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December 20, 2017

To the Board of Supervisors
Woodbury County, Iowa

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Woodbury County, Iowa for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Governmental Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you in our planning meetings leading up to the audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Woodbury County, Iowa are described in Note 1 to the financial statements. During the year ended June 30, 2017, you adopted the requirements of GASB 75 related to OPEB disclosures. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements was the estimation of useful life for capital assets, the estimation of the OPEB liability, and the IBNR liability in the internal service fund. We evaluated the key factors and assumptions used to develop the estimates and determined that they are reasonable in relation to the financial statements as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Material misstatements detected as a result of audit procedures and corrected by management are presented in the attached schedule.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that

could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 20, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management discussion and analysis, budgetary comparisons and schedule of funding process for retiree health plan, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the nonmajor combining fund financial statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the transmittal letter and the statistical section, which accompany the financial statements but are RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

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

Very truly yours,



Williams & Company P.C.

Client: WOODBURY COUNTY - AUDITOR
 Report: Journal Entry

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
001.AJE01		U-2			
to reclass loan payment from transfer to due to/from account					
001-50308	TRANSFER IN - GENERAL BASIC		100,000.00	0.00	
001-00130	DUE FROM OTHER FUNDS		0.00	100,000.00	
Total			100,000.00	100,000.00	(100,000.00)
001.AJE02		GG-11			
To reclass Care of Prisoner revenue					
001-42502	CARE OF PRISONERS		82,146.00	0.00	
001-44460	SHERIFF - ROOM & BOARD FEES		0.00	82,146.00	
Total			82,146.00	82,146.00	0.00
001.AJE03		GG-11			
To reclass PY Care of Prisoner Receivable					
001-42502	CARE OF PRISONERS		46,300.00	0.00	
001-42507	FEDERAL MARSHALL SERVICES		0.00	46,300.00	
Total			46,300.00	46,300.00	0.00
001.AJE04		GG-11			
To reclass CY care of prisoners receivable					
001-42507	FEDERAL MARSHALL SERVICES		6,500.00	0.00	
001-42502	CARE OF PRISONERS		0.00	6,500.00	
Total			6,500.00	6,500.00	0.00
001.AJE05					
To record due from other governments (sheriff's office)					
001-00133	DUE FROM OTHER GOV'TS		153,884.00	0.00	
001-44460	SHERIFF - ROOM & BOARD FEES		0.00	128,194.00	
001-42502	CARE OF PRISONERS		0.00	6,300.00	
001-42507	FEDERAL MARSHALL SERVICES		0.00	19,390.00	
Total			153,884.00	153,884.00	153,884.00
001.AJE06					
TO RECLASS SUBSEQUENT PROPERTY TAXES					
001-00108	SUBSEQUENT YEAR PROP TAX RECC		15,002,513.00	0.00	
001-00228	DEFERRED REVENUE - SUBSEQUENT PROP TAXES		0.00	14,156,948.00	
001-00222	DEFERRED REVENUE		0.00	845,565.00	
Total			15,002,513.00	15,002,513.00	0.00
001.AJE07					
TO ADJUST PROPERTY TAX RECEIVABLE AND DEFERRED TO ACTUAL					
001-00222	DEFERRED REVENUE		746,090.00	0.00	
001-41000	CURRENT NET PROP. TAXES		1,697.00	0.00	
001-00105	PROPERTY TAX RECEIVABLE		0.00	747,787.00	
Total			747,787.00	747,787.00	(1,697.00)
001.AJE08					
TO RECLASS REVENUE TO PROPER ACCOUNT					
001-42508	FEDERAL OVERTIME REIMBURSEMENT		18,925.00	0.00	
001-48484	MISC. REVENUES		0.00	18,925.00	
Total			18,925.00	18,925.00	0.00
001.AJE09					
TO RECLASS REVENUE TO PROPER ACCOUNT					
001-42303	DRUG GRANT		42,902.00	0.00	
001-42302	HOMELAND SECURITY		8,682.00	0.00	
001-42508	FEDERAL OVERTIME REIMBURSEMENT		134,994.00	0.00	
001-42304	EDWARD BYRNE GRANT		0.00	46,938.00	
001-42606	HIDTA GRANT		0.00	139,640.00	
Total			186,578.00	186,578.00	0.00
001.AJE10					
TO RECORD ADDITIONAL RECEIVABLES					
001-00133	DUE FROM OTHER GOV'TS		8,433.00	0.00	
001-42606	HIDTA GRANT		0.00	1,635.00	
001-42303	DRUG GRANT		0.00	3,388.00	
001-42301	STATE REIMB/HIGHWAY SAFETY PR		0.00	3,410.00	
Total			8,433.00	8,433.00	8,433.00
001.AJE12					
TO RECORD RECEIVABLE TO ACTUAL					
001-44393	COUNTY ATTORNEY COLLECTIONS		26,581.79	0.00	
001-00133	DUE FROM OTHER GOV'TS		0.00	26,581.79	
Total			26,581.79	26,581.79	(26,581.79)

001AJE.11		A-LEAD			
TO RECLASS NEGATIVE CASH					
001-00133	DUE FROM OTHER GOV'TS		13,820.40	0.00	
001-00101	CASH		0.00	13,820.40	
Total			<u>13,820.40</u>	<u>13,820.40</u>	<u>0.00</u>
002.AJE01					
TO RECLASS REVERSING ENTRIES					
002-00104	PROPERTY TAX RECEIVABLE		74,734.00	0.00	
002-00222	DEFERRED REVENUE		0.00	73,038.00	
002-41000	CURRENT PROPERTY TAXES		0.00	1,696.00	
Total			<u>74,734.00</u>	<u>74,734.00</u>	<u>1,696.00</u>
002.AJE02					
TO REMOVE REVERSING ENTRY					
002-00104	PROPERTY TAX RECEIVABLE		11,031,749.00	0.00	
002-00222	DEFERRED REVENUE		0.00	11,031,749.00	
Total			<u>11,031,749.00</u>	<u>11,031,749.00</u>	<u>0.00</u>
002.AJE03					
TO RECLASS PROPERTY TAX RECEIVABLE TO PROPER ACCOUNT					
002-00104	PROPERTY TAX RECEIVABLE		338,021.00	0.00	
002-00115	ACCOUNTS RECEIVABLE		0.00	338,021.00	
Total			<u>338,021.00</u>	<u>338,021.00</u>	<u>0.00</u>
002.AJE04		C-2			
TO RECORD SUB YEAR PROP TAX					
002-00108	SUBSEQUENT YEAR PROPERTY TAX		11,369,770.00	0.00	
002-00104	PROPERTY TAX RECEIVABLE		0.00	11,369,770.00	
Total			<u>11,369,770.00</u>	<u>11,369,770.00</u>	<u>0.00</u>
002.AJE05		C-2			
TO ADJUST DEF REV TO ACTUAL FOR SUB YEAR TAXES					
002-00222	DEFERRED REVENUE		11,369,770.00	0.00	
002-00228	DEFERRED REV - SUB YR TAXES		0.00	11,369,770.00	
Total			<u>11,369,770.00</u>	<u>11,369,770.00</u>	<u>0.00</u>
002.AJE06		C-3			
To record Juvenile Detention receivable					
002-00133	DUE FROM OTHER GOVERNMENTS		288,651.56	0.00	
002-42505	STATE REIMB JUVENILE DETENTION		0.00	288,651.56	
Total			<u>288,651.56</u>	<u>288,651.56</u>	<u>288,651.56</u>
006.AJE01		A-3.lead			
TO RECORD ELDERLY CREDIT REVENUE					
006-00101	CASH IN BANK		155,738.00	0.00	
006-48482	EXCESS STATE TAX CREDITS		0.00	155,738.00	
Total			<u>155,738.00</u>	<u>155,738.00</u>	<u>155,738.00</u>
200.AJE04		A-3.lead			
TO RECORD FEMA REVENUE					
220-00101	CASH - COUNTY TREASURER		430,411.67	0.00	
220-42665	FEMA		0.00	430,411.67	
Total			<u>430,411.67</u>	<u>430,411.67</u>	<u>430,411.67</u>
220-AJE03					
TO ADJUST EXPENSE TO ACTUAL					
220-57110	ROADS		124,003.00	0.00	
220-59200	CAPITAL PROJECTS ROADWAY CONSTRUCTION		0.00	124,003.00	
Total			<u>124,003.00</u>	<u>124,003.00</u>	<u>0.00</u>
220.AJE01					
TO RECORD ADDITIONAL DUE FROM OTHER GOV'T					
220-00133	DUE FROM OTHER GOV'TS		158,462.00	0.00	
220-42676	UNDERGROUND STORAGE TANK		0.00	35,427.00	
220-42673	SENATE FILE 451 - TJ		0.00	6,096.00	
220-42679	BRIDGE REPLACEMENT		0.00	116,939.00	
Total			<u>158,462.00</u>	<u>158,462.00</u>	<u>158,462.00</u>
220.AJE02		D-2			
to record sign inventory inadvertently omitted from client adjustment					
220-00141	INVENTORIES		180,355.00	0.00	
220-57110	ROADS		0.00	180,355.00	
Total			<u>180,355.00</u>	<u>180,355.00</u>	<u>180,355.00</u>
229.AJE01		C-8			
TO ADJUST EMS LOAN TO ACTUAL					
229-20001	EMERGENCY MED SERVICES REPAYMENT		18,000.00	0.00	
229-00115	ACCOUNTS RECEIVABLE		0.00	18,000.00	
Total			<u>18,000.00</u>	<u>18,000.00</u>	<u>(18,000.00)</u>

231.AJE01					
TO RECLASS REIMBURSEMENT REVENUE					
231-42491	LOCAL OPTION TAX	16,329.00	0.00		
231-48480	MISCELLANEOUS REVENUES	0.00	16,329.00		
Total		16,329.00	16,329.00		0.00
231.AJE03					
TO TRANSFER NOTE RECEIVABLE					
231-00120	NOTE RECEIVABLE	255,005.00	0.00		
231-50313	RLF TRANSFER	0.00	255,005.00		
Total		255,005.00	255,005.00		255,005.00
231.AJE04					
TO ADJUST LOAN PAYMENTS TO ACTUAL					
231-48479	State Grants	87,160.71	0.00		
231-00120	NOTE RECEIVABLE	0.00	83,120.38		
231-46005	INTEREST ON LOANS	0.00	4,040.33		
Total		87,160.71	87,160.71		(83,120.38)
231.AJE05					
TO RECORD IA DOT REIMBURSEMENT					
231-00101	CASH - COUNTY TREASURER	45,887.10	0.00		
231-48480	MISCELLANEOUS REVENUES	0.00	45,887.10		
Total		45,887.10	45,887.10		45,887.10
240.AJE01					
to reclass loan payment from transfer to due to other funds					
240-00230	DUE TO OTHER FUNDS	100,000.00	0.00		
240-50301	GENERAL TRANSFER IN	0.00	100,000.00		
Total		100,000.00	100,000.00		100,000.00
240.AJE01					
to record unrecorded TIF payments from TIF fund and the City of Sergeant Bluff					
240-50301	GENERAL TRANSFER IN	13,356.00	0.00		
240-00230	DUE TO OTHER FUNDS	0.00	13,356.00		
Total		13,356.00	13,356.00		(13,356.00)
259.AJE01					
TO RECORD ADDITIONAL DUR FROM OTHER GOV'T					
259-00133	DUE FROM OTHER GOV'TS	8,652.00	0.00		
259-48000	MISCELLANEOUS	0.00	8,652.00		
Total		8,652.00	8,652.00		8,652.00
273.AJE01					
TO RECORD COMPENSATED ABSENCES LIABILITY					
273-53040	ADMINISTRATION	155,223.41	0.00		
273-00217	Accrued compensated absences	0.00	155,223.41		
Total		155,223.41	155,223.41		(155,223.41)
273.AJE02					
TO ADJUST RECEIVABLES TO ACTUAL					
273-00133	DUE FROM OTHER GOVERNMENTS	134,604.00	0.00		
273-00115	ACCOUNTS RECEIVABLE	0.00	48,454.00		
273-42911	MISCELLANEOUS	0.00	134,604.00		
273-45090	FEES & COLLECTIONS	48,454.00	0.00		
Total		183,058.00	183,058.00		86,150.00
273.AJE03					
TO RECORD ADDITIONAL RECEIVABLES					
273-00133	DUE FROM OTHER GOVERNMENTS	10,904.00	0.00		
273-42911	MISCELLANEOUS	0.00	10,904.00		
Total		10,904.00	10,904.00		10,904.00
273.AJE04					
TO RECORD DEPRECIATION EXPENSE					
273-53000	PERSONAL & FAMILY HEALTH	38,951.36	0.00		
273-00164	EQUIPMENT	0.00	38,951.36		
Total		38,951.36	38,951.36		(38,951.36)
273.AJE05					
to adjust pension liability to actual					
273-00175	Pension Related Deferred Outflows	396,891.00	0.00		
273-00225	Net Pension Liability	0.00	571,163.00		
273-00230	Pension Related Deferred Inflows	185,545.00	0.00		
273-53000	PERSONAL & FAMILY HEALTH	0.00	11,273.00		
Total		582,436.00	582,436.00		11,273.00
275.AJE01					
TO ADJUST RECEIVABLE TO ACTUAL					
275-00120	DRAINAGE ASSESSMENTS	0.00	58,869.00		
275-48020	DRAINAGE ASSESSMENTS: PRINCIPAL	58,869.00	0.00		
Total		58,869.00	58,869.00		(58,869.00)

290.AJE01					
TO RECORD UNEARNED REVENUE					
290-48000	MISCELLANEOUS REVENUE	78,783.00	0.00		
290-00240	UNEARNED REVENUE	0.00	78,783.00		
Total		78,783.00	78,783.00		(78,783.00)
290.AJE02					
TO RECLASS REVENUE					
290-48000	MISCELLANEOUS REVENUE	12,653.00	0.00		
290-52050	LEGAL SERVICES	0.00	12,653.00		
Total		12,653.00	12,653.00		0.00
360.AJE01					
TO RECORD RETAINAGE PAYABLE					
360-59000	CAPITAL IMPROVEMENTS	9,175.59	0.00		
360-00202	ACCOUNTS PAYABLE	0.00	9,175.59		
Total		9,175.59	9,175.59		(9,175.59)
448.AJE01					
to reclass double positng of transfer between debt service and conservation reserve funds					
448-00101	CASH	(107,968.00)	0.00		
448-50300	TRANSFER IN	107,968.00	0.00		
Total		0.00	0.00		(107,968.00)
448.AJE02					
to reclass bond and interest payment to proper account					
448-46009	INTEREST & BOND ISSUANCE COSTS	10,387.00	0.00		
448-46008	PRINCIPLE PAYMENTS	0.00	10,387.00		
Total		10,387.00	10,387.00		0.00
448.AJE03					
to record transfer to other funds and city of sergeant bluff for TIF payments					
448-00130	Due from Other Funds	13,356.00	0.00		
448-00133	Due From Other Governments	11,788.00	0.00		
448-50300	TRANSFER IN	0.00	13,356.00		
448-46005	Reimbursements	0.00	11,788.00		
Total		25,144.00	25,144.00		25,144.00
667.AJE01					
to reclass double payment of transfer between debt service and conversation reserve					
667-00101	CASH - COUNTY TREASURER	107,968.00	0.00		
667-50301	TRANSFER OUT - DEBT SERVICES	0.00	107,968.00		
Total		107,968.00	107,968.00		107,968.00
667.AJE02					
TO RECORD ADDITIONAL RECEIVABLE					
667-00133	DUE FROM OTHER GOV'TS	175,000.00	0.00		
667-57060	GRANTS - OTHER	0.00	175,000.00		
Total		175,000.00	175,000.00		175,000.00
740.AJE01					
to adjust special assessment to actual					
740-00116	SPECIAL ASSESSMENTS RECEIVABLE	0.00	59,470.00		
740-00133	DUE TO OTHER GOV'TS	59,470.00	0.00		
Total		59,470.00	59,470.00		0.00
744.AJE01					
TO ADJUST TAX REC TO ACTUAL					
744-00117	FUTURE PROPERTY TAX RECEIVABLE	0.00	1,000.00		
744-00133	DUE TO OTHER GOV'TS	1,000.00	0.00		
Total		1,000.00	1,000.00		0.00
761.AJE01					
TO RECORD DUE FROM OTHER GOV'T					
761-00115	Due from Other Governments	2,719.00	0.00		
761-48000	MISCELLANEOUS	0.00	2,719.00		
Total		2,719.00	2,719.00		2,719.00
766.AJE01					
TO ADJUST COMPENSATED BALANCE TO ACTUAL					
766-00133	DUE TO OTHER GOV'TS	1,630.22	0.00		
766-00203	COMPENSATED ABSENCES	0.00	1,630.22		
Total		1,630.22	1,630.22		0.00
776.AJE01					
TO ADJUST DRAINAGE REC TO ACTUAL					
776-00120	DRAINAGE ASSESSMENT	0.00	274,181.00		
776-44500	ASSESSMENTS	274,181.00	0.00		
Total		274,181.00	274,181.00		(274,181.00)

779.AJE01					
TO REVERSE PY'S RECEIVABLE					
779-45090	FEES & COLLECTIONS	81,788.00	0.00		
779-00130	DUE FROM OTHER GOVERNMENTS	<u>0.00</u>	<u>81,788.00</u>		
Total		<u>81,788.00</u>	<u>81,788.00</u>		<u>(81,788.00)</u>
798.AJE01					
TO RECORD RECEIVABLES					
798-00115	ACCOUNTS RECEIVABLE	3,600.00	0.00		
798-00116	DUE FROM OTHER GOVTS	969.00	0.00		
798-48000	MISCELLANEOUS	<u>0.00</u>	<u>4,569.00</u>		
Total		<u>4,569.00</u>	<u>4,569.00</u>		<u>4,569.00</u>
926.AJE01					
TO ADJUST NET OPEB LIABILITY TO ACTUAL					
926-00240	OPEB LIABILITY	1,755,384.00	0.00		
926-58600	POST EMPLOYMENT BENEFITS	0.00	1,513,648.00		
926-00260	deferred inflows OPEB	<u>0.00</u>	<u>241,736.00</u>		
Total		<u>1,755,384.00</u>	<u>1,755,384.00</u>		<u>1,513,648.00</u>
926.AJE02					
TO RECORD RECIEVABLES					
926-00115	ACCOUNTS RECEIVABLE	2,669.00	0.00		
926-48502	REIMB FROM OP FUND	<u>0.00</u>	<u>2,669.00</u>		
Total		<u>2,669.00</u>	<u>2,669.00</u>		<u>2,669.00</u>
926.AJE03					
to adjust IBNR to actual					
926-00250	ACCRUED CLAIMS	63,995.00	0.00		
926-58550	CONTINGENT LIABILITY CLAIM EXPENSE	0.00	63,995.00		
Total		<u>63,995.00</u>	<u>63,995.00</u>		<u>63,995.00</u>
926.AJE04					
to adjust prepaid to actual					
926-00106	PREPAYMENT EXPENSE	23,803.00	0.00		
926-58501	INSURANCE PREMIUMS	<u>0.00</u>	<u>23,803.00</u>		
Total		<u>23,803.00</u>	<u>23,803.00</u>		<u>23,803.00</u>
GRAND TOTAL		<u>56,179,283.81</u>	<u>56,179,283.81</u>		<u>2,767,322.80</u>

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