



Black Hawk County, Iowa

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020**

BLACK HAWK COUNTY, IOWA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Prepared by
James Perry, Finance Director
Grant Veeder, Auditor and Staff
Rita Schmidt, Treasurer and Staff

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Black Hawk County Board of Supervisors

Linda L. Laylin
833-3076

Tom Little
833-3075

Dan Trelka
833-3077

Chris Schwartz
833-3074

Craig White
833-3078

James Perry
Finance Director

Kayla Zwanziger
Administrative Aide

December 10, 2020

Board of Supervisors and Citizens
Black Hawk County, Iowa

The Comprehensive Annual Financial Report (CAFR) for Black Hawk County, Iowa for the fiscal year ended June 30, 2020 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. The County assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal controls. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

CliftonLarsonAllen LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Black Hawk County financial statements for the year ended June 30, 2020. This independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of Black Hawk County

Black Hawk County, Iowa was organized in 1853 and is now the fifth largest county in Iowa. The County is governed by a five-member Board of Supervisors. Each member is elected at large to a four-year term. Also elected to four-year terms at large are the following officials: Attorney, Auditor, Recorder, Sheriff, and Treasurer. These officials, along with department heads appointed by the Board, are responsible to administer the programs and policies adopted by the Board of Supervisors as well as the budget amount allocated to their department by the Board. Annually, the Board adopts a budget and establishes tax rates to support County programs.

Black Hawk County is required by the State of Iowa to adopt an annual budget for the total operating expenditures of the County. This is the foundation of financial planning and control for the County. The budget is prepared by fund (e.g., general, special revenue, debt), function (e.g., public safety), and department (e.g., Sheriff, Conservation). Departments can transfer resources within a 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 an amendment to the budget.

Black Hawk County provides a full range of services. These services include public safety and legal services, physical health and social services, mental health and developmental disabilities services, county environment and education, construction and maintenance of secondary roads, general administrative services, and planning and zoning.

Local Economy

Black Hawk County is the fifth largest county in population in the State of Iowa. The cities of Cedar Falls and Waterloo make up just over 82% of the population with the remainder living in smaller towns and rural areas.

The estimated population of Black Hawk County in 2019 was 131,228 which has increased from the 2010 census of 131,000. Household income per capita in 2019 was \$46,326 up \$1,562 or 3.49% from 2018 household income per capita of \$44,764.

The unemployment rate for Black Hawk County now stands at 3.4% which increased by .5% from a year ago. This is slightly lower than the statewide average of 4.7% but lower than the national average of 7.9%. This is during an economic downturn due to the novel Coronavirus that has swept the nation.

2020 proves to be a very challenging year for many individuals due to the outbreak of the COVID-19. Our local economy has seen an increase in unemployment as a result.

In 2020 the top five largest employers are as follows; Deere & Company, Tyson Fresh Meats, Mercy One, University of Northern Iowa, and Waterloo Public Schools.

Long-Term Financial Planning

The unassigned general fund balance for Black Hawk County is at 55.12% of the total general fund expenditures. The fiscal year 2020 percentage figure is above the 25% target set by the Board of Supervisors. The total combined general fund balance (restricted, committed, and unassigned) is at 65.51% of total general fund expenditures. Black Hawk County will continue to diligently manage the unassigned fund balance to maintain the preferred range of fund balance to expenditures.

Black Hawk County continues to follow the twenty-year plan that was created in the fall of 2008 and was updated in November of 2013 with the assistance of the Institute for Decision Making at the University of Northern Iowa.

Major Initiatives

Between 2002 and 2012, Black Hawk County replaced three of the four large highway bridges that span the Cedar River. The fourth and final highway bridge was replaced in fiscal years 2019 and 2020.

In fiscal year 2020, the county helped issue \$3,000,000 in GO Bonds for E-911's software project, and \$6,000,000 for Black Hawk County Solid Waste. The E-911 software project will include installation of peace officer communication equipment and other emergency services communication equipment and systems. Black Hawk County Solid Waste will use their funds to improve, repair, remodel current facilities and construct new cells to increase the life expectancy of solid waste cells.

Black Hawk County has consistently implemented projects and updated equipment to become as energy efficient as possible. In fiscal year 2020, the Board of Supervisors voted in support of converting seven county buildings to solar power. This will take place in fiscal year 2021. Lighting upgrades for the Courthouse and other county buildings continue to be implemented. The county takes great pride in leading the way in cleaner energy. The Conservation Board replaced the Wolf Creek Bridge on the Cedar Valley Nature Trail in fiscal year 2019 and 2020.

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 Black Hawk County, Iowa for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the fifteenth consecutive year that the government 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 and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report 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.

I would like to thank all of the County employees and other individuals that assisted in the preparation of the Comprehensive Annual Financial Report. Most notably, I would like to thank the entire staffs of both the Auditor's Office and Treasurer's Office. The completion of this report could not have been accomplished without their efficient and dedicated service. The excellent service provided by the County's independent auditors, CliftonLarsonAllen LLP, is also greatly appreciated. Finally, I would like to thank the Board of Supervisors for their leadership and support without which preparation of this report would not have been possible.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'James Perry', with a stylized flourish extending from the end.

James Perry
Finance Director

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Black Hawk County
Iowa**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

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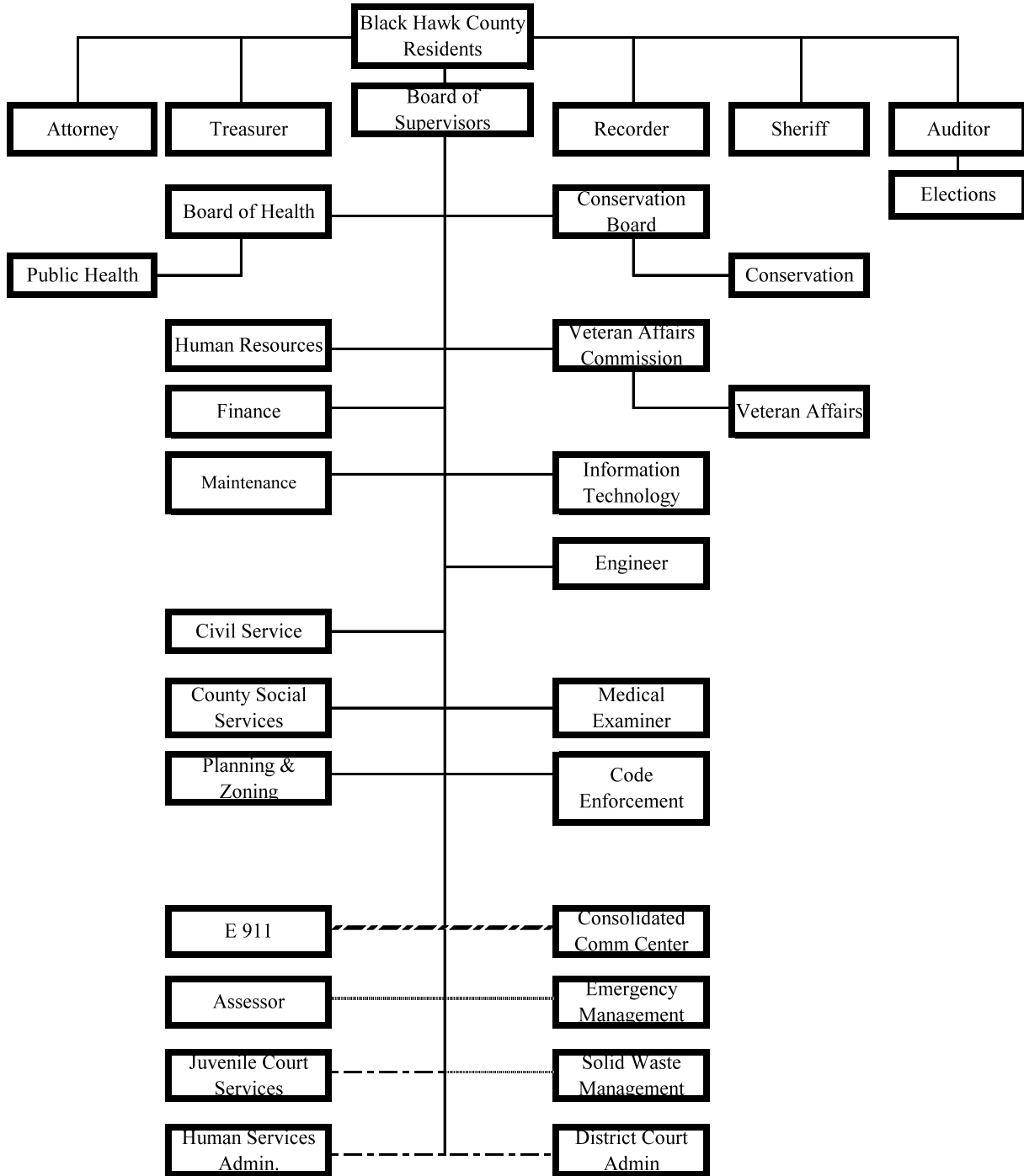
**BLACK HAWK COUNTY, IOWA
COUNTY OFFICIALS
JUNE 30, 2020**

<u>Official Title</u>	<u>Official</u>	<u>Term Expiration Date of Elected Officials</u>
Elected Officials		
Board of Supervisors, Chairperson	Tom Little	2024
Board of Supervisors, Chair Pro Tempore	Linda L. Laylin	2024
Board of Supervisors	Chris Schwartz	2024
Board of Supervisors	Dan Trelka	2022
Board of Supervisors	Craig White	2022
County Attorney	Brian Williams	2022
County Auditor	Grant Veeder	2024
County Recorder	Sandie L. Smith	2022
County Sheriff	Tony Thompson	2024
County Treasurer	Rita M. Schmidt	2022
Associate Officials		
County Assessor	T. J. Koenigsfeld	
Department Heads and Administration		
County Social Services Administrator	Robert Lincoln	
Conservation Executive Director	Mike Hendrickson	
County Buildings Superintendent	Rory Geving	
County Engineer	Catherine Nicholas	
County Planning & Zoning	Seth Hyberger	
Human Resources Director	Debra Bunger	
Information Technology Director	Kim Veeder	
Public Health Director	Dr. Nafissatou Egbuonye	
Veteran Affairs Director	Yolando Loveless	
County Finance Director	James Perry	

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**BLACK HAWK COUNTY, IOWA
ORGANIZATION CHART
JUNE 30, 2020**

ORGANIZATIONAL CHART



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INDEPENDENT AUDITORS' REPORT

Board of Supervisors
Black Hawk County, Iowa
Waterloo, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Black Hawk County (the County), as of and for the year ended June 30, 2020, 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.

Auditors' 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 auditors' 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 County'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, the business-type activities, each major fund, and the aggregate remaining fund information of Black Hawk County as of June 30, 2020, 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.

Emphasis of Matter Regarding Change in Reporting Entity

During the year ended June 30, 2020, the County had a change in reporting entity as a previously disclosed blended component unit no longer is part of the County. As a result, the County's beginning net position has been restated (see Note 19). Our auditors' opinion was not modified with respect to this change.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management discussion and analysis, budgetary comparison information, schedule of the County's proportionate share of the net pension liability, schedule of County pension contributions, and schedule of changes in the County's total OPEB liability, related ratios and notes 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 who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Black Hawk County's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were 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 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 December 10, 2020, on our consideration of Black Hawk County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Black Hawk County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Black Hawk County's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Cedar Rapids, Iowa
December 10, 2020

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BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020

Black Hawk County provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2020. We encourage readers to consider this information in conjunction with the County's financial statements, which follow.

2020 FINANCIAL HIGHLIGHTS

- The County's total net position increased 11.2%, or \$12,295,125, over the June 30, 2019 balance (after accounting for the change in reporting entity). The net position for the County's governmental activities increased \$12,425,879 before accounting for the change in reporting entity and the net position for the business-type activities decreased \$130,754.
- Revenues of the County's governmental activities decreased 0.5% or \$316,099 from fiscal year 2019. Property tax revenues decreased \$129,012; charges for services decreased \$331,697; operating grants and contributions increased \$1,086,277; and capital grants and contributions increased \$63,812.
- Program expenses of the County's governmental activities decreased \$2,054,507 or 3.5% from fiscal year 2019. Public safety and legal services decreased \$2,666,992; physical health and social services increased \$465,487; mental health decreased \$713,713; county environment and education increased \$842,866; roads and transportation increased \$1,603,509; government services to residents increased \$107,835; administration decreased \$1,783,203; and interest on long-term debt increased \$89,704.

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the County's financial activities.

The Government-wide Financial Statements consist of a Statement of Net Position and a Statement of Activities. These provide information about the activities of Black Hawk County as a whole and present an overall view of the County's finances.

BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report Black Hawk County's operations in more detail than the government-wide financial statements by providing information about the most significant funds. The remaining financial statements provide information about activities for which Black Hawk County acts solely as an agent or custodian for the benefit of those outside of County government (Agency Funds).

Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information further explains and supports the financial statements with a comparison of the County's budget for the year, the County's Proportionate Share of the Net Pension Liability and Related Contributions, as well as presenting the Schedule of Changes in the County's Total OPEB Liability, Related Ratios, and Notes.

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

REPORTING THE COUNTY'S FINANCIAL ACTIVITIES

Government-Wide Financial Statements

One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information which helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid.

The Statement of Net Position presents financial information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in the County's net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal years.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type*) activities. The governmental activities of the County include public safety and legal services, physical health and social services, mental health, county environment and education, roads and transportation, governmental services to residents, administration, and interest on long-term debt. The business-type activities of the County include the Washburn rural sewer and water operations.

BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020

Fund Financial Statements

The County has three kinds of funds:

Governmental Funds – Most of the County's basic services are included in the governmental funds. These focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental funds include: 1) the General Fund, 2) the Special Revenue Funds, such as Mental Health, Rural Services and Secondary Roads, 3) the Debt Service Fund and 4) the Capital Projects Fund. These funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed, short-term view of the County's general governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs.

The required financial statements for governmental funds include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances.

Proprietary Funds – Black Hawk County maintains two types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County maintains two enterprise funds: the Washburn rural sewer system and the Washburn rural water system. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County maintains three internal service funds for its self-funded employee health insurance plan, property and liability insurance, and office equipment repair funds.

The required financial statements for proprietary funds include a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Fund Net Position and a Statement of Cash Flows.

Fiduciary Funds – Fiduciary funds are used to report assets held in a trust or agency capacity for others which cannot be used to support the County's own programs. These fiduciary funds include Agency Funds that account for E-911 services, emergency management services and the County Assessor, to name a few.

The required financial statement for fiduciary funds is a Statement of Fiduciary Assets and Liabilities.

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

BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of financial position. Black Hawk County's combined net position increased from approximately \$109.4 million (after the change in reporting entity) to approximately \$121.7 million.

Net Position of Governmental and Business-Type Activities

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
ASSETS						
Current and Other Assets	\$ 93,855,762	\$ 81,568,330	\$ 381,256	\$ 317,716	\$ 94,237,018	\$ 81,886,046
Capital Assets	110,423,424	108,314,348	1,252,489	1,447,957	111,675,913	109,762,305
Total Assets	204,279,186	189,882,678	1,633,745	1,765,673	205,912,931	191,648,351
Deferred Outflows of Resources	4,505,093	6,455,461	-	-	4,505,093	6,455,461
LIABILITIES						
Long-Term Liabilities	38,111,953	42,671,810	-	-	38,111,953	42,671,810
Other Liabilities	4,657,961	4,231,337	4,160	5,334	4,662,121	4,236,671
Total Liabilities	42,769,914	46,903,147	4,160	5,334	42,774,074	46,908,481
Deferred Inflows of Resources	45,984,667	40,876,247	-	-	45,984,667	40,876,247
NET POSITION						
Net Investment in Capital Assets	102,647,666	93,290,050	1,252,489	1,447,957	103,900,155	94,738,007
Restricted	18,499,133	13,678,781	-	-	18,499,133	13,678,781
Unrestricted	(1,117,101)	1,589,914	377,096	312,382	(740,005)	1,902,296
Total Net Position	\$ 120,029,698	\$ 108,558,745	\$ 1,629,585	\$ 1,760,339	\$ 121,659,283	\$ 110,319,084

Black Hawk County's combined net position increased 11.2% (approximately \$121.7 million compared to approximately \$109.4 million after accounting for the change in reporting entity). The largest portion of the County's net position is invested in capital assets (e.g., land, infrastructure, buildings and equipment), less the related debt. The debt related to the investment in capital assets is liquidated with resources other than capital assets. Restricted net position represents resources subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – decreased from approximately \$1,902,000 at June 30, 2019 to a deficit of approximately \$740,000 at the end of this year.

BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020

Changes in Net Position of Governmental and Business-Type Activities

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
REVENUES						
Program Revenues:						
Charges for Services	\$ 5,776,138	\$ 6,107,835	\$ 178,692	\$ 5,852,281	\$ 5,954,830	\$ 11,960,116
Operating Grants/Contributions	11,920,406	10,834,129	-	-	11,920,406	10,834,129
Capital Grants/Contributions	5,513,256	5,449,444	-	-	5,513,256	5,449,444
General Revenues:						
Property Tax	37,412,261	37,541,363	-	-	37,412,261	37,541,363
Penalty and Interest on Property Tax	229,286	348,989	-	-	229,286	348,989
State Tax Credits	3,065,376	3,194,392	-	-	3,065,376	3,194,392
Local Option Sales Tax	3,046,563	3,067,030	-	-	3,046,563	3,067,030
Gambling Taxes	328,052	418,613	-	-	328,052	418,613
Unrestricted Investment Earnings	733,027	1,208,768	4,178	36,186	737,205	1,244,954
Miscellaneous	825,258	995,159	-	-	825,258	995,159
Total Revenues	68,849,623	69,165,722	182,870	5,888,467	69,032,493	75,054,189
EXPENSES						
Public Safety and Legal Services	19,491,011	22,158,003	-	-	19,491,011	22,158,003
Physical Health and Social Services	6,868,339	6,402,852	-	-	6,868,339	6,402,852
Mental Health	5,248,759	5,962,472	-	-	5,248,759	5,962,472
County Environment and Education	3,707,854	2,864,988	-	-	3,707,854	2,864,988
Roads and Transportation	12,500,046	10,896,537	-	-	12,500,046	10,896,537
Government Services to Residents	2,363,269	2,255,434	-	-	2,363,269	2,255,434
Administration	5,679,110	7,462,313	-	-	5,679,110	7,462,313
Interest on Long-Term Debt	565,356	475,652	-	-	565,356	475,652
Country View Care Facility	-	-	-	7,048,116	-	7,048,116
Washburn Water and Sewer	-	-	313,624	313,406	313,624	313,406
Total Expenses	56,423,744	58,478,251	313,624	7,361,522	56,737,368	65,839,773
Increase (Decrease) in Net Position before Transfers and Special Item	12,425,879	10,687,471	(130,754)	(1,473,055)	12,295,125	9,214,416
Special Item - Gain on Disposal	-	-	-	1,378,629	-	1,378,629
Transfers	-	(1,055,089)	-	1,055,089	-	-
Change in Net Position	12,425,879	9,632,382	(130,754)	960,663	12,295,125	10,593,045
NET POSITION - BEGINNING OF YEAR	108,558,745	98,926,363	1,760,339	799,676	110,319,084	99,726,039
Change in Reporting Entity	(954,926)	-	-	-	(954,926)	-
NET POSITION - BEGINNING OF YEAR, AS RESTATED	107,603,819	98,926,363	1,760,339	799,676	109,364,158	99,726,039
NET POSITION - END OF YEAR	\$ 120,029,698	\$ 108,558,745	\$ 1,629,585	\$ 1,760,339	\$ 121,659,283	\$ 110,319,084

**BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

Governmental Activities

Black Hawk County's governmental activities net position increased approximately \$12,426,000 during the year. Revenues for governmental activities decreased approximately \$316,000 over the prior year, with property tax revenue down from the prior year approximately \$129,000, or 0.3%.

The County decreased property taxes levied for fiscal year 2020 by 1.4%. This decrease reduced the County's property tax revenue by \$129,102. Based on increases in the tax levies and total assessed valuation, property tax revenue is budgeted to increase an additional \$200,000 or approximately 0.5% for fiscal year 2021.

The cost of all governmental activities this year was \$56,423,744 compared to \$58,478,251 last year. The amount financed by taxpayers was \$33,213,944. Some of this cost was paid for by those who benefited from programs or by other governments and organizations which subsidized certain programs with grants and contributions. Overall, the County's governmental activities program revenues, including intergovernmental aid and charges for service, increased \$818,392 in fiscal year 2020 from \$22,391,408 to \$23,209,800. Capital grants and contributions increased by \$63,812 and charges for services decreased by \$331,697 mostly due to our college nursing contracts not being renewed for fiscal year 2020.

Business-Type Activities

The County's business-type activities net position decreased \$130,754 during the year. Revenues for business-type activities decreased \$5,705,597 and expenses for business-type activities decreased \$7,047,898 due to the sale of Country View Care Facility. Net position as of June 30, 2020 totals \$1,629,585.

INDIVIDUAL MAJOR FUND ANALYSIS

Governmental funds reported a combined fund balance of \$44,747,970, an increase of \$9,450,078 compared to prior year.

- General fund revenues decreased by \$3,262 or 0.1%. Intergovernmental revenues increased by \$990,843, property tax decreased by \$185,939, use of money and property decreased by \$337,996, and miscellaneous revenues decreased by \$47,380. Expenditures decreased by \$258,410 or 0.7%. Public safety and legal services increased by \$955,001 due to an increase in wages in fiscal year 2020. Physical health and social services stayed fairly consistent with prior year with an increase of \$41,860. County environment and education increased by \$1,105,797 mostly due to the Wolf Creek Bridge Replacement in fiscal year 2020. Capital project expenditures decreased by \$2,000,000 as prior year funded the farm to market account for upcoming bridge projects and there were no such expenditures in fiscal year 2020. The ending fund balance increased by \$1,727,092 from the prior year ending the year with a balance of \$24,761,818.
- There were no significant changes in revenues, expenditures, and fund balance of the Mental Health fund other than revenues decreased approximately \$400,000 and expenditures decreased approximately \$600,000.

**BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

INDIVIDUAL MAJOR FUND ANALYSIS (CONTINUED)

- The Rural Services fund balance at year end increased \$494,287 over the prior year due to fewer employees resulting in less payroll related expenditures. Revenues increased by \$150,529 and expenditures decreased by \$476,800.
- Secondary Road fund revenues increased by \$696,837 due to an increase in intergovernmental revenues of \$809,515. Secondary Road fund expenditures increased by \$373,860 primarily due to the purchase of a crane in fiscal year 2020. The ending fund balance increased by \$391,027 from the prior year ending the year with a balance of \$4,768,602.
- Debt Service fund revenues decreased by \$1,071,017 due to a decrease in property tax revenue. Expenditures decreased by \$123,418. The ending fund balance increased by \$3,869,756 from the prior year ending the year with a balance of \$6,113,175 due to debt issued during the current year.
- Capital Projects fund balance increased from \$2,562,023 to \$5,268,763 in fiscal year 2020 due to debt issued during the current year.

Enterprise funds reported a combined net position of \$1,629,585, a decrease of \$130,754 compared to prior year.

- The Rural Sewer fund showed an operating loss of \$76,998 due to expenses surpassing revenues, mainly due to depreciation expense.
- The Rural Water fund showed an operating loss of \$57,934 due to expenses surpassing revenues, mainly due to depreciation expense.

BUDGETARY HIGHLIGHTS

Over the course of the year, Black Hawk County amended its budget three times. The first amendment was made in October 2019 and was necessary to increase Board General Supervision in Administration function to account for Country View employee runouts and final expenses. Along with the final close out employee costs with Country View, the county had carry over capital projects that needed to be completed in the beginning of fiscal year 2020.

The second amendment was made in January of 2020. This budget amendment needed to incorporate the series 2019 GO Bonds that were sold in the fall of 2019 for Solid Waste and E-911. Along with the revenues and expenses that are entailed with the selling of bonds, the county amended for the use of rock and salt on our county roads in our Secondary Roads fund. Additionally, we had amended budgets to account for revenues and expenses in relation to grant funding received in fiscal year 2020.

The third and final amendment had little various amendments that cleaned up the remaining portion of the GO Bonds, added expenditures to our Jail Commissary fund, added dollars to our capital projects fund in anticipation for our solar project.

**BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2020, the County had approximately \$111.7 million invested in a broad range of capital assets, including land, buildings, improvements other than buildings, equipment and vehicles, and infrastructure. This is a net increase of approximately \$1.9 million or 1.7% over the prior year.

Capital Assets, Net of Applicable Depreciation

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 6,476,395	\$ 6,367,656	\$ -	\$ -	\$ 6,476,395	\$ 6,367,656
Construction in Progress	8,462,078	5,375,537	-	-	8,462,078	5,375,537
Buildings	36,111,825	35,742,949	-	-	36,111,825	35,742,949
Improvements Other than Buildings	2,175,444	2,175,444	-	-	2,175,444	2,175,444
Equipment and Vehicles	18,411,770	18,160,667	-	-	18,411,770	18,160,667
Infrastructure	120,311,048	116,194,421	5,420,639	5,420,639	125,731,687	121,615,060
Accumulated Depreciation	(81,525,136)	(75,702,326)	(4,168,150)	(3,972,682)	(85,693,286)	(79,675,008)
Total Capital Assets	<u>\$ 110,423,424</u>	<u>\$ 108,314,348</u>	<u>\$ 1,252,489</u>	<u>\$ 1,447,957</u>	<u>111,675,913</u>	<u>109,762,305</u>

Major capital asset events during the fiscal year included the following:

- Beginning construction on the Wolf Creek Bridge on the CV Nature Trail
- Construction of two new buildings at the Sheriff Gun Range
- Purchase additional IT infrastructure
- Completely renovated Veteran's Affairs Department at the Pinecrest location
- Lighting upgrade in the conservation administration office
- CVNT mile marker reconstruction and repairs
- Electrical renovations at Hickory Hills Park
- Purchase of one crane for our Secondary Roads Department
- Construction of the Gilbertville shop for our Secondary Roads Department
- Construction in progress at year-end includes Wolf Creek Bridge, jail boiler replacement, and the solar project

More detailed information about the County's capital assets is presented in Note 5 to the financial statements.

**BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

Long-Term Debt

At June 30, 2020, the County had approximately \$19,484,000 of general obligation bonds outstanding, compared to approximately \$17,375,000 at June 30, 2019, as shown below:

Table of Outstanding Debt

General Obligation and Revenue Bonds

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
General Obligation Bonds	\$ 19,275,000	\$ 17,170,000	\$ -	\$ -	\$ 19,275,000	\$ 17,170,000
Bond Discount	(6,143)	(10,532)	-	-	(6,143)	(10,532)
Bond Premium	215,196	215,705	-	-	215,196	215,705
Total	<u>\$ 19,484,053</u>	<u>\$ 17,375,173</u>	<u>\$ -</u>	<u>\$ -</u>	<u>19,484,053</u>	<u>17,375,173</u>

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 within the County's corporate limits. Black Hawk County's outstanding general obligation debt is significantly below its constitutional debt limit of approximately \$465 million. Additional information about the County's long-term debt is presented in Note 6 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

When deciding the fiscal year 2021 budget and setting tax rates, the Black Hawk County elected officials and appointed officials consider many factors. Whether it is the unemployment rate of Black Hawk County, or the current capital infrastructure, our county officials hold various work sessions to assess the needs of Black Hawk County. The unemployment rate when looking at the fiscal year 2021 budget was lower than the state average and far lower than the national average. Black Hawk County has done a great job of making sound fiscally responsible decisions and keeping the citizens of Black Hawk County in mind while balancing services and needs to the county.

For fiscal year 2021, property taxes levied will increase approximately \$204,000 or .5% from the fiscal 2020 budget. The countywide tax levy rate for fiscal year 2021 will increase approximately 3 cents to \$6.34 per thousand dollars of taxable value. The rural levy rate will increase by 7 cents. These changes are in large part due to the rollbacks we received from the State of Iowa. The roll backs affected the rural portions of the county more than the urban, therefore causing the levy to increase for them more than the countywide. The fiscal year 2021 budget includes various projects to continue the effort in making Black Hawk County a greater place to live.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact James Perry, Black Hawk County Finance Director, Board of Supervisor's Office, 316 E. 5th Street, Waterloo, IA 50703.

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BASIC FINANCIAL STATEMENTS

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BLACK HAWK COUNTY, IOWA
STATEMENT OF NET POSITION
JUNE 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Pooled Investments	\$ 42,694,330	\$ 346,589	\$ 43,040,919
Restricted Cash and Investments	4,097,156	-	4,097,156
Receivables:			
Property Tax			
Delinquent	809,504	-	809,504
Succeeding Year	37,221,127	-	37,221,127
Accrued Interest	43,750	-	43,750
Accounts	486,287	32,409	518,696
Interest and Penalty on Property Tax, Net	216,861	-	216,861
Notes Receivable	4,785,000	-	4,785,000
Due from Other Governments	3,142,072	2,258	3,144,330
Prepaid Items	22,904	-	22,904
Inventories	336,771	-	336,771
Non-Current Assets:			
Land	6,476,395	-	6,476,395
Construction in Progress	8,462,078	-	8,462,078
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	95,484,951	1,252,489	96,737,440
Total Assets	<u>204,279,186</u>	<u>1,633,745</u>	<u>205,912,931</u>
DEFERRED OUTFLOWS OF RESOURCES			
OPEB Related Deferred Outflows	86,676	-	86,676
Pension Related Deferred Outflows	4,418,417	-	4,418,417
Total Deferred Outflows of Resources	<u>4,505,093</u>	<u>-</u>	<u>4,505,093</u>
LIABILITIES			
Accounts Payable	1,750,285	4,160	1,754,445
Claims Payable	983,634	-	983,634
Due to Other Governments	291,827	-	291,827
Unearned Revenue	40,722	-	40,722
Accrued Interest Payable	37,624	-	37,624
Salaries and Benefits Payable	1,553,869	-	1,553,869
Long-Term Liabilities:			
Portion Due or Payable Within One Year:			
General Obligation Bonds	4,580,000	-	4,580,000
Compensated Absences	1,580,446	-	1,580,446
Total OPEB Liability	128,000	-	128,000
Portion Due or Payable After One Year:			
General Obligation Bonds	14,904,053	-	14,904,053
Compensated Absences	812,297	-	812,297
Net Pension Liability	13,999,618	-	13,999,618
Total OPEB Liability	2,107,539	-	2,107,539
Total Liabilities	<u>42,769,914</u>	<u>4,160</u>	<u>42,774,074</u>
DEFERRED INFLOWS OF RESOURCES			
Succeeding Year Property Tax Revenue	37,221,127	-	37,221,127
OPEB Related Deferred Inflows	1,470,152	-	1,470,152
Pension Related Deferred Inflows	7,293,388	-	7,293,388
Total Deferred Inflows of Resources	<u>45,984,667</u>	<u>-</u>	<u>45,984,667</u>
NET POSITION			
Net Investment in Capital Assets	102,647,666	1,252,489	103,900,155
Restricted for:			
Debt Service	6,174,138	-	6,174,138
Mental Health Purposes	697,014	-	697,014
Supplemental Levy Purposes	4,077,242	-	4,077,242
Records Management	16,519	-	16,519
Secondary Roads Purposes	4,431,831	-	4,431,831
Rural Services	2,069,875	-	2,069,875
Conservation	349,512	-	349,512
Other Purposes	683,002	-	683,002
Unrestricted	(1,117,101)	377,096	(740,005)
Total Net Position	<u>\$ 120,029,698</u>	<u>\$ 1,629,585</u>	<u>\$ 121,659,283</u>

See accompanying Notes to Basic Financial Statements.

**BLACK HAWK COUNTY, IOWA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020**

FUNCTIONS/PROGRAMS	<u>Expenses</u>	<u>Program Revenues Charges for Services</u>
Primary Government:		
Governmental Activities:		
Public Safety and Legal Services	\$ 19,491,011	\$ 1,898,145
Physical Health and Social Services	6,868,339	586,258
Mental Health	5,248,759	119,836
County Environment and Education	3,707,854	678,636
Roads and Transportation	12,500,046	100,233
Government Services to Residents	2,363,269	2,200,818
Administration	5,679,110	192,212
Interest on Long-Term Debt	565,356	-
Total Governmental Activities	<u>56,423,744</u>	<u>5,776,138</u>
Business-Type Activities:		
Rural Sewer	244,908	167,910
Rural Water	68,716	10,782
Total Business-Type Activities	<u>313,624</u>	<u>178,692</u>
Total Primary Government	<u>\$ 56,737,368</u>	<u>\$ 5,954,830</u>

See accompanying Notes to Basic Financial Statements.

BLACK HAWK COUNTY, IOWA
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED JUNE 30, 2020

Program Revenues		Net (Expense) Revenue and Changes in Net Position		
Operating Grants Contributions	Capital Grants Contributions	Governmental Activities	Business-Type Activities	Total
\$ 2,714,002	\$ -	\$ (14,878,864)	\$ -	\$ (14,878,864)
2,288,360	-	(3,993,721)	-	(3,993,721)
515,667	-	(4,613,256)	-	(4,613,256)
1,023,767	136,643	(1,868,808)	-	(1,868,808)
4,948,079	5,376,613	(2,075,121)	-	(2,075,121)
149,941	-	(12,510)	-	(12,510)
280,590	-	(5,206,308)	-	(5,206,308)
-	-	(565,356)	-	(565,356)
11,920,406	5,513,256	(33,213,944)	-	(33,213,944)
-	-	-	(76,998)	(76,998)
-	-	-	(57,934)	(57,934)
-	-	-	(134,932)	(134,932)
\$ 11,920,406	\$ 5,513,256	\$ (33,213,944)	\$ (134,932)	\$ (33,348,876)

GENERAL REVENUES

Property and Other County Tax Levied for:

General Purposes	\$ 34,162,162	\$ -	\$ 34,162,162
Debt Service	3,250,099	-	3,250,099
Interest and Penalties on Taxes	229,286	-	229,286
State Tax Credits	3,065,376	-	3,065,376
Local Option Sales Tax	3,046,563	-	3,046,563
Gambling Taxes	328,052	-	328,052
Unrestricted Investment Earnings	733,027	4,178	737,205
Miscellaneous	825,258	-	825,258
Total General Revenues	45,639,823	4,178	45,644,001

CHANGE IN NET POSITION

	12,425,879	(130,754)	12,295,125
Net Position - Beginning of Year	108,558,745	1,760,339	110,319,084
Change in Reporting Entity (Note 19)	(954,926)	-	(954,926)
Net Position - Beginning of Year, as Restated	107,603,819	1,760,339	109,364,158
NET POSITION - END OF YEAR	\$ 120,029,698	\$ 1,629,585	\$ 121,659,283

See accompanying Notes to Basic Financial Statements.

BLACK HAWK COUNTY, IOWA
BALANCE SHEET
JUNE 30, 2020

	General	Mental Health	Rural Services
ASSETS			
Cash and Pooled Investments	\$ 25,218,430	\$ 568,938	\$ 1,966,929
Restricted Cash and Investments	-	-	-
Receivables:			
Property Tax:			
Delinquent	588,816	99,025	42,486
Succeeding Year	28,064,323	3,759,573	3,112,648
Accrued Interest	43,680	-	-
Accounts	71,213	-	-
Interest and Penalty on Property Tax, Net	216,861	-	-
Notes Receivable	-	-	-
Due from Other Funds	3,161	-	-
Due from Other Governments	2,009,154	33,946	141,888
Prepaid Items	22,904	-	-
Inventories	-	-	-
Total Assets	<u>\$ 56,238,542</u>	<u>\$ 4,461,482</u>	<u>\$ 5,263,951</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 856,046	\$ 110	\$ -
Due to Other Funds	156	148	487
Due to Other Governments	283,005	-	6,165
Unearned Revenue	38,351	-	2,371
Salaries and Benefits Payable	1,304,435	4,637	72,405
Total Liabilities	<u>2,481,993</u>	<u>4,895</u>	<u>81,428</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues:			
Succeeding Year Property Tax	28,064,323	3,759,573	3,112,648
Delinquent Property Tax	923,736	90,470	39,741
Other	6,672	-	-
Total Deferred Inflows of Resources	<u>28,994,731</u>	<u>3,850,043</u>	<u>3,152,389</u>
FUND BALANCES			
Nonspendable:			
Prepaid Items	22,904	-	-
Inventory	-	-	-
Restricted for:			
Debt Service	-	-	-
Supplemental Levy Purposes	3,908,633	-	-
Mental Health Purposes	-	606,544	-
Rural Services Purposes	-	-	2,030,134
Secondary Roads Purposes	-	-	-
Records Management Purposes	-	-	-
Conservation Purposes	-	-	-
Capital Projects	-	-	-
Other Purposes	-	-	-
Assigned for:			
Conservation Land Acquisition	-	-	-
Capital Projects	-	-	-
Unassigned	20,830,281	-	-
Total Fund Balances	<u>24,761,818</u>	<u>606,544</u>	<u>2,030,134</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 56,238,542</u>	<u>\$ 4,461,482</u>	<u>\$ 5,263,951</u>

See accompanying Notes to Basic Financial Statements.

**BLACK HAWK COUNTY, IOWA
BALANCE SHEET (CONTINUED)
JUNE 30, 2020**

Secondary Roads	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 4,033,571	\$ 1,198,207	\$ 1,319,319	\$ 1,210,439	\$ 35,515,833
-	-	4,097,156	-	4,097,156
-	79,177	-	-	809,504
-	2,284,583	-	-	37,221,127
-	70	-	-	43,750
5,375	-	-	32,806	109,394
-	-	-	-	216,861
-	4,785,000	-	-	4,785,000
156	-	-	-	3,317
830,118	124,584	-	2,382	3,142,072
-	-	-	-	22,904
336,771	-	-	-	336,771
<u>\$ 5,205,991</u>	<u>\$ 8,471,621</u>	<u>\$ 5,416,475</u>	<u>\$ 1,245,627</u>	<u>\$ 86,303,689</u>
\$ 263,320	\$ -	\$ 147,712	\$ 33,187	\$ 1,300,375
2,494	-	-	32	3,317
2,657	-	-	-	291,827
-	-	-	-	40,722
168,918	-	-	3,474	1,553,869
<u>437,389</u>	<u>-</u>	<u>147,712</u>	<u>36,693</u>	<u>3,190,110</u>
-	2,284,583	-	-	37,221,127
-	73,863	-	-	1,127,810
-	-	-	-	6,672
<u>-</u>	<u>2,358,446</u>	<u>-</u>	<u>-</u>	<u>38,355,609</u>
-	-	-	-	22,904
336,771	-	-	-	336,771
-	6,113,175	-	-	6,113,175
-	-	-	-	3,908,633
-	-	-	-	606,544
-	-	-	-	2,030,134
4,431,831	-	-	-	4,431,831
-	-	-	16,519	16,519
-	-	-	349,512	349,512
-	-	3,949,444	-	3,949,444
-	-	-	683,002	683,002
-	-	-	159,901	159,901
-	-	1,319,319	-	1,319,319
-	-	-	-	20,830,281
<u>4,768,602</u>	<u>6,113,175</u>	<u>5,268,763</u>	<u>1,208,934</u>	<u>44,757,970</u>
<u>\$ 5,205,991</u>	<u>\$ 8,471,621</u>	<u>\$ 5,416,475</u>	<u>\$ 1,245,627</u>	<u>\$ 86,303,689</u>

See accompanying Notes to Basic Financial Statements.

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BLACK HAWK COUNTY, IOWA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES
JUNE 30, 2020

Total Fund Balance - Governmental Funds		\$ 44,757,970
Amounts reported for governmental activities in the statement of net position are different because:		
Infrastructure, property, and equipment used in governmental activities are not financial resources and, therefore, are not reported in the funds.		110,423,424
Internal service funds used by management to charge the costs of self-insured health, general liability, and worker compensation are included in the statement of net position.		6,121,846
Unavailable revenues from the balance sheet that provide current financial resources for governmental activities.		1,134,482
Accrued expenses from the balance sheet that require current financial resources for governmental activities.		
Accrued Compensated Absences	\$ (2,392,743)	
Net Pension Liability	(13,999,618)	
Other Postemployment Liabilities	<u>(2,235,539)</u>	
		(18,627,900)
Pension and OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:		
Deferred Outflows of Resources	4,505,093	
Deferred Inflows of Resources	<u>(8,763,540)</u>	
		(4,258,447)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds	(19,484,053)	
Accrued Interest Payable	<u>(37,624)</u>	
		<u>(19,521,677)</u>
Total Net Position - Governmental Activities		<u>\$ 120,029,698</u>

See accompanying Notes to Basic Financial Statements.

**BLACK HAWK COUNTY, IOWA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2020**

	General	Mental Health	Rural Services
REVENUES			
Property Tax	\$ 25,116,934	\$ 4,222,009	\$ 2,762,347
Other County Tax	1,336,046	133,650	1,755,316
Interest and Penalty on Property Tax	229,286	-	-
Intergovernmental	8,159,613	893,913	178,931
Licenses and Permits	460,656	-	129,849
Charges for Services	4,027,876	119,836	5,531
Use of Money and Property	550,472	-	-
Miscellaneous	1,352,437	915	1,103
Total Revenues	<u>41,233,320</u>	<u>5,370,323</u>	<u>4,833,077</u>
EXPENDITURES			
Operating			
Public Safety and Legal Services	19,978,553	-	1,541,943
Physical Health and Social Services	6,431,569	-	-
Mental Health	-	5,308,719	-
County Environment and Education	3,456,520	-	261,349
Roads and Transportation	-	-	-
Government Services to Residents	2,289,709	-	392
Administration	5,644,077	-	-
Capital Projects	-	-	-
Debt Service			
Principal	-	-	-
Interest	-	-	-
Bond Issuance Costs	-	-	-
Total Expenditures	<u>37,800,428</u>	<u>5,308,719</u>	<u>1,803,684</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>3,432,892</u>	<u>61,604</u>	<u>3,029,393</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers (Out)	(1,712,732)	-	(2,535,106)
Bonds Proceeds	-	-	-
Bond Premium	-	-	-
Proceeds from Sale of Capital Assets	6,932	-	-
Total Other Financing Sources (Uses)	<u>(1,705,800)</u>	<u>-</u>	<u>(2,535,106)</u>
NET CHANGE IN FUND BALANCES	1,727,092	61,604	494,287
Fund Balances - Beginning of Year, as Restated	<u>23,034,726</u>	<u>544,940</u>	<u>1,535,847</u>
FUND BALANCES - END OF YEAR	<u>\$ 24,761,818</u>	<u>\$ 606,544</u>	<u>\$ 2,030,134</u>

See accompanying Notes to Basic Financial Statements.

BLACK HAWK COUNTY, IOWA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2020

<u>Secondary Roads</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 3,157,028	\$ -	\$ -	\$ 35,258,318
-	1,614,610	-	-	4,839,622
-	-	-	-	229,286
5,595,102	314,300	-	38,428	15,180,287
88,795	-	-	-	679,300
705	-	-	495,703	4,649,651
-	69,518	31,265	4,135	655,390
21,868	54,484	-	213,037	1,643,844
<u>5,706,470</u>	<u>5,209,940</u>	<u>31,265</u>	<u>751,303</u>	<u>63,135,698</u>
-	-	-	401,386	21,921,882
-	-	-	-	6,431,569
-	-	-	-	5,308,719
-	-	-	126,855	3,844,724
7,340,172	-	-	-	7,340,172
-	-	-	23,490	2,313,591
-	-	-	-	5,644,077
1,515,794	-	838,006	-	2,353,800
-	6,830,000	-	-	6,830,000
-	594,311	-	-	594,311
-	73,390	36,336	-	109,726
<u>8,855,966</u>	<u>7,497,701</u>	<u>874,342</u>	<u>551,731</u>	<u>62,692,571</u>
<u>(3,149,496)</u>	<u>(2,287,761)</u>	<u>(843,077)</u>	<u>199,572</u>	<u>443,127</u>
3,489,864	77,696	632,974	-	4,200,534
-	-	(77,696)	-	(4,325,534)
-	5,986,450	2,948,550	-	8,935,000
-	93,371	45,989	-	139,360
50,659	-	-	-	57,591
<u>3,540,523</u>	<u>6,157,517</u>	<u>3,549,817</u>	<u>-</u>	<u>9,006,951</u>
391,027	3,869,756	2,706,740	199,572	9,450,078
<u>4,377,575</u>	<u>2,243,419</u>	<u>2,562,023</u>	<u>1,009,362</u>	<u>35,307,892</u>
<u>\$ 4,768,602</u>	<u>\$ 6,113,175</u>	<u>\$ 5,268,763</u>	<u>\$ 1,208,934</u>	<u>\$ 44,757,970</u>

See accompanying Notes to Basic Financial Statements.

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BLACK HAWK COUNTY, IOWA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES – GOVERNMENTAL ACTIVITIES
JUNE 30, 2020

Net Change in Fund Balances - Total Governmental Funds \$ 9,450,078

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays, including infrastructure, as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Capital outlays exceeded depreciation expense in the current year as follows:

Expenditures for Capital Assets	\$ 4,019,451	
Capital Contributions	4,738,877	
Depreciation Expense	<u>(6,424,137)</u>	
		2,334,191

Governmental funds report the proceeds from the sale of capital assets as revenue whereas the statement of activities reports the gain on the sale of capital assets. This is the effect on the change in net position on the statement of activities.	(225,115)
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Revenues reported in the funds that are not available to provide current financial resources	880,221
----------------------------------------------------------------------------------------------	---------

Accrued interest expense that does not require current financial resources	3,201
----------------------------------------------------------------------------	-------

Proceeds from issuance of long-term debt	(8,935,000)
------------------------------------------	-------------

Premiums received on a bond issuance are reported as an other financing source in the funds, but are deferred and amortized in the statement of activities.	(139,360)
-------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------

Internal service funds are used by management to charge the costs of partial self-insured health insurance. The net revenue of the internal service funds is reported with governmental activities.	2,297,147
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------

Compensated absences that do not require current financial resources	77,047
----------------------------------------------------------------------	--------

Other postemployment benefits that do not require current financial resources	(100,537)
-------------------------------------------------------------------------------	-----------

Pension expenses reported in the statement of activities do not require the use of current financial resources.	(181,474)
-----------------------------------------------------------------------------------------------------------------	-----------

The repayment of the principal of bonded long-term debt consumes the current financial resources of governmental funds without affecting the net position. The statement of activities does not reflect the payment of principal on bonded long-term debt. The principal paid on bonded long-term debt during the current year was:

Repayment of Debt Principal	6,830,000	
Accretion of Premium on Long-Term Debt	139,869	
Amortization of Discounts on Long-Term Debt	<u>(4,389)</u>	
		<u>6,965,480</u>

Change in Net Position of Governmental Activities	<u><u>\$ 12,425,879</u></u>
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See accompanying Notes to Basic Financial Statements.

BLACK HAWK COUNTY, IOWA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	Business-Type Activities			Governmental Activities
	Rural Sewer	Rural Water	Total	Internal Service
ASSETS				
Current Assets				
Cash and Investments	\$ 96,010	\$ 250,579	\$ 346,589	\$ 7,178,497
Receivables (Net, Where Applicable, of Allowance for Uncollectibles)				
Accounts	32,409	-	32,409	376,893
Due from Other Governments	-	2,258	2,258	-
Total Current Assets	128,419	252,837	381,256	7,555,390
Non-Current Assets:				
Infrastructure, Property and Equipment, Net of Accumulated Depreciation	1,000,401	252,088	1,252,489	-
Total Assets	1,128,820	504,925	1,633,745	7,555,390
LIABILITIES				
Current Liabilities				
Accounts Payable	4,160	-	4,160	449,910
Claims Payable	-	-	-	983,634
Total Liabilities	4,160	-	4,160	1,433,544
NET POSITION				
Net Investment in Capital Assets	1,000,401	252,088	1,252,489	-
Unrestricted	124,259	252,837	377,096	6,121,846
Total Net Position	\$ 1,124,660	\$ 504,925	1,629,585	\$ 6,121,846

See accompanying Notes to Basic Financial Statements.

**BLACK HAWK COUNTY, IOWA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020**

	Business-Type Activities			Governmental Activities
	Rural Sewer	Rural Water	Total	Internal Service
OPERATING REVENUES				
Charges for Services	\$ 167,910	\$ 10,782	\$ 178,692	\$ 8,120,024
Total Operating Revenue	<u>167,910</u>	<u>10,782</u>	<u>178,692</u>	<u>8,120,024</u>
OPERATING EXPENSES				
Contract Services	53,758	365	54,123	6,025,514
Repairs and Improvements	58,956	1,622	60,578	-
Utilities	3,455	-	3,455	-
Depreciation	128,739	66,729	195,468	-
Total Operating Expenses	<u>244,908</u>	<u>68,716</u>	<u>313,624</u>	<u>6,025,514</u>
OPERATING INCOME (LOSS)	(76,998)	(57,934)	(134,932)	2,094,510
NONOPERATING INCOME (EXPENSE)				
Interest Income	<u>974</u>	<u>3,204</u>	<u>4,178</u>	<u>77,637</u>
INCOME (LOSS) BEFORE TRANSFERS	(76,024)	(54,730)	(130,754)	2,172,147
TRANSFERS				
Transfer In	<u>-</u>	<u>-</u>	<u>-</u>	<u>125,000</u>
CHANGE IN NET POSITION	(76,024)	(54,730)	(130,754)	2,297,147
Net Position - Beginning of Year	<u>1,200,684</u>	<u>559,655</u>	<u>1,760,339</u>	<u>3,824,699</u>
NET POSITION - END OF YEAR	<u>\$ 1,124,660</u>	<u>\$ 504,925</u>	<u>\$ 1,629,585</u>	<u>\$ 6,121,846</u>

See accompanying Notes to Basic Financial Statements.

**BLACK HAWK COUNTY, IOWA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020**

	Business-Type Activities			Governmental Activities
	Rural Sewer	Rural Water	Total	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 169,805	\$ 10,709	\$ 180,514	\$ 7,905,524
Cash Paid to Suppliers for Goods and Services	(117,343)	(1,987)	(119,330)	-
Cash Paid for Claims and to Administrative Provider	-	-	-	(6,056,200)
Net Cash Provided (Used) by Operating Activities	52,462	8,722	61,184	1,849,324
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from Other Funds	-	-	-	125,000
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and Dividends on Investments	974	3,204	4,178	77,637
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	53,436	11,926	65,362	2,051,961
Cash and Cash Equivalents - Beginning of Year	42,574	238,653	281,227	5,126,536
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 96,010</u>	<u>\$ 250,579</u>	<u>\$ 346,589</u>	<u>\$ 7,178,497</u>

See accompanying Notes to Basic Financial Statements.

BLACK HAWK COUNTY, IOWA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020

	Business-Type Activities			Governmental Activities
	Rural Sewer	Rural Water	Total	Internal Service
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ (76,998)	\$ (57,934)	\$ (134,932)	\$ 2,094,510
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash:				
Provided (Used) by Operating Activities				
Depreciation	128,739	66,729	195,468	-
(Increase) Decrease in Assets				
Accounts Receivable	1,895	-	1,895	(213,649)
Due from Other Governments	-	(73)	(73)	-
Increase (Decrease) in Liabilities				
Accounts Payable	(1,174)	-	(1,174)	241,076
Claims Payable	-	-	-	(271,762)
Unearned Revenue	-	-	-	(851)
Total Adjustments	129,460	66,656	196,116	(245,186)
Net Cash Provided (Used) by Operating Activities	\$ 52,462	\$ 8,722	\$ 61,184	\$ 1,849,324

See accompanying Notes to Basic Financial Statements.

**BLACK HAWK COUNTY, IOWA
STATEMENT OF FIDUCIARY NET POSITION –
AGENCY FUNDS
YEAR ENDED JUNE 30, 2020**

ASSETS

Cash and Pooled Investments	\$ 9,968,297
Receivables:	
Property Tax:	
Delinquent	4,106,467
Succeeding Year	166,930,606
Accounts	66,468
Special Assessments	630,051
Due from Other Governments	200,449
Total Assets	<u><u>\$ 181,902,338</u></u>

LIABILITIES

Accounts Payable	\$ 32,195
Salaries & Benefits Payable	63,214
Due to Other Governments	181,121,480
Trust Payable	685,449
Total Liabilities	<u><u>\$ 181,902,338</u></u>

See accompanying Notes to Basic Financial Statements.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Black Hawk County is a political subdivision of the state of Iowa and operates under the Home Rule provisions of the Constitution of Iowa. The County operates under the Board of Supervisors form of government. Elections are on a partisan basis. Other elected officials operate independently with the Board of Supervisors. These officials are the Auditor, Treasurer, Recorder, Sheriff and Attorney. The County provides numerous services to citizens, including law enforcement, health and social services, parks and cultural activities, planning and zoning, roadway construction and maintenance and general administrative services.

The County's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

Reporting Entity

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

These financial statements present Black Hawk County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

Blended Component Units

The following component units are entities which are legally separate from the County, but are so intertwined with the County they are, in substance, the same as the County. They are reported as part of the County and blended into the appropriate funds.

Certain drainage districts have been established pursuant to Chapter 468 of the Code of Iowa for the drainage of surface waters from agricultural and other lands or the protection of such lands from overflow. Although these districts are legally separate from the County, they are controlled, managed, and supervised by the Black Hawk County Board of Supervisors. The drainage districts are reported as a Special Revenue Fund. Financial information of the individual drainage districts can be obtained from the Black Hawk County Auditor's Office.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Jointly Governed Organizations

The County participates in several jointly governed organizations that provide goods or services to the citizenry of the County but do not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The County Board of Supervisors are members of or appoint representatives to the following boards and commissions: County Assessor's Conference Board, County Emergency Management Commission, and County Joint 911 Service Board. Financial transactions of these organizations are included in the County's financial statements only to the extent of the County's fiduciary relationship with the organization and, as such, are reported in the Agency Funds of the County.

The County also participates in the following jointly governed organizations established pursuant to Chapter 28E of the Code of Iowa: Black Hawk County Criminal Justice Information System, Black Hawk County Solid Waste Management Commission, County Social Services, Tri-County Drug Task Force, Northeast Iowa Response Group, Iowa Northland Regional Housing Council, Iowa County Engineers Association Service Bureau, Consolidated Public Safety Communication Center, Iowa Precinct Atlas Consortium, and North Iowa Juvenile Detention Services Commission.

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, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for support.

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

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

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

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

Unrestricted net position consists of net position not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

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

Fund Financial Statements

Separate financial statements are provided for governmental funds, 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 not paid from other funds.

Special Revenue:

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 Rural Services Fund is used to account for property tax and other revenues to provide services which are primarily intended to benefit those persons residing in the county outside of incorporated city areas.

The Secondary Roads Fund is used to account for the road use tax allocation from the State of Iowa, transfers from the General Fund and the Special Revenue, Rural Services Fund and other revenues to be used for secondary roads construction and maintenance.

The 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.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

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

Additionally, the County reports the following funds:

Proprietary funds are used to account for a government's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position, and cash flows.

The County reports the following proprietary funds:

Enterprise Funds are used to account for those operations that are financed and operating in a manner similar to private business or where the County has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

The following are the County's major enterprise funds:

The Rural Sewer fund is used to account for the County's unincorporated areas for various operational costs associated to the rural sewer systems within Black Hawk County.

The Rural Water fund is used to account for the County's unincorporated areas for various operational costs associated to the rural water systems within Black Hawk County.

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the County, or to other governmental entities, on a cost-reimbursement basis. The County's internal service fund is used to account for the self-insured health insurance and property and liability funds and the office equipment repair fund.

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.

Measurement Focus and Basis of Accounting

The government-wide, proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

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. A one-year availability period is used for expenditure-driven grants.

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.

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 non-operating 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 enterprise funds and Internal Service Fund are charges to customers for sales and services. Operating expenses for enterprise funds and Internal Service Funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position

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

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

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position (Continued)

Cash, Cash Equivalents, and Pooled Investments (Continued)

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, 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 reported as deferred inflow of resources in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

Property tax revenue recognized in these funds become due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2018 assessed property valuations; is for the tax accrual period July 1, 2019 through June 30, 2020 and reflects the tax asking contained in the budget certified by the County Board of Supervisors in March 2019.

Interest and Penalty on Property Tax Receivable

Interest and penalty on property tax receivable represents the amount of interest and penalty that was due and payable but has not been collected.

Due from and Due to Other Funds

During the course of its operations, the County has numerous transactions between funds. To the extent certain transactions between funds had not been paid or received as of June 30, 2020, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position (Continued)

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, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items which are immovable and of value only to the government), are reported in the governmental activities column in the government-wide Statement of Net Position. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repair 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 an initial, individual cost in excess of the following thresholds:

Asset Class	Amount
Infrastructure	\$ 50,000
Land, Buildings, and Improvements	25,000
Equipment and Vehicles	5,000

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

Asset Class	Estimated Useful Lives (In Years)
Infrastructure	15-65
Buildings and Building Improvements	10-50
Improvements Other than Buildings	10-25
Equipment and Vehicles	5-20

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position applicable to a future year(s) which will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense 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.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position (Continued)

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. Three bargaining units also include a deferred compensation contribution clause that allows retirees meeting certain conditions to receive a contribution to a deferred compensation account based on their accumulated sick leave balances at 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 who have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2020. 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.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The net pension liability attributable to the governmental activities will be paid primarily by the General Fund and the Special Revenue, Mental Health, Rural Services and Secondary Roads Funds.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position (Continued)

Total OPEB Liability

For purposes of measuring the total OPEB liability, deferred outflows of resources related to OPEB and OPEB expense, information has been determined based on the County's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The total OPEB liability attributable to the governmental activities will be paid primarily by the General Fund and the Special Revenue, Mental Health, Rural Services and Secondary Roads Funds.

Deferred Inflows of Resources

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

Deferred inflows of resources in the Statement of Net Position consist of succeeding year property tax receivable that will not be recognized until the year for which they are levied, unrecognized items not yet charged to pension and OPEB expense and the unamortized portion of the net difference between projected and actual earnings on pension plan assets.

Fund Balance

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

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

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

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position (Continued)

Fund Balance (Continued)

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

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

Unassigned – All amounts not included in the preceding classifications. The general fund is the only fund that reports a positive unassigned balance.

Net Position

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

Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2020, disbursements did not exceed the amounts budgeted.

NOTE 2 CASH, CASH EQUIVALENTS, AND POOLED INVESTMENTS

The County's deposits in banks at June 30, 2020 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds. The County follows the Code of Iowa and does not have a deposit policy for custodial credit risk.

A reconciliation of the County's total cash and investments to the basic financial statements follows:

Primary Government:

Cash and Investments - Governmental Activities	\$ 42,694,330
Restricted Cash and Investments - Governmental Activities	4,097,156
Cash and Investments - Business-Type Activities	346,589
Agency Funds	9,968,297
Total Cash and Investments	<u><u>\$ 57,106,372</u></u>

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 2 CASH, CASH EQUIVALENTS, AND POOLED INVESTMENTS (CONTINUED)

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; and certain joint investment trusts.

The County had investments in the Iowa Public Agency Investment Trust (IPAIT) which are valued at an amortized cost of \$19,729,697 pursuant to Rule 2a-7 under the Investment Company Act of 1940. There were no limitations or restrictions on withdrawals for the IPAIT investments. The County's investment in IPAIT is unrated.

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 no greater than 30 months.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating agency. The investment in the Iowa Public Agency Investment Trust is voluntarily rates as a money market fund by S&P as a result of the requirements of Iowa Code 12B.10 stating that a joint investment trust that invests in public funds either obtain a rating or register as an investment company under the Investment Company Act of 1940.

Concentration of Credit Risk – The County places no limit on the amount which may be invested in any one issuer. The County did not have any investments in any one issuer that represent 5% or more of the total County investments: mutual funds are excluded from this consideration given the County does not "hold" the underlying investments.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 3 DUE FROM AND DUE TO OTHER FUNDS

The detail of interfund receivables and payables at June 30, 2020 is as follows:

	Due from Other Funds	Due to Other Funds
Governmental Funds		
General	\$ 3,161	\$ 156
Mental Health	-	148
Rural Basic	-	487
Secondary Roads	156	2,494
Non-Major Funds	-	32
Total	<u>\$ 3,317</u>	<u>\$ 3,317</u>

These balances result from the time lag between the dates interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

NOTE 4 INTERFUND TRANSFERS

The detail of interfund transfers for the year ended June 30, 2020 is as follows:

	Transfer Out			
	General Fund	Rural Services	Capital Projects	Total Transfer In
Transfer In				
Secondary Roads	\$ 954,758	\$ 2,535,106	\$ -	\$ 3,489,864
Capital Projects	632,974	-	-	632,974
Debt Service	-	-	77,696	77,696
Self Insurance Fund	125,000	-	-	125,000
Total Transfer Out	<u>\$ 1,712,732</u>	<u>\$ 2,535,106</u>	<u>\$ 77,696</u>	<u>\$ 4,325,534</u>

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

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 5 CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2020 was as follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	\$ 6,367,656	\$ 108,739	\$ -	\$ 6,476,395
Construction in Progress	5,375,537	7,235,640	(4,149,099)	8,462,078
Total Capital Assets not being Depreciated	11,743,193	7,344,379	(4,149,099)	14,938,473
Capital Assets being Depreciated:				
Improvements other than Buildings	2,175,444	-	-	2,175,444
Buildings	35,742,949	614,701	(245,825)	36,111,825
Equipment and Vehicles	18,160,667	831,720	(580,617)	18,411,770
Infrastructure	116,194,421	4,116,627	-	120,311,048
Total Capital Assets being Depreciated	172,273,481	5,563,048	(826,442)	177,010,087
Less Accumulated Depreciation for:				
Improvements Other than Buildings	1,193,742	55,492	-	1,249,234
Buildings	14,371,998	873,500	(90,873)	15,154,625
Equipment and Vehicles	10,364,768	1,273,142	(510,454)	11,127,456
Infrastructure	49,771,818	4,222,003	-	53,993,821
Total Accumulated Depreciation	75,702,326	6,424,137	(601,327)	81,525,136
Total Capital Assets being Depreciated, Net	96,571,155	(861,089)	(225,115)	95,484,951
Governmental Activities Capital Assets, Net	<u>\$ 108,314,348</u>	<u>\$ 6,483,290</u>	<u>\$ (4,374,214)</u>	<u>\$ 110,423,424</u>

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 5 CAPITAL ASSETS (CONTINUED)

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
Business-Type Activities:				
Capital Assets being Depreciated:				
Infrastructure	\$ 5,420,639	\$ -	\$ -	\$ 5,420,639
Less Accumulated Depreciation for:				
Infrastructure	3,972,682	195,468	-	4,168,150
Total Capital Assets being Depreciated, Net	1,447,957	(195,468)	-	1,252,489
Business-Type Activities Capital Assets, Net	<u>\$ 1,447,957</u>	<u>\$ (195,468)</u>	<u>\$ -</u>	<u>\$ 1,252,489</u>

Depreciation expense was charged to the governmental functions as follows:

Public Safety and Legal Services	\$ 849,608
Physical Health and Social Services	33,471
County Environment and Education	327,755
Roads and Transportation	4,728,576
Governmental Service to Residents	16,141
Administration	468,586
Total	<u>\$ 6,424,137</u>

Depreciation expense was charged to the business-type activities as follows:

Rural Water	\$ 66,729
Rural Sewer	128,739
Total	<u>\$ 195,468</u>

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6 LONG-TERM LIABILITIES

A summary of changes in long-term liabilities for the year ended June 30, 2020 is as follows:

	Balance July 1, 2019	Additions	Retirements/ Deletions	Balance June 30, 2020	Due Within One Year
Governmental Activities					
General Obligation Bonds	\$ 17,170,000	\$ 8,935,000	\$ 6,830,000	\$ 19,275,000	\$ 4,580,000
Bond Discount	(10,532)	-	(4,389)	(6,143)	-
Bond Premium	215,705	139,360	139,869	215,196	-
Compensated Absences	2,469,790	1,770,185	1,847,232	2,392,743	1,580,446
Total Governmental Activities	<u>\$ 19,844,963</u>	<u>\$ 10,844,545</u>	<u>\$ 8,812,712</u>	<u>\$ 21,876,796</u>	<u>\$ 6,160,446</u>

Bonds Payable

A summary of the County's June 30, 2020 general obligation bonded indebtedness is as follows:

Governmental Activities			
Year Ending June 30,	Principal	Interest	Total
2021	\$ 4,580,000	\$ 451,494	\$ 5,031,494
2022	4,605,000	346,041	4,951,041
2023	4,310,000	238,981	4,548,981
2024	2,620,000	135,981	2,755,981
2025	790,000	77,788	867,788
2026-2030	2,010,000	145,438	2,155,438
2031	360,000	7,200	367,200
Total	<u>\$ 19,275,000</u>	<u>\$ 1,402,923</u>	<u>\$ 20,677,923</u>

General obligation bonds have been issued for governmental activities. The unmatured general obligation bonds to be paid from the Debt Service Fund totaled \$19,275,000 as of June 30, 2020. These bonds bear interest with rates ranging from 1.00% to 3.50% with final maturity due in the year ended June 1, 2031. The governmental general obligation bonds are shown net of the unamortized premiums of \$215,196 and discounts of \$6,143 on the Statement of Net Position.

In order to limit the liability of taxpayers, the Constitution of the State of Iowa imposes a limit on the amount of debt local governments may incur. The County's debt limitation is 5% of its assessed valuation. This limitation applies only to general obligation indebtedness. At June 30, 2020, the statutory limit for the County was \$486,245,885 providing a legal debt margin of \$464,727,466.

In 2020, the County issued \$8,935,000 in General Obligation Bonds (Series 2019) for the purpose of paying the costs of works and facilities useful for the collection and disposal of solid waste and the acquisition and installation of peace officer communication equipment and other emergency services communication equipment and systems. The bonds carry an interest rate of 2.0% and will mature in 2031.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 7 DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, inservice distribution, or unforeseeable emergency. The Plan was amended to comply with IRC Section 457(b) which allowed for the Plan to hold its assets in trust. Under these new requirements, the assets of the Plan are no longer subject to the general creditors of the County. The assets are maintained in trust by the employer in connection with the Plan. The Plan is maintained for the exclusive benefit of the employee or his/her beneficiary and, therefore, the liability and corresponding investment are not reflected in the financial statements.

NOTE 8 EMPLOYEE HEALTH INSURANCE PLAN

The Internal Service, Health Insurance Fund was established to account for the 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 PreferredOne. The County assumes liability for claims up to the individual stop loss limitation of \$115,000. In addition to the individual stop loss coverage, the County has purchased aggregate excess loss coverage of 125% of expected claims during the year.

Monthly payments of service fees and plan contributions to the Health Insurance Fund are recorded as expenditures from the operating funds.

Amounts payable from the Health Insurance Fund at June 30, 2020 total \$877,077, 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.

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 previous and current years is as follows:

	2019	2020
Claims Payable, Beginning of Year	\$ 1,165,338	\$ 1,204,196
Claims Recognized	8,066,828	5,847,178
Claim Payments and Change in Accrual	(8,027,970)	(6,174,297)
Claims Payable, End of Year	<u>\$ 1,204,196</u>	<u>\$ 877,077</u>

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 9 RISK MANAGEMENT

Black Hawk County is exposed to various risks of loss related to torts; theft damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has purchased commercial insurance to protect against errors and omissions and injuries to employees. The County is a member of the Iowa Communities Assurance Pool (ICAP). The membership in the ICAP protects against loss related to torts; theft, damage to and destruction of assets; and natural disasters. ICAP is a risk sharing pool where liability of each member is limited to their financial contribution; no member is responsible for the liabilities of any other member. The County is responsible for the first \$100,000 of settlements. Below is the activity of what has been accrued for the deductibles of outstanding claims for the previous and current fiscal years under the pooled plan.

	2019	2020
Claims Payable, Beginning of Year	\$ 17,133	\$ 51,200
Claims Recognized	100,016	123,038
Claim Payments and Change in Accrual	(65,949)	(67,681)
Claims Payable, End of Year	<u>\$ 51,200</u>	<u>\$ 106,557</u>

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 10 PENSION PLAN

Plan Description

IPERS membership is mandatory for employees of the County, except for those covered by another retirement system. Employees of the County are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by the Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at PO Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

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

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 10 PENSION PLAN (CONTINUED)

Pension Benefits

A Regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member's first month of entitlement to benefits. Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member's monthly IPERS benefit includes:

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

Sheriffs, deputies, and protection occupation members may retire at normal retirement age, which is generally age 55. Sheriffs, deputies, and protection occupation members may retire any time after reaching age 50 with 22 or more years of covered employment.

The formula used to calculate a sheriff's, deputy's, or protection occupation member's 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 of service 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% 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.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 10 PENSION PLAN (CONTINUED)

Disability and Death Benefits

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

Contributions

Contribution rates are established by IPERS following the annual actuarial valuation which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2020, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the County contributed 9.44% of covered payroll, for a total rate of 15.73%. The Sheriff, deputies and the County each contributed 9.51% of covered payroll, for a total rate of 19.02%. Protection occupation members contributed 6.61% of covered payroll and the County contributed 9.91% of covered payroll, for a total rate of 16.52%.

The County's contributions to IPERS for the year ended June 30, 2020 totaled \$2,125,644.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the County reported a liability of \$13,999,618 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019 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, 2019, the County's proportion was 5.143828%, which was a decrease of 0.207662% from its proportion measured as of June 30, 2018.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 10 PENSION PLAN (CONTINUED)

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

For the year ended June 30, 2020, the County recognized pension expense of \$2,307,117. At June 30, 2020, 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	\$ 114,804	\$ 658,234
Changes of Assumptions	2,177,467	772,563
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	2,449,063
Changes in Proportion and Differences between County Contributions and Proportionate Share of Contributions	502	3,413,528
County Contributions Subsequent to the Measurement Date	2,125,644	-
Total	<u>\$ 4,418,417</u>	<u>\$ 7,293,388</u>

\$2,125,644 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ (624,004)
2022	(1,576,143)
2023	(1,356,007)
2024	(1,096,001)
2025	(348,460)
Total	<u>\$ (5,000,615)</u>

There were no non-employer contributing entities to IPERS.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 10 PENSION PLAN (CONTINUED)

Actuarial Assumptions

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Rate of Inflation	2.60% per Annum.
Rates of Salary Increase	3.25 to 16.25% Average, including Inflation. Rates vary by Membership Group.
Long-Term Investment Rate of Return	7.00% Compounded Annually, Net of Investment Expense, including Inflation.
Wage Growth	3.25% per Annum, based on 2.60% Inflation and 0.65% Real Wage Inflation.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study dated March 24, 2017 and a demographic assumption study dated June 28, 2018.

Mortality rates used in the 2019 valuation were based on the RP-2014 Employee and Healthy Annuitant Tables with MP-2017 generational adjustments.

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:

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	22.0 %	5.60 %
International Equity	15.0	6.08
Global Smart Beta Equity	3.0	5.82
Core Plus Fixed Income	27.0	1.71
Public Credit	3.5	3.32
Public Real Assets	7.0	2.81
Cash	1.0	(0.21)
Private Equity	11.0	10.13
Private Real Assets	7.5	4.76
Private Credit	3.0	3.01
Total	<u>100.0 %</u>	

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 10 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 County will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS' fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on IPERS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension Liability 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 7.00%, as well as what the County'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%
County's Proportionate Share of the Net Pension Liability	\$ 30,192,494	\$ 13,999,618	\$ 421,043

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

At June 30, 2020, the County reported payables to the defined benefit pension plan of \$257,521 for legally required employer contributions and \$192,307 for legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description

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

OPEB Benefits

Individuals who are employed by Black Hawk County and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Sheriff's deputies must be a minimum of age 50 with 22 or more years of service to be eligible for retiree benefits. All other employees must be a minimum of age 55 with four or more years of service to be eligible for retiree benefits. Benefits cease upon attaining age 65. Retirees pay the same premium for the medical, prescription drug, and dental benefits as active employees, which results in an implicit rate subsidy and an OPEB liability. There are 4 employees receiving an explicit subsidy until age 65. No future retiree is eligible for this explicit subsidy.

At June 30, 2020, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently receiving Benefit Payments	19
Active Employees	365
Total	<u>384</u>

Total OPEB Liability

The County's total OPEB liability of \$2,235,539 was measured as of July 1, 2019, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of Inflation	3.0% per Annum.
Rates of Salary Increase	3.25% per Annum, including Inflation.
Discount Rate	2.21%
Healthcare Cost Trend Rate	6.0% Initial Rate Decreasing by .5% Annually to an Ultimate Rate of 4.5%

Since the most recent valuation, the following assumption changes have been made:

- The discount rate was updated from 3.50% to 2.21%.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Actuarial Assumptions (Continued)

- The retirement rates were updated from Iowa Public Retirement System (IPERS) Actuarial Valuation Report as of June 30, 2019.
- The mortality assumption was updated from RP-2014 mortality table with generational scale MP-2018 to Pub-2010 mortality table with generational scale MP-2019 to reflect the Society of Actuaries' recent mortality study.
- The Excise Tax (ACA Cadillac Tax) on high cost employer sponsored health plans was replaced by a Bill in December 2019. We have removed the Excise Tax assumption from the valuation.
- The salary scale was updated from 3.50% to 3.25%.

Discount Rate

The discount rate is based on the long-term expected rate of return on tax-exempt, high-quality municipal bonds.

Mortality rates are from RP-2014 generational table scaled using MP-17 and applied on a gender-specific basis.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study with dates corresponding to those listed above.

Changes in the Total OPEB Liability

	Total OPEB Liability
Total OPEB Liability Beginning of Year	\$ 3,097,271
Changes for the Year:	
Service Cost	256,360
Interest	115,143
Differences between Expected and Actual Experiences	(1,026,850)
Changes in Assumptions	(78,743)
Benefit Payments	(127,642)
Net Changes	(861,732)
Total OPEB Liability End of Year	<u>\$ 2,235,539</u>

Sensitivity of the County's Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (1.21%) or 1% higher (3.21%) than the current discount rate.

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB Liability	\$ 2,441,000	\$ 2,236,000	\$ 2,053,000

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Sensitivity of the County's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (5.0%) or 1% higher (7.0%) than the current healthcare cost trend rates.

	1% Decrease (5.0%)	Healthcare Cost Trend Rate (6.0%)	1% Increase (7.0%)
Total OPEB Liability	\$ 1,982,000	\$ 2,236,000	\$ 2,543,000

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended June 30, 2020, the County recognized OPEB expense of \$228,180. At June 30, 2020, the County reported deferred outflows of resources related to OPEB from the following resources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ (1,342,328)
Changes of Assumptions/Inputs	86,676	(127,824)
Total	<u>\$ 86,676</u>	<u>\$ (1,470,152)</u>

The amount reported as deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ (143,323)
2022	(143,323)
2023	(143,323)
2024	(143,323)
2025	(143,323)
Thereafter	(666,861)
Total	<u>\$ (1,383,476)</u>

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 12 CONTINGENCIES

The County receives significant financial assistance from the U.S. government. Entitlement to the resources is generally based on compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantors. Any disallowances as a result of these audits become a liability of the fund that receives the grant. As of June 30, 2020, the County estimates that no material liabilities will result from such audits.

Pending Litigation

The County is a defendant in several lawsuits in the course of operations. In the opinion of the County Attorney and management, the resolution of such litigation will not have a material adverse effect on the future financial statements of the County.

NOTE 13 CONDUIT DEBT OBLIGATIONS

The County has issued Industrial Revenue Bonds under the provisions of Chapter 419 of the Code of Iowa, 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 payable solely from the private-sector entity. 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, 2020, Industrial Revenue Bonds outstanding had an original issue amount of \$8,620,000. The outstanding balance at June 30, 2020 was \$4,914,195.

NOTE 14 CONSTRUCTION COMMITMENTS

The County has entered into contracts totaling \$9,810,355 for various bridge and road construction, engineering and other maintenance projects, which were ongoing at year-end. As of June 30, 2020, costs of \$4,392,104 had been incurred against the contracts. The balance of \$5,103,181 remaining at June 30, 2020 will be paid as work on the projects progress from County funds and the farm to market account.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 15 COUNTY FINANCIAL INFORMATION INCLUDED IN THE COUNTY SOCIAL SERVICES MENTAL HEALTH REGION

County Social Services Mental Health Region, a jointly governed organization formed pursuant to the provisions of Chapter 28E of the Code of Iowa includes twenty-two member counties. The financial activity of the County's Special Revenue, Mental Health Fund is included in the County Social Services Mental Health Region for the year ended June 30, 2020, as follows:

Revenues		
Property and Other County Tax		\$ 4,355,659
Intergovernmental Revenues:		
State Tax Credits	\$ 377,967	
Payments from Regional Fiscal Agent	515,667	
Other Intergovernmental Revenues	<u>279</u>	893,913
Charges for Services		119,836
Miscellaneous		<u>915</u>
Total Revenues		<u>5,370,323</u>
Expenditures		
Services to Persons with Mental Illness		80,794
General Administration		
Direct Administration	449,092	
Distribution to Regional Fiscal Agent	<u>4,778,833</u>	<u>5,227,925</u>
Total Expenditures		<u>5,308,719</u>
Excess of Expenditures Over Revenues		61,604
Fund Balance - Beginning of Year		544,940
Fund Balance - End of Year		<u><u>\$ 606,544</u></u>

NOTE 16 TAX ABATEMENTS

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

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 16 TAX ABATEMENTS (CONTINUED)

Tax Abatements of Other Entities

Property tax revenues of the County were reduced by the following amounts for the year ended June 30, 2020 under agreements entered into by the following entities:

<u>Entity</u>	<u>Tax Abatement Program</u>	<u>Amount of Tax Abated</u>
City of Cedar Falls	Urban Renewal and Economic Development	\$ 99,930
	Urban Revitalization	6,507
City of Hudson	Urban Renewal and Economic Development	136,625
City of Waterloo	Urban Renewal and Economic Development	474,131
	Urban Revitalization	9,640

NOTE 17 SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 10, 2020, the date the financial statements were available to be issued.

Subsequent to year end, the County board of supervisors approved the issuance of general obligation bonds totaling \$14,000,000. The bonds are expected to be used to pay costs of capital projects for the construction, reconstruction, improvement, repair or equipping of bridges, roads, and culverts, pay costs of works and facilities useful for the collection and disposal of solid waste, and pay the costs of refunding and refinancing outstanding obligations of the County. The County board of supervisors also have approved a \$900,000 solar project.

NOTE 18 PROSPECTIVE ACCOUNTING CHANGE

Governmental Accounting Standards Board (GASB) has issued Statement No. 84, Fiduciary Activities. As a result of GASB Statement No. 94, this statement will be implemented for the fiscal year ending June 30, 2021. The revised requirements of this statement will enhance the consistency and comparability of fiduciary activity reporting by state and local governments by establishing specific criteria for identifying fiduciary activities and clarifying whether and how business-type activities should report their fiduciary activities.

NOTE 19 CHANGE IN REPORTING ENTITY

In prior years, the Friends of the Hartman Reserve Fund was reported as a blended component unit/nonmajor special revenue fund. As a result of certain changes in operations of the fund in the current year, it no longer meets the criteria of a blended component unit. To reflect this change in the reporting entity, the beginning net position/fund balance of the governmental activities and nonmajor governmental funds were reduced by \$954,926.

REQUIRED SUPPLEMENTARY INFORMATION

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BLACK HAWK COUNTY, IOWA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE,
BUDGET AND ACTUAL, ALL GOVERNMENTAL FUND TYPES, BUDGETARY BASIS
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts			Variance with Final Budget
	Original	Amended	Actual	Positive (Negative)
REVENUE				
Property Tax	\$ 36,031,845	\$ 36,031,845	\$ 35,258,318	\$ (773,527)
Other County Tax	4,501,823	4,501,823	4,839,622	337,799
Interest and Penalty on Property Tax	322,000	322,000	229,286	(92,714)
Intergovernmental	14,283,259	14,408,185	15,180,287	772,102
Licenses and Permits	777,926	777,926	679,300	(98,626)
Charges for Services	4,253,039	4,253,039	4,649,651	396,612
Use of Money and Property	929,125	929,125	655,390	(273,735)
Miscellaneous	1,472,888	2,888,973	1,643,844	(1,245,129)
Total Revenue	62,571,905	64,112,916	63,135,698	(977,218)
EXPENDITURES				
Operating				
Public Safety and Legal Services	22,836,137	23,036,137	21,921,882	1,114,255
Physical Health and Social Services	7,608,726	7,678,226	6,431,569	1,246,657
Mental Health	5,729,038	5,729,038	5,308,719	420,319
County Environment and Education	4,039,539	4,287,539	3,844,724	442,815
Roads and Transportation	7,721,074	8,071,074	7,340,172	730,902
Government Services to Residents	2,288,409	2,336,409	2,313,591	22,818
Administration	6,237,904	6,572,704	5,644,077	928,627
Capital Projects	2,527,553	10,577,679	2,353,800	8,223,879
Debt Service	6,127,904	7,405,312	7,534,037	(128,725)
Total Expenditures	65,116,284	75,694,118	62,692,571	13,001,547
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,544,379)	(11,581,202)	443,127	12,024,329
OTHER FINANCING SOURCES (USES)				
Transfers In	10,471,171	10,671,171	4,200,534	(6,470,637)
Transfers (Out)	(10,471,171)	(10,671,171)	(4,325,534)	6,345,637
Bonds Proceeds	-	-	8,935,000	8,935,000
Bond Premium	-	-	139,360	139,360
Proceeds from Sale of Capital Assets	7,053	7,053	57,591	50,538
Total Other Financing Sources (Uses)	7,053	7,053	9,006,951	8,999,898
NET CHANGE IN FUND BALANCES	<u>\$ (2,537,326)</u>	<u>\$ (11,574,149)</u>	9,450,078	<u>\$ 21,024,227</u>
Fund Balances - Beginning of Year			35,307,892	
FUND BALANCES - END OF YEAR			<u>\$ 44,757,970</u>	

See accompanying Notes to Required Supplementary Information

BLACK HAWK COUNTY, IOWA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –
BUDGETARY REPORTING
JUNE 30, 2020

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

In accordance with the Code of Iowa, the County Board of Supervisors annually adopts a budget on the modified accrual basis following required public notice and hearing for all funds except Agency Funds, Enterprise Funds and the Internal Service 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 in the modified accrual budget and appropriations lapse at year-end.

Formal and legal budgetary control is based upon 10 major classes of expenditures known as functions, not by fund. These 10 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, Special Revenue Funds, Debt Service Fund, and Capital Projects Funds. 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, three budget amendments increased budgeted disbursements by \$10,577,834. The budget amendment is reflected in the final budgeted amounts.

In addition, annual budgets are similarly adopted in accordance with the Code of Iowa by the appropriate governing body as indicated: for the County 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, 2020, disbursements did not exceed the amounts budgeted.

BLACK HAWK COUNTY, IOWA
SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY,
RELATED RATIOS, AND NOTES

REQUIRED SUPPLEMENTARY INFORMATION

	2020	2019	2018
Service Cost	\$ 256,360	\$ 214,225	\$ 239,315
Interest	115,143	136,121	135,109
Difference Between Expected and Actual Experiences	(1,026,850)	(502,382)	-
Changes in Assumptions	(78,743)	107,175	(78,637)
Benefit Payments	(127,642)	(321,940)	(167,569)
Net Change in Total OPEB Liability	<u>(861,732)</u>	<u>(366,801)</u>	<u>128,218</u>
 Total OPEB Liability - Beginning of Year	 <u>3,097,271</u>	 <u>3,464,072</u>	 <u>3,335,854</u>
 Total OPEB Liability - End of Year	 <u><u>\$ 2,235,539</u></u>	 <u><u>\$ 3,097,271</u></u>	 <u><u>\$ 3,464,072</u></u>
 Covered-Employee Payroll	 \$ 21,058,364	 \$ 19,814,355	 \$ 25,885,353
 Total OPEB Liability as a Percentage of Covered-Employee Payroll	 11%	 16%	 13%

See accompanying Notes to Required Supplementary Information

BLACK HAWK COUNTY, IOWA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –
OPEB LIABILITY

CHANGES IN BENEFIT TERMS

2020 – There were no significant changes in benefit terms.

2019 – There were no significant changes in benefit terms.

2018 – There were no significant changes in benefit terms.

CHANGES IN SIZE OF GROUP

2020 – There were no significant changes in group size.

2019 – Covered employees decreased from 550 in fiscal year 2018 to 356 in fiscal year 2019 due to the sale of the Country View Care Facility during 2019.

2018 – There were no significant changes in group size.

CHANGES IN ASSUMPTIONS

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

Year ended June 30, 2020	2.21%
Year ended June 30, 2019	3.50%
Year ended June 30, 2018	3.87%
Year ended June 30, 2017	3.58%

2020 – Other assumption changes include:

- The mortality assumption was updated from RP-2014 mortality table with generational scale MP-2018 to Pub-2010 mortality table with generational scale MP-2019 to reflect the Society of Actuaries' recent mortality study.
- The Excise Tax (ACA Cadillac Tax) on high cost employer sponsored health plans was replaced by a Bill in December 2019. We have removed the Excise Tax assumption from the valuation.
- The salary scale was updated from 3.50% to 3.25%.

BLACK HAWK COUNTY, IOWA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM LAST FISCAL YEAR (IN THOUSANDS)
YEAR ENDED JUNE 30, 2020

REQUIRED SUPPLEMENTARY INFORMATION

	2020	2019	2018	2017	2016	2015
County's Proportion of the Net Pension Liability	5.143828%	5.351490%	5.723184%	6.059662%	6.174168%	0.332004%
County's Proportionate Share of the Net Pension Liability	\$ 14,000	\$ 19,730	\$ 23,160	\$ 22,163	\$ 16,677	\$ 13,167
County's Covered Payroll	\$ 26,524	\$ 29,708	\$ 29,876	\$ 28,900	\$ 28,216	\$ 27,774
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	52.78%	66.41%	77.52%	76.69%	57.71%	46.67%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.45%	83.62%	84.61%	84.31%	85.19%	87.61%

*The amounts presented for each fiscal year were determined as of June 30.

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.

The County sold Country View Care Facility during fiscal 2019 resulting in a decrease in pension contributions.

See accompanying Notes to Required Supplementary Information

BLACK HAWK COUNTY, IOWA
SCHEDULE OF THE COUNTY'S PENSION CONTRIBUTIONS
IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TEN YEARS (IN THOUSANDS)
YEAR ENDED JUNE 30, 2020

REQUIRED SUPPLEMENTARY INFORMATION

	2020	2019	2018	2017	2016
Statutorily Required Contribution	\$ 2,126	\$ 2,451	\$ 2,673	\$ 2,703	\$ 2,602
Contributions in Relation to the Statutorily Required Contribution	(2,126)	(2,451)	(2,673)	(2,703)	(2,602)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 22,401	\$ 26,524	\$ 29,709	\$ 29,876	\$ 28,900
Contributions as a Percentage of Covered Payroll	9.49%	9.24%	9.00%	9.05%	9.00%
	2015	2014	2013	2012	2011
Statutorily Required Contribution	\$ 2,577	\$ 2,564	\$ 2,475	\$ 2,363	\$ 1,968
Contributions in Relation to the Statutorily Required Contribution	(2,577)	(2,564)	(2,475)	(2,363)	(1,968)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 28,216	\$ 27,774	\$ 27,165	\$ 28,006	\$ 26,677
Contributions as a Percentage of Covered Payroll	9.13%	9.23%	9.11%	8.44%	7.38%

See accompanying Notes to Required Supplementary Information

BLACK HAWK COUNTY, IOWA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –
PENSION LIABILITY
JUNE 30, 2020

CHANGES OF BENEFIT TERMS

There are no significant changes in benefit terms.

CHANGES OF ASSUMPTIONS

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

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

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

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

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

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

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SUPPLEMENTARY INFORMATION

**BLACK HAWK COUNTY, IOWA
COMBINING BALANCE SHEET
GOVERNMENTAL NONMAJOR FUNDS
JUNE 30, 2020**

	Special Revenue Funds		
	Resource Enhancement and Protection	County Recorder's Records Management	Sheriff's Commissary
ASSETS			
Cash and Pooled Investments	\$ 367,412	\$ 14,137	\$ 666,067
Receivables:			
Accounts	-	-	31,814
Due from Other Governments	-	2,382	-
Total Assets	<u>\$ 367,412</u>	<u>\$ 16,519</u>	<u>\$ 697,881</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 17,900	\$ -	\$ 15,234
Due to Other Funds	-	-	11
Salaries and Benefits Payable	-	-	1,619
Total Liabilities	<u>17,900</u>	<u>-</u>	<u>16,864</u>
FUND BALANCES			
Restricted for:			
Records Management Purposes	-	16,519	-
Other Purposes	-	-	681,017
Conservation Purposes	349,512	-	-
Assigned for:			
Conservation Land Acquisition	-	-	-
Total Fund Balances	<u>349,512</u>	<u>16,519</u>	<u>681,017</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 367,412</u>	<u>\$ 16,519</u>	<u>\$ 697,881</u>

**BLACK HAWK COUNTY, IOWA
COMBINING BALANCE SHEET
GOVERNMENTAL NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2020**

Special Revenue Funds		
Drainage Districts	Conservation Fund	Total
\$ 1,985	\$ 160,838	\$ 1,210,439
-	992	32,806
-	-	2,382
<u>\$ 1,985</u>	<u>\$ 161,830</u>	<u>\$ 1,245,627</u>
\$ -	\$ 53	\$ 33,187
-	21	32
-	1,855	3,474
<u>-</u>	<u>1,929</u>	<u>36,693</u>
-	-	16,519
1,985	-	683,002
-	-	349,512
-	159,901	159,901
<u>1,985</u>	<u>159,901</u>	<u>1,208,934</u>
<u>\$ 1,985</u>	<u>\$ 161,830</u>	<u>\$ 1,245,627</u>

**BLACK HAWK COUNTY, IOWA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL NONMAJOR FUNDS
YEAR ENDED JUNE 30, 2020**

	Special Revenue Funds		
	Resource Enhancement and Protection	County Recorder's Records Management	Sheriff's Commissary
REVENUES			
Intergovernmental	\$ 38,428	\$ -	\$ -
Charges for Services	-	23,314	472,389
Use of Money and Property	3,904	231	-
Miscellaneous	112,803	-	-
Total Revenues	<u>155,135</u>	<u>23,545</u>	<u>472,389</u>
EXPENDITURES			
Public Safety and Legal Services	-	-	401,386
County Environment and Education	60,739	-	-
Government Services to Residents	-	23,490	-
Total Expenditures	<u>60,739</u>	<u>23,490</u>	<u>401,386</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	94,396	55	71,003
Fund Balances - Beginning of Year, as Restated	<u>255,116</u>	<u>16,464</u>	<u>610,014</u>
FUND BALANCES - END OF YEAR	<u>\$ 349,512</u>	<u>\$ 16,519</u>	<u>\$ 681,017</u>

**BLACK HAWK COUNTY, IOWA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL NONMAJOR FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Special Revenue Funds

Drainage Districts	Conservation Fund	Total
\$ -	\$ -	\$ 38,428
-	-	495,703
-	-	4,135
-	100,234	213,037
-	100,234	751,303
-	-	401,386
-	66,116	126,855
-	-	23,490
-	66,116	551,731
-	34,118	199,572
1,985	125,783	1,009,362
<u>\$ 1,985</u>	<u>\$ 159,901</u>	<u>\$ 1,208,934</u>

BLACK HAWK COUNTY, IOWA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2020

	<u>Health Insurance</u>	<u>Self-Insurance</u>	<u>Office Equipment</u>	<u>Total</u>
ASSETS				
Current Assets				
Cash and Pooled Investments	\$ 5,753,218	\$ 1,365,418	\$ 59,861	\$ 7,178,497
Accounts Receivable	376,699	-	194	376,893
Total Assets	<u>6,129,917</u>	<u>1,365,418</u>	<u>60,055</u>	<u>7,555,390</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	420,392	29,101	417	449,910
Claims Payable	877,077	106,557	-	983,634
Total Liabilities	<u>1,297,469</u>	<u>135,658</u>	<u>417</u>	<u>1,433,544</u>
NET POSITION				
Unrestricted	<u>\$ 4,832,448</u>	<u>\$ 1,229,760</u>	<u>\$ 59,638</u>	<u>\$ 6,121,846</u>

**BLACK HAWK COUNTY, IOWA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020**

	<u>Health Insurance</u>	<u>Self-Insurance</u>	<u>Office Equipment</u>	<u>Total</u>
OPERATING REVENUES				
Charges for Services to Operating Funds	\$ 8,002,821	\$ 117,203	\$ -	\$ 8,120,024
Total Operating Revenues	<u>8,002,821</u>	<u>117,203</u>	<u>-</u>	<u>8,120,024</u>
OPERATING EXPENSES				
Contract Services	5,883,229	135,575	6,710	6,025,514
Total Operating Expenses	<u>5,883,229</u>	<u>135,575</u>	<u>6,710</u>	<u>6,025,514</u>
OPERATING INCOME (LOSS)	2,119,592	(18,372)	(6,710)	2,094,510
NONOPERATING INCOME				
Revenues and Interest on Investments	<u>61,508</u>	<u>15,286</u>	<u>843</u>	<u>77,637</u>
INCOME (LOSS) BEFORE TRANSFERS	2,181,100	(3,086)	(5,867)	2,172,147
Transfer In	<u>-</u>	<u>125,000</u>	<u>-</u>	<u>125,000</u>
CHANGE IN NET POSITION	2,181,100	121,914	(5,867)	2,297,147
Net Position - Beginning of Year	<u>2,651,348</u>	<u>1,107,846</u>	<u>65,505</u>	<u>3,824,699</u>
NET POSITION - END OF YEAR	<u><u>\$ 4,832,448</u></u>	<u><u>\$ 1,229,760</u></u>	<u><u>\$ 59,638</u></u>	<u><u>\$ 6,121,846</u></u>

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**BLACK HAWK COUNTY, IOWA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020**

	<u>Health Insurance</u>	<u>Self-Insurance</u>	<u>Office Equipment</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers and Users	\$ 7,785,177	\$ 120,541	\$ (194)	\$ 7,905,524
Cash Paid for Claims and Administrative Provider	(5,992,568)	(57,147)	(6,485)	(6,056,200)
Net Cash Provided (Used) by Operating Activities	<u>1,792,609</u>	<u>63,394</u>	<u>(6,679)</u>	<u>1,849,324</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from Other Funds	-	125,000	-	125,000
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and Dividends on Investments	<u>61,508</u>	<u>15,286</u>	<u>843</u>	<u>77,637</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,854,117	203,680	(5,836)	2,051,961
Cash and Pooled Investments - Beginning of Year	<u>3,899,101</u>	<u>1,161,738</u>	<u>65,697</u>	<u>5,126,536</u>
CASH AND POOLED INVESTMENTS - END OF YEAR	<u><u>\$ 5,753,218</u></u>	<u><u>\$ 1,365,418</u></u>	<u><u>\$ 59,861</u></u>	<u><u>\$ 7,178,497</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
NET OPERATING INCOME (LOSS)	\$ 2,119,592	\$ (18,372)	\$ (6,710)	\$ 2,094,510
ADJUSTMENTS TO RECONCILE NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
(Increase) Decrease in Assets:				
Accounts Receivable	(216,793)	3,338	(194)	(213,649)
Increase (Decrease) in Liabilities:				
Accounts Payable	217,780	23,071	225	241,076
Claims Payable	(327,119)	55,357	-	(271,762)
Unearned Revenue	(851)	-	-	(851)
Total Adjustments	<u>(326,983)</u>	<u>81,766</u>	<u>31</u>	<u>(245,186)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 1,792,609</u></u>	<u><u>\$ 63,394</u></u>	<u><u>\$ (6,679)</u></u>	<u><u>\$ 1,849,324</u></u>

**BLACK HAWK COUNTY, IOWA
COMBINING SCHEDULE OF FIDUCIARY
ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2020**

	<u>County Offices</u>	<u>Agricultural Extension Education</u>	<u>County Assessor</u>	<u>Schools</u>
ASSETS				
Cash and Pooled Investments	\$ 449,566	\$ 3,527	\$ 2,483,787	\$ 540,641
Receivables:				
Property Tax:				
Delinquent	-	11,183	26,525	1,736,767
Succeeding Year	-	512,971	1,183,099	76,630,159
Accounts	8,647	-	-	-
Special Assessments	-	-	-	-
Due from Other Governments	-	-	132	-
Total Assets	<u>\$ 458,213</u>	<u>\$ 527,681</u>	<u>\$ 3,693,543</u>	<u>\$ 78,907,567</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Salaries & Benefits Payable	-	-	48,354	-
Due to Other Governments	307,188	527,681	3,645,189	78,907,567
Trust Payable	151,025	-	-	-
Total Liabilities	<u>\$ 458,213</u>	<u>\$ 527,681</u>	<u>\$ 3,693,543</u>	<u>\$ 78,907,567</u>

**BLACK HAWK COUNTY, IOWA
COMBINING SCHEDULE OF FIDUCIARY
ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
JUNE 30, 2020**

Community Colleges	Corporations	Townships	Auto License and Use Tax	Other	Total
\$ 42,781	\$ 561,652	\$ 2,519	\$ 3,815,809	\$ 2,068,015	\$ 9,968,297
138,672	2,186,288	6,696	-	336	4,106,467
6,315,517	81,817,519	456,884	-	14,457	166,930,606
-	-	-	-	57,821	66,468
-	-	-	-	630,051	630,051
-	-	-	-	200,317	200,449
<u>\$ 6,496,970</u>	<u>\$ 84,565,459</u>	<u>\$ 466,099</u>	<u>\$ 3,815,809</u>	<u>\$ 2,970,997</u>	<u>\$ 181,902,338</u>
\$ -	\$ -	\$ -	\$ -	\$ 32,195	\$ 32,195
-	-	-	-	14,860	63,214
6,496,970	84,565,459	466,099	3,815,809	2,389,518	181,121,480
-	-	-	-	534,424	685,449
<u>\$ 6,496,970</u>	<u>\$ 84,565,459</u>	<u>\$ 466,099</u>	<u>\$ 3,815,809</u>	<u>\$ 2,970,997</u>	<u>\$ 181,902,338</u>

BLACK HAWK COUNTY, IOWA
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY
ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2020

ASSETS AND LIABILITIES	<u>County Offices</u>	<u>Agricultural Extension Education</u>	<u>County Assessor</u>	<u>Schools</u>
Balances - Beginning of Year	\$ 564,142	\$ 504,840	\$ 4,017,740	\$ 77,313,502
Additions:				
Property and Other County Tax	-	557,061	1,339,020	83,426,812
911 Surcharge	-	-	-	-
Office Fees and Collections	279,145	-	-	-
Auto Licenses, Use Tax and Postage	-	-	-	-
Assessments	-	-	-	-
Trusts	170,422	-	-	-
Miscellaneous	-	-	-	-
Total Additions	<u>449,567</u>	<u>557,061</u>	<u>1,339,020</u>	<u>83,426,812</u>
Deductions:				
Agency Remittances:				
To Other Funds	146,628	-	-	-
To Other Governments	44,068	534,220	1,663,217	81,832,747
Trusts Paid Out	364,800	-	-	-
Total Deductions	<u>555,496</u>	<u>534,220</u>	<u>1,663,217</u>	<u>81,832,747</u>
Balances - End of Year	<u>\$ 458,213</u>	<u>\$ 527,681</u>	<u>\$ 3,693,543</u>	<u>\$ 78,907,567</u>

**BLACK HAWK COUNTY, IOWA
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY
ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
JUNE 30, 2020**

Community Colleges	Corporations	Townships	Auto License and Use Tax	Other	Total
<u>\$ 6,156,899</u>	<u>\$ 78,186,728</u>	<u>\$ 448,496</u>	<u>\$ 2,784,978</u>	<u>\$ 2,411,226</u>	<u>\$ 172,388,551</u>
6,856,037	89,736,645	479,495	-	15,835	182,410,905
-	-	-	-	983,608	983,608
-	-	-	-	23,339	302,484
-	-	-	38,266,331	-	38,266,331
-	-	-	-	490,986	490,986
-	-	-	-	5,622,709	5,793,131
-	-	-	-	762,929	762,929
<u>6,856,037</u>	<u>89,736,645</u>	<u>479,495</u>	<u>38,266,331</u>	<u>7,899,406</u>	<u>229,010,374</u>
-	-	-	-	-	146,628
6,515,966	83,357,914	461,892	37,235,500	7,339,635	218,985,159
-	-	-	-	-	364,800
<u>6,515,966</u>	<u>83,357,914</u>	<u>461,892</u>	<u>37,235,500</u>	<u>7,339,635</u>	<u>219,496,587</u>
<u>\$ 6,496,970</u>	<u>\$ 84,565,459</u>	<u>\$ 466,099</u>	<u>\$ 3,815,809</u>	<u>\$ 2,970,997</u>	<u>\$ 181,902,338</u>

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STATISTICAL INFORMATION

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**BLACK HAWK COUNTY, IOWA
STATISTICAL SECTION
CONTENTS**

The statistical section of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures and required supplementary information say about the County's overall financial health.

	Page
Financial Trends	80
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	92
These schedules contain trend information to help the reader assess the County's most significant local revenue sources, the property tax (or sales tax).	
Debt Capacity	100
These schedules present information to help the reader assess the affordability of the County's current level of outstanding debt and the County's ability to issue additional debt in the future.	
Demographic and Economic Information	105
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	107
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.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

**BLACK HAWK COUNTY, IOWA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	Fiscal Year			
	2011	2012	2013	2014
Governmental Activities				
Net Investment in Capital Assets	\$ 52,154,674	\$ 55,310,782	\$ 55,929,989	\$ 62,893,726
Restricted	13,742,221	12,135,498	16,372,523	14,805,215
Unrestricted	14,958,730	16,229,395	16,140,723	14,160,493
Total Governmental Activities Net Position	<u>\$ 80,855,625</u>	<u>\$ 83,675,675</u>	<u>\$ 88,443,235</u>	<u>\$ 91,859,434</u>
Business-Type Activities				
Net Investment in Capital Assets	\$ 5,369,297	\$ 4,600,839	\$ 4,370,375	\$ 4,110,091
Unrestricted	1,181,802	2,681,600	2,626,223	2,597,127
Total Business-Type Activities Net Position	<u>\$ 6,551,099</u>	<u>\$ 7,282,439</u>	<u>\$ 6,996,598</u>	<u>\$ 6,707,218</u>
Primary Government				
Net Investment in Capital Assets	\$ 57,523,971	\$ 59,911,621	\$ 60,300,364	\$ 67,003,817
Restricted	13,742,221	12,135,498	16,372,523	14,805,215
Unrestricted	16,140,532	18,910,995	18,766,946	16,757,620
Total Primary Government Net Position	<u>\$ 87,406,724</u>	<u>\$ 90,958,114</u>	<u>\$ 95,439,833</u>	<u>\$ 98,566,652</u>

Source: County Records

BLACK HAWK COUNTY, IOWA
NET POSITION BY COMPONENT (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 67,721,832	\$ 69,854,029	\$ 80,589,750	\$ 85,550,373	\$ 93,290,050	\$ 102,647,666
16,748,169	19,142,804	17,385,533	14,957,089	13,678,781	18,499,133
(352,603)	616,375	(3,687,512)	(1,581,099)	1,589,914	(1,117,101)
<u>\$ 84,117,398</u>	<u>\$ 89,613,208</u>	<u>\$ 94,287,771</u>	<u>\$ 98,926,363</u>	<u>\$ 108,558,745</u>	<u>\$ 120,029,698</u>
\$ 3,852,604	\$ 3,655,169	\$ 3,411,666	\$ 3,171,246	\$ 1,447,957	\$ 1,252,489
(1,394,297)	(1,919,806)	(2,304,158)	(2,371,570)	312,382	377,096
<u>\$ 2,458,307</u>	<u>\$ 1,735,363</u>	<u>\$ 1,107,508</u>	<u>\$ 799,676</u>	<u>\$ 1,760,339</u>	<u>\$ 1,629,585</u>
\$ 71,574,436	\$ 73,509,198	\$ 84,001,416	\$ 88,721,619	\$ 94,738,007	\$ 103,900,155
16,748,169	19,142,804	17,385,533	14,957,089	13,678,781	18,499,133
(1,746,900)	(1,303,431)	(5,991,670)	(3,952,669)	1,902,296	(740,005)
<u>\$ 86,575,705</u>	<u>\$ 91,348,571</u>	<u>\$ 95,395,279</u>	<u>\$ 99,726,039</u>	<u>\$ 110,319,084</u>	<u>\$ 121,659,283</u>

**BLACK HAWK COUNTY, IOWA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	Fiscal Year			
	2011	2012	2013	2014
Expenses:				
Governmental Activities:				
Public Safety and Legal Services	\$ 17,708,648	\$ 17,614,051	\$ 18,156,232	\$ 18,764,343
Physical Health and Social Services	8,344,752	7,711,949	7,871,355	7,290,096
Mental Health	2,874,676	9,248,329	5,567,395	6,531,543
County Environment and Education	4,554,435	3,619,566	4,619,524	4,879,483
Roads and Transportation	7,761,476	8,057,683	8,997,547	8,576,219
Governmental Services to Residents	1,563,909	1,626,233	1,765,826	1,804,827
Administration	5,253,070	5,159,646	5,837,435	6,837,855
Capital Projects	-	-	172,640	-
Interest on Long-Term Debt	1,371,330	1,518,393	1,402,736	1,378,717
Total Governmental Activities Expenses	<u>49,432,296</u>	<u>54,555,850</u>	<u>54,390,690</u>	<u>56,063,083</u>
Business-Type Activities:				
Rural Sewer	253,880	238,802	225,898	257,343
Rural Water	90,506	82,222	67,468	90,057
Country View Care Facility*	11,096,457	11,606,877	12,308,641	12,746,339
Total Business-Type Activities Expenses	<u>11,440,843</u>	<u>11,927,901</u>	<u>12,602,007</u>	<u>13,093,739</u>
Total Government Expenses	<u>\$ 60,873,139</u>	<u>\$ 66,483,751</u>	<u>\$ 66,992,697</u>	<u>\$ 69,156,822</u>
Program Revenues:				
Governmental Activities:				
Charges for Services:				
Public Safety and Legal Services	\$ 2,237,579	\$ 2,337,436	\$ 2,347,199	\$ 2,244,895
Physical Health and Social Services	1,018,620	998,478	1,126,233	886,355
Mental Health	58,210	48,814	37,029	40,344
County Environment and Education	557,394	633,515	674,546	778,727
Roads and Transportation	13,389	24,913	43,123	50,574
Governmental Services to Residents	1,769,692	1,881,925	2,046,771	1,995,821
Administration	691,587	964,040	624,934	547,738
Operating Grants and Contributions	11,149,510	10,539,342	10,324,098	10,463,557
Capital Grants and Contributions	4,672,902	3,548,186	5,065,574	4,026,136
Total Governmental Activities	<u>22,168,883</u>	<u>20,976,649</u>	<u>22,289,507</u>	<u>21,034,147</u>
Program Revenues	<u>22,168,883</u>	<u>20,976,649</u>	<u>22,289,507</u>	<u>21,034,147</u>
Business-Type Activities:				
Charges for Services:				
Rural Sewer	188,650	206,923	187,687	192,757
Rural Water	62,483	56,928	62,142	34,313
Country View Care Facility*	13,271,064	12,303,826	11,940,324	12,517,547
Operating Grants and Contributions	-	-	46,168	-
Total Business-Type Activities	<u>13,522,197</u>	<u>12,567,677</u>	<u>12,236,321</u>	<u>12,744,617</u>
Program Revenues	<u>13,522,197</u>	<u>12,567,677</u>	<u>12,236,321</u>	<u>12,744,617</u>
Total Government Program Revenues	<u>\$ 35,691,080</u>	<u>\$ 33,544,326</u>	<u>\$ 34,525,828</u>	<u>\$ 33,778,764</u>

**BLACK HAWK COUNTY, IOWA
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 18,972,897	\$ 19,671,543	\$ 20,286,504	\$ 21,362,522	\$ 22,158,003	\$ 19,491,011
7,155,953	7,561,741	7,394,317	8,607,394	6,402,852	6,868,339
6,589,757	5,458,589	6,301,030	6,400,062	5,962,472	5,248,759
3,900,609	5,239,969	3,439,733	3,487,532	2,864,988	3,707,854
8,887,988	8,602,592	9,969,108	9,565,788	10,896,537	12,500,046
1,825,609	2,498,638	2,090,806	2,188,549	2,255,434	2,363,269
6,121,608	9,214,497	9,095,322	8,422,655	7,462,313	5,679,110
-	-	-	-	-	-
1,187,015	1,347,077	1,257,938	930,581	475,652	565,356
54,641,436	59,594,646	59,834,758	60,965,083	58,478,251	56,423,744
219,733	240,587	221,064	217,336	243,246	244,908
69,008	70,791	72,667	69,236	70,160	68,716
12,810,208	13,721,249	13,930,036	14,131,011	7,048,116	-
13,098,949	14,032,627	14,223,767	14,417,583	7,361,522	313,624
\$ 67,740,385	\$ 73,627,273	\$ 74,058,525	\$ 75,382,666	\$ 65,839,773	\$ 56,737,368
\$ 2,151,777	\$ 2,255,939	\$ 1,943,473	\$ 2,068,053	\$ 1,977,299	\$ 1,898,145
923,771	890,850	743,223	787,189	734,376	586,258
50,974	84,740	86,127	195,951	131,025	119,836
814,498	675,388	627,109	678,010	629,109	678,636
27,710	58,100	69,089	88,175	103,456	100,233
2,110,299	2,077,402	2,065,642	2,065,959	2,139,141	2,200,818
509,238	500,672	446,199	1,281,852	393,429	192,212
10,996,943	11,930,540	12,397,556	12,269,031	10,834,129	11,920,406
6,246,023	4,435,594	4,466,030	2,912,073	5,449,444	5,513,256
23,831,233	22,909,225	22,844,448	22,346,293	22,391,408	23,209,800
179,392	176,538	193,999	183,942	169,660	167,910
20,036	19,739	14,039	10,328	10,303	10,782
13,349,854	13,087,647	12,819,455	12,834,285	5,672,318	-
-	-	-	-	-	-
13,549,282	13,283,924	13,027,493	13,028,555	5,852,281	178,692
\$ 37,380,515	\$ 36,193,149	\$ 35,871,941	\$ 35,374,848	\$ 28,243,689	\$ 23,388,492

BLACK HAWK COUNTY, IOWA
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year			
	2011	2012	2013	2014
Net (Expense)/Revenue:				
Governmental Activities	\$ (27,263,413)	\$ (33,579,201)	\$ (32,101,183)	\$ (35,028,936)
Business-Type Activities	2,081,354	639,776	(365,686)	(349,122)
Total Government Net Expense	<u>\$ (25,182,059)</u>	<u>\$ (32,939,425)</u>	<u>\$ (32,466,869)</u>	<u>\$ (35,378,058)</u>
General Revenues and Other Changes in Net Position:				
Governmental Activities:				
Taxes:				
Property Taxes	\$ 29,656,058	\$ 30,719,060	\$ 31,446,791	\$ 32,418,805
Other Taxes	3,587,407	3,785,891	3,628,660	3,766,622
State Tax Replacement Credits	875,035	864,425	996,825	1,170,706
Unrestricted Grants and Contributions	-	-	-	-
Investment Earnings	605,731	341,262	390,127	405,838
Gain on Disposal of Capital Assets	12,481	40,207	105,782	-
Miscellaneous	586,432	658,450	564,567	683,165
Transfer	-	-	-	-
Total Governmental Activities	<u>35,323,144</u>	<u>36,409,295</u>	<u>37,132,752</u>	<u>38,445,136</u>
Business-Type Activities:				
Unrestricted Grants and Contributions	20,748	-	-	-
Investment Earnings	2,170	1,765	1,615	1,642
Gain on Disposal of Capital Assets	-	-	-	-
Miscellaneous	56,440	79,755	78,230	58,100
Transfer	-	-	-	-
Special Item - Gain on Sale	-	-	-	-
Total Business-Type Activities	<u>79,358</u>	<u>81,520</u>	<u>79,845</u>	<u>59,742</u>
Total Government	<u>\$ 35,402,502</u>	<u>\$ 36,490,815</u>	<u>\$ 37,212,597</u>	<u>\$ 38,504,878</u>
Change in Net Position:				
Governmental Activities	\$ 8,059,731	\$ 2,830,094	\$ 5,031,569	\$ 3,416,200
Business-Type Activities	2,160,712	721,296	(285,841)	(289,380)
Total Primary Government	<u>\$ 10,220,443</u>	<u>\$ 3,551,390</u>	<u>\$ 4,745,728</u>	<u>\$ 3,126,820</u>

* Country View Care Facility placed into an enterprise fund in FY2011 and sold in FY2019

**BLACK HAWK COUNTY, IOWA
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ (30,810,203)	\$ (36,685,421)	\$ (36,990,310)	\$ (38,618,790)	\$ (36,086,843)	\$ (33,213,944)
450,333	(748,703)	(1,196,274)	(1,389,028)	(1,509,241)	(134,932)
<u>\$ (30,359,870)</u>	<u>\$ (37,434,124)</u>	<u>\$ (38,186,584)</u>	<u>\$ (40,007,818)</u>	<u>\$ (37,596,084)</u>	<u>\$ (33,348,876)</u>
\$ 31,305,061	\$ 34,655,427	\$ 34,424,918	\$ 36,105,384	\$ 37,890,352	\$ 37,641,547
3,709,500	3,293,311	3,359,983	3,217,171	3,485,643	3,374,615
1,928,536	2,977,010	2,969,905	3,070,930	3,194,392	3,065,376
-	-	-	-	-	-
439,088	444,988	567,076	783,263	1,208,768	733,027
18,554	-	-	-	-	-
668,149	810,495	885,198	1,032,859	995,159	825,258
-	-	-	-	(1,055,089)	-
<u>38,068,888</u>	<u>42,181,231</u>	<u>42,207,080</u>	<u>44,209,607</u>	<u>45,719,225</u>	<u>45,639,823</u>
-	-	-	-	-	-
1,808	2,776	6,486	9,825	36,186	4,178
675	-	-	-	-	-
27,874	22,983	19,726	1,500,000	-	-
-	-	-	-	1,055,089	-
-	-	-	-	1,378,629	-
<u>30,357</u>	<u>25,759</u>	<u>26,212</u>	<u>1,509,825</u>	<u>2,469,904</u>	<u>4,178</u>
<u>\$ 38,099,245</u>	<u>\$ 42,206,990</u>	<u>\$ 42,233,292</u>	<u>\$ 45,719,432</u>	<u>\$ 48,189,129</u>	<u>\$ 45,644,001</u>
\$ 7,258,685	\$ 5,495,810	\$ 5,216,770	\$ 5,590,817	\$ 9,632,382	\$ 12,425,879
480,690	(722,944)	(1,170,062)	120,797	960,663	(130,754)
<u>\$ 7,739,375</u>	<u>\$ 4,772,866</u>	<u>\$ 4,046,708</u>	<u>\$ 5,711,614</u>	<u>\$ 10,593,045</u>	<u>\$ 12,295,125</u>

**BLACK HAWK COUNTY, IOWA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	Fiscal Year			
	2011	2012	2013	2014
General Fund:				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	3,973,689	4,338,973	4,595,183	4,826,969
Committed	905,202	424,083	376,858	275,309
Assigned	-	-	-	-
Unassigned	6,889,135	8,666,837	9,967,825	10,644,194
Total General Fund	<u>\$ 11,768,026</u>	<u>\$ 13,429,893</u>	<u>\$ 14,939,866</u>	<u>\$ 15,746,472</u>
All Other Governmental Funds:				
Nonspendable	\$ 350,881	\$ 363,567	\$ 366,428	\$ 395,252
Restricted	27,151,125	14,199,768	11,499,447	15,562,239
Committed	-	-	-	-
Assigned	26,076	27,126	15,645	24,284
Unassigned	-	-	(167)	(254)
Total All Other Government Funds	<u>\$ 27,528,082</u>	<u>\$ 14,590,461</u>	<u>\$ 11,881,353</u>	<u>\$ 15,981,521</u>
Total Government Funds:				
Nonspendable	\$ 350,881	\$ 363,567	\$ 366,428	\$ 395,252
Restricted	31,124,814	18,538,741	16,094,630	20,389,208
Committed	905,202	424,083	376,858	275,309
Assigned	26,076	27,126	15,645	24,284
Unassigned	6,889,135	8,666,837	9,967,658	10,643,940
Total Government Funds	<u>\$ 39,296,108</u>	<u>\$ 28,020,354</u>	<u>\$ 26,821,219</u>	<u>\$ 31,727,993</u>

Source: County Records

BLACK HAWK COUNTY, IOWA
FUND BALANCES, GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ -	\$ 19,785	\$ 19,785	\$ 34,380	\$ 37,507	\$ 22,904
5,118,373	4,405,092	2,888,524	3,228,843	3,549,914	3,908,633
257,390	237,497	-	-	-	-
-	-	-	-	-	-
11,126,606	12,319,469	15,201,749	15,340,951	19,447,305	20,830,281
<u>\$ 16,502,369</u>	<u>\$ 16,981,843</u>	<u>\$ 18,110,058</u>	<u>\$ 18,604,174</u>	<u>\$ 23,034,726</u>	<u>\$ 24,761,818</u>
\$ 431,818	\$ 464,388	\$ 463,108	\$ 386,261	\$ 424,937	\$ 336,771
15,513,592	22,968,124	20,197,998	14,032,168	11,376,397	18,180,161
-	-	-	-	-	-
32,324	27,197	33,744	18,588	1,426,758	1,479,220
-	-	-	-	-	-
<u>\$ 15,977,734</u>	<u>\$ 23,459,709</u>	<u>\$ 20,694,850</u>	<u>\$ 14,437,017</u>	<u>\$ 13,228,092</u>	<u>\$ 19,996,152</u>
\$ 431,818	\$ 484,173	\$ 482,893	\$ 420,641	\$ 462,444	\$ 359,675
20,631,965	27,373,216	23,086,522	17,261,011	14,926,311	22,088,794
257,390	237,497	-	-	-	-
32,324	27,197	33,744	18,588	1,426,758	1,479,220
11,126,606	12,319,469	15,201,749	15,340,951	19,447,305	20,830,281
<u>\$ 32,480,103</u>	<u>\$ 40,441,552</u>	<u>\$ 38,804,908</u>	<u>\$ 33,041,191</u>	<u>\$ 36,262,818</u>	<u>\$ 44,757,970</u>

BLACK HAWK COUNTY, IOWA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year			
	2011	2012	2013	2014
Revenues:				
Property and Other County Tax	\$ 32,978,105	\$ 34,201,174	\$ 34,721,423	\$ 35,752,215
Interest and Penalty on Property Tax	390,102	394,076	388,657	386,573
Intergovernmental	15,642,743	13,112,737	15,879,589	13,754,762
Licenses and Permits	495,724	491,139	501,326	507,388
Charges for Service	4,384,639	4,588,753	4,993,451	4,697,632
Use of Money and Property	1,081,883	730,816	751,108	774,037
Miscellaneous	1,945,529	2,120,679	1,981,607	2,148,351
Total Revenues	56,918,725	55,639,374	59,217,161	58,020,958
Expenditures:				
Public Safety and Legal Services	17,456,467	17,484,855	17,607,744	18,666,501
Physical Health and Social Services	8,209,118	7,654,874	7,869,190	7,286,923
Mental Health	2,872,865	9,246,928	5,562,162	6,531,467
County Environment and Education	5,911,886	4,133,703	7,403,138	4,731,197
Roads and Transportation	5,559,563	6,297,386	5,861,318	5,473,766
Governmental Services to Residents	1,501,987	1,562,243	1,705,478	1,764,464
Administration	5,541,663	5,092,556	4,845,504	5,132,570
Debt Service:				
Interest	1,275,881	1,472,757	1,371,981	1,296,937
Principal	3,046,508	4,112,334	4,698,264	4,389,312
Debt Issuance Costs	100,714	51,568	32,273	56,238
Capital Projects	8,726,249	12,100,276	5,577,646	3,873,576
Total Expenditures	60,202,901	69,209,480	62,534,698	59,202,951
Excess of Revenues Over (Under)				
Expenditures	(3,284,176)	(13,570,106)	(3,317,537)	(1,181,993)
Other Financing Sources (Uses):				
Proceeds from the Sale of Land and Capital Assets	-	30,240	37,883	19,704
Transfers In	2,129,046	2,517,777	3,306,530	9,656,136
Transfers Out	(2,222,768)	(2,517,777)	(3,306,530)	(9,656,136)
General Obligation Bonds and Notes Issued	18,905,000	3,080,000	2,000,000	5,935,000
Redemption of Refunded Bonds	-	(820,000)	-	-
Issuance of Refunding Debt	-	-	-	-
Discount on General Obligation Bonds and Notes	(88,301)	(6,468)	-	-
Premiums on Bonds Issued	181,643	-	80,548	134,063
Payment to Escrow for Refunding Debt	-	-	-	-
Insurance Proceeds	-	10,551	-	-
Total Other Financing Sources (Uses)	18,904,620	2,294,323	2,118,431	6,088,767
Net Change in Fund Balances	\$ 15,620,444	\$ (11,275,783)	\$ (1,199,106)	\$ 4,906,774
Debt Service as % of Noncapital Expenditures	8.40%	9.78%	10.66%	10.28%

Source: County Records

BLACK HAWK COUNTY, IOWA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 34,608,377	\$ 37,829,146	\$ 37,389,275	\$ 38,934,628	\$ 41,050,577	\$ 40,097,940
363,452	333,601	363,321	353,761	348,989	229,286
14,090,273	17,132,830	16,682,162	15,755,283	13,993,478	15,180,287
545,320	531,380	523,884	585,023	639,741	679,300
4,863,730	4,951,487	4,766,486	5,038,628	4,912,563	4,649,651
834,310	831,658	591,125	775,387	1,102,898	655,390
2,195,924	2,051,123	2,786,140	2,006,554	1,905,630	1,643,844
57,501,386	63,661,225	63,102,393	63,449,264	63,953,876	63,135,698
19,031,164	19,530,828	20,431,814	22,064,787	21,372,007	21,921,882
7,276,643	7,398,630	7,431,336	8,528,400	6,389,709	6,431,569
6,588,351	5,457,073	6,290,031	6,387,385	5,968,080	5,308,719
3,962,309	5,554,645	5,124,757	4,570,673	2,803,687	3,844,724
5,480,704	6,112,956	6,325,744	7,125,313	7,331,575	7,340,172
1,778,144	2,594,949	2,074,400	2,125,944	2,197,354	2,313,591
5,262,939	5,855,180	5,323,208	5,700,398	6,125,643	5,644,077
1,324,020	1,594,354	1,285,173	950,719	711,119	574,311
5,432,005	9,421,234	11,875,000	7,455,000	6,910,000	6,850,000
-	-	77,547	-	-	109,726
646,297	5,761,752	4,419,551	4,444,740	4,262,363	2,353,800
56,782,576	69,281,601	70,658,561	69,353,359	64,071,537	62,692,571
718,810	(5,620,376)	(7,556,168)	(5,904,095)	(117,661)	443,127
33,210	5,125	48,458	140,378	10,936	57,591
3,377,226	3,308,359	4,060,074	3,832,283	8,018,570	4,200,534
(3,377,226)	(3,308,359)	(4,060,074)	(3,832,283)	(4,690,218)	(4,325,534)
-	12,185,000	1,720,000	-	-	8,935,000
-	-	-	-	-	-
-	9,165,000	4,030,000	-	-	-
-	-	-	-	-	-
-	1,186,790	121,066	-	-	139,360
-	(8,960,000)	-	-	-	-
-	-	-	-	-	-
33,210	13,581,915	5,919,524	140,378	3,339,288	9,006,951
\$ 752,020	\$ 7,961,539	\$ (1,636,644)	\$ (5,763,717)	\$ 3,221,627	\$ 9,450,078
12.04%	17.34%	19.87%	13.98%	13.00%	12.65%

**BLACK HAWK COUNTY, IOWA
PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

FUNCTION/PROGRAM	Fiscal Year			
	2011	2012	2013	2014
Governmental Activities:				
Public Safety and Legal Services	\$ 4,596,276	\$ 4,543,611	\$ 4,644,341	\$ 5,341,884
Physical Health and Social Services	4,360,327	4,193,830	4,235,862	3,912,685
Mental Health	561,339	506,910	539,902	564,657
County Environment and Education	4,592,852	2,536,371	5,794,947	3,091,890
Roads and Transportation	4,476,977	5,522,567	3,847,359	4,912,605
Governmental Services to Residents	1,793,214	1,967,223	2,046,771	2,112,511
Administration	1,787,898	1,706,137	1,180,325	1,097,915
Total Governmental Activities	<u>22,168,883</u>	<u>20,976,649</u>	<u>22,289,507</u>	<u>21,034,147</u>
Business-Type Activities:				
Rural Sewer	188,650	206,923	187,687	192,757
Rural Water	62,483	56,928	62,142	34,313
Country View Care Facility*	13,271,064	12,303,826	11,986,492	12,517,547
Total Business-Type Activities	<u>13,522,197</u>	<u>12,567,677</u>	<u>12,236,321</u>	<u>12,744,617</u>
Total Government	<u>\$ 35,691,080</u>	<u>\$ 33,544,326</u>	<u>\$ 34,525,828</u>	<u>\$ 33,778,764</u>

* Country View Care Facility placed into an enterprise fund in FY2011 and sold in FY2019

Source: County Records

BLACK HAWK COUNTY, IOWA
PROGRAM REVENUES BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 4,693,681	\$ 4,886,215	\$ 4,498,057	\$ 4,592,988	\$ 4,523,286	\$ 4,612,147
4,041,546	3,835,105	3,969,165	3,641,294	2,931,865	2,874,618
656,329	785,626	890,394	1,087,165	972,412	635,503
2,686,116	3,772,372	3,081,236	2,115,985	1,153,991	1,839,046
8,618,646	6,477,885	7,184,891	7,038,115	9,999,191	10,424,925
2,173,452	2,238,719	2,082,073	2,189,019	2,147,584	2,350,759
961,463	913,303	1,138,632	1,681,727	663,079	472,802
<u>23,831,233</u>	<u>22,909,225</u>	<u>22,844,448</u>	<u>22,346,293</u>	<u>22,391,408</u>	<u>23,209,800</u>
179,392	176,538	193,999	183,942	169,660	167,910
20,036	19,739	14,039	10,328	10,303	10,782
<u>13,349,854</u>	<u>13,087,647</u>	<u>12,819,455</u>	<u>12,834,285</u>	<u>5,672,318</u>	<u>-</u>
<u>13,549,282</u>	<u>13,283,924</u>	<u>13,027,493</u>	<u>13,028,555</u>	<u>5,852,281</u>	<u>178,692</u>
<u>\$ 37,380,515</u>	<u>\$ 36,193,149</u>	<u>\$ 35,871,941</u>	<u>\$ 35,374,848</u>	<u>\$ 28,243,689</u>	<u>\$ 23,388,492</u>

BLACK HAWK COUNTY, IOWA
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Fiscal Year	Property	Local Option Sales Tax	Utility Replacement Excise Tax	Other Tax	Total
2011	\$ 28,571,374	\$ 2,924,158	\$ 915,122	\$ 507,099	\$ 32,917,753
2012	29,723,661	2,972,672	976,129	526,780	34,199,242
2013	30,442,122	2,807,922	923,183	546,366	34,719,593
2014	31,368,092	2,952,640	883,736	545,594	35,750,062
2015	30,240,768	2,898,616	897,572	571,437	34,608,393
2016	33,433,861	2,841,546	968,176	585,563	37,829,146
2017	32,770,534	2,922,144	1,162,322	534,275	37,389,275
2018	34,339,684	2,788,024	1,235,024	571,896	38,934,628
2019	36,169,890	3,063,230	1,267,280	554,254	41,054,654
2020	35,258,318	3,043,079	1,210,725	585,818	40,097,940
Change 2011-2020	23.40%	4.07%	32.30%	15.52%	21.81%

Source: County Records

BLACK HAWK COUNTY, IOWA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(DOLLARS IN THOUSANDS)
(UNAUDITED)

Fiscal Year Ended June 30,	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Multi- Residential Property	TIF Property	Other Property	Less: Military Tax-Exempt Property	Total Taxable Assessed Property	Total Direct Tax Rate Urban
2011	\$ 2,502,546	\$ 1,186,978	\$ 120,459	\$ 274,346	\$ -	\$ 416,892	\$ 208,213	\$ 13,403	\$ 4,696,031	6.67
2012	2,642,989	1,200,554	118,995	286,322	-	419,778	215,750	13,031	4,871,357	6.60
2013	2,890,123	1,285,937	147,273	292,825	-	458,530	213,032	12,650	5,275,070	6.24
2014	3,055,033	1,411,401	177,235	305,307	-	283,298	213,603	12,275	5,433,602	6.02
2015	3,105,727	1,179,992	142,105	316,653	-	496,973	212,762	11,975	5,442,237	6.12
2016	3,242,596	1,071,590	130,132	326,387	-	518,488	208,118	11,519	5,485,792	6.75
2017	3,349,838	954,428	130,346	328,936	116,975	561,964	231,115	11,045	5,662,557	6.45
2018	3,486,477	1,083,319	139,769	339,335	108,878	431,874	231,277	10,704	5,810,225	6.42
2019	3,467,563	1,105,086	137,445	341,204	153,608	451,356	229,812	10,093	5,875,981	6.69
2020	3,613,076	1,195,210	138,124	351,987	139,171	436,826	229,873	9,616	6,094,651	6.30

Source: Black Hawk County Information Technology Department and Black Hawk County Assessor

Note: Property is assessed at actual value; therefore, the assessed values are equal to the actual value.

Tax rates are per \$1,000 of assessed value.

**BLACK HAWK COUNTY, IOWA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO
(UNAUDITED)**

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
MidAmerican Energy	\$ 147,798,859	1	2.42 %	\$ 171,609,806	1	3.65 %
Target Corporation	70,688,970	2	1.16	89,035,740	2	1.90
Deere and Company	58,965,045	3	0.97	27,584,866	8	0.59
Northern Natural Gas Co	50,400,341	4	0.83	-		-
IOC Black Hawk County, Inc.	48,954,195	5	0.80	73,670,230	3	1.57
Con Agra	31,500,000	6	0.52	20,081,730	10	0.43
Menard Inc.	21,646,676	7	0.36	-		-
Qwest (Century Link) Corporation	20,637,141	8	0.34	30,452,624	7	0.65
Ferguson Enterprises, Inc.	18,636,903	9	0.31	-		-
FDP WTC LLC	16,711,938	10	0.27	-		-
Cedar Falls Utilities	-	-	-	47,357,223	4	1.01
GG and A Crossroads Mall, LLC	-	-	-	40,083,710	5	0.85
College Square Mall Partners, LLC	-	-	-	32,775,230	6	0.70
IBP Inc.	-	-	-	21,927,734	9	0.47
Total	\$ 485,940,068		7.98 %	\$ 554,578,893		11.82 %
Total Taxable Value	\$ 6,095,422,283			\$ 4,696,030,973		

Source: Black Hawk County Information Technology Department and Black Hawk County Assessor

**BLACK HAWK COUNTY, IOWA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended June 30,	Property Taxes Levied for the Fiscal Year	Property Taxes		Property Tax Collections In Subsequent Years	Property Tax	
		Collected Within the			Total Collections to Date	
		Fiscal Year of the Levy				
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 171,020,072	\$ 170,018,109	99.41	\$ 127,194	\$ 170,145,303	99.49
2012	175,786,426	175,378,631	99.77	94,705	175,473,336	99.82
2013	184,252,986	182,952,820	99.29	38,278	182,991,098	99.32
2014	183,858,465	183,110,439	99.59	(422,117)	182,688,322	99.36
2015	183,444,159	182,293,781	99.37	(835,628)	181,458,153	98.92
2016	183,734,509	182,952,100	99.57	(566,697)	182,385,403	99.27
2017	185,733,703	185,051,474	99.63	19,977	185,071,451	99.64
2018	192,163,315	191,778,616	99.80	92,762	191,871,378	99.85
2019	194,428,711	193,922,663	99.74	51,638	193,974,301	99.77
2020	198,837,727	194,530,888	97.83	102,455	194,633,343	97.89

Total tax collection solely for Black Hawk County, Iowa:

2011	\$ 28,578,595
2012	29,718,148
2013	30,430,730
2014	31,421,650
2015	30,339,720
2016	33,541,638
2017	32,757,318
2018	34,330,271
2019	36,156,105
2020	35,188,694

Source: Black Hawk County, Treasurer's Office

BLACK HAWK COUNTY, IOWA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)
(UNAUDITED)

	Fiscal Year			
	2011	2012	2013	2014
County Direct Rates:				
General Basic	3.50	3.50	3.50	3.50
General Supplemental	1.39	1.14	0.90	0.77
MH/DD Service	1.34	1.29	1.20	1.12
Debt Service	0.44	0.67	0.64	0.63
Total Urban County Rate	6.67	6.60	6.24	6.02
Rural Basic	2.88	3.00	3.15	3.26
Total Rural County Rate	9.55	9.60	9.39	9.28
City and Town Rates:				
Waterloo	18.26	18.53	18.21	17.49
Cedar Falls	12.99	12.86	12.20	12.02
Dunkerton	8.43	8.58	8.50	8.46
Elk Run Heights	6.01	6.01	6.01	6.01
Evansdale	6.88	6.88	6.88	6.31
Gilbertville	12.27	11.09	10.58	10.57
Hudson	9.73	9.73	9.73	9.73
Janesville	12.08	11.68	11.60	11.41
Jesup	13.95	14.78	14.77	14.72
LaPorte City	14.54	14.51	14.51	15.52
Raymond	6.90	6.92	6.92	6.92
Township Rates:				
Barclay	0.34	0.33	0.54	0.52
Bennington	0.55	0.56	0.55	0.55
Big Creek	0.57	0.50	0.45	0.44
Black Hawk	0.57	0.49	0.51	0.51
Cedar	0.58	0.56	0.53	0.56
Cedar Falls	0.56	0.57	0.55	0.48
Eagle	0.47	0.63	0.49	0.65
East Waterloo	0.16	0.14	0.12	0.11
Fox	0.26	0.31	0.39	0.44
Lester	0.69	0.67	0.64	0.66
Lincoln	0.61	0.70	0.63	0.63
Mt. Vernon	0.41	0.42	0.04	0.39
Orange	0.35	0.36	0.40	0.40
Poyner	0.66	0.63	0.64	0.61
Spring Creek	0.69	0.77	0.72	0.68
Union	0.68	0.74	0.62	0.66
Washington	0.36	0.39	0.35	0.33

BLACK HAWK COUNTY, IOWA
DIRECT AND OVERLAPPING PROPERTY TAX RATES (CONTINUED)
LAST TEN FISCAL YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)
(UNAUDITED)

Fiscal Year					
2015	2016	2017	2018	2019	2020
3.50	3.50	3.50	3.50	3.50	3.50
0.86	0.94	1.08	1.29	1.60	1.74
1.17	1.00	0.91	0.82	0.86	0.70
0.59	1.31	0.96	0.81	0.73	0.39
6.12	6.75	6.45	6.42	6.69	6.33
3.10	2.90	3.09	3.20	3.50	3.64
9.22	9.65	9.54	9.62	10.19	9.97
17.95	17.76	17.61	17.60	17.46	18.44
11.81	11.53	11.22	11.13	11.22	11.43
8.43	8.18	8.15	8.23	8.19	8.81
6.01	7.00	7.00	8.10	8.10	8.10
6.31	6.99	7.42	7.59	8.10	7.95
10.63	10.97	11.35	11.77	11.82	12.75
9.73	11.49	11.51	11.57	11.61	11.39
11.07	10.76	10.07	9.84	10.06	11.16
14.99	14.87	14.83	14.83	14.46	14.62
0.00	14.84	15.00	14.88	14.88	16.08
6.96	6.96	6.99	6.92	6.92	6.92
0.50	0.48	0.46	0.38	0.30	0.42
0.55	0.55	0.55	0.55	0.55	0.56
0.42	0.35	0.40	0.42	0.56	0.42
0.57	0.64	0.63	0.62	0.63	0.60
0.57	0.57	0.59	0.59	0.58	0.59
0.58	0.60	0.62	0.61	0.61	0.58
0.48	0.47	0.47	0.49	0.53	0.61
0.11	0.10	0.10	-	-	0.20
0.44	0.46	0.46	0.46	0.46	0.47
0.64	0.58	0.55	0.53	0.59	0.57
0.54	0.54	0.56	0.54	0.64	0.63
0.39	0.39	0.39	0.39	0.39	0.39
0.40	0.38	0.38	0.37	0.34	0.34
0.71	0.77	0.67	0.64	0.66	0.74
0.62	0.64	0.77	0.79	0.85	0.82
0.65	0.64	0.69	0.64	0.64	0.63
0.33	0.32	0.32	0.27	0.28	0.27

BLACK HAWK COUNTY, IOWA
DIRECT AND OVERLAPPING PROPERTY TAX RATES (CONTINUED)
LAST TEN FISCAL YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)
(UNAUDITED)

	Fiscal Year			
	2011	2012	2013	2014
School District Rates:				
Waterloo	16.44	16.28	15.80	15.73
Cedar Falls	14.15	13.79	13.38	12.83
Dunkerton	15.94	16.00	15.99	15.20
Elk Run Heights	16.44	16.28	15.80	15.73
Evansdale	16.44	16.28	15.80	15.73
Gilbertville	16.44	16.28	15.80	15.73
Hudson	16.90	16.89	16.49	15.79
Janesville	11.84	12.33	13.03	12.54
Jesup	11.92	12.94	12.94	12.92
LaPorte City	12.71	12.70	12.07	12.14
Raymond	16.44	16.28	15.80	15.73
Other:				
State	0.00	0.00	0.00	0.00
Hawkeye CC - Area VII	1.00	0.96	0.96	0.95
Kirkwood - Area X	0.93	1.00	1.08	1.06
Ag. Extension	0.08	0.09	0.09	0.09
Special Appraiser*	0.09	0.02	-	-
Assessor	0.22	0.21	0.28	0.32

Source: Black Hawk County, Auditor's Office

* Special Appraiser and Assessor rates combined in FY13

BLACK HAWK COUNTY, IOWA
DIRECT AND OVERLAPPING PROPERTY TAX RATES (CONTINUED)
LAST TEN FISCAL YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)
(UNAUDITED)

Fiscal Year					
2015	2016	2017	2018	2019	2020
15.98	15.62	15.40	14.98	14.57	14.21
12.78	12.44	12.77	14.27	13.95	13.89
15.56	15.47	14.73	15.45	15.14	15.24
15.98	15.62	15.40	14.98	14.57	14.21
15.98	15.62	15.40	14.98	14.57	14.21
15.98	15.62	15.40	14.98	14.57	14.21
14.94	14.44	14.01	14.51	14.34	14.04
12.06	11.99	11.91	11.43	14.13	14.90
12.92	13.93	13.74	14.02	14.77	14.66
12.05	12.31	12.26	12.23	12.39	12.19
15.98	15.62	15.40	14.98	14.57	14.21
0.00	0.00	0.00	0.00	-	-
0.95	0.95	0.95	0.97	1.02	1.16
1.06	1.06	1.08	1.13	1.20	1.26
0.09	0.10	0.09	0.09	0.09	0.10
-	-	-	-	-	-
0.31	0.30	0.29	0.27	0.25	0.22

**BLACK HAWK COUNTY, IOWA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(DOLLARS IN THOUSANDS, EXCEPT PER CAPITA)
(UNAUDITED)**

Fiscal Year	Governmental Activities			Business-Type Activities			Total Government	Percentage of Personal Income*	Per Capita*
	General	Capital		General					
	Obligation	Lease		Obligation					
	Bonds	Loan	Purchase	Bonds	Loan				
		Notes	Agreement		Notes				
2011	\$ 42,579	\$ 420	\$ 46	\$ 786	\$ -	\$ 43,831	0.90	333.39	
2012	39,521	1,650	39	607	-	41,817	0.82	317.29	
2013	37,171	1,240	31	528	-	38,970	0.76	293.49	
2014	39,300	935	21	448	-	40,704	0.77	305.76	
2015	34,114	630	-	364	-	35,108	0.65	263.11	
2016	38,322	320	-	279	-	38,921	0.71	293.05	
2017	32,291	-	-	189	-	32,480	0.58	244.86	
2018	24,502	-	-	95	-	24,597	0.41	185.77	
2019	17,375	-	-	-	-	17,375	0.29	132.40	
2020	19,484	-	-	-	-	19,484	N/A	N/A	

* Calculation made using population and personal income figures from Demographics and Economic Statistics Table.

Source: County Records

BLACK HAWK COUNTY, IOWA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(DOLLARS IN THOUSANDS, EXCEPT PER CAPITA)
(UNAUDITED)

<u>Fiscal Year</u>	<u>General Bonded Debt Outstanding</u> <u>General Obligation Bonds & Notes</u>	<u>Percentage Actual Taxable Value of Property</u>	<u>Per Capita*</u>
2011	\$ 43,785	0.93	333.04
2012	41,778	0.86	316.99
2013	38,939	0.74	293.26
2014	40,683	0.75	305.60
2015	35,108	0.65	263.11
2016	38,921	0.71	293.05
2017	32,480	0.57	244.86
2018	24,597	0.42	185.77
2019	17,375	0.30	132.40
2020	19,484	0.32	N/A

* Calculated using population figure from Demographics and Economic Statistics Table.

Source: County Records

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BLACK HAWK COUNTY, IOWA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2020
(UNAUDITED)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
County Direct Debt	\$ 19,275,000	100.00%	\$ 19,275,000
City Debt:			
Cedar Falls	11,670,000	100.00	11,670,000
Dunkerton	766,000	100.00	766,000
Elk Run Heights	-	100.00	-
Evansdale	4,470,000	100.00	4,470,000
Gilbertville	1,463,000	100.00	1,463,000
Hudson	5,045,000	100.00	5,045,000
Janesville	1,691,250	15.48	261,806
Jesup	1,690,000	9.51	160,719
LaPorte City	2,105,000	100.00	2,105,000
Raymond	-	100.00	-
Waterloo	93,139,434	100.00	93,139,434
Subtotal, City Debt			<u>119,080,959</u>
School District Debt:			
Cedar Falls	28,220,000	100.00	28,220,000
Denver	8,850,000	19.58	1,732,830
Dike-New Hartford	1,516,000	4.88	73,981
Dunkerton	7,755,000	99.32	7,702,266
Gladbrook-Reinbeck	505,000	7.39	37,320
Hudson	-	100.00	-
Janesville	8,537,827	45.11	3,851,414
Jesup	965,000	29.41	283,807
Union (LaPorte City/Dysart)	-	41.30	-
Vinton-Shellsburg	4,210,000	0.05	2,105
Wapsie Valley	5,850,000	4.81	281,385
Waterloo	71,043,539	100.00	71,043,539
Waverly-Shellrock	5,570,000	0.12	6,684
Subtotal, School District Debt			<u>113,235,331</u>
College, Hawkeye Community College	3,860,000	57.50	<u>2,219,500</u>
Total Overlapping Debt			<u>234,535,790</u>
Total Direct and Overlapping Debt			<u>\$ 253,810,790</u>

Source: Cities and School Districts within Black Hawk County

* The overlapping debt percentage is arrived at by first calculating the amount of valuation that exists for each city or school district that is partially or wholly within the County. This is determined by the County Assessor's Office. That valuation figure is then divided by the total for the entire city or school district to determine the percentage that lies within the County. That percentage is then used proportionately to determine the amount of overlapping debt.

**BLACK HAWK COUNTY, IOWA
LEGAL DEBT MARGIN INFORMATION
AS OF JUNE 30, 2020
(DOLLARS IN THOUSANDS)
(UNAUDITED)**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Debt Limit	\$ 234,802	\$ 243,568	\$ 263,754	\$ 271,680
Total Net Debt Applicable to Limit	<u>43,815</u>	<u>41,790</u>	<u>39,020</u>	<u>40,495</u>
Legal Debt Margin	<u>\$ 190,987</u>	<u>\$ 201,778</u>	<u>\$ 224,734</u>	<u>\$ 231,185</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	22.94%	20.71%	17.36%	17.52%

Source: County Records

BLACK HAWK COUNTY, IOWA
LEGAL DEBT MARGIN INFORMATION (CONTINUED)
AS OF JUNE 30, 2020
(DOLLARS IN THOUSANDS)
(UNAUDITED)

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed Value	\$ 9,597,766
Debt Limit (5% of Assessed Value)	<u>479,888</u>
Debt Applicable to Limit:	
General Obligation Bonds	19,275
General Obligation Capital Loan Notes	-
Amount Available for Repayment of Debt	<u>(1,198)</u>
Total Net Applicable to Limit	<u>18,077</u>
Legal Debt Margin	<u><u>\$ 461,811</u></u>

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 272,112	\$ 274,290	\$ 456,618	\$ 463,416	\$ 469,019	\$ 479,888
<u>34,985</u>	<u>31,660</u>	<u>26,266</u>	<u>20,496</u>	<u>14,927</u>	<u>18,077</u>
<u><u>\$ 237,127</u></u>	<u><u>\$ 242,630</u></u>	<u><u>\$ 430,352</u></u>	<u><u>\$ 442,920</u></u>	<u><u>\$ 454,092</u></u>	<u><u>\$ 461,811</u></u>
14.75%	13.05%	6.10%	4.63%	3.29%	3.91%

**BLACK HAWK COUNTY, IOWA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS
(UNAUDITED)**

Year	Population ¹	Personal Income (000s) ¹	Per Capita Personal Income ¹	School Enrollment ³	Unemployment Rate ²
2010	131,153	\$ 4,583,792	\$ 34,950	17,068	6.1
2011	131,470	4,885,300	37,159	17,225	6.0
2012	131,794	5,123,023	38,871	17,298	5.6
2013	132,781	5,115,634	38,527	18,062	5.3
2014	133,123	5,309,650	39,885	18,225	4.7
2015	133,435	5,430,851	40,700	18,361	4.8
2016	132,813	5,447,825	41,019	-	5.0
2017	132,648	5,595,992	42,187	-	3.9
2018	132,408	5,927,076	44,764	18,590	2.7
2019	131,228	6,079,217	46,326	18,770	3.4

¹ **Source:** Bureau of Economic Analysis, U.S. Dept of Commerce

² **Source:** Iowa Workforce Development website (June of Calendar Year)

³ **Source:** School districts in Black Hawk County

School enrollments are for the spring of year posted (i.e. 2017-18 would be listed under 2018)

**BLACK HAWK COUNTY, IOWA
PRINCIPAL EMPLOYERS
CURRENT AND NINE YEARS AGO
(UNAUDITED)**

Employer	2020			2011		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
John Deere	5,000	1	7.35 %	5,300	1	7.94 %
Tyson Fresh Meats (IBP Inc.)	2,980	2	4.38	2,500	3	3.74
MercyOne (Wheaton Franciscan Healthc	2,653	3	3.90	2,680	2	4.01
University of Northern Iowa	1,736	4	2.55	1,850	5	2.77
Waterloo Public Schools	1,731	5	2.55	1,560	6	2.34
UnityPoint Health (Allen Hospital)	1,499	6	2.20	2,080	4	3.12
Hy-Vee	1,200	7	1.76	1,130	8	1.69
Target Regional Distribution	1,070	8	1.57	850	9	1.25
VGM Group	1,056	9	1.55	-	-	-
Western Home Communities	962	10	1.41	-	-	-
Area Education Agency 7	-	-	-	1,150	7	1.72
GMAC Mortgage	-	-	-	805	10	1.21
Total	<u>19,887</u>			<u>19,905</u>		
Total Employees in Black Hawk County	<u>68,011</u>			<u>66,768</u>		

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**BLACK HAWK COUNTY, IOWA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT
EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

FUNCTION/PROGRAM	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety and Legal Services:										
Sheriff	134.00	134.00	134.00	134.00	135.00	137.00	137.00	138.00	138.00	139.00
Attorney	29.80	30.80	30.80	30.80	31.10	31.38	31.38	30.88	30.17	30.67
Consolidated Comm Ctr	26.00	26.00	26.00	26.20	26.70	26.70	26.70	26.70	26.70	26.70
Physical Health and Social Services:										
Health Department	86.15	93.00	93.00	90.39	90.44	90.99	89.60	80.60	71.58	50.39
Community Services	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80
Youth Shelter*	12.84	13.30	10.60	11.50		-	-	-	-	-
Veteran Affairs	4.03	4.03	4.03	4.03	4.03	4.03	4.03	4.03	4.03	4.03
Mental Health:										
County Social Services	7.20	7.20	8.20	8.20	8.20	8.20	10.20	10.20	11.20	10.20
Country View**	-	-	-	-	-	-	-	-	-	-
County Environment and Education,										
Conservation	26.29	27.29	26.63	26.44	26.59	26.28	25.68	25.91	25.91	26.08
Roads and Transportation, Engineer	43.90	44.30	44.30	44.30	44.30	44.30	43.40	42.69	42.23	42.23
Governmental Services to Residents:										
Treasurer	10.50	10.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	12.50
Recorder	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Auditor: Elections	3.60	3.50	3.30	3.30	4.00	3.32	3.60	3.60	3.60	3.60
Administration:										
Board Office	7.50	7.50	8.00	8.00	8.00	7.00	7.00	7.00	7.00	7.00
Auditor	11.00	11.00	11.00	11.00	10.00	10.00	10.00	10.00	10.00	10.00
Treasurer	9.00	8.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Human Resources	3.00	3.00	3.10	3.10	2.10	3.00	3.00	3.00	3.00	3.00
Information Technology	6.00	6.00	6.00	6.00	7.00	5.00	4.00	4.00	4.00	4.00
Maintenance	7.00	7.00	7.00	7.00	7.00	7.50	7.50	8.00	8.00	8.00
Civil Service	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-
Total	<u>438.61</u>	<u>447.72</u>	<u>445.76</u>	<u>444.06</u>	<u>434.26</u>	<u>434.50</u>	<u>432.89</u>	<u>424.41</u>	<u>415.22</u>	<u>394.70</u>

Note: All figures are from March budget certification for each fiscal year.

Source: Black Hawk County, Auditor's Office

* Youth Shelter closed at end of FY13

** Country View Care Facility placed into an enterprise fund in FY2011 and sold in FY2019

**BLACK HAWK COUNTY, IOWA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

FUNCTION/PROGRAM	Fiscal Year			
	2011	2012	2013	2014
Public Safety and Legal Services:				
Sheriff:				
# of Civil Papers Served	19,905	18,162	17,122	16,126
# of Arrests Made	4,337	4,130	4,107	4,176
# of Jail Bookings	9,153	9,244	9,040	8,685
# of Service Calls	14,047	15,328	13,769	13,758
Attorney, # of Felonies/Aggravated Fieldcases Filed	1,947	1,445	1,458	1,268
Physical Health and Social Services:				
Health Department:				
# of Success Street Visits ¹	3,427	3,302	3,277	3,093
# of Environmental Inspections ²	3,202	2,605	3,326	3,351
# of Home Care Aide Visits ³	13,305	10,692	9,969	8,818
# of Home Care Aide Clients	206	157	149	149
Community Services, # of People Seen	3,298	3,319	2,992	2,992
Veteran Affairs, # of New Clients per Year	258	277	440	312
County Environment and Education				
Conservation:				
Hartman Reserve Visitors	51,112	51,865	50,827	51,539
Campers	40,588	43,877	37,477	44,607
Lodge/Shelter Usage	26,137	28,761	25,139	34,000
Roads and Transportation:				
Engineer:				
# of Miles of Road Paved	9	22	20	5
# of Bridges/Culverts Repaired/Replaced	12	9	13	10
Governmental Services to Residents:				
Treasurer, Titles Issued	42,704	42,842	40,814	37,311
Recorder, Documents Recorded	24,554	24,859	27,396	23,340
Auditor: Elections:				
# of Active Voters	81,715	78,448	81,066	81,700
# of Inactive Voters	6,516	5,669	5,784	7,094
# of Absentee Ballots	15,844	1,501	31,944	1,464
Administration, Maintenance, Sq. Ft Maintained	444,393	458,633	458,633	458,633

Source: County records

Note: Indicators are not available for some departments due to their function.

* Information not available.

** Home Aide visits ended in FY17

¹ Source: SuccessEHS Electronic Health Records; Includes only encounters from the Success Street-West, Success Street-East, and Success Street-Carver locations.

² Source: USA Food Safety database; Includes food-related inspections completed within Black Hawk County and regionally as per contract with Iowa Department of Inspections and Appeals.

³ Source: SuccessEHS Electronic Health Records; Includes only encounters documented with "home care aide program" indicated as the location.

BLACK HAWK COUNTY, IOWA
OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year					
2015	2016	2017	2018	2019	2020
*	11,591	12,730	12,475	11,457	12,414
*	3,471	3,664	3,658	3,545	3,863
*	7,423	7,074	7,199	7,070	6,565
*	8,357	8,189	7,925	7,668	8,473
2,243	2,532	*	4,261	3,984	2,123
3,114	759	881	933	3,107	2,156
2,534	2,233	*	3,162	3,355	1,703
8,549	9,146	6,622	**	***	***
99	93	78	**	***	***
3,102	2,365	2,823	5,693	4,394	2,293
256	455	684	407	398	330
52,836	52,942	44,332	10,119	12,365	7,591
44,281	47,196	39,760	42,294	41,707	36,015
25,917	25,107	26,199	26,753	15,607	19,091
12	7	8	12	12	6
13	6	5	12	6	5
38,332	38,613	38,269	38,134	37,597	35,936
21,639	22,713	23,266	21,628	19,882	26,387
79,927	84,698	81,529	81,037	81,224	84,808
5,568	5,333	6,018	7,205	6,783	6,248
28,134	10,787	29,653	3,266	24,367	41,138
458,633	458,633	451,740	451,740	363,740	363,740

**BLACK HAWK COUNTY, IOWA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

Function/Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety and Legal Services:										
Sheriff										
# of Patrol Cars	21	21	21	19	19	19	19	19	21	21
Physical Health and Social Services:										
Health Department										
# of Vehicles	17	18	19	18	19	19	19	17	19	19
County Environment and Education:										
Conservation										
# of Acres Managed	8,387	8,613	8,776	8,763	8,797	8,885	8,900	9,000	8,997	9,092
Roads and Transportation:										
Engineer:										
# of Vehicles	76	76	78	75	75	76	77	78	70	72
# of Buildings	15	15	15	15	15	15	15	15	15	15
Administration:										
Maintenance										
# of Buildings Maintained	6	9	9	9	0	9	9	9	8	8

Source: All statistics from various Black Hawk County, Iowa departments.

Note: Numerous departments do not have capital specific to their area and have, therefore, been eliminated from this exhibit.

SINGLE AUDIT SECTION

BLACK HAWK COUNTY, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-through Grantor's Identifying Number	Federal Expenditures	Pass-through to Subrecipients
U. S. Department of Agriculture				
Passed through the Iowa Department of Public Health:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP Cluster)	10.561	5889NU02	\$ 19,053	\$ -
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP Cluster)	10.561	5880NU02	46,288	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP Cluster)	10.561	5880NU40	2,666	-
Passed through the Iowa Department of Human Services:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	50,998	-
Total State Administrative Matching Grants for the Supplemental Nutrition Assistance Program			119,005	-
U.S. Department of Housing and Urban Development				
Passed through the City of Waterloo				
Lead Based Paint Hazard Control In Privately-Owned Housing	14.900	FR-6100-N-12	44,025	-
U.S. National Park Service				
Passed through Iowa Department of Natural Resources				
Outdoor Recreation Acquisition, Development and Planning	15.913	19-01326	30,415	-
U.S. Department of Justice				
Direct				
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-1236	58,008	-
State Criminal Alien Assistance Program	16.606	2020-AP-BX-1160	12,286	-
Passed through the Governor's Office of Drug Control Policy:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	17-JAG-302508	67,198	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0640 (JAG 15)	6,034	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-DJ-BX-0916 (JAG 14)	12,745	-
Total Edward Byrne Memorial Justice Assistance Grant Program			85,977	-
Passed through the Iowa Department of Justice:				
Public Safety Partnership and Community Policing Grants	16.710	18-CAMP-16	2,242	-
Public Safety Partnership and Community Policing Grants	16.710	18-COPS Heroin-09	666	-
Total Public Safety Partnership and Community Policing Grants			2,908	-
Crime Victim Assistance	16.575	VA-19-26-VWC	7,751	-
Crime Victim Assistance	16.575	VA-20-117-VWC	31,140	-
Total Crime Victim Assistance			38,891	-
Federal Violence Against Women Formula Grants	16.588	VW-19-24-CJ	8,079	-
Federal Violence Against Women Formula Grants	16.588	VW-20-51-PR-002	28,898	-
Total Crime Victim Assistance			36,977	-
Total U.S. Department of Justice			235,047	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

BLACK HAWK COUNTY, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-through Grantor's Identifying Number	Federal Expenditures	Pass-through to Subrecipients
U.S. Department of Transportation				
Passed through the Iowa Department of Public Safety				
Impaired Driving Countermeasures Grant (Highway Safety Cluster)	20.616	PAP 19-402-M0PT Task 25-00-00	\$ 2,096	\$ -
Impaired Driving Countermeasures Grant (Highway Safety Cluster)	20.616	PAP 20-402-M0PT Task 05-00-00	2,103	-
Total Impaired Driving Countermeasures Grant			4,199	-
Passed through the Iowa Department of Transportation				
Recreational Trails Program (Highway Planning and Construction Cluster)	20.219	NRT-C007(155)-9G-07	129,000	-
Highway Planning and Construction (Highway Planning and Construction Cluster)	20.205	TAP-R-C007(154)-8T-07	381,653	-
Total U.S. Department of Transportation			514,852	-
U.S. Environmental Protection Agency				
Passed through Iowa Department of Natural Resources				
Capitalization Grants for Drinking Water State				
Revolving Funds (Drinking Water State Revolving Fund Cluster)	66.468	19ESDFS BMCLOV-0007	15,045	-
U.S. Election Assistance Communication				
Passed through the Iowa Secretary of State				
2018 HAVA Election Security Grants	90.404	307-11320-HAVACARES	8,188	-
U.S. Department of Health and Human Services:				
Passed through the Iowa Department of Public Health				
Hospital Preparedness and Public Health Emergency				
Preparedness Aligned Cooperative Agreements	93.074	5880BT01	466,786	308,628
Substance Abuse and Mental Health Services_Protocols of				
Regional and National Significance	93.243	5885BT407	5,385	-
Public Health Emergency Response: Cooperative Agreement				
for Emergency Response: Public Health Crisis Response	93.354	5885BT407	8,367	-
Project Grants and Cooperative Agreements for				
Tuberculosis Control Programs	93.116	MOU-2019-TB03	2,113	-
Immunization Cooperative Agreements	93.268	5880I405	33,984	-
Well Integrated Screening and Evaluation for Women				
Across the Nation	93.436	5889NB02WW	600	-
Well Integrated Screening and Evaluation for Women				
Across the Nation	93.436	5880NB02WW	14,375	-
Total Well Integrated Screening and Evaluation for Women			14,975	-
Across the Nation				
State Actions to Improve Oral Health Outcomes and Partner	93.366	5880MH03	5,000	-
Child Care and Development Block Grant (CCDF Cluster)	93.575	5880MH03	3,150	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

BLACK HAWK COUNTY, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-through Grantor's Identifying Number	Federal Expenditures	Pass-through to Subrecipients
U.S. Department of Health and Human Services (Continued):				
Passed through the Iowa Department of Public Health (Continued)				
Maternal Health, Child Health (including hawk-I and Oral Health)	93.767	5889MH03	\$ 3,690	\$ -
Maternal Health, Child Health (including hawk-I and Oral Health)	93.767	5880MH03	11,315	-
Total Maternal Health, Child Health (including hawk-I and Oral Health)			15,005	-
Medical Assistance Program (Medicaid Cluster)	93.778	5889MH03	32,162	-
Medical Assistance Program (Medicaid Cluster)	93.778	5880MH03	114,909	-
Medical Assistance Program (Medicaid Cluster)	93.778	5880MHI02	93,075	-
Total Medical Assistance Program			240,146	-
Food and Drug Administration_Research	93.103	G-SP-1809-06198	2,500	-
Food and Drug Administration_Research	93.103	G-T-1809-06202	3,000	-
Food and Drug Administration_Research	93.103	G-FPTF-1809-06204	1,784	-
Total Food and Drug Administration_Research			7,284	-
State Public Health Actions tp Prevent and Control Diabetes, Obesity and Associated Risk Factors and Promote School Health financed in part by Prevention and Public Health Funding (PPHF)	93.426	5880CD21	2,050	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	MOU-2020-ELC20	200	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	5880NB02	52,150	-
HIV Care Formula Grants	93.917	5889AP03	75,148	-
HIV Care Formula Grants	93.917	5880AP03	27,721	-
Total HIV Care Formula Grants			102,869	-
Viral Hepatitis Prevention and Control	93.270	5889AP03	9,998	-
Viral Hepatitis Prevention and Control	93.270	5880AP03	17,430	-
Total HIV Prevention Activities-Health Department Based			27,428	-
Maternal and Child Health Federal Consolidated Program	93.994	5889MH03	5,259	-
Maternal and Child Health Federal Consolidated Program	93.994	5880MH03	84,189	-
Total Maternal and Child Health Federal Consolidated Program			89,448	-
Passed through the Iowa Department of Human Services:				
Human Services Administrative Reimbursements				
Medical Assistance Program	93.778	N/A	76,965	-
State Children's Insurance Program	93.767	N/A	1,736	-
Foster Care - Title IV-E	93.658	N/A	17,247	-
Guardianship Assistance	93.090	N/A	9	-
Refugee and Entrant Assistance	93.566	N/A	31	-
Adoption Assistance	93.659	N/A	6,995	-
Child Care Development Fund (CCDF Cluster)	93.596	N/A	12,165	-
Social Services Block Grant	93.667	N/A	14,805	-
Total U.S. Department of Health and Human Services			1,206,293	308,628

See accompanying Notes to Schedule of Expenditures of Federal Awards.

BLACK HAWK COUNTY, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-through Grantor's Identifying Number	Federal Expenditures	Pass-through to Subrecipients
U. S. Department of Homeland Security				
Passed through Iowa Homeland Security & Emergency Management:				
Disaster Grant-Public Assistance	97.036	013-000CB-00	\$ 7,947	\$ -
Disaster Grant-Public Assistance	97.036	154616	65,009	-
Total Disaster Grant-Public Assistance			<u>72,956</u>	<u>-</u>
Emergency Management Performance Grants	97.042	EMPG-20PT-07	39,000	-
Total U.S. Department of Homeland Security			<u>111,956</u>	<u>-</u>
Total Expenditure of Federal Awards			<u><u>\$ 2,284,826</u></u>	<u><u>\$ 308,628</u></u>

Clusters of programs are groupings of closely related programs that share common compliance requirements.

Total expenditures by cluster are:

SNAP Cluster	\$ 119,005
Highway Safety Cluster	4,199
Highway Planning and Construction Cluster	510,653
Drinking Water State Revolving Fund Cluster	15,045
CCDF Cluster	15,315
Medicaid Cluster	317,111

See accompanying Notes to Schedule of Expenditures of Federal Awards.

BLACK HAWK COUNTY, IOWA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2020

BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Black Hawk County under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements to 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 Black Hawk County, it is not intended to and does not present the financial position, changes in financial position or cash flows of Black Hawk County.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported in the Schedule are reported on the modified 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.

INDIRECT COST RATE

Black Hawk County has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

BLACK HAWK COUNTY, IOWA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
JUNE 30, 2020

SUBRECIPIENTS

Of the federal expenditures presented in the schedule, Black Hawk County provided federal awards to subrecipients as follows:

Subrecipient	CFDA #	Pass-Through Amount
PHEP and HPP Grants:	93.074	
PHEP Grants:		
Bremer County Health Department		\$ 38,762
Fayette County Health Department (Palmer Community Health)		22,692
Grundy County Health Department		13,089
Buchanan County Health Department		26,529
Vets Memorial Hospital - Allamakee County		16,942
Winneshiek County Health Department		17,713
Howard County Public Health		35,701
Subtotal PHEP		<u>171,428</u>
HPP Grants:		
MercyOne Cedar Falls Medical Center		13,900
Mercy Hospital of Franciscan Sisters - Oelwein		12,982
Veterans Memorial Hospital		11,545
Buchanan County Health Center		10,626
Unity Point - Allen Hospital		15,480
Community Memorial Hospital - Sumner Iowa		13,800
Grundy County Memorial Hospital		5,884
Waverly Health Center		14,360
Covenant Medical Center		12,640
Regional Health Services of Howard County		17,996
Winneshiek Medical Center		7,987
Subtotal HHP		<u>137,200</u>
Grand Total		<u><u>\$ 308,628</u></u>



**INDEPENDENT AUDITORS' 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***

Board of Supervisors
Black Hawk County, Iowa
Waterloo, 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, the business-type activities, each major fund, and the aggregate remaining fund information of Black Hawk County (the County), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 10, 2020.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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 have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Black Hawk County's Response to Finding

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Black Hawk County'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 result of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Cedar Rapids, Iowa
December 10, 2020



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Supervisors
Black Hawk County, Iowa
Waterloo, Iowa

Report on Compliance for Each Major Federal Program

We have audited Black Hawk County's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2020. The County's major federal programs are identified in the summary of auditors' results section 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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County'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 the audit 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). 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 the County'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 the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County 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, 2020.

Report on Internal Control Over Compliance

Management of the County 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 County'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 the County'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 a 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.



CliftonLarsonAllen LLP

Cedar Rapids, Iowa
December 10, 2020

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**BLACK HAWK COUNTY, IOWA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Section I – Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified X yes no
- Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified? yes X none reported

Type of auditors' report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction (Highway Planning and Construction Cluster)
20.219	Recreational Trails Program (Highway Planning and Construction Cluster)
93.074	Hospital Preparedness and Public Health Emergency Preparedness Aligned Cooperative Agreements

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? yes X no

**BLACK HAWK COUNTY, IOWA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Section II – Financial Statement Findings

2020-001: Material Audit Adjustments

Type of Finding: Material Weakness in Internal Control Over Financial Reporting

Criteria: Management is responsible for establishing and maintaining internal controls and for the fair presentation of the financial statements including the related disclosures, in conformity with U.S. generally accepted accounting principles (GAAP).

Condition/Context: As part of the audit, adjustments were proposed to properly state infrastructure as it was double counted by \$700,000, as well as book retainage payable of \$110,281.

Effect: Material adjustments were proposed and subsequently recorded by management. The lack of sufficient controls over year end reporting increases the likelihood that a material misstatement would not be prevented or detected.

Cause: The spreadsheet used to calculate infrastructure additions inadvertently included these assets in two spots.

Repeat Finding: Yes - 2019-001.

Recommendation: In order to strengthen internal controls, we recommend management enhance its internal controls over financial reporting, procedures, and processes to ensure complete and accurate financial reporting. Year-end closing procedures should be expanded to ensure all transactions have been accounted for, appropriate accounting standards have been applied, and transactions are recorded in the proper period.

Views of Responsible Officials and Planned Corrective Actions: There is no disagreement with the audit finding. Management will continue to work at eliminating the need for audit adjustments by reviewing the GASB standards and review work performed by the department personnel.

BLACK HAWK COUNTY, IOWA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

Section III –Federal Award Findings and Questioned Costs

None

BLACK HAWK COUNTY, IOWA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2020

Section IV – Other Findings Related to Required Statutory Reporting

- V-A-20 Certified Budget** – Disbursements during the year ended June 30, 2020 did not exceed the amended amounts budgeted.
- IV-B-20 Questionable Expenditures** – We noted no expenditures for parties, banquets, or other entertainment for employees during the year ended June 30, 2020 that we believe may constitute unlawful expenditures from public funds as defined in an Attorney General's opinion dated April 25, 1979.
- IV-C-20 Travel Expenditures** – No expenditures of County money for travel expenses of spouses of County officials or employees were noted for the year ended June 30, 2020.
- IV-D-20 Business Transactions** – There were no business transactions between the County and County officials and/or employees during the year ended June 30, 2020.
- IV-E-20 Bond Coverage** – Surety bond coverage of County officials and employees is in accordance with statutory provisions.
- IV-F-20 Board Minutes** – No transactions were found that we believe should have been approved in the Board minutes but were not.
- IV-G-20 Deposits and Investments** – No instances of noncompliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the County's investment policy were noted.
- V-H-20 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).
- IV-I-20 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 disbursements during the year ended June 30, 2020 did not exceed the amount budgeted.