capital assets is reported, whereas the governmental funds report the proceeds from the disposition as an increase in financial resources.		(22,101)
Proceeds from issuing long-term debt provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Current year repayments exceeded issues, as follows:		
Issued	(6,300,000)	
Repaid	6,440,000	140,000
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 in the governmental funds.		(2,949)
The current year County employer share of IPERS contributions are reported as expenditures in the governmental funds, but are reported as a deferred outflow of resources in the Statement of Net Position.		2,431,993
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds, as follows:		
Compensated absences	(142,145)	
Interest on long-term debt	1,614	
Pension expense	(1,136,564)	
Net OPEB liability	(109,219)	(1,386,314)
The Internal Service Fund is used by the County to charge the costs of partial self-funding of the County's health insurance benefit plan to individual funds. The change in net position of the Internal Service Fund is reported with governmental activities.		70,448
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 13,728,036

See Notes to Financial Statements

Exhibit G

JOHNSON COUNTY, IOWA

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2016

	Internal Service - Employee Group Health
CURRENT ASSETS:	
Cash, cash equivalents and pooled investments	$ 4,219,492
Receivables:	
Accounts	158,332
Total assets	4,377,824
CURRENT LIABILITIES:	
Accounts payable	196,252
Claims payable	997,174
Total liabilities	1,193,426
NET POSITION:	
Unrestricted	$ 3,184,398

See Notes to Financial Statements

Exhibit H

JOHNSON COUNTY, IOWA

STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2016

	Internal Service - Employee Group Health
OPERATING REVENUES:	
Reimbursements from operating funds	$ 6,345,631
Reimbursements from employees	766,195
Total operating revenues	7,111,826
OPERATING EXPENSES:	
Medical and health services	5,728,569
Accounting, auditing and clerical	1,322,079
Miscellaneous	100
Total operating expenses	7,050,748
Operating income	61,078
NON-OPERATING REVENUES:	
Interest income	9,370
Net income	70,448
NET POSITION - Beginning of year	3,113,950
NET POSITION - End of year	$ 3,184,398

See Notes to Financial Statements

Exhibit I

JOHNSON COUNTY, IOWA

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2016

	Internal Service - Employee Group Health
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from operating fund reimbursements	$ 6,216,861
Cash received from employees and others	766,195
Cash paid for administrative fees and miscellaneous	(1,303,133)
Cash paid for medical claims and insurance premiums	(5,540,922)
NET CASH PROVIDED BY OPERATING ACTIVITIES	139,001
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest on investments	9,370
NET INCREASE IN CASH, CASH EQUIVALENTS AND POOLED INVESTMENTS	148,371
CASH, CASH EQUIVALENTS AND POOLED INVESTMENTS - Beginning of year	4,071,121
CASH, CASH EQUIVALENTS AND POOLED INVESTMENTS - End of year	$ 4,219,492
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating income	$ 61,078
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in accounts receivable	(128,769)
Increase in accounts payable	206,692
Net cash provided by operating activities	$ 139,001

See Notes to Financial Statements

Exhibit J

JOHNSON COUNTY, IOWA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES-
AGENCY FUNDS
JUNE 30, 2016

ASSETS

Cash, cash equivalents and pooled investments:		
County Treasurer	$	5,660,582
Other County officials		524,598
Receivables:		
Accounts receivable		124,710
Property tax:		
Delinquent		181,308
Succeeding year		217,295,458
Special Assessments		42,708
Due from other governments		252,100
Prepaid items		66,801
TOTAL ASSETS		224,148,265

LIABILITIES

Accounts payable		203,039
Salaries and benefits payable		51,519
Compensated absences		116,544
Due to other governments		223,560,977
Trusts payable		216,186
TOTAL LIABILITIES		224,148,265
NET POSITION	$	-

See Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Johnson County, Iowa 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 U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

A. Reporting Entity

For financial reporting purposes, Johnson County, Iowa 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 the 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. The County has no component units which meet the Governmental Accounting Standards Board criteria.

Jointly Governed Organizations – The County also 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: Johnson County Assessor's Conference Board, Iowa City Assessor's Conference Board, County Emergency Management Commission, Johnson County Joint E911 Service Board, and the Johnson County Council of Governments. 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 Agency Funds of the County, except for the Johnson County Council of Governments.

B. Basis of Presentation

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

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

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

Restricted net position result when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Enabling legislation did not result in any restricted net position.

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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

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

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

The County reports the following major governmental funds.

The General Fund is the general operating fund of the County. All general tax revenues and other revenues not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges and the capital improvement costs that are 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, required transfers from the General Fund and the Special Revenue, Rural Services Fund and other revenues to be used for secondary road construction and maintenance.

The Mental Health Fund is used to account for property tax and other revenues to be used to fund mental health, intellectual disabilities, and developmental disabilities services.

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

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

Additionally, the County reports the following funds:

Proprietary Fund

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

Fiduciary Funds

Agency 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting

The government-wide and proprietary 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 capital leases 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-reimbursements grant resources to such programs, followed by categorical block grants, and then by general revenues.

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Equity

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

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

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

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

Property tax receivable is recognized in these funds on the levy or lien date, which is the date the tax asking is certified by the County Board of Supervisors. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax receivable 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 March 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 deferred 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 becomes due and collectible in September and March of the fiscal year with a 1.5% per month penalty for delinquent payments; is based on January 1, 2014 assessed property valuations; is for the tax accrual period July 1, 2015 through June 30, 2016 and reflects the tax asking contained in the budget certified by the County Board of Supervisors in March 2015.

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, which include property, equipment and vehicles, intangibles and infrastructure assets acquired after July 1, 1980 (e.g., roads, bridges, curbs, gutters, sidewalks, and similar items which are immovable and of value only to the County), are reported in the governmental activities column in the government-wide Statement of Net Position. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Equity (Continued)

Capital Assets (Continued)

Asset Class	Amount
Infrastructure	$ 50,000
Intangibles	25,000
Other capital assets	5,000

Capital assets of the County are depreciated using the straight line method over the following estimated useful lives:

Asset Class	Estimated Useful lives (In Years)
Buildings	15-40
Improvements other than buildings	10-40
Infrastructure	20-65
Intangibles	2-30
Furnishings and equipment	2-30

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

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

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

Compensated Absences – County employees accumulate a limited amount of earned but unused vacation and sick leave hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide, proprietary fund and fiduciary fund financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees that have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2016. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund and the Special Revenue, Mental Health, Rural Services and Secondary Roads Funds.

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Equity (Continued)

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.

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

Deferred inflows of resources in the Statement of Net Position consist of succeeding year property tax receivables that will not be recognized until the year for which it is levied, deferred revenues and the unamortized portion of the net difference between projected and actual earnings on IPERS' investments.

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

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

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

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

Unassigned – All amounts not included in the preceding classifications.

Net Position – The net position of the Internal Service, Employee Group Health Fund is designated for anticipated future catastrophic losses of the County.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2016, disbursements did not exceed the amounts budgeted.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Accordingly, actual results could differ from those estimates.

NOTE 2: CASH, CASH EQUIVALENTS AND POOLED INVESTMENTS

The County's deposits in banks at June 30, 2016 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

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

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

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

Credit Risk – The County's investment policy limits investment in commercial paper and other corporate debt to the top two highest classifications. The County did not invest in any commercial paper or other corporate debt during the year.

Concentration of Credit Risk – The County's investment policy does not allow for a prime bankers acceptance or commercial paper and other corporate debt balances to be greater than ten percent of its total deposits and investments. The policy also limits the amount that can be invested in a single issue to five percent of its total deposits and investments. The County held no such investments during the year.

Custodial Credit Risk – For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County did not hold any such investments during the year.

NOTE 3: INTERFUND TRANSFERS

The detail of interfund transfers for the year ended June 30, 2016 is as follows:

Transfer To	Amount	Transfer from	Amount
Special Revenue:			
Secondary Roads	$ 5,328,956	General Fund	$ 1,104,341
		Special Revenue:	
		Rural Basic	4,224,615
			5,328,956
Debt Service	170,000	General Fund	170,000
Special Revenue:			
Capital Projects	9,654,705	General Fund	9,654,705
Special Revenue:			
Conservation Trust	111,459	General Fund	111,459
General Basic	7,640,000	Debt Service	7,640,000
	$ 22,905,120		$ 22,905,120

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

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2016 was as follows:

	Balance Beginning of Year, as Restated	Increases	Decreases	Balance End of Year
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 13,919,180	$ 1,418,526	$ -	$ 15,337,706
Intangible assets	63,845	134,081	-	197,926
Construction in progress	24,092,064	9,573,904	17,353,282	16,312,686
Total capital assets not being depreciated	38,075,089	11,126,511	17,353,282	31,848,318
Capital assets being depreciated:				
Buildings	38,089,044	5,452,355	28,750	43,512,649
Improvements other than buildings	1,121,352	222,811	-	1,344,163
Furnishings and equipment	16,091,962	1,491,969	734,305	16,849,626
Infrastructure	77,826,460	10,259,589	-	88,086,049
Total capital assets being depreciated	133,128,818	17,426,724	763,055	149,792,487
Less accumulated depreciation for:				
Buildings	12,470,288	1,311,494	6,649	13,775,133
Improvements other than buildings	114,345	42,838	-	157,183
Furnishings and equipment	11,868,776	1,168,629	734,305	12,303,100
Infrastructure	35,294,932	2,502,604	-	37,797,536
Total accumulated depreciation	59,748,341	5,025,565	740,954	64,032,952
Total capital assets being depreciated, net	73,380,477	12,401,159	22,101	85,759,535
Governmental activities capital assets, net	$ 111,455,566	$ 23,527,670	$ 17,375,383	$ 117,607,853

NOTE 4: CAPITAL ASSETS (Continued)

Depreciation expense was charged to the following functions:

Governmental activities:		
Public safety and legal services	$	719,962
Physical health and social services		436,056
Mental health		4,980
County environment and education		280,933
Roads and transportation		3,168,917
Governmental services to residents		26,547
Administration		386,246
Non-program		1,924
Total depreciation expense - governmental activities	$	5,025,565

NOTE 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, 2016 is as follows:

Fund	Description		Amount
General	Services	$	115,445
Special Revenue:			
Rural Services	Services		2,126
Secondary Roads	Services		87,572
Mental Health	Services		54
Total for governmental funds		$	205,197
Agency:			
County Assessor	Collections	$	1,565,231
City Assessor			1,089,580
Schools			100,022,875
Community Colleges			7,476,290
Corporations			107,314,170
Townships			950,820
E911 Surcharge			283,188
Auto License and Use Tax			3,136,838
Other			1,721,985
Total for agency funds		$	223,560,977

NOTE 6: LONG-TERM LIABILITIES

The County issues general obligation capital loan notes to provide funds for the acquisition, improvement, and construction of major capital facilities and for the purchase of technology and related equipment. General obligation capital loan notes have been issued for these types of governmental activities.

NOTE 6: LONG-TERM LIABILITIES (Continued)

General obligation capital loan notes are direct obligations and pledge the full faith and credit of the County. These notes are generally issued as serial notes with varying amounts of principal maturing annually and with interest payable semi-annually. General obligation capital loan notes outstanding at June 30, 2016, are as follows:

General Obligation Notes

Purpose	Date of Issue	Final Maturity	Interest Rates	Amount Originally Issued	Amount Outstanding End of Year
County Improvements	03/2009	06/2020	2.00% - 3.85%	$ 4,100,000	$ 1,715,000
County Improvements	03/2009	06/2021	3.00% - 4.00%	11,000,000	5,325,000
County Improvements	12/2014	06/2017	0.35% - 0.75%	4,350,000	1,450,000
County Improvements	12/2015	06/2018	0.40% - 0.85%	6,300,000	4,200,000
				$ 25,750,000	$ 12,690,000

A summary of the County's June 30, 2016 general obligation capital loan notes is as follows:

Year Ending June 30,	General Obligation Capital Loan Notes		
	Principal	Interest	Total
2017	$ 4,920,000	$ 308,883	$ 5,228,883
2018	3,530,000	238,458	3,768,458
2019	1,495,000	167,822	1,662,822
2020	1,575,000	109,110	1,684,110
2021	1,170,000	46,800	1,216,800
Total	$ 12,690,000	$ 871,073	$ 13,561,073

During the year ended June 30, 2016, the County retired $6,440,000 and issued $6,300,000 of general obligation capital loan notes.

A summary of changes in long-term liabilities for the year ended June 30, 2016 is as follows:

	General Obligation Capital Loan Notes	Net Pension Liability	Net OPEB Liability	Compensated Absences	Total
Balance beginning of year	$ 12,830,000	$ 10,195,072	$ 1,952,060	$ 2,937,736	$ 27,914,868
Increases	6,300,000	3,586,473	109,219	3,079,881	13,075,573
Decreases	6,440,000	-	-	2,937,736	9,377,736
Balance end of year	$ 12,690,000	$ 13,781,545	$ 2,061,279	$ 3,079,881	$ 31,612,705
Due within one year	$ 4,920,000	$ -	$ -	$ 3,079,881	$ 7,999,881

NOTE 7: SHORT-TERM LIABILITIES

In December 2015, the County issued $3,700,000 of General Obligation County Purpose Bonds, Series 2015A, and $3,940,000 of General Obligation County Purpose Bonds, Series 2015B, both are short-term 120 day issues to acquire computer equipment and technology to be used in County buildings, and for various County building improvements and various County insurance programs. The Series 2015A was repaid on March 24, 2016 for $3,703,700 and the Series 2015B was repaid on March 24, 2016 for $3,943,940.

NOTE 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 Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at 7401 Register Drive P.O. Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

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

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, anytime 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.

Sheriff and deputy and protection occupation members may retire at normal retirement age, which is generally at age 55. Sheriff and deputy and protection occupation members may retire anytime after reaching age 50 with 22 or more years of covered employment.

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

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

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

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

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

NOTE 8: PENSION PLAN (Continued)

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 that the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2016, pursuant to the required rate. Regular members contributed 5.95 percent of covered payroll and the County contributed 8.93 percent of covered payroll for a total rate of 14.88 percent. The Sheriff, deputies and the County both contributed 9.88 percent of covered payroll for a total rate of 19.76 percent. Protection occupation members contributed 6.56 percent of covered payroll and the County contributed 9.84 percent of covered payroll for a total rate of 16.40 percent.

The County's contributions to IPERS for the year ended June 30, 2016 totaled $2,431,993.

Net Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2016, the County reported a liability of $13,781,545 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, 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, 2015, the County's collective proportion was .2789513 percent which was an increase of .021883 from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the County recognized pension expense of $1,136,564. At June 30, 2016, 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	$ 204,341	$ 213,215
Changes of assumptions	372,368	170,865
Net difference between projected and actual earnings on IPERS investments	-	1,694,185
Changes in proportion and differences between County contributions and the County's proportionate share of contributions	45,598	45,435
County contributions subsequent to the measurement date	2,431,993	-
Total	$ 3,054,300	$ 2,123,700

NOTE 8: PENSION PLAN (Continued)

Net Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

$2,431,993 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 ended June 30, 2017. 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 Ended June 30,		Total
2017	$	(773,525)
2018		(773,525)
2019		(773,525)
2020		813,337
2021		5,845
	$	(1,501,393)

There were no non-employer contributing entities at IPERS.

Actuarial Assumptions – The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of Inflation (effective June 30, 2014)	3.00 percent per annum.
Rates of salary increase (effective June 30, 2010)	4.00 to 17.00 percent, average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 1996)	7.50 percent compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 1990)	4.00 percent per annum, based on 3.00 percent inflation and 1.00 percent real wage inflation.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of actuarial experience studies with dates corresponding to those listed above.

Mortality rates were based on the RP-2000 Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

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 arithmetic 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
Core plus fixed income	28 %	2.04 %
Domestic equity	24	6.29
International equity	16	6.75
Private equity/debt	11	11.32
Real estate	8	3.48
Credit opportunities	5	3.63
U.S. TIPS	5	1.91
Other real assets	2	6.24
Cash	1	(0.71)
Total	100 %	

NOTE 8: PENSION PLAN (Continued)

Discount Rate – The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that contributions from the County will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on IPERS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate.

	1% Decrease (6.5%)	Discount Rate (7.5%)	1% Increase (8.5%)
County's proportionate share of the net pension liability	$ 28,996,981	$ 13,781,545	$ 956,960

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, 2016.

NOTE 9: RISK MANAGEMENT

Johnson County, Iowa is a member in the Iowa Communities Assurance Pool, as allowed by Chapter 331.301 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool whose 746 members include various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, public officials liability, police professional liability, property, inland marine and boiler/machinery. There have been no reductions in insurance coverage from prior years.

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

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

The County's property and casualty contributions to the risk pool are recorded as expenditures from its operating funds at the time of payment to the risk pool. The County's contributions to the Pool for the year ended June 30, 2016 were $504,319.

NOTE 9: RISK MANAGEMENT (Continued)

The Pool uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. The Pool retains general, automobile, police professional, and public officials' liability risks up to $350,000 per claim. Claims exceeding $350,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the County's risk-sharing certificate. Property and automobile physical damage risks are retained by the Pool up to $250,000 each occurrence, each location. Property risks exceeding $250,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the County's risk-sharing certificate.

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

The County does not report a liability for losses in excess of reinsurance or excess risk-sharing recoveries unless it is deemed probable such losses have occurred and the amount of such loss can be reasonably estimated. Accordingly, at June 30, 2016, no liability has been recorded in the County's financial statements. As of June 30, 2016, settled claims have not exceeded the risk pool or reinsurance coverage since the pool's inception.

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

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

NOTE 10: EMPLOYEE HEALTH INSURANCE PLAN

The Internal Service, Employee Group Health Fund was established to account for partial self funding of the County's health insurance benefit plan. The plan is funded by both employee and County contributions and is administered through a service agreement with Wellmark. Health benefits were self-insured up to a specific stop loss limitation of $50,000 and an aggregate annual stop-loss amount of approximately $6,860,803 for fiscal year 2016. Coverage from a private insurance company is maintained for losses in excess of the aggregate stop-loss amount.

Monthly payments of service fees and plan contributions to the Employee Group Health Fund are recorded as expenditures from the operating funds. Under the administrative services agreement, monthly payments of service fees and claims processed are paid to Wellmark from the Employee Group Health Fund. The County's contribution for the year ended June 30, 2016 was $6,345,631.

NOTE 10: EMPLOYEE HEALTH INSURANCE PLAN (Continued)

Amounts payable from the Employee Group Health Fund at June 30, 2016 total $997,174 which is for incurred but not reported (IBNR) and reported but not paid claims. The amounts are based on actuarial estimates of the amounts necessary to pay prior-year and current-year claims and to establish a reserve for catastrophic losses. That reserve was $3,184,398 at June 30, 2016 and is reported as a designation of the Internal Service, Employee Group Health Fund net position. A liability has been established based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Settlements have not exceeded the stop-loss coverage in any of the past three years. A reconciliation of changes in the aggregate liability for claims for the current year is as follows:

Unpaid claims beginning of year	$ 863,495
Incurred claims (including claims incurred but not reported at June 30, 2016)	5,728,569
Payments:	
Payment on claims during the fiscal year	(5,594,890)
Unpaid claims end of year	$ 997,174

NOTE 11: CONDUIT DEBT OBLIGATIONS

From time to time, the County has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2016, there were two issues of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of $2,048,386.

NOTE 12: CONSTRUCTION COMMITMENTS

The County has entered into seven contracts totaling $20,487,795 for building, road and other construction projects. As of June 30, 2016, costs of $13,047,281 on the projects have been incurred. The balance remaining on the projects at June 30, 2016, $7,440,514 will be paid as work on the projects progress.

NOTE 13: LITIGATION

The County Attorney reported that as of June 30, 2016, various claims and lawsuits were on file against the County. The probability of loss, if any, is undeterminable. In most cases, any losses as a result of these claims and lawsuits would be covered by the County's insurance policies, less their deductible.

NOTE 14: OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description – The County operates a single-employer health benefit plan which provides medical/prescription drug benefits for employees, retirees and their spouses. There are 471 active and 36 retired members in the plan. Retired participants must be age 55 or older at retirement.

The medical/prescription drug benefits, are provided through a partially self-funded medical plan administered by Wellmark. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy and an OPEB liability.

NOTE 14: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Funding Policy – The contribution requirements of plan members are established and may be amended by the County. The County currently finances the retiree benefit plan on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation – The County's annual OPEB cost is calculated based on the annual required contribution (ARC) of the County, an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding which, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

The following table shows the components of the County's annual OPEB cost for the year ended June 30, 2016, the amount actually contributed to the plan and changes in the County's net OPEB obligation:

Annual required contribution	$ 227,714
Interest on net OPEB obligation	87,843
Adjustment to annual required contribution	(114,679)
Annual OPEB cost	200,878
Contributions made	(91,659)
Increase in net OPEB obligation	109,219
Net OPEB obligation beginning of year	1,952,060
Net OPEB obligation end of year	$ 2,061,279

For calculation of the net OPEB obligation, the actuary has set the transition date as of July 1, 2008. The end of year net OPEB obligation was calculated by the actuary as the cumulative difference between the actuarially determined funding requirements and the actual contributions for the year ended June 30, 2016.

For the year ended June 30, 2016, the County contributed $91,659 to the medical plan. Plan members eligible for benefits contributed $238,026 or 72.2% of the premium costs.

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation are summarized as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2014	$ 197,962	49.77 %	$ 1,842,581
June 30, 2015	197,512	44.57	1,952,060
June 30, 2016	200,878	45.63	2,061,279

Funded Status and Funding Progress – As of July 1, 2014, the most recent actuarial valuation date for the period July 1, 2015 through June 30, 2016, the actuarial accrued liability was $2,249,340, with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of $2,249,340. The covered payroll (annual payroll of active employees covered by the plan) was $24,392,472 and the ratio of the UAAL to covered payroll was 9.22%. As of June 30, 2016, there were no trust assets.

NOTE 14: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Actuarial Methods and Assumptions – Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress for the Retiree Health Plan, presented as Required Supplementary Information in the section following the Notes to Financial Statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the plan as understood by the employer and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As of the July 1, 2014 actuarial valuation date, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 4.5% discount rate based on the County's funding policy. The projected annual medical trend rate is 5.0%. An inflation rate of 0% is assumed for the purpose of this computation.

Mortality rates are from the RP2000 Mortality Table, applied on a gender-specific basis. Annual retirement and termination probabilities were developed from the retirement probabilities from the Actuary's Pension Handbook and applying the termination factors used in Scale T-7.

Projected claim costs of the medical plan are $487 per month for retirees and $1,350 per month for retirees electing family coverage. The salary increase rate was assumed to be 3.00% per year. The UAAL is being amortized as a level dollar percentage of projected payroll expense on an open basis over 30 years.

NOTE 15: EARLY CHILDHOOD IOWA AREA BOARD

Johnson County, Iowa is the fiscal agent for the Early Childhood Iowa Area Board, an organization formed pursuant to the provisions of Chapter 256I of the Code of Iowa. The Area Board receives state grants to administer early childhood and school ready programs. Financial transactions of the Area Board are included in the County's financial statements as an Agency Fund (Empowerment Board) because of the County's fiduciary relationship with the organization. The Area Board's financial data is for the year ended June 30, 2016 is as follows:

	Early Childhood Iowa Area Board			
	Early Childhood State	School Ready Fund	Other	Total
Additions:				
State grants:				
Early childhood	$ 235,284	$ -	$ -	$ 235,284
Family support & parent education	-	378,720	-	378,720
Preschool support for low-income families	-	166,285	-	166,285
Quality improvement	-	58,968	-	58,968
Allocation for administration	12,383	19,936	-	32,319
Other program services	-	40,891	15,015	55,906
Total State of Iowa grants	247,667	664,800	15,015	927,482
Interest	169	467	-	636
Total additions	247,836	665,267	15,015	928,118
Deductions:				
Program services:				
Early childhood	209,531	-	-	209,531
Family support & parent education	-	378,032	-	378,032
Preschool support for low-income families	-	121,969	-	121,969
Quality improvement	-	58,030	-	58,030
Other program services	-	57,583	15,015	72,598
Total program services	209,531	615,614	15,015	840,160
Administration	8,010	16,070	-	24,080
Total deductions	217,541	631,684	15,015	864,240
Net change	30,295	33,583	-	63,878
Balances – beginning of year	4,404	63,113	234	67,751
Balances – end of year	$ 34,699	$ 96,696	$ 234	$ 131,629

NOTE 16: JOHNSON COUNTY, IOWA FINANCIAL INFORMATION INCLUDED IN THE EAST CENTRAL REGION

The East Central Region, a jointly governed organization formed pursuant to the provisions of Chapter 28E of the Code of Iowa which was signed by the County October 13, 2013, includes the following member counties: Benton, Bremer, Buchanan, Delaware, Dubuque, Iowa, Linn, Jones, and Johnson County, Iowa. The financial activity of Johnson County, Iowa's Special Revenue, Mental Health Fund is included in the East Central Region for the year ended June 30, 2016 as follows:

Revenues:		
Property and other county tax		$ 3,038,083
Intergovernmental revenues:		
State tax credits	$ 216,719	
Other intergovernmental revenues	900,398	1,117,117
Miscellaneous		1,977
Total revenues		4,157,177
Expenditures:		
Services to persons with:		
Mental illness	549,388	
Intellectual disability	52,972	602,360
General administration:		
Direct administration	356,042	
Purchased administration	21,396	
Distribution to regional fiscal agent	4,405,647	4,783,085
Total expenditures		5,385,445
Deficiency of revenues under expenditures		(1,228,268)
Other financing sources:		
Sale of capital assets		100
Change in fund balance		(1,228,168)
Fund balance - Beginning of the year		4,917,687
Fund balance - End of the year		$ 3,689,519

NOTE 17: RESTATEMENT

During the year ended June 30, 2016, it was determined that some of the additions to construction in progress, furnishings and equipment, and accumulated depreciation had not been properly recorded for the year ended June 30, 2015:

Government Wide net position June 30, 2015, as previously reported	$ 117,773,191
Adjustments to construction in progress	(628,823)
Adjustments to furnishings and equipment (net of accumulated depreciation)	(15,825)
Government Wide net position June 30, 2015, as restated	$ 117,128,543

NOTE 18: NEW ACCOUNTING PRONOUNCEMENT

The County adopted fair value guidance as set forth in Governmental Accounting Standards Board Statement No. 72, Fair Value Measurement and Application. The Statement sets forth guidance for determining and disclosing the fair value of assets and liabilities reported in the financial statements. Adoption of the guidance did not have a significant impact on amounts reported or disclosed in the financial statements.

NOTE 19: RECLASSIFICATIONS

Certain amounts for the year ended June 30, 2015 have been reclassified to conform with June 30, 2016 presentation.

NOTE 20: SUBSEQUENT EVENTS

Subsequent events have been evaluated through January 30, 2017, the date the financial statements were available to be issued.

In December 2016, the County issued $5,000,000 of General Obligation County Purpose Bonds Series 2016A and $5,200,000 of General Obligation County Purpose Bonds Series 2016B. Both are short term bonds with a maturity of April 15, 2017. Also in December 2016, the County issued $4,800,000 of General Obligation County Purpose Bonds, Series 2016C. These bonds will mature during the next 3 fiscal years. The bonds will help fund improvements to County buildings, computer equipment, software and various other projects for the construction, reconstruction, improvement and repair of infrastructure, clean up following a disaster, vehicles for the County sheriff and emergency services, land purchase and engineering costs for various County projects.

REQUIRED SUPPLEMENTARY INFORMATION

JOHNSON COUNTY, IOWA

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, 2016

	Governmental Fund Types Actual	Budgeted Amounts Original	Budgeted Amounts Final	Final to Actual Variance
RECEIPTS:				
Property and other County tax	$ 50,366,384	$ 50,844,567	$ 50,844,567	$ (478,183)
Interest and penalty on property tax	586,851	329,000	329,000	257,851
Intergovernmental	20,548,008	19,634,603	19,765,809	782,199
Licenses and permits	743,900	646,225	646,225	97,675
Charges for service	4,336,759	4,161,787	4,161,787	174,972
Use of money and property	352,954	219,234	227,484	125,470
Miscellaneous	1,528,439	2,629,378	3,121,914	(1,593,475)
Total receipts	78,463,295	78,464,794	79,096,786	(633,491)
DISBURSEMENTS:				
Public safety and legal services	21,051,755	23,116,404	23,321,967	2,270,212
Physical health and social services	8,989,749	9,411,761	9,880,756	891,007
Mental health	7,682,891	7,852,904	8,477,598	794,707
County environment and education	3,997,454	4,144,391	4,301,616	304,162
Roads and transportation	9,045,524	8,754,380	9,199,777	154,253
Governmental services to residents	2,157,151	2,402,067	2,421,237	264,086
Administration	7,678,622	8,486,697	8,456,952	778,330
Non-program	2,975	89,500	4,500	1,525
Debt service	14,456,495	14,512,641	14,512,641	56,146
Capital projects	11,275,840	13,609,790	17,164,718	5,888,878
Total disbursements	86,338,456	92,380,535	97,741,762	11,403,306
Excess (deficiency) of receipts over (under) disbursements	(7,875,161)	(13,915,741)	(18,644,976)	10,769,815
Other financing sources, net	13,958,335	14,140,650	14,140,650	(182,315)
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	6,083,174	224,909	(4,504,326)	10,587,500
BALANCE - Beginning of year	33,966,672	21,705,515	33,966,673	(1)
BALANCE - End of year	$ 40,049,846	$ 21,930,424	$ 29,462,347	$ 10,587,499

See Accompanying Independent Auditor's Report

JOHNSON COUNTY, IOWA

BUDGETARY COMPARISION SCHEDULE - BUDGET TO GAAP RECONCILIATION
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2016

	Governmental Funds		
	Cash Basis	Accrual Adjustments	Modified Accrual Basis
Revenues	$ 78,463,295	$ (84,059)	$ 78,379,236
Expenditures	86,338,456	(7,963,456)	78,375,000
Net	(7,875,161)	7,879,397	4,236
Other financing sources, net	13,958,335	(7,640,000)	6,318,335
Beginning fund balances	33,966,672	(151,631)	33,815,041
Ending fund balances	$ 40,049,846	$ 87,766	$ 40,137,612

See Accompanying Independent Auditor's Report

JOHNSON COUNTY, IOWA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY REPORTING

YEAR ENDED JUNE 30, 2016

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

In accordance with the Code of Iowa, the County Board of Supervisors annually adopts a budget on the cash basis following required public notice and hearing for all funds except blended component units, the Internal Service Fund and Agency 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 ten major classes of expenditures known as functions, not by fund. These ten functions are: public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, governmental services to residents, administration, non-program, debt service and capital projects. Function disbursements required to be budgeted include disbursements for the General Fund, the Special Revenue Funds, the Debt Service Fund and the Capital Projects Fund. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. Legal budgetary control is also based upon the appropriation to each office or department. During the year, two budget amendments increased budgeted disbursements by $5,361,227. The budget amendments are reflected in the final budgeted amounts.

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

During the year ended June 30, 2016, disbursements did not exceed the amounts budgeted.

JOHNSON COUNTY, IOWA

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
FOR THE LAST TWO FISCAL YEARS*

REQUIRED SUPPLEMENTARY INFORMATION

	2016	2015
County's collective proportion of the net pension liability	0.2790 %	0.2571 %
County's collective proportionate share of the net pension liability	$ 13,781,545	$ 10,195,072
County's covered-employee payroll	$ 26,309,030	$ 25,531,199
County's collective proportionate share of the net pension liability as a percentage of its covered-employee payroll	52.38 %	39.93 %
IPERS' net position as a percentage of the total pension liability	85.19 %	87.61 %

* In accordance with GASB 68, the amounts presented for each fiscal year were determined as of June 30 of the preceeding fiscal year.

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

See Accompanying Independent Auditor's Report

JOHNSON COUNTY, IOWA

JOHNSON COUNTY, IOWA

SCHEDULE OF COUNTY CONTRIBUTIONS
IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

REQUIRED SUPPLEMENTARY INFORMATION

	2016	2015	2014
Statutorily required contribution	$ 2,431,993	$ 2,432,140	$ 2,356,804
Contributions in relation to the statutorily required contribution	(2,431,993)	(2,432,140)	(2,356,804)
Contribution deficiency (excess)	$ -	$ -	$ -
County's covered-employee payroll	$ 26,370,382	$ 26,309,030	$ 25,531,199
Contributions as a percentage of covered-employee payroll	9.22 %	9.24 %	9.23 %

See Accompanying Independent Auditor's Report

2013	2012	2011	2010	2009	2008	2007
$ 2,235,527	$ 2,141,091	$ 1,780,910	$ 1,615,053	$ 1,534,007	$ 1,320,757	$ 1,212,199
(2,235,527)	(2,141,091)	(1,780,910)	(1,615,053)	(1,534,007)	(1,320,757)	(1,212,199)
$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 24,678,980	$ 24,938,736	$ 23,381,703	$ 22,869,595	$ 21,665,183	$ 18,845,611	$ 17,553,767
9.06 %	8.59 %	7.62 %	7.06 %	7.08 %	7.01 %	6.91 %

Changes of benefit terms:

Legislation passed in 2010 modified benefit terms for current Regular members. The definition of final average salary changed from the highest three to the highest five years of covered wages. The vesting requirement changed from four years of service to seven years. The early retirement reduction increased from 3 percent per year measured from the member's first unreduced retirement age to a 6 percent reduction for each year of retirement before age 65.

Legislative action in 2008 transferred four groups – emergency medical service providers, county jailers, county attorney investigators, and National Guard installation security officers – from Regular membership to the protection occupation group for future service only.

Changes of assumptions:

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

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

The 2010 valuation implemented the following refinements as a result of a quadrennial experience study:

- Adjusted retiree mortality assumptions.
- Modified retirement rates to reflect fewer retirements.
- Lowered disability rates at most ages.
- Lowered employment termination rates
- Generally increased the probability of terminating members receiving a deferred retirement benefit.
- Modified salary increase assumptions based on various service duration.

The 2007 valuation adjusted the application of the entry age normal cost method to better match projected contributions to the projected salary stream in the future years. It also included the one-year lag between the valuation date and the effective date of the annual actuarial contribution rate in the calculation of the UAL amortization payments.

JOHNSON COUNTY, IOWA

SCHEDULE OF FUNDING PROGRESS FOR
THE RETIREE HEALTH PLAN

REQUIRED SUPPLEMENTARY INFORMATION

Year Ended June 30,	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2009	July 1, 2008	$ -	$ 7,697,775	$ 7,697,775	0.00%	$ 19,902,352	38.70%
2010	July 1, 2008	$ -	$ 7,697,775	$ 7,697,775	0.00%	$ 21,279,121	36.18%
2011	July 1, 2010	$ -	$ 4,216,188	$ 4,216,188	0.00%	$ 21,084,632	20.00%
2012	July 1, 2010	$ -	$ 4,216,188	$ 4,216,188	0.00%	$ 21,769,883	19.37%
2013	July 1, 2012	$ -	$ 2,248,620	$ 2,248,620	0.00%	$ 22,583,570	9.96%
2014	July 1, 2012	$ -	$ 2,248,620	$ 2,248,620	0.00%	$ 23,317,536	9.64%
2015	July 1, 2014	$ -	$ 2,249,340	$ 2,249,340	0.00%	$ 23,682,012	9.50%
2016	July 1, 2014	$ -	$ 2,249,340	$ 2,249,340	0.00%	$ 24,392,472	9.22%

See Note 14 in the accompanying Notes to Financial Statements for the plan description, funding policy, annual OPEB Cost and Net OPEB Obligation, funded status and funding progress.

JOHNSON COUNTY, IOWA

SUPPLEMENTARY INFORMATION

JOHNSON COUNTY, IOWA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	Law Enforcement Proceeds	Prosecutor Forfeiture Proceeds	Special Resource Enhancement	Road Construction Escrow
ASSETS				
Cash, cash equivalents and pooled investments	$ 78,207	$ 45,850	$ 371,009	$ 5,660
Receivables:				
Accounts	-	-	-	-
Prepaid items	-	-	-	-
TOTAL ASSETS	$ 78,207	$ 45,850	$ 371,009	$ 5,660
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts payable	$ 2,211	$ -	$ -	$ -
TOTAL LIABILITIES	2,211	-	-	-
FUND BALANCES:				
Restricted for:				
Nonspendable	-	-	-	-
Other purposes	75,996	45,850	371,009	5,660
TOTAL FUND BALANCES	75,996	45,850	371,009	5,660
TOTAL LIABILITIES AND FUND BALANCES	$ 78,207	$ 45,850	$ 371,009	$ 5,660

See Accompanying Independent Auditor's Report

Schedule 1

	Recorder's Records Management	Conservation Trust	Total
	$ 113,097	$ 264,521	$ 878,344
	3,580	-	3,580
	101	-	101
	$ 116,778	$ 264,521	$ 882,025
	$ -	$ -	$ 2,211
	-	-	2,211
	101	-	101
	116,677	264,521	879,713
	116,778	264,521	879,814
	$ 116,778	$ 264,521	$ 882,025

JOHNSON COUNTY, IOWA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

	Law Enforcement Proceeds	Prosecutor Forfeiture Proceeds	Special Resource Enhancement
REVENUES:			
Intergovernmental	$ 35,821	$ -	$ 50,446
Charges for service	-	-	-
Use of money and property	110	-	737
Miscellaneous	-	12,128	-
Total revenues	35,931	12,128	51,183
EXPENDITURES:			
Operating:			
Public safety and legal services	9,373	3,480	-
Governmental services to residents	-	-	-
Capital projects	-	-	20,854
Total expenditures	9,373	3,480	20,854
Excess (deficiency) of revenues over (under) expenditures	26,558	8,648	30,329
Other financing sources:			
Transfers in	-	-	-
Change in fund balances	26,558	8,648	30,329
FUND BALANCES - Beginning of year	49,438	37,202	340,680
FUND BALANCES - End of year	$ 75,996	$ 45,850	$ 371,009

See Accompanying Independent Auditor's Report

Schedule 2

Road Construction Escrow	Recorder's Records Management	Conservation Trust	Total
$ -	$ -	$ 930,304	$ 1,016,571
-	28,863	-	28,863
-	217	20,327	21,391
-	-	14,335	26,463
-	29,080	964,966	1,093,288
-	-	-	12,853
-	10,775	-	10,775
-	-	989,826	1,010,680
-	10,775	989,826	1,034,308
-	18,305	(24,860)	58,980
-	-	111,459	111,459
-	18,305	86,599	170,439
5,660	98,473	177,922	709,375
$ 5,660	$ 116,778	$ 264,521	$ 879,814

JOHNSON COUNTY, IOWA

COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2016

	County Offices			
	County Auditor	County Recorder	County Sheriff	Agricultural Extension
ASSETS				
Cash, cash equivalents and pooled investments:				
County Treasurer	$ -	$ -	$ -	$ 2,103
Other County officials	3,959	214,830	305,809	-
Receivables:				
Accounts receivable	-	47,415	-	-
Property tax:				
Delinquent	-	-	-	625
Succeeding year	-	-	-	521,263
Special assessments	-	-	-	-
Due from other governments	-	-	-	-
Prepaid items	-	-	-	-
TOTAL ASSETS	$ 3,959	$ 262,245	$ 305,809	$ 523,991
LIABILITIES				
Accounts payable	$ 3,959	$ -	$ -	$ -
Salaries and benefits payable	-	-	-	-
Compensated absences	-	-	-	-
Due to other governments	-	262,245	144,859	523,991
Trusts payable	-	-	160,950	-
TOTAL LIABILITIES	$ 3,959	$ 262,245	$ 305,809	$ 523,991

See Accompanying Independent Auditor's Report

Schedule 3

County Assessor	City Assessor	Emergency Management	State Levies	Schools	Community Colleges
$ 588,830	$ 395,693	$ 93,219	$ 85	$ 388,838	$ 28,729
-	-	-	-	-	-
-	-	48	-	-	-
2,049	465	-	25	108,049	8,153
1,031,668	775,770	-	215,545	99,525,988	7,439,408
-	-	-	-	-	-
-	-	49,259	-	-	-
12,511	8,237	14,550	-	-	-
$ 1,635,058	$ 1,180,165	$ 157,076	$ 215,655	$ 100,022,875	$ 7,476,290
$ 2,869	$ 7,020	$ 28,657	$ -	$ -	$ -
26,448	19,530	5,541	-	-	-
40,510	64,035	11,999	-	-	-
1,565,231	1,089,580	110,879	215,655	100,022,875	7,476,290
-	-	-	-	-	-
$ 1,635,058	$ 1,180,165	$ 157,076	$ 215,655	$ 100,022,875	$ 7,476,290

JOHNSON COUNTY, IOWA

COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2016

ASSETS	Corporations	Townships	City Special Assessments
Cash, cash equivalents and pooled investments:			
County Treasurer	$ 413,196	$ 4,036	$ 12,330
Other County officials	-	-	-
Receivables:			
Accounts receivable	-	-	198
Property tax:			
Delinquent	60,444	1,498	-
Succeeding year	106,840,530	945,286	-
Special assessments	-	-	42,708
Due from other governments	-	-	-
Prepaid items	-	-	-
TOTAL ASSETS	$ 107,314,170	$ 950,820	$ 55,236
LIABILITIES			
Accounts payable	$ -	$ -	$ -
Salaries and benefits payable	-	-	-
Compensated absences	-	-	-
Due to other governments	107,314,170	950,820	-
Trusts payable	-	-	55,236
TOTAL LIABILITIES	$ 107,314,170	$ 950,820	$ 55,236

See Accompanying Independent Auditor's Report

Schedule 3
(Continued)

E911 Surcharge	Auto License and Use Tax	Precint Atlas Consortium	Empowerment Board	Tax Sales	Total
$ 98,522	$ 3,136,838	$ 95,590	$ 201,217	$ 201,356	$ 5,660,582
-	-	-	-	-	524,598
76,037	-	-	1,012	-	124,710
-	-	-	-	-	181,308
-	-	-	-	-	217,295,458
-	-	-	-	-	42,708
180,169	-	10,756	11,916	-	252,100
30,434	-	-	1,069	-	66,801
$ 385,162	$ 3,136,838	$ 106,346	$ 215,214	$ 201,356	$ 224,148,265
$ 101,974	$ -	$ 10,588	$ 47,972	$ -	$ 203,039
-	-	-	-	-	51,519
-	-	-	-	-	116,544
283,188	3,136,838	95,758	167,242	201,356	223,560,977
-	-	-	-	-	216,186
$ 385,162	$ 3,136,838	$ 106,346	$ 215,214	$ 201,356	$ 224,148,265

Schedule 4

JOHNSON COUNTY, IOWA

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
COUNTY AUDITOR:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
Other County Officials	$ -	$ 3,959	$ -	$ 3,959
Receivables:				
Accounts Receivable	-	-	-	-
Total Assets	$ -	$ 3,959	$ -	$ 3,959
LIABILITIES				
Accounts Payable	$ -	$ 3,959	$ -	$ 3,959
Total Liablities	$ -	$ 3,959	$ -	$ 3,959
COUNTY RECORDER:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
Other County Officials	$ 225,501	$ -	$ (10,671)	$ 214,830
Receivables:				
Accounts Receivable	1,826	45,589	-	47,415
Total Assets	$ 227,327	$ 45,589	$ (10,671)	$ 262,245
LIABILITIES				
Due to Other Governments	$ 227,327	$ 34,918	$ -	$ 262,245
Total Liablities	$ 227,327	$ 34,918	$ -	$ 262,245
COUNTY SHERIFF:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
Other County Officials	$ 226,169	$ 79,640	$ -	$ 305,809
Total Assets	$ 226,169	$ 79,640	$ -	$ 305,809
LIABILITIES				
Due to Other Governments	$ 125,954	$ 18,905	$ -	$ 144,859
Trusts Payable	100,215	60,735	-	160,950
Total Liablities	$ 226,169	$ 79,640	$ -	$ 305,809

See Accompanying Independent Auditor's Report

JOHNSON COUNTY, IOWA

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
AGRICULTURAL EXTENSION:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	$ 2,460	$ -	$ (357)	$ 2,103
Receivables:				
Property Tax:				
Delinquent	612	13	-	625
Succeeding Year	518,833	2,430	-	521,263
Total Assets	$ 521,905	$ 2,443	$ (357)	$ 523,991
LIABILITIES				
Due to Other Governments	$ 521,905	$ 2,086	$ -	$ 523,991
Total Liablities	$ 521,905	$ 2,086	$ -	$ 523,991
COUNTY ASSESSOR:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	$ 499,341	$ 89,489	$ -	$ 588,830
Receivables:				
Property Tax:				
Delinquent	1,827	222	-	2,049
Succeeding Year	1,008,960	22,708	-	1,031,668
Prepaid Items	12,542	-	(31)	12,511
Total Assets	$ 1,522,670	$ 112,419	$ (31)	$ 1,635,058
LIABILITIES				
Accounts Payable	$ 46,809	$ -	$ (43,940)	$ 2,869
Salaries and Benefits Payable	19,614	6,834	-	26,448
Compensated Absences	79,224	-	(38,714)	40,510
Due to Other Governments	1,377,023	188,208	-	1,565,231
Total Liabilities	$ 1,522,670	$ 195,042	$ (82,654)	$ 1,635,058
CITY ASSESSOR:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	$ 409,553	$ -	$ (13,860)	$ 395,693
Receivables:				
Property Tax:				
Delinquent	391	74	-	465
Succeeding Year	746,948	28,822	-	775,770
Prepaid Items	1,012	7,225	-	8,237
Total Assets	$ 1,157,904	$ 36,121	$ (13,860)	$ 1,180,165
LIABILITIES				
Accounts Payable	$ 1,461	$ 5,559	$ -	$ 7,020
Salaries and Benefits Payable	15,202	4,328	-	19,530
Compensated Absences	52,925	11,110	-	64,035
Due to Other Governments	1,088,316	1,264	-	1,089,580
Total Liabilities	$ 1,157,904	$ 22,261	$ -	$ 1,180,165

See Accompanying Independent Auditor's Report

JOHNSON COUNTY, IOWA

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
EMERGENCY MANAGEMENT:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	$ 64,815	$ 28,404	$ -	$ 93,219
Receivables:				
Accounts Receivable	-	48	-	48
Due From Other Governments	39,281	9,978	-	49,259
Prepaid Items	755	13,795	-	14,550
Total Assets	$ 104,851	$ 52,225	$ -	$ 157,076
LIABILITIES				
Accounts Payable	$ 27,779	$ 878	$ -	$ 28,657
Salaries and Benefits Payable	4,082	1,459	-	5,541
Compensated Absences	6,450	5,549	-	11,999
Due to Other Governments	66,540	44,339	-	110,879
Total Liabilities	$ 104,851	$ 52,225	$ -	$ 157,076
STATE LEVIES:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	$ 100	$ -	$ (15)	$ 85
Receivables:				-
Property Tax:				-
Delinquent	25	-	-	25
Succeeding Year	151,437	64,108	-	215,545
Total Assets	$ 151,562	$ 64,108	$ (15)	$ 215,655
LIABILITIES				
Due to Other Governments	$ 151,562	$ 64,093	$ -	$ 215,655
Total Liabilities	$ 151,562	$ 64,093	$ -	$ 215,655
SCHOOLS:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	$ 429,293	$ -	$ (40,455)	$ 388,838
Receivables:				
Property Tax:				
Delinquent	104,542	3,507	-	108,049
Succeeding Year	93,172,533	6,353,455	-	99,525,988
Total Assets	$ 93,706,368	$ 6,356,962	$ (40,455)	$ 100,022,875
LIABILITIES				
Due to Other Governments	$ 93,706,368	$ 6,316,507	$ -	$ 100,022,875
Total Liabilities	$ 93,706,368	$ 6,316,507	$ -	$ 100,022,875

See Accompanying Independent Auditor's Report

JOHNSON COUNTY, IOWA

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
COMMUMITY COLLEGES:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	$ 32,315	$ -	$ (3,586)	$ 28,729
Receivables:				
Property Tax:				
Delinquent	7,977	176	-	8,153
Succeeding Year	6,955,025	484,383	-	7,439,408
Total Assets	$ 6,995,317	$ 484,559	$ (3,586)	$ 7,476,290
LIABILITIES				
Due to Other Governments	$ 6,995,317	$ 480,973	$ -	$ 7,476,290
Total Liabilities	$ 6,995,317	$ 480,973	$ -	$ 7,476,290
CORPORATIONS:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	$ 358,470	$ 54,726	$ -	$ 413,196
Receivables:				
Property Tax:				
Delinquent	54,334	6,110	-	60,444
Succeeding Year	103,989,942	2,850,588	-	106,840,530
Total Assets	$ 104,402,746	$ 2,911,424	$ -	$ 107,314,170
LIABILITIES				
Due to Other Governments	$ 104,402,746	$ 2,911,424	$ -	$ 107,314,170
Total Liabilities	$ 104,402,746	$ 2,911,424	$ -	$ 107,314,170
TOWNSHIPS:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	$ 5,092	$ -	$ (1,056)	$ 4,036
Receivables:				
Property Tax:				
Delinquent	1,499	-	(1)	1,498
Succeeding Year	874,277	71,009	-	945,286
Total Assets	$ 880,868	$ 71,009	$ (1,057)	$ 950,820
LIABILITIES				
Due to Other Governments	$ 880,868	$ 69,952	$ -	$ 950,820
Total Liabilities	$ 880,868	$ 69,952	$ -	$ 950,820

See Accompanying Independent Auditor's Report

JOHNSON COUNTY, IOWA

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
CITY SPECIAL ASSESSMENTS:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	$ 12,332	$ -	$ (2)	$ 12,330
Receivables:				
Accounts	-	198	-	198
Special Assessments	44,755	-	(2,047)	42,708
Total Assets	$ 57,087	$ 198	$ (2,049)	$ 55,236
LIABILITIES				
Trusts Payable	$ 57,087	$ -	$ (1,851)	$ 55,236
Total Liabilities	$ 57,087	$ -	$ (1,851)	$ 55,236
E911 SURCHARGE:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	$ 356,219	$ -	$ (257,697)	$ 98,522
Receivables:				
Accounts Receivable	78,491	-	(2,454)	76,037
Due from Other Governments	66,993	113,176	-	180,169
Prepaid Items	29,125	1,309	-	30,434
Total Assets	$ 530,828	$ 114,485	$ (260,151)	$ 385,162
LIABILITIES				
Accounts Payable	$ 90,982	$ 10,992	$ -	$ 101,974
Due to Other Governments	439,846	-	(156,658)	283,188
Total Liabilities	$ 530,828	$ 10,992	$ (156,658)	$ 385,162
AUTO. LICENSE AND USE TAX:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	$ 3,065,719	$ 71,119	$ -	$ 3,136,838
Total Assets	$ 3,065,719	$ 71,119	$ -	$ 3,136,838
LIABILITIES				
Due to Other Governments	$ 3,065,719	$ 71,119	$ -	$ 3,136,838
Total Liabilities	$ 3,065,719	$ 71,119	$ -	$ 3,136,838

See Accompanying Independent Auditor's Report

JOHNSON COUNTY, IOWA

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2016

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
PRECINT ATLAS CONSORTIUM:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	$ 88,313	$ 7,277	$ -	$ 95,590
Due from Other Governments	7,934	2,822	-	10,756
Total Assets	$ 96,247	$ 10,099	$ -	$ 106,346
LIABILITIES				
Accounts Payable	$ 94,365	$ -	$ (83,777)	$ 10,588
Due to Other Governments	1,882	93,876	-	95,758
Total Liabilities	$ 96,247	$ 93,876	$ (83,777)	$ 106,346
EMPOWERMENT BOARD:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	$ 159,049	$ 42,168	$ -	$ 201,217
Receivables:				
Accounts Receivable	-	1,012	-	1,012
Prepaid Items	15	1,054	-	1,069
Due From Other Governments	-	11,916	-	11,916
Total Assets	$ 159,064	$ 56,150	$ -	$ 215,214
LIABILITIES				
Accounts Payable	$ 76,395	$ -	$ (28,423)	$ 47,972
Due to Other Governments	82,669	84,573	-	167,242
Total Liabilities	$ 159,064	$ 84,573	$ (28,423)	$ 215,214
TAX SALES:				
ASSETS				
Cash, Cash Equivalents and Pooled Investments:				
County Treasurer	$ 334,660	$ -	$ (133,304)	$ 201,356
Total Assets	$ 334,660	$ -	$ (133,304)	$ 201,356
LIABILITIES				
Due to Other Governments	$ 334,660	$ -	$ (133,304)	$ 201,356
Total Liabilities	$ 334,660	$ -	$ (133,304)	$ 201,356

See Accompanying Independent Auditor's Report

JOHNSON COUNTY, IOWA

COMBINING SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2016

ASSETS AND LIABILITIES	County Offices		
	County Auditor	County Recorder	County Sheriff
Balances beginning of year	$ -	$ 227,327	$ 226,169
Additions:			
Property and other County tax and state tax credits	-	-	-
E911 surcharge	-	-	-
Office fees and collections	112,762	2,949,970	347,025
Auto licenses, use tax and postage	-	-	-
Trusts	-	-	2,711,595
Miscellaneous	-	-	-
Total additions	112,762	2,949,970	3,058,620
Deductions:			
Agency remittances:			
To other funds	108,803	1,047,496	487,051
To other governments	-	1,867,556	123,818
Trusts paid out	-	-	2,368,111
Total deductions	108,803	2,915,052	2,978,980
Balances end of year	$ 3,959	$ 262,245	$ 305,809

See Accompanying Independent Auditor's Report

Schedule 5

Agriculture Extension	County Assessor	City Assessor	Emergency Management	State Levies	Schools	Community Colleges
$ 521,905	$ 1,522,670	$ 1,157,904	$ 104,851	$ 151,562	$ 93,706,368	$ 6,995,317
554,166	1,320,181	832,808	-	256,152	105,829,315	7,939,990
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	3,643,242	-	-	-
554,166	1,320,181	832,808	3,643,242	256,152	105,829,315	7,939,990
-	-	-	-	-	-	-
552,080	1,207,793	810,547	3,591,017	192,059	99,512,808	7,459,017
-	-	-	-	-	-	-
552,080	1,207,793	810,547	3,591,017	192,059	99,512,808	7,459,017
$ 523,991	$ 1,635,058	$ 1,180,165	$ 157,076	$ 215,655	$ 100,022,875	$ 7,476,290

JOHNSON COUNTY, IOWA

COMBINING SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2016

ASSETS AND LIABILITIES	Corporations	Townships	City Special Assessments
Balances beginning of year	$ 104,402,746	$ 880,868	$ 57,087
Additions:			
Property and other County tax and state tax credits	110,492,679	1,013,710	-
E911 surcharge	-	-	-
Office fees and collections	-	-	-
Auto licenses, use tax and postage	-	-	-
Trusts	-	-	293,668
Miscellaneous	-	-	-
Total additions	110,492,679	1,013,710	293,668
Deductions:			
Agency remittances:			
To other funds	-	-	-
To other governments	107,581,255	943,758	-
Trusts paid out	-	-	295,519
Total deductions	107,581,255	943,758	295,519
Balances end of year	$ 107,314,170	$ 950,820	$ 55,236

See Accompanying Independent Auditor's Report

E911 Surcharge	Auto License and Use Tax	Precint Atlas Consortium	Empowerment Board	Tax Sales	Flood Control	Total
$ 530,828	$ 3,065,719	$ 96,247	$ 159,064	$ 334,660	$ -	$ 214,141,292
-	-	-	-	-	-	228,239,001
791,961	-	-	-	-	-	791,961
-	-	-	-	-	-	3,409,757
-	36,016,283	-	-	-	-	36,016,283
-	-	-	-	-	-	3,005,263
-	-	307,345	932,201	1,916,526	54,298	6,853,612
791,961	36,016,283	307,345	932,201	1,916,526	54,298	278,315,877
-	-	-	-	-	-	1,643,350
937,627	35,945,164	297,246	876,051	2,049,830	54,298	264,001,924
-	-	-	-	-	-	2,663,630
937,627	35,945,164	297,246	876,051	2,049,830	54,298	268,308,904
$ 385,162	$ 3,136,838	$ 106,346	$ 215,214	$ 201,356	$ -	$ 224,148,265

JOHNSON COUNTY, IOWA

SCHEDULE OF REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION -
ALL GOVERNMENTAL FUNDS
FOR THE LAST TEN YEARS

	2016	2015	2014	2013
REVENUES:				
Property and other County tax	$ 50,364,750	$ 48,667,704	$ 46,330,012	$ 43,994,487
Interest and penalty on property tax	712,984	169,549	417,092	346,337
Intergovernmental	20,256,459	20,813,839	19,937,570	18,001,226
Licenses and permits	748,102	677,670	646,331	676,912
Charges for service	4,399,571	4,169,605	4,118,569	4,155,377
Use of money and property	352,742	300,809	284,731	274,123
Miscellaneous	1,544,628	1,429,284	1,481,530	2,232,974
Total revenues	$ 78,379,236	$ 76,228,460	$ 73,215,835	$ 69,681,436
EXPENDITURES:				
Operating:				
Public safety and legal services	$ 21,009,727	$ 20,735,683	$ 20,536,016	$ 19,651,404
Physical health and social services	9,017,307	8,474,153	8,410,932	8,349,705
Mental health	7,519,034	5,989,761	7,887,238	6,419,857
County environment and education	4,028,440	3,684,968	3,507,160	3,530,073
Roads and transportation	8,842,350	9,083,591	8,528,073	8,735,455
Governmental services to residents	2,197,423	2,015,947	2,018,025	2,450,684
Administration	7,728,567	7,490,403	7,384,293	7,141,290
Non-program	3,183	4,432	37,827	3,160
Debt service	6,816,495	6,380,861	11,599,144	4,537,316
Capital projects	11,212,474	16,445,471	10,197,459	5,728,384
Total expenditures	$ 78,375,000	$ 80,305,270	$ 80,106,167	$ 66,547,328

See Accompanying Independent Auditor's Report

Schedule 6

	Modified Accrual Basis				
2012	2011	2010	2009	2008	2007
$ 43,064,225	$ 42,807,106	$ 41,076,815	$ 39,070,345	$ 32,672,807	$ 29,433,991
566,085	395,959	490,122	324,254	432,445	374,642
24,161,443	20,933,586	21,216,527	21,999,336	22,164,502	19,528,390
579,650	505,578	489,658	490,984	596,826	404,730
4,068,724	3,785,002	3,581,173	3,480,681	3,250,980	3,031,430
280,324	334,429	465,921	673,363	1,354,192	1,655,734
2,128,204	777,200	1,019,237	780,778	560,066	1,133,246
$ 74,848,655	$ 69,538,860	$ 68,339,453	$ 66,819,741	$ 61,031,818	$ 55,562,163
$ 19,266,352	$ 19,737,412	$ 25,319,933	$ 25,195,898	$ 14,341,229	$ 13,282,979
8,046,818	8,121,773	8,498,353	7,686,737	7,541,627	7,371,545
12,999,800	12,743,965	11,375,172	12,068,767	13,027,696	12,390,697
3,321,442	3,230,084	3,244,086	2,991,567	2,791,688	2,686,185
7,592,330	7,212,691	7,129,285	7,590,893	7,884,688	6,291,001
1,932,431	1,892,552	1,934,739	2,051,121	1,881,126	1,846,463
6,803,964	6,564,119	6,465,719	6,264,547	5,803,518	5,959,893
3,005	5,400	978	2,320	2,400	-
3,926,300	8,007,726	6,382,036	5,115,773	792,902	811,802
7,716,047	9,814,804	6,935,520	15,657,116	8,312,991	3,310,759
$ 71,608,489	$ 77,330,526	$ 77,285,821	$ 84,624,739	$ 62,379,865	$ 53,951,324

Schedule 7

JOHNSON COUNTY, IOWA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2016

GRANTOR/PROGRAM:	CFDA Number	Agency or Pass-Through Number	Program Expenditures
DIRECT:			
Department of the Interior:			
Payments in Lieu of Taxes	15.226	-	$ 68,149
Department of Justice:			
State Criminal Alien Assistance Program	16.606	2016-H0189-IA-AP	20,480
Total Direct			88,629
INDIRECT:			
Department of Agriculture:			
Iowa Department of Human Services:			
State Administered Matching Grants for the Supplemental Nutrition Assictance Program	10.561	-	44,246
Iowa Department of Public Health:			
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	5886A093	38,035
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	5886A051	649,055
			687,090
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	5886BT104	1,500
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	5885BT452	43,046
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	5886BT88	1,508
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	5887BT31	168,874
			214,928
Department of Health and Human Services:			
Iowa Department of Human Services:			
Promoting Safe and Stable Families	93.556	DCAT4-16-010	10,321
Refugee and Entrant Assistance - State Administered Programs	93.566	-	129
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	-	11,737
Foster Care - Title IV-E	93.658	-	16,597
Adoption Assistance	93.659	-	5,778
Social Services Block Grant	93.667	-	13,863
Children's Health Insurance Program	93.767	-	314
Medical Assistance Program	93.778	-	83,955
Iowa Department of Public Health:			
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	MOU-2016-TB03	1,838
Immunization Cooperative Agrrements	93.268	5886I487	12,575

JOHNSON COUNTY, IOWA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2016

GRANTOR/PROGRAM:	CFDA Number	Agency or Pass-Through Number	Program Expenditures
INDIRECT: (Continued)			
Department of Health and Human Services: (Continued)			
Iowa Department of Public Health: (Continued)			
Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities	93.817	5885BT508	4,158
HIV Prevention Activities - Health Department Based	93.940	5886AP08	4,176
Maternal and Child Health Services Block Grant to the States	93.994	5886MH14	69,093
Maternal and Child Health Services Block Grant to the States	93.994	5886DH11	16,273
			85,366
Department of Homeland Security:			
Iowa Homeland Security and Emergency Management:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	103-UGN5Q-00	127,680
Assistance to Firefighters Grant	97.044	EMW2014-F0-05592	79,809
Emergency Management Performance Grants	97.042	EMPG-16-PT-52	39,000
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	HM-HMP-0475-15-01-00	3,524
Department of Justice:			
City of Iowa City:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2015DJBX-0661	12,014
Edward Byrne Memorial Justice Assistance Grant Program	16.738	13-JAG-111736-09	37,033
			49,047
Drug Court Discretionary Grant program	16.585	2014-DC-BX-0045	104,286
Meth Hot Spots	17.710	-	361
Department of Transportation:			
East Central Iowa Council of Governemnts:			
Formula Grants for Rural Areas	20.509	TF-2000-XX	59,057
Iowa Department of Public Safety:			
State and Community Highway Safety	20.600	PAP-15-402-MOPT	15,251
Department of the Treasury:			
Iowans for Social and Economic Development:			
Volunteer Income Tax Assistance (VITA) Matching Grant Program	21.009	16VITA0073	9,413
Total Indirect			1,684,499
Total			$ 1,773,128

Basis of Presentation - The accompanying Schedule of Expenditures of Federal Awards (schedule) includes the federal award activity of Johnson County, Iowa under programs of the federal government for the year ended June 30, 2016. The information in this schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Johnson County, Iowa, it is not intended to and does not present the financial position, changes in financial position or cash flows of Johnson County, Iowa.

Summary of Significant Accounting Policies - Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Johnson County, Iowa has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

See Accompanying Independent Auditor's Report

JOHNSON COUNTY, IOWA

JOHNSON COUNTY, IOWA

STATISTICAL SECTION

This part of Johnson County, Iowa's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents **Page**

Financial Trends 85-92
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity 93-103
These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity 104-108
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information 109-110
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information 111-118
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

All tables in this section are for the last ten fiscal years unless otherwise noted.

JOHNSON COUNTY, IOWA

NET POSITION BY COMPONENT
FOR THE LAST TEN FISCAL YEARS
UNAUDITED
(ACCRUAL BASIS OF ACCOUNTING)

	2007	2008	2009	2010
Governmental Activities:				
Net investment in capital assets	$ 47,440,003	$ 47,337,924	$ 41,327,037	$ 56,404,229
Restricted	4,944,502	5,723,302	17,876,926	14,468,481
Unrestricted	13,445,263	18,987,315	11,198,015	5,061,024
Total governmental activities net position	$ 65,829,768	$ 72,048,541	$ 70,401,978	$ 75,933,734

2011	2012	2013	2014	2015	2016
$ 64,703,796	$ 71,665,882	$ 74,178,929	$ 82,451,458	$ 99,270,214	$ 104,917,853
13,075,522	17,119,728	24,635,844	24,495,898	22,194,269	25,423,792
5,169,333	4,588,757	5,551,352	7,923,601	(3,691,292)	514,934
$ 82,948,651	$ 93,374,367	$ 104,366,125	$ 114,870,957	$ 117,773,191	$ 130,856,579

JOHNSON COUNTY, IOWA
CHANGES IN NET POSITION
FOR THE LAST TEN FISCAL YEARS
UNAUDITED
(ACCRUAL BASIS OF ACCOUNTING)

	2007	2008	2009
Expenses:			
Governmental activities:			
Public safety and legal services	$ 13,615,598	$ 14,985,807	$ 25,889,961
Physical health and social services	7,406,393	7,560,966	7,790,846
Mental health	12,356,007	13,025,061	12,115,555
County environment and education	2,725,010	2,899,061	3,054,765
Roads and transportation	7,761,866	10,490,863	12,232,833
Governmental services to residents	1,952,203	2,085,166	2,108,543
Administration	6,516,376	6,667,379	6,599,152
Non-program	1,866	21,899	4,098
Interest on long-term debt	11,802	52,015	369,150
Total governmental expenses	52,347,121	57,788,217	70,164,903
Program revenues:			
Governmental activities:			
Charges for services:			
Public safety and legal services	1,829,013	2,128,451	2,336,386
Physical health and social services	202,970	361,852	283,240
Mental health	8,092	8,540	1,660
County environment and education	278,677	421,995	326,823
Roads and transportation	63,621	50,796	50,651
Governmental services to residents	1,697,009	1,660,951	1,789,628
Administration	691,127	581,152	623,397
Interest on long-term debt	-	-	-
Operating grants and contributions	18,038,258	20,902,680	19,994,108
Capital grants and contributions	3,491,230	2,605,031	2,121,626
Total governmental program revenues	26,299,997	28,721,448	27,527,519
Total primary government net expense	$ (26,047,124)	$ (29,066,769)	$ (42,637,384)
General revenues and other changes in net position			
Governmental Activities:			
Property and other County taxes	$ 28,714,645	$ 31,865,731	$ 38,143,161
Other County taxes	761,744	845,312	1,023,547
Penalty and interest on property taxes	354,254	411,761	324,254
State tax credits	674,801	697,094	768,528
Unrestricted investment earnings	1,627,222	1,339,621	679,216
Gain (loss) on sales of capital assets	15,269	15,571	166,471
Miscellaneous	58,254	110,452	174,925
Total governmental activities	32,206,189	35,285,542	41,280,102
Change in net position governmental activities	$ 6,159,065	$ 6,218,773	$ (1,357,282)

2010	2011	2012	2013	2014	2015	2016
$ 26,287,797	$ 20,543,834	$ 19,869,844	$ 20,188,789	$ 21,713,703	$ 21,423,137	$ 21,681,544
8,500,652	8,269,892	8,093,343	8,630,946	8,814,694	8,462,069	9,096,966
11,402,968	12,768,105	12,976,475	6,484,037	7,977,750	5,897,981	7,383,813
3,109,458	3,394,472	3,411,529	3,526,150	3,679,768	3,930,143	4,181,307
10,545,409	10,407,294	10,310,104	10,141,639	10,806,794	12,708,805	11,406,730
2,128,061	1,964,072	2,056,765	2,492,299	2,124,814	2,043,747	2,259,982
7,162,914	7,454,214	7,644,148	7,780,572	8,462,602	8,355,864	8,591,357
2,845	7,267	-	5,027	39,694	6,375	5,107
750,027	631,058	536,360	488,309	451,979	412,638	374,881
69,890,131	65,440,208	64,898,568	59,737,768	64,071,798	63,240,759	64,981,687
2,432,821	2,642,627	2,363,822	2,984,302	2,800,091	3,024,693	3,063,034
342,012	379,857	392,608	405,637	469,102	469,889	551,161
69,511	25,045	115,816	91	3,250	887,449	934,351
311,537	322,500	424,858	459,684	448,173	459,665	525,305
210,414	58,923	106,711	86,068	90,612	63,726	54,048
1,821,457	1,905,298	2,032,933	2,210,050	1,985,278	2,041,891	2,159,040
738,297	556,442	661,129	2,023,086	1,099,596	1,239,492	1,395,337
-	-	-	-	-	-	-
18,849,113	15,770,350	21,446,809	12,840,306	17,493,399	16,389,081	14,620,176
7,855,275	6,656,717	2,037,591	4,462,371	1,839,719	5,851,362	393,674
32,630,437	28,317,759	29,582,277	25,471,595	26,229,220	30,427,248	23,696,126
$ (37,259,694)	$ (37,122,449)	$ (35,316,291)	$ (34,266,173)	$ (37,842,578)	$ (32,813,511)	$ (41,285,561)
$ 40,147,711	$ 41,877,173	$ 42,106,709	$ 43,060,882	$ 45,376,991	$ 47,684,945	$ 49,361,895
927,481	925,093	962,913	932,776	950,917	985,548	1,005,973
486,976	394,528	575,376	344,982	408,283	163,223	718,558
747,147	712,382	677,451	823,125	1,027,037	2,137,897	3,433,072
435,754	306,885	269,894	263,505	285,224	284,516	352,970
(11,036)	(183,591)	(13,531)	(276,882)	(346,498)	5,700	(3,766)
150,580	104,896	1,163,195	109,543	139,387	160,220	144,895
42,884,613	44,137,366	45,742,007	45,257,931	47,841,341	51,422,049	55,013,597
$ 5,624,919	$ 7,014,917	$ 10,425,716	$ 10,991,758	$ 9,998,763	$ 18,608,538	$ 13,728,036

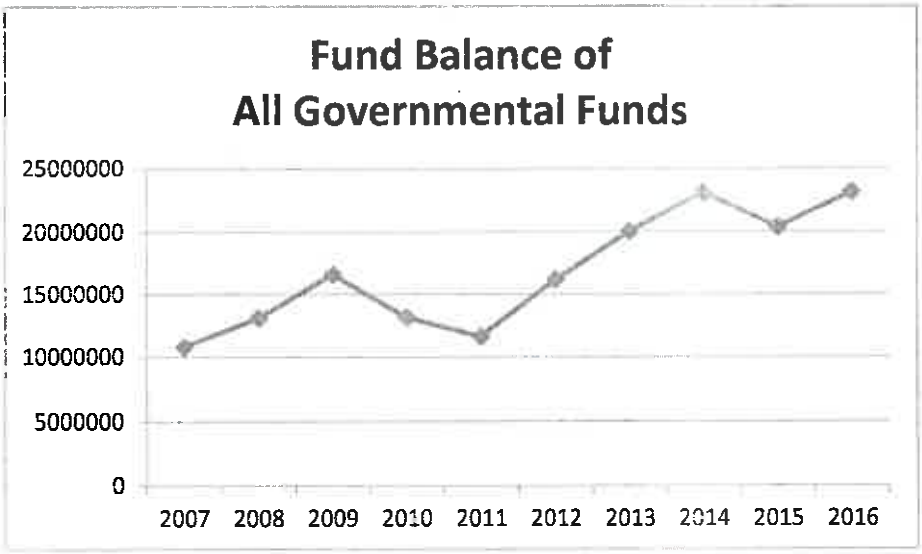
JOHNSON COUNTY, IOWA
FUND BALANCES OF GOVERNMENTAL FUNDS
FOR THE LAST TEN FISCAL YEARS
UNAUDITED
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2007*	2008*	2009*	2010*	2011
General Fund:					
Nonspendable	$ -	$ -	$ -	$ -	$ 365,387
Restricted	568,679	352,581	654,429	1,326,333	1,261,820
Unassigned	5,612,879	9,718,164	11,517,043	6,079,241	5,806,419
Total general fund	$ 6,181,558	$ 10,070,745	$ 12,171,472	$ 7,405,574	$ 7,433,626
All other governmental funds					
Nonspendable	$ -	$ -	$ -	$ -	$ 393,260
Restricted	10,832,728	13,107,219	16,597,248	13,142,148	4,412,155
Committed	-	-	-	-	7,008,287
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	(188,460)
Total all other governmental funds	$ 10,832,728	$ 13,107,219	$ 16,597,248	$ 13,142,148	$ 11,625,242

* Prior to the year ended June 30, 2011, nonspendable, committed and assigned fund balances were not separated from resticted and unassigned fund balances.

Fund Balance of all Governmental Funds

2007	$ 10,832,728
2008	$ 13,107,219
2009	$ 16,597,248
2010	$ 13,142,148
2011	$ 11,625,242
2012	$ 16,174,892
2013	$ 20,086,208
2014	$ 23,134,783
2015	$ 20,405,704
2016	$ 23,181,924



2012	2013	2014	2015	2016
$ 317,072	$ 380,248	$ 426,916	$ 203,911	$ 214,385
684,053	760,182	934,199	1,585,708	2,141,961
5,138,114	5,827,582	9,039,309	11,619,718	14,599,342
$ 6,139,239	$ 6,968,012	$ 10,400,424	$ 13,409,337	$ 16,955,688
$ 344,283	$ 523,589	$ 347,039	$ 414,356	$ 528,678
5,081,094	16,322,720	11,455,613	11,812,274	12,696,268
10,749,515	3,239,899	-	-	-
-	-	11,332,131	8,179,074	9,956,978
-	-	-	-	-
$ 16,174,892	$ 20,086,208	$ 23,134,783	$ 20,405,704	$ 23,181,924

JOHNSON COUNTY, IOWA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
FOR THE LAST TEN FISCAL YEARS
UNAUDITED
(ACCRUAL BASIS OF ACCOUNTING)

	2007	2008	2009	2010
Revenues:				
Property taxes and other county taxes	$ 29,433,991	$ 32,672,807	$ 39,070,345	$ 41,076,815
Interest and penalty on taxes	374,642	432,445	324,254	490,122
Intergovernmental	19,528,390	22,164,502	21,999,336	21,216,527
Licenses and permits	404,730	596,826	490,984	489,658
Charges for service	3,031,430	3,250,980	3,480,681	3,581,173
Use of money and property	1,655,734	1,354,192	673,363	465,921
Miscellaneous	1,133,246	560,066	780,778	1,019,237
Total revenues	55,562,163	61,031,818	66,819,741	68,339,453
Expenditures:				
Current:				
Public safety and legal services	13,282,979	14,341,229	25,195,898	25,319,933
Physical health and social services	7,371,545	7,541,627	7,686,737	8,498,353
Mental health	12,390,697	13,027,696	12,068,767	11,375,172
County environment and education	2,686,185	2,791,688	2,991,567	3,244,086
Roads and transportation	6,291,001	7,884,688	7,590,893	7,129,285
Governmental services to residents	1,846,463	1,881,126	2,051,121	1,934,739
Administration	5,959,893	5,803,518	6,264,547	6,465,719
Non-program	-	2,400	2,320	978
Capital projects	3,310,759	8,312,991	15,657,116	6,935,520
Debt service:				
Principal	-	755,000	2,370,000	5,540,000
Interest	11,802	37,902	245,773	842,036
Total expenditures	53,151,324	62,379,865	82,124,739	77,285,821
Excess (deficiency) of revenues over (under) expenditures	2,410,839	(1,348,047)	(15,304,998)	(8,946,368)
Other financing sources (uses):				
Sale of capital assets	15,269	15,571	236,757	19,713
Proceeds from long-term debt	-	7,275,000	20,760,708	-
Transfers in	-	11,253,729	20,962,962	11,340,449
Transfers out	-	(11,253,729)	(20,962,962)	(11,340,449)
Total other financing sources (uses)	15,269	7,290,571	20,997,465	19,713
Net change in fund balances	$ 2,426,108	$ 5,942,524	$ 5,692,467	$ (8,926,655)
Debt Service as a percentage of noncapital expenditures	1.63%	1.49%	8.01%	9.98%

2011	2012	2013	2014	2015	2016
$ 42,807,106	$ 43,064,225	$ 43,994,487	$ 46,330,012	$ 48,667,704	$ 50,364,750
395,959	566,085	346,337	417,092	169,549	712,984
20,933,586	24,161,443	18,001,226	19,937,570	20,813,839	20,256,459
505,578	579,650	676,912	646,331	677,670	748,102
3,785,002	4,068,724	4,155,377	4,118,569	4,169,605	4,399,571
334,429	280,324	274,123	284,731	300,809	352,742
777,200	2,128,204	2,232,974	1,481,530	1,429,284	1,544,628
69,538,860	74,848,655	69,681,436	73,215,835	76,228,460	78,379,236
19,737,412	19,266,352	19,651,404	20,536,016	20,735,683	21,009,727
8,121,773	8,046,818	8,349,705	8,410,932	8,474,153	9,017,307
12,743,965	12,999,800	6,419,857	7,887,238	5,989,761	7,519,034
3,230,084	3,321,442	3,530,073	3,507,160	3,684,968	4,028,440
7,212,691	7,592,330	8,735,455	8,528,073	9,083,591	8,842,350
1,892,552	1,932,431	2,450,684	2,018,025	2,015,947	2,197,423
6,564,119	6,803,964	7,141,290	7,384,293	7,490,403	7,728,567
5,400	3,005	3,160	37,827	4,432	3,183
9,814,804	7,716,047	5,728,384	10,197,459	16,445,471	11,212,474
7,368,000	3,386,000	4,046,000	4,395,000	5,965,000	6,440,000
639,726	540,300	491,316	454,144	415,861	376,495
77,330,526	71,608,489	66,547,328	73,356,167	80,305,270	78,375,000
(7,791,666)	3,240,166	3,134,108	(140,332)	(4,076,810)	4,236
17,812	15,097	15,187	62,113	6,644	6,300,000
6,285,000	-	5,000,000	3,150,000	4,350,000	18,335
13,183,733	10,741,317	13,072,326	12,741,210	21,455,078	22,905,120
(13,183,733)	(10,741,317)	(13,072,326)	(12,741,210)	(21,455,078)	(22,905,120)
6,302,812	15,097	5,015,187	3,212,113	4,356,644	6,318,335
$ (1,488,854)	$ 3,255,263	$ 8,149,295	$ 3,071,781	$ 279,834	$ 6,322,571
13.46%	6.55%	8.06%	7.68%	11.10%	11.30%

JOHNSON COUNTY, IOWA

JOHNSON COUNTY, IOWA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
FOR THE LAST TEN FISCAL YEARS
UNAUDITED
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Property Taxes	Other County Taxes	Total
2007	$ 28,714,645	$ 761,744	$ 29,476,389
2008	31,865,731	845,312	32,711,043
2009	38,143,161	1,023,547	39,166,708
2010	40,147,711	927,481	41,075,192
2011	41,877,173	925,093	42,802,266
2012	42,106,709	962,913	43,069,622
2013	43,060,882	932,776	43,993,658
2014	45,376,991	950,917	46,327,908
2015	47,684,945	985,548	48,670,493
2016	49,361,895	1,005,973	50,367,868

JOHNSON COUNTY, IOWA
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
UNAUDITED
(Amounts Expressed in Thousands)

Year	Residential	Agriculture	Commercial	Industrial	Railroad	Utility, Incl Gas & Electric
2007	2,612,017	212,658	1,339,530	72,089	10,378	164,183
2008	2,704,445	214,239	1,405,591	74,515	16,080	159,731
2009	2,857,798	215,186	1,509,657	86,798	22,933	165,505
2010	3,073,177	217,956	1,604,842	95,839	18,381	167,646
2011	3,243,429	217,052	1,682,951	99,609	13,290	168,066
2012	3,430,150	226,215	1,687,596	98,555	14,878	179,442
2013	3,721,050	216,624	1,704,187	99,326	22,353	184,958
2014	3,944,913	226,308	1,639,062	97,793	27,268	186,503
2015	4,216,011	226,308	1,609,114	98,844	30,813	190,642
2016	4,525,712	236,105	1,485,635	87,086	30,461	186,026

Note: Property is assesssed at actual value, therefore, the assessed values are equal to the actual values.
Source: Iowa Department of Management, Taxing District Recap Property Valuation Report (Non TIF, District 52900)
* Rate per $1,000 of taxable valuation

Military Exemption	Total Taxable Value	TIF Valuation	Total Direct Tax Rate, Urban *
(7,208)	4,403,647	605,420	6.11183
(7,232)	4,567,369	667,489	6.49448
(7,265)	4,850,612	748,490	7.49147
(7,215)	5,170,626	721,632	7.39359
(7,162)	5,417,235	732,609	7.23173
(7,125)	5,629,711	758,896	6.99776
(7,065)	5,941,433	739,098	6.74909
(7,017)	6,114,830	838,664	6.73712
(6,889)	6,364,843	988,091	6.74169
(6,782)	6,544,243	992,789	6.90337

JOHNSON COUNTY, IOWA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
FOR THE LAST TEN FISCAL YEARS
UNAUDITED
(rate per $1,000 of taxable value)

	2007	2008	2009	2010
Countywide service rates:				
General basic	3.50000	3.50000	3.50000	3.50000
General supplemental	1.73011	2.14864	2.99953	2.58982
MH/DS	0.71247	0.68713	0.64701	0.60697
Debt service	0.16925	0.15870	0.34493	0.69680
Johnson County urban rate	6.11183	6.49447	7.49147	7.39359
Johnson County rural rate	2.84036	3.26207	2.79269	2.57634
Total Direct Rate	8.95219	9.75654	10.28416	9.96993
City Rates:				
Coralville	13.28641	13.28643	13.41977	13.41766
Hills	5.88431	6.36948	7.00899	8.10000
Iowa City	17.30225	17.29662	17.71674	17.85262
Lone Tree	10.90443	10.80003	9.44575	9.58125
North Liberty	10.12460	10.96599	11.33731	10.90993
Oxford	10.85645	10.85241	10.85061	10.80329
Shueyville	6.87557	7.10000	7.10000	7.10000
Solon	10.68204	10.34474	10.65204	10.66992
Swisher	7.09997	7.09995	8.10000	8.10000
Tiffin	10.87535	12.88625	12.88590	12.05957
University Heights	10.39247	10.52988	11.08593	10.94654
West Branch	11.79481	11.37246	12.13993	11.90420
School District Rates:				
Clear Creek Amana	15.74214	16.98860	15.79090	15.67097
College Community	17.33321	17.33832	16.84626	17.21168
Iowa City	13.63155	13.85189	14.19219	14.19136
Solon	17.23124	16.92507	16.97473	16.99654
West Branch	13.44103	13.44012	14.02275	13.96421

2011	2012	2013	2014	2015	2016
3.50000	3.50000	3.50000	3.50000	3.50000	3.50000
2.55706	2.46627	2.09274	1.11314	0.68976	1.14707
0.57934	0.55747	0.52822	0.51324	0.49284	0.47957
0.59533	0.47402	0.62813	1.61074	2.05908	1.77673
7.23173	6.99776	6.74909	6.73712	6.74168	6.90337
3.16899	3.08925	3.08914	3.33826	3.40746	3.46939
10.40072	10.08701	9.83823	10.07538	10.14914	10.37276
13.52770	13.52770	13.52767	13.52770	13.52771	13.52771
8.10000	8.10000	8.10000	8.10000	8.10000	8.10000
17.75655	17.84150	17.26864	16.80522	16.70520	16.65096
9.49379	9.40564	9.31760	9.27730	9.23483	9.22462
11.20264	11.03264	11.03264	11.03264	11.03264	11.03264
11.40053	11.03538	10.93746	10.84265	9.38055	10.82201
6.44673	7.09995	7.10000	7.09994	7.09991	7.09995
10.76817	10.71202	10.71190	10.88627	10.97205	10.83300
8.10000	8.10000	8.10000	8.10000	8.10000	8.10000
10.35130	11.97391	11.97391	10.62359	11.97177	11.80309
11.04972	11.06390	10.94865	10.90073	10.88143	11.05210
12.04382	12.04382	12.04382	12.04382	12.04382	12.59382
15.71002	15.54876	15.31063	15.11055	15.06516	15.62084
17.20361	16.55788	15.80308	15.08387	14.80342	15.81016
14.68972	14.59055	14.07327	13.68792	13.69999	13.86773
17.18631	16.97452	16.95781	15.99708	16.35337	16.15171
14.30683	14.05544	13.96841	13.97611	14.10551	14.17879

JOHNSON COUNTY, IOWA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND NINE YEARS AGO
UNAUDITED

Taxpayers	Type of Business	2016 Taxable Value	2016 Rank	2016 Percentage of Taxable Value	2007 Taxable Value	2007 Rank	2007 Percentage of Taxable Value
Coral Ridge Mall LLC.	Retail Property	$ 105,474,965	1	1.43 %	$ -	-	- %
University of Iowa Community Credit Union	Financial Institution	94,339,045	2	1.28	-	-	-
Mid American Energy	Energy Company	38,208,116	3	0.52	79,576,113	2	1.59
City of Coralville	City	38,001,314	4	0.52	27,016,042	5	0.54
TKG Coral North LLC	Commerical Property Leasing	28,655,190	5	0.39	-	-	-
Cedar Rapids and Iowa City Railroad	Railroad	22,462,009	6	0.31	20,681,970	8	0.41
Costco Wholesale Corp.	Retailer	17,460,000	7	0.24	-	-	-
Integrated DNA Technologies	Research	16,799,150	8	0.23	-	-	-
ARC LLC.	Manufacturing	16,611,272	9	0.23	-	-	-
Wal-Mart Real Estate Business Trust	Retailer	14,661,000	10	0.20	-	-	-
GGP Limited Partnership	Mall Owner	-	-	-	127,065,653	1	2.54
American College Testing (ACT)	Standarized Testing	-	-	-	39,909,366	3	0.80
James A Clark	Property Management	-	-	-	29,250,416	4	0.58
Russell A Gerdin, Trustee	Commerical/Industrial Leasing	-	-	-	22,294,720	6	0.45
Inland Western Iowa City	Commerical Property Leasing	-	-	-	22,183,653	7	0.44
Qwest	Utility	-	-	-	18,609,482	9	0.37
Southgate Development Company	Property Management	-	-	-	17,209,484	10	0.34
		$ 392,672,061		5.35 %	$ 403,796,899		8.06 %
Total Taxable Value		$ 7,356,029,478			$ 5,009,066,791		

JOHNSON COUNTY, IOWA
PROPERTY TAX LEVIES AND COLLECTIONS
FOR THE LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Year	Property Taxes Collected in the Fiscal Year	% of Levy	Delinquent Tax Collections	Property Taxes Collected to Date	% of Levy
2007	$ 171,136,059	$ 168,945,154	98.72 %	$ 78,761	$ 169,023,915	98.77 %
2008	183,648,925	181,022,444	98.57	56,559	181,079,003	98.60
2009	204,014,342	201,119,977	98.58	69,918	201,189,895	98.62
2010	213,709,328	211,462,878	98.95	50,316	211,513,194	98.97
2011	225,676,348	223,034,146	98.83	97,707	223,131,853	98.87
2012	232,467,081	229,574,883	98.76	99,491	229,674,374	98.80
2013	237,360,406	234,276,345	98.70	75,783	234,352,128	98.73
2014	242,485,620	237,667,339	98.01	25,413	237,692,752	98.02
2015	257,827,389	249,774,467	96.88	81,661	249,856,128	96.91
2016	273,996,983	254,096,465	92.74	56,491	254,152,956	92.76

Includes all taxing governments for which Johnson County, Iowa serves as an agent for tax collections. The year for which deliquent payments relate is not readily available information.

JOHNSON COUNTY, IOWA
NET TAXABLE PROPERTY VALUATIONS
FOR THE LAST TWO YEARS
UNAUDITED

	2013 Valuations For FY2015 Tax Levies		
	Rural	Urban	Grand Total
JOHNSON COUNTY BASE			
Ag dwellings	$ 108,493,895	$ 1,739,336	$ 110,233,231
Non-ag residential	861,703,071	3,237,223,937	4,098,927,008
Residential (including Ag dwellings)	970,196,966	3,238,963,273	4,209,160,239
Agricultural land	210,043,146	5,822,525	215,865,671
Agricultural buildings	13,429,378	108,523	13,537,901
Commercial property	116,807,222	1,492,268,375	1,609,075,597
Industrial property	11,078,435	87,765,915	98,844,350
Multiresidential	-	-	-
Reserved	-	-	-
Railroads	13,275,706	17,536,872	30,812,578
Utilities (Without gas & elec.)	55,370,493	31,028,270	86,398,763
Other	-	-	-
Total val. for comp. pr. taxes	1,390,201,346	4,873,493,753	6,263,695,099
Gas & electric utilities	30,201,239	74,042,095	104,243,334
Total val. for comp. levies	$ 1,420,402,585	$ 4,947,535,848	$ 6,367,938,433
COUNTY TIF INCREMENT			
Ag dwellings			
Non-ag residential	$ -	$ -	$ -
Residential (including Ag dwellings)	-	197,825,271	197,825,271
Agricultural land	-	197,825,271	197,825,271
Agricultural building	-	590,025	590,025
Commercial property	-	11,479	11,479
Industrial property	-	754,333,567	754,333,567
Multiresidential	-	35,330,703	35,330,703
Reserved	-	-	-
Railroads	-	-	-
Utilities (Without gas & elec.)	-	-	-
Other	-	-	-
Total val. for comp. pr. taxes	-	988,091,045	988,091,045
Gas & electric utilities	-	-	-
Total val. for comp. levies	$ -	$ 988,091,045	$ 988,091,045
CO. DEBT SERVICE TOTAL			
Ag dwellings	$ 108,493,895	$ 1,739,336	$ 110,233,231
Non-ag residential	861,703,071	3,435,049,208	4,296,752,279
Residential (including Ag dwellings)	970,196,966	3,436,788,544	4,406,985,510
Agricultural land	210,043,146	6,412,550	216,455,696
Agricultural buildings	13,429,378	120,002	13,549,380
Commercial property	116,807,222	2,246,601,942	2,363,409,164
Industrial property	11,078,435	123,096,618	134,175,053
Multiresidential	-	-	-
Reserved	-	-	-
Railroads	13,275,706	17,536,872	30,812,578
Utilities (Without gas & elec.)	55,370,493	31,028,270	86,398,763
Other	-	-	-
Total val. for comp. pr. taxes	1,390,201,346	5,861,584,798	7,251,786,144
Gas & electric utilities	30,201,239	74,042,095	104,243,334
Total val. for comp. levies	$ 1,420,402,585	$ 5,935,626,893	$ 7,356,029,478

Note: Rollbacks applied and military exemptions deducted.

2014 Valuations
For FY2016 Tax Levies

Rural	Urban	Grand Total
$ 111,820,046	$ 1,825,703	$ 113,645,749
922,697,971	3,482,624,713	4,405,322,684
1,034,518,017	3,484,450,416	4,518,968,433
215,416,773	6,194,622	221,611,395
14,357,077	136,719	14,493,796
110,560,794	1,375,035,682	1,485,596,476
10,421,280	76,664,732	87,086,012
-	-	-
-	-	-
13,166,806	17,294,335	30,461,141
52,754,619	30,388,189	83,142,808
-	-	-
1,451,195,366	4,990,164,695	6,441,360,061
29,275,151	73,607,674	102,882,825
$ 1,480,470,517	$ 5,063,772,369	$ 6,544,242,886
$ -	$ -	$ -
-	183,931,351	183,931,351
-	183,931,351	183,931,351
-	807,876	807,876
-	7,870	7,870
-	768,181,050	768,181,050
-	39,861,164	39,861,164
-	-	-
-	-	-
-	-	-
-	-	-
-	992,789,311	992,789,311
-	-	-
$ -	$ 992,789,311	$ 992,789,311
$ 111,820,046	$ 1,825,703	$ 113,645,749
922,697,971	3,666,556,064	4,589,254,035
1,034,518,017	3,668,381,767	4,702,899,784
215,416,773	7,002,498	222,419,271
14,357,077	144,589	14,501,666
110,560,794	2,143,216,732	2,253,777,526
10,421,280	116,525,896	126,947,176
-	-	-
-	-	-
13,166,806	17,294,335	30,461,141
52,754,619	30,388,189	83,142,808
-	-	-
1,451,195,366	5,982,954,006	7,434,149,372
29,275,151	73,607,674	102,882,825
$ 1,480,470,517	$ 6,056,561,680	$ 7,537,032,197

JOHNSON COUNTY, IOWA
NET TAXABLE PROPERTY VALUATIONS
FOR THE LAST TEN FISCAL YEARS
UNAUDITED

	Percentage change in Taxable Grand Total Valuations			
	2007	2008	2009	2010
JOHNSON COUNTY BASE				
Ag dwellings	8.7 %	0.3 %	1.7 %	5.1 %
Non-ag residential	12.4	3.6	5.8	7.6
Residential (including Ag dwellings)	12.3	3.5	5.7	7.6
Agricultural land	(0.3)	(0.3)	11.2	3.1
Agricultural buildings	4.9	5.3	(45.9)	(15.0)
Commercial property	4.9	4.9	7.4	6.3
Industrial property	4.1	3.4	16.5	10.4
Railroads	42.7	54.9	42.6	(19.9)
Utilities (Without gas & elec.)	(5.0)	(4.5)	(0.4)	(0.4)
Other	-	-	-	-
Total val. for comp. pr. taxes	8.9	3.8	6.2	6.7
Gas & electric utilities	0.3	(1.3)	6.7	2.5
Total val. for comp. levies	11.2 %	3.7 %	6.2 %	6.6 %
COUNTY TIF INCREMENT				
Ag dwellings				
Non-ag residential	24.2 %	14.6 %	23.8 %	4.4 %
Residential (including Ag dwellings)	23.9	14.6	23.8	4.3
Agricultural land	(88.4)	(47.6)	862.8	(4.5)
Agricultural buildings	(91.4)	-	181.5	(32.0)
Commercial property	39.2	8.1	11.9	(4.7)
Industrial property	0.6	33.1	(14.3)	(14.8)
Total val. for comp. pr. taxes	34.3	34.3	10.3	12.2
Gas & electric utilities	-	-	-	-
Total val. for comp. levies	34.3 %	34.3 %	10.3 %	12.2 %
CO. DEBT SERVICE TOTAL				
Ag dwellings	8.6 %	0.3 %	1.8 %	5.0 %
Non-ag residential	12.8	4.0	6.5	7.5
Residential (including Ag dwellings)	12.7	3.9	6.3	7.4
Agricultural land	(0.4)	(0.3)	11.3	3.1
Agricultural buildings	4.8	5.3	(45.9)	(15.1)
Commercial property	12.3	5.8	8.6	3.2
Industrial property	3.1	12.0	5.9	3.4
Railroads	42.7	54.9	42.6	(19.9)
Utilities (Without gas & elec.)	(5.0)	(4.5)	(0.4)	(0.4)
Other	-	-	-	-
Total val. for comp. pr. taxes	11.5	4.6	7.0	5.3
Gas & electric utilities	0.3	(1.3)	6.7	2.5
Total val. for comp. levies	11.2 %	4.5 %	7.0 %	5.2 %

Note: Rollbacks applied and military exemptions deducted.

2011	2012	2013	2014	2015	2016
6.9 %	5.3 %	8.4 %	11.9 %	4.6 %	3.1 %
5.5	5.8	8.5	5.9	6.9	7.5
5.6	5.8	8.5	6.0	6.9	7.4
1.4	3.9	(3.9)	4.2	2.6	2.7
(19.8)	8.3	(8.7)	8.4	(15.3)	7.1
4.9	0.3	1.0	(3.8)	(1.8)	(7.7)
3.9	(1.1)	0.8	(1.5)	1.1	(11.9)
(27.7)	11.9	50.2	22.0	13.0	(1.1)
0.8	4.6	10.8	3.3	3.4	(3.8)
-	-	-	-	-	-
4.9	3.8	5.7	3.0	4.2	2.8
(0.2)	8.3	(2.2)	(1.1)	1.3	(1.3)
4.8 %	3.9 %	5.5 %	2.9 %	4.1 %	2.8 %
(1.8) %	17.7 %	(5.2) %	28.4 %	8.2 %	(7.0) %
(1.8)	17.7	(5.4)	28.4	8.2	(7.0)
255.1	7.2	39.3	6.1	16.1	36.9
67.4	32.3	11.5	(9.1)	11.7	(31.4)
2.0	0.5	(1.9)	9.8	21.2	1.8
6.2	2.2	(3.7)	11.0	6.9	12.8
(3.6)	1.5	3.6	(2.6)	13.5	17.8
-	-	-	-	-	-
(3.6) %	1.5 %	3.6 %	(2.6) %	13.5 %	17.8 %
6.9 %	5.3 %	8.1 %	11.9 %	4.6 %	3.1 %
5.2	6.2	7.9	6.7	7.0	6.8
5.3	6.2	7.9	6.9	6.9	6.7
1.5	3.9	(3.8)	4.2	2.7	2.8
(19.8)	8.3	(8.7)	8.4	(15.3)	7.0
4.1	0.3	0.3	(0.4)	4.5	(4.6)
4.5	(0.3)	(0.3)	1.4	2.5	(5.4)
(27.7)	11.9	50.2	22.0	13.0	(1.1)
0.8	4.6	10.8	3.3	3.4	(3.8)
-	-	-	-	-	-
4.4	3.8	4.7	4.2	5.9	2.5
(0.2)	8.3	(2.2)	(1.1)	1.3	(1.3)
4.4 %	3.9 %	4.6 %	4.1 %	5.8 %	2.5 %

JOHNSON COUNTY, IOWA
RATIO OF OUTSTANDING DEBT BY TYPE
FOR THE LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	General Obligation Capital Loan Notes	Percentage of Personal Income	Debt Per Capita
2007	$ -	- %	$ -
2008	6,520,000	0.125	50.88
2009	24,745,000	0.464	188.89
2010	19,205,000	0.354	146.28
2011	18,122,000	0.311	135.70
2012	14,736,000	0.239	108.10
2013	15,690,000	0.242	115.52
2014	14,445,000	0.223	106.35
2015	12,830,000	0.199	90.17
2016	12,690,000	0.187	87.97

Source: Johnson County Finance Department
Use of General Obligation debt started in 2008.

JOHNSON COUNTY, IOWA
RATIOS OF GENERAL OBLIGATION DEBT OUTSTANDING
FOR THE LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	General Obligation Capital Loan Notes Outstanding (1)	Pecent Debt to Assessed Value	Outstanding Debt Per Capita*
2007	$ -	- %	$ -
2008	6,520,000	0.08	50.88
2009	24,745,000	0.26	188.89
2010	19,205,000	0.20	146.28
2011	18,122,000	0.18	135.70
2012	14,736,000	0.14	108.10
2013	15,690,000	0.15	115.52
2014	14,445,000	0.13	106.35
2015	12,830,000	0.12	90.17
2016	12,690,000	0.12	89.19

*Population from State Data Center of Iowa and US Census Bureau

(1) For the purposes of this schedule, the County's net general bonded debt is equal to the County's total general bonded debt as the debt obligations are retired through the use of the County's general resources.

Source: Johnson County Finance Department
Use of General Obligation debt started in 2008

JOHNSON COUNTY, IOWA
LEGAL DEBT MARGIN
FOR THE LAST TEN FISCAL YEARS
UNAUDITED

	2007	2008	2009	2010
Debt limit	$ 411,482,392	$ 431,695,113	$ 472,773,450	$ 489,943,369
Total Net Debt Applicable to the limit	(800,000)	-	(6,520,000)	(24,745,000)
Legal Debt Margin	$ 410,682,392	$ 431,695,113	$ 466,253,450	$ 465,198,369
% of Debt Limit to Total Net Debt	0.19%	0.00%	1.38%	5.05%

Legal Debt Margin Calculation for Fiscal Year 2016:

2016 acutual valuation	$ 10,749,978,104
Multiply by 5%	5 %
Debt Limit	537,498,905
Less: Outstanding GO Debt	(12,690,000)
Legal Debt Margin	$ 524,808,905

2011	2012	2013	2014	2015	2016
$ 508,645,689	$ 520,003,745	$ 535,586,818	$ 546,388,412	$ 566,370,725	$ 537,498,905
(19,205,000)	(18,122,000)	(14,736,000)	(15,690,000)	(14,445,000)	(12,690,000)
$ 489,440,689	$ 501,881,745	$ 520,850,818	$ 530,698,412	$ 551,925,725	$ 524,808,905
3.78%	3.48%	2.75%	2.87%	2.55%	2.36 %

JOHNSON COUNTY, IOWA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2016
UNAUDITED

Governmental Unit	Debt Outstanding	Percent Applicable	Amount Applicable to Johnson County
Direct Debt:			
Johnson County	$ 12,690,000	100.00 %	$ 12,690,000
Overlapping Debt:			
School Districts:			
Clear Creek-Amana School (Clear Creek)	61,465,000	87.57	53,827,666
College Community School	57,025,000	12.27	6,994,455
Highland School	1,065,000	3.96	42,221
Iowa City School	6,320,000	100.00	6,320,000
Lisbon School	1,265,000	4.21	53,232
Lone Tree School	1,290,000	97.93	1,263,265
Mid-Prairie School	9,835,000	23.74	2,334,613
Mt. Vernon School	4,495,000	0.13	5,811
Solon School	28,260,000	99.50	28,118,113
West Branch School	725,000	26.89	194,920
West Liberty School	2,675,000	1.82	48,732
Williamsburg School	7,585,000	0.97	73,906
Eastern Iowa Community College	13,765,000	0.04	4,955
Kirkwood Community College	87,311,000	32.17	28,090,784
Cities:			
Coralville	208,213,251	100.00	208,213,251
Hills	1,912,000	100.00	1,912,000
Iowa City	55,350,000	100.00	55,350,000
Lone Tree	707,000	100.00	707,000
North Liberty	30,570,000	100.00	30,570,000
Oxford	724,000	100.00	724,000
Shueyville	1,745,000	100.00	1,745,000
Solon	3,317,000	100.00	3,317,000
Swisher	1,076,000	100.00	1,076,000
Tiffin	8,617,000	100.00	8,617,000
University Heights	30,000	100.00	30,000
West Branch	2,165,000	3.19	69,159
Subtotal Overlapping Debt			439,703,083
Total Direct and Overlapping Debt			$ 452,393,083

Source: Johnson County Auditor (Current Debt Summary for all Taxing Districts)

JOHNSON COUNTY, IOWA
DEMOGRAPHIC AND ECONOMIC STATISTICS
FOR THE LAST TEN CALENDAR YEARS
UNAUDITED

Year	County Population (1)	Personal Income (2)	Per Capita Personal Income	School Enrollment (3)	Labor Force (4)	Unemployment Rate (4)
2006	122,226	$ 4,485,290,000	$ 36,696.69	10,893	75,000	2.6 %
2007	124,541	4,837,965,000	38,846.36	11,144	76,700	2.8
2008	127,113	5,142,501,000	40,456.14	11,628	78,600	2.9
2009	129,864	5,133,292,000	39,528.21	11,654	80,200	4.3
2010	131,291	5,195,104,000	39,569.38	11,788	78,700	4.4
2011	133,733	5,649,310,000	42,243.65	11,771	79,100	4.2
2012	136,923	5,957,758,000	43,511.74	12,189	79,400	3.8
2013	139,851	6,162,583,000	44,065.35	12,489	82,700	3.3
2014	142,421	6,492,971,000	45,589.98	12,889	84,000	3.2
2015	144,251	6,770,087,000	46,932.69	13,033	83,100	3.2

(1) Population form State Data Center of Iowa and US Census Bureau
(2) Personal Income from US Bureau of Economic Analysis
(3) School enrollment from Iowa Department of Education
(4) Unemployment/Labor Force data from Iowa Workforce Development

JOHNSON COUNTY, IOWA

JOHNSON COUNTY, IOWA
PRINCIPAL EMPLOYERS
FOR THE CURRENT FISCAL YEAR AND NINE YEARS AGO
UNAUDITED

	Fiscal Year 2016			Fiscal Year 2007		
Employer:	Number of Employees	Rank	% of Total County Employment	Number of Employees	Rank	% of Total County Employment
University of Iowa	18,650	1	22.7 %	25,493	1	34.1 %
University of Iowa Hospital and Clinics	8,704	2	10.6	-	-	-
Iowa City Community School District	2,346	3	2.9	1,200	5	1.6
Veterans Health Administration	1,562	4	1.9	1,232	4	1.6
Mercy Iowa City	1,559	5	1.9	-	-	-
ACT, Inc.	1,350	6	1.6	1,426	2	1.9
Pearson Educational Measurement	1,200	7	1.5	-	-	-
Hy-Vee, Inc.	1,166	8	1.4	977	7	0.8
City of Iowa City	1,108	9	1.4	625	9	1.3
Systems Unlimited	890	10	1.1	-	-	-
Riverside Casino	759	11	0.9	-	-	-
International Automotive Components	750	12	0.9	-	-	-
Mercy Hospital	-	-	-	1,262	3	1.7
NCS Pearson	-	-	-	1,101	6	1.5
Lear Corp.	-	-	-	772	8	1.0
Proctor & Gamble	-	-	-	514	10	0.7
United Technologies Automotive	-	-	-	511	11	0.7
Gillette Canada (Oral B Laboratories)	-	-	-	500	12	0.7
Total Employees in Johnson County	40,044		48.8 %	35,613		47.6 %
Total Employees in Johnson County	81,982			74,757		

Source: Iowa Areas Development Group and Iowa City Iowa CAFR, Iowa Workforce Development

JOHNSON COUNTY, IOWA
COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/DEPARTMENT (FTE)
FOR THE LAST TEN FISCAL YEARS
UNAUDITED

	2007	2008	2009	2010	2011
Function/Department:					
Public Safety and Legal Services:					
Ambulance	36.0	36.5	38.5	37.9	39.9
County Attorney	33.0	33.6	33.6	33.6	33.1
Sheriff	91.3	96.9	101.0	101.0	103.2
Physical Health and Social Services:					
Medical Examiner	1.5	2.5	2.4	3.0	3.0
Health	36.3	37.3	38.4	38.1	38.9
SEATS	25.5	28.2	29.8	31.2	29.9
Human Services	7.0	9.3	9.3	9.3	9.6
Veterans Affairs	0.6	0.6	0.6	0.6	1.0
Mental Health:					
MH/DS	33.0	37.5	40.5	40.5	41.0
County Environment and Education:					
Zoning	10.7	10.5	10.2	9.0	9.2
Conservation	16.2	16.5	16.2	16.9	17.4
Roads and Transportation:					
Secondary Roads	52.4	50.7	50.5	49.5	49.8
Government Services:					
Recorder	9.0	9.0	9.0	9.0	9.0
Auditor/Elections	13.8	15.9	16.6	14.8	14.0
Treasurer	20.5	16.0	16.0	16.0	15.0
Administration:					
Auditor/Accounting	18.3	18.5	18.5	18.5	18.5
Board of Supervisors	8.2	8.0	8.0	6.8	6.8
Human Resources	2.6	3.6	3.6	3.6	3.6
Information Services	10.6	12.0	11.6	11.6	11.6
Finance	-	-	-	-	-
Physical Plant	6.0	6.0	8.0	8.0	8.0
Total	432.5	449.1	462.3	458.9	462.5

Source: Johnson County Finance Department

2012	2013	2014	2015	2016	Change
40.0	39.9	40.3	40.3	41.3	1.0
34.1	33.8	29.1	30.1	30.9	0.8
91.2	92.1	92.1	93.2	97.9	4.7
4.6	4.6	5.0	5.2	5.2	-
36.5	37.5	37.5	36.4	36.4	-
32.3	34.9	34.8	36.1	36.1	-
9.6	8.5	8.5	8.5	8.5	-
0.8	0.8	1.0	1.0	1.0	-
35.5	37.0	36.0	37.0	37.0	-
10.0	11.5	11.5	11.5	12.0	0.5
17.7	18.8	18.8	20.8	21.8	1.0
48.8	48.8	48.8	49.8	49.8	-
9.0	8.0	8.0	8.0	8.0	-
13.9	18.9	12.9	13.7	13.7	-
15.0	15.0	14.1	14.0	14.0	-
19.0	19.1	17.6	17.1	17.1	-
7.3	7.3	6.8	6.8	6.8	-
3.6	3.7	3.7	3.7	3.7	-
11.6	11.6	11.1	11.5	11.5	-
-	-	3.0	3.0	3.0	-
8.0	8.0	8.0	10.0	10.0	-
448.5	459.8	448.6	457.7	465.7	8.0

JOHNSON COUNTY, IOWA
OPERATING INDICATORS BY FUNCTION/PROGRAM
FOR THE LAST TEN FISCAL YEARS
UNAUDITED

	2007	2008	2009	2010
Function/Program:				
Public Safety and Legal Services:				
Ambulance:				
# of service calls	6,618	7,276	7,347	7,124
County Attorney:				
# of felonies and aggrevated misdemeanor cases	1,731	1,769	1,795	1,693
County Sheriff:				
# of jail booking	6,996	7,363	7,242	6,681
# of service calls	N/A	12,411	13,829	14,519
Medical Examiner (Department started in 2009):				
# of cases investigated	N/A	N/A	558	576
Physical Health and Social Services:				
Public Health:				
# children receiving health services	N/A	10,234	13,921	7,309
# of hours spent on disease investigation	N/A	212	585	450
# of food inspections	728	1,001	1,269	1,077
SEATS:				
# of trips	99,105	99,605	103,543	104,312
Social Services:				
# of applications for general assistance	819	942	1,355	1,373
Veteran Affairs:				
# of local assistance claims	211	230	233	243
# of federal assistance claims (started tracking FY15)	N/A	N/A	N/A	N/A
Mental Healt/Disability Services:				
# of clients served	1,527	1,684	2,054	1,948
County Environment and Education:				
Planning and Zoning:				
# of building permits issued	205	213	249	238
Conservation:				
# of camper nights	4,260	4,488	4,879	5,270
# of acres managed	1,474	1,474	1,474	1,561
Roads and Transportation:				
Secondary roads:				
# miles of roads plowed	52,256	61,655	67,735	72,855
# of structures repaired	N/A	29	33	56
Governmental Services to Residents:				
Recorder:				
# of documents recorded	32,528	32,843	31,076	31,315
Treasurer:				
# of titles issued	30,736	30,152	29,758	28,701
# of Registrations Issued (metric started FY14)	N/A	N/A	N/A	N/A
Elections:				
# of registered voters	82,977	92,222	88,086	92,610
Administration:				
Auditor:				
# of claims processed	30,900	30,087	32,353	31,911
Information Technology:				
# of PC's	402	468	504	600

2011	2012	2013	2014	2015	2016
7,379	7,785	8,718	9,210	9,569	10,348
1,906	1,776	1,709	944	1,251	1,095
7,043	6,972	6,455	6,222	5,428	5,393
15,756	18,160	19,374	25,515	20,689	31,192
584	625	699	663	1,466	1,648
10,083	13,132	10,457	10,999	13,511	12,393
860	2,073	2,001	1,004	3,246	2,075
1,132	1,522	1,786	1,803	1,147	1,209
112,558	124,368	133,037	133,379	132,389	128,064
1,503	1,366	1,330	1,168	1,028	1,080
244	235	171	128	185	187
N/A	N/A	N/A	N/A	350	574
2,224	2,115	2,559	1,333	611	547
210	295	317	245	289	342
4,929	5,259	5,472	4,679	4,706	5,620
1,561	1,561	1,642	1,642	1,805	2,185
52,078	35,113	39,494	71,223	33,149	22,709
33	47	16	47	51	47
32,726	31,957	37,617	28,674	27,483	28,882
29,642	31,657	31,761	32,507	33,003	34,830
N/A	N/A	N/A	153,429	156,913	158,168
92,260	91,383	91,682	86,966	88,333	83,395
31,402	30,986	30,131	28,919	19,755	19,000
571	667	690	694	732	1,194

JOHNSON COUNTY, IOWA
CAPITAL ASSET STATISTICS BY ACTIVITY
FOR THE LAST TEN FISCAL YEARS
UNAUDITED

	2007	2008	2009	2010
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 8,184,568	$ 8,184,568	$ 8,750,607	$ 9,069,933
Intangable assets	-	-	-	-
Construction in progress	589,184	6,500,079	17,639,607	28,347,067
Total capital assets not being depreciated	8,773,752	14,684,647	26,390,214	37,417,000
Capital assets being depreciated:				
Buildings	14,149,149	14,244,494	14,944,068	15,043,550
Improvements other than buildings	-	-	-	-
Furnishings and equipment	12,973,014	13,221,591	13,611,863	13,868,340
Infrastructure	47,891,520	51,042,302	53,458,245	54,342,496
Total capital assets being depreciated	75,013,683	78,508,387	82,014,176	83,254,386
Less accumulated depreciation for:				
Buildings	8,761,534	9,047,616	9,309,260	9,622,401
Improvements other than buildings	-	-	-	-
Furnishings and equipment	8,031,254	8,821,611	9,519,646	10,188,983
Infrastructure	19,552,810	21,465,883	23,214,166	25,157,610
Total accumulated depreciation	36,345,598	39,335,110	42,043,072	44,968,994
Total capital assets being depreciated, net	38,668,085	39,173,277	39,971,104	38,285,392
Governmental activities capital assets, net	$ 47,441,837	$ 53,857,924	$ 66,361,318	$ 75,702,392

2011	2012	2013	2014	2015	2016
$ 12,187,273	$ 12,770,898	$ 12,707,628	$ 12,858,301	$ 13,919,180	$ 15,337,706
-	-	-	63,845	63,845	197,926
26,383,357	12,149,802	8,709,739	8,527,438	24,092,064	16,312,686
38,570,630	24,920,700	21,417,367	21,449,584	38,075,089	31,848,318
22,177,093	38,181,220	38,653,053	37,859,957	38,089,044	43,512,649
-	60,204	1,089,033	1,121,352	1,121,352	1,344,163
14,206,099	14,241,701	14,250,702	15,258,472	16,091,962	16,849,626
55,766,584	59,598,105	67,904,042	77,197,637	77,826,460	88,086,049
92,149,776	112,081,230	121,896,830	131,437,418	133,128,818	149,792,487
10,056,015	10,837,082	11,501,923	11,503,647	12,470,288	13,775,133
-	3,558	31,830	72,953	114,345	157,183
10,760,151	10,983,123	11,047,698	11,409,424	11,868,776	12,303,100
27,078,445	28,776,284	30,863,817	33,004,520	35,294,932	37,797,536
47,894,611	50,600,047	53,445,268	55,990,544	59,748,341	64,032,952
44,255,165	61,481,183	68,451,562	75,446,874	73,380,477	85,759,535
$ 82,825,795	$ 86,401,883	$ 89,868,929	$ 96,896,458	$ 111,455,566	$ 117,607,853

JOHNSON COUNTY, IOWA
CAPITAL ASSET STATISTICS BY FUNCTION/DEPARTMENT
LAST TEN FISCAL YEARS
UNAUDITED

Function/Department:	2007	2008	2009	2010
Public Safety and Legal Services:				
Ambulance:				
# vehicles	6	6	7	9
# buildings	1	1	1	1
Sheriff:				
# vehicles	43	43	52	54
# buildings	1	1	1	1
Medical Examiner:				
# vehicles	-	-	-	-
Physical Health and Social Services:				
Public Health:				
# vehicles	9	9	9	9
SEATS:				
# vehicles	20	20	27	23
# buildings	1	1	1	1
Mental Health:				
MH/DS:				
# vehicles	3	3	3	4
County Environment and Education:				
Planning and Zoning:				
# vehicles	5	5	5	5
Conservation:				
# vehicles	18	18	15	15
# buildings	22	22	23	23
Roads and Transportation:				
Secondary Roads:				
# vehicles	83	83	87	85
# buildings	18	18	18	19
Government Services:				
Auditor/Elections:				
# vehicles	2	2	3	3
Administration:				
Information Services:				
# vehicles	1	1	1	1
Physical Plant				
# vehicles	4	4	3	3
# buildings	11	11	10	13

Source: Johnson County Finance Department

2011	2012	2013	2014	2015	2016
7	8	8	8	7	7
1	1	1	1	1	1
48	52	60	51	57	58
1	1	1	1	1	1
2	2	2	2	2	2
9	9	9	9	8	8
24	24	24	24	24	24
1	1	1	1	1	2
4	4	3	3	3	3
5	5	5	5	5	5
17	19	21	21	21	21
26	27	27	27	27	31
87	87	89	88	92	92
19	18	18	21	19	20
3	3	3	3	3	3
1	1	1	1	-	-
3	4	5	5	4	4
15	14	13	13	11	11

JOHNSON COUNTY, IOWA

ANDERSON, LARKIN & CO. P.C.
Certified Public Accountants
"Achieving your goals with our knowledge."

Kenneth E. Crosser, CPA
April D. Crosser, CPA
Michael J. Podliska, CPA
Bradley T. Barnes, CPA

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 Elected Officials of Johnson County, Iowa:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Johnson County, Iowa, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Johnson County, Iowa's basic financial statements and have issued our report thereon dated January 30, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Johnson County, Iowa's internal control over financial reporting (internal control) to determine the 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 Johnson County, Iowa's internal control. Accordingly, we do not express an opinion on the effectiveness of Johnson County, Iowa's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 16-II-A that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Johnson County, Iowa'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Comments involving statutory and other legal matters about the County's operations for the year ended June 30, 2016 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.

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Johnson County, Iowa's Response to Findings

Johnson County, Iowa's response to the finding identified in our audit was described in the accompanying schedule of findings and questioned costs. Johnson County, Iowa's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Johnson County, Iowa 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.

ANDERSON, LARKIN & CO., P.C.

Anderson, Larkin & Co. P.C.

Ottumwa, Iowa
January 30, 2017

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Elected Officials of Johnson County, Iowa

Report on Compliance for Each Major Federal Program

We have audited Johnson County, Iowa's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Johnson County, Iowa's major federal programs for the year ended June 30, 2016. Johnson County, Iowa's major federal programs are identified in part I of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Johnson County, Iowa's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Johnson County, Iowa's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Johnson County, Iowa's compliance.

Opinion on Each Major Federal Program

In our opinion, Johnson County, Iowa, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance.

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Report on Internal Control over Compliance

Management of Johnson County, Iowa, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Johnson County, Iowa's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Johnson County, Iowa's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

ANDERSON, LARKIN & CO., P.C.

Anderson, Larkin & Co. P.C.

Ottumwa, Iowa
January 30, 2017

JOHNSON COUNTY, IOWA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2016

Part I: Summary of the Independent Auditor's Results

a. Unmodified opinions were issued on the financial statements.

b. A material weakness in internal control over financial reporting was disclosed by the audit of the financial statements.

c. The audit did not disclose any non-compliance which is material to the financial statements.

d. No material weaknesses in internal control over major programs were disclosed by the audit of the financial statements.

e. An unmodified opinion was issued on compliance with requirements applicable to each major program.

f. The audit disclosed no audit findings which are required to be reported in accordance with the Uniform Guidance, Section 200.515.

g. The major programs were CFDA Numbers:

10.557 Special Supplemental Nutrition Program for Woman, Infants and Children
93.074 Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements

h. The dollar threshold used to distinguish between Type A and Type B programs was $750,000.

i. Johnson County, Iowa did not qualify as a low-risk auditee.

Part II: Findings Related to the Financial Statements

INTERNAL CONTROL DEFICIENCIES:

16-II-A Financial Reporting – During the year ended June 30, 2016, it was determined that certain capital asset's transactions from prior to July 1, 2015 were mistakenly omitted from the capital assets listing. The effects of these omissions are shown in Note 17 of the current year financial statements.

Recommendation – The County should maintain an updated listing of capital assets that reconciles to the audited financial statements.

Response – The County will review its process for capital assets and ensure in the future that it maintains an updated capital asset listing and that it reconciles to the audited financial statements.

Conclusion – Response accepted.

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

Part III: Findings and Questioned Costs for Federal Awards

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

INTERNAL CONTROL DEFICIENCIES:

No matters were noted.

Part IV: Other Findings Related to Required Statutory Reporting

16-IV-A Certified Budget – Disbursements during the year ended June 30, 2016 did not exceed the amounts budgeted.

16-IV-B Questionable Expenditures – We noted no expenditures that we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.

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

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

16-IV-E Bond Coverage – Surety bond coverage of County officials and employees is in accordance with statutory provisions.

16-IV-F Board Minutes – No transactions were found that we believe should have been approved in the Board minutes but were not.

16-IV-G Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the County's investment policy were noted.

16-IV-H 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).

16-IV-I County Extension Office – The County Extension Office is operated under the authority of Chapter 176A of the Code of Iowa and serves as an agency of the State of Iowa. This fund is administered by an Extension Council separate and distinct from County operations and, consequently, is not included in Exhibits A or B.

Disbursements during the year ended June 30, 2016 for the County Extension Office did not exceed the amount budgeted.

16-IV-J Early Childhood Iowa Area Board – Johnson County, Iowa is the fiscal agent for the Early Childhood Iowa Area Board, an organization formed pursuant to the provisions of Chapter 256I of the Code of Iowa. Financial transactions of the Area Board are included in the County's financial statements as part of the Agency Funds because of the County's fiduciary relationship with the organization.

No instances of non-compliance were noted as a result of the audit procedures performed.