



Black Hawk County, Iowa

**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022**

BLACK HAWK COUNTY, IOWA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Prepared by
Grant Veeder, Auditor and Staff
Rita Schmidt, Treasurer and Staff

**BLACK HAWK COUNTY, IOWA
TABLE OF CONTENTS
JUNE 30, 2022**

INTRODUCTORY SECTION

| | |
|---------------------------------|---|
| TRANSMITTAL LETTER | 1 |
| GFOA CERTIFICATE OF ACHIEVEMENT | 4 |
| COUNTY OFFICIALS | 5 |
| ORGANIZATION CHART | 6 |

FINANCIAL SECTION

| | |
|--|----|
| INDEPENDENT AUDITORS' REPORT | 7 |
| MANAGEMENT'S DISCUSSION AND ANALYSIS | 11 |
| BASIC FINANCIAL STATEMENTS | |
| STATEMENT OF NET POSITION | 20 |
| STATEMENT OF ACTIVITIES | 21 |
| BALANCE SHEET | 23 |
| RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES | 25 |
| STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES | 26 |
| RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES | 28 |
| PROPRIETARY FUND FINANCIAL STATEMENTS | |
| STATEMENT OF NET POSITION | 29 |
| STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION | 30 |
| STATEMENT OF CASH FLOWS | 31 |
| FIDUCIARY FUND FINANCIAL STATEMENTS | |
| STATEMENT OF FIDUCIARY NET POSITION | 33 |
| STATEMENT OF CHANGES IN FIDUCIARY NET POSITION | 34 |
| NOTES TO BASIC FINANCIAL STATEMENTS | 35 |
| REQUIRED SUPPLEMENTARY INFORMATION: | |
| SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET AND ACTUAL, ALL GOVERNMENTAL FUND TYPES, BUDGETARY BASIS | 63 |
| NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – BUDGETARY REPORTING | 64 |

**BLACK HAWK COUNTY, IOWA
TABLE OF CONTENTS
JUNE 30, 2022**

| | |
|--|-----------|
| SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY, RELATED RATIOS, AND NOTES | 65 |
| NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – OPEB LIABILITY | 66 |
| SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY | 67 |
| SCHEDULE OF THE COUNTY'S PENSION CONTRIBUTIONS | 68 |
| NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PENSION LIABILITY | 69 |
| SUPPLEMENTARY INFORMATION: | |
| GOVERNMENTAL NONMAJOR FUNDS | |
| COMBINING BALANCE SHEET | 70 |
| COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES | 72 |
| INTERNAL SERVICE FUNDS | |
| COMBINING STATEMENT OF NET POSITION | 74 |
| COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION | 75 |
| COMBINING STATEMENT OF CASH FLOWS | 76 |
| CUSTODIAL FUNDS | |
| COMBINING STATEMENT OF FIDUCIARY NET POSITION | 77 |
| COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION | 79 |

**BLACK HAWK COUNTY, IOWA
TABLE OF CONTENTS
JUNE 30, 2022**

STATISTICAL SECTION

| | |
|---|------------|
| STATISTICAL SECTION – CONTENTS | 81 |
| NET POSITION BY COMPONENT | 82 |
| CHANGES IN NET POSITION | 84 |
| FUND BALANCES, GOVERNMENTAL FUNDS | 88 |
| CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS | 90 |
| PROGRAM REVENUES BY FUNCTION/PROGRAM | 92 |
| TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS | 94 |
| ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY | 95 |
| PRINCIPAL PROPERTY TAXPAYERS | 96 |
| PROPERTY TAX LEVIES AND COLLECTIONS | 97 |
| DIRECT AND OVERLAPPING PROPERTY TAX RATES | 98 |
| RATIOS OF OUTSTANDING DEBT BY TYPE | 102 |
| RATIOS OF GENERAL BONDED DEBT OUTSTANDING | 103 |
| DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT | 104 |
| LEGAL DEBT MARGIN INFORMATION | 105 |
| DEMOGRAPHIC AND ECONOMIC STATISTICS | 107 |
| PRINCIPAL EMPLOYERS | 108 |
| FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM | 109 |
| OPERATING INDICATORS BY FUNCTION/PROGRAM | 110 |
| CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM | 112 |

SINGLE AUDIT SECTION

| | |
|--|------------|
| SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS | 113 |
| NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS | 117 |
| 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 <i>GOVERNMENT AUDITING STANDARDS</i> | 118 |
| INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE | 120 |
| SCHEDULE OF FINDINGS AND QUESTIONED COSTS | 123 |



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

Michelle Weidner, CPA
Finance Director

Debi Bunger
Administrative Aide

December 29, 2022

Board of Supervisors and Citizens
Black Hawk County, Iowa

We are pleased to present the Annual Comprehensive Financial Report for Black Hawk County, Iowa for the fiscal year ended June 30, 2022 in accordance with the provisions of Section 331.403 of the Code of Iowa. This report is published to provide the Board of Supervisors and citizens detailed information concerning the County's financial condition. It has been audited by an independent certified public accounting firm in accordance with generally accepted auditing standards and the federal single audit act requirements, including the provisions of Title 2 of the US Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

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, has issued an unmodified ("clean") opinion on the Black Hawk County financial statements for the year ended June 30, 2022. 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. The County is empowered to levy a property tax on real property located within its boundaries. Annually, the Board adopts a budget and establishes property 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, capital projects), 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 under 83% of the population with the remainder living in smaller towns and rural areas.

The estimated population of Black Hawk County in 2021 was 130,368 which is a slight decline from the 2010 census of 131,090. Household income per capita in 2021 was \$51,911, an increase of \$2,778 or 5.65% from 2021 household income per capita of \$49,153.

As of September 2022, the unemployment rate for Black Hawk County is 2.7%, a decline from the 3.2% rate a year ago and is close to the state of Iowa unemployment rate of 2.6% and below the national rate of 3.5%.

In 2022 the five largest employers were Deere & Company, Unity Point Health, Tyson Fresh Meats, Mercy One, and the Waterloo Public Schools.

Long-Term Financial Planning

The unassigned general fund balance for Black Hawk County is at 75.1% of the total general fund expenditures and exceeds the 25% target set by the Board of Supervisors. Black Hawk County continues 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

In fiscal year 2020, the Board of Supervisors agreed to undertake a major cooperative project with Grundy County to pave Grundy Road. The project is expected to be completed over a two-year period. A substantial portion of the construction was completed by June 30, 2022.

Black hawk County was allocated \$25,489,501 in funding from the American Rescue Plan Act of 2021. The Plan is a \$1.9 trillion coronavirus rescue package designed to facilitate the United States' recovery from the devastating economic and health effects of the COVID-19 pandemic. The County received an initial tranche of funding in the amount of \$12,744,750 in July 2021. A second installment of that amount was received in August 2022. Funds are to be obligated by December 31, 2024 and spent by December 31, 2026.

The County has completed substantial initial planning for the use of the American Rescue Plan Act funding, including a space needs assessment. Numerous projects have been evaluated for compliance with the requirements of the Act and planning for implementation is underway.

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 annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the seventeenth 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 annual comprehensive 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. Management believes that the current annual comprehensive 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.

The preparation of this report would not have been possible without the efficient and dedicated service of the Black Hawk County staff and especially Billie Jo Heth, in addition to the entire staffs of the Auditor's and Treasurer's Offices. We wish to express our gratitude to all members of the offices who assisted and contributed to the preparation of this report. We also appreciate the professional service provided by the independent audit team at CliftonLarsonAllen, LLP. Finally, we express our sincere appreciation to the Black Hawk County Board of Supervisors for their continued support, their leadership in planning and conducting the financial affairs of the County in a responsible and progressive manner, and their tireless efforts in working for the betterment of the community and making Black Hawk County a great place to work and live.

Sincerely,



Michelle Weidner, CPA
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 Annual Comprehensive Financial
Report
For the Fiscal Year Ended June 30, 2021

Christopher P. Morill

Executive Director/CEO

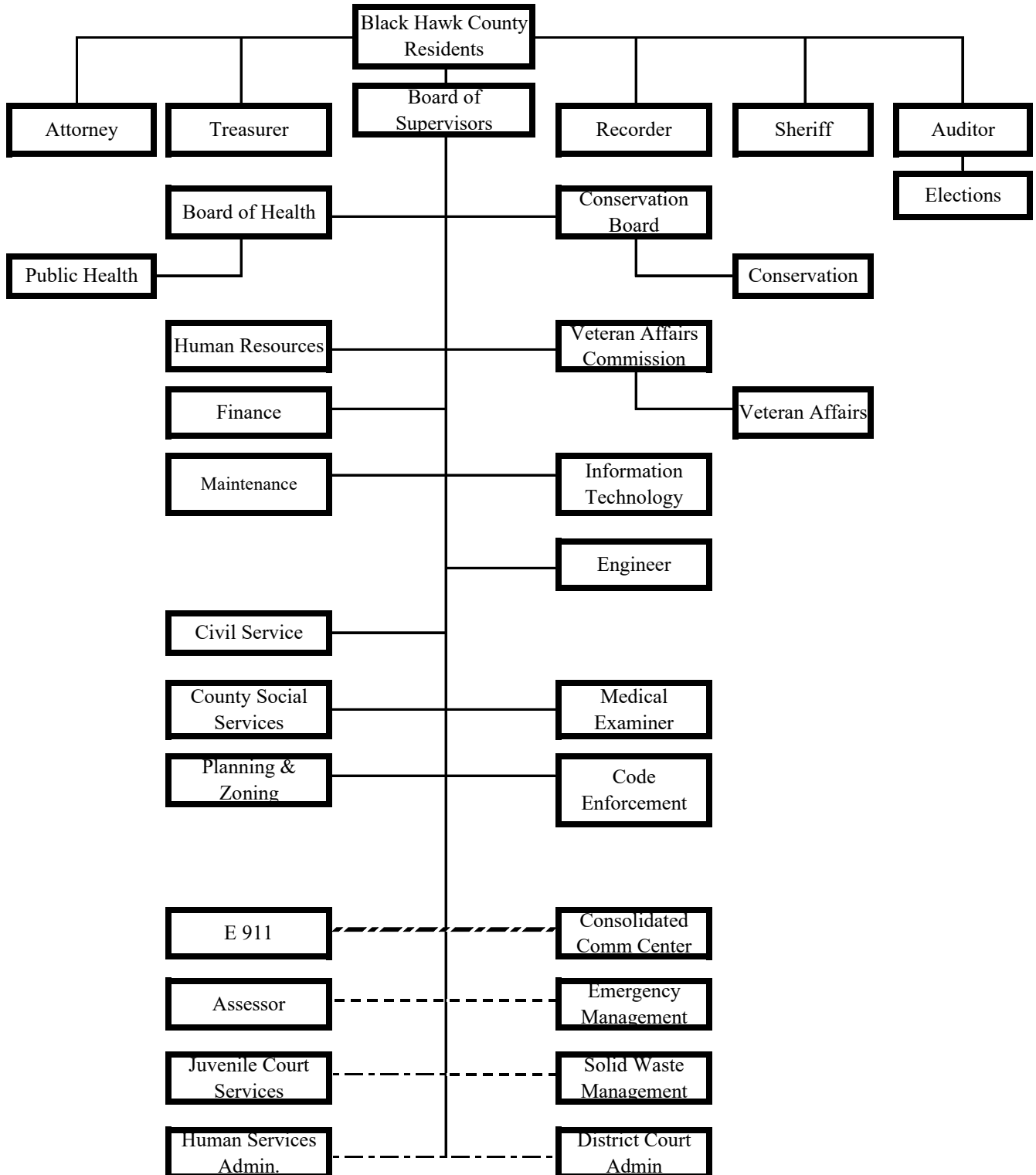
**BLACK HAWK COUNTY, IOWA
COUNTY OFFICIALS
JUNE 30, 2022**

| <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 | | |
| Conservation Executive Director | Mike Hendrickson | |
| County Buildings Superintendent | Rory Geving | |
| County Engineer | Catherine Nicholas | |
| County Planning & Zoning | Seth Hyberger | |
| Human Resources Director | Amanda Fesenmeyer | |
| Information Technology Director | Al Yu | |
| Public Health Director | Dr. Nafissatou Egbuonye | |
| Veteran Affairs Director | Yolando Loveless | |
| County Finance Director | James Perry (Resigned September 2, 2022) | |
| County Finance Director | Michelle Weidner, CPA (Effective October 26, 2022) | |

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**BLACK HAWK COUNTY, IOWA
ORGANIZATION CHART
JUNE 30, 2022**

ORGANIZATIONAL CHART



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INDEPENDENT AUDITORS' REPORT

Board of Supervisors
Black Hawk County, Iowa
Waterloo, Iowa

Report on the Audit of the Financial Statements

Opinions

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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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 the County as of June 30, 2022, 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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

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 (asset), 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 is the responsibility of management and, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining balance sheet - nonmajor funds, the combining statement of revenues, expenditures and changes in fund balances - nonmajor funds, the combining statement of net position - internal service funds, the combining statement of revenues, expenses and changes in net position - internal service funds, the combining statement of cash flows - internal service funds the combining statement of fiduciary net position - custodial funds, and the combining statement of changes in fiduciary net position - custodial funds 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. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the combining nonmajor fund financial statements, the combining statement of net position - internal service funds, the combining statement of revenues, expenses and changes in net position - internal service funds, the combining statement of cash flows - internal service funds the combining statement of fiduciary net position - custodial funds, and the combining statement of changes in fiduciary net position - custodial funds and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

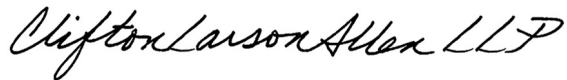
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2022, on our consideration of the 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 the 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 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 29, 2022

BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

As management of Black Hawk County, we offer readers of the Black Hawk County's financial statements this narrative overview and analysis of the financial activities of the Black Hawk County for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at pages 1 through 3 of this report.

2022 FINANCIAL HIGHLIGHTS

- The County's total net position increased 14.7%, or \$20,089,356, compared to the June 30, 2021 ending position. The net position for the County's governmental activities increased \$19,486,435 while the net position for the business-type activities increased \$602,921.
- Revenues of the County's governmental activities increased 1.6% or \$1,096,701 from fiscal year 2021. Property tax revenues decreased \$397,624 primarily because the State of Iowa reduced the amount of the Mental Health levy under a new state law, Senate File 619; charges for services decreased \$162,775 due primarily to fewer mortgage recording transactions; operating grants and contributions increased \$1,420,840 due to several issues: the County's share of the State of Iowa Opioid settlement of \$2,253,321, a reduction in road use taxes of \$273,869, reductions in grants and donations received for voting equipment of \$244,355, donations received including for the Cedar Valley Nature Trail in the amount of \$115,000, a reduction in grant funding including CARES grants in the amount of \$2,143,327 and an increase in American Rescue Plan Act funding in the amount of \$1,713,854; and capital grants and contributions decreased \$119,366. Local option sales tax increased \$597,798, likely primarily due to a change in state law regarding taxability of purchases, as discussed later in this report. Unrestricted investment earnings increased \$183,660, due to rising interest rates and increased cash on hand available for investment.
- Program expenses of the County's governmental activities decreased \$3,876,389 or 7.2% from fiscal year 2021, primarily due to favorable pension plan investment performance that reduced pension expense in all programs. Other significant changes included a reduction in mental health program expenses of \$350,252 due to a new law in Iowa, Senate File 619, which capped the amount of taxes levied and spent for mental health for the year ended June 30, 2022. Roads and transportation program expenses decreased \$3,668,059 due to the reduction in pension expense and because more labor was spent on capital projects and less on repair work during the year June 30, 2022; government services to residents increased \$382,954; administration increased \$551,566 and interest on long-term debt decreased \$413,622. The public safety and legal services expenses increased due salary increases; however, the pension liability for public safety decreased thus reducing program expenses by a net amount of \$250,062. The County incurred an increase in expenses in the Administration category due to expenditures for a space assessment study, an increase in insurance costs, and various American Rescue Plan project expenditures. Governmental services to residents declined due to a reduction in election expenses in the current year. The decrease in interest and fees on long-term debt was due to a bond principal redemption and associated costs in fiscal year 2021 that reduced interest costs.

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.

BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

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 and provides readers with a broad overview of Black Hawk County's finances in a manner similar to a private-sector business.

The Fund Financial Statements illustrate 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.

The proprietary financial statements are used to report the functions of the Rural Water and Rural Sewer Funds, as well as internal services funds. Proprietary funds provide the same type of information as the government-wide financial statements with additional detail.

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 (Custodial 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 (Asset) 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 custodial 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

An important question 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 current year 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.

BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

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.

Fund Financial Statements

The County has three types 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 Funds. 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 Custodial Funds that account for E-911 services, Emergency Management Services and the County Assessor, to name a few.

The required financial statements for custodial funds are a Statement of Fiduciary Net Position – Custodial Funds and a Statement of Changes in Fiduciary net Position – Custodial Funds

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, 2022

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 \$136.7 million to approximately \$156.8 million.

Net Position of Governmental and Business-Type Activities

| | Governmental Activities | | Business-Type Activities | | Total | |
|----------------------------------|-------------------------|-----------------------|--------------------------|---------------------|-----------------------|-----------------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| ASSETS | | | | | | |
| Current and Other Assets | \$ 127,792,380 | \$ 106,346,909 | \$ 1,011,076 | \$ 385,452 | \$ 128,803,456 | \$ 106,732,361 |
| Capital Assets | 118,660,668 | 114,806,485 | 1,035,259 | 1,057,020 | 119,695,927 | 115,863,505 |
| Total Assets | <u>246,453,048</u> | <u>221,153,394</u> | <u>2,046,335</u> | <u>1,442,472</u> | <u>248,499,383</u> | <u>222,595,866</u> |
| Deferred Outflows of Resources | <u>3,370,535</u> | <u>4,681,296</u> | <u>-</u> | <u>-</u> | <u>3,370,535</u> | <u>4,681,296</u> |
| LIABILITIES | | | | | | |
| Long-Term Liabilities | 21,163,496 | 41,990,624 | - | - | 21,163,496 | 41,990,624 |
| Other Liabilities | 16,772,197 | 4,530,574 | 5,401 | 4,459 | 16,777,598 | 4,535,033 |
| Total Liabilities | <u>37,935,693</u> | <u>46,521,198</u> | <u>5,401</u> | <u>4,459</u> | <u>37,941,094</u> | <u>46,525,657</u> |
| Deferred Inflows of Resources | <u>57,123,412</u> | <u>44,035,449</u> | <u>-</u> | <u>-</u> | <u>57,123,412</u> | <u>44,035,449</u> |
| NET POSITION | | | | | | |
| Net Investment in Capital Assets | 112,640,003 | 106,522,236 | 1,035,259 | 1,057,020 | 113,675,262 | 107,579,256 |
| Restricted | 33,948,040 | 25,473,816 | - | - | 33,948,040 | 25,473,816 |
| Unrestricted | 8,176,435 | 3,281,991 | 1,005,675 | 380,993 | 9,182,110 | 3,662,984 |
| Total Net Position | <u>\$ 154,764,478</u> | <u>\$ 135,278,043</u> | <u>\$ 2,040,934</u> | <u>\$ 1,438,013</u> | <u>\$ 156,805,412</u> | <u>\$ 136,716,056</u> |

Black Hawk County's combined net position increased 14.7% (approximately \$156.8 million compared to approximately \$136.7 million). 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 – increased from approximately \$3,663,000 at June 30, 2021 to a balance of approximately \$9,182,000 at the end of this year, due primarily to the investment performance of the pension plan that the County participates in.

BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

Changes in Net Position of Governmental and Business-Type Activities

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|-------------------------|-----------------------|--------------------------|---------------------|-----------------------|-----------------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| REVENUES | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services | \$ 6,127,950 | \$ 6,290,725 | \$ 112,435 | \$ 125,264 | \$ 6,240,385 | \$ 6,415,989 |
| Operating Grants/Contributions | 12,867,413 | 11,446,573 | - | - | 12,867,413 | 11,446,573 |
| Capital Grants/Contributions | 5,014,259 | 5,133,625 | - | - | 5,014,259 | 5,133,625 |
| General Revenues: | | | | | | |
| Property Tax | 36,897,366 | 37,294,990 | - | - | 36,897,366 | 37,294,990 |
| Penalty and Interest on Property Tax | 366,309 | 552,432 | - | - | 366,309 | 552,432 |
| State Tax Credits | 2,945,112 | 3,056,953 | - | - | 2,945,112 | 3,056,953 |
| Local Option Sales Tax | 4,142,227 | 3,544,429 | - | - | 4,142,227 | 3,544,429 |
| Gambling Taxes | 498,353 | 441,412 | - | - | 498,353 | 441,412 |
| Unrestricted Investment Earnings | 427,265 | 243,605 | 2,932 | 470 | 430,197 | 244,075 |
| Miscellaneous | 887,681 | 1,072,490 | - | - | 887,681 | 1,072,490 |
| Total Revenues | <u>70,173,935</u> | <u>69,077,234</u> | <u>115,367</u> | <u>125,734</u> | <u>70,289,302</u> | <u>69,202,968</u> |
| EXPENSES | | | | | | |
| Public Safety and Legal Services | 19,747,227 | 19,997,289 | - | - | 19,747,227 | 19,997,289 |
| Physical Health and Social Services | 6,403,685 | 6,381,079 | - | - | 6,403,685 | 6,381,079 |
| Mental Health | 3,709,170 | 4,059,422 | - | - | 3,709,170 | 4,059,422 |
| County Environment and Education | 2,972,268 | 3,123,788 | - | - | 2,972,268 | 3,123,788 |
| Roads and Transportation | 6,756,623 | 10,424,682 | - | - | 6,756,623 | 10,424,682 |
| Government Services to Residents | 2,920,805 | 2,537,851 | - | - | 2,920,805 | 2,537,851 |
| Administration | 7,178,778 | 6,627,212 | - | - | 7,178,778 | 6,627,212 |
| Interest on Long-Term Debt | 263,944 | 677,566 | - | - | 263,944 | 677,566 |
| Washburn Water and Sewer | - | - | 247,446 | 317,306 | 247,446 | 317,306 |
| Total Expenses | <u>49,952,500</u> | <u>53,828,889</u> | <u>247,446</u> | <u>317,306</u> | <u>50,199,946</u> | <u>54,146,195</u> |
| Transfers | (735,000) | - | 735,000 | - | - | - |
| Increase (Decrease) in Net Position | 19,486,435 | 15,248,345 | 602,921 | (191,572) | 20,089,356 | 15,056,773 |
| NET POSITION - BEGINNING OF YEAR | <u>135,278,043</u> | <u>120,029,698</u> | <u>1,438,013</u> | <u>1,629,585</u> | <u>136,716,056</u> | <u>121,659,283</u> |
| NET POSITION - END OF YEAR | <u>\$ 154,764,478</u> | <u>\$ 135,278,043</u> | <u>\$ 2,040,934</u> | <u>\$ 1,438,013</u> | <u>\$ 156,805,412</u> | <u>\$ 136,716,056</u> |

**BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

Governmental Activities

Black Hawk County's governmental activities net position increased approximately \$19,486,000 during the year. Revenues for governmental activities increased approximately \$1,097,000 over the prior year, with property tax revenue down from the prior year approximately \$398,000, or 1.1%.

The County increased property taxes levied for fiscal year 2021 by 1.5%. This increased the County's property tax revenue by \$562,000. However, the state capped the property tax levy for mental health, subsequent to the County certifying its budget, reducing overall property tax revenue by \$397,624.

The cost of all governmental activities this year was \$49,952,500 compared to \$53,828,889 last year. The amount financed by taxpayers was \$36,897,366. 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 \$1,138,699 in fiscal year 2022 from \$22,870,923 to \$24,009,622. Capital grants and contributions decreased by \$119,366 and charges for services decreased by \$162,775. Information about these changes is discussed elsewhere in this report.

Business-Type Activities

The County's business-type activities net position increased \$602,921 during the year. Revenues for business-type activities decreased \$10,367 and expenses for business-type activities decreased \$69,860. The County transferred \$735,000 into the fund to be used to pay for future capital improvements. Net position as of June 30, 2022 totals \$2,040,934.

INDIVIDUAL MAJOR FUND ANALYSIS

Governmental funds reported a combined fund balance of \$58,787,572, an increase of \$982,236 compared to prior year.

- General fund revenues decreased by \$3,145,193 or 7.1%. Intergovernmental revenues decreased by \$2,601,030, property tax increased by \$112,759 due to increasing the amount levied for services, interest and penalty on property tax increased by \$186,123 due to two sales being held the prior year; use of money and property increased by \$91,895 due to rising interest rates and additional cash available for investment, and miscellaneous revenues decreased by \$400,126 due to donations received in the prior year for elections equipment in the amount of \$267,500 and a reduction in other donations received in the current year. Expenditures increased by \$566,907 or 1.6%. Public safety and legal services increased by \$325,790, due primarily to contractual employee cost increases. Physical health and social services increased \$419,876, due primarily to contractual employee cost increases. County environment and education decreased by \$234,461 mostly due to the Wolf Creek Bridge Replacement completed in fiscal year 2021. Government services to residents decreased by \$254,562 due to lower election administration expenses. Administration program expenses increased by \$310,264, due primarily to contractual employee cost increases \$1,400,000 was transferred to the general fund from the American Rescue Plan funds to reimburse for salaries using the replacement revenue funding. Transfers out decreased by \$472,997 due to less capital projects budgeted to be paid using general funds. The ending fund balance increased by \$3,878,718 from the prior year ending the year with a balance of \$34,384,982.

BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

INDIVIDUAL MAJOR FUND ANALYSIS (CONTINUED)

- Mental Health fund revenues decreased approximately \$1,288,000 and expenditures decreased approximately \$321,000 because the State of Iowa enacted Senate File 619 that capped the mental health levy. The State took over the responsibility for funding mental health services completely beginning July 1, 2022. The County was required by Senate File 619 to transfer the remaining fund balance of \$786,635 in the County Mental Health Fund to the mental health region prior to June 30, 2022.
- The Rural Services fund balance at year end increased \$512,618 over the prior year primarily due to Local Option Sales tax revenue received that was higher than the amount budgeted by \$669,000. Local Option Sales tax collections were very strong throughout the pandemic. The State of Iowa expanded the sales subject to tax just before the pandemic to include internet sales, which likely accounts for the increased revenue. Expenditures increased by \$120,398, primarily due to additional personnel costs for uniformed patrol services.
- Secondary Road fund revenues increased by \$2,114,075 due to an increase in intergovernmental revenues of \$2,115,579, consisting of funding received for bridge replacements on Gresham Road and Kimball Road and funds received from Grundy County for their share of costs of the construction of Grundy Road. Secondary Road fund expenditures increased by \$1,604,762 primarily due to the construction of Grundy Road. The ending fund balance increased by \$238,962 from the prior year ending the year with a balance of \$4,613,224.
- Debt Service fund revenues increased by \$461,475 due primarily to an increase in property tax revenue of \$136,273 and increased Local Option Tax revenue of \$298,479. Expenditures decreased by \$215,341. \$483,351 was transferred to the Debt Service fund from E911 Capital Project funds. These transactions resulted in ending fund balance increasing by \$659,896 from the prior year ending the year with a balance of \$9,304,501.
- Capital Projects fund balance decreased from \$8,479,545 to \$6,409,751 in fiscal year 2022 due to major projects being completed in fiscal year 2021.
- The American Rescue Program was created to record the transactions for the funds received under the federal American Rescue Program. \$327,135 was spent on projects at June 30, 2022. In addition, \$1.4 million was transferred to the general fund to be used for revenue replacement.

Enterprise funds reported a combined net position of \$2,040,934, an increase of \$602,921 compared to prior year due to a transfer from the general fund.

- The Rural Sewer fund showed an operating loss of \$136,906 due to expenses surpassing revenues, mainly due to depreciation expense.
- The Rural Water fund showed operating income of \$1,895 due to revenues exceeding expenses, mainly due to assets being fully depreciated in the current fiscal year, therefore no depreciation expense.

**BLACK HAWK COUNTY, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

BUDGETARY HIGHLIGHTS

Over the course of the year, Black Hawk County amended its budget three times. The first amendment was made in December 2021 and was necessary to use federal dollars for American Rescue Plan projects and recognize grant revenue.

The second amendment was adopted in May of 2022 in order to budget for final payments for Secondary Roads projects, health insurance adjustments for departments, increased payments for Jail Commissary expenses, and increased debt service for bond payments for the Black Hawk County Solid Waste Commission.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2022, the County had approximately \$119.7 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 \$3.8 million or 3.3% over the prior year.

Capital Assets, Net of Applicable Depreciation

| | Governmental Activities | | Business-Type Activities | | Total | |
|-----------------------------------|-------------------------|-----------------------|--------------------------|---------------------|-----------------------|-----------------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Land | \$ 6,619,989 | \$ 6,615,089 | \$ - | \$ - | \$ 6,619,989 | \$ 6,615,089 |
| Construction in Progress | 8,053,853 | 9,498,304 | 106,978 | - | 8,160,831 | 9,498,304 |
| Buildings | 38,342,533 | 38,342,533 | - | - | 38,342,533 | 38,342,533 |
| Improvements Other than Buildings | 2,018,037 | 2,267,876 | - | - | 2,018,037 | 2,267,876 |
| Equipment and Vehicles | 20,531,733 | 19,644,935 | - | - | 20,531,733 | 19,644,935 |
| Infrastructure | 136,816,025 | 126,031,330 | 5,420,639 | 5,420,639 | 142,236,664 | 131,451,969 |
| Accumulated Depreciation | (93,721,502) | (87,593,582) | (4,492,358) | (4,363,619) | (98,213,860) | (91,957,201) |
| Total Capital Assets | <u>\$ 118,660,668</u> | <u>\$ 114,806,485</u> | <u>\$ 1,035,259</u> | <u>\$ 1,057,020</u> | <u>\$ 119,695,927</u> | <u>\$ 115,863,505</u> |

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

- Construction of a portion of the Cedar Valley Nature Trail Recreation Trail
- Planning for the Casey Lake Restoration Project
- Hickory Hills Park Wastewater Treatment Facility Improvements
- Washburn Sewer Pump Panel Upgrades
- Rotary Reserve Parking Lot Paving Project
- Cedar Wapsi Bridge Replacement
- Dunkerton Road Paving

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, 2022**

Long-Term Debt

At June 30, 2022, the County had approximately \$17,127,000 of general obligation bonds outstanding, compared to approximately \$22,963,000 at June 30, 2021, as shown below:

Table of Outstanding Debt

General Obligation and Revenue Bonds

| | Governmental Activities | | Business-Type Activities | | Total | |
|--------------------------|-------------------------|----------------------|--------------------------|-------------|----------------------|----------------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| General Obligation Bonds | \$ 16,690,000 | \$ 22,350,000 | \$ - | \$ - | \$ 16,690,000 | \$ 22,350,000 |
| Bond Premium | 437,246 | 613,071 | - | - | 437,246 | 613,071 |
| Total | <u>\$ 17,127,246</u> | <u>\$ 22,963,071</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 17,127,246</u> | <u>\$ 22,963,071</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 \$486 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

Black Hawk County elected and appointed officials considered many factors when setting the fiscal year 2023 budget and setting tax rates. County officials held numerous work sessions to assess the needs of the County and the impact of factors such as current employment levels in Black Hawk County and the condition of capital infrastructure.

For fiscal year 2023, property taxes levied will decrease approximately \$1,932,000 or 5.42% from the fiscal 2022 budget. The countywide tax levy rate for fiscal year 2023 will decrease approximately 54 cents to \$5.63 per thousand dollars of taxable value. The rural levy rate will increase by 6 cents per thousand. The change in the countywide rate is largely due to Senate File 619, which eliminated the county Mental Health fund and associated tax levy effective June 30, 2022. Increased property valuations also impacted the tax rate.

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 Michelle Weidner, CPA, Black Hawk County Finance Director, Board of Supervisor's Office, 316 E. 5th Street, Waterloo, IA 50703.

BASIC FINANCIAL STATEMENTS

BLACK HAWK COUNTY, IOWA
STATEMENT OF NET POSITION
JUNE 30, 2022

| | Primary Government | | |
|--|-----------------------|---------------------|-----------------------|
| | Governmental | Business-Type | |
| | Activities | Activities | Total |
| ASSETS | | | |
| Cash and Pooled Investments | \$ 68,539,653 | \$ 988,471 | \$ 69,528,124 |
| Restricted Cash and Investments | 4,540,139 | - | 4,540,139 |
| Receivables: | | | |
| Property Tax | | | |
| Delinquent | 109,776 | - | 109,776 |
| Succeeding Year | 34,913,685 | - | 34,913,685 |
| Accrued Interest | 4,399 | - | 4,399 |
| Accounts | 1,046,455 | 20,395 | 1,066,850 |
| Interest and Penalty on Property Tax, Net | 190,818 | - | 190,818 |
| Notes Receivable | 6,704,356 | - | 6,704,356 |
| Due from Other Governments | 1,813,700 | 2,210 | 1,815,910 |
| Prepaid Items | 237,143 | - | 237,143 |
| Inventories | 404,263 | - | 404,263 |
| Noncurrent Assets: | | | |
| Accounts Receivable | 2,051,677 | - | 2,051,677 |
| Net Pension Asset | 7,236,316 | - | 7,236,316 |
| Land | 6,619,989 | - | 6,619,989 |
| Construction in Progress | 8,053,853 | 106,978 | 8,160,831 |
| Infrastructure, Property and Equipment, Net of | | | |
| Accumulated Depreciation | 103,986,826 | 928,281 | 104,915,107 |
| Total Assets | <u>246,453,048</u> | <u>2,046,335</u> | <u>248,499,383</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| OPEB Related Deferred Outflows | 74,738 | - | 74,738 |
| Pension Related Deferred Outflows | <u>3,295,797</u> | <u>-</u> | <u>3,295,797</u> |
| Total Deferred Outflows of Resources | 3,370,535 | - | 3,370,535 |
| LIABILITIES | | | |
| Accounts Payable | 2,327,514 | 3,631 | 2,331,145 |
| Claims Payable | 1,332,881 | - | 1,332,881 |
| Due to Other Governments | 217,565 | 1,770 | 219,335 |
| Unearned Revenue | 11,054,356 | - | 11,054,356 |
| Accrued Interest Payable | 27,817 | - | 27,817 |
| Salaries and Benefits Payable | 1,812,064 | - | 1,812,064 |
| Long-Term Liabilities: | | | |
| Portion Due or Payable Within One Year: | | | |
| General Obligation Bonds | 5,345,000 | - | 5,345,000 |
| Compensated Absences | 1,319,165 | - | 1,319,165 |
| Total OPEB Liability | 144,000 | - | 144,000 |
| Portion Due or Payable After One Year: | | | |
| General Obligation Bonds | 11,782,246 | - | 11,782,246 |
| Compensated Absences | 551,198 | - | 551,198 |
| Total OPEB Liability | <u>2,021,887</u> | <u>-</u> | <u>2,021,887</u> |
| Total Liabilities | <u>37,935,693</u> | <u>5,401</u> | <u>37,941,094</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Succeeding Year Property Tax Revenue | 34,913,685 | - | 34,913,685 |
| OPEB Related Deferred Inflows | 1,363,986 | - | 1,363,986 |
| Pension Related Deferred Inflows | <u>20,845,741</u> | <u>-</u> | <u>20,845,741</u> |
| Total Deferred Inflows of Resources | <u>57,123,412</u> | <u>-</u> | <u>57,123,412</u> |
| NET POSITION | | | |
| Net Investment in Capital Assets | 112,640,003 | 1,035,259 | 113,675,262 |
| Restricted for: | | | |
| Debt Service | 9,286,591 | - | 9,286,591 |
| Supplemental Levy Purposes | 5,134,439 | - | 5,134,439 |
| Records Management | 40,590 | - | 40,590 |
| Secondary Roads Purposes | 4,208,961 | - | 4,208,961 |
| Rural Services | 3,085,298 | - | 3,085,298 |
| Conservation | 506,036 | - | 506,036 |
| Public Safety Purposes | 287,305 | - | 287,305 |
| Capital Improvements | 1,567,238 | - | 1,567,238 |
| Net Pension Assets | 7,236,316 | - | 7,236,316 |
| Opioid Epidemic Response | 2,595,266 | - | 2,595,266 |
| Unrestricted | <u>8,176,435</u> | <u>1,005,675</u> | <u>9,182,110</u> |
| Total Net Position | <u>\$ 154,764,478</u> | <u>\$ 2,040,934</u> | <u>\$ 156,805,412</u> |

See accompanying Notes to Basic Financial Statements.

**BLACK HAWK COUNTY, IOWA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

| FUNCTIONS/PROGRAMS | <u>Expenses</u> | <u>Program Revenues Charges for Services</u> |
|-------------------------------------|----------------------|--|
| Primary Government: | | |
| Governmental Activities: | | |
| Public Safety and Legal Services | \$ 19,747,227 | \$ 1,699,259 |
| Physical Health and Social Services | 6,403,685 | 611,715 |
| Mental Health | 3,709,170 | 13,044 |
| County Environment and Education | 2,972,268 | 864,966 |
| Roads and Transportation | 6,756,623 | 97,285 |
| Government Services to Residents | 2,920,805 | 2,323,728 |
| Administration | 7,178,778 | 517,953 |
| Interest on Long-Term Debt | 263,944 | - |
| Total Governmental Activities | <u>49,952,500</u> | <u>6,127,950</u> |
| Business-Type Activities: | | |
| Rural Sewer | 238,639 | 101,733 |
| Rural Water | 8,807 | 10,702 |
| Total Business-Type Activities | <u>247,446</u> | <u>112,435</u> |
| Total Primary Government | <u>\$ 50,199,946</u> | <u>\$ 6,240,385</u> |

See accompanying Notes to Basic Financial Statements.

BLACK HAWK COUNTY, IOWA
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED JUNE 30, 2022

| Program Revenues | | Net (Expense) Revenue and Changes in Net Position | | |
|-----------------------------------|---------------------------------|---|-----------------------------|------------------------|
| Operating Grants Contributions | Capital Grants Contributions | Governmental Activities | Business-Type Activities | Total |
| \$ 628,568 | \$ - | \$ (17,419,400) | \$ - | \$ (17,419,400) |
| 4,676,810 | - | (1,115,160) | - | (1,115,160) |
| 82,193 | - | (3,613,933) | - | (3,613,933) |
| 220,014 | 103,092 | (1,784,196) | - | (1,784,196) |
| 5,102,006 | 4,911,167 | 3,353,835 | - | 3,353,835 |
| 114,617 | - | (482,460) | - | (482,460) |
| 2,043,205 | - | (4,617,620) | - | (4,617,620) |
| - | - | (263,944) | - | (263,944) |
| <u>12,867,413</u> | <u>5,014,259</u> | <u>(25,942,878)</u> | <u>-</u> | <u>(25,942,878)</u> |
| - | - | - | (136,906) | (136,906) |
| - | - | - | 1,895 | 1,895 |
| - | - | - | <u>(135,011)</u> | <u>(135,011)</u> |
| <u>\$ 12,867,413</u> | <u>\$ 5,014,259</u> | <u>\$ (25,942,878)</u> | <u>\$ (135,011)</u> | <u>\$ (26,077,889)</u> |

GENERAL REVENUES

Property and Other County Tax Levied for:

| | | | |
|---|-------------------|----------------|-------------------|
| General Purposes | \$ 34,424,344 | \$ - | \$ 34,424,344 |
| Debt Service | 2,473,022 | - | 2,473,022 |
| Interest and Penalties on Taxes | 366,309 | - | 366,309 |
| Local Option Sales Tax | 4,142,227 | - | 4,142,227 |
| Gambling Taxes | 498,353 | - | 498,353 |
| Grants and Contributions not Restricted to Specific Programs | 2,945,112 | - | 2,945,112 |
| Unrestricted Investment Earnings | 427,265 | 2,932 | 430,197 |
| Miscellaneous | 887,681 | - | 887,681 |
| Transfers | <u>(735,000)</u> | <u>735,000</u> | <u>-</u> |
| Total General Revenues | <u>45,429,313</u> | <u>737,932</u> | <u>46,167,245</u> |

CHANGE IN NET POSITION

| | | | |
|-----------------------------------|-----------------------|---------------------|-----------------------|
| | 19,486,435 | 602,921 | 20,089,356 |
| Net Position - Beginning of Year | <u>135,278,043</u> | <u>1,438,013</u> | <u>136,716,056</u> |
| NET POSITION - END OF YEAR | <u>\$ 154,764,478</u> | <u>\$ 2,040,934</u> | <u>\$ 156,805,412</u> |

See accompanying Notes to Basic Financial Statements.

BLACK HAWK COUNTY, IOWA
BALANCE SHEET
JUNE 30, 2022

| | General | Mental Health | Rural Services |
|---|----------------------|---------------|---------------------|
| ASSETS | | | |
| Cash and Pooled Investments | \$ 35,696,099 | \$ - | \$ 3,041,807 |
| Restricted Cash and Investments | - | - | - |
| Receivables: | | | |
| Property Tax: | | | |
| Delinquent | 98,066 | - | 1,570 |
| Succeeding Year | 29,835,651 | - | 3,209,670 |
| Accrued Interest | 4,399 | - | - |
| Accounts | 194,235 | - | 810 |
| Interest and Penalty on Property Tax, Net | 190,818 | - | - |
| Notes Receivable | - | - | - |
| Due from Other Funds | 6,777 | - | - |
| Due from Other Governments | 689,258 | - | 159,957 |
| Prepaid Items | 237,143 | - | - |
| Inventories | - | - | - |
| Total Assets | <u>\$ 66,952,446</u> | <u>\$ -</u> | <u>\$ 6,413,814</u> |
| LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts Payable | \$ 483,924 | \$ - | \$ - |
| Due to Other Funds | 125,000 | - | 1,567 |
| Due to Other Governments | 204,725 | - | 6,987 |
| Unearned Revenue | 36,740 | - | - |
| Salaries and Benefits Payable | 1,502,254 | - | 110,292 |
| Total Liabilities | <u>2,352,643</u> | <u>-</u> | <u>118,846</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Unavailable Revenues: | | | |
| Succeeding Year Property Tax | 29,835,651 | - | 3,209,670 |
| Delinquent Property Tax | 288,411 | - | 1,542 |
| Other | 90,759 | - | - |
| Total Deferred Inflows of Resources | <u>30,214,821</u> | <u>-</u> | <u>3,211,212</u> |
| FUND BALANCES | | | |
| Nonspendable: | | | |
| Prepaid Items | 237,143 | - | - |
| Inventory | - | - | - |
| Restricted for: | | | |
| Debt Service | - | - | - |
| Supplemental Levy Purposes | 5,102,651 | - | - |
| Rural Services Purposes | - | - | 3,083,756 |
| Secondary Roads Purposes | - | - | - |
| Records Management Purposes | - | - | - |
| Conservation Purposes | - | - | - |
| Capital Projects | - | - | - |
| Public Safety | - | - | - |
| Assigned for: | | | |
| Conservation Land Acquisition | - | - | - |
| Capital Projects | - | - | - |
| Public Safety | 958,203 | - | - |
| Physical Health | 112,302 | - | - |
| Future Projects | 518,568 | - | - |
| Unassigned | 27,456,115 | - | - |
| Total Fund Balances | <u>34,384,982</u> | <u>-</u> | <u>3,083,756</u> |
| Total Liabilities, Deferred Inflows, and Fund Balances | <u>\$ 66,952,446</u> | <u>\$ -</u> | <u>\$ 6,413,814</u> |

See accompanying Notes to Basic Financial Statements.

**BLACK HAWK COUNTY, IOWA
BALANCE SHEET (CONTINUED)
JUNE 30, 2022**

| <u>Secondary Roads</u> | <u>Debt Service</u> | <u>Capital Projects</u> | <u>American Rescue Program</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|------------------------|----------------------|-------------------------|------------------------------------|---|---|
| \$ 4,302,779 | \$ 2,445,998 | \$ 2,240,170 | \$ 11,082,719 | \$ 1,007,730 | \$ 59,817,302 |
| - | - | 4,540,139 | - | - | 4,540,139 |
| - | 10,140 | - | - | - | 109,776 |
| - | 1,868,364 | - | - | - | 34,913,685 |
| - | - | - | - | - | 4,399 |
| 11,919 | - | - | - | 2,667,333 | 2,874,297 |
| - | - | - | - | - | 190,818 |
| - | 6,704,356 | - | - | - | 6,704,356 |
| - | - | - | - | - | 6,777 |
| 810,571 | 153,914 | - | - | - | 1,813,700 |
| - | - | - | - | - | 237,143 |
| 404,263 | - | - | - | - | 404,263 |
| <u>\$ 5,529,532</u> | <u>\$ 11,182,772</u> | <u>\$ 6,780,309</u> | <u>\$ 11,082,719</u> | <u>\$ 3,675,063</u> | <u>\$ 111,616,655</u> |
| | | | | | |
| \$ 713,055 | \$ - | \$ 370,558 | \$ 65,103 | \$ 75,193 | \$ 1,707,833 |
| 5,154 | - | - | - | 56 | 131,777 |
| 5,853 | - | - | - | - | 217,565 |
| - | - | - | 11,017,616 | - | 11,054,356 |
| 192,246 | - | - | - | 7,272 | 1,812,064 |
| <u>916,308</u> | <u>-</u> | <u>370,558</u> | <u>11,082,719</u> | <u>82,521</u> | <u>14,923,595</u> |
| | | | | | |
| - | 1,868,364 | - | - | - | 34,913,685 |
| - | 9,907 | - | - | - | 299,860 |
| - | - | - | - | 2,601,184 | 2,691,943 |
| <u>-</u> | <u>1,878,271</u> | <u>-</u> | <u>-</u> | <u>2,601,184</u> | <u>37,905,488</u> |
| | | | | | |
| - | - | - | - | - | 237,143 |
| 404,263 | - | - | - | - | 404,263 |
| - | 9,304,501 | - | - | - | 9,304,501 |
| - | - | - | - | - | 5,102,651 |
| - | - | - | - | - | 3,083,756 |
| 4,208,961 | - | - | - | - | 4,208,961 |
| - | - | - | - | 40,590 | 40,590 |
| - | - | - | - | 506,036 | 506,036 |
| - | - | 4,286,429 | - | - | 4,286,429 |
| - | - | - | - | 287,305 | 287,305 |
| - | - | - | - | 157,427 | 157,427 |
| - | - | 2,123,322 | - | - | 2,123,322 |
| - | - | - | - | - | 958,203 |
| - | - | - | - | - | 112,302 |
| - | - | - | - | - | 518,568 |
| - | - | - | - | - | 27,456,115 |
| <u>4,613,224</u> | <u>9,304,501</u> | <u>6,409,751</u> | <u>-</u> | <u>991,358</u> | <u>58,787,572</u> |
| | | | | | |
| <u>\$ 5,529,532</u> | <u>\$ 11,182,772</u> | <u>\$ 6,780,309</u> | <u>\$ 11,082,719</u> | <u>\$ 3,675,063</u> | <u>\$ 111,616,655</u> |

See accompanying Notes to Basic Financial Statements.

BLACK HAWK COUNTY, IOWA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES
JUNE 30, 2022

| | | |
|---|---------------------|-----------------------|
| Total Fund Balance - Governmental Funds | | \$ 58,787,572 |
| 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. | | 118,660,668 |
| 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. | | 7,118,624 |
| Unavailable revenues from the balance sheet that provide current financial resources for governmental activities. | | 2,991,803 |
| Accrued (expenses) revenues from the balance sheet that require current financial resources for governmental activities. | | |
| Accrued Compensated Absences | \$ (1,870,363) | |
| Net Pension (Liability) Asset | 7,236,316 | |
| Other Postemployment Liabilities | <u>(2,165,887)</u> | |
| | | 3,200,066 |
| 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 | 3,370,535 | |
| Deferred Inflows of Resources | <u>(22,209,727)</u> | |
| | | (18,839,192) |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. | | |
| General Obligation Bonds | (17,127,246) | |
| Accrued Interest Payable | <u>(27,817)</u> | |
| | | <u>(17,155,063)</u> |
| Total Net Position - Governmental Activities | | <u>\$ 154,764,478</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, 2022**

| | <u>General</u> | <u>Mental Health</u> | <u>Rural Services</u> |
|--|-----------------------------|----------------------|----------------------------|
| REVENUES | | | |
| Property Tax | \$ 27,788,464 | \$ 2,543,957 | \$ 2,842,265 |
| Other County Tax | 1,444,247 | 72,670 | 2,283,710 |
| Interest and Penalty on Property Tax | 366,309 | - | - |
| Intergovernmental | 5,458,749 | 325,839 | 179,103 |
| Licenses and Permits | 516,177 | - | 102,677 |
| Charges for Services | 4,159,137 | 13,044 | 3,505 |
| Use of Money and Property | 321,611 | - | - |
| Miscellaneous | 1,334,962 | - | - |
| Total Revenues | <u>41,389,656</u> | <u>2,955,510</u> | <u>5,411,260</u> |
| EXPENDITURES | | | |
| Operating | | | |
| Public Safety and Legal Services | 18,522,103 | - | 2,013,646 |
| Physical Health and Social Services | 7,047,140 | - | - |
| Mental Health | - | 3,742,145 | - |
| County Environment and Education | 2,384,685 | - | 257,614 |
| Roads and Transportation | - | - | - |
| Government Services to Residents | 2,319,933 | - | 333 |
| Administration | 6,284,187 | - | - |
| Capital Projects | - | - | - |
| Debt Service | | | |
| Principal | - | - | - |
| Interest | - | - | - |
| Total Expenditures | <u>36,558,048</u> | <u>3,742,145</u> | <u>2,271,593</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>4,831,608</u> | <u>(786,635)</u> | <u>3,139,667</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | 1,400,000 | - | - |
| Transfers (Out) | (2,352,890) | - | (2,627,049) |
| Proceeds from Sale of Capital Assets | - | - | - |
| Total Other Financing Sources (Uses) | <u>(952,890)</u> | <u>-</u> | <u>(2,627,049)</u> |
| NET CHANGE IN FUND BALANCES | 3,878,718 | (786,635) | 512,618 |
| Fund Balances - Beginning of Year | <u>30,506,264</u> | <u>786,635</u> | <u>2,571,138</u> |
| FUND BALANCES - END OF YEAR | <u><u>\$ 34,384,982</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 3,083,756</u></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, 2022

| Secondary Roads | Debt Service | Capital Projects | American Rescue Program | Other Governmental Funds | Total Governmental Funds |
|---------------------|---------------------|---------------------|----------------------------|--------------------------------|--------------------------------|
| \$ - | \$ 2,410,976 | \$ - | \$ - | \$ - | \$ 35,585,662 |
| - | 2,131,148 | - | - | - | 5,931,775 |
| - | - | - | - | - | 366,309 |
| 8,113,217 | 260,960 | - | 1,727,135 | 35,862 | 16,100,865 |
| 94,735 | - | - | - | - | 713,589 |
| 1,690 | - | - | - | 25,594 | 4,202,970 |
| - | 9,471 | 18,684 | - | 381,478 | 731,244 |
| 38,508 | 153,400 | - | - | 498,654 | 2,025,524 |
| <u>8,248,150</u> | <u>4,965,955</u> | <u>18,684</u> | <u>1,727,135</u> | <u>941,588</u> | <u>65,657,938</u> |
| - | - | - | - | 946,736 | 21,482,485 |
| - | - | - | 23,624 | - | 7,070,764 |
| - | - | - | - | - | 3,742,145 |
| - | - | - | - | 110,837 | 2,753,136 |
| 6,782,597 | - | - | - | - | 6,782,597 |
| - | - | - | - | 15,752 | 2,336,018 |
| - | - | - | 49,716 | - | 6,333,903 |
| 4,864,646 | - | 2,135,666 | 253,795 | - | 7,254,107 |
| - | 5,660,000 | - | - | - | 5,660,000 |
| - | 449,202 | - | - | - | 449,202 |
| <u>11,647,243</u> | <u>6,109,202</u> | <u>2,135,666</u> | <u>327,135</u> | <u>1,073,325</u> | <u>63,864,357</u> |
| <u>(3,399,093)</u> | <u>(1,143,247)</u> | <u>(2,116,982)</u> | <u>1,400,000</u> | <u>(131,737)</u> | <u>1,793,581</u> |
| 3,589,400 | 483,351 | 530,539 | - | - | 6,003,290 |
| - | - | (483,351) | (1,400,000) | - | (6,863,290) |
| 48,655 | - | - | - | - | 48,655 |
| <u>3,638,055</u> | <u>483,351</u> | <u>47,188</u> | <u>(1,400,000)</u> | <u>-</u> | <u>(811,345)</u> |
| 238,962 | (659,896) | (2,069,794) | - | (131,737) | 982,236 |
| <u>4,374,262</u> | <u>9,964,397</u> | <u>8,479,545</u> | <u>-</u> | <u>1,123,095</u> | <u>57,805,336</u> |
| <u>\$ 4,613,224</u> | <u>\$ 9,304,501</u> | <u>\$ 6,409,751</u> | <u>\$ -</u> | <u>\$ 991,358</u> | <u>\$ 58,787,572</u> |

See accompanying Notes to Basic Financial Statements.

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
YEAR ENDED JUNE 30, 2022

Net Change in Fund Balances - Total Governmental Funds \$ 982,236

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 | \$ 9,098,292 | |
| Capital Contributions | 1,900,816 | |
| Depreciation Expense | <u>(6,800,414)</u> | |
| | | 4,198,694 |

| | |
|--|-----------|
| 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. | (344,511) |
|--|-----------|

| | |
|--|-----------|
| Revenues reported in the funds that are not available to provide current financial resources | 2,608,068 |
|--|-----------|

| | |
|--|-------|
| Accrued interest expense that does not require current financial resources | 9,433 |
|--|-------|

| | |
|---|---------|
| 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. | 146,884 |
|---|---------|

| | |
|--|---------|
| Compensated absences that do not require current financial resources | 220,296 |
|--|---------|

| | |
|---|--------|
| Other postemployment benefits that do not require current financial resources | 75,792 |
|---|--------|

| | |
|--|-----------|
| Pension revenue reported in the statement of activities does not require the use of current financial resources. | 5,753,718 |
|--|-----------|

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 | 5,660,000 | |
| Premium on Long-Term Debt | <u>175,825</u> | |
| | | <u>5,835,825</u> |

| | |
|---|-----------------------------|
| Change in Net Position of Governmental Activities | <u><u>\$ 19,486,435</u></u> |
|---|-----------------------------|

BLACK HAWK COUNTY, IOWA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

| | Business-Type Activities | | | Governmental Activities |
|---|--------------------------|-------------|------------|-------------------------|
| | Rural Sewer | Rural Water | Total | Internal Service |
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and Investments | \$ 741,420 | \$ 247,051 | \$ 988,471 | \$ 8,722,351 |
| Receivables (Net, Where Applicable, of Allowance for Uncollectibles) | | | | |
| Accounts | 20,395 | - | 20,395 | 223,835 |
| Due from Other Governments | - | 2,210 | 2,210 | - |
| Due from Other Funds | - | - | - | 125,000 |
| Total Current Assets | 761,815 | 249,261 | 1,011,076 | 9,071,186 |
| Non-Current Assets: | | | | |
| Construction in Progress | 106,978 | - | 106,978 | - |
| Infrastructure, Property and Equipment, Net of Accumulated Depreciation | 742,922 | 185,359 | 928,281 | - |
| Total Non-Current Assets | 849,900 | 185,359 | 1,035,259 | - |
| Total Assets | 1,611,715 | 434,620 | 2,046,335 | 9,071,186 |
| LIABILITIES | | | | |
| Current Liabilities | | | | |
| Accounts Payable | 3,631 | - | 3,631 | 619,681 |
| Claims Payable | - | - | - | 1,332,881 |
| Due to Other Governments | 217 | 1,553 | 1,770 | - |
| Total Liabilities | 3,848 | 1,553 | 5,401 | 1,952,562 |
| NET POSITION | | | | |
| Net Investment in Capital Assets | 742,922 | 185,359 | 928,281 | - |
| Unrestricted | 864,945 | 247,708 | 1,112,653 | 7,118,624 |
| Total Net Position | \$ 1,607,867 | \$ 433,067 | 2,040,934 | \$ 7,118,624 |

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, 2022**

| | Business-Type Activities | | | Governmental Activities |
|---------------------------------------|--------------------------|-------------------|---------------------|----------------------------|
| | Rural Sewer | Rural Water | Total | Internal Service |
| OPERATING REVENUES | | | | |
| Charges for Services | \$ 101,733 | \$ 10,702 | \$ 112,435 | \$ 8,061,263 |
| Total Operating Revenue | <u>101,733</u> | <u>10,702</u> | <u>112,435</u> | <u>8,061,263</u> |
| OPERATING EXPENSES | | | | |
| Contract Services | 61,535 | 1,836 | 63,371 | 8,112,443 |
| Repairs and Improvements | 45,075 | 6,971 | 52,046 | - |
| Utilities | 3,290 | - | 3,290 | - |
| Depreciation | 128,739 | - | 128,739 | - |
| Total Operating Expenses | <u>238,639</u> | <u>8,807</u> | <u>247,446</u> | <u>8,112,443</u> |
| OPERATING INCOME (LOSS) | (136,906) | 1,895 | (135,011) | (51,180) |
| NONOPERATING INCOME (EXPENSE) | | | | |
| Interest Income | <u>855</u> | <u>2,077</u> | <u>2,932</u> | <u>73,064</u> |
| INCOME (LOSS) BEFORE TRANSFERS | (136,051) | 3,972 | (132,079) | 21,884 |
| TRANSFERS | | | | |
| Transfer In | <u>735,000</u> | <u>-</u> | <u>735,000</u> | <u>125,000</u> |
| CHANGE IN NET POSITION | 598,949 | 3,972 | 602,921 | 146,884 |
| Net Position - Beginning of Year | <u>1,008,918</u> | <u>429,095</u> | <u>1,438,013</u> | <u>6,971,740</u> |
| NET POSITION - END OF YEAR | <u>\$ 1,607,867</u> | <u>\$ 433,067</u> | <u>\$ 2,040,934</u> | <u>\$ 7,118,624</u> |

See accompanying Notes to Basic Financial Statements.

**BLACK HAWK COUNTY, IOWA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022**

| | Business-Type Activities | | | Governmental Activities |
|---|--------------------------|-------------------|-------------------|----------------------------|
| | Rural Sewer | Rural Water | Total | Internal Service |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Cash Received from Customers | \$ 101,264 | \$ 10,658 | \$ 111,922 | \$ 7,971,498 |
| Cash Paid to Suppliers for Goods and Services | (110,068) | (7,697) | (117,765) | - |
| Cash Paid for Claims and to Administrative Provider | - | - | - | (7,467,467) |
| Net Cash Provided (Used) by Operating Activities | (8,804) | 2,961 | (5,843) | 504,031 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Transfer from Other Funds | 735,000 | - | 735,000 | - |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Acquisition and Construction of Capital Assets | (106,978) | - | (106,978) | - |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Interest and Dividends on Investments | 855 | 2,077 | 2,932 | 73,064 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 620,073 | 5,038 | 625,111 | 577,095 |
| Cash and Cash Equivalents - Beginning of Year | 121,347 | 242,013 | 363,360 | 8,145,256 |
| CASH AND CASH EQUIVALENTS - END OF YEAR | <u>\$ 741,420</u> | <u>\$ 247,051</u> | <u>\$ 988,471</u> | <u>\$ 8,722,351</u> |

See accompanying Notes to Basic Financial Statements.

BLACK HAWK COUNTY, IOWA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022

| | 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) | \$ (136,906) | \$ 1,895 | \$ (135,011) | \$ (51,180) |
| Adjustments to Reconcile Net Operating Income (Loss) to Net Cash: Provided (Used) by Operating Activities | | | | |
| Depreciation | 128,739 | - | 128,739 | - |
| (Increase) Decrease in Assets | | | | |
| Accounts Receivable | (469) | - | (469) | (89,765) |
| Due from Other Governments | - | (44) | (44) | - |
| Increase (Decrease) in Liabilities | | | | |
| Accounts Payable | (187) | - | (187) | 272,259 |
| Claims Payable | - | - | - | 372,717 |
| Due to Other Governments | 19 | 1,110 | 1,129 | - |
| Total Adjustments | 128,102 | 1,066 | 129,168 | 555,211 |
| Net Cash Provided (Used) by Operating Activities | \$ (8,804) | \$ 2,961 | \$ (5,843) | \$ 504,031 |

See accompanying Notes to Basic Financial Statements.

**BLACK HAWK COUNTY, IOWA
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2022**

ASSETS

| | |
|---|-----------------------|
| Cash, cash equivalents and pooled investments | \$ 10,671,947 |
| Property tax receivable: | |
| Delinquent | 837,941 |
| Succeeding year | 180,887,508 |
| Special assessments | 677,981 |
| Accounts receivable | 58,720 |
| Due from other governments | 129,540 |
| Prepaid items | 27,510 |
| Total assets | <u>\$ 193,291,147</u> |

LIABILITIES

| | |
|-------------------------------|------------------|
| Accounts payable | \$ 31,800 |
| Salaries and benefits payable | 192,990 |
| Due to other governments | 7,158,050 |
| Trusts payable | 733,279 |
| Unearned revenue | 11,245 |
| Total liabilities | <u>8,127,364</u> |

DEFERRED INFLOWS OF RESOURCES

| | |
|---------------------------------------|--------------------|
| Succeeding year - property tax | 180,887,508 |
| Taxes collected for subsequent period | 458,557 |
| Total deferred inflows of resources | <u>181,346,065</u> |

FIDUCIARY NET POSITION

| | |
|---|---------------------|
| Restricted for individuals, organizations, and other governments | <u>\$ 3,817,718</u> |
|---|---------------------|

BLACK HAWK COUNTY, IOWA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2022

ADDITIONS:

| | |
|------------------------------------|--------------------|
| Property and state tax | \$ 181,186,642 |
| 911 surcharge | 1,030,352 |
| State tax credits | 15,026,665 |
| Office fees and collections | 2,174,682 |
| Auto licenses, use tax and postage | 40,641,027 |
| Assessments | 353,547 |
| Trusts | 6,492,352 |
| Miscellaneous | 4,521,561 |
| Total additions | <u>251,426,828</u> |

DEDUCTIONS:

| | |
|--|----------------------------|
| To other governments | <u>251,394,779</u> |
| Change in fiduciary net position | 32,049 |
| Fiduciary net position beginning of year | 3,785,669 |
| Fiduciary net position end of year | <u><u>\$ 3,817,718</u></u> |

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

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 accounting principles generally accepted in the United States of America 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, 2022

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 Custodial 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, 2022

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.

The Mental Health special revenue 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 special revenue 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 special revenue 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.

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

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The American Rescue Fund is used to account for all resources used from allocation of funds to the County through the American Rescue Plan Act of 2021.

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 - Custodial 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, 2022

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 nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's 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 nonoperating 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 nonnegotiable certificates of deposit which are stated at amortized cost.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

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, 2020 assessed property valuations; is for the tax accrual period July 1, 2021 through June 30, 2022 and reflects the tax asking contained in the budget certified by the County Board of Supervisors in March 2021.

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, 2022, 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, 2022

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:

| <u>Asset Class</u> | <u>Amount</u> |
|-----------------------------------|---------------|
| 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:

| <u>Asset Class</u> | <u>Estimated Useful Lives (In Years)</u> |
|-------------------------------------|--|
| 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 assets that apply to future periods 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, 2022

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, 2022. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund and the Special Revenue, 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 asset 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, 2022

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 represent an acquisition of net assets that applies to future periods 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, 2022

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, 2022, disbursements did not exceed the amounts budgeted.

NOTE 2 CASH, CASH EQUIVALENTS, AND POOLED INVESTMENTS

The County's deposits in banks at June 30, 2022 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 | \$ 68,539,653 |
| Restricted Cash and Investments - Governmental Activities | 4,540,139 |
| Cash and Investments - Business-Type Activities | 988,471 |
| Custodial Funds | 10,671,947 |
| Total Cash and Investments | <u>\$ 84,740,210</u> |

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

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 \$28,548,598 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, 2022

NOTE 3 DUE FROM AND DUE TO OTHER FUNDS

The detail of interfund receivables and payables at June 30, 2022 is as follows:

| | Due from Other Funds | Due to Other Funds |
|--------------------|-------------------------|-----------------------|
| Governmental Funds | | |
| General | \$ 6,777 | \$ 125,000 |
| Rural Basic | - | 1,567 |
| Secondary Roads | - | 5,154 |
| Self Insurance | 125,000 | - |
| Nonmajor Funds | - | 56 |
| Total | <u>\$ 131,777</u> | <u>\$ 131,777</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, 2022 is as follows:

| | Transfer Out | | | | |
|---------------------|---------------------|---------------------|---------------------|----------------------------|----------------------|
| | General Fund | Rural Services | Capital Projects | American Rescue Program | Total Transfer In |
| Transfer In | | | | | |
| General Fund | \$ - | \$ - | \$ - | \$ 1,400,000 | \$ 1,400,000 |
| Secondary Roads | 962,351 | 2,627,049 | - | - | 3,589,400 |
| Capital Projects | 530,539 | - | - | - | 530,539 |
| Debt Service | - | - | 483,351 | - | 483,351 |
| Self Insurance Fund | 125,000 | - | - | - | 125,000 |
| Sewer Fund | 735,000 | - | - | - | 735,000 |
| Total Transfer Out | <u>\$ 2,352,890</u> | <u>\$ 2,627,049</u> | <u>\$ 483,351</u> | <u>\$ 1,400,000</u> | <u>\$ 6,863,290</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, 2022

NOTE 5 CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2022 was as follows:

| | Balance July 1, 2021 | Additions | Deletions | Balance June 30, 2022 |
|---|-------------------------|----------------------|------------------------|--------------------------|
| Governmental Activities: | | | | |
| Capital Assets not being Depreciated: | | | | |
| Land | \$ 6,615,089 | \$ 4,900 | \$ - | \$ 6,619,989 |
| Construction in Progress | 9,498,304 | 9,340,243 | (10,784,694) | 8,053,853 |
| Total Capital Assets not being Depreciated | 16,113,393 | 9,345,143 | (10,784,694) | 14,673,842 |
| Capital Assets being Depreciated: | | | | |
| Improvements other than Buildings | 2,267,876 | 147,553 | (397,392) | 2,018,037 |
| Buildings | 38,342,533 | - | - | 38,342,533 |
| Equipment and Vehicles | 19,644,935 | 1,506,411 | (619,613) | 20,531,733 |
| Infrastructure | 126,031,330 | 10,784,695 | - | 136,816,025 |
| Total Capital Assets being Depreciated | 186,286,674 | 12,438,659 | (1,017,005) | 197,708,328 |
| Less Accumulated Depreciation for: | | | | |
| Improvements Other than Buildings | 1,346,756 | 70,447 | (174,572) | 1,242,631 |
| Buildings | 16,040,743 | 987,151 | - | 17,027,894 |
| Equipment and Vehicles | 11,752,768 | 1,347,555 | (497,922) | 12,602,401 |
| Infrastructure | 58,453,315 | 4,395,261 | - | 62,848,576 |
| Total Accumulated Depreciation | 87,593,582 | 6,800,414 | (672,494) | 93,721,502 |
| Total Capital Assets being Depreciated, Net | 98,693,092 | 5,638,245 | (344,511) | 103,986,826 |
| Governmental Activities Capital Assets, Net | <u>\$ 114,806,485</u> | <u>\$ 14,983,388</u> | <u>\$ (11,129,205)</u> | <u>\$ 118,660,668</u> |

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 CAPITAL ASSETS (CONTINUED)

| | Balance July 1, 2021 | Additions | Deletions | Balance June 30, 2022 |
|---------------------------|-------------------------|-------------|-----------|--------------------------|
| Business-Type Activities: | | | | |
| Capital Assets not being | | | | |
| Depreciated: | | | | |
| Construction in Progress | \$ - | \$ 106,978 | \$ - | \$ 106,978 |
| Capital Assets being | | | | |
| Depreciated: | | | | |
| Infrastructure | \$ 5,420,639 | \$ - | \$ - | \$ 5,420,639 |
| Less Accumulated | | | | |
| Depreciation for: | | | | |
| Infrastructure | 4,363,619 | 128,739 | - | 4,492,358 |
| Total Capital Assets | | | | |
| being Depreciated, Net | 1,057,020 | (128,739) | - | 928,281 |
| Business-Type Activities | | | | |
| Capital Assets, Net | \$ 1,057,020 | \$ (21,761) | \$ - | \$ 1,035,259 |

Depreciation expense was charged to the governmental functions as follows:

| | |
|-------------------------------------|---------------------|
| Public Safety and Legal Services | \$ 907,543 |
| Physical Health and Social Services | 33,518 |
| County Environment and Education | 343,264 |
| Roads and Transportation | 4,902,995 |
| Governmental Service to Residents | 10,856 |
| Administration | 602,238 |
| Total | <u>\$ 6,800,414</u> |

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

| | |
|-------------|------------|
| Rural Sewer | \$ 128,739 |
|-------------|------------|

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 LONG-TERM LIABILITIES

A summary of changes in long-term liabilities for the year ended June 30, 2022 is as follows:

| | Balance July 1, 2021 | Additions | Retirements/ Deletions | Balance June 30, 2022 | Due Within One Year |
|----------------------------------|-------------------------|---------------------|---------------------------|--------------------------|------------------------|
| Governmental Activities | | | | | |
| General Obligation Bonds | \$ 22,350,000 | \$ - | \$ 5,660,000 | \$ 16,690,000 | \$ 5,345,000 |
| Bond Premium | 613,071 | - | 175,825 | 437,246 | - |
| Compensated Absences | 2,090,659 | 1,586,352 | 1,806,648 | 1,870,363 | 1,319,165 |
| Total Governmental Activities | <u>\$ 25,053,730</u> | <u>\$ 1,586,352</u> | <u>\$ 7,642,473</u> | <u>\$ 18,997,609</u> | <u>\$ 6,664,165</u> |

Bonds Payable

A summary of the County's June 30, 2022 general obligation bonded indebtedness is as follows:

| Governmental Activities | | | |
|-------------------------|----------------------|---------------------|----------------------|
| Year Ending June 30, | Principal | Interest | Total |
| 2023 | \$ 5,345,000 | \$ 333,800 | \$ 5,678,800 |
| 2024 | 3,655,000 | 226,900 | 3,881,900 |
| 2025 | 1,835,000 | 153,800 | 1,988,800 |
| 2026 | 1,860,000 | 117,100 | 1,977,100 |
| 2027 | 1,310,000 | 79,900 | 1,389,900 |
| 2028-2031 | 2,685,000 | 123,200 | 2,808,200 |
| Total | <u>\$ 16,690,000</u> | <u>\$ 1,034,700</u> | <u>\$ 17,724,700</u> |

General obligation bonds have been issued for governmental activities. The unmatured general obligation bonds to be paid from the Debt Service Fund totaled \$16,690,000 as of June 30, 2022. 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 \$437,246 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, 2022, the statutory limit for the County was \$492,811,000 providing a legal debt margin of \$476,121,000.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 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, 2022 total \$1,207,791, 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:

| | 2021 | 2022 |
|--------------------------------------|-------------------|---------------------|
| Claims Payable, Beginning of Year | \$ 877,077 | \$ 960,164 |
| Claims Recognized | 6,484,179 | 8,299,565 |
| Claim Payments and Change in Accrual | (6,401,092) | (8,051,938) |
| Claims Payable, End of Year | <u>\$ 960,164</u> | <u>\$ 1,207,791</u> |

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 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.

| | 2021 | 2022 |
|--------------------------------------|-------------|-------------------|
| Claims Payable, Beginning of Year | \$ 106,557 | \$ - |
| Claims Recognized | 148,962 | 175,874 |
| Claim Payments and Change in Accrual | (255,519) | (50,784) |
| Claims Payable, End of Year | <u>\$ -</u> | <u>\$ 125,090</u> |

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

NOTE 9 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 P.O. Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

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

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 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, 2022

NOTE 9 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 2022, 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 9.01% of covered payroll, for a total rate of 18.02%. Protection occupation members contributed 6.21% of covered payroll and the County contributed 9.31% of covered payroll, for a total rate of 15.52%.

The County's contributions to IPERS for the year ended June 30, 2022 totaled \$2,240,853.

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

At June 30, 2022, the County reported an asset of \$7,236,316 for its proportionate share of the net pension liability (asset). The net pension asset was measured as of June 30, 2021 and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The County's proportion of the net pension asset was based on the County's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2021, the County's proportion was 4.956795%, which was an increase of 0.094293% from its proportion measured as of June 30, 2020.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 PENSION PLAN (CONTINUED)

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

For the year ended June 30, 2022, the County recognized pension income of \$3,512,864. At June 30, 2022, 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 | \$ 728,743 | \$ 255,376 |
| Changes of Assumptions | 262,641 | 289,962 |
| Net Difference between Projected and Actual Earnings on Pension Plan Investments | - | 16,569,008 |
| Changes in Proportion and Differences between County Contributions and Proportionate Share of Contributions | 63,560 | 3,731,395 |
| County Contributions Subsequent to the Measurement Date | 2,240,853 | - |
| Total | <u>\$ 3,295,797</u> | <u>\$ 20,845,741</u> |

\$2,240,853 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an addition of the net pension asset in the year ending June 30, 2023. 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> |
|-----------------------------|------------------------|
| 2023 | \$ (5,468,502) |
| 2024 | (5,211,682) |
| 2025 | (4,513,838) |
| 2026 | (4,663,350) |
| 2027 | 66,575 |
| Total | <u>\$ (19,790,797)</u> |

There were nonemployer contributing entities to IPERS.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 PENSION PLAN (CONTINUED)

Actuarial Assumptions

The total pension liability in the June 30, 2021 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, 2021 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 2021 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 % | 4.43 % |
| International Equity | 17.5 | 6.01 |
| Global Smart Beta Equity | 6.0 | 5.10 |
| Core Plus Fixed Income | 26.0 | 0.29 |
| Public Credit | 4.0 | 2.08 |
| Cash | 1.0 | (0.25) |
| Private Equity | 13.0 | 9.51 |
| Private Real Assets | 7.5 | 4.63 |
| Private Credit | 3.0 | 2.87 |
| Total | <u>100.0 %</u> | |

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 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 (Asset) to Changes in the Discount Rate

The following presents the County's proportionate share of the net pension liability (asset) 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 (Asset) | \$ 7,789,718 | \$ (7,236,316) | \$ (19,822,466) |

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, 2022, the County reported payables to the defined benefit pension plan of \$300,334 for legally required employer contributions and \$222,677 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, 2022

NOTE 10 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 four employees receiving an explicit subsidy until age 65. No future retiree is eligible for this explicit subsidy.

At June 30, 2022, the following employees were covered by the benefit terms:

| | |
|--|------------|
| Inactive Employees or Beneficiaries Currently receiving Benefit Payments | 17 |
| Active Employees | 354 |
| Total | <u>371</u> |

Total OPEB Liability

The County's total OPEB liability of \$2,165,887 was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2022.

Actuarial Assumptions

The total OPEB liability in the June 30, 2022 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 | 2.50% per Annum. |
| Rates of Salary Increase | 3.25% per Annum, including Inflation. |
| Discount Rate | 3.54% |
| Healthcare Cost Trend Rate | 7.00% Decreasing by 0.25% Annually to an Ultimate Rate of 4.00% |

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

- The discount rate was updated from 2.16% to 3.54%.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 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, 2021.
- The trend rates were reset to an initial rate of 7.00%, grading down by 0.25% per year until reaching the ultimate rate of 4.00% based on current Healthcare Analytics (HCA) Consulting trend study; current economic environment suggests a longer period until reaching the ultimate rate.
- The mortality projection scale was updated from MP-2019 to MP-2021 to reflect the Society of Actuaries' recent mortality study.

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 PUB-2010 headcount weighted base mortality table, projected generationally using Scale MP-2021, applied on a gender-specific and job class basis.

The actuarial assumptions used in the June 30, 2022 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 | \$ 2,300,261 |
| Changes for the Year: | |
| Service Cost | 171,470 |
| Interest | 51,830 |
| Differences between Expected and Actual Experiences | (96,871) |
| Changes in Assumptions | (116,440) |
| Benefit Payments | (144,363) |
| Net Changes | (134,374) |
| Total OPEB Liability End of Year | <u>\$ 2,165,887</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 (2.54%) or 1% higher (4.54%) than the current discount rate.

| | 1% Decrease (2.54%) | Discount Rate (3.54%) | 1% Increase (4.54%) |
|----------------------|------------------------|--------------------------|------------------------|
| Total OPEB Liability | \$ 2,381,000 | \$ 2,165,887 | \$ 1,975,000 |

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 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 (6.0%) or 1% higher (8.0%) than the current healthcare cost trend rates.

| | 1% Decrease (6.00%) | Healthcare Cost Trend Rate (7.00%) | 1% Increase (8.00%) |
|----------------------|------------------------|--|------------------------|
| Total OPEB Liability | \$ 1,903,000 | \$ 2,165,887 | \$ 2,485,000 |

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended June 30, 2022, the County recognized OPEB expense of \$68,571. At June 30, 2022, the County reported deferred outflows of resources related to OPEB from the following resources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between Expected and Actual Experience | \$ - | \$ (1,155,483) |
| Changes of Assumptions/Inputs | 74,738 | (208,503) |
| Total | <u>\$ 74,738</u> | <u>\$ (1,363,986)</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> |
|-----------------------------|-----------------------|
| 2023 | \$ (154,729) |
| 2024 | (154,729) |
| 2025 | (154,729) |
| 2026 | (154,729) |
| 2027 | (154,729) |
| Thereafter | (515,603) |
| Total | <u>\$ (1,289,248)</u> |

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11 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, 2022, 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 12 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, 2022, Industrial Revenue Bonds outstanding had an original issue amount of \$8,620,000. The outstanding balance at June 30, 2022 was \$3,343,000.

NOTE 13 CONSTRUCTION COMMITMENTS

The County has entered into contracts totaling \$12,324,567 for various bridge and road construction projects, which were ongoing at year-end. As of June 30, 2022, costs of \$6,945,494 had been incurred against the contracts. The balance of \$5,379,073 remaining at June 30, 2022 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, 2022

NOTE 14 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, 2022, as follows:

| | | |
|---|------------|------------------|
| Revenues | | |
| Property and Other County Tax | | \$ 2,616,627 |
| Intergovernmental Revenues: | | |
| State Tax Credits | \$ 218,527 | |
| Payments from Regional Fiscal Agent | 107,312 | 325,839 |
| Charges for Services | | 13,044 |
| Total Revenues | | <u>2,955,510</u> |
| Expenditures | | |
| Services to Persons with Mental Illness | | 991 |
| General Administration | | |
| Direct Administration | 81,915 | |
| Distribution to Regional Fiscal Agent | 3,659,239 | 3,741,154 |
| Total Expenditures | | <u>3,742,145</u> |
| Excess of Expenditures Over Revenues | | (786,635) |
| Fund Balance - Beginning of Year | | 786,635 |
| Fund Balance - End of Year | | <u>\$ -</u> |

NOTE 15 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.

Tax Abatements of Other Entities

Other entities within the County also provided tax abatements for urban renewal and economic development projects pursuant to Chapters 15 and 403 of the Code of Iowa. Additionally, the City of Cedar Falls and City of Hudson offered an urban revitalization tax abatement program pursuant to Chapter 404 of the Code of Iowa. With prior approval of the governing body, this program provides for an exemption of taxes based on a percentage of the actual value added by improvements.

BLACK HAWK COUNTY, IOWA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 15 TAX ABATEMENTS (CONTINUED)

Tax Abatements of Other Entities (Continued)

Property tax revenues of the County were reduced by the following amounts for the year ended June 30, 2022 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 | \$ 180,973 |
| | Urban Revitalization | 5,620 |
| City of Hudson | Urban Renewal and Economic Development | 31,669 |
| | Urban Revitalization | 1,047 |
| City of Waterloo | Urban Renewal and Economic Development | 598,577 |

REQUIRED SUPPLEMENTARY INFORMATION

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, 2022

| | Budgeted Amounts | | | Variance with Final Budget |
|--|-----------------------|------------------------|----------------------|-------------------------------|
| | Original | Amended | Actual | Positive (Negative) |
| REVENUE | | | | |
| Property Tax | \$ 36,944,987 | \$ 35,810,992 | \$ 35,585,662 | \$ (225,330) |
| Other County Tax | 4,377,360 | 4,348,675 | 5,931,775 | 1,583,100 |
| Interest and Penalty on Property Tax | 270,000 | 270,000 | 366,309 | 96,309 |
| Intergovernmental | 15,045,972 | 12,841,356 | 16,100,865 | 3,259,509 |
| Licenses and Permits | 609,200 | 609,200 | 713,589 | 104,389 |
| Charges for Services | 4,114,940 | 3,944,820 | 4,202,970 | 258,150 |
| Use of Money and Property | 471,725 | 558,725 | 731,244 | 172,519 |
| Miscellaneous | 1,341,252 | 3,225,802 | 2,025,524 | (1,200,278) |
| Total Revenue | 63,175,436 | 61,609,570 | 65,657,938 | 4,048,368 |
| EXPENDITURES | | | | |
| Operating | | | | |
| Public Safety and Legal Services | 23,655,333 | 21,788,940 | 21,482,485 | 306,455 |
| Physical Health and Social Services | 7,734,657 | 7,855,282 | 7,070,764 | 784,518 |
| Mental Health | 4,084,536 | 4,084,536 | 3,742,145 | 342,391 |
| County Environment and Education | 3,084,380 | 3,237,280 | 2,753,136 | 484,144 |
| Roads and Transportation | 8,136,643 | 8,136,643 | 6,782,597 | 1,354,046 |
| Government Services to Residents | 2,374,473 | 2,473,673 | 2,336,018 | 137,655 |
| Administration | 6,544,072 | 7,723,523 | 6,333,903 | 1,389,620 |
| Capital Projects | 8,235,703 | 9,693,352 | 7,254,107 | 2,439,245 |
| Debt Service | 6,109,760 | 7,879,310 | 6,109,202 | 1,770,108 |
| Total Expenditures | 69,959,557 | 72,872,539 | 63,864,357 | 9,008,182 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (6,784,121) | (11,262,969) | 1,793,581 | 13,056,550 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 12,416,043 | 12,416,043 | 6,003,290 | (6,412,753) |
| Transfers (Out) | (12,416,043) | (12,416,043) | (6,863,290) | 5,552,753 |
| Proceeds from Sale of Capital Assets | 4,553 | 4,553 | 48,655 | 44,102 |
| Total Other Financing Sources (Uses) | 4,553 | 4,553 | (811,345) | (815,898) |
| NET CHANGE IN FUND BALANCES | <u>\$ (6,779,568)</u> | <u>\$ (11,258,416)</u> | 982,236 | <u>\$ 12,240,652</u> |
| Fund Balances - Beginning of Year | | | 57,805,336 | |
| FUND BALANCES - END OF YEAR | | | <u>\$ 58,787,572</u> | |

See accompanying Notes to Required Supplementary Information

BLACK HAWK COUNTY, IOWA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –
BUDGETARY REPORTING
JUNE 30, 2022

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 Custodial 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, nonprogram, 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, two budget amendments increased budgeted disbursements by \$2,912,982. 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, 2022, 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
LAST TEN FISCAL YEARS

REQUIRED SUPPLEMENTARY INFORMATION

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Service Cost | \$ 171,470 | \$ 171,554 | \$ 256,360 | \$ 214,225 | \$ 239,315 |
| Interest | 51,830 | 51,334 | 115,143 | 136,121 | 135,109 |
| Difference Between Expected and Actual Experiences | (96,871) | - | (1,026,850) | (502,382) | - |
| Changes in Assumptions | (116,440) | 10,412 | (78,743) | 107,175 | (78,637) |
| Benefit Payments | (144,363) | (168,578) | (127,642) | (321,940) | (167,569) |
| Net Change in Total OPEB Liability | <u>(134,374)</u> | <u>64,722</u> | <u>(861,732)</u> | <u>(366,801)</u> | <u>128,218</u> |
| Total OPEB Liability - Beginning of Year | <u>2,300,261</u> | <u>2,235,539</u> | <u>3,097,271</u> | <u>3,464,072</u> | <u>3,335,854</u> |
| Total OPEB Liability - End of Year | <u>\$ 2,165,887</u> | <u>\$ 2,300,261</u> | <u>\$ 2,235,539</u> | <u>\$ 3,097,271</u> | <u>\$ 3,464,072</u> |
| Covered-Employee Payroll | \$ 22,605,445 | \$ 21,690,000 | \$ 21,058,364 | \$ 19,814,355 | \$ 25,885,353 |
| Total OPEB Liability as a Percentage of Covered-Employee Payroll | 10% | 11% | 11% | 16% | 13% |

Note: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Note: GASB 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

See accompanying Notes to Required Supplementary Information

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

CHANGES IN BENEFIT TERMS

2022 – There were no significant changes in benefit terms.
2021 – There were no significant 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

2022 – There were no significant changes in group size.
2021 – There were no significant changes in group size.
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, 2022 | 3.54% |
| Year ended June 30, 2021 | 2.16% |
| 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% |

2022 – Other assumption changes include:

- The discount rate was updated from 2.16% to 3.54%
- The trend rates were reset to an initial rate of 7.00%, grading down by 0.25% per year until reaching the ultimate rate of 4.00% based on current Healthcare Analytics (HCA) Consulting trend study; current economic environment suggests a longer period until reaching the ultimate rate.
- The mortality projection scale was updated from MP-2019 to MP-2021 to reflect the Society of Actuaries' recent mortality study.

BLACK HAWK COUNTY, IOWA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST 10 FISCAL YEARS (IN THOUSANDS)

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| County's Proportion of the Net Pension Liability (Asset) | 4.956795% | 4.862502% | 5.143828% | 5.351490% | 5.723184% | 6.059662% | 6.174168% | 0.332004% |
| County's Proportionate Share of the Net Pension Liability (Asset) | \$ (7,236) | \$ 14,637 | \$ 14,000 | \$ 19,730 | \$ 23,160 | \$ 22,163 | \$ 16,677 | \$ 13,167 |
| County's Covered Payroll | \$ 23,746 | \$ 22,722 | \$ 26,524 | \$ 29,708 | \$ 29,876 | \$ 28,900 | \$ 28,216 | \$ 27,774 |
| County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | (31.85)% | 64.42% | 52.78% | 66.41% | 77.52% | 76.69% | 57.71% | 46.67% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 101.81% | 82.90% | 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.

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)

REQUIRED SUPPLEMENTARY INFORMATION

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|-------------|-------------|-------------|-------------|-------------|
| Statutorily Required Contribution | \$ 2,241 | \$ 2,189 | \$ 2,126 | \$ 2,451 | \$ 2,673 |
| Contributions in Relation to the Statutorily Required Contribution | (2,241) | (2,189) | (2,126) | (2,451) | (2,673) |
| Contribution Deficiency (Excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's Covered Payroll | \$ 24,103 | \$ 23,305 | \$ 22,401 | \$ 26,524 | \$ 29,709 |
| Contributions as a Percentage of Covered Payroll | 9.30% | 9.39% | 9.49% | 9.24% | 9.00% |
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Statutorily Required Contribution | \$ 2,703 | \$ 2,602 | \$ 2,577 | \$ 2,564 | \$ 2,475 |
| Contributions in Relation to the Statutorily Required Contribution | (2,703) | (2,602) | (2,577) | (2,564) | (2,475) |
| Contribution Deficiency (Excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's Covered Payroll | \$ 29,876 | \$ 28,900 | \$ 28,216 | \$ 27,774 | \$ 27,165 |
| Contributions as a Percentage of Covered Payroll | 9.05% | 9.00% | 9.13% | 9.23% | 9.11% |

See accompanying Notes to Required Supplementary Information

BLACK HAWK COUNTY, IOWA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –
PENSION LIABILITY (ASSET)

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.

SUPPLEMENTARY INFORMATION

**BLACK HAWK COUNTY, IOWA
COMBINING BALANCE SHEET
GOVERNMENTAL NONMAJOR FUNDS
JUNE 30, 2022**

| | Special Revenue Funds | | |
|---|---|---|-------------------------|
| | Resource Enhancement and Protection | County Recorder's Records Management | Sheriff's Commissary |
| ASSETS | | | |
| Cash and Pooled Investments | \$ 504,051 | \$ 39,377 | \$ 303,563 |
| Receivables: | | | |
| Accounts | - | 2,223 | 69,747 |
| Total Assets | <u>\$ 504,051</u> | <u>\$ 41,600</u> | <u>\$ 373,310</u> |
| LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accounts Payable | \$ - | \$ 1,010 | \$ 73,709 |
| Due to Other Funds | - | - | 36 |
| Salaries and Benefits Payable | - | - | 6,342 |
| Total Liabilities | <u>-</u> | <u>1,010</u> | <u>80,087</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Unavailable Revenue | - | - | 5,918 |
| FUND BALANCES | | | |
| Restricted for: | | | |
| Records Management Purposes | - | 40,590 | - |
| Public Safety | - | - | 287,305 |
| Conservation Purposes | 504,051 | - | - |
| Assigned for: | | | |
| Conservation Land Acquisition | - | - | - |
| Total Fund Balances | <u>504,051</u> | <u>40,590</u> | <u>287,305</u> |
| Total Liabilities, Deferred Inflows, and Fund Balances | <u>\$ 504,051</u> | <u>\$ 41,600</u> | <u>\$ 373,310</u> |

**BLACK HAWK COUNTY, IOWA
COMBINING BALANCE SHEET
GOVERNMENTAL NONMAJOR FUNDS (CONTINUED)
JUNE 30, 2022**

| Special Revenue Funds | | | |
|-----------------------|----------------------|----------------------|---------------------|
| Drainage Districts | Conservation Fund | LG Abatement Fund | Total |
| \$ 1,985 | \$ 158,754 | \$ - | \$ 1,007,730 |
| - | 97 | 2,595,266 | 2,667,333 |
| <u>\$ 1,985</u> | <u>\$ 158,851</u> | <u>\$ 2,595,266</u> | <u>\$ 3,675,063</u> |
| | | | |
| \$ - | \$ 474 | \$ - | \$ 75,193 |
| - | 20 | - | 56 |
| - | 930 | - | 7,272 |
| <u>-</u> | <u>1,424</u> | <u>-</u> | <u>82,521</u> |
| | | | |
| - | - | 2,595,266 | 2,601,184 |
| | | | |
| - | - | - | 40,590 |
| - | - | - | 287,305 |
| 1,985 | - | - | 506,036 |
| | | | |
| - | 157,427 | - | 157,427 |
| <u>1,985</u> | <u>157,427</u> | <u>-</u> | <u>991,358</u> |
| | | | |
| <u>\$ 1,985</u> | <u>\$ 158,851</u> | <u>\$ 2,595,266</u> | <u>\$ 3,675,063</u> |

**BLACK HAWK COUNTY, IOWA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL NONMAJOR FUNDS
YEAR ENDED JUNE 30, 2022**

| | Special Revenue Funds | | |
|--|---|---|-------------------------|
| | Resource Enhancement and Protection | County Recorder's Records Management | Sheriff's Commissary |
| REVENUES | | | |
| Intergovernmental | \$ 35,862 | \$ - | \$ - |
| Charges for Services | - | 25,594 | - |
| Use of Money and Property | 49,846 | 324 | 331,308 |
| Miscellaneous | 118,000 | - | 312,549 |
| Total Revenues | <u>203,708</u> | <u>25,918</u> | <u>643,857</u> |
| EXPENDITURES | | | |
| Public Safety and Legal Services | - | - | 946,736 |
| County Environment and Education | 29,561 | - | - |
| Government Services to Residents | - | 15,752 | - |
| Total Expenditures | <u>29,561</u> | <u>15,752</u> | <u>946,736</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 174,147 | 10,166 | (302,879) |
| Fund Balances - Beginning of Year | <u>329,904</u> | <u>30,424</u> | <u>590,184</u> |
| FUND BALANCES - END OF YEAR | <u>\$ 504,051</u> | <u>\$ 40,590</u> | <u>\$ 287,305</u> |

**BLACK HAWK COUNTY, IOWA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL NONMAJOR FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Special Revenue Funds

| Drainage Districts | Conservation Fund | LG Abatement Fund | Total |
|-----------------------|----------------------|----------------------|-------------------|
| \$ - | \$ - | \$ - | \$ 35,862 |
| - | - | - | 25,594 |
| - | - | - | 381,478 |
| - | 68,105 | - | 498,654 |
| - | 68,105 | - | 941,588 |
| - | - | - | 946,736 |
| - | 81,276 | - | 110,837 |
| - | - | - | 15,752 |
| - | 81,276 | - | 1,073,325 |
| - | (13,171) | - | (131,737) |
| 1,985 | 170,598 | - | 1,123,095 |
| <u>\$ 1,985</u> | <u>\$ 157,427</u> | <u>\$ -</u> | <u>\$ 991,358</u> |

BLACK HAWK COUNTY, IOWA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2022

| | <u>Health Insurance</u> | <u>Self-Insurance</u> | <u>Office Equipment</u> | <u>Total</u> |
|-----------------------------|-----------------------------|-----------------------|-----------------------------|---------------------|
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and Pooled Investments | \$ 7,239,172 | \$ 1,427,732 | \$ 55,447 | \$ 8,722,351 |
| Accounts Receivable | 223,776 | 59 | - | 223,835 |
| Due from Other Funds | - | 125,000 | - | 125,000 |
| Total Assets | <u>7,462,948</u> | <u>1,552,791</u> | <u>55,447</u> | <u>9,071,186</u> |
| LIABILITIES | | | | |
| Current Liabilities | | | | |
| Accounts Payable | 619,363 | - | 318 | 619,681 |
| Claims Payable | 1,207,791 | 125,090 | - | 1,332,881 |
| Total Liabilities | <u>1,827,154</u> | <u>125,090</u> | <u>318</u> | <u>1,952,562</u> |
| NET POSITION | | | | |
| Unrestricted | <u>\$ 5,635,794</u> | <u>\$ 1,427,701</u> | <u>\$ 55,129</u> | <u>\$ 7,118,624</u> |

**BLACK HAWK COUNTY, IOWA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022**

| | <u>Health Insurance</u> | <u>Self-Insurance</u> | <u>Office Equipment</u> | <u>Total</u> |
|---------------------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| OPERATING REVENUES | | | | |
| Charges for Services | \$ 7,942,706 | \$ 118,557 | \$ - | \$ 8,061,263 |
| Total Operating Revenues | <u>7,942,706</u> | <u>118,557</u> | <u>-</u> | <u>8,061,263</u> |
| OPERATING EXPENSES | | | | |
| Contract Services | 7,897,652 | 213,686 | 1,105 | 8,112,443 |
| Total Operating Expenses | <u>7,897,652</u> | <u>213,686</u> | <u>1,105</u> | <u>8,112,443</u> |
| OPERATING INCOME (LOSS) | 45,054 | (95,129) | (1,105) | (51,180) |
| NONOPERATING INCOME | | | | |
| Interest Income | <u>60,976</u> | <u>11,622</u> | <u>466</u> | <u>73,064</u> |
| INCOME (LOSS) BEFORE TRANSFERS | 106,030 | (83,507) | (639) | 21,884 |
| Transfer In | <u>-</u> | <u>125,000</u> | <u>-</u> | <u>125,000</u> |
| CHANGE IN NET POSITION | 106,030 | 41,493 | (639) | 146,884 |
| Net Position - Beginning of Year | <u>5,529,764</u> | <u>1,386,208</u> | <u>55,768</u> | <u>6,971,740</u> |
| NET POSITION - END OF YEAR | <u><u>\$ 5,635,794</u></u> | <u><u>\$ 1,427,701</u></u> | <u><u>\$ 55,129</u></u> | <u><u>\$ 7,118,624</u></u> |

**BLACK HAWK COUNTY, IOWA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022**

| | <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 | \$ 7,853,000 | \$ 118,498 | \$ - | \$ 7,971,498 |
| Cash Paid for Claims and Administrative Provider | <u>(7,377,798)</u> | <u>(88,596)</u> | <u>(1,073)</u> | <u>(7,467,467)</u> |
| Net Cash Provided (Used) by Operating Activities | <u>475,202</u> | <u>29,902</u> | <u>(1,073)</u> | <u>504,031</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Interest and Dividends on Investments | <u>60,976</u> | <u>11,622</u> | <u>466</u> | <u>73,064</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 536,178 | 41,524 | (607) | 577,095 |
| Cash and Pooled Investments - Beginning of Year | <u>6,702,994</u> | <u>1,386,208</u> | <u>56,054</u> | <u>8,145,256</u> |
| CASH AND POOLED INVESTMENTS - END OF YEAR | <u><u>\$ 7,239,172</u></u> | <u><u>\$ 1,427,732</u></u> | <u><u>\$ 55,447</u></u> | <u><u>\$ 8,722,351</u></u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities | | | | |
| NET OPERATING INCOME (LOSS) | \$ 45,054 | \$ (95,129) | \$ (1,105) | \$ (51,180) |
| ADJUSTMENTS TO RECONCILE NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | | | | |
| (Increase) Decrease in Assets: | | | | |
| Accounts Receivable | (89,706) | (59) | - | (89,765) |
| Increase (Decrease) in Liabilities: | | | | |
| Accounts Payable | 272,227 | - | 32 | 272,259 |
| Claims Payable | 247,627 | 125,090 | - | 372,717 |
| Total Adjustments | <u>430,148</u> | <u>125,031</u> | <u>32</u> | <u>555,211</u> |
| Net Cash Provided (Used) by Operating Activities | <u><u>\$ 475,202</u></u> | <u><u>\$ 29,902</u></u> | <u><u>\$ (1,073)</u></u> | <u><u>\$ 504,031</u></u> |

BLACK HAWK COUNTY, IOWA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2022

| | County Offices | Recorder's Electronic Transactions | Solid Waste Administration | E911 | Emergency Management Services | Auto License and Use Tax | Consolidated Communications | County Assessor | City Special Assessments | Tax Sale Redemptions |
|--|-------------------|--|----------------------------------|---------------------|-------------------------------------|--------------------------------|--------------------------------|---------------------|--------------------------------|-------------------------|
| ASSETS | | | | | | | | | | |
| Cash, cash equivalents and pooled investments | \$ 837,370 | \$ 2,274 | \$ 26,876 | \$ 838,450 | \$ 450,158 | \$ 3,654,284 | \$ 212,983 | \$ 2,334,373 | \$ 49,905 | \$ 220,124 |
| Property tax receivable: | | | | | | | | | | |
| Delinquent | - | - | - | - | - | - | - | 4,110 | - | - |
| Succeeding year | - | - | - | - | - | - | - | 1,282,353 | - | - |
| Special assessments | - | - | - | - | - | - | - | - | 677,981 | - |
| Accounts Receivable | 5,681 | 2,223 | - | 50,786 | - | - | - | 30 | - | - |
| Due from other governments | - | - | - | 128,337 | 88 | - | 919 | 196 | - | - |
| Prepaid Items | - | - | - | - | 6,716 | - | - | 20,794 | - | - |
| Total assets | <u>\$ 843,051</u> | <u>\$ 4,497</u> | <u>\$ 26,876</u> | <u>\$ 1,017,573</u> | <u>\$ 456,962</u> | <u>\$ 3,654,284</u> | <u>\$ 213,902</u> | <u>\$ 3,641,856</u> | <u>\$ 727,886</u> | <u>\$ 220,124</u> |
| LIABILITIES | | | | | | | | | | |
| Accounts payable | \$ - | \$ - | \$ 404 | \$ 23,339 | \$ 211 | \$ - | \$ 5,564 | \$ 2,282 | \$ - | \$ - |
| Salaries and benefits payable | - | - | 8,459 | - | 5,620 | - | 127,717 | 51,194 | - | - |
| Due to other governments | 329,896 | 4,497 | 6,944 | 994,234 | 451,077 | 3,654,284 | 80,621 | - | 49,905 | - |
| Trusts payable | 513,155 | - | - | - | - | - | - | - | - | 220,124 |
| Unearned Revenue | - | - | 11,069 | - | 54 | - | - | 122 | - | - |
| Total liabilities | <u>843,051</u> | <u>4,497</u> | <u>26,876</u> | <u>1,017,573</u> | <u>456,962</u> | <u>3,654,284</u> | <u>213,902</u> | <u>53,598</u> | <u>49,905</u> | <u>220,124</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | | | |
| Succeeding year - property tax | - | - | - | - | - | - | - | 1,282,353 | - | - |
| Taxes collected for subsequent period | - | - | - | - | - | - | - | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,282,353</u> | <u>-</u> | <u>-</u> |
| FIDUCIARY NET POSITION | | | | | | | | | | |
| Restricted for individuals, organizations, and other governments | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,305,905</u> | <u>\$ 677,981</u> | <u>\$ -</u> |

BLACK HAWK COUNTY, IOWA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS (CONTINUED)
JUNE 30, 2022

| <u>Corporations</u> | <u>Schools</u> | <u>Community Colleges</u> | <u>Townships</u> | <u>Agricultural Extension Education</u> | <u>State General Monies and Credits</u> | <u>T & B Eradication</u> | <u>Total</u> |
|----------------------|----------------------|-------------------------------|-------------------|---|---|----------------------------------|-----------------------|
| \$ 1,102,643 | \$ 859,584 | \$ 72,155 | \$ 4,517 | \$ 6,100 | \$ 34 | \$ 117 | \$ 10,671,947 |
| 536,480 | 271,835 | 23,358 | 274 | 1,836 | 48 | - | 837,941 |
| 89,249,572 | 82,456,605 | 6,769,835 | 474,505 | 641,205 | 13,433 | - | 180,887,508 |
| - | - | - | - | - | - | - | 677,981 |
| - | - | - | - | - | - | - | 58,720 |
| - | - | - | - | - | - | - | 129,540 |
| - | - | - | - | - | - | - | 27,510 |
| <u>\$ 90,888,695</u> | <u>\$ 83,588,024</u> | <u>\$ 6,865,348</u> | <u>\$ 479,296</u> | <u>\$ 649,141</u> | <u>\$ 13,515</u> | <u>\$ 117</u> | <u>\$ 193,291,147</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 31,800 |
| - | - | - | - | - | - | - | 192,990 |
| 874,776 | 649,060 | 54,870 | 3,306 | 4,463 | - | 117 | 7,158,050 |
| - | - | - | - | - | - | - | 733,279 |
| - | - | - | - | - | - | - | 11,245 |
| <u>874,776</u> | <u>649,060</u> | <u>54,870</u> | <u>3,306</u> | <u>4,463</u> | <u>-</u> | <u>117</u> | <u>8,127,364</u> |
| 89,249,572 | 82,456,605 | 6,769,835 | 474,505 | 641,205 | 13,433 | - | 180,887,508 |
| 227,867 | 210,524 | 17,284 | 1,211 | 1,637 | 34 | - | 458,557 |
| <u>89,477,439</u> | <u>82,667,129</u> | <u>6,787,119</u> | <u>475,716</u> | <u>642,842</u> | <u>13,467</u> | <u>-</u> | <u>181,346,065</u> |
| <u>\$ 536,480</u> | <u>\$ 271,835</u> | <u>\$ 23,359</u> | <u>\$ 274</u> | <u>\$ 1,836</u> | <u>\$ 48</u> | <u>\$ -</u> | <u>\$ 3,817,718</u> |

**BLACK HAWK COUNTY, IOWA
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2022**

| | County Offices | Recorder's Electronic Transactions | Solid Waste Administration | E911 | Emergency Management Services | Auto License and Use Tax | Consolidated Communications | County Assessor | City Special Assessments | Tax Sale Redemptions |
|--|-------------------|--|----------------------------------|------------------|-------------------------------------|--------------------------------|--------------------------------|---------------------|--------------------------------|-------------------------|
| ADDITIONS: | | | | | | | | | | |
| Property and state tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,381,020 | \$ - | \$ - |
| 911 surcharge | - | - | - | 1,030,352 | - | - | - | - | - | - |
| State tax credits | - | - | - | - | - | - | - | 99,233 | - | - |
| Office fees and collections | 2,174,682 | - | - | - | - | - | - | - | - | - |
| Auto licenses, use tax and postage | - | - | - | - | - | 40,641,027 | - | - | - | - |
| Assessments | - | - | - | - | - | - | - | - | 353,547 | - |
| Trusts | 6,492,352 | - | - | - | - | - | - | - | - | - |
| Miscellaneous | - | 28,198 | 153,748 | - | 222,977 | 201,718 | 2,569,033 | - | - | 1,345,887 |
| Total additions | <u>8,667,034</u> | <u>28,198</u> | <u>153,748</u> | <u>1,030,352</u> | <u>222,977</u> | <u>40,842,745</u> | <u>2,569,033</u> | <u>1,480,253</u> | <u>353,547</u> | <u>1,345,887</u> |
| DEDUCTIONS: | | | | | | | | | | |
| To other governments | <u>8,667,034</u> | <u>28,198</u> | <u>153,478</u> | <u>1,030,352</u> | <u>222,977</u> | <u>40,842,745</u> | <u>2,569,033</u> | <u>1,587,499</u> | <u>334,650</u> | <u>1,345,887</u> |
| Change in fiduciary net position | - | - | 270 | - | - | - | - | (107,246) | 18,897 | - |
| Fiduciary net position beginning of year | - | - | (270) | - | - | - | - | 2,413,151 | 659,084 | - |
| Fiduciary net position end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,305,905</u> | <u>\$ 677,981</u> | <u>\$ -</u> |

**BLACK HAWK COUNTY, IOWA
COMBINING STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION
CUSTODIAL FUNDS
(CONTINUED)
YEAR ENDED JUNE 30, 2022**

| Corporations | Schools | Community Colleges | Townships | Agricultural Extension Education | State General Monies and Credits | T & B Eradication | Total |
|---------------------|-------------------|-------------------------------|------------------|---|---|----------------------------------|---------------------|
| \$ 89,327,510 | \$ 82,555,520 | \$ 6,779,157 | \$ 474,713 | \$ 641,875 | \$ 12,766 | \$ 14,081 | \$ 181,186,642 |
| - | - | - | - | - | - | - | 1,030,352 |
| 7,929,957 | 6,388,405 | 540,586 | 22,997 | 44,320 | - | 1,167 | 15,026,665 |
| - | - | - | - | - | - | - | 2,174,682 |
| - | - | - | - | - | - | - | 40,641,027 |
| - | - | - | - | - | - | - | 353,547 |
| - | - | - | - | - | - | - | 6,492,352 |
| - | - | - | - | - | - | - | 4,521,561 |
| <u>97,257,467</u> | <u>88,943,925</u> | <u>7,319,743</u> | <u>497,710</u> | <u>686,195</u> | <u>12,766</u> | <u>15,248</u> | <u>251,426,828</u> |
| 97,167,194 | 88,917,187 | 7,316,683 | 497,960 | 685,936 | 12,718 | 15,248 | 251,394,779 |
| 90,273 | 26,738 | 3,060 | (250) | 259 | 48 | - | 32,049 |
| 446,207 | 245,097 | 20,299 | 524 | 1,577 | - | - | 3,785,669 |
| <u>\$ 536,480</u> | <u>\$ 271,835</u> | <u>\$ 23,359</u> | <u>\$ 274</u> | <u>\$ 1,836</u> | <u>\$ 48</u> | <u>\$ -</u> | <u>\$ 3,817,718</u> |

STATISTICAL INFORMATION

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

The statistical section of the County's annual comprehensive 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 | 82 |
| 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 | 94 |
| 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 | 102 |
| 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 | 107 |
| 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 | 109 |
| 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 annual comprehensive 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 | | | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 2013 | 2014 | 2015 | 2016 |
| Governmental Activities | | | | |
| Net Investment in Capital Assets | \$ 55,929,989 | \$ 62,893,726 | \$ 67,721,832 | \$ 69,854,029 |
| Restricted | 16,372,523 | 14,805,215 | 16,748,169 | 19,142,804 |
| Unrestricted | 16,140,723 | 14,160,493 | (352,603) | 616,375 |
| Total Governmental Activities Net Position | <u>\$ 88,443,235</u> | <u>\$ 91,859,434</u> | <u>\$ 84,117,398</u> | <u>\$ 89,613,208</u> |
| Business-Type Activities | | | | |
| Net Investment in Capital Assets | \$ 4,370,375 | \$ 4,110,091 | \$ 3,852,604 | \$ 3,655,169 |
| Unrestricted | 2,626,223 | 2,597,127 | (1,394,297) | (1,919,806) |
| Total Business-Type Activities Net Position | <u>\$ 6,996,598</u> | <u>\$ 6,707,218</u> | <u>\$ 2,458,307</u> | <u>\$ 1,735,363</u> |
| Primary Government | | | | |
| Net Investment in Capital Assets | \$ 60,300,364 | \$ 67,003,817 | \$ 71,574,436 | \$ 73,509,198 |
| Restricted | 16,372,523 | 14,805,215 | 16,748,169 | 19,142,804 |
| Unrestricted | 18,766,946 | 16,757,620 | (1,746,900) | (1,303,431) |
| Total Primary Government Net Position | <u>\$ 95,439,833</u> | <u>\$ 98,566,652</u> | <u>\$ 86,575,705</u> | <u>\$ 91,348,571</u> |

Source: County Records

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

| Fiscal Year | | | | | |
|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| \$ 80,589,750 | \$ 85,550,373 | \$ 93,290,050 | \$ 102,647,666 | \$ 106,522,236 | \$ 112,640,003 |
| 17,385,533 | 14,957,089 | 13,678,781 | 18,499,133 | 25,473,816 | 33,948,040 |
| (3,687,512) | (1,581,099) | 1,589,914 | (1,117,101) | 3,281,991 | 8,176,435 |
| <u>\$ 94,287,771</u> | <u>\$ 98,926,363</u> | <u>\$ 108,558,745</u> | <u>\$ 120,029,698</u> | <u>\$ 135,278,043</u> | <u>\$ 154,764,478</u> |
| | | | | | |
| \$ 3,411,666 | \$ 3,171,246 | \$ 1,447,957 | \$ 1,252,489 | \$ 1,057,020 | \$ 1,035,259 |
| (2,304,158) | (2,371,570) | 312,382 | 377,096 | 380,993 | 1,005,675 |
| <u>\$ 1,107,508</u> | <u>\$ 799,676</u> | <u>\$ 1,760,339</u> | <u>\$ 1,629,585</u> | <u>\$ 1,438,013</u> | <u>\$ 2,040,934</u> |
| | | | | | |
| \$ 84,001,416 | \$ 88,721,619 | \$ 94,738,007 | \$ 103,900,155 | \$ 107,579,256 | \$ 113,675,262 |
| 17,385,533 | 14,957,089 | 13,678,781 | 18,499,133 | 25,473,816 | 33,948,040 |
| (5,991,670) | (3,952,669) | 1,902,296 | (740,005) | 3,662,984 | 9,182,110 |
| <u>\$ 95,395,279</u> | <u>\$ 99,726,039</u> | <u>\$ 110,319,084</u> | <u>\$ 121,659,283</u> | <u>\$ 136,716,056</u> | <u>\$ 156,805,412</u> |

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

| | Fiscal Year | | | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 2013 | 2014 | 2015 | 2016 |
| Expenses: | | | | |
| Governmental Activities: | | | | |
| Public Safety and Legal Services | \$ 18,156,232 | \$ 18,764,343 | \$ 18,972,897 | \$ 19,671,543 |
| Physical Health and Social Services | 7,871,355 | 7,290,096 | 7,155,953 | 7,561,741 |
| Mental Health | 5,567,395 | 6,531,543 | 6,589,757 | 5,458,589 |
| County Environment and Education | 4,619,524 | 4,879,483 | 3,900,609 | 5,239,969 |
| Roads and Transportation | 8,997,547 | 8,576,219 | 8,887,988 | 8,602,592 |
| Governmental Services to Residents | 1,765,826 | 1,804,827 | 1,825,609 | 2,498,638 |
| Administration | 5,837,435 | 6,837,855 | 6,121,608 | 9,214,497 |
| Capital Projects | 172,640 | - | - | - |
| Interest on Long-Term Debt | 1,402,736 | 1,378,717 | 1,187,015 | 1,347,077 |
| Total Governmental Activities Expenses | <u>54,390,690</u> | <u>56,063,083</u> | <u>54,641,436</u> | <u>59,594,646</u> |
| Business-Type Activities: | | | | |
| Rural Sewer | 225,898 | 257,343 | 219,733 | 240,587 |
| Rural Water | 67,468 | 90,057 | 69,008 | 70,791 |
| Country View Care Facility* | 12,308,641 | 12,746,339 | 12,810,208 | 13,721,249 |
| Total Business-Type Activities Expenses | <u>12,602,007</u> | <u>13,093,739</u> | <u>13,098,949</u> | <u>14,032,627</u> |
| Total Government Expenses | <u>\$ 66,992,697</u> | <u>\$ 69,156,822</u> | <u>\$ 67,740,385</u> | <u>\$ 73,627,273</u> |
| Program Revenues: | | | | |
| Governmental Activities: | | | | |
| Charges for Services: | | | | |
| Public Safety and Legal Services | \$ 2,347,199 | \$ 2,244,895 | \$ 2,151,777 | \$ 2,255,939 |
| Physical Health and Social Services | 1,126,233 | 886,355 | 923,771 | 890,850 |
| Mental Health | 37,029 | 40,344 | 50,974 | 84,740 |
| County Environment and Education | 674,546 | 778,727 | 814,498 | 675,388 |
| Roads and Transportation | 43,123 | 50,574 | 27,710 | 58,100 |
| Governmental Services to Residents | 2,046,771 | 1,995,821 | 2,110,299 | 2,077,402 |
| Administration | 624,934 | 547,738 | 509,238 | 500,672 |
| Operating Grants and Contributions | 10,324,098 | 10,463,557 | 10,996,943 | 11,930,540 |
| Capital Grants and Contributions | 5,065,574 | 4,026,136 | 6,246,023 | 4,435,594 |
| Total Governmental Activities | | | | |
| Program Revenues | <u>22,289,507</u> | <u>21,034,147</u> | <u>23,831,233</u> | <u>22,909,225</u> |
| Business-Type Activities: | | | | |
| Charges for Services: | | | | |
| Rural Sewer | 187,687 | 192,757 | 179,392 | 176,538 |
| Rural Water | 62,142 | 34,313 | 20,036 | 19,739 |
| Country View Care Facility* | 11,940,324 | 12,517,547 | 13,349,854 | 13,087,647 |
| Operating Grants and Contributions | 46,168 | - | - | - |
| Total Business-Type Activities | | | | |
| Program Revenues | <u>12,236,321</u> | <u>12,744,617</u> | <u>13,549,282</u> | <u>13,283,924</u> |
| Total Government Program Revenues | <u>\$ 34,525,828</u> | <u>\$ 33,778,764</u> | <u>\$ 37,380,515</u> | <u>\$ 36,193,149</u> |

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

| Fiscal Year | | | | | |
|---------------|---------------|---------------|---------------|---------------|---------------|
| 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| \$ 20,286,504 | \$ 21,362,522 | \$ 22,158,003 | \$ 19,491,011 | \$ 19,175,864 | \$ 19,747,227 |
| 7,394,317 | 8,607,394 | 6,402,852 | 6,868,339 | 6,344,148 | 6,403,685 |
| 6,301,030 | 6,400,062 | 5,962,472 | 5,248,759 | 4,059,422 | 3,709,170 |
| 3,439,733 | 3,487,532 | 2,864,988 | 3,707,854 | 2,798,327 | 2,972,268 |
| 9,969,108 | 9,565,788 | 10,896,537 | 12,500,046 | 5,526,777 | 6,756,623 |
| 2,090,806 | 2,188,549 | 2,255,434 | 2,363,269 | 9,132,896 | 2,920,805 |
| 9,095,322 | 8,422,655 | 7,462,313 | 5,679,110 | 6,113,889 | 7,178,778 |
| - | - | - | - | - | - |
| 1,257,938 | 930,581 | 475,652 | 565,356 | 677,566 | 263,944 |
| 59,834,758 | 60,965,083 | 58,478,251 | 56,423,744 | 53,828,889 | 49,952,500 |
| 221,064 | 217,336 | 243,246 | 244,908 | 233,167 | 238,639 |
| 72,667 | 69,236 | 70,160 | 68,716 | 84,139 | 8,807 |
| 13,930,036 | 14,131,011 | 7,048,116 | - | - | - |
| 14,223,767 | 14,417,583 | 7,361,522 | 313,624 | 317,306 | 247,446 |
| \$ 74,058,525 | \$ 75,382,666 | \$ 65,839,773 | \$ 56,737,368 | \$ 54,146,195 | \$ 50,199,946 |
| \$ 1,943,473 | \$ 2,068,053 | \$ 1,977,299 | \$ 1,898,145 | \$ 1,836,772 | \$ 1,699,259 |
| 743,223 | 787,189 | 734,376 | 586,258 | 560,157 | 611,715 |
| 86,127 | 195,951 | 131,025 | 119,836 | 28,385 | 13,044 |
| 627,109 | 678,010 | 629,109 | 678,636 | 902,733 | 864,966 |
| 69,089 | 88,175 | 103,456 | 100,233 | 111,698 | 97,285 |
| 2,065,642 | 2,065,959 | 2,139,141 | 2,200,818 | 2,418,166 | 2,323,728 |
| 446,199 | 1,281,852 | 393,429 | 192,212 | 432,814 | 517,953 |
| 12,397,556 | 12,269,031 | 10,834,129 | 11,920,406 | 11,446,573 | 12,867,413 |
| 4,466,030 | 2,912,073 | 5,449,444 | 5,513,256 | 5,133,625 | 5,014,259 |
| 22,844,448 | 22,346,293 | 22,391,408 | 23,209,800 | 22,870,923 | 24,009,622 |
| 193,999 | 183,942 | 169,660 | 167,910 | 117,272 | 101,733 |
| 14,039 | 10,328 | 10,303 | 10,782 | 7,992 | 10,702 |
| 12,819,455 | 12,834,285 | 5,672,318 | - | - | - |
| - | - | - | - | - | - |
| 13,027,493 | 13,028,555 | 5,852,281 | 178,692 | 125,264 | 112,435 |
| \$ 35,871,941 | \$ 35,374,848 | \$ 28,243,689 | \$ 23,388,492 | \$ 22,996,187 | \$ 24,122,057 |

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

| | Fiscal Year | | | |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | 2013 | 2014 | 2015 | 2016 |
| Net (Expense)/Revenue: | | | | |
| Governmental Activities | \$ (32,101,183) | \$ (35,028,936) | \$ (30,810,203) | \$ (36,685,421) |
| Business-Type Activities | (365,686) | (349,122) | 450,333 | (748,703) |
| Total Government Net Expense | <u><u>\$ (32,466,869)</u></u> | <u><u>\$ (35,378,058)</u></u> | <u><u>\$ (30,359,870)</u></u> | <u><u>\$ (37,434,124)</u></u> |
| General Revenues and Other Changes in Net Position: | | | | |
| Governmental Activities: | | | | |
| Taxes: | | | | |
| Property Taxes | \$ 31,446,791 | \$ 32,418,805 | \$ 31,305,061 | \$ 34,655,427 |
| Other Taxes | 3,628,660 | 3,766,622 | 3,709,500 | 3,293,311 |
| State Tax Replacement Credits | 996,825 | 1,170,706 | 1,928,536 | 2,977,010 |
| Investment Earnings | 390,127 | 405,838 | 439,088 | 444,988 |
| Gain on Disposal of Capital Assets | 105,782 | - | 18,554 | - |
| Miscellaneous | 564,567 | 683,165 | 668,149 | 810,495 |
| Transfer | - | - | - | - |
| Total Governmental Activities | <u><u>37,132,752</u></u> | <u><u>38,445,136</u></u> | <u><u>38,068,888</u></u> | <u><u>42,181,231</u></u> |
| Business-Type Activities: | | | | |
| Investment Earnings | 1,615 | 1,642 | 1,808 | 2,776 |
| Gain on Disposal of Capital Assets | - | - | 675 | - |
| Miscellaneous | 78,230 | 58,100 | 27,874 | 22,983 |
| Transfer | - | - | - | - |
| Special Item - Gain on Sale | - | - | - | - |
| Total Business-Type Activities | <u><u>79,845</u></u> | <u><u>59,742</u></u> | <u><u>30,357</u></u> | <u><u>25,759</u></u> |
| Total Government | <u><u>\$ 37,212,597</u></u> | <u><u>\$ 38,504,878</u></u> | <u><u>\$ 38,099,245</u></u> | <u><u>\$ 42,206,990</u></u> |
| Change in Net Position: | | | | |
| Governmental Activities | \$ 5,031,569 | \$ 3,416,200 | \$ 7,258,685 | \$ 5,495,810 |
| Business-Type Activities | (285,841) | (289,380) | 480,690 | (722,944) |
| Total Primary Government | <u><u>\$ 4,745,728</u></u> | <u><u>\$ 3,126,820</u></u> | <u><u>\$ 7,739,375</u></u> | <u><u>\$ 4,772,866</u></u> |

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

Source: County Records

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

| Fiscal Year | | | | | |
|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| \$ (36,990,310) | \$ (38,618,790) | \$ (36,086,843) | \$ (33,213,944) | \$ (30,957,966) | \$ (25,942,878) |
| (1,196,274) | (1,389,028) | (1,509,241) | (134,932) | (192,042) | (135,011) |
| <u>\$ (38,186,584)</u> | <u>\$ (40,007,818)</u> | <u>\$ (37,596,084)</u> | <u>\$ (33,348,876)</u> | <u>\$ (31,150,008)</u> | <u>\$ (26,077,889)</u> |
| | | | | | |
| \$ 34,424,918 | \$ 36,105,384 | \$ 37,890,352 | \$ 37,641,547 | \$ 37,847,422 | \$ 37,263,675 |
| 3,359,983 | 3,217,171 | 3,485,643 | 3,374,615 | 3,985,841 | 4,640,580 |
| 2,969,905 | 3,070,930 | 3,194,392 | 3,065,376 | 3,056,953 | 2,945,112 |
| 567,076 | 783,263 | 1,208,768 | 733,027 | 243,605 | 427,265 |
| - | - | - | - | - | - |
| 885,198 | 1,032,859 | 995,159 | 825,258 | 1,072,490 | 887,681 |
| - | - | (1,055,089) | - | - | (735,000) |
| <u>42,207,080</u> | <u>44,209,607</u> | <u>45,719,225</u> | <u>45,639,823</u> | <u>46,206,311</u> | <u>45,429,313</u> |
| | | | | | |
| 6,486 | 9,825 | 36,186 | 4,178 | 470 | 2,932 |
| - | - | - | - | - | - |
| 19,726 | 1,500,000 | - | - | - | - |
| - | - | 1,055,089 | - | - | 735,000 |
| - | - | 1,378,629 | - | - | - |
| <u>26,212</u> | <u>1,509,825</u> | <u>2,469,904</u> | <u>4,178</u> | <u>470</u> | <u>737,932</u> |
| <u>\$ 42,233,292</u> | <u>\$ 45,719,432</u> | <u>\$ 48,189,129</u> | <u>\$ 45,644,001</u> | <u>\$ 46,206,781</u> | <u>\$ 46,167,245</u> |
| | | | | | |
| \$ 5,216,770 | \$ 5,590,817 | \$ 9,632,382 | \$ 12,425,879 | \$ 15,248,345 | \$ 19,486,435 |
| (1,170,062) | 120,797 | 960,663 | (130,754) | (191,572) | 602,921 |
| <u>\$ 4,046,708</u> | <u>\$ 5,711,614</u> | <u>\$ 10,593,045</u> | <u>\$ 12,295,125</u> | <u>\$ 15,056,773</u> | <u>\$ 20,089,356</u> |

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

| | Fiscal Year | | | |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|
| | 2013 | 2014 | 2015 | 2016 |
| General Fund: | | | | |
| Nonspendable | \$ - | \$ - | \$ - | \$ 19,785 |
| Restricted | 4,595,183 | 4,826,969 | 5,118,373 | 4,405,092 |
| Committed | 376,858 | 275,309 | 257,390 | 237,497 |
| Assigned | - | - | - | - |
| Unassigned | 9,967,825 | 10,644,194 | 11,126,606 | 12,319,469 |
| Total General Fund | <u>\$ 14,939,866</u> | <u>\$ 15,746,472</u> | <u>\$ 16,502,369</u> | <u>\$ 16,981,843</u> |
| All Other Governmental Funds: | | | | |
| Nonspendable | \$ 366,428 | \$ 395,252 | \$ 431,818 | \$ 464,388 |
| Restricted | 11,499,447 | 15,562,239 | 15,513,592 | 22,968,124 |
| Assigned | 15,645 | 24,284 | 32,324 | 27,197 |
| Unassigned | (167) | (254) | - | - |
| Total All Other Government Funds | <u>\$ 11,881,353</u> | <u>\$ 15,981,521</u> | <u>\$ 15,977,734</u> | <u>\$ 23,459,709</u> |
| Total Government Funds: | | | | |
| Nonspendable | \$ 366,428 | \$ 395,252 | \$ 431,818 | \$ 484,173 |
| Restricted | 16,094,630 | 20,389,208 | 20,631,965 | 27,373,216 |
| Committed | 376,858 | 275,309 | 257,390 | 237,497 |
| Assigned | 15,645 | 24,284 | 32,324 | 27,197 |
| Unassigned | 9,967,658 | 10,643,940 | 11,126,606 | 12,319,469 |
| Total Government Funds | <u>\$ 26,821,219</u> | <u>\$ 31,727,993</u> | <u>\$ 32,480,103</u> | <u>\$ 40,441,552</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 | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| \$ 19,785 | \$ 34,380 | \$ 37,507 | \$ 22,904 | \$ - | \$ 237,143 |
| 2,888,524 | 3,228,843 | 3,549,914 | 3,908,633 | 4,598,613 | 5,102,651 |
| - | - | - | - | - | - |
| - | - | - | - | - | 1,589,073 |
| 15,201,749 | 15,340,951 | 19,447,305 | 20,830,281 | 25,907,651 | 27,456,115 |
| <u>\$ 18,110,058</u> | <u>\$ 18,604,174</u> | <u>\$ 23,034,726</u> | <u>\$ 24,761,818</u> | <u>\$ 30,506,264</u> | <u>\$ 34,384,982</u> |
| | | | | | |
| \$ 463,108 | \$ 386,261 | \$ 424,937 | \$ 336,771 | \$ 299,457 | \$ 404,263 |
| 20,197,998 | 14,032,168 | 11,376,397 | 18,180,161 | 24,977,603 | 21,717,578 |
| 33,744 | 18,588 | 1,426,758 | 1,479,220 | 2,022,012 | 2,280,749 |
| - | - | - | - | - | - |
| <u>\$ 20,694,850</u> | <u>\$ 14,437,017</u> | <u>\$ 13,228,092</u> | <u>\$ 19,996,152</u> | <u>\$ 27,299,072</u> | <u>\$ 24,402,590</u> |
| | | | | | |
| \$ 482,893 | \$ 420,641 | \$ 462,444 | \$ 359,675 | \$ 299,457 | \$ 641,406 |
| 23,086,522 | 17,261,011 | 14,926,311 | 22,088,794 | 29,576,216 | 26,820,229 |
| - | - | - | - | - | - |
| 33,744 | 18,588 | 1,426,758 | 1,479,220 | 2,022,012 | 2,280,749 |
| 15,201,749 | 15,340,951 | 19,447,305 | 20,830,281 | 25,907,651 | 27,456,115 |
| <u>\$ 38,804,908</u> | <u>\$ 33,041,191</u> | <u>\$ 36,262,818</u> | <u>\$ 44,757,970</u> | <u>\$ 57,805,336</u> | <u>\$ 57,198,499</u> |

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

| | Fiscal Year | | | |
|--|-----------------------|---------------------|-------------------|---------------------|
| | 2013 | 2014 | 2015 | 2016 |
| Revenues: | | | | |
| Property and Other County Tax | \$ 34,721,423 | \$ 35,752,215 | \$ 34,608,377 | \$ 37,829,146 |
| Interest and Penalty on Property Tax | 388,657 | 386,573 | 363,452 | 333,601 |
| Intergovernmental | 15,879,589 | 13,754,762 | 14,090,273 | 17,132,830 |
| Licenses and Permits | 501,326 | 507,388 | 545,320 | 531,380 |
| Charges for Service | 4,993,451 | 4,697,632 | 4,863,730 | 4,951,487 |
| Use of Money and Property | 751,108 | 774,037 | 834,310 | 831,658 |
| Miscellaneous | 1,981,607 | 2,148,351 | 2,195,924 | 2,051,123 |
| Total Revenues | 59,217,161 | 58,020,958 | 57,501,386 | 63,661,225 |
| Expenditures: | | | | |
| Public Safety and Legal Services | 17,607,744 | 18,666,501 | 19,031,164 | 19,530,828 |
| Physical Health and Social Services | 7,869,190 | 7,286,923 | 7,276,643 | 7,398,630 |
| Mental Health | 5,562,162 | 6,531,467 | 6,588,351 | 5,457,073 |
| County Environment and Education | 7,403,138 | 4,731,197 | 3,962,309 | 5,554,645 |
| Roads and Transportation | 5,861,318 | 5,473,766 | 5,480,704 | 6,112,956 |
| Governmental Services to Residents | 1,705,478 | 1,764,464 | 1,778,144 | 2,594,949 |
| Administration | 4,845,504 | 5,132,570 | 5,262,939 | 5,855,180 |
| Debt Service: | | | | |
| Interest | 1,371,981 | 1,296,937 | 1,324,020 | 1,594,354 |
| Principal | 4,698,264 | 4,389,312 | 5,432,005 | 9,421,234 |
| Debt Issuance Costs | 32,273 | 56,238 | - | - |
| Capital Projects | 5,577,646 | 3,873,576 | 646,297 | 5,761,752 |
| Total Expenditures | 62,534,698 | 59,202,951 | 56,782,576 | 69,281,601 |
| Excess of Revenues Over (Under) | | | | |
| Expenditures | (3,317,537) | (1,181,993) | 718,810 | (5,620,376) |
| Other Financing Sources (Uses): | | | | |
| Proceeds from the Sale of Land and | | | | |
| Capital Assets | 37,883 | 19,704 | 33,210 | 5,125 |
| Transfers In | 3,306,530 | 9,656,136 | 3,377,226 | 3,308,359 |
| Transfers Out | (3,306,530) | (9,656,136) | (3,377,226) | (3,308,359) |
| General Obligation Bonds and Notes Issued | 2,000,000 | 5,935,000 | - | 12,185,000 |
| Issuance of Refunding Debt | - | - | - | 9,165,000 |
| Premiums on Bonds Issued | 80,548 | 134,063 | - | 1,186,790 |
| Payment to Escrow for Refunding Debt | - | - | - | (8,960,000) |
| Total Other Financing Sources (Uses) | 2,118,431 | 6,088,767 | 33,210 | 13,581,915 |
| Net Change in Fund Balances | \$ (1,199,106) | \$ 4,906,774 | \$ 752,020 | \$ 7,961,539 |
| Debt Service as % of Noncapital Expenditures | 11.50% | 10.94% | 13.43% | 17.89% |

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 | | | | | |
|----------------|----------------|---------------|---------------|---------------|---------------|
| 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| \$ 37,389,275 | \$ 38,934,628 | \$ 41,050,577 | \$ 40,097,940 | \$ 41,949,410 | \$ 41,517,437 |
| 363,321 | 353,761 | 348,989 | 229,286 | 552,432 | 366,309 |
| 16,682,162 | 15,755,283 | 13,993,478 | 15,180,287 | 14,921,825 | 16,100,865 |
| 523,884 | 585,023 | 639,741 | 679,300 | 721,238 | 713,589 |
| 4,766,486 | 5,038,628 | 4,912,563 | 4,649,651 | 5,107,775 | 4,846,627 |
| 591,125 | 775,387 | 1,102,898 | 655,390 | 270,718 | 399,936 |
| 2,786,140 | 2,006,554 | 1,905,630 | 1,643,844 | 2,107,738 | 1,713,175 |
| 63,102,393 | 63,449,264 | 63,953,876 | 63,135,698 | 65,631,136 | 65,657,938 |
| 20,431,814 | 22,064,787 | 21,372,007 | 21,921,882 | 20,835,035 | 21,482,485 |
| 7,431,336 | 8,528,400 | 6,389,709 | 6,431,569 | 6,627,264 | 7,070,764 |
| 6,290,031 | 6,387,385 | 5,968,080 | 5,308,719 | 4,063,190 | 3,742,145 |
| 5,124,757 | 4,570,673 | 2,803,687 | 3,844,724 | 3,060,849 | 2,753,136 |
| 6,325,744 | 7,125,313 | 7,331,575 | 7,340,172 | 7,413,903 | 6,782,597 |
| 2,074,400 | 2,125,944 | 2,197,354 | 2,313,591 | 2,588,753 | 2,336,018 |
| 5,323,208 | 5,700,398 | 6,125,643 | 5,644,077 | 5,973,923 | 6,333,903 |
| 1,285,173 | 950,719 | 711,119 | 574,311 | 516,651 | 449,202 |
| 11,875,000 | 7,455,000 | 6,910,000 | 6,850,000 | 5,510,000 | 5,660,000 |
| 77,547 | - | - | 109,726 | 324,461 | - |
| 4,419,551 | 4,444,740 | 4,262,363 | 2,353,800 | 4,705,656 | 7,254,107 |
| 70,658,561 | 69,353,359 | 64,071,537 | 62,692,571 | 61,619,685 | 63,864,357 |
| (7,556,168) | (5,904,095) | (117,661) | 443,127 | 4,011,451 | 1,793,581 |
| 48,458 | 140,378 | 10,936 | 57,591 | 8,725 | 48,655 |
| 4,060,074 | 3,832,283 | 8,018,570 | 4,200,534 | 6,182,951 | 6,003,290 |
| (4,060,074) | (3,832,283) | (4,690,218) | (4,325,534) | (6,307,951) | (6,863,290) |
| 1,720,000 | - | - | 8,935,000 | 8,695,000 | - |
| 4,030,000 | - | - | - | 5,305,000 | - |
| 121,066 | - | - | 139,360 | 572,032 | - |
| - | - | - | - | (5,419,842) | - |
| 5,919,524 | 140,378 | 3,339,288 | 9,006,951 | 9,035,915 | (811,345) |
| \$ (1,636,644) | \$ (5,763,717) | \$ 3,221,627 | \$ 9,450,078 | \$ 13,047,366 | \$ 982,236 |
| 20.56% | 13.98% | 13.00% | 12.65% | 11.12% | 11.16% |

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

| FUNCTION/PROGRAM | Fiscal Year | | | |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | 2013 | 2014 | 2015 | 2016 |
| Governmental Activities: | | | | |
| Public Safety and Legal Services | \$ 4,644,341 | \$ 5,341,884 | \$ 4,693,681 | \$ 4,886,215 |
| Physical Health and Social Services | 4,235,862 | 3,912,685 | 4,041,546 | 3,835,105 |
| Mental Health | 539,902 | 564,657 | 656,329 | 785,626 |
| County Environment and Education | 5,794,947 | 3,091,890 | 2,686,116 | 3,772,372 |
| Roads and Transportation | 3,847,359 | 4,912,605 | 8,618,646 | 6,477,885 |
| Governmental Services to Residents | 2,046,771 | 2,112,511 | 2,173,452 | 2,238,719 |
| Administration | 1,180,325 | 1,097,915 | 961,463 | 913,303 |
| Total Governmental Activities | <u>22,289,507</u> | <u>21,034,147</u> | <u>23,831,233</u> | <u>22,909,225</u> |
| Business-Type Activities: | | | | |
| Rural Sewer | 187,687 | 192,757 | 179,392 | 176,538 |
| Rural Water | 62,142 | 34,313 | 20,036 | 19,739 |
| Country View Care Facility* | 11,986,492 | 12,517,547 | 13,349,854 | 13,087,647 |
| Total Business-Type Activities | <u>12,236,321</u> | <u>12,744,617</u> | <u>13,549,282</u> | <u>13,283,924</u> |
| Total Government | <u>\$ 34,525,828</u> | <u>\$ 33,778,764</u> | <u>\$ 37,380,515</u> | <u>\$ 36,193,149</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 | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| \$ 4,498,057 | \$ 4,592,988 | \$ 4,523,286 | \$ 4,612,147 | \$ 4,579,633 | \$ 2,327,827 |
| 3,969,165 | 3,641,294 | 2,931,865 | 2,874,618 | 2,983,646 | 5,288,525 |
| 890,394 | 1,087,165 | 972,412 | 635,503 | 119,335 | 95,237 |
| 3,081,236 | 2,115,985 | 1,153,991 | 1,839,046 | 1,146,823 | 1,188,072 |
| 7,184,891 | 7,038,115 | 9,999,191 | 10,424,925 | 10,502,399 | 10,110,458 |
| 2,082,073 | 2,189,019 | 2,147,584 | 2,350,759 | 2,777,138 | 2,438,345 |
| 1,138,632 | 1,681,727 | 663,079 | 472,802 | 761,949 | 2,561,158 |
| <u>22,844,448</u> | <u>22,346,293</u> | <u>22,391,408</u> | <u>23,209,800</u> | <u>22,870,923</u> | <u>24,009,622</u> |
| 193,999 | 183,942 | 169,660 | 167,910 | 117,272 | 101,733 |
| 14,039 | 10,328 | 10,303 | 10,782 | 7,992 | 10,702 |
| <u>12,819,455</u> | <u>12,834,285</u> | <u>5,672,318</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>13,027,493</u> | <u>13,028,555</u> | <u>5,852,281</u> | <u>178,692</u> | <u>125,264</u> | <u>112,435</u> |
| <u>\$ 35,871,941</u> | <u>\$ 35,374,848</u> | <u>\$ 28,243,689</u> | <u>\$ 23,388,492</u> | <u>\$ 22,996,187</u> | <u>\$ 24,122,057</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 |
|---------------------|---------------|---------------------------|--------------------------------------|------------|---------------|
| 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 |
| 2021 | 36,590,723 | 3,540,504 | 1,135,063 | 683,120 | 41,949,410 |
| 2022 | 35,585,662 | 4,138,204 | 1,051,170 | 742,401 | 41,517,437 |
| Change 2013-2022 | 16.90% | 47.38% | 13.86% | 35.88% | 19.58% |

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 |
|-------------------------------------|-------------------------|------------------------|------------------------|--------------------------|-----------------------------------|-----------------|-------------------|---|---------------------------------------|-----------------------------------|
| 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 |
| 2021 | 3,612,206 | 1,212,006 | 143,768 | 354,376 | 125,150 | 489,535 | 219,201 | 9,303 | 6,146,939 | 6.34 |
| 2022 | 3,741,957 | 1,144,047 | 142,226 | 365,377 | 112,459 | 614,797 | 206,658 | 9,902 | 6,317,619 | 6.17 |

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 | 2022 | | | 2013 | | |
|-----------------------------------|------------------------------|------|---|------------------------------|------|---|
| | Taxable Assessed Value | Rank | Percentage of Total County Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total County Taxable Assessed Value |
| | | | | | | |
| | | | | | | |
| MidAmerican Energy | \$ 133,448,096 | 1 | 2.11 % | \$ 178,955,239 | 1 | 3.39 % |
| Target Corporation | 77,792,220 | 2 | 1.23 | 98,043,310 | 2 | 1.86 |
| Deere and Company | 60,448,902 | 3 | 0.96 | 58,264,653 | 4 | 1.10 |
| GLP Capital LP (Isle of Capri) | 48,954,195 | 4 | 0.77 | 64,883,320 | 3 | 1.23 |
| Con Agra | 31,500,000 | 5 | 0.50 | - | | - |
| Northern Natural Gas Co | 29,099,997 | 6 | 0.46 | 24,213,287 | 9 | 0.46 |
| IBP Inc. (Tyson) | 22,227,386 | 7 | 0.35 | - | | - |
| Menard Inc. | 21,472,974 | 8 | 0.34 | - | | - |
| Ferguson Enterprises, Inc. | 18,636,903 | 9 | 0.29 | 20,707,670 | 10 | 0.39 |
| VGM Management | 16,594,905 | 10 | 0.26 | - | | - |
| Cedar Falls Utilities | - | - | - | 50,981,944 | 5 | 0.97 |
| GG and A Crossroads Mall, LLC | - | - | - | 37,125,830 | 6 | 0.70 |
| College Square Mall Partners, LLC | - | - | - | 30,224,620 | 8 | 0.57 |
| Qwest (Century Link) Corporation | - | - | - | 31,420,178 | 7 | 0.60 |
| Total | <u>\$ 460,175,578</u> | | <u>7.27 %</u> | <u>\$ 594,820,051</u> | | <u>11.27 %</u> |
| Total Taxable Value | <u>\$ 6,317,617,390</u> | | | <u>\$ 5,275,070,654</u> | | |

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 Collected Within the Fiscal Year of the Levy | | Property Tax Collections In Subsequent Years | Property Tax Total Collections to Date | |
|-------------------------------------|--|---|-----------------------|---|---|-----------------------|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 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 |
| 2021 | 204,151,733 | 206,539,601 | 101.17 | 1,765,529 | 208,305,130 | 102.03 |
| 2022 | 208,391,740 | 208,376,589 | 99.99 | 63,922 | 208,440,511 | 100.02 |

Total tax collection solely for Black Hawk County, Iowa:

| | |
|------|---------------|
| 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 |
| 2021 | 36,590,724 |
| 2022 | 35,892,851 |

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)

| | 2013 | 2014 | 2015 | 2016 |
|--------------------------------|-------------|-------------|-------------|-------------|
| County Direct Rates: | | | | |
| General Basic | 3.50 | 3.50 | 3.50 | 3.50 |
| General Supplemental | 0.90 | 0.77 | 0.86 | 0.94 |
| MH/DD Service | 1.20 | 1.12 | 1.17 | 1.00 |
| Debt Service | 0.64 | 0.63 | 0.59 | 1.31 |
| Total Urban County Rate | 6.24 | 6.02 | 6.12 | 6.75 |
| Rural Basic | 3.15 | 3.26 | 3.10 | 2.90 |
| Total Rural County Rate | 9.39 | 9.28 | 9.22 | 9.65 |
| City and Town Rates: | | | | |
| Waterloo | 18.21 | 17.49 | 17.95 | 17.76 |
| Cedar Falls | 12.20 | 12.02 | 11.81 | 11.53 |
| Dunkerton | 8.50 | 8.46 | 8.43 | 8.18 |
| Elk Run Heights | 6.01 | 6.01 | 6.01 | 7.00 |
| Evansdale | 6.88 | 6.31 | 6.31 | 6.99 |
| Gilbertville | 10.58 | 10.57 | 10.63 | 10.97 |
| Hudson | 9.73 | 9.73 | 9.73 | 11.49 |
| Janesville | 11.60 | 11.41 | 11.07 | 10.76 |
| Jesup | 14.77 | 14.72 | 14.99 | 14.87 |
| LaPorte City | 14.51 | 15.52 | 0.00 | 14.84 |
| Raymond | 6.92 | 6.92 | 6.96 | 6.96 |
| Township Rates: | | | | |
| Barclay | 0.54 | 0.52 | 0.50 | 0.48 |
| Bennington | 0.55 | 0.55 | 0.55 | 0.55 |
| Big Creek | 0.45 | 0.44 | 0.42 | 0.35 |
| Black Hawk | 0.51 | 0.51 | 0.57 | 0.64 |
| Cedar | 0.53 | 0.56 | 0.57 | 0.57 |
| Cedar Falls | 0.55 | 0.48 | 0.58 | 0.60 |
| Eagle | 0.49 | 0.65 | 0.48 | 0.47 |
| East Waterloo | 0.12 | 0.11 | 0.11 | 0.10 |
| Fox | 0.39 | 0.44 | 0.44 | 0.46 |
| Lester | 0.64 | 0.66 | 0.64 | 0.58 |
| Lincoln | 0.63 | 0.63 | 0.54 | 0.54 |
| Mt. Vernon | 0.04 | 0.39 | 0.39 | 0.39 |
| Orange | 0.40 | 0.40 | 0.40 | 0.38 |
| Poyner | 0.64 | 0.61 | 0.71 | 0.77 |
| Spring Creek | 0.72 | 0.68 | 0.62 | 0.64 |
| Union | 0.62 | 0.66 | 0.65 | 0.64 |
| Washington | 0.35 | 0.33 | 0.33 | 0.32 |

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 | | | | | |
|-------------|-------|-------|-------|-------|-------|
| 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| 3.50 | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 |
| 1.08 | 1.29 | 1.60 | 1.74 | 1.77 | 1.83 |
| 0.91 | 0.82 | 0.86 | 0.70 | 0.49 | - |
| 0.96 | 0.81 | 0.73 | 0.39 | 0.41 | 0.30 |
| 6.45 | 6.42 | 6.69 | 6.33 | 6.17 | 5.63 |
| 3.09 | 3.20 | 3.50 | 3.64 | 3.47 | 3.53 |
| 9.54 | 9.62 | 10.19 | 9.97 | 9.64 | 9.16 |
| 17.61 | 17.60 | 17.46 | 18.44 | 18.63 | 18.97 |
| 11.22 | 11.13 | 11.22 | 11.43 | 11.38 | 11.51 |
| 8.15 | 8.23 | 8.19 | 8.81 | 8.94 | 11.25 |
| 7.00 | 8.10 | 8.10 | 8.10 | 8.10 | 9.11 |
| 7.42 | 7.59 | 8.10 | 7.95 | 7.95 | 7.98 |
| 11.35 | 11.77 | 11.82 | 12.75 | 12.90 | 13.61 |
| 11.51 | 11.57 | 11.61 | 11.39 | 11.38 | 11.36 |
| 10.07 | 9.84 | 10.06 | 11.16 | 11.16 | 12.21 |
| 14.83 | 14.83 | 14.46 | 14.62 | 14.44 | 14.43 |
| 15.00 | 14.88 | 14.88 | 16.08 | 16.44 | 16.81 |
| 6.99 | 6.92 | 6.92 | 6.92 | 6.92 | 6.91 |
| 0.46 | 0.38 | 0.30 | 0.42 | 0.41 | 0.48 |
| 0.55 | 0.55 | 0.55 | 0.56 | 0.55 | 0.55 |
| 0.40 | 0.42 | 0.56 | 0.42 | 0.49 | 0.42 |
| 0.63 | 0.62 | 0.63 | 0.60 | 0.56 | 0.54 |
| 0.59 | 0.59 | 0.58 | 0.59 | 0.58 | 0.57 |
| 0.62 | 0.61 | 0.61 | 0.58 | 0.61 | 0.62 |
| 0.47 | 0.49 | 0.53 | 0.61 | 0.49 | 0.56 |
| 0.10 | - | - | 0.20 | 0.49 | 0.13 |
| 0.46 | 0.46 | 0.46 | 0.47 | 0.47 | 0.47 |
| 0.55 | 0.53 | 0.59 | 0.57 | 0.58 | 0.54 |
| 0.56 | 0.54 | 0.64 | 0.63 | 0.64 | 0.64 |
| 0.39 | 0.39 | 0.39 | 0.39 | 0.39 | 0.39 |
| 0.38 | 0.37 | 0.34 | 0.34 | 0.31 | 0.33 |
| 0.67 | 0.64 | 0.66 | 0.74 | 0.72 | 0.66 |
| 0.77 | 0.79 | 0.85 | 0.82 | 0.72 | 0.78 |
| 0.69 | 0.64 | 0.64 | 0.63 | 0.64 | 0.63 |
| 0.32 | 0.27 | 0.28 | 0.27 | 0.27 | 0.26 |

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

| | 2013 | 2014 | 2015 | 2016 |
|------------------------|-------|-------|-------|-------|
| School District Rates: | | | | |
| Waterloo | 15.80 | 15.73 | 15.98 | 15.62 |
| Cedar Falls | 13.38 | 12.83 | 12.78 | 12.44 |
| Dunkerton | 15.99 | 15.20 | 15.56 | 15.47 |
| Elk Run Heights | 15.80 | 15.73 | 15.98 | 15.62 |
| Evansdale | 15.80 | 15.73 | 15.98 | 15.62 |
| Gilbertville | 15.80 | 15.73 | 15.98 | 15.62 |
| Hudson | 16.49 | 15.79 | 14.94 | 14.44 |
| Janesville | 13.03 | 12.54 | 12.06 | 11.99 |
| Jesup | 12.94 | 12.92 | 12.92 | 13.93 |
| LaPorte City | 12.07 | 12.14 | 12.05 | 12.31 |
| Raymond | 15.80 | 15.73 | 15.98 | 15.62 |
| Other: | | | | |
| Hawkeye CC - Area VII | 0.96 | 0.95 | 0.95 | 0.95 |
| Kirkwood - Area X | 1.08 | 1.06 | 1.06 | 1.06 |
| Ag. Extension | 0.09 | 0.09 | 0.09 | 0.10 |
| Assessor | 0.28 | 0.32 | 0.31 | 0.30 |

Source: Black Hawk County, Auditor's Office

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 | | | | | |
|-------------|-------|-------|-------|-------|-------|
| 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| 15.40 | 14.98 | 14.57 | 14.21 | 13.85 | 13.36 |
| 12.77 | 14.27 | 13.95 | 13.89 | 13.95 | 15.84 |
| 14.73 | 15.45 | 15.14 | 15.24 | 15.26 | 15.25 |
| 15.40 | 14.98 | 14.57 | 14.21 | 13.85 | 13.36 |
| 15.40 | 14.98 | 14.57 | 14.21 | 13.85 | 13.36 |
| 15.40 | 14.98 | 14.57 | 14.21 | 13.85 | 13.36 |
| 14.01 | 14.51 | 14.34 | 14.04 | 14.10 | 13.32 |
| 11.91 | 11.43 | 14.13 | 14.90 | 14.90 | 14.52 |
| 13.74 | 14.02 | 14.77 | 14.66 | 14.54 | 14.53 |
| 12.26 | 12.23 | 12.39 | 12.19 | 12.27 | 12.22 |
| 15.40 | 14.98 | 14.57 | 14.21 | 13.85 | 13.36 |
| 0.95 | 0.97 | 1.02 | 1.16 | 1.18 | 1.19 |
| 1.08 | 1.13 | 1.20 | 1.26 | 1.31 | 1.34 |
| 0.09 | 0.09 | 0.09 | 0.10 | 0.10 | 0.11 |
| 0.29 | 0.27 | 0.25 | 0.22 | 0.22 | 0.23 |

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 | | | Percentage of Personal Income* | Per Capita* |
|----------------|-------------------------|--------------|-----------|--------------------------|--------------|---------------------|--------------------------------------|----------------|
| | General | | Capital | General | | | | |
| | General | Obligation | Lease | General | Obligation | | | |
| | Obligation | Capital Loan | Purchase | Obligation | Capital Loan | | | |
| | Bonds | Notes | Agreement | Bonds | Notes | Total Government | | |
| 2013 | \$ 37,329 | \$ 1,240 | \$ 31 | \$ 528 | \$ - | \$ 39,128 | 0.76 | 294.68 |
| 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 | 0.41 | 185.77 |
| 2020 | 19,484 | - | - | - | - | 19,484 | 0.29 | 132.40 |
| 2021 | 22,963 | - | - | - | - | 22,963 | N/A | 148.47 |
| 2022 | 17,127 | - | - | - | - | 17,127 | 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)

| Fiscal Year | General Bonded Debt Outstanding General Obligation Bonds & Notes | Percentage Actual Taxable Value of Property | Per Capita* |
|----------------|--|--|----------------|
| 2013 | \$ 39,097 | 0.74 | 294.45 |
| 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 | 185.77 |
| 2020 | 19,484 | 0.32 | 132.40 |
| 2021 | 22,963 | 0.37 | 148.47 |
| 2022 | 17,127 | 0.27 | 148.47 |

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

Source: County Records

BLACK HAWK COUNTY, IOWA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2022
(UNAUDITED)

| <u>Governmental Unit</u> | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable*</u> | <u>Estimated Share of Overlapping Debt</u> |
|-------------------------------------|-----------------------------|---|--|
| County Direct Debt | \$ 17,127,246 | 100.00% | <u>\$ 17,127,246</u> |
| City Debt: | | | |
| Cedar Falls | 16,242,000 | 100.00 | 16,242,000 |
| Dunkerton | 1,767,117 | 100.00 | 1,767,117 |
| Elk Run Heights | 2,201,075 | 100.00 | 2,201,075 |
| Evansdale | 6,745,000 | 100.00 | 6,745,000 |
| Gilbertville | 1,822,000 | 100.00 | 1,822,000 |
| Hudson | 5,655,000 | 100.00 | 5,655,000 |
| Janesville | 2,444,000 | 14.63 | 357,557 |
| Jesup | 2,190,000 | 9.36 | 204,984 |
| LaPorte City | 5,050,000 | 100.00 | 5,050,000 |
| Raymond | 5,517,800 | 100.00 | 5,517,800 |
| Waterloo | 118,193,498 | 100.00 | 118,193,498 |
| Subtotal, City Debt | | | <u>163,756,031</u> |
| School District Debt: | | | |
| Cedar Falls | 144,005,000 | 100.00 | 144,005,000 |
| Denver | 20,094,000 | 20.13 | 4,044,922 |
| Dike-New Hartford | 9,781,000 | 4.66 | 455,795 |
| Dunkerton | 6,545,000 | 99.30 | 6,499,185 |
| Gladbrook-Reinbeck | 255,000 | 6.76 | 17,238 |
| Hudson | 4,046,596 | 100.00 | 4,046,596 |
| Janesville | 7,001,644 | 45.94 | 3,216,555 |
| Jesup | 12,375,000 | 29.35 | 3,632,063 |
| Vinton-Shellsburg | 2,381,456 | 0.05 | 1,191 |
| Wapsie Valley | 4,225,000 | 4.72 | 199,420 |
| Waterloo | 82,412,539 | 100.00 | 82,412,539 |
| Waverly-Shellrock | 31,873,000 | 0.12 | 38,248 |
| Subtotal, School District Debt | | | <u>248,568,752</u> |
| College, Hawkeye Community College | 6,780,000 | 56.68 | 3,842,904 |
| College, Kirkwood Community College | 174,120,233 | 0.00 | <u>1,741</u> |
| Subtotal, College Debt | | | <u>3,844,645</u> |
| Total Overlapping Debt | | | <u>416,169,428</u> |
| Total Direct and Overlapping Debt | | | <u><u>\$ 433,296,674</u></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
LAST 10 FISCAL YEARS
(DOLLARS IN THOUSANDS)
(UNAUDITED)**

| | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| Debt Limit | \$ 263,754 | \$ 271,680 | \$ 272,112 | \$ 274,290 |
| Total Net Debt Applicable to Limit | <u>39,020</u> | <u>40,495</u> | <u>34,985</u> | <u>31,660</u> |
| Legal Debt Margin | <u><u>\$ 224,734</u></u> | <u><u>\$ 231,185</u></u> | <u><u>\$ 237,127</u></u> | <u><u>\$ 242,630</u></u> |
| Total Net Debt Applicable to the Limit as a Percentage of Debt Limit | 17.36% | 17.52% | 14.75% | 13.05% |

Source: County Records

BLACK HAWK COUNTY, IOWA
LEGAL DEBT MARGIN INFORMATION (CONTINUED)
AS OF JUNE 30, 2022
(DOLLARS IN THOUSANDS)
(UNAUDITED)

Legal Debt Margin Calculation for Fiscal Year 2022

| | |
|---------------------------------------|--------------------------|
| Assessed Value | <u>\$ 9,856,223</u> |
| Debt Limit (5% of Assessed Value) | <u>492,811</u> |
| Debt Applicable to Limit: | |
| General Obligation Bonds | 16,690 |
| General Obligation Capital Loan Notes | <u>-</u> |
| Total Net Applicable to Limit | <u>16,690</u> |
| Legal Debt Margin | <u><u>\$ 476,121</u></u> |

| <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| \$ 456,618 | \$ 463,416 | \$ 469,019 | \$ 479,888 | \$ 486,246 | \$ 492,811 |
| <u>26,266</u> | <u>20,496</u> | <u>15,045</u> | <u>18,077</u> | <u>20,305</u> | <u>16,690</u> |
| <u><u>\$ 430,352</u></u> | <u><u>\$ 442,920</u></u> | <u><u>\$ 453,974</u></u> | <u><u>\$ 461,811</u></u> | <u><u>\$ 465,941</u></u> | <u><u>\$ 476,121</u></u> |
| 6.10% | 4.63% | 3.31% | 3.91% | 4.36% | 3.51% |

**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 |
|------|-------------------------|---|---|-----------------------------------|-----------------------------------|
| 2012 | 131,794 | 5,123,023 | \$ 38,871 | 17,298 | 6.0 |
| 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 |
| 2020 | 131,813 | 6,425,887 | 49,133 | 19,097 | 6.2 |
| 2021 | 130,368 | - | - | - | 5.4 |

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 | 2022 | | | 2013 | | |
|---|---------------|------|---|---------------|------|---|
| | Employees | Rank | Percentage of Total County Employment | Employees | Rank | Percentage of Total County Employment |
| John Deere | 5,000 | 1 | 7.51 % | 6,000 | 1 | 8.86 % |
| UnityPoint Health (Allen Hospital) | 3,162 | 2 | 4.75 | 1,908 | 4 | 2.82 |
| Tyson Fresh Meats (IBP Inc.) | 3,000 | 3 | 4.50 | 2,600 | 3 | 3.84 |
| MercyOne (Wheaton Franciscan Hea | 2,597 | 4 | 3.90 | 2,691 | 2 | 3.97 |
| Waterloo Public Schools | 1,900 | 5 | 2.85 | 1,786 | 6 | 2.64 |
| Target Regional Distribution | 1,800 | 6 | 2.70 | - | - | - |
| University of Northern Iowa | 1,650 | 7 | 2.48 | 1,811 | 5 | 2.68 |
| VGM Group | 1,400 | 8 | 2.10 | - | - | - |
| Hy-Vee | 1,256 | 9 | 1.89 | 1,071 | 8 | 1.61 |
| Western Home Communities | 891 | 10 | 1.34 | - | - | - |
| Omega Cabinets | - | - | - | 1,000 | 9 | 1.48 |
| Area Education Agency 7 | - | - | - | 1,137 | 7 | 1.68 |
| GMAC Mortgage | - | - | - | 875 | 10 | 1.29 |
| Total | <u>22,656</u> | | | <u>20,879</u> | | |
| Total Employees in Black Hawk County | <u>66,600</u> | | | <u>67,700</u> | | |

Sources: Greater Cedar Valley Alliance and Iowa Workforce Development

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

| FUNCTION/PROGRAM | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Public Safety and Legal Services: | | | | | | | | | | |
| Sheriff | 134.00 | 134.00 | 135.00 | 137.00 | 137.00 | 138.00 | 138.00 | 138.00 | 141.00 | 135.00 |
| Attorney | 30.80 | 30.80 | 31.10 | 31.38 | 31.38 | 30.88 | 30.17 | 29.67 | 29.67 | 26.50 |
| Consolidated Comm Ctr | 26.00 | 26.20 | 26.70 | 26.70 | 26.70 | 26.70 | 26.70 | 27.50 | 27.50 | - |
| Physical Health and Social Services: | | | | | | | | | | |
| Health Department | 93.00 | 90.39 | 90.44 | 90.99 | 89.60 | 80.60 | 71.58 | 52.19 | 56.20 | 50.34 |
| General Assistance | | | | | | | | | | 1 |
| Youth Shelter* | 10.60 | 11.50 | | - | - | - | - | - | - | - |
| Veteran Affairs | 4.03 | 4.03 | 4.03 | 4.03 | 4.03 | 4.03 | 4.03 | 4.00 | 4.00 | 4.00 |
| Mental Health: | | | | | | | | | | |
| County Social Services | 8.20 | 8.20 | 8.20 | 8.20 | 10.20 | 10.20 | 11.20 | 11.00 | 1.00 | - |
| County Environment and Education, Conservation | 26.63 | 26.44 | 26.59 | 26.28 | 25.68 | 25.91 | 25.91 | 26.08 | 26.08 | 26.20 |
| Roads and Transportation, Engineer | 44.30 | 44.30 | 44.30 | 44.30 | 43.40 | 42.69 | 42.23 | 42.46 | 42.46 | 38.50 |
| Governmental Services to Residents: | | | | | | | | | | |
| Treasurer | 11.50 | 11.50 | 11.50 | 11.50 | 11.50 | 11.50 | 11.50 | 12.50 | 12.50 | 13.50 |
| Recorder | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 |
| Auditor: Elections | 3.30 | 3.30 | 4.00 | 3.32 | 3.60 | 3.60 | 3.60 | 3.80 | 4.80 | 3.00 |
| Administration: | | | | | | | | | | |
| Board Office | 8.00 | 8.00 | 8.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| Auditor | 11.00 | 11.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Engineer | - | - | - | - | - | - | - | - | - | 0.50 |
| Treasurer | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 6.50 |
| Human Resources | 3.10 | 3.10 | 2.10 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Information Technology | 6.00 | 6.00 | 7.00 | 5.00 | 4.00 | 4.00 | 4.00 | 4.00 | 5.00 | 5.00 |
| Maintenance | 7.00 | 7.00 | 7.00 | 7.50 | 7.50 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 |
| Community Services | 0.80 | 0.80 | 0.80 | 0.80 | 0.80 | 0.80 | 0.80 | 1.00 | 1.00 | 1.00 |
| Civil Service | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | - | - | - |
| Total | <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>396.70</u> | <u>395.71</u> | <u>348.04</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 | 2013 | 2014 | 2015 | 2016 |
|--|---------|---------|---------|---------|
| Public Safety and Legal Services: | | | | |
| Sheriff: | | | | |
| # of Civil Papers Served | 17,122 | 16,126 | * | 11,591 |
| # of Arrests Made | 4,107 | 4,176 | * | 3,471 |
| # of Jail Bookings | 9,040 | 8,685 | * | 7,423 |
| # of Service Calls | 13,769 | 13,758 | * | 8,357 |
| Attorney, # of Felonies/Aggravated | | | | |
| Field cases Filed | 1,458 | 1,268 | 2,243 | 2,532 |
| Physical Health and Social Services: | | | | |
| Health Department: | | | | |
| # of Success Street Visits ¹ | 3,277 | 3,093 | 3,114 | 759 |
| # of Environmental Inspections ² | 3,326 | 3,351 | 2,534 | 2,233 |
| # of Home Care Aide Visits ³ | 9,969 | 8,818 | 8,549 | 9,146 |
| # of Home Care Aide Clients | 149 | 149 | 99 | 93 |
| Community Services, # of People Seen | 2,992 | 2,992 | 3,102 | 2,365 |
| Veteran Affairs, # of New Clients per Year | 440 | 312 | 256 | 455 |
| County Environment and Education | | | | |
| Conservation: | | | | |
| Hartman Reserve Visitors | 50,827 | 51,539 | 52,836 | 52,942 |
| Campers | 37,477 | 44,607 | 44,281 | 47,196 |
| Lodge/Shelter Usage | 25,139 | 34,000 | 25,917 | 25,107 |
| Roads and Transportation: | | | | |
| Engineer: | | | | |
| # of Miles of Road Paved | 20 | 5 | 12 | 7 |
| # of Bridges/Culverts Repaired/Replaced | 13 | 10 | 13 | 6 |
| Governmental Services to Residents: | | | | |
| Treasurer, Titles Issued | 40,814 | 37,311 | 38,332 | 38,613 |
| Recorder, Documents Recorded | 27,396 | 23,340 | 21,639 | 22,713 |
| Auditor: Elections: | | | | |
| # of Active Voters | 81,066 | 81,700 | 79,927 | 84,698 |
| # of Inactive Voters | 5,784 | 7,094 | 5,568 | 5,333 |
| # of Absentee Ballots | 31,944 | 1,464 | 28,134 | 10,787 |
| Administration, Maintenance, Sq. Ft Maintained | 458,633 | 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 | | | | | |
|-------------|---------|---------|---------|---------|---------|
| 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| 12,730 | 12,475 | 11,457 | 12,414 | 7,328 | 10,364 |
| 3,664 | 3,658 | 3,545 | 3,863 | 2,543 | 2,595 |
| 7,074 | 7,199 | 7,070 | 6,565 | 5,452 | 5,848 |
| 8,189 | 7,925 | 7,668 | 8,473 | 7,494 | 7,153 |
| * | 4,261 | 3,984 | 2,123 | 2,988 | 4,100 |
| 881 | 933 | 3,107 | 2,156 | 3,090 | 5,232 |
| * | 3,162 | 3,355 | 1,703 | 2,260 | 2,219 |
| 6,622 | ** | *** | *** | *** | *** |
| 78 | ** | *** | *** | *** | *** |
| 2,823 | 5,693 | 4,394 | 2,293 | 2,099 | 1,995 |
| 684 | 407 | 398 | 330 | 275 | 313 |
| 44,332 | 10,119 | 12,365 | 7,591 | 4,056 | 5,005 |
| 39,760 | 42,294 | 41,707 | 36,015 | 64,567 | 64,103 |
| 26,199 | 26,753 | 15,607 | 19,091 | 15,043 | 20,466 |
| 8 | 12 | 12 | 6 | 6 | 11 |
| 5 | 12 | 6 | 5 | 4 | 3 |
| 38,269 | 38,134 | 37,597 | 35,936 | 42,969 | 37,142 |
| 23,266 | 21,628 | 19,882 | 26,387 | 27,837 | 25,466 |
| 81,529 | 81,037 | 81,224 | 84,808 | 72,174 | 71,983 |
| 6,018 | 7,205 | 6,783 | 6,248 | 15,710 | 15,347 |
| 29,653 | 3,266 | 24,367 | 41,138 | 51,840 | 8,545 |
| 451,740 | 451,740 | 363,740 | 363,740 | 363,740 | 363,740 |

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

| Function/Program | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Public Safety and Legal Services: | | | | | | | | | | |
| Sheriff | | | | | | | | | | |
| # of Patrol Cars | 21 | 19 | 19 | 19 | 19 | 19 | 21 | 21 | 21 | 21 |
| Physical Health and Social Services: | | | | | | | | | | |
| Health Department | | | | | | | | | | |
| # of Vehicles | 18 | 18 | 19 | 19 | 19 | 17 | 19 | 19 | 19 | 19 |
| County Environment and Education: | | | | | | | | | | |
| Conservation | | | | | | | | | | |
| # of Acres Managed | 8,776 | 8,763 | 8,797 | 8,885 | 8,900 | 9,000 | 8,997 | 9,092 | 9,092 | 8,990 |
| Roads and Transportation: | | | | | | | | | | |
| Engineer: | | | | | | | | | | |
| # of Vehicles | 78 | 75 | 75 | 76 | 77 | 78 | 70 | 72 | 71 | 71 |
| # of Buildings | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 |
| Administration: | | | | | | | | | | |
| Maintenance | | | | | | | | | | |
| # of Buildings Maintained | 9 | 9 | 9 | 9 | 9 | 9 | 8 | 8 | 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, 2022

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal Assistance Listing 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 | 5882NU40 | \$ 2,750 | \$ - |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP Cluster) | 10.561 | 5881NU40 | 771 | - |
| | | | <u>3,521</u> | <u>-</u> |
| Passed through the Iowa Department of Human Services: | | | | |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 10.561 | N/A | 63,601 | - |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 10.561 | 5881NU02E | 52,650 | - |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 10.561 | 5881NU02 | 17,645 | - |
| | | | <u>133,896</u> | <u>-</u> |
| Total State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP Cluster) | | | 137,417 | - |
| 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 | IA-LHB-0756-20 | 86,100 | - |
| U.S. Department of Justice | | | | |
| Passed through the Governor's Office of Drug Control Policy: | | | | |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 19-JAG-395811 | 62,666 | - |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 2019-DJ-BX-0640 (JAG 15) | 1,950 | - |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 2020-DJ-BX-0325 (JAG 20) | 317 | - |
| Total Edward Byrne Memorial Justice Assistance Grant Program | | | <u>64,933</u> | <u>-</u> |
| Passed through the Iowa Department of Justice: | | | | |
| Public Safety Partnership and Community Policing Grants | 16.710 | 19-CAMP-16 | 2,379 | - |
| Public Safety Partnership and Community Policing Grants | 16.710 | 19-HEROIN-09 | 779 | - |
| Total Public Safety Partnership and Community Policing Grants | | | <u>3,158</u> | <u>-</u> |
| Crime Victim Assistance | 16.575 | VP-21-117-VWC | 8,701 | - |
| Crime Victim Assistance | 16.575 | VP-22-117-VWC | 29,606 | - |
| Total Crime Victim Assistance | | | <u>38,307</u> | <u>-</u> |
| Comprehensive Opioid Abuse Program | 16.838 | 19-COAP-04 | 86,515 | - |
| Total U.S. Department of Justice | | | <u>192,913</u> | <u>-</u> |

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, 2022

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal Assistance Listing 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 | | | | |
| National Priority Safety Programs (Highway Safety Cluster) | 20.616 | PT Task 05-00-00 BLACK HAWK CO | \$ 1,777 | \$ - |
| National Priority Safety Programs (Highway Safety Cluster) | 20.616 | PAP-21-402-MOPT TASK 05-00-00 | 3,310 | - |
| Total Highway Safety Cluster | | | <u>5,087</u> | <u>-</u> |
| Total U.S. Department of Transportation | | | 5,087 | - |
| U. S. Department of Treasury | | | | |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds | 21.027 | N/A | <u>1,727,135</u> | <u>-</u> |
| Total passed through U.S. Department of Treasury | | | 1,727,135 | - |
| 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 | 21ESDFSBCIIAM-0005 | 14,950 | - |
| U.S. Department of Health and Human Services: | | | | |
| Passed through Association of Food & Drug Officials/AFDO | | | | |
| Food and Drug Administration Research | 93.103 | G-MP-2108-09729 | 13,270 | - |
| Passed through the Iowa Department of Public Health | | | | |
| Hospital Preparedness and Public Health Emergency | | | | |
| Preparedness Aligned Cooperative Agreements | 93.069 | 5881BT01-E | 33,205 | - |
| Project Grants and Cooperative Agreements for | | | | |
| Tuberculosis Control Programs | 93.116 | MOU-2022-TB03 | 1,388 | - |
| Project Grants and Cooperative Agreements for | | | | |
| Tuberculosis Control Programs | 93.116 | MOU-2021-TB03 | <u>1,413</u> | <u>-</u> |
| | | | 2,801 | - |
| Substance Abuse and Mental Health Services_Projects of | | | | |
| Regional and National Significance | 93.243 | 5885BT407 | 4,652 | - |
| Immunization Cooperative Agreements | 93.268 | 5881I405E | 26,400 | - |
| COVID-19 Immunization Cooperative Agreements | 93.268 | 5881I405E | 7,920 | - |
| Substance Abuse and Mental Health Services | | | | |
| Projects of Regional and National Significance | 93.268 | 5885BT407 | 236,857 | - |
| Epidemiology and Laboratory Capacity for Infectious | | | | |
| Diseases (ELC) | 93.323 | MOU-2021-ELC20 | 1,300 | - |
| Epidemiology and Laboratory Capacity for Infectious | | | | |
| Diseases (ELC) | 93.323 | MOU-2022-ELC20 | 580 | - |
| State Actions to Improve Oral Health Outcomes and Partner | 93.366 | 5881MH03 | 5,000 | - |
| Well Integrated Screening and Evaluation for Women | | | | |
| Across the Nation | 93.436 | 5881NB02WWE | 13,850 | - |
| Well Integrated Screening and Evaluation for Women | | | | |
| Across the Nation | 93.436 | 5881NB02WW | <u>950</u> | <u>-</u> |
| Total Well Integrated Screening and Evaluation for Women | | | 14,800 | - |
| Across the Nation | | | | |

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, 2022

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal Assistance Listing 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) | | | | |
| Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke | 93.426 | 5882CD81 | \$ 65,000 | \$ - |
| Children's Health Insurance Program | 93.767 | 5881MH03E | 12,000 | - |
| Children's Health Insurance Program | 93.767 | 5881MH03 | 2,505 | - |
| Total Children's Health Insurance Program | | | 14,505 | - |
| Sexually Transmitted Diseases (STD) Prevention and Control Grants | 93.977 | 5882ST12 | 22,442 | - |
| Sexually Transmitted Diseases (STD) Prevention and Control Grants | 93.977 | 5883ST12 | 44,740 | - |
| Total Sexually Transmitted Diseases (STD) Prevention and Control Grants | | | 67,182 | - |
| Medical Assistance Program (Medicaid Cluster) | 93.778 | 5881MH02E | 92,482 | - |
| Medical Assistance Program (Medicaid Cluster) | 93.778 | 5881MH03 | 18,329 | - |
| Medical Assistance Program (Medicaid Cluster) | 93.778 | 5881MH03E | 49,780 | - |
| Total Medical Assistance Program | | | 160,591 | - |
| Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations | 93.898 | 5881NB02E | 47,300 | - |
| HIV Care Formula Grants | 93.917 | 5882AP03 | 33,862 | - |
| HIV Care Formula Grants | 93.917 | 5881AP03 | 49,970 | - |
| Total HIV Care Formula Grants | | | 83,832 | - |
| HIV Prevention Activities Health Department Based | 93.940 | 5882AP03 | 14,859 | - |
| HIV Prevention Activities Health Department Based | 93.940 | 5881AP03 | 18,519 | - |
| Total HIV Prevention Activities-Health Department Based | | | 33,378 | - |
| Preventive Health and Health Services Block Grant | 93.991 | 5881MH03E | 695 | - |
| Maternal and Child Health Services Block Grant to the States | 93.994 | 5881MH03E | 9,880 | - |
| Maternal and Child Health Services Block Grant to the States | 93.994 | 5881MH03 | 39 | - |
| Total Maternal and Child Health Services Block Grant to the States Program | | | 9,919 | - |

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, 2022

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal Assistance Listing Number | Pass-through Grantor's Identifying Number | Federal Expenditures | Pass-through to Subrecipients |
|---|--|--|-----------------------------|--------------------------------------|
| Passed through the Iowa Department of Human Services: | | | | |
| Human Services Administrative Reimbursements | | | | |
| Medical Assistance Program (Medicaid Cluster) | 93.778 | N/A | \$ 74,781 | \$ - |
| State Children's Insurance Program | 93.767 | N/A | 1,301 | - |
| Refugee and Entrant Assistance State/Replacement Designee | | | | |
| Administered Programs | 93.566 | N/A | 75 | - |
| Foster Care - Title IV-E | 93.658 | N/A | 16,874 | - |
| IV-E Prevention Program | 93.472 | N/A | 2,150 | - |
| Adoption Assistance | 93.659 | N/A | 9,277 | - |
| Child Care Mandatory and Matching Funds of the Child Care and Development Fund (CCDF Cluster) | 93.596 | N/A | 16,525 | - |
| Social Services Block Grant | 93.667 | N/A | 17,239 | - |
| Total U.S. Department of Health and Human Services | | | 967,409 | - |
| U. S. Department of Homeland Security | | | | |
| Passed through Iowa Homeland Security & Emergency Management: | | | | |
| Emergency Management Performance Grants | 97.042 | EMPG-202107 | 39,000 | - |
| Total U.S. Department of Homeland Security | | | 39,000 | - |
| Total Expenditures of Federal Awards | | | \$ 3,170,011 | \$ - |
| Clusters of programs are groupings of closely related programs that share common compliance requirements. | | | | |
| Total expenditures by cluster are: | | | | |
| SNAP Cluster | | | 137,417 | |
| Highway Safety Cluster | | | 5,087 | |
| Drinking Water State Revolving Fund Cluster | | | 14,950 | |
| CCDF Cluster | | | 16,525 | |
| Medicaid Cluster | | | 235,372 | |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

BLACK HAWK COUNTY, IOWA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022

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, 2022. 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 the cost principles contained in the Uniform Guidance for all awards. Under these principles, certain types of expenditures were not allowable or are limited as to reimbursements.

INDIRECT COST RATE

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



**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, 2022, 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 29, 2022.

Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 were not identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a material weakness.

Report on 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 financial statements. 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 Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Black Hawk County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



CliftonLarsonAllen LLP

Cedar Rapids, Iowa
December 29, 2022



**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

Opinion on Each Major Federal Program

We have audited Black Hawk County's (the County) compliance with the types of compliance requirements identified as subject to audit 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, 2022. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the 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, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2022-002. Our opinion on the major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-002, to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Black Hawk County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 29, 2022

**BLACK HAWK COUNTY, IOWA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

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? X yes 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)?

 X yes no

Identification of major programs:

Federal Assistance Listing Number(s)

Name of Federal Program or Cluster

21.027

COVID-19 Coronavirus State and Local Fiscal Recovery Funds

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, 2022**

Section II – Financial Statement Findings

2022-001: Material Audit Adjustments

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

Condition: As part of the audit, adjustments were proposed to properly state infrastructure construction in progress of approximately \$1,790,000.

Criteria or specific requirement: 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 accounting principles generally accepted in the United States of America (GAAP).

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 missed addition to infrastructure construction in progress was due to management oversight.

Repeat Finding: Yes - 2021-001.

Recommendation: In order to strengthen internal controls, we recommend management enhance the 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 reviewing work performed by the department personnel.

**BLACK HAWK COUNTY, IOWA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Section III –Federal Award Findings and Questioned Costs

2022-002

Federal Agency: U.S. Department of Treasury

Federal Program Name: COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Federal Award Identification Number and Year: N/A

Pass-Through Agency: N/A

Pass-Through Number(s): N/A

Award Period: March 2021 through December 2024

Type of Finding: Significant Deficiency in Internal Control over Compliance and Other Matters

Condition: During our testing, we noted the County did not have adequate internal controls designed to ensure vendors were not suspended or debarred.

Criteria or Specific Requirement: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award requires compliance with the provisions of suspension and debarment. The County should have internal controls designed to ensure compliance with those provisions.

Questioned Costs: None

Context: During our testing, it was noted that 1 of 2 vendors did not have proper documentation for verification of suspension and debarment. The County did not follow County policy to have documentation on file for this check of the sam.gov website.

Cause: The department heads did not follow County policy which states to maintain documentation of the suspension and debarment check.

Effect: The County could have missed the check for suspension and debarment and a vendor that is suspended or debarred from working on federal contracts could have been charged to the grant.

Repeat Finding: No

Recommendation: We recommend management ensure county policies are followed and documentation of the check for suspended and debarred vendors for any contract charged to the federal program is retained.

Views of Responsible Officials and Planned Corrective Action: There is no disagreement with the audit finding.

**BLACK HAWK COUNTY, IOWA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Section IV – Other Findings Related to Required Statutory Reporting

- IV-A-22 Certified Budget** – Disbursements did not exceed amounts budgeted during the fiscal year.
- IV-B-22 Questionable Expenditures** – We noted no expenditures for parties, banquets, or other entertainment for employees during the year ended June 30, 2022 that we believe may constitute unlawful expenditures from public funds as defined in an Attorney General’s opinion dated April 25, 1979.
- IV-C-22 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, 2022.
- IV-D-22 Business Transactions** – There were no business transactions between the County and County officials and/or employees during the year ended June 30, 2022.
- IV-E-22 Bond Coverage** – Surety bond coverage of County officials and employees is in accordance with statutory provisions.
- IV-F-22 Board Minutes** – No transactions were found that we believe should have been approved in the Board minutes but were not.
- IV-G-22 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.
- IV-H-22 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-22 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.
- IV-J-22 Donations** – During the year ended June 30, 2022, the County donated \$53,000 to various nonprofit organizations.

**BLACK HAWK COUNTY, IOWA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Section IV – Other Findings Related to Required Statutory Reporting (Continued)

IV-J-22 Donations (Continued)

The Constitution of the state of Iowa prohibits governmental bodies from making a gift to a private nonprofit corporation. Article III, Section 31 of the Constitution of the state of Iowa states, "...no public money or property shall be appropriated for local or private purposes, unless such appropriation, compensation, or claim, be allowed by two thirds of the members elected to each branch of the General Assembly."

At least six official Iowa Attorney General Opinions since 1972 have consistently concluded that "a governmental body may not donate public funds to a private entity., even if the entity is established for charitable educational purposes and performs work which the government could perform directly. The Opinions further state, "Even if the function of the private nonprofit corporation fits within the scope of activities generally recognized as serving a public purpose, a critical question exists regarding whether funds or property transferred to a private entity will indeed be used for those public purposes."

Political subdivisions and municipalities, including cities, counties, schools and townships are municipal – governmental – entities. As governmental entities they are governed by elected bodies, are directly responsible to the public as a whole, and are subject to the limitations imposed on them by the state. Although a private organization may be formed to provide and support 'public' services which are the same or similar to the services provided by the government, the private organizations are not subjected to the same degree of public accountability and oversight as governmental entities."

Recommendation – We are not aware of any statutory authority for the County to donate public funds to private nonprofit organizations. The County should immediately cease making future such donations.

Response – We will cease any further donations in the future.

Conclusion – Response accepted.