



*City of Sioux City, Iowa
Comprehensive Annual
Financial Report
Year Ended June 30, 2020*



Sioux City
Art Center

GILCHRIST LEARNING CENTER

www.sioux-city.org

COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
CITY OF SIOUX CITY, IOWA

FOR THE YEAR ENDED JUNE 30, 2020

PREPARED BY
FINANCE DEPARTMENT

CITY OF SIOUX CITY, IOWA
INTRODUCTORY SECTION

**CITY OF SIOUX CITY, IOWA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2020**

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THE COVER

This year's cover displays the Gilchrist Learning Center at 220 Pierce Street which opened in the fall of 2018. The Learning Center is part of the Sioux City Art Center, housing all of the Art Center's classes and workshops. Three of the four "cubes" feature art classrooms: four multipurpose classrooms that can be opened into two 1,600 square-foot spaces, and a pottery/clay studio. The fourth cube includes the education office, art materials storage room, and a smaller multipurpose space that is used for everything from lunches for summer art campers and birthday parties to meetings and conferences. The walls facing Pierce Street have become known as the "Drive-by Gallery." With about 100 feet of prime wall space, this space with floor-to-ceiling windows is designed for large, bold artworks created through collaborative efforts inside the Gilchrist Learning Center studios. The lawn between the Learning Center and Pierce Street, referred to as "Sculpt Park," is now home to a number of large-scale sculptures, capped by the John Henry sculpture titled *Sioux City*, freshly painted in blue in 2019.

ABOUT SIOUX CITY, IA

The City of Sioux City, the principal city of northwest Iowa and the county seat of Woodbury County, is located at the confluence of the Missouri and Big Sioux Rivers at the junction of the states of Iowa, Nebraska, and South Dakota. This Tri-State area is known as “Siouxland.”

Founded in 1854, Sioux City's roots go back to the days of the early fur traders. In the late 1800's, the City was a major transportation and marketing center in the Midwest, only behind St. Louis and Chicago. On April 28, 1953, voters of Sioux City approved the City Council and Manager form of government. In 1962, Sioux City was awarded the “All-America City” status by Look Magazine and the National Municipal League. Sioux City received the “All-America City” designation again in 1990.

The community has received many other high profile national rankings in recent years, including: #1 for Economic Development by Site Selection magazine for the third consecutive year; ranked in the top 10 Most Livable Small Cities by Smart Asset; listed as one of the safest cities in Iowa by the National Council for Home Safety and Security; ranked #6 for Small U.S. Metro Area with Most Energy Star Certified Buildings by EPA; Cone Park received the 2019 Outstanding Attraction Award in a metro area from Iowa Economic Development Authority and named Best New Tourist Attraction in Iowa by MSN; and 2018 Healthy Hometown Community, #5 in the 30 Great U.S. Cities for Older Americans by the Wall Street 24/7.

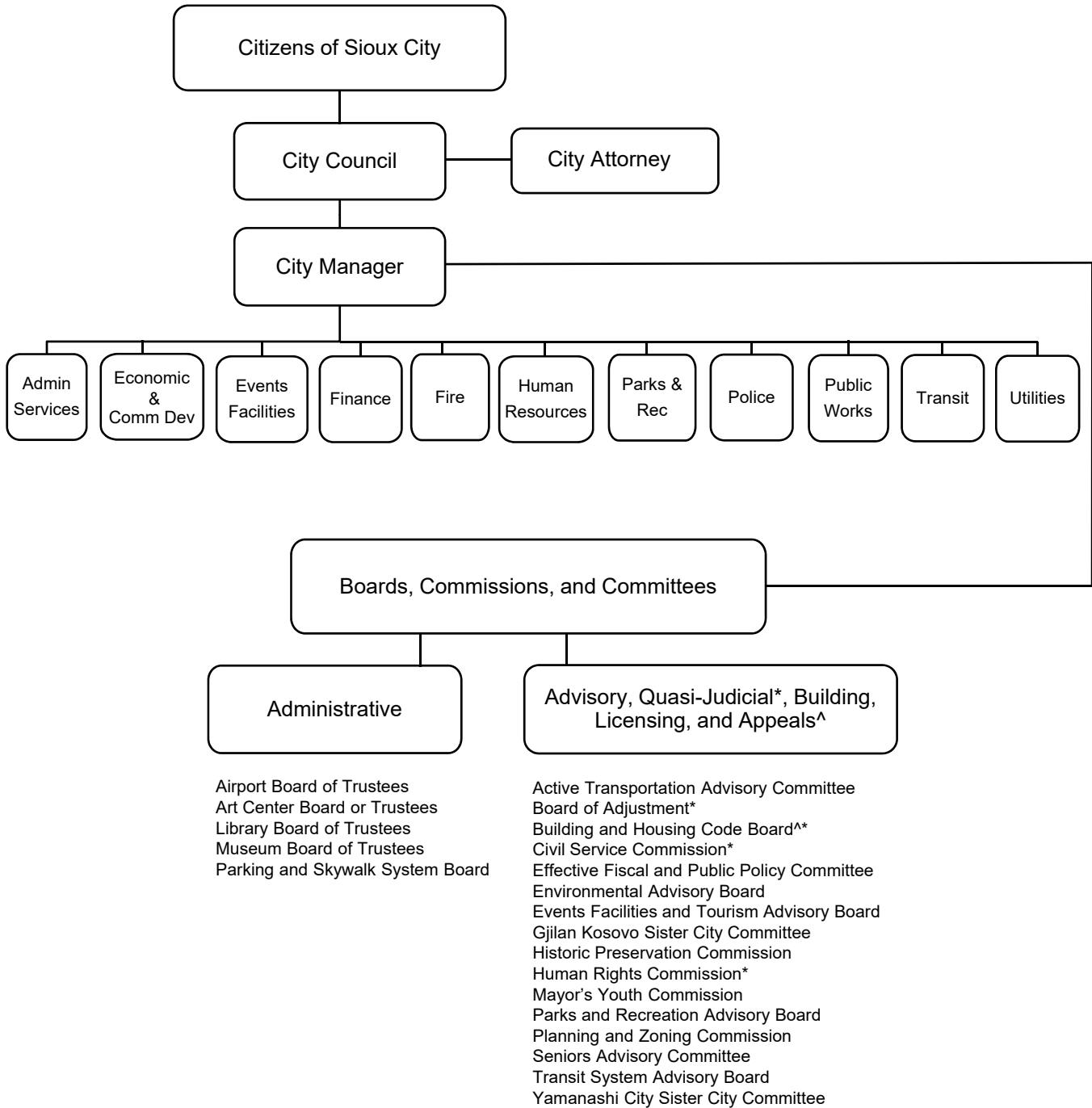
Sioux City is home to Saturday in the Park, one of the largest outdoor music festivals in the Upper Midwest, exciting sports action with USHL Hockey, Champions Indoor Football League and American Association Baseball. The new all seasons park, Cone Park, offers snow tubing and ice skating in the winter with trails and splashpad in the summer. And the LaunchPAD Children's Museum, Hard Rock Hotel & Casino, award-winning Art Center and interactive Public Museum are just a few of the fun activities to enjoy, along with two eclectic historic districts in downtown. Cultural events like the Sioux City Symphony and Broadway series along with very diverse ethnic dining choices set Sioux City apart from other Midwest cities.

Exciting new developments are underway with new investment in downtown including the Sioux City Reinvestment District, including the Siouxland Expo Center, Convention Center Hotel, Virginia Square, and Warrior Hotel; Riverfront Development Project and mixed-use development and market-rate housing; The Arena sports and recreation training complex; trail connectivity and more.

Today, Sioux City is the fourth largest city in the State of Iowa with more than 82,000 residents dedicated to economic development and productivity. That dedication is seen through our strong, Midwestern work ethic, high-quality education and importance placed on family and neighbors. Our top-notch quality of life includes one of the lowest costs of living and crime rates in the nation. The City currently serves as the regional hub for business, employment, industry, retail trade, medical care, educational opportunities and tourism in Northwest Iowa, Southeast South Dakota and Northeast Nebraska. More than 165,000 people live in the tri-state metropolitan area and has one of the strongest business climates in the nation.

Siouxland is also home to the headquarters of several national companies including Tyson Fresh Meats, Inc., Sioux Honey Association, American Pop Corn Company, Bomgaars, Aalfs Manufacturing, Gelita USA Inc, Wilson Trailer, Inc., Beef Products, Inc. (BPI), and Great West Casualty Company.

City Council Organizational Chart



SCHEDULE OF CITY OFFICIALS

June 30, 2020

Elected Officials

Term Expires

Mayor	Robert E. Scott	January 1, 2024
Mayor Pro Tem	Dan Moore	January 1, 2022
Council Member	Pete Groetken	January 1, 2022
Council Member	Alex Watters	January 1, 2022
Council Member	Julie Schoenherr	January 1, 2024

Council Appointed Officials

Date of Appointment

City Manager	Robert Padmore	February 3, 2014
City Attorney	Nicole DuBois	October 3, 2011

City Manager and Board Appointed Officials

Date of Appointment

Art Center Director	Todd Behrens	March 25, 2002
Assistant City Manager	Mike Collett	March 3, 2014
Economic/Community Development Director	Martin Dougherty	March 24, 2014
Finance Director	Teresa Fitch	May 26, 2020
Fire Chief	Tom Everett	October 13, 2008
Human Resources Director	Janelle Bertrand	August 24, 2016
Human Rights Commission Director	Karen Mackey	March 22, 2004
Library Director	Helen Rigdon	October 9, 2017
Museum Director	Steve Hansen	December 17, 2001
Parks and Recreation Director	Matthew Salvatore	August 25, 2014
Police Chief	Rex Mueller	September 1, 2017
Public Works Director	David Carney	March 7, 2016
Utilities Director	Mark Simms	September 4, 2015





Offices of the City Manager & Finance Director
City of Sioux City, Iowa
P O Box 447
Sioux City, IA 51102-0447
January 25, 2021

Honorable Mayor
Members of the City Council
Citizens of Sioux City, IA
City of Sioux City, IA

The comprehensive annual financial report of the City of Sioux City, Iowa for the fiscal year ended June 30, 2020 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. 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 of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities are included.

Generally Accepted Accounting Principles (GAAP) requires that the City provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the management 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's MD&A can be found immediately following the report of the independent auditors.

The financial statements and schedules included in this report reflect all the funds of the City in accordance with standards set by the Governmental Accounting Standards Board.

The City has established a comprehensive internal control framework that is designed to compile sufficiently reliable information for the preparation of the financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

The Code of Iowa requires an annual audit be made of the books of accounts, financial records and transactions of all administrative departments of the City by the State Auditor or by a Certified Public Accountant selected by the City Council. The audit for fiscal year 2020 was performed by Williams & Company, Certified Public Accountants. Williams & Company concluded that the City of Sioux City's financial statements for year ended June 30, 2020, are fairly presented in conformity with GAAP. Williams & Company's auditors' report is presented in the financial section of this report.

GOVERNMENT PROFILE

The City of Sioux City was incorporated in 1855, and is located in the northwest part of Iowa. The western border is the Missouri River and the City abuts the states of Nebraska and South Dakota. The City currently occupies a land area of 60 square miles and serves a population of 82,651 within the City and 169,405 in the metropolitan area.

The City is empowered to levy a property tax on real properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council. The City has operated under the council-manager form of

government since 1954. Policy-making and legislative authority are vested in a governing council consisting of the mayor and four other members. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, the City Attorney and the City Treasurer. The City Manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve four-year staggered terms and the mayor is separately elected. The City provides a full range of services.

The following schedule details the available services:

<u>Transportation</u>	<u>Fire Services</u>	<u>Police Services</u>	<u>Utilities</u>
Airport	Suppression	Patrol	Water
Transit	Prevention	Prevention	Sewer
	Training	Investigation	Solid Waste
	Hazardous Materials	Safety	Storm Sewer
	Paramedics		
<u>Public Works</u>	<u>Community Development</u>	<u>Culture</u>	
Streets/Bridges	Planning/Zoning	Art Center	
Traffic/Parking	Inspections	Museum	
Engineering	Housing	Library	
Cemeteries	Economic Development	Events Facilities	
	Property	Parks/Aquatics/Recreation	

The State Code of Iowa requires the adoption of an annual budget on or before March 31 of each year, which becomes effective July 1 and constitutes the appropriation for each program specified therein until amended. Any amendments to the City budget must be prepared and adopted in the same manner as the original budget. With the exception of capital improvement projects and encumbrances, all other appropriations, as adopted and amended, lapse at the end of the fiscal year. Encumbrances outstanding at year-end are reported as commitments of fund balances since they do not constitute expenditures or liabilities.

Annual budgets are adopted on the basis consistent with GAAP for all governmental funds. The City's budget is prepared on the modified accrual basis of accounting. The legal level of budgetary control is mandated by State law at the program structure level for all funds rather than at the individual fund level. The City maintains control over the program structure by reviewing estimated purchase amounts prior to release of purchase orders. Purchases orders are encumbered and open encumbrances are reported as reservations of fund balances at June 30.

The Finance Department is responsible for establishing and maintaining internal control designed to ensure that the assets of the City are protected from loss, theft or misuse. The Department also ensures that adequate data is compiled to allow for the presentation of financial statements in conformity with GAAP. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The City continues to demonstrate its responsibility for sound financial management through the statements and schedules included in the financial section of this report.

ECONOMIC CONDITION

LOCAL ECONOMY

A number of major initiatives and business expansions continue to have a positive impact on the economy of Sioux City and the Siouxland region bringing new jobs, increased economy activity and significant growth in the property tax base. The \$400 million expansion of Interstate 29 into six-lanes was completed in the fall of 2020. Industrial projects including the announcement of a \$25 million Sabre Industries galvanizing plant and the completion of a \$12 million expansion of Al Haynes Drive through Expedition Business Park opened new development land and will assist with the continued growth of the area. Sioux City's largest employer, Seaboard Triumph Foods, also opened its second shift with over 2,000 employees.

The completion of several projects in downtown Sioux City will provide a positive economic impact for years to come, including a \$70 million redevelopment of the historic Warrior and Davidson buildings into a boutique hotel, commercial uses, and luxury apartments; a \$35 million development of Virginia Square by Ho-Chunk, Inc. (HCI) Real Estate consisting of the redevelopment of two historic industrial buildings and construction of two new buildings into mixed-use retail, commercial, and market-rate residential uses, as well as a new hotel, all located along the Virginia Street entrance off I-29; a \$26 million upgraded Convention Center complex with construction of an attached all new five-story, 150 room Courtyard by Marriott hotel, convention center upgrades, and a new parking deck, complementing the Historic Fourth Street District; and a new \$15 million Siouxland Expo Center designed to provide quality flexible spaces for agricultural, recreational and major community events, as well as enhance the overall tourism appeal of the community. Sioux City has several investors interested in investing in the City's three designated Opportunity Zones and at least two projects using Opportunity Zone Funds are underway in downtown. A \$3 million renovation of an existing building into The Arena Sports Academy is providing year-round athletic opportunities for youth throughout the region.

The Sioux City area has received numerous accolades over the years, most recently including:

- Sioux City ranked #15 Hottest U.S. Job Market in metros with fewer than 1 million people - *Wall Street Journal*
- Sioux City MSA recognized as the Top Economic Development Community for populations under 200,000 (8th time since 2007 that the MSA ranked first in the nation in its population category) - Site Selection
- Smart Asset ranked Sioux City as one of the Top 10 Most Livable Small Cities in the U.S.
- Sioux City is 1 of 4 communities in the nation to have Police, Fire, EMS and Communications accreditations
- Sioux City nationally recognized for rapid rise in home values over the last decade (#1 in Iowa) - *LendEDU*

Sioux City is faced with the challenge of minimizing property taxes, meeting current obligations, and increasing quality of life, all while the current costs of providing public services continue to rise. Notable challenges in providing services have included increasing salary and benefit obligations and decreasing federal and state funding. Road maintenance continues to be an area of particular importance due to significant increases in construction costs but inadequate growth in State Road Use Tax funding. However, successful economic development initiatives are working to offset these challenges by increasing the City's property tax base or stimulating the economy through different measures. The following is a summary of some of the major projects currently underway:

- Merge Development is constructing a new \$7 million 5-story mixed-use building on 4th Street to include 56 residential units and roughly 6,600 SF of commercial space.
- Nelson Construction is investing \$12 million to renovate the Benson Building in downtown Sioux City into mixed-use, including 65 new market-rate residential units and first floor commercial space.
- The City finalized the purchase of the Badgerow Building and following an RFP process, selected Clarity Development of Omaha for the project. Plans include a \$23 million redevelopment with 71 market-rate apartments and three floors of commercial space.

- A \$22 million redevelopment of the Commerce and Hatch buildings by J Development into mixed-use retail, commercial and 107 new market-rate residential units.
- Construction of District 42 in Sunnybrook has begun, a new \$20 million development, with 215 housing units, indoor parking, a community room, fitness center and pool.
- The Chris Larsen Park Riverfront Redevelopment project, a plan to redevelop 23 acres of riverfront are near downtown, is underway. Outdoor amenities included in the plan are: Stockyards Garden Plaza, Yoga Lawn, Event Lawn, Exploration Ridge with soft surface playground for children, two pavilions/plazas, two basketball courts, a dog park, regional trail and fountain.

LONG-TERM FINANCIAL PLANNING

The City Council and administration considers the long-term impact of all financial matters. Finance staff prepares detailed analysis periodically throughout the year that involves five to seven-year forecasts for each of the City's major funds. Projected fund balances are reviewed to ensure they meet minimum fund balance policies. These forecasts are integral to the development of the annual operating budget and annually approved capital improvements program (CIP) budget. The CIP budget is a five-year plan of major capital expenditures and includes all corresponding revenue sources.

The City of Sioux City monitors debt capacity closely to ensure a proper level of available debt capacity and adjusts borrowings as necessary. The City continues to maintain high credit ratings from both Standard & Poor's (AA) and Moody's Investor Service (Aa2). Among the reasons cited by the rating agencies for the high ratings include very strong budgetary flexibility, strong reserves, very strong management conditions and financial practices, stable and diverse tax base, and having a long trend of balanced General Fund operations.

RELEVANT FINANCIAL POLICIES

The City of Sioux City abides by its adopted debt policy. The policy states:

It shall be the policy of the City of Sioux City, Iowa to maintain a debt policy which will provide for proper planning of capital expenditures, financing requirements, and guidelines for the issuance of various debt instruments. The results help secure favorable rating and competitive lower interest costs on all types of borrowing instruments; thereby holding borrowing costs to a minimum and providing a savings to all taxpayers.

It is the City's desire and direction to assure that such debt obligations are issued and administered in such a fashion as to obtain the best long-term financial advantage to the City and its residents, while making every effort to maintain and improve the City's bond ratings and reputation in the investment community.

The City reviews its debt capacity each budget year to ensure that it complies with State law, and is at a level that will allow sufficient development projects in the community, while still able to respond to emergencies or unforeseen opportunities. The City adjusts its borrowings or postpones issuance of debt as necessary to abide by its debt policy. The State debt limit is 5% of assessed value, however the City has a self-imposed limit of 70% of the state imposed limit. If the 70% level will be exceeded, the additional debt issuance is to be tied directly to an Economic Development project which will generate an adequate payment to cover the debt service. The City is currently at 61.65% of its debt capacity.

To ensure a proper level of cash reserves, the City abides by its fund balance policies established for major funds. The General Fund policy states that the minimum unreserved General Fund balance, as a percentage of actual expenditures, will be no less than 12%. To avoid balances in excess of the level deemed sufficient for prudent fiscal management, the General Fund balance will not exceed 20%. The Enterprise Fund policy states that, on a cash basis, fund balance shall be no less than 15% and no more than 20% of operating expenses.

MAJOR INITIATIVES

Sioux City invests in a wide array of capital improvement projects each year. These projects are primarily funded by issuing bonds, with State Revolving Fund loans, or through grant proceeds. Bonds are typically paid back over a period of 10 years with interest paid every six months.

In fiscal year 2020 the City spent about \$69 million on capital improvement projects. The largest projects were: Runway 17/35 reconstruction at airport \$14.2 million, Waste Water Treatment Plant rehabilitation \$11.7 million, Military Road Bridge \$5.3 million, Annual Resurfacing \$4.8 million, Hard Rock Hotel and Casino and Tyson Events Center parking ramp \$3 million, Lewis & Clark facility upgrade and parking lot \$2.4 million, Bridgeport West Improvements \$2.3 million and Convention Center renovations and parking ramp \$1.8 million.

The City has several significant capital improvements planned for fiscal year 2021. The City has planned for over \$16.8 million in street maintenance projects which includes \$8.6 million for annual infrastructure, \$4.0 million for annual resurfacing, \$9.0 million for riverfront upgrades, \$1.0 million for off-site infrastructure for new school sites. Additionally, the City plans to spend \$4.0 million on runway and other improvements at the Sioux Gateway Airport, and \$11.2 million on Waste Water Treatment Plant asset renewal and modifications.

The City continues to pursue development opportunities in areas of the City where growth and expansion prospects exist. The Northern Valley Crossing area on Floyd Boulevard will continue to grow with prospectively interested businesses and Sunnybrook Plaza continues to expand. The Southbridge and Bridgeport Business Parks continue to grow and are premier locations for large-scale industrial and commercial projects.

AWARDS AND ACKNOWLEDGEMENTS

Certificate of Achievement - 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 for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019.

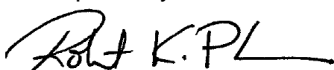
To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Sioux City, Iowa has received a Certificate of Achievement every year since fiscal year 1984 except for fiscal year 1996 and 1998. We believe that our current report continues to conform to the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate. The fiscal year 1996 report's production was delayed past the submittal deadline because of the City's financial application software change at the beginning of the fiscal year. The fiscal year 1998 report's production was delayed past the submittal deadline because of changes in personnel and software.

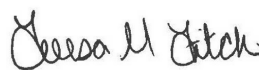
Acknowledgment - The preparation and completion of the 2020 Comprehensive Annual Financial Report was made possible by the dedicated service of the Finance Department employees. Each member of the Department has our sincere appreciation for the contributions they made toward this report. Sioux City is very fortunate to have such excellent, versatile and dedicated people.

In closing, without the leadership and support of the City Council, the preparation of this report would not have been possible.

Respectfully Submitted,



Robert Padmore
City Manager



Teresa Fitch
Finance Director





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Sioux City
Iowa**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

CITY OF SIOUX CITY, IOWA
FINANCIAL SECTION



4280 Sergeant Rd, Suite 250
P.O. Box 298
Sioux City, IA 51102
Phone (712) 252-5337
www.williamscpas.com

INDEPENDENT AUDITORS' REPORT

The Mayor and Members of the
City Council
City of Sioux City, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the CITY OF SIOUX CITY, IOWA (the City), as of and for the year ended June 30, 2020, 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit includes 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 the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sioux City, Iowa as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedule of Proportionate Share of Net Pension Liability, Schedule of Contributions and Schedule of changes in the City's Total OPEB Liability and Related Ratios on pages 5 through 20 and 90 through 96 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the year ended June 30, 2019, (which are not presented herein) and expressed unmodified opinions on those financial statements. The introductory section, other financial information, combining nonmajor fund financial statements, schedule of expenditures of passenger facility charges, continuing disclosures and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for

purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining nonmajor fund financial statements, schedule of expenditures of passenger facility charges, 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, schedule of expenditures of passenger facility charges, 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, other financial information, continuing disclosures and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2021, on our consideration of the City of Sioux City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Sioux 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 of Sioux City's internal control over financial reporting and compliance.

Williams & Company, P.C.
Certified Public Accountants

Sioux City, Iowa
January 15, 2021





Management Discussion and Analysis

June 30, 2020

This discussion and analysis of the City of Sioux City's financial performance provides an overview of the City's financial activities for the fiscal year ending June 30, 2020. We encourage the readers to consider the information presented here in conjunction with the additional information furnished in our letter of transmittal on page xi and the City's financial statements which follow this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Sioux City exceeded its liabilities and deferred inflows of resources at June 30, 2020, by \$555,553,670.
- The City's net position increased by \$24,166,437 during the year. Of this amount, the net position of Governmental Activities increased \$9,252,382 net position of Business-Type Activities increased \$14,914,055
- The largest factors contributing to the increase in net position were: amount by which capital outlays exceeded depreciation, \$17,395,411 excess of Water Fund revenues over expenses and transfers out in the amount of \$4,106,060, excess of Airport Fund revenues over expenses and transfers out in the amount of \$10,595,378.
- The City's long-term debt increased \$4,994,368 (1.8%). General obligation bonds outstanding increased \$45,001 (0.0%) to \$149,055,001 and notes payable outstanding increased \$4,949,367 (3.9%) to \$132,523,521.

OVERVIEW OF THE FINANCIAL STATEMENTS

In addition to the Management Discussion and Analysis, this annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government. An additional part of the basic financial statements are the notes to the financial statements. This report contains required supplementary information and other supplementary information in addition to the basic financial statements.

REPORTING THE CITY AS A WHOLE

The Statement of Net Position and the Statement of Activities

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

One of the most important questions asked about the City's finances is, "Is the City of Sioux City in a better financial position at the end of this fiscal year, compared to last year?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, which is the method of accounting used by most private-sector companies. These two statements report the City's net position, which is calculated as assets plus deferred outflows minus liabilities and deferred inflows, as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Additional factors, such as changes in the City's property tax base and sales tax collections and condition of the City's infrastructure are also important in making this determination.

In the Statement of Net Position and the Statement of Activities, we have divided the City into two kinds of activities:

- **Governmental Activities** - Most of the City's basic services are reported here, such as Police, Fire, Public Works and Parks departments, and General Administration. Property taxes and state and federal grants finance most of these activities.
- **Business-Type Activities** - The City charges fees to customers to cover the cost of these services. Included here are the City Water, Sewer, Solid Waste, Airport, Skyway and Parking Funds.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by State law or by bond requirements. The City Council also establishes funds to control and manage money for particular purposes (such as construction projects) and to show that it is properly using certain revenues (such as Sales Tax Revenues). The City has the following types of funds:

- **Governmental Funds** - Most of the City's basic services are included in governmental funds, which focus on how money moves into and out of these funds and the balances left at year-end that are available for spending. These funds are reported using the "modified accrual basis" of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general governmental operations and basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance City programs. We describe the relationship between governmental activities (reported in the Statement of Net Position and

the Statement of Activities) and governmental funds in a reconciliation following each Governmental Fund financial statement.

- **Proprietary funds** - When the City charges customers for the service it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The major difference between the proprietary funds report and the business-type activities reported in the government-wide statements is the detail and additional information, such as cash flows, provided in the proprietary funds report.

THE CITY AS TRUSTEE

Reporting the City's Fiduciary Responsibilities

Fiduciary funds are used to account for resources held for the benefit of parties outside the City government. The City is the trustee, or fiduciary, for the Woodbury County Information and Communications Commission funds which can be used only for the trust beneficiaries. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found behind the Fiduciary funds statements.

THE CITY AS A WHOLE

As stated earlier, net position may serve over time as a useful indicator of a government's financial position. The largest part of the City's net position reflects its investment in capital assets (land, buildings and improvements, and equipment); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following comparison chart shows the changes in net position for the years ended June 30, 2020, and 2019:

	Governmental Activities	
	2020	2019
Current and Other Assets	\$ 192,308,972	\$ 190,750,005
Capital Assets	<u>447,196,178</u>	<u>430,591,456</u>
Total Assets	639,505,150	621,341,461
OPEB Related Deferred Outflows	508,881	195,755
Pension Related Deferred Outflows	<u>15,738,774</u>	<u>17,416,770</u>
Total Deferred Outflows of Resources	16,247,655	17,612,525
Other Liabilities	18,363,039	16,418,526
Long-Term Liabilities Outstanding	<u>209,365,273</u>	<u>207,126,245</u>
Total Liabilities	227,728,312	223,544,771
Deferred Inflows – Property Taxes	57,638,208	56,468,273
Deferred Inflows – OPEB Related	1,211,903	131,030
Deferred Inflows – Pension Related	<u>5,048,509</u>	<u>3,936,421</u>
Total Deferred Inflows of Resources	63,898,620	60,535,724
Net Position:		
Net Investment in Capital Assets	331,227,875	319,410,307
Restricted	56,573,051	60,687,507
Unrestricted	<u>(23,675,053)</u>	<u>(25,224,323)</u>
Total Net Position	<u>\$ 364,125,873</u>	<u>\$ 354,873,491</u>

This summary reflects an increase in total net position of 2.61% for the governmental activities and an increase of 8.45% in the business-type activities.

The restricted portion of net position (10.20%) is subject to external restrictions on how these resources may be used.

The governmental activities total net position increased by \$9,252,382 during the current fiscal year which can be attributed to revenues outpacing expenses and capital outlays exceeding depreciation.

Business-Type Activities		Totals	
2020	2019	2020	2019
\$ 24,036,276	\$ 33,602,533	\$ 216,345,248	\$ 224,352,538
335,932,996	314,261,945	783,129,174	744,853,401
359,969,272	347,864,478	999,474,422	969,205,939
---	---	508,881	195,755
1,093,272	1,324,837	16,832,046	18,741,607
1,093,272	1,324,837	17,340,927	18,937,362
9,739,915	6,816,437	28,102,954	23,234,963
159,043,529	165,371,135	368,408,802	372,497,380
168,783,444	172,187,572	396,511,756	395,732,343
---	---	57,638,208	56,468,273
---	---	1,211,903	131,030
851,303	488,001	5,899,812	4,424,422
851,303	488,001	64,749,923	61,023,725
187,267,289	170,374,605	518,495,164	489,804,912
84,389	---	56,657,440	60,687,507
4,076,119	6,119,137	(19,598,934)	(19,105,186)
<u>\$ 191,427,797</u>	<u>\$ 176,513,742</u>	<u>\$ 555,553,670</u>	<u>\$ 531,387,233</u>

Governmental activities increased 2.61% while Business-Type Activities increased 8.45%. Details of the changes in net position are shown as follows:

Revenue Source	Governmental Activities	
	2020	2019
Program Revenues:		
Charges for Services	\$ 21,855,227	\$ 25,049,979
Operating Grants and Contributions	28,198,722	25,873,503
Capital Grants and Contributions	14,059,655	12,767,812
Total Program Revenues	64,113,604	63,691,294
General Revenues :		
Property Taxes	56,377,657	56,584,131
Franchise Taxes	5,706,527	6,220,468
Hotel-Motel Taxes	1,907,361	1,998,188
Local Option Sales Taxes	12,911,978	13,174,477
Interest	2,081,678	2,443,660
Revenue from the Sale of Uncapitalized Property	513,242	657,578
Miscellaneous	1,842,312	1,204,834
Net Gain on Sale of Capital Assets	692,998	1,014,385
Total General Revenues	82,033,753	83,297,721
Total Revenues	146,147,357	146,989,015
Expenses:		
Public Safety	51,099,575	45,985,924
Public Works	24,355,388	31,626,002
Culture and Recreation	16,420,491	17,719,144
Community and Economic Development	27,315,653	15,565,420
General Government	10,984,848	10,900,487
Debt Service	6,903,354	6,274,198
Airport	---	---
Water	---	---
Sewer	---	---
Solid Waste	---	---
Parking	---	---
Skyway System	---	---
Total Expenses	137,079,309	128,071,175
Increase in Net Position Before Transfers	9,068,048	18,917,840
Transfers	184,334	(1,711,368)
Increase in Net Position	9,252,382	17,206,472
Net Position - Beginning of Year	354,873,491	337,667,019
Net Position	\$ 364,125,873	\$ 354,873,491

Business-Type Activities		Totals	
2020	2019	2020	2019
\$ 54,130,572	\$ 50,998,247	\$ 75,985,799	\$ 76,048,226
163,987	42,404	28,362,709	25,915,907
12,533,605	3,179,981	26,593,260	15,947,793
66,828,164	54,220,632	130,941,768	117,911,926
---	---	56,377,657	56,584,131
---	---	5,706,527	6,220,468
---	---	1,907,361	1,998,188
---	---	12,911,978	13,174,477
627,835	896,470	2,709,513	3,340,130
---	---	513,242	657,578
343,325	293,364	2,185,637	1,498,198
---	---	692,998	1,014,385
971,160	1,189,834	83,004,913	84,487,555
67,799,324	55,410,466	213,946,681	202,399,481
---	---	51,099,575	45,985,924
---	---	24,355,388	31,626,002
---	---	16,420,491	17,719,144
---	---	27,315,653	15,565,420
---	---	10,984,848	10,900,487
---	---	6,903,354	6,274,198
4,840,190	4,610,625	4,840,190	4,610,625
17,529,700	16,878,942	17,529,700	16,878,942
21,948,181	26,377,872	21,948,181	26,377,872
5,999,629	5,752,295	5,999,629	5,752,295
1,841,475	1,425,315	1,841,475	1,425,315
541,760	437,348	541,760	437,348
52,700,935	55,482,397	189,780,244	183,553,572
15,098,389	(71,931)	24,166,437	18,845,909
(184,334)	1,711,368	---	---
14,914,055	1,639,437	24,166,437	18,845,909
176,513,742	174,874,305	531,387,233	512,541,324
\$ 191,427,797	\$ 176,513,742	\$ 555,553,670	\$ 531,387,233

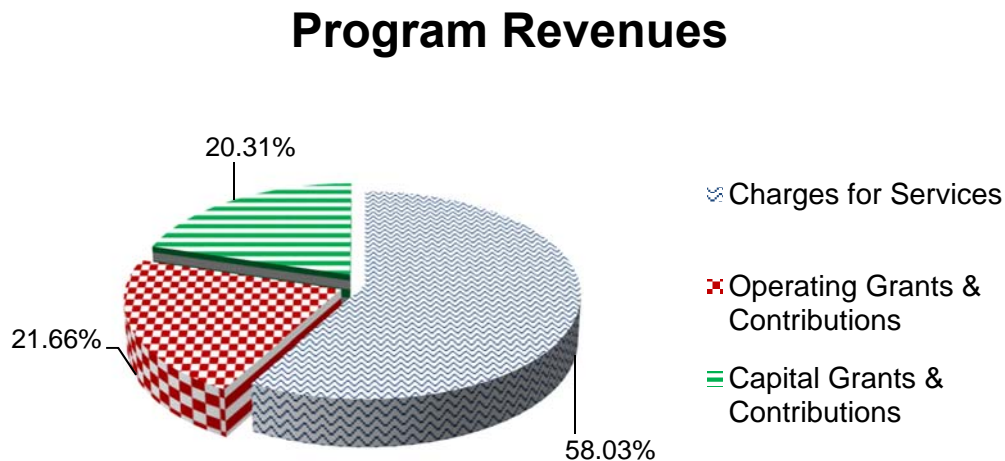
Program revenues totaled \$130,941,768 for fiscal year 2020. Governmental Activities provided \$64,113,604 and Business-Type Activities provided \$66,828,164. Revenue collected for Charges for Services during fiscal year 2020 was \$75,985,799 accounting for approximately 58% of the total program revenues.

Governmental charges for services decreased about \$3.1 million. Items contributing were a decrease of \$1.5 million in the Internal Service fund due to lower fuel prices and lower service revenue in the Central Maintenance garage and in the Comprehensive Insurance Fund, charges for service decreased \$1.1 million due to giving the departments allowances on insurance premium costs.

Governmental operating grants and contributions increased about \$2.3 million. Operating grants increased \$2.6 million in General service due to receiving a grant from the Local Government Relief Fund for COVID-19 related expenses.

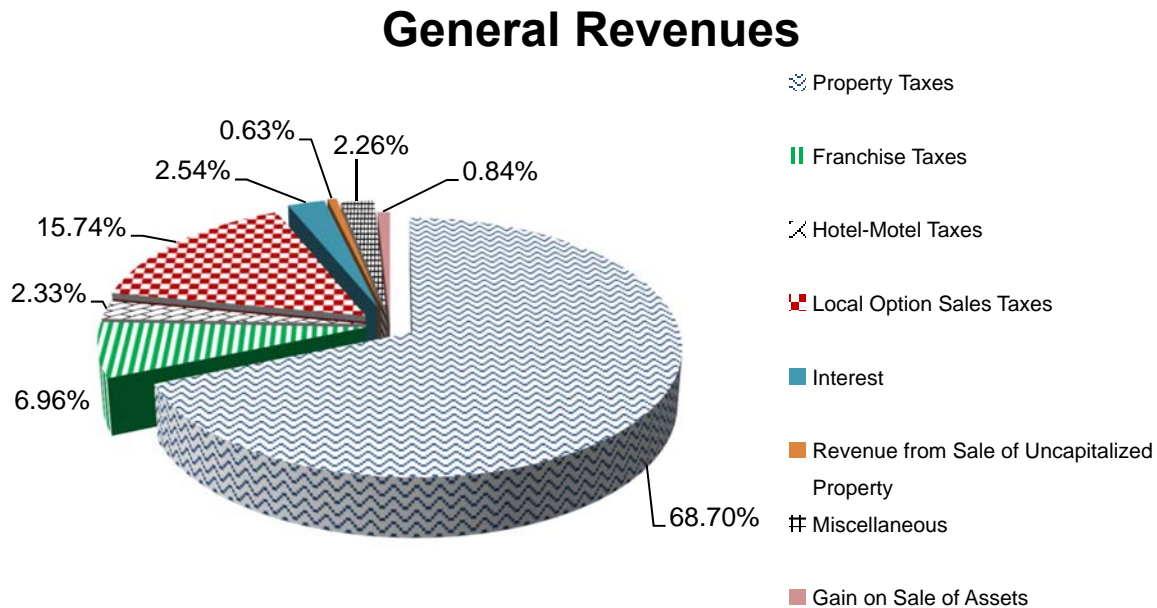
Governmental capital grants and contributions increased to about \$1.2 million. Public Works capital grants and contributions increased \$3.3 million primarily due to \$1.7 million additional funds received from the Hard Rock Hotel & Casino, \$1.0 million received from MRHD and \$1.1 million from Seaboard Triumph foods. Culture and Recreation capital contributions increased \$.5 million primarily due to \$1.4 million additional funds received from the Transportation Alternative Grant and received \$.8 million less in contributions for the Morningside library reconstruction and for the Gilchrist Learning Center. Community and Economic Development decreased \$1.9 million due to receiving less contributions from Hard Rock Hotel & Casino for the 3rd and Pearl parking ramp completed in May. In the Business-Type funds, Airport capital grants increased \$9.3 million mainly due to an increase of \$9 million from the Federal Aviation Administration (FAA) and an increase of \$.3 from the state of Iowa.

The following chart breaks down program revenues by source:



General Revenues for fiscal year 2020 totaled \$83,004,913 which is \$1,482,642 less than fiscal year 2019. Governmental Activities provided \$82,033,753 and Business-Type Activities provided \$971,160. Property tax revenues for fiscal year 2020 totaled \$56,377,657, accounting for 67.9% of General Revenues. Property tax revenues were \$206,474 lower than fiscal year 2019. Franchise taxes decreased \$513,941. Local Option Sales taxes decreased \$262,499, while hotel and motel taxes decreased \$90,827.

The following chart breaks down General Revenues by source:



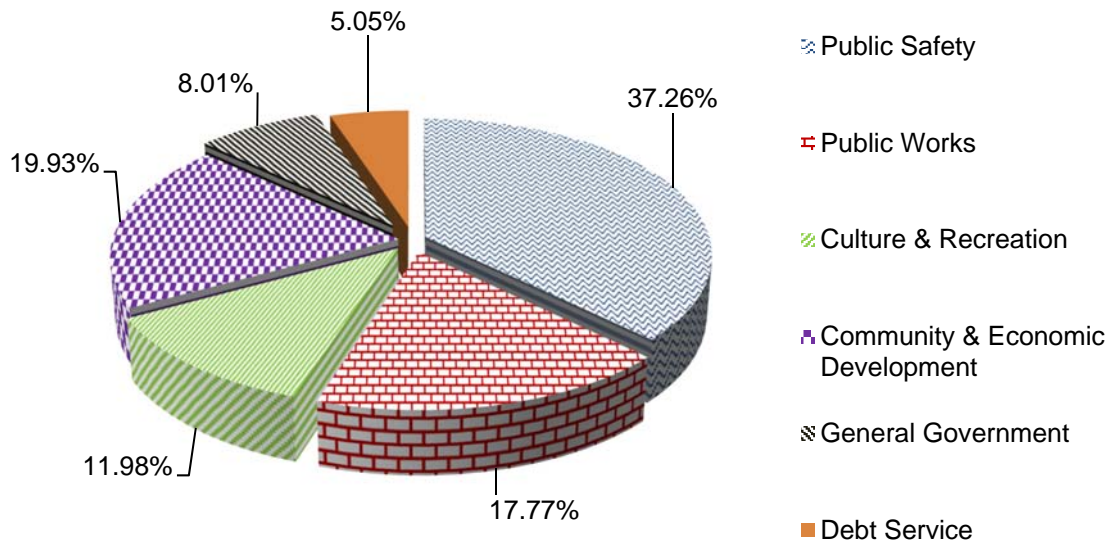
Expenses for fiscal year 2020 totaled \$189,780,244, an increase of \$6,226,672 from fiscal year 2019. Expenses for Governmental Activities totaled \$137,079,309 accounting for 72% of total expenses. Business-Type Activity expenses totaled \$52,700,935 for 28% of the total.

Public Safety expenses increased \$5.1 million primarily due to increased contributions to Municipal Fire and Police Retirement System of Iowa (MPRSI) and increased contribution to Iowa Public Employees' Retirement System (IPERS). Public Works expenses decreased \$7.2 million due more capital projects were capitalized as fixed assets. Water expenses increased \$.6 million primarily due to \$0.5 million in increased repairs and improvement expense. Sewer expenses decreased \$4.1 million mainly due to \$3.0 million decrease in Bad Debt expense for the Big Ox utilities account.

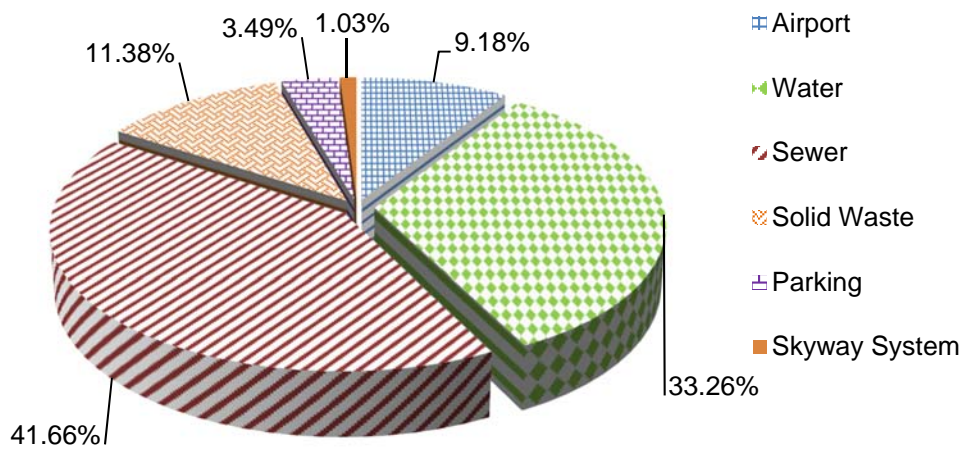
The expenses are shown on the following page:

The following table shows the activities included within each program level:

Governmental Expenses



Business-Type Expenses



Program Level	Activity
Public Safety	Individual and Community Protection, Physical Health
Public Works	Public Service, Utilities, Transportation
Culture and Recreation	Education and Culture
Community and Economic Development	Housing and Community Development
General Government	Policy and Administration
Debt Service	Debt

Governmental Activities

To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses and Changes in Fund Balance. Please note that the expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense) Revenue calculation. This format highlights the respective financial burden that each of the functions place on the taxpayers. For example, for Public Safety, the City spent \$51,099,575 and received \$6,691,714 in revenue thus leaving a cost to the taxpayer of \$44,407,861 to be funded by various methods. This format also identifies how much each function draws from general revenues or is self-financing through fees or grants. Some of the individual line item revenues reported for each function are:

Public Safety	Fines, COPS Grants, Block Grants
Community and Economic Development	HUD Grants, Building Permits, Licenses
General Government	Internal Service – Charges for Services

The total cost of governmental activities this year was \$137,079,309. Of these costs, \$21,855,227 was paid by those who directly benefited from the programs. Costs paid by other governments and organizations that subsidized certain programs with grants and contributions were \$42,258,377, leaving a Net Expense of \$72,965,705 for governmental activities. These expenses were covered with tax revenues, interest and other general revenues. The Statement of Activities in the financial section provides further detail. The Net (Expense) Revenue by governmental activity is shown in the following table:

<u>Functions/Programs</u> <u>Governmental Activities</u>	<u>Net (Expense) Revenue</u>	
	<u>FY20</u>	<u>FY19</u>
Public Safety	\$ (44,407,861)	\$ (42,041,754)
Public Works	5,502,089	(5,762,725)
Culture & Recreation	(13,067,142)	(14,685,855)
Community & Economic Development	(17,148,973)	(2,525,113)
General Government	2,363,352	5,355,997
Debt Service	(6,207,170)	(4,720,431)
Total Net (Expense) Revenue Government Activities	(72,965,705)	(64,379,881)
General Revenues & Transfers	82,218,087	81,586,353
Change in Net Position	\$ 9,252,382	\$ 17,206,472

Total resources available during the year to finance governmental operations were \$501,205,182, consisting of Net Position at July 1, 2019, of \$354,873,491, Program Revenues of \$64,113,604, General Revenues of \$82,033,753 and Transfers of \$184,334. Total Governmental Activities during the year expended \$137,079,309; thus, Net Position was increased by \$9,252,382 to \$364,125,873.

Business-Type Activities

Business-type activities increased the City's net position by \$14,914,055.

The cost of all Proprietary activities this year was \$52,700,935. As shown in the Statement of Activities, the amounts paid by users of the systems was \$54,130,572, and \$12,697,592 was funded from grants and contributions, resulting in total net gain for business-type activities of \$14,127,229. As discussed in the revenue section, Airport capital grants increased \$9,353,624, while operating grants decreased \$2,985 from the Federal Aviation Administration (FAA) for airport capital improvements and operations.

The Net (Expense) Revenue by Business-Type Activity is shown in the following table:

<u>Business-Type Activities</u>	<u>Net (Expense) Revenue</u>	
	<u>FY20</u>	<u>FY19</u>
Airport System	\$ 9,702,116	\$ 790,435
Water System	2,840,961	2,651,512
Sewer System	2,204,922	(4,491,580)
Solid Waste System	(23,686)	(84,988)
Parking	(519,944)	(85,092)
Skyway System	(77,140)	(42,052)
Total Net (Expense) Revenue Business-Type Activities	14,127,229	(1,261,765)
General Revenues & Transfers	786,826	2,901,202
Change in Net Position	\$ 14,914,055	\$ 1,639,437

Total resources available during the year to finance Proprietary Fund activities were \$244,128,732 consisting of Net Position at July 1, 2019 of \$176,513,742, program revenues of \$66,828,164 General Revenues of \$971,160 and transfers of (\$184,334). Total Proprietary Fund Activities during the year expended \$52,700,935, thus Net Position was increased by \$14,914,055 to \$191,427,797.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. 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 financing requirements. Fund balances that are not categorized as non-spendable, restricted, or committed may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year. The City's governmental funds reported combined ending fund balances of \$89,769,971 a total decrease of \$7,399,835 from the prior year.

The General Fund is the primary operating fund of the City. The fund balance of \$12,747,260 is approximately 21.7% of expenditures, which is at the upper end of the City's goal of a fund balance between 12% and 20% of expenditures. During the year, revenues and transfers in exceeded expenditures and transfers out in the general fund by \$2,253,555, an increase of \$1,872,368 from fiscal year 2019. Tax revenues decreased \$322,831 due to less collections. Regulatory fees increased \$2.8 million due to increased ticket revenue from the Redflex Speed cameras located along Interstate 29.

The Debt Service Fund is used to account for and report the accumulation of financial resources that are restricted, committed, or assigned for the payment of general long-term debt principal, interest and related costs. The fiscal year 2020 fund balance decreased \$5,065,544. Tax revenues decreased \$1.45 million due to an decrease in the debt service fund property tax levy. All the fund balance is restricted for debt service.

The Capital Improvements Fund accounts for and reports all financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities, excluding those financed by Proprietary Funds and Fiduciary Funds. Intergovernmental revenue increased \$2.8 million primarily due additional funds received from Iowa Department of Transportation (IDOT) for the Military Road Reconstruction, Bluff Rd Bridge reconstruction, I-29 Trail Relocation and Myrtle Street Reconstruction. Contributions revenue decreased \$0.6 million due to receiving \$0.7 million less towards the Gilchrist Learning Center. Contributions from the Hard Rock Hotel and Casino for the parking ramp decreased by \$2 million while contributions for the riverfront development increased by \$1.1 million and for the Bridgeport Area Improvements increased by \$1 million. Capital expenditures decreased \$.1 million, while debt proceeds decreased \$4.3 million, both due to the timing of construction and development projects in which funds are borrowed in one fiscal year and spent in another fiscal year.

The Enterprise Funds, which account for operations that are similar to a private business, had a net position increase of \$14,914,055 in fiscal year 2020. The funds with the largest net position increases were the Airport Fund and the Water Fund. Water Fund charges for service increased due to increased rates and usage. Water fund operating expenses increased due to higher employee services and increased depreciation expense. Airport capital grants increased \$9,353,624, while operating grants decreased \$2,985 from the Federal Aviation Administration (FAA) for airport capital improvements and operations. Airport expenses increased \$218,451, mainly from an increase in Repairs & Improvements. Sewer fund operating expenses decreased due to lower bad debt expense. Interest income decreased in the Water, Sewer, and Airport fund due to lower investment returns.

GENERAL FUND BUDGETARY HIGHLIGHTS

Comparing the fiscal year 2020 original (adopted) General Fund amount of \$72,470,228 to the final budget amount of \$93,739,496, shows a net increase of \$21,269,268.

Original Budget	Encumbrances	Beginning Balance	Supplemental Changes	Final Budget
\$72,470,228	\$368,851	\$72,839,079	\$20,900,417	\$93,739,496

The following table shows the General Fund budget variances by program structure:

	Amended Budget	Actual	Variance Over (Under) Amended Budget
<u>EXPENDITURES</u>			
Public Safety	\$ 47,382,212	\$ 43,317,160	\$ (4,065,052)
Public Works	2,811,187	1,576,994	(1,576,994)
Culture & Recreation	14,047,618	9,753,815	(4,293,803)
Community & Economic Development	2,160,976	1,133,786	(1,027,190)
General Government	9,858,767	3,051,116	(6,807,651)
	76,260,760	58,832,871	(17,427,889)
Transfers Out	17,478,736	11,046,020	(6,432,716)
Total Expenditures	<u>\$ 93,739,496</u>	<u>\$ 69,878,891</u>	<u>\$ (23,860,605)</u>

The City complied with statutory requirements and did not exceed the budget by program structure.

In fiscal year 2020, appropriations increased \$20.9 million between the original budget and the final amended budget. Public Safety increased \$5.6 million, Public Works increased \$0.7 million, Culture and Recreation increased \$2.8 million, Community and Economic Development increased \$1.0 million, and General Government increased \$1.1 million all due to additional grants received during the fiscal year and due to accrual and year-end budget adjustments.

CAPITAL ASSETS

The City's investment in capital assets, including land, building and improvements, equipment, streets, sewer systems, lighting systems, traffic signals and other infrastructure represents the value of the resources utilized to provide services to our citizens. The investment in capital assets as of June 30, 2020 was \$518,495,164 (net of accumulated depreciation and outstanding financings). This is an increase of \$28,690,251 (5.9%) from fiscal year 2019. The gross additions to capital assets for fiscal years 2020 and 2019 are as follows:

	General Governmental Activities		Business-Type Activities	
	2020	2019	2020	2019
Land	\$ 25,064	\$ 647,684	\$ - -	\$ 5,000
Infrastructure	11,974,815	12,364,343	- - -	- - -
Buildings	19,330,735	3,238,457	- - -	227,636
Improvements-Other than Buildings	1,218,337	1,314,758	3,252,545	8,818,370
Equipment	4,044,861	4,917,445	- - -	43,608
Construction in Progress	33,130,550	38,596,355	35,826,945	17,120,959
Total Gross Additions	<u>\$ 69,724,362</u>	<u>\$ 61,079,042</u>	<u>\$ 39,079,490</u>	<u>\$ 26,215,573</u>

	Totals	
	2020	2019
Land	\$ 25,064	\$ 652,684
Infrastructure	11,974,815	12,364,343
Buildings	19,330,735	3,466,093
Improvements-Other than Buildings	4,470,882	10,133,128
Equipment	4,044,861	4,961,053
Construction in Progress	68,957,495	55,717,314
Total Gross Additions	<u>\$ 108,803,852</u>	<u>\$ 87,294,615</u>

The majority of the expenditures for capital outlays were incurred by the Capital Improvements Fund. Buildings were the major capital outlay for Governmental Activities in fiscal year 2020 and included: 3rd & Pearl Parking Lot building, Convention Center Hotel Parking Lot building, Morningside Library remodel, Tyson Events Center Scoreboard and other miscellaneous building improvements. The major expenditures related to Infrastructure included the Morningside – S Nicollet Reconstruction, Dearborn St Bridge and the annual resurfacing. New equipment included Fire & Rescue equipment, Convention Center Cooling Towers, computer & related equipment. Major construction in progress included Outer Drive and Floyd improvements, Lewis and Clark facility upgrade, Convention Center renovations, Bridgeport West improvements, I-29 Trail Relocation & W 7th St.

For Business-Type Activities, construction in progress included major water and sewer main relocation for Interstate 29 reconstruction, Waste Water Treatment Plant asset renewal and modifications, parking ramp improvements, Western Hills to Indian Hills Pressure Tank, and improvements to Taxiway F and Runway 17/35 reconstruction at the Airport.

See Note 4 to the financial statements for more information on the City's capital assets.

DEBT ADMINISTRATION

At year end, the City had \$283,777,429 of debt outstanding. This is an increase of \$4,977,871 from the prior year. Of this amount \$133,481,312 is to be paid from tax sources (primarily local option sales tax, general taxes and Tax Increment Funds) and \$150,296,117 is to be repaid from the City's Municipal Enterprises. The fiscal year 2020 bonds were borrowed in fiscal year 2019 due to favorable markets.

Debt administration is conservative since almost all City general obligation debt is to be repaid within the next 10 years. This rapid repayment when combined with the use of Tax Increment Financing and Local Option Sales Tax Revenue has allowed the City to maintain our AA bond rating. This rating is the second highest possible rating and reflects well on our community.

Major projects for fiscal year 2021 include: infrastructure improvements for the reconstruction and widening of Interstate 29, annual infrastructure reconstruction, annual bridge repairs, and annual resurfacing.

The City continues to operate well under 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. The City's debt capacity is \$234,052,896. With outstanding general obligation debt applicable to this limit of \$144,295,493, the City is utilizing 61.65% of this limit. More detailed information on debt administration is provided in Note 6 of the financial statements.

ECONOMIC FACTORS

A number of major initiatives and business expansions had a positive impact on the Siouxland economy in fiscal year 2020, bringing new jobs, economic stimulation, and an increased property tax base. A few of these projects discussed in greater detail in the transmittal letter include the announcement of a \$25 million Sabre Industries expansion, the completion of a \$12 million expansion at Expedition Business park and the expansion of Interstate 29 through Sioux City from two lanes to three. Economic challenges in the prior year included the COVID-19 pandemic.

An indicator of local economic activity often used by the City is the amount of sales tax collected. In fiscal year 2020, the amount collected was \$12.9 million. This is a \$262,498 decrease over fiscal year 2019, or 1.9%.

The property value of residential and commercial building permits issued is another good sign of economic stimulation in Sioux City. The numbers of inspections made in fiscal year 2020 increased by 227 to 60,303 even though for the COVID-19 pandemic.

Assessed 2020 property values increased to \$4.68 billion, or .57%, from \$4.65 billion in 2019. Taxable Per capita income increased to \$26,151 in 2020, an increase of 5.77% from \$24,724 in 2019.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact the City Finance Department at 712-279-6207.

CITY OF SIOUX CITY, IOWA
BASIC FINANCIAL STATEMENTS

**CITY OF SIOUX CITY, IOWA
STATEMENT OF NET POSITION
JUNE 30, 2020**

EXHIBIT 1

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Cash and investments	\$ 96,158,655	\$ 13,962,657	\$ 110,121,312
Accounts Receivable	3,812,591	10,740,090	14,552,681
Accrued Interest Receivable	401,524	35,415	436,939
Notes Receivable	10,305,042	---	10,305,042
Special Assessments, net of allowance	38,196	5,050	43,246
Due from Other Governments	71,793,678	7,077,935	78,871,613
Internal Balances	8,827,149	(8,827,149)	---
Inventories, at Cost	566,700	---	566,700
Prepaid Items	381,775	12,663	394,438
Restricted Cash	---	1,053,277	1,053,277
Internal Balances - Note Receivable	23,662	(23,662)	---
Capital Assets not being depreciated:			
Land	47,113,924	3,516,319	50,630,243
Construction in Progress	52,967,802	94,718,705	147,686,507
Capital Assets net of accumulated depreciation:			
Infrastructure	207,181,534	---	207,181,534
Buildings	92,221,747	48,210,644	140,432,391
Buildings under Capital Lease	1,343,378	---	1,343,378
Improvements other than buildings	26,033,025	189,161,881	215,194,906
Equipment	20,334,768	325,447	20,660,215
Total Assets	<u>639,505,150</u>	<u>359,969,272</u>	<u>999,474,422</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
OPEB Related Deferred Outflows	508,881	---	508,881
Pension Related Deferred Outflows	15,738,774	1,093,272	16,832,046
Total Deferred Outflows of Resources	<u>16,247,655</u>	<u>1,093,272</u>	<u>17,340,927</u>
<u>LIABILITIES</u>			
Accounts Payable	6,319,211	1,025,412	7,344,623
Accrued Wages	1,763,338	233,061	1,996,399
Accrued Interest Payable	292,614	257,430	550,044
Contracts and Retainers Payable	9,816,093	8,224,012	18,040,105
Due to Other Governments	171,783	---	171,783
Noncurrent Liabilities:			
Due within one year			
Due to Other Governments	---	3,133,922	3,133,922
General Obligation Bonds Payable	22,256,522	3,036,986	25,293,508
Notes Payable	---	11,616,000	11,616,000
Compensated Absences	2,938,989	352,579	3,291,568
Estimated Liability for Damage Claims	3,580,401	---	3,580,401
Estimated Liability for Landfill Closure	---	53,416	53,416
Due in more than one year			
General Obligation Bonds Payable	111,224,790	14,735,610	125,960,400
Notes Payable	---	120,907,521	120,907,521
Compensated Absences	1,309,887	118,007	1,427,894
Estimated Liability for Damage Claims	2,017,527	---	2,017,527
Estimated Liability for Landfill Closure	---	915,472	915,472
Total OPEB Liability	6,708,294	---	6,708,294
Net Pension Liability	59,328,863	4,174,016	63,502,879
Total Liabilities	<u>227,728,312</u>	<u>168,783,444</u>	<u>396,511,756</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Property Taxes	57,638,208	---	57,638,208
OPEB Related Deferred Inflows	1,211,903	---	1,211,903
Pension Related Deferred Inflows	5,048,509	851,303	5,899,812
Total Deferred Inflows of Resources	<u>63,898,620</u>	<u>851,303</u>	<u>64,749,923</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	331,227,875	187,267,289	518,495,164
Restricted for:			
Capital Improvements	36,835,365	---	36,835,365
Debt Service	6,665,801	---	6,665,801
Road Use	3,398,671	---	3,398,671
Other Employee Benefits	32,623	---	32,623
Community Programs & Services	7,130,554	---	7,130,554
Other Purposes	1,221,105	84,389	1,305,494
Permanent Fund, Principal	1,288,932	---	1,288,932
Total Restricted	<u>56,573,051</u>	<u>84,389</u>	<u>56,657,440</u>
Unrestricted	<u>(23,675,053)</u>	<u>4,076,119</u>	<u>(19,598,934)</u>
Total Net Position	<u>\$ 364,125,873</u>	<u>\$ 191,427,797</u>	<u>\$ 555,553,670</u>

**CITY OF SIOUX CITY, IOWA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<u>Governmental Activities:</u>				
Public Safety	\$ 51,099,575	\$ 3,323,626	\$ 3,183,219	\$ 184,869
Public Works	24,355,388	5,143,160	13,838,066	10,876,251
Culture and Recreation	16,420,491	1,090,806	451,362	1,811,181
Community and Economic Development	27,315,653	283,546	8,748,505	1,134,629
General Government	10,984,848	12,014,089	1,334,111	
Debt Service	6,903,354	- - -	643,459	52,725
Total Governmental Activities	137,079,309	21,855,227	28,198,722	14,059,655
Business-Type Activities:				
Airport	4,840,190	1,969,282	39,419	12,533,605
Water	17,529,700	20,368,745	1,916	- - -
Sewer	21,948,181	24,030,451	122,652	- - -
Solid Waste	5,999,629	5,975,943	- - -	- - -
Parking	1,841,475	1,321,531	- - -	- - -
Skyway System	541,760	464,620	- - -	- - -
Total Business-Type Activities	52,700,935	54,130,572	163,987	12,533,605
Total Functions/Programs	\$ 189,780,244	\$ 75,985,799	\$ 28,362,709	\$ 26,593,260

General Revenues:

Property Taxes
Franchise Taxes
Hotel-Motel Taxes
Local Option Sales Taxes
Interest
Revenue from Sale of Uncapitalized Property
Miscellaneous
Net Gain on Sale of Capital Assets

Transfers

Total General Revenues and Transfers
Changes in Net Position

Net Position - Beginning of Year

Net Position - End of Year

The notes to the financial statements are an integral part of this statement.

**Net (Expenses) Revenues and Changes in Net
Position**

Governmental Activities	Business-Type Activities	Total
\$ (44,407,861)	\$ ---	\$ (44,407,861)
5,502,089	---	5,502,089
(13,067,142)	---	(13,067,142)
(17,148,973)	---	(17,148,973)
2,363,352	---	2,363,352
(6,207,170)	---	(6,207,170)
(72,965,705)	---	(72,965,705)
---	9,702,116	9,702,116
---	2,840,961	2,840,961
---	2,204,922	2,204,922
---	(23,686)	(23,686)
---	(519,944)	(519,944)
---	(77,140)	(77,140)
---	14,127,229	14,127,229
\$ (72,965,705)	\$ 14,127,229	\$ (58,838,476)
56,377,657	---	56,377,657
5,706,527	---	5,706,527
1,907,361	---	1,907,361
12,911,978	---	12,911,978
2,081,678	627,835	2,709,513
513,242	---	513,242
1,842,312	343,325	2,185,637
692,998	---	692,998
184,334	(184,334)	---
82,218,087	786,826	83,004,913
9,252,382	14,914,055	24,166,437
354,873,491	176,513,742	531,387,233
\$ 364,125,873	\$ 191,427,797	\$ 555,553,670

**CITY OF SIOUX CITY, IOWA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020**

<u>ASSETS</u>	General	Other Employee Benefits	Local Option Sales Tax
Cash and investments	\$ 9,780,706	\$ 287,209	\$ ---
Accounts Receivable	2,022,150	---	57,100
Accrued Interest Receivable	222,557	---	---
Notes Receivable	---	---	10,000
Special Assessments, net of allowance	33,832	---	---
Due from Other Governments	35,111,310	3,699,733	1,068,390
Due from Other Funds	---	---	---
Prepaid Items	26,143	---	---
Total Assets	<u>47,196,698</u>	<u>3,986,942</u>	<u>1,135,490</u>
<u>LIABILITIES</u>			
Accounts Payable	357,358	26,145	5,048
Accrued Wages	1,455,447	488	---
Contracts and Retainers Payable	69,632	---	---
Due to Other Governments	117,456	---	---
Due to Other Funds	2,560	289,743	5,268
Total Liabilities	<u>2,002,453</u>	<u>316,376</u>	<u>10,316</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Unavailable Revenue - Property Taxes	32,446,985	3,637,943	---
Unavailable Revenue - Special Assessments	---	---	---
Unavailable Revenue - Loans	---	---	---
Total Deferred Inflows of Resources	<u>32,446,985</u>	<u>3,637,943</u>	<u>---</u>
<u>FUND BALANCES</u>			
Non-Spendable:			
Prepaid Items	26,143	---	---
Long-Term Notes Receivable	---	---	---
Permanent Fund, Principal	---	---	---
Restricted	---	32,623	---
Committed	368,851	---	---
Assigned	---	---	1,125,174
Unassigned	12,352,266	---	---
Total Fund Balances	<u>12,747,260</u>	<u>32,623</u>	<u>1,125,174</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 47,196,698</u>	<u>\$ 3,986,942</u>	<u>\$ 1,135,490</u>

The notes to the financial statements are an integral part of this statement.

Debt Service	Capital Improvements	Other Governmental Funds	Total Governmental Funds
\$ 6,477,728	\$ 47,742,290	\$ 7,213,155	\$ 71,501,088
111,594	1,265,678	208,810	3,665,332
---	642	146,416	369,615
100,000	4,879,426	5,251,754	10,241,180
707	---	3,657	38,196
23,512,929	4,713,043	3,688,272	71,793,677
---	10,064,970	---	10,064,970
---	---	334	26,477
<u>30,202,958</u>	<u>68,666,049</u>	<u>16,512,398</u>	<u>167,700,535</u>
88,005	3,845,115	1,126,662	5,448,333
---	14,119	231,619	1,701,673
---	9,658,580	52,270	9,780,482
---	---	54,326	171,782
---	610	956,078	1,254,259
<u>88,005</u>	<u>13,518,424</u>	<u>2,420,955</u>	<u>18,356,529</u>
23,074,581	---	123,203	59,282,712
707	---	---	707
<u>81,250</u>	<u>---</u>	<u>209,365</u>	<u>290,615</u>
23,156,538	---	332,568	59,574,034
---	---	334	26,477
---	4,879,426	---	4,879,426
---	---	1,288,932	1,288,932
6,958,415	50,268,199	10,951,081	68,210,318
---	---	608,142	976,993
---	---	911,671	2,036,845
---	---	(1,285)	12,350,981
<u>6,958,415</u>	<u>55,147,625</u>	<u>13,758,875</u>	<u>89,769,972</u>
<u>\$ 30,202,958</u>	<u>\$ 68,666,049</u>	<u>\$ 16,512,398</u>	<u>\$ 167,700,535</u>

CITY OF SIOUX CITY, IOWA
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
JUNE 30, 2020

EXHIBIT 3A

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total Fund Balances - Governmental Funds (Exhibit 3)		\$ 89,769,972
Infrastructure, property and equipment used in governmental activities are not financial resources and therefore, are not reported in the funds. Those assets consist of:		
Land	47,113,924	
Construction in Progress	52,967,802	
Infrastructure, net of \$105,819,426 accumulated depreciation	207,181,533	
Buildings, net of \$53,179,076 accumulated depreciation	92,221,747	
Buildings under Capital Lease, net of \$6,331,622 accumulated depreciation	1,343,378	
Improvements other than Buildings, net of \$39,515,140 accumulated depreciation	26,033,025	
Equipment, net of \$20,405,945 accumulated depreciation	<u>3,584,785</u>	
Total Capital Assets		430,446,194
Internal Service funds (See Exhibit 5) are used by management to fund and maintain the City's insurance policies provided to user departments and for the maintenance, repair and replacement of the City's fleet and are included in the Statement of Net Position.		
		26,299,071
Unavailable Revenues that provide current financial resources for governmental activities.		
		1,935,825
Pension related deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, are not due and payable in the current year and, therefore, are not reported in the governmental funds.		
		10,526,538
Accrued interest expense from the balance sheet that requires current financial resources for governmental activities.		
		(291,203)
Bond discounts and premiums are reported in the governmental activities but are not reported in the funds as they do not provide current economic resources.		
Bond Discount	92,142	
Bond Premium	<u>(2,291,050)</u>	
Total Bond Discounts and Premiums (See Note 6)		(2,198,908)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds	(130,617,030)	
Compensated Absences	(3,950,672)	
Net Pension Liability	<u>(57,793,914)</u>	
Total Long-term Liabilities (See Note 6)		<u>(192,361,616)</u>
Total Net Position - Governmental Activities (Exhibit 1)		<u>\$ 364,125,873</u>

The notes to the financial statements are an integral part of this statement.



CITY OF SIOUX CITY, IOWA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

<u>REVENUES</u>	General	Other Employee Benefits	Local Option Sales Tax
Taxes	\$ 35,000,951	\$ 6,141,397	\$ 12,911,979
Special Assessments	158,940	---	---
Regulatory Fees	7,388,259	---	---
Intergovernmental Revenue	4,609,663	243,344	---
Revenue from Use of Property	450,750	---	---
Charges for Services	6,910,338	---	---
Interest	1,731,442	---	---
Contributions	315,301	---	---
Proceeds on Sale of Uncapitalized Assets	---	---	---
Miscellaneous	513,740	---	58,974
Total Revenue	57,079,384	6,384,741	12,970,953
<u>EXPENDITURES</u>			
Current:			
Public Safety	43,317,160	1,237,817	---
Public Works	1,576,994	---	---
Culture and Recreation	9,753,815	438,094	---
Community and Economic Development	1,133,786	9,312	142,206
General Government	3,051,116	99,685	---
Debt Service	---	---	---
Capital Projects	---	---	---
Total Expenditures	58,832,871	1,784,908	142,206
Excess (Deficiency) of Revenues Over Expenditures	(1,753,487)	4,599,833	12,828,747
<u>OTHER FINANCING SOURCES (USES)</u>			
Issuance of Debt	---	---	---
Premiums on Bonds Issued	---	---	---
Proceeds on Sale of Capitalized Assets	---	---	---
Transfers In	15,053,062	300,000	---
Transfers Out	(11,046,020)	(5,754,680)	(13,941,784)
Total Other Financing Sources (Uses)	4,007,042	(5,454,680)	(13,941,784)
Net Change in Fund Balance	2,253,555	(854,847)	(1,113,037)
Fund Balance - Beginning of Year	10,493,705	887,470	2,238,211
Fund Balance - End of Year	\$ 12,747,260	\$ 32,623	\$ 1,125,174

The notes to the financial statements are an integral part of this statement.

Debt Service	Capital Improvements	Other Governmental Funds	Total Governmental Funds
\$ 21,201,604	\$ ---	\$ 419,173	\$ 75,675,104
36,094	---	10,212	205,246
---	---	---	7,388,259
643,459	9,147,343	22,298,280	36,942,089
102,565	189,490	117,765	860,570
---	---	3,319,092	10,229,430
55,609	2,294	85,038	1,874,383
25,000	4,105,836	---	4,446,137
---	41,127	---	41,127
44,500	---	491,161	1,108,375
22,108,831	13,486,090	26,740,721	138,770,720
---	---	---	44,554,977
---	---	16,674,768	18,251,762
---	---	2,167,243	12,359,152
---	---	8,326,670	9,611,974
---	---	---	3,150,801
26,776,015	---	---	26,776,015
---	50,853,793	721,360	51,575,153
26,776,015	50,853,793	27,890,041	166,279,834
(4,667,184)	(37,367,703)	(1,149,320)	(27,509,114)
126,630	19,311,803	---	19,438,433
---	433,646	---	433,646
201,616	385,786	---	587,402
7,980,135	18,198,605	5,093,074	46,624,876
(8,706,741)	(3,818,069)	(3,707,784)	(46,975,078)
(398,360)	34,511,771	1,385,290	20,109,279
(5,065,544)	(2,855,932)	235,970	(7,399,835)
12,023,959	58,003,557	13,522,905	97,169,807
\$ 6,958,415	\$ 55,147,625	\$ 13,758,875	\$ 89,769,972

CITY OF SIOUX CITY, IOWA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

EXHIBIT 4A

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

Net Change in Fund Balances - Governmental Funds (Exhibit 4) \$ (7,399,835)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$33,168,635) exceeded depreciation (\$15,773,225) in the current period. 17,395,411

Governmental funds report the proceeds from the sale of capital assets as revenue whereas the statement of activities reports the gain or (loss) on the disposal of capital assets. This is the effect on the change in net position on the statement of activities. (50,821)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. 1,197,205

Accrued interest expense that does not require current financial resources. 15,116

Long-term accrual of compensated absences is not reported in the governmental funds as it does not consume current financial resources. The net change in the long-term compensated absences for the year was: (434,073)

Pension expenses reported in the Statement of Activities do not require the use of current financial resources. (11,560,242)

The current year City employer share of IPERS and MFPRSI contributions are reported as expenditures in the governmental funds, but reported as a deferred outflow of resources in the Statement of Net Position 6,947,654

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Additionally, governmental funds report the effect of premiums, discounts and similar items when new debt is issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Debt Issued:		
General Obligation Bonds	(19,438,433)	
Bond Premium	(433,646)	
Repayments:		
General Obligation Bonds	19,860,735	
Bond Charges	450,142	
Net Adjustment (See Note 6)		438,798

Internal Service funds (See Exhibit 6) are used by the City to fund and maintain the City's insurance policies provided to user departments and for the maintenance, repair and replacement of the City's equipment and are included in the Statement of Net Position. The net expense of the Internal Service funds is reported with governmental activities. 2,703,169

Changes in Net Position - Governmental Activities (Exhibit 2) \$ 9,252,382

The notes to the financial statements are an integral part of this statement.

SILOUXTM
CITY

**CITY OF SIOUX CITY, IOWA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020**

	Business-Type Activities	
	Airport	Water System
<u>ASSETS</u>		
<u>Current Assets</u>		
Cash and investments	\$ ---	\$ 10,592,899
Accounts Receivable	72,524	4,370,934
Accrued Interest Receivable	---	25,057
Notes Receivable - Current	---	---
Special Assessments, net of allowance	---	2,699
Due from Other Governments	7,010,309	---
Due from Other Funds	---	---
Inventories, at Cost	---	---
Prepaid Items	1,104	---
Total Current Assets	7,083,937	14,991,589
<u>Non-Current Assets</u>		
Restricted Cash	---	---
Advances to Other Funds	---	---
Land	1,372,328	732,910
Construction in Progress	26,508,119	14,317,704
Capital Assets, Net of Accumulated Depreciation	17,776,623	97,258,259
Total Non-Current Assets	45,657,070	112,308,873
Total Assets	52,741,007	127,300,462
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
OPEB Related	---	---
Pension Related	138,966	452,283
Total Deferred Outflows of Resources	138,966	452,283
<u>LIABILITIES</u>		
<u>Current Liabilities</u>		
Accounts Payable	97,775	624,814
Accrued Wages	31,660	90,425
Accrued Interest Payable	10,110	119,782
Contracts and Retainers Payable	4,470,669	1,147,271
Due to Other Governments	---	943,759
Due to Other Funds	145,362	---
Estimated Liability for Damage Claims	---	---
Estimated Liability for Landfill Closure	---	---
Current Portion of G.O. Bonds	865,327	1,430,472
Current Portion of Notes Payable	---	4,898,000
Current Portion of Compensated Absences	57,278	132,363
Total Current Liabilities	5,678,181	9,386,886
<u>Non-Current Liabilities</u>		
Compensated Absences, Net of Current Portion	---	55,590
Estimated Liability for Damage Claims	---	---
Estimated Liability for Landfill Closure	---	---
Advances from Other Funds	23,662	---
General Obligation Bonds, Net of Current Portion	4,863,347	5,596,794
Notes Payable, Net of Current Portion	---	45,892,515
Total OPEB Liability	---	---
Net Pension Liability	519,980	1,706,534
Total Non-Current Liabilities	5,406,989	53,251,433
Total Liabilities	11,085,170	62,638,319
<u>DEFERRED INFLOWS OF RESOURCES</u>		
OPEB Related	---	---
Pension Related	95,892	357,940
Total Deferred Inflows of Resources	95,892	357,940
<u>NET POSITION</u>		
Net Investment in Capital Assets	39,963,480	54,529,407
Restricted for Landfill Post Closure Costs	---	---
Unrestricted	1,735,431	10,227,079
Total Net Position	\$ 41,698,911	\$ 64,756,486

The notes to the financial statement are an integral part of this statement.

Business-Type Activities				Governmental Activities
Sewer System	Solid Waste System	Nonmajor Enterprise Funds	Totals	Internal Service Funds
\$ ---	\$ 2,452,522	\$ 917,236	\$ 13,962,657	\$ 24,657,567
4,822,310	1,016,719	457,603	10,740,090	147,259
---	8,391	1,967	35,415	31,908
---	---	---	---	63,863
1,306	1,045	---	5,050	---
66,069	---	1,557	7,077,935	---
---	---	6,432	6,432	16,438
---	---	---	---	566,700
11,559	---	---	12,663	355,298
4,901,244	3,478,677	1,384,795	31,840,242	25,839,033
---	1,053,277	---	1,053,277	---
---	---	---	---	23,662
567,892	455,842	387,347	3,516,319	---
53,204,289	---	688,593	94,718,705	---
116,046,547	229,709	6,386,834	237,697,972	16,749,982
169,818,728	1,738,828	7,462,774	336,986,273	16,773,644
174,719,972	5,217,505	8,847,569	368,826,515	42,612,677
---	---	---	---	508,881
439,743	4,797	57,483	1,093,272	413,871
439,743	4,797	57,483	1,093,272	922,752
220,925	959	80,939	1,025,412	870,872
99,573	1,182	10,221	233,061	61,668
124,239	---	3,299	257,430	1,415
2,050,805	483,353	71,914	8,224,012	35,610
2,150,453	39,710	---	3,133,922	---
8,685,623	---	2,596	8,833,581	---
---	---	---	---	3,580,401
---	53,416	---	53,416	---
417,200	---	323,987	3,036,986	103,383
6,718,000	---	---	11,616,000	---
140,602	1,304	21,032	352,579	108,316
20,607,420	579,924	513,988	36,766,399	4,761,665
23,531	---	38,886	118,007	189,886
---	---	---	---	2,017,527
---	915,472	---	915,472	---
---	---	---	23,662	---
2,889,897	---	1,385,572	14,735,610	561,990
75,015,006	---	---	120,907,521	---
---	---	---	---	6,708,294
1,716,896	17,997	212,609	4,174,016	1,534,949
79,645,330	933,469	1,637,067	140,874,288	11,012,646
100,252,750	1,513,393	2,151,055	177,640,687	15,774,311
---	---	---	---	1,211,903
352,956	3,266	41,249	851,303	250,144
352,956	3,266	41,249	851,303	1,462,047
86,011,047	685,551	6,077,804	187,267,289	16,084,609
---	84,389	---	84,389	---
(11,457,038)	2,935,703	634,944	4,076,119	10,214,462
\$ 74,554,009	\$ 3,705,643	\$ 6,712,748	\$ 191,427,797	\$ 26,299,071

**CITY OF SIOUX CITY, IOWA
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Business-Type Activities	
	Airport	Water System
<u>OPERATING REVENUES</u>		
Revenue from Use of Property	\$ 1,590,560	\$ 152,907
Charges for Service	378,722	20,215,838
Total Operating Revenues	1,969,282	20,368,745
<u>OPERATING EXPENSES</u>		
Employee Services	1,271,743	6,009,482
Supplies and Services	497,091	1,733,303
Repairs and Improvements	819,892	1,720,103
Utilities	158,199	926,823
Depreciation	1,923,897	5,501,306
Damage Settlement	- - -	- - -
Total Operating Expenses	4,670,822	15,891,017
Operating Income (Loss)	(2,701,540)	4,477,728
<u>NON-OPERATING REVENUES (EXPENSES)</u>		
Intergovernmental Revenue	39,419	1,916
Interest Income	8,014	295,085
Gain on Sale of Capital Assets	- - -	- - -
Other Non-Operating Revenues	172,122	65,301
Interest Expense	(169,368)	(1,461,749)
Other Non-Operating Expenses	- - -	(176,934)
Total Non-Operating Revenues (Expenses)	50,187	(1,276,381)
Income (Loss) before Capital Grants, Contributions, and Transfers	(2,651,353)	3,201,347
Capital Grants and Contributions	12,533,605	- - -
Transfers In	713,126	904,713
Transfers Out	- - -	- - -
Changes in Net Position	10,595,378	4,106,060
Net Position - Beginning of the Year	31,103,533	60,650,426
Net Position - End of Year	\$ 41,698,911	\$ 64,756,486

The notes to the financial statements are an integral part of this statement.

Business-Type Activities				Governmental Activities
Sewer System	Solid Waste System	Nonmajor Enterprise Funds	Totals	Internal Service Funds
\$ 1,953	\$ 675,412	\$ 3,225	\$ 2,424,057	\$ 46,505
24,028,498	5,300,531	1,782,926	51,706,515	29,737,957
24,030,451	5,975,943	1,786,151	54,130,572	29,784,462
6,280,736	175,246	405,159	14,142,366	19,198,472
3,586,397	5,748,564	799,082	12,364,437	2,511,628
2,604,782	22,435	770,549	5,937,761	3,128,311
1,391,060	---	100,912	2,576,994	21,426
6,410,989	53,384	266,319	14,155,895	3,020,888
---	---	---	---	1,156,238
20,273,964	5,999,629	2,342,021	49,177,453	29,036,963
3,756,487	(23,686)	(555,870)	4,953,119	747,499
122,652	---	---	163,987	---
208,373	104,435	11,928	627,835	207,306
---	---	---	---	156,417
105,902	---	---	343,325	323,348
(1,457,653)	---	(41,214)	(3,129,984)	(19,688)
(216,564)	---	---	(393,498)	---
(1,237,290)	104,435	(29,286)	(2,388,335)	667,383
2,519,197	80,749	(585,156)	2,564,784	1,414,882
---	---	---	12,533,605	753,751
150,000	---	153,722	1,921,561	1,090,678
(2,105,895)	---	---	(2,105,895)	(556,142)
563,302	80,749	(431,434)	14,914,055	2,703,169
73,990,707	3,624,894	7,144,182	176,513,742	23,595,902
\$ 74,554,009	\$ 3,705,643	\$ 6,712,748	\$ 191,427,797	\$ 26,299,071

**CITY OF SIOUX CITY, IOWA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Business-Type Activities	
	Airport	Water System
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Cash Received from Customers	\$ (1,999,208)	\$ 20,588,228
Cash Received from Other funds	6,579	100
Cash Paid to Other Funds	(520,027)	(964,105)
Cash Paid for Personal Services	(1,229,670)	(5,939,635)
Cash Paid to Suppliers	2,276,234	(4,582,325)
Other Non-Operating Revenues	172,122	65,301
Net Cash Provided (Used) by Operating Activities	(1,293,970)	9,167,564
<u>CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>		
Acquisition and Construction of Capital Assets	(15,295,912)	(8,234,564)
Capital Grants and Contributions	12,533,605	---
Proceeds from Sale of Assets	667,000	---
Proceeds from Bond Sales	---	(144,399)
Proceeds from Notes Payable	---	6,794,870
Principal Paid on Notes and Bonds	(795,145)	(6,136,238)
Interest Paid on Notes and Bonds	(173,736)	(1,469,337)
Net Cash (Used) by Capital and Related Financing Activities	(3,064,188)	(9,189,668)
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>		
Intergovernmental Revenue	39,419	1,916
Transfers In	713,126	904,713
Transfers Out	---	---
Net Cash Provided (Used) by Non-Capital Financing Activities	752,545	906,629
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Interest and Dividends on Investments	17,307	293,294
Advances Made on Notes Receivable	---	---
Payments Received on Notes Receivable	---	---
Net Cash Provided by Non-Capital Financing Activities	17,307	293,294
Net Increase (Decrease) in Cash and Cash Equivalents	(3,588,306)	1,177,819
Cash and Cash Equivalents at Beginning of Year	3,588,306	9,415,080
Cash and Cash Equivalents at End of Year*	\$ -	\$ 10,592,899
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>		
Operating Income (Loss)	\$ (2,701,540)	\$ 4,477,728
<i>Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</i>		
Depreciation	1,923,897	5,501,306
Other Non-Operating Revenues	172,122	65,301
OPEB Expense	---	---
<i>(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:</i>		
Accounts Receivable	(40,962)	(745,755)
Notes Receivable	---	---
Special Assessments	---	1,233
Due from Other Governments	(4,440,975)	---
Due from Other Funds	---	---
Inventories	---	---
Advances to Other Funds	---	---
Prepaid Items	(34)	---
Deferred Outflows of Resources Pension Related	31,143	87,246
Accounts Payable	30,591	(272,438)
Accrued Wages and Compensated Absences	13,455	(10,329)
Contracts and Retainers Payable	3,611,544	(23,285)
Due to Other Governments	---	93,627
Due to Other Funds	109,313	---
Estimated Liability for Landfill Closure	---	---
Net Pension Liability	(51,383)	(143,952)
Deferred Inflows of Resources Pension Related	48,859	136,882
Estimated Liability for Damage Claims	---	---
Total Adjustments	1,407,570	4,689,836
Net Cash Provided (Used) by Operating Activities	\$ (1,293,970)	\$ 9,167,564

The notes to the financial statements are an integral part of this statement.
* Includes restricted cash.

Business-Type Activities				Governmental Activities
Sewer System	Solid Waste System	Nonmajor Enterprise Funds	Totals	Internal Service Funds
\$ 24,809,400	\$ 5,911,132	\$ 1,819,064	\$ 51,128,616	\$ 7,560,810
9,854	---	56,086	72,619	22,643,276
(1,185,409)	(12,480)	(175,455)	(2,857,476)	(157,403)
(6,179,062)	(173,864)	(388,435)	(13,910,666)	(18,722,274)
781,494	(5,851,848)	(1,584,998)	(8,961,443)	(5,667,940)
105,902	---	---	343,325	323,348
18,342,179	(127,060)	(273,738)	25,814,975	5,979,817
(23,865,399)	---	(6,640)	(47,402,515)	(2,309,724)
---	---	---	12,533,605	753,751
---	---	---	667,000	185,129
(216,564)	---	340,000	(20,963)	---
11,683,529	---	---	18,478,399	---
(6,778,514)	---	(290,879)	(14,000,776)	(100,492)
(1,470,330)	---	(41,362)	(3,154,765)	(19,934)
(20,647,278)	---	1,119	(32,900,015)	(1,491,270)
122,652	---	---	163,987	---
150,000	---	153,722	1,921,561	1,090,678
(2,105,895)	---	---	(2,105,895)	(556,142)
(1,833,243)	---	153,722	(20,347)	534,536
218,329	105,162	12,406	646,498	203,008
---	---	---	---	(35,539)
---	---	---	---	23,013
218,329	105,162	12,406	646,498	190,482
(3,920,013)	(21,898)	(106,491)	(6,458,889)	5,213,565
3,920,013	3,527,697	1,023,727	21,474,823	19,444,002
\$ -	\$ 3,505,799	\$ 917,236	\$ 15,015,934	\$ 24,657,567
\$ 3,756,487	\$ (23,686)	\$ (555,870)	\$ 4,953,119	\$ 747,499
6,410,989	53,384	266,319	14,155,895	3,020,888
105,902	---	---	343,325	323,348
---	---	---	---	405,002
(330,850)	(78,118)	(84,124)	(1,279,809)	258,759
---	---	---	---	---
---	827	---	2,060	---
---	---	(204)	(4,441,179)	3,462
314	---	(2,130)	(1,816)	(75,905)
(66,069)	---	---	(66,069)	16,149
---	---	---	---	(100,398)
79,108	---	---	79,074	---
102,037	517	10,622	231,565	65,542
(181,679)	(5,072)	14,142	(414,456)	465,986
7,902	907	6,965	18,900	10,969
(342,981)	3,823	69,864	3,318,965	25,526
123,695	4,789	---	222,111	---
8,685,593	---	1,538	8,796,444	---
---	(84,389)	---	(84,389)	---
(168,356)	(852)	(17,524)	(382,067)	(108,143)
160,087	810	16,664	363,302	102,831
---	---	---	---	818,302
14,585,692	(103,374)	282,132	20,861,856	5,232,318
18,342,179	(127,060)	(273,738)	25,814,975	5,979,817

**CITY OF SIOUX CITY, IOWA
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020**

EXHIBIT 8

ASSETS

Cash and Cash Equivalents	\$ 987,282
Accounts Receivable	514,008
Due from Other Governments	<u>107,465</u>
Total Assets	<u><u>1,608,755</u></u>

LIABILITIES

Accounts Payable	556,541
Due to Other Governments	<u>1,052,214</u>
Total Liabilities	<u><u>1,608,755</u></u>

NET POSITION

Unrestricted	<u>---</u>
Total Net Position	<u><u>\$ ---</u></u>

The notes to the financial statements are an integral part of this statement.

**CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Note 1 - Summary of Significant Accounting Policies

A. Reporting Entity

The City of Sioux City, Iowa, was incorporated May 5, 1855, under the laws of the State of Iowa, later amended by the Home Rule City Act. The City operates under the Council-Manager form of government and provides the following program services as authorized by its charter: Public Safety, Public Works, Culture and Recreation, Community and Economic Development, and General Government. These program services are administered by departments, agencies and various boards.

These financial statements have been prepared in conformity with U.S. Generally Accepted Accounting Principles (GAAP) that apply to governmental units. All funds created under the authority of the State Code of Iowa, the operations of which are under the control of the City's governing body, and by financial reporting standards for governmental units are included herewith.

The Governmental Accounting Standards Board (GASB) is responsible for establishing U.S. GAAP for state and local government through its pronouncements (Statements and Interpretations). The more significant accounting policies established in U.S. GAAP and used by the City are discussed below.

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

The City of Sioux City does not include any component units within its reporting entity.

The City participates in jointly governed organizations for which the City is not financially accountable or that the nature and significance of the relationship with the City are such that exclusion does not cause the City's financial statements to be misleading or incomplete. The City is a member of the County Assessor's Conference Board and the City Assessor's Conference Board.

B. Basic Financial Statements - Government-Wide Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's general, special revenue, debt service, capital projects, and permanent funds are classified as governmental activities. The City's internal service funds are classified as governmental-type activities. The government-wide financial statements do not include fiduciary funds.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The City first uses restricted resources to finance qualifying activities.

The Government-wide Statement of Activities reports both the gross and net cost of each of the City's functions (Public Safety, Public Works, Culture and Recreation, Community and Economic Development, General Government, and Debt Service), and business-type activities. These expenses are supported by related program revenues, operating grants, and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 1 (Continued)

The City does not allocate indirect costs. Certain expenses of the City are accounted for through the internal service fund on a cost-reimbursement basis.

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

C. Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues or receipts, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for, in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. GASB No. 34 sets forth minimum criteria for the determination of major funds, which should have a specific community focus. The nonmajor funds are combined into a single column in the fund financial statements. The various funds reported in the financial statements are grouped into fund types as follows:

Governmental Fund Types - The governmental fund financial statements are reported using the current financial resources measurement focus. This means that the focus of the governmental funds' measurement is upon the determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the City:

General Fund - The General Fund is the general operating fund of the City. It is used to account for and report all financial resources, except those required to be accounted for and reported in another fund. The sources of revenue include property taxes, charges for services, fines and fees, licenses and permits, as well as state and federal grants. The expenditures of the General Fund relate to general administration, police and fire protection, maintenance of public streets, economic development, and culture and recreation. The General Fund is a major fund.

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes other than debt service or capital projects. The Special Revenue Funds for Sioux City include: Other Employee Benefits, Storm Water Drainage, Road Use, Community Development, Housing, Main Street, Local Option Sales Tax, Events Facilities, and Transit Operations. Two of the Special Revenue Funds are considered major funds: the Other Employee Benefits Fund is used to account for the City's employee benefits tax levy and the Local Option Sales Tax Fund is used to account for the City's 1% local option sales tax. Both are funded by the tax revenues of the same name.

Debt Service Fund - The Debt Service Fund is used to account for and report the accumulation of financial resources that are restricted, committed, or assigned for, and the payment of, general long-term debt principal, interest, and related costs. The Debt Service Fund is a major fund.

Capital Improvements Fund - Capital Improvements Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities and other capital assets (other than those financed by Proprietary Funds and Fiduciary Funds). The Capital Improvements Fund is a major fund.

Permanent Fund - The Permanent Fund is used to account for and report resources that are restricted to the extent that only earnings, and not principal may be used for the care and maintenance of assets held by the City, pursuant to the cemetery trust agreement in which the City cares for its cemeteries.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 1 (Continued)

Proprietary Fund Types - The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. Operating revenues and expenses are distinguished from non-operating revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations, whereas non-operating revenue and expenses result from activities outside the normal business operations. The principal operating revenues of enterprise funds are charges to customers for services. Operating expenses consist of cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The U.S. Generally Accepted Accounting Principles used are those applicable to similar businesses in the private sector.

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis should be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City maintains several business-type activities. The funds reported as enterprise funds are listed below.

Airport Fund - The Airport Fund accounts for the operation and maintenance of the City's airport facility. The Airport Fund is a major fund.

Water Fund - The Water Fund accounts for the operation and maintenance of the City's water system. The Water Fund is a major fund.

Sewer Fund - The Sewer Fund accounts for the operation and maintenance of the City's sewer system. The Sewer Fund is a major fund.

Solid Waste Fund - The Solid Waste Fund accounts for the operation and maintenance of the City's solid waste facilities. The Solid Waste Fund is a major fund.

Parking Fund - The Parking Fund accounts for the operations of the City-owned parking ramps and other parking facilities.

Skyway System Fund - The Skyway System accounts for the maintenance and security of the skyway system.

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-recovery basis.

The City's internal service funds are presented in the proprietary fund financial statements. Because the principal users of the internal services are the City's governmental activities, the financial statements of the internal service fund are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity.

Central Maintenance Garage Fund - The Central Maintenance Garage Fund accounts for maintenance and repair services for the City's automotive equipment and acquisition of replacement vehicles.

Comprehensive Insurance Fund - The Comprehensive Insurance Fund accounts for the funding and maintenance of the City's insurance policies provided to user departments.

**CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Note 1 (Continued)

Fiduciary Fund Types - Fiduciary funds are used to report assets held in an agency or custodial capacity for others and therefore, are not available to support City programs. Since agency funds are custodial in nature, they do not involve the measurement of results of operations and are not incorporated into the government-wide financial statements.

Sioux City Housing Trust Fund - This fund accounts for the activity of the Sioux City Housing Trust Fund.

Revolving Fund - This fund accounts for refunds to City customers.

WCICC Fund - This fund accounts for the activity of the Woodbury County Information and Communication Commission (WCICC).

Sioux City Sports Commission Fund - This fund accounts for the activity of the Sioux City Sports Commission.

Utility Service Line Fund - This fund accounts for the activity related to utility line service protection plan payments collected from City customers on behalf of an outside service plan provider, currently, HomeServe USA.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

Accrual basis of accounting is used for all activities in the government-wide financial statements and for the proprietary and fiduciary activities in the fund financial statements. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of related cash flows.

Modified accrual basis of accounting is used by all governmental funds in the fund financial statements. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers property taxes as available if they are collected within 60 days after year-end. A 60-day availability period is typically used for revenue recognition for all other governmental fund revenues. One exception is reimbursement driven grants, which are periodically recognized beyond 60 days after year-end to match revenues with expenditures.

Expenditures are recorded when the related fund liability is incurred. An exception to this general rule is that principal and interest on general obligation debt, if any, is recognized when due.

Those revenues susceptible to accrual are property taxes, assessments, and intergovernmental revenues. Licenses, fines and permits are not susceptible to accrual because generally they are not measurable until received in cash.

E. Budgets

Chapter 384, Section 16, of the State Code of Iowa, requires the adoption of an annual budget on or before March 31 of each year, which becomes effective July 1 and constitutes the appropriation for each program specified therein until amended. The City budget may be amended for specified level purposes and budget amendments must be prepared and adopted in the same manner as the original budget. Appropriations, as adopted and amended, lapse at the end of the fiscal year, with the exception of Capital Improvement Projects and encumbrances. Encumbrances outstanding at year-end are reported as commitments of fund balances since they do not constitute expenditures or liabilities.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 1 (Continued)

Annual budgets are adopted on a basis consistent with U.S. generally accepted accounting principles for all governmental funds. The City's budget is prepared on the modified accrual basis of accounting. The legal level of control (the level on which expenditures may not legally exceed appropriations) is the program level for all funds combined rather than at the individual fund level. This level of control is at a level higher than the individual fund. It is necessary, therefore, to aggregate the expenditures of governmental fund types with expenses of proprietary fund types on a program level basis and to compare such program totals to program budgeted totals in order to demonstrate legal compliance with budget. Legal budget compliance for cities in the State of Iowa is applied only to expenditures.

F. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include not only currency on hand, but also demand deposits with banks or other financial institutions. Cash also includes deposits in the cash management pool, which has the general characteristics of a demand deposit account.

Iowa Code, Chapter 452.10, Custody of Public Funds, allows the City Treasurer to invest public funds not needed for operations. Chapter 97B.7, Trustees duties, indicates that the City Treasurer shall exercise the judgment and care, under the circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs. Common, preferred, and guaranteed stock is an exception for the investment of public funds.

For purposes of the Statement of Cash Flows, the City considers investments with maturities of three months or less when purchased to be cash equivalents.

G. Accounts Receivable

Accounts receivable result primarily from miscellaneous services provided to citizens in the General Fund, Capital Projects Fund, and other non-major governmental funds. Accounts receivable in the proprietary funds result from providing services specific to the operations of the fund. Special assessment receivables are reported net of allowances for doubtful accounts of \$33,832 in the General Fund, \$3,657 in the Storm Water Drainage Fund, \$2,699 in the Water Fund, \$1,306 in the Sewer Fund, and \$1,045 in the Solid Waste Fund.

H. Short-Term Interfund Receivables/Payables

During the course of its operations, the City has numerous transactions between funds to finance operations, provide services, construct assets, and service debt. To the extent that certain transactions between funds have not been paid or received as of June 30, 2020, balances of interfund amounts payable or receivable have been recorded as "due to other funds" and "due from other funds", respectively. Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as interfund balances.

I. Notes Receivables/Payables From Other Funds

Noncurrent portions of long-term interfund loans are reported as notes receivable/payable in the government-wide financial statements and as "advances from other funds" and "advances to other funds" in the fund level financial statements.

J. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental and proprietary fund type inventories are recorded as expenditures when consumed rather than when purchased.

**CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Note 1 (Continued)

K. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2020, are recorded as prepaid items. The costs of governmental and proprietary fund type prepaid items are recorded as expenditures when consumed rather than when purchased.

L. Restricted Assets

Revenue bond ordinances require the City to reserve certain cash and investments to provide for payment of bonds and interest, for protection of bondholders, and for extension and improvement of facilities.

M. Capital Assets

Assets with an initial individual cost of \$10,000 or more are considered capital assets. Property and equipment are valued at historical cost or estimated historical cost if actual historical cost is not available.

Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at their acquisition value. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Infrastructure has been capitalized using historical or estimated historical cost beginning in 1980, as required by GASB 34. Depreciation on all assets is provided on the straight-line basis over the following estimated lives:

Buildings & Structures.....	39 - 50 Years
Machinery & Equipment.....	3 - 10 Years
Infrastructure	15 - 70 Years

N. Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so 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 expense and pension contributions from the City after the measurement date but before the end of the City's reporting period.

O. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when the employees separate from service, with the exception of employees of the Transit System. All Transit System employees who are covered by the Amalgamated Transit Union receive, upon retirement or death, a sick leave benefit of up to 120 days of paid sick leave.

P. Long-Term Obligations

In the government-wide financial statements and proprietary fund types, long-term debt is reported as a liability in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 1 (Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as issuance costs during the current period. The face amount of the debt issued is reported as other financial sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

Q. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System 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.

R. Deferred Inflows of Resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measureable, 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, special assessments, and loan receivables. These amounts are considered unavailable and recognized as an inflow of resources in the period that the amounts become available.

Deferred inflows of resources in the Statement of Net Position consist of succeeding year property tax receivables that will not be recognized until the year for which it is levied, the unamortized portion of the net difference between projected and actual earning on pension plan investments, and Other Post-Employment Benefits (OPEB) related changes of assumption or other inputs.

S. Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. The portion of the debt related to unspent proceeds is included in the same net position component as the unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

T. Interfund Transactions

Interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 1 (Continued)

All other interfund transactions, except interfund services provided and used transactions and reimbursements, are reported as transfers.

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.

U. Fund Balance

Nonspendable Fund Balance - Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance - Amounts that can be spent only for specific purposes because of constraints imposed by external providers, or imposed by constitutional provisions or enabling legislation.

Committed Fund Balance - Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council through resolution, unless the City Council removes or changes the specified use by taking the same type of action used to commit the amounts.

Assigned Fund Balance - Amounts that are constrained by the City's intent to use them for a specific purpose. It is the City's policy that the authority to assign fund balance has been delegated by the City Council to the City Manager.

Unassigned Fund Balance - Amounts that are available for any purpose. Positive unassigned amounts can be reported only in the City's General fund, while negative amounts may be reported in other governmental funds.

V. Classifying Fund Balance Amounts

Fund balance amounts represent the nature of the net resources that are reported in a governmental fund. The City fund balance classifications include non-spendable resources, restricted, and non-restricted (committed, assigned and unassigned) amounts. When the City incurs an expenditure and both restricted and unrestricted amounts are available, the City considers restricted amounts to have been spent. When the City incurs an expenditure for an unrestricted amount, committed amounts are reduced first, followed by assigned amounts and then unassigned amounts for purposes in which any of those unrestricted fund balance classifications could be used.

W. General Fund Balance Policy

The City budgets sufficient General Fund revenues to finance current year expenditures. Due to the volatility of some of the major revenue sources, the minimum unrestricted General Fund balance as a percentage of actual expenditures will be no less than 12%. To avoid a balance in excess of the level deemed sufficient for prudent fiscal management, a maximum unrestricted General Fund balance, as a percentage of actual expenditures will be no more than 20%. If the General Fund balance falls outside of the above parameters, budgeted revenues will be either greater or less than budgeted expenditures in subsequent years to bring the General Fund balance into compliance with this policy.

X. Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United State of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 2 - Deposits and Investments

State statutes authorize the City to invest in "notes, certificates, bonds, prime eligible bankers acceptances, commercial paper rated within the two highest classifications of prime as established by at least one of the standard rating services approved by the Superintendent of Banking pursuant to Chapter 17A, perfected repurchase agreements, or other evidences of indebtedness which are obligations of or guaranteed by the United States of America or any of its agencies, or in time deposits in depositories as provided in Chapter 12B and receive the time certificates of deposit for the funds, certain registered open-end management investment companies, certain joint investment trusts or in savings accounts in depositories, or in warrants or improvement certificates of drainage districts." Additionally, as required by statute, the City Council has implemented an investment policy for the City. This policy does not specifically limit those authorized by statute, but does express the Council's preferences as to maturities, trading and location of financial institutions invested in. Investments during the year have not varied from these statutes and were consistent with those held by the City at year-end.

Deposits

The City's deposits at June 30, 2020, were entirely covered by Federal depository insurance, collateralized with securities or letters of credit held by the City or the City's agent in the City's name, or by a multiple financial institution collateral pool 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 City's bank deposits, per banks, at June 30, 2020, were \$66,824,167. These deposits have a book balance of \$66,518,962.

Investments

Investments are shown at fair value, except those that have a remaining maturity at the time of purchase of one year or less are shown at amortized costs. Presented below are the ratings, where applicable, by investment type as of June 30, 2020.

Investments	Carrying Amount	Moody's Rating 6/30/20
U.S. Treasury Strips	\$ 18,368,815	N/A
Commercial Paper	4,980,561	P-1
U.S. Agencies	22,281,955	Aaa
	<u>\$ 45,631,331</u>	

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.

The recurring fair value measurement for the U.S. Treasury Strips of \$18,368,815, the Commercial Paper of \$4,980,561, and the U.S. Agencies of \$22,281,955 were all determined using the last reported sales price at current exchange rates (Level 1 inputs).

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

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 2 (Continued)

Interest rate risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. In accordance with the City's investment policy, the City minimizes the fair value risk of investments in the portfolio by structuring its investment portfolio so that securities mature to meet cash requirements for operations, thereby avoiding the need to sell securities in the open market prior to maturity.

The City employs a ladder maturity approach to its investments. Within 12 months, \$27,199,363 of the fair value will mature. An additional \$18,431,967 will mature between 13 and 24 months.

Credit risk. State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations. It is the City's policy to comply with rating restrictions.

Concentration of credit risk. The City's investment policy does not allow for an investment in any one issuer that is in excess of 5% of the City's total investments.

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 2005 Iowa Code Chapter 12C Deposit of Public Funds requires that any bank accepting deposits of public funds to fully collateralize those deposits with the State Treasurer.

Custodial 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. Of the City's investments at June 30, 2020, the City has limited custodial credit risk exposure because all investments of the City must be held for the credit of the City in compliance with Iowa Code Chapter 12B. The counterparty must keep the securities in an account separate and apart from its own.

Cash and investments

The City pools the resources of each individual fund's available cash in order to obtain higher rates of return than could be if the funds were invested individually. The interest earned on the cash and investments is allocated to selected funds, as determined by the Finance Director and the City Treasurer, in accordance with the City's investment policy, based on the ratio of each fund's participation in the pool. The cash and investments at June 30, 2020, consisted of the following:

Reconciliation to Exhibit 1:	Carrying Amount
Investments	\$ 45,631,331
Bank Deposits	66,518,962
Cash on hand, petty cash and other cash items	11,578
Total Cash and investments	<u>\$ 112,161,871</u>
 Cash and investments – Exhibit 1	 \$111,174,589
Cash and investments – Exhibit 8	987,282
Total Cash and investments	<u><u>\$ 112,161,871</u></u>

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 3 - Receivables

The following schedule details receivables:

Fund Type	Property Taxes	Grants/ Revenue from Other Governments	Accounts Receivable
GENERAL	\$ 32,722,338	\$ 2,388,972	\$ 2,022,150
Special Revenues			
Storm Water Drainage	---	3,296	131,475
Road Use	---	1,390,154	---
Community Development	---	181,004	22,182
Housing	---	5,809	5,889
Main Street	123,203	---	---
Local Option Sales Tax	---	1,068,390	57,100
Events Facilities	---	11,500	17,024
Transit System	---	1,973,307	31,439
Employee Benefits	3,699,733	---	---
TOTAL SPECIAL REVENUES	3,822,936	4,633,460	265,109
DEBT SERVICE	23,512,929	---	111,594
CAPITAL PROJECTS	---	4,713,043	1,265,678
Enterprises			
Airport System	---	7,010,309	72,524
Water System	---	---	4,370,934
Sewer System	---	66,069	4,822,310
Solid Waste System	---	---	1,016,719
Parking Facility	---	1,557	337,441
Skyway System	---	---	120,162
TOTAL ENTERPRISE	---	7,077,935	10,740,090
Internal Service Funds			
Central Maintenance Garage	---	---	18,209
Comprehensive Insurance	---	---	129,050
TOTAL INTERNAL SERVICE	---	---	147,259
Permanent Fund			
Cemetery Trust	---	---	801
TOTAL PERMANENT	---	---	801
TOTAL RECEIVABLES	\$ 60,058,203	\$ 18,813,410	\$ 14,552,681

Notes Receivable	Special Assessments	Total
\$ ---	\$ 33,832	\$ 37,167,292
---	3,657	138,428
---	---	1,390,154
4,602,270	---	4,805,456
209,483	---	221,181
---	---	123,203
10,000	---	1,135,490
440,000	---	468,524
---	---	2,004,746
---	---	3,699,733
5,261,753	3,657	13,986,915
100,000	707	23,725,230
4,879,426	---	10,858,147
---	---	7,082,833
---	2,699	4,373,633
---	1,306	4,889,685
---	1,045	1,017,764
---	---	338,998
---	---	120,162
---	5,050	17,823,075
63,863	---	82,072
---	---	129,050
63,863	---	211,122
---	---	801
---	---	801
\$ 10,305,042	\$ 43,246	\$ 103,772,582

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 3 (Continued)

All property subject to taxation is valued by the City Assessor, in compliance with State law, every two years subject to equalization action of the State Director of Revenue and further adjustment to restrict growth of taxable valuations to an annual limit of three percent statewide.

Taxes are billed and collected for the City of Sioux City by the Woodbury County Treasurer and are levied and due on July 1 of each year. Property taxes attach as an enforceable lien on March 15. The first installment becomes delinquent the following October 1, and the second installment becomes delinquent April 1 of the following calendar year. Property tax revenues are recognized when they become available. Available means when due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed 60 days. The maximum rate for the General Fund is \$8.10 per thousand dollars assessed valuation. General Obligation Bonds issued are payable from taxes levied in the Debt Service Fund without limitation as to rate or amount. The City has been at the \$8.10 General Fund limit for the past thirty-nine years.

The City also has other notes receivable totaling \$169,500 at June 30, 2020, from rehabilitation loans made from the Community Development Funds. In connection with the Home Program funded by the U.S. Department of Housing and Urban Development, the Community Development Fund had notes receivable outstanding of \$4,432,770 from fifteen local businesses.

During fiscal year 2011 the City executed an amendment to an agreement with Warfield Building, LLC in relation to a parking licensing agreement for property located at Third and Jones Street. The agreement calls for \$300,000 to be repaid with annual payments of \$25,000 beginning in January 2012. The balance outstanding in the Debt Service Fund at June 30, 2020 was \$100,000.

During fiscal year 2018, the City executed a Management Agreement with Kinseth Hospitality Company, Inc., to operate the Convention Center. Per the agreement, the City advanced \$100,000 to maintain base level balances in the operating bank accounts. Kinseth Hospitality Company, Inc., is obligated to repay this advance upon termination, cancellation or expiration of this agreement. During fiscal year 2018, the City executed a Management Agreement with Comcast Spectacor to operate the Tyson Events Center and the Orpheum Theatre. Per the agreement, the City advanced \$340,000 to maintain base level balances in the operating bank accounts. Comcast Spectacor is obligated to repay this advance upon termination, cancellation or expiration of this agreement. The combined outstanding balance of these notes at June 30, 2020 was \$440,000.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 3 (Continued)

The City has eighteen loans in the Capital Improvements Fund.

- The City loaned \$120,000 to the Castle on the Hill in December 2003. The purpose of the loan was for the development of affordable housing in the City. The loan carries an interest rate of 1% for a term of 30 years with payments beginning in December 2013. It has a balance that includes capitalized interest as of June 30, 2020, of \$119,398.
- The City loaned \$413,891 to Green Valley Floyd Golf Corporation in July 2015 for the installation of a new underground electric service. The loan carries an interest rate of 3.5% for a term of 5 years with payments beginning in July 2016 with balloon payment due at maturity with option of two 5 year extensions. It has a balance of \$323,481 as of June 30, 2020.
- In fiscal year 2017, the City received a Franchise fee settlement totaling almost \$800,000, which was loaned to private property owners and developers to improve and preserve neighborhoods and housing stock in Sioux City. The City is entitled to all of the funds that are paid back on the loans. These funds can be loaned to other private property owners and developers to preserve and improve primarily single family properties. All loans are secured by mortgages on the related real estate with an interest rate of 2% for a term of 10 years with monthly payments. These loans have a balance of \$70,433 as of June 30, 2020. In fiscal year 2020 the mortgages on these loans were released and converted into a 5 year forgivable loan.
- In fiscal year 2018, the City loaned \$350,000 to Lamb Arts, Ltd., to historically renovate a property into a performing arts center. The loan is to be repaid within one year with the option for the City to grant a one-year extension. During fiscal year 2019, the City approved a first amendment to the development agreement and extended the loan repayment to October 22, 2020. The loan is secured by mortgage on the related real estate. If Lamb Arts, Ltd., is unable to pay, the property will revert to the City.
- During fiscal year 2019, the City approved a development and minimum assessment agreement with Warrior Hotel Operator LLC., to redevelop two properties into a Marriott Tribute or Autograph Collection branded hotel and luxury apartments including retail, restaurant, and commercial spaces. As part of the agreement, the City will provide financing in an amount up to \$5 million as a loan to the developer to assist with the cost of the infrastructure improvements. Upon repayment by the developer of \$2.5 million of the loan to the City, the remaining \$2.5 million will be forgiven. The City loaned \$1,500,000 to the developer during fiscal year 2020 for a total balance of \$4,016,115.

The combined outstanding balance of these notes at June 30, 2020 was \$4,879,427.

The City has one note receivable outstanding from economic development incentive packages with local businesses in the amount of \$10,000. This note receivable is reported in the Local Option Sales Tax Fund.

The Housing Trust Fund has a note receivable of \$209,483 for housing loan repayments. The amount due by June 30, 2021 is \$18,622 while \$17,346 of the balance is due after June 30, 2021. The balance of \$173,515 for housing loan repayments is a receivable through the State of Iowa Income Offset Program.

The City has five notes receivables from Siouxland District Health for vehicles purchased in 2015, 2017, 2018, 2019 and 2020. The June 30, 2020 balances total \$63,863. The amounts are reported in the Central Maintenance Garage Fund.

At June 30, 2020, special assessments receivables totaled \$43,246. This amount is reported net of an allowance for doubtful accounts of \$651,516.

The Water, Sewer, and Solid Waste Funds accrue unbilled revenues rendered subsequent to the last billing date and prior to year-end based upon the number of days unbilled compared to the first billing subsequent to year-end. At June 30, 2020, unbilled utility revenues included in the accounts receivable of the Water, Sewer, and Solid Waste System Funds were \$2,386,420, \$2,424,624, and \$561,940, respectively.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 4 - Capital Assets

A summary of the changes in capital assets for the year ended June 30, 2020, is as follows:

Governmental Activities (including Internal Service Funds):

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020
Capital assets, not being depreciated:				
Land	\$ 47,091,402	\$ 25,064	\$ (2,542)	\$ 47,113,924
Construction in Progress	54,083,246	33,130,550	(34,245,994)	52,967,802
Total capital assets, not being depreciated	101,174,648	33,155,614	(34,248,536)	100,081,726
Capital assets, being depreciated:				
Buildings	126,070,088	19,330,735	---	145,400,823
Buildings under capital lease	7,675,000	---	---	7,675,000
Improvements other than buildings	64,329,828	1,218,337	---	65,548,165
Equipment	64,461,843	4,044,861	(1,230,213)	67,276,491
Infrastructure	301,126,145	11,974,815	(100,000)	313,000,960
Total capital assets, being depreciated	563,662,904	36,568,748	(1,330,213)	598,901,439
Less accumulated depreciation for:				
Buildings	(49,525,702)	(3,653,374)	---	(53,179,076)
Buildings under capital lease	(6,139,747)	(191,875)	---	(6,331,622)
Improvements other than buildings	(37,582,221)	(2,108,432)	175,513	(39,515,140)
Equipment	(43,540,355)	(4,427,355)	1,025,987	(46,941,723)
Infrastructure	(97,458,071)	(8,413,077)	51,722	(105,819,426)
Total accumulated depreciation	(234,246,096)	(18,794,113)	1,253,222	(251,786,987)
Total capital assets, being depreciated, net	329,416,808	17,774,635	(76,991)	347,114,452
Governmental Activities capital assets, net	\$430,591,456	\$ 50,930,249	\$(34,325,527)	\$ 447,196,178

The Internal Service Funds and General Capital Assets are combined on the Governmental Activities Statement of Net Position.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 4 - (Continued)

Business-Type Activities:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020
Capital assets, not being depreciated:				
Land	\$ 3,516,319	---	\$ ---	\$ 3,516,319
Construction in Progress	62,144,306	35,826,945	(3,252,546)	94,718,705
Total capital assets, not being depreciated	65,660,625	35,826,945	(3,252,546)	98,235,024
Capital assets, being depreciated:				
Buildings	117,805,761	---	---	117,805,761
Improvements other than buildings	321,374,354	3,252,545	---	324,626,899
Equipment	8,492,899	---	---	8,492,899
Total capital assets, being depreciated	447,673,014	3,252,545	---	450,925,559
Less accumulated depreciation for:				
Buildings	(67,596,455)	(1,998,662)	---	(69,595,117)
Improvements other than buildings	(123,679,310)	(11,785,708)	---	(135,465,018)
Equipment	(7,795,927)	(371,525)	---	(8,167,452)
Total accumulated depreciation	(199,071,692)	(14,155,895)	---	(213,227,587)
Total capital assets, being depreciated, net	248,601,322	(10,903,350)	---	237,697,972
Business-Type Activities capital assets, net	<u>\$ 314,261,947</u>	<u>\$ 24,923,595</u>	<u>\$ (3,252,546)</u>	<u>\$ 335,932,996</u>

Depreciation expense was charged to functions/programs of the City as follows:

Governmental Activities

Public Safety	\$ 1,254,957
Public Works	6,194,869
Culture and Recreation	3,370,917
Community and Economic Development	749,732
General Government	4,202,750
Internal Service	3,020,888
Total	<u>\$ 18,794,113</u>

Business-Type Activities

Airport	\$ 1,923,897
Water	5,501,306
Sewer	6,410,989
Solid Waste	53,384
Parking	266,319
Total	<u>\$ 14,155,895</u>

**CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Note 4 (Continued)

Reconciliation of Net Investment in Capital Assets:

	Governmental Activities	Business- Type Activities
Capital Assets (net of accumulated depreciation)	\$ 447,196,178	\$ 335,932,996
Unspent Bond Proceeds	19,615,793	3,271,556
Less: General Obligation Bonds Payable	133,481,312	17,772,596
Notes Payable	- -	132,523,521
Retainage Payable	2,102,784	1,641,146
	<u>\$ 331,227,875</u>	<u>\$ 187,267,289</u>
Net Investment in Capital Assets	<u>\$ 331,227,875</u>	<u>\$ 187,267,289</u>

Note 5 - Capital Leases

In 1986, the City entered into an agreement with the Siouxland Chamber Foundation to construct the Sioux City Convention Center and lease it back to the City. This original lease expired June 1, 2007, and the title to the facility passed back to the City according to the terms of the lease. On June 1, 2007, another agreement was formed which sold the facility back to the Siouxland Chamber Foundation for \$1 and subsequently leased the facility back to the City again. The new lease terms call for a rental payment of \$1 per year for a term of 5 years. The lease also provides for two 5 year renewal options. The lease was renewed for an additional five years commencing on June 2, 2017 and ending on June 1, 2022. Per the agreement, title to the facility will transfer back to the City for no consideration at the termination of the lease. Accordingly, the lease is treated as a capital lease and the leased assets are accounted for in the governmental activities on the statement of net position. Buildings under capital lease have an original cost of \$7,675,000, accumulated depreciation of \$6,331,874 for a net book value at June 30, 2020, of \$1,343,126.

Note 6 - Long-Term Debt

NOTES PAYABLE - DIRECT BORROWINGS

During fiscal years 2003 and 2004, the City borrowed funds from the State of Iowa Clean and Drinking Water State Revolving Fund. The City received four notes at 3% interest each to make certain improvements to the wastewater treatment and water systems. All four notes are unsecured. The notes were drawn upon as improvements were made. The final draws on the fourth note were made during fiscal year 2007 bringing the total amount borrowed under these notes to \$25,000,000 in the Water Fund and \$8,000,000 in the Sewer Fund. The outstanding balances as of June 30, 2020, were \$5,427,000 in the Water Fund and \$1,521,000 in the Sewer Fund.

During fiscal year 2006, the City obtained a \$31,000,000 note from the State of Iowa Clean and Drinking Water State Revolving Fund. The note was at 3% and is unsecured. The loan was drawn upon as the funds were spent on the improvements. The loan was fully drawn as of June 30, 2009 and the outstanding balance on the note as of June 30, 2020, was \$12,983,000 in the Sewer Fund.

During fiscal year 2007, the City obtained a note with the State of Iowa Clean and Drinking Water State Revolving Fund in the amount of \$6,000,000 with a 3% interest rate. The loan was drawn upon as improvements were made. The loan was fully drawn as of June 30, 2009 and the outstanding balance of the note as of June 30, 2020, was \$1,998,000 in the Water Fund.

**CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Note 6 (Continued)

During fiscal year 2008, the City obtained a note with the State of Iowa Clean and Drinking Water State Revolving Fund in the amount of \$15,000,000 with a 3% interest rate. The loan was drawn upon as the funds were spent on improvements. The loan was fully drawn as of June 30, 2010, and the outstanding balance of the note as of June 30, 2020, was \$7,851,000 in the Sewer Fund. In fiscal year 2018, State of Iowa reduced the interest rate from 3% to 1.75% effective June 1, 2018.

During fiscal year 2009, the City obtained four notes with the State of Iowa Clean and Drinking Water State Revolving Fund. These loans included one loan in the amount of \$31,000,000 in the Sewer Fund and three Planning & Design Loans totaling \$4,450,000 in the Water Fund, all loans have a 3% interest rate. The loans were drawn upon as improvements were made. The amount of the sewer loan increased to \$38,600,000 in fiscal year 2011. The City did not draw the full loan amount authorized. The outstanding balance of the note as of June 30, 2020, was \$23,362,000 in the Sewer Fund. During fiscal year 2012, \$4,023,859 that had been drawn under the Planning & Design Loans in the Water Fund was rolled into a new construction loan totaling \$30,618,000. The loan was fully drawn as of June 30, 2015. In fiscal year 2019, State of Iowa reduced the Sewer Fund interest rate from 3% to 1.75% effective December 1, 2019. The balance outstanding in the Water Fund at June 30, 2020 was \$20,639,000.

During fiscal year 2010, the City obtained a note with the State of Iowa Clean Drinking Water State Revolving Fund in the amount of \$10,807,000 with an interest rate of 3%. The loan was drawn upon as funds were spent on improvements. The loan was fully drawn as of June 30, 2011. The outstanding balance of the note as of June 30, 2020, was \$6,783,000 in the Water Fund.

During fiscal year 2011, the City obtained a note with the State of Iowa Clean Drinking Water State Revolving Fund in the amount of \$9,193,000 with an interest rate of 3%. The loan was drawn upon as improvements were made. The loan was fully drawn as of June 30, 2011, with an outstanding balance as of June 30, 2020, of \$5,770,000 in the Water Fund.

During fiscal year 2013, the City obtained three Sewer Capital Loan Notes from the State of Iowa Clean and Drinking Water State Revolving Fund. The authorized loan amounts were \$3,100,000 for I-29 Sewer Relocation on S. Lafayette Street, \$4,200,000 for the Southeast Morningside Sanitary Sewer Project and \$7,100,000 for the Wastewater Treatment Plant Asset Renewal. The loans all had an interest rate of 0.75%. The City did not draw the full loan amount authorized. The outstanding balance at June 30, 2020 was \$993,000, \$2,918,000, and \$4,581,000 in the Sewer Fund.

During fiscal year 2014, the City obtained a note with the State of Iowa Clean Drinking Water State Revolving Fund in the amount of \$2,100,000 for the Ultraviolet Disinfection Project with an interest rate of 1.75%. Loan was fully drawn as of June 30, 2017. The outstanding balance at June 30, 2020 was \$1,339,000 in the Water Fund.

During fiscal year 2017, the City obtained a Sewer Capital Loan Note from the State of Iowa Clean and Drinking Water State Revolving Fund in the amount of \$33,000,000 with an interest rate of 1.75% for I-29 Utility Relocation. The City did not draw the full loan amount authorized. The outstanding balance at June 30, 2020 was \$27,524,006 in the Sewer Fund.

During fiscal year 2017, the City obtained a Water Capital Loan Note from the State of Iowa Clean and Drinking Water State Revolving Fund in the amount of \$5,700,000 with an interest rate of 1.75% for I-29 Utility Relocation. The City did not draw the full loan amount authorized. The outstanding balance at June 30, 2020 was \$4,437,717 in the Water Fund.

During fiscal year 2020, the City obtained a Water Capital Loan Note from the State of Iowa Clean and Drinking Water State Revolving Fund in the amount of \$6,507,000 with an interest rate of 1.75% for Western Hills to Indian Hills Pressure Zone and Tank Demolition Project. The City did not draw the full loan amount authorized. The outstanding balance at June 30, 2020 was \$4,396,798 in the Water Fund.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 6 (Continued)

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

Year Ending June 30	Governmental Activities		Business-Type Activities	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ ---	\$ ---	\$ 11,616,000	\$ 2,769,881
2022	---	---	11,944,000	2,543,743
2023	---	---	12,281,000	2,309,535
2024	---	---	11,166,000	2,068,468
2025	---	---	10,723,000	1,845,923
2026-2030	---	---	48,514,000	6,053,428
2031-2035	---	---	22,412,798	1,870,744
2036-2039	---	---	3,866,723	259,578
Total	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ 132,523,521</u>	<u>\$ 19,721,300</u>

GENERAL OBLIGATION BONDS

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and projects. General obligation bonds have been issued for both governmental and business-type activities. These bonds are direct obligations and pledge the full faith and credit of the City.

The City issued new general obligation bonds on June 20, 2020 in two series as follows:

Series A was issued for \$11,555,000. The bonds were sold to Baird for \$11,903,218. The bonds have a true interest rate of 1.57% with principal payments due June 1 of the years 2021 through 2030.

Series B was issued for \$11,155,000. The bonds were sold to Baird for \$11,240,428. The bonds have a true interest rate of 1.57% with principal payments due June 1 of the years 2021 through 2030.

General obligation bonds outstanding as of June 30, 2020, are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amounts</u>
Governmental Activities	1.00 – 5.00%	\$131,282,405
Business-Type Activities	1.57 – 5.00%	17,772,596

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 6 (Continued)

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

Year Ending June 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2021	\$ 21,763,014	\$ 3,494,383	\$ 3,036,986	\$ 471,301
2022	18,631,716	2,921,940	2,798,284	390,979
2023	16,282,610	2,438,595	2,497,390	307,094
2024	15,371,248	2,004,187	2,388,752	236,750
2025	15,058,558	1,605,584	2,226,444	172,939
2026-2030	40,670,259	3,395,583	4,824,740	262,854
2031-2035	3,505,000	294,787	---	---
Total	<u>\$ 131,282,405</u>	<u>\$ 16,155,059</u>	<u>\$ 17,772,596</u>	<u>\$ 1,841,917</u>

CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2020, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$131,805,197	\$19,438,435	\$19,961,227	\$131,282,405	\$21,763,014
Unamortized Bond Charges	2,215,404	433,646	450,143	2,198,907	493,508
Compensated Absences	3,808,853	4,163,480	3,723,457	4,248,876	2,938,989
Est. Liability for Damage Claims	4,779,626	15,340,964	14,522,662	5,597,928	3,580,401
Net Pension Liability	57,446,126	1,882,737	---	59,328,863	---
Total OPEB Liability	7,071,039	---	362,745	6,708,294	---
Governmental Activities Long-term Liabilities	<u>\$207,126,245</u>	<u>\$41,259,262</u>	<u>\$39,020,234</u>	<u>\$209,365,273</u>	<u>\$28,775,912</u>
Business-Type Activities:					
Bonds Payable:					
General Obligation Bonds	\$17,204,803	\$3,271,566	\$2,703,773	\$17,772,596	\$3,036,986
Notes Payable- Direct Borrowings	127,574,154	16,246,367	11,297,000	132,523,521	11,616,000
Due to Other Governments	14,487,380	---	11,353,458	3,133,922	3,133,922
Compensated Absences	495,437	413,599	438,450	470,586	352,579
Est. Liability for Landfill Closure	1,053,277	---	84,389	968,888	53,416
Net Pension Liability	4,556,084	---	382,068	4,174,016	---
Business-type Activities Long-term Liabilities	<u>\$165,371,135</u>	<u>\$19,931,532</u>	<u>\$26,259,138</u>	<u>\$159,043,529</u>	<u>\$18,192,903</u>

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 6 (Continued)

The Governmental General Obligation Bonds are shown net of the unamortized premiums and discounts of \$2,198,907 on the Statement of Net Position.

		Exhibit 1- Statement of Net Position	
General Obligation Bonds	\$ 131,282,405	General Obligation Bonds Payable-current	\$ 22,256,522
Unamortized Bond Charges	2,198,907	General Obligation Bonds Payable-long term	111,224,790
	<u>\$ 133,481,312</u>		<u>\$ 133,481,312</u>

Internal Service Funds predominantly serve the Governmental Funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At June 30, 2020, \$665,373 of Internal Service Fund general obligation debt was carried by the Central Maintenance Garage. Internal Service Fund's \$298,202 of compensated absences, \$6,708,294 of total OPEB liability, and \$1,534,949 of net pension liability are included in the above amounts. For the governmental activities, compensated absences and net pension liability are liquidated by the funds where the employee's wages and benefits are allocated. For the above balances in compensated absences as of June 30, 2020, approximately 75% will be liquidated by the General Fund, 18% by the Special Revenue Funds, and 7% by the Internal Service Funds. For the above balances in net pension liability as of June 30, 2020, approximately 81% will be liquidated by the General Fund, 9% by the Special Revenue Funds, 2% by the Internal Service Funds, and 8% by the Enterprise Funds. For the above balances in total OPEB liability as of June 30, 2020, the full balance will be liquidated by the Internal Service Fund.

At June 30, 2020, the general obligation debt issued by the City did not exceed its legal debt margin, computed as follows:

Assessed Value as of January 1, 2019 (Unaudited)	\$ 4,681,057,922
Debt Limit- 5% of valuation	234,052,896
Amount of Debt Applicable to Limit	
Total Bonded Debt and Long-Term Notes Payable	283,777,429
Less: Notes Payable	(132,523,521)
Funds on Hand Available to Service Debt	<u>(6,958,415)</u>
Debt Applicable to Debt Limit	<u>144,295,493</u>
Legal Debt Margin	\$ 89,757,403

ARBITRAGE

Arbitrage rules apply to tax-exempt debt issued after August 31, 1986. The rules require that earnings from the investment of tax-exempt bond proceeds which exceed the yield on the bonds must be remitted to the federal government every five years.

The City entered into an agreement with an outside consulting firm to assist City personnel in reviewing arbitrage rebate calculations for the above bond issues. Those bond issues that have been reviewed show that no arbitrage rebate is owed.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 7 - Internal Balances

The following is a summary of Interfund Receivables/Payables as of June 30, 2020:

	Interfund Receivable	Interfund Payable
General	\$ - - -	\$ 2,560
Employee Benefits	- - -	289,743
Local Opt Sales Tax	- - -	5,268
Capital Improvements	10,064,970	610
Nonmajor Govt		956,078
Internal Service	16,438	- - -
Airport	- - -	145,362
Sewer	- - -	8,685,623
Nonmajor Enterprise	<u>6,432</u>	<u>2,596</u>
TOTALS	<u><u>\$ 10,087,840</u></u>	<u><u>\$ 10,087,840</u></u>

Interfund Balances represent amounts due to/from other funds as of June 30, 2020.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 7 - (Continued)

The following is a summary of transfers between fund types:

	Governmental Fund Types				
	General	Other Employee Benefits	Debt Service	Capital Improv	Nonmajor Govt
General	\$ ---	\$ 300,000	\$ 1,325,942	\$ 6,190,776	\$ 3,153,448
Employee Benefits	5,754,680	---	---	---	---
Local Opt Sales Tax	9,247,673	---	664,019	3,030,092	1,000,000
Debt Service	---	---	---	6,605,089	330,091
Capital Improvements	44,031	---	2,022,362	6,500	580,352
Nonmajor Govt	6,678	---	1,948,621	1,752,485	---
Sewer	---	---	2,019,191	86,704	---
Internal Service	---	---	---	526,959	29,183
Total Transfers In	<u>\$ 15,053,062</u>	<u>\$ 300,000</u>	<u>\$ 7,980,135</u>	<u>\$ 18,198,605</u>	<u>\$ 5,093,074</u>

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. To move receipts restricted to debt service from the fund collecting the receipts to the Debt Service Fund as debt service payments become due.
3. To use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Proprietary Fund Types					Total
Airport	Water	Sewer	Nonmajor Prop	Internal Service	Transfers Out
\$ ---	\$ ---	\$ ---	\$ ---	\$ 75,854	\$ 11,046,020
---	---	---	---	---	5,754,680
---	---	---	---	---	13,941,784
713,126	904,713	---	153,722	---	8,706,741
---	---	150,000	---	1,014,824	3,818,069
---	---	---	---	---	3,707,784
---	---	---	---	---	2,105,895
---	---	---	---	---	556,142
<u>\$ 713,126</u>	<u>\$ 904,713</u>	<u>\$ 150,000</u>	<u>\$ 153,722</u>	<u>\$ 1,090,678</u>	<u>\$ 49,637,115</u>

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 8 - Fund Balances

The following schedule reflects all Fund Balances as presented in the Fund Level Statements:

	<u>General Fund</u>	<u>Major Special Revenue</u>	
		<u>Other Employee Benefits</u>	<u>Local Option Sales Tax</u>
Fund Balances:			
Nonspendable:			
Prepaid Items	\$ 26,143	\$ ---	\$ ---
Long-Term Notes Receivable	---	---	---
Permanent Fund, Principal	---	---	---
Restricted for:			
Public Works	---	---	---
Comm & Econ Develop	---	---	---
Employee Benefits	---	32,623	---
Debt Service Reserve	---	---	---
Capital Projects	---	---	---
Other Purposes	---	---	---
Committed to:			
Public Safety	113,332	---	---
Public Works	40,367	---	---
Culture & Recreation	87,049	---	---
Comm & Econ Develop	3,186	---	---
General Governmental	124,917	---	---
Assigned to:			
Public Works	---	---	---
Comm & Econ Develop	---	---	112,518
General Governmental	---	---	675,104
Capital Projects	---	---	337,552
Unassigned:	12,352,266	---	---
Total Fund Balances	<u>\$ 12,747,260</u>	<u>\$ 32,623</u>	<u>\$ 1,125,174</u>

Major Debt Service Fund	Major Capital Improvements Fund	Other Funds	Total
\$ ---	\$ ---	\$ 334	\$ 26,477
---	4,879,426	---	4,879,426
---	---	1,288,932	1,288,932
---	---	3,398,671	3,398,671
---	---	7,130,554	7,130,554
---	---	---	32,623
6,958,415	---	---	6,958,415
---	49,468,950	---	49,468,950
---	799,249	421,856	1,221,105
---	---	---	113,332
---	---	168,142	208,509
---	---	440,000	527,049
---	---	---	3,186
---	---	---	124,917
---	---	911,671	911,671
---	---	---	112,518
---	---	---	675,104
---	---	---	337,552
---	---	(1,285)	12,350,981
<u>\$ 6,958,415</u>	<u>\$ 55,147,625</u>	<u>\$ 13,758,875</u>	<u>\$ 89,769,972</u>

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 9 - Risk Management/Contingent Liabilities

The City participates in a number of federally assisted grant programs, principally Federal Aviation Administration, FTA Capital, Planning and Operating Assistance Grants, Federal Highway Construction Grants, and Community Development Block Grant. The programs are subject to financial and compliance audits. The amount of expenditures if any, which may be disallowed by the Grantor agencies is not determinable at this time; however, City officials do not believe that such amounts would be significant.

The City is a defendant in a number of lawsuits in its normal course of operations. The City Attorney estimates that an unfavorable outcome on certain lawsuits is likely and, accordingly, a provision for losses of \$3,580,401 has been established in the accompanying financial statements as of June 30, 2020. A provision for health claims incurred but unpaid as of June 30, 2019, of \$2,017,527 has also been recorded.

The City is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets, errors or omissions, injuries to employees, or acts of God. The City has self-insured itself since July 1, 1986 for general liability, and automobile liability. Argonaut Insurance Company covers up to \$10 million in general liability and automobile liability, after the City's self-insured retention amount of \$500,000. The City has umbrella liability coverage with Allied Insurance Company of America covering general liability, and auto liability up to \$5 million in excess. The City began self-insuring health coverage as of July 1, 1988. It is self-insured for health coverage risk up to \$150,000, specific, and 125% of expected annual paid claims in the aggregate.

During fiscal year 2019, the City became a member of the Iowa Municipalities Worker's Compensation Association (IMWCA). The IMWCA Pool (Pool) is a local government risk-sharing pool whose more than 530 members include various governmental entities throughout the State of Iowa, by pooling the risks of their workers' compensation liabilities. The Pool was formed in July 1981 under Chapter 28E, Code of Iowa, for the purpose of managing and funding to provide a stable, affordable alternative to the standard insurance market. To meet this purpose, the Pool uses stringent underwriting guidelines and prudent financial management, which protect the integrity of the Pool and its member's interests. Membership in the Pool is limited to Iowa cities, counties, Chapter 28E entities, and other political subdivisions subject to approval in writing by the Board of Trustees or their designee; a member may withdraw from the Pool at any time by complying with the rules of the Pool.

Each member's annual premiums are determined by using applicable standard rates for the exposure to risk and applicable experience modification factors of the National Council on Compensation Insurance (NCCI). Each member may be subject to additional premiums to pay its pro rata share of claims, when they exceed the Pool's resources available to pay such claims. Any money not used to pay claims and expenses remains with the Pool as surplus to fund future catastrophic claims. If a surplus substantially exceeds an actuarially sound figure, a distribution may be made to current members according to a formula that contemplates members' premium and claims experience of past years.

The Pool is currently reinsured with Safety National Casualty Corporation (SNCC) and NLC Mutual Insurance Company (NLC-MIC, a member owned captive insurance company). Each reinsurance carrier covers a specific layer of reinsurance risk. As of June 30, 2018, the specific limit of indemnity was unlimited per occurrence in excess of \$850,000, subject to a \$2,000,000 per occurrence sublimit for employers' liability for the members. NLC covers the first \$650,000 in excess of \$850,000 with SNCC taking the remaining risk per occurrence. To the extent that any reinsuring companies are unable to meet their obligations under the reinsurance agreements, the Pool would remain liable to the insured. The Pool attempts to mitigate reinsurance risk by checking the creditworthiness and rating of the reinsurers, if available. The Pool has elected to maintain the capital contribution with NLC whether or not there is a reinsurance agreement. NLC credits the Pool's capital contribution with the allocation of NLC's statutory earnings (loss) included in investment income.

The City does not report a liability for losses in excess of reinsurance or excess risk-sharing recoveries unless it is deemed probable such losses have occurred and the amount of such loss can be reasonably estimated. Accordingly, at June 30, 2020, no liability has been recorded in the City's financial statements. As of June 30, 2020, settled claims have not exceeded the risk pool or reinsurance coverage.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 9 (Continued)

The self-insurance programs are administered using an internal service fund, the Comprehensive Insurance Fund, which records premium revenue as "Charges for Service". All funds of the City participate in the self-insurance programs and make payments to the Comprehensive Insurance Fund based on pre-determined amounts needed to pay prior and current year claims and to establish a reserve for future catastrophic losses. Currently, the City is unfunded for reserves to cover incurred but unreported claims and unanticipated claim fluctuations.

The City maintains outside insurance coverage through various insurance policies on buildings and their contents, equipment and property, employee dishonesty, and excess health coverage throughout 2020. There have been no significant reductions in insurance coverage from prior years. The City has had no amount of settlements exceeding insurance coverage for each of the past ten fiscal years.

The claims payable, including claims incurred but not yet reported, have been determined by the City's management and have been recorded in the accompanying financial statements. Changes in the fund's claims liability amount were as follows:

<u>Year Ended June 30</u>	<u>Beginning Balance Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Ending Balance</u>
2011	\$ 18,809,768	\$11,986,751	\$12,910,256	\$17,886,263
2012	17,886,263	15,592,769	12,974,935	20,504,097
2013	20,504,097	3,756,957	12,911,188	11,349,866
2014	11,349,866	6,052,645	12,770,584	4,631,927
2015	4,631,927	13,050,118	14,109,436	3,572,609
2016	3,572,609	16,732,582	15,754,165	4,551,026
2017	4,551,026	17,572,064	16,134,006	5,989,084
2018	5,989,084	12,782,034	13,926,251	4,844,867
2019	4,844,867	3,745,587	3,810,828	4,779,626
2020	\$ 4,779,626	\$15,340,964	\$14,522,662	\$5,597,928

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 10 - Commitments

The City has recognized as a liability only that portion of construction contracts completed through June 30, 2020. The following summary presents the amount of contracts outstanding at June 30, 2020 for both Governmental and Enterprise Funds combined:

Construction	\$ 6,206,265
Design & Engineering Services	52,193,256
Other	7,458,224
Less: Due, but unpaid at June 30, 2020	<u>(13,869,290)</u>
Construction Contract Commitments	<u>\$ 52,105,095</u>

Governmental contracts and encumbrances outstanding at June 30, 2020 are listed below and are included in fund balance committed amounts but do not include encumbered amounts already previously restricted:

	General Fund	Non-Major Governmental	Debt Service	Local Option Sales Tax	Total
Public Safety	\$ 113,332	\$ ---	\$ ---	\$ ---	\$ 113,332
Public Works	40,367	160,684	---	---	201,051
Culture & Recreation	87,049	---	---	---	87,049
Community & Economic Dev	3,186	---	---	21,355	24,541
General Government	124,917	---	2,238	---	127,155
Totals	<u>\$ 368,851</u>	<u>\$ 160,684</u>	<u>\$ 2,238</u>	<u>\$ 21,355</u>	<u>\$ 553,128</u>

As of June 30, 2020, the City had \$5,046,988 outstanding purchase orders and \$60,927,397 outstanding contracts, less \$13,869,290 unpaid of the total commitments listed above.

The City Council approved the construction of the Chris Larsen Park-Riverfront Development project on May 18, 2020 for approximately \$6 million. This is slated to be a \$17.5 million project funded by \$9.1 million from the private donations, \$1.1 million from various State programs, \$900,000 from the EPA-Brownfields grant, \$100,000 from Woodbury County, \$200,000 from the Gilchrest Foundation, and the remaining to be funded by the City's CBD TIF district.

Under an agreement with the Siouxland Expo Center Board, the City has a commitment to oversee the construction of the new Siouxland Expo Center for the non-profit. The total cost of the project is currently expected to be \$17.5 million. The project has received major public donations and grant funding from Woodbury County, Missouri River Historic Development, the Gilchrist Foundation, the state's Brownfield/Grayfield Redevelopment Program, Iowa Department of Agriculture, and over thirty businesses in the community. The City Council approved a \$15 million contract on May 13, 2019 for the construction of the center. Construction is expected to be completed in 2020.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 11 - Joint Venture

The Woodbury County Information and Communication Commission (WCICC) was formed in fiscal year 1988. WCICC was established to operate a combined data processing and communications center for the City and the County. Each governmental unit selects two of its members to serve on the commission and a fifth member is selected by the commission. The operating budget is approved by both governments with contributions for operations from both. All assets, liabilities and equity are owned on a 60/40 basis. The City maintains the financial records and bank accounts of WCICC, which are recorded as an agency fund of the City (see Exhibit D-2). The capital assets are reported directly on the City/County financials per the 60/40 ownership. The remaining equity is recorded as an investment in joint venture on the City/County financials per the same 60/40 ownership. Summary financial information as of, and for the fiscal year ended June 30, 2020, is presented as follows:

Assets	\$ 1,052,214
Total Assets	<u>1,052,214</u>
 Total Liabilities	 1,978,681
Fund Equity	<u>(926,467)</u>
Total Liabilities and Fund Equity	<u>1,052,214</u>
 Total Revenue	 3,313,266
Total Expenditures	<u>(3,155,844)</u>
Net Increase (Decrease) in Fund Balance	<u>\$ 157,422</u>

The Woodbury County Information and Communication Commission does not publish a Comprehensive Annual Financial Report. The City's share of the capital assets is reported in governmental activities.

City's Share of Joint Venture	
Assets	60%
Liabilities	60%
Equity	60%

**CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Note 12 - Post-Employment Health Care Benefits

During fiscal year 2018, the City adopted the provisions of Statement No. 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions (OPEB). This statement established standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditure. It replaces the requirements of the Statement No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions, as amended.

For defined benefit OPEB plans the statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

Plan Description. The City's defined benefit OPEB plan, City of Sioux City, Iowa Health Benefit Plan, offers OPEB benefits for all eligible retirees. City of Sioux City, Iowa Health Benefit Plan is a single-employer defined benefit OPEB plan administered by the City. Under Chapter 509A.13 Group Insurance for Public Employees of the Code of Iowa, if a governing body, a City Board of Supervisors, or a City Council has procured for its employees accident, health, or hospitalization insurance, or a medical service plan, or has contracted with a health maintenance organization authorized to do business in this state, the governing body, City Board of Supervisors, or City Council shall allow its employees who retired before attaining sixty-five years of age to continue participation in the group plan or under the group contract at the employee's own expense until the employee attains sixty-five years of age. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The City is self-insured for medical benefits. No stand alone financial report is issued; the plan is self-funded and included in the City's financial statements.

Benefits provided. City of Sioux City, Iowa Health Benefit Plan offers medical with or without prescription and dental insurance benefits for non-Medicare eligible retirees and their dependents. The benefits are covered under the City's plan with the premium cost to be paid by the retiree. Premiums are calculated based on prior year claim experiences and amounts needed to fund the plan operations

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

Inactive employees or beneficiaries currently receiving benefit payments	29
Active employees	<u>722</u>
	751

Total OPEB liability. The City's total OPEB liability of \$6,708,294 was measured as of June 30, 2020.

Changes in the Total OPEB Liability

	Total OPEB
Balance at 6/30/19	\$ 7,071,039
Changes for the year:	
Service cost	434,971
Interest cost	258,914
Changes of benefit terms	-
Differences between expected and actual experience	(1,207,655)
Changes in assumptions or other inputs	367,955
Benefit payments	(216,930)
Net Changes	<u>(362,745)</u>
Balance at 6/30/20	<u>\$ 6,708,294</u>

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 12 (Continued)

The total OPEB liability as of June 30, 2020 assumes a discount rate of 2.21%.

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the year ended June 30, 2020, the City recognized OPEB expense of \$621,932. At June 30, 2020, the City 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
Differences between expected and actual experience	\$ - - -	\$ (1,096,616)
Changes of assumptions or other inputs	508,881	(115,287)
Net difference between projected and actual investments	- - -	- - -
Total	<u>\$ 508,881</u>	<u>\$ (1,211,903)</u>

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

Year ending June 30:	
2021	\$ (71,953)
2022	(71,953)
2023	(71,953)
2024	(71,953)
2025	(71,953)
Thereafter	(343,257)
Total	<u>\$(703,022)</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

1% Decrease	\$5,872,000
1% Increase	\$7,623,000

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

1% Decrease	\$7,327,000
1% Increase	\$6,087,000

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal based on level percentage of projected salary
Discount rate	2.21% per annum for June 30, 2020 Source: Bond Buyer 20-Bond GO Index The projection of cash flows used to determine the discount rate assumed that employee contributions will be made based on prior year claim experiences and amounts needed to fund the plan operations.

**CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Note 12 (Continued)

Salary Increase Rate	3.0% per annum
Inflation Rate	3.0% per annum
Mortality Rates	Pub-2010 generational table scaled using MP-19 and applied on a gender-specific basis
Plan Participation Percentage	The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 30% of Pre-Medicare and 5% of Post-Medicare employees and their dependents who are eligible for early retiree benefits will participate in the retiree medical plan. This assumes that a one-time irrevocable election to participate is made at retirement.

Health Care Cost Trend Rate

The health care cost trend assumptions are used to project the cost of health care in future years. The following annual trends are based on the current HCA Consulting trend study, and are applied on a select and ultimate basis. Select trends are reduced 0.5% each year until reaching the ultimate trend rate.

Expense Type	Select	Ultimate
Pre-Medicare Medical and Rx Benefits	6.0%	4.5%
Medical Benefits	5.0%	4.5%
Stop Loss Fees	6.0%	4.5%
Administrative Fees	4.5%	4.5%

Per Capita Health Claim Cost

Expected annual claim costs were developed using historical claim experience through December 2019. The expected annual medical and prescription drug claim costs for pre-Medicare and Medicare members is below.

Member Age	Claim cost
Age 60 Retiree or Spouse	\$ 13,088
Age 70 Retiree or Spouse	\$ 8,288

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 13 - Employee Benefits

Vacation hours for City employees are accumulated for subsequent use or for payment upon termination, retirement or death up to a maximum ranging from 120 to 240 hours based upon number of years employed.

Severance pay is paid to all employees of the Fire Emergency Medical Services division employees group, Professional, Administrative, Technical, Supervisory, Executive and Council Appointed (PATS) employees group, PATS Union Agreement employees group, and Library non-bargaining employees group with a minimum of 15 years of consecutive service with the City. The 15-year requirement does not apply to those who retire and immediately become eligible to receive retirements benefits under the provisions of the Iowa Public Retirement System (IPERS), the Social Security Act, or the Municipal Fire and Police Retirement System (MFPRSI). The pay is based on three day's pay for each full twelve months of consecutive service upon retirement, resignation, death or termination (other than for disciplinary reasons).

Severance pay is paid to all employees of the Affiliated Sioux City Municipal Employee Union (AFSME) employees group, who retires and immediately upon such retirement becomes eligible for regular retirements benefits under the provisions of the IPERS, or the Social Security Act shall receive retirement severance pay, at the rate of three day's pay for each full twelve months of consecutive service.

Severance pay is paid to all employees of the Fire Supervisory employees group, and Police Supervisory employees group, who retires and immediately upon such retirement becomes eligible for regular retirements benefits under the provisions of the MFPRSI, the Social Security Act, the Workers' Compensation, or resigns as a vested member of the provisions of the MFPRSI, shall receive retirement severance pay, at the rate of three day's pay for each full twelve months of consecutive service.

Severance pay is paid to all employees of the Fire Union employees group, who terminates employment and is immediately eligible for regular retirements benefits under the provisions of the MFPRSI, shall receive retirement severance pay, at the rate of three day's pay (33.6 hours) for each full twelve months of consecutive service. A fire fighter who terminates employment and is not immediately eligible to receive payments for benefits under the MFRSI shall receive severance pay at the time of the fire fighter becomes eligible to receive payment from MFPRSI. Severance pay payable at a date other than the date of termination from service shall be calculated from the wage scale and formula in effect at the date of termination.

Severance pay is paid to all employees of the Police Union employees group, who retires and immediately upon such retirement becomes eligible for regular retirements benefits under the provisions of the MFPRSI, or resigns as a vested member of the provisions of the MFPRSI, shall receive retirement severance pay, at the rate of three day's pay for each full twelve months of consecutive service at the time of retirement or resignation.

Vacation and severance pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. At June 30, 2020, two employment agreements involving termination benefits were in effect. These termination benefits include severance, health, life and long term disability benefits. The long-term portion of \$230,989 is reported in the governmental activities in the government-wide financial statements. The liabilities were calculated based on current salary rates and benefit cost at the time of statement preparation.

City employees accumulate sick leave hours for subsequent use. Sick leave hours are not a vested benefit and expire if unused upon termination, death or retirement, with the exception of the Transit System's employees covered by the Amalgamated Transit Union Agreement with the City of Sioux City, Fire. These employees receive a benefit of up to 120 days of paid sick leave upon death or retirement. The accumulated sick leave under this agreement for transit employees is recorded only in the government-wide financial statements. All other accumulated sick leave is not recognized as an expenditure until used or paid as it is not measurable at June 30, 2020.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 13 (Continued)

Compensated absences consist of the following amounts as of June 30, 2020:

Accrued Vacation	\$ 3,167,384
Accrued Severance Pay	1,196,906
Accrued Transit Sick Leave	124,183
Accrued Termination Benefits	230,989
Total	<u><u>\$ 4,719,462</u></u>

Compensated absences have been recorded as follows:

	<u>CURRENT</u>	<u>LONG-TERM</u>	<u>TOTAL</u>
Enterprise Funds	\$ 352,579	\$ 118,007	\$ 470,586
Internal Service Funds	108,316	189,886	298,202
Government-Wide Statement	2,830,673	1,120,001	3,950,674
	<u><u>\$ 3,291,568</u></u>	<u><u>\$ 1,427,894</u></u>	<u><u>\$ 4,719,462</u></u>

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 14 - Pension Plans

IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Plan Description. IPERS membership is mandatory for covered City employees. Employees of the City of Sioux 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 information 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 65, any time after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member's first month of entitlement to benefits. Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member's monthly IPERS benefit includes:

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

Protection occupation members may retire at normal retirement age which is generally at age 55 and may retire any time after reaching age 50 with 22 or more years of covered employment. The formula used to calculate a protection members' monthly IPERS benefit includes:

- 60% of average salary after completions of 22 years of service, plus an additional 1.5% of average salary for years of service greater than 22 but no more than 30 years of service.
- The member's highest three-year average salary.

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

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

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

Contributions. The contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. 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.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 14 - (Continued)

Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a thirty-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll, based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2020, pursuant to the required rate, Regular Members contributed 6.29 percent of covered payroll and the City contributed 9.44 percent of covered payroll for a total rate of 15.73 percent, and Protection Occupation Members contributed 6.41 percent of covered payroll and the City contributed 9.61 percent of covered payroll for a total rate of 16.02 percent.

The City's contributions to IPERS for the year ended June 30, 2020 were \$2,978,533.

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2020, the City reported a liability of \$22,622,899 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The 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 IPERS participating employers. At June 30, 2019, the City's proportion was 0.3906792 percent, which was a increase of 0.001655 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the City recognized IPERS pension expense of \$4,089,944. At June 30, 2020, 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	\$ 70,461	\$ 820,465
Changes of assumptions	2,512,285	3,110
Net difference between projected and actual earnings on pension plan investments	-	2,674,622
Changes in proportion and differences between City contributions and proportionate share of contributions	426,973	831,360
City contributions subsequent to the measurement date	2,978,533	-
Total	\$ 5,988,252	\$ 4,329,557

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 14 (Continued)

An amount of \$2,978,533 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, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	
2021	\$ 391,485
2022	(633,851)
2023	(552,781)
2024	(477,497)
2025	(47,194)
Total	\$ (1,319,838)

There were no non-employer contributing entities at IPERS.

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

Rate of Inflation (effective June 30, 2017)	2.60 percent per annum
Salary Increases (effective June 30, 2017)	3.25 to 16.25 percent, including inflation. Rates vary by membership group
Investment rate of return (effective June 30, 2017)	7.00 percent per annum, compounded annually, net of pension plan 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

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

Mortality rates were based on the RP-2014 Generational Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Projection Scale MP-2017.

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

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 14 (Continued)

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	22.0%	5.60%
International Equity	15.0	6.08
Global smart beta equity	3.0	5.82
Core-Plus Fixed Income	27.0	1.71
Public Credit	3.5	3.32
Public Real Assets	7.0	2.81
Cash	1.0	(0.21)
Private Equity	11.0	10.13
Private Real Assets	7.5	4.76
Private Credit	3.0	3.01
Total	100%	

Discount Rate. The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that City contributions will be made at contractually required rates, actuarially determined. 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, the long-term expected rate of return on pension plan 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 7.0 percent, 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 percent lower (6.0 percent) or 1 percent higher (8.0 percent) than the current rate.

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
City's proportionate share of the net pension liability	\$ 40,953,002	\$ 22,622,899	\$ 7,248,784

Pension Plan 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 the Pension Plan. At June 30, 2020, the City reported payables to the defined benefit pension plan of \$92,804 for legally required employer contributions.

MUNICIPAL FIRE AND POLICE RETIREMENT SYSTEM OF IOWA (MFPRSI)

Plan Description. MFPRSI 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 of Sioux City are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by MFPRSI. MFPRSI 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.mfprsi.org.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 14 (Continued)

MFPRSI 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 percent of the member's average final compensation. Additional benefits are available to members who perform more than 22 years of service (2 percent 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 percent 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 coverage is broken down into two types, accidental and ordinary. Accidental disability is defined as permanent disability incurred in the line of duty, with benefits equivalent to the greater of 60 percent 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 percent 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 percent of average final compensation for those with less than 5 years of service.

Death benefits are similar to disability benefits. Benefits for accidental death are 50 percent 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 percent 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 percent 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, 2020.

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 14 (Continued)

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 percent 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 24.41% for the year ended June 30, 2020.

The City's contributions to MFPRSI for the year ended June 30, 2020 was \$4,700,826.

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 MFPRSI during the fiscal year ended June 30, 2020.

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2020, the City reported a liability of \$40,879,980 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The 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 MFPRSI participating employers. At June 30, 2019, the City's proportion was 6.232402% which was a decrease of .046336% from its proportions measured as of June 30, 2018.

For the year ended June 30, 2020, the City recognized pension expense of \$8,475,034. At June 30, 2020, 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	\$ 1,407,692	\$ 382,537
Changes of assumptions	2,052,507	177,922
Net difference between projected and actual earnings on pension plan investments	2,252,331	-
Changes in proportion and differences between City contributions and proportionate share of contributions	430,438	1,009,796
City contributions subsequent to the measurement date	4,700,826	-
Total	\$ 10,843,794	\$ 1,570,255

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 14 (Continued)

An amount of \$4,700,826 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, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,	
2021	\$ 2,500,411
2022	264,336
2023	999,912
2024	764,418
2025	43,636
Total	\$ 4,572,713

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

Rate of Inflation	3.00 percent
Salary Increases	3.75 to 15.11 percent including inflation
Investment rate of return	7.50 percent, net of pension plan investment expense

The actuarial assumptions used in the June 30, 2019 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 RP 2014 Blue Collar Healthy Annuitant table with males set-forward zero years, females set-forward two years and disableds set-forward three years (male only rates), with generational projection of future mortality improvement with 50% of Scale BB beginning in 2017.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (i.e., 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. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2016 are summarized in the following table:

CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 14 (Continued)

Asset Class	Long-Term Expected Real Rate of Return
Large Cap	5.5%
Small Cap	5.8
International Large Cap	7.3
Emerging Markets	9.0
Emerging Market Debt	6.3
Private Non-Core Real Estate	8.0
Master Limited Partnerships	9.0
Private Equity	9.0
Core Plus Fixed Income	3.3
Private Core Real Estate	6.0
Tactical Asset Allocation	6.4

Discount Rate. The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan 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 percent, 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 percent lower (6.50 percent) or 1 percent higher (8.5 percent) than the current rate.

	1% Decrease (6.5%)	Discount Rate (7.5%)	1% Increase (8.5%)
City's proportionate share of the net pension liability	\$ 65,559,776	\$ 40,879,980	\$ 19,612,084

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

Payables to the Pension Plan. At June 30, 2020, City of Sioux City reported payables to the defined benefit pension plan of \$151,901 for legally required employer contributions.

For the year ended June 30, 2020, the City recognized IPERS and MFPRSI pension expense of \$12,564,978. At June 30, 2020, the City reported a liability of \$63,502,879 for its proportionate share of the net pension liability. At June 30, 2020, the City reported deferred outflows of resources in the amount of \$16,832,046 and deferred inflows of resources in the amount of \$5,899,812 related to pension.

**CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Note 15 - Landfill Closures and Post-Closure Care Costs

State and federal laws and regulations require the City's Solid Waste System to place a final cover on its 28th Street landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The landfill was closed as of October 1, 2007. A consulting engineer's estimate for total costs prepared as of February 13, 2020 was \$968,888. This full amount has been accrued by the City as of June 30, 2020. Of this amount, it was estimated that \$53,416 would be incurred within the next fiscal year. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The State of Iowa specifies financial assurance requirements in Code Section 567-Chapter 113. The Iowa Code enumerates various allowable financial assurance mechanisms to meet the costs of closure and post-closure care. The City satisfies this requirement with a Local Government Dedicated Fund passed and approved on June 16, 2003, under Resolution 2003-0501.

Note 16 - Tax Abatements

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

City Tax Abatements

The City provides tax abatements for urban renewal and economic development projects with tax increment financing as provided for in Chapters 15A and 403 of the Code of Iowa, and local hotel/motel tax as provided for in Chapter 423A 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 and/or unreserved portion of the local hotel/motel tax paid by the developers, to pay the developers an economic development grant or to pay the developers a predetermined dollar amount. Because taxes are not abated until after the new construction have been completed, there are no provisions for recapturing abated taxes. Commitments, other than reducing taxes, are the City's support in the associated construction costs.

The City provides tax abatements for economic development projects under Enterprise Zone Program with tax exemption as provided for in Chapters 15E 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 exempt the property tax paid by the developers. No other commitments were made by the City as part of these agreements. Because taxes are not abated until after the new construction have been completed, there are no provisions for recapturing abated taxes. Commitments, other than reducing taxes, are the City's support in the associated construction costs.

Urban Revitalization programs provides property tax abatements to encourage new construction and improvements to residential property and eligible commercial property. The Program is established under the auspices of the Iowa State Code (Chapter 404) empowering cities and counties to establish such programs. The abatements equal 100% for 3 years or a partial exemption for 10 years on a graduated scale, of additional property tax resulting from the increase in assessed value as a result of the improvements or the new construction, administered as a reduction in the tax bill. Abatements are obtained through application by the property owner after improvements have been made. However, developers applying for the Iowa Workforce Housing Tax Incentive Program (Chapter 48) make agreement prior to commencing improvements or new construction and require subsequent provision by the owner of proof that the improvements have been made and a new assessed valuation by the City Assessor. Because taxes are not abated until after the improvements and new construction have been made, there are no provisions for recapturing abated taxes. Commitments, other than reducing taxes, may only be applicable with commercial properties. In these instances, the City supports in the associated construction costs.

**CITY OF SIOUX CITY, IOWA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

Note 16 - (Continued)

For the year ended June 30, 2020, the City abated \$ 773,030 of property tax under the urban renewal and economic development projects and \$125,198 under the Enterprise Zone Program.

Note 17 - Other Information

The City of Sioux City is under obligation from the State of Iowa to remediate underground pollution located at the Sioux City Gateway Airport. The pollution was caused during the 1930's by underground storage tanks leaking petroleum-based substances. Since then, the storage tanks have been removed, but the underground contamination remains. The cost to remediate the pollution is not reasonably estimable at this time.

Note 18 – Subsequent Events

In November 2020, the city refunded General obligation bonds totaling \$20,596,319.

Note 19 - Prospective Accounting Change

Statement No. 84, "Fiduciary Activities." The requirements of this Statement will take effect for financial statements with the fiscal year that ends June 30, 2021.

Statement No. 87, "Leases." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2022.



REQUIRED SUPPLEMENTARY INFORMATION (unaudited)

In accordance with the Governmental Accounting Standards Board Statements No. 25, No. 27, No. 34, No. 68, and No. 75, the following information is a required part of the basic financial statements.



CITY OF SIOUX CITY, IOWA
BUDGETARY COMPARISON SCHEDULE
BUDGET AND ACTUAL - ALL GOVERNMENTAL AND PROPRIETARY FUNDS ¹
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2020

	Governmental Fund Types Actual	Internal Service Funds Actual	Proprietary Funds Actual
<u>REVENUES</u>			
Taxes	\$ 75,675,104	\$ ---	\$ ---
Special Assessments	205,246	---	---
Regulatory Fees	7,388,259	---	---
Intergovernmental Revenue ²	36,942,089	753,751	12,697,592
Revenue from Use of Property	2,734,953	253,811	3,051,892
Charges for Service	10,229,430	29,737,957	51,706,515
Miscellaneous	5,595,639	479,765	343,325
Total Revenues	<u>138,770,720</u>	<u>31,225,284</u>	<u>67,799,324</u>
<u>EXPENDITURES</u>			
Public Safety	44,554,977	---	---
Public Works	18,251,762	---	---
Culture and Recreation	12,359,152	---	---
Community and Economic Development	9,611,974	---	---
General Government	3,150,801	---	---
Debt Service	26,776,015	---	3,129,984
Capital Projects ²	51,575,153	---	---
Business-Type/Enterprises ²	---	29,056,651	49,570,951
Total Expenditures	<u>166,279,834</u>	<u>29,056,651</u>	<u>52,700,935</u>
Excess (Deficiency) of Revenues Over Expenditures	(27,509,114)	2,168,633	15,098,389
<u>OTHER FINANCING SOURCES (USES)</u>			
Other Financing Sources	67,084,357	1,090,678	1,921,561
Other Financing Uses	(46,975,078)	(556,142)	(2,105,895)
Total Other Financing Sources	<u>20,109,279</u>	<u>534,536</u>	<u>(184,334)</u>
Net Change in Fund Balance (Deficit)	(7,399,835)	2,703,169	14,914,055
Fund Balance - Beg. of Year	<u>97,169,807</u>	<u>23,595,902</u>	<u>176,513,742</u>
Fund Balance (Deficit)- End of Year	<u><u>\$ 89,769,972</u></u>	<u><u>\$ 26,299,071</u></u>	<u><u>\$ 191,427,797</u></u>

Notes:

¹ In accordance with the Code of Iowa, the City Council annually adopts a budget following required public notice and hearing which includes all funds, except agency funds. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures. The City budgets on a modified accrual basis of accounting for all governmental funds and on the accrual basis for proprietary fund types. Formal and legal budgetary control is based upon eight major classes of expenditures known as functions, not by fund or fund type. These eight functions are: Public Safety, Public Works, Culture and Recreation, Community and Economic Development, General Government, Debt Service, Capital Projects, and Business-Type/Enterprises. The legal level of control is at the aggregated function level, not at the fund or fund type level.

² Intergovernmental revenue and the expenditures for capital projects and enterprises are significantly below budgeted amounts due to the timing of when projects are actually completed and the corresponding revenue is received.

Total Actual	Budgeted Amounts		Final Budget To Actual
	Original	Final	
\$ 75,675,104	\$ 81,149,297	\$ 81,649,297	\$ (5,974,193)
205,246	185,887	957,038	(751,792)
7,388,259	2,267,480	3,749,565	3,638,694
50,393,432	29,899,405	39,585,113	10,808,319
6,040,656	4,643,902	8,577,145	(2,536,489)
91,673,902	90,305,428	121,061,600	(29,387,698)
6,418,729	13,661,502	26,202,914	(19,784,185)
237,795,328	222,112,901	281,782,672	(43,987,344)
44,554,977	39,771,499	45,012,709	457,732
18,251,762	19,282,520	24,279,158	6,027,396
12,359,152	13,382,994	16,760,731	4,401,579
9,611,974	9,927,094	14,829,561	5,217,587
3,150,801	11,144,989	11,417,783	8,266,982
29,905,999	30,698,640	36,759,329	6,853,330
51,575,153	38,419,600	36,519,900	(15,055,253)
78,627,602	93,234,285	133,547,935	54,920,333
248,037,420	255,861,621	319,127,106	71,089,686
(10,242,092)	(33,748,720)	(37,344,434)	27,102,342
70,096,596	90,319,855	164,131,125	(94,034,529)
(49,637,115)	(62,305,475)	(127,859,333)	78,222,218
20,459,481	28,014,380	36,271,792	(15,812,311)
\$ 10,217,389	(5,734,340)	(1,072,642)	\$ 11,290,031
	297,279,451	297,279,451	
	\$ 291,545,111	\$ 296,206,809	

**CITY OF SIOUX CITY, IOWA
SCHEDULE OF CHANGES IN THE CITY'S
TOTAL OPEB LIABILITY AND RELATED RATIOS**

EXHIBIT 10

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total OPEB liability			
Service cost	\$ 380,175	\$ 394,888	\$ 434,971
Interest cost	254,166	261,417	258,914
Changes of benefit terms	---	---	---
Differences between expected and actual experience	---	---	(1,207,655)
Changes of assumptions or other inputs	(162,518)	216,753	367,955
Benefit payments	<u>(274,581)</u>	<u>(324,183)</u>	<u>(216,930)</u>
Net change in total OPEB liability	197,242	548,875	(362,745)
Total OPEB liability- beginning	<u>6,324,922</u>	<u>6,522,164</u>	<u>7,071,039</u>
Total OPEB liability- ending	<u><u>\$ 6,522,164</u></u>	<u><u>\$ 7,071,039</u></u>	<u><u>\$ 6,708,294</u></u>
 Covered-employee payroll	 \$ 44,914,847	 \$ 46,487,000	 \$ 42,418,556
 Total OPEB liability as a percentage of covered-employee payroll	 14.52%	 15.21%	 15.81%

Notes to Schedule:

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

2020	2.21%
2019	3.50%
2018	3.87%
2017	3.58%

Notes:

GASB Statement No. 75 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.

See accompanying independent auditor's reports.

CITY OF SIOUX CITY, IOWA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT 11

<u>IOWA PUBLIC EMPLOYEES'</u> <u>RETIREMENT SYSTEM (IPERS)</u>						
	2015	2016	2017	2018	2019	2020
City's Proportion of the Net Pension Liability	0.403565%	0.397376%	0.388009%	0.405334%	0.389024%	0.390679%
City's Proportionate Share of the Net Pension Liability	\$ 16,332,624	\$ 19,755,330	\$ 24,418,604	\$ 27,000,396	\$ 24,618,385	\$ 22,622,899
City's Covered Payroll	\$ 26,947,979	\$ 27,403,485	\$ 27,851,154	\$ 30,348,499	\$ 29,669,202	\$ 30,928,348
City's Proportionate Share of the Net Pension Liability as a Percentage of it's covered payroll	60.61%	72.09%	87.68%	88.97%	82.98%	73.15%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.61%	85.19%	81.82%	82.21%	83.62%	85.45%

<u>MUNICIPAL FIRE AND POLICE</u> <u>RETIREMENT SYSTEM OF IOWA (MFPRS)</u>						
	2015	2016	2017	2018	2019	2020
City's Proportion of the Net Pension Liability	6.471584%	6.343361%	6.297523%	6.498742%	6.278738%	6.232402%
City's Proportionate Share of the Net Pension Liability	\$ 23,459,379	\$ 29,802,019	\$ 39,375,951	\$ 38,113,501	\$ 37,383,825	\$ 40,879,981
City's Covered Payroll	\$ 16,453,631	\$ 16,613,941	\$ 17,065,221	\$ 18,405,872	\$ 18,249,817	\$ 18,866,314
City's Proportionate Share of the Net Pension Liability as a Percentage of it's covered payroll	142.58%	179.38%	230.74%	207.07%	204.84%	216.68%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.27%	83.04%	78.20%	80.60%	81.07%	79.94%

Notes:

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.

See accompanying independent auditor's reports.

**CITY OF SIOUX CITY, IOWA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS**

<u>IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (IPERS)</u>			
	<u>2011</u>	<u>2012</u>	<u>2013</u>
Statutorily Required Contribution	\$ 1,864,429	\$ 2,192,127	\$ 2,355,909
Contributions in Relation to the Statutorily Required Contribution	<u>(1,864,429)</u>	<u>(2,192,127)</u>	<u>(2,355,909)</u>
Contribution Deficiency (Excess)	<u>---</u>	<u>---</u>	<u>---</u>
City's Covered Payroll	26,826,317	27,197,605	27,173,116
Contributions as a Percentage of Covered Payroll- Regular members	6.95%	8.06%	8.67%
Contributions as a Percentage of Covered Payroll- Protection occupation members ¹	---	---	---
 <u>MUNICIPAL FIRE AND POLICE RETIREMENT SYSTEM OF IOWA (MFPRSI)</u>			
	<u>2011</u>	<u>2012</u>	<u>2013</u>
Statutorily Required Contribution	\$ 3,100,839	\$ 3,922,797	\$ 4,213,126
Contributions in Relation to the Statutorily Required Contribution	<u>(3,100,839)</u>	<u>(3,922,797)</u>	<u>(4,213,126)</u>
Contribution Deficiency (Excess)	<u>---</u>	<u>---</u>	<u>---</u>
City's Covered Payroll	15,582,106	15,843,284	16,129,888
Contributions as a Percentage of Covered Payroll	19.90%	24.76%	26.12%

Notes:

See accompanying independent auditor's report.

¹ In 2018, the Emergency Medical Services operation was transferred to the City from the Siouxland Paramedics.

2014	2015	2016	2017	2018	2019	2020
\$ 2,406,454	\$ 2,447,101	\$ 2,487,027	\$ 2,710,121	\$ 2,653,572	\$ 2,928,440	\$ 2,978,533
(2,406,454)	(2,447,101)	(2,487,027)	(2,710,121)	(2,653,572)	(2,928,440)	(2,978,533)
---	---	---	---	---	---	---
26,947,979	27,403,485	27,851,154	30,348,499	29,669,202	30,928,348	31,525,936
8.93%	8.93%	8.93%	8.93%	8.93%	9.44%	9.44%
---	---	---	---	9.84%	10.21%	9.61%

2014	2015	2016	2017	2018	2019	2020
\$ 4,955,833	\$ 5,052,299	\$ 4,739,013	\$ 4,770,802	\$ 4,686,553	\$ 4,909,015	\$ 4,700,826
(4,955,833)	(5,052,299)	(4,739,013)	(4,770,802)	(4,686,553)	(4,909,015)	(4,700,826)
---	---	---	---	---	---	---
16,453,631	16,613,941	17,065,221	18,405,872	18,249,817	18,866,314	19,257,788
30.12%	30.41%	27.77%	25.92%	25.68%	26.02%	24.41%

CITY OF SIOUX CITY, IOWA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PENSION LIABILITY
YEAR ENDED JUNE 30, 2020

Changes of benefit terms:

Legislation enacted in 2010 modified benefit terms for Regular members. The definition of final average salary changed from the highest three to the highest five years of covered wages. The vesting requirement changed from four years of service to seven years. The early retirement reduction increased from 3% per year measured from the member's first unreduced retirement age to a 6% reduction for each year of retirement before age 65.

Changes of assumptions:

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 a demographic assumption 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 SIOUX CITY, IOWA
OTHER SUPPLEMENTARY INFORMATION

**CITY OF SIOUX CITY, IOWA
COMBINING FINANCIAL STATEMENTS
GOVERNMENTAL FUNDS**

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

The following funds included in this fund type and their purposes are as follows:

MAJOR FUNDS:

Other Employee Benefits - To account for the City's employee benefits tax levy.

Local Option Sales Tax - To account for revenue generated by the one percent local option sales tax.

NON-MAJOR FUNDS:

Storm Water Drainage - To account for the collection of revenues for Storm Water Drainage Fees.

Road Use - To account for State revenues allocated to the City for maintenance and improvement of City streets.

Community Development - To account for the use of Community Development Block Grant Funds as received from the Federal Government.

Housing Trust - To account for the operations of Federal Section 8, low income housing projects and municipally sponsored rent payment assistance programs.

Main Street - To account for the collection of a levy to fund the revitalization of the City's downtown area.

Events Facilities - To account for revenue generated by the operations of the Convention Center and the Tyson Events Center.

Transit System - To account for the Transit levy and operations of the City's bus and other transit services.

Permanent Fund - Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

The following fund included in this fund type and its purpose is as follows:

Cemetery Trust – To account for the activity of the cemeteries of the City.

**CITY OF SIOUX CITY, IOWA
COMBINING BALANCE SHEET
GOVERNMENTAL NONMAJOR FUNDS
JUNE 30, 2020**

Special Revenue Funds

<u>ASSETS</u>	Storm Water Drainage	Road Use	Community Development	Housing
Cash and investments	\$ 35,913	\$ 2,334,545	\$ 1,762,894	\$ 661,873
Accounts Receivable	131,475	---	22,182	5,889
Accrued Interest Receivable	---	---	146,416	---
Notes Receivable	---	---	4,602,271	209,483
Special Assessments, net of allowance	3,657	---	---	---
Due from Other Governments	3,296	1,390,154	181,003	5,809
Prepaid Items	---	---	---	---
Total Assets	<u>174,341</u>	<u>3,724,699</u>	<u>6,714,766</u>	<u>883,054</u>
<u>LIABILITIES</u>				
Accounts Payable	52	188,466	31,576	125,174
Accrued Wages	---	121,547	20,026	19,080
Contracts & Retainers Payable	---	16,015	10,667	348
Due to Other Governments	3,296	---	220	50,810
Due to Other Funds	---	---	---	---
Total Liabilities	<u>3,348</u>	<u>326,028</u>	<u>62,489</u>	<u>195,412</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Unavailable Revenue - Property Taxes	---	---	---	---
Unavailable Revenue - Loans	---	---	---	209,365
Total Deferred Inflows or Resources	<u>---</u>	<u>---</u>	<u>---</u>	<u>209,365</u>
<u>FUND BALANCES</u>				
Non-Spendable:				
Prepaid Items	---	---	---	---
Permanent Fund, Principal	---	---	---	---
Restricted	---	3,398,671	6,652,277	478,277
Committed	7,458	---	---	---
Assigned	163,535	---	---	---
Unassigned	---	---	---	---
Total Fund Balances	<u>170,993</u>	<u>3,398,671</u>	<u>6,652,277</u>	<u>478,277</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 174,341</u>	<u>\$ 3,724,699</u>	<u>\$ 6,714,766</u>	<u>\$ 883,054</u>

			Permanent Fund	
Main Street	Events Facilities	Transit System	Cemetery Trust	Total Governmental Nonmajor Funds
\$ 421,856	\$ 707,943	\$ ---	\$ 1,288,131	\$ 7,213,155
---	17,024	31,439	801	208,810
---	---	---	---	146,416
---	440,000	---	---	5,251,754
---	---	---	---	3,657
123,203	11,500	1,973,307	---	3,688,272
---	---	334	---	334
<u>545,059</u>	<u>1,176,467</u>	<u>2,005,080</u>	<u>1,288,932</u>	<u>16,512,398</u>
---	737,752	43,642	---	1,126,662
---	---	70,966	---	231,619
---	---	25,240	---	52,270
---	---	---	---	54,326
---	---	956,078	---	956,078
---	737,752	1,095,926	---	2,420,955
123,203	---	---	---	123,203
---	---	---	---	209,365
<u>123,203</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>332,568</u>
---	---	334	---	334
---	---	---	1,288,932	1,288,932
421,856	---	---	---	10,951,081
---	440,000	160,684	---	608,142
---	---	748,136	---	911,671
---	(1,285)	---	---	(1,285)
<u>421,856</u>	<u>438,715</u>	<u>909,154</u>	<u>1,288,932</u>	<u>13,758,875</u>
<u>\$ 545,059</u>	<u>\$ 1,176,467</u>	<u>\$ 2,005,080</u>	<u>\$ 1,288,932</u>	<u>\$ 16,512,398</u>

**CITY OF SIOUX CITY, IOWA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL NONMAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

Special Revenue Funds				
REVENUES	Storm Water Drainage	Road Use	Community Development	Housing
Taxes	\$ ---	\$ ---	\$ ---	\$ ---
Special Assessments	10,212	---	---	---
Intergovernmental Revenue	---	11,184,076	2,923,876	5,635,893
Revenue from Use of Property	---	6,225	---	---
Charges for Services	2,223,827	---	---	1,516
Interest	8,715	---	71,870	4,453
Miscellaneous	---	51,014	98,597	74,870
Total Revenue	2,242,754	11,241,315	3,094,343	5,716,732
EXPENDITURES				
Current:				
Public Works	402,059	10,941,324	---	---
Culture and Recreation	---	---	---	---
Community and Economic Development	---	---	2,499,484	5,490,269
Capital Projects	---	---	721,360	---
Total Expenditures	402,059	10,941,324	3,220,844	5,490,269
Excess (Deficiency) of Revenues Over Expenditures	1,840,695	299,991	(126,501)	226,463
OTHER FINANCING SOURCES (USES)				
Transfers In		---	88,606	---
Transfers Out	(1,781,989)	(100,000)	(1,500,000)	---
Total Other Financing Sources (Uses)	(1,781,989)	(100,000)	(1,411,394)	---
Net Change in Fund Balance	58,706	199,991	(1,537,895)	226,463
Fund Balance - Beginning of Year	112,287	3,198,680	8,190,172	251,814
Fund Balance - End of Year	\$ 170,993	\$ 3,398,671	\$ 6,652,277	\$ 478,277

Special Revenue Funds			Permanent Fund	Total Governmental Nonmajor Funds
Main Street	Events Facilities	Transit System	Cemetery Trust	
\$ 419,173	\$ ---	\$ ---	\$ ---	\$ 419,173
---	---	---	---	10,212
32,821	49,000	2,472,614	---	22,298,280
---	---	87,160	24,380	117,765
---	---	1,093,749	---	3,319,092
---	---	---	---	85,038
---	217,478	49,202	---	491,161
451,994	266,478	3,702,725	24,380	26,740,721
---	---	5,331,385	---	16,674,768
---	2,167,243	---	---	2,167,243
336,917	---	---	---	8,326,670
---	---	---	---	721,360
336,917	2,167,243	5,331,385	---	27,890,041
115,077	(1,900,765)	(1,628,660)	24,380	(1,149,320)
251,832	2,355,573	2,397,063	---	5,093,074
---	(93,165)	(232,630)	---	(3,707,784)
251,832	2,262,408	2,164,433	---	1,385,290
366,909	361,643	535,773	24,380	235,970
54,947	77,072	373,381	1,264,552	13,522,905
\$ 421,856	\$ 438,715	\$ 909,154	\$ 1,288,932	\$ 13,758,875



**CITY OF SIOUX CITY, IOWA
COMBINING FINANCIAL STATEMENTS
ENTERPRISE FUNDS**

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis should be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The following funds included in this fund type and their purposes are as follows:

MAJOR FUNDS:

Airport System - To account for the operations of the Sioux Gateway Airport.

Water System - To account for the operations of the City's water facilities and services.

Sewer System - To account for the operations of the City's sewage treatment facilities and services.

Solid Waste System - To account for the operations of the City's sanitary landfill facilities.

NON-MAJOR FUNDS:

Parking Facilities - To account for the operations of the City-owned parking ramps and other parking facilities.

Skyway System - To account for the maintenance and security of the skyway system.

CITY OF SIOUX CITY, IOWA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2020

EXHIBIT B-1

<u>ASSETS</u>	<u>Parking Facilities</u>	<u>Skyway System</u>	<u>Totals</u>
<u>Current Assets</u>			
Cash and investments	\$ 824,320	\$ 92,916	\$ 917,236
Accounts Receivable	337,441	120,162	457,603
Accrued Interest Receivable	1,967	---	1,967
Due from Other Governments	1,557	---	1,557
Due from Other Funds	25	6,407	6,432
Total Current Assets	1,165,310	219,485	1,384,795
<u>Non-Current Assets</u>			
Land	387,347	---	387,347
Construction in Progress	688,593	---	688,593
Capital Assets, Net of Accumulated Depreciation	6,386,834	---	6,386,834
Total Non-Current Assets	7,462,774	---	7,462,774
Total Assets	8,628,084	219,485	8,847,569
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension Related	46,288	11,195	57,483
<u>LIABILITIES</u>			
<u>Current Liabilities</u>			
Accounts Payable	36,974	43,965	80,939
Accrued Wages	7,777	2,444	10,221
Accrued Interest Payable	3,299	---	3,299
Contracts and Retainers Payable	71,005	909	71,914
Due to Other Funds	2,596	---	2,596
Current Portion of G.O. Bonds	323,987	---	323,987
Current Portion of Compensated Absences	16,489	4,543	21,032
Total Current Liabilities	462,127	51,861	513,988
<u>Non-Current Liabilities</u>			
Compensated Absences, Net of Current Portion	22,554	16,332	38,886
General Obligation Bonds, Net of Current Portion	1,385,572	---	1,385,572
Net Pension Liability	172,032	40,577	212,609
Total Non-current Liabilities	1,580,158	56,909	1,637,067
Total Liabilities	2,042,285	108,770	2,151,055
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension Related	32,328	8,921	41,249
<u>NET POSITION</u>			
Net Investment in Capital Assets	6,077,804	---	6,077,804
Unrestricted	521,955	112,989	634,944
Total Net Position	\$ 6,599,759	\$ 112,989	\$ 6,712,748

**CITY OF SIOUX CITY, IOWA
COMBINING STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT B-2

	Parking Facilities	Skyway System	Totals
<u>OPERATING REVENUES</u>			
Revenue from Use of Property	\$ 3,225	\$ - - -	\$ 3,225
Charges for Services	1,318,306	464,620	1,782,926
Total Operating Revenues	1,321,531	464,620	1,786,151
<u>OPERATING EXPENSES</u>			
Employee Services	320,904	84,255	405,159
Supplies and Services	574,095	224,987	799,082
Repairs and Improvements	630,152	140,397	770,549
Utilities	8,791	92,121	100,912
Depreciation	266,319	- - -	266,319
Total Operating Expenses	1,800,261	541,760	2,342,021
Operating (Loss)	(478,730)	(77,140)	(555,870)
<u>NON-OPERATING REVENUES (EXPENSES)</u>			
Interest Income	11,928	- - -	11,928
Interest Expense	(41,214)	- - -	(41,214)
Total Non-Operating Revenues (Expenses)	(29,286)	- - -	(29,286)
(Loss) Before Transfers	(508,016)	(77,140)	(585,156)
Transfers In	50,000	103,722	153,722
Changes in Net Position	(458,016)	26,582	(431,434)
Net Position - Beginning of Year	7,057,775	86,407	7,144,182
Net Position - End of Year	<u>\$ 6,599,759</u>	<u>\$ 112,989</u>	<u>\$ 6,712,748</u>

**CITY OF SIOUX CITY, IOWA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT B-3

	Parking Facilities	Skyway System	Totals
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Cash Received from Customers	\$ 1,371,528	\$ 447,536	\$ 1,819,064
Cash Received from Other funds	27,934	28,152	56,086
Cash Paid to Other Funds	(105,662)	(69,793)	(175,455)
Cash Paid for Personal Services	(309,575)	(78,860)	(388,435)
Cash Paid to Suppliers	(1,147,423)	(437,575)	(1,584,998)
Net Cash (Used) by Operating Activities	(163,198)	(110,540)	(273,738)
<u>CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>			
Proceeds from Bond Sales	340,000	---	340,000
Acquisition and Construction of Capital Assets	(6,640)	---	(6,640)
Principal Paid on Notes and Bonds	(290,879)	---	(290,879)
Interest Paid on Notes and Bonds	(41,362)	---	(41,362)
Net Cash Provided by Capital and Related Financing Activities	1,119	---	1,119
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>			
Transfers In	50,000	103,722	153,722
Net Cash Provided by Non-Capital Financing Activities	50,000	103,722	153,722
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Interest and Dividends on Investments	12,406	---	12,406
Net Cash Provided by Investing Activities	12,406	---	12,406
Net (Decrease) in Cash and Cash Equivalents	(99,673)	(6,818)	(106,491)
Cash and Cash Equivalents at Beginning of Year	923,993	99,734	1,023,727
Cash and Cash Equivalents at End of Year	<u>\$ 824,320</u>	<u>\$ 92,916</u>	<u>\$ 917,236</u>
<u>RECONCILIATION OF OPERATING (LOSS) TO NET CASH (USED) BY OPERATING ACTIVITIES</u>			
Operating (Loss)	\$ (478,730)	\$ (77,140)	\$ (555,870)
<i>Adjustments to Reconcile Operating (Loss) to Net Cash (Used) by Operating Activities:</i>			
Depreciation	266,319	---	266,319
<i>(Increase) Decrease in Assets and</i>	---	---	
<i>Increase (Decrease) in Liabilities:</i>	---	---	
Accounts Receivable	(29,253)	(54,871)	(84,124)
Due from Other Governments	(204)	---	(204)
Due from Other Funds	1,725	(3,855)	(2,130)
Deferred Outflows of Resources Pension Related	8,560	2,062	10,622
Accounts Payable	(4,879)	19,021	14,142
Accrued Wages and Compensated Absences	3,464	3,501	6,965
Contracts and Retainers Payable	68,955	909	69,864
Due to Other Funds	1,538	---	1,538
Net Pension Liability	(14,123)	(3,401)	(17,524)
Deferred Inflows of Resources Pension Related	13,430	3,234	16,664
Total Adjustments	315,532	(33,400)	282,132
Net Cash (Used) by Operating Activities	<u>\$ (163,198)</u>	<u>\$ (110,540)</u>	<u>\$ (273,738)</u>

**CITY OF SIOUX CITY, IOWA
COMBINING FINANCIAL STATEMENTS
INTERNAL SERVICE FUNDS**

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis.

The following funds included in this fund type and their purposes are as follows:

Central Maintenance Garage - To account for maintenance and repair services for the City's automotive equipment and acquisition of replacement vehicles.

Comprehensive Insurance - To account for the funding and maintenance of the City's insurance policies provided to user departments.

CITY OF SIOUX CITY, IOWA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2020

EXHIBIT C-1

	Central Maintenance Garage	Comprehensive Insurance	Totals
<u>ASSETS</u>			
<u>Current Assets</u>			
Cash and investments	\$ 7,200,023	\$ 17,457,544	\$ 24,657,567
Accounts Receivable	18,209	129,050	147,259
Accrued Interest Receivable	631	31,277	31,908
Notes Receivable	63,863	-	63,863
Due from Other Funds	16,438	-	16,438
Inventories, at Cost	566,700	-	566,700
Prepaid Items	-	355,298	355,298
Total Current Assets	7,865,864	17,973,169	25,839,033
<u>Non-Current Assets</u>			
Advances to Other Funds	23,662	-	23,662
Capital Assets, Net of Accumulated Depreciation	16,749,982	-	16,749,982
Total Non-Current Assets	16,773,644	-	16,773,644
Total Assets	24,639,508	17,973,169	42,612,677
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
OPEB Related	-	508,881	508,881
Pension Related	288,377	125,494	413,871
Total Deferred Outflows of Resources	288,377	634,375	922,752
<u>LIABILITIES</u>			
<u>Current Liabilities</u>			
Accounts Payable	104,688	766,184	870,872
Accrued Wages	34,534	27,134	61,668
Accrued Interest Payable	1,415	-	1,415
Contracts and Retainers Payable	32,019	3,591	35,610
Estimated Liability for Damage Claims	-	3,580,401	3,580,401
Current Portion of G.O. Bonds	103,383	-	103,383
Current Portion of Compensated Absences	51,730	56,586	108,316
Total Current Liabilities	327,769	4,433,896	4,761,665
<u>Non-Current Liabilities</u>			
Compensated Absences, Net of Current Portion	17,128	172,758	189,886
Estimated Liability for Damage Claims	-	2,017,527	2,017,527
General Obligation Bonds, Net of Current Portion	561,990	-	561,990
Total OPEB Liability	-	6,708,294	6,708,294
Net Pension Liability - IPERS	1,061,943	473,006	1,534,949
Total Non-Current Liabilities	1,641,061	9,371,585	11,012,646
Total Liabilities	1,968,830	13,805,481	15,774,311
<u>DEFERRED INFLOWS OF RESOURCES</u>			
OPEB Related	-	1,211,903	1,211,903
Pension Related	161,344	88,800	250,144
Total Deferred Inflows of Resources	161,344	1,300,703	1,462,047
<u>NET POSITION</u>			
Net Investment in Capital Assets	16,084,609	-	16,084,609
Unrestricted	6,713,102	3,501,360	10,214,462
Total Net Position	\$ 22,797,711	\$ 3,501,360	\$ 26,299,071

**CITY OF SIOUX CITY, IOWA
COMBINING STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT C-2

	Central Maintenance Garage	Comprehensive Insurance	Totals
<u>OPERATING REVENUE</u>			
Revenue from Use of Property	\$ 46,505	\$ - - -	\$ 46,505
Charges for Services	8,672,242	21,065,715	29,737,957
Total Operating Revenues	8,718,747	21,065,715	29,784,462
<u>OPERATING EXPENSES</u>			
Employee Services	2,023,196	17,175,276	19,198,472
Supplies and Services	897,108	1,614,520	2,511,628
Repairs and Improvements	3,122,631	5,680	3,128,311
Utilities	21,106	320	21,426
Depreciation	3,020,888	- - -	3,020,888
Damage Settlement	- - -	1,156,238	1,156,238
Total Operating Expenses	9,084,929	19,952,034	29,036,963
Net Operating Income	(366,182)	1,113,681	747,499
<u>NON-OPERATING REVENUES (EXPENSES)</u>			
Interest Income	2,786	204,520	207,306
Gain on Sale of Capital Assets	156,417	- - -	156,417
Other Non-Operating Revenues	323,348	- - -	323,348
Interest Expense	(19,688)	- - -	(19,688)
Total Non-Operating Revenues	462,863	204,520	667,383
Income Before Transfers and Capital Grants	96,681	1,318,201	1,414,882
Capital Grants and Contributions	753,751	- - -	753,751
Transfers In	999,355	91,323	1,090,678
Transfers Out	(556,142)	- - -	(556,142)
Changes in Net Position	1,293,645	1,409,524	2,703,169
Net Position - Beginning of the Year	21,504,066	2,091,836	23,595,902
Net Position - End of Year	\$ 22,797,711	\$ 3,501,360	\$ 26,299,071

CITY OF SIOUX CITY, IOWA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

EXHIBIT C-3

	Central Maintenance Garage	Comprehensive Insurance	Totals
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Cash Received from Customers	\$ 840,603	\$ 6,720,207	\$ 7,560,810
Cash Received from Other funds	7,967,561	14,675,715	22,643,276
Cash Paid to Other Funds	(46,223)	(111,180)	(157,403)
Cash Paid for Personal Services	(1,992,601)	(16,729,673)	(18,722,274)
Cash Paid to Suppliers	(4,167,528)	(1,500,412)	(5,667,940)
Other Non-Operating Revenue	323,348	---	323,348
Net Cash Provided by Operating Activities	2,925,160	3,054,657	5,979,817
<u>CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>			
Acquisition and Construction of Capital Assets	(2,309,724)	---	(2,309,724)
Capital Grants and Contributions	753,751	---	753,751
Proceeds from Sale of Assets	185,129	---	185,129
Principal Paid on Notes and Bonds	(100,492)	---	(100,492)
Interest Paid on Notes and Bonds	(19,934)	---	(19,934)
Net Cash (Used) by Capital and Related Financing Activities	(1,491,270)	---	(1,491,270)
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>			
Transfers In	999,355	91,323	1,090,678
Transfers Out	(556,142)	---	(556,142)
Net Cash Provided by Non-Capital Financing Activities	443,213	91,323	534,536
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Interest and Dividends on Investments	2,411	200,597	203,008
Advances made on Notes Receivable	(35,539)	---	(35,539)
Payments Received on Notes Receivable	23,013	---	23,013
Net Cash Provided (Used) by Investing Activities	(10,115)	200,597	190,482
Net Increase in Cash and Cash Equivalents	1,866,988	3,346,577	5,213,565
Cash and Cash Equivalents at Beginning of Year	5,333,035	14,110,967	19,444,002
Cash and Cash Equivalents at End of Year	<u>\$ 7,200,023</u>	<u>\$ 17,457,544</u>	<u>\$ 24,657,567</u>
<u>RECONCILIATION OF OPERATING INCOME TO NET CASH</u>			
<u>PROVIDED BY OPERATING ACTIVITIES</u>			
Operating Income	\$ (366,182)	\$ 1,113,681	\$ 747,499
<i>Adjustments to Reconcile Operating Income</i>			
<i>to Net Cash Provided by Operating Activities:</i>			
Depreciation	3,020,888	---	3,020,888
Other Non-Operating Revenues	323,348	---	323,348
OPEB Expense	---	405,002	405,002
<i>(Increase) Decrease in Assets and</i>			
<i>Increase (Decrease) in Liabilities:</i>			
Accounts Receivable	39,732	219,027	258,759
Due from Other Governments	3,462	---	3,462
Due from Other Funds	(75,905)	---	(75,905)
Inventories	16,149	---	16,149
Advances to Other Funds	---	(100,398)	(100,398)
Deferred Outflows of Resources Pension Related	38,889	26,653	65,542
Accounts Payable	(98,260)	564,246	465,986
Accrued Wages and Compensated Absences	(5,139)	16,108	10,969
Contracts and Retainers Payable	31,330	(5,804)	25,526
Estimated Liability for Damage Claims	---	818,302	818,302
Net Pension Liability	(64,167)	(43,976)	(108,143)
Deferred Inflows of Resources Pension Related	61,015	41,816	102,831
Total Adjustments	3,291,342	1,940,976	5,232,318
Net Cash Provided by Operating Activities	<u>\$ 2,925,160</u>	<u>\$ 3,054,657</u>	<u>\$ 5,979,817</u>

**CITY OF SIOUX CITY, IOWA
COMBINING FINANCIAL STATEMENTS
FIDUCIARY FUNDS**

Agency Funds - Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The following represents the funds and/or government agencies for which the City acts in an agent capacity.

Sioux City Housing Trust - To account for the activity of the Sioux City Housing Trust Fund.

Revolving - To account for refunds to City customers.

Woodbury County Information and Communication Commission (WCICC) - To account for the activity of the WCICC.

Sioux City Sports Commission - To account for the activity of the Sioux City Sports Commission.

Utility Service Line - To account for the activity related to utility line service protection plan payments collected from City customers on behalf of an outside service plan provider, currently, HomeServe USA.

**CITY OF SIOUX CITY, IOWA
COMBINING STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020**

	Sioux City Housing Trust Fund	Revolving	Woodbury County Information and Communication Commission
	<hr/>	<hr/>	<hr/>
<u>ASSETS</u>			
Cash and investments	\$ ---	\$ ---	\$ 843,599
Accounts Receivable	---	67,333	208,615
Due from Other Governments	<hr/> 44,703	<hr/> 62,762	<hr/> ---
Total Assets	<hr/> 44,703	<hr/> 130,095	<hr/> 1,052,214
	<hr/>	<hr/>	<hr/>
<u>LIABILITIES</u>			
Accounts Payable	44,703	130,095	---
Due to Other Governments	<hr/> ---	<hr/> ---	<hr/> 1,052,214
Total Liabilities	<hr/> 44,703	<hr/> 130,095	<hr/> 1,052,214
	<hr/>	<hr/>	<hr/>
<u>NET POSITION</u>			
Unrestricted	<hr/> ---	<hr/> ---	<hr/> ---
Total Net Position	<hr/> \$ ---	<hr/> \$ ---	<hr/> \$ ---

<u>Sioux City Sports Commission</u>	<u>Utility Service Line</u>	<u>Totals</u>
\$ ---	\$ 143,683	\$ 987,282
---	238,060	514,008
---	---	107,465
---	381,743	1,608,755
---	381,743	556,541
---	---	1,052,214
---	381,743	1,608,755
---	---	---
<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ ---</u>

CITY OF SIOUX CITY, IOWA
COMBINING STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

Sioux City Housing Trust Fund	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
<u>ASSETS</u>				
Cash and investments	\$ ---	\$ 96,404	\$ 96,404	\$ ---
Due from Other Governments	16,173	44,703	16,173	44,703
Total Assets	<u>16,173</u>	<u>141,107</u>	<u>112,577</u>	<u>44,703</u>
<u>LIABILITIES</u>				
Accounts Payable	16,173	40,073	11,543	44,703
Due to Other Governments	---	101,034	101,034	---
Total Liabilities	<u>\$ 16,173</u>	<u>\$ 141,107</u>	<u>\$ 112,577</u>	<u>\$ 44,703</u>
 Revolving				
<u>ASSETS</u>				
Cash and investments	\$ ---	\$ 1,412,772	\$ 1,412,772	\$ ---
Accounts Receivable	83,376	1,152,095	1,168,138	67,333
Due from Other Governments	209,318	---	146,556	62,762
Total Assets	<u>292,694</u>	<u>2,564,867</u>	<u>2,727,466</u>	<u>130,095</u>
<u>LIABILITIES</u>				
Accounts Payable	292,694	1,125,144	1,287,743	130,095
Due to Other Governments	---	1,439,723	1,439,723	---
Total Liabilities	<u>\$ 292,694</u>	<u>\$ 2,564,867</u>	<u>\$ 2,727,466</u>	<u>\$ 130,095</u>
 Woodbury County Information and Communication Commission (WCICC)				
<u>ASSETS</u>				
Cash and investments	\$ 921,941	\$ 7,406,401	\$ 7,484,743	\$ 843,599
Accounts Receivable	314,093	2,145,729	2,251,207	208,615
Total Assets	<u>1,236,034</u>	<u>9,552,130</u>	<u>9,735,950</u>	<u>1,052,214</u>
<u>LIABILITIES</u>				
Due to Other Governments	1,236,034	9,552,130	9,735,950	1,052,214
Total Liabilities	<u>\$ 1,236,034</u>	<u>\$ 9,552,130</u>	<u>\$ 9,735,950</u>	<u>\$ 1,052,214</u>

**Sioux City
Sports Commission**

ASSETS

Cash and investments	\$ ---	\$ 57,071	\$ 57,071	\$ ---
Total Assets	---	57,071	57,071	---

LIABILITIES

Accounts Payable	---	---	---	---
Due to Other Governments	---	57,071	57,071	---
Total Liabilities	\$ ---	\$ 57,071	\$ 57,071	\$ ---

Utility Service Line

ASSETS

Cash and investments	\$ 125,863	\$ 1,523,691	\$ 1,505,871	\$ 143,683
Accounts Receivable	220,262	1,661,487	1,643,689	238,060
Total Assets	346,125	3,185,178	3,149,560	381,743

LIABILITIES

Accounts Payable	346,125	3,185,178	3,149,560	381,743
Total Liabilities	\$ 346,125	\$ 3,185,178	\$ 3,149,560	\$ 381,743

AGENCY FUNDS**ASSETS**

Cash and investments	\$ 1,047,804	\$ 10,496,339	\$ 10,556,861	\$ 987,282
Accounts Receivable	617,731	4,959,311	5,063,034	514,008
Due from Other Governments	225,491	44,703	162,729	107,465
Total Assets	1,891,026	15,500,353	15,782,624	1,608,755

LIABILITIES

Accounts Payable	654,992	4,350,395	4,448,846	556,541
Due to Other Governments	1,236,034	11,149,958	11,333,778	1,052,214
Total Liabilities	\$ 1,891,026	\$ 15,500,353	\$ 15,782,624	\$ 1,608,755



CITY OF SIOUX CITY, IOWA
PASSENGER FACILITY CHARGES

PFC Revenue and Disbursement Schedule
Sioux Gateway Airport/Col. Bud Day Field Airport Authority
07/01/19 - 06/30/20

	FY-19 Program Total	Quarter 1 Jul. - Sept.	Quarter 2 Oct. - Dec.	Quarter 3 Jan. - Mar.	Quarter 4 Apr. - Jun.	FY-20 Total	FY-20 Program Total
Revenue:							
Collections	\$ 4,479,730	\$ 46,210	\$ 69,037	\$ 47,435	\$ 9,440	\$ 172,122	\$ 4,651,852
Interest	1,676	---	---	---	---	---	1,676
Total Revenue	4,481,406	46,210	69,037	47,435	9,440	172,122	4,653,528
Disbursements:							
Application #1							
Taxiway C Extension	71,875	---	---	---	---	---	71,875
Snow Equip. & Fencing	38,347	---	---	---	---	---	38,347
Security Access	62,803	---	---	---	---	---	62,803
Snow Sweeper	21,000	---	---	---	---	---	21,000
Taxiway A & E	10,440	---	---	---	---	---	10,440
Total Application #1	204,465	---	---	---	---	---	204,465
Application #2							
Term. Access Road	493,138	---	---	---	---	---	493,138
Financing & Interest	243,428	---	---	---	---	---	243,428
Airfield Signage/Marking	61,160	---	---	---	---	---	61,160
Financing & Interest	30,316	---	---	---	---	---	30,316
Snow Removal Equip.	6,240	---	---	---	---	---	6,240
Runway 13/31 Rehab.	528,087	---	---	---	---	---	528,087
Financing & Interest	260,690	---	---	---	---	---	260,690
Total Application #2	1,623,059	---	---	---	---	---	1,623,059
Application #3							
Taxiway Alpha	134,515	---	---	---	---	---	134,515
Financing & Interest	53,363	---	---	---	---	---	53,363
Taxiway Echo	60,200	---	---	---	---	---	60,200
Financing & Interest	23,887	---	---	---	---	---	23,887
AirCarrier (SIDA) Ramp	246,600	---	---	---	---	---	246,600
Financing & Interest	97,806	---	---	---	---	---	97,806
Taxiway Bravo	15,400	---	---	---	---	---	15,400
Financing & Interest	6,058	---	---	---	---	---	6,058
Taxiway Charlie	139,200	---	---	---	---	---	139,200
Financing & Interest	55,204	---	---	---	---	---	55,204
Snow Plow (#29) Replace	20,990	---	---	---	---	---	20,990
Financing & Interest	8,327	---	---	---	---	---	8,327
Airport Master Plan	15,000	---	---	---	---	---	15,000
Financing & Interest	5,951	---	---	---	---	---	5,951
Total Application #3	882,501	---	---	---	---	---	882,501
Application #4							
Taxiway Bravo	4,466	---	---	---	---	---	4,466
Financing & Interest	1,757	---	---	---	---	---	1,757
Taxiway Charlie & Air Carrier Ramp	111,882	---	---	---	---	---	111,882
Financing & Interest	44,373	---	---	---	---	---	44,373
Airport Master Plan	4,350	---	---	---	---	---	4,350
Financing & Interest	1,726	---	---	---	---	---	1,726
Snow Plow (#29) Replacement	6,087	---	---	---	---	---	6,087
Financing & Interest	2,415	---	---	---	---	---	2,415
Reconstruct Alpha South & Echo	58,021	---	---	---	---	---	58,021
Financing & Interest	23,018	---	---	---	---	---	23,018
Total Application #4	258,095	---	---	---	---	---	258,095
Application #5							
Terminal Concept Plan	8,149	---	---	---	---	---	8,149
Financing & Interest	2,119	---	---	---	---	---	2,119
Acquire and Modify Loading Bridge	49,230	---	---	---	---	---	49,230
Financing & Interest	12,800	---	---	---	---	---	12,800
Construct Terminal Entrance Road	76,510	---	---	---	---	---	76,510
Financing & Interest	19,893	---	---	---	---	---	19,893
Acquire Snow Removal Equipment	54,313	---	---	---	---	---	54,313
Financing & Interest	14,121	---	---	---	---	---	14,121
Rehabilitate Aircraft Parking Apron	59,073	---	---	---	---	---	59,073
Financing & Interest	15,359	---	---	---	---	---	15,359
Acquire Land for Runway 13 RPZ	29,919	---	---	---	---	---	29,919
Financing & Interest	7,779	---	---	---	---	---	7,779
Acquire Replace Snow Plow Truck	15,155	---	---	---	---	---	15,155
Financing & Interest	3,940	---	---	---	---	---	3,940
Extend Taxiway C (include perimeter road)	252,139	---	---	---	---	---	252,139
Financing & Interest	65,556	---	---	---	---	---	65,556
Acquire Replacement Snow Blower	20,000	---	---	---	---	---	20,000
Financing & Interest	5,200	---	---	---	---	---	5,200
Total Application #5	711,255	---	---	---	---	---	711,255

PFC Revenue and Disbursement Schedule
Sioux Gateway Airport/Col. Bud Day Field Airport Authority
07/01/19 - 06/30/20

	FY-19 Program Total	Quarter 1 Jul. - Sept.	Quarter 2 Oct. - Dec.	Quarter 3 Jan. - Mar.	Quarter 4 Apr. - Jun.	FY-20 Total	FY-20 Program Total
Application #6							
Snow Removal Equipment Building	62,673	---	---	---	---	---	62,673
Rehabilitate Apron (Design)	8,279	---	---	---	---	---	8,279
Financing & Interest	1,508	---	---	---	---	---	1,508
Rehabilitate Apron (Construction)	160,768	---	---	---	---	---	160,768
Financing & Interest	5,767	---	---	---	---	---	5,767
Acquire Snow Removal Equip-Deicer	10,263	---	---	---	---	---	10,263
Financing & Interest	1,216	---	---	---	---	---	1,216
Rehabilitate Terminal Building	208,720	---	---	---	---	---	208,720
Financing & Interest	10,976	4,269	32,907	---	---	37,176	48,152
Rehabilitate Terminal Loading Bridge	34,563	---	---	---	---	---	34,563
Financing & Interest	---	---	---	---	---	---	---
Install Guidance Signs	32,315	---	---	---	---	---	32,315
Financing & Interest	---	---	---	---	---	---	---
Acquire Snow Removal Equip-Broom	28,380	---	---	---	---	---	28,380
Financing & Interest	5,201	---	---	---	---	---	5,201
Update Airport Master Plan Study	19,063	---	---	---	---	---	19,063
Financing & Interest	1,579	---	---	---	---	---	1,579
Rehabilitate Apron (Taxiways)	113,791	---	---	---	---	---	113,791
Financing & Interest	---	---	---	---	---	---	---
Security Enhancements	47,628	---	---	---	---	---	47,628
Financing & Interest	---	---	---	---	---	---	---
Acquire Snow Removal Equip-Broom	49,341	41,941	---	---	---	41,941	91,282
Financing & Interest	---	---	---	---	---	---	---
Total Application #6	802,031	46,210	32,907	-	-	79,117	881,148
Application #7							
Rehabilitate Taxiway F 049	---	---	36,130	47,435	9,440	93,005	93,005
Financing & Interest	---	---	---	---	---	---	---
Rehabilitate Taxiway A 050	---	---	---	---	---	---	---
Financing & Interest	---	---	---	---	---	---	---
Runway 17-35 Design 051	---	---	---	---	---	---	---
Financing & Interest	---	---	---	---	---	---	---
FAA Reimb Agree 17-35 Design 052	---	---	---	---	---	---	---
Financing & Interest	---	---	---	---	---	---	---
Reconstruct 17-35 Phase 1 053	---	---	---	---	---	---	---
Financing & Interest	---	---	---	---	---	---	---
FAA Reimb Agree 17-35 Constr 054	---	---	---	---	---	---	---
Financing & Interest	---	---	---	---	---	---	---
Reconstruct 17-35 Phase 2 053	---	---	---	---	---	---	---
Financing & Interest	---	---	---	---	---	---	---
Total Application #7	-	-	36,130	47,435	9,440	93,005	93,005
Total Disbursements	4,481,406	46,210	69,037	47,435	9,440	172,122	4,653,528
Net PFC Revenue (rev. - disb.)	---	---	---	---	---	---	---
PFC Account Balance	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---

Notes:

- Schedule is presented on the cash basis of accounting.

CITY OF SIOUX CITY, IOWA
STATISTICAL SECTION

CITY OF SIOUX CITY, IOWA

STATISTICAL SECTION

(Unaudited)

This part of the City of Sioux City's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures and supplementary information. This information has not been audited by the independent auditor.

<u>Contents</u>	<u>Table</u>
Financial Trends These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in historical perspective.	I -V
Revenue Capacity These tables contain information that may assist the reader in assessing the City's most significant local revenue source, the property tax.	VI-X
Debt Capacity These tables present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	XI-XV
Economic & Demographic Information These tables offer economic and demographic indicators to assist the reader in understanding the environment within which the government's financial activities take place.	XVI-XVII
Operating Information These tables contain service and infrastructure indicators that can inform one's understanding how the information in the City's financial statements relates to the services the City provides and the activities it performs.	XVIII-XX

Source:

Unless otherwise noted, the information in these tables is derived from the annual financial report for the relevant year.

CITY OF SIOUX CITY, IOWA
GOVERNMENT-WIDE NET POSITION BY COMPONENT¹
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2011	2012	2013	2014
Governmental Activities				
Net Investment in Capital Assets	\$ 240,923,862	\$ 259,727,010	\$ 265,299,824	\$ 262,337,178
Restricted for:				
Capital Improvements	45,429,483	39,237,581	46,211,716	40,485,135
Debt Service	9,984,352	10,954,271	6,499,138	5,500,549
Road Use	316,770	391,564	1,082,738	612,144
Other Employee Benefits	234,952	151,928	96,087	- - -
Community Programs & Services	11,223,309	10,180,086	10,111,743	10,029,197
Other Purposes	41,801	41,688	41,691	48,552
Permanent Fund, Principal	1,019,455	1,058,731	1,093,001	1,117,948
Unrestricted	(8,425,953)	(12,342,248)	(3,938,067)	(3,574,483)
Total Governmental Activities Net Position	<u>300,748,031</u>	<u>309,400,611</u>	<u>326,497,871</u>	<u>316,556,220</u>
 Business-Type Activities				
Net Investment in Capital Assets	111,463,154	106,357,863	109,940,268	118,515,774
Restricted for:				
Other Purposes	- - -	- - -	- - -	- - -
Unrestricted	16,507,829	29,267,015	33,996,961	33,981,982
Total Business-Type Activities Net Position	<u>127,970,983</u>	<u>135,624,878</u>	<u>143,937,229</u>	<u>152,497,756</u>
 Primary Government				
Net Investment in Capital Assets	352,387,016	366,084,873	375,240,092	380,852,952
Restricted for:				
Capital Improvements	45,429,483	39,237,581	46,211,716	40,485,135
Debt Service	9,984,352	10,954,271	6,499,138	5,500,549
Road Use	316,770	391,564	1,082,738	612,144
Other Employee Benefits	234,952	151,928	96,087	- - -
Community Programs & Services	11,223,309	10,180,086	10,111,743	10,029,197
Other Purposes	41,801	41,688	41,691	48,552
Permanent Fund, Principal	1,019,455	1,058,731	1,093,001	1,117,948
Unrestricted	8,081,876	16,924,767	30,058,894	30,407,499
Total Primary Government Net Position	<u>\$ 428,719,014</u>	<u>\$ 445,025,489</u>	<u>\$ 470,435,100</u>	<u>\$ 469,053,976</u>

Notes:

¹ Accounting standards require that net position be reported in three components in the financial statements: invested in capital assets, net of related debt; restricted; and unrestricted. Net position is considered restricted only when (1) an external party, such as the State of Iowa or the Federal Government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the City.

TABLE I

2015	2016	2017	2018	2019	2020
\$ 272,782,703	\$ 274,672,271	\$ 287,159,597	\$ 294,629,930	\$ 319,410,307	\$ 331,227,875
32,839,527	44,561,561	40,315,476	47,955,424	34,308,819	36,835,365
6,882,363	8,783,652	12,561,271	10,958,160	11,715,983	6,665,801
1,601,417	3,148,331	4,052,889	4,139,603	3,198,680	3,398,671
- - -	352,955	562,167	1,059,527	886,345	32,623
10,254,845	10,571,257	11,304,171	9,011,162	8,458,932	7,130,554
57,395	67,184	866,180	887,735	854,196	1,221,105
1,162,851	1,184,079	1,199,791	1,236,317	1,264,552	1,288,932
(41,088,420)	(39,575,416)	(43,291,127)	(32,210,839)	(25,224,323)	(23,675,053)
<u>284,492,681</u>	<u>303,765,874</u>	<u>314,730,415</u>	<u>337,667,019</u>	<u>354,873,491</u>	<u>364,125,873</u>
121,683,303	131,172,147	163,351,087	169,481,588	170,394,605	187,267,289
- - -	- - -	- - -	- - -	- - -	84,389
30,690,118	26,938,861	1,187,052	5,392,717	6,119,137	4,076,119
<u>152,373,421</u>	<u>158,111,008</u>	<u>164,538,139</u>	<u>174,874,305</u>	<u>176,513,742</u>	<u>191,427,797</u>
394,466,006	405,844,418	450,510,684	464,111,518	489,804,912	518,495,164
32,839,527	44,561,561	40,315,476	47,955,424	34,308,819	36,835,365
6,882,363	8,783,652	12,561,271	10,958,160	11,715,983	6,750,190
1,601,417	3,148,331	4,052,889	4,139,603	3,198,680	3,398,671
- - -	352,955	562,167	1,059,527	886,345	32,623
10,254,845	10,571,257	11,304,171	9,011,162	8,458,932	7,130,554
57,395	67,184	866,180	887,735	854,196	1,221,105
1,162,851	1,184,079	1,199,791	1,236,317	1,264,552	1,288,932
(10,398,302)	(12,636,555)	(42,104,075)	(26,818,122)	(19,105,186)	(19,598,934)
<u>\$ 436,866,102</u>	<u>\$ 461,876,882</u>	<u>\$ 479,268,554</u>	<u>\$ 512,541,324</u>	<u>\$ 531,387,233</u>	<u>\$ 555,553,670</u>

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

	FISCAL YEAR			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Expenses				
Governmental Activities:				
Public Safety	\$ 33,066,562	\$ 35,153,307	\$ 35,578,147	\$ 36,482,386
Public Works	18,462,437	18,146,262	18,148,457	20,050,690
Culture and Recreation	18,629,284	19,105,473	19,056,629	18,423,101
Community and Economic Development	13,195,482	14,093,979	11,888,737	31,236,262
General Government	10,164,915	10,023,938	9,464,502	8,830,441
Debt Service	6,008,221	5,784,156	5,643,693	5,858,236
Total Governmental Activities Expenses	<u>99,526,901</u>	<u>102,604,487</u>	<u>100,077,537</u>	<u>120,881,116</u>
Business-Type Activities:				
Airport	4,083,451	4,489,545	4,328,864	4,425,095
Water	10,354,948	11,690,391	12,257,979	12,746,754
Sewer	14,488,052	13,213,218	13,082,732	13,381,173
Solid Waste	4,630,860	4,758,852	5,075,557	4,670,923
Parking	1,549,100	1,570,589	1,724,424	1,414,570
Skyway System	312,635	382,081	372,045	359,782
Total Business-Type Activities Expenses	<u>35,419,046</u>	<u>36,104,676</u>	<u>36,841,601</u>	<u>36,998,297</u>
Total Primary Government Expenses	<u>134,945,947</u>	<u>138,709,163</u>	<u>136,919,138</u>	<u>157,879,413</u>
Program Revenues				
Governmental Activities:				
Charges for Services:				
Public Safety	1,224,249	1,080,541	964,489	1,503,474
Public Works	4,462,029	4,680,854	4,586,684	4,310,705
Culture and Recreation	6,131,602	6,042,193	6,154,581	5,936,331
Community and Economic Development	209,815	206,055	194,676	233,563
General Government	7,387,758	4,168,644	17,421,199	6,684,762
Operating Grants and Contributions	21,909,868	21,777,329	18,601,593	19,774,495
Capital Grants and Contributions	8,711,966	8,856,243	3,260,591	2,525,860
Total Governmental Activities Program Revenues	<u>\$ 50,037,287</u>	<u>\$ 46,811,859</u>	<u>\$ 51,183,813</u>	<u>\$ 40,969,190</u>

TABLE II

2015	2016	2017	2018	2019	2020
\$ 34,386,270	\$ 36,180,044	\$ 39,933,730	\$ 43,831,004	\$ 45,985,924	\$ 51,099,575
19,930,848	20,348,712	21,684,852	23,976,620	31,626,002	24,355,388
19,382,608	19,834,787	18,619,074	17,009,183	17,719,144	16,420,491
16,007,475	11,938,118	14,013,100	15,135,002	15,565,420	27,315,653
9,011,536	9,733,627	12,562,923	11,045,764	10,900,487	10,984,848
5,586,537	5,630,457	5,450,657	5,420,699	6,274,198	6,903,354
104,305,274	103,665,745	112,264,336	116,418,272	128,071,175	137,079,309
4,858,212	4,549,789	4,100,697	4,779,360	4,610,625	4,840,190
14,917,467	14,325,963	14,455,073	15,771,123	16,878,942	17,529,700
14,435,262	16,170,513	18,445,291	19,843,501	26,377,872	21,948,181
5,198,453	5,210,077	5,402,037	5,505,705	5,752,295	5,999,629
1,509,232	1,394,742	1,202,414	1,372,187	1,425,315	1,841,475
360,690	356,046	352,961	362,541	437,348	541,760
41,279,316	42,007,130	43,958,473	47,634,417	55,482,397	52,700,935
145,584,590	145,672,875	156,222,809	164,052,689	183,553,572	189,780,244
1,374,669	1,346,662	1,233,509	1,700,743	3,011,959	3,323,626
4,541,044	4,132,529	4,511,657	5,027,839	5,399,451	5,143,160
6,137,962	6,003,577	5,778,656	3,717,303	1,222,050	1,090,806
202,127	220,404	267,608	277,230	283,994	283,546
4,039,395	5,645,760	5,258,741	10,637,514	15,132,525	12,014,089
21,981,811	23,895,611	25,717,743	24,649,179	25,873,503	28,198,722
6,842,315	4,656,416	6,726,564	9,321,461	12,767,812	14,059,655
\$ 45,119,323	\$ 45,900,959	\$ 49,494,478	\$ 55,331,269	\$ 63,691,294	\$ 64,113,604

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

	2011	2012	2013	2014
Business-Type Activities:				
Charges for Services:				
Airport	\$ 1,568,331	\$ 1,664,593	\$ 1,692,593	\$ 1,759,517
Water	11,834,682	14,029,681	14,258,996	14,453,751
Sewer	17,127,635	19,171,819	17,863,593	17,776,343
Solid Waste	4,473,164	4,584,655	4,859,491	5,087,522
Parking	1,294,498	1,423,385	1,362,709	1,443,506
Skyway System	312,635	449,611	372,045	276,582
Operating Grants and Contributions	598,268	435,479	255,474	107,960
Capital Grants and Contributions	9,067,435	941,572	2,534,064	1,365,936
Total Business-Type Activities Program Revenues	<u>46,276,648</u>	<u>42,700,795</u>	<u>43,198,965</u>	<u>42,271,117</u>
Total Primary Government Program Revenues	<u>96,313,935</u>	<u>89,512,654</u>	<u>94,382,778</u>	<u>83,240,307</u>
Net (Expense)/Revenue ¹				
Governmental Activities	(49,489,614)	(55,792,628)	(48,893,724)	(79,911,926)
Business-Type Activities	<u>10,857,602</u>	<u>6,596,119</u>	<u>6,357,364</u>	<u>5,272,820</u>
Total Primary Government Net Expense	<u>(38,632,012)</u>	<u>(49,196,509)</u>	<u>(42,536,360)</u>	<u>(74,639,106)</u>
General Revenues				
Governmental Activities:				
Property Taxes	48,720,069	47,856,978	48,661,701	51,422,485
Franchise Taxes	2,363,862	2,174,884	2,379,273	2,681,383
Hotel-Motel Taxes	1,245,787	1,263,522	1,375,769	1,594,073
Local Option Sales Taxes	11,138,684	11,147,414	11,820,387	12,680,781
Interest	669,439	588,020	453,317	1,076,366
Revenue from Sale of Uncapitalized Property	694,982	376,449	709,868	805,868
Miscellaneous	1,541,054	1,467,847	1,789,176	1,432,604
Net Gain on Sale of Capital Assets	9,165	90,008	324,974	209,574
Transfers	(2,280,052)	(519,914)	(1,523,481)	(1,451,922)
Total Governmental Activities	<u>64,102,990</u>	<u>64,445,208</u>	<u>65,990,984</u>	<u>70,451,212</u>
Business-Type Activities:				
Interest	360,359	387,506	306,810	537,065
Miscellaneous	114,930	150,356	124,696	1,741,486
Net Gain on Sale of Capital Assets	1,029	- - -	- - -	928,389
Transfers	2,280,052	519,914	1,523,481	1,451,922
Total Business-Type Activities	<u>2,756,370</u>	<u>1,057,776</u>	<u>1,954,987</u>	<u>4,658,862</u>
Total Primary Government	<u>66,859,360</u>	<u>65,502,984</u>	<u>67,945,971</u>	<u>75,110,074</u>
Change in Net Position				
Governmental Activities	14,613,376	8,652,580	17,097,260	(9,460,714)
Business-Type Activities	<u>13,613,972</u>	<u>7,653,895</u>	<u>8,312,351</u>	<u>9,931,682</u>
Total Primary Government	<u>\$ 28,227,348</u>	<u>\$ 16,306,475</u>	<u>\$ 25,409,611</u>	<u>\$ 470,968</u>

Notes:

¹ Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program supports itself with its own fees and grants versus its reliance upon funding from taxes and other general revenues.

TABLE II
(Continued)

2015	2016	2017	2018	2019	2020
\$ 1,866,695	\$ 1,919,155	\$ 2,113,798	\$ 2,044,472	\$ 2,178,675	\$ 1,969,282
14,115,916	14,227,706	16,438,784	17,925,017	19,530,454	20,368,745
17,347,894	18,979,416	18,208,974	22,329,334	21,886,292	24,030,451
5,151,109	5,275,297	5,651,905	5,461,607	5,667,307	5,975,943
1,480,186	1,556,560	1,471,383	1,334,350	1,340,223	1,321,531
318,269	267,181	264,589	315,827	395,296	464,620
83,394	52,506	36,508	18,326	42,404	163,987
298,319	1,863,899	1,152,552	4,548,354	3,179,981	12,533,605
40,661,782	44,141,720	45,338,493	53,977,287	54,220,632	66,828,164
85,781,105	90,042,679	94,832,971	109,308,556	117,911,926	130,941,768
(57,764,786)	(57,764,786)	(62,769,858)	(61,087,003)	(64,379,881)	(72,965,705)
(1,345,348)	2,134,590	1,380,020	6,342,870	(1,261,765)	14,127,229
(59,110,134)	(55,630,196)	(61,389,838)	(54,744,133)	(65,641,646)	(58,838,476)
52,006,707	51,076,097	53,381,179	52,270,337	56,584,131	56,377,657
4,840,456	5,020,270	5,477,766	6,111,068	6,220,468	5,706,527
1,809,271	2,470,431	2,288,141	2,295,884	1,998,188	1,907,361
12,870,868	14,572,844	13,713,561	12,931,221	13,174,477	12,911,978
744,163	912,022	613,820	658,503	2,443,660	2,081,678
1,107,349	1,856,033	706,377	523,976	657,578	513,242
1,739,780	2,660,144	1,814,168	1,781,682	1,204,834	1,842,312
503,923	1,497,028	156,405	243,390	1,014,385	692,998
(2,287,701)	(3,026,890)	(4,417,018)	(3,298,532)	(1,711,368)	184,334
73,334,816	77,037,979	73,734,399	73,517,529	81,586,353	82,218,087
482,338	389,712	362,787	432,070	896,470	627,835
1,722,375	186,395	267,306	262,694	293,364	343,325
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2,287,701	3,026,890	4,417,018	3,298,532	1,711,368	(184,334)
4,492,414	3,602,997	5,047,111	3,993,296	2,901,202	786,826
77,827,230	80,640,976	78,781,510	77,510,825	84,487,555	83,004,913
14,148,865	19,273,193	10,964,541	12,430,526	17,206,472	9,252,382
3,874,880	5,737,587	6,427,131	10,336,166	1,639,437	14,914,055
\$ 18,023,745	\$ 25,010,780	\$ 17,391,672	\$ 22,766,692	\$ 18,845,909	\$ 24,166,437

**CITY OF SIOUX CITY
TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

TABLE III

FISCAL YEAR	GENERAL PROPERTY TAXES	LOCAL OPTION SALES TAXES	UTILITY FRANCHISE TAXES¹	CABLE TV FRANCHISE TAX	HOTEL- MOTEL TAXES	TOTAL TAXES
2011	\$ 48,720,069	\$ 11,138,684	\$ 1,923,225	\$ 440,637	\$ 1,245,787	\$ 63,468,402
2012	47,856,978	11,147,414	1,752,345	422,539	1,263,522	62,442,798
2013	48,661,701	11,820,387	1,955,130	424,143	1,375,769	64,237,130
2014	51,422,485	12,680,781	2,261,202	420,181	1,594,073	68,378,722
2015	52,006,707	12,870,868	4,427,062	413,394	1,809,271	71,527,302
2016	51,076,097	14,572,844	4,640,488	379,782	2,470,431	73,139,642
2017	53,381,179	13,713,561	5,139,193	338,573	2,288,141	74,860,647
2018	52,270,337	12,931,221	5,730,070	380,998	2,295,884	73,608,510
2019	56,584,131	13,174,477	5,880,310	340,158	1,998,188	77,977,264
2020	\$ 56,377,657	\$ 12,911,978	\$ 5,395,412	\$ 311,115	\$ 1,907,361	\$ 76,903,524
Percentage Change In Dollars Over 10 Years						
	15.72%	15.92%	180.54%	-29.39%	53.10%	21.17%

Notes:

¹ In fiscal year 2015, the City passed an increase in the utility franchise taxes.



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

	2011	2012	2013	2014
General Fund				
Non-Spendable	\$ 314,972	\$ 13,578	\$ 8,800	\$ 17,166
Committed	418,019	479,418	343,224	366,176
Unassigned	7,559,420	7,868,807	8,357,777	8,548,208
Total General Fund	<u>8,292,411</u>	<u>8,361,803</u>	<u>8,709,801</u>	<u>8,931,550</u>
All Other Governmental Funds				
Non-Spendable	10,880,323	1,653,675	1,516,903	1,479,669
Restricted	56,094,282	58,674,582	86,115,972	68,420,998
Committed	956,895	594,137	750,135	899,555
Assigned	2,209,013	2,379,614	3,055,795	3,402,318
Unassigned	(1,324,552)	(1,211,015)	(1,391,285)	(475,953)
Total All Other Governmental Funds ¹	<u>68,815,961</u>	<u>62,090,993</u>	<u>90,047,520</u>	<u>73,726,587</u>
Total Governmental Funds				
Non-Spendable	11,195,295	1,667,253	1,525,703	1,496,835
Restricted	56,094,282	58,674,582	86,115,972	68,420,998
Committed	1,374,914	1,073,555	1,093,359	1,265,731
Assigned	2,209,013	2,379,614	3,055,795	3,402,318
Unassigned	6,234,868	6,657,792	6,966,492	8,072,255
Total Governmental Funds	<u>\$ 77,108,372</u>	<u>\$ 70,452,796</u>	<u>\$ 98,757,321</u>	<u>\$ 82,658,137</u>

Notes:

¹The fluctuations in the fund balance result from construction projects in which funds are borrowed in one year and spent in another fiscal year.

TABLE IV

2015	2016	2017	2018	2019	2020
\$ 20,022	\$ 22,747	\$ 22,027	\$ 41,397	\$ 24,229	\$ 26,143
273,195	307,288	247,566	283,446	370,055	368,851
8,944,762	9,243,676	9,512,215	9,787,675	10,099,421	12,352,266
<u>9,237,979</u>	<u>9,573,711</u>	<u>9,781,808</u>	<u>10,112,518</u>	<u>10,493,705</u>	<u>12,747,260</u>
3,391,007	1,379,602	1,199,791	1,236,317	1,264,552	6,168,692
68,031,384	90,082,545	84,760,483	91,685,014	82,609,474	68,210,318
577,346	242,553	640,984	995,282	637,961	608,142
2,901,447	4,474,887	2,915,382	2,381,846	2,580,016	2,036,845
(485,741)	(198,005)	48,423	261,721	(415,901)	(1,285)
<u>74,415,443</u>	<u>95,981,582</u>	<u>89,565,063</u>	<u>96,560,180</u>	<u>86,676,102</u>	<u>77,022,712</u>
3,411,029	1,402,349	1,221,818	1,277,714	1,288,781	6,194,835
68,031,384	90,082,545	84,760,483	91,685,014	82,609,474	68,210,318
850,541	549,841	888,550	1,278,728	1,008,016	976,993
2,901,447	4,474,887	2,915,382	2,381,846	2,580,016	2,036,845
<u>8,459,021</u>	<u>9,045,671</u>	<u>9,560,638</u>	<u>10,049,396</u>	<u>9,683,520</u>	<u>12,350,981</u>
<u>\$ 83,653,422</u>	<u>\$ 105,555,293</u>	<u>\$ 99,346,871</u>	<u>\$ 106,672,698</u>	<u>\$ 97,169,807</u>	<u>\$ 89,769,972</u>

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

	FISCAL YEAR			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenues				
Taxes	\$ 63,424,277	\$ 62,436,249	\$ 64,190,855	\$ 68,331,626
Special Assessments	427,836	206,362	72,625	465,315
Regulatory Fees	2,798,758	3,933,570	6,292,635	4,373,879
Intergovernmental Revenue	27,458,471	29,624,144	22,638,176	21,680,579
Revenue from the Use of Property	5,363,839	4,884,517	5,363,291	5,334,070
Charges for Services	8,506,318	9,026,606	8,557,046	8,158,094
Interest	645,339	561,595	447,227	1,032,621
Contributions	2,970,138	681,232	701,622	471,284
Proceeds on Sale of Uncapitalized Assets	77,145	12,401	113,161	121,123
Miscellaneous	1,008,826	957,905	1,435,012	977,468
Gain on Sale of Land Held for Resale	---	---	---	---
Total Revenues	<u>112,680,947</u>	<u>112,324,581</u>	<u>109,811,650</u>	<u>110,946,059</u>
Expenditures¹				
Public Safety	32,704,574	33,480,041	34,066,744	35,277,067
Public Works	14,426,940	14,549,841	14,254,052	14,318,832
Culture and Recreation	16,021,673	16,057,731	15,735,629	15,162,080
Community and Economic Development	10,323,564	9,641,691	8,576,328	9,328,272
General Government	3,558,628	3,477,530	3,245,037	2,730,952
Debt Service				
Principal	15,845,275	16,427,630	17,775,542	17,843,490
Interest and Fiscal Charges	6,142,542	6,020,730	5,868,579	6,152,993
Capital Projects	<u>31,445,093</u>	<u>31,835,793</u>	<u>14,708,996</u>	<u>31,455,759</u>
Total Expenditures	<u>130,468,289</u>	<u>131,490,987</u>	<u>114,230,907</u>	<u>132,269,445</u>
Excess (Deficiency) of Revenues over Expenditures	(17,787,342)	(19,166,406)	(4,419,257)	(21,323,386)
Other Financing Sources (Uses)				
Proceeds from Issuance of Bonds and Notes	18,837,640	20,745,486	13,050,826	34,020,304
Proceeds from Refunding Bonds Issued	4,580,000	---	---	---
Payment to Refunded Bond Escrow Agent	(4,725,000)	---	---	---
Premiums on Bonds Issued	672,987	544,257	173,017	824,052
Discounts on Bonds Issued	(12,480)	---	(27,517)	(133,290)
Sale of Capitalized Property	62,667	---	---	---
Transfers In	30,327,098	35,811,281	32,079,660	27,831,966
Transfers Out	<u>(31,043,628)</u>	<u>(39,148,329)</u>	<u>(32,765,156)</u>	<u>(29,819,250)</u>
Total Other Financing Sources	<u>18,699,284</u>	<u>17,952,695</u>	<u>12,510,830</u>	<u>32,723,782</u>
Net Change in Fund Balances	<u>\$ 911,942</u>	<u>\$ (1,213,711)</u>	<u>\$ 8,091,573</u>	<u>\$ 11,400,396</u>
Debt Service as a percentage of non-capital expenditures	20.36%	21.40%	21.33%	22.64%

TABLE V

2015	2016	2017	2018	2019	2020
\$ 71,473,512	\$ 73,184,732	\$ 74,873,818	\$ 73,519,516	\$ 77,940,036	\$ 75,675,104
157,787	94,180	34,669	104,103	108,439	205,246
2,389,805	4,167,323	2,781,908	3,142,880	4,588,238	7,388,259
27,764,201	27,967,402	31,593,946	28,435,861	31,747,980	36,942,089
5,646,711	5,376,707	5,244,009	3,205,595	1,077,724	860,570
8,499,717	8,532,238	8,518,677	9,527,447	10,684,521	10,229,430
720,029	898,761	604,509	636,822	2,267,576	1,874,383
1,061,883	503,860	582,492	4,410,124	5,204,970	4,446,137
286,054	62,199	206,797	30,036	22,252	41,127
1,325,494	1,493,315	1,313,908	1,715,663	1,190,141	1,108,375
---	1,308,821	---	---	---	---
119,325,193	123,589,538	125,754,733	124,728,047	134,831,877	138,770,720
36,304,029	36,667,604	38,168,268	41,178,735	43,778,707	44,554,977
14,500,431	14,881,606	16,048,558	16,890,854	18,740,385	18,251,762
15,946,104	16,446,088	16,697,180	14,370,160	14,096,896	12,359,152
9,376,134	9,574,078	10,469,584	12,898,133	10,365,189	9,611,974
2,881,136	3,162,941	3,505,673	3,788,205	3,702,245	3,150,801
17,134,443	16,394,085	16,953,559	17,325,502	17,607,431	19,860,735
5,936,861	5,892,896	5,918,862	6,141,591	6,680,646	6,915,280
30,542,971	22,495,434	36,057,306	29,419,544	51,901,944	51,575,153
132,622,109	125,514,732	143,818,990	142,012,724	166,873,443	166,279,834
(13,296,916)	(1,925,194)	(18,064,257)	(17,284,677)	(32,041,566)	(27,509,114)
6,096,250	22,996,382	22,020,537	15,760,447	23,770,000	19,438,433
---	---	9,970,056	2,004,553	---	---
---	---	(10,167,921)	(2,000,000)	---	---
828,720	650,484	668,698	153,219	131,972	433,646
---	---	---	---	---	---
---	32,500	4,362,585	---	889,276	587,403
30,533,315	30,575,703	32,816,296	35,629,800	37,620,305	46,624,875
(32,234,083)	(39,962,868)	(35,843,186)	(39,692,184)	(39,872,878)	(46,975,078)
5,224,202	14,292,201	23,827,065	11,855,835	22,538,675	20,109,279
\$ (8,072,714)	\$ 12,367,007	\$ 5,762,808	\$ (5,428,842)	\$ (9,502,891)	\$ (7,399,835)
19.44%	18.64%	20.66%	20.41%	18.93%	20.12%

CITY OF SIOUX CITY, IOWA
ASSESSED AND TAXABLE VALUE OF TAXABLE PROPERTY¹
LAST TEN FISCAL YEARS

FISCAL YEAR	REAL PROPERTY		UTILITIES	
	ASSESSED VALUE	TAXABLE VALUE²	ASSESSED VALUE	TAXABLE VALUE
2011	\$ 3,589,308,247	\$ 2,020,074,529	\$ 116,440,894	\$ 116,440,894
2012	3,614,201,445	2,080,082,950	122,683,826	122,683,826
2013	3,729,822,637	2,195,646,202	122,445,664	122,445,664
2014	3,734,625,730	2,153,780,040	120,771,919	120,771,919
2015	3,748,172,795	2,147,833,729	124,421,315	124,421,315
2016	3,811,918,005	2,149,973,472	124,532,098	124,532,098
2017	4,113,190,420	2,363,127,363	132,083,187	132,083,187
2018	4,147,858,178	2,477,008,009	123,536,354	123,536,354
2019	4,536,467,722	2,637,105,929	118,088,489	118,088,489
2020	\$ 4,568,509,061	\$ 2,695,336,398	\$ 112,548,861	\$ 112,548,861

Source: Woodbury County, Iowa; County Auditor

Notes:

¹ Taxable Value does not include the Tax Increment Levy.

² Taxable value = (percent rollback x assessed value) - exemptions (military, homestead, elderly, etc.)

TABLE VI

TOTAL		TOTAL DIRECT TAX RATE	TOTAL TAXABLE VALUE TO TOTAL ASSESSED VALUE
ASSESSED VALUE	TAXABLE VALUE		
\$ 3,705,749,141	\$ 2,136,515,423	\$ 17.30	58%
3,736,885,271	2,202,766,776	16.657	59%
3,852,268,301	2,318,091,866	15.989	60%
3,855,397,649	2,274,551,959	16.248	59%
3,872,594,110	2,272,255,044	16.364	59%
3,936,450,103	2,274,505,570	16.110	58%
4,245,273,607	2,495,210,550	16.067	59%
4,271,394,532	2,600,544,363	15.771	61%
4,654,556,211	2,755,194,418	16.071	59%
\$ 4,681,057,922	\$ 2,807,885,259	\$ 15.680	60%

**CITY OF SIOUX CITY, IOWA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF TAXABLE VALUE)
LAST TEN FISCAL YEARS
TAX RATES**

FISCAL YEAR	CITY OF SIOUX CITY					OVERLAPPING RATES		
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	TOTAL DIRECT		SCHOOL DISTRICT	COUNTY	
2011	\$ 8.471	\$ 4.763	\$ 4.067	\$ 17.301		\$ 17.755	\$ 7.985	
2012	8.411	4.462	3.784	16.657		17.116	7.738	
2013	8.395	4.034	3.560	15.989		17.190	7.450	
2014	8.406	3.824	4.018	16.248		16.681	7.397	
2015	8.335	4.336	3.693	16.364		16.523	7.764	
2016	8.633	4.343	3.134	16.110		15.770	7.516	
2017	8.669	3.810	3.589	16.067		15.480	7.454	
2018	8.688	3.532	3.551	15.771		15.390	7.406	
2019	8.726	3.674	3.671	16.071		15.350	7.262	
2020	\$ 8.685	\$ 3.520	\$ 3.475	\$ 15.680		\$ 15.304	\$ 7.228	

Source: Woodbury County, Iowa; County Auditor

TABLE VII

OVERLAPPING RATES								TOTAL DIRECT AND OVERLAPPING			
WESTERN IOWA TECH		CITY ASSESSOR		AG EXTENSION		SPECIAL STATE				TOTAL OVERLAPPING	
\$	0.818	\$	0.442	\$	0.129	\$	0.003	\$	27.132	\$	44.433
	0.779		0.429		0.125		0.003		26.189		42.846
	0.778		0.392		0.127		0.003		25.940		41.929
	0.763		0.407		0.131		0.003		25.382		41.630
	0.780		0.459		0.134		0.003		25.662		42.026
	0.773		0.521		0.135		0.003		24.719		40.829
	0.748		0.420		0.132		0.003		24.237		40.305
	0.798		0.345		0.133		0.003		24.075		39.846
	0.963		0.310		0.128		0.003		24.016		40.087
\$	0.902	\$	0.429	\$	0.127	\$	0.003	\$	23.994	\$	39.674

CITY OF SIOUX CITY, IOWA
PRINCIPAL TAXPAYERS AND THEIR ASSESSED VALUATIONS
JUNE 30, 2020

TABLE VIII

TAXPAYER	2020			2011		
	ASSESSED ¹ VALUE	RANK	% OF TOTAL ASSESSED VALUE	ASSESSED ² VALUE	RANK	% OF TOTAL ASSESSED VALUE
HARD ROCK HOTEL AND CASINO	\$ 51,537,700	1	1.101%	\$ -	---	0.000%
SEABOARD TRIUMPH FOODS LLC	51,008,500	2	1.090%	---	---	0.000%
SOUTHERN HILLS MALL	47,202,300	3	1.008%	61,707,000	1	1.665%
WAL-MART	24,820,400	4	0.530%	47,898,200	2	1.293%
MB SIOUX CITY LAKEPORT LLC	22,099,600	5	0.472%	18,018,200	7	0.486%
AMERICOLD LOGISTICS	20,171,800	6	0.431%	---	---	0.000%
FLEET FARM	19,826,400	7	0.424%	---	---	0.000%
SABRE INDUSTRIES	18,763,300	8	0.401%	---	---	0.000%
CARGILL	17,605,600	9	0.376%	13,238,900	9	0.357%
MARKETPLACE LLC	17,358,800	10	0.371%	---	---	0.000%
LARRY BOOK	---	---	0.000%	24,837,500	3	0.670%
DAVENPORT ET AL	---	---	0.000%	19,591,700	6	0.529%
CLOVERLEAF COLD STORAGE	---	---	0.000%	23,515,100	4	0.635%
KLINGER	---	---	0.000%	20,219,700	5	0.546%
UNITYPOINT HEALTH - ST. LUKE'S	---	---	0.000%	12,704,900	10	0.343%
DAVIES IOWA LOGISTICS	---	---	0.000%	17,751,000	8	0.479%
HANDY LC	---	---	0.000%	---	---	0.000%
TOTAL PRINCIPAL TAXPAYERS	\$ 290,394,400		5.103%	\$ 259,482,200		7.003%
ALL OTHER TAXPAYERS	4,390,663,522		94.897%	3,446,266,941		92.997%
TOTAL ASSESSED VALUATION	<u>\$ 4,681,057,922</u>		<u>100.000%</u>	<u>\$ 3,705,749,141</u>		<u>100.000%</u>

Source: City Assessor, Sioux City, Iowa

Note:

¹ Assessed values as of January 1, 2018.

² Assessed values as of January 1, 2009.

**CITY OF SIOUX CITY, IOWA
PROPERTY TAX LEVIES AND COLLECTIONS¹
LAST TEN FISCAL YEARS**

TABLE IX

FISCAL YEAR	TOTAL TAX LEVY²	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	COLLECTIONS IN SUBSEQUENT YEARS³	TOTAL TAX COLLEC- TIONS	PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY	OUT- STANDING DELINQUENT TAXES⁴	PERCENT OF DELINQUENT TAXES TO TAX LEVY
2011	\$ 38,099,144	\$ 37,779,912	99.16%	N/A	\$ 37,779,912	99.16%	\$ 319,232	0.84%
2012	37,723,796	37,664,946	99.84%	N/A	37,664,946	99.84%	58,850	0.16%
2013	38,097,867	37,867,226	99.39%	N/A	37,867,226	99.39%	230,641	0.61%
2014	38,454,955	38,210,367	99.36%	N/A	38,210,367	99.36%	244,588	0.64%
2015	39,417,402	39,305,029	99.71%	N/A	39,305,029	99.71%	112,373	0.29%
2016	39,428,585	39,022,739	98.97%	N/A	39,022,739	98.97%	405,846	1.03%
2017	41,388,130	40,211,861	97.16%	N/A	40,211,861	97.16%	240,787	0.58%
2018	42,044,168	41,570,454	98.87%	N/A	41,570,454	98.87%	262,585	0.62%
2019	45,506,233	44,621,489	98.06%	N/A	44,621,489	98.06%	297,203	0.65%
2020	\$ 45,259,070	\$ 42,155,961	93.14%	N/A	\$ 42,155,961	93.14%	\$ 1,333,747	2.95%

Source: Woodbury County Treasurer, Woodbury County, Iowa

Notes:

¹ GAAP Basis.

² Tax Increment Levy and SID tax Levy not included.

³ The Woodbury County Treasurer's Office does not record for which year delinquent payments are made.

⁴ Outstanding Delinquent Taxes for FY 2020 increased due to property tax deferral until 7/31/2020.

**CITY OF SIOUX CITY, IOWA
SPECIAL ASSESSMENT COLLECTIONS
LAST TEN FISCAL YEARS**

TABLE X

FISCAL YEAR	CURRENT ASSESSMENTS DUE	CURRENT ASSESSMENTS COLLECTED	PERCENT OF COLLECTIONS TO AMOUNT DUE	TOTAL OUTSTANDING CURRENT & DELINQUENT ASSESSMENTS¹
2011	\$ 139,378	\$ 276,348	198%	\$ 1,543,133
2012	154,313	177,898	115%	2,017,251
2013	300,713	259,006	86%	1,743,520
2014	349,498	359,959	103%	1,850,245
2015	196,455	151,646	77%	1,636,462
2016	113,834	195,082	171%	1,388,655
2017	103,259	205,693	199%	807,293
2018	61,152	129,148	211%	1,077,325
2019	64,858	109,047	168%	1,001,373
2020	\$ 60,952	\$ 154,896	254%	\$ 694,762

Source: Woodbury County Treasurer, Woodbury County, Iowa

Note:

¹ GAAP basis.



**CITY OF SIOUX CITY, IOWA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES	
	NOTES PAYABLE	GENERAL OBLIGATION BONDS	NOTES PAYABLE	GENERAL OBLIGATION BONDS
2011	\$ 8,353	\$ 103,706,105	\$ 122,823,726	\$ 7,943,895
2012	1,196	100,336,458	140,703,316	8,153,542
2013	- - -	116,582,416	144,342,660	8,292,584
2014	1,200,000	104,835,176	146,091,509	9,054,824
2015	900,000	114,334,448	139,680,807	12,124,885
2016	600,000	120,108,555	131,370,363	14,809,530
2017	300,000	118,527,681	123,481,376	16,491,328
2018	- - -	128,269,024	125,294,482	18,351,356
2019	-	134,020,601	127,574,154	17,204,803
2020	\$ - - -	\$ 133,481,312	\$ 132,523,521	\$ 17,772,596

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

¹ See the Schedule of Demographic and Economic Statistics, Table XVI for personal income and population data.

TABLE XI

TOTAL PRIMARY GOVERNMENT		PERCENTAGE OF PERSONAL INCOME ¹	PER CAPITA ¹
\$	234,482,079	13.69%	2,836
	249,194,512	14.20%	3,004
	269,217,660	15.09%	3,255
	261,181,509	14.29%	3,165
	267,040,140	14.61%	3,200
	266,888,448	14.39%	3,222
	258,800,385	13.73%	3,123
	271,914,862	13.98%	3,295
	278,799,558	13.69%	3,384
\$	283,777,429	13.13%	3,433

**CITY OF SIOUX CITY, IOWA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

TABLE XII

FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS: AMOUNTS AVAILABLE IN DEBT SERVICE FUND¹	TOTAL	PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE² OF PROPERTY	PER CAPITA³
2011	\$ 111,650,000	\$ 7,939,178	\$ 103,710,822	4.85%	1,254
2012	108,490,000	8,914,435	99,575,565	4.52%	1,200
2013	124,875,000	6,495,042	118,379,958	5.11%	1,431
2014	113,890,000	5,781,134	108,108,866	4.75%	1,311
2015	123,510,000	7,169,974	116,340,026	4.75%	1,410
2016	131,715,000	9,054,863	122,660,137	5.12%	1,481
2017	132,145,000	12,828,686	119,316,314	4.78%	1,440
2018	146,620,380	10,958,160	135,662,220	5.22%	1,644
2019	151,225,404	11,715,983	139,509,421	5.06%	1,693
2020	\$ 151,253,908	\$ 6,665,801	\$ 144,588,107	5.15%	1,749

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

¹ Amounts Available in Debt Service fund is based on accrual basis of accounting. See Exhibit 1.

² See the Table of Assessed Values and Taxable Value of Taxable Property, Table VI for property value data.

³ Population data can be found in the Table of Demographic and Economic Statistics, Table XVI.

CITY OF SIOUX CITY, IOWA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT⁸
JUNE 30, 2020

TABLE XIII

NAME OF GOVERNMENTAL UNIT	DEBT OUTSTANDING	PERCENTAGE APPLICABLE⁹ TO THIS GOVERNMENTAL UNIT	AMOUNT APPLICABLE TO CITY OF SIOUX CITY
Direct:			
City of Sioux City	\$ 133,481,312	100.00%	\$ 133,481,312
Overlapping:			
Woodbury County ¹	6,775,783	66.31%	4,493,022
Plymouth County ²	2,902,920	0.04%	1,161
Sioux City Community School District ³	1,557,973	98.51%	1,534,759
Hinton Community School District ⁴	3,601,344	0.29%	10,444
Lawton-Bronson School District ⁵	3,580,000	4.23%	151,434
Sergeant Bluff-Luton Comm School District ⁶	- - -	37.07%	- - -
Western Iowa Tech Community College ⁷	14,310,000	32.82%	4,696,542
Northwest Area Education Agency	- - -	21.51%	- - -
Total Overlapping	32,728,020		10,887,362
TOTAL	\$ 166,209,332		\$ 144,368,674

Sources:

¹ County Auditor and Recorder, Woodbury County, Iowa

² County Auditor and Recorder, Plymouth County, Iowa

³ Sioux City Community School District

⁴ Hinton School District

⁵ Lawton-Bronson School District

⁶ Sergeant Bluff-Luton Community School District

⁷ Western Iowa Tech Community College

Notes:

⁸ Excluding General Obligation bonds reported in the Enterprise Funds.

⁹ For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using assessed property values. Applicable percentages were estimated by determining the portion of another government unit's assessed value that is within the City's boundaries and dividing it by each unit's total assessed value.

**CITY OF SIOUX CITY, IOWA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Debt Limit	\$ 185,287,457	\$ 186,844,264	\$ 192,613,415	\$ 192,769,882
Total net debt applicable to limit	<u>103,719,175</u>	<u>99,576,761</u>	<u>118,379,958</u>	<u>109,308,866</u>
Legal Debt Margin	<u>\$ 83,903,428</u>	<u>\$ 81,568,282</u>	<u>\$ 87,267,503</u>	<u>\$ 74,233,457</u>
Total net debt applicable to limit as a percentage of debt limit	55.98%	53.29%	61.46%	56.70%

Notes:

Under Title IX, Subtitle 2, Chapter 358C, paragraph 16 of the Iowa State Code, the City's debt limit should not exceed 5% of the estimated value of the taxable property within that district.

TABLE XIV

2015	2016	2017	2018	2019	2020
\$ 193,629,706	\$ 196,822,505	\$ 212,263,680	\$ 213,569,727	\$ 232,727,811	\$ 234,052,896
117,240,026	123,261,142	119,616,314	135,361,384	139,201,445	144,295,493
<u>\$ 83,461,016</u>	<u>\$ 76,389,680</u>	<u>\$ 73,561,363</u>	<u>\$ 78,208,343</u>	<u>\$ 93,526,366</u>	<u>\$ 89,757,403</u>
60.55%	62.63%	56.35%	63.38%	59.81%	61.65%

**CITY OF SIOUX CITY, IOWA
LEGAL DEBT MARGIN CALCULATION
JUNE 30, 2020**

TABLE XV

ASSESSED VALUE

Real and Personal Property Within the City	\$ 4,681,057,922
TOTAL ESTIMATED VALUATION	<u>4,681,057,922</u>
DEBT LIMIT - 5% OF ESTIMATED VALUATION	234,052,896

AMOUNT OF DEBT APPLICABLE TO LIMIT

Total Bonded Debt and Long-Term Notes Payable	283,777,429	
Less:		
Notes Payable		
Sewer Revolving Notes Payable	81,733,006	
Water Revolving Notes Payable	<u>50,790,515</u>	151,253,908
	132,523,521	
Amount Available for Repayment of General Obligation Debt	<u>6,958,415</u>	

DEBT APPLICABLE TO DEBT LIMIT	144,295,493
LEGAL DEBT MARGIN	<u><u>\$ 89,757,403</u></u>

Notes:

Under Title IX, Subtitle 2, Chapter 358C, paragraph 16 of the Iowa State Code, the City's debt limit should not exceed 5% of the estimated value of the taxable property within that district.



**CITY OF SIOUX CITY, IOWA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

CALENDAR YEAR	POPULATION¹	TOTAL PERSONAL INCOME²	PER CAPITA PERSONAL INCOME¹
2011	82,684	\$ 1,713,295,164.00	\$ 20,721.00
2012	82,967	1,754,503,149	21,147
2013	82,719	1,784,496,987	21,573
2014	82,459	1,792,823,578	21,742
2015	82,517	1,827,173,931	22,143
2016	82,821	1,854,776,295	22,395
2017	82,872	1,884,923,640	22,745
2018	82,514	1,945,102,522	23,573
2019	82,396	2,037,158,704	24,724
2020	82,651	\$ 2,161,406,301	\$ 26,151

Sources:

¹ U.S. Census Bureau Estimates

² Computation of per capita personal income multiplied by population.

³ Sioux City Community School District, Bishop Heelan Catholic Schools and Siouxland Community Christian School.

⁴ Iowa Workforce Development Website.

TABLE XVI

EDUCATIONAL ATTAINMENT BACHELOR'S DEGREE OR HIGHER¹	MEDIAN AGE¹	SCHOOL ENROLLMENT³	UNEMPLOYMENT RATE⁴
20%	34.3	15,573	5.80%
20%	33.7	15,536	5.20%
20%	33.7	15,692	4.80%
20%	34.0	15,895	3.80%
19%	34.0	16,098	3.70%
21%	34.0	16,417	4.00%
20%	34.0	15,799	2.90%
21%	34.0	15,814	2.60%
22%	34.0	15,825	2.50%
23%	34.0	16,223	8.50%

**CITY OF SIOUX CITY, IOWA
PRINCIPAL EMPLOYERS
CURRENT YEAR**

TABLE XVII

EMPLOYER	2020			2011		
	# OF EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT	# OF EMPLOYEES	RANK	PERCENTAGE OF TOTAL CITY EMPLOYMENT
Tyson Fresh Meats	4,500	1	10.77%	4,768	1	11.43%
Seaboard Triumph Foods	2,400	2	5.74%	---	---	---
Sioux City Community School District	2,370	3	5.67%	2,057	2	4.93%
Bomgaars	2,100	4	5.02%	---	---	---
Mercy Medical Center	1,562	5	3.74%	2,000	3	4.79%
Unity Point Health-St. Luke's	1,500	6	3.59%	1,250	4	3.00%
Hy-Vee	1,023	7	2.45%	---	---	---
185th Iowa Air National Guard	952	8	2.28%	950	5	2.28%
City of Sioux City ¹	878	9	2.10%	746	6	1.79%
Western Iowa Tech Communtiy College	700	10	---	650	8	1.56%
Curly's Foods	---	---	---	701	7	1.68%
MidAmerican Energy Company	---	---	---	659	9	1.58%
Tur Pak Foods Inc	---	---	---	500	10	1.20%
Total Principal Employers	17,985		41.36%	14,281		34.24%
Other Employers	26,215		58.64%	27,433		65.76%
Total Employers	44,200		100.00%	41,714		100.00%

Source: Sioux City Economic Development website www.locatesiouxcity.com



CITY OF SIOUX CITY, IOWA
FULL-TIME EQUIVALENT CITY GOVERNMENT BY FUNCTION
LAST TEN FISCAL YEARS

Function	Fiscal Year			
	2011	2012	2013	2014
Public Safety				
Fire ⁹	116.00	115.00	115.00	114.00
Police	151.65	149.65	149.65	148.65
Public Works				
Central Maintenance Garage ¹	---	---	---	25.00
Engineering	19.00	18.00	18.00	20.00
Field Services ²	138.90	136.48	135.48	72.10
Transit ³	56.02	56.02	55.15	32.65
Culture and Recreation				
Art Center	9.89	8.72	8.50	8.50
Convention Center/Auditorium/Tourism ^{4, 7, 8, 10}	54.82	54.14	53.82	46.36
Library	34.47	32.47	31.48	33.48
Museum	10.25	10.25	10.05	10.05
Parks and Recreation ²	---	---	---	66.50
Community and Economic Development				
Community Development	42.88	40.88	40.38	40.38
Economic Development	5.00	5.00	5.00	5.00
General Government				
Administrative Services ⁵	49.05	48.90	49.10	37.00
City Council	5.00	5.00	5.00	5.00
City Manager	3.75	2.75	2.00	2.00
Finance ⁵	---	---	---	14.58
Human Resources	4.63	4.53	4.53	4.53
Human Rights	2.80	2.60	2.60	2.80
Legal	7.00	7.00	7.00	7.00
Employees under 28E Agreement				
Communications Center	24.40	24.40	24.40	24.40
Information Center	13.00	13.00	13.00	14.00
Airport	15.03	15.03	15.03	15.03
Water	31.50	34.50	34.50	34.38
Sewer ⁶	13.00	37.00	38.00	39.00
	<u>808.04</u>	<u>821.32</u>	<u>817.67</u>	<u>822.39</u>

Source: City of Sioux City Finance Department

Notes:

¹ Central Maintenance Garage was separated from Transit within the Public Works function in 2014.

² Field Services previously included Parks and Recreation personnel who during 2014 moved to the Culture and Recreation function.

³ Transit previously included Central Maintenance Garage and Purchasing personnel. Central Maintenance Garage was separated within the Public Works function and Purchasing moved to Finance within the General Government function, both in 2014.

⁴ Convention Center contracted out a majority of its services beginning in 2014.

⁵ The Finance and Administrative Services departments were separated in 2014.

⁶ The Sewer function added 25 waste water treatment plant employees in 2012 as a result of terminating the operations contract with American Water Services.

⁷ In 2015, the Convention Center operations was contracted out to Centerplate.

⁸ In 2018, the Convention Center and Tyson Events Center operations were contracted out to Kineth and Comcast Spectacor, respectively.

⁹ In 2018, the Emergency Medical Services operation was transferred to the City from the Siouxland Paramedics.

⁹ In 2019, Events Coordinator position was added to act as a liaison with Kineth and Comcast Spectacor.

TABLE XVIII

2015	2016	2017	2018	2019	2020
114.00	114.00	114.00	141.00	141.00	142.88
147.65	147.65	149.65	149.65	149.65	153.65
25.00	25.00	25.00	21.00	21.00	22.00
19.00	17.00	16.00	16.00	16.00	16.00
72.98	70.98	76.03	74.03	73.30	73.30
32.65	32.65	32.65	36.65	36.78	36.73
8.50	8.50	8.50	9.45	11.45	11.45
32.77	34.20	35.20	- - -	1.00	1.00
32.98	32.98	32.98	32.98	32.98	32.98
10.05	10.05	10.05	10.05	10.05	10.05
66.89	68.89	72.28	69.18	70.25	68.23
40.01	40.00	40.00	40.00	40.00	40.00
5.00	5.00	5.00	5.00	4.00	4.00
37.00	36.58	33.10	33.10	33.10	28.22
5.00	5.00	5.00	5.00	5.00	5.00
2.00	2.00	2.00	2.00	4.54	3.54
13.49	13.00	13.00	13.00	14.00	14.00
4.53	4.53	5.78	5.78	6.78	6.78
2.80	2.80	2.80	2.80	2.80	2.80
8.00	8.00	8.00	8.00	8.00	8.00
24.40	24.40	24.40	24.40	24.40	25.40
14.00	14.00	15.00	15.00	15.00	15.00
14.28	13.28	13.28	13.78	13.78	13.78
33.50	34.50	35.50	37.50	37.50	37.50
39.00	38.00	38.00	40.00	40.00	43.00
805.48	802.99	813.20	805.35	812.36	815.29

**CITY OF SIOUX CITY, IOWA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Fiscal Year Function	2011	2012	2013	2014
Police				
Average physical arrests per day - adult	14.1	12.8	13.9	13.1
Average physical arrests per day - juvenile	4.2	3.9	3.2	3.0
Traffic citations issued	10,885	10,323	10,408	11,268
Fire				
Number of suppression calls	1,624	1,584	1,690	1,745
Number of emergency medical calls	5,203	5,215	5,316	5,551
% of responses where EMS on scene in 4 min	80%	84%	82%	82%
Number of hazardous materials incidents in city	7	10	9	15
Public Works				
Streets cleaned per year (miles)	13,982	13,156	13,365	11,684
Asphalt placed (tons)	2,651	2,266	1,821	1,662
Potholes repaired	41,841	31,782	36,936	29,889
Dirt miles bladed and shaped	12,215	10,982	8,319	7,965
Total Transit System miles	875,120	852,875	790,196	777,667
Total Transit System passengers ¹	1,250,294	1,204,897	1,111,830	1,113,911
Total Transit System passengers per mile	1.43	1.41	1.41	1.43
Culture and Recreation				
Swimming pool attendance ²	49,336	65,256	64,991	55,216
Museum visitation	33,903	77,281	69,497	69,674
Community and Economic Development				
Total residential/commercial permits issued	2,858	3,038	2,837	2,920
Property value for commercial permits issued	\$82,687,755	\$98,358,399	\$97,358,414	\$256,865,890
Property value for residential permits issued	\$18,399,761	\$23,192,263	\$28,586,954	\$32,529,880
Number of inspections made	23,568	25,468	32,348	45,501
Water				
Water production (millions of gallons) ³	4,365	4,044	4,763	4,720
Water main breaks per miles of pipe	0.25	0.28	0.39	0.32
Total main breaks	119	132	184	152
Length of service disruption per break (hours)	7.96	8.61	4.35	5.59
Sewer				
Sewer backups	44	49	51	47
Total hours per sewer backup	7.23	14.40	4.28	7.12

Source: Various City of Sioux City departments.

Notes:

¹ Transit system passengers decreased in fiscal year 2018 due to change in accounting procedure for transfer passengers.

²Swimming pool attendance was low in fiscal years 2011 due to unseasonably cool weather.

³ Water production increased in fiscal year 2013 with the addition of the Southbridge Water Plant.

TABLE XIX

2015	2016	2017	2018	2019	2020
13.1	13.7	11.4	11.0	10.1	9.0
2.6	2.1	1.8	1.8	1.8	1.5
9,773	8,798	12,206	17,312	17,006	15,999
1,717	1,936	1,861	2,001	1,821	1,886
6,386	6,627	6,602	7,104	7,432	7,743
81%	75%	73%	75%	75%	75%
17	8	19	11	20	10
13,502	12,313	9,968	11,950	11,743	11,813
1,469	1,552	1,709	1,775	2,064	1,635
29,967	39,599	36,669	32,230	35,155	31,935
11,073	11,560	12,552	11,200	10,377	11,419
784,011	756,966	784,338	825,740	864,583	791,485
1,128,535	1,058,198	1,030,340	868,961	877,336	739,429
1.44	1.40	1.31	1.05	1.01	0.93
55,018	69,581	59,548	57,651	56,331	35,776
68,305	67,163	66,735	65,202	67,054	39,438
2,869	3,022	3,131	3,016	2,658	2,766
\$133,486,250	\$97,714,055	\$268,492,250	\$313,141,000	\$262,399,490	\$168,726,090
\$44,822,435	\$34,336,870	\$40,628,757	\$38,254,530	\$30,513,497	\$42,044,716
48,161	59,311	60,641	62,819	60,076	60,303
3,586	3,794	3,858	4,142	4,487	4,521
0.28	0.21	0.22	0.26	0.26	0.19
133	98	107	122	123	91
5.24	4.83	4.43	9.00	9.52	8.52
42	37	22	22	49	31
7.27	7.27	6.48	6.49	17.64	3.41

**CITY OF SIOUX CITY, IOWA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2011	2012	2013	2014
Patrol Cars	52	59	60	48
Training Centers	1	1	1	1
Fire				
Stations	7	7	7	7
Engines	15	14	13	14
Other Vehicles				
Public Works				
Transit Buses	43	40	37	36
Streets (miles)	489	489	491	491
Streetlights (City Owned)	1,499	1,517	1,560	1,761
Sidewalks (miles)	600	600	600	600
Culture and Recreation				
Parks Acres	1,700	1,700	1,711	1,711
Parks	58	57	58	58
Swimming Pools	5	5	5	5
Splash Pads	1	1	1	1
Basketball Courts	8	8	8	8
Disc Golf Courses	1	1	1	1
Tennis Courts	20	20	20	20
Softball Diamonds	12	12	12	12
Baseball Diamonds	34	34	34	34
Soccer Fields	10	10	12	12
Golf Courses (18 hole)	2	2	2	2
Play Fields	29	29	30	30
Cemetery				
Cemeteries (acres)	225	225	225	225
Cemeteries Maintained (acres)	185	185	185	185
Water				
Fire Hydrants (City maintained)	3,661	3,941	4,004	4,080
Water Mains (miles)	462	466	466	474
Sewer				
Sanitary Sewer (miles)	362	363	363	364
Storm Sewer (miles)	246	256	259	265
Solid Waste				
Solid Waste Collection Trucks	14	14	13	15

TABLE XX

2015	2016	2017	2018	2019	2020
49	47	45	44	48	45
1	1	1	1	1	1
7					7
14	14	14	14	14	14
36	37	37	36	41	41
491	491	491	491	491	491
1,761	1,761	1,761	1,761	1,761	1,761
600	600	600	600	600	600
1,711	1,711	1,711	1,711	1,786	1,786
58	58	58	58	62	62
5	5	5	3	3	3
1	2	3	5	5	5
8	8	8	8	8	9
1	2	2	2	3	3
20	20	20	18	18	8
12	12	12	12	12	12
34	34	34	34	34	34
12	12	12	12	12	5
2	2	2	2	2	2
30	30	30	30	30	34
225	225	225	225	225	225
185	185	185	185	185	185
3,820	3,885	3,928	3,896	3,887	3,941
473	475	475	477	482	477
367	367	368	368	370	371
278	284	296	303	318	336
15	15	15	11	8	9



CITY OF SIOUX CITY, IOWA
ADDITIONAL INFORMATION



**CITY OF SIOUX CITY HOUSING AUTHORITY
BALANCE SHEET
JUNE 30, 2020**

EXHIBIT E-1

Performance Center Project	242	244	GRAND
			TOTAL
Project No.	IA018V0	-	(MEMORANDUM
Contract No.	<u>KC9030V</u>	-	<u>ONLY</u>)
 <u>ASSETS</u>			
Cash	\$ 525,219	\$ 136,654	\$ 661,873
Accounts Receivable	217,280	---	217,280
Total Assets	<u>742,499</u>	<u>136,654</u>	<u>879,153</u>
 <u>LIABILITIES</u>			
Accounts Payable	9,202	---	9,202
Security Deposits	115,972	---	115,972
Deferred Revenue	209,365	---	209,365
Accrued Liabilities-Current	<u>70,238</u>	<u>---</u>	<u>70,238</u>
Total Liabilities	404,777	---	404,777
 <u>EQUITY:</u>			
Restricted Net Position	337,722	---	337,722
Unrestricted Net Position	---	136,654	136,654
Total Equity/Net Position	<u>337,722</u>	<u>136,654</u>	<u>474,376</u>
Total Liabilities and Equity/Net Position	<u>\$ 742,499</u>	<u>\$ 136,654</u>	<u>\$ 879,153</u>

CITY OF SIOUX CITY, IOWA
SCHEDULE OF SIOUX CITY FEDERAL HOUSING AUTHORITY
ANALYSIS OF GENERAL FUND CASH
JUNE 30, 2020

EXHIBIT E-2

Performance Center Project	242	244	GRAND
			TOTALS
Project No.	IA018V0	-	(MEMORANDUM
Contract No.	<u>KC9030V</u>	-	<u>ONLY</u>)

COMPOSITION BEFORE ADJUSTMENTS

Net Operating Receipts Retained:

Total Net Position	\$ 337,722	\$ 136,654	\$ 474,376
Total	<u>337,722</u>	<u>136,654</u>	<u>474,376</u>

ADJUSTMENTS

Expenses Not Paid/(Prepaid):

Accounts Payable	9,202	---	9,202
Accrued Wages/Liabilities	70,238	---	70,238
Deferred Revenue	209,365	---	209,365
Security Deposits	115,972	---	115,972

Income Not Received:

Accounts Receivable	<u>(217,280)</u>	<u>---</u>	<u>(217,280)</u>
---------------------	------------------	------------	------------------

General Fund Cash Available	<u>\$ 525,219</u>	<u>\$ 136,654</u>	<u>\$ 661,873</u>
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**CITY OF SIOUX CITY, IOWA
SCHEDULE OF SALARY, ALLOWANCES,
AND REIMBURSED EXPENSES
FOR TEN HIGHEST PAID EMPLOYEES
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-3

NAME	SALARY¹	ALLOWANCES/ REIMBURSED EXPENSES	DESCRIPTION
Robert Padmore, City Manager	\$197,428	\$6,288	Auto Allowance, Cell Phone Allowance, Travel Reimbursement
Michael Collett, Assistant City Manager	\$151,163	\$570	Travel Reimbursement
Nicole DuBois, City Attorney	\$148,618	\$4,800	Auto Allowance, Cell Phone Allowance, Travel Reimbursement
Thomas Everett, Fire Chief	\$148,539	\$1,513	Clothing Reimbursement, Travel Reimbursement
David Carney, Public Works Director	\$148,217	\$1,382	Cell Phone Allowance, Travel Reimbursement
John Malloy, Information Services Director	\$142,661	\$709	Cell Phone Allowance, Travel Reimbursement
Rex Mueller, Police Chief	\$142,101	\$1,707	Clothing Reimbursement, Travel Reimbursement
Mark Simms, Utilities Director	\$135,846	\$2,723	Cell Phone Allowance, Travel Reimbursement
Gordon Phair, City Engineer	\$132,463	\$621	Cell Phone Allowance, Travel Reimbursement
Martin Dougherty, Economic and Community Development Director	\$125,635	\$1,895	Cell Phone Allowance, Travel Reimbursement

Notes:

¹ Salary includes allowances/reimbursed expenses.

CITY OF SIOUX CITY, IOWA
SCHEDULE OF INDIVIDUAL BOND MATURITIES
JUNE 30, 2020

EXHIBIT E-4

		<u>Interest Rate</u>	<u>Amount</u>		
<u>GENERAL OBLIGATION BONDS</u>					
Type: Corporate Purpose					
Issued: 5/1/11					
Amount Issued: \$23,425,000					
City Project # 911-166					
Matures:	2021	4.00%	<u>2,435,000</u>	\$	2,435,000
Type: Corporate Purpose					
Issued: 6/20/12					
Amount Issued: \$9,635,000					
City Project # 911-167					
Matures:	2021	2.25%	960,000		
	2022	2.35%	<u>960,000</u>	\$	1,920,000
Type: Corporate Purpose					
Issued: 6/28/13					
Amount Issued: \$8,820,000					
City Project # 911-168					
Matures:	2021	4.00%	880,000		
	2022	5.00%	880,000		
	2023	5.00%	<u>880,000</u>	\$	2,640,000
Type: Corporate Purpose					
Issued: 6/20/12					
Amount Issued: \$4,840,000					
City Project # 911-169					
Matures:	2021	2.15%	480,000		
	2022	2.40%	<u>480,000</u>	\$	960,000
Type: Corporate Purpose					
Issued: 6/28/13					
Amount Issued: \$4,480,000					
City Project # 911-170					
Matures:	2021	4.00%	445,000		
	2022	5.00%	445,000		
	2023	5.00%	<u>445,000</u>	\$	1,335,000

CITY OF SIOUX CITY, IOWA
SCHEDULE OF INDIVIDUAL BOND MATURITIES
JUNE 30, 2020

EXHIBIT E-4

	<u>Interest Rate</u>	<u>Amount</u>	
<u>GENERAL OBLIGATION BONDS</u>			
Type: Corporate Purpose			
Issued: 6/28/13			
Amount Issued: \$22,215,000			
City Project # 911-171			
Matures:			
2021	2.50%	1,165,000	
2022	2.75%	1,170,000	
2023	3.00%	1,170,000	
2024	3.20%	1,170,000	
2025	3.40%	1,170,000	
2026	3.60%	1,170,000	
2027	3.70%	1,170,000	
2028	3.80%	1,170,000	
2029	3.90%	1,170,000	
2030	4.00%	1,170,000	
2031	4.10%	1,170,000	
2032	4.20%	1,170,000	
2033	4.25%	1,165,000	
		\$ 15,200,000	
Type: Corporate Purpose			
Issued: 6/24/14			
Amount Issued: \$6,655,000			
City Project # 911-172			
Matures:			
2021	5.00%	670,000	
2022	5.00%	670,000	
2023	5.00%	670,000	
2024	5.00%	670,000	
		\$ 2,680,000	
Type: Corporate Purpose			
Issued: 6/24/14			
Amount Issued: \$1,550,000			
City Project # 911-173			
Matures:			
2021	2.45%	155,000	
2022	2.70%	155,000	
2023	2.95%	155,000	
2024	3.20%	155,000	
		\$ 620,000	

CITY OF SIOUX CITY, IOWA
SCHEDULE OF INDIVIDUAL BOND MATURITIES
JUNE 30, 2020

EXHIBIT E-4

	<u>Interest Rate</u>	<u>Amount</u>	
<u>GENERAL OBLIGATION BONDS</u>			
Type: Corporate Purpose			
Issued: 6/8/15			
Amount Issued: \$23,030,000			
City Project # 911-174			
Matures:			
2021	3.00%	2,310,000	
2022	3.00%	2,380,000	
2023	3.00%	2,450,000	
2024	3.00%	2,525,000	
2025	3.00%	2,600,000	
		\$ 12,265,000	
Type: Corporate Purpose			
Issued: 6/8/15			
Amount Issued: \$5,080,000			
City Project # 911-175			
Matures:			
2021	3.00%	515,000	
2022	3.00%	530,000	
2023	3.00%	545,000	
2024	3.00%	560,000	
2025	3.00%	580,000	
		\$ 2,730,000	
Type: Corporate Purpose			
Issued: 6/22/16			
Amount Issued: \$23,515,000			
City Project # 911-176			
Matures:			
2021	2.00%	1,950,000	
2022	2.00%	1,990,000	
2023	2.00%	2,050,000	
2024	2.00%	2,100,000	
2025	2.00%	2,175,000	
2026	2.00%	2,250,000	
		\$ 12,515,000	

CITY OF SIOUX CITY, IOWA
SCHEDULE OF INDIVIDUAL BOND MATURITIES
JUNE 30, 2020

EXHIBIT E-4

		<u>Interest Rate</u>	<u>Amount</u>	
<u>GENERAL OBLIGATION BONDS</u>				
Type: Corporate Purpose				
Issued: 6/22/17				
Amount Issued: \$14,300,000				
City Project # 911-177				
Matures:	2021	2.00%	1,700,000	
	2022	2.00%	1,300,000	
	2023	2.00%	1,300,000	
	2024	2.00%	1,300,000	
	2025	2.00%	1,300,000	
	2026	2.25%	1,200,000	
	2027	2.40%	<u>1,200,000</u>	
				\$ 9,300,000
Type: Corporate Purpose				
Issued: 6/22/16				
Amount Issued: \$8,720,000				
City Project # 911-178				
Matures:	2021	2.00%	645,000	
	2022	2.00%	665,000	
	2023	2.00%	685,000	
	2024	2.10%	705,000	
	2025	2.25%	725,000	
	2026	2.40%	<u>755,000</u>	
				\$ 4,180,000
Type: Corporate Purpose				
Issued: 6/22/16				
Amount Issued: \$4,235,000				
City Project # 911-179				
Matures:	2021	3.00%	<u>805,000</u>	
				\$ 805,000

CITY OF SIOUX CITY, IOWA
SCHEDULE OF INDIVIDUAL BOND MATURITIES
JUNE 30, 2020

EXHIBIT E-4

	<u>Interest Rate</u>	<u>Amount</u>	
<u>GENERAL OBLIGATION BONDS</u>			
Type: Corporate Purpose			
Issued: 6/22/17			
Amount Issued: \$7,000,000			
City Project # 911-180			
Matures:			
2021	1.90%	700,000	
2022	2.10%	700,000	
2023	2.25%	670,000	
2024	2.45%	700,000	
2025	2.60%	700,000	
2026	2.70%	700,000	
2027	2.85%	700,000	
		700,000	\$ 4,870,000
Type: Corporate Purpose			
Issued: 6/20/18			
Amount Issued: \$20,615,000			
City Project # 911-181			
Matures:			
2021	3.00%	2,650,000	
2022	3.00%	2,670,000	
2023	3.00%	1,600,000	
2024	3.00%	1,625,000	
2025	3.00%	1,650,000	
2026	3.00%	1,700,000	
2027	3.00%	1,725,000	
2028	3.00%	1,770,000	
		1,770,000	\$ 15,390,000
Type: Corporate Purpose			
Issued: 6/20/18			
Amount Issued: \$15,065,000			
City Project # 911-182			
Matures:			
2021	2.85%	1,415,000	
2022	3.00%	1,450,000	
2023	3.10%	1,480,000	
2024	3.20%	1,515,000	
2025	3.30%	1,550,000	
2026	3.35%	1,585,000	
2027	3.40%	1,630,000	
2028	3.45%	1,675,000	
		1,675,000	\$ 12,300,000

CITY OF SIOUX CITY, IOWA
SCHEDULE OF INDIVIDUAL BOND MATURITIES
JUNE 30, 2020

EXHIBIT E-4

		<u>Interest Rate</u>	<u>Amount</u>	
<u>GENERAL OBLIGATION BONDS</u>				
Type: Corporate Purpose				
Issued: 6/20/18				
Amount Issued: \$2,295,000				
City Project # 911-183				
Matures:	2021	2.00%	500,000	
	2022	2.13%	500,000	
	2023	2.25%	40,000	
	2024	2.38%	40,000	
	2025	2.50%	40,000	
	2026	2.63%	40,000	
	2027	2.63%	45,000	
	2028	2.75%	45,000	
			\$	1,250,000
Type: Corporate Purpose				
Issued: 6/20/19				
Amount Issued: \$10,560,000				
City Project # 911-184				
Matures:	2021	2.00%	985,000	
	2022	2.00%	1,005,000	
	2023	2.00%	1,025,000	
	2024	2.00%	1,045,000	
	2025	2.00%	1,065,000	
	2026	2.00%	1,085,000	
	2027	2.00%	1,105,000	
	2028	2.00%	1,130,000	
	2029	3.00%	1,150,000	
			\$	9,595,000
Type: Corporate Purpose				
Issued: 6/20/19				
Amount Issued: \$11,560,000				
City Project # 911-185				
Matures:	2021	2.65%	1,050,000	
	2022	2.65%	1,080,000	
	2023	2.65%	1,110,000	
	2024	2.65%	1,135,000	
	2025	2.65%	1,165,000	
	2026	2.65%	1,200,000	
	2027	2.70%	1,230,000	
	2028	2.80%	1,265,000	
	2029	3.00%	1,300,000	
			\$	10,535,000

CITY OF SIOUX CITY, IOWA
SCHEDULE OF INDIVIDUAL BOND MATURITIES
JUNE 30, 2020

EXHIBIT E-4

	<u>Interest Rate</u>	<u>Amount</u>
<u>GENERAL OBLIGATION BONDS</u>		
Type: Corporate Purpose		
Issued: 6/20/19		
Amount Issued: \$3,105,000		
City Project # 911-186		
Matures:		
2021	2.00%	290,000
2022	2.00%	295,000
2023	2.00%	300,000
2024	2.00%	305,000
2025	2.00%	315,000
2026	2.00%	320,000
2027	2.00%	325,000
2028	2.00%	330,000
2029	3.00%	340,000
		\$ 2,820,000
Type: Corporate Purpose		
Issued: 6/18/20		
Amount Issued: \$11,555,000		
City Project # 911-187		
Matures:		
2021	2.00%	1,055,000
2022	2.00%	1,075,000
2023	2.00%	1,100,000
2024	2.00%	1,120,000
2025	2.00%	1,145,000
2026	2.00%	1,165,000
2027	2.00%	1,190,000
2028	2.00%	1,210,000
2029	2.00%	1,235,000
2030	2.00%	1,260,000
		\$ 11,555,000

CITY OF SIOUX CITY, IOWA
SCHEDULE OF INDIVIDUAL BOND MATURITIES
JUNE 30, 2020

EXHIBIT E-4

	<u>Interest Rate</u>	<u>Amount</u>	
<u>GENERAL OBLIGATION BONDS</u>			
Type: Corporate Purpose			
Issued: 6/18/20			
Amount Issued: \$11,155,000			
City Project # 911-188			
Matures:			
2021	1.50%	1,040,000	
2022	1.50%	1,060,000	
2023	1.50%	1,075,000	
2024	1.50%	1,090,000	
2025	1.50%	1,105,000	
2026	1.50%	1,120,000	
2027	1.55%	1,140,000	
2028	1.65%	1,155,000	
2029	1.75%	1,175,000	
2030	1.85%	1,195,000	
			\$ 11,155,000
			\$ 149,055,000



**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

Population

The following table sets forth population trends for the Issuer:

<u>Year</u>	<u>Population</u>
2010	83,035
2000	85,013
1990	80,505
1980	82,003
1970	85,925

Source: U.S. Census Bureau

Property Tax Valuations

In compliance with Section 441.21 of the Code of Iowa, as amended, the State Director of Revenue annually directs all county auditors to apply prescribed statutory percentages to the assessments of certain categories of real property. The final values, called Actual Valuation, are then adjusted by the county auditor. Assessed or Taxable Valuation subject to tax levy is then determined by the application of State determined rollback percentages, principally to residential and commercial property.

Beginning in 1978, the State required a reduction in Actual Valuation to reduce the impact of inflation on its residents. The resulting value is defined as the Assessed or Taxable Valuation. The rollback percentages for residential, agricultural and commercial valuations are as follows:

Fiscal Year	Residential Rollback	Ag. Land & Buildings	Commercial	Multi-residential
2020-21	55.0743	81.4832	90.00000	71.25000
2019-20	56.9180	56.1324	90.00000	75.00000
2018-19	55.6209	54.4480	90.00000	78.50000
2017-18	56.9391	47.4996	90.00000	82.50000
2016-17	55.6259	46.1068	90.00000	86.25000

Source: Iowa Department of Revenue

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

Property is assessed on a calendar year basis. The assessments finalized as of January 1 of each year are applied to the following fiscal year. For example, the assessments finalized on January 1, 2019 are used to calculate tax liability for the tax year starting July 1, 2020 through June 30, 2021. Presented below are the historic property valuations of the Issuer by class of property.

Property Valuations

<u>Valuation Year</u>	<u>Actual Valuation w/ Utilities</u>	<u>% Change in Actual Valuation</u>	<u>Taxable Valuation w/ Utilities</u>	<u>% Change in Taxable Valuation</u>
2019	\$5,312,752,220	13.51%	\$3,465,807,451	10.61%
2018	4,680,513,880	0.95%	3,133,279,874	1.61%
2017	4,636,339,857	8.58%	3,083,768,134	6.64%
2016	4,269,884,111	0.63%	2,891,711,111	1.20%
2015	4,243,247,944	7.86%	2,857,437,680	7.37%
2014	3,934,017,303	1.64%	2,661,180,249	0.05%
2013	3,870,495,210	0.42%	2,659,960,334	0.43%
2012	3,854,357,249	0.06%	2,648,548,626	1.52%
2011	3,852,204,101	3.21%	2,608,791,160	5.36%
2010	3,732,512,358	0.73%	2,476,099,581	2.45%

Source: Iowa Department of Management

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

Property Valuations

Actual Valuation

Valuation as of January Fiscal Year	2019 2020-2021	% of Total	2018 2019-2020	% of Total	2017 2018-2019	% of Total
Residential:	\$3,278,114,093	65.93%	\$2,833,871,245	65.83%	\$2,824,148,675	66.39%
Agricultural Land:	5,901,543	0.12%	8,085,458	0.19%	8,072,488	0.19%
Ag Buildings:	290,351	0.01%	431,500	0.01%	364,800	0.01%
Commercial:	1,000,717,381	21.11%	838,339,216	19.48%	827,951,862	19.46%
Industrial:	153,831,039	3.13%	173,411,011	4.03%	163,378,873	3.84%
Multi-Residential	181,459,589	3.65%	186,204,671	4.33%	182,300,064	4.29%
Personal RE:	---	0.00%	---	0.00%	---	0.00%
Railroads:	19,693,780	0.40%	17,944,091	0.42%	15,929,864	0.37%
Utilities:	19,553,176	0.39%	21,372,597	0.50%	21,534,419	0.51%
Other:	5,300,000	0.11%	---	0.00%	---	0.00%
Total Valuation:	4,664,860,952	94.85%	4,079,659,789	94.79%	4,043,681,045	95.06%
Less Military:	5,150,412	0.10%	5,398,230	0.13%	5,663,416	0.13%
Net Valuation:	4,659,710,540	94.75%	4,074,261,559	94.66%	4,038,017,629	94.93%
TIF Valuation:	387,719,326		375,879,428		382,622,073	
Utility Replacement:	265,322,354	5.25%	230,372,893	5.35%	215,700,155	5.07%
Total	<u>\$5,312,752,220</u>		<u>\$4,680,513,880</u>		<u>\$4,636,339,857</u>	

Taxable Valuation

Valuation as of January Fiscal Year	2019 2020-21	% of Total	2018 2019-2020	% of Total	2017 2018-2019	% of Total
Residential:	\$1,788,035,603	57.32%	\$1,612,981,778	57.35%	\$1,570,817,310	57.06%
Agricultural Land:	4,801,224	0.15%	4,537,984	0.16%	4,395,304	0.16%
Ag Buildings:	236,562	0.01%	242,212	0.01%	198,623	0.01%
Commercial:	872,711,892	29.38%	754,505,294	26.83%	745,156,678	27.07%
Industrial:	131,761,379	4.28%	156,069,910	5.55%	147,040,986	5.34%
Multi-Residential	128,465,333	4.12%	139,653,515	4.97%	143,561,438	5.21%
Personal RE:	---	0.00%	---	0.00%	---	0.00%
Railroads:	17,724,402	0.57%	16,149,682	0.57%	14,336,878	0.52%
Utilities:	19,553,176	0.63%	21,372,597	0.76%	21,534,419	0.78%
Other:	4,770,000	0.15%	---	0.00%	---	0.00%
Total Valuation:	2,968,059,571	96.60%	2,705,512,972	96.20%	2,647,041,636	96.15%
Less Military:	5,150,412	0.17%	5,398,230	0.19%	5,663,416	0.21%
Net Valuation:	2,962,909,159	96.44%	2,700,114,742	96.01%	2,641,378,220	95.94%
TIF Valuation:	387,719,326		320,616,271		330,604,865	
Utility Replacement:	115,178,966	3.56%	112,548,861	4.00%	111,785,049	4.06%
Total	<u>\$3,465,807,451</u>		<u>\$3,133,279,874</u>		<u>\$3,083,768,134</u>	

Source: Iowa Department of Management

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

2016 2017-18	% of Total	2015 2016-17	% of Total
\$2,552,952,627	64.78%	\$2,505,808,538	65.64%
8,561,879	0.22%	9,030,937	0.24%
436,000	0.01%	427,900	0.01%
865,331,418	21.96%	807,821,500	21.16%
117,204,214	2.97%	105,966,011	2.78%
132,240,727	3.36%	133,279,187	3.49%
---	0.00%	---	0.00%
16,875,542	0.43%	14,933,228	0.39%
20,683,690	0.52%	21,608,531	0.57%
---	0.00%	---	0.00%
3,714,286,097	94.25%	3,598,875,892	94.28%
5,872,692	0.15%	6,178,272	0.16%
3,708,413,405	94.10%	3,592,697,620	94.12%
328,911,978		425,761,996	
232,558,728	5.90%	224,788,328	5.89%
<u>\$4,269,884,111</u>		<u>\$4,243,247,944</u>	

2016 2017-18	% of Total	2015 2016-17	% of Total
\$1,453,628,119	55.81%	\$1,396,894,943	55.89%
4,066,832	0.16%	4,163,880	0.17%
207,088	0.01%	197,293	0.01%
778,798,277	29.90%	727,039,404	29.09%
105,483,792	4.05%	95,369,410	3.82%
109,098,834	4.19%	114,953,442	4.60%
---	0.00%	---	0.00%
15,187,989	0.58%	13,439,905	0.54%
20,683,690	0.79%	21,608,531	0.86%
---	0.00%	---	0.00%
2,487,154,621	95.48%	2,373,666,808	62.18%
5,872,692	0.23%	6,178,272	0.25%
2,481,281,929	95.25%	2,367,488,536	61.93%
286,892,828		357,865,957	
123,536,354	4.74%	132,086,187	5.28%
<u>\$2,891,711,111</u>		<u>\$2,857,440,680</u>	

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

Tax Rates

The Issuer levied the following taxes for collection during the fiscal years indicated:

<u>Fiscal Year</u>	<u>General</u>	<u>Outside</u>	<u>Emergency</u>	<u>Debt</u> <u>Service</u>	<u>Employee</u> <u>Benefits</u>	<u>CIP</u>	<u>Total Levy</u>
2021	8.10000	1.99361	0.27000	3.39473	1.14118	0.00000	14.89952
2020	8.10000	1.59817	0.27000	3.47477	2.23716	0.00000	15.68010
2019	8.10000	1.56007	0.27000	3.67148	2.46915	0.00000	16.07070
2018	8.10000	1.28867	0.27000	3.55059	2.56155	0.00000	15.77081
2017	8.10000	1.25984	0.27000	3.58873	2.84851	0.00000	16.06708

Source: Iowa Department of Management

Historic Tax Rates

Portions of the Issuer are located in four different school districts and two different counties. Presented below are the combined aggregate tax rates by taxing district for residents living in the City, in one of the three largest school districts with land in the City, and assuming Woodbury County:

Sioux City CSD

<u>Fiscal Year</u>	<u>City</u>	<u>School</u>	<u>College</u>	<u>State</u>	<u>Assessor</u>	<u>Aq Extens</u>	<u>Hospital</u>	<u>County</u>	<u>Total Levy</u>
2021	14.89952	13.52558	0.88483	0.00270	0.38116	0.12200	0.00000	7.16414	36.97993
2020	15.68010	15.30404	0.90221	0.00280	0.42948	0.12727	0.00000	7.22786	39.67376
2019	16.07070	15.35010	0.96256	0.00290	0.31049	0.12823	0.00000	7.26169	40.08667
2018	15.77081	15.39000	0.79732	0.00310	0.34549	0.13327	0.00000	7.40533	39.84532
2017	16.06708	15.48000	0.74787	0.00330	0.42001	0.13238	0.00000	7.45423	40.30487

Sergeant Bluff-Luton CSD

<u>Fiscal Year</u>	<u>City</u>	<u>School</u>	<u>College</u>	<u>State</u>	<u>Assessor</u>	<u>Aq Extens</u>	<u>Hospital</u>	<u>County</u>	<u>Total Levy</u>
2021	14.89952	10.59626	0.88483	0.00270	0.38116	0.12200	0.00000	7.16414	34.05061
2020	15.68010	9.89197	0.90221	0.00280	0.42948	0.12727	0.00000	7.22786	34.26169
2019	16.07070	10.35581	0.96256	0.00290	0.31049	0.12823	0.00000	7.26169	35.09238
2018	15.77081	12.31896	0.79732	0.00310	0.34549	0.13327	0.00000	7.40533	36.77428
2017	16.06708	13.55912	0.74787	0.00330	0.42001	0.13238	0.00000	7.45423	38.38399

Lawton-Bronson CSD

<u>Fiscal Year</u>	<u>City</u>	<u>School</u>	<u>College</u>	<u>State</u>	<u>Assessor</u>	<u>Aq Extens</u>	<u>Hospital</u>	<u>County</u>	<u>Total Levy</u>
2021	14.89952	15.25871	0.88483	0.00270	0.38116	0.12200	0.00000	7.16414	38.71306
2020	15.68010	15.54993	0.90221	0.00280	0.42948	0.12727	0.00000	7.22786	39.91965
2019	16.07070	15.55913	0.96256	0.00290	0.31049	0.12823	0.00000	7.26169	40.29570
2018	15.77081	15.59975	0.79732	0.00310	0.34549	0.13327	0.00000	7.40533	40.05507
2017	16.06708	15.57659	0.74787	0.00330	0.42001	0.13238	0.00000	7.45423	40.40146

Source: Iowa Department of Management

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

Tax Collection History

Fiscal Year		Total Tax Levy	Current Tax Collections	Percent of Levy Collected
2020	\$	45,259,070	\$ 42,155,961	93.14%
2019		45,506,233	44,621,489	98.06%
2018		42,044,168	41,570,454	98.87%
2017		41,388,130	40,211,861	97.16%
2016		39,428,585	39,022,739	98.97%
2015		39,417,402	39,305,029	99.71%
2014		38,454,955	38,210,067	99.36%
2013		38,097,867	37,867,226	99.39%
2012	\$	37,723,796	\$ 37,664,946	99.84%

Source: City of Sioux City and Iowa Department of Management

Largest Taxpayers

Set forth in the following table are the persons or entities which represent the 2019 largest taxpayers within the Issuer, as provided by the County Auditor's Offices. No independent investigation has been made of and no representation is made herein as to the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the City. Except as noted below, the City's mill levy is uniformly applicable to all of the properties included in the table, and thus taxes expected to be received by the City from such taxpayers will be in proportion to the assessed valuations of the properties. The total tax bill for each of the properties is dependent upon the mills levies of the other taxing entities which overlap the properties.

<u>Taxpayer</u>	2019 Taxable Valuation	Percent of Total
MidAmerican Energy - Electric #7289 (1)	\$ 81,384,648	2.32%
SCE Partners LLC	46,383,930	1.32%
Seaboard Triumph Foods LLC	45,907,650	1.31%
Southern Hills Mall LLC	40,488,930	1.15%
MidAmerican Energy - Gas #5289 (2)	32,801,725	0.93%
Wal-Mart Real Estate Business	22,338,360	0.64%
Lakeport Commons Center LLC	19,889,640	0.57%
Balogh Associates VI LLC	17,843,760	0.51%
SAB (IA) LLC	16,886,970	0.48%
Cargill, Inc	15,845,040	0.45%
Total of Top 10 Taxpayers:		9.67%

Source: Woodbury County Auditor

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

Utility Property Tax Replacement

Beginning in 1999, the State replaced its previous property tax assessment procedure in valuing the property of entities involved primarily in the production, delivery, service and sale of electricity and natural gas with a replacement tax formula based upon the delivery of energy by these entities. Electric and natural gas utilities now pay replacement taxes to the State in lieu of property taxes. All replacement taxes are allocated among local taxing cities by the State Department of Revenue and Finance and the Department of Management. This allocation is made in accordance with a general allocation formula developed by the Department of Management on the basis of general property tax equivalents. Properties of these utilities are exempt from the levy of property tax by political subdivisions. Utility property will continue to be valued by a special method as provided in the statute and taxed at the rate of three cents per one thousand dollars for the general fund of the State.

The utility replacement tax statute states that the utility replacement tax collected by the State and allocated among local taxing cities (including the City) shall be treated as property tax when received and shall be disposed of by the county treasurer as taxes on real estate. However, utility property is not subject to the levy of property tax by political subdivisions, only the utility replacement tax and statewide property tax. It is possible that the general obligation debt capacity of the City could be adjudicated to be proportionately reduced in future years if utility property were determined to be other than "taxable property" for purposes of computing the City's debt limit under Article XI of the Constitution of the State of Iowa. There can be no assurance that future legislation will not (i) operate to reduce the amount of debt the City can issue or (ii) adversely affect the City's ability to levy taxes in the future for the payment of the principal of and interest on its outstanding debt obligations, including the Bonds. Approximately 3.25% of the City's tax base currently is utility property. Notwithstanding the foregoing, the City has the obligation to levy taxes against all the taxable property in the City sufficient to pay principal of and interest on the Bonds.

Industrial Real Estate Partial Tax Exemption

Due to Chapter 427B - Industrial Real Estate Partial Tax Exemption, only 40% of the actual value is taxable. The current assessed value as of January 1, 2019 is \$127,477,700.

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

Outstanding General Obligation Principal and Interest

The City has twenty three different general obligation issues outstanding including the Bonds. Presented below is the outstanding principal and interest of the Issuer's General Obligation Debt, presented in aggregate:

<u>Dated Date</u>	<u>Original Amount</u>	<u>Final Maturity</u>	<u>2021 Interest Rate</u>	<u>Final Interest Rate</u>	<u>Princial Outstanding 6/30/2020</u>
5/1/2011	\$ 23,425,000	2021	4.000%	4.000%	\$ 2,435,000
6/20/2012	9,635,000	2022	2.250%	2.350%	1,920,000
6/20/2012	4,840,000	2022	1.900%	2.400%	960,000
6/28/2013	8,820,000	2023	4.000%	5.000%	2,640,000
6/28/2013	4,480,000	2023	2.200%	2.800%	1,335,000
6/28/2013	22,215,000	2033	2.200%	4.250%	15,200,000
6/24/2014	6,655,000	2024	3.000%	5.000%	2,680,000
6/24/2014	1,550,000	2024	2.150%	3.200%	620,000
6/29/2015	5,080,000	2025	3.000%	3.050%	12,265,000
6/29/2015	23,030,000	2025	3.000%	3.000%	2,730,000
6/22/2016	23,515,000	2026	2.000%	2.000%	12,515,000
6/22/2016	8,720,000	2026	2.000%	2.400%	4,180,000
6/22/2016	4,235,000	2021	3.000%	3.000%	805,000
6/22/2017	14,300,000	2027	2.000%	2.375%	9,300,000
6/22/2017	7,000,000	2027	2.250%	2.850%	4,870,000
6/20/2018	20,615,000	2028	3.000%	3.000%	15,390,000
6/20/2018	15,065,000	2028	2.750%	3.450%	12,300,000
6/20/2018	2,295,000	2028	2.000%	2.750%	1,250,000
6/20/2019	10,560,000	2029	2.000%	3.000%	9,595,000
6/20/2019	11,560,000	2029	2.650%	3.000%	10,535,000
6/20/2019	3,105,000	2029	2.000%	3.000%	2,820,000
6/18/2020	11,555,000	2030	2.000%	2.000%	11,555,000
6/18/2020	11,155,000	2030	1.500%	1.850%	11,155,000
Totals	<u>\$253,410,000</u>				<u>\$ 149,055,000</u>

Source: City of Sioux City

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

Presented below is the outstanding principal and interest of the Issuer's General Obligation Debt for the years indicated:

<u>Fiscal Year</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total P & I</u>
2021	\$ 24,800,000	\$ 3,965,684	\$ 28,765,684
2022	21,430,000	3,312,919	24,742,919
2023	18,780,000	2,745,689	21,525,689
2024	17,760,000	2,240,936	20,000,936
2025	17,285,000	1,778,524	19,063,524
2026	14,290,000	1,339,444	15,629,444
2027	11,460,000	983,156	12,443,156
2028	9,750,000	679,785	10,429,785
2029	6,370,000	415,323	6,785,323
2030	3,625,000	240,730	3,865,730
2031	1,170,000	146,623	1,316,623
2032	1,170,000	98,653	1,268,653
2033	1,165,000	49,513	1,214,513
Totals	\$ 149,055,000	\$ 17,996,979	\$167,051,977

Lease Commitments

In 1986, the City entered into an agreement with the Siouxland Chamber Foundation to construct the Sioux City Convention Center and lease it back to the City. The original lease expired June 1, 2007, and the title to the facility passed back to the City according to the terms of the lease. On June 1, 2007, another agreement was formed which sold the facility back to the Siouxland Chamber Foundation for \$1.00 and subsequently leased the facility back to the City again. The new lease terms call for a rental payment of \$1.00 per year for a term of 5 years. The lease also provides for two 5-year renewal options. The lease was renewed for an additional five years commencing on June 2, 2017 and ending on June 1, 2022. Per the agreement, title to the facility will transfer back to the City for no consideration at the termination of the lease. Accordingly, the lease is treated as a capital lease and the leased assets are accounted for in the City's audit, in the governmental activities on the statement of net position. Buildings under the capital lease have an original cost of \$7,675,000, accumulated depreciation of \$6,331,874 for a net book value at June 30, 2020, of \$1,343,126.

Revenue Debt by Issue

	<u>Original Amount</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Principal Outstanding As of 6/30/20</u>
<u>Revenue Bonds</u>				
Sewer Capital Loan Notes	\$ 8,000,000	6/1/23	1.75%	\$ 1,521,000
Sewer Capital Loan Notes	31,000,000	6/1/27	1.75%	12,983,000
Sewer Capital Loan Notes	15,000,000	6/1/29	1.75%	7,851,000
Sewer Capital Loan Notes	38,600,000	6/1/31	1.75%	23,362,000
Sewer Capital Loan Notes	31,000,000	6/1/33	0.75%	993,000
Sewer Capital Loan Notes	4,200,000	6/1/34	0.75%	2,918,000
Sewer Capital Loan Notes	7,574,000	6/1/34	0.75%	4,581,000
Sewer Capital Loan Notes	33,000,000	6/1/39	1.75%	27,524,006
Water Capital Loan Notes	13,736,000	6/1/23	1.75%	2,612,000
Water Capital Loan Notes	11,264,000	6/1/24	1.75%	2,815,000
Water Capital Loan Notes	6,000,000	6/1/25	1.75%	1,998,000
Water Capital Loan Notes	10,807,000	6/1/31	3.00%	6,783,000
Water Capital Loan Notes	9,193,000	6/1/31	3.00%	5,770,000
Water Capital Loan Notes	30,618,000	6/1/32	3.00%	20,639,000
Water Capital Loan Notes	2,100,000	6/1/34	1.75%	1,339,000
Water Capital Loan Notes	5,700,000	6/1/39	1.75%	4,437,717
Water Capital Loan Notes	6,507,000	6/1/39	1.75%	4,396,798
Total				\$ 132,523,521

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

Total principal and interest abated in the five most recent fiscal years was as follows:

Historical Debt Statistics

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total G.O. Debt Service	\$ 26,827,240	\$ 24,350,841	\$ 23,177,648	\$ 24,487,463	\$ 27,817,490
Less: Abatements	15,749,044	14,445,061	17,637,190	15,383,195	15,834,557
Net G.O. Debt Service	<u>\$ 11,078,196</u>	<u>\$ 9,905,780</u>	<u>\$ 5,540,458</u>	<u>\$ 9,104,268</u>	<u>\$ 11,982,933</u>

Debt Limit

The amount of general obligation debt a political subdivision of the State of Iowa can incur is controlled by the constitutional debt limit, which is an amount equal to 5% of the actual value of property within the corporate limits, taken from the last County Tax list. The Issuer's debt limit, based upon said valuation, amounts to the following:

1/1/2019 Actual Valuation:	\$5,312,752,220
X	0.05
Statutory Debt Limit:	265,637,611
 Total General Obligation Debt:	 149,055,000
IDOT loan:	1,031,217
Total Debt Subject to Limit (1):	150,086,217
Percentage of Debt Limit Obligated:	56.50%

Source: Iowa Department of Management

(1) The "Total Debt Subject to Limit" amount reported above does not include \$49,019,195 in City rebate agreements (subject to yet to be achieved contingencies or annual appropriation). Were such rebate agreements determined to be constitutional debt, the City's percentage of Debt Limit Obligated would be 74.95%. The Iowa Supreme Court has not formally ruled on the question of whether contracts to rebate the tax increment generated by a particular development constitutes indebtedness of a City for constitutional debt limit purposes. The amount reported above includes amounts payable under development agreements that may not be debt. Some development agreements are subject to the right of annual appropriation by the City, thereby limiting the extent of possible debt to only amounts currently due and appropriated in the fiscal year reported herein (the data in this table is as of 6/30/20 – with no amounts remaining payable in said fiscal year). Payment of future installments may be dependent upon undertakings by the developers, which may have not yet occurred. The City actively pursues opportunities consistent with the development goals of its various urban renewal plans, which may be amended from time to time, and the City may enter into additional development agreements committing to additional rebate incentive in calendar year 2020 or after.

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

Other Tax-Increment Rebate Agreements

Description of Security and Original Par Amount	Date Incurred	Final Payment Date	Rates	Total Potential Obligation
Warrior Hotel LP - Hotel/Motel Tax Grant	3/19/2018	7/15/2041	0%	\$ 8,500,000
Warrior Hotel LP - Infrastructure Assistance	3/19/2018	6/30/2020	0%	1,000,000
SCE Partners, LLC - Parking Ramp	6/11/2018	Undefined	0%	5,500,000
Siouxland Expo Center	6/18/2018	1/1/2041	0%	12,500,000
Warrior Hotel LP	3/19/2018	4/1/2037	0%	7,283,091
Echo Electric	5/12/2014	10/1/2025	0%	361,981
Westrock	10/10/2016	6/1/2031	0%	1,929,439
Consumer Supply	6/25/2012	9/1/2027	0%	338,139
J P Goldsmith	3/2/2015	3/31/2021	0%	10,099
GR Equipment	8/18/2014	7/1/2020	0%	26,000
Bomgaars	1/27/2014	6/30/2021	0%	250,000
Sabre	5/24/2012	6/30/2025	0%	1,528,622
413 Pierce, LLC	12/18/2017	3/31/2029	0%	137,543
Motor Mart, LLC	12/18/2017	3/31/2029	0%	395,094
HCI Real Estate Company 100 Virginia	3/20/2017	9/30/2028	0%	168,196
HCI Real Estate Company 102 Virginia	3/20/2017	9/30/2028	0%	424,339
HCI Real Estate Company 101 Virginia	3/20/2017	9/30/2030	0%	146,004
Keizer Refrigeration, Inc	11/20/2017	9/30/2025	0%	775,549
Rocklin Manufacturing/110 SJ, LLC	2/27/2017	9/30/2024	0%	51,707
Kinseth Hospitality Company	6/5/2017	9/30/2034	0%	6,000,000
TMS, Inc. and KV, LLC	1/23/2017	3/31/2024	0%	33,382
Beth Bruening, PC	1/23/2017	3/31/2027	0%	182,438
Interstate Mechanical Corporation	9/10/2018	6/30/2027	0%	73,366
Hart Family Hotels-Sioux City, LLC	3/4/2019	6/30/2033	0%	1,404,206
Totals				\$ 49,019,195

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

Other Obligations of the City

The City has entered into loan agreements with the Iowa State Revolving Loan Fund program for various water and sewer revenue obligations over the years. Presented below is the current amortization of those loans (assuming all of the proceeds of the loans for projects currently under construction are drawn in full):

Sewer Revenue Obligations (1) (2) (3) (4) (5) (6)

Fiscal Year	6/25/2002	4/14/2006	4/9/2008	5/6/2009	5/31/2013	5/31/2013	5/31/2013
2021	\$ 492,000	\$ 1,694,000	\$ 773,000	\$ 1,801,000	\$ 72,000	\$ 195,000	\$ 306,000
2022	507,000	1,745,000	796,000	1,859,000	73,000	197,000	310,000
2023	522,000	1,798,000	820,000	1,920,000	73,000	199,000	313,000
2024		1,852,000	844,000	1,982,000	74,000	201,000	316,000
2025		1,907,000	870,000	2,046,000	75,000	203,000	319,000
2026		1,964,000	896,000	2,113,000	76,000	205,000	322,000
2027		2,023,000	923,000	2,182,000	76,000	207,000	325,000
2028			950,000	2,253,000	77,000	209,000	329,000
2029			979,000	2,326,000	78,000	212,000	332,000
2030				2,401,000	79,000	214,000	335,000
2031				2,479,000	79,000	216,000	338,000
2032					80,000	218,000	342,000
2033					81,000	220,000	345,000
2034						222,000	349,000
2035							
2036							
2037							
2038							
2039							
2040							
2041							
Totals:	\$ 1,521,000	\$ 12,983,000	\$ 7,851,000	\$ 23,362,000	\$ 993,000	\$ 2,918,000	\$ 4,581,000

- (1) Unless otherwise noted, the interest rate on the SRF loan noted is 1.75%
- (2) With respect to the Sewer Revenue bonds dated 5/31/13 (two issues), the interest rate is 0.75%.
- (3) Pursuant to a 28E agreement with the State of Iowa – Department of Transportation, the City has an obligation to repay, in addition to the above, \$610,312 to the DOT over the period through 7/1/2025, out of net operating revenues of the Sewer System of the City.
- (4) As of June 30, 2020, the City has drawn \$27,524,006 on the \$31.642M sewer note of 6/23/17
- (5) After the end of the fiscal year, the City issued its Sewer Revenue Notes, two series, in the amounts of \$10,000,000 and \$6,928,000 to fund various wastewater projects in the City. Both Notes were purchased by the SRF and have an interest rate of 1.75%
- (6) The City has plans to submit to the SRF a construction loan application for approximately \$1,800,000 sewer revenue capital loan notes to be funded by the SRF. The date of closing on this loan is unknown at this time but likely at some point during fiscal year 2021.

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

6/23/2017	11/13/2020	11/13/2020	Total Principal	Admin Fee	Total Interest	Total P&I
\$ 1,385,000	\$ -	\$ -	\$ 6,718,000	\$ 256,948	\$ 1,524,701	\$ 8,499,649
1,413,000	412,000	285,000	7,597,000	240,153	1,638,760	9,475,913
1,441,000	420,000	291,000	7,797,000	221,160	1,474,730	9,492,890
1,470,000	428,000	297,000	7,464,000	201,668	1,344,133	9,009,800
1,500,000	437,000	303,000	7,660,000	183,008	1,219,423	9,062,430
1,530,000	445,000	309,000	7,860,000	163,858	1,091,343	9,115,200
1,560,000	454,000	315,000	8,065,000	144,208	959,823	9,169,030
1,591,000	463,000	321,000	6,193,000	124,045	824,765	7,141,810
1,623,000	473,000	327,000	6,350,000	108,563	722,538	7,181,100
1,656,000	482,000	334,000	5,501,000	92,688	617,633	6,211,320
1,689,000	492,000	341,000	5,634,000	78,935	527,645	6,240,580
1,722,000	502,000	348,000	3,212,000	64,850	435,380	3,712,230
1,757,000	512,000	354,000	3,269,000	56,820	385,570	3,711,390
1,792,000	522,000	362,000	3,247,000	48,648	334,823	3,630,470
1,828,000	532,000	369,000	2,729,000	40,530	283,710	3,053,240
1,864,000	543,000	376,000	2,783,000	33,708	235,953	3,052,660
1,902,000	554,000	384,000	2,840,000	26,750	187,250	3,054,000
1,940,000	565,000	391,000	2,896,000	19,650	137,550	3,053,200
1,979,000	576,000	399,000	2,954,000	12,410	86,870	3,053,280
	588,000	407,000	995,000	5,025	35,175	1,035,200
	600,000	415,000	1,015,000	2,538	17,763	1,035,300
\$31,642,000	\$10,000,000	\$ 6,928,000	\$ 102,779,000	\$ 2,126,156	\$ 14,085,534	\$ 118,990,692

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

Water Revenue Obligations (1) (2) (3) (4) (5)

Fiscal Year	6/25/2002	6/25/2002	3/3/2004	9/20/2006	5/5/2010	11/3/2010	9/7/2011
2021	\$ 403,000	\$ 442,000	\$ 673,000	\$ 376,000	\$ 523,000	\$ 445,000	\$ 1,434,000
2022	415,000	455,000	693,000	388,000	540,000	459,000	1,480,000
2023	428,000	469,000	714,000	399,000	557,000	474,000	1,529,000
2024			735,000	411,000	576,000	490,000	1,578,000
2025				424,000	594,000	506,000	1,629,000
2026					614,000	522,000	1,682,000
2027					633,000	539,000	1,737,000
2028					654,000	556,000	1,794,000
2029					675,000	574,000	1,852,000
2030					697,000	593,000	1,912,000
2031					720,000	612,000	1,974,000
2032							2,038,000
2033							
2034							
2035							
2036							
2037							
2038							
2039							
Totals:	\$ 1,246,000	\$ 1,366,000	\$ 2,815,000	\$ 1,998,000	\$ 6,783,000	\$ 5,770,000	\$ 20,639,000

-
- (1) Unless otherwise noted, the interest rate on the SRF loan noted is 1.75%
- (2) With respect to the Water revenue loans dated 11/3/10 and 9/7/11, the interest rate on the loan is 3%. The City anticipates that the interest rate on these loans will reset to 1.75% on 12-1-20 (for the 11/3/10 issue) and 12/1/2021 (for the 9/7/11 issue). The interest rate reset is voluntary at the option of the State Revolving Loan Fund ("SRF") program, and the City's expectations may not be achieved were the SRF to choose to discontinue its current interest-rate reset practice.
- (3) Pursuant to a 28E agreement with the State of Iowa – Department of Transportation, the City has an obligation to repay, in addition to the above, \$462,996 to the DOT over the period through 7/1/2025, out of net operating revenues of the Water System of the City.
- (4) The City has submitted to the SRF a construction loan application for approximately \$10,000,000 water revenue capital loan notes to be funded by the SRF. The date of closing on this loan is unknown at this time but likely at some point during fiscal year 2020-21.
- (5) As of June 30, 2020, the City has drawn \$4,437,717 on the water note dated 6/23/17, and \$4,396,798 on the water note dated 7/12/19.

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

8/30/2013	6/23/2017	7/12/2019	Total Principal	Admin Fee	Total Interest	Total P&I
\$ 84,000	\$ 239,000	\$ 279,000	\$ 4,898,000	\$ 134,135	\$ 980,933	\$ 6,013,068
86,000	244,000	284,000	5,044,000	121,890	871,730	6,037,620
87,000	249,000	289,000	5,195,000	109,280	764,960	6,069,240
89,000	254,000	294,000	4,427,000	96,293	674,048	5,197,340
91,000	259,000	300,000	3,803,000	85,225	596,575	4,484,800
93,000	264,000	305,000	3,480,000	75,718	530,023	4,085,740
94,000	269,000	310,000	3,582,000	67,018	469,123	4,118,140
96,000	275,000	316,000	3,691,000	58,063	406,438	4,155,500
98,000	280,000	321,000	3,800,000	48,835	341,845	4,190,680
100,000	286,000	327,000	3,915,000	39,335	275,345	4,229,680
102,000	292,000	332,000	4,032,000	29,548	206,833	4,268,380
104,000	298,000	338,000	2,778,000	19,468	136,273	2,933,740
106,000	303,000	344,000	753,000	12,523	87,658	853,180
109,000	310,000	350,000	769,000	10,640	74,480	854,120
	316,000	356,000	672,000	8,718	61,023	741,740
	322,000	362,000	684,000	7,038	49,263	740,300
	328,000	369,000	697,000	5,328	37,293	739,620
	335,000	375,000	710,000	3,585	25,095	738,680
	342,000	382,000	724,000	1,810	12,670	738,480
<hr/>						
\$ 1,339,000	\$ 5,465,000	\$ 6,233,000	\$ 53,654,000	\$ 934,445	\$ 6,601,603	\$ 61,190,048

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

Overlapping & Underlying Debt

Presented below is a listing of the overlapping and underlying debt for Issuers within the District and the amount applicable to the Issuer:

<u>Taxing Authority</u>	<u>Outstanding Debt</u>	<u>2019 Taxable Valuation</u>	<u>Taxable Value Within Issuer</u>	<u>Percentage Applicable</u>	<u>Amount Applicable</u>
Hinton CSD	\$ 3,601,344	\$ 251,024,376	\$ 724,418	0.29%	\$ 10,444
Lawton Bronson CSD	3,580,000	242,162,483	10,247,046	4.23%	151,434
Sergeant Bluff-Luton CSD	- - -	958,517,062	355,337,783	37.07%	- - -
Sioux City CSD	1,557,973	3,172,316,216	3,125,043,208	98.51%	1,534,759
Plymouth County	2,902,920	1,999,087,181	724,418	0.04%	1,161
Woodbury County	6,775,783	5,225,383,277	3,465,083,033	66.31%	4,493,022
Western Iowa Tech Community	14,310,000	10,559,473,680	3,465,807,451	32.82%	4,696,542
Northwest Area Education Agency	- - -	16,112,275,838	3,465,807,451	21.51%	- - -
			Total		\$10,887,362

Source: Iowa Department of Management, Iowa State Treasurer

FINANCIAL SUMMARY

Actual Value of Property, 2019:	\$ 5,312,752,220
Taxable Value of Property, 2019:	3,465,807,451
Direct General Obligation Debt:	\$ 149,055,000
Less Self-Supported General Obligation debt:	(88,010,539)
Net General Obligation Debt	\$ 61,044,461
Overlapping Debt:	10,887,362
Net Direct & Overlapping General Obligation Debt	\$ 71,931,823
Population, 2010 US Census Bureau:	83,035
Direct Debt per Capita:	\$ 1,795.09
Total Debt per Capita:	\$ 866.28
Net Direct Debt to Taxable Valuation:	1.761%
Total Debt to Taxable Valuation:	2.075%
Net Direct Debt to Actual Valuation:	1.149%
Total Debt to Actual Valuation:	1.354%
Actual Valuation per Capita:	\$ 63,982
Taxable Valuation per Capita:	\$ 41,739

Source: Iowa Department of Management

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

FINANCIAL INFORMATION

The following sets forth statements of revenue and expenditures for the General Fund for fiscal years ended June 30, 2017 through 2020.

**Statement of Revenues and Expenditures
and Changes in Fund Balance for the General Fund
(Years Ended June 30)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Revenues				
Taxes	\$ 35,000,951	\$ 35,323,782	\$ 33,393,589	\$ 31,437,026
Special Assessments	158,940	62,532	86,326	-
Regulatory Fees	7,388,259	4,588,238	3,142,880	2,781,908
Intergovernmental Revenue	4,609,663	1,944,015	2,645,712	2,029,175
Revenue from Use of Property	450,750	505,044	614,823	584,084
Charges for Services	6,910,338	7,414,134	5,915,296	5,087,521
Interest	1,731,442	2,027,197	408,156	144,161
Contributions	315,301	468,702	414,301	528,780
Miscellaneous	513,740	396,256	792,148	346,901
Total Revenues	<u>57,079,384</u>	<u>52,729,900</u>	<u>47,413,231</u>	<u>42,939,556</u>
Expenditures				
Public Safety	43,317,160	42,575,237	39,998,058	37,287,620
Public Works	1,576,994	1,689,189	1,534,741	1,569,115
Culture and Recreation	9,753,815	10,430,862	9,711,000	9,304,814
Community and Economic Development	1,133,786	1,034,550	1,044,238	954,951
General Government	3,051,116	3,581,359	3,711,552	3,449,818
Total Expenditures	<u>58,832,871</u>	<u>59,311,197</u>	<u>55,999,589</u>	<u>52,566,318</u>
Excess (Deficiency) of Revenues over Expenditures	(1,753,487)	(6,581,297)	(8,586,358)	(9,626,762)
Other Financing Sources (Uses)				
Operating Transfers In	15,053,062	15,216,343	17,030,497	14,898,884
Operating Transfers Out	(11,046,020)	(8,253,859)	(8,113,429)	(5,064,025)
Total Other Financing Sources (Uses)	<u>4,007,042</u>	<u>6,962,484</u>	<u>8,917,068</u>	<u>9,834,859</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	2,253,555	381,187	330,710	208,097
Fund Balance - Beginning of Year	10,493,705	10,112,518	9,781,808	9,573,711
Fund Balance - End of Year	<u>\$ 12,747,260</u>	<u>\$ 10,493,705</u>	<u>\$ 10,112,518</u>	<u>\$ 9,781,808</u>

**CITY OF SIOUX CITY, IOWA
CONTINUING DISCLOSURE
FOR THE YEAR ENDED JUNE 30, 2020**

EXHIBIT E-5

Public Funds Investments

As of June 30, 2020, the City held investments in the following amounts:

	<u>Amount</u>
Local Bank Deposits	\$ 29,883,310
IPAIT	5,149,511
Money Market Deposits	17,928,173
Certificates of Deposit	3,006,014
Repurchase Agreements	6,000,000
Commercial Paper	4,980,561
Federal Agency Coupon Securities	22,281,955
U.S. Treasury Strips	18,368,815
Total	<u>\$ 107,598,339</u>

Source: City of Sioux City

Statements of revenues and expenditures of the General Fund of the City have been compiled from the City's audited financial reports. They have been organized in such a manner as to facilitate year-to-year comparisons. The following Table summarizes the City's 2019/20 and 2020/21 General Fund budgets as adopted by the City Council.

General Fund Budget⁽¹⁾

	<u>2020/2021</u>	<u>2019/2020</u>
Revenues		
Taxes	\$ 39,987,318	\$ 36,199,700
Regulatory Fees	1,656,695	1,931,030
Charges for Services	8,119,743	8,179,332
Intergovernmental Revenue	2,170,917	2,110,333
Revenue from Use of Property	1,624,008	1,624,757
Miscellaneous	1,364,171	857,789
Assessments	146,775	164,587
Other Financial Sources	17,570,527	20,727,373
Total Revenues	<u>\$ 72,640,154</u>	<u>\$ 71,794,901</u>
Expenditures		
City Council	\$ 393,099	\$ 429,764
City Manager	535,196	611,941
Legal	380,450	364,288
Finance	1,493,706	1,508,451
Administrative Services	3,161,461	3,307,496
Economic Development	35,823	36,082
Human Resources	459,257	424,811
Police	21,329,866	21,430,358
Fire	18,486,598	18,519,890
Parks and Recreation	5,269,202	5,504,263
Public Works	2,028,528	2,104,930
Community Development	2,640,287	2,662,517
Human Rights	276,764	276,400
Art Center	1,247,726	1,330,409
Library	3,064,455	3,077,101
Museum	1,012,710	1,054,406
WCICC-IT	1,351,791	1,250,699
Symphony	48,365	48,365
Other	769,342	802,398
Transfers Out	8,547,554	6,941,797
Expenditures	<u>\$ 72,532,180</u>	<u>\$ 71,686,366</u>

¹ Cash basis.



CITY OF SIOUX CITY, IOWA
SINGLE AUDIT SECTION

CITY OF SIOUX CITY, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CASH BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

Grantor Agency Program Name	Federal Domestic Assistance Catalog#	Grant #	Award	Grant Revenues	Grant Expenditures	Pass-Through to Subrecipients
FEDERAL AWARDS						
DEPARTMENT OF HOUSING & URBAN DEVELOPMENT						
Community Development Block Grant Entitlement	14.218	B-16-MC-19-0006	\$ 1,510,298	\$ 185	\$ -	\$ ---
	14.218	B-17-MC-19-0006	1,498,813	329,402	292,875	5,010
	14.218	B-18-MC-19-0006	1,660,166	652,358	628,469	---
	14.218	B-19-MC-19-0006	1,661,162	633,625	682,150	---
		Program 14.218 Subtotal		1,615,570	1,603,494	5,010
Emergency Solutions Grant Program	14.231	E-19-MC-19-0002	140,869	59,174	99,474	2,536
Passed through Iowa Finance Authority						
Emergency Solutions Grant Program	14.231	ESG-97007-19	38,250	29,896	19,391	---
		Program 14.231 Subtotal		89,070	118,865	2,536
Home Investment Partnerships Program	14.239	M-17-DC-19-0207	338,142	51,480	50,722	---
	14.239	M-18-DC-19-0207	472,000	224,993	187,912	---
	14.239	M-19-DC-19-0207	428,541	100,113	110,615	---
		Program 14.239 Subtotal		376,586	349,249	---
Fair Housing Assistance Program	14.401	FF207K167018	63,200	---	28,981	---
	14.401	FF207K177018	49,600	49,600	11,925	---
	14.401	FF207K187018	47,700	47,700	-	---
	14.401	FF207K197018	45,600	45,600	-	---
		Program 14.401 Subtotal		142,900	40,906	---
Section 8 Voucher Program	14.871	IA018VO0217	5,396,225	5,396,224	5,293,197	---
Section 8 Voucher Program-FSS	14.871	IA018FSS20IA3021	144,000	141,380	141,380	---
COVID-19 CARES - Act	14.871	IA018 COVID-19 CARES	143,288	143,288	92,478	---
		Housing Voucher Cluster Subtotal		5,680,892	5,527,055	---
Lead-Based Paint Hazard Control	14.900	IALHB0664-18	4,100,000	940,105	910,885	---
		Program 14.900 Subtotal		940,105	910,885	---
U.S. DEPARTMENT OF JUSTICE						
Bulletproof Vest Partnership Program	16.607	2018BUBX18095273	5,525	1,678	503	---
Bulletproof Vest Partnership Program	16.607	2019BUBX19099219	8,550	3,640	4,915	---
		Program 16.607 Subtotal		5,318	5,418	---
Methamphetamine Drug Hot Spots Grant	16.710	17-CAMP-10	12,861	1,150	-	---
	16.710	18-CAMP-14	15,000	6,226	7,584	---
		Program 17.710 Subtotal		7,376	7,584	---
Passed through Governor's Office of Drug Control Policy						
Byrne-Justice Assistance Grant (JAG) Program	16.738	17-JAG-298989	97,459	97,459	97,459	---
		Program 16.738 Subtotal		97,459	97,459	---
U.S. DEPARTMENT OF TRANSPORTATION						
Federal Aviation Administration						
Airport Improvement Project	20.106	AIP3190085049-2015	2,660,841	11,101	113,099	---
	20.106	AIP3190085050-2016	1,736,345	16,363	-	---
	20.106	AIP3190085051-2017	1,513,270	151,173	37	---
	20.106	AIP3190085053-2018	12,737,500	6,447,856	8,365,692	---
	20.106	AIP3190085054-2018	149,396	62,464	-	---
	20.106	AIP3190085055-2018	7,640,781	1,291,476	1,223,668	---
	20.106	AIP3190085056-2019	\$ 3,496,949	---	296,209	---
		Program 20.106 Subtotal		\$ 7,980,433	\$ 9,998,705	\$ ---

CITY OF SIOUX CITY, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CASH BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

Grantor Agency Program Name	Federal Domestic Assistance Catalog#	Grant #	Award	Grant Revenues	Grant Expenditures	Pass-Through to Subrecipients
U.S. DEPARTMENT OF TRANSPORTATION						
Passed through Iowa Department of Transportation						
Highway Planning and Construction	20.205	BHM7057(692)8K97	\$ 1,000,000	\$ 950,000	\$ 851,267	\$ ---
	20.205	BROS7057(697)8J97	970,000	9,870	645,625	---
	20.205	STPU7057(681)7097	788,465	61,953	23,715	---
	20.205	STPU7057(701)7097	1,325,000	1,229,794	1,008,943	---
	20.205	STPU7057(702)7097	2,229,000	27,265	439,565	---
Transportation Enhancement Program	20.205	STPESE7057(693)8I97	310,433	9,747	15,316	---
	20.205	STPESE7057(672)8I97	450,000	18,431	43,542	---
Surface Transportation Program	20.205	STPU7057(698)7097	1,760,000	648,774	467,850	---
Transportation Alternatives Program	20.205	TAPU7057(686)8I97	1,274,945	375	1,038,986	---
	Highway Planning and Construction Cluster Subtotal			2,956,209	4,534,809	---
Transit JPA Transportation for Elderly/Disabled	20.513	20676 2016-026-02-705-18	70,160	64,017	64,017	---
	20.513	20938 2020-001-00 SFY20	12,642	1,683	3,300	---
	Transit Services Programs Cluster Subtotal			65,700	67,317	---
FEDERAL TRANSIT ADMINISTRATION						
Federal Transit Capital Assistance	20.500	IA-2018-022-01	20,000	17,317	17,317	---
Congestion Mitigation and Air Quality Improvement	20.507	19648 2016-027-705-16	205,690	177,483	177,483	---
	20.507	19920 2016-027-705-16	447,200	339,797	339,797	---
Transit Operating Assistance	20.507	IA-2019-026-00	1,656,787	1,656,787	-	---
	20.507	IA-2020-027-00	1,971,416	-	1,971,416	---
Bus and Bus Facilities Project	20.526	19648 2016-027-705-16	172,454	172,454	172,454	---
	Federal Transit Cluster Subtotal			2,363,838	2,678,467	---
DEPARTMENT OF PUBLIC SAFETY						
Passed through Governor's Traffic Safety Bureau						
State & Community Highway Safety Grant	20.600	PAP19-405d, M0PTTask 22	40,321	21,781	14,753	---
	20.600	PAP20-405d, M0PTTask 37	54,750	11,053	15,368	---
	Highway Safety Cluster Subtotal			32,834	30,121	---
ENVIRONMENTAL PROTECTION AGENCY						
Passed through Department of Natural Resources						
Drinking Water State Revolving Fund Program	66.468	FS-97-17-DWSRF-012	6,507,000	4,670,798	4,670,798	---
U.S. DEPARTMENT OF ENERGY						
Passed through Iowa Economic Development Authority						
American Recovery & Reinvestment Act	81.041	19-ARRA-008	200,000	-	60,783	---
OFFICE OF NATIONAL DRUG CONTROL POLICY						
High Intensity Drug Trafficking Area/HIDTA	95.001	G18MW0002A	184,311	38,913	1,602	---
	95.001	G19MW0002A	173,895	149,997	84,497	---
	95.001	G20MW0002A	\$ 173,895	31,316	77,704	---
	Program 95.001 Subtotal			\$ 220,226	\$ 163,803	\$ ---

CITY OF SIOUX CITY, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CASH BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

Grantor Agency Program Name	Federal Domestic Assistance Catalog#	Grant #	Award	Grant Revenues	Grant Expenditures	Pass-Through to Subrecipients
U.S. DEPARTMENT OF HOMELAND SECURITY						
Public Assistance Grant Program	97.036	DR-4421	\$ 1,614,793	\$ 182,016	\$ 550,935	\$ ---
COVID-19 Public Assistance Grant Program	97.036	DR-4483	-	-	327,224	---
		<i>Program 97.036 Subtotal</i>		182,016	878,159	---
Fire Prevention & Safety Grant	97.044	EMW-2017-FO-00528	503,819	503,819	503,819	---
		<i>Program 97.044 Subtotal</i>		503,819	503,819	---
Urban Search & Rescue Task Force	97.067	2017-SS-00014-S01	165,489	23,197	15,563	---
	97.067	2018-SS-00010-S01	170,500	113,339	145,191	---
	97.067	2019-SS-00032-S01	\$ 165,500	48,479	65,088	---
		<i>Program 97.067 Subtotal</i>		185,015	225,842	---
TOTAL FEDERAL FINANCIAL ASSISTANCE				\$ 28,116,164	\$ 32,473,538	\$ 7,546

CITY OF SIOUX CITY, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CASH BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

Grantor Agency Program Name	Federal Domestic Assistance Catalog#	Grant #	Award	Grant Revenues	Grant Expenditures	Pass-Through to Subrecipients
STATE AWARDS						
IOWA ECONOMIC DEVELOPMENT AUTHORITY						
Regional Sports Authority District Grant		19-RSAD-08	\$ 50,000	\$ 12,500	\$ 1,000	\$ ---
		20-RSAD-09	50,000	37,500	49,000	---
Community Attraction & Tourism Program		13-CAT-011	314,862	69,099	75,021	---
IOWA DEPARTMENT OF TRANSPORTATION						
Recreational Trails Program		RT-7057(699)-9H-97	650,000	94	559,513	---
Public Transit Infrastructure Grant		20415 STA-IG-705-FY19	195,064	176,393	186,209	---
Public Transit Infrastructure Grant		21515 STA-IG-705-FY20	135,200	-	10,160	---
STA Joint Participation Agreement		STA-FORM-705-FY20	367,046	367,046	367,046	---
Air Service Development Program		20789 9I190SUX135	48,000	46,674	23,552	---
		21604 9I200SUX135	48,000	-	21,600	---
Airport Improvement Program		17466 9I160SUX100	152,950	34,548	-	---
		18566 9I170SUX100	200,000	23,431	78,096	---
		20577 9I190SUX100	367,500	-	34,298	---
		20578 9I191SUX100	425,000	-	135,467	---
		21634 9I190SUX100	425,000	-	29,648	---
Commercial Air Service Vertical Infrastructure		18514 9I170SUX200	104,244	2,533	-	---
		19557 9I180SUX200	61,397	44,429	1,502	---
		20597 9I190SUX200	105,330	-	44,216	---
Highway Bridge Program SWAP Fund		STBG-SWAP-7057(704)SG97	2,240,000	37,745	367,195	---
Revitalize Iowa's Sound Economy Program		RM7057(673)9D97	2,801,502	16,077	-	---
		RM7057(695)9D97	9,134,471	1,875,128	1,760,905	---
Railroad Revolving Loan/Grant Program		RRLGST20P(02)9T97	31,332	-	27,321	---
STATE LIBRARY OF IOWA						
Enrich Iowa		FY2020 Direct Aid	\$ 19,457	19,457	19,457	---
TOTAL STATE FINANCIAL ASSISTANCE				<u>2,762,654</u>	<u>3,791,206</u>	<u>---</u>
TOTAL FEDERAL & STATE FINANCIAL ASSISTANCE				<u>\$ 30,878,818</u>	<u>\$ 36,264,744</u>	<u>\$ 7,546</u>

CITY OF SIOUX CITY, IOWA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2020

(1) The reporting entity for purposes of the Schedule of Expenditures of Federal Awards is the same as used for reporting on the comprehensive annual financial report.

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

(3) The City administers various loan programs, including the collection of principal and interest, for the Federal government. The outstanding balances of these programs at June 30, 2020, are:

	<u>Balance</u>
CDBG loans	\$169,501
CDBG deferred loans	218,267

(4) The City accepts and approves loan applications under the Section 312 loan program. However, the proceeds of loans from the Federal government and repayment to the Federal government are not administered by the City and are not included in the current year activity for purposes of the Schedule of Expenditures of Federal Awards.

(5) The City expended \$ 7,546 of grant funds as a pass-through to subrecipients through CFDA numbers 14.218 and 14.231.

	<u>Subrecipients</u>	<u>Amount</u>
14.218 Community Devel Block Grant B-17-MC-19-0006	Community Action Agency	\$ 5,010
14.231 Emergency Solutions Grant E-19-MC-0002	<u>Subrecipients</u> Institute for Community Alliance	\$ 2,536

(6) The Schedule of Expenditures of Federal Awards is prepared on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City of Sioux City has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

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CITY

CITY OF SIOUX CITY, IOWA

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



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**Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed in
Accordance with Government Auditing Standards**

The Honorable City Council
of the City of Sioux City, 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, each major fund, and the aggregate remaining fund information of the CITY OF SIOUX CITY, IOWA as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 15, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Sioux 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 of Sioux City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Sioux 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. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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*.

The City of Sioux City's Responses to the Findings

The City of Sioux City's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The City of Sioux 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

This 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.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the City during the course of our audit. Should you have any questions concerning the above matters, we would be pleased to discuss them with you at your convenience.

Williams & Company P.C.
Certified Public Accountants

January 15, 2021
Sioux City, Iowa

CITY OF SIOUX CITY, IOWA

REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE



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**Independent Auditors' Report on Compliance for Each Major Program and on Internal Control
Over Compliance Required by the Uniform Guidance**

Honorable Members of the City Council
City of Sioux City, Iowa

Report on Compliance for Each Major Federal Program

We have audited the compliance of the City of Sioux City, Iowa (the City) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020. The City's major federal programs are identified in the summary of independent auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and 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 opinion 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 a material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

The 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 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Williams & Company, P.C.
Certified Public Accountants

Sioux City, Iowa
January 15, 2021

CITY OF SIOUX CITY, IOWA
Schedule of Findings and Questioned Costs
Year Ended June 30, 2020

I. Summary of Auditors' Results

- a. An unmodified opinion was issued on the financial statements.
- b. A material weakness in internal control over financial reporting was disclosed by the audit of the financial statements.
- c. No noncompliance which is material to the financial statements was disclosed.
- d. No significant deficiencies in internal control over major programs were disclosed.
- e. An unmodified opinion was issued on compliance with requirements applicable to each major program.
- f. The Audit disclosed no audit findings which were required to be reported in accordance with Uniform Guidance Section 200.516(a).
- g. Major programs:

Airport Improvement Program	CFDA #20.106
Highway Planning and Construction Cluster	
Drinking Water State Revolving Fund Program	CFDA #66.468
Public Assistance Grant Program	CFDA #97.036
- h. Dollar threshold used to distinguish between Type A and Type B programs: \$974,206.
- i. The Auditee did not qualify as a low-risk auditee under 2 CFR Section 200.520.

II. Findings Related to the Financial Statements Reported in Accordance with Government Auditing Standards

Instances of Non-Compliance:

No matters were reported.
There were no prior year audit findings.

Material Weakness:

2020-001 Financial Reporting

Criteria – A deficiency in internal control over financial reporting 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 of the financial statements on a timely basis. Properly designed policies and procedures and implementation of the policies and procedures are an integral part of ensuring the reliability and accuracy of the City's financial statements.

Condition – Material adjustments were required to correct the City's financial statements. Adjustments were subsequently made by the City to properly reflect these amounts in the financial statements.

CITY OF SIOUX CITY, IOWA
Schedule of Findings and Questioned Costs
Year Ended June 30, 2020

II. Findings Related to the Financial Statements Reported in Accordance with Government Auditing Standards (Continued)

Cause – Due to limited staff, policy and procedures have not been established to require independent review to ensure the City's financial statements are accurate and reliable.

Effect – Lack of policies and procedures resulted in City employees not detecting the errors in the normal course of performing their assigned functions. As a result, material adjustments to the City's financial statements were necessary.

Recommendation – The City should implement procedures to ensure all adjustments are properly identified and included in the City's financial statements.

Response – The City will develop procedures to ensure a secondary review is performed of the financial statements.

Conclusion – Response accepted.

III. Findings and Questioned Costs Relating to Federal Awards

Instances of Non-Compliance:

No matters were noted.

Significant Deficiency:

No matters were noted.

IV. Other Findings Related to Required Statutory Reporting

20-IV-A – Certified Budget – City expenditures during the year ended June 30, 2020 did not exceed the amounts budgeted.

20-IV-B – Travel Expense – No expenditures of City money for travel expenses of spouses of City officials or employees were noted.

20-IV-C – Bond Coverage – Surety bond coverage of City officials and employees is in accordance with statutory provisions. However, we recommend that the amount of coverage be reviewed annually to insure that the coverage is adequate for current operations.

20-IV-D – Council Minutes – We noted no transactions requiring approval, which had not been approved by the City Council.

20-IV-E - Questionable Expenditures – We noted no questionable expenditures during our audit.

20-IV-F - Revenue Bonds – No violations of revenue bond resolutions were noted.

20-IV-G - Business Transactions – No business transactions between the City and City officials or employees were noted.

CITY OF SIOUX CITY, IOWA
Schedule of Findings and Questioned Costs
Year Ended June 30, 2020

IV. Other Findings Related to Required Statutory Reporting (Continued)

- 20-IV-H - Cash and Investments – We noted no instances of noncompliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the City's investment policy.
- 20-IV-I - Urban Renewal Annual Report – The urban renewal annual report was properly approved and certified to the Iowa Department of Management on or before December 1 and no exceptions were noted.
- 20-IV-J- 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.



**CITY OF SIOUX CITY, IOWA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2020**

PRIOR AUDIT FINDINGS:

The following significant deficiency regarding Internal Control Over Financial Reporting and Internal Control Over Compliance was considered to be a material weakness for the year ended June 30, 2019.

FINANCIAL STATEMENT FINDINGS:

2019-001-Financial Reporting

Condition and Criteria – The auditors were required to propose and have management post adjusting journal entries to capital assets in order for the financial statements to conform with U.S. generally accepted accounting principles. Management is responsible for the preparation of financial statements in accordance with U.S. generally accepted accounting principles. (GAAP).

Effect – The financial statements provided by management are not presented entirely in accordance with U.S. generally accepted accounting principles.

Cause – With a limited number of personnel and current staff workload, the time constraints and staff expertise do not allow for a proper review process for the financial statements.

Recommendation – We recommend that the City implement procedures to ensure all capital asset additions are identified and included in the financial statements and a proper review is conducted.

Views of Responsible Officials – City management feels that hiring additional personnel to implement the additional U.S. GAAP adjusting journal entries would not be cost-effective. However, management has and will continue to monitor this process on a regular basis.

Current Status - This finding still exists at June 30, 2020 (See comment 2020-001). This finding was first reported in fiscal year 2019.

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS:

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

MATERIAL WEAKNESSES:

No matters were noted.

FINANCE

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**Schedule of Findings and Questioned Costs
Corrective Action Plan
June 30, 2020**

The City of Sioux City, Iowa, respectfully submits the following corrective action plan for the year ended June 30, 2020.

The audit was performed by Williams & Company, 4280 Sergeant Rd, Sioux City, Iowa 51106, for the fiscal year ended June 30, 2020.

The findings from the June 30, 2020 Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the number assigned in the schedule.

Internal Control Deficiency:

2020-001 – Financial Reporting

Criteria – A deficiency in internal control over financial reporting 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 of the financial statements on a timely basis. Properly designed policies and procedures and implementation of the policies and procedures are an integral part of ensuring the reliability and accuracy of the City's financial statements.

Condition – Material adjustments were required to correct the City's financial statements. Adjustments were subsequently made by the City to properly reflect these amounts in the financial statements.

Cause – Due to limited staff, policy and procedures have not been established to require independent review to ensure the City's financial statements are accurate and reliable.

Effect – Lack of policies and procedures resulted in City employees not detecting the errors in the normal course of performing their assigned functions. As a result, material adjustments to the City's financial statements were necessary.

Recommendation – The City should implement procedures to ensure all adjustments are properly identified and included in the City's financial statements.

Response – The City will develop procedures to ensure a secondary review is performed of the financial statements.

Conclusion – Response accepted.

If involved agencies have any questions regarding this plan, please call Teresa Fitch at 712-279-6280.

Sincerely yours,

CITY OF SIOUX CITY, IOWA

Teresa Fitch
Finance Director

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