

ANNUAL COMPREHENSIVE

FINANCIAL STATEMENT



**DUBUQUE,
IOWA**

FISCAL YEAR ENDED JUNE 30, 2021

THE CITY OF
DUBUQUE
Masterpiece on the Mississippi

Dubuque
All-America City
2007-2012-2013
2017-2019

Photo Courtesy of:
City of Dubuque Staff

Cover Design by:
Kristin Hill

**Annual Comprehensive Financial Report
For The Fiscal Year Ended June 30, 2021
City of Dubuque, Iowa**

Prepared by:
Department of Finance

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Introductory Section
June 30, 2021
City of Dubuque, Iowa

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December 22, 2021

Honorable Mayor, City Council Members, and Citizens of the City of Dubuque:

The City of Dubuque, Iowa, pursuant to the requirements set forth by state and federal regulations, hereby submits the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. Understanding the cost of internal controls 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. To the best of our knowledge and belief, the enclosed data is accurate in all material respects, and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and activities of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial operations have been included.

The Code of Iowa requires an annual audit by independent certified public accountants or the State Auditor. The accounting firm of Eide Bailly LLP conducted the audit for fiscal year 2021. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of an annual single audit in conformity with the provisions of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit, including the Schedule of Expenditures of Federal Awards, findings, recommendations, and the auditor's report on internal control over financial reporting and compliance with requirements applicable to laws, regulations, contracts, and grants, are included in the Compliance Section of this report. The independent auditors' report is included in the Financial Section of this report.

The City provides a full range of services including: police and fire protection; sanitation services; the construction and maintenance of roads, streets, and infrastructure; inspection and licensing functions; maintenance of grounds and buildings; regional airport; library; recreational activities; and cultural events. In addition to general government activities, the municipality owns and operates enterprises for a water system, water resource and recovery center (wastewater treatment), stormwater system, parking facilities, refuse collection, road salt and public transportation.

This report includes all funds of the City of Dubuque, as well as its component units. Component units are legally separate entities for which the City is financially accountable. This report includes the Dubuque Metropolitan Area Solid Waste Agency (DMASWA), Dubuque Initiatives and Subsidiaries, and Dubuque Convention and Visitors Bureau as discretely presented component units. A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City of Dubuque and to differentiate its financial position and results of operations from those of the City. The City appoints a voting majority to the DMASWA governing board and operates the landfill. Dubuque Initiatives, Inc. is a sustainable, non-profit organization, working as a community partner and catalyst, to undertake challenging projects involving job creation and/or community

revitalization that supports a viable, livable and equitable community. In the event of dissolution, any assets or property of the organization are transferred to the City. Dubuque Convention and Visitors Bureau's purpose is to strengthen the Dubuque area economy by competitively marketing the area as a destination for conventions, tour groups, sporting events, and individual travelers. The organization's board members include one City Council member, the City of Dubuque Mayor, and the City Manager. In the event of dissolution, any assets or property of the organization shall be transferred to the City. The City collects hotel/motel taxes and forwards 50% to Dubuque Convention and Visitors Bureau as the primary source of funds for its operations.

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Dubuque's MD&A can be found immediately following the independent auditor's report.

PROFILE OF THE CITY

The City of Dubuque, incorporated in 1833, is located on the Mississippi River in northeast Iowa, adjacent to the states of Illinois and Wisconsin. Julien Dubuque, the city's namesake, first began mining lead in the area now known as Dubuque in 1788. Dubuque is the oldest city in Iowa and has a unique combination of the old and new, ranging from a historic downtown, numerous examples of Victorian architecture, and a Civil War era shot tower, to expanding industrial parks, multiple retail centers, revitalized riverfront and millwork districts and two casinos, one with a pari-mutuel dog track. The City of Dubuque has a stable, diversified economic base and is a major tri-state retail center. The City currently has a land area of 31.6 square miles, and a census 2020 population of 59,667. As the largest city in the tri-state area, Dubuque serves as the hub of a trade area with a population estimated at 250,000. As of October 2021, the City's unemployment rate was 3.2%, below the state unemployment rate of 3.7% and the 4.6% national rate.

The City of Dubuque is empowered to levy a property tax on real property located within the city limits. The City has operated under a council-manager form of government since 1920. Policymaking and legislative authorities are vested in the governing council, which consists of a mayor and a six-member council. The city council is elected on a non-partisan basis. The mayor is elected to a four-year term. Council members are elected to four-year, staggered terms with three council members elected every two years. Four of the council members are elected within their respective wards; the mayor and the two remaining council members are elected at-large. The governing council is responsible, among other things, for setting policy, passing ordinances, adopting the budget, appointing committees, and hiring the city manager, city attorney, and city clerk. The city manager is responsible for overseeing the day-to-day operations of the government, making recommendations to the city council on the budget, and other matters, appointing the heads of the government's departments, and hiring employees.

ECONOMIC CONDITION AND OUTLOOK

The economic condition and outlook of Dubuque continues to thrive. The City's economy has a diverse employer base including manufacturing, technology, health services, insurance, education, and government. The top 10 employers in the area employ less than 22% of the total workforce and cover five different industries, which insulates the City against the negative impact from a downturn in any one area of the economy. Several industry experts and associations have recognized the community's efforts to diversify its economy. Although COVID-19 negatively impacted our national economy, as of July 2021 Dubuque County has experienced the second highest percentage increase in the number of jobs from one year ago, a 4.6% increase. Local unemployment rates continue to be lower (7%) than statewide (8%) and national (11.1%) figures.

Industrial

Dubuque Industrial Center West and South (DICW and DICS): Over 550 saleable acres were acquired in 1997, with an additional 163 acres purchased in 2015. The three areas of Dubuque Industrial Center comprise 45 businesses with two of those businesses having arrived in 2019, along with two company expansions. 2020 saw the arrival of one business, adding over 270 jobs, with additional business expansions underway in 2021. The area continues to have available locations for further investment and job creation.

Dubuque Technology Park: Located on the south side of the City is a 100-acre park designed to accommodate growing office businesses. Eight businesses are currently located in the park.

Commercial and Retail

Downtown Development: Over \$800 million has been invested in the downtown area in building rehabilitation, new construction, and public improvements where more than 9,000 people work. Heartland Financial and Cottingham & Butler partnered in 2019 to purchase the Roshek Building in order to accommodate their quickly expanding workforce. Their subsequent buildout provides office space on all floors of the building to support hundreds of additional Heartland and Cottingham & Butler employees at this location. The COVID-19 pandemic has changed business practices in relation to on-site employment, but all floors of the facility are prepared for a full return to the office. This continued use of an iconic historic building in Dubuque's downtown supports our local retail.

Historic Millwork District: The Historic Millwork District is saturated with history. It imbues the area with authenticity and character while offering valuable lessons about the importance of sustainable urban design strategies. Dubuque's Historic Millwork District is a keystone to the region's aggressive economic development strategy. With one million square feet of historic warehouse space ideal for urban mixed-use development, the District is perfectly suited to attract entrepreneurs, designers, residents, institutions, and businesses prepared to fuel Dubuque's globally competitive and sustainable economy. The District is currently home to multiple eateries, breweries, and shopping venues. To date, nearly \$100 million has been invested into the transformation of the Millwork District and it is attracting entrepreneurs, residents, institutions, and businesses that are fueling Dubuque's competitive economy.

Dupaco completed a \$30+ million project to renovate the Voices Building in 2021. The building is now home to the credit union's operations center and will include a mix of retail, entertainment and community space on the lower floors. This historic rehabilitation is yet another feather in the cap of local developers and contractors as well as a great addition to a more vibrant district.

Brewery Neighborhood Conservation District: The former Dubuque Brewing and Malting Company complex (aka H&W Building) is a collection of buildings constructed primarily of red brick between 1896 and 1934 on the northeast corner of Jackson and 30th Streets. The complex is eligible for the National Register of Historic Places and is in Dubuque's Brewery Neighborhood Conservation District. The southern portion of the building was purchased by 3000 Jackson LC in March 2017 and work to restore the building began. The new owner obtained a demolition permit to deconstruct the unsound section of the structure and plan to stabilize and make immediate repairs to prevent further deterioration. Although a portion of the historic structure will be demolished, there are plans to repair, stabilize, and eventually completely restore the property in the future. The property was rezoned in May 2020 to accommodate an anticipated \$30 million mixed-use development providing commercial/retail and residential space.

Commercial Development: While COVID-19 slowed commercial construction season beginning in March 2020, building permit revenues still show a strong year for commercial remodels and new development. JoAnn Fabric completed work on a new 30,000 square foot facility. The University of Dubuque constructed

a new student clinic, welcome center and outdoor space known as Wallace Commons. Hormel completed renovations to add a new product line at their facility in the Industrial Park.

Phase I of Mt. Carmel campus for construction of a new senior housing development by BVM-PHS Senior Housing, Inc. has been completed. Phase II is in plan review. When all four phases are completed, a total of 450 dwelling units will be available.

The Gardens of Dubuque, a 50-unit affordable workforce housing development, and Roosevelt West, a 40-unit affordable senior housing development, are under construction on Radford Road.

Health Services

ENT Medical Building completed construction of a new 9,000 sq. ft. medical facility along Cedar Cross Road in the summer of 2019.

Mercy Medical Center along with Medical Associates Clinic has begun construction of a \$25 million project to build a two-story building east of the hospital to serve as a hematology/oncology outpatient clinic. Iowa Health Facilities Council did grant their approval for a certificate of need for a linear accelerator included in the project.

Grand River Medical Center has begun construction on 45,000 square foot, three-story, medical facility in Westmark Business Park off of the Northwest Arterial and Pennsylvania Avenue.

Medical Associates Clinic is in the process of grading 5 1/2 acres located on the northwest corner of the intersection of Chavenelle Road and the Northwest Arterial for a future medical clinic.

Education

The Dubuque community takes great pride in the quality of its educational system and it is a top priority for Dubuque citizens and leaders. Dubuque's public-school system was ranked #7 out of 2,200 school districts nationwide.

The Dubuque community schools district provides K-12 education through 11 elementary schools, three junior high schools, one middle school, and three high schools. Dubuque also offers two private school systems accredited by the State of Iowa. Holy Family Catholic Schools offers K-12 education at two elementary schools, one K-5 Spanish Immersion Program, a middle school, and a high school. The Dubuque Lutheran School offers K-5 education at one elementary school.

Dubuque boasts three private, liberal arts colleges offering a wide variety of undergraduate and graduate degree programs, a community college with a diverse certificate and degree programs, and a Bible college. The tri-state area features an additional state university and two more community colleges for a total of 18,000 college students. The University of Dubuque began the building permit process for a 17,000 square foot Welcome Center addition and a new 4,000 square foot student clinic.

Dubuque Hempstead completed and opened a 27,000 sq. ft. aquatic facility on the north side of the school. A two-story addition is being added to the Alternative Learning Center.

The City's recent awards and recognition from a variety of sources include:

- The National Civic League named Dubuque a 2019 All-America City. This makes the fifth time in twelve years Dubuque has received this award which recognizes communities whose citizens work

together to identify and tackle community-wide challenges and achieve uncommon results. Dubuque received the 2019 award for the civic infrastructure built on the Inclusive Dubuque network of over 60 partners working to advance justice and social equity, and Imagine Dubuque 2017: A Call to Action, the comprehensive planning process that collected input from 6,000 residents to identify a roadmap for Dubuque's future. The application and presentation also featured three projects demonstrating how partners are impacting health outcomes for all residents. "Health Care for All" highlights the progress Crescent Community Health Center has made, the impact of the Pacific Islander Health Project, and the recent work of the Brain Health Task Force. The Bee Branch Creek Restoration Project was the second project highlighted and the collaborative work happening by the Dubuque Eats Well coalition to increase access to healthy local foods is the third.

MAJOR INITIATIVES

For the Year. The City of Dubuque staff, following the adopted priorities of the mayor and city council, has been involved in a variety of projects throughout the year. These projects reflect the City's commitment to continue to provide high quality services to the residents and stakeholders of Dubuque within the budget guidelines set by the mayor and city council.

Creating an Equitable Community for All: Several City Council policy agenda priorities in the past year focused on creating a more equitable community for all. Notably, Council prioritized implementation of the Equitable Poverty Reduction and Prevention Plan and Equitable Fine and Fee Reform.

In 2021, the City Council prioritized the creation of an Equitable Poverty Reduction and Prevention Plan. The Plan was delivered to Council by Public Works LLC, and lays out an implementation strategy to reduce poverty, especially in communities of color. The FY22 budget recommended funding for Public Works LLC to continue assisting the City in implementation. It also recommends the creation of a new Office of Shared Prosperity and Neighborhood Support.

The Equitable Fine and Fee Reform priority examines how the City's fines and fee structures impact our most vulnerable population, particularly communities of color. Key issues include a thorough analysis of quantitative and qualitative data to understand impact, legislative advocacy at the county, state, and federal level, and actions to restructure fine and fee schedules and practices. Staff capacity to manage recommended programs will be key to successful implementation.

Bee Branch Watershed Flood Mitigation Project: The City's \$237 million Bee Branch Watershed Flood Mitigation Project is a 20-year, multi-phased investment to mitigate flooding, improve water quality, stimulate investment, and enhance quality of life within the Bee Branch Watershed. The City has received more than \$160 million in state and federal funds for the project. The \$60 million Upper Bee Branch Creek Restoration phase of the project was completed in the summer of 2017. The \$25.9 million Bee Branch Creek Railroad Culverts Project was awarded in early 2019 and construction is underway. When complete in the fall of 2021, the improvements will increase the level of flood protection for over 1,300 homes and businesses from a 1 in 75- year rain event to a 1 in 500 - year rain event.

In 2016, the City of Dubuque was awarded a total of \$31.5 million through the U.S. Department of Housing & Urban Development (HUD) National Disaster Resilience Competition (NDRC) Grant awarded to the State of Iowa's "Iowa Watershed Approach." This total includes \$8.4 million for the Bee Branch Healthy Homes Resiliency Program in the form of five-year forgivable loans to improve 320 housing units, including owner-occupied homes; single-unit rentals; and small, multi-family residential units. The grant also provided \$24.9 million for stormwater infrastructure improvements related to the Bee Branch Watershed Flood Mitigation Project. Specifically, this includes funding towards the \$25.9 million Bee Branch Creek Railroad Culverts Project that involves the installation of six 8-foot diameter culverts to pass floodwaters

from the Upper Bee Branch to the Lower Bee Branch through the railway yard on Garfield Avenue. The grant also provided funding for the project to provide drainage improvements from the Bee Branch Creek to the west along 22nd Street up Kaufmann Avenue to North Main Street. Finally, the grant provided funding for the project to provide drainage improvements from the Bee Branch Creek to the west along 17th Street from Elm Street to Heeb Street. The HUD Resiliency Grant will expedite the completion of the Bee Branch Watershed Flood Mitigation Project, lessening the potential flood damage caused by future flash floods.

Another phase of the Bee Branch project is the \$17.1 million Bee Branch Gate & Pump Replacement Project. Improvements will modernize the gate and pump station where the Bee Branch Watershed drains into the Mississippi. The improvements to the pump station will provide more pumping capacity and allow for gravity flow under some circumstances such that it will be able to accommodate what is statistically considered a 500-year event - the same level of protection to be provided by the upstream Bee Branch Creek Restoration Project when the last component (the Bee Branch Creek Railroad Culverts Project) is complete. The engineering design plans are under review by the US Army Corps of Engineers. The City was awarded a \$2.5 million U. S. Economic Development Administration (EDA) grant. However, since being awarded the grant, the estimated project cost increased by \$6 million, due in part to site challenges. The project will be ready for bidding in late 2021. Unfortunately, the economic impact of the COVID-19 pandemic did delay the project.

Chaplain Schmitt Island Master Plan: As part of a commitment to create a variety of fun things to do for all, the City is part of a team lead by the Dubuque Racing Association who is implementing the Chaplain Schmitt Island Master Plan. The Plan identifies a strategy to redevelop the island, beginning with the additional enhancements to the Veterans Memorial Plaza and including developing/redeveloping recreational amenities, business development, self-sufficiency of the Q Casino, and redevelopment of the 16th Street Corridor onto the island. This work will be done while focusing on the environmental integrity of the island with the US Army Corps of Engineers and the Iowa Department of Natural Resources.

For the Future. The mayor and city council will continue to take action to achieve their goals of maintaining a strong local economy, sustaining stable property tax levies, and enhancing the safety and security of residents through neighborhood vitality. City staff will work to implement the city council's vision for Dubuque. A program of comprehensive service reviews has continued as a vehicle for analyzing City services, identifying opportunities for improvement, and determining areas of possible cost reductions. The goal of the service review program is to ensure that services desired by the citizens are provided in the most cost effective and efficient method possible. The city council's goals for the next five years and beyond include the following:

- Robust Local Economy: Diverse Businesses and Jobs with Economic Prosperity
- Vibrant Community: Healthy and Safe
- Livable Neighborhoods and Housing: Great Place to Live
- Financially Responsible, High-Performance City Organization: Sustainable, Equitable, and Effective Service Delivery
- Sustainable Environment: Preserving and Enhancing Natural Resources
- Partnership for a Better Dubuque: Building Our Community that is Viable, Livable, and Equitable
- Diverse Arts, Culture, Parks, and Recreation Experiences and Activities
- Connected Community: Equitable Transportation, Technology Infrastructure, and Mobility

FINANCIAL INFORMATION

Internal Controls: City management is responsible for establishing and maintaining internal controls to ensure that the assets of the government are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with

generally accepted accounting principles.

Single Audit: As a recipient of federal and state financial assistance, the City of Dubuque's government is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws, regulations, contracts, and grants related to those programs. These internal controls are subject to periodic evaluation by management.

As a part of the City's single audit described earlier, tests are made to determine the adequacy of internal controls, including that portion related to federal programs, as well as to determine that the government has complied with applicable laws, regulations, contracts, and grants.

Budgeting Controls: In addition, the government maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the city council. All funds, except for fiduciary fund types which include pension trust funds, private purpose trust funds, and custodial funds are included in the annual budget process. The level of budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is established by state programs. The government also maintains an encumbrance accounting system as one technique for accomplishing budgetary control. Encumbered amounts lapse at year-end; however, encumbrances generally are re-appropriated as part of the following year's budget. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

Cash Management: Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, federal agency obligations, and authorized mutual funds. The City (including DMASWA) received investment earnings of \$340,627 for the year. The investment policy adopted by the city council stresses the importance of capital preservation. The policy directives intend to minimize credit and market risks while maintaining a competitive yield on the portfolio.

Risk Management: The City of Dubuque is a member of a statewide risk pool for local governments, the Iowa Communities Assurance Pool (ICAP). The coverage for general and auto liability, as well as public official and police professional liability are acquired through this pool. The City has established a Workers' Compensation Reserve Fund for insuring benefits provided to City employees which is included in the Internal Service Fund Type. Through May 15, 2020 workers' compensation benefits were self-insured up to a specific stop-loss amount of \$750,000, and an aggregate-stop loss consistent with statutory limits for 2020. Coverage from a private insurance company is maintained for losses in excess of the stop-loss amount. As of May 15, 2020 the City changed workers' compensation coverage providers. Under this new agreement, the City is fully insured for all claims with the exception of sworn Police Officers and Fire Fighters medical claims. All claims handling procedures are performed by a third-party claims administrator. Incurred but not reported claims have been accrued as a liability based upon the claims administrator's estimate. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. The estimated liability does not include any allocated or unallocated claims adjustment expense. The City purchases private insurance to include sworn Police Officers and Fire Fighters medical claims under a self-insured retention of \$750,000 for each accident. The accumulated reserve provision for such claims reflected a \$(134,415) net position as of June 30, 2021. The City has also established a self-insurance plan for medical, prescription drug, and short-term disability. The accumulated reserve provision for such claims equaled \$3,917,734 as of June 30, 2021. All self-insured health plans are certified as actuarially sound and certificates of compliance have been filed with the State of Iowa.

Bond Rating: Moody's Investors Service affirmed the Aa3 rating on outstanding general obligation unlimited tax (GOULT) debt on April 26, 2021; a Aa3 rating on outstanding second lien sales tax increment debt that is ultimately backed by an unlimited property tax pledge; and an A2 rating on outstanding senior

lien sales tax increment revenue bonds. The ratings incorporate the city's sizable tax base, a walth and income profile that is slightly below similary rated peers, an increased financial position that will remain solid despite a draw in fiscal 2021, and somewhat elevated debt and pension liabilities. On July 13, 2021, Moody's upgraded the rating on the water revenue debt from A2 to A1. The A1 rating reflects the water enterprise's very strong cash position, updated system condition, and strong capital and operational planning with unlimited rate setting authority.

Moody's provides credit ratings and research covering debt instruments and securities. The purpose of Moody's ratings is to provide investors with a simple system to gauge future relative creditworthiness of securities. The firm uses nine rating classifications to designate least credit risk to greatest credit risk: Aaa, Aa, A, Baa, Ba, B, Caa, Ca, and C. Moody's appends numerical modifiers 1, 2, and 3 to each rating classification.

AWARDS AND ACKNOWLEDGEMENTS

Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dubuque, Iowa, for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. This was the 33rd consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

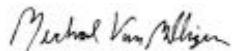
A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

GFOA also awarded a Distinguished Budget Presentation Award to the City of Dubuque, Iowa, for its annual budget for the fiscal year ended June 30, 2022. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This was the 16th consecutive year that the City has achieved this prestigious award. This award is valid for a period of one year.

The City of Dubuque's investment policy was awarded the Certification of Excellence in July 2009 by the Association of Public Treasurers of the United States and Canada. The investment policy is reviewed every five years by the APT US&C. The investment policy was successfully recertified in 2016.

Acknowledgments: The preparation of this report could not be accomplished without the efficient and dedicated services of the entire Finance Department staff. We also thank the mayor and city council for their interest and support in planning and conducting the financial operations of the City of Dubuque in a responsible and progressive manner. We also thank the independent certified public accountants, Eide Bailly LLP, whose competent assistance and technical expertise have enabled the production of this report.

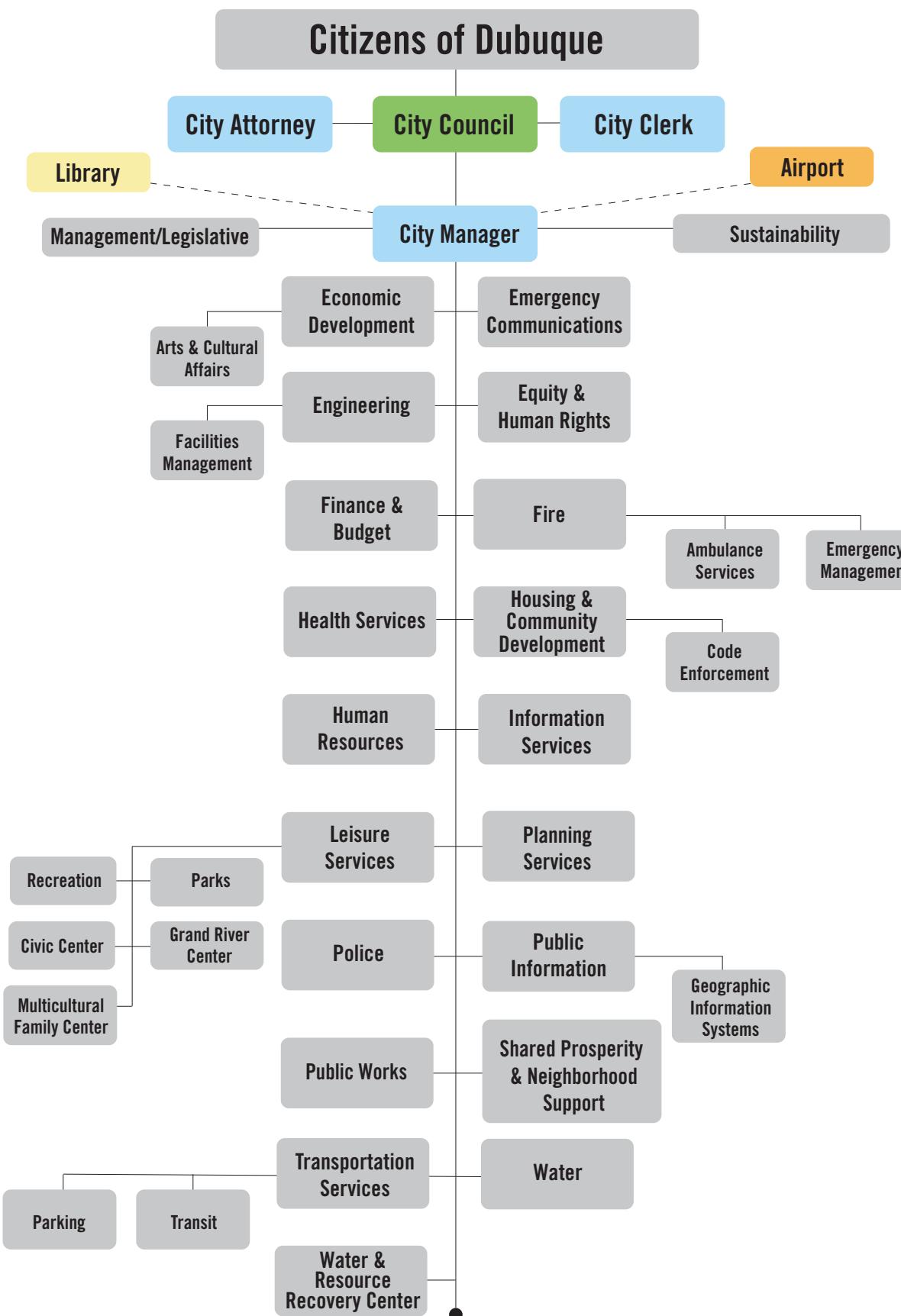
Sincerely,



Michael C. Van Milligen
City Manager



Jennifer M. Larson
Director of Finance and Budget



KEY

Elected by the
Citizens of Dubuque

Appointed by the
City Council

Appointed by the
Library Board of
Trustees

Appointed by the
Airport Commission

Appointed by the
City Manager

CITY OF DUBUQUE, IOWA
OFFICIALS
JUNE 30, 2021

CITY COUNCIL

Roy D. Buol	Mayor
Ric W. Jones	Council Member – At Large
David T. Resnick	Council Member – At Large
Susan R. Farber	Council Member – 1st Ward
Laura J. Roussell	Council Member – 2nd Ward
Danny C. Sprank	Council Member – 3rd Ward
Bradley M. Cavanagh	Council Member – 4th Ward

COUNCIL APPOINTED OFFICIALS

Michael C. Van Milligen	City Manager
Barry A. Lindahl	Senior Counsel
Crenna M. Brumwell	City Attorney
Maureen A. Quann	Assistant City Attorney
Adrienne N. Breitfelder	City Clerk

DEPARTMENT MANAGERS

Todd E. Dalsing	Airport Manager
Cori L. Burbach	Assistant City Manager
Gus N. Psihoyos	City Engineer
Jennifer M. Larson	Director of Finance and Budget
Therese H. Goodmann	Director of Strategic Partnerships
Jill M. Connors	Economic Development Director
Mark P. Murphy	Emergency Communications Manager
Rick A. Steines	Fire Chief
Mary Rose Corrigan	Health Services Manager
Alexis M. Steger	Housing and Community Development Manager
Shelley M. Stickfort	Human Resources Director
Kelly R. Larson	Human Rights Director
Christine A. Kohlmann	Information Services Manager
Marie L. Ware	Leisure Services Manager
Nicholas L. Rossman	Library Director
Randy W. Gehl	Public Information Officer
John L. Klostermann	Public Works Director
Wally C. Wernimont	Planning Services Manager
Mark M. Dalsing	Police Chief
Gina S. Bell	Sustainable Community Coodinator
Russell K. Stecklein	Transportation Services Director
Christopher J. Lester	Water Department Manager
William J. O'Brien	Water & Resource Recovery Center Manager



Government Finance Officers Association

**Certificate of
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Presented to

**City of Dubuque
Iowa**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Monell

Executive Director/CEO

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**Financial Section
June 30, 2021
City of Dubuque, Iowa**

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Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of Dubuque, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Dubuque, Iowa as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Dubuque Initiatives and Subsidiaries, which represent 28 percent, 38 percent, and 7 percent, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Dubuque Initiatives and Subsidiaries, is based on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Dubuque Initiatives and Subsidiaries and Dubuque Convention and Visitors Bureau, discretely presented component units, were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit report and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Dubuque, Iowa, as of June 30, 2021, 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.

Change in Accounting Principle

As discussed in Notes 1 and 18 to the financial statements, the City has adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, which has resulted in a restatement of net position as of July 1, 2020. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the other required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods or preparing the information and comparing the information for consistency with management's responses to our inquires, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Dubuque, Iowa's financial statements. The introductory section, combining nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the financial statements.

The combining nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 22, 2021, on our consideration of the City of Dubuque, Iowa's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Dubuque, Iowa
December 22, 2021

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CITY OF DUBUQUE, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

This section of the City of Dubuque's annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year that ended on June 30, 2021. Please read it in conjunction with the transmittal letter at the front of this report and the City's financial statements found in the next section of this report.

FINANCIAL HIGHLIGHTS

- The net position of the City of Dubuque increased to \$629,117,651 compared to net position of \$590,242,775 for fiscal year 2020.
- Governmental program revenues increased by \$10,211,394 from fiscal year 2020. This increase was due largely in part to a significant increase in grant revenues in community and economic development in relation to the HUD Resiliency grant. There was also increased grant revenue related to the completion and closeout of the Southwest Arterial project.
- The City's business type activities program revenues increased \$7,338,589. Charges for services increased \$131,215. There were no rate increases for water, sewer, or stormwater , and refuse (-4.03%) rates were decreased in fiscal year 2021. The Stormwater Fund had a \$5,951,737 State of Iowa Flood Mitigation grant (Sales Tax Increment) for the Bee Branch Creek Restoration project. There were no capital contributions from outside developers for completed subdivisions. Capital contributions received from governmental funds were \$7,429,184 and are shown in the transfers line and are detailed out in Note 5.
- Program expenses of the City's governmental activites decreased approximately 2.2%, or \$2,233,507 from fiscal year 2020 to fiscal year 2021. The decrease was seen mainly in public works, culture and recreation, and general government, which is due to frozen positions for part of the year so a decrease in employee expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

The City's basic financial statements consist of government-wide financial statements, fund financial statements, and notes to the financial statements. This discussion and analysis is intended to serve as an introduction to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business. The paragraphs below provide a brief description of the government-wide financial statements.

The statement of net position presents information on all of the City's assets, deferred outflows, liabilities, and deferred inflows, with the difference between assets plus deferred outflows, and liabilities plus deferred inflows reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. To assess the overall health of the City, you need to consider additional non-financial factors such as changes in the City's property tax base and the condition of the City's infrastructure.

CITY OF DUBUQUE, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to 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 result in cash flows in future fiscal periods such as uncollected taxes and earned but unused sick and vacation leave.

The government-wide financial statements include not only the City itself (known as the primary government), but also three other legally separate entities (known as component units), the Dubuque Metropolitan Area Solid Waste Agency (DMASWA), Dubuque Initiatives (DI) and Subsidiaries, and the Dubuque Convention and Visitors Bureau (CVB) for which the City of Dubuque is considered financially accountable. Financial information for DMASWA, DI, and CVB are reported separately from the financial information presented for the primary government. The Dubuque Metropolitan Area Solid Waste Agency, Dubuque Initiatives and Subsidiaries, and Dubuque Convention and Visitors Bureau issue separate financial statements. Dubuque Initiatives and Subsidiaries' financial statements are prepared on a calendar year basis while the Dubuque Metropolitan Area Solid Waste Agency's and Dubuque Convention and Visitors Bureau's financial statements are prepared on the same fiscal year basis as the City of Dubuque.

The government-wide financial statements are divided into two categories:

Governmental activities. This category consists of services provided by the City that are principally supported by taxes and intergovernmental revenues. Basic City services such as police, fire, public works, planning, parks, library, and general administration are governmental activities.

Business-type activities. These activities are supported primarily by user fees. The services provided by the City in this category include water, sewer, storm water, refuse, salt, parking, transit and the America's River Project.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with legal requirements for financial transactions and reporting. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financial decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances are followed by a reconciliation to facilitate this comparison between governmental funds and governmental activities.

CITY OF DUBUQUE, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

The City maintains four individual major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, tax increment financing fund, community development fund and debt service fund, all of which are considered to be major funds. Data from all other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City legally adopts an annual budget by function. A budgetary comparison schedule has been provided.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprises funds to account for its sewer, water, storm water, and refuse utilities, transit service, parking facilities, salt, and America's River Project. Internal service funds are accounting devices used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its engineering services, garage services, stores/printing, health insurance, and workers' compensation. The City's internal service funds predominately benefit the governmental activities and have been included in the governmental activities in the government-wide financial statements.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City has two fiduciary funds, a custodial fund reporting resources held for the Dubuque Racing Association for improvements at the greyhound racing facility and a custodial fund used for reporting resources from Mediacom for purchasing equipment relevant to public, educational, and governmental (PEG) access broadcasting.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the budget and actual results of the City, the City's proportionate share of the net pension liability and related contributions for both of the City's pension plans, and the schedule of changes in total OPEB liability.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, internal service funds, and custodial funds, are presented immediately following the required supplementary information.

CITY OF DUBUQUE, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position. As noted earlier, net position may serve as a useful indicator of a government's financial position when observed over time. The analysis that follows focuses on the change in net position for the governmental and business-type activities.

The largest part of the City's net position reflects its net investment in capital assets such as land, buildings, infrastructure, machinery, and equipment less any related debt used to acquire those assets that is still outstanding. 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 is the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, legislation, or other legal requirements.

CITY OF DUBUQUE'S NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 141,183,538	\$ 106,111,268	\$ 50,637,097	\$ 44,069,688	\$ 191,820,635	\$ 150,180,956
Capital assets	416,838,707	419,863,419	379,026,143	368,493,789	795,864,850	788,357,208
Total assets	<u>558,022,245</u>	<u>525,974,687</u>	<u>429,663,240</u>	<u>412,563,477</u>	<u>987,685,485</u>	<u>938,538,164</u>
Deferred outflows of resources	15,610,050	11,802,331	1,285,787	1,223,366	16,895,837	13,025,697
Long-term liabilities	125,830,851	114,917,444	179,327,896	184,282,392	305,158,747	299,199,836
Other liabilities	27,787,317	14,164,454	13,622,200	16,131,621	41,409,517	30,296,075
Total liabilities	<u>153,618,168</u>	<u>129,081,898</u>	<u>192,950,096</u>	<u>200,414,013</u>	<u>346,568,264</u>	<u>329,495,911</u>
Deferred inflows of resources	28,490,373	30,834,711	405,034	990,464	28,895,407	31,825,175
Net position:						
Net investment in capital assets	387,768,367	387,344,725	207,159,931	191,757,112	594,928,298	579,101,837
Restricted	34,083,157	26,501,434	2,942,894	3,187,364	37,026,051	29,688,798
Unrestricted	(30,327,770)	(35,985,750)	27,491,072	17,437,890	(2,836,698)	(18,547,860)
Total net position	<u>\$ 391,523,754</u>	<u>\$ 377,860,409</u>	<u>\$ 237,593,897</u>	<u>\$ 212,382,366</u>	<u>\$ 629,117,651</u>	<u>\$ 590,242,775</u>

Net position of the governmental activities increased \$13,663,345 over fiscal year 2020 balance of \$377,860,409. Governmental activities had \$4,020,837 of capital assets donated from developers. Overall grant revenues increased by \$6,768,447. This was primarily due to the public works grant for the HUD Resiliency grant and grant revenue received related to the completion of the Southwest Arterial project closeout and completion.

CITY OF DUBUQUE, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

Net position for the business-type activities increased \$25,211,531 over fiscal year 2020 of \$212,382,366. Charges for services increased \$131,215. Grants decreased \$(7,207,374). The increase in net position is also due to transfers of capital assets from governmental funds of \$7,429,184 and loan forgiveness for \$5,908,200.

A portion of the City's net position \$37,026,051 or 5.9% represents resources that are subject to external restrictions on how they may be used.

At the close of fiscal year 2021, the City has negative total unrestricted net position. The government-wide negative unrestricted results from TIF (governmental activities) debt being used to finance capital assets of the business-type activities, along with \$60,799,359 in pension liability and \$6,311,802 in OPEB Liability.

Governmental activities. Taxes are the largest source of governmental revenues with property taxes of \$39,524,078 in 2021. Other governmental revenues included gaming \$8,077,003, local option sales taxes \$11,328,295, and charges for services \$20,510,357.

Governmental operating expenses during 2021 totaled \$97,367,539. The largest programs were public safety of \$32,583,676, public works of \$20,949,455, community and economic development of \$18,168,279, and culture and recreation of \$11,341,436.

Business-type activities. Operating revenue increased \$90,452. Operating expenses increased from \$33,312,066 in 2020 to \$33,785,256 in 2021. The increase was primarily in supplies and services expense. Nonoperating expenses consist of interest expense of \$4,545,376. Investment earnings decreased from \$796,494 in 2020 to \$130,706 in 2021.

CITY OF DUBUQUE, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

CITY OF DUBUQUE
CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues						
Charges for services	\$ 20,510,357	\$ 17,067,410	\$ 34,582,412	\$ 34,451,197	\$ 55,092,769	\$ 51,518,607
Operating grants and contributions	24,436,818	14,484,320	9,894,477	2,967,619	34,331,295	17,451,939
Capital grants and contributions	12,266,220	15,450,271	6,691,110	6,410,594	18,957,330	21,860,865
General revenues						
Property taxes	39,524,078	38,354,691	-	-	39,524,078	38,354,691
Local option sales tax	11,328,295	9,652,332	-	-	11,328,295	9,652,332
Hotel/motel tax	2,036,045	2,117,506	-	-	2,036,045	2,117,506
Utility franchise fees	4,920,610	4,976,472	-	-	4,920,610	4,976,472
Gaming	8,077,003	7,394,294	-	-	8,077,003	7,394,294
Unrestricted investment earnings	142,102	1,857,420	130,706	796,494	272,808	2,653,914
Gain on sale of capital assets	296,969	23,866	-	16,500	296,969	40,366
Total revenues	<u>123,538,497</u>	<u>111,378,582</u>	<u>51,298,705</u>	<u>44,642,404</u>	<u>174,837,202</u>	<u>156,020,986</u>
Expenses:						
Public safety	32,583,676	32,079,903	-	-	32,583,676	32,079,903
Public works	20,949,455	22,667,132	-	-	20,949,455	22,667,132
Health and social services	1,487,042	1,677,181	-	-	1,487,042	1,677,181
Culture and recreation	11,341,436	13,576,571	-	-	11,341,436	13,576,571
Community and economic development	18,168,279	17,848,570	-	-	18,168,279	17,848,570
General government	10,046,004	8,821,692	-	-	10,046,004	8,821,692
Interest on long-term debt	2,791,647	2,929,997	-	-	2,791,647	2,929,997
Sewage disposal works	-	-	12,277,013	11,725,889	12,277,013	11,725,889
Water utility	-	-	7,968,029	7,631,411	7,968,029	7,631,411
Stormwater utility	-	-	6,164,947	5,887,171	6,164,947	5,887,171
Parking facilities	-	-	3,334,222	3,414,851	3,334,222	3,414,851
America's River Project	-	-	-	3,161	-	3,161
Refuse collection	-	-	4,546,168	4,387,683	4,546,168	4,387,683
Transit system	-	-	4,494,303	4,748,463	4,494,303	4,748,463
Salt	-	-	147,524	333,556	147,524	333,556
Total expenses	<u>97,367,539</u>	<u>99,601,046</u>	<u>38,932,206</u>	<u>38,132,185</u>	<u>136,299,745</u>	<u>137,733,231</u>
Increase in net position						
before transfers and special items	26,170,958	11,777,536	12,366,499	6,510,219	38,537,457	18,287,755
Transfers	(12,845,032)	(10,561,636)	12,845,032	10,561,636	-	-
Special item - Transfer of roads	337,419	-	-	-	337,419	-
Increase in net position	13,663,345	1,215,900	25,211,531	17,071,855	38,874,876	18,287,755
Net position, beginning	377,860,409	376,644,509	212,382,366	195,310,511	590,242,775	571,955,020
Net position, ending	<u>\$ 391,523,754</u>	<u>\$ 377,860,409</u>	<u>\$ 237,593,897</u>	<u>\$ 212,382,366</u>	<u>\$ 629,117,651</u>	<u>\$ 590,242,775</u>

CITY OF DUBUQUE, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements.

The City's governmental funds reported a combined fund balance of \$83,071,944 at June 30, 2021. \$4,787,124 is in nonspendable for inventory, receivables, and prepaid items. \$69,412 is nonspendable endowment corpus. \$40,983,166 is restricted for debt service and bond ordinance, road use tax funds, capital improvements, community development programs, employee benefits, endowments, and various grants. Council ordinance has committed \$7,901,868 for capital improvements. \$2,868,215 is assigned for capital improvements and equipment. This leaves \$26,462,159 for unassigned fund balances in the government funds.

The General Fund's fund balance reserve goal is 20% of revenues. The fund balance of the General Fund increased by \$8,095,388 to \$34,985,106. Gaming revenues increased by \$682,709 or 9.15% in fiscal year 2021. Charges for Services increased \$2,810,757 coupled with an increase in taxes and a decrease in investment earnings. General Fund expenditures decreased from \$60,501,091 in 2020 to \$60,271,801 in 2021. The \$229,290 decrease was primarily in the public safety and culture and recreation functions.

The fund balance of special revenue fund Tax Increment Financing decreased by \$88,741 to \$9,460,782. Tax revenues increased by \$1,516,798 due to expansions and new businesses added in Dubuque Industrial Center West. Tax Increment Financing expenditures increased \$359,567.

The fund balance of the special revenue Community Development Fund increased by \$210,228 to \$5,810,489. Intergovernmental revenue decreased from \$10,666,574 in 2020 to \$9,799,286 in 2021 primarily for HUD Resiliency grant.

The Debt Service Fund paid \$27,524,288 in principal and \$2,867,814 in interest and fiscal charges during fiscal year 2021.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The combined net position of the enterprise funds at June 30, 2021, totaled \$237,593,897 of which the unrestricted is \$27,491,072.

The Sewer Fund had an increase of \$891,005 for total net position of \$31,304,593. Operating expenses increased \$539,665 primarily for employee expense and supplies and services. The Sewer Fund operating income from operations was \$2,458,294.

The Water Utility had an increase in net position by \$2,895,319 for total net position of \$36,946,487. There was no increase in water rates in 2021.

The Storm Water Utility had an increase in net position of \$18,721,605. Ending net position is \$101,497,524. Storm Water Utility had capital contributions of \$13,183,694 which consisted of a capital grant \$5,951,737 and contribution of assets from governmental funds \$7,015,050.

CITY OF DUBUQUE, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

The Parking Facilities had a increase in net position of \$1,040,038. Ending net position is \$48,225,373. Operating income decreased \$239,811. Parking Facilities had operating loss of \$1,129,090 after depreciation of \$1,142,910 for fiscal year 2021.

Other Enterprise Funds net position increased by \$1,663,564 to \$19,619,920. This was primarily due to Transit's increase of \$1,752,722 in net position.

BUDGETARY HIGHLIGHTS

There were two amendments to the City's 2020-2021 cash basis budget. The first amendment was passed in September 2020 to reflect operating and capital budget carryovers (continuing appropriation authority) from fiscal year 2020 and amended the fiscal year 2021 budget for operating and capital City Council actions since the beginning of the fiscal year. The second budget amendment was passed in May 2021 to reflect City Council actions since the first budget amendment and amendments to add additional appropriation authority due to increased revenues.

The final budget for total cash basis receipts increased by \$70,015,586. The increase was primarily attributable to revenue associated with capital projects and operating carryovers which mainly include grants to intergovernmental funds. The final budget for total expenditures increased \$110,073,669 from the original budget. The increase was primarily attributable to purchase order encumbrances carryover, capital projects, and operating carryovers from the prior year and expenditures associated with new grants received.

Actual cash basis revenues were \$56,002,266 less than the final amended budget; and, cash basis expenditures were \$109,677,910 less than the final amended budget due primarily to projected capital projects not completed by fiscal year end.

CITY OF DUBUQUE, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounts to \$795,864,850 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, infrastructure, and construction in progress. Additional information on the City's assets can be found in Note 6 to the financial statements in this report.

CAPITAL ASSETS (net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 105,126,170	\$ 79,331,529	\$ 24,793,823	\$ 24,793,823	\$ 129,919,993	\$ 104,125,352
Buildings	143,301,022	139,555,836	158,590,934	159,240,025	301,891,956	298,795,861
Improvements other than buildings	27,926,021	24,726,686	183,083,727	178,550,296	211,009,748	203,276,982
Machinery and equipment	55,449,960	52,381,639	115,764,515	115,073,585	171,214,475	167,455,224
Infrastructure	265,956,733	239,440,410	-	-	265,956,733	239,440,410
Construction in progress	3,038,875	59,256,755	44,479,731	34,113,325	47,518,606	93,370,080
Accumulated depreciation	(183,960,074)	(174,829,436)	(147,686,587)	(143,277,265)	(331,646,661)	(318,106,701)
	<u>\$ 416,838,707</u>	<u>\$ 419,863,419</u>	<u>\$ 379,026,143</u>	<u>\$ 368,493,789</u>	<u>\$ 795,864,850</u>	<u>\$ 788,357,208</u>

Major expenditures during 2020-2021 were for the construction work on stormwater Bee Branch Creek Restoration, completion of the Southwest Arterial, Miracle League Complex, Chaplain Schmitt Veterans Memorial, and water main replacements.

Long-term debt. At year end, the City had \$246,293,510 of debt outstanding. During fiscal year 2021, the City issued \$40,530,000 of general obligation bonds, which was used for a current refunding of bonds and financing new projects. The City refunded \$36,865,000 of general obligation bonds. The refunding was undertaken to reduce total debt service payments. The results of the transaction is a reduction of \$4,905,780 in future debt service payments for an economic gain of \$4,553,980.

Revenue capital loan notes have been issued for the planning and construction of sewer, stormwater, and water capital projects through the State of Iowa State Revolving Loan Funds (SRF). The City issued an additional \$37,503,894 of SRF debt in 2021. The City has pledged income derived from the acquired or constructed assets to pay debt service.

The City continues to operate under the State debt capacity limitations. The State limits the amount of general obligation debt outstanding to 5% of the assessed value of all taxable property in the community. Thus the City's debt capacity is \$239,298,248. With \$122,682,458 of debt applicable against the capacity, the City is utilizing 42.73% of this limit. Additional information on the City's long-term debt can be found in Note 7 of this report.

CITY OF DUBUQUE, IOWA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021

ECONOMIC FACTORS

The City's unemployment rate as of October, 2021 was 3.2%, down from 3.3% in October, 2020. The national average was 4.6% for October 2021, according to the Bureau of Labor Statistics. State of Iowa was 3.9% as reported in October, 2021.

The assessed valuation of taxable property, net of exemptions, increased by 3.09% to \$2,912,635,000. In fiscal year 2021, the minimum monthly refuse rate decreased from \$15.62 to \$14.99, no increase to sewer rate, no increase to water rates, and no increase to the storm water monthly fee (\$8.29 per single family unit (SFU)).

Impacts of the COVID-19 Pandemic. In mid-March of 2020, the COVID-19 outbreak was declared a global pandemic. The disruption to businesses across a range of industries in the United States continues to evolve. The full impact to local, regional and national economies, including that of the City of Dubuque, remains uncertain. To date, the outbreak has not created a material disruption to the operations of the City of Dubuque. However, the extent of the financial impact of COVID-19 will depend on future developments, including the spread of the virus, duration and timing of the economic recovery. Due to these uncertainties, management cannot reasonably estimate the potential impact to the City of Dubuque.

Fiscal year 2021 resulted in an increase in General Fund balance. The administratively initiated hiring freeze, travel freeze, and capital project freeze was lifted during the last quarter of Fiscal Year 2021. This was due to the team effort of the City Council and City staff, as well as the recovering economy and CARES (Coronavirus Aid, Relief, and Economic Security) Act funding, and the ARPA (American Rescue Plan Act) funding, the financial impacts of COVID-19 have not been as significant as originally projected for fiscal year 2021. There are still however, revenue concerns going forward. City Council and City staff plan to use caution going forward in fiscal year 2022 due to the uncertainty of the economy.

Requests for information. This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance and Budget, 50 West 13th Street, Dubuque, Iowa 52001-4864.

**Basic Financial Statements
Fiscal Year Ended June 30, 2021
City of Dubuque, Iowa**

CITY OF DUBUQUE, IOWA
STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Dubuque Metropolitan Area Solid Waste Agency	Dubuque Initiatives and Subsidiaries	Dubuque Convention and Visitors Bureau
ASSETS						
CURRENT ASSETS						
Cash and pooled cash investments	\$ 81,551,793	\$ 35,683,396	\$ 117,235,189	\$ 7,655,878	\$ 10,623,696	\$ 750,130
Receivables						
Property tax						
Delinquent	611,401	-	611,401	-	-	-
Succeeding year	26,205,437	-	26,205,437	-	-	-
Accounts and other	2,610,284	4,946,313	7,556,597	496,311	41,684	14,133
Special assessments	373,339	-	373,339	-	-	-
Accrued interest	101,795	20,617	122,412	11,168	-	-
Notes	576,196	-	576,196	-	207,774	-
Intergovernmental	9,373,607	4,057,242	13,430,849	-	-	-
Inventories	1,170,839	1,012,801	2,183,640	-	127,809	7,560
Prepaid items	576,062	75,011	651,073	31,721	-	8,841
Total Current Assets	123,150,753	45,795,380	168,946,133	8,195,078	11,000,963	780,664
NONCURRENT ASSETS						
Expendable restricted cash and investments	10,405,186	4,841,717	15,246,903	5,221,176	1,594,715	292,869
Nonexpendable restricted cash and investments	69,412	-	69,412	-	-	-
Notes receivable	7,558,187	-	7,558,187	-	298,078	-
Capital assets						
Land	105,126,171	24,793,823	129,919,994	2,737,804	-	-
Buildings	143,301,022	158,590,934	301,891,956	368,779	-	265,111
Improvements other than buildings	27,926,021	183,083,727	211,009,748	19,869,824	-	27,491
Machinery and equipment	55,449,960	115,764,515	171,214,475	4,280,286	-	105,385
Infrastructure	265,956,732	-	265,956,732	-	-	-
Construction in progress	3,038,876	44,479,731	47,518,607	866,875	-	-
Accumulated depreciation	(183,960,075)	(147,686,587)	(331,646,662)	(9,472,629)	-	(147,605)
Total Noncurrent Assets	434,871,492	383,867,860	818,739,352	23,872,115	1,892,793	543,251
Total Assets	558,022,245	429,663,240	987,685,485	32,067,193	12,893,756	1,323,915
DEFERRED OUTFLOWS OF RESOURCES						
Pension related deferred outflows	15,235,670	1,208,004	16,443,674	124,836	-	-
OPEB related deferred outflows	374,380	77,783	452,163	9,491	-	-
Total Deferred Outflows of Resources	15,610,050	1,285,787	16,895,837	134,327	-	-

CITY OF DUBUQUE, IOWA
STATEMENT OF NET POSITION (continued)
JUNE 30, 2021

EXHIBIT 1 (continued)

	Primary Government			Component Units								
	Governmental Activities	Business-type Activities	Total	Dubuque Metropolitan Area Solid Waste Agency	Dubuque Initiatives and Subsidiaries	Dubuque Convention and Visitors Bureau						
LIABILITIES												
CURRENT LIABILITIES												
Accounts payable	\$ 6,426,250	\$ 2,196,904	\$ 8,623,154	\$ 379,108	\$ 28,174	\$ 313,625						
Accrued payroll	2,207,536	366,875	2,574,411	42,843	-	57,579						
Loans payable	274,974	1,034,205	1,309,179	-	-	3,910						
Notes payable	46,195	6,195,000	6,241,195	-	-	-						
General obligation bonds payable	3,472,820	3,057,226	6,530,046	435,000	-	-						
Revenue bonds payable	-	355,000	355,000	-	-	-						
Tax increment financing bonds payable	635,000	-	635,000	-	-	-						
Accrued compensated absences	425,099	67,676	492,775	1,696	-	-						
Accrued interest payable	199,543	349,314	548,857	18,801	-	-						
Intergovernmental payable	9,041	-	9,041	96,211	-	-						
Unearned revenue	14,090,859	-	14,090,859	-	-	-						
Total Current Liabilities	27,787,317	13,622,200	41,409,517	973,659	28,174	375,114						
NONCURRENT LIABILITIES												
Loans payable	3,473,387	54,581	3,527,968	-	-	131,207						
Notes payable	-	108,816,616	108,816,616	-	-	-						
General obligation bonds payable	38,272,545	31,046,949	69,319,494	7,251,815	-	-						
Revenue bonds payable	-	31,949,834	31,949,834	-	-	-						
Landfill closure and postclosure care	-	-	-	2,955,149	-	-						
Tax increment financing bonds payable	17,609,178	-	17,609,178	-	-	-						
Accrued compensated absences	6,121,491	703,005	6,824,496	228,948	-	-						
Net pension liability	55,128,237	5,671,122	60,799,359	586,066	-	-						
Total OPEB liability	5,226,013	1,085,789	6,311,802	132,488	-	-						
Total Noncurrent Liabilities	125,830,851	179,327,896	305,158,747	11,154,466	-	131,207						
Total Liabilities	153,618,168	192,950,096	346,568,264	12,128,125	28,174	506,321						
DEFERRED INFLOWS OF RESOURCES												
Pension related deferred inflows	1,711,929	218,386	1,930,315	22,571	-	-						
OPEB related deferred inflows	246,798	51,277	298,075	6,256	-	-						
Succeeding year property tax	26,205,437	-	26,205,437	-	-	-						
Deferred amount on refunding	326,209	135,371	461,580	-	-	-						
Total deferred inflows of resources	28,490,373	405,034	28,895,407	28,827	-	-						
NET POSITION												
Net investment in capital assets	387,768,367	207,159,931	594,928,298	10,964,124	-	250,382						
Restricted for/by:												
Bond ordinance development agreement	2,140,740	2,942,894	5,083,634	-	-	-						
Debt service	58,582	-	58,582	-	-	-						
Employee benefits	25,773	-	25,773	-	-	-						
Community development	7,831,672	-	7,831,672	-	-	-						
Iowa Finance Authority Trust	1,456,033	-	1,456,033	-	-	-						
Capital projects	20,410,799	-	20,410,799	-	-	-						
Franchise agreement	680,470	-	680,470	-	-	-						
Endowments, expendable	117,591	-	117,591	-	-	-						
Endowments, nonexpendable	69,412	-	69,412	-	-	-						
Other	1,292,085	-	1,292,085	-	-	-						
State statute	-	-	-	185,328	-	-						
Landfill closure and post closure care	-	-	-	2,080,700	-	-						
Minority interest	-	-	-	1,525,039	-	-						
Unrestricted	(30,327,770)	27,491,072	(2,836,698)	5,289,377	12,865,582	567,212						
Total Net Position	\$ 391,523,754	\$ 237,593,897	\$ 629,117,651	\$ 20,044,568	\$ 12,865,582	\$ 817,594						

See notes to financial statements.

CITY OF DUBUQUE, IOWA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

EXHIBIT 2

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position				Component Units		
					Primary Government						
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Program Revenues	Governmental Activities	Business-type Activities	Total	Dubuque Metropolitan Area Solid Waste Agency	Dubuque Initiatives and Subsidiaries	Dubuque Convention and Visitors Bureau
Primary government											
Governmental Activities:											
Public safety	\$ 32,583,676	\$ 4,942,529	\$ 1,355,032	\$ 27,273	\$ 6,324,834	\$ (26,258,842)	\$ -	\$ (26,258,842)			
Public works	20,949,455	10,937,121	14,315,077	8,883,557	34,135,755	13,186,300	-	13,186,300			
Health and social services	1,487,042	425,872	13,216	1,275	440,363	(1,046,679)	-	(1,046,679)			
Culture and recreation	11,341,436	2,876,779	810,376	3,354,115	7,041,270	(4,300,166)	-	(4,300,166)			
Community and economic development	18,168,279	-	7,729,565	-	7,729,565	(10,438,714)	-	(10,438,714)			
General government	10,046,004	1,328,056	213,552	-	1,541,608	(8,504,396)	-	(8,504,396)			
Interest on long-term debt	2,791,647	-	-	-	-	(2,791,647)	-	(2,791,647)			
Total governmental activities	<u>97,367,539</u>	<u>20,510,357</u>	<u>24,436,818</u>	<u>12,266,220</u>	<u>57,213,395</u>	<u>(40,154,144)</u>	<u>-</u>	<u>(40,154,144)</u>			
Business-type activities											
Sewage disposal works	12,277,013	13,070,575	-	183,474	13,254,049	-	977,036	977,036			
Water utility	7,968,029	9,608,742	-	275,715	9,884,457	-	1,916,428	1,916,428			
Stormwater utility	6,164,947	5,177,696	5,993,774	6,085,670	17,257,140	-	11,092,193	11,092,193			
Parking facilities	3,334,222	2,007,307	81,054	-	2,088,361	-	(1,245,861)	(1,245,861)			
Refuse collection	4,546,168	4,424,410	87	-	4,424,497	-	(121,671)	(121,671)			
Transit system	4,494,303	168,493	3,819,562	146,251	4,134,306	-	(359,997)	(359,997)			
Salt	147,524	125,189	-	-	125,189	-	(22,335)	(22,335)			
Total business-type activities	<u>38,932,206</u>	<u>34,582,412</u>	<u>9,894,477</u>	<u>6,691,110</u>	<u>51,167,999</u>	<u>-</u>	<u>12,235,793</u>	<u>12,235,793</u>			
Total primary government	<u>\$ 136,299,745</u>	<u>\$ 55,092,769</u>	<u>\$ 34,331,295</u>	<u>\$ 18,957,330</u>	<u>\$ 108,381,394</u>	<u>\$ (40,154,144)</u>	<u>\$ 12,235,793</u>	<u>\$ (27,918,351)</u>			
Component units											
Dubuque Metropolitan Area Solid Waste Agency	\$ 5,863,963	\$ 6,433,722	\$ 598	\$ -	\$ 6,434,320				\$ 570,357	\$ -	\$ -
Dubuque Initiatives and Subsidiaries	381,564	128,519	-	-	128,519				-	(253,045)	-
Dubuque Convention and Visitors Bureau	1,030,935	1,235,548	255,155	-	1,490,703				-	-	459,768
Total Component Units	<u>\$ 7,276,462</u>	<u>\$ 7,797,789</u>	<u>\$ 255,753</u>	<u>\$ -</u>	<u>\$ 8,053,542</u>				<u>\$ 570,357</u>	<u>\$ (253,045)</u>	<u>459,768</u>
General revenues											
Property taxes					39,524,078	-	39,524,078	-			
Local option sales tax					11,328,295	-	11,328,295	-			
Hotel motel tax					2,036,045	-	2,036,045	-			
Utility franchise fees					4,920,610	-	4,920,610	-			
Gaming					8,077,003	-	8,077,003	-			
Unrestricted investment earnings					142,102	130,706	272,808	67,819	-		401
Miscellaneous					-	-	-	-		460,990	-
Gain on disposal of capital assets					296,969	-	296,969	-			
Transfers					(12,845,032)	12,845,032	-	-			
Special item - Transfer of roads					337,419	-	337,419	-			
Total general revenues and transfers					<u>53,817,489</u>	<u>12,975,738</u>	<u>66,793,227</u>	<u>67,819</u>	<u>460,990</u>	<u>401</u>	
Change in Net Position					<u>13,663,345</u>	<u>25,211,531</u>	<u>38,874,876</u>	<u>638,176</u>	<u>207,945</u>	<u>460,169</u>	
Net position, beginning of year					<u>377,860,409</u>	<u>212,382,366</u>	<u>590,242,775</u>	<u>19,406,392</u>	<u>12,657,637</u>	<u>357,425</u>	
Net position, ending of year					<u>\$ 391,523,754</u>	<u>\$ 237,593,897</u>	<u>\$ 629,117,651</u>	<u>\$ 20,044,568</u>	<u>\$ 12,865,582</u>	<u>\$ 817,594</u>	

See notes to financial statements

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CITY OF DUBUQUE, IOWA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

EXHIBIT 3

	Special Revenue		
	General	Tax Increment Financing	Community Development
ASSETS			
Cash and pooled cash investments	\$ 43,566,563	\$ 6,325,895	\$ 1,596,089
Receivables			
Property tax			
Delinquent	342,630	218,721	-
Succeeding year	23,480,087	-	-
Accounts and other	2,258,720	-	-
Special assessments	9,486	-	-
Accrued interest	43,082	40,728	5,589
Notes	3,215,744	-	3,899,715
Intergovernmental	1,699,206	-	2,568,585
Due from other funds	1,587,180	-	-
Inventories	214,520	-	123,195
Prepaid items	465,374	-	10,605
Restricted cash and pooled cash investments	288,264	2,962,258	-
Total Assets	<u>\$ 77,170,856</u>	<u>\$ 9,547,602</u>	<u>\$ 8,203,778</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 1,769,687	\$ 86,820	\$ 980,108
Accrued payroll	2,009,582	-	28,746
Intergovernmental payable	-	-	-
Due to other funds	-	-	-
Unearned revenue	13,899,030	-	-
Total Liabilities	<u>\$ 17,678,299</u>	<u>\$ 86,820</u>	<u>\$ 1,008,854</u>
DEFERRED INFLOW OF RESOURCES			
Unavailable revenues			
Succeeding year property tax	23,480,087	-	-
Special assessments	9,486	-	-
Grants	378,441	-	1,384,435
Other	639,437	-	-
Total Deferred Inflows of Resources	<u>\$ 24,507,451</u>	<u>-</u>	<u>\$ 1,384,435</u>
FUND BALANCES			
Nonspendable			
Endowment corpus	-	-	-
Inventory	214,520	-	-
Long-term notes receivable	3,215,744	-	-
Prepaid items	465,374	-	10,605
Restricted			
Endowments	-	-	-
Library	-	-	-
Police	-	-	-
Veterans	-	-	-
Debt service	-	-	-
Bond ordinance	-	2,140,740	-
Capital improvements	197,264	7,320,042	-
Franchise agreement	-	-	-
Special assessments	-	-	-
Iowa Finance Authority Trust	-	-	-
Community programs	-	-	7,361,714
Employee benefits	-	-	-
Committed, capital improvements	-	-	-
Assigned			
DRA gaming and distribution	2,868,215	-	-
Unassigned	<u>\$ 28,023,989</u>	<u>-</u>	<u>(1,561,830)</u>
Total Fund Balances	<u>\$ 34,985,106</u>	<u>\$ 9,460,782</u>	<u>\$ 5,810,489</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 77,170,856</u>	<u>\$ 9,547,602</u>	<u>\$ 8,203,778</u>

See notes to financial statements.

Debt Service	Other Governmental Funds	Total
\$ 55,821	\$ 23,540,966	\$ 75,085,334
4,709	45,341	611,401
280,730	2,444,620	26,205,437
-	167,216	2,425,936
-	363,853	373,339
32	9,108	98,539
-	1,018,924	8,134,383
-	5,105,816	9,373,607
-	-	1,587,180
-	780,798	1,118,513
-	100,083	576,062
-	7,224,076	10,474,598
\$ 341,292	\$ 40,800,801	\$ 136,064,329
\$ -	\$ 1,392,585	\$ 4,229,200
-	127,951	2,166,279
-	9,041	9,041
-	1,584,146	1,584,146
-	191,828	14,090,858
-	3,305,551	22,079,524
280,730	2,444,620	26,205,437
-	334,560	344,046
-	1,618,850	3,381,726
1,980	340,235	981,652
282,710	4,738,265	30,912,861
-	69,412	69,412
-	780,798	995,318
-	-	3,215,744
-	100,083	576,062
-	117,591	117,591
-	1,110,620	1,110,620
-	8,402	8,402
-	143,759	143,759
58,582	-	58,582
-	-	2,140,740
-	19,862,914	27,380,220
-	680,470	680,470
-	29,304	29,304
-	1,456,033	1,456,033
-	469,958	7,831,672
-	25,773	25,773
-	7,901,868	7,901,868
-	-	2,868,215
-	-	26,462,159
58,582	32,756,985	83,071,944
\$ 341,292	\$ 40,800,801	\$ 136,064,329

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CITY OF DUBUQUE, IOWA**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET****TO THE STATEMENT OF NET POSITION****JUNE 30, 2021****EXHIBIT 3-1**

Total fund balances - governmental funds	\$ 83,071,944
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Amounts reported for the governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Cost of capital assets	\$ 600,442,192
Accumulated depreciation	<u>(183,658,401)</u>

	416,783,791
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Some of the City's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are unavailable in the funds. Those revenues consist of:

Property tax	169,338
Special assessments	344,046
Grants and other	<u>4,194,039</u>

	4,707,423
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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 government funds as follows:

Deferred inflows of resources	(1,893,196)
Deferred outflows of resources	<u>15,247,563</u>

	13,354,367
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Internal service funds are used by the City's management to charge the costs of equipment maintenance and self-insurance programs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

	3,115,161
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Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

General obligation bonds	(41,745,365)
Tax increment financing bonds	(18,244,178)
Notes payable	(46,195)
Loans payable	(3,748,361)
Deferred amount on debt refundings	(326,209)
Accrued interest	(199,543)
Compensated absences	(6,546,590)
Net pension liability	(53,426,478)
Total OPEB liability	<u>(5,226,013)</u>

	(129,508,932)
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Net position of governmental activities

\$ 391,523,754

See notes to financial statements.

CITY OF DUBUQUE, IOWA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

EXHIBIT 4

	Special Revenue		
	General	Tax Increment Financing	Community Development
REVENUES			
Taxes	\$ 36,517,711	\$ 12,178,248	\$ -
Special assessments	- -	- -	8,751 -
Licenses and permits	1,983,531 -	- -	- -
Intergovernmental	3,534,723 -	- -	9,799,286 -
Charges for services	13,396,447 -	- -	5,497 -
Fines and forfeits	375,268 -	- -	- -
Investment earnings	67,207 (203,944)	205,008 -	62,101 31,768
Contributions	3,291,188 -	- -	- -
Gaming	8,077,003 -	- -	- -
Miscellaneous	625,685 500	- -	28,760 -
Total Revenues	<u>67,868,763</u>	<u>12,179,812</u>	<u>9,936,163</u>
EXPENDITURES			
Current			
Public safety	29,037,921 -	- -	- -
Public works	5,323,488 -	- -	- -
Health and social services	964,047 -	- -	103,444 -
Culture and recreation	11,674,458 -	- -	112,547 -
Community and economic development	3,937,544 2,855,928	- -	4,259,459 -
General government	6,948,480 -	- -	- -
Debt service			
Principal	- -	- -	- -
Interest and fiscal charges	42,272 -	- -	533 -
Capital projects	2,343,591 -	- -	5,249,952 -
Total Expenditures	<u>60,271,801</u>	<u>2,855,928</u>	<u>9,725,935</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>7,596,962</u>	<u>9,323,884</u>	<u>210,228</u>
OTHER FINANCING SOURCES (USES)			
Issuance of refunding bonds	- -	- -	- -
Premium on refunding bonds	- -	- -	- -
Transfers in	3,985,468 92,530	- -	- -
Transfers out	(3,680,198) (10,299,298)	- -	- -
Insurance recovery	103,643 -	- -	- -
Sale of capital assets	89,513 794,143	- -	- -
Total Other Financing Sources (Uses)	<u>498,426</u>	<u>(9,412,625)</u>	<u>- -</u>
SPECIAL ITEMS			
Transfer of roads	- -	- -	- -
Total Special Items	<u>- -</u>	<u>- -</u>	<u>- -</u>
NET CHANGE IN FUND BALANCES	<u>8,095,388</u>	<u>(88,741)</u>	<u>210,228</u>
FUND BALANCES, BEGINNING	<u>26,889,718</u>	<u>9,549,523</u>	<u>5,600,261</u>
FUND BALANCES, ENDING	<u>\$ 34,985,106</u>	<u>\$ 9,460,782</u>	<u>\$ 5,810,489</u>

See notes to financial statements.

Debt Service	Other Governmental Funds	Total
\$ 287,702	\$ 8,825,367	\$ 57,809,028
-	92,468	101,219
-	-	1,983,531
-	18,650,367	31,984,376
-	78,971	13,480,915
-	-	375,268
98,763	96,763	120,890
-	36,879	3,564,843
-	-	8,077,003
-	744,258	1,399,203
<u>386,465</u>	<u>28,525,073</u>	<u>118,896,276</u>
 -	438	29,038,359
-	6,780,822	12,104,310
-	-	1,067,491
-	130,328	11,917,333
43,192	6,435,733	17,531,856
-	551,310	7,499,790
27,524,288	-	27,524,288
2,867,814	87,002	2,997,621
-	7,714,579	15,308,122
<u>30,435,294</u>	<u>21,700,212</u>	<u>124,989,170</u>
 (30,048,829)	 6,824,861	 (6,092,894)
 21,461,558	 4,144,392	 25,605,950
844,028	109,829	953,857
7,796,770	1,855,360	13,730,128
-	(5,166,480)	(19,145,976)
-	33,336	136,979
-	41,000	924,656
<u>30,102,356</u>	<u>1,017,437</u>	<u>22,205,594</u>
 -	 5,672,000	 5,672,000
<u>-</u>	<u>5,672,000</u>	<u>5,672,000</u>
 53,527	 13,514,298	 21,784,700
 5,055	 19,242,687	 61,287,244
<u>\$ 58,582</u>	<u>\$ 32,756,985</u>	<u>\$ 83,071,944</u>

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CITY OF DUBUQUE, IOWA**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021****EXHIBIT 4-1**

Net change in fund balances - total governmental funds \$ 21,784,700
 Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:

Capital assets expended in governmental funds	\$ 17,008,508
Transfers of capital assets to enterprise funds	(7,429,184)
Contributions from developers	4,020,837
Assets transferred to the state	(44,122,974)
Assets transferred from the state	38,788,393
Depreciation expense	<u>(10,286,457)</u>
	(2,020,877)

In the statement of activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the entire proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balances by the book value of the asset being disposed.

(965,891)

Because some revenues will not be collected for several months after the City's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Deferred inflows of resources increased (decreased) by these amounts this year:

Property tax	(156,382)
Special assessments	(64,587)
Grants and other	<u>374,447</u>
	153,478

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities. Also, governmental funds report the effect of issuance discounts and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Debt issuances including premium	(26,559,807)
Debt repayments	<u>27,527,508</u>
	967,701

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These items consist of:

Decrease in accrued interest	29,680
Amortization of bond discount/premium	50,772
Increase in compensated absences	(530,332)
Deferred amount on debt refundings	(70,929)
Pension adjustment	(3,809,820)
OPEB adjustment	<u>(174,601)</u>
Total additional expenses	(4,505,230)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net position of the internal service funds is reported with governmental activities.

Change in net position of governmental activities	<u>\$ 13,663,345</u>
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See notes to financial statements.

CITY OF DUBUQUE, IOWA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

Business-type Activities-Enterprise Funds

	Sewage Disposal Works	Water Utility	Stormwater Utility
ASSETS			
CURRENT ASSETS			
Cash and pooled cash investments	\$ 3,835,683	\$ 11,129,721	\$ 14,505,515
Receivables			
Accounts	2,022,651	1,483,998	777,503
Accrued interest	10,150	2,945	7,222
Intergovernmental	-	-	2,810,991
Prepaid items	2,667	8,132	41,104
Inventories	300,314	706,037	-
Total Current Assets	6,171,465	13,330,833	18,142,335
NONCURRENT ASSETS			
Restricted cash and pooled cash investments	349,464	1,195,231	2,080,000
Capital assets			
Land	254,858	209,244	21,393,569
Buildings	72,257,722	11,080,162	-
Improvements to other than buildings	53,994,700	1,635,950	121,345,419
Machinery and equipment	38,616,615	63,785,498	1,305,088
Construction in progress	1,337,317	6,716,010	36,225,627
Accumulated depreciation	(68,417,585)	(29,932,775)	(21,128,868)
Net Capital Assets	98,043,627	53,494,089	159,140,835
Total Noncurrent Assets	98,393,091	54,689,320	161,220,835
Total Assets	104,564,556	68,020,153	179,363,170
DEFERRED OUTFLOWS OF RESOURCES			
Pension related deferred outflows	262,554	299,347	59,100
OPEB related deferred outflows	17,256	18,119	7,032
Total Deferred Outflows of Resources	279,810	317,466	66,132

Business-type Activities-Enterprise Funds

Parking Facilities	Other Enterprise Funds	Total	Governmental Activities - Internal Service Funds
\$ 1,683,346	\$ 4,529,131	\$ 35,683,396	\$ 6,466,459
143,020	519,141	4,946,313	184,348
300	-	20,617	3,256
-	1,246,251	4,057,242	-
9,073	14,035	75,011	-
-	6,450	1,012,801	52,326
<u>1,835,739</u>	<u>6,315,008</u>	<u>45,795,380</u>	<u>6,706,389</u>
295,869	921,153	4,841,717	-
2,900,152	36,000	24,793,823	-
62,216,456	13,036,594	158,590,934	-
4,625,254	1,482,404	183,083,727	-
2,174,614	9,882,700	115,764,515	356,590
-	200,777	44,479,731	-
<u>(20,069,440)</u>	<u>(8,137,919)</u>	<u>(147,686,587)</u>	<u>(301,674)</u>
<u>51,847,036</u>	<u>16,500,556</u>	<u>379,026,143</u>	<u>54,916</u>
<u>52,142,905</u>	<u>17,421,709</u>	<u>383,867,860</u>	<u>54,916</u>
<u>53,978,644</u>	<u>23,736,717</u>	<u>429,663,240</u>	<u>6,761,305</u>
81,323	505,680	1,208,004	362,487
3,883	31,493	77,783	-
<u>85,206</u>	<u>537,173</u>	<u>1,285,787</u>	<u>362,487</u>

CITY OF DUBUQUE, IOWA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

Business-type Activities-Enterprise Funds

	Sewage Disposal Works	Water Utility	Stormwater Utility
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	\$ 388,208	\$ 427,978	\$ 1,185,773
Accrued payroll	86,088	84,785	16,985
Loans payable - current	-	1,000,000	-
General obligation bonds payable	665,140	765,284	1,043,513
Revenue bonds payable	-	355,000	-
Capital loan notes payable	3,061,000	894,000	2,240,000
Accrued compensated absences	15,193	34,172	-
Accrued interest payable	120,492	55,354	156,993
Due to other funds	-	-	-
Total Current Liabilities	4,336,121	3,616,573	4,643,264
NONCURRENT LIABILITIES			
Loans payable	-	-	-
General obligation bonds payable	8,544,749	10,115,857	6,634,747
Revenue bonds payable	-	3,483,905	28,465,929
Capital loan notes payable	58,954,019	12,090,762	37,771,835
Accrued compensated absences	152,384	258,544	13,332
Net pension liability	1,232,603	1,405,339	277,440
Total OPEB liability	240,885	252,929	98,160
Total Noncurrent Liabilities	69,124,640	27,607,336	73,261,443
Total Liabilities	73,460,761	31,223,909	77,904,707
DEFERRED INFLOWS OF RESOURCES			
Pension related deferred inflows	47,465	54,117	10,683
OPEB related deferred inflows	11,376	11,945	4,636
Deferred amount on refunding	20,171	101,161	11,752
Total Deferred Inflows of Resources	79,012	167,223	27,071
NET POSITION			
Net investment in capital assets	35,135,147	25,485,614	83,694,073
Restricted by bond ordinance/development agreement	-	567,025	2,080,000
Unrestricted	(3,830,554)	10,893,848	15,723,451
Total Net Position	\$ 31,304,593	\$ 36,946,487	\$ 101,497,524

See notes to financial statements.

Business-type Activities-Enterprise Funds

Parking Facilities	Other Enterprise Funds	Total	Governmental Activities - Internal Service Funds
\$ 55,032	\$ 139,913	\$ 2,196,904	\$ 2,197,050
24,515	154,502	366,875	41,257
34,205	-	1,034,205	-
543,810	39,479	3,057,226	-
-	-	355,000	-
-	-	6,195,000	-
3,244	15,067	67,676	-
12,637	3,838	349,314	-
-	-	-	3,034
<u>673,443</u>	<u>352,799</u>	<u>13,622,200</u>	<u>2,241,341</u>
 54,581	 -	 54,581	 -
4,645,619	1,105,977	31,046,949	-
-	-	31,949,834	-
-	-	108,816,616	-
9,308	269,437	703,005	-
381,778	2,373,962	5,671,122	1,701,759
<u>54,199</u>	<u>439,616</u>	<u>1,085,789</u>	<u>-</u>
<u>5,145,485</u>	<u>4,188,992</u>	<u>179,327,896</u>	<u>1,701,759</u>
<u>5,818,928</u>	<u>4,541,791</u>	<u>192,950,096</u>	<u>3,943,100</u>
 14,703	 91,418	 218,386	 65,531
2,559	20,761	51,277	-
2,287	-	135,371	-
<u>19,549</u>	<u>112,179</u>	<u>405,034</u>	<u>65,531</u>
 46,568,846	 16,276,251	 207,159,931	 54,916
295,869	-	2,942,894	-
1,360,658	3,343,669	27,491,072	3,060,245
<u>\$ 48,225,373</u>	<u>\$ 19,619,920</u>	<u>\$ 237,593,897</u>	<u>\$ 3,115,161</u>

CITY OF DUBUQUE, IOWA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities-Enterprise Funds		
	Sewage Disposal Works	Water Utility	Stormwater Utility
OPERATING REVENUES			
Charges for sales and services	\$ 13,043,562	\$ 9,585,920	\$ 5,122,591
Other	24,930	20,707	6,052
Total Operating Revenues	13,068,492	9,606,627	5,128,643
OPERATING EXPENSES			
Employee expense	3,667,748	2,859,660	1,432,976
Utilities	747,673	788,891	32,662
Repairs and maintenance	873,239	197,418	29,903
Supplies and services	1,809,225	1,670,795	733,340
Insurance	97,229	88,521	56,363
Depreciation	3,415,084	1,193,713	1,937,108
Total Operating Expenses	10,610,198	6,798,998	4,222,352
OPERATING INCOME (LOSS)	2,458,294	2,807,629	906,291
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental	-	-	5,957,253
Investment earnings (loss)	(28,207)	77,453	65,147
Contributions	2,490	7,275	2,600
Interest expense	(1,638,733)	(805,427)	(1,942,595)
Gain (loss) on disposal of assets	(25,999)	(361,489)	-
Net Nonoperating Revenues (Expenses)	(1,690,449)	(1,082,188)	4,082,405
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	767,845	1,725,441	4,988,696
CAPITAL CONTRIBUTIONS			
TRANSFERS IN	180,984	268,440	13,183,694
TRANSFERS OUT	85,060	1,044,322	563,405
	(142,884)	(142,884)	(14,190)
CHANGE IN NET POSITION	891,005	2,895,319	18,721,605
NET POSITION, BEGINNING	30,413,588	34,051,168	82,775,919
NET POSITION, ENDING	\$ 31,304,593	\$ 36,946,487	\$ 101,497,524

See notes to financial statements.

Business-type Activities-Enterprise Funds

Parking Facilities	Other Enterprise Funds	Total	Governmental Activities-Internal Service Funds
\$ 1,793,238	\$ 4,600,983	\$ 34,146,294	\$ 14,796,977
214,069	37,824	303,582	49,314
<u>2,007,307</u>	<u>4,638,807</u>	<u>34,449,876</u>	<u>14,846,291</u>
757,935	5,013,654	13,731,973	2,580,533
286,439	105,725	1,961,390	30,849
162,967	1,166,094	2,429,621	86,889
679,680	1,560,335	6,453,375	13,137,157
106,466	74,267	422,846	747,582
<u>1,142,910</u>	<u>1,097,236</u>	<u>8,786,051</u>	<u>38,540</u>
3,136,397	9,017,311	33,785,256	16,621,550
(1,129,090)	(4,378,504)	664,620	(1,775,259)
-	3,915,121	9,872,374	-
1,900	14,413	130,706	21,212
81,054	87	93,506	-
(156,295)	(2,326)	(4,545,376)	-
(41,530)	(168,358)	(597,376)	3,511
<u>(114,871)</u>	<u>3,758,937</u>	<u>4,953,834</u>	<u>24,723</u>
(1,243,961)	(619,567)	5,618,454	(1,750,536)
414,134	129,977	14,177,229	-
1,962,395	2,153,158	5,808,340	-
(92,530)	(4)	(392,492)	-
1,040,038	1,663,564	25,211,531	(1,750,536)
47,185,335	17,956,356	212,382,366	4,865,697
<u>\$ 48,225,373</u>	<u>\$ 19,619,920</u>	<u>\$ 237,593,897</u>	<u>\$ 3,115,161</u>

CITY OF DUBUQUE, IOWA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	Business-type Activities-Enterprise Funds			
	Sewage Disposal Works	Water Utility	Stormwater Utility	Parking Facilities
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 12,571,231	\$ 9,266,916	\$ 4,935,703	\$ 1,753,538
Cash payments to suppliers for goods and services	(3,493,792)	(3,614,818)	(1,181,723)	(1,265,936)
Cash payments to employees for services	(3,564,775)	(2,738,516)	(1,458,683)	(763,832)
Other operating receipts	24,930	20,707	6,052	214,069
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	5,537,594	2,934,289	2,301,349	(62,161)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	85,060	1,044,322	563,405	1,962,395
Transfers to other funds	(142,884)	(142,884)	(14,190)	(92,530)
Payment of interfund balances	-	-	-	-
Contributions	183,474	7,275	2,600	495,188
Intergovernmental grant proceeds	-	-	-	-
NET CASH PROVIDED BY (USED FOR) NONCAPITAL FINANCING ACTIVITIES	125,650	908,713	551,815	2,365,053
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sale of capital assets	-	-	-	-
Acquisition and construction of capital assets	(696,446)	(2,301,689)	(1,906,961)	(679,796)
Proceeds from issuance of debt	4,988,500	17,626,822	28,687,013	345,000
Premium on debt issuance	216,289	355,773	54,119	5,673
Payment of debt	(8,601,080)	(17,210,044)	(31,751,236)	(943,792)
Interest paid	(1,663,521)	(842,574)	(1,953,943)	(184,742)
Intergovernmental grant proceeds	-	-	4,084,903	-
NET CASH PROVIDED (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	(5,756,258)	(2,371,712)	(2,786,105)	(1,457,657)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	12,172	89,152	92,406	4,285
NET INCREASE (DECREASE) IN CASH AND POOLED INVESTMENTS	(80,842)	1,560,442	159,465	849,520
CASH AND CASH EQUIVALENTS, BEGINNING	4,265,989	10,764,510	16,426,050	1,129,695
CASH AND CASH EQUIVALENTS, ENDING	\$ 4,185,147	\$ 12,324,952	\$ 16,585,515	\$ 1,979,215

EXHIBIT 7

Business-type Activities-Enterprise Funds			
Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds	
\$ 4,506,726	\$ 33,034,114	\$ 14,880,806	
(4,423,108)	(13,979,377)	(13,028,224)	
(5,010,451)	(13,536,257)	(2,443,345)	
37,824	303,582	49,314	
<u>(4,889,009)</u>	<u>5,822,062</u>	<u>(541,449)</u>	
 2,153,158	 5,808,340	 -	
(4)	(392,492)	-	
-	-	3,034	
130,064	818,601	-	
5,762,668	5,762,668	-	
<u>8,045,886</u>	<u>11,997,117</u>	<u>3,034</u>	
 -	 -	 3,511	
(878,755)	(6,463,647)	-	
792,016	52,439,351	-	
-	631,854	-	
(11,932)	(58,518,084)	-	
(1,925)	(4,646,705)	-	
-	4,084,903	-	
<u>(100,596)</u>	<u>(12,472,328)</u>	<u>3,511</u>	
 14,413	 212,428	 37,934	
 3,070,694	 5,559,279	 (496,970)	
 2,379,590	 34,965,834	 6,963,429	
<u>\$ 5,450,284</u>	<u>\$ 40,525,113</u>	<u>\$ 6,466,459</u>	

(Continued)

CITY OF DUBUQUE, IOWA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	Business-type Activities-Enterprise Funds			
	Sewage Disposal Works	Water Utility	Stormwater Utility	Parking Facilities
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES				
Operating income (loss)	\$ 2,458,294	\$ 2,807,629	\$ 906,291	\$ (1,129,090)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	3,415,084	1,193,713	1,937,108	1,142,910
Change in assets and liabilities				
(Increase) decrease in receivables	(472,331)	(319,004)	(186,888)	(39,700)
(Increase) decrease in inventories and prepaid items	4,284	27,770	20,856	(26)
Increase (decrease) in accounts payable	29,290	(896,963)	(350,311)	(30,358)
Increase (decrease) in accrued liabilities	34,572	6,495	(1,905)	2,102
Increase (decrease) net pension liability	186,767	209,577	13,918	40,366
(Increase) decrease in deferred outflows	(23,033)	(23,177)	358	(1,812)
Increase in deferred inflows	(134,526)	(78,168)	(44,917)	(44,727)
Increase (decrease) in total OPEB liability	39,193	6,417	6,839	(1,826)
Total Adjustments	3,079,300	126,660	1,395,058	1,066,929
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	\$ 5,537,594	\$ 2,934,289	\$ 2,301,349	\$ (62,161)
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Contribution of capital assets from outside sources	\$ 180,984	\$ 268,440	\$ 6,168,644	\$ -
Contributions of capital assets from Governmental Activities	\$ -	\$ -	\$ 7,015,050	\$ 414,134

See notes to financial statements.

EXHIBIT 7
(continued)

Business-type Activities-Enterprise Funds

Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
\$ (4,378,504)	\$ 664,620	\$ (1,775,259)
1,097,236	8,786,051	38,540
(94,257)	(1,112,180)	83,829
(5,753)	47,131	197,240
(1,510,934)	(2,759,276)	777,013
38,134	79,398	8,714
249,097	699,725	340,472
(14,757)	(62,421)	(39,846)
(283,092)	(585,430)	(172,152)
13,821	64,444	-
<u>(510,505)</u>	<u>5,157,442</u>	<u>1,233,810</u>
 <u>\$ (4,889,009)</u>	<u>\$ 5,822,062</u>	<u>\$ (541,449)</u>
 \$ -	\$ 6,618,068	\$ -
 \$ -	\$ 7,429,184	\$ -

CITY OF DUBUQUE, IOWA
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021

EXHIBIT 8

	<u>Custodial Funds</u>
ASSETS	
Cash and pooled cash investments	\$ 2,252,741
Accounts receivable	48,451
Prepays	3,064
Accrued interest	<u>664</u>
 Total Assets	 <u>\$ 2,304,920</u>
NET POSITION	
Restricted for individuals, organizations, and other governments	\$ 2,304,920
 Total Net Position	 <u>\$ 2,304,920</u>

See notes to financial statements.

CITY OF DUBUQUE, IOWA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

EXHIBIT 9

	Custodial Funds
ADDITIONS	
Cable franchise fee	\$ 196,749
Racing association	120,000
Miscellaneous	3,340
Total Additions	<u>320,089</u>
DEDUCTIONS	
Equipment acquisition	5,506
Total Deductions	<u>5,506</u>
CHANGE IN NET POSITION	314,583
NET POSITION, BEGINNING, AS RESTATED	1,990,337
NET POSITION, ENDING	<u>\$ 2,304,920</u>

See notes to financial statements.

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CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

The notes to financial statements contain a summary of significant accounting policies and other notes considered necessary for an understanding of the financial statements of the City and are an integral part of this report. The index to the notes is as follows:

1. Summary of Significant Accounting Policies
2. Deficit Fund Equity
3. Cash on Hand, Deposits, and Investments
4. Notes Receivable
5. Interfund Balances and Transfers
6. Capital Assets
7. Long-Term Debt
8. Risk Management
9. Commitments and Contingent Liabilities
10. Other Postemployment Benefits (OPEB)
11. Employee Pension Plans
12. Landfill Closure and Postclosure Care
13. Leases Where City is Lessor
14. Subsequent Events
15. Contingencies
16. Prospective Accounting Pronouncements
17. Tax Abatements
18. Adoption of New Standard
19. Transfer of Jurisdiction

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Dubuque, Iowa, is a municipal corporation governed by an elected mayor and a six-member council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City has no blended component units. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the City.

Discretely Presented Component Units

The Dubuque Metropolitan Area Solid Waste Agency was created under the provisions of Chapter 28E of the Code of Iowa by the City of Dubuque and Dubuque County. The purpose of the Agency is to provide solid waste management for the Dubuque metropolitan area. The City appoints a voting majority of the Agency's governing board and has authority over those persons responsible for the day-to-day operations of the Agency. The Agency is presented as a proprietary fund type and has a June 30 year end. During the year ended June 30, 2021, \$676,927 of the Dubuque Metropolitan Area Solid Waste Agency's charges for services were related to services provided to the City of Dubuque.

Dubuque Initiatives and Subsidiaries is a non-profit corporation organized under the laws of Iowa and Section 501(c)(3) of the Internal Revenue Code. The Organization was created to render service to the City Council of the City of Dubuque, Iowa, on matters of community interest. The Organization's articles require that its board members include two city council members, the mayor, and the city manager of the City of Dubuque, Iowa; and in the event of dissolution, any assets or property of the Organization be transferred to the City of Dubuque, Iowa. During the fiscal year 2008, the City of Dubuque, Iowa guaranteed debt issued by Dubuque Initiatives and Subsidiaries for the rehabilitation of the Roshek Building. The Organization is presented as a proprietary fund type and has a December 31 year end.

Dubuque Convention and Visitors Bureau is a non-profit corporation organized under the laws of Iowa and Section 501(c)(3) of the Internal Revenue Code. The Organization's purpose is to strengthen the Dubuque area economy by competitively marketing the area as a destination for conventions, tour groups, sporting events and individual travelers. The Organization's articles require that its board members include one City Council member, the City of Dubuque Mayor and the City Manager. In the event of dissolution, any assets or property of the Organization shall be distributed to the City of Dubuque, Iowa after paying or making provision for the payment of all liabilities of the Corporation. The City collects hotel/motel taxes and forwards 50% to the CVB as the primary source of funds for its operations. The CVB is presented as a governmental fund type and has a June 30 year end.

Dubuque Initiatives and Subsidiaries and the Dubuque Convention and Visitors Bureau present their financial information in accordance with the Financial Accounting Standards Board (FASB).

Complete financial statements for the Component Units may be obtained from the City of Dubuque's Finance Department for the Dubuque Metropolitan Area Solid Waste Agency and Dubuque Area Convention and Visitors Bureau, and the Economic Development Office for Dubuque Initiatives and Subsidiaries. These offices are located at: City Hall, 50 West 13th Street, Dubuque, Iowa 52001.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Jointly Governed Organizations

The City participates in several jointly governed organizations that provide goods or services to the citizenry of the City but do not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. City officials are members of the following boards and commissions:

City of Dubuque Conference Board
Dubuque County E-911 Committee
Dubuque Drug Task Force

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government 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 taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services. Likewise, the *primary government* is reported separately from the legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those clearly identifiable with a specific function or segment. *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 or segment and 2) grants, contributions, and interest restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and a fiduciary fund, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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 period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period (year-end).

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, interest, special assessments, and grants are susceptible to accrual. Sales taxes are considered measurable and available at the time the underlying transaction occurs, provided they are collected by the City within 60 days after year-end. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Tax Increment Financing Fund* is used to account for the receipt of property taxes, for the payment of projects within the tax increment financing district, and for the payment of remaining principal and interest costs on the tax increment financing districts' long-term debt service.

The *Community Development Fund* is used to account for the use of Community Development Block Grant funds as received from federal and state governmental agencies.

The *Debt Service Fund* is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment.

The City reports the following major proprietary funds:

The *Sewage Disposal Works Fund* is used to account for the operations of the City's sewage disposal works and services.

The *Water Utility Fund* is used to account for the operations of the City's water facilities and services.

The *Stormwater Utility Fund* is used to account for the operations of the City's stormwater services.

The *Parking Facilities Fund* is used to account for the operations of the City-owned parking ramps and other parking facilities.

Additionally, the City reports the internal service fund type. *Internal service funds* are used to account for general, garage, stores/printing, health insurance, and worker's compensation insurance services provided by one department to other departments of the City on a cost-reimbursement basis. These funds cannot be used to support City activities.

Fiduciary funds, other than custodial funds, use the *economic resources measurement focus* and the *full accrual basis of accounting*. Custodial funds use the *full accrual basis of accounting* but do not have a measurement focus and therefore report only assets and liabilities. The City reports Custodial Funds to account for assets held by the City as an agent under the cable franchise agreement and for the Dubuque Racing Association.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Exceptions to this general rule are charges between the City's water and sewer function and various other functions of the City. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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 City's enterprise funds and of the City's internal service funds 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.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

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

Deposits and Investments

The City's cash, pooled cash investments, and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The cash balances of most City funds are pooled and invested. Interest earned on investments is recorded in the General Fund unless otherwise provided by law. Investments are stated at fair value except for the investment in the Iowa Public Agency Investment Trust and non-negotiable certificates of deposit which are valued at amortized cost.

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.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at year-end are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Property tax receivable is recognized in the funds on the levy or lien date, which is the date that the tax asking is certified by the City to the County Board of Supervisors.

Current year delinquent property tax receivable represents taxes collected by the County but not remitted to the City at June 30, 2021, and 2021 unpaid taxes. The succeeding year property tax receivable represents taxes certified by the City to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year.

By statute, the City is required to certify its budget to the County Auditor by March 31 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 a 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 taxes are levied as of July 1 on property values assessed as of January 1 of the previous year. The tax levy is divided into two billings. The billings are due September 1 and March 1. On September 30 and March 31, the bill becomes delinquent, and penalties and interest may be assessed by the City.

Special assessment receivable represents the amounts due from individuals for work done which benefits their property. These assessments are payable by individuals in not less than ten nor more than twenty annual installments. Each annual installment with interest on the unpaid balance is due on September 30 and is subject to the same interest and penalties as the other tax.

Inventories and Prepaid Items

Inventories included in the governmental funds are valued at cost using the first-in first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures when consumed rather than when purchased.

Inventories of materials and supplies in the enterprise funds are determined by actual count and priced on the FIFO method.

Inventories included in internal service funds are stated at cost and consist of consumable supplies. The cost of these supplies is recorded as an expense at the time they are removed from inventory for use.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The costs of governmental fund prepaids are recorded as expenditures when consumed rather than when purchased.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted Assets

Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. The "revenue bond operating" account is used to report resources set aside to subsidize potential deficiencies from the enterprise fund's operation that could adversely affect debt service payments. The "revenue bond sinking" account is used to segregate resources accumulated for debt service payments over the next twelve months. The "revenue bond reserve" account is used to report resources set aside to make up potential future deficiencies in the revenue bond sinking account.

Certain assets of the special revenue funds and capital project funds are classified as restricted assets because their use is limited by debt agreement, the City's cable television franchise agreement, or Iowa Finance Authority housing program agreement.

Certain assets of the Dubuque Metropolitan Area Solid Waste Agency are classified as restricted assets because their use is restricted by state statute for certain specified uses.

Capital Assets

Capital assets, which include property, plant, equipment, intangibles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide statement of net position and in the proprietary funds statement of net position. Capital assets are defined by the government as assets with an initial, individual cost of more than \$100,000 for infrastructure and intangible assets, \$20,000 for building assets, and \$10,000 for the remaining assets, and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repair not adding to the value of the asset or materially extending asset lives are not capitalized. All of the City's infrastructure has been recorded, including infrastructure acquired prior to June 30, 1980.

Major outlays for capital assets and improvements are capitalized as projects are constructed. There was no interest incurred during the construction phase of capital assets of business-type activities to capitalize with the value of the assets constructed in the current year.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40 to 125
Improvements other than buildings	15 to 50
Machinery and equipment	2 to 30
Infrastructure and intangibles	15 to 75

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and 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 employer after the measurement date but before the end of the employer's reporting period.

Compensated Absences

The City allows employees to accumulate a limited amount of earned but unused vacation and sick pay benefits. Vacation pay is payable to employees upon retirement or termination. Sick pay is payable only upon retirement, in which event, employees with twenty years or more of service are paid 100% of their accrued sick leave balance over a five year period. All vacation pay and applicable sick pay benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, and deferred amounts on refunding are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance's are reported as other financing sources while discounts on debt issuance's are reported as other financing uses. 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 fiduciary net position of the Iowa Public Employees' Retirement System and the Municipal Fire and Police Retirement System (Systems') and additions to/deductions from the Systems' fiduciary net position have been determined on the same basis as they are reported by the Systems'. 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. For the governmental activities, the net pension liability is generally liquidated by the General Fund, Community Development Fund, and Section VIII Housing Fund.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 City's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. For the governmental activities, the total OPEB liability is generally liquidated by the General Fund, Community Development Fund, and Section VIII Housing Fund.

Deferred Inflows of Resources

Deferred inflows of resources represents an acquisition of net position that applies to a future period(s) and 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 consist of property tax receivable and other receivables not collected within sixty days after year end.

Deferred inflows of resources in the Statement of Net Position consist of succeeding year property tax and tax increment financing receivable that will not be recognized as revenue until the year for which they are levied, and unrecognized items not yet charged to pension and OPEB expense.

Net Position/Fund Balance

The Dubuque Metropolitan Area Solid Waste Agency's restricted net position represents outside third-party restrictions and amounts restricted for minority interest of the Agency. The Agency is restricted to using certain amounts for purposes specified by state statute. The net position restricted for minority interest is calculated at 22.7% of unrestricted net position, based on the 1976 revenue bond resolution authorizing the issuance of revenue bonds for the construction of the landfill.

In the government-wide and proprietary fund financial statements, net position is displayed in three components as follows:

- Net investment in capital assets: This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. Unspent debt proceeds were \$6,969,421 for the governmental activities and \$1,898,823 for business-type activities.
- Restricted: This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation. Net position restricted through enabling legislation as of June 30, 2021 consists of \$58,582 for debt service and \$25,773 for employee benefits. All other restrictions are by outside parties through grants, debt agreements or donors.
- Unrestricted: This consists of net position that does not meet the definition of restricted or net investment in capital assets.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

- **Nonspendable:** Nonspendable fund balances cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact.
- **Restricted:** Restricted fund balances are restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantor or state or federal laws or imposed by law through constitutional provisions or enabling legislation.
- **Committed:** Committed fund balances can be used only for specific purposes determined pursuant to constraints formally imposed by the City Council through resolution approved prior to year-end. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by resolution.
- **Assigned:** Assigned fund balances contain self-imposed constraints of the government to be used for a particular purpose. Intent can be expressed by the City Council or by an official or body to which the City Council delegates the authority. The City Council has by resolution delegated the authority to the City Manager, and Director of Finance and Budget.
- **Unassigned:** Unassigned fund balances are amounts not included in the other spendable classifications. Positive unassigned fund balance amount is only appropriate in the general fund. However in governmental funds, other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

The budget guideline of the City of Dubuque maintains a General Fund working balance or operating reserve of 20% of the total General Fund operating revenue requirements. An operating reserve or working balance must be carried into a fiscal year to pay operating costs until tax money, or other anticipated revenue is received.

The State of Iowa recommends a reasonable amount for a working balance as (a) anticipated revenues for the first three months of the fiscal year, less anticipated expenditures or (b) 5% of the total General Fund operating budget, excluding fringes and tort liability expenses.

The City's rating agency, Moody's Investor Service, recommends a reserve balance of at least 10% for "A" rated cities. This is based on the fact that a large portion of the revenue sources are beyond the City's control and therefore uncertain.

None of the City's policies qualify as stabilization arrangements.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information.

Other Significant Accounting Policies

Other significant accounting policies are set forth in the financial statements and the notes thereto.

Implementation of GASB Statement No. 84

As of July 1, 2020 the City adopted GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhances the value provided by the information reported in financial statements for assessing government accountability and stewardship. The effect on the implementation of this standard on beginning net position is disclosed in Note 18.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – DEFICIT FUND EQUITY

The following funds have deficit net position amounts as of June 30, 2021:

Internal Service Funds:

General Service	\$ 901,118
Stores/Printing	636
Workers' Compensation Reserve	134,415

The General Service, Stores/Printing, and Workers' Compensation Reserve deficit will be addressed during next fiscal year's reallocation of expenses.

NOTE 3 – CASH ON HAND, DEPOSITS, AND INVESTMENTS

Cash on Hand. Cash on hand represents authorized change funds and petty cash funds used for current operating purposes. The carrying amount at year-end was \$14,711 for the City and \$1,200 for the Dubuque Metropolitan Area Solid Waste Agency.

Deposits. At year-end, the City's carrying amount of deposits was \$103,643,246, and the bank balance was \$103,765,847. The City's deposits in banks at June 30, 2021, 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 insure there will be no loss of public funds.

The carrying amount of deposits for the Dubuque Metropolitan Area Solid Waste Agency was \$12,875,854, and the bank balance was \$12,875,854. The Agency's deposits in banks at June 30, 2021, were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 – CASH ON HAND, DEPOSITS, AND INVESTMENTS (continued)

Investments. As of June 30, 2021, the City had the following investments and maturities. (The City assumes callable bonds will not be called):

Investment Type	Investment Maturities (In Years)					Total
	Less Than 1	1 to 5	6 to 10	More than 10		
Money Market Funds-						
U.S. Treasury	\$ 939,631	\$ -	\$ -	\$ -	\$ 939,631	
U.S. Treasury Securities	1,812,129	2,410,408	890,643	2,881,517	7,994,697	
Federal Agency Obligations	579,411	15,100,095	1,658,430	4,774,861	22,112,797	
Corporate Stock	99,163	-	-	-	99,163	
	<u>\$ 3,430,334</u>	<u>\$ 17,510,503</u>	<u>\$ 2,549,073</u>	<u>\$ 7,656,378</u>	<u>\$ 31,146,288</u>	

The City and the Dubuque Metropolitan Solid Waste Agency are authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentality's; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the City Council or Board of Trustees and the Treasurer of the State of Iowa; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

Corporate stock was donated in 1957 to the City to establish the Ella Lyons Peony Trail Permanent Trust Fund.

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

All of the City's investments, except for U.S. Treasury Securities, Federal Agency Obligations, and Managed Accounts L/T CD which were valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates, and market-rate assumptions (Level 2 inputs), were determined using the last reported sales price at current exchange rates. (Level 1 inputs)

Interest Rate Risk. The City'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 instruments with maturities longer than 397 days, but the maturities shall be consistent with the needs and use of the City.

Credit Risk. The City's investment policy limits investments in commercial paper and other corporate debt to the top two highest classifications. The City did not invest in any commercial paper or other corporate debt during the year. The City's investments in Money Market Funds and US Agencies were rated AAA by Standard & Poor's.

Concentration of Credit Risk. The City's investment policy does not allow for a prime bankers' acceptance or commercial paper and other corporate debt balances to be greater than ten percent of its total deposits and investments. The policy also limits the amount that can be invested in a single issue to five percent of its total deposits and investments. The City held no such investments during the year.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 – CASH ON HAND, DEPOSITS, AND INVESTMENTS (continued)

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposits are 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 insure there will be no loss of public funds.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City had no custodial risk with regards to investments, since all investments were held by the City or its agent in the City's name.

Due to legal and budgetary reasons, the General Fund is assigned a portion of the investments earnings associated with other funds. These funds are the employee benefits, community development, road use tax, cable TV, general construction, transit system, general service, garage service, and stores/printing funds.

The Dubuque Metropolitan Area Solid Waste Agency had a money market account valued at \$1,488,672 as of June 30, 2021.

A reconciliation of cash and investments as shown on the government-wide statement of net position for the primary government and statement of fiduciary assets and liabilities follows:

Cash on hand	\$ 14,711
Carrying amount of deposits	103,643,246
Carrying amount of investments	31,146,288
Total	<u>\$ 134,804,245</u>
 Government-wide	
Cash and pooled cash investments	\$ 117,235,189
Cash and pooled cash investments - temporarily restricted	15,246,903
Cash and pooled cash investments - permanently restricted	69,412
 Fiduciary	
Cash and pooled cash investments	<u>2,252,741</u>
Total	<u>\$ 134,804,245</u>

A reconciliation of cash and investments as shown on the government-wide statement of net position for the Dubuque Metropolitan Solid Waste Agency follows:

Cash on hand	\$ 1,200
Carrying amount of deposits	12,875,854
Total	<u>\$ 12,877,054</u>
 Cash and pooled cash investments	
Cash and pooled cash investments - temporarily restricted	5,221,176
Total	<u>\$ 12,877,054</u>

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 – CASH ON HAND, DEPOSITS, AND INVESTMENTS (continued)

A reconciliation of cash and investments as shown on the government-wide statement of net position for the Dubuque Initiatives and Subsidiaries (December 31, 2020) follows:

Deposits	\$ 10,623,696
Beneficial interest in assets held by others	1,594,715
Total	<u>\$ 12,218,411</u>
Cash and pooled cash investments	\$ 10,623,696
Cash and pooled cash investments-temporarily restricted	1,594,715
Total	<u>\$ 12,218,411</u>

A reconciliation of cash and investments as shown on the government-wide statement of net position for the Dubuque Convention and Visitors Bureau (June 30, 2021) follows:

Deposits	\$ 1,042,999
Total	<u>\$ 1,042,999</u>
Cash and pooled cash investments	\$ 750,130
Cash and pooled cash investments-temporarily restricted	292,869
Total	<u>\$ 1,042,999</u>

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 – NOTES RECEIVABLE

The City provides low interest and no interest loans to promote economic and community development, provide opportunities for home ownership to low and moderate income citizens and improve rental properties for low income citizens. Loans may contain a forgivable portion if recipient meets specific conditions such as job creation for economic development or residency requirements community development. Loans are secured by mortgage liens against the property.

At June 30, 2021 the City had the following notes receivable.

	Original Balance	Interest Rate	Issued	Maturity	Balance	Current Portion
Downtown Rehabilitation Loan Program						
Judy Davison	\$ 300,000	3 %	2020	12/1/2040	\$ 284,000	\$ -
Clark Wolff	150,000	3	2001	5/1/2022	9,015	9,015
Gronen Adaptive	300,000	2	2006	5/1/2036	140,333	7,680
CARich Properties, LLC	120,000	-	2020	9/1/2030	111,000	12,000
Franklin Investments, LLC	300,000	3	2021	4/1/2041	258,000	-
HJD Landlord LLC	466,000	3	2016	4/1/2036	461,889	25,104
Interstate Building LLP	300,000	3	2010	9/22/2015	199,026	17,533
 Urban Development						
Action Grant						
40 Main, LLC - Note A	300,000	-	2009	6/30/2036	225,000	15,000
 Downtown Housing Incentive Loan						
Caradco Landlord, LLC	4,500,000	3	2012	6/1/2030	<u>3,179,982</u>	<u>207,187</u>
					<u>\$ 4,868,245</u>	<u>\$ 293,519</u>

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 – NOTES RECEIVABLE (continued)

	Interest Rate	Balance	Current Portion
Community Development Installment Loans Receivables			
Residential Rehabilitation Installment Loan Programs			
First Time Home Buyers	6 %	\$ 243,704	\$ 55,000
Local Housing Assistance Program (LHAP)	6	3,700	1,440
Homebuyers Assistance Program	6	1,143,820	132,000
Infill	6	218,493	3,607
RRP Reserve	-	109,584	31,000
Washington Neighborhood Revitalize	-	35,762	1,000
The Accessibility Rehabilitation Program (for rentals)	6	286,668	7,000
Iowa Finance Authority	-	1,018,924	22,629
HOME Program (1)	-	116,171	14,000
Historic Preservation Revolving Loan Fund/Historic Preservation Housing Forgivable Loan Program	6	8,076	7,000
MicroLending	-	81,236	8,000
		<u>\$ 3,266,138</u>	<u>\$ 282,676</u>

(1) Principal payments deferred if one tenant is low income

At December 31, 2020, Dubuque Initiatives and Subsidiaries had the following notes receivable:

City of Dubuque, 5.00%, unsecured, matures July 2023	\$ 105,267
Various Small Businesses, 1%, unsecured, matures July 2023 (2)	418,585
Less: allowance for doubtful accounts	(18,000)
Less: current maturities	<u>(207,774)</u>
Noncurrent portion	<u>\$ 298,078</u>

(2) The Organization offered local small businesses \$10,000 to provide bridge financing for working capital until borrower received additional funding from state, federal or local program funding related to COVID-19. There were 47 local participants that participated in this bridge loan program. Notes receivable are unsecured and due in monthly payments of \$338 beginning five months from the date of the note, including interest at 1.00%. All unpaid principal and interest due at various dates from March 2023 through July 2023.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 – INTERFUND BALANCES AND TRANSFERS

Interfund balances at June 30, 2021, include amounts due to/from other funds. Interfund balances are as follows:

	Due From Other Funds	Due To Other Funds
Governmental activities:		
General Fund	\$ 1,587,180	\$ -
Nonmajor Governmental Internal Service Funds	- - \$ 1,587,180	1,584,146 3,034 \$ 1,587,180

These balances result from a time lag between the date that 1) transactions are recorded in the accounting system, and 2) payments between funds are made.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 – INTERFUND BALANCES AND TRANSFERS (continued)

Interfund transfers for the year ended June 30, 2021, consisted of the following:

Transfer to	Transfers From									Total
	General	Tax Increment Financing	Nonmajor Governmental	Sewer Disposal Works	Water Utility	Stormwater Utility	Parking Facilities	Nonmajor Enterprise		
General	\$ -	\$ 430,269	\$ 3,255,237	\$ 142,884	\$ 142,884	\$ 14,190	\$ -	\$ 4	\$ 3,985,468	
Tax increment financing	-	-	-	-	-	-	92,530	-	92,530	
Debt service	1,061,991	5,851,120	883,659	-	-	-	-	-	7,796,770	
Nonmajor Governmental	440,696	1,036,370	378,294	-	-	-	-	-	1,855,360	
Sewage Disposal Works	85,060	-	-	-	-	-	-	-	85,060	
Water utility	21,315	1,019,144	3,863	-	-	-	-	-	1,044,322	
Stormwater utility	177,978	-	385,427	-	-	-	-	-	563,405	
Parking facilities	-	1,962,395	-	-	-	-	-	-	1,962,395	
Nonmajor enterprise	1,893,158	-	260,000	-	-	-	-	-	2,153,158	
	\$ 3,680,198	\$ 10,299,298	\$ 5,166,480	\$ 142,884	\$ 142,884	\$ 14,190	\$ 92,530	\$ 4	\$ 19,538,468	

Net capital assets of \$7,015,050 and \$414,134 were transferred from governmental capital assets to Storm Water Utility and Parking Facilities, respectively. The transfer was reported as a capital contribution in the Storm Water Utility and Parking Facilities Funds. No amounts were reported in the governmental funds, as the amounts did not involve the transfer of financial resources.

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (4) fund capital projects.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021, was as follows:

Primary Government:

Governmental activities:

	Beginning Balance	Transfers In	Transfers Out	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:						
Land	\$ 79,331,529	\$ -	\$ -	\$ 26,424,501	\$ (629,859)	\$ 105,126,171
Construction in Progress	59,256,755	-	(7,429,184)	7,610,873	(56,399,568)	3,038,876
Total Capital assets, not being depreciated	138,588,284	-	(7,429,184)	34,035,374	(57,029,427)	108,165,047
Capital assets, being depreciated:						
Buildings	139,555,836	-	-	3,756,497	(11,311)	143,301,022
Improvements other than buildings	24,726,686	-	-	3,199,335	-	27,926,021
Machinery and equipment	52,381,639	-	-	4,510,201	(1,441,880)	55,449,960
Infrastructure	239,440,410	-	-	26,529,774	(13,452)	265,956,732
Total capital assets, being depreciated	456,104,571	-	-	37,995,807	(1,466,643)	492,633,735
Less accumulated depreciation for:						
Buildings	(45,752,834)	-	-	(2,393,197)	11,311	(48,134,720)
Improvements other than buildings	(12,739,575)	-	-	(878,888)	-	(13,618,463)
Machinery and Equipment	(30,410,900)	-	-	(3,321,385)	1,172,282	(32,560,003)
Infrastructure	(85,926,127)	-	-	(3,731,527)	10,765	(89,646,889)
Total accumulated depreciation	(174,829,436)	-	-	(10,324,997)	1,194,358	(183,960,075)
Total capital assets, being depreciated, net	281,275,135	-	-	27,670,810	(272,285)	308,673,660
Governmental activities capital assets, net	\$ 419,863,419	\$ -	\$ (7,429,184)	\$ 61,706,184	\$ (57,301,712)	\$ 416,838,707

The decrease of construction in progress includes the transfer of assets to the State. Please see Note 19.

CITY OF DUBUQUE, IOWA

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021

NOTE 6 – CAPITAL ASSETS (continued)

Business-type activities:

	Beginning Balance	Transfers In	Transfers Out	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:						
Land	\$ 24,793,823	\$ -	\$ -	\$ -	\$ -	\$ 24,793,823
Construction in progress	34,113,325	7,429,184	-	10,316,754	(7,379,532)	44,479,731
Total Capital assets, not being depreciated	58,907,148	7,429,184	-	10,316,754	(7,379,532)	69,273,554
Capital assets, being depreciated:						
Buildings	159,240,025	-	-	-	(649,091)	158,590,934
Improvements other than buildings	178,550,296	-	-	5,435,910	(902,479)	183,083,727
Machinery and equipment	115,073,585	-	-	4,117,667	(3,426,737)	115,764,515
Total capital assets, being depreciated	452,863,906	-	-	9,553,577	(4,978,307)	457,439,176
Less accumulated depreciation for:						
Buildings	(57,138,874)	-	-	(2,105,370)	549,245	(58,694,999)
Improvements other than buildings	(39,432,486)	-	-	(3,011,860)	696,927	(41,747,419)
Machinery and equipment	(46,705,905)	-	-	(3,668,821)	3,130,557	(47,244,169)
Total accumulated depreciation	(143,277,265)	-	-	(8,786,051)	4,376,729	(147,686,587)
Total capital assets, being depreciated, net	309,586,641	-	-	767,526	(601,578)	309,752,589
Business-type activities capital assets, net	\$ 368,493,789	\$ 7,429,184	\$ -	\$ 11,084,280	\$ (7,981,110)	\$ 379,026,143

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 – CAPITAL ASSETS (continued)

Depreciation expense was charged to functions/programs for the primary government as follows:

Governmental activities:

Public safety	\$ 910,080
Public works	6,153,563
Health and social services	3,393
Culture and recreation	2,362,320
Community and economic development	47,734
General government	809,367
Capital assets held by the government's internal service funds are charged to various functions based on their usage of their assets	38,540
Total depreciation expense - governmental activities	\$ 10,324,997

Business-type activities:

Sewage disposal works	\$ 3,415,084
Water utility	1,193,713
Stormwater utility	1,937,108
Parking facilities	1,142,910
Refuse collection	174,967
Salt	27,639
Transit system	894,630
Total depreciation expense - business-type activities	\$ 8,786,051

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 – CAPITAL ASSETS (continued)

Dubuque Metropolitan Area Solid Waste Agency (Component Unit):

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 2,737,804	\$ -	\$ -	\$ 2,737,804
Construction in progress	3,295,599	1,537,543	(3,966,267)	866,875
Total Capital assets, not being depreciated	6,033,403	1,537,543	(3,966,267)	3,604,679
Capital assets, being depreciated:				
Buildings	386,779	-	(18,000)	368,779
Improvements other than buildings	15,903,557	3,966,267	-	19,869,824
Machinery and equipment	3,990,168	876,849	(586,731)	4,280,286
Total capital assets, being depreciated	20,280,504	4,843,116	(604,731)	24,518,889
Less accumulated depreciation for:				
Buildings	(88,062)	(34,434)	2,400	(120,096)
Improvements other than buildings	(6,569,737)	(351,047)	-	(6,920,784)
Machinery and equipment	(2,769,981)	(234,742)	572,974	(2,431,749)
Total accumulated depreciation	(9,427,780)	(620,223)	575,374	(9,472,629)
Total capital assets, being depreciated, net	10,852,724	4,222,893	(29,357)	15,046,260
Dubuque Metropolitan Area Solid Waste, capital assets	\$ 16,886,127	\$ 5,760,436	\$ (3,995,624)	\$ 18,650,939

Depreciation expense of \$620,223 was charged to the Dubuque Metropolitan Area Solid Waste Agency.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – LONG-TERM DEBT

General Obligation Bonds. The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. The original amount of general obligation bonds issued in prior years was \$92,080,500. During fiscal year 2021, the City issued \$40,530,000 of general obligation bonds, which was used for a current refunding of bonds and financing new projects. The City refunded \$36,865,000 of general obligation bonds. The refunding was undertaken to reduce total debt service payments. The results of the transaction is a reduction of \$4,905,780 in future debt service payments for an economic gain of \$4,553,980.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued as serial bonds with varying amounts of principal maturing annually and with interest payable semi-annually. General obligation bonds outstanding at June 30, 2021, are as follows:

Purpose	Date of Issue	Maturity Dates	Interest Rates	Amount Originally Issued	Amount Outstanding End of Year
Corporate Purpose Series 2016A	04/04/2016	06/01/17-06/01/35	2.00-3.75	\$ 2,830,000	\$ 2,175,000
Corporate Purpose Refunding Series 2016B	04/04/2016	06/01/16-06/01/28	2.00-3.00	10,920,000	3,570,000
Corporate Purpose Series 2016C	04/04/2016	06/01/17-06/01/35	2.00-3.13	4,145,000	3,230,000
Corporate Purpose Series 2017A	04/17/2017	06/01/18-06/01/30	3.00	8,495,000	3,650,000
Corporate Purpose Refunding Series 2017B	04/17/2017	06/01/18-06/01/30	3.00	9,745,500	7,000,000
Corporate Purpose Refunding Series 2017C	04/17/2017	06/01/18-06/01/30	3.00-3.45	2,120,000	1,605,000
Corporate Purpose Series 2018A	03/19/2018	06/01/18-06/01/31	3.00-4.00	4,950,000	3,959,998
Corporate Purpose Refunding Series 2018B	03/19/2018	06/01/18-06/01/26	3.00-3.15	1,005,000	665,000
Corporate Purpose Series 2019A	06/20/2019	06/01/22-06/01/39	3.00	2,240,000	2,240,000
Corporate Purpose Series 2019B	06/20/2019	06/20/20-06/01/27	3.00	860,000	650,000
Corporate Purpose Refunding Series 2019C	07/03/2019	06/01/20-06/01/32	3.00	4,240,000	3,560,000
Corporate Purpose Refunding Series 2021A	06/02/2021	06/01/22-06/01/41	2.00	27,995,000	27,995,000
Corporate Purpose Refunding Series 2021B	06/02/2021	06/01/22-06/01/36	2.00	<u>12,535,000</u>	<u>12,535,000</u>
				<u>\$ 92,080,500</u>	<u>\$ 72,834,998</u>

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – LONG-TERM DEBT (continued)

Annual debt service requirements to maturity for general obligation bonds are as follows:

Fiscal Year June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2022	\$ 3,472,820	\$ 920,933	\$ 3,057,226	\$ 843,972
2023	3,435,308	842,518	3,119,664	765,642
2024	3,268,871	762,616	3,061,127	681,944
2025	3,371,269	688,395	3,018,770	600,014
2026	3,396,038	611,572	2,908,939	519,489
2027-2031	15,921,602	1,896,347	12,883,370	1,444,974
2032-2036	5,851,188	480,535	4,448,805	245,415
2037-2041	1,330,661	110,563	289,340	17,535
Total	<u>\$ 40,047,757</u>	<u>\$ 6,313,479</u>	<u>\$ 32,787,241</u>	<u>\$ 5,118,985</u>

Tax Increment Financing Bonds. The City issues tax increment financing bonds to provide funds for urban renewal projects. The City pledges property tax revenues from the tax increment financing districts to pay debt service. These bonds are generally issued as serial bonds with varying amounts of principal maturing annually and with interest payable semi-annually. Tax increment financing bonds outstanding at June 30, 2021, are as follows:

Purpose	Date of Issue	Maturity Dates	Interest Rates	Amount	Amount	Current Portion
				Originally Issued	Outstanding End of Year	
Diamond Jo Parking Ramp	10/16/07	06/01/11-06/01/37	7.50%	<u>\$ 23,025,000</u>	<u>\$ 18,395,000</u>	<u>\$ 635,000</u>

Annual debt service requirements to maturity for tax increment financing bonds are as follows:

Fiscal Year June 30	Governmental Activities	
	Principal	Interest
2022	\$ 635,000	\$ 1,379,625
2023	680,000	1,332,000
2024	730,000	1,281,000
2025	785,000	1,226,250
2026	845,000	1,167,375
2027-2032	5,280,000	4,805,375
2032-2036	7,570,000	2,486,250
2037	1,870,000	140,250
Total	<u>\$ 18,395,000</u>	<u>\$ 13,818,125</u>

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – LONG-TERM DEBT (continued)

Revenue Bonds. The City also issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. These bonds are generally issued as serial bonds with varying amounts of principal maturing annually and with interest payable semi-annually. Revenue bonds outstanding at June 30, 2021, are as follows:

Purpose	Date of Issue	Maturity Dates	Amount		Amount Outstanding End of Year
			Interest Rates	Originally Issued	
Water Utility Series 2008D	11/04/2008	06/01/10-06/01/23	3.00-5.00 %	\$ 1,195,000	\$ 215,000
Water Utility Series 2010D	09/21/2010	06/01/12-06/01/30	2.00-4.00	5,700,000	3,610,000
Sales Tax Incremental 2014	06/14/2014	06/01/23-06/01/29	4.00-5.00	7,190,000	7,190,000
Sales Tax Incremental 2015A	06/15/2015	06/01/23-06/01/31	3.25-4.00	20,800,000	20,800,000
				\$ 34,885,000	\$ 31,815,000

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$1,195,000 of water revenue bonds, issued in November 2008, to provide financing for water main replacements and repairs, construction of water main extensions, and the acquisition and installation of a pump station radio communication equipment and facilities. The bonds are payable solely from water customer net operating revenues and are payable through 2023. The City has pledged future water customer revenues, net of specified operating expenses, to repay \$5,700,000 of water revenue bonds, issued in September 2010, to provide funds to pay costs of constructing and equipping improvements, and extensions to the municipal water system. The bonds are payable solely from water customer net operating revenues and are payable through 2030. Net operating income is expected to equal or exceed 125% of the annual principal and interest payments on both bonds.

The City shall at all times prescribe, fix, and maintain and collect rates, fees and other charges for their services and facilities furnished by the system that are fully sufficient at all times which will (a) equal at least 125% of the debt service requirement of all bonds and parity obligations then outstanding for the year of computation; (b) enable the City to make all required payments, if any, into the debt service reserve fund. For the current year, principal and interest paid and total customer net revenues (operating income, plus interest earnings, plus depreciation expense) were \$500,048 and \$4,078,795, respectively.

Except with respect to the Senior SRF Bonds, or any future SRF bonds, the City covenants to establish and maintain a debt service reserve fund in the amount determined to be a reasonable reserve for the payment of principal and interest on the Bonds and outstanding parity obligations, (b) the maximum annual principal and interest requirements on the bonds and outstanding parity obligations, or (c) 125% of the average annual principal and interest requirements on the bonds.

During the year ended June 30, 2021, the City was in compliance with the revenue bonds' provisions.

Pursuant to the Master Resolutions, approved by the City Council, Sales Tax Increment Revenues received as a result of the Flood Mitigation Program under the Award Agreement shall be applied solely for the benefit of the holders of the Series 2015A Bonds \$20,800,000, and outstanding from time to time, any other Senior Bonds, the Series 2014 Bonds, \$7,190,000 and any other second lien bonds that may be issued in the future under the Master Resolution. The bonds provide financing for costs for acquisition, construction and installation and equipping of the Bee Branch Watershed Flood Mitigation Project.

The total principal and interest remaining to be paid on all revenue bonds is \$38,969,235.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – LONG-TERM DEBT (continued)

The City issued \$7,190,000 Sales Tax Increment Revenue Bonds, June 2014 and \$20,800,000 June 2015, for the purpose of paying costs of the acquisition, construction and installation and equipping of the Bee Branch Watershed Flood Mitigation Project. The master resolution establishes a Debt Service Reserve Account that may secure one or more series of Bonds. Upon the issuance of the Series 2015A Bonds a deposit of \$2,080,000 was made into the Debt Service Reserve Account, and the Series 2015A Bonds shall be secured by amounts held in the Debt Service Reserve Account. The Series 2014 Bonds are revenue bonds secured by and payable as provided in the Master Resolution from all Pledged Revenues which are pledged under the Master Resolution to the payment of the principal and interest of the Series 2014 Bonds. There shall be no deposit made into the Debt Service Reserve Account for Series 2014 Bonds, there is no debt service reserve requirement applicable to the Series 2014 Bonds, and Series 2014 Bonds shall not be secured by any amounts held in the Debt Service Reserve Account.

Revenue bond debt service requirements to maturity are as follows:

Fiscal Year June 30	Business-type Activities	
	Principal	Interest
2022	\$ 355,000	\$ 1,072,148
2023	2,490,000	1,058,825
2024	3,535,000	1,139,525
2025	3,680,000	1,000,844
2026	3,770,000	857,481
2027-2031	17,985,000	2,025,413
Total	<u>\$ 31,815,000</u>	<u>\$ 7,154,236</u>

Notes Payable. Notes payable have been issued to provide funds for economic development and for the purchase of capital assets. Notes payable at June 30, 2021, are as follows:

Purpose	Date of		Interest Rates	Amount Originally Issued	Amount Outstanding End of Year	Current Portion
	Issue	Maturity Dates				
40 Main LLC	08/06/09	06/30/11-08/16/21	6.50 %	\$ 690,529	\$ 46,195	\$ 46,195

During Fiscal Year 2010, the City issued \$690,529 Urban Renewal Tax Increment Revenue Notes, Taxable Series 2009 (40 Main LLC Project). Interest is payable each December 31 and June 30 at a rate of 6.50%. Principal payments are due each December 31 and June 30 and range from \$24,764 to \$45,195 with final maturity in 2022. The proceeds were used for the construction of eighteen apartments for market-rate rental and 7,800 square feet of retail space by the Developer on the Development Property in accordance with the terms of the Development Agreement. The debt is owned by Premier Bank and; therefore, constitutes a direct borrowing.

Annual debt service requirements to maturity for notes payable are as follows:

Fiscal Year June 30	Governmental Activities	
	Principal	Interest
2022	<u>\$ 46,195</u>	<u>\$ 1,510</u>

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – LONG-TERM DEBT (continued)

Capital Loan Notes. Revenue capital loan notes have been issued for the planning and construction of sewer, stormwater, and water capital projects through the State of Iowa State Revolving Loan Funds. The City issued an additional \$3,967 of SRF debt in 2021 as part of the Catfish and Granger Creek sanitary sewer construction project, \$10,515 for sanitary sewer master plan, \$27,494,466 for the Catfish Creek stabilization project, \$2,150,000 for CIWA purchase, \$16,719 for Kerper sewer project, \$1,550,814 for Roosevelt tower, \$191,172 for Eagle Point Park project, and \$6,086,241 for upper Bee Branch culverts. The City has pledged income derived from the acquired or constructed assets to pay debt service. Capital loan notes payable at June 30, 2021, are as follows:

Purpose	Date Authorized	Final	Interest Rates	Amount Authorized	Amount	Current Portion
		Maturity Date			Outstanding End of Year	
Clear Wells	10/18/07	06/01/28	2.00 %	\$ 1,037,000	\$ 387,000	\$ 50,000
West 32nd St. Detention Basin	01/14/09	06/01/28	2.00	1,847,000	778,000	101,000
North Catfish Creek Stormwater	01/13/10	06/01/30	2.00	800,000	423,000	41,000
North Catfish Creek Sewer	01/13/10	06/01/30	2.00	912,000	483,000	47,000
Water Meter Replacement	02/12/10	06/01/30	2.00	7,676,000	1,837,000	158,000
Water and Resource Recovery Center	08/18/10	06/01/39	2.00	74,285,000	55,423,000	2,588,000
Bee Branch Stormwater	10/27/10	06/01/41	2.00	7,850,000	6,013,000	218,000
Cogeneration	05/17/13	06/01/33	2.00	3,048,000	1,972,000	147,000
Meter Replacement Sewer	05/31/13	06/01/30	2.00	3,058,000	1,837,000	158,000
Lower Bee Branch Stormwater	02/28/14	06/01/33	2.00	1,029,000	216,999	16,000
Bee Branch Stormwater	04/30/21	06/01/37	1.43	22,138,000	20,426,262	1,176,000
CIWA Purchase	07/07/17	06/01/37	2.00	10,198,000	6,546,761	501,000
Roosevelt Tower	09/22/17	06/01/40	2.00	4,400,000	4,214,000	121,000
Kerper Blvd	03/08/19	06/01/38	0.75	2,763,000	2,285,538	688,000
Bee Branch Culverts	06/07/19	06/01/40	2.00	16,382,000	12,154,573	185,000
Catfish and Granger Creek Sanitary	03/19/21	03/19/24	0.00	350,000	3,967	-
Auburn/Custer/Center Pl/Hawthorne	03/19/21	03/19/24	0.00	160,000	-	-
Sanitary Sewer Master Plan	03/19/21	03/19/24	0.00	970,000	10,515	-
				\$ 158,903,000	\$ 115,011,615	\$ 6,195,000

On October 18, 2007 the City entered into an agreement with the Iowa Finance Authority Drinking Water Program Revolving Loan Fund for a line of credit up to \$1.037 million. This line of credit was issued to finance the clear well improvements by the Water Fund. The interest rate for this line of credit is 2.00%. Annual payments began in Fiscal Year 2008, with the last payment in Fiscal Year 2028. The note payable is payable solely from the Water Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

On January 14, 2009 the City entered into an agreement with the Iowa Finance Authority Clean Water Program Revolving Loan Fund for a line of credit up to \$1.847 million. This line of credit was issued to finance the West 32nd Stormwater Detention Basin improvements by the Stormwater Fund. The interest rate for this line of credit is 2.00%. Annual payments began in Fiscal Year 2009, with the last payment in Fiscal Year 2028. The note payable is payable solely from the Stormwater Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

On January 13, 2010 the City entered into an agreement with the Iowa Finance Authority Clean Water Program Revolving Loan Fund for a line of credit up to \$800,000. This line of credit was issued to finance the North Catfish Creek improvements by the Stormwater Fund. The interest rate for this line of credit is 2.00%. Annual payments began in Fiscal Year 2010, with the last payment in Fiscal Year 2030. The note payable is payable solely from the Stormwater Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – LONG-TERM DEBT (continued)

On January 13, 2010 the City entered into an agreement with the Iowa Finance Authority Clean Water Program Revolving Loan Fund for a line of credit up to \$912,000. This line of credit was issued to finance the North Catfish Creek improvements by the Sanitary Sewer Fund. The interest rate for this line of credit is 2.00%. Annual payments began in Fiscal Year 2010, with the last payment in Fiscal Year 2030. The note payable is payable solely from the Sanitary Sewer Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

On February 12, 2010 the City entered into an agreement with the Iowa Finance Authority Drinking Water Program Revolving Loan Fund for a line of credit up to \$7.676 million. This line of credit was issued to finance the Water Meter Replacements by the Water Fund. The interest rate for this line of credit is 2.00%. Annual payments began in Fiscal Year 2010, with the last payment in Fiscal Year 2030. The note payable is payable solely from the Water Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

On August 18, 2010 the City entered into an agreement with the Iowa Finance Authority Clean Water Program Revolving Loan Fund for a line of credit up to \$74.285 million. This line of credit was issued to finance the Water & Resource Recovery Center Renovation and the Green Alley Sponsorship Program by the Sanitary Sewer Fund. The interest rate for this line of credit is 2.00%. Annual payments began in Fiscal Year 2011, with the last payment in Fiscal Year 2039. The note payable is payable solely from the Sanitary Sewer Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

On October 27, 2010 the City entered into an agreement with the Iowa Finance Authority Clean Water Program Revolving Loan Fund for a line of credit up to \$7.85 million. This line of credit was issued to finance the Bee Branch Creek Restoration by the Stormwater Fund. The interest rate for this line of credit is 2.00%. Annual payments began in Fiscal Year 2011, with the last payment in Fiscal Year 2041. The note payable is payable solely from the Stormwater Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

On May 17, 2013 the City entered into an agreement with the Iowa Finance Authority Clean Water Program Revolving Loan Fund for a line of credit up to \$3.048 million. This line of credit was issued to finance the Water & Resource Recovery Center Cogeneration by the Sanitary Sewer Fund. The interest rate for this line of credit is 2.00%. Annual payments began in Fiscal Year 2013, with the last payment in Fiscal Year 2033. The note payable is payable solely from the Sanitary Sewer Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

On May 31, 2013 the City entered into an agreement with the Iowa Finance Authority Clean Water Program Revolving Loan Fund for a line of credit up to \$3.058 million. This line of credit was issued to finance the Meter Replacements by the Sanitary Sewer Fund. The interest rate for this line of credit is 2.00%. Annual payments began in Fiscal Year 2013, with the last payment in Fiscal Year 2030. The note payable is payable solely from the Sanitary Sewer Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – LONG-TERM DEBT (continued)

On February 28, 2014 the City entered into an agreement with the Iowa Finance Authority Clean Water Program Revolving Loan Fund for a line of credit up to \$1.029 million. This line of credit was issued to finance the costs of construction storm water drainage projects and improvements, including those costs associated with the Lower Bee Branch Creek Restoration Project by the Stormwater Fund. The interest rate for this line of credit is 2.00%. Annual payments began in Fiscal Year 2014, with the last payment in Fiscal Year 2033. The note payable is payable solely from the Stormwater Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

On June 19, 2015 the City entered into an agreement with the Iowa Finance Authority Clean Water Program Revolving Loan Fund for a line of credit up to \$31.418 million. This line of credit was refunded on April 30, 2021 for \$22,138,000 to change the type of debt from revenue debt to general obligation debt. This line of credit was issued to finance the Upper Bee Branch Creek Restoration project and Catfish Creek Sponsorship project by the Stormwater Fund. The interest rate for this line of credit is 1.43%. Annual payments began in Fiscal Year 2016, with the last payment in Fiscal Year 2037. The note payable is payable solely from the Stormwater Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

On July 7, 2017 the City entered into an agreement with the Iowa Finance Authority Drinking Water Program Revolving Loan Fund for a line of credit up to \$10.198 million. This line of credit was issued to finance the purchase of the Central Iowa Water Association Water System and Improvements by the Water Fund. The interest rate for this line of credit is 2.00%. Annual payments began in Fiscal Year 2018, with the last payment in Fiscal Year 2037. The note payable is payable solely from the Water Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

On March 8, 2019 the City entered into an agreement with the Iowa Finance Authority Clean Water Program Revolving Loan Fund for a line of credit up to \$2.763 million. This line of credit was issued to finance the reconstruction of the Kerper Sanitary Sewer project and the Eagle Point Park Sponsorship Project by the Sanitary Sewer Fund. The interest rate for this line of credit is 0.75%. Annual payments began in Fiscal Year 2019, with the last payment in Fiscal Year 2038. The note payable is payable solely from the Sanitary Sewer Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

On June 7, 2019 the City entered into an agreement with the Iowa Finance Authority Clean Water Program Revolving Loan Fund for a line of credit up to \$16.382 million. This line of credit was issued to finance the construction of the Bee Branch Creek Restoration Railroad Culverts project by the Stormwater Fund. The interest rate for this line of credit is 2.00%. Annual payments will begin in Fiscal Year 2020, with the last payment in Fiscal Year 2040. The note payable is payable solely from the Stormwater Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

On September 22, 2017 the City entered into an agreement with the Iowa Finance Authority Drinking Water Facilities Financing Program Revolving Loan Fund for a line of credit up to \$4.4 million. This line of credit was issued to finance the Roosevelt Street water tower and water distribution improvements and the Eagle Point water treatment plant and water distribution improvements project by the Water Fund. The interest rate for this line of credit is 2.00%. Annual payments will begin in Fiscal Year 2020, with the last payment in Fiscal Year 2040. The note payable is payable solely from the Water Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – LONG-TERM DEBT (continued)

On March 19, 2021 the City entered into an agreement with the Iowa Finance Authority Clean Water Program Revolving Loan Fund for a line of credit up to \$350,000. This line of credit was issued to finance the planning and design of the Catfish and Granger Creek Sanitary Sewer projects by the Sanitary Sewer Fund. The interest rate for this line of credit is 0%. The line of credit matures in Fiscal Year 2024. The note payable is payable solely from the Sanitary Sewer Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

On March 19, 2021 the City entered into an agreement with the Iowa Finance Authority Clean Water Program Revolving Loan Fund for a line of credit up to \$160,000. This line of credit was issued to finance the planning and design of the Auburn and Custer/Center Place/Cooper and Maiden/Hawthorne to Fengler Sanitary Sewer projects by the Sanitary Sewer Fund. The interest rate for this line of credit is 0%. The line of credit matures in Fiscal Year 2024. The note payable is payable solely from the Sanitary Sewer Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

On March 19, 2021 the City entered into an agreement with the Iowa Finance Authority Clean Water Program Revolving Loan Fund for a line of credit up to \$970,000. This line of credit was issued to finance the planning and design of the Sanitary Sewer Master Plan project by the Sanitary Sewer Fund. The interest rate for this line of credit is 0%. The line of credit matures in Fiscal Year 2024. The note payable is payable solely from the Sanitary Sewer Fund. The debt is owned by the Iowa Finance Authority and; therefore, constitutes direct borrowing.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – LONG-TERM DEBT (continued)

Annual debt service requirements to maturity for capital loan notes are as follows:

Fiscal Year June 30	Business-type Activities	
	Principal	Interest
2022	\$ 6,195,000	\$ 2,241,625
2023	6,313,000	2,127,971
2024	6,443,000	2,005,933
2025	6,573,000	1,881,610
2026	6,710,620	1,754,388
2027-2031	34,982,293	10,138,289
2032-2036	32,861,398	3,434,514
2037-2041	14,930,390	667,027
2042-2044	2,914	105
Total	\$ 115,011,615	\$ 24,251,462

At June 30, 2021, the City of Dubuque had \$8,306,291 of capital loan note funds available. These funds are available to the City by filing a disbursement request with the State of Iowa. The City expects to use the remaining available funds in fiscal year 2023. The Sewer Utility revenue capital loan notes covenants include a requirement for the utility to produce net revenue of at least 110% of the current year debt service requirement.

Loans Payable. Loans payable have been issued to fund several City projects. Loans payable at June 30, 2021, are as follows:

Purpose	Date of Issue	Maturity Dates	Interest Rates	Amount Originally Issued	Amount Outstanding End of Year	Current Portion
Parking Lot Purchase	07/08/08	01/01/09-07/01/23	5.0 %	\$ 400,000	\$ 88,786	\$ 34,205
Iowa Finance Authority	08/26/11	06/01/20-06/01/30	3.0	4,500,000	3,198,361	224,974
Bowling & Beyond Inc.	10/15/12	12/04/12-12/04/32	-	1,000,000	550,000	50,000
Central Iowa Water	12/01/16	12/01/17-12/01/21	3.0	5,000,000	1,000,000	1,000,000
				\$ 10,900,000	\$ 4,837,147	\$ 1,309,179

On July 8, 2008, the City issued a \$400,000 loan. Interest is payable each July 1 and January 1 at a rate of 5.00%. Principal payments are due each July 1 and January 1 and range from \$9,111 to \$18,645 with final maturity in 2024. The proceeds were used to purchase parking lots 87, 88, and the north 20 feet 3 inches of lot 86. The debt is owned by Dubuque Initiatives and; therefore, constitutes a direct borrowing.

On August 26, 2011, the City issued \$4.5 million loan. Interest is payable each December 1 and June 1 at a rate of 3.00%. Principal payments are due each December 1 and June 1 and range from \$82,922 to \$2,582,540 with final maturity in 2030.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – LONG-TERM DEBT (continued)

The proceeds were used to pay costs of funding workforce housing assistance loans to private developers constructing improvements and rehabilitating historic buildings for residential and commercial use in the Greater Downtown Urban Renewal Area. The debt is owned by the Iowa Finance Authority and; therefore, constitutes a direct borrowing.

On October 15, 2012, the City terminated the leases with Bowling & Beyond Dubuque, Inc. and entered into a lease buyout agreement. The purchase price is \$1.0 million. There is no interest. Principal payments are due each July 25 in the amount of \$50,000 with final maturity in 2032. The debt is owned by Michael K. Schmidt and; therefore, constitutes a direct borrowing.

On December 1, 2016, the City issued a \$5,000,000 loan. Interest is payable each December 1 at a rate of 3.00%. Principal payments of \$1 million are due each December 1 with final maturity in 2022. The proceeds were used to purchase water supply, service and territory. The debt is owned by Iowa Association of Regional Utilities (D/B/A Central Iowa Water Association) and; therefore, constitutes a direct borrowing.

Annual debt service requirements to maturity for loans payable are as follows:

Fiscal Year June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2022	\$ 274,974	\$ 93,958	\$ 1,034,205	\$ 34,017
2023	263,230	87,614	35,937	2,286
2024	269,674	81,170	18,644	466
2025	276,314	74,530	-	-
2026	283,154	67,689	-	-
2027-2031	2,331,015	198,125	-	-
2032	50,000	-	-	-
Total	<u>\$ 3,748,361</u>	<u>\$ 603,086</u>	<u>\$ 1,088,786</u>	<u>\$ 36,769</u>

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – LONG-TERM DEBT (continued)

Changes in Long-term Liabilities. Long-term liability activity for the year ended June 30, 2021, was as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 41,185,153	\$ 25,605,950	\$ (26,740,311)	\$ 40,050,792	\$ 3,472,820
Unaccrued premium	840,151	953,857	(63,250)	1,730,758	-
Unamortized discounts	(39,791)	-	3,606	(36,185)	-
Total general obligation bonds	<u>41,985,513</u>	<u>26,559,807</u>	<u>(26,799,955)</u>	<u>41,745,365</u>	<u>3,472,820</u>
Tax increment financing bonds	18,985,000	-	(590,000)	18,395,000	635,000
Unamortized discounts	(159,694)	-	8,872	(150,822)	-
Total tax increment financing bonds	<u>18,825,306</u>	<u>-</u>	<u>(581,128)</u>	<u>18,244,178</u>	<u>635,000</u>
Notes payable	91,860	-	(45,665)	46,195	46,195
Loans payable	3,899,294	-	(150,933)	3,748,361	274,974
Compensated absences	6,016,259	3,683,173	(3,152,842)	6,546,590	425,099
Total governmental activities	<u><u>\$ 70,818,232</u></u>	<u><u>\$ 30,242,980</u></u>	<u><u>\$ (30,730,523)</u></u>	<u><u>\$ 70,330,689</u></u>	<u><u>\$ 4,854,088</u></u>
Business-type activities:					
General obligation bonds	\$ 35,479,846	\$ 14,935,457	\$ (17,628,037)	\$ 32,787,266	\$ 3,057,226
Unaccrued premium	767,318	631,854	(58,689)	1,340,483	-
Unamortized discounts	(26,308)	-	2,734	(23,574)	-
Total general obligation bonds	<u>36,220,856</u>	<u>15,567,311</u>	<u>(17,683,992)</u>	<u>34,104,175</u>	<u>3,057,226</u>
Revenue bonds	32,155,000	-	(340,000)	31,815,000	355,000
Unaccrued premium	600,448	-	(66,359)	534,089	-
Unamortized discounts	(49,181)	-	4,927	(44,254)	-
Total revenue bonds	<u>32,706,267</u>	<u>-</u>	<u>(401,432)</u>	<u>32,304,835</u>	<u>355,000</u>
Notes payable	116,965,647	37,503,894	(39,457,926)	115,011,615	6,195,000
Loans payable	2,152,331	-	(1,063,545)	1,088,786	1,034,205
Compensated absences	718,963	386,523	(334,805)	770,681	67,676
Total business-type activities	<u><u>\$ 188,764,064</u></u>	<u><u>\$ 53,457,728</u></u>	<u><u>\$ (58,941,700)</u></u>	<u><u>\$ 183,280,092</u></u>	<u><u>\$ 10,709,107</u></u>

For the governmental activities, compensated absences are generally liquidated by the General Fund, Community Development Fund, and Section VIII Housing Fund.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – LONG-TERM DEBT (continued)

Legal Debt Margin Calculation.

Estimated actual value	\$ 4,785,964,957
Debt limit - 5% of total actual valuation	<u>239,298,248</u>
Debt applicable to limit	(122,682,458)
Legal debt margin	<u><u>\$ 116,615,790</u></u>

Dubuque Metropolitan Area Solid Waste Agency

General Obligation Bonds. Dubuque County, Iowa issued a general obligation landfill facilities bond to provide funds for the acquisition and construction of major capital facilities.

The Dubuque Area Metropolitan Solid Waste Agency will reimburse Dubuque County for interest and principal payments from operating revenue. These bonds generally are issued as serial bonds with varying amounts of principal maturing annually and with interest payable semi-annually. The amount outstanding as of June 30, 2021 is as follows:

Purpose	Date of Issue	Maturity Date	Interest Rate	Amount Originally Issued	Amount Outstanding End of Year
Landfill Facility	12/30/2014	06/01/16-06/01/34	2.0-4.0 %	\$ 4,500,000	\$ 3,330,000
Landfill Facility	12/28/2016	06/01/17-06/01/36	3.0	5,100,000	4,165,000
				<u><u>\$ 9,600,000</u></u>	<u><u>\$ 7,495,000</u></u>

Annual debt service requirements to maturity of the general obligation bond is as follows:

Fiscal Year June 30	Principal	Interest
2022	\$ 435,000	\$ 225,609
2023	450,000	210,459
2024	465,000	198,609
2025	475,000	186,065
2026	490,000	172,965
2027-2031	2,685,000	643,298
2032-2036	2,495,000	214,710
Total	<u><u>\$ 7,495,000</u></u>	<u><u>\$ 1,851,715</u></u>

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – LONG-TERM DEBT (continued)

Changes in Long-Term Liabilities. Long term liability activity for the year ended June 30, 2021 is as follows:

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance End of Year</u>	<u>Due Within One Year</u>
General obligation bond	\$ 7,920,000	\$ -	\$ (425,000)	\$ 7,495,000	\$ 435,000
Unaccrued premium	204,672	-	(12,857)	191,815	-
Total general obligation bond	\$ 8,124,672	\$ -	\$ (437,857)	\$ 7,686,815	\$ 435,000

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance purchased from independent third parties and participates in a local government risk pool. The City assumes liability for deductibles and claims in excess of coverage limitations.

The City has established a Health Insurance Reserve Fund for insuring benefits provided to City employees and covered dependents which is included in the Internal Service Fund Type. Health benefits were self-insured up to an individual stop-loss amount of \$120,000, and an aggregate stop-loss of 125% of expected claims. Coverage from a private insurance company is maintained for losses in excess of the stop-loss amount. All claims handling procedures are performed by a third-party claims administrator. Incurred but not reported claims have been accrued as a liability based upon the claims administrator's estimate. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. The estimated liability does not include any allocated or unallocated claims adjustment expense.

The City has established a Workers' Compensation Reserve Fund for insuring benefits provided to City employees which is included in the Internal Service Fund Type. Through May 15, 2020 workers' compensation benefits were self-insured up to a specific stop-loss amount of \$750,000, and an aggregate-stop loss consistent with statutory limits for 2020. Coverage from a private insurance company is maintained for losses in excess of the stop-loss amount. As of May 15, 2020 the City changed workers' compensation coverage providers. Under this new agreement, the City is fully insured for all claims with the exception of sworn Police Officers and Fire Fighters medical claims. All claims handling procedures are performed by a third-party claims administrator. Incurred but not reported claims have been accrued as a liability based upon the claims administrator's estimate. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. The estimated liability does not include any allocated or unallocated claims adjustment expense. The City purchases private insurance to include sworn Police Officers and Fire Fighters medical claims under a self-insured retention of \$750,000 for each accident.

All funds of the City participate in both programs and make payments to the Health Insurance Reserve Fund and the Workers' Compensation Reserve Fund based on actuarial estimates of the amounts needed to pay prior and current year claims. The claims liability of \$1,094,417 in the Health Insurance Reserve Fund and \$1,079,779 in the Workers' Compensation Reserve Fund is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in reported liabilities, all of which are expected to be paid within one year of year end, for the fiscal years ended June 30, 2021 and 2020, are summarized as follows:

	Health Insurance Reserve Fund	Workers' Compensation Reserve Fund
Liabilities at June 30, 2019	\$ 975,946	\$ 1,023,090
Claims and changes in estimates during fiscal year 2020	10,259,919	-
Claim payments	(10,362,276)	(523,533)
Liabilities at June 30, 2020	873,589	499,557
Claims and changes in estimates during fiscal year 2021	9,965,588	1,559,917
Claim payments	(9,744,760)	(979,695)
Liabilities at June 30, 2021	\$ 1,094,417	\$ 1,079,779

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 – RISK MANAGEMENT (continued)

The City is a member in the Iowa Communities Assurance Pool (Pool), as allowed by Chapter 670.7 of the Code of Iowa. The Pool is a local government risk-sharing pool whose 787 members include various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, public officials' liability, police professional liability, property, inland marine, and boiler/machinery. The City acquires automobile physical damage coverage through the Pool. All other property, inland marine, and boiler/machinery insurance is acquired through commercial insurance. There have been no reductions in insurance coverage from prior years.

Each member's annual casualty contributions to the Pool fund current operations and provide capital. Annual operating contributions are those amounts necessary to fund, on a cash basis, the Pool's general and administrative expenses, claims, claims expenses, and reinsurance expenses due and payable in the current year, plus all or any portion of any deficiency in capital. Capital contributions are made during the first six years of membership and are maintained not to exceed 300 percent of the total current members' basis rates or to comply with the requirements of any applicable regulatory authority having jurisdiction over the Pool.

The Pool also provides property coverage. Members who elect such coverage make annual property operating contributions which are necessary to fund, on a cash basis, the Pool's general and administrative expenses and reinsurance premiums, all of which are due and payable in the current year, plus all or any portion of any deficiency in capital. Any year-end operating surplus is transferred to capital. Deficiencies in operations are offset by transfers from capital and, if insufficient, by the subsequent year's member contributions. The City has property insurance coverage in addition to the Pool.

The City's property and casualty contributions to the risk pool are recorded as expenditures from its operating funds at the time of payment to the risk pool. The City's annual contributions to the Pool for the year ended June 30, 2021, were \$1,103,211.

The Pool uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. The Pool retains general, automobile, police professional, and public officials' liability risks up to \$500,000 per claim. Excess coverage is provided for claims exceeding \$500,000 under various reinsurance agreements. Property and automobile physical damage risks are retained by the Pool up to \$250,000 each occurrence, each location, with excess coverage reinsured on an individual-member basis.

The Pool's Iowa Risk Management Agreement with its members provides that in the event a casualty claim, property loss or series of claims exceeds the amount of risk-sharing protection provided by the member's risk-sharing certificate, or in the event that a series of casualty claims exhausts total members' equity plus any reinsurance and any excess risk-sharing recoveries, then payment of such claims shall be the obligation of the respective individual member. As of June 30, 2021, settled claims have not exceeded the risk pool or reinsurance company coverage since the Pool's inception.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 – RISK MANAGEMENT (continued)

Members agree to continue membership in the Pool through the Iowa Risk Management Agreement for a period of not less than one full year. After such period, a member who has given 60 days' prior written notice may withdraw from the Pool. Upon withdrawal, a formula set forth in the Pool's intergovernmental contract with its members is applied to determine the amount (if any) to be refunded to the withdrawing member.

NOTE 9 – COMMITMENTS AND CONTINGENT LIABILITIES

Grants

The City has received financial assistance from numerous federal and state agencies in the form of grants and entitlements. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the applicable fund. However, in the opinion of management, liabilities resulting from disallowed claims, if any, will not have a material effect on the City's financial position as of June 30, 2021.

Litigation

The City Attorney reported that various claims and lawsuits were on file against the City.

The City Attorney has estimated that all potential settlements and lawsuits against the City not covered by insurance would not materially affect the financial position of the City. The City has authority to levy additional taxes (outside the regular limit) to cover uninsured judgments against the City.

Construction Contracts

The City has recognized as a liability only that portion of construction contracts representing construction completed through June 30, 2021. The City has additional commitments for signed construction contracts of \$10,238,051 as of June 30, 2021. These commitments will be funded by federal and state grants, cash reserves, and bond proceeds.

Dubuque Metropolitan Area Solid Waste Agency has recognized a liability for only that portion of construction contracts representing construction completed through June 30, 2021. DMASWA has an additional commitments for a signed construction contracts of \$9,226 as of June 30, 2021. These commitments will be partially funded by bond proceeds.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description - The City operates a single-employer retiree benefit plan which provides postemployment benefits for eligible participants enrolled in the City-sponsored plans, which include the employees of the Dubuque Metropolitan Area Solid Waste Agency (a component unit). The Plan does not issue a stand-alone financial report. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The benefits are provided in the form of:

An implicit rate subsidy where pre-65 retirees receive health insurance coverage by paying a combined retiree/active rate for the self-insured medical and prescription drug plan.

An explicit rate subsidy where the City pays the full cost of a \$1,000 policy in the fully-insured life insurance plan.

To be eligible for the health insurance coverage, retirees must be at least 55 years old, have completed 4 years of service, and be vested with either the Iowa Public Employee's Retirement System (IPERS) or the Municipal Fire and Police Retirement System of Iowa (MFPRSI). In addition to the health eligibility coverage requirements, one must have belonged to a bargaining group to be eligible for life insurance benefits. There are approximately 544 active and 43 retired members in the plan, as of most recent actuarial valuation report.

Funding Policy - The contribution requirements of plan members are established and may be amended by the City. The City currently finances the retiree benefit plan on a pay-as-you-go basis.

Total OPEB Liability - The City's OPEB liability of \$6,311,802 was measured as of June 30, 2021, and was determined by an actuarial valuation as of June 30, 2020. The City's proportion is based on the number of employees in the plan. The City's proportion was 97.94% as of June 30, 2021.

Changes in the Total OPEB Liability

	Total OPEB Liability
Total OPEB Liability beginning of year	\$ 5,882,693
<hr/>	
Changes for the year:	
Service cost	303,146
Interest	152,598
Other changes	(11,228)
Changes in experience	16
Changes in assumptions	254,038
Benefit payments	(269,461)
Net Changes	<hr/> 429,109
Total OPEB Liability end of year	<hr/> \$ 6,311,802

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (continued)

Actuarial Methods and Assumptions - The total OPEB liability in the June 30, 2021 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

effective June 30, 2020	3.00% per annum
Rates of salary increase	4.00% per annum,
effective June 30, 2020	including inflation
Discount rate	2.18% compounded annually,
effective June 30, 2021	including inflation
Healthcare cost trend rate	6.50% initial rate decreasing by 0.14%
effective June 30, 2020	annually to an ultimate rate of 4.50%

Discount Rate - The discount rate used to measure the total OPEB liability was 2.18% which reflects the index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

Mortality rates are from the PubG.H-2010 Mortality Table. Annual retirement and termination probabilities were developed consistent with the City's experience and the IPERS and MFPRSI retirement patterns.

Projected claim costs of the medical plan are \$12,299-\$17,508 per year for retirees depending on the age of retiree. The actuarial assumptions used in the June 30, 2021 roll forward valuation were based on the results of actual experience dates study with dates corresponding to those listed above.

Sensitivity of the City's Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB Liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (1.18%) or 1% higher (3.18%) than the current discount rate.

	1% Decrease (1.18%)	Discount Rate (2.18%)	1% Increase (3.18%)
Total OPEB Liability	\$ 6,826,382	\$ 6,311,802	\$ 5,831,250

Sensitivity of the City's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB Liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (5.50%) or 1% higher (7.50%) than the current healthcare cost trend rates.

	1% Decrease (5.50%)	Healthcare Cost Trend Rate (6.50%)	1% Increase (7.50%)
Total OPEB Liability	\$ 5,603,385	\$ 6,311,802	\$ 7,154,043

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (continued)

OPEB Expense and Deferred Outflows of Resources Related to OPEB - For the year ended June 30, 2021 the City recognized OPEB expense of \$480,207. At June 30, 2021 the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Experience	\$ -	\$ 194,248
Changes in Assumptions	453,163	103,827
	<hr/>	<hr/>
	\$ 453,163	\$ 298,075

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

Year Ending June 30	Deferred Outflows of Resources	Deferred Inflows of Resources
2022	\$ 60,974	\$ (36,500)
2023	60,974	(36,500)
2024	60,974	(36,500)
2025	60,974	(36,500)
2026	60,974	(36,500)
Thereafter	147,293	(115,575)
	<hr/>	<hr/>
	\$ 452,163	\$ (298,075)

Dubuque Metropolitan Area Solid Waste Agency Specific (DMASWA) OPEB Disclosures

Total OPEB Liability- DMASWA OPEB liability of \$132,488 was measured as of June 30, 2021, and was determined by an actuarial valuation as of June 30, 2020. The Agency's portion is based on the number of employees in the plan. The Agency's portion was 2.06% as of June 30, 2021.

	Total OPEB Liability
Total OPEB Liability beginning of year	\$ 112,052
Changes for the year:	
Service Cost	6,363
Interest	3,203
Other Changes	11,194
Changes in assumptions	5,332
Benefit payments	(5,656)
Net Changes	20,436
Total OPEB Liability end of year	<hr/> <u>\$ 132,488</u>

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (continued)

Sensitivity of the City's Total OPEB Liability to Changes in the Discount Rate- The following presents the total OPEB Liability of the DMASWA, as well as what the DMASWA's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (1.18%) or 1% higher (3.18%) than the current discount rate.

	1% Decrease (1.18%)	Discount Rate (2.18%)	1% Increase (3.18%)
Total OPEB Liability	\$ 143,288	\$ 132,488	\$ 122,400

Sensitivity of the DMASWA's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates- The following presents the total OPEB Liability of the DMASWA, as well as what the DMASWA's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (5.50%) or 1% higher (7.50%) than the current healthcare cost trend rates.

	1% Decrease (5.50%)	Healthcare Cost Trend Rate (6.50%)	1% Increase (7.50%)
Total OPEB Liability	\$ 117,617	\$ 132,488	\$ 150,166

OPEB Expense and Deferred Outflows of Resources Related to OPEB - For the year ended June 30, 2021 the DMASWA recognized OPEB expense of \$10,080. At June 30, 2021 the DMASWA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Experience	\$ -	\$ (4,077)
Changes in Assumptions	9,491	(2,179)
	<u>\$ 9,491</u>	<u>\$ (6,256)</u>

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

Year Ending June 30	Deferred Outflows of Resources	Deferred Inflows of Resources
2022	\$ 1,280	\$ (766)
2023	1,280	(766)
2024	1,280	(766)
2025	1,280	(766)
2026	1,280	(766)
Thereafter	3,091	(2,426)
	<u>\$ 9,491</u>	<u>\$ (6,256)</u>

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – EMPLOYEE PENSION PLANS

Aggregate Pension Expense

The primary government participates in two public pension systems, Iowa Public Employees' Retirement System (IPERS) and Municipal Fire and Police Retirement System of Iowa (MFPRSI). The component unit DMASWA participates in IPERS only. The following sections outline the pension related disclosures for each pension of both entities. The aggregate amount of recognized pension expense for the period associated with the net pension liability for all plans is \$10,017,010 for the primary government. Other aggregate amounts related to pension are separately displayed in the financial statements.

Iowa Public Employees Retirement System IPERS

Plan Description – IPERS membership is mandatory for employees of the City, except for those covered by another retirement system. Employees of the City are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at 7401 Register Drive P.O. Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

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

Pension Benefits – A Regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, anytime 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 greater than the highest five-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 that the member receives benefits before the member's earliest normal retirement age. For service earned starting July 1, 2012, the reduction is 0.50% for each month that 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 the regular November benefit payments.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – EMPLOYEE PENSION PLANS (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 that 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 2021, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the City contributed 9.44% for a total rate of 15.73%.

The City's total contributions to IPERS for the year ended June 30, 2021 were \$2,406,797. The Dubuque Metropolitan Area Solid Waste Agency's total contributions to IPERS for the year ended June 30, 2021 were \$61,160.

City Specific IPERS Disclosures

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2021, the City reported a liability of \$23,062,814 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2020, the City's collective proportion was .330614% which was a decrease of -0.001321% from its proportion measured as of June 30, 2019.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – EMPLOYEE PENSION PLANS (continued)

For the year ended June 30, 2021, the City recognized pension expense of \$3,304,542. At June 30, 2021, the City 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	\$ 25,478	\$ 546,648
Changes of assumptions	1,183,806	-
Net difference between projected and actual earnings on IPERS' investments	1,296,497	-
Changes in proportion and differences between City's contributions and City's proportionate share of contributions	-	341,476
City contributions subsequent to the measurement date	<u>2,406,797</u>	-
Total	<u>\$ 4,912,578</u>	<u>\$ 888,124</u>

\$2,406,797 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	Total
2022	\$ 145,480
2023	361,643
2024	400,917
2025	723,697
2026	<u>(14,080)</u>
	<u>\$ 1,617,657</u>

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate- The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1.00% lower (6.00%) or 1.00% higher (8.00%) than the current rate.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – EMPLOYEE PENSION PLANS (continued)

	1% Decrease (6.0)%	Discount Rate (7.0)%	1% Increase (8.0)%
City's proportionate share of the net pension liability:	\$ 38,455,297	\$ 23,062,814	\$ 10,156,453

Dubuque Metropolitan Area Solid Waste Agency Specific (DMASWA) IPERS Disclosures

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2021, the DMASWA reported a liability of \$586,066 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The DMASWA's proportion of the net pension liability was based on the DMASWA's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2020, the DMASWA's collective proportion was 0.008401% which was an increase of 0.00001% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the DMASWA recognized pension expense of \$83,974. At June 30, 2021, the DMASWA 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	\$ 647	\$ 13,891
Changes of assumptions	30,083	-
Net difference between projected and actual earnings on IPERS' investments	32,946	-
Net changes in proportion and differences between Agency's contributions and Agency's proportionate share of contributions	-	8,680
Agency contributions subsequent to the measurement date	61,160	-
Total	\$ 124,836	\$ 22,571

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – EMPLOYEE PENSION PLANS (continued)

\$61,160 reported as deferred outflows of resources related to pensions resulting from the Agency contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	Total
2022	\$ 3,697
2023	9,190
2024	10,188
2025	18,390
2026	(361)
	<u>\$ 41,104</u>

Sensitivity of the Agency's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Agency's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 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)%
Agency's proportionate share of the net pension liability:	\$ 977,215	\$ 586,066	\$ 258,093

There were no non-employer contributing entities at IPERS.

Actuarial Assumptions - The total pension liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – EMPLOYEE PENSION PLANS (continued)

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an economic assumption study dated March 24, 2017 and a demographic assumption study dated June 28, 2018. Mortality rates used in the 2019 valuation were based on the RP-2014 Employee and Healthy Annuitant Tables with MP-2017 generational adjustments.

The long-term expected rate of return on IPERS' was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of pension plan 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:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	22 %	4.43%
International equity	17.5	5.15
Global smart beta equity	6	4.87
Core plus fixed income	28	(0.29)
Public credit	4.0	2.29
Cash	1.0	(0.78)
Private equity	11	6.54
Private real assets	7.5	4.48
Private credit	3	3.11
Total	100 %	

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 that contributions from employees and employers will be made at the contractually required rates, which are set by the Contribution Rate Funding Policy and derived from the actuarial valuation. Based on those assumptions, the IPERS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, actuarial assumed investment return was applied to all periods of projected benefit payments to determine the total pension liability.

IPERS' Fiduciary Net Position - Detailed information about the pension plan's 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, 2021, the City reported payables to the defined benefit pension plan of \$118,564 for legally required employer contributions. There were no legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – EMPLOYEE PENSION PLANS (continued)

Municipal Fire and Police Retirement System of Iowa (MFPSRI)

Plan Description – MFPSRI membership is mandatory for fire fighters and police officers covered by the provisions of Chapter 411 of the Code of Iowa. Employees of the City are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by MFPSRI. MFPSRI issues a stand-alone financial report which is available to the public by mail at 7155 Lake Drive, Suite #201, West Des Moines, Iowa 50266 or at www.mfpsri.org.

MFPSRI benefits are established under Chapter 411 of the Code of Iowa and the administrative rules thereunder. Chapter 411 of the Code of Iowa and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits - Members with 4 or more years of service are entitled to pension benefits beginning at age 55. Full service retirement benefits are granted to members with 22 years of service, while partial benefits are available to those members with 4 to 22 years of service based on the ratio of years completed to years required (i.e., 22 years). Members with less than 4 years of service are entitled to a refund of their contribution only, with interest, for the period of employment.

Benefits are calculated based upon the member's highest 3 years of compensation. The average of these 3 years becomes the member's average final compensation. The base benefit is 66% of the member's average final compensation. Members who perform more than 22 years of service receive an additional 2% of the member's average final compensation for each additional year of service, up to a maximum of 8 years. Survivor benefits are available to the beneficiary of a retired member according to the provisions of the benefit option chosen, plus an additional benefit for each child. Survivor benefits are subject to a minimum benefit for those members who chose the basic benefit with a 50% surviving spouse benefit.

Active members, at least 55 years of age, with 22 or more years of service have the option to participate in the Deferred Retirement Option Program (DROP). The DROP is an arrangement whereby a member who is otherwise eligible to retire and commence benefits opts to continue to work. A member can elect a 3, 4, or 5 year DROP period. By electing to participate in DROP, the member is signing a contract indicating the member will retire at the end of the selected DROP period. During the DROP period the member's retirement benefit is frozen and a DROP benefit is credited to a DROP account established for the member. Assuming the member completes the DROP period, the DROP benefit is equal to 52% of the member's retirement benefit at the member's earliest date eligible and 100% if the member delays enrollment for 24 months. At the member's actual date of retirement, the member's DROP account will be distributed to the member in the form of a lump sum or rollover to an eligible plan.

Disability and Death Benefits – Disability benefits may be either accidental or ordinary. Accidental disability is defined as a permanent disability incurred in the line of duty, with benefits equivalent to the greater of 60% of the member's average final compensation or the member's service retirement benefit calculation amount. Ordinary disability occurs outside the call of duty and pays benefits equivalent to the greater of 50% of the member's average final compensation for those with 5 or more years of service or the member's service retirement benefit calculation amount and 25% of average final compensation for those with less than 5 years of service.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – EMPLOYEE PENSION PLANS (continued)

Death benefits are similar to disability benefits. Benefits for accidental death are 50% of the average final compensation of the member plus an additional amount for each child, or the provisions for ordinary death. Ordinary death benefits consist of a pension equal to 40% of the average final compensation of the member plus an additional amount for each child, or a lump-sum distribution to the designated beneficiary equal to 50% of the previous year's earnable compensation of the member or equal to the amount of the member's total contributions plus interest.

Benefits are increased (escalated) annually in accordance with Chapter 411.6 of the Code of Iowa which states a standard formula for the increases.

The surviving spouse or dependents of an active member who dies due to a traumatic personal injury incurred in the line of duty receives a \$100,000 lump-sum payment.

Contributions - Member contribution rates are set by state statute. In accordance with Chapter 411 of the Code of Iowa, the contribution rate was 9.40% of earnable compensation for the year ended June 30, 2021.

Employer contribution rates are based upon an actuarially determined normal contribution rate and set by state statute. The required actuarially determined contributions are calculated on the basis of the entry age normal method as adopted by the Board of Trustees as permitted under Chapter 411 of the Code of Iowa. The normal contribution rate is provided by state statute to be the actuarial liabilities of the plan less current plan assets, with such total divided by 1% of the actuarially determined present value of prospective future compensation of all members, further reduced by member contributions and state appropriations. Under the Code of Iowa the employer's contribution rate cannot be less than 17.00% of earnable compensation. The contribution rate was 25.31% for the year ended June 30, 2021.

The City's contributions to MFPSI for the year ended June 30, 2021 was \$3,649,160.

If approved by the state legislature, state appropriation may further reduce the employer's contribution rate, but not below the minimum statutory contribution rate of 17.00% of earnable compensation. The State of Iowa therefore is considered to be a nonemployer contributing entity in accordance with the provisions of the Governmental Accounting Standards Board Statement No. 67 – Financial Reporting for Pension Plans, (GASB 67).

There were no state appropriations to MFPSI during the fiscal year ended June 30, 2021.

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2021, the City reported a liability of \$37,736,544 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the new pension liability was determined by an

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – EMPLOYEE PENSION PLANS (continued)

actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all MFPSI participating employers. At June 30, 2020, the City's proportion was 4.731260% which was an increase of 0.039394% from its proportions measured as of June 30, 2019.

For the year ended June 30, 2021, the City recognized pension expense of \$6,712,468. At June 30, 2021, the City 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
Net difference between expected and actual experience	\$ 1,037,549	\$ 204,987
Changes of assumptions	934,778	45,023
Net difference between projected and actual earnings on pension plan investments	5,551,492	-
Changes in proportion and differences between City contributions and proportionate share of contributions	357,816	792,185
City contributions subsequent to the measurement date	3,649,461	-
Total	\$ 11,531,096	\$ 1,042,195

\$3,649,461 is reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Total
June 30	
2022	\$ 1,508,484
2023	2,101,755
2024	1,898,852
2025	1,305,470
2026	24,879
	\$ 6,839,440

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – EMPLOYEE PENSION PLANS (continued)

Actuarial Assumptions - The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation	3.00% per annum
Rates of salary increase	3.75% to 15.11% including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from July 1, 2007 to June 30, 2017.

Mortality rates were based on the RP-2014 Blue Collar Healthy Annuitant Table with males set-forward zero years, females set-forward two years and disabled individuals set-forward three years (male only rates), with generational projection of future mortality improvement with 50% of Scale BB beginning 2017.

The long-term expected rate of return on MFPSI investments was determined using a building-block method in which best-estimate ranges of expected future real rates (i.e., 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 best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Large Cap	7.5%
Small Cap	8.1
International Large Cap	7.2
Emerging Markets	7.9
Global Infrastructure	7.5
Private Non-Core Real Estate	11.5
Private Credit	6.4
Private Equity	10.8
Core Plus Fixed Income	4.0
Private Core Real Estate	7.2

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – EMPLOYEE PENSION PLANS (continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rates, actuarially determined. Based on those assumptions, MFPSRI 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 MFPSRI investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the city's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1.00% lower (6.50%) or 1.00% higher (8.50%) than the current rate.

	1% Decrease (6.50)%	Discount Rate (7.50)%	1% Increase (8.50)%
City's proportionate share of the net pension liability:	\$ 57,880,514	\$ 37,736,544	\$ 21,050,934

MFPSRI Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued MFPSRI financial report which is available on MFPSRI's website at www.mfpsri.org.

Payables to MFPSRI - At June 30, 2021, City of Dubuque, Iowa reported payables to the defined benefit pension plan of \$185,841 for legally required employer contributions. There were no legally required employee contributions which had been withheld from employee wages but not yet remitted to MFPSRI.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 12 – LANDFILL CLOSURE AND POST CLOSURE CARE

To comply with federal (40 CFR 258.74) and state regulations (IAC 113.14 (455b)), the Dubuque Metropolitan Area Solid Waste agency (DMASWA) is required to complete a closure and post-closure plan and to provide funding necessary to effect that plan, including the proper monitoring and care of the landfill after closure. Once the landfill is no longer accepting waste and is closed, the owner is responsible for maintaining the final cover, monitoring ground water and methane gas, and collecting leachate (the liquid that drains out of waste) for thirty years.

State governments are primarily responsible for implementation and enforcement of those requirements and have been given flexibility to tailor requirements to accommodate local conditions that exist. A variety of financial mechanisms can be used to demonstrate compliance with federal and state financial assurance rules.

The Agency utilizes the dedicated fund mechanism, which is funded through the tipping fees it receives. The Agency files an annual report with the State to provide compliance with its legal requirements of maintaining a balance per the prescribed formula. Any adjustments to the account are made prior to June 30.

The Agency is required to estimate total landfill closure and post-closure care costs and recognize a portion of these costs each year based on the percentage of estimated total landfill capacity used that period. Estimated total costs, for closure and post-closure, would consist of four components: (1) the cost of equipment and facilities used in post-closure monitoring and care, (2) the cost of final cover (material and labor), (3) the cost of environmental monitoring of the landfill during the post-closure period and (4) the cost of any environmental cleanup required after closure. Estimated total cost is based on an engineer's estimate for these services is required to be updated annually for changes due to inflation or deflation, technology, and/or changes to applicable laws or regulations.

The Agency's estimated closure and post-closure care expected costs are as follows:

	2021
Closure	\$ 4,036,979
Post-closure care	<u>2,355,000</u>
Totals	<u>\$ 6,391,979</u>

The total closure and post-closure care costs for the DMASWA has been estimated at approximately \$6,391,979 as of June 30, 2021, and the portion of the liability, that has been recognized is \$2,955,149. This liability represents the cumulative amount reported to date based on the use of 100% of the estimated capacity of cells 1, 2, 3, 4, 5, 6, 7, 8, and 100% of cell 9 Phase I, 58% of cell 9 Phase II, 54% of cell 9 Phase III, and 29% of cell 9 Phase IV. The Agency has accumulated resources to fund closure and post-closure costs; they are included in assets whose use is limited on the balance sheet and total \$5,035,848 as of June 30, 2021. The Agency will recognize the remaining estimated cost of closure and post closure care of \$3,436,831 over the estimated remaining life of 17 years as the remaining capacity is filled.

NOTE 13 – LEASES WHERE CITY IS LESSOR

The City of Dubuque leases riverfront property, airport property (hangars and terminal space), farm land, parking areas, space for antennas on top of water towers, and concession areas under operating leases. The most significant lease is the lease of the greyhound racing and gambling facility and related parking area to the Dubuque Racing Association (DRA). The City's cost of the leased DRA assets total \$10,144,771. The carrying amount of the assets at June 30, 2021 is \$5,729,664, with \$142,423 of depreciation expense during the year ended June 30, 2021. The DRA lease amount is based on the association's gross gambling receipts. During the year ended June 30, 2021, the DRA lease generated \$5,072,813 in lease revenue.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – SUBSEQUENT EVENTS

On August 18, 2021, Water Revenue Refunding Bonds, Series 2021C were issued for \$3,505,000 with an average interest rate of 2.00 per annum maturing on June 1, 2030. The Series 2021C Water Revenue Refunding Bonds were issued at a premium of \$181,304 less costs of issuance and underwriter's discount totaling \$77,055. Net proceeds were \$3,609,249. The Series 2021C Water Revenue Refunding Bonds were issued to refund the outstanding portion of the Series 2008D Water Revenue Bonds, which were outstanding in the aggregate principal amount of \$215,000, and to refund the outstanding portion of the Series 2010D Water Revenue Bonds which were outstanding in the aggregate principal amount of \$3,610,000. The Series 2008D and 2010D were called for redemption on August 23, 2021 and are considered defeased. The net effect of the issuance of the Series 2021C Bonds was a decrease in total debt service of \$731,567 in gross savings, or \$703,188 in present value savings.

On December 6, 2021, a public hearing was held on a \$900,000 Sewer Revenue Capital Loan Anticipation Project SRF Note . The loan funds will be used to pay costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Municipal Sewer System, including the Granger Creek Interceptor Project and the Force Main Stabilization Project. The Sewer Revenue Capital Loan Anticipation Project Notes have an interest rate of 0 percent per annum maturing on January 7, 2025.

On December 6, 2021, a public hearing was held on a \$1,570,000 Water Revenue Capital Loan Anticipation Project SRF Note . The loan funds will be used to pay costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Municipal Water System. The Water Revenue Capital Loan Anticipation Project Notes have an interest rate of 0 percent per annum maturing on January 7, 2025.

NOTE 15 – CONTINGENCIES

In March 2020, the COVID-19 outbreak was declared a global pandemic. The disruption to businesses across a range of industries in the United States continues to evolve. The full impact to local, regional and national economies, including that of the City of Dubuque, remains uncertain. To date, the outbreak has not created a material disruption to the operations of the City of Dubuque. However, the extent of the financial impact of COVID-19 will depend on future developments, including the spread of the virus, duration and timing of the economic recovery. Due to these uncertainties, management cannot reasonably estimate the potential impact to the City of Dubuque.

NOTE 16 – PROSPECTIVE ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) has issued statements not yet implemented by the City. The statements which might impact the City are as follows:

Statement No. 87, Leases, will be effective for the fiscal year June 30, 2022. The objective of this Statement is to better meet the information needs of financial statements users by improving accounting and financial reporting for leases by governments.

Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period, will be effective for the fiscal year June 30, 2022. The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 16 – PROSPECTIVE ACCOUNTING PRONOUNCEMENTS (continued)

Statement No. 91, Conduit Debt Obligations, will be effective for the fiscal year June 30, 2023. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminated diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

Statement No. 92, Omnibus 2020, issued January 2020, will be effective for the City beginning with its fiscal year ending June 30, 2022 except for the requirements related to the effective date of Statement No. 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments effective upon issuance. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including leases, intra-entity transfers, assets accumulated for postemployment benefits, applicability of Statement No. 84 to postemployment benefit arrangements, measurement of liabilities related to asset retirement obligations in a government acquisition, reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers, nonrecurring fair value measurements of assets or liabilities, and terminology to refer to derivative instruments.

Statement No. 93, Replacement of Interbank Offered Rates, issued March 2020, will be effective for the City beginning with its fiscal year ending June 2022. The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR).

Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, issued March 2020, will be effective for the City beginning with its fiscal year ending June 30, 2023. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs).

Statement No. 96, Subscription-Based Information Technology Arrangements, issued in May 2020, will be effective for fiscal year ending June 30, 2023. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments).

Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, issued June 2020, will be effective for the fiscal year ended June 30, 2022. This Statement will result in more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans.

The City's management has not yet determined the effect these statements will have on the City's financial statements.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 17 – 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.

City Tax Abatements

The City provides tax abatements for urban renewal and economic development projects with tax increment financing as provided for in Chapter 15A and 403 of the Code of Iowa. For these types of projects, the City enters into agreements with developers which require the City, after developers meet the terms of the agreements, to rebate a portion of the property tax paid by the developers, to pay the developers an economic development grant or to pay the developers a predetermined dollar amount. No other commitments were made by the City as a part of these agreements.

For the year ended June 30, 2021, the City abated \$2,563,926 of property tax under the urban renewal and economic development projects.

CITY OF DUBUQUE, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 18 – ADOPTION OF NEW STANDARD

As of July 1, 2020 the City adopted GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhances the value provided by the information reported in financial statements for assessing government accountability and stewardship. The impact to the City resulted in a beginning balance restatement for the custodial funds, from previously reported balance of \$0 to the July 1, 2020 balance of \$1,990,337.

NOTE 19 – TRANSFER OF JURISDICTION

In November 2016, the City executed the Transfer of Public Road Jurisdiction Agreement between the City of Dubuque and the Iowa Department of Transportation. The Iowa Department of Transportation programmed \$115 million to allow for the completion of grading for four lanes, paving 2 lanes, including bridges and interchanges at both U.S. 20 and U.S. 61/151. The transfer of jurisdiction resulted in the following financial impact:

Transfer of assets to the State	\$ (44,122,974)
Transfer of assets from the State	38,788,393
Contribution from the state	5,672,000
Net financial impact to the City	<u><u>\$ 337,419</u></u>

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**Required Supplementary Information
June 30, 2021
City of Dubuque, Iowa**

CITY OF DUBUQUE, IOWA
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN
BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
GOVERNMENTAL AND ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Actual	Budgeted Amounts		Final to Actual Variance
		Original	Final	
RECEIPTS				
Property tax	\$ 26,540,100	\$ 25,460,125	\$ 25,460,125	\$ 1,079,975
Tax increment financing	11,882,103	12,012,920	12,012,920	(130,817)
Other City tax	19,025,822	19,082,662	19,082,662	(56,840)
Licenses and permits	1,891,115	2,050,744	2,165,445	(274,330)
Use of money and property	16,020,198	15,630,983	15,669,201	350,997
Intergovernmental	54,802,818	43,327,569	104,104,242	(49,301,424)
Charges for fees and service	39,337,422	46,303,119	46,068,089	(6,730,667)
Special assessments	127,541	360,000	360,000	(232,459)
Miscellaneous	17,284,576	8,670,253	17,991,277	(706,701)
Total Receipts	186,911,695	172,898,375	242,913,961	(56,002,266)
EXPENDITURES				
Public safety	29,069,881	30,957,805	31,739,650	2,669,769
Public works	10,967,732	13,839,242	15,095,981	4,128,249
Health and social services	975,605	1,020,271	1,175,185	199,580
Culture and recreation	10,587,593	13,212,220	14,771,836	4,184,243
Community and economic development	14,313,189	14,568,903	15,471,676	1,158,487
General government	10,207,749	10,593,735	11,486,441	1,278,692
Debt service	32,896,869	10,984,416	33,135,826	238,957
Capital projects	23,822,123	41,074,054	87,144,718	63,322,595
Business-type activities	65,702,183	61,896,519	98,199,521	32,497,338
Total Expenditures	198,542,924	198,147,165	308,220,834	109,677,910
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) EXPENDITURES	(11,631,229)	(25,248,790)	(65,306,873)	53,675,644
OTHER FINANCING SOURCES, NET	53,711,619	15,886,613	59,114,542	(5,402,923)
EXCESS DEFICIENCY OF RECEIPTS AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	42,080,390	(9,362,177)	(6,192,331)	48,272,721
BALANCE, BEGINNING OF YEAR	80,471,280	68,889,139	68,889,139	-
BALANCE, ENDING OF YEAR	\$ 122,551,670	\$ 59,526,962	\$ 62,696,808	\$ 48,272,721

See Notes to Required Supplementary Information.

CITY OF DUBUQUE, IOWA

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION – BUDGETARY REPORTING FOR THE YEAR ENDED JUNE 30, 2021

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.

The Code of Iowa requires the adoption of an annual budget by the City Council on or before March 31 of each year which becomes effective July 1 and constitutes the appropriation for each function specified therein until amended. The legal level of control (the level on which expenditures may not legally exceed appropriations) is the function level for the City as a whole, rather than at the fund or fund type level. The internal service fund or custodial fund activity is not included in the adopted budget.

The City's budget is prepared on the cash basis of accounting with an adjustment for accrued payroll following required public notice and hearings. After the initial annual budget is adopted, it may be amended for specified purposes. Budget amendments must be prepared and adopted in the same manner as the original budget. Management is not authorized to amend the budget or to make budgetary transfers between functions without the approval of the City Council. Management may make budgeting transfers between funds as long as the transfers are within the same function. The City has adopted a policy relative to budgetary control and amendment which provides for control at the line-item level and review of the current year's budget at the time the next year's budget is prepared. This usually results in amending the appropriations of all functions to adjust to current conditions. Supplemental appropriations are only provided when unanticipated revenues or budget surpluses become available. Appropriations as adopted lapse at the end of the fiscal year.

The budget for the fiscal year ended June 30, 2021, was amended two times during the year to allow the City to increase function expenditures by \$110,073,669 primarily for the carry-forward of unfinished capital improvement projects. During the year ended June 30, 2021, no functional expenses exceeded the budgeted amount.

The following is a reconciliation of the budgetary basis to the modified accrual basis of accounting:

	Budgetary Basis	Accrual Adjustments	Modified Accrual/Accrual Basis	Governmental Funds		Enterprise Funds Accrual Basis Total
				Modified Accrual Basis	Accrual Basis	
Receipts/Revenue	\$ 186,911,695	\$ (18,394,333)	\$ 168,517,362	\$ 124,568,276	\$ 43,949,086	\$ 168,517,362
Expenditures/Expenses	198,542,924	(35,223,122)	163,319,802	124,989,170	38,330,632	163,319,802
Deficiency of Receipts/Revenue Under Expenditures/Expenses	(11,631,229)	16,828,789	5,197,560	(420,894)	5,618,454	5,197,560
Other Financing Sources	53,711,619	(11,912,948)	41,798,671	22,205,594	19,593,077	41,798,671
Net	42,080,390	4,915,841	46,996,231	21,784,700	25,211,531	46,996,231
Balance, Beginning	80,471,280	193,198,330	273,669,610	61,287,244	212,382,366	273,669,610
Balance, Ending	<u>\$ 122,551,670</u>	<u>\$ 198,114,171</u>	<u>\$ 320,665,841</u>	<u>\$ 83,071,944</u>	<u>\$ 237,593,897</u>	<u>\$ 320,665,841</u>

CITY OF DUBUQUE, IOWA**SCHEDEULE OF THE CITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY****IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM****LAST SEVEN FISCAL YEARS*****(IN THOUSANDS)****Required Supplementary Information**

	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability (asset)	0.33061%	0.33194%	0.33329%	0.33490%	0.34275%	0.35135%	0.37035%
City's proportionate share of the net pension liability	\$ 23,063	\$ 19,350	\$ 21,091	\$ 22,309	\$ 21,570	\$ 17,358	\$ 14,688
City's covered payroll	\$ 26,048	\$ 25,423	\$ 25,024	\$ 24,961	\$ 24,597	\$ 24,039	\$ 24,210
City's proportionate share of the net pension liability as a percentage of its covered payroll	88.54%	76.11%	84.28%	89.38%	87.69%	72.21%	60.67%
Plan fiduciary net position as a percentage of the total pension liability	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

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

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 City will present information for those years for which information is available.

CITY OF DUBUQUE, IOWA
SCHEDULE OF THE CITY CONTRIBUTION
IOWA PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST 10 FISCAL YEARS
(IN THOUSANDS)

Required Supplementary Information

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Statutorily required contribution	\$ 2,407	\$ 2,460	\$ 2,403	\$ 2,235	\$ 2,229	\$ 2,196	\$ 2,151	\$ 2,164	\$ 2,022	\$ 2,022
Contributions in relation to the statutorily required contribution	(2,407)	(2,460)	(2,403)	(2,235)	(2,229)	(2,196)	(2,151)	(2,164)	(2,022)	(2,022)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 25,496	\$ 26,048	\$ 25,423	\$ 25,024	\$ 24,961	\$ 24,597	\$ 24,039	\$ 24,210	\$ 23,321	\$ 23,676
Contributions as a percentage of covered payroll	9.44%	9.44%	9.45%	8.93%	8.93%	8.93%	8.95%	8.94%	8.67%	8.54%

CITY OF DUBUQUE, IOWA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION -- PENSION LIABILITY

IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEMS

YEAR ENDED JUNE 30, 2021

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumption:

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

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

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

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

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.

CITY OF DUBUQUE, IOWA
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
MUNICIPAL FIRE AND POLICE RETIREMENT SYSTEM OF IOWA
LAST SEVEN FISCAL YEARS*
(IN THOUSANDS)

Required Supplementary Information

	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability (asset)	4.7313%	4.6919%	4.8639%	4.7840%	4.9533%	4.9854%	5.0788%
City's proportionate share of the net pension liability	\$ 37,737	\$ 30,775	\$ 28,960	\$ 28,062	\$ 30,971	\$ 23,423	\$ 18,410
City's covered payroll	\$ 14,879	\$ 14,203	\$ 14,118	\$ 13,552	\$ 13,423	\$ 13,052	\$ 12,968
City's proportionate share of the net pension liability as a percentage of its covered payroll	253.63%	216.68%	205.13%	207.07%	230.73%	179.46%	141.96%
Plan fiduciary net position as a percentage of the total pension liability	76.47%	79.94%	81.07%	80.60%	78.20%	83.04%	86.27%

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

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 City will present information for those years for which information is available.

CITY OF DUBUQUE, IOWA
SCHEDULE OF THE CITY CONTRIBUTION
MUNICIPAL FIRE AND POLICE RETIREMENT SYSTEM OF IOWA
LAST 10 FISCAL YEARS
(IN THOUSANDS)

Required Supplementary Information

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Statutorily required contribution	\$ 3,649	\$ 3,632	\$ 3,696	\$ 3,626	\$ 3,513	\$ 3,727	\$ 3,969	\$ 3,906	\$ 3,310	\$ 3,177
Contributions in relation to the statutorily required contribution	<u>(3,649)</u>	<u>(3,632)</u>	<u>(3,696)</u>	<u>(3,626)</u>	<u>(3,513)</u>	<u>(3,727)</u>	<u>(3,969)</u>	<u>(3,906)</u>	<u>(3,310)</u>	<u>(3,177)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 14,418	\$ 14,879	\$ 14,203	\$ 14,118	\$ 13,552	\$ 13,423	\$ 13,052	\$ 12,968	\$ 12,672	\$ 12,831
Contributions as a percentage of covered payroll	25.31%	24.41%	26.02%	25.68%	25.92%	27.77%	30.41%	30.12%	26.12%	24.76%

CITY OF DUBUQUE, IOWA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION -- PENSION LIABILITY

MUNICIPAL FIRE AND POLICE RETIREMENT SYSTEM OF IOWA

YEAR ENDED JUNE 30, 2021

Changes of benefit terms:

There were no significant changes of benefit terms.

Changes of assumptions

The 2018 valuation changed postretirement mortality rates were based on the RP-2014 Blue Collar Healthy Annuitant Table with males set-forward zero years, females set-forward two years and disabled individuals set-forward three years (male only rates), with generational projection of future mortality improvement with 50% of Scale BB beginning in 2017.

The 2017 valuation added five years projection of future mortality improvement with Scale BB.

The 2016 valuation changed postretirement mortality rates to the RP-2000 Blue Collar Combined Healthy Mortality Table with males set-back two years, females set-forward one year and disabled individuals set-forward one year (male only rates), with no projection of future mortality improvement.

The 2015 valuation phased in the 1994 Group Annuity Mortality Table for post retirement mortality. This resulted in a weighting of 1/12 of the 1971 Group Annuity Mortality Table and 11/12 of the 1994 Group Annuity Mortality Table.

The 2014 valuation phased in the 1994 Group Annuity Mortality Table for post retirement mortality. This resulted in a weighting of 2/12 of the 1971 Group Annuity Mortality Table and 10/12 of the 1994 Group Annuity Mortality Table.

CITY OF DUBUQUE, IOWA
SCHEDULE OF CHANGES IN
TOTAL OPEB LIABILITY, RELATED RATIOS AND NOTES
LAST FOUR FISCAL YEARS

	2021	2020	2019	2018
Service Cost	\$ 303,146	\$ 288,187	\$ 296,597	\$ 277,469
Interest Cost	152,598	165,496	172,576	172,219
Changes in assumptions	254,038	(19,982)	85,951	138,371
Changes in experience	13	(242,263)	-	-
Other Changes	(11,228)	(49,950)	2,582	58,589
Benefit payments	(269,461)	(380,158)	(452,573)	(474,856)
Net change in total OPEB Liability	429,106	(238,670)	105,133	171,792
Total OPEB liability beginning of year	5,882,696	6,121,366	6,016,233	5,844,441
Total OPEB liability end of year	\$ 6,311,802	\$ 5,882,696	\$ 6,121,366	\$ 6,016,233
Covered-employee payroll	\$ 41,593,187	\$ 34,543,167	\$ 39,626,000	\$ 39,782,000
Total OPEB liability as a percentage of covered-employee payroll	15.18%	17.03%	15.45%	15.12%

Notes to Schedule of Changes in the Total OPEB Liability and Related Ratios

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

Changes in benefit terms:

There were no significant changes in benefit terms.

Change in assumptions:

Changes in assumptions and other inputs reflect the effects of changes in the discount rate, health care trend rates and other changes.

Note: GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a 10-year trend is completed, the City will present information for those years for which information is available.

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Road Use Tax Fund – This fund is used to account for state revenues allocated to the City for maintenance and improvement of City streets.

Section VIII Housing Fund – This fund is used to account for the operations of federal Section VIII existing, voucher, and moderate rehabilitation projects.

Employee Benefits Fund – This fund is used to account for pension and related employee benefit costs for those employees paid wages from the General Fund.

Special Assessments Fund – This fund is used to account for the financing of public improvements that are deemed to benefit primarily the properties against which special assessments are levied and to accumulate monies for the payment of principal and interest on the outstanding long-term debt service.

Cable TV Fund – This fund is used to account for the monies and related costs as set forth in the cable franchise agreement between the City of Dubuque and the cable franchisee.

Library Expendable Gifts Trust – This fund is used to account for contributions given to the library to be spent for specific purposes.

IFA Housing Trust – This fund is used to account for funds received under the Iowa Finance Authority State Housing Trust Fund Program.

Police Expendable Gifts Fund – This fund is used to account for contributions given to the police department to be spent for specific purposes.

Veteran's Memorial - This fund is used to account for contributions given to the Veteran's Memorial for specific purposes and for maintainance.

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Airport Construction Fund – This fund is used to account for the resources and costs related to airport capital improvements.

Sales Tax Construction Fund – This fund is used to account for the resources and costs related to capital improvements financed through the local option sales tax.

General Construction Fund – This fund is used to account for the resources and costs related to general capital improvements.

Street Construction Fund – This fund is used to account for the resources and costs related to street capital improvements.

PERMANENT FUNDS

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting City's programs.

Ella Lyons Peony Trail Trust Fund – This fund is used for dividends and maintenance cost related to the City Peony Trail, per trust agreement.

Library Gifts Trust Fund – This fund is used to account for testamentary gifts to the City library.

CITY OF DUBUQUE, IOWA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds			
	Road Use Tax	Section VIII Housing	Employee Benefits	Special Assessments
ASSETS				
Cash and pooled cash investments	\$ 6,964,269	\$ 497,215	\$ -	\$ 11
Receivables				
Property tax				
Delinquent	- -	- -	45,341	- -
Succeeding year	- -	- -	2,444,620	- -
Accounts and other	3,576	12,194	- -	- -
Special assessments	- -	- -	- -	363,853
Accrued interest	- -	61	- -	- -
Notes	- -	- -	- -	- -
Intergovernmental	901,605	71,883	- -	- -
Inventories	320,002	- -	- -	- -
Prepaid items	18,870	- -	- -	- -
Restricted cash and pooled cash investments	- -	265,606	- -	- -
Total Assets	<u>\$ 8,208,322</u>	<u>\$ 846,959</u>	<u>\$ 2,489,961</u>	<u>\$ 363,864</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 212,839	\$ 73,992	\$ - -	\$ - -
Accrued payroll	80,884	30,257	- -	- -
Intergovernmental payable	- -	9,041	- -	- -
Due to other funds	- -	- -	- -	- -
Unearned revenue	- -	191,828	- -	- -
Total Liabilities	<u>293,723</u>	<u>305,118</u>	<u>- -</u>	<u>- -</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues				
Succeeding year property tax	- -	- -	2,444,620	- -
Special assessments	- -	- -	- -	334,560
Grants	- -	71,883	- -	- -
Other	- -	- -	19,568	- -
Total Deferred Inflows of Resources	<u>- -</u>	<u>71,883</u>	<u>2,464,188</u>	<u>334,560</u>
FUND BALANCES				
Nonspendable:				
Endowment corpus	- -	- -	- -	- -
Inventory	320,002	- -	- -	- -
Prepaid items	18,870	- -	- -	- -
Restricted:				
Endowments	- -	- -	- -	- -
Library	- -	- -	- -	- -
Police	- -	- -	- -	- -
Veterans	- -	- -	- -	- -
Capital improvements	7,575,727	- -	- -	- -
Franchise agreement	- -	- -	- -	- -
Special assessments	- -	- -	- -	29,304
Iowa Finance Authority Trust	- -	- -	- -	- -
Community programs	- -	469,958	- -	- -
Employee benefits	- -	- -	25,773	- -
Committed, capital improvements	- -	- -	- -	- -
Total Fund Balances	<u>7,914,599</u>	<u>469,958</u>	<u>25,773</u>	<u>29,304</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 8,208,322</u>	<u>\$ 846,959</u>	<u>\$ 2,489,961</u>	<u>\$ 363,864</u>

Special Revenue Funds				Capital Projects Funds			
Cable TV	Library Expendable Gifts Trust	Police Expendable Gifts Trust	Veteran's Memorial	IFA Housing Trust	Airport Construction	General Construction	Sales Tax Construction
\$ 561,520	\$ 1,130,663	\$ 8,397	\$ 143,759	\$ 464,759	\$ -	\$ 109	\$ 3,242,133
-	-	-	-	-	-	-	-
138,430	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
398	638	5	-	-	-	148	1,867
-	-	-	-	966,274	-	52,650	-
-	-	-	-	25,000	1,971,256	-	167,820
-	-	-	-	-	-	460,796	-
21,198	-	-	-	-	59,675	-	-
-	-	-	-	-	1,264,552	3,326,979	2,179,985
\$ 721,546	\$ 1,131,301	\$ 8,402	\$ 143,759	\$ 1,456,033	\$ 3,295,483	\$ 3,840,682	\$ 5,591,805
\$ 4,644	\$ 19,105	\$ -	\$ -	\$ 290,691	\$ 166,667	\$ 80,379	
15,234	1,576	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,534,939	49,207	-	-
-	-	-	-	-	-	-	-
19,878	20,681	-	-	1,825,630	215,874	80,379	
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	138,988	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	138,988	-	-	-
-	-	-	-	-	-	-	-
21,198	-	-	-	-	59,675	-	-
-	-	-	-	-	-	-	-
-	1,110,620	-	-	-	-	-	-
-	-	8,402	-	-	-	-	-
-	-	-	143,759	-	-	-	-
-	-	-	-	-	1,271,190	3,164,012	2,179,985
680,470	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,456,033	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	3,331,441	-
701,668	1,110,620	8,402	143,759	1,456,033	1,330,865	3,624,808	5,511,426
\$ 721,546	\$ 1,131,301	\$ 8,402	\$ 143,759	\$ 1,456,033	\$ 3,295,483	\$ 3,840,682	\$ 5,591,805

(Continued)

CITY OF DUBUQUE, IOWA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

EXHIBIT A-1 (CONTINUED)

	Capital Projects				Total Nonmajor Governmental Funds	
	Funds		Permanent Funds			
	Street Construction	Ella Lyons Peony Trail Trust	Library Gifts Trust			
ASSETS						
Cash and pooled cash investments	\$ 10,528,131	\$ -	\$ -	\$ 23,540,966		
Receivables						
Property tax						
Delinquent	-	-	-	45,341		
Succeeding year	-	-	-	2,444,620		
Accounts and other	13,016	-	-	167,216		
Special assessments	-	-	-	363,853		
Accrued interest	5,942	39	10	9,108		
Notes	-	-	-	1,018,924		
Intergovernmental	1,968,252	-	-	5,105,816		
Inventories	-	-	-	780,798		
Prepaid items	340	-	-	100,083		
Restricted cash and pooled cash investments	-	168,562	18,392	7,224,076		
Total Assets	<u>\$ 12,515,681</u>	<u>\$ 168,601</u>	<u>\$ 18,402</u>	<u>\$ 40,800,801</u>		
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 544,268	\$ -	\$ -	\$ 1,392,585		
Accrued payroll	-	-	-	127,951		
Intergovernmental payable	-	-	-	9,041		
Due to other funds	-	-	-	1,584,146		
Unearned revenue	-	-	-	191,828		
Total Liabilities	<u>\$ 544,268</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,305,551</u>		
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenues						
Succeeding year property tax	-	-	-	2,444,620		
Special assessments	-	-	-	334,560		
Grants	1,407,979	-	-	1,618,850		
Other	320,667	-	-	340,235		
Total Deferred Inflows of Resources	<u>1,728,646</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,738,265</u>		
FUND BALANCES						
Nonspendable:						
Endowment corpus	-	57,412	12,000	69,412		
Inventory	-	-	-	780,798		
Prepaid items	340	-	-	100,083		
Restricted:						
Endowments	-	111,189	6,402	117,591		
Library	-	-	-	1,110,620		
Police	-	-	-	8,402		
Veterans	-	-	-	143,759		
Capital improvements	5,672,000	-	-	19,862,914		
Franchise agreement	-	-	-	680,470		
Special assessments	-	-	-	29,304		
Iowa Finance Authority Trust	-	-	-	1,456,033		
Community programs	-	-	-	469,958		
Employee benefits	-	-	-	25,773		
Committed, capital improvements	<u>4,570,427</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,901,868</u>		
Total Fund Balances	<u>10,242,767</u>	<u>\$ 168,601</u>	<u>\$ 18,402</u>	<u>\$ 32,756,985</u>		
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 12,515,681</u>	<u>\$ 168,601</u>	<u>\$ 18,402</u>	<u>\$ 40,800,801</u>		

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CITY OF DUBUQUE, IOWA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue Funds			
	Road Use Tax	Section VIII Housing	Employee Benefits	Special Assessments
REVENUES				
Taxes	\$ -	\$ -	\$ 3,161,219	\$ -
Special assessments	- -	- -	- -	92,468
Intergovernmental	8,558,646	6,059,129	- -	- -
Charges for services	- -	- -	- -	- -
Investment earnings	- -	2,509	- -	17,292
Contributions	- -	1,200	- -	- -
Miscellaneous	99,332	- -	- -	10,723
Total Revenues	8,657,978	6,062,838	3,161,219	120,483
EXPENDITURES				
Governmental activities				
Current				
Public safety	- -	- -	- -	- -
Public works	6,326,003	- -	- -	- -
Culture and recreation	- -	- -	- -	- -
Community and economic development	- -	6,433,787	- -	- -
General government	474	- -	248	- -
Debt service				
Interest and fiscal charges	- -	- -	- -	- -
Capital projects	- -	- -	- -	- -
Total Expenditures	6,326,477	6,433,787	248	- -
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,331,501	(370,949)	3,160,971	120,483
OTHER FINANCING SOURCES (USES)				
Issuance of refunding bonds	- -	- -	- -	- -
Premium on refunding bonds	- -	- -	- -	- -
Transfers in	- -	335,104	- -	- -
Transfers out	(112,367)	- -	(3,192,230)	(109,510)
Insurance recovery	395	- -	- -	- -
Sale of capital assets	41,000	- -	- -	- -
Total Other Financing Sources (Uses)	(70,972)	335,104	(3,192,230)	(109,510)
SPECIAL ITEMS				
Transfer of roads	- -	- -	- -	- -
Total Special Items	- -	- -	- -	- -
NET CHANGE IN FUND BALANCES	2,260,529	(35,845)	(31,259)	10,973
FUND BALANCES, BEGINNING	5,654,070	505,803	57,032	18,331
FUND BALANCES, ENDING	\$ 7,914,599	\$ 469,958	\$ 25,773	\$ 29,304

Special Revenue Funds				Capital Projects Funds		
Cable TV	Library Expendable Gifts Trust	Police Expendable Gifts Trust	Veteran's Memorial	IFA Housing Trust	Airport Construction	General Construction
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	154,740	1,870,678	83,406
-	3,558	-	-	-	55,973	-
626	2,710	22	1,099	-	5,385	2,843
-	36	606	32,710	-	-	2,327
563,677	32,572	-	-	15,325	-	16,285
564,303	38,876	628	33,809	170,065	1,932,036	104,861
<hr/>						
-	-	-	-	-	-	-
-	-	-	-	-	74,506	51,392
-	85,470	-	42,975	-	-	453
-	-	-	-	-	-	1,946
503,161	-	-	-	-	-	-
-	-	-	-	-	-	83,995
-	-	-	-	-	1,848,186	2,241,859
503,161	85,470	-	42,975	-	1,922,692	2,379,645
61,142	(46,594)	628	(9,166)	170,065	9,344	(2,274,784)
<hr/>						
-	-	-	-	-	-	3,090,000
-	-	-	-	-	-	76,238
-	-	-	-	50,000	54,648	1,392,404
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	50,000	54,648	4,558,642
<hr/>						
-	-	-	-	-	-	-
-	-	-	-	-	-	-
61,142	(46,594)	628	(9,166)	220,065	63,992	2,283,858
640,526	1,157,214	7,774	152,925	1,235,968	1,266,873	1,340,950
\$ 701,668	\$ 1,110,620	\$ 8,402	\$ 143,759	\$ 1,456,033	\$ 1,330,865	\$ 3,624,808

(Continued)

CITY OF DUBUQUE, IOWA
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

EXHIBIT A-2 (CONTINUED)

	<u>Capital Projects Funds</u>		<u>Permanent Funds</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Sales Tax Construction</u>	<u>Street Construction</u>	<u>Ella Lyons Peony Trail Trust</u>	<u>Library Gifts Trust</u>	
REVENUES					
Taxes	\$ 2,265,659	\$ 3,398,489	\$ -	\$ -	\$ 8,825,367
Special assessments	-	-	-	-	92,468
Intergovernmental	-	1,923,768	-	-	18,650,367
Charges for services	-	19,440	-	-	78,971
Investment earnings	12,361	37,729	14,142	45	96,763
Contributions	-	-	-	-	36,879
Miscellaneous	1,666	4,430	-	248	744,258
Total Revenues	<u>2,279,686</u>	<u>5,383,856</u>	<u>14,142</u>	<u>293</u>	<u>28,525,073</u>
EXPENDITURES					
Governmental activities					
Current					
Public safety	438	-	-	-	438
Public works	-	328,921	-	-	6,780,822
Culture and recreation	-	-	1,430	-	130,328
Community and economic development	-	-	-	-	6,435,733
General government	47,427	-	-	-	551,310
Debt service					
Interest and fiscal charges	2,820	187	-	-	87,002
Capital projects	1,712,968	1,911,566	-	-	7,714,579
Total Expenditures	<u>1,763,653</u>	<u>2,240,674</u>	<u>1,430</u>	<u>-</u>	<u>21,700,212</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>516,033</u>	<u>3,143,182</u>	<u>12,712</u>	<u>293</u>	<u>6,824,861</u>
OTHER FINANCING SOURCES (USES)					
Issuance of refunding bonds	1,054,392	-	-	-	4,144,392
Premium on refunding bonds	33,591	-	-	-	109,829
Transfers in	-	23,204	-	-	1,855,360
Transfers out	(1,118,120)	(634,253)	-	-	(5,166,480)
Insurance recovery	-	32,941	-	-	33,336
Sale of capital assets	-	-	-	-	41,000
Total Other Financing Sources (Uses)	<u>(30,137)</u>	<u>(578,108)</u>	<u>-</u>	<u>-</u>	<u>1,017,437</u>
SPECIAL ITEMS					
Transfer of roads	-	5,672,000	-	-	5,672,000
Total Special Items	<u>-</u>	<u>5,672,000</u>	<u>-</u>	<u>-</u>	<u>5,672,000</u>
NET CHANGE IN FUND BALANCES	<u>485,896</u>	<u>8,237,074</u>	<u>12,712</u>	<u>293</u>	<u>13,514,298</u>
FUND BALANCES, BEGINNING	<u>5,025,530</u>	<u>2,005,693</u>	<u>155,889</u>	<u>18,109</u>	<u>19,242,687</u>
FUND BALANCES, ENDING	<u>\$ 5,511,426</u>	<u>\$ 10,242,767</u>	<u>\$ 168,601</u>	<u>\$ 18,402</u>	<u>\$ 32,756,985</u>

NONMAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the City Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City Council has decided that periodic determination of net income is appropriate for accountability purposes.

Refuse Collection Fund – This fund is used to account for the operations of the City's refuse collection services.

Transit System Fund – This fund is used to account for the operations of the City's bus and other transit services.

Salt Fund – This fund is used to account for the operations of the City's salt distribution.

America's River Project – This fund is used to account for all projects covered by the Vision Iowa Grant, including all matching funds.

CITY OF DUBUQUE, IOWA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2021

EXHIBIT B-1

	Refuse Collection	Transit System	Salt	America's River Project	Total Other Enterprise Funds
ASSETS					
CURRENT ASSETS					
Cash and pooled cash investments	\$ 1,427,059	\$ 3,033,992	\$ 68,080	\$ -	\$ 4,529,131
Receivables					
Accounts	519,141	-	-	-	519,141
Intergovernmental	-	1,246,251	-	-	1,246,251
Prepaid items	-	14,035	-	-	14,035
Inventories	-	6,450	-	-	6,450
Total Current Assets	1,946,200	4,300,728	68,080	-	6,315,008
NONCURRENT ASSETS					
Restricted cash and pooled cash investments	-	921,153	-	-	921,153
Capital assets					
Land	-	36,000	-	-	36,000
Buildings	-	12,861,136	175,458	-	13,036,594
Improvements to other than buildings	-	796,092	686,312	-	1,482,404
Machinery and equipment	2,808,292	7,038,066	36,342	-	9,882,700
Construction in progress	-	200,777	-	-	200,777
Accumulated depreciation	(2,289,927)	(5,642,773)	(205,219)	-	(8,137,919)
Net Capital Assets	518,365	15,289,298	692,893	-	16,500,556
Total Noncurrent Assets	518,365	16,210,451	692,893	-	17,421,709
Total Assets	2,464,565	20,511,179	760,973	-	23,736,717
DEFERRED OUTFLOWS OF RESOURCES					
Pension related deferred outflows	223,820	281,860	-	-	505,680
OPEB related deferred outflows	17,256	14,237	-	-	31,493
Total Deferred Outflows of Resources	241,076	296,097	-	-	537,173
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	119,363	20,550	-	-	139,913
Accrued payroll	66,190	88,312	-	-	154,502
General obligation bonds payable	5,800	33,679	-	-	39,479
Accrued compensated absences	11,823	3,244	-	-	15,067
Accrued interest payable	1,815	2,023	-	-	3,838
Total Current Liabilities	204,991	147,808	-	-	352,799
NONCURRENT LIABILITIES					
General obligation bonds payable	55,671	1,050,306	-	-	1,105,977
Accrued compensated absences	223,277	46,160	-	-	269,437
Net pension liability	1,050,746	1,323,216	-	-	2,373,962
Total OPEB liability	240,885	198,731	-	-	439,616
Total Noncurrent Liabilities	1,570,579	2,618,413	-	-	4,188,992
Total Liabilities	1,775,570	2,766,221	-	-	4,541,791
DEFERRED INFLOWS OF RESOURCES					
Pension related deferred inflows	40,462	50,956	-	-	91,418
OPEB related deferred inflows	11,376	9,385	-	-	20,761
Total Deferred Inflows of Resources	51,838	60,341	-	-	112,179
NET POSITION					
Net investment in capital assets	456,895	15,126,465	692,891	-	16,276,251
Unrestricted	421,338	2,854,249	68,082	-	3,343,669
Total Net Position	\$ 878,233	\$ 17,980,714	\$ 760,973	\$ -	\$ 19,619,920

CITY OF DUBUQUE, IOWA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

EXHIBIT B-2

	Refuse Collection	Transit System	Salt	America's River Project	Total Other Enterprise Funds
OPERATING REVENUES					
Charges for sales and services	\$ 4,415,290	\$ 60,504	\$ 125,189	\$ -	\$ 4,600,983
Other	9,120	28,704	-	-	37,824
Total Operating Revenues	4,424,410	89,208	125,189	-	4,638,807
OPERATING EXPENSES					
Employee expense	3,025,274	1,988,380	-	-	5,013,654
Utilities	17,327	88,398	-	-	105,725
Repairs and maintenance	322,415	842,045	1,634	-	1,166,094
Supplies and services	983,100	458,984	118,251	-	1,560,335
Insurance	21,483	52,784	-	-	74,267
Depreciation	174,967	894,630	27,639	-	1,097,236
Total Operating Expenses	4,544,566	4,325,221	147,524	-	9,017,311
OPERATING (LOSS)	(120,156)	(4,236,013)	(22,335)	-	(4,378,504)
NONOPERATING REVENUES (EXPENSES)					
Intergovernmental	-	3,915,121	-	-	3,915,121
Investment earnings	14,295	118	-	-	14,413
Contributions	87	-	-	-	87
Interest expense	(1,602)	(724)	-	-	(2,326)
Gain on disposal of assets	-	(168,358)	-	-	(168,358)
Net Nonoperating Revenues	12,780	3,746,157	-	-	3,758,937
(LOSS) BEFORE TRANSFERS	(107,376)	(489,856)	(22,335)	-	(619,567)
CAPITAL CONTRIBUTIONS					
TRANSFERS IN	-	129,977	-	-	129,977
TRANSFERS OUT	40,557	2,112,601	-	-	2,153,158
	-	-	-	(4)	(4)
CHANGE IN NET POSITION	(66,819)	1,752,722	(22,335)	(4)	1,663,564
NET POSITION, BEGINNING	945,052	16,227,992	783,308	4	17,956,356
NET POSITION, ENDING	\$ 878,233	\$ 17,980,714	\$ 760,973	\$ -	\$ 19,619,920

CITY OF DUBUQUE, IOWA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2021

	Refuse Collection	Transit System	Salt	America's River Project	Total Other Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 4,320,594	\$ 60,943	\$ 125,189	\$ -	\$ 4,506,726
Cash payments to suppliers for goods and services	(1,249,279)	(3,053,944)	(119,885)	-	(4,423,108)
Cash payments to employees for services	(2,947,861)	(2,062,590)	-	-	(5,010,451)
Other operating receipts	9,120	28,704	-	-	37,824
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	132,574	(5,026,887)	5,304	-	(4,889,009)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers from other funds	40,557	2,112,601	-	-	2,153,158
Transfers to other funds	-	-	-	(4)	(4)
Contributions	87	129,977	-	-	130,064
Intergovernmental grant proceeds	-	5,762,668	-	-	5,762,668
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	40,644	8,005,246	-	(4)	8,045,886
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from issuance of debt	-	792,016	-	-	792,016
Acquisition and construction of capital assets	-	(878,755)	-	-	(878,755)
Principal Paid	(5,400)	(6,532)	-	-	(11,932)
Interest paid	(1,925)	-	-	-	(1,925)
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	(7,325)	(93,271)	-	-	(100,596)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	14,295	118	-	-	14,413
NET INCREASE (DECREASE) IN CASH AND POOLED INVESTMENTS	180,188	2,885,206	5,304	(4)	3,070,694
CASH AND POOLED INVESTMENTS, BEGINNING	1,246,871	1,069,939	62,776	4	2,379,590
CASH AND POOLED INVESTMENTS, ENDING	\$ 1,427,059	3,955,145	\$ 68,080	\$ -	\$ 5,450,284

CITY OF DUBUQUE, IOWA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2021

EXHIBIT B-3

	Business-type Activities - Enterprise Funds				Total Other Enterprise Funds
	Refuse Collection	Transit	Salt	America's River Project	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES					
Operating income (loss)	\$ (120,156)	\$ (4,236,013)	\$ (22,335)	\$ -	\$ (4,378,504)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities					
Depreciation	174,967	894,630	27,639	-	1,097,236
Change in assets and liabilities					
(Increase) Decrease in receivables	(94,696)	439	-	-	(94,257)
Decrease in inventories and prepaid items	-	(5,753)	-	-	(5,753)
Increase in accounts payable	95,046	(1,605,980)	-	-	(1,510,934)
Increase (Decrease) in accrued liabilities	20,700	17,434	-	-	38,134
(Decrease) in net pension liability	189,655	59,442	-	-	249,097
Decrease in deferred outflows	(26,601)	11,844	-	-	(14,757)
Increase in deferred inflows	(111,919)	(171,173)	-	-	(283,092)
Increase in total OPEB liability	5,578	8,243	-	-	13,821
Total Adjustments	<u>252,730</u>	<u>(790,874)</u>	<u>27,639</u>	<u>-</u>	<u>(510,505)</u>
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	<u>\$ 132,574</u>	<u>\$ (5,026,887)</u>	<u>\$ 5,304</u>	<u>\$ -</u>	<u>\$ (4,889,009)</u>

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INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the government and to other government units, on a cost-reimbursement basis.

General Service Fund - This fund is used to account for engineering, street, and general services supplied to other departments.

Garage Service Fund - This fund is used to account for maintenance and repair services for the City's automotive equipment.

Stores/Printing Fund - This fund is used to account for printing, supplies, and other services provided to other departments.

Health Insurance Reserve Fund - This fund is used to account for health insurance costs.

Workers' Compensation Reserve Fund - This fund is used to account for workers' compensation costs.

CITY OF DUBUQUE, IOWA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2021

	General Service	Garage Service	Stores/ Printing
ASSETS			
CURRENT ASSETS			
Cash and pooled cash investments	\$ -	\$ 696,548	\$ -
Receivables			
Accounts	-	-	-
Accrued interest	-	-	-
Inventories	-	46,027	6,299
Total Current Assets	-	742,575	6,299
NONCURRENT ASSETS			
Capital assets			
Machinery and equipment	-	356,590	-
Accumulated depreciation	-	(301,674)	-
Net Capital Assets	-	54,916	-
Total Noncurrent Assets	-	54,916	-
Total Assets	-	797,491	6,299
DEFERRED OUTFLOWS OF RESOURCES			
Pension related deferred outflows	232,520	129,967	-
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	-	18,953	3,901
Accrued payroll	-	41,257	-
Due to other funds	-	-	3,034
Total Current Liabilities	-	60,210	6,935
NONCURRENT LIABILITIES			
Net pension liability	1,091,602	610,157	-
Total Noncurrent Liabilities	1,091,602	610,157	-
Total Liabilities	1,091,602	670,367	6,935
DEFERRED INFLOWS OF RESOURCES			
Pension related deferred inflows	42,036	23,495	-
NET POSITION			
Net investment in capital assets	-	54,916	-
Unrestricted	(901,118)	178,680	(636)
Total Net Position (Deficit)	\$ (901,118)	\$ 233,596	\$ (636)

Health Insurance Reserve	Workers' Compensation Reserve	Total
\$ 4,825,080	\$ 944,831	\$ 6,466,459
184,348	-	184,348
2,723	533	3,256
-	-	52,326
<u>5,012,151</u>	<u>945,364</u>	<u>6,706,389</u>
 -	 -	 356,590
<u>-</u>	<u>-</u>	<u>(301,674)</u>
<u>-</u>	<u>-</u>	<u>54,916</u>
<u>-</u>	<u>-</u>	<u>54,916</u>
<u>5,012,151</u>	<u>945,364</u>	<u>6,761,305</u>
 -	 -	 362,487
 1,094,417	 1,079,779	 2,197,050
<u>-</u>	<u>-</u>	<u>41,257</u>
<u>-</u>	<u>-</u>	<u>3,034</u>
<u>1,094,417</u>	<u>1,079,779</u>	<u>2,241,341</u>
 -	 -	 1,701,759
<u>-</u>	<u>-</u>	<u>1,701,759</u>
<u>1,094,417</u>	<u>1,079,779</u>	<u>3,943,100</u>
 -	 -	 65,531
 -	 -	 54,916
<u>3,917,734</u>	<u>(134,415)</u>	<u>3,060,245</u>
<u>\$ 3,917,734</u>	<u>\$ (134,415)</u>	<u>\$ 3,115,161</u>

CITY OF DUBUQUE, IOWA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (DEFICITS)
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	General Service	Garage Service	Stores/ Printing
OPERATING REVENUES			
Charges for sales and services	\$ 1,646,434	\$ 1,926,938	\$ 532,296
Other	-	27,581	-
Total Operating Revenues	1,646,434	1,954,519	532,296
OPERATING EXPENSES			
Employee expense	1,569,918	1,010,615	-
Utilities	-	24,307	6,542
Repairs and maintenance	-	86,889	-
Supplies and services	324,814	738,098	546,580
Insurance	-	16,199	-
Depreciation	-	38,540	-
Total Operating Expenses	1,894,732	1,914,648	553,122
OPERATING INCOME (LOSS)	(248,298)	39,871	(20,826)
NONOPERATING REVENUES (EXPENSES)			
Investment earnings (loss)	-	-	-
Gain on disposal of assets	-	3,511	-
Net Nonoperating Revenues (Expenses)	-	3,511	-
CHANGE IN NET POSITION	(248,298)	43,382	(20,826)
NET POSITION (DEFICIT), BEGINNING	(652,820)	190,214	20,190
NET POSITION (DEFICIT), ENDING	\$ (901,118)	\$ 233,596	\$ (636)

Health Insurance Reserve	Workers' Compensation Reserve	Total
\$ 9,845,761	\$ 845,548	\$ 14,796,977
2,586	19,147	49,314
<u>9,848,347</u>	<u>864,695</u>	<u>14,846,291</u>
 - - -	 - - -	 2,580,533
 - - -	 - - -	 30,849
 - - -	 - - -	 86,889
9,967,748	1,559,917	13,137,157
(2,160)	733,543	747,582
<u>-</u>	<u>-</u>	<u>38,540</u>
<u>9,965,588</u>	<u>2,293,460</u>	<u>16,621,550</u>
 (117,241)	 (1,428,765)	 (1,775,259)
 22,001	 (789)	 21,212
 - - -	 - - -	 3,511
<u>22,001</u>	<u>(789)</u>	<u>24,723</u>
 (95,240)	 (1,429,554)	 (1,750,536)
<u>4,012,974</u>	<u>1,295,139</u>	<u>4,865,697</u>
 \$ 3,917,734	 \$ (134,415)	 \$ 3,115,161

CITY OF DUBUQUE, IOWA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021

	General Service	Garage Service	Stores/ Printing
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 1,646,434	\$ 1,926,938	\$ 532,296
Cash payments to suppliers for goods and services	(324,814)	(879,581)	(549,594)
Cash payments to employees for services	(1,486,903)	(956,442)	-
Other operating receipts	-	27,581	-
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	(165,283)	118,496	(17,298)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Proceeds from interfund balances	-	-	3,034
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sale of capital assets	-	3,511	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	-	-	-
NET INCREASE (DECREASE) IN CASH AND POOLED INVESTMENTS	(165,283)	122,007	(14,264)
CASH AND POOLED INVESTMENTS, BEGINNING	165,283	574,541	14,264
CASH AND POOLED INVESTMENTS, ENDING	\$ -	\$ 696,548	\$ -
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating income	\$ (248,298)	\$ 39,871	\$ (20,826)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities			
Depreciation	-	38,540	-
Change in assets and liabilities			
(Increase) in receivables	-	-	-
(Increase) Decrease in inventories and prepaid items	-	5,292	8,185
Increase (Decrease) in accounts payable	-	(19,380)	(4,657)
(Decrease) in net pension liability	219,043	121,429	-
Decrease in deferred outflows	(25,713)	(14,133)	-
Increase in deferred inflows	(110,315)	(61,837)	-
Increase in accrued liabilities	-	8,714	-
Total Adjustments	83,015	78,625	3,528
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	\$ (165,283)	\$ 118,496	\$ (17,298)

Health Insurance Reserve	Workers' Compensation Reserve	Total
\$ 9,929,590	\$ 845,548	\$ 14,880,806
(9,744,760)	(1,529,475)	(13,028,224)
-	-	(2,443,345)
2,586	19,147	49,314
<u>187,416</u>	<u>(664,780)</u>	<u>(541,449)</u>
 - <u>34,090</u>	 - <u>3,844</u>	 <u>3,034</u> <u>3,511</u>
 221,506	 (660,936)	 (496,970)
 4,603,574	 1,605,767	 6,963,429
<u>\$ 4,825,080</u>	<u>\$ 944,831</u>	<u>\$ 6,466,459</u>
 <u>\$ (117,241)</u>	 <u>\$ (1,428,765)</u>	 <u>\$ (1,775,259)</u>
 - 83,829 - 220,828 - - - - 304,657	 - 183,763 580,222 - - - - 763,985	 83,829 197,240 777,013 340,472 (39,846) (172,152) 8,714 1,233,810
<u>\$ 187,416</u>	<u>\$ (664,780)</u>	<u>\$ (541,449)</u>

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CUSTODIAL FUNDS

The custodial fund is used to report resources held by the City in a purely custodial capacity.

Cable Equipment Fund – This fund is used to account for resources received under the cable franchise agreement to support public, educational, and governmental access and internet use grants.

Dog Track Depreciation Fund – This fund is used to account for the resources held for improvements at the greyhound racing facility.

CITY OF DUBUQUE, IOWA
COMBINING SCHEDULE OF FIDUCIARY
NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021

EXHIBIT D-1

	Cable Equipment Fund	Dog Track Depreciation Fund	Total
ASSETS			
Cash and pooled cash investments	\$ 1,075,287	\$ 1,177,454	\$ 2,252,741
Accounts receivable	48,451	-	48,451
Prepays	3,064	-	3,064
Accrued interest	-	664	664
Total Assets	\$ 1,126,802	\$ 1,178,118	\$ 2,304,920
NET POSITION			
Restricted for individuals, organizations, and other governments	1,126,802	1,178,118	2,304,920
Total Net Position	\$ 1,126,802	\$ 1,178,118	\$ 2,304,920

CITY OF DUBUQUE, IOWA
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

EXHIBIT D-2

	<u>Cable</u> <u>Equipment Fund</u>	<u>Dog Track</u> <u>Depreciation</u> <u>Fund</u>	<u>Total</u>
ADDITIONS			
Cable franchise fee	\$ 196,749	\$ -	\$ 196,749
Racing association	-	120,000	120,000
Miscellaneous	96	3,244	3,340
Total Additions	196,845	123,244	320,089
DEDUCTIONS			
Equipment acquisition	5,506	-	5,506
Total Deductions	5,506	-	5,506
CHANGE IN NET POSITION			
	191,339	123,244	314,583
NET POSITION, BEGINNING, AS RESTATED	935,463	1,054,874	1,990,337
NET POSITION, ENDING	<u>\$ 1,126,802</u>	<u>\$ 1,178,118</u>	<u>\$ 2,304,920</u>

See notes to financial statements.

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Statistical Section (Unaudited)
June 30, 2021
City of Dubuque, Iowa

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CITY OF DUBUQUE, IOWA

STATISTICAL SECTION

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

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Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	166
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF DUBUQUE, IOWA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2012	2013	2014	2015	2016	Fiscal -
Governmental activities						
Net investment in capital assets	\$ 347,890,769	\$ 342,046,442	\$ 354,732,451	\$ 348,173,267	\$ 369,244,904	
Restricted	26,180,100	23,491,207	21,501,638	22,047,405	21,473,309	
Unrestricted	(16,876,988)	(8,361,688)	(18,151,279)	(49,579,334)	(47,166,839)	
Total governmental activities net position	<u>\$ 357,193,881</u>	<u>\$ 357,175,961</u>	<u>\$ 358,082,810</u>	<u>\$ 320,641,338</u>	<u>\$ 343,551,374</u>	
Business-type activities						
Net investment in capital assets	\$ 132,237,734	\$ 138,498,777	\$ 138,842,390	\$ 148,487,126	\$ 161,326,743	
Restricted	957,802	6,011,848	5,315,519	7,796,668	4,254,907	
Unrestricted	10,665,596	(641,384)	(593,202)	(4,568,933)	(7,339,071)	
Total business-type activities net position	<u>\$ 143,861,132</u>	<u>\$ 143,869,241</u>	<u>\$ 143,564,707</u>	<u>\$ 151,714,861</u>	<u>\$ 158,242,579</u>	
Primary government						
Net investment in capital assets	\$ 480,128,503	\$ 480,545,219	\$ 493,574,841	\$ 496,660,393	\$ 530,571,647	
Restricted	27,137,902	29,503,055	26,817,157	29,844,073	25,728,216	
Unrestricted	(6,211,392)	(9,003,072)	(18,744,481)	(54,148,267)	(54,505,910)	
Total primary government net positions	<u>\$ 501,055,013</u>	<u>\$ 501,045,202</u>	<u>\$ 501,647,517</u>	<u>\$ 472,356,199</u>	<u>\$ 501,793,953</u>	

TABLE 1

Year	2017	2018	2019	2020	2021
\$ 375,578,520	\$ 379,040,697	\$ 385,005,220	\$ 387,344,725	\$ 387,768,367	
23,955,112	27,269,997	28,321,603	26,501,434	34,083,157	
(43,921,629)	(41,853,174)	(36,682,314)	(35,985,750)	(30,327,770)	
<u>\$ 355,612,003</u>	<u>\$ 364,457,520</u>	<u>\$ 376,644,509</u>	<u>\$ 377,860,409</u>	<u>\$ 391,523,754</u>	
\$ 164,448,390	\$ 168,205,523	\$ 179,561,228	\$ 191,757,112	\$ 207,159,931	
3,796,752	3,053,616	3,131,716	3,187,364	2,942,894	
3,876,760	10,696,792	12,617,567	17,437,890	27,491,072	
<u>\$ 172,121,902</u>	<u>\$ 181,955,931</u>	<u>\$ 195,310,511</u>	<u>\$ 212,382,366</u>	<u>\$ 237,593,897</u>	
\$ 540,026,910	\$ 547,246,220	\$ 564,566,448	\$ 579,101,837	\$ 594,928,298	
27,751,864	30,323,613	31,453,319	29,688,798	37,026,051	
(40,044,869)	(31,156,382)	(24,064,747)	(18,547,860)	(2,836,698)	
<u>\$ 527,733,905</u>	<u>\$ 546,413,451</u>	<u>\$ 571,955,020</u>	<u>\$ 590,242,775</u>	<u>\$ 629,117,651</u>	

CITY OF DUBUQUE, IOWA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal -				
	2012	2013	2014	2015	2016
Expenses					
Governmental activities:					
Public safety	\$ 26,326,367	\$ 28,292,481	\$ 27,578,517	\$ 25,525,937	\$ 26,851,624
Public works	22,917,747	21,607,536	21,306,882	19,207,837	24,323,023
Health and social services	913,954	716,970	1,055,398	928,968	967,936
Culture and recreation	12,749,558	13,647,178	13,696,331	13,002,690	12,993,331
Community and economic development	22,030,950	17,388,720	14,591,257	18,064,831	15,464,781
General government	6,133,983	6,248,483	9,610,084	6,420,173	4,101,423
Interest on long-term debt	3,294,912	4,049,640	3,684,993	3,903,667	2,963,134
Total governmental activities expenses	<u>94,367,471</u>	<u>91,951,008</u>	<u>91,523,462</u>	<u>87,054,103</u>	<u>87,665,252</u>
Business-type activities:					
Sewage disposal works	9,718,669	9,375,748	11,481,103	12,019,866	12,817,669
Water utility	7,410,710	6,817,772	8,812,340	7,800,393	6,483,229
Stormwater utility	2,750,767	3,347,304	3,431,096	4,131,562	5,021,523
Parking facilities	3,152,055	3,586,405	3,732,492	3,383,419	3,420,296
America's River Project	22,787	22,770	33,579	24,000	21,521
Refuse collection	3,173,075	3,468,859	3,750,366	3,740,404	3,968,761
Transit system	3,629,750	3,492,095	3,847,320	4,245,823	4,274,967
Salt	661,395	346,066	56,468	244,691	181,617
Total business-type activities expenses	<u>30,519,208</u>	<u>30,457,019</u>	<u>35,144,764</u>	<u>35,590,158</u>	<u>36,189,583</u>
Total primary government expenses	<u>\$ 124,886,679</u>	<u>\$ 122,408,027</u>	<u>\$ 126,668,226</u>	<u>\$ 122,644,261</u>	<u>\$ 123,854,835</u>
 Program Revenues					
Governmental activities:					
Charges for services					
Public safety	2,915,562	2,495,737	2,624,455	2,532,114	2,713,065
Public works	5,178,439	4,472,479	5,829,293	6,092,356	5,765,075
Culture and recreation	2,321,553	2,488,844	2,321,265	2,547,843	2,723,270
Other activities	2,873,298	3,264,979	3,921,256	3,493,143	3,887,056
Operating grants and contributions	23,013,997	13,995,316	12,784,907	11,992,439	15,301,219
Capital grants and contributions	16,560,811	10,791,945	12,162,649	9,704,043	18,667,619
Total governmental activities program revenues	<u>52,863,660</u>	<u>37,509,300</u>	<u>39,643,825</u>	<u>36,361,938</u>	<u>49,057,304</u>
Business-type activities:					
Charges for services					
Sewage disposal works	7,827,281	8,924,785	10,025,673	10,582,662	12,158,439
Water utility	6,037,073	6,922,582	7,248,790	7,463,430	8,406,928
Stormwater utility	3,180,134	3,192,256	3,224,504	3,490,040	3,754,148
Parking facilities	2,908,989	2,883,865	2,920,148	3,036,214	3,247,383
America's River Project	-	-	-	-	1,605
Refuse collection	3,257,960	3,346,795	3,700,922	3,783,493	3,857,340
Transit system	278,835	307,314	275,907	397,545	463,688
Salt	665,942	395,000	45,600	232,271	81,720
Operating grants and contributions	1,579,493	2,264,695	1,717,208	1,866,535	1,648,077
Capital grants and contributions	5,323,486	1,240,583	2,920,942	10,020,715	7,607,721
Total business-type activities program revenues	<u>31,059,193</u>	<u>29,477,875</u>	<u>32,079,694</u>	<u>40,872,905</u>	<u>41,227,049</u>
Total primary government program revenues	<u>\$ 83,922,853</u>	<u>\$ 66,987,175</u>	<u>\$ 71,723,519</u>	<u>\$ 77,234,843</u>	<u>\$ 90,284,353</u>

TABLE 2

Year	2017	2018	2019	2020	2021
\$ 30,020,343	\$ 29,482,962	\$ 29,637,417	\$ 32,079,903	\$ 32,583,676	
19,608,137	20,393,871	24,835,035	22,667,132	20,949,455	
815,251	883,217	1,442,658	1,677,181	1,487,042	
13,653,509	14,323,710	12,916,646	13,576,571	11,341,436	
18,096,170	21,109,384	15,837,039	17,848,570	18,168,279	
8,982,668	7,573,081	5,944,116	8,821,692	10,046,004	
3,467,685	3,129,502	3,387,730	2,929,997	2,791,647	
<u>94,643,763</u>	<u>96,895,727</u>	<u>94,000,641</u>	<u>99,601,046</u>	<u>97,367,539</u>	
11,326,661	11,614,347	12,177,352	11,725,889	12,277,013	
6,807,217	7,109,421	7,892,423	7,631,411	7,968,029	
6,234,015	6,159,039	7,025,525	5,887,171	6,164,947	
3,547,856	2,866,510	2,845,911	3,414,851	3,334,222	
22,893	10,143	19,874	3,161	-	
4,208,268	4,244,551	4,215,881	4,387,683	4,546,168	
4,237,054	4,722,979	4,533,060	4,748,463	4,494,303	
45,039	119,421	182,092	333,556	147,524	
<u>36,429,003</u>	<u>36,846,411</u>	<u>38,892,118</u>	<u>38,132,185</u>	<u>38,932,206</u>	
<u>\$ 131,072,766</u>	<u>\$ 133,742,138</u>	<u>\$ 132,892,759</u>	<u>\$ 137,733,231</u>	<u>\$ 136,299,745</u>	
2,930,068	2,600,751	2,535,504	2,641,633	4,942,529	
5,681,107	6,654,101	7,327,692	6,732,825	10,937,121	
2,767,636	2,874,493	2,459,644	2,237,000	2,876,779	
3,541,205	5,864,541	3,815,321	5,455,952	1,753,928	
15,028,527	21,569,356	23,198,271	14,484,320	24,436,818	
13,360,280	7,779,713	11,048,200	15,450,271	12,266,220	
<u>43,308,823</u>	<u>47,342,955</u>	<u>50,384,632</u>	<u>47,002,001</u>	<u>57,213,395</u>	
12,442,584	12,659,662	12,479,684	12,606,632	13,070,575	
8,553,225	8,906,136	8,959,023	9,273,720	9,608,742	
4,076,396	4,367,963	4,714,670	5,061,855	5,177,696	
3,286,947	3,034,744	3,066,118	2,313,344	2,007,307	
4	4	4	-	-	
4,185,051	4,232,542	4,351,428	4,448,317	4,424,410	
459,258	465,550	512,385	400,576	168,493	
86,887	96,273	174,784	346,753	125,189	
1,700,171	1,648,403	1,917,366	2,967,619	9,894,477	
14,160,820	5,705,262	6,215,459	6,410,594	6,691,110	
<u>48,951,343</u>	<u>41,116,539</u>	<u>42,390,921</u>	<u>43,829,410</u>	<u>51,167,999</u>	
<u>\$ 92,260,166</u>	<u>\$ 88,459,494</u>	<u>\$ 92,775,553</u>	<u>\$ 90,831,411</u>	<u>\$ 108,381,394</u>	

(Continued)

CITY OF DUBUQUE, IOWA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal -				
	2012	2013	2014	2015	2016
Net (Expense)/Revenue					
Governmental activities	\$ (41,503,811)	\$ (54,441,708)	\$ (51,879,637)	\$ (50,692,165)	\$ (38,607,948)
Business-type activities	<u>539,985</u>	<u>(979,144)</u>	<u>(3,065,070)</u>	<u>5,282,747</u>	<u>5,037,466</u>
Total primary government net expense	<u><u>\$ (40,963,826)</u></u>	<u><u>\$ (55,420,852)</u></u>	<u><u>\$ (54,944,707)</u></u>	<u><u>\$ (45,409,418)</u></u>	<u><u>\$ (33,570,482)</u></u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
General Revenues					
Property taxes	\$ 30,816,614	\$ 32,668,554	\$ 33,264,283	\$ 36,277,719	\$ 36,518,506
Local option sales tax	8,459,888	8,764,787	8,211,366	8,760,246	9,155,411
Hotel/motel tax	1,903,944	1,953,763	2,006,514	2,623,551	2,128,042
Utility franchise fees	2,272,481	2,568,347	2,609,421	2,828,688	4,360,107
Gaming	8,785,453	8,452,298	7,878,008	7,397,709	8,440,161
Unrestricted investment earnings	1,529,149	201,153	777,958	668,134	1,082,165
Gain on sale of capital assets	1,417,048	907,122	483,782	19,495	813,492
Other	-	-	-	-	-
Transfers	(4,749,948)	(1,092,236)	(2,444,846)	(7,288,593)	(979,900)
Special item - Transfer of roads	-	-	-	-	-
Total governmental activities	<u>50,434,629</u>	<u>54,423,788</u>	<u>52,786,486</u>	<u>51,286,949</u>	<u>61,517,984</u>
Business-type activities:					
General Revenues					
Unrestricted investment earnings	206,672	65,321	135,461	185,356	407,528
Gain on sale of capital assets	84,178	384,697	180,229	6,571	102,824
Extraordinary item	(243,722)	(555,031)	-	-	-
Transfers	4,749,948	1,092,236	2,444,846	7,288,593	979,900
Total business-type activities	<u>4,797,076</u>	<u>987,223</u>	<u>2,760,536</u>	<u>7,480,520</u>	<u>1,490,252</u>
Total primary government	<u><u>\$ 55,231,705</u></u>	<u><u>\$ 55,411,011</u></u>	<u><u>\$ 55,547,022</u></u>	<u><u>\$ 58,767,469</u></u>	<u><u>\$ 63,008,236</u></u>
Change in Net Position					
Governmental activities	\$ 8,930,818	\$ (17,920)	\$ 906,849	\$ 594,784	\$ 22,910,036
Business-type activities	<u>5,337,061</u>	<u>8,079</u>	<u>(304,534)</u>	<u>12,763,267</u>	<u>6,527,718</u>
Total primary government	<u><u>\$ 14,267,879</u></u>	<u><u>\$ (9,841)</u></u>	<u><u>\$ 602,315</u></u>	<u><u>\$ 13,358,051</u></u>	<u><u>\$ 29,437,754</u></u>

TABLE 2
(continued)

Year	2017	2018	2019	2020	2021
\$ (51,334,940)	\$ (49,552,772)	\$ (43,616,009)	\$ (52,599,045)	\$ (40,154,144)	
12,522,340	4,270,124	3,494,540	5,697,225	12,235,793	
<u>\$ (38,812,600)</u>	<u>\$ (45,282,648)</u>	<u>\$ (40,121,469)</u>	<u>\$ (46,901,820)</u>	<u>\$ (27,918,351)</u>	
\$ 39,678,473	\$ 39,632,246	\$ 37,973,888	\$ 38,354,691	\$ 39,524,078	
8,890,046	8,610,948	8,940,109	9,652,332	11,328,295	
2,821,745	2,286,469	2,113,273	2,117,506	2,036,045	
4,558,847	4,832,958	5,072,350	4,976,472	4,920,610	
8,098,324	8,062,251	8,730,986	7,394,294	8,077,003	
335,577	688,769	1,858,476	1,857,420	142,102	
83,720	309,857	94,980	23,866	296,969	
-	-	-	-	-	
(1,071,163)	(5,423,015)	(8,981,064)	(10,561,636)	(12,845,032)	
-	-	-	-	337,419	
<u>63,395,569</u>	<u>59,000,483</u>	<u>55,802,998</u>	<u>53,814,945</u>	<u>53,817,489</u>	
231,746	268,283	798,497	796,494	130,706	
54,074	4,680	80,479	16,500	-	
-	-	-	-	-	
1,071,163	5,423,015	8,981,064	10,561,636	12,845,032	
1,356,983	5,695,978	9,860,040	11,374,630	12,975,738	
<u>\$ 64,752,552</u>	<u>\$ 64,696,461</u>	<u>\$ 65,663,038</u>	<u>\$ 65,189,575</u>	<u>\$ 66,793,227</u>	
\$ 12,060,629	\$ 9,447,711	\$ 12,186,989	\$ 1,215,900	\$ 13,663,345	
13,879,323	9,966,102	13,354,580	17,071,855	25,211,531	
<u>\$ 25,939,952</u>	<u>\$ 19,413,813</u>	<u>\$ 25,541,569</u>	<u>\$ 18,287,755</u>	<u>\$ 38,874,876</u>	

CITY OF DUBUQUE, IOWA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2012	2013	2014	2015	2016	Fiscal -
General Fund						
Nonspendable	\$ 5,613,359	\$ 6,646,278	\$ 6,549,063	\$ 6,082,043	\$ 6,049,052	
Restricted	-	-	-	-	-	
Assigned	5,549,803	3,434,440	1,904,805	647,772	1,015,935	
Unassigned	9,371,016	8,806,171	7,356,066	8,693,524	10,908,497	
Total general fund	<u>\$ 20,534,178</u>	<u>\$ 18,886,889</u>	<u>\$ 15,809,934</u>	<u>\$ 15,423,339</u>	<u>\$ 17,973,484</u>	
All Other Governmental Funds						
Nonspendable	\$ 10,975,468	\$ 9,092,520	\$ 8,640,780	\$ 1,183,423	\$ 553,292	
Restricted	31,362,126	30,738,046	23,620,615	30,496,183	27,450,187	
Committed	5,843,671	10,827,172	10,548,592	12,298,896	7,635,502	
Unassigned	(429,344)	-	-	-	-	
Total all other governmental funds	<u>\$ 47,751,921</u>	<u>\$ 50,657,738</u>	<u>\$ 42,809,987</u>	<u>\$ 43,978,502</u>	<u>\$ 35,638,981</u>	

TABLE 3

Year	2017	2018	2019	2020	2021
\$ 5,585,672	\$ 5,414,922	\$ 5,369,478	\$ 5,145,558	\$ 3,895,638	
2,208	-	229,995	219,741	197,264	
1,590,065	1,267,250	1,438,616	1,396,196	2,868,215	
12,582,596	15,193,241	19,276,479	20,128,223	28,023,989	
<u>\$ 19,760,541</u>	<u>\$ 21,875,413</u>	<u>\$ 26,314,568</u>	<u>\$ 26,889,718</u>	<u>\$ 34,985,106</u>	
\$ 944,856	\$ 415,271	\$ 406,813	\$ 1,030,515	\$ 960,898	
28,103,397	30,347,598	34,367,024	30,247,351	40,785,902	
6,592,154	4,660,158	3,009,111	5,823,218	7,901,868	
-	(2,021,937)	(1,185,047)	(2,703,558)	(1,561,830)	
<u>\$ 35,640,407</u>	<u>\$ 33,401,090</u>	<u>\$ 36,597,901</u>	<u>\$ 34,397,526</u>	<u>\$ 48,086,838</u>	

CITY OF DUBUQUE, IOWA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2012	2013	2014	2015	2016	Fiscal -
Revenues						
Taxes	\$ 43,443,669	\$ 45,440,973	\$ 46,034,361	\$ 50,490,204	\$ 51,580,084	
Special assessments	596,138	175,486	154,692	85,501	111,193	
Licenses and permits	1,570,022	1,271,771	1,136,941	1,198,420	1,480,643	
Intergovernmental	37,574,783	26,580,831	23,050,052	20,828,524	29,302,824	
Charges for services	9,296,329	8,952,179	10,264,257	10,711,243	10,919,854	
Fines and forfeits	525,389	484,128	455,219	362,661	421,925	
Investment earnings	1,511,437	180,016	756,809	668,134	1,082,165	
Contributions	1,578,376	370,154	678,561	789,268	1,440,405	
Gaming	8,785,453	8,452,298	7,878,008	7,397,709	8,440,161	
Miscellaneous	1,319,558	1,315,915	1,705,275	1,466,542	1,367,875	
Total revenues	<u>106,201,154</u>	<u>93,223,751</u>	<u>92,114,175</u>	<u>93,998,206</u>	<u>106,147,129</u>	
Expenditures						
Current						
Public safety	24,476,772	26,506,714	27,644,190	27,570,773	28,036,551	
Public works	12,385,929	13,416,108	13,942,772	11,200,427	14,597,823	
Health and social services	828,837	680,466	1,049,194	939,172	1,015,987	
Culture and recreation	10,873,474	11,218,019	12,351,497	12,300,454	11,909,029	
Community and economic development	22,237,140	18,678,496	14,420,980	16,418,909	13,473,413	
General government	6,335,947	5,035,108	5,898,293	5,977,605	6,436,114	
Debt service						
Principal	3,224,680	3,182,240	4,595,808	4,910,735	10,302,412	
Interest	3,220,546	3,991,115	3,650,694	3,577,829	3,707,268	
Capital projects	<u>23,459,891</u>	<u>16,636,698</u>	<u>18,779,651</u>	<u>14,829,037</u>	<u>31,504,581</u>	
Total expenditures	<u>107,043,216</u>	<u>99,344,964</u>	<u>102,333,079</u>	<u>97,724,941</u>	<u>120,983,178</u>	
Excess (deficiency) of revenues over (under) expenditures	<u>(842,062)</u>	<u>(6,121,213)</u>	<u>(10,218,904)</u>	<u>(3,726,735)</u>	<u>(14,836,049)</u>	
Other Financing Sources (Uses)						
Issuance of bonds	27,215,363	6,577,268	-	11,137,321	3,933,882	
Discount on bonds	(71,689)	-	-	72,852	292,521	
Premiums on bonds	123,990	-	-	-	-	
Issuance of refunding bonds	-	4,949,148	-	-	-	
Payment to refunded bonds escrow agent	-	(4,949,148)	-	-	4,650,000	
Transfers in	8,773,387	15,295,630	15,862,516	18,073,553	17,397,007	
Transfers out	(18,336,603)	(16,981,203)	(17,294,762)	(25,241,795)	(18,376,907)	
Insurance recovery	132,425	49,209	59,796	106,288	86,359	
Sale of capital assets	2,221,877	2,438,837	666,648	360,436	1,063,814	
Total other financing sources (uses)	<u>20,058,750</u>	<u>7,379,741</u>	<u>(705,802)</u>	<u>4,508,655</u>	<u>9,046,676</u>	
Special Items						
Transfer of roads	-	-	-	-	-	
Total special items	-	-	-	-	-	
Net change in fund balances	<u>\$ 19,216,688</u>	<u>\$ 1,258,528</u>	<u>\$ (10,924,706)</u>	<u>\$ 781,920</u>	<u>\$ (5,789,373)</u>	
Debt service as a percentage of noncapital expenditures	7.65%	8.57%	9.51%	9.97%	15.17%	

TABLE 4

Year	2017	2018	2019	2020	2021
\$	55,949,111	\$ 55,362,621	\$ 54,101,901	\$ 54,818,674	\$ 57,809,028
261,233	122,968	113,178	76,394	101,219	
1,505,564	1,642,498	1,619,892	1,497,086	1,983,531	
26,314,297	27,229,554	31,359,695	28,618,060	31,984,376	
10,816,025	11,559,017	12,476,036	10,994,598	13,480,915	
484,687	407,322	404,400	365,458	375,268	
335,577	688,769	1,701,846	1,699,015	120,890	
689,237	816,922	1,343,916	1,163,721	3,564,843	
8,098,324	8,062,251	8,708,702	7,394,294	8,077,003	
1,811,681	1,589,072	1,526,804	3,517,089	1,399,203	
<u>106,265,736</u>	<u>107,480,994</u>	<u>113,356,370</u>	<u>110,144,389</u>	<u>118,896,276</u>	
29,155,128	28,581,466	28,807,920	29,518,515	29,038,359	
11,728,716	11,687,309	12,851,393	11,838,812	12,104,310	
868,280	854,045	1,046,184	1,340,544	1,067,491	
12,397,294	12,776,591	13,037,048	13,199,378	11,917,333	
16,474,553	20,350,200	15,730,191	16,685,406	17,531,856	
7,287,586	6,755,479	6,571,094	7,447,439	7,499,790	
17,615,698	7,989,850	5,509,605	7,065,499	27,524,288	
3,579,807	3,274,200	3,320,911	3,044,421	2,997,621	
16,260,851	17,402,848	20,145,054	21,089,439	15,308,122	
<u>115,367,913</u>	<u>109,671,988</u>	<u>107,019,400</u>	<u>111,229,453</u>	<u>124,989,170</u>	
(9,102,177)	(2,190,994)	6,336,970	(1,085,064)	(6,092,894)	
230,000	110,000	2,883,875	1,372,907	-	
319,384	16,915	81,693	62,182	953,857	
-	-	-	-	-	
11,023,700	1,778,325	-	-	25,605,950	
-	-	-	-	-	
18,814,586	18,889,096	17,025,952	17,146,200	13,730,128	
(19,917,219)	(20,980,391)	(18,876,402)	(19,858,343)	(19,145,976)	
41,345	98,058	87,843	71,604	136,979	
378,861	2,154,546	96,035	665,289	924,656	
<u>10,890,657</u>	<u>2,066,549</u>	<u>1,298,996</u>	<u>(540,161)</u>	<u>22,205,594</u>	
-	-	-	-	5,672,000	
-	-	-	-	5,672,000	
\$ 1,788,480	\$ (124,445)	\$ 7,635,966	\$ (1,625,225)	\$ 21,784,700	

20.94%

11.96%

9.84%

11.01%

28.26%

CITY OF DUBUQUE, IOWA
TAXABLE AND ASSESSED VALUE OF PROPERTY
LAST TEN FISCAL YEARS
(IN THOUSANDS OF DOLLARS)

TABLE 5

Levy Year	Fiscal Year	Real Property		Exemptions		Total		Assessed Value	Total Tax Rate	Direct Tax Rate	%
		Taxable Value	Assessed Value	Real Property	Taxable Value	Assessed Value					
2010	2012	\$ 2,243,474	\$ 3,406,186	\$ 8,875	\$ 2,234,599	\$ 3,406,186		65.60	%	10.45	111 %
2011	2013	2,337,129	3,476,638	8,872	2,328,257	3,476,638		66.97		10.78	478
2012	2014	2,398,151	3,503,774	8,799	2,389,352	3,503,774		68.19		11.02	586
2013	2015	2,522,048	3,686,202	8,729	2,513,319	3,686,202		68.18		11.02	588
2014	2016	2,508,933	3,723,003	8,631	2,500,302	3,723,003		67.16		11.02	590
2015	2017	2,652,700	3,914,425	8,086	2,644,614	3,914,425		67.56		11.16	739
2016	2018	2,686,813	3,931,498	7,783	2,679,030	3,931,498		68.14		10.89	220
2017	2019	2,765,470	4,141,732	7,921	2,757,549	4,141,732		66.58		10.58	844
2018	2020	2,825,245	4,185,444	7,640	2,825,245	4,185,444		67.50		10.33	144
2019	2021	2,912,635	4,378,243	7,531	2,912,635	4,378,243		66.53		10.14	400

Source: Dubuque County Assessor's and Auditor's Offices

CITY OF DUBUQUE, IOWA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
TAX RATES PER \$1,000 ASSESSED VALUE

TABLE 6

Levy Year	Fiscal Year	Dubuque City	Dubuque School District	Board of Education and Independents	Area 1 Voc. Tech	Dubuque County	Total	Ratio of Dubuque City to Total
2010	2012	\$ 10.45111	\$ 16.87685	\$ 0.67766	\$ 1.07379	\$ 6.49167	\$ 35.57108	29.38 %
2011	2013	10.78477	15.40388	0.71653	0.98407	6.43124	34.32049	31.42
2012	2014	11.02586	14.60281	0.75274	0.90455	6.43124	33.71720	32.70
2013	2015	11.02588	13.99630	0.66355	0.90807	6.43124	33.02504	33.39
2014	2016	11.02590	14.05629	0.63899	0.91036	6.38779	33.01933	33.39
2015	2017	11.16739	14.97697	0.63146	0.93757	6.29673	34.01012	32.84
2016	2018	10.89220	14.95665	0.62780	1.09993	6.34143	33.91801	32.17
2017	2019	10.58844	14.59791	0.65204	1.09993	5.97760	32.91592	32.11
2018	2020	10.33144	14.71233	0.64911	1.03168	5.94098	32.66554	31.63
2019	2021	10.144000	14.66255	0.62819	0.94734	5.91098	32.29306	31.41

Separate components of the Dubuque City Rate is as follows:

Levy Year	Fiscal Year	General	Public Transit	Insurance	Employee Benefits	Debt Service	Total
2010	2012	\$ 8.10000	\$ 0.35273	\$ 0.19508	\$ 1.75052	\$ 0.05278	\$ 10.45111
2011	2013	8.10000	0.49516	0.13965	2.02267	0.02729	10.78477
2012	2014	8.10000	0.38382	0.16288	2.33093	0.04823	11.02586
2013	2015	8.10000	0.48268	0.16595	2.23209	0.04516	11.02588
2014	2016	8.10000	0.48461	0.16428	2.16440	0.11261	11.02590
2015	2017	8.10000	0.49739	0.14963	2.30637	0.11400	11.16739
2016	2018	8.10000	0.66319	0.15561	1.89350	0.07990	10.89220
2017	2019	8.10000	0.62877	0.13933	1.62026	0.10008	10.58844
2018	2020	8.10000	0.61307	0.13974	1.38492	0.09371	10.33144
2019	2021	8.10000	0.63405	0.14103	1.17623	0.09269	10.14400

Source: Dubuque County Auditor's Office.

CITY OF DUBUQUE, IOWA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(IN THOUSANDS OF DOLLARS)

TABLE 7

Taxpayer	2021			2012		
	Taxable Value	Rank	Percentage of Total City Taxable Value	Taxable Value	Rank	Percentage of Total City Taxable Value
Peninsula Gaming Company LLC	\$ 63,875	1	2.19 %	\$ 56,784	1	2.53 %
Kennedy Mall Inc.	37,661	2	1.29	27,206	2	1.21
GRDT Investments LLC (Queck)	30,682	3	1.05	19,559	4	0.87
ITC Midwest LLC	30,299	4	1.04			
Progressive Proccessing LLC (Hormel)	25,386	5	0.87	13,780	8	0.61
MAR Holdings LLC (Medical Assoc.)	21,343	6	0.73	17,221	5	0.77
Walter Development LLC	19,445	7	0.67	21,397	3	0.95
City of Dubuque	14,810	8	0.51			
Nordstrom, Inc.	14,800	9	0.51	14,729	6	0.67
McGraw Hill Global Education LLC	13,500	10	0.46			
Platinum Holdings LLC				11,588	9	0.52
Otto A LLC				14,100	7	0.63
Asbury Dubuque LLC				10,867	10	0.48
	<u><u>\$ 271,801</u></u>		<u><u>9.32 %</u></u>	<u><u>\$ 207,231</u></u>		<u><u>9.24 %</u></u>

Source: Dubuque County Auditor's Office

CITY OF DUBUQUE, IOWA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(IN THOUSANDS OF DOLLARS)

TABLE 8

Fiscal Year	Levy Year	Total Tax Levy		Percent of Current Taxes Collected			Total Tax Collections		Outstanding Delinquent Taxes		Ratio of Delinquent Taxes to Total Tax Levy	
		Levy (1)	Levy Collections	Current Tax Collected	Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections (2)	Tax Levy	Taxes	Tax Levy	Tax Levy	
2012	2011	\$ 21,340	\$ 21,339	100.0 %	\$ 1	\$ 21,340	99.9 %	\$ 185		0.87 %		
2013	2012	22,789	22,752	99.8	7	22,759	99.9	182		0.80		
2014	2013	23,993	23,915	99.7	8	23,923	99.7	211		0.88		
2015	2014	24,866	24,715	99.4	7	24,722	99.4	362		1.46		
2016	2015	24,944	24,889	100.0	84	24,973	100.0	288		1.15		
2017	2016	26,435	26,318	99.6	2	26,320	99.6	354		1.34		
2018	2017	25,924	26,026	100	1	26,027	100.4	199		0.77		
2019	2018	26,556	26,442	99.6	4	26,446	99.6	202		0.76		
2020	2019	26,360	26,106	99.0	1	26,107	99.0	1,096		4.16		
2021	2020	26,263	26,289	100.1	239	26,528	101.0	611		2.33		

(1) Excludes tax increment levy.

(2) Includes taxes collected in June by the County but not received by the City until July.

CITY OF DUBUQUE**RATIOS OF OUTSTANDING DEBT BY TYPE****LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities				Business - General Obligation Bonds
	General Obligation Bonds	Tax Increment Financing Bonds	Tax Increment Financing Notes	Other Loans Payable	
2012	\$ 53,087,811	\$ 22,258,283	\$ 1,767,664	\$ 4,735,714	\$ 35,108,003
2013	56,517,165	21,920,537	1,235,903	5,638,871	34,921,131
2014	52,568,648	21,556,435	1,030,036	5,541,428	32,738,862
2015	59,614,941	21,165,946	811,608	5,444,285	45,868,394
2016	58,869,812	20,764,818	625,429	5,347,142	46,806,473
2017	53,800,719	20,333,690	451,763	4,650,000	44,487,023
2018	48,833,498	19,867,562	255,881	4,067,700	41,979,910
2019	46,917,828	19,366,434	176,054	3,984,111	39,246,002
2020	41,985,513	18,825,306	91,860	3,899,294	36,220,856
2021	41,745,365	18,244,178	46,195	3,748,361	34,104,175

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

2016 data changed to include premium and discounts in the outstanding computation.

(1) Population and personal income data can be found in Table 18.

* Personal Income unavailable at report date

TABLE 9

Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
Capital Loan Notes	Revenue Bonds	Other Loans Payable			
\$ 61,957,749	\$ 6,521,188	\$ 331,235	\$ 185,767,647	7.1 %	\$ 3,223
75,415,431	6,260,299	309,304	202,218,641	7.8	3,508
82,924,949	14,151,437	286,263	210,798,058	8.1	3,657
85,477,970	34,543,432	262,055	253,188,631	10.0	4,393
104,156,549	34,196,999	236,623	271,003,845	9.9	4,637
110,513,944	33,840,566	5,209,900	273,287,605	10.1	4,648
112,765,210	33,474,133	4,181,826	265,425,720	9.1	4,555
111,655,588	33,097,700	3,152,331	257,596,048	8.4	4,446
116,965,647	32,706,767	2,152,331	252,847,074	7.9	4,368
115,011,616	32,304,834	1,088,786	246,293,510	*	4,255

CITY OF DUBUQUE
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
DOLLARS IN THOUSANDS EXCEPT PER CAPITA

TABLE 10

Fiscal Year	General Obligation Bonds	Taxable Value of Property	Percentage of Taxable Value of Property	Assessed Value of Property	Percentage of Assessed Value of Property	Per Capita
2012	\$ 88,196	\$ 2,243,474	3.93 %	\$ 3,406,186	2.59 %	\$ 1,530
2013	91,438	2,337,129	3.91	3,476,638	2.63	1,586
2014	85,308	2,398,151	3.56	3,503,774	2.43	1,480
2015	105,483	2,522,048	4.18	3,686,202	2.86	1,830
2016	105,676	2,508,933	4.21	3,723,003	2.84	1,808
2017	98,288	2,652,700	3.71	3,914,425	2.51	1,672
2018	90,813	2,686,813	3.38	3,931,498	2.31	1,558
2019	86,164	2,765,470	3.12	4,141,732	2.08	1,487
2020	78,206	2,825,245	2.77	4,185,444	1.87	1,351
2021	75,850	2,912,635	2.60	4,378,243	1.73	1,310

*Prior year information has been modified to net GO Bonds with the fund balance in Debt Service.

*General Obligation Bonds are netted with the fund balance in the Debt Service fund.

CITY OF DUBUQUE, IOWA
DIRECT AND OVERLAPPING DEBT
AS OF JUNE 30, 2021

TABLE 11

<u>Jurisdiction</u>	Net General Obligation Bonded Debt Outstanding	Tax Increment Financing Bonds (1)	Tax Increment Financing Notes	Sales Tax Revenue Bonds	Loans Payable	Percentage Applicable to City	Amount Applicable to Government
Direct, City of Dubuque, Iowa	\$ 41,745,365	\$ 18,244,178	\$ 46,195	\$ -	\$ 3,748,362	100.00 %	\$ 63,784,100
Overlapping:							
Dubuque County	20,405,000	-	-	-	205,561	73.51 %	15,150,823
Dubuque Community School District	-	-	-	-	-	70.54 %	-
Northeast Iowa Community College	<u>31,800,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,715,000</u>	53.56 %	<u>25,984,634</u>
Total Overlapping	<u>52,205,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,920,561</u>		<u>41,135,457</u>
Total	\$ 93,950,365	\$ 18,244,178	\$ 46,195	\$ -	\$ 20,668,923		\$ 104,919,557

Source: Dubuque County Auditor, Dubuque Community School District and Northeast Iowa Community College

(1) Excludes sales tax revenue bonds.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City.

This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Dubuque. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

CITY OF DUBUQUE, IOWA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(IN THOUSANDS OF DOLLARS)

	2012	2013	2014	2015
Debit limit	\$ 177,668	\$ 181,668	\$ 183,621	\$ 193,114
Total net debt applicable to limit	<u>142,551</u>	<u>144,118</u>	<u>131,289</u>	<u>154,643</u>
Legal debit margin	<u>\$ 35,117</u>	<u>\$ 37,550</u>	<u>\$ 52,332</u>	<u>\$ 38,471</u>
Total net debt applicable to the debt limit as a percentage of debt limit	80.23%	79.33%	71.50%	80.08%

TABLE 12

2016	2017	2018	2019	2020	2021
\$ 196,031	\$ 207,174	\$ 209,049	\$ 221,513	\$ 239,298	\$ 239,298
<u>152,386</u>	<u>141,076</u>	<u>124,926</u>	<u>117,223</u>	<u>109,021</u>	<u>102,256</u>
<u><u>\$ 43,645</u></u>	<u><u>\$ 66,098</u></u>	<u><u>\$ 84,123</u></u>	<u><u>\$ 104,290</u></u>	<u><u>\$ 130,277</u></u>	<u><u>\$ 137,042</u></u>
77.74%	68.10%	59.76%	52.92%	45.56%	42.73%

Legal Debt Margin Calculation for Fiscal Year 2021

Estimated actual value	<u><u>\$ 4,785,964,957</u></u>
Debt limit - 5% of total actual valuation	\$ 239,298,248
Debt applicable to limit: (Including GO Debt, TIF Debt, and Lease)	(122,682,458)
Legal debt margin	<u><u>\$ 116,615,790</u></u>

CITY OF DUBUQUE, IOWA
REVENUE DEBT COVERAGE
LAST TEN FISCAL YEARS
(IN THOUSANDS OF DOLLARS)

TABLE 13

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available For Debt Service	Current Fiscal Year's Debt Service Requirements			Coverage (3)
				Principal	Interest	Total	
WATER UTILITY							
2012	\$ 6,087	\$ 5,895	\$ 192	\$ 255	\$ 238	\$ 493	\$ 0.39
2013	6,944	5,391	1,553	260	231	491	3.16
2014	7,283	7,384	(101)	432	344	776	(0.13)
2015	7,511	6,322	1,189	275	218	493	2.41
2016	8,508	4,826	3,682	285	211	496	7.42
2017	8,589	4,678	3,911	473	305	778	5.03
2018	8,962	4,989	3,973	489	288	777	5.11
2019	9,160	5,726	3,434	505	345	850	4.04
2020	9,497	5,599	3,898	1,049	371	1,420	2.75
2021	9,684	5,605	4,079	1,235	411	1,646	2.48
STORMWATER UTILITY							
2012	3,211	1,497	1,714	231	243	474	3.62
2013	3,194	2,019	1,175	462	268	730	1.61
2014	3,240	1,833	1,407	320	309	629	2.24
2015	3,551	2,162	1,389	331	311	642	2.16
2016	3,948	2,140	1,808	341	301	642	2.82
2017	4,224	2,601	1,623	352	291	643	2.52
2018	4,486	2,374	2,112	363	283	646	3.27
2019	5,062	3,229	1,833	343	273	616	2.98
2020	5,303	1,964	3,339	1,503	711	2,214	1.51
2021	5,194	2,285	2,909	1,039	381	1,420	2.05
SEWAGE DISPOSAL WORKS							
2012	7,878	7,018	860	34	1,129	1,163	0.74
2013	8,951	6,113	2,838	1,719	1,443	3,162	0.90
2014	10,083	6,754	3,329	2,326	1,423	3,749	0.89
2015	10,629	6,950	3,679	2,603	1,358	3,961	0.93
2016	12,237	7,702	4,535	2,610	1,435	4,045	1.12
2017	12,475	6,082	6,393	2,652	1,454	4,106	1.56
2018	12,731	6,360	6,371	2,707	1,476	4,183	1.52
2019	12,667	7,013	5,654	2,878	1,429	4,307	1.31
2020	12,777	6,645	6,132	2,946	1,362	4,308	1.42
2021	13,040	7,195	5,845	3,006	1,373	4,379	1.33

(1) Total revenues (including interest).

(2) Total operating expenses exclusive of depreciation.

(3) Coverage is computed by dividing net revenue available for debt service by debt service requirement.

CITY OF DUBUQUE, IOWA
WATER AND SEWER RECEIPT HISTORY
LAST TEN FISCAL YEARS

TABLE 14

Fiscal Year	Water Revenue	Sewer Revenue	Gallons Billed
2012	\$ 6,298,768	\$ 8,682,927	1,914,175,940
2013	6,701,771	8,472,382	1,945,227,547
2014	7,028,091	9,756,996	1,845,151,329
2015	7,231,393	10,417,833	1,864,028,948
2016	8,159,240	11,772,847	1,883,797,577
2017	8,248,796	12,000,115	1,844,997,668
2018	8,525,072	12,015,480	1,632,426,374
2019	8,636,521	12,266,217	1,750,735,443
2020	8,958,162	12,395,751	1,738,198,948
2021	9,040,349	12,583,458	1,774,274,430

Source: Cash basis receipt ledgers.

*Revenue includes penalties and investment earnings collected.
 New in 2015 - revenue does not include sales tax. All years reflect this change.

WATER RATE SCHEDULE HISTORY

Steps	Gallons	2021	2020	2019	2018	2017	2016	2015	2014
First	22,440	@ \$ 0.00512	\$ 0.00512	\$ 0.00488	\$ 0.00474	\$ 0.00447	\$ 0.00406	\$ 0.00387	\$ 0.00355
Next	89,760	@ 0.00419	0.00419	0.00399	0.00387	0.00365	0.00332	0.00316	0.00290
Next	261,800	@ 0.00391	0.00391	0.00372	0.00361	0.00340	0.00309	0.00294	0.00270
Next	374,000	@ 0.00345	0.00345	0.00329	0.00280	0.00301	0.00274	0.00261	0.00239
Excess		@ 0.00302	0.00302	0.00288	0.00280	0.00264	0.00240	0.00229	0.00210

CITY OF DUBUQUE, IOWA
WATER METERS BY RATE CLASS
LAST TEN FISCAL YEARS

TABLE 15

Fiscal Year	Residential	Commercial	Industrial	Government	Total
2012	20,532	1,902	79	52	22,565
2013	20,753	1,921	80	53	22,807
2014	20,887	1,945	81	68	22,981
2015	20,969	1,968	83	76	23,096
2016	21,157	1,972	84	104	23,317
2017	21,522	2,061	83	114	23,780
2018	20,498	2,019	83	115	22,715
2019	20,523	2,148	80	147	22,898
2020	21,886	1,941	69	138	24,034
2021	22,866	2,010	70	148	25,094

CITY OF DUBUQUE, IOWA
LARGEST WATER AND SEWER CUSTOMERS
FISCAL YEAR 2021

TABLE 16

Customer	Water Receipts	Rank	Percentage of Total Water Receipts	Sewer Receipts	Rank	Percentage of Total Sewer Receipts
	\$ 333,969	1	3.69 %			
Rousselot Inc #155296	\$ 333,969	1	3.69 %			
Hormel Foods Corporation*	231,764	2	2.56	\$ 529,116	1	4.20 %
Prairie Farms Dairy Inc	225,795	3	2.50			
Hormel Foods Corporation*	180,147	4	1.99	407,654	2	3.24
APC, Inc.	49,353	5	0.55			
Stonehill Nursing Home	47,628	6	0.53	88,425	3	0.70
Finley Hospital	42,592	7	0.47	60,480	7	0.48
Georgia Pacific	41,221	8	0.46	60,760	6	0.48
Yes Companies Exp Fred, LLC	40,776	9	0.45	79,690	4	0.63
IADU Table Mound MHP LLC	33,916	10	0.38	64,535	5	0.51
Alpine Park Community				57,655	8	0.46
Platinum Holdings LLC				50,402	9	0.40
Ronsan Enterprises Inc/Days Inn				4,490	10	0.36
Total Receipts	<u>\$ 9,040,349</u>			<u>\$ 12,583,458</u>		

*Same company, separate accounts. Previously combined several accounts under same business, now listed separately.

CITY OF DUBUQUE, IOWA
SALES TAX INCREMENT BONDS
FISCAL YEAR ENDING JUNE 30, 2021

TABLE 17

Fiscal Year	Estimated Sales Tax Increment Revenue Receipts*	Senior Lien Series 2015A Net Debt Service (1)	Remaining Revenues After Senior Lien Debt Service (2)	Second Lien Series 2014 Net Debt Service	Remaining Revenues After Second Lien Debt Service
2015 *	\$ 2,037,489	\$ -	\$ 2,037,489	\$ -	\$ 2,037,489
2016 *	2,532,846	-	2,532,846	-	2,532,846
2017 *	3,945,134	-	3,945,134	(323,100)	3,622,034
2018 *	3,654,915	(762,650)	2,892,265	(323,100)	2,569,165
2019 *	4,207,297	(762,650)	3,444,647	(323,100)	3,121,547
2020 *	4,709,559	(762,650)	3,946,909	(323,100)	3,623,809
2021 *	4,068,763	(762,650)	3,306,113	(323,100)	2,983,013
2022	6,380,938	(762,650)	5,618,288	(323,100)	5,295,188
2023	6,866,198	(2,767,650)	4,098,548	(438,100)	3,660,448
2024	6,956,351	(2,771,000)	4,185,351	(1,393,500)	2,791,851
2025	6,957,401	(2,768,969)	4,188,432	(1,400,500)	2,787,932
2026	6,952,046	(2,771,031)	4,181,015	(1,344,250)	2,836,765
2027	6,952,532	(2,768,719)	4,183,813	(1,363,000)	2,820,813
2028	6,947,494	(2,768,394)	4,179,100	(1,365,000)	2,814,100
2029	6,723,750	(2,767,300)	3,956,450	(1,365,000)	2,591,450
2030	6,250,000	(2,768,800)	3,481,200	-	3,481,200
2031	4,467,912	(2,766,400)	1,701,512	-	1,701,512
2032	2,217,912	-	2,217,912	-	2,217,912
2033	2,250,000	-	2,250,000	-	2,250,000

* Actual receipts.

(1) Net of capitalized interest and the debt service reserve fund.

(2) Net of capitalized interest.

CITY OF DUBUQUE, IOWA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

TABLE 18

Year	Population	Personal Income	Per Capita Personal Income (1)	Median Age (2)	Public School Enrollment (3)	Unemployment Rate (4)
2012	57,637	2,453,952,912	42,576	37	10,469	5.2 %
2013	57,637	2,489,053,845	43,185	39	10,513	4.6
2014	57,637	2,560,293,177	44,421	39	10,578	4.4
2015	57,637	2,645,653,574	45,902	38	10,634	3.7
2016	58,436	2,734,454,184	46,794	38	10,588	3.9
2017	58,799	2,717,101,790	46,210	38	10,556	2.9
2018	58,276	2,903,485,148	49,823	37	10,507	2.2
2019	57,941	3,049,782,476	52,636	38	10,459	2.2
2020	57,882	3,196,128,276	55,218	38	10,558	9.1
2021	57,882	*	*	39	10,371	5.4

Data Sources:

- (1) U.S. Department of Commerce, Bureau of Economic Analysis.
- (2) Greater Dubuque Development Corporation.
- (3) Dubuque Community School District.
- (4) Iowa Department of Employment Services as of June 30.

* Unavailable at report date.

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**CITY OF DUBUQUE, IOWA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

TABLE 19

Employer	2021			2012			Percentage of Total City Employment (1)
	# of Employees	Rank	Percentage of Total City Employment (1)	# of Employees	Rank	Percentage of Total City Employment (1)	
John Deere (2)	2,600	1	4.71 %	2,065	1	3.81 %	
Dubuque Community Schools	1,957	2	3.55	1,946	2	3.59	
Mercy One Medical Centr	1,410	3	2.55	1,324	3	2.44	
Medical Associates	1,061	4	1.92	999	5	1.84	
Unity Point Health-Finley Hospital	975	5	1.77	920	6	1.70	
Andersen Windows	750	6	1.36				
City of Dubuque	737	7	1.34	686	7	1.27	
Sedgwick	725	8	1.31				
Cottingham & Butler	715	9	1.30				
Dubuque Bank & Trust and Heartland Financial USA,	600	10	1.09				
IBM				1,300	4	2.40	
Holy Family Catholic Schools				575	8	1.06	
Prudential Retirement				550	9	1.01	
Eagle Window and Door				550	10	1.01	
	<u><u>11,530</u></u>		<u><u>20.89 %</u></u>	<u><u>10,915</u></u>		<u><u>20.15 %</u></u>	

Source: Greater Dubuque Development Corp.

(1) Based on the percentage of total employment for Dubuque area from the U.S. Department of Labor, Bureau of Labor Statistics.

(2) Located just outside City Limits.

CITY OF DUBUQUE, IOWA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY
FUNCTION/DEPARTMENT
LAST TEN FISCAL YEARS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Public Safety				
Emergency Communications	13.00	13.00	13.00	13.00
Fire	90.00	90.00	90.00	90.00
Police	114.25	115.00	115.08	115.88
Building Services	9.00	9.00	9.24	11.66
Public Works				
Public Works	87.42	86.17	86.42	86.42
Engineering	27.00	29.00	29.00	29.00
Health & Social Services				
Health Services	4.00	4.00	4.00	4.00
Human Rights	4.00	5.00	5.00	5.00
Cultural and Recreation				
Civic Center	0.15	0.15	0.15	0.15
Library	18.00	19.00	19.00	19.00
Park	23.50	23.50	23.50	23.50
Recreation	9.93	9.93	9.93	10.93
Community & Economic Development				
Community / Economic Dev	3.00	3.00	4.00	4.00
Housing Services	23.00	25.80	27.00	26.00
Planning Services	8.00	8.00	8.00	8.00
General Government				
Airport	12.00	12.00	12.00	12.00
Cable TV	2.00	2.00	2.00	2.00
City Clerk's Office	3.00	3.00	3.00	3.00
City Manager's Office	14.00	15.00	15.00	16.00
Finance	14.00	14.00	14.08	14.88
Legal	5.00	5.00	5.00	5.00
Information Services	7.00	7.50	8.00	8.00
Business Type				
Water	25.00	25.00	26.00	26.00
Water & Resource Recovery Center	18.00	18.00	18.00	18.00
Parking	9.00	9.00	9.00	9.00
Transit	6.00	6.00	6.32	8.00
Total	<u>549.25</u>	<u>557.05</u>	<u>561.72</u>	<u>568.42</u>

Source: City Budget Records

Departments with employees who are allocated to more than one function are reflected in the area with largest number of employees.

TABLE 20

2016	2017	2018	2019	2020	2021
13.00	14.00	14.00	14.00	15.00	15.00
90.00	90.00	90.00	90.00	91.00	92.00
116.00	116.00	116.00	117.00	118.00	119.00
12.00	12.00	12.00	11.00	11.00	11.00
86.42	86.42	86.42	87.42	87.42	89.42
30.00	30.00	26.06	26.00	27.00	28.00
4.00	4.00	4.00	4.00	5.00	6.00
5.00	5.00	5.00	5.00	5.00	4.00
0.15	0.15	0.15	0.15	0.15	0.15
19.00	19.00	19.00	19.00	19.00	20.00
23.50	22.50	22.50	22.50	22.50	22.50
11.93	11.93	11.93	11.93	11.93	11.93
2.00	2.00	3.00	3.00	3.00	3.00
21.00	25.00	25.00	23.52	27.00	29.00
8.00	8.00	8.00	8.00	8.00	8.00
12.00	12.00	12.00	12.00	12.00	12.00
2.00	2.00	2.00	2.00	2.00	2.00
3.00	3.00	3.00	3.00	3.00	3.00
16.00	16.00	17.00	17.50	15.50	18.00
15.00	15.00	15.00	14.00	19.00	19.00
5.00	5.00	4.00	4.00	4.00	5.00
8.00	8.00	8.00	8.00	8.00	8.00
25.00	25.00	25.00	24.00	25.00	25.00
17.00	17.00	17.00	15.00	15.00	15.00
9.00	8.00	7.00	-	-	-
13.00	13.00	14.00	20.00	23.00	23.00
567.00	570.00	567.06	562.02	577.50	589.00

**CITY OF DUBUQUE, IOWA
OPERATING INDICATORS BY
FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	Fiscal -			
	2012	2013	2014	2015
Public Safety				
Police				
Physical arrests	6,319	6,106	5,532	3,767
Traffic violations	11,836	12,089	8,959	7,354
Parking violations	34,910	35,516	36,768	37,635
Fire				
Number of calls answered	5,307	4,792	5,165	5,603
Inspections conducted	589	512	471	791
Sewer				
Sewage system				
Daily average treatment in gallons	7,817,000	10,987,000	7,091,000	7,237,000
Maximum daily capacity of treatment plant in gallons	23,240,000	23,240,000	24,500,000	24,500,000
Water systems				
Daily average consumption in gallons	7,226,000	6,953,000	7,235,000	6,956,000
Maximum daily capacity of plant in gallons	18,000,000	18,000,000	18,000,000	18,000,000
Refuse (Municipal Collection)				
Tonnage	11,180	10,535	10,311	10,690

Sources: Various City Departments.

Statistics updated for fiscal year 2017

TABLE 21

Year	2016	2017	2018	2019	2020	2021
	3,397	3,238	3,519	3,403	2,830	2,493
	9,058	9,063	9,415	8,369	7,156	6,276
	38,880	33,953	32,857	25,685	18,044	20,428
	5,750	5,990	5,949	6,058	6,304	7,277
	993	1,649	1,675	1,232	1,260	296
	7,016,000	7,377,000	7,900,000	7,930,000	8,730,000	6,682,013
	24,500,000	24,500,000	24,500,000	24,500,000	24,500,000	24,500,000
	7,068,184	7,200,000	6,917,000	6,133,000	6,210,000	6,390,000
	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	13,000,000
	11,098	11,284	11,481	11,569	12,212	13,380

CITY OF DUBUQUE, IOWA
CAPITAL ASSETS BY FUNCTION
LAST TEN FISCAL YEARS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Public safety				
Police				
Stations	1	1	1	1
Patrol units	22	22	22	22
Fire				
Stations	6	6	6	6
Aerial trucks	3	3	3	3
Public works				
Streets				
Miles (1)	328	329	331	333
Street lights (1)	2,081	2,084	2,110	2,161
Health and social services				
Hospital	2	2	2	2
Number of patient beds	389	389	389	373
Cultural and recreation				
Library	1	1	1	1
Golf	1	1	1	1
Parks	51	51	51	53
Acreage	1,001	1,001	1,001	974
Recreation				
Civic center	1	1	1	1
Swimming pools	2	2	2	2
Softball fields	7	7	7	11
Baseball fields		1	1	1
Tennis courts	20	20	20	20
Sewer				
Sewage system				
Miles of sanitary sewer (1)	304	304	307	320
Miles of storm sewers (1)	155	141	144	145
Number of treatment plants	1	1	1	1
Number of service connectors	22,393	22,428	22,888	22,928
Water systems				
Miles of water mains	320	321	315	318
Number of service connectors	22,161	22,536	22,702	22,787
Number of city owned fire hydrants	2,863	2,879	2,336	2,346

Sources: Various City Departments.

(1) City GIS System

TABLE 22

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
1 22	1 22	1 22	1 22	1 22	1 22
6 3	6 3	6 3	6 3	6 3	6 3
332 2,162	336 2,184	334 2,312	340 2,436	331 2,489	329 2,507
2 373	2 373	2 373	2 373	2 373	2 373
1 1 53 974	1 1 53 974	1 1 53 974	1 1 53 974	1 1 53 985	1 1 53 985
1 2 11 1 20	1 2 11 1 20	1 2 11 1 20	1 2 10 1 16	1 2 10 1 16	1 2 10 1 16
322 147 1 23,119	326 152 1 23,343	321 156 1 23,423	332 158 1 23,488	333 151 1 23,601	308 160 1 22,299
329 22,970 2,380	337 23,443 2,450	370 23,546 2,973	410 23,605 2,539	325 23,695 2,553	293 23,770 2,596

CITY OF DUBUQUE, IOWA
RETAIL SALES
LAST TEN CALENDAR YEARS

TABLE 23

Year		Taxable Retail Sales	Number of Businesses
2012	\$	1,060,222,499	1,993
2013		1,057,837,212	2,008
2014		1,240,664,593	3,337
2015		1,305,893,119	3,347
2016		1,316,561,626	2,997
2017		1,324,993,666	2,971
2018		1,323,052,623	2,970
2019		1,353,208,250	3,353
2020		1,331,820,839	3,375
2021	*		*

Data Sources:
Iowa Department of Revenue

* Unavailable at report date

Compliance Section
June 30, 2021
City of Dubuque, Iowa

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**Independent Auditor's 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***

To the Honorable Mayor and
Members of the City Council
City of Dubuque, Iowa

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Dubuque, Iowa, (City) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 22, 2021.

The financial statements of Dubuque Initiatives and Subsidiaries, a discretely presented component unit which was audited by other auditors, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not extend to those financial statements.

The financial statements of Dubuque Convention and Visitors Bureau, a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not extend to those financial statements.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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*. However, we noted certain immaterial instances of non-compliance which are described in Part IV of the accompanying schedule of findings and questioned costs.

Comments involving statutory and other legal matters about the City's operations for the year ended June 30, 2021 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the City and are reported in Part IV of the accompanying schedule of findings and questioned costs. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

City's Responses to Findings

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Dubuque, Iowa

December 22, 2021



Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Honorable Mayor and
Members of the City Council
City of Dubuque, Iowa

Report on Compliance for Each Major Federal Program

We have audited the City of Dubuque, Iowa's (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on the compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinions on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of the 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.



Dubuque, Iowa
December 22, 2021

City of Dubuque, Iowa
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing / Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	Amounts Passed- Through to Subrecipients
<u>U.S. Department of Agriculture</u>				
Direct program				
Soil and Water Conservation	10.902		\$ 15,528	\$ -
Environmental Quality Incentives Program	10.912		26,961	-
Conservation Stewardship Program	10.924		6,563	-
Total U.S. Department of Agriculture			<u>49,052</u>	-
<u>U.S. Department of Housing and Urban Development</u>				
Direct program				
CDBG - Entitlement Grants Cluster				
Community Development Block				
Grants/Entitlement Grants	14.218		917,261	123,640
COVID-19 - Community Development Block				
Grants/Entitlement Grants	14.218		300,019	-
Total CDBG - Entitlement Grants Cluster			<u>1,217,280</u>	<u>123,640</u>
Continuum of Care Program	14.267		87,211	-
Pass-through program from				
Iowa Economic Development Authority				
CDBG - Disaster Recovery Grants - Pub. L. No. 113-2 Cluster				
National Resiliency Disaster Recovery Competition	14.272	13NDRH001/13NDRI011	7,113,695	-
Direct program				
Section 8 Project-Based Cluster				
Lower Income Housing Assistance Program -				
Section 8 Moderate Rehabilitation	14.856		74,662	-
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers	14.871		574,268	-
Section 8 Housing Choice Vouchers	14.871		5,285,751	-
Section 8 Housing Choice Vouchers	14.871		2,615	-
COVID-19 - Section 8 Housing Choice Vouchers	14.871		60,666	-
Total Housing Voucher Cluster			<u>5,923,300</u>	-
Family Unification Program (FUP)	14.880		53,241	-
Family Self-Sufficiency Program	14.896		69,051	-
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900		827,335	-
Total U.S. Department of Housing and Urban Development			<u>15,365,775</u>	<u>123,640</u>
<u>U.S. Department of Interior</u>				
Pass-through program from				
Iowa Department of Cultural Affairs				
Historic Preservation Fund Grants-In-Aid	15.904	202011-8903	10,000	-
Historic Preservation Fund Grants-In-Aid	15.904	2019-04	6,808	-
Historic Preservation Fund Grants-In-Aid	15.904	2019-03	1,121	-
Total U.S. Department of Interior			<u>17,929</u>	-

City of Dubuque, Iowa
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal Financial Assistance Listing / Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Expenditures</u>	<u>Amounts Passed- Through to Subrecipients</u>
<u>U.S. Department of Justice</u>				
Direct program				
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034		\$ 66,271	\$ -
Pass-through program from				
Iowa Department of Justice				
Violence Against Women Formula Grants	16.588	2020-WF-AX-0024	1,860	-
Violence Against Women Formula Grants	16.588	VW-20-41-LE	105	-
			1,965	-
Direct program				
Bulletproof Vest Partnership Program	16.607		3,593	-
Pass-through program from				
Iowa Department of Justice				
Public Safety Partnership and Community Policing Grants	16.710	18-CAMP-05	1,324	-
Public Safety Partnership and Community Policing Grants	16.710	18-COPS-HEROIN-02	1,803	-
Public Safety Partnership and Community Policing Grants	16.710	19-COPS-HEROIN-02	3,490	-
			6,617	-
Direct program				
Edward Byrne Memorial Justice Assistance Grant Program	16.738		6,978	-
Pass-through program from				
Dubuque County Sheriff's Office				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	18-JAG-343653	31,650	-
			38,628	-
Total U.S. Department of Justice			117,074	-
<u>U.S. Department of Transportation</u>				
Direct program				
Airport Improvement Program	20.106		1,460,981	-
COVID-19 - Airport Improvement Program	20.106		346,543	-
Airport Improvement Program	20.106		182,940	-
Airport Improvement Program	20.106		67,755	-
Airport Improvement Program	20.106		3,868	-
			2,062,087	-
Highway Planning and Construction Cluster				
Pass-through program from				
Iowa Department of Transportation				
Highway Planning and Construction	20.205	EDP-2100(695)-7Y-31	35,520	-
Highway Planning and Construction	20.205	HDP-2100 (695)--7Y-31	1,025,839	-
Highway Planning and Construction	20.205	STP-A-2100(688)-86-31	4,729	-
Highway Planning and Construction	20.205	STP-U-2100(693)-70-31	33,295	-
			1,099,383	-

City of Dubuque, Iowa
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing / Federal CFDA Number	Pass-through Entity Identifying Number	Expenditures	Amounts Passed- Through to Subrecipients
<u>U.S. Department of Transportation (continued)</u>				
Federal Transit Cluster				
Direct program				
COVID-19 - Federal Transit - Formula Grants	20.507		\$ 1,116,274	\$ -
COVID-19 - Federal Transit - Formula Grants	20.507		2,466,445	-
Federal Transit - Formula Grants	20.507		248	-
			3,582,967	-
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526		129,977	-
Total Federal Transit Cluster			3,712,944	-
Highway Safety Cluster				
Iowa Department of Public Safety				
State and Community Highway Safety	20.600	PAP 20-402-MOOP	2,741	-
State and Community Highway Safety	20.600	PAP 21-402-MOAL	4,938	-
Total Highway Safety Cluster			7,679	-
Total U.S. Department of Transportation			6,882,093	-
<u>U.S. Department of the Treasury</u>				
Pass-through program from				
Iowa Department of Revenue				
Covid-19 - Coronavirus Relief Fund	21.019	00399	1,375,656	-
<u>Environmental Protection Agency</u>				
Direct program				
Brownsfields Assessment and Cleanup				
Cooperative Agreements	66.818		16,079	-
Brownsfields Assessment and Cleanup				
Cooperative Agreements	66.818		45,154	-
Total Environmental Protection Agency			61,233	-
<u>U.S. Department of Health and Human Services</u>				
Direct program				
COVID-19 - Provider Relief Fund	93.498		40,009	-
<u>Corporation for National and Community Service</u>				
Pass-through program from				
Iowa Commission on Volunteers				
AmeriCorps	94.006	19-AC-10	35,533	-
AmeriCorps	94.006	19-AF-05	22,227	-
AmeriCorps	94.006	20-AC-10	178,918	-
AmeriCorps	94.006	20-AF-05	93,664	-
			330,342	-
Volunteer Generation Fund	94.021	21-VGF-12	13,246	-
Total Corporation for National and Community Service			343,588	-
<u>U.S. Department of Homeland Security</u>				
Direct Program				
COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		309,816	-
Assistance to Firefighters Grant	97.044		27,273	-
Total U.S. Department of Homeland Security			337,089	-
Total			\$ 24,589,498	\$ 123,640

City of Dubuque, Iowa

Notes to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the City of Dubuque, Iowa, (the City) under programs of the federal government for the year ended June 30, 2021. The information is presented in accordance with the 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). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, fund balance, or cash flows of the City.

Note 2 - 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, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Federal financial assistance provided to a subrecipient is treated as an expenditure when it is paid to the subrecipient.

Note 3 - Indirect Cost Rate

The City has not elected to use the 10% de minimis cost rate.

City of Dubuque, Iowa
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2021

Part I: Summary of the Independent Auditor's Results:

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	Yes
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No

Identification of major programs:

<u>Name of Federal Program</u>	<u>Federal Financial Assistance Listing/ CFDA Number</u>
Housing Voucher Cluster Section 8 Housing Choice Vouchers	14.871
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900
Highway Planning and Construction Cluster Highway Planning and Construction	20.205
Federal Transit Cluster Federal Transit - Formula Grants Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.507 20.526
Coronavirus Relief Fund	21.019
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

Part II: Findings related to Financial Statements

Significant Deficiency

2021-001 Significant Audit Adjustments

Criteria – A properly designed system of internal control over financial reporting allows entities to initiate, authorize, record, process, and report financial data reliably in accordance with generally accepted accounting principles.

Condition – During the course of our engagement, we proposed significant audit adjustments to intergovernmental receivables, unavailable revenues, and the schedule of expenditures of federal awards.

Cause – The City's existing internal controls over intergovernmental receivables, unavailable revenues, and the schedule of expenditures of federal awards assets are limited.

Effect – The effect of this condition was financial data not in accordance with generally accepted accounting principles.

Recommendation – We recommend the City increase review procedures over intergovernmental receivables, unavailable revenues, and the schedule of expenditures of federal awards.

Views of Responsible Officials – We agree with the auditor's comments. The City is in the process of implementing a new Enterprise Resource Planning (ERP) system, which will go live July 1, 2022. The new ERP system will have better management and controls over accounts payable, grants, accounts receivable, unearned revenue, and assets. The current ERP system lacks functionality and the procedures related to accounts payable, grants, accounts receivable, unearned revenue, and capital assets are all manual and compiled by reviewing invoices and receipts and compiling the information into spreadsheets.

Part III: Findings and Questioned Costs for Federal Awards

There were no findings and questioned costs to report.

City of Dubuque, Iowa
Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Part IV: Other Findings Related to Required Statutory Reporting

2021-IA-A Certified Budget – Disbursements during the year ended June 30, 2021 did not exceed the budget by function.

2021-IA-B Questionable Expenditures – We noted no expenditures that we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.

2021-IA-C Travel Expense – No expenditures of City money for travel expenses of spouses of City officials or employees were noted.

2021-IA-D Business Transactions – Business transactions between the City and City officials or employees are detailed as follows:

Name, Title, and Business Connection	Transaction Description	Amount
Mike Kerth, City employee, spouse is co-owner of Steve's Ace Hardware	Supplies	\$ 10,617
Gina Hodgson, City employee, spouse is Bob Hodgson	Crop Cover	2,400
Susan Faber, City Council Member is owner of Magoo's Pizza	Services	210

In accordance with Chapter 362.5(3)(j) of the Code of Iowa, the transactions with Gina Hodgson and Susan Faber do not appear to represent conflict of interest since the total transaction was less than \$6,000 during the fiscal year. The transactions with Mike Kerth may represent conflicts of interest since they were not entered into through competitive bidding in accordance with Chapter 362.5(3)(d) of the Code of Iowa.

2021-IA-E Restricted Donor Activity – No transactions were noted between the City, City officials, City employees, and restricted donors in compliance with Chapter 68B of the Code of Iowa.

2021-IA-F Bond Coverage – Surety bond coverage of City officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure the coverage is adequate for current operations.

Part IV: Other Findings Related to Required Statutory Reporting (continued)

2021-IA-G Council Minutes – No transactions were found that we believe should have been approved in the Council minutes but were not.

2021-IA-H Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the City's investment policy were noted.

2021-IA-I Revenue Debt – No instances of non-compliance with the provisions of the Sewage Disposal Works, Water Utility, or Stormwater Utility revenue debt resolutions were noted.

2021-IA-J Annual Urban Renewal Report – The annual urban renewal report was properly approved and certified to the Iowa Department of Management on or before December 1. However, we noted instances in which TIF debt balances did not reconcile with City records.

Recommendation – The City should implement additional preparation and review procedures relating to the Annual Urban Renewal Report.

Response – We agree with the auditor's comments. The following action will be taken to improve the situation. The annual TIF Debt Certification to the County and the Annual Urban Renewal Report will be prepared at the same time. A reconciliation will be done between both reports prior to submittal.

2021-IA-K Tax Increment Financing – The Special Revenue Tax Increment Financing Fund properly disbursed payments for TIF loans and rebates. However, we noted instances in which TIF debt balances did not reconcile with City records.

Recommendation – The City should implement additional preparation and review procedures relating to the annual TIF Debt Certification to the County.

Response – Additional staff will be trained on preparing the Tax Increment Financing certification of indebtedness so that an internal review can take place prior to submitting the report to Dubuque County.

2021-IA-L Solid Waste Tonnage Fees Retained – No instances of non-compliance with the solid waste fees used or retained in accordance with provisions of Chapter 455B.310 of the Code of Iowa by the Dubuque Metropolitan Area Solid Waste Agency, a component unit of the City, were noted.

2021-IA-M Financial Assurance – The Dubuque Metropolitan Area Solid Waste Agency, a component unit of the City, has demonstrated financial assurance for closure and postclosure care costs by establishing a local government dedicated fund as provided in 567-113.14(6) of the Iowa Administrative Code.