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County of Black Hawk, Iowa

Presentation to the Board of Supervisors

Audit Results

Year Ended June 30, 2024



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Governance Communication

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Governance Communication

Our responsibility under Generally Accepted Auditing Standards

- Express an opinion on the governmental activities, business-type activities, each major fund, and the aggregate remaining funds in accordance with *Government Auditing Standards* and Generally Accepted Auditing Standards
- Plan and perform the audit to obtain reasonable, not absolute, assurance
- Evaluate internal controls over financial reporting – no opinion on internal controls
- Utilize a risk-based audit approach

Planned scope and timing of the audit

- Performed the audit according to the planned scope previously communicated during planning discussions



Governance Communication

Other information in documents containing audited financial statements

- Financial statements may only be **used in their entirety**
- **Our approval** is required in order to use our audit reports in any client prepared documents

Significant accounting policies

- **Management is responsible** for the accounting policies
- Outlined in **Note 1** to the financial statements

Management representation letter

- Management provided a management representation letter in conjunction with the **approval of the audited financial statements**



Governance Communication

We experienced

- **No delays** in performing the audit
- **No issues** discussed prior to retention as independent auditors
- **No disagreements** with management regarding accounting, reporting, or auditing matters
- **No consultations** with other independent accountants

Adjusting, proposed, and passed adjusting journal entries

- No material misstatements.
- Uncorrected: To record SBITA proceeds (\$88,627) and capital outlay expenditures (\$88,627) in the general fund and to record revenue earned in the prior year as revenue in the current year (\$3,333) in the rural water fund.

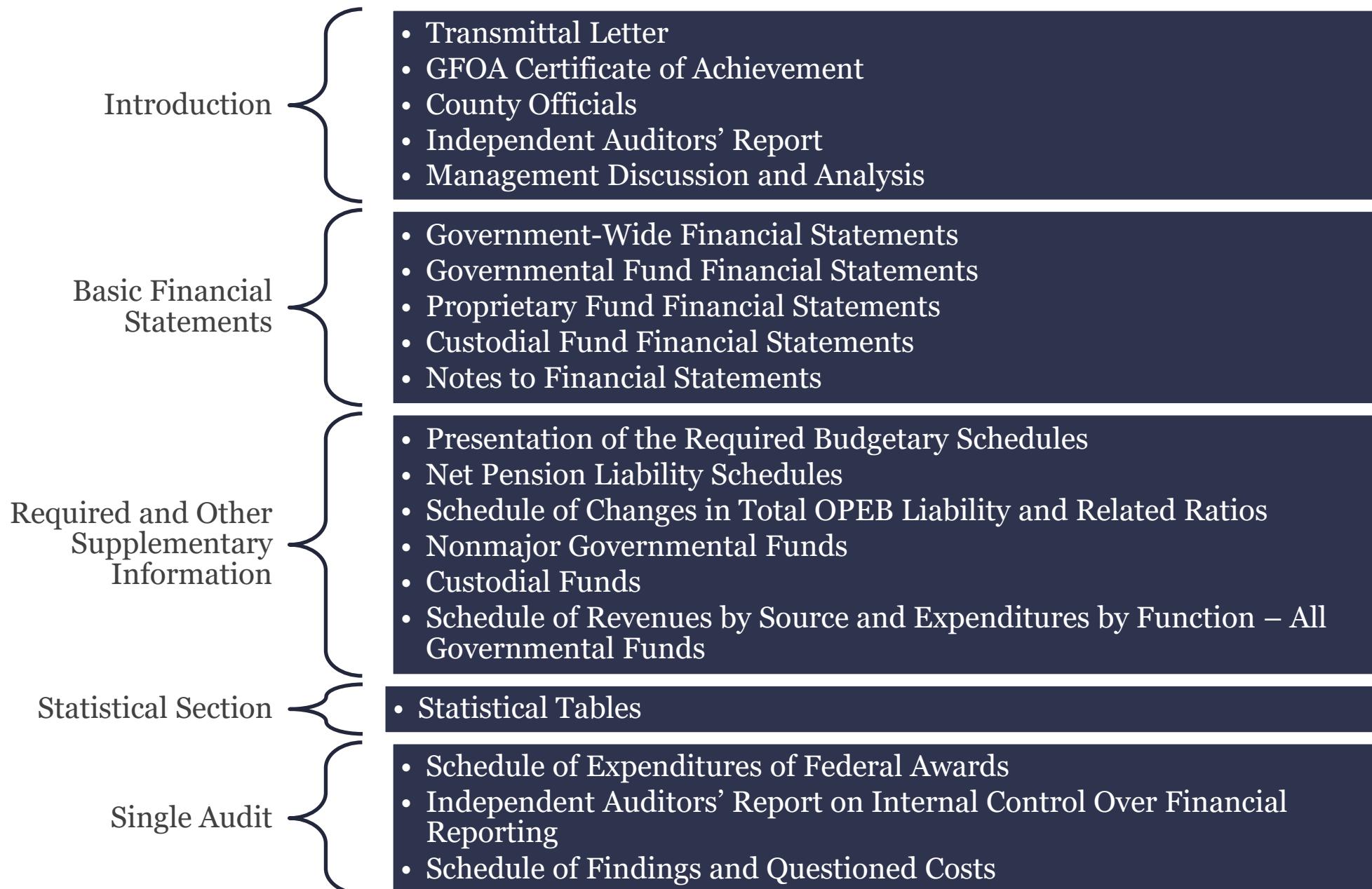




Financial Statement Highlights

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Financial Statement Highlights



Financial Statement Highlights

	Special Revenue		
	General	Rural Services	Secondary Roads
Revenues	\$ 45,245,523	\$ 3,771,838	\$ 5,511,122
Expenditures	(42,479,045)	(2,675,855)	(7,847,877)
Other Sources or Uses	(1,518,401)	(721,651)	3,934,702
Net Change in Fund Balance	1,248,077	374,332	1,597,947
Fund balance			
Beginning of year	44,735,631	3,513,070	5,320,305
 End of Year	\$ 45,983,708	\$ 3,887,402	\$ 6,918,252
Nonspendable	\$ 17,883	\$ -	\$ 503,973
Restricted	6,944,496	3,887,402	6,414,279
Committed	150,000	-	-
Assigned	10,412,108	-	-
Unassigned	28,459,221	-	-
Total	\$ 45,983,708	\$ 3,887,402	\$ 6,918,252



Financial Statement Highlights

	Debt Service	Capital Projects	American Rescue Program	Nonmajor	Total
Revenues	\$ 2,368,556	\$ 801,719	\$ 3,761,196	\$ 5,709,818	\$ 67,169,772
Expenditures	(4,395,471)	(3,765,716)	(1,661,196)	(1,464,145)	(64,289,305)
Other Sources or Uses	4,935,506	2,297,587	(2,100,000)	(2,028,023)	4,799,720
Net Change in Fund Balance	2,908,591	(666,410)	-	2,217,650	7,680,187
Fund balance					
Beginning of year	8,143,392	3,993,944	-	2,418,544	68,124,886
End of year	\$ 11,051,983	\$ 3,327,534	\$ -	\$ 4,636,194	\$ 75,805,073
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 521,856
Restricted	11,051,983	754,994	-	4,483,940	33,537,094
Committed	-	-	-	-	150,000
Assigned	-	2,572,540	-	152,254	13,136,902
Unassigned	-	-	-	-	28,459,221
Total	\$ 11,051,983	\$ 3,327,534	\$ -	\$ 4,636,194	\$ 75,805,073



Financial Statement Highlights

Nonmajor Governmental Funds

<u>Special Revenue</u>		
Resource Enhance & Protection	\$	501,801
County Recorder's Management		49,243
Sheriff's Commissary		479,431
Drainage Districts		1,985
Conservation Land Acquisition		152,254
LG Opioid Abatement Fund		1,043,778
Local Option Sales Tax		<u>2,407,702</u>
Total Special Revenue	\$	<u>4,636,194</u>



Financial Statement Highlights

	Rural Sewer	Rural Water	Total
Operating Revenues	\$ 100,409	\$ 20,540	\$ 120,949
Operating Expenses	(272,500)	(970)	(273,470)
Nonoperating Income (Expense)	33,621	14,615	48,236
Net Change in Net Position	(138,470)	34,185	(104,285)
Net Position			
Beginning of year	1,485,376	451,385	1,936,761
End of Year	\$ 1,346,906	\$ 485,570	\$ 1,832,476
Net Investment In Capital Assets	\$ 705,859	\$ 185,359	\$ 891,218
Unrestricted	641,047	300,211	941,258
Total	\$ 1,346,906	\$ 485,570	\$ 1,832,476



Financial Statement Highlights

Capital Assets Summary

Governmental Activities:

Capital Assets not being Depreciated:

Land	\$ 6,747,161
Construction in Progress	6,334,439

Capital Assets being Depreciated:

Buildings and Improvements	42,397,154
Equipment and Vehicles	22,937,472
Infrastructure	<u>151,370,443</u>
	229,786,669
	<u>(107,166,192)</u>

Less Accumulated Depreciation	
	<u>\$ 122,620,477</u>

Business-Type Activities:

Capital Assets not being Depreciated:

Construction in Progress	\$ 220,415
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Capital Assets being Depreciated:

Infrastructure	<u>5,420,639</u>
	5,641,054
	<u>(4,749,836)</u>

Less Accumulated Depreciation	
	<u>\$ 891,218</u>



Financial Statement Highlights

Long-Term Obligations

Governmental Activities:

General Obligation Debt

General Obligation Bonds	\$ 12,290,000
Premium on General Obligation Bonds	<u>437,878</u>
General Obligation Bonds, Net	12,727,878
Total OPEB Liability	1,982,687
Compensated Absences	<u>1,884,170</u>
Total Governmental Activities	<u>\$ 16,594,735</u>

		Governmental		Debt
		Principal	Interest	Service
	2025	\$2,855,000	\$383,800	\$3,238,800
	2026	2,930,000	296,100	3,226,100
	2027	2,430,000	205,400	2,635,400
	2028	1,915,000	123,200	2,038,200
	2029	995,000	49,500	1,044,500
	2030-2031	1,165,000	30,500	1,195,500
		\$12,290,000	\$1,088,500	\$13,378,500



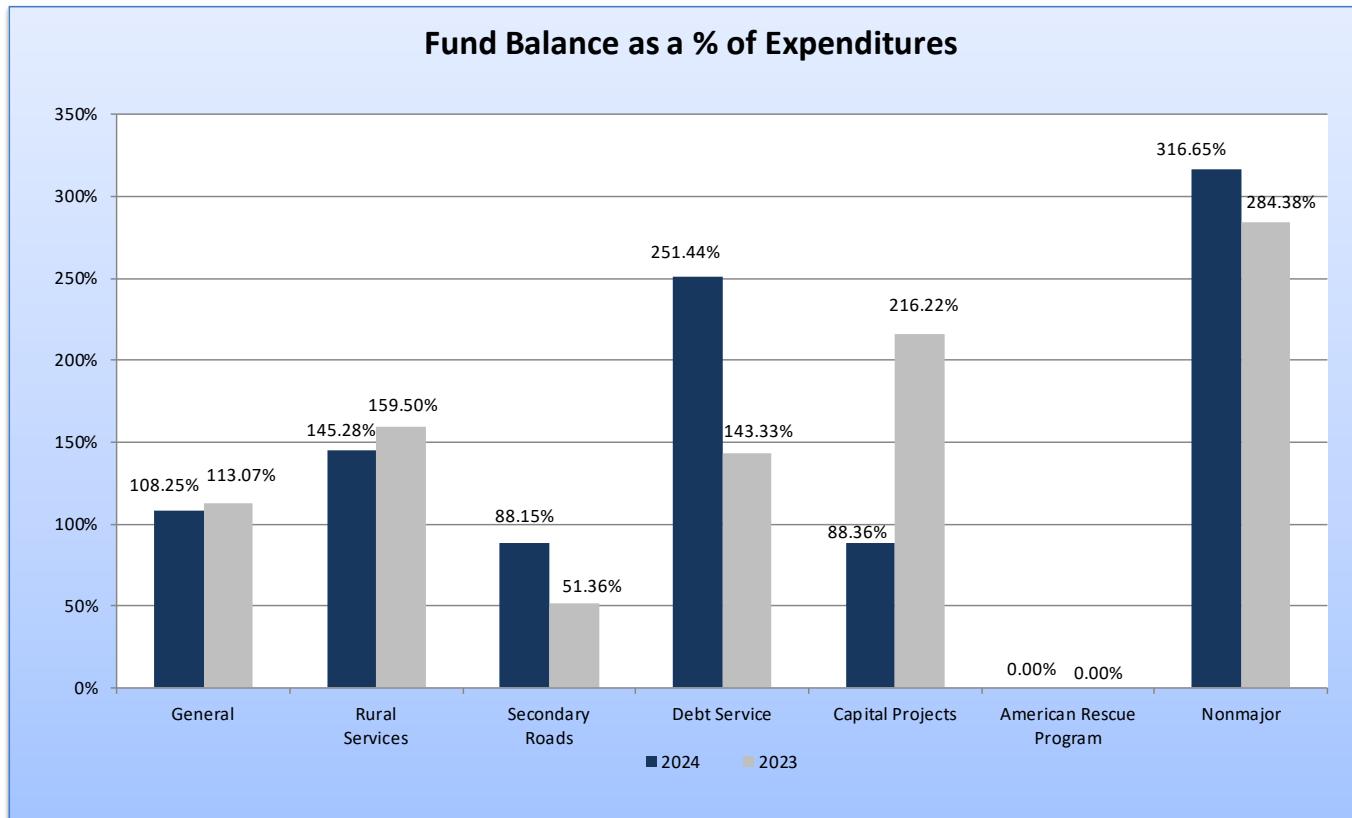
Financial Statement Highlights

Fund Balance - Governmental Funds	\$ 75,805,073
Capital Assets	122,620,477
Long-Term Debt	(12,759,861)
Deferred Inflows and Outflows of Resources	3,199,129
Pension and OPEB Related Items	(11,770,847)
Unavailable Revenue	5,399,701
Internal Service Fund	<u>7,945,797</u>
 Net Position - Governmental Activities	 <u>\$ 190,439,469</u>



Financial Statement Highlights

Status of Fund Balance



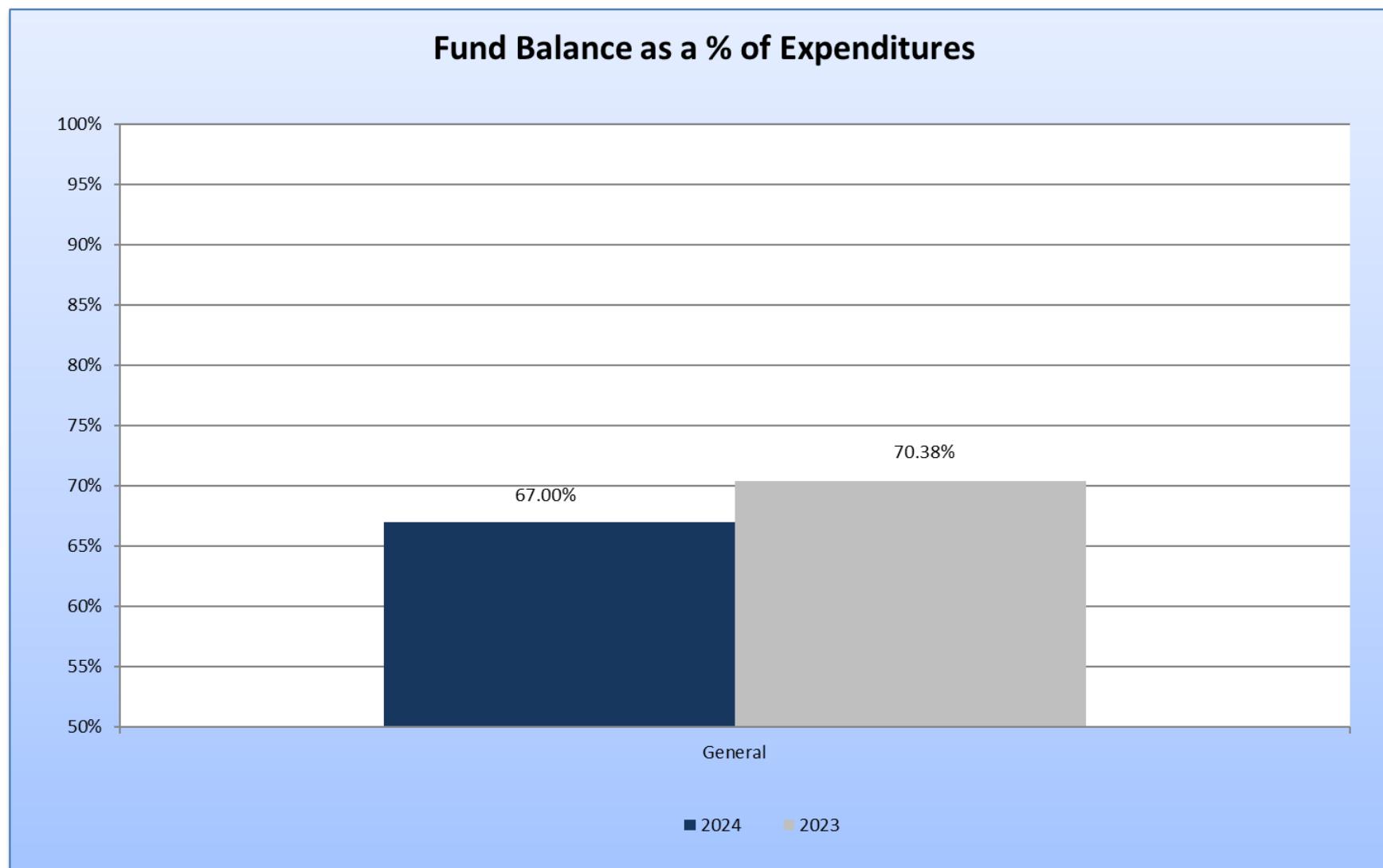
	<u>General</u>	<u>Rural Services</u>	<u>Secondary Roads</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>American Rescue Program</u>	<u>Nonmajor</u>
<i>Fund Balance as a % Expenditures</i>							
2024	108.25%	145.28%	88.15%	251.44%	88.36%	0.00%	316.65%
2023	113.07%	159.50%	51.36%	143.33%	216.22%	0.00%	284.38%

Government Finance Officers' Association (GFOA) indicates
Governments should maintain a healthy fund balance (varies from 3-5 months)



General Fund – Operating Fund of the County

- Unassigned Fund Balance (available for spending) as a % of Expenditures





Financial Statement Findings and Recommendations

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Financial Statement Findings and Recommendations

Fiscal Year Ending June 30, 2024

No Material Weaknesses





Federal Award Findings and Questioned Costs

Federal Awards

- Federal expenditures totaled \$5,076,752
- Major program tested was the COVID-19 Coronavirus State and Local Fiscal Recovery Funds which totaled \$3,761,196.
- No findings to report





Iowa State Compliance Findings

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Iowa State Compliance Findings

- IV-A-24 Certified Budget – none
- IV-B-24 Questionable Expenditures – none
- IV-C-24 Travel Expenditures – none
- IV-D-24 Business Transactions – none
- IV-E-24 Bond Coverage – none
- IV-F-24 Board Minutes – none
- IV-G-24 Deposits and Investments – none
- IV-H-24 Resource Enhancement and Protection Certification - none
- IV-I-24 County Extension Office – none
- IV-J-24 Donations – none
- IV-K-24 Restricted Donor Activity - none



Thank you for allowing us to serve Black Hawk County

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