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October 21, 2025

Iowa Department of Natural Resources
Wallace State Office Building
502 E. 9th Street
Des Moines, IA 50319-0034

We submit herewith an audit report of the examination of Tama County Solid Waste Disposal Commission, Tama, Iowa, as provided in Chapter 11 of the Code of Iowa and Government Auditing Standards, issued by the Comptroller General of the United States of America.

This examination of the financial statements of Tama County Solid Waste Disposal Commission is for the years ended June 30, 2025 and 2024. The workpapers are on file at our office.

Sincerely,

BOWMAN & MILLER, PC

Taylor G. Johnson, CPA

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Enclosures



C E R T I F I E D ♦ P U B L I C ♦ A C C O U N T A N T S

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION

Independent Auditors' Reports
Basic Financial Statements
and Other Information
Schedule of Findings

June 30, 2025 and 2024

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TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION

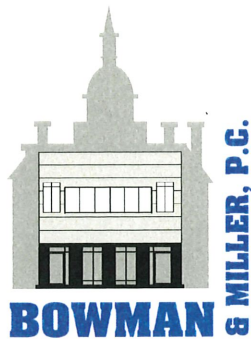
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TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION

Officials

<u>Name</u>	<u>Title</u>	<u>Representing</u>
Linn Snell	Chair	City of Elberon
Steve VanDeWalle	Vice Chair	City of Chelsea
Linda Pearson	Executive Board	City of Clutier
Barton Jensen	Executive Board	City of Dysart
Rick Raymond	Executive Board	City of Garwin
Dwight Surber	Commission Member	City of Gladbrook
Open	Commission Member	City of Vining
Open	Commission Member	City of Lincoln
Open	Commission Member	City of Montour
Bryan Ellenbecker	Commission Member	City of Tama
Leslie Richter	Commission Member	City of Toledo
Open	Commission Member	City of Traer
Open	Commission Member	Sac & Fox Tribal Council
Curt Hilmer	Commission Member	Tama County
Curt Kupka	Commission Member	Tama County
Open	Commission Member	Tama County
David Sherwood	Administrator	
Chris Wilson	Secretary	



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Independent Auditors' Report

To the Members of the Tama County
Solid Waste Disposal Commission:

Report on the Audits of the Financial Statements

Opinions

We have audited the financial statements of the Tama County Solid Waste Disposal Commission as of and for the years ended June 30, 2025 and 2024, and the related Notes to Financial Statements which collectively comprise the Tama County Solid Waste Disposal Commission's basic financial statement as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above presents fairly, in all material respects, the respective cash basis financial position of the Tama County Solid Waste Disposal Commission as of June 30, 2025 and 2024, and the respective changes in cash basis financial position for the years then ended in accordance with the basis of accounting described in Note 1.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the Tama County Solid Waste Disposal Commission, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing audits in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Tama County Solid Waste Disposal Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Tama County Solid Waste Disposal Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Other Information

Management is responsible for the other information included in this report. The other information comprises the Schedule of the Commission's Proportionate Share of the Net Pension Liability and the Schedule of Commission Contributions on pages 17 through 21 but does not include the basic financial

statements and our auditors' report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 21, 2025 on our consideration of the Tama County Solid Waste Disposal Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Tama County Solid Waste Disposal Commission's internal control over financial reporting and compliance.

Bowman & Miller, P.C.
Marshalltown, Iowa

October 21, 2025

Basic Financial Statements

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION

Statements of Cash Receipts, Disbursements and
Changes in Cash Balance

As of and for the years ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Operating receipts:		
Member assessments	\$ 394,059	394,059
Solid waste fees	1,250,507	1,920,481
Recycling sales	15,875	20,225
Miscellaneous	14,000	10,246
Total operating receipts	<u>1,674,441</u>	<u>2,345,011</u>
Operating disbursements:		
Salaries and benefits	423,491	373,969
Education	259	773
Office supplies	6,828	13,489
Telephone	153	24
Recycling	98,153	94,739
Utilities	5,690	5,315
Fuel and oil	38,836	48,909
Sales tax	2,042	18,750
Repairs	71,615	98,466
Development and improvements	151,673	109,168
Insurance	39,635	28,008
Mileage	987	801
Engineering	14,417	16,104
Legal, accounting, and auditing	8,019	8,661
Iowa Department of Natural Resources tonnage fees	22,568	159,833
Total operating disbursements	<u>884,366</u>	<u>977,009</u>
Excess of operating receipts over operating disbursements	<u>790,075</u>	<u>1,368,002</u>
Non-operating receipts (disbursements):		
Interest on investments	294,116	219,079
Gain on sale of assets	196,797	16,808
New equipment	(462,156)	(127,250)
Investment fees	(19)	(17)
Net non-operating receipts (disbursements)	<u>28,738</u>	<u>108,620</u>
Change in cash balance	818,813	1,476,622
Cash balance beginning of year	<u>7,001,737</u>	<u>5,525,115</u>
Cash balance end of year	<u>\$ 7,820,550</u>	<u>7,001,737</u>
Cash Basis Fund Balance		
Restricted for:		
Closure	\$ 1,472,207	1,373,661
Postclosure care	1,542,799	1,502,698
Total restricted cash basis fund balance	<u>3,015,006</u>	<u>2,876,359</u>
Unrestricted	<u>4,805,544</u>	<u>4,125,378</u>
Total cash basis fund balance	<u>\$ 7,820,550</u>	<u>7,001,737</u>

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION

Notes to Financial Statements (Continued)

June 30, 2025 and 2024

Note 1 - Summary of Significant Accounting Policies

The Tama County Solid Waste Disposal Commission was formed in 1973 pursuant to the provisions of Chapter 28E of the Code of Iowa. The purpose of the Commission is to develop, operate and maintain solid waste and recycling facilities in Tama County on behalf of the units of government which are members of the Commission.

The governing body of the Commission is composed of one representative from each member city and three representatives from the member county. The members of the Commission include Tama County and the cities of Chelsea, Clutier, Dysart, Elberon, Garwin, Gladbrook, Lincoln, Montour, Tama, Toledo, Traer, and Vining, as well as the Sac and Fox Tribal Council. Each member of the Commission has one vote, except for Tama County, which has three votes.

A. Reporting Entity

For financial reporting purposes, the Tama County Solid Waste Disposal Commission has included all funds, organizations, agencies, boards, commissions and authorities. The Commission 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 Commission are such that exclusion would cause the Commission's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the Commission to impose its will on the organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the Commission. The Commission has no component units which meet the Governmental Accounting Standards Board criteria.

B. Basis of Presentation

The accounts of the Commission are organized as an Enterprise Fund. Enterprise Funds are utilized to finance and account for the acquisition, operation, and maintenance of governmental facilities and services supported by user charges.

Enterprise Funds distinguish operating receipts and disbursements from non-operating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with an Enterprise Fund's principal ongoing operations. All receipts and disbursements not meeting this definition are reported as non-operating receipts and disbursements.

C. Measurement Focus and Basis of Accounting

The Commission maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the Commission are prepared on this basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items, including the estimated payables for closure and postclosure care. Accordingly, the financial statements do not present the financial position and results of operations of the Commission in accordance with accounting principles generally accepted in the United States of America.

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION

Notes to Financial Statements (Continued)

June 30, 2025 and 2024

Note 1 - Summary of Significant Accounting Policies (continued)

D. Cash Basis Fund Balance

Funds set aside for payment of closure and postclosure care are classified as restricted.

Note 2 - Cash and Investments

The Commission's deposits in banks at June 30, 2025 and 2024 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds.

The Commission 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 Commission; 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.

At June 30, 2025, the Commission had the following investments:

Investment	Carrying Amount	Fair Value	Maturity
State Bank of India Chicago, Illinois CD	120,000	118,186	November 2025
CIBC Bank USA CD	250,000	251,213	May 2026
Goldman Sachs Bank USA CD	100,000	98,147	June 2026
First Finl Bk USA Dakota DU CD	200,000	202,392	September 2026
First Gty Bk Hammond LA CD	90,000	91,225	October 2026
BNY Mellon CD	100,000	100,695	April 2027
United FID Bank FSB Evansville Indiana CD	150,000	151,668	June 2027
Park St Bk Duluth Minn CD	250,000	253,163	August 2027
Wells Fargo Bank CD	195,000	195,798	February 2028
HSBC Bank USA NA CD	100,000	97,895	March 2028
Morgan Stanley Bank N A CD	250,000	252,568	April 2028
Forbright Bk Potomac MD CD	100,000	100,567	February 2029
Medallion Bk Utah CD	100,000	100,748	July 2029
Bayvanguard Bk Baltimore MD CD	100,000	99,964	December 2029
UBS Bk USA Salt Lake City UT CD	200,000	198,762	January 2030
Customers Bk Phoenixville PA CD	250,000	248,945	January 2030
West Gate Bk Lincoln NEB CD	100,000	100,085	February 2030
	\$ 2,655,000	2,662,021	

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION

Notes to Financial Statements (Continued)

June 30, 2025 and 2024

Note 2 - Cash and Investments (continued)

At June 30, 2024, the Commission had the following investments:

Investment	Carrying Amount	Fair Value	Maturity
Discover Bank CD	100,000	99,123	November 2024
State Bank of India New York CD	100,000	99,014	December 2024
Discover Bank CD	100,000	98,837	December 2024
UBS Bank USA Salt Lake City Utah CD	250,000	248,918	December 2024
Synchrony Bank CD	100,000	98,749	January 2025
Sallie Mae Bank Murray, Utah CD	250,000	245,030	June 2025
State Bank of India Chicago, Illinois CD	120,000	112,692	November 2025
CIBC Bank USA CD	250,000	248,740	May 2026
Goldman Sachs Bank USA CD	100,000	94,847	June 2026
First Finl Bk USA Dakota DU CD	200,000	200,500	September 2026
First Gty Bk Hammond LA CD	90,000	90,436	October 2026
BNY Mellon CD	100,000	98,700	April 2027
United FID Bank FSB Evansville Indiana CD	150,000	148,604	June 2027
Park St Bk Duluth Minn CD	250,000	248,173	August 2027
Wells Fargo Bank CD	195,000	191,217	February 2028
HSBC Bank USA NA CD	100,000	94,760	March 2028
Morgan Stanley Bank N A CD	250,000	247,363	April 2028
	\$ 2,705,000	2,665,703	

The Commission uses the fair value hierarchy established by generally accepted accounting principles based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs.

The recurring fair value measurement for the certificates of deposits as of June 30, 2025 and 2024 of \$2,662,021 and \$2,665,703, respectively, were determined using the last reported sales price at current exchange rates. (Level 1 inputs)

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

Interest rate risk - The Commission'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 which 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 Commission.

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION

Notes to Financial Statements (Continued)

June 30, 2025 and 2024

Note 3 - Pension Plan

Plan Description - IPERS membership is mandatory for employees of the Commission, except for those covered by another retirement system. Employees of the Commission are provided with pensions through a cost-sharing multiple employer-defined benefit pension plan administered by the Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at 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, any time after reaching age 62 with 20 or more years of covered employment or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member's first month of entitlement to benefits. Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member's monthly IPERS benefit includes:

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

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

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

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

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION
Notes to Financial Statements (Continued)
June 30, 2025 and 2024

Note 3 - 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 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 years 2025 and 2024, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the Commission contributed 9.44% of covered payroll, for a total rate of 15.73%.

The Commission's contributions to IPERS for the years ended June 30, 2025 and 2024 totaled \$26,775 and \$23,461, respectively.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2025, the Commission had a liability of \$97,096 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Commission's proportion of the net pension liability was based on the Commission's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2024, the Commission's proportion was 0.002666%, which was an increase of 0.00016% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Commission's pension expense, deferred outflows of resources and deferred inflows of resources totaled \$38,282, \$46,861 and \$4,481, respectively.

There were no non-employer contributing entities to IPERS.

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION

Notes to Financial Statements (Continued)

June 30, 2025 and 2024

Note 3 - Pension Plan (continued)

Actuarial Assumptions - The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Rate of inflation	
(effective June 30, 2017)	2.60% per annum.
Rates of salary increase	3.25 to 16.25% average, including inflation.
(effective June 30, 2017)	Rates vary by membership group.
Long-term investment rate of return	7.00% compounded annually, net of investment
(effective June 30, 2017)	expense, including inflation.
Wage growth	3.25% per annum, based on 2.60% inflation
(effective June 30, 2017)	and 0.65% real wage inflation.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021.

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

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

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	21.0 %	3.52 %
International equity	13.0	5.18
Global smart beta equity	5.0	4.12
Core plus fixed income	25.5	3.04
Public credit	3.0	4.53
Cash	1.0	1.69
Private equity	17.0	8.89
Private real assets	9.0	4.25
Private credit	5.5	6.62
Total	<u>100.0 %</u>	

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION

Notes to Financial Statements (Continued)

June 30, 2025 and 2024

Note 3 - Pension Plan (continued)

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

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

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Commission's proportionate share of the net pension liability	\$ 203,220	97,096	18,030

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.

Note 4 - Other Postemployment Benefits (OPEB)

Plan Description - The Commission participates in the Tama County health benefit plan which provides medical/prescription drug benefits for employees, retirees and their spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. The Commission currently finances the benefit plan on a pay-as-you-go basis. The most recent active member monthly premiums for the Commission and the plan members range from \$1,526 for single coverage to \$3,316 for family coverage. For the year ended June 30, 2025 and 2024, the Commission contributed \$89,561 and \$82,061, respectively, and plan members eligible for benefits contributed \$3,589 and \$3,286, respectively, to the plan. As of June 30, 2025 and 2024, no assets have been accumulated in a trust which meets the criteria in paragraph 4 of GASB Statement No. 75.

OPEB Benefits - Individuals who are employed by Tama County Solid Waste Disposal Commission and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for the medical and prescription drug benefits as active employees, which results in an implicit rate subsidy.

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION

Notes to Financial Statements (Continued)

June 30, 2025 and 2024

Note 4 - Other Postemployment Benefits (OPEB) (continued)

Retired participants must be age 55 or older at retirement. At June 30, 2025 and 2024, there were four active employees, respectively, covered by the benefit terms and no inactive employees or beneficiaries currently receiving benefit payments.

Note 5 - Closure and Postclosure Care

To comply with federal and state regulations, the Commission is required to complete a monitoring system plan and a closure/postclosure plan and to provide funding necessary to effect closure and postclosure, including the proper monitoring and care of the landfill after closure. Environmental Protection Agency (EPA) requirements have established closure and thirty-year care requirements for all municipal solid waste landfills which receive waste after October 9, 1993. State governments are primarily responsible for implementation and enforcement of those requirements and have been given flexibility to tailor requirements to accommodate local conditions which exist. The effect of the EPA requirement is to commit landfill owners to perform certain closing functions and postclosure monitoring functions as a condition for the right to operate the landfill in the current period. The EPA requirements provide when a landfill stops accepting waste, it must be covered with a minimum of twenty-four inches of earth to keep liquid away from the buried waste. Once the landfill is closed, the owner is responsible for maintaining the final cover, monitoring ground water and methane gas, and collecting and treating leachate (the liquid which drains out of waste) for thirty years.

Governmental Accounting Standards Board Statement No. 18 requires landfill owners to estimate total landfill closure and postclosure care costs and recognize a portion of these costs each year based on the percentage of estimated total landfill capacity used that year. Estimated total costs consist of four components: (1) the cost of equipment and facilities used in postclosure monitoring and care, (2) the cost of final cover (material and labor), (3) the cost of monitoring the landfill during the postclosure period and (4) the cost of any environmental cleanup required after closure. Estimated total cost is based on the cost to purchase those services and equipment currently and is required to be updated annually due to the potential for changes due to inflation or deflation, technology, or applicable laws or regulations.

These costs for the Commission have been estimated to be \$1,669,300 and \$1,650,700, respectively, for closure and \$1,623,000 and \$1,596,000, respectively, for postclosure care, for a total of \$3,292,300 and \$3,246,700 as of June 30, 2025 and 2024. The estimated remaining life of the landfill is 8.36 years, with approximately 82.71% of the landfill's capacity used at June 30, 2025.

Chapter 455B.306(9)(b) of the Code of Iowa requires permit holders of municipal solid waste landfills to maintain separate closure and postclosure care accounts to accumulate resources for the payment of closure and postclosure care costs. The Commission has begun to accumulate resources to fund these costs and, at June 30, 2025, assets of \$3,015,006 are restricted for these purposes, of which \$1,472,207 is for closure and \$1,542,799 is for postclosure care. They are reported as restricted cash balance in the Statements of Cash Receipts, Disbursements and Changes in Cash Balance.

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION

Notes to Financial Statements (Continued)

June 30, 2025 and 2024

Note 5 - Closure and Postclosure Care (continued)

Also, pursuant to Chapter 567-113.14 of the Iowa Administrative Code (IAC), since the estimated closure and postclosure care costs are not fully funded, the Commission is required to demonstrate financial assurance for the unfunded costs. The Commission has adopted the dedicated fund financial assurance mechanism. Under this mechanism, the Commission must certify the following to the Iowa Department of Natural Resources:

- The fund is dedicated by local government statute as a reserve fund.
- Payments into the fund are made annually over a pay-in period of ten years or the permitted life of the landfill, whichever is shorter.
- Annual deposits to the fund are determined by the following formula:

$$NP = \frac{CE - CB}{Y}$$

NP = next payment

CE = total required financial assurance

CB = current balance of the fund

Y = number years remaining in the pay-in period

Chapter 567-113.14(8) of the IAC allows a government to choose the dedicated fund mechanism to demonstrate financial assurance and use the accounts established to satisfy the closure and postclosure care account requirements. Accordingly, the Commission is not required to establish closure and postclosure accounts in addition to the accounts established to comply with the dedicated fund financial assurance mechanism.

Note 6 - Solid Waste Tonnage Fees Retained

The Commission has established an account for restricting and using solid waste tonnage fees retained by the Commission in accordance with Chapter 455B.310 of the Code of Iowa. At June 30, 2025 and 2024, the Commission had no unspent tonnage fees.

Note 7 - Risk Management

Tama County is a member of the Heartland Insurance Risk Pool (Pool), as allowed by Chapter 331.301 of the Code of Iowa. Tama County Solid Waste Disposal Commission falls under Tama County's policy with the Pool. The Pool is a local government risk-sharing pool whose membership includes ten counties throughout the State of Iowa. The Pool was formed in July 1987 to provide workers' compensation and property/casualty insurance for its members. The risk pool was created for the purposes of providing and maintaining self-insurance benefits on a group basis substantially at cost.

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION
Notes to Financial Statements (Continued)
June 30, 2025 and 2024

Note 7 - Risk Management (continued)

Each member is responsible for the payment of member contributions to the risk pool on an annual basis. Member contributions to the risk pool are recorded as expenditures from the operating funds at the time of payment to the risk pool. In the event of payment of any loss by the risk pool, the risk pool is subrogated to the extent of such payment to all the rights of the member County against any person or other entity legally responsible for damages for said loss, and in such event, the member County is responsible for rendering all reasonable assistance, other than pecuniary assistance, to affect recovery. The risk pool is responsible for paying the reinsurance premiums on the insurance policies when due, to pay claims in accordance with the various coverages and to make other payments as required by applicable law, to establish and accumulate a reserve or reserves in amounts which are deemed advisable or required by law to carry out the purposes of the risk pool, and to pay all reasonable and necessary expenses for administering the risk pool and fund.

Initial risk of loss for the self-insured coverage is retained by the risk pool subject to applicable deductibles. The risk pool obtained a reinsurance policy for the year ended June 30, 2025, which covers exposures of specific losses in excess of \$750,000, with a \$250,000 corridor deductible, per occurrence up to the statutory limits for workers compensation, and in excess of \$400,000 per occurrence, up to a maximum of \$4,000,000 per occurrence, including the retention of the pool, for general liability, police professional, errors and omissions and automobile liability. The risk pool records a liability for unpaid claims based on estimates of reported and incurred but not reported claims and related loss adjustments expenses. At June 30, 2025 and 2024, the risk pool reported a surplus of assets over liabilities.

Member Counties retain the risk of claims, if any, exceeding maximum reinsurance coverages and the amount of surplus maintained in the risk pool by means of an assessment that would be charged to the member in addition to the premium contributions. At June 30, 2025, settled claims have not exceeded the risk pool or reinsurance coverage since commencement of the risk pool.

The Commission's property and casualty contributions to the risk pool are recorded as disbursements from its operating funds at the time of payment to the risk pool. The Commission's annual contributions to the Pool for the years ended June 30, 2025 and 2024 were \$39,635 and \$28,008 respectively.

Initial membership into the risk pool is for a mandatory three-year period. Subsequent to the initial term, a member may withdraw at the end of any given fiscal year. The initial membership period for Tama County commenced July 1, 1987 and is subject to renewal every three years. 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.

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION
Notes to Financial Statements (Continued)
June 30, 2025 and 2024

Note 8 - Control of Landfill Commission Funds

The Commission has two main sources of revenue: gate receipts and member assessments. All gate fees are deposited with Tama County. Member assessments received are deposited into the checking account at the Commission. Tama County accounts for approximately 31% of member assessments. As the County requires additional funds, the Commission remits a portion of these member assessments to Tama County. The majority of claims are paid by Tama County, after approval by the Commission Board.

Note 9 - Compensated Absences

Commission employees accumulate a limited amount of earned but unused compensatory time, vacation hours, and sick time for subsequent use or for payment upon termination, retirement or death. These accumulations are not recognized as disbursements by the Commission until used or paid. The Commission's approximate liability for the leave which is attributable to services already rendered, the leave accumulates and carries forward from one reporting period to the next and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means for earned compensatory time, vacation, and sick time payments to employees at June 30, 2025 and 2024 is as follows:

Type of Benefit	Amount
Vacation	\$ 28,420
Compensatory	164
Sick	467
Total	<u>\$ 29,051</u>

This liability has been computed based on rates of pay in effect as of June 30, 2025 and 2024.

Note 10 - Related Parties

Two Commission members are owner/operators of garbage collection businesses which utilize the Tama County Solid Waste Disposal for its dumping. Receipts collected during the fiscal years ended June 30, 2025 and 2024 from these businesses totaled \$108,456 and \$69,924, respectively. The Commission members owed at June 30, 2025 and 2024, \$5,296 and \$6,814, respectively. They are billed on a monthly basis for invoices charged during the previous month.

One of these Commission members was contracted to collect paper material, plastic, tin and glass recyclables located in towns and other locations in Tama County. The Commission member was contracted to pick up the recycling materials on a weekly basis. Total payments during the fiscal years ended June 30, 2025 and 2024 for the recycling contract totaled \$53,115 and \$60,640, respectively.

Note 11 - Subsequent Events

The Commission has evaluated all subsequent events through October 21, 2025, the date the financial statements were available to be issued.

Other Information

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION
Schedule of the Commission's Proportionate Share
of the Net Pension Liability
Iowa Public Employees' Retirement System
For the Last Ten Years
Other Information

	2025	2024	2023
Commission's proportion of the net pension liability	0.002666 %	0.002508 %	0.002227 %
Commission's proportionate share of the net pension liability	\$ 97,096	115,703	88,404
Commission's covered payroll	\$ 248,641	225,117	193,996
Commission's proportionate share of the net pension liability as a percentage of its covered payroll	39.05 %	51.40 %	45.57 %
IPERS' net position as a percentage of the total pension liability	92.30 %	90.13 %	91.40 %

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

2022	2021	2020	2019	2018	2017	2016
0.002497 %	0.002342 %	0.002594 %	0.002459 %	0.002476 %	0.001995 %	0.001774 %
3,500	163,378	151,210	155,590	164,958	125,551	87,635
209,680	191,102	198,728	184,798	184,850	143,838	121,523
1.67 %	85.49 %	76.09 %	84.19 %	89.24 %	87.29 %	72.11 %
100.81 %	82.90 %	85.45 %	83.62 %	82.21 %	81.82 %	85.19 %

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION
Schedule of Commission Contributions
Iowa Public Employees' Retirement System
For the Last Ten Years
Other Information

		2025	2024	2023	2022
Statutorily required contribution	\$	26,775	23,461	21,251	18,313
Contributions in relation to the statutorily required contribution		(26,775)	(23,461)	(21,251)	(18,313)
Contribution deficiency (excess)	\$	-	-	-	-
Commission's covered payroll	\$	283,633	248,641	225,117	193,996
Contributions as a percentage of covered payroll		9.44%	9.44%	9.44%	9.44%

2021	2020	2019	2018	2017	2016
19,794	18,032	18,768	16,497	16,500	12,839
(19,794)	(18,032)	(18,768)	(16,497)	(16,500)	(12,839)
-	-	-	-	-	-
209,680	191,102	198,728	184,798	184,850	143,838
9.44%	9.44%	9.44%	8.93%	8.93%	8.93%

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION

Notes to Other Information – Pension Liability

Years Ended June 30, 2025 and 2024

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

The 2022 valuation incorporated the following refinements after a quadrennial experience study:

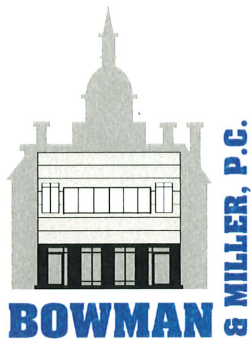
- Changed mortality assumptions to the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.
- Adjusted retirement rates for Regular members.
- Lowered disability rates for Regular members.
- Adjusted termination rates for all membership groups.

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

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

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

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



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Independent Auditors' Report on Internal Control
over Financial Reporting and on Compliance and Other Matters
Based on Audits of Financial Statements Performed in Accordance with
Government Auditing Standards

To the Members of the Tama County
Solid Waste Disposal Commission:

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the Tama County Solid Waste Disposal Commission as of and for the years ended June 30, 2025 and 2024, and the related Notes to Financial Statements, and have issued our report thereon dated October 21, 2025. Our report expressed unmodified opinions on the financial statements which were prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audits of the financial statements, we considered Tama County Solid Waste Disposal Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Tama County Solid Waste Disposal Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tama County Solid Waste Disposal Commission'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 Tama County Solid Waste Disposal Commission'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Tama County Solid Waste Disposal Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters which are required to be reported under Government Auditing Standards.

Comments involving statutory and other legal matters about the Commission's operations for the years ended June 30, 2025 and 2024 are based exclusively on knowledge obtained from procedures performed during our audits of the financial statements of the Commission. Since our audits were 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.

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 Commission'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 Commission'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 the Tama County Solid Waste Disposal Commission during the course of our audits. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

Bowman & Miller
Marshalltown, Iowa

October 21, 2025

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION
Schedule of Findings
Years Ended June 30, 2025 and 2024

Findings Related to the Financial Statements:

Internal control deficiencies:

No matters were noted.

Instances of non-compliance:

No matters were noted.

Other Findings Related to Required Statutory Reporting:

- 2025-A Questionable Disbursements – No disbursements we believe may not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979 were noted.
- 2025-B Travel expense – No disbursements of Commission money for travel expenses of spouses of Commission officials or employees were noted.
- 2025-C Restricted Donor Activity – No transactions were noted between the Commission, Commission officials, Commission employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.
- 2025-D Bond Coverage – Surety bond coverage for Commission officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure the coverage is adequate for current operations.
- 2025-E Commission Minutes – No transactions were found which we believe should have been approved in the Commission minutes but were not.
- 2025-F Deposits and Investments – No instances of noncompliance with the deposit and investment provisions of Chapters 12B and Chapter 12C of the Code of Iowa and the Commission’s investment policy were noted.
- 2025-G Solid Waste Fees Retainage – No instances of noncompliance with the solid waste fees used or retained in accordance with provisions of Chapter 455B.310 of the Code of Iowa were noted.

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION

Schedule of Findings

Years Ended June 30, 2025 and 2024

Other Findings Related to Required Statutory Reporting (continued):

2025-H Financial Assurance – The Commission has elected to demonstrate financial assurance for closure and postclosure care by establishing a local government dedicated fund as provided in Chapter 567-113.14(6) of the Iowa Administrative Code (IAC). The calculation is made as follows:

	Closure	Postclosure Care	Total
Total estimated cost for closure and postclosure care	\$ 1,669,300	1,623,000	3,292,300
Less: Balance of funds held in the local dedicated fund at June 30, 2024	(1,373,661)	(1,502,698)	(2,876,359)
	295,639	120,302	415,941
Divided by the number of years remaining in the pay-in-period	3	3	
Required payment into the local dedicated fund for the year ended June 30, 2025	98,546	40,101	138,647
Balance of funds held in the local dedicated fund at June 30, 2024	1,373,661	1,502,698	2,876,359
Balance of funds required to be held in the local dedicated fund at June 30, 2025	\$ 1,472,207	1,542,799	3,015,006
Amount Commission has restricted and reserved for closure and postclosure care at June 30, 2025	\$ 1,373,661	1,502,698	2,876,359

Iowa Department of Natural Resources rules and regulations require deposits into the closure and postclosure care accounts be made at least annually within 30 days of the close of each fiscal year. The required deposit was made on June 12, 2025.

TAMA COUNTY SOLID WASTE DISPOSAL COMMISSION

Audit Staff

This audit was performed by:

BOWMAN & MILLER, P.C.
Certified Public Accountants
Marshalltown, Iowa

Personnel:

Taylor G. Johnson, CPA, Partner
Kerri A. Anderson, CPA, Staff Auditor