



**WEST DES MOINES**  
**COMMUNITY SCHOOLS**

Innovative Spirit. Inspiring Success.

# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

AS OF JUNE 30, 2023

**2022-23**

**West Des Moines Community School District**  
West Des Moines, Iowa  
Annual Comprehensive Financial Report

Year Ended June 30, 2023



Annual Comprehensive Financial Report of the

West Des Moines Community School District  
West Des Moines, Iowa

For the Fiscal Year Ended June 30, 2023

Official Issuing Report  
Paul Bobek, CPA, Chief Financial Officer

Office Issuing Report  
Administrative Services Division



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November 29, 2023

The Board of Education and Residents  
West Des Moines Community School District

Ladies and Gentlemen:

The following report is a comprehensive financial record of the District for the fiscal year ended June 30, 2023. The report reflects the conditions which have enabled the West Des Moines Community School District to maintain a favorable financial position despite state and federal budget constraints and the related impact on local school districts across our state.

The shared vision of the District states, "The West Des Moines Community School District will be a caring community of learners that knows and lifts every child. We will inspire joy in learning. Our schools will excel at preparing each student for his or her life journey."

This shared vision provides the foundation of our District's financial planning. Meeting the educational needs of our students despite state and federal budget constraints is no simple task. The educational success of the West Des Moines Community School District is due to many factors including:

- An outstanding and effective Board of Education.
- A very supportive community with high expectations for outstanding schools.
- Supportive parents who have high expectations for their children.
- A team of outstanding and dedicated teachers, staff and administrators.
- Students who understand the importance of obtaining a quality education.

As you review the information included in this report, please be sure to contact us if you have any questions or suggestions. Our focus is upon the learning needs of all of our students. With your help and support, we will continue to be an excellent system of schools. We can all take pride in the outstanding success of our students as they graduate as learners prepared for life.

Sincerely,

Dr. Matt Adams  
Superintendent





**WEST DES MOINES**  
**COMMUNITY SCHOOLS**



November 29, 2023

**The Board of Education and Residents West  
Des Moines Community School District**

The Annual Comprehensive Financial Report of the West Des Moines Community School District (the District) for the fiscal year ended June 30, 2023 is submitted herewith. The District is an independent entity governed by a seven-member board. Responsibility for the accuracy and completeness of the presentation, including all disclosures, rests with the officials of the District's Administrative Services Division. We believe that the data is accurately presented, in all material respects; that the data is presented to fairly set forth the financial position and results of operations of the District as measured by the financial activity of the various funds; and that all necessary disclosures have been included in order to enable the reader to gain the maximum understanding of the District's financial affairs.

The District was required to undergo a single audit in conformity with the provisions of the Single Audit Act and Subpart F 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), Audits of States and Local Governments and Nonprofit Organizations. Information related to this single audit, including a schedule of expenditures of federal awards, the independent auditor's report on internal control over financial reporting and on compliance and other matters, independent auditor's report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance, and a schedule of findings are included in the single audit compliance section of this report.

This report includes all funds of the West Des Moines Community School District. The District provides a full range of programs and services including instructional; administrative; transportation; food service; maintenance of sites and facilities; custodial; clerical; extra, co-curricular and athletic activities; and community education.

Management is responsible for preparing a Management's discussion and Analysis. This discussion follows the independent auditor's report and provides an assessment of the District's finances for 2023.

**Profile of the Government**

In Iowa, school districts operate with local control and have fiscal independence from other government entities. The District operates in compliance with the accounting principles generally accepted in the United States of America (GAAP) and currently prepares its financial statements per the Governmental Accounting Standards Board (GASB) Statement No. 34. The District is a political subdivision of the State of Iowa, and, as such, operates public schools and supporting programs for children in preschool through grade twelve and an extensive Community Education program.

The West Des Moines Community School District serves more than 60,000 people who live in the western portion of Polk County-West Des Moines, Clive, parts of Urbandale and Windsor Heights and nearby rural areas. Covering 36.6 square miles, the District has grown up around a former railroad center, Valley Junction, and the farmland north and south of the Raccoon River. The District experienced rapid growth up until the fall of 1975 when enrollment reached 6,726 students. Enrollment gradually declined to 5,825 students in the fall of 1982, but increased annually (except for September 1999) through September 2002, to 8,776 students. Enrollment declined more than 200 students during fiscal years 2004 and 2005. The District's enrollment projections estimate slightly declining enrollments averaging approximately 43 students for each of the next three years. In October 2019 and 2018, the District's Official Enrollment increase by 49 and 22 students, respectively. However, in October 2019, the number of students served within the District increased by 130 which is primarily due to fewer open enrolled out students and an increase in the number of students open enrolled into the District.

COVID-19 reversed this increasing official enrollment trend in October 2020 with official enrollment decreasing by 169 students, but students served only decreased by 85 students as open enrolled out students declined by 85 students and open enrolled in students increased. The October 2021 official enrollment reflects a decrease of 46, but students served increased by 41, largely due to open enrollment. The downward trend for official enrollment continues as October 2022

official enrollment reflects another decrease of 96 students but student served only slightly decreasing by 10 students largely due open enrollment increases.

The District operates thirteen schools, a maintenance/transportation/warehouse facility, a stadium and the Learning Resource Center (administrative offices). Phenix Elementary School was closed starting in fiscal year 2014-15 as part of the District's budget reductions and subsequently sold during the year. During 2015-16, the District sold the Old Walnut Creek Campus at appraised value. All current real property is used for instructional or support services.

### **Economic Condition and Outlook**

The District is located in the central part of the state, within the larger Des Moines metropolitan area and ranks as one of the top growth areas of the state. The economic condition and outlook of the District have remained strong during the past ten years, following several years of very high economic growth and steady enrollment growth. This growth has had a positive effect on employment and the District's tax base. The District's taxable valuation increased at an average annual rate of approximately 2.86% over the past 10 years. The tax base is expected to grow more slowly in the next five years.

Retail sales, building permits and population increases in the western suburbs have generally exceeded that of any other location in the metropolitan area or in the state of Iowa. Growth in the Des Moines area suburbs is expected to exceed the state average. A large percentage of these increases are occurring outside the District's boundaries.

The State of Iowa funding that the District receives is largely made up of State Aid. The two factors that impact the amount of State Aid the District receives are: the rate of growth for Supplemental State Aid and student enrollment. The rate of growth for Supplemental State Aid for fiscal year 2023 was 2.5, compared to 2.3 percent for fiscal year 2021. Supplemental State Aid for fiscal year 2024 will be 3.0 percent.

In recent years, the state of Iowa faced an economic downturn that severely hampered its ability to fund schools at the same level as in prior years. After two consecutive years of 4.5% declines in the state's net receipts, in 2011, the state's net receipts increased by 5.8%. In light of these challenging economic times, the District has publicly discussed operating budget concerns looking ahead to the next five years. In May 2014, the Board approved a plan to reduce \$2.7 million in General Fund Budget in the 2014-15 fiscal year including the closing of Phenix Elementary School. On March 2021, the Board made budget costs totaling \$3.03 million effective July 1, 2021, in response to student enrollment and low state supplement amount. The Board of Education continues to implement the District's long-range facilities plan, which was approved in March 2010. In addition, the Board has directed the Administration to review this plan so that additional Revenue Bonds are not necessary to finance the plan and the Administration has since presented a plan to make \$12.3 million in scope reductions to this plan.

The 2022-23 school year included many stories of success. The shared vision and five guiding principles continue to be the foundation for curriculum development, integration of technology, community involvement and the learning process.

The shared vision is carefully considered in all District efforts: "The West Des Moines Community School District will be a caring community of learners that knows and lifts every child. We will inspire joy in learning. Our schools will excel at preparing each student for his or her life journey."

The Stretching Minds program continued serving many elementary and junior high students during the summer. The program targets students most likely to benefit from additional opportunities in reading, mathematics and community learning.

The District has spent a significant amount of 2018-19 evaluating districtwide building structures for the purpose of creating effective learning spaces, also known as the Framework. Subsequent to June 30, 2019, the Board approved Framework Option D (Option D) which architects estimate will cost approximately \$167,000,000. In addition, the District is in the process of reviewing each school buildings envelope along with its mechanical, electrical and plumbing needs. However, when the estimated cost of the building envelop projects were added to Option D, it was determined too costly and the Board rescinded Option D and settled on a new scope known as Phase 2.1 with an estimated cost of \$105,300,000. On September 28, 2020, the Board approved the Comprehensive Master Facility Plan (Plan) with an estimated ten-year cost of \$234,300,000 which includes an annual estimated inflation factor of 4.00%.

On September 12, 2017, the taxpayers, with an 82% approval, voted to extend the Voted Physical Plant and Equipment Levy (VPPEL) for another ten-year period starting with fiscal year ending June 30, 2022. In 2023, the VPPEL generated \$7.6 million. The VPPEL and Statewide Sale Tax mentioned above will be the two sources of revenue to finance the Plan. Given inflationary trends realized on recent bids along with supply chain concerns, the Board has placed a pause on the last two elementary school projects, Crossroads Park and Hillside Elementary schools with a combined estimated project cost of \$17,567,000.

On November 5, 2019, with 86% approval, the community approved the District’s Revenue Purpose Statement which will allow the District to use anticipated sales tax revenues to finance the Plan. In September 2020, the District sold \$50,225,000 of General Obligation School Capital Loan Notes, Series 2020A (Notes), which mature serially over ten years at a net interest rate of .8266% to begin financing the Plan. Future bond issues are anticipated over the next ten years to finish financing the Plan. Repayment of the Notes will come from the Voted Physical Plant and Equipment Fund. The District on September 28, 2023, issued \$45,500,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds Series 2023 and \$10,060,000 General Obligation School Capital Loan Notes Series 2023. Proceeds from the issuances will be used to finance the Plan previously approved by the Board.

The following table shows the projected enrollment (not certified) and age of school buildings.

School	Grade Levels	Dates of Construction / Remodeling	Enrollment for 2022-23	Enrollment for 2023-24
Valley High	10-12	1964, 1967, 1969, 1970, 1989, 1992, 2005, 2012, 2015	1901	1866
Walnut Creek Campus	9-12	1957, 1970, 1989, 1991, 2012	126	130
Valley Southwoods	9	1999	619	665
Indian Hills Junior High	7-8	1977,1992	622	585
Stilwell Junior High	7-8	1960, 1962, 1968, 1984, 1988, 1992, 2002, 2010, 2012	652	599
Clive Learning Academy	PK-6	1952, 1955, 1957, 1959, 1965, 1989, 1991, 2005	411	401
Crestview School of Inquiry	PK-6	1961, 1966, 1969, 1976, 1991, 2009, 2018	461	452
Crossroads Park Elementary	K-6	1977, 2010, 2018	481	497
Fairmeadows Elementary	PK-6	1957, 1962, 1976, 1987, 1992, 2006	525	502
Hillside Elementary School	PK-6	2004	501	518
Jordan Creek Elementary	PK-6	1992,2016	565	564
Westridge Elementary	PK-6	1967, 1968, 1988, 1992, 2009	520	516
Westridge	PK-6	1990, 2013	657	674

**Athletic Report for 2022-23 School Year**

The Valley High School Tigers proved once again why its teams are annually in the “championship contenders” conversation in the State’s largest classification. The Valley Tiger Athletics teams had another outstanding year in 2022-23 school year sending seventeen different teams to the State Tournament with twelve of those teams finishing in the top

eight. The highlight of the year was Boys Basketball winning State Championship. Football, Boys Swimming and Girls Soccer each finished as State Runner-ups.

The Des Moines Register All-Sports Award is given to the school that has the most teams finish in the top eight and points are given for those places. Valley High School finished second in the large class division. In over 20 years of the giving the award, Valley has finished first or second in all but two seasons. West Des Moines Valley High School is a member of the Central Iowa Metropolitan League that consist of nine other schools and those are: Ankeny, Ankeny Centennial, Dowling, Johnston, Southeast Polk, Waukee, Waukee Northwest, Urbandale, and Valley.

The following is a breakdown of all teams' finishes at the State level categorized by Sport, State Finish, and All-Sports Award points.

SPORT	STATE FINISH	VALLEY	SPORT	STATE FINISH	VALLEY
Boys Cross Country	6 <sup>th</sup>	3	Boys Bowling	N/A	0
Girls Cross Country	5 <sup>th</sup>	4	Girls Bowling	N/A	0
Boys Golf	N/A	0	Boys Track & Field	18 <sup>th</sup>	0
Girls Golf	3 <sup>rd</sup>	6	Girls Track & Field	8 <sup>th</sup>	1
Football	2 <sup>nd</sup>	8	Boys Tennis	Quarters	2.5
Volleyball	Semis	5.5	Girls Tennis	3 <sup>rd</sup>	6
Boys Wrestling	19 <sup>th</sup>	0	Boys Soccer	Quarters	2.5
Girls Wrestling	26 <sup>th</sup>	0	Girls Soccer	2 <sup>nd</sup>	8
Boys Swimming	2 <sup>nd</sup>	8	Baseball	Substate Final	0
Girls Swimming	11 <sup>th</sup>	0	Softball	7 <sup>th</sup>	2
Boys Basketball	1 <sup>st</sup>	10	<b>TOTAL</b>		<b>69</b>
Girls Basketball	Quarters	2.5	<b>PLACE</b>		<b>2</b>

**Other Financial Information**

**Internal Controls.** Management of the District is responsible for establishing and maintaining internal controls designed to ensure that its assets are protected from loss, theft or misuse and to ensure that adequate data are compiled to allow for the preparation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). The internal controls are designed to provide reasonable, but not absolute, assurances that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived. The valuation of costs and benefits requires estimates and judgments by management.

**Single Audit.** As a recipient of federal, state and county financial assistance, the District is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. The internal control procedures are subject to periodic evaluation by management and external auditors.

As a part of the District’s audit, tests are made to determine the adequacy of the internal control over financial reporting and its compliance with applicable laws and regulations, including those related to major federal award programs. The results of the District’s audit for the fiscal year ended June 30, 2023 provided no instances of material weaknesses in the District’s internal controls or violations of applicable laws and regulations.

**Budgetary Controls.** In addition, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of the General fund, Special Revenue funds, Capital Projects funds, Debt Service fund, and Enterprise funds are included in the annual appropriated budget by program. Project length financial plans are adopted for the Capital Projects funds and budgeted accordingly on an annual basis. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by the functional level for all funds combined rather than at the individual fund level. The District also maintains an encumbrance accounting system as one

technique of accomplishing budgetary control. Encumbered amounts lapse at the fiscal year's end. However, encumbrances generally are re-appropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

The District's General Fund's categorical program's carryover balances increased by \$468,997 to a total carryover amount of \$3,173,260 at June 30, 2023. This carryover amount is reflected in both the General Fund's Fund Balance and Unspent Balances as of June 30, 2023.

**Basis of Presentation.** The charts and accounts used by the District have been prepared in conformity with GAAP as prescribed by the Governmental Accounting Standards Board and Audits of State and Local Governmental Units issued by the American Institute of Certified Public Accountants. In addition, the District's accounting records conform with the Uniform Accounting System for Iowa Schools, Chapter 11 of the Code of Iowa and Area Educational Agencies issued by the Department of Education, state of Iowa. The chart of accounts manual is updated annually and the District is materially in compliance with these requirements.

**Relevant Financial Policies.** Since the funding formula is pupil driven, an increase in total spending authority occurs by increasing the number of pupils or by increasing the cost per pupil. The cost per pupil is determined by the legislature in setting the amount of Supplemental State Aid, formerly known as allowable growth, each year. The Supplemental State Aid becomes increasingly important because as a District, if we are faced with declining enrollment in a given year, the amount of Supplemental State Aid often will dictate budget reductions that will take place.

**Independent Audit.** The accounting firm of Bohnsack & Frommelt, LLP performed the annual audit. In addition to meeting requirements set forth in state statutes, the audit was designed to meet the requirements of Single Audit Act and Subpart F 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). The auditor's report on the basic financial statements, required supplementary information, combining and individual fund statements and other schedules are included in the financial section of this report. The Annual Comprehensive Financial Report also includes a statistical section which is unaudited.

#### **Awards and Acknowledgements**

**Awards.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the West Des Moines Community School District for its annual comprehensive financial report for the fiscal year ended June 30, 2022. The Certificate of Achievement is the highest form of recognition for excellence in state and local financial reporting.

In order to be presented this award, the District must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The West Des Moines Community School District has received a Certificate of Achievement for thirty consecutive years.

The School District has also received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials (ASBO) for thirty-three consecutive years. Upon recommendation of the Association's Panel and Review, which has judged that the report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program, we are submitting this report to ASBO to determine its eligibility for another certificate.

A certificate from both associations is valid for a period of one year. We believe that our current annual comprehensive financial report continues to meet the program requirements of GFOA and ASBO and we are submitting it to both associations to determine its eligibility for another certificate.

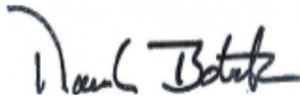
**Acknowledgement.**

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated efforts of the accounting staff and our auditors, Bohnsack & Frommelt, LLP. We would like to express our appreciation to all staff members who assisted and contributed to this report. Also, appreciation is expressed for the interest and support of the Board of Education in conducting the financial operations of the District in a most responsible and progressive manner.

Respectively submitted,



Dr. Matt Adams  
Superintendent



Paul Bobek, CPA  
Chief Financial Officer

**West Des Moines Community School District**

**Board of Education and School District Officials**

**Year Ended June 30, 2023**

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Board of Education	Title	Term/Contract Expires
Jeff Hicks	President	November 2023
Lila P. Montoya Starr	Vice President	November 2025
Liz Cox	Board Member	November 2023
Lonnie Dafney	Board Member	November 2023
Fannette Elliott	Board Member	November 2025
Dr. Jill Canton Johnson	Board Member	November 2023
Anadelia Morgan	Board Member	November 2025

Board of Education	Title
Dr. Matt Adams	Superintendent
Peggy Epstein	Board Secretary
Paul Bobek, CPA	Board Treasurer



## West Des Moines Community School District

### District Administration Year Ended June 30, 2023

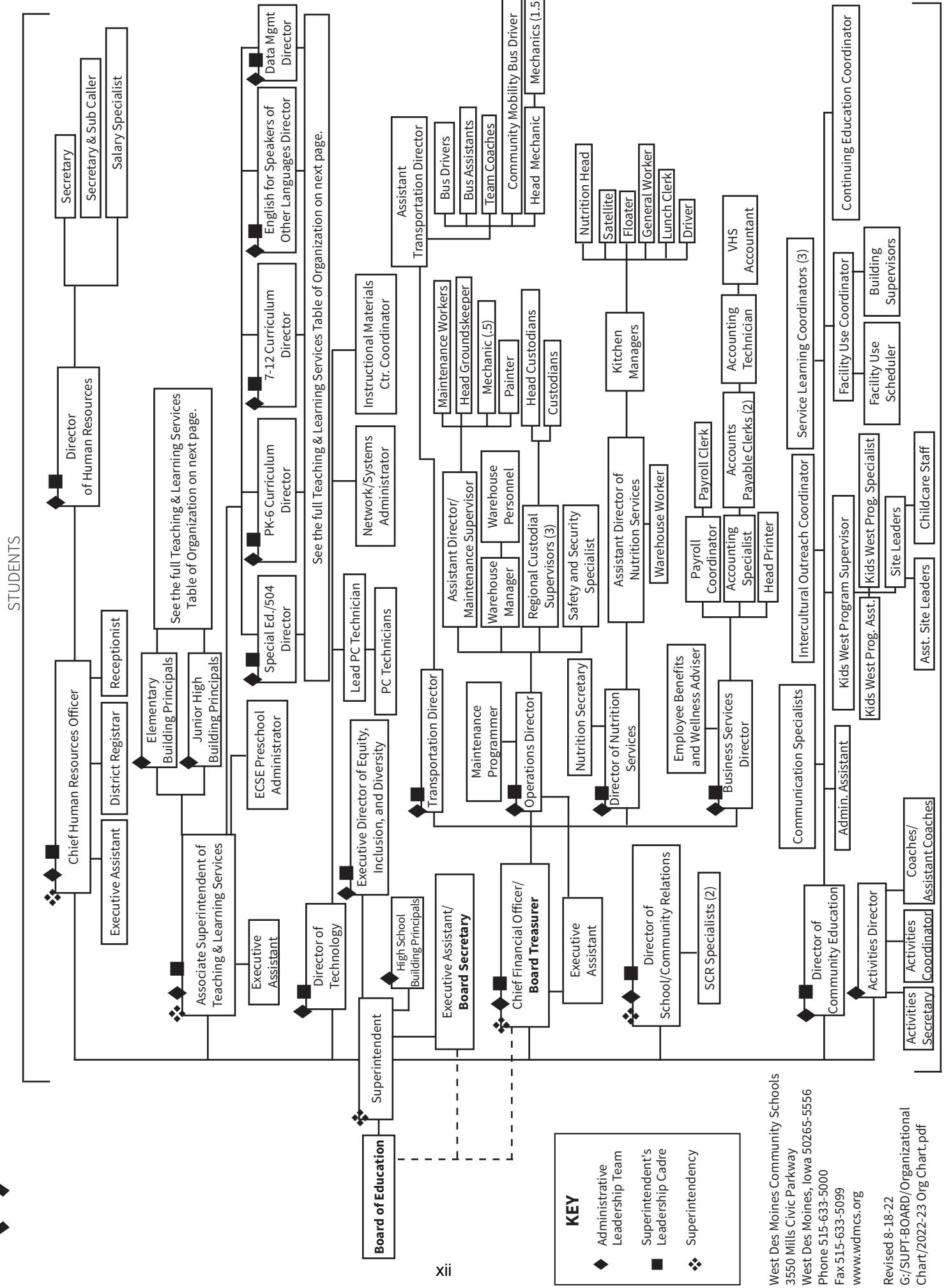
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Michelle Lettington	Associate Superintendent of Teaching and Learning
Josie Lewis	Chief Human Resources Officer
Paul Bobek, C.P.A.	Chief Financial Officer
Brett Zeller, C.P.A.	Director of Business Services
Nick Anderson	Director of Operations
Megan Thole	Director of Human Resources
Robin Pickard	Director of Transportation
Shahna Janssen	Director of Community Education
Willow Kriegel	Director of Nutrition Services
Laine Mendenhall-Buck	Director of School/Community Relations
Brian Abeling	Director of Technology
Kristi Bentz	Director of Special Education
Shane Scott	Director of Curriculum and Instruction
Leigh Goldie	Director of Curriculum and Instruction
Dr. Dau Jok	Executive Director of Diversity, Equity & Inclusion
David Maxwell	Valley High School Principal
Shannon Campbell	Valley High School Associate Principal
Christopher Novak	Valley High School Associate Principal
Joshua Griffith	Valley High School Associate Principal
Megan Thomsen	Valley High School Associate Principal
Brad Rose	Valley High School Athletic Administrator
Mindy Euken	Valley Southwoods Freshman High School Principal
Haley Hockensmith	Valley Southwoods Freshman High School Associate Principal/Team Leader
Dr. Kim Davis	Walnut Creek Campus Principal
Dr. Shane Christensen	Indian Hills Junior High Principal
Zac Sinram	Indian Hills Junior High Assistant Principal
Mitch Kuhnert	Stilwell Junior High Principal
David Perrigo	Stilwell Junior High Assistant Principal
Tricia Kurtt	Crossroads Park Elementary School Principal
Shelly Pospeshil	Clive Learning Academy Principal
Tamara Tjeerdsmma	Crestview School of Inquiry Principal
Brandon Pierce	Fairmeadows Elementary School Principal
Kelley Harrison	Hillside Elementary Principal
Annie Orsini	Jordan Creek Elementary School Principal
Jeanette Barnes	Jordan Creek Elementary School/Westridge Elementary School Vice Principal
Jenna Pressley	Western Hills Elementary School Principal
Beth Brewer	Westridge Elementary School Principal



# 2022-23 Organizational Chart

**WEST DES MOINES**  
COMMUNITY SCHOOLS

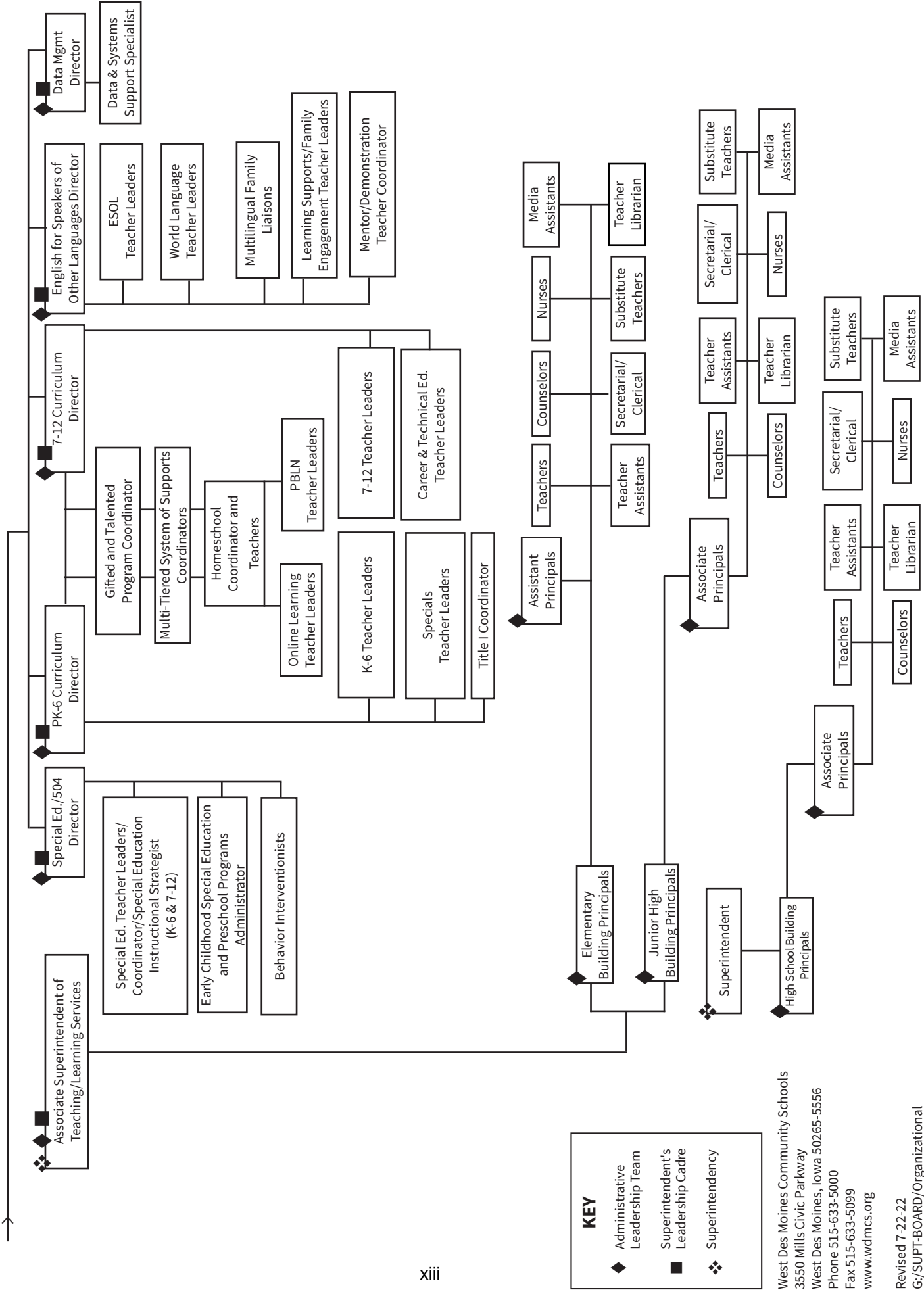


**KEY**

- ◆ Administrative Leadership Team
- Superintendent's Leadership Cadre
- ❖ Superintendency

West Des Moines Community Schools  
 3550 Mills Civic Parkway  
 West Des Moines, Iowa 50265-5556  
 Phone 515-633-5000  
 Fax 515-633-5099  
 www.wdmcs.org

Revised 8-18-22  
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**KEY**

- ◆ Administrative Leadership Team
- Superintendent's Leadership Cadre
- ❖ Superintendency

West Des Moines Community Schools  
 3550 Mills Civic Parkway  
 West Des Moines, Iowa 50265-5556  
 Phone 515-633-5000  
 Fax 515-633-5099  
 www.wdmscs.org



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**West Des Moines Community School District  
Iowa**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting  
is presented to**

**West Des Moines  
Community School District**

**for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2022.**

The district report meets the criteria established for  
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style and is positioned above a horizontal line.

**John W. Hutchison  
President**

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style and is positioned above a horizontal line.

**Siobhán McMahon, CAE  
Chief Operations Officer/  
Interim Executive Director**



## **Independent Auditor's Report**

To the Board of Education  
West Des Moines Community School District  
West Des Moines, Iowa

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the West Des Moines Community School District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 West Des Moines Community School District, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Emphasis of Matter***

As discussed in Note 16 to the financial statements, West Des Moines Community School District adopted new accounting guidance related to Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. As a result, June 30, 2022 governmental activities net position is restated by \$812,724. Our opinions are not modified with respect to this matter.

#### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in the District's total OPEB liability and related ratios, and schedule of the District's proportionate share of the net pension liability and schedule of District contributions on pages 4-13 and 62-71 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the West Des Moines Community School District's basic financial statements. The supplementary information, as listed in the table of contents and the Schedule of Expenditures of Federal Awards as required by Title 2, *U.S Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

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

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2023, on our consideration of the West Des Moines Community School District'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 West Des Moines Community School District'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 West Des Moines Community School District's internal control over financial reporting and compliance.

*Bohnsack & Frommelt LLP*

Moline, Illinois  
November 29, 2023





**WEST DES MOINES**  
**COMMUNITY SCHOOLS**

## West Des Moines Community School District

### Management's Discussion and Analysis Year Ended June 30, 2023

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It is an honor to present to you the financial picture of West Des Moines Community School District. We offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the West Des Moines Community School District for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

#### FINANCIAL HIGHLIGHTS

The District showed an increase in net position of \$32,382,024 during the year ended June 30, 2023, compared to an increase in net position of \$23,069,379 during the year ended 2022.

Total governmental activities revenues for the fiscal year ended June 30, 2023 and 2022 of \$158,710,840 and \$152,763,407 were comprised of general revenues in the amount of \$122,693,730 and \$117,594,762 and program revenues totaling \$36,017,110 and \$35,168,645, respectively.

As of June 30, 2023, the District's governmental funds reported combined ending fund balances of \$36,777,224 a decrease of \$40,822,994 in comparison to 2022. As of June 30, 2022, the District's governmental funds reported combined ending fund balances of \$77,600,218 a decrease of \$19,172,386 in comparison to 2021.

As of June 30, 2023, unassigned fund balance of the General Fund was \$24,913,216 or 19.4 percent of total General Fund expenditures. As of June 30, 2022, unassigned fund balance of the General Fund was \$20,326,637 or 16.7 percent of total General Fund expenditures.

The West Des Moines Community School District's total bonded long-term debt decreased by \$8,343,605 during the fiscal year 2023 and decreased by \$8,058,605 during fiscal year ended June 30, 2022.

#### OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the West Des Moines Community School District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the basic financial statements. This report also contains other information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of West Des Moines Community School District's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of West Des Moines Community School District's assets, deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

## West Des Moines Community School District

### Management's Discussion and Analysis Year Ended June 30, 2023

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The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements reflect functions of West Des Moines Community School District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, noninstructional programs, other and interest on long-term debt. Business-type activities are those that the District charges a fee to help cover the costs, such as School Nutrition and Community Education.

The government-wide financial statements include only West Des Moines Community School District. There are no other organizations or agencies whose financial statements should be combined and presented with the financial statements of the District.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The West Des Moines Community School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

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

The West Des Moines Community School District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Management Fund, and Capital Projects Fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

**Proprietary funds.** The District maintains two types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District maintains two enterprise funds. Internal service funds are used to report the same functions presented as governmental activities in the government-wide financial statements. The District maintains one internal service fund to account for the premium and claim payments for the self-insured health insurance and dental insurance plans for District's employees. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions.

## West Des Moines Community School District

### Management's Discussion and Analysis Year Ended June 30, 2023

Because the service provided by the District predominately benefits governmental, rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the West Des Moines Community School District's own programs. The fiduciary fund of the District is a custodial fund. Custodial funds are custodial in nature and provide the net position and changes in net position of the District's Custodial Fund.

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

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the West Des Moines Community School District's budgetary comparison, schedule of changes in the District's total OPEB liability and related ratios and schedule of proportionate share of the net pension liability and schedule of contributions.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

#### GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The District's total net position has increased from a year ago from \$188,554,218 as restated for implementation of GASB 96, *Subscription Based Information Technology Arrangements (SBITA)*, to \$220,936,242.

**Table 1 - Net Position**

	Governmental Activities		Business-Type Activities		Total District	
	Restated		2023	2022	2023	Restated 2022
	2023	2022				
Current and other assets	\$156,933,648	\$196,749,671	\$10,570,478	\$8,959,502	\$167,504,126	\$205,709,173
Capital assets	292,387,005	234,950,694	884,194	1,018,796	293,271,199	235,969,490
<b>Total assets</b>	<b>449,320,653</b>	<b>431,700,365</b>	<b>11,454,672</b>	<b>9,978,298</b>	<b>460,775,325</b>	<b>441,678,663</b>
Deferred outflows of resources:						
Pension related deferred outflows	8,514,263	8,946,921	1,523,298	457,640	10,037,561	9,404,561
OPEB related deferred outflows	496,063	586,178	20,276	26,028	516,339	612,206
<b>Total deferred outflows of resources</b>	<b>9,010,326</b>	<b>9,533,099</b>	<b>1,543,574</b>	<b>483,668</b>	<b>10,553,900</b>	<b>10,016,767</b>
Noncurrent liabilities	113,256,563	90,839,955	3,773,662	1,605,083	117,030,225	92,445,038
Other liabilities	46,501,405	43,420,918	510,685	390,566	47,012,090	43,811,484
<b>Total liabilities</b>	<b>159,757,968</b>	<b>134,260,873</b>	<b>4,284,347</b>	<b>1,995,649</b>	<b>164,042,315</b>	<b>136,256,522</b>
Deferred revenue	70,751,607	70,889,170	-	-	70,751,607	70,889,170
OPEB related deferred inflows	8,155,083	8,816,031	326,262	368,450	8,481,345	9,184,481
Pension related deferred inflows	6,986,096	45,144,031	131,620	1,667,008	7,117,716	46,811,039
<b>Total deferred inflows of resources</b>	<b>85,892,786</b>	<b>124,849,232</b>	<b>457,882</b>	<b>2,035,458</b>	<b>86,350,668</b>	<b>126,884,690</b>
Net position:						
Net investment in capital assets	223,211,935	170,141,568	884,194	1,018,796	224,096,129	171,160,364
Restricted	25,114,052	36,557,678	-	-	25,114,052	36,557,678
Unrestricted	(35,645,762)	(24,575,887)	7,371,823	5,412,063	(28,273,939)	(19,163,824)
<b>Total net position</b>	<b>\$212,680,225</b>	<b>\$182,123,359</b>	<b>\$8,256,017</b>	<b>\$6,430,859</b>	<b>\$220,936,242</b>	<b>\$188,554,218</b>

## West Des Moines Community School District

### Management's Discussion and Analysis Year Ended June 30, 2023

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A significant portion of the District's total assets reflects its investment in capital assets. The District uses these capital assets to provide educational services; consequently, these assets are not available for future spending. The District's net investment in capital assets-net position was \$224,096,129 for 2023 and \$171,160,364 as restated for 2022. Although the District'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 restricted portion of the District's net position (11.4 percent for 2023 and 19.5 percent for 2022) represents resources that are subject to external restrictions on how they may be used. These restrictions for 2023 include \$3,173,260 for categorical funding, \$5,904,396 for physical plant and equipment levy, \$3,947,649 for debt service, \$10,507,743 for management levy, \$925,017 for student activities and \$655,987 for public education and recreation levy. The remaining balance of unrestricted net position, (\$28,273,939) for 2023 and (\$19,163,824) for 2022, is in a deficit position, due to the unfunded net pension liability and net other postemployment benefit (OPEB) liability. The governmental activities unrestricted net position is a deficit (\$35,645,762) for 2023 and (\$24,575,887) for 2022. The business-type activities unrestricted net position is \$7,371,823 for 2023 and \$5,412,063 for 2022.

At the end of the current and prior fiscal years, the West Des Moines Community School District is able to report positive balances in two categories of net position. Unrestricted net position is deficit in the current and prior fiscal year due to the net pension liability and net OPEB liability.

Table 2 highlights the District's revenues and expenses for the fiscal year ended June 30, 2023 and 2022. This table utilizes the full accrual method of accounting. Revenues less expenses yielded the change in net position. This change was anticipated and it enabled the District to acquire capital assets and to service its long-term debt.

## West Des Moines Community School District

### Management's Discussion and Analysis Year Ended June 30, 2023

**Table 2 - Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total District	
	Not restated				Not restated	
	2023	2022	2023	2022	2023	2022
<b>Revenues:</b>						
Program revenues:						
Charges for service and sales	\$ 12,814,071	\$ 11,932,947	\$ 3,887,363	\$ 3,026,760	\$ 16,701,434	\$ 14,959,707
Operating grants and contributions	23,203,039	23,235,698	5,413,124	7,291,241	28,616,163	30,526,939
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Property taxes and other taxes	70,656,848	68,206,935	-	-	70,656,848	68,206,935
State sources	48,818,258	48,787,630	-	-	48,818,258	48,787,630
Investment earnings	3,168,978	397,509	295,651	20,346	3,464,629	417,855
Gain on sale of capital assets	49,646	185,748	-	-	49,646	185,748
Other	-	16,940	-	-	-	16,940
<b>Total revenues</b>	<b>158,710,840</b>	<b>152,763,407</b>	<b>9,596,138</b>	<b>10,338,347</b>	<b>168,306,978</b>	<b>163,101,754</b>
Program expenses:						
Instruction	94,338,864	84,896,172	-	-	94,338,864	84,896,172
Support services	27,267,652	41,297,436	-	-	27,267,652	41,297,436
Noninstructional programs	821,645	699,309	-	-	821,645	699,309
Other	4,250,479	4,187,910	-	-	4,250,479	4,187,910
Interest on long-term debt	1,687,540	2,210,414	-	-	1,687,540	2,210,414
School nutrition	-	-	4,997,668	4,658,477	4,997,668	4,658,477
Community education	-	-	2,561,106	2,082,657	2,561,106	2,082,657
<b>Total expenses</b>	<b>128,366,180</b>	<b>133,291,241</b>	<b>7,558,774</b>	<b>6,741,134</b>	<b>135,924,954</b>	<b>140,032,375</b>
<b>Excess (deficiency) of revenues over (under) expenses before transfers</b>	<b>30,344,660</b>	<b>19,472,166</b>	<b>2,037,364</b>	<b>3,597,213</b>	<b>32,382,024</b>	<b>23,069,379</b>
Transfers	212,206	218,766	(212,206)	(218,766)	-	-
<b>Change in net position</b>	<b>30,556,866</b>	<b>19,690,932</b>	<b>1,825,158</b>	<b>3,378,447</b>	<b>32,382,024</b>	<b>23,069,379</b>
Net position, beginning, as restated	182,123,359	161,619,703	6,430,859	3,052,412	188,554,218	164,672,115
Net position, ending	<b>\$ 212,680,225</b>	<b>\$ 181,310,635</b>	<b>\$ 8,256,017</b>	<b>\$ 6,430,859</b>	<b>\$ 220,936,242</b>	<b>\$ 187,741,494</b>

The District's total net position increased by \$32,382,024 during the current fiscal year as compared to an increase of \$23,069,379 in 2022. The governmental activities net position increased by \$30,556,866 in 2023 and increased by \$19,690,932 in 2022. The business-type activities, which include nutrition and community education, increased by \$1,825,158 in 2023 and \$3,378,447 in 2022.

Net position increased in governmental activities primarily due to a decrease in expenses from the net pension liability and related deferrals of inflows and deferral of outflows of resources experiencing improved investment earnings on an actuarial basis and reducing the District's net liabilities and deferrals. Revenue increases in investment earnings due to increasing interest rates and an increase in state foundation aid.

Business-type activities net position increased due to an increase in charges for services for the nutrition program and community education programs exceeding expenses. In the prior year, operating grants included COVID-19 programs increasing federal reimbursements. In fiscal year 2023, the programs went back to pre-COVID-19 reimbursement and student meals were no longer free, increasing charges for services revenue. Expenses increased due to increases in salaries and benefits.

## West Des Moines Community School District

### Management's Discussion and Analysis Year Ended June 30, 2023

Revenue is further divided into two major components: program revenue and general revenue. Program revenue is defined as charges for services and sales, operating and capital grants and contributions. General revenue includes taxes and unrestricted grants such as state foundation support. Expenses are shown in programs including instruction, support services, noninstructional programs, other, interest on long-term debt, school nutrition and community education.

#### GOVERNMENTAL ACTIVITIES

Revenues for governmental activities were \$158,710,840 and expenses were \$128,366,180. Property taxes and other taxes such as sales tax and utility replacement tax and state sources including state foundation aid are the primary sources of revenue for the District. These sources represent 75.3 percent of total revenues. Instruction constitutes the largest portion of governmental activities expenses at \$94,338,864 or 73.5 percent of total expenses.

Table 3 discloses cost of services for governmental and business-type activities. The total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program revenues. Succinctly put, net costs are costs that must be covered by state aid or local taxes. The difference in these two columns would represent restricted grants and charges for services.

**Table 3 - Governmental and Business-Type Activities**

	Total Cost of Services		Net Cost of Services	
	Not restated		Not restated	
	2023	2022	2023	2022
Instruction	\$ 94,338,864	\$ 84,896,172	\$ 66,661,198	\$ 55,857,849
Support services	27,267,652	41,297,436	23,178,687	39,355,024
Noninstructional programs	821,645	699,309	821,645	699,309
Other	4,250,479	4,187,910	-	-
Interest on long-term debt	1,687,540	2,210,414	1,687,540	2,210,414
School nutrition	4,997,668	4,658,477	(857,002)	(1,659,974)
Community education	2,561,106	2,082,657	(884,711)	(1,916,893)
<b>Total expenses</b>	<b>\$ 135,924,954</b>	<b>\$ 140,032,375</b>	<b>\$ 90,607,357</b>	<b>\$ 94,545,729</b>

Net cost of services is 66.7 percent of total cost of services in 2023 and 67.5 percent of total cost of services in 2022. The cost of governmental activities financed by users of the District's programs was \$12,814,071 in 2023 and \$11,932,947 in 2022. Federal and state governments subsidized certain programs with grants and contributions totaling \$23,203,039 in 2023 and \$23,235,698 for 2022. The remaining net cost of the governmental activities was financed with property tax, state foundation aid and investment earnings.

Approximately 62.7 percent of the District's budget is comprised of salary and benefit costs. Historically speaking, collective bargaining contracts have increased approximately four percent or more each year. Until 2010, District staffing had increased for several consecutive years due to gradual enrollment growth, changing student needs and demographics. More recently, the Board of Education has approved the administration's recommendation to reduce some teaching and staff positions in various education programs and support areas. These reductions were made in response to state funding cuts.

## West Des Moines Community School District

### Management's Discussion and Analysis Year Ended June 30, 2023

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#### BUSINESS-TYPE ACTIVITIES

- The School Nutrition and Community Education programs constitute the business-type activities.
- The primary sources of income are charges for services and federal revenues.
- The School Nutrition Fund's primary expenses are staff and food. The School Nutrition Fund had an increase in net position of \$888,179 primarily due to maintaining costs as the District's federal reimbursement rate went back to pre-pandemic programs. For fiscal year 2022 net position increased \$1,582,712.
- The primary source of revenue for the Community Education Fund is sales of services for educational programs. The Community Education Fund had an increase in net position of \$943,569 during the fiscal year. Salaries and benefits increased \$373,028 or 21 percent and charges for services increased \$151,442 or 1 percent.

#### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the West Des Moines Community School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the West Des Moines Community School District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the West Des Moines Community School District's governmental funds reported combined ending fund balances of \$36,777,224, a decrease of \$40,822,994 in comparison with the prior year fund balance of \$77,600,218. Approximately 9.4 percent or \$3,459,590 for 2023 and 26.2 percent or \$20,326,637 for 2022, constitutes unassigned fund balance, which is available for spending at the government's discretion. The majority of the remaining fund balance for 2023 and 2022 is restricted to indicate that it is not available for new spending because it has already been restricted for other purposes. The District committed \$4,269,646 and \$5,266,678 of fund balance for curriculum as of June 30, 2023 and 2022, respectively.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$24,913,216 and \$20,326,637 for 2023 and 2022, respectively while total fund balance reached \$32,457,077 in 2023 and \$28,473,332 for 2022. This increase is primarily attributable to an increase of \$2,672,197 in state foundation aid, \$1,788,303 increase in investment earnings and \$450,224 increase in property taxes due to increased assessed valuation along with maintaining expenditures similar to the prior years.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 19.4 percent of total General Fund expenditures, and total fund balance represents approximately 25.3 percent of that same amount for 2023. For 2022, unassigned fund balance represents 16.7 percent of total General Fund expenditures, while total fund balance represents approximately 23.4 percent of that same amount.

The Management Fund fund balance increased \$734,605 from \$9,773,138 in 2022 to \$10,507,743 in 2023. The increase is primarily due to an increase in property taxes.

The Capital Projects Fund fund balance decreased to (\$7,768,600) from \$37,389,660 in 2022. This decrease is due to expending \$53,585,662 on planned capital projects during the year ending June 30, 2023.



**West Des Moines Community School District**

**Management’s Discussion and Analysis  
Year Ended June 30, 2023**

**BUDGETARY HIGHLIGHTS**

As allowed by GASB Statement No. 41, *Budgetary Comparison Schedules – Perspective Differences*, the District presents budgetary comparison schedules as required supplementary information based on the program structure of four functional areas as required by state statute for its legally adopted budget. In accordance with the Code of Iowa, the Board of Education annually adopts a program budget which includes all funds except internal service and custodial funds as described in the note to required supplementary information.

A comparison of the actual expenditures/expenses of the District’s budgeted funds with the final amended program budget amounts is as follows:

	Budget		Actual Expenditures/ Expenses	Variance
	Original	Final		
Instruction	\$ 94,671,979	\$ 94,671,979	\$ 93,648,928	\$ 1,023,051
Support services	40,236,341	40,236,341	38,862,256	1,374,085
Noninstructional programs	7,841,532	7,841,532	8,227,263	(385,731)
Other	72,493,872	72,493,872	68,192,493	4,301,379
<b>Total</b>	<b>\$ 215,243,724</b>	<b>\$ 215,243,724</b>	<b>\$ 208,930,940</b>	<b>\$ 6,312,784</b>

The original budget is published at least three months prior to the start of the fiscal year-often prior to settlement of collective bargaining agreements and before final legislative action on the state budget. In the latter portion of the fiscal year the amended budget is published with “not to exceed” amounts to satisfy Iowa’s statutory reporting requirements. The District did not amend the budget in fiscal year 2023.

The actual expenditures were less than the final budget by \$6,312,784 due to the timing of incurring the additional expenditures. The District exceeded the budget in the noninstructional programs function.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

The following table shows ending balances of capital assets invested in various categories. The District recognized a total net increase of \$57,301,709 for 2023.

Table 4 - Capital Assets as of June 30 (Net of Depreciation)

	Restated	
	2023	2022
Governmental activities:		
Land	\$ 4,095,848	\$ 4,095,848
Construction-in-progress	88,712,611	28,552,759
Buildings and improvements	194,092,757	198,879,259
Machinery and equipment	2,757,578	1,979,179
Right to use lease equipment	344,398	516,598
Right to use subscription asset	2,383,813	927,051
Business-type activities:		
Machinery and equipment	884,194	1,018,796
<b>Total</b>	<b>\$ 293,271,199</b>	<b>\$ 235,969,490</b>

Additional information about the District’s capital assets can be found in Note 5 to the financial statements.

**West Des Moines Community School District**

**Management’s Discussion and Analysis  
Year Ended June 30, 2023**

**Debt**

As of June 30, 2023, the West Des Moines Community School District had bonds and capital loan notes outstanding totaling \$72,575,562 compared to \$80,919,167 as of June 30, 2022. In the current year, the District paid \$7,410,000 in principal and \$2,691,373 in interest on outstanding bonded debt.

	2023	2022
Capital loan notes	\$ 47,533,567	\$ 52,709,376
Revenue bonds	25,041,995	28,209,791
	<u>\$ 72,575,562</u>	<u>\$ 80,919,167</u>

As of June 30, 2023, the District’s available legal debt margin was \$395,833,296 compared to \$414,874,691 as of June 30, 2022. Additional information about the District’s long-term debt can be found in Note 6 to the financial statements.

Other long-term debt consists of:

**Outstanding Long-Term Obligations**

	Governmental Activities		Business-Type Activities		Total District	
	Restated		2023	2022	Restated	
	2023	2022			2023	2022
Early retirement	\$ 2,388,913	\$ 1,580,062	\$ -	\$ -	\$ 2,388,913	\$ 1,580,062
Lease obligations	361,465	531,690	-	-	361,465	531,690
IT subscription liability	71,024	114,327	-	-	71,024	114,327
Compensated absences	547,182	608,276	54,132	33,606	601,314	641,882
Net pension liability	30,961,013	367,737	2,975,540	866,223	33,936,553	1,233,960
Net OPEB liability	17,122,825	16,194,385	798,122	738,860	17,920,947	16,933,245
<b>Total</b>	<u>\$ 51,452,422</u>	<u>\$ 19,282,150</u>	<u>\$ 3,827,794</u>	<u>\$ 1,638,689</u>	<u>\$ 55,280,216</u>	<u>\$ 21,035,166</u>

Additional information about the District’s other long-term obligations can be found Note 7, Note 8, and Note 9 to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES**

The District is located in the central part of the state, within the larger Des Moines metropolitan area and ranks as one of the top growth areas of the state. The economic condition and outlook of the District have remained strong during the past ten years, following several years of very high economic growth and steady enrollment growth. This growth has had a positive effect on employment and the District’s tax base. The District’s tax base increased at an average annual rate of approximately 2.86% over the past 10 years. In fiscal year 2023 and 2022, the District experienced an increase in valuation of 3.58% and 1.60% respectively.

The tax base is expected to grow more slowly in the next five years. Retail sales, building permits and population increases in the western suburbs have generally exceeded that of any other location in the metropolitan area or in the state of Iowa. Growth in the Des Moines area suburbs is expected to exceed the state average. A large percentage of these increases are occurring outside the District’s boundaries.

## **West Des Moines Community School District**

### **Management's Discussion and Analysis Year Ended June 30, 2023**

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In October 2023, the official enrollment reflects a decrease of 64 resident students and students served decreased by 43 students. This is largely due to open enrollment changes and more chooses for families. The Board continues to monitor this trend as the Districts prepares for future budget impacts. The District's property tax rate of \$13.16 has remained unchanged or decreased over the past 13 years. The Board's goal is to keep the property tax rate unchanged in the upcoming fiscal years.

#### **Request for Information**

These financial statements and discussions are designed to provide our students, citizens, taxpayers, investors and creditors with a complete disclosure of the District's finances and to demonstrate a high degree of accountability for the public dollars entrusted to us. If you have questions about this report or need additional information, please contact Mr. Paul Bobek, Chief Financial officer, West Des Moines Community School District, 3550 Mills Civic Parkway, West Des Moines, Iowa 50265-5556.



**WEST DES MOINES**  
**COMMUNITY SCHOOLS**

**West Des Moines Community School District**

**Statement of Net Position**

**June 30, 2023**

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Current assets:			
Cash, cash equivalents and investments	\$ 70,571,783	\$ 8,624,526	\$ 79,196,309
Restricted cash, cash equivalents and investments	7,780,630	-	7,780,630
Receivables:			
Property taxes:			
Current year	62,521	-	62,521
Succeeding year	70,751,607	-	70,751,607
Other	8,965,890	163,161	9,129,051
Inventories	100,955	483,053	584,008
Prepaid expenses	-	-	-
Internal balances	(1,299,738)	1,299,738	-
<b>Total current assets</b>	<b>156,933,648</b>	<b>10,570,478</b>	<b>167,504,126</b>
Noncurrent assets:			
Capital assets:			
Nondepreciable:			
Land	4,095,848	-	4,095,848
Construction-in-progress	88,712,611	-	88,712,611
Depreciable:			
Buildings and improvements	332,337,029	-	332,337,029
Machinery and equipment	14,574,781	4,522,617	19,097,398
Right to use lease equipment	860,997	-	860,997
Right to use subscription asset	4,003,751	-	4,003,751
Accumulated depreciation	(152,198,012)	(3,638,423)	(155,836,435)
<b>Total noncurrent assets</b>	<b>292,387,005</b>	<b>884,194</b>	<b>293,271,199</b>
<b>Total assets</b>	<b>449,320,653</b>	<b>11,454,672</b>	<b>460,775,325</b>
<b>Deferred outflows of resources:</b>			
Pension related deferred outflows	8,514,263	1,523,298	10,037,561
OPEB related deferred outflows	496,063	20,276	516,339
<b>Total deferred outflows of resources</b>	<b>9,010,326</b>	<b>1,543,574</b>	<b>10,553,900</b>

See Notes to Basic Financial Statements.

	Governmental Activities	Business-Type Activities	Total
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	18,608,718	234,546	18,843,264
Claims payable	2,595,963	-	2,595,963
Accrued liabilities	11,998,419	-	11,998,419
Unearned revenue	1,864,244	222,007	2,086,251
IT subscription obligations	64,497	-	64,497
Lease equipment obligations	177,137	-	177,137
Capital loan notes	4,555,000	-	4,555,000
Revenue bonds	3,165,000	-	3,165,000
Compensated absences	547,182	54,132	601,314
Liability for early retirement	2,262,605	-	2,262,605
Accrued interest payable	662,640	-	662,640
<b>Total current liabilities</b>	<b>46,501,405</b>	<b>510,685</b>	<b>47,012,090</b>
Noncurrent liabilities:			
Capital loan notes	42,978,567	-	42,978,567
Revenue bonds	21,876,995	-	21,876,995
Lease equipment obligations	184,328	-	184,328
IT subscription obligations	6,527	-	6,527
Net pension liability	30,961,013	2,975,540	33,936,553
Net OPEB liability	17,122,825	798,122	17,920,947
Liability for early retirement	126,308	-	126,308
<b>Total noncurrent liabilities</b>	<b>113,256,563</b>	<b>3,773,662</b>	<b>117,030,225</b>
<b>Total liabilities</b>	<b>159,757,968</b>	<b>4,284,347</b>	<b>164,042,315</b>
<b>Deferred inflows of resources:</b>			
Succeeding year property tax	70,751,607	-	70,751,607
Pension related deferred inflows	6,986,096	131,620	7,117,716
OPEB related deferred inflows	8,155,083	326,262	8,481,345
<b>Total deferred inflows of resources</b>	<b>85,892,786</b>	<b>457,882</b>	<b>86,350,668</b>
<b>Net Position</b>			
Net investment in capital assets	223,211,935	884,194	224,096,129
Restricted for:			
Categorical funding	3,173,260	-	3,173,260
Physical plant and equipment levy	5,904,396	-	5,904,396
Debt service	3,947,649	-	3,947,649
Management levy	10,507,743	-	10,507,743
Public education and recreation levy	655,987	-	655,987
Student activities	925,017	-	925,017
Unrestricted	(35,645,762)	7,371,823	(28,273,939)
<b>Total net position</b>	<b>\$ 212,680,225</b>	<b>\$ 8,256,017</b>	<b>\$ 220,936,242</b>

**West Des Moines Community School District**

**Statement of Activities  
Year Ended June 30, 2023**

Functions/Programs	Expenses	Charges for Services and Sales
<b>Primary Government:</b>		
Governmental activities:		
Instruction	\$ 94,338,864	\$ 8,963,439
Support services	27,267,652	3,850,632
Noninstructional programs	821,645	-
Other, AEA flowthrough	4,250,479	-
Interest on long-term debt	1,687,540	-
<b>Total governmental activities</b>	<u>128,366,180</u>	<u>12,814,071</u>
Business-type activities:		
School nutrition	4,997,668	1,244,996
Community education	2,561,106	2,642,367
<b>Total business-type activities</b>	<u>7,558,774</u>	<u>3,887,363</u>
<b>Total primary government</b>	<u>\$ 135,924,954</u>	<u>\$ 16,701,434</u>

General revenues and transfers:

General revenues:

Property taxes for general purposes

Property taxes for specific purposes

Utility replacement tax

Other taxes

Statewide sales and services tax

State foundation aid, unrestricted

Investment earnings

Gain on sale of capital assets

Transfers

**Total general revenues and transfers**

**Change in net position**

Net position, beginning of year, as restated

Net position, end of year

See Notes to Basic Financial Statements.

Program Revenues		Net (Expense) Revenue and Changes in Net Position		
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
\$ 18,714,227	\$ -	\$ (66,661,198)	\$ -	\$ (66,661,198)
238,333	-	(23,178,687)	-	(23,178,687)
-	-	(821,645)	-	(821,645)
4,250,479	-	-	-	-
-	-	(1,687,540)	-	(1,687,540)
<u>23,203,039</u>	<u>-</u>	<u>(92,349,070)</u>	<u>-</u>	<u>(92,349,070)</u>
4,609,674	-	-	857,002	857,002
803,450	-	-	884,711	884,711
<u>5,413,124</u>	<u>-</u>	<u>-</u>	<u>1,741,713</u>	<u>1,741,713</u>
<u>\$ 28,616,163</u>	<u>\$ -</u>	<u>(92,349,070)</u>	<u>1,741,713</u>	<u>(90,607,357)</u>
		57,270,382	-	57,270,382
		13,063,790	-	13,063,790
		304,704	-	304,704
		17,972	-	17,972
		10,537,243	-	10,537,243
		38,281,015	-	38,281,015
		3,168,978	295,651	3,464,629
		49,646	-	49,646
		212,206	(212,206)	-
		<u>122,905,936</u>	<u>83,445</u>	<u>122,989,381</u>
		30,556,866	1,825,158	32,382,024
		182,123,359	6,430,859	188,554,218
		<u>\$ 212,680,225</u>	<u>\$ 8,256,017</u>	<u>\$ 220,936,242</u>



**West Des Moines Community School District**

**Balance Sheet  
Governmental Funds  
June 30, 2023**

	General	Management	Capital Projects	Nonmajor Governmental Funds	Total
<b>Assets</b>					
Cash and investments	\$ 35,140,963	\$ 5,838,698	\$ 14,564,369	\$ 1,927,119	\$ 57,471,149
Restricted cash and investments	-	-	7,780,630	-	7,780,630
Receivables:					
Property taxes:					
Current year	51,156	2,665	8,061	639	62,521
Succeeding year	50,235,317	10,369,283	9,430,438	716,569	70,751,607
Due from other governments	2,374,125	-	845,716	-	3,219,841
Due from other funds	7,000,000	10,000,000	32,471	-	17,032,471
Other	5,617,588	4,403	118,526	2,657	5,743,174
Inventories	100,955	-	-	-	100,955
<b>Total assets</b>	<b>\$ 100,520,104</b>	<b>\$ 26,215,049</b>	<b>\$ 32,780,211</b>	<b>\$ 2,646,984</b>	<b>\$ 162,162,348</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)</b>					
Liabilities:					
Accounts payable	\$ 5,568,577	\$ 3,042,947	\$ 9,118,373	\$ 349,411	\$ 18,079,308
Accrued liabilities	11,998,419	-	-	-	11,998,419
Liability for early retirement	-	2,262,605	-	-	2,262,605
Due to other funds	-	32,471	22,000,000	-	22,032,471
<b>Total liabilities</b>	<b>17,566,996</b>	<b>5,338,023</b>	<b>31,118,373</b>	<b>349,411</b>	<b>54,372,803</b>
Deferred inflows of resources, Unavailable revenue:					
Succeeding year property tax	50,235,317	10,369,283	9,430,438	716,569	70,751,607
Other	260,714	-	-	-	260,714
<b>Total deferred inflows of of resources</b>	<b>50,496,031</b>	<b>10,369,283</b>	<b>9,430,438</b>	<b>716,569</b>	<b>71,012,321</b>
Fund balances (deficits):					
Nonspendable:					
Inventories	100,955	-	-	-	100,955
Restricted for:					
Categorical funding	3,173,260	-	-	-	3,173,260
Physical plant and equipment	-	-	5,904,396	-	5,904,396
Debt service	-	-	7,780,630	-	7,780,630
Management levy	-	10,507,743	-	-	10,507,743
Public education and recreation levy	-	-	-	655,987	655,987
Student activities	-	-	-	925,017	925,017
Committed for curriculum	4,269,646	-	-	-	4,269,646
Unassigned	24,913,216	-	(21,453,626)	-	3,459,590
<b>Total fund balances (deficits)</b>	<b>32,457,077</b>	<b>10,507,743</b>	<b>(7,768,600)</b>	<b>1,581,004</b>	<b>36,777,224</b>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<b>\$ 100,520,104</b>	<b>\$ 26,215,049</b>	<b>\$ 32,780,211</b>	<b>\$ 2,646,984</b>	<b>\$ 162,162,348</b>

See Notes to Basic Financial Statements.

**West Des Moines Community School District**

**Reconciliation of Total Governmental Fund Balances  
to Net Position of Governmental Activities  
June 30, 2023**

Total fund balances		\$ 36,777,224
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of accumulated depreciation used in governmental activities are not financial resources and, therefore, are not reported in the funds		292,387,005
Receivables not collected within 60 days of year-end are not available soon enough to pay for the current period's expenditures and, therefore, are unavailable in the funds		260,714
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the statement of net position:		
Other current assets	18,103,509	
Other current liabilities	<u>(4,989,617)</u>	13,113,892
Internal Service Fund allocated to business-type activities		(1,299,738)
Pension and OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds as follows:		
Deferred outflows of resources related to pension	8,514,263	
Deferred inflows of resources related to pension	(6,986,096)	
Deferred outflows of resources related to OPEB	496,063	
Deferred inflows of resources related to OPEB	<u>(8,155,083)</u>	(6,130,853)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Net pension liability	(30,961,013)	
Accrued interest payable	(662,640)	
Capital loan note, current	(4,555,000)	
Capital notes, noncurrent	(36,710,000)	
Premium on capital notes	(6,268,567)	
Revenue bonds, current	(3,165,000)	
Revenue bonds, noncurrent	(21,295,000)	
Discount on revenue bonds	33,902	
Premium on revenue bonds	(615,897)	
Equipment lease, current	(177,137)	
Equipment lease, noncurrent	(184,328)	
IT subscription liability, current	(64,497)	
IT subscription liability, noncurrent	(6,527)	
Compensated absences, current	(547,182)	
Other postemployment benefits payable	(17,122,825)	
Liability for early retirement, noncurrent	<u>(126,308)</u>	(122,428,019)
<b>Net position of governmental activities</b>		<u><u>\$ 212,680,225</u></u>

See Notes to Basic Financial Statements.

**West Des Moines Community School District**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
Year Ended June 30, 2023**

	General	Management	Capital Projects	Nonmajor Governmental Funds	Total
Revenues:					
Local sources:					
Property taxes	\$ 57,270,382	\$ 2,972,321	\$ 9,378,961	\$ 712,508	\$ 70,334,172
Utility replacement	249,863	13,042	38,673	3,126	304,704
Other local sources	1,680,623	130,942	122,249	320,797	2,254,611
Investment earnings	1,961,925	519,171	618,750	69,132	3,168,978
Student activities	-	-	-	1,220,068	1,220,068
Tuition/transportation	9,391,807	-	-	-	9,391,807
State sources:					
State foundation aid	38,281,015	-	-	-	38,281,015
Statewide sales and services tax	-	-	12,019,830	-	12,019,830
Other state sources	16,091,305	-	-	-	16,091,305
Federal sources	7,215,373	-	-	-	7,215,373
<b>Total revenues</b>	<b>132,142,293</b>	<b>3,635,476</b>	<b>22,178,463</b>	<b>2,325,631</b>	<b>160,281,863</b>

	General	Management	Capital Projects	Nonmajor Governmental Funds	Total
Expenditures:					
Current:					
Instruction	87,150,525	2,166,367	2,332,079	1,898,074	93,547,045
Support services:					
Student	3,643,798	-	-	17,154	3,660,952
Instructional staff	7,713,110	214,398	-	3,536	7,931,044
General administration	879,345	-	22,212	621	902,178
School building	5,451,513	-	-	-	5,451,513
Business administration	4,524,477	-	676,381	35,393	5,236,251
Plant operation and maintenance	11,176,437	520,106	144,964	30,665	11,872,172
Student transportation	3,436,354	-	292,306	301	3,728,961
Noninstructional programs	4,821	-	-	860,852	865,673
Other:					
AEA support	4,250,479	-	-	-	4,250,479
Capital outlay	-	-	53,585,662	-	53,585,662
Debt service:					
Principal	-	-	-	7,642,415	7,642,415
Interest	-	-	-	2,713,937	2,713,937
<b>Total expenditures</b>	<b>128,230,859</b>	<b>2,900,871</b>	<b>57,053,604</b>	<b>13,202,948</b>	<b>201,388,282</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>3,911,434</b>	<b>734,605</b>	<b>(34,875,141)</b>	<b>(10,877,317)</b>	<b>(41,106,419)</b>
Other financing sources (uses):					
Issuance of subscription	18,887	-	-	-	18,887
Transfers in	222,206	-	20,471	10,504,233	10,746,910
Transfers (out)	(221,114)	-	(10,303,590)	(10,000)	(10,534,704)
Proceeds from sale of capital assets	52,332	-	-	-	52,332
<b>Total other financing sources (uses)</b>	<b>72,311</b>	<b>-</b>	<b>(10,283,119)</b>	<b>10,494,233</b>	<b>283,425</b>
<b>Net change in fund balances</b>	<b>3,983,745</b>	<b>734,605</b>	<b>(45,158,260)</b>	<b>(383,084)</b>	<b>(40,822,994)</b>
Fund balances, beginning	28,473,332	9,773,138	37,389,660	1,964,088	77,600,218
Fund balances (deficits), end of year	<u>\$ 32,457,077</u>	<u>\$ 10,507,743</u>	<u>\$ (7,768,600)</u>	<u>\$ 1,581,004</u>	<u>\$ 36,777,224</u>

See Notes to Basic Financial Statements.



**WEST DES MOINES**  
**COMMUNITY SCHOOLS**

**West Des Moines Community School District**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities  
Year Ended June 30, 2023**

Net change in fund balances - total governmental funds		\$ (40,822,994)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization in the current period:		
Capital outlay	68,691,562	
Depreciation/amortization expense by function:		
Instruction	(5,770,381)	
Support services	(5,482,184)	
Gain from sale of capital assets	49,646	
Proceeds on sale of capital assets	<u>(52,332)</u>	57,436,311
Revenue in the statement of activities that does not provide current financial resources are not reported as revenues in the funds,		
Statewide sales and use tax	(1,482,587)	
Grants	(103,639)	
Tuition	<u>(34,443)</u>	(1,620,669)
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. The issuance of long-term debt increases liabilities in the statement of net position, while the repayment of long-term debt reduces long-term liabilities. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds an interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:		
Repayment of bond principal	7,410,000	
Accretion of premium	939,769	
Amortization of discount	(6,164)	
Issuance of subscription liability	(18,887)	
Repayment of subscription liability	62,190	
Repayment of equipment lease	170,225	
Interest	<u>92,792</u>	8,649,925
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the Internal Service Fund is reported with governmental activities.		(94,351)
Change in Internal Service Fund allocation to business-type activities		6,590
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Change in compensated absences	61,094	
Change in net pension liability	7,132,001	
Change in liability for other postemployment benefits	(357,607)	
Change in liability for early retirement	<u>166,566</u>	7,002,054
<b>Change in net position of governmental activities</b>		<u><u>\$ 30,556,866</u></u>

See Notes to Basic Financial Statements.

**West Des Moines Community School District**

**Statement of Net Position  
Proprietary Funds  
June 30, 2023**

	Business-Type Activities	Governmental Activities
	Nonmajor Enterprise Funds	Internal Service Fund
<b>Assets</b>		
Current assets:		
Cash, cash equivalents and investments	\$ 8,624,526	\$ 13,100,634
Other receivables	163,161	2,875
Inventories	483,053	-
Due from other funds	-	5,000,000
<b>Total current assets</b>	<b>9,270,740</b>	<b>18,103,509</b>
Noncurrent assets:		
Capital assets:		
Machinery and equipment	4,522,617	-
Less accumulated depreciation	(3,638,423)	-
<b>Total noncurrent assets</b>	<b>884,194</b>	<b>-</b>
<b>Total assets</b>	<b>10,154,934</b>	<b>18,103,509</b>
<b>Deferred outflows of resources,</b>		
Pension related deferred outflows	1,523,298	-
OPEB related deferred outflows	20,276	-
	<b>1,543,574</b>	<b>-</b>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	234,546	529,410
Compensated absences	54,132	-
Claims payable	-	2,595,963
Unearned revenue	222,007	1,864,244
<b>Total current liabilities</b>	<b>510,685</b>	<b>4,989,617</b>
Long-term liabilities:		
Net pension liability	2,975,540	-
Net OPEB liability	798,122	-
<b>Total long-term liabilities</b>	<b>3,773,662</b>	<b>-</b>
<b>Total liabilities</b>	<b>4,284,347</b>	<b>4,989,617</b>
<b>Deferred inflows of resources:</b>		
Pension related deferred inflows	131,620	-
Net OPEB related deferred inflows	326,262	-
<b>Total deferred inflows of resources</b>	<b>457,882</b>	<b>-</b>
<b>Net Position</b>		
Investment in capital assets	884,194	-
Unrestricted	6,072,085	13,113,892
<b>Total net position</b>	<b>\$ 6,956,279</b>	<b>\$ 13,113,892</b>

See Notes to Basic Financial Statements.

**West Des Moines Community School District**

**Reconciliation of Enterprise Funds Net Position to the Net Position of  
Business-Type Activities**

**June 30, 2023**

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Total enterprise funds net position \$ 6,956,279

Amounts reported for business-type activities in the statement of net position are different because internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the Internal Service Fund is included in governmental activities in the statement of net position.

1,299,738

**Net position of business-type activities**

\$ 8,256,017

See Notes to Basic Financial Statements.



**West Des Moines Community School District**

**Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
Year Ended June 30, 2023**

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Service Fund
Operating revenues:		
Food sales	\$ 1,244,826	\$ -
Sale of services	2,642,367	-
Charges for services	170	19,267,180
<b>Total operating revenues</b>	<b>3,887,363</b>	<b>19,267,180</b>
Operating expenses:		
Salaries	3,530,395	-
Employee benefits	733,545	-
Purchased services	112,415	2,290,796
Food consumed	1,818,817	-
Supplies	1,114,941	115,513
Depreciation	231,229	-
Claims and administration	-	16,955,222
Other	1,316	-
<b>Total operating expenses</b>	<b>7,542,658</b>	<b>19,361,531</b>
<b>Operating (loss)</b>	<b>(3,655,295)</b>	<b>(94,351)</b>
Nonoperating revenues (expenses):		
Federal food commodities	622,151	-
Federal appropriations	4,743,826	-
State appropriations	47,147	-
Interest	295,651	-
(Loss) on disposal of capital asset	(9,526)	-
<b>Total nonoperating revenues</b>	<b>5,699,249</b>	<b>-</b>
<b>Income (loss) before transfers</b>	<b>2,043,954</b>	<b>(94,351)</b>
Transfers (out)	(212,206)	-
<b>Total transfers</b>	<b>(212,206)</b>	<b>-</b>
<b>Change in net position</b>	<b>1,831,748</b>	<b>(94,351)</b>
Net position, beginning of year	5,124,531	13,208,243
Net position, end of year	<b>\$ 6,956,279</b>	<b>\$ 13,113,892</b>

See Notes to Basic Financial Statements.

**West Des Moines Community School District**

**Reconciliation of the Change in Net Position of Enterprise Funds to the  
Statement of Activities  
Year Ended June 30, 2023**

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Net change in net position in enterprise funds \$ 1,831,748

Amounts reported for proprietary activities in the statement of activities are different because internal service funds are used by management to charge the costs of various activities internally to individual funds. The net revenue of certain activities of the Internal Service Fund is reported with business-type activities.

(6,590)

**Change in net position of business-type activities**

\$ 1,825,158

See Notes to Basic Financial Statements.

**West Des Moines Community School District**

**Statement of Cash Flows**

**Proprietary Funds**

**Year Ended June 30, 2023**

	Business-Type Activities	Governmental Activities
	Nonmajor Enterprise Funds	Internal Service Fund
Cash flows from operating activities:		
Receipts from customers and users	\$ 3,783,972	\$ 19,323,923
Payments to suppliers	(2,624,322)	(2,110,989)
Payments to employees	(4,712,317)	-
Claims paid	-	(17,244,259)
<b>Net cash (used in) operating activities</b>	<b>(3,552,667)</b>	<b>(31,325)</b>
Cash flows from noncapital financial activities:		
Federal and state appropriations received	4,790,973	-
Payments to other funds	-	(5,000,000)
Transfers (out)	(212,206)	-
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>4,578,767</b>	<b>(5,000,000)</b>
Cash flows from capital and related financing activities:		
Purchase of capital assets	(106,153)	-
<b>Net cash (used in) capital and related financing activities</b>	<b>(106,153)</b>	<b>-</b>
Cash flows from investing activities,		
interest received	295,651	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,215,598</b>	<b>(5,031,325)</b>
Cash and cash equivalents, beginning of year	7,408,928	18,131,959
Cash and cash equivalents, end of year	<b>\$ 8,624,526</b>	<b>\$ 13,100,634</b>

(Continued)

**West Des Moines Community School District**

**Statement of Cash Flows (Continued)**

**Proprietary Funds**

**Year Ended June 30, 2023**

	Business-Type Activities	Governmental Activities
	Nonmajor Enterprise Funds	Internal Service Fund
Reconciliation of operating (loss) to net cash (used in) operating activities:		
Operating (loss)	(3,655,295)	(94,351)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:		
Depreciation	231,229	-
Federal food commodities used	622,151	-
Change in assets and liabilities:		
Receivables	(69,520)	(2,178)
Inventories	(349,111)	-
Prepaid expenses	16,663	-
Accounts payable	133,464	295,320
Compensated absences	20,526	-
Claims payable	-	(289,037)
Unearned revenue	(33,871)	58,921
Net pension liability	(491,729)	-
Net OPEB liability	22,826	-
<b>Net cash (used in) operating activities</b>	<b>\$ (3,552,667)</b>	<b>\$ (31,325)</b>
Schedule of noncash items:		
Noncapital financing activities, federal commodities	\$ 622,151	\$ -

See Notes to Basic Financial Statements.

**West Des Moines Community School District**

**Statement of Fiduciary Net Position**

**Custodial Fund**

**June 30, 2023**

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	<u>Flower</u>
<b>Assets</b>	
Cash, cash equivalents and investments	<u>\$ 2,614</u>
<b>Net Position</b>	<u>\$ 2,614</u>

See Notes to Basic Financial Statements.

**West Des Moines Community School District**

**Statement of Changes in Fiduciary Net Position**

**Custodial Fund**

**Year Ended June 30, 2023**

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	<u>Flower</u>
<b>Additions</b>	
Contributions	<u>\$ 2,147</u>
<b>Deductions</b>	
Administrative expenses	<u>527</u>
<b>Change in net position</b>	1,620
Net position, beginning of year	994
Net position, end of year	<u><u>\$ 2,614</u></u>

See Notes to Basic Financial Statements.



**WEST DES MOINES**  
**COMMUNITY SCHOOLS**

## West Des Moines Community School District

### Notes to Basic Financial Statements Year Ended June 30, 2023

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#### Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies

##### Nature of operations:

The West Des Moines Community School District (the District) was incorporated under Chapter 274 of the State Code of Iowa. The District has the power to make rules and regulations for its own government consistent with the laws of the state of Iowa and the regulations of the Iowa State Board of Education. The District is governed by the elected West Des Moines Community School Board of Education (the Board). The District is composed of one high school, one ninth grade school, two junior high schools, eight elementary schools and one alternative high school. Student enrollment (kindergarten through high school) for the 2022-2023 school year was 8,678 regular and special education students. The District employs approximately 1,200 full-time equivalent personnel.

##### Reporting entity:

In accordance with Governmental Accounting and Financial Reporting Standards, the basic financial statements include all funds, organizations, agencies, boards, commissions and authorities for which the District is financially accountable. The District has also considered all other potential organizations for which the nature and significance of their relationships with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a majority of an organization's governing body, and (1) the ability of the District 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 District. In addition, the GASB Statement No. 39, as amended by GASB Statement No. 61 sets forth additional criteria to determine whether certain organizations for which the District is not financially accountable should be reported as component units based on the nature and significance of their relationship with the District. These criteria include 1) the economic resources being received or held by the separate organization being entirely or almost entirely for the direct benefit of the District, its component units, or its constituents, 2) the District being entitled to, or having the ability to otherwise access, a majority of the economic resources received or held by the organization and 3) the economic resources received or held by an individual organization that the District is entitled to, or has the ability to otherwise access, are significant to the District. Based on these criteria, there are no other organizations which should be included in these basic financial statements.

**Basis of presentation:** The District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements which provide a more detailed level of financial information.

**Government-wide and fund financial statements:** The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of the interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. Interfund services provided and used are not eliminated in the process of consolidation for these statements.



## West Des Moines Community School District

### Notes to Basic Financial Statements Year Ended June 30, 2023

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#### Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

The statement of net position presents the District's nonfiduciary assets and liabilities, with the difference reported as net position. Net position is reported in the following categories:

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

*Restricted net position:* Results when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net position:* Consist of net position that does not meet the definition of the preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of fund financial statements is on major funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column.

**Fund accounting:** The accounts of the District 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 providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance/net position, revenues and expenditures or expenses, as appropriate. The District has the following funds:

General Fund: The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund accounts for the instructional and most of the support service programs of the District's operations. Revenue of the fund consists primarily of local property taxes and state governmental aid.

Management Fund, a special revenue fund: Accounts for the resources from a specific tax levy for tort liability insurance premiums, unemployment compensation insurance claims and early retirement incentive payments

Capital Projects Fund: Accounts for the resources used to pay for the purchase and improvement of sites, demolition work, special assessments and major building repairs, physical plant and equipment levy (PPEL) as well as the statewide sales and services tax for school infrastructure.

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

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**Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)**

The other governmental funds of the District are considered nonmajor and are as follows:

Debt Service Fund: Accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Special Revenue Funds: Are used to account for the revenue sources that are legally restricted to expenditures for specific purposes.

Public Education and Recreation Levy (PERL) Fund: Accounts for the resources used to establish and maintain public recreation places and playgrounds and necessary accommodations for children and adults.

Student Activity Fund: Accounts for money held by the District on behalf of the students who have raised these funds and are responsible for their disposition for co-curricular to extracurricular activities of the District.

**Proprietary Fund Types**: Proprietary fund types are used to account for the District's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position and cash flows.

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

The following enterprise funds of the District are considered nonmajor:

School Nutrition Fund: Accounts for the food service operations of the District.

Community Education Fund: Accounts for the educational programs available to the general public on a fee basis including before and after school child care and summer child care programs.

**Internal Service Fund**: The Internal Service Fund is used to account for goods or services provided by one department to other departments of the District on a cost reimbursement basis. The District's Internal Service Fund is used to account for the premium and claim payments for the self-insured health insurance and dental insurance plans for District employees.

**Fiduciary Fund Types**: Fiduciary fund types are used to account for net position and changes in net position. The District has one fiduciary fund which is considered a Custodial Fund:

Flower Fund: To account for donations to be used for flower purchases for memorials or illnesses of District employees.

## West Des Moines Community School District

### Notes to Basic Financial Statements Year Ended June 30, 2023

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#### Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

**Measurement Focus and Basis of Accounting:** The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied. The District also reports fiduciary funds which focus on net position and changes in net position. The fiduciary fund reports on the accrual basis of accounting.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

**Revenues – exchange and nonexchange transactions:** Property taxes, other taxes, grants, entitlements and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. All other revenue items are considered to be measurable and available only when cash is received.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which it is budgeted. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Property taxes are recognized as a receivable at the time they become an enforceable legal claim. This is determined to occur when the budget is certified and approved by the state of Iowa. The current tax levy recognized in revenue was certified in April 2022 based on 2021 assessed valuations. The current property tax receivable was certified in April 2023 based on 2022 assessed valuations. These taxes are due in two installments on September 30 and March 31, with a 1.5 percent per month penalty for delinquent payment.

## West Des Moines Community School District

### Notes to Basic Financial Statements Year Ended June 30, 2023

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#### Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the District's proprietary funds are charges for food sales or tuition and fees. Operating expenses for proprietary funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the District's policy to first apply cost reimbursement grant resources to such programs and then general revenues.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the District's policy is generally to first apply the expenditure restricted fund balance and then to less restrictive classifications – committed, assigned and then unassigned fund balances.

#### Significant Accounting Policies:

The significant accounting policies followed by the District include the following:

**Cash, cash equivalents and investment accounts:** Separate bank accounts and investments are not maintained for all District funds, as certain funds maintain their cash and investment balances in a pooled account. Accounting records are maintained to show the portion of the pooled account attributable to each participating fund.

**Inventories:** Inventories are valued at cost (first-in, first-out), which approximates market. The consumption method of accounting is applied to the governmental fund type inventories. Unused commodities at balance sheet date are reported as inventory in the statement of net position.

**Capital assets:** General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirement during the year. Donated capital assets are recorded at the acquisition value as of the date received. The District maintains a capitalization threshold of \$5,000 (\$500 for the School Nutrition Fund). The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

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**Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)**

All reported assets except land and construction-in-progress are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Useful Lives
Buildings and improvements	20 - 50 years
Machinery and equipment	5 - 15 years
Intangibles	15 years

The District's collection of library books and other similar assets are not capitalized due to the individual assets not meeting the District's capitalization threshold. These collections are unencumbered, held for public exhibition and education, protected, cared for and preserved and subject to District policy that requires proceeds from the sale of these items, if any, to be used to acquire other collection items.

**Leases:** The District is a lessee for noncancellable leases of equipment. The District recognizes a lease liability and an intangible right-to-use lease asset in the governmental activities of the government-wide financial statements.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial costs to place the asset in service. Subsequently, the lease asset is amortized on a straight-line basis over the life of the lease.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

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**Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)**

**Subscription Based Information Technology Arrangements (SBITA):** The District has entered into a contract that conveys control of the right to use information technology software. The District has recognized an IT subscription liability and an intangible right-to-use IT subscription asset in the government-wide financial statements.

At the commencement of the IT subscription term, the District initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the IT subscription liability is reduced by the principal portion of payments made. The right-to-use an IT subscription asset is initially measured as the sum of the initial IT subscription liability, adjusted for payments made at or before the commencement date, plus capitalization implementation costs less any incentives received from the SBITA vendor at or before the commencement of the subscription term. Subsequently, the right-to-use IT subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to IT subscription arrangements include how the District determines the discount rate it uses to discount the expected payments to present value, term and payments.

The District uses the interest rate charged by the IT subscription vendor as the discount rate. When the interest rate charged by the vendor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate.

The IT subscription term includes the noncancellable period of the subscription. Payments included in the measurement of the liability are composed of fixed payments.

The District monitors changes in circumstances that would require a remeasurement of its IT subscription and will remeasure the right-to-use IT subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Right-to-use IT subscription assets are reported with other capital assets and IT subscription liabilities are reported with long-term debt on the statement of net position.

**Unearned revenue:** Proprietary funds defer revenue recognition in connection with resources that have been received, but not earned. Unearned revenue in governmental funds arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue. Unearned revenue consists primarily of school registration fees, unexpended grant receipts and meal revenues collected for the programs and services in the next school year.

**Accrued payroll:** Payroll and the related payroll taxes and benefits for teachers with annual contracts corresponding to the school year, but have balances payable in July and August, have been accrued as a liability as they are applicable to services provided during the respective fiscal years and will be paid with available resources.

## West Des Moines Community School District

### Notes to Basic Financial Statements Year Ended June 30, 2023

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#### Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

**Compensated absences:** District employees accumulate a limited amount of earned but unused vacation and sick leave for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the District-wide financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees who have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect as of June 30, 2023. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund and by the Special Revenue Fund, Management Levy.

**Self-insurance:** The District is self-insured for health and dental benefits. The District's premiums and claims are accounted for in the Internal Service Fund. Premiums are charged by the Internal Service Fund to operating funds based upon number of employees and selected coverage in each fund. There have been no significant reductions in insurance coverage for the District from the prior year.

**Cash flows:** For the purpose of cash flows, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

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

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

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

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

**Assigned:** Amounts the Board of Education intend to use for specific purposes. The authority to assign fund balances has been delegated to the Chief Financial Officer through the Board approved budget of the District.

**Unassigned:** All amounts not included in other spendable classifications as well as any deficit fund balance of any other governmental fund is reported as unassigned.

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the District considers committed funds to be expended first followed by assigned funds and then unassigned.

## West Des Moines Community School District

### Notes to Basic Financial Statements Year Ended June 30, 2023

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#### Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

**Deferred outflows/inflows of resources:** In addition to assets, the balance sheet and/or statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then. Deferred outflows of resources in the proprietary funds and government-wide statement of net position consist of unrecognized items not yet charged to pension expense and other postemployment benefit expense and contributions from the employer after the measurement date but before the end of the employer's reporting period.

In addition to liabilities, the balance sheet and/or statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports unavailable revenue in the governmental funds balance sheet from grants, tuition and property tax.

This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. In the District's government-wide statements, only the succeeding year property tax revenues remain as a deferred inflow of resources under the full accrual basis of accounting and will become an inflow in the year for which levied. Deferred inflows of resources in the proprietary funds and government-wide statements also include the unrecognized items not yet charged to pension expense and other postemployment benefit expense.

**Pensions:** For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported as fair value.

**Total OPEB Liability:** For purposes of measuring total OPEB liability, deferred outflows of resources related to OPEB and OPEB expense, information has been determined based on the District's actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The total OPEB liability attributable to the governmental activities will be paid primarily by the General Fund and the Enterprise, School Nutrition Fund and Community Education.

**Net position:** In proprietary funds, fiduciary funds, and government-wide financial statements, 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 bond proceeds of \$3,832,981.

Net position is reported as restricted when there are limitations imposed on their use through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Net position restricted through enabling legislation consists of \$5,904,396 for physical plant and equipment levy, \$3,947,649 for debt service, \$10,507,743 for management levy and \$655,987 for public education and recreation levy. All other restricted net position consists of \$3,173,260 for categorical funding and \$925,017 for student activities and are restricted by grantors and donors.



## West Des Moines Community School District

### Notes to Basic Financial Statements Year Ended June 30, 2023

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#### Note 1. Nature of Operations, Reporting Entity and Significant Accounting Policies (Continued)

**Net position flow assumption:** Sometimes the District will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

**Interfund activity:** Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**Estimates:** The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

#### Note 2. Budgetary and Budgetary Control

As allowed by GASB Statement No. 41, *Budgetary Comparison Schedules – Perspective Differences*, the District presents budgetary comparison schedules as required supplementary information based on the program structure of four functional areas as required by state statute for its legally adopted budget. The District exceeded the budgeted expenditures in the noninstructional programs function by \$385,731.

#### Note 3. Cash and Cash Equivalents and Investments

The District is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Education; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

**Interest rate risk:** The District's investment policy as set in state statute limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) in instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days but that maturities shall be consistent with the needs and use of the District.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

**Note 3. Cash and Cash Equivalents and Investments (Continued)**

Level 1 inputs are quoted prices in active markets or identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As of June 30, 2023, the Districts investments were as follows:

	Fair Value	Investment Maturities (in Years)				Level Input	Rating	
		<1	1-5	6-10	>10		Standard & Poor	Fitch
Investments Pools,								
Iowa Schools Joint Investment Trust (ISJIT)	\$ 788,646	\$ 788,646	\$ -	\$ -	\$ -	N/A	AAAm	N/A
Treasury Bills	40,391,958	40,391,958	-	-	-	2	AA+	AAA
Goldman Sachs Financial Square Governmental Fund	4,123,996	4,123,996	-	-	-	N/A	AAAm	N/A
	<u>\$ 45,304,600</u>	<u>\$ 45,304,600</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			

At June 30, 2023, the District had investments in the Iowa Schools Joint Investment Trust (ISJIT) Diversified Fund which are valued at amortized cost of \$786,646 pursuant to Rule 2a-7 under the investment Company Act of 2040. There were no limitations or restrictions on withdrawals of the ISJIT investments.

The District has cash and investments held with agent of \$7,780,630, which will be used for future debt service as of June 30, 2023.

Credit risk: Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The District does not have a policy specific to credit risk. The credit related to the District investments are in the table above.

Concentration of credit risk: The District's investment policy seeks diversification to reduce overall portfolio risk while attaining market rates of return to enable the District to meet its anticipated cash requirements. The District does not have a policy specific to concentration of credit risk. At June 30, 2023, the District had no investments subject to concentration of credit risk.

Custodial credit risk: For deposits, this is the risk that in the event of bank failure, the District's deposits may not be returned. For an investment this is the risk that in the event of failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession not an outside party. The District's deposits in banks at June 30, 2023 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This Chapter provides for additional assessments against the depositories to insure that will be no loss of public funds. The District's investments are held in the name of the District and are not exposed to custodial credit risk.

**Note 4. Interfund Transfers and Balances**

The details of interfund receivables and payables at June 30, 2023 is as follows:

	Due From	Due To
Major funds:		
General	\$ 7,000,000	\$ -
Management Fund	10,000,000	32,471
Capital Projects Fund	32,471	22,000,000
Internal service fund	5,000,000	-
	<u>\$ 22,032,471</u>	<u>\$ 22,032,471</u>

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

**Note 4. Interfund Transfers and Balances (Continued)**

The following is a schedule of transfers as included in the basic financial statements of the District:

	Transfers In	Transfers Out
Major funds:		
General Fund	\$ 222,206	\$ 221,114
Capital Projects Fund	20,471	10,303,590
Other nonmajor governmental funds	10,504,233	10,000
Other nonmajor enterprise fund	-	212,206
	<u>\$ 10,746,910</u>	<u>\$ 10,746,910</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 and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**Note 5. Capital Assets**

Capital asset activity for the business-type activities for the year ended June 30, 2023 was as follows:

	Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023
Business-type activities:				
Capital assets, being depreciated, machinery and equipment	\$ 4,487,191	\$ 106,153	\$ 70,727	\$ 4,522,617
Accumulated depreciation, machinery and equipment	3,468,395	231,229	61,201	3,638,423
<b>Total capital assets, being     depreciated, net</b>	<u>1,018,796</u>	<u>(125,076)</u>	<u>9,526</u>	<u>884,194</u>
<b>Business-type activities     capital assets, net</b>	<u>\$ 1,018,796</u>	<u>\$ (125,076)</u>	<u>\$ 9,526</u>	<u>\$ 884,194</u>

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

**Note 5. Capital Assets (Continued)**

Capital asset activity for the governmental activities for the year ended June 30, 2023 was as follows:

	Restated Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023
Governmental activities:				
Capital assets, not being depreciated and amortized:				
Land	\$ 4,095,848	\$ -	\$ -	\$ 4,095,848
Construction-in-progress	28,552,759	65,095,690	4,935,838	88,712,611
<b>Total capital assets, not being depreciated and amortized</b>	<b>32,648,607</b>	<b>65,095,690</b>	<b>4,935,838</b>	<b>92,808,459</b>
Capital assets, being depreciated and amortized:				
Buildings and improvements	327,781,762	4,555,267	-	332,337,029
Machinery and equipment	13,005,000	1,840,147	270,366	14,574,781
Right to use subscription asset	1,867,455	2,136,296	-	4,003,751
Right to use lease equipment	860,997	-	-	860,997
<b>Total capital assets, being depreciated and amortized</b>	<b>343,515,214</b>	<b>8,531,710</b>	<b>270,366</b>	<b>351,776,558</b>
Accumulated depreciation and amortization:				
Buildings and improvements	128,902,503	9,341,769	-	138,244,272
Machinery and equipment	11,025,821	1,059,062	267,680	11,817,203
Right to use subscription asset	940,404	679,534	-	1,619,938
Right to use lease equipment	344,399	172,200	-	516,599
<b>Total accumulated depreciation and amortization</b>	<b>141,213,127</b>	<b>11,252,565</b>	<b>267,680</b>	<b>152,198,012</b>
<b>Total capital assets, being depreciated and amortized, net</b>	<b>202,302,087</b>	<b>(2,720,855)</b>	<b>2,686</b>	<b>199,578,546</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 234,950,694</b>	<b>\$ 62,374,835</b>	<b>\$ 4,938,524</b>	<b>\$ 292,387,005</b>

Depreciation and amortization expense was charged to the functions as follows:

Governmental activities:	
Instruction	\$ 5,770,381
Support services	5,482,184
<b>Total depreciation and amortization expense, governmental activities</b>	<b>\$ 11,252,565</b>
Business-type activities, nutrition	\$ 231,229

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

**Note 6. Long-Term Debt**

The following is a summary of changes in long-term debt of the District:

	Restated			Balance	Balances
	Balance			June 30,	Due Within
	June 30,	Additions	Reductions	2023	One Year
	2022				
<b>Governmental activities:</b>					
Capital loan notes, Series 2020A	\$ 45,605,000	\$ -	\$ 4,340,000	\$ 41,265,000	\$ 4,555,000
Premium on capital loan notes, Series 2020A	7,104,376	-	835,809	6,268,567	-
Revenue bonds, Series 2012	9,000,000	-	1,020,000	7,980,000	1,045,000
Discount on revenue bonds, Series 2012	(40,066)	-	(6,164)	(33,902)	-
Revenue bonds, Series 2013	5,470,000	-	610,000	4,860,000	630,000
Premium on revenue bonds, Series 2013	102,274	-	15,734	86,540	-
Revenue bonds, Series 2014	13,060,000	-	1,440,000	11,620,000	1,490,000
Premium on revenue bonds, Series 2014	617,583	-	88,226	529,357	-
Lease obligations	531,690	-	170,225	361,465	177,137
IT subscription obligations	114,327	18,887	62,190	71,024	64,497
Compensated absences	608,276	746,429	807,523	547,182	547,182
Net pension liability	367,737	30,593,276	-	30,961,013	-
Net OPEB liability	16,194,385	928,440	-	17,122,825	-
<b>Total</b>	<b>\$ 98,735,582</b>	<b>\$ 32,287,032</b>	<b>\$ 9,383,543</b>	<b>\$ 121,639,071</b>	<b>\$ 8,508,816</b>
<b>Business-type activities,</b>					
Compensated absences	\$ 33,606	\$ 54,132	\$ 33,606	\$ 54,132	\$ 54,132
Net pension liability	866,223	2,109,317	-	2,975,540	-
Net OPEB liability	738,860	59,262	-	798,122	-
	<b>\$ 1,638,689</b>	<b>\$ 2,222,711</b>	<b>\$ 33,606</b>	<b>\$ 3,827,794</b>	<b>\$ 54,132</b>

Compensated absences and lease obligations are generally liquidated by the General Fund.

Net OPEB liability and net pension liability are generally liquidated by the General Fund for governmental activities and the respective funds for business-type activities.

## West Des Moines Community School District

### Notes to Basic Financial Statements Year Ended June 30, 2023

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#### Note 6. Long-Term Debt (Continued)

The District's general obligation and revenue debt is as follows:

Capital loan notes:

Series 2020A: On October 8, 2020, the District issued \$50,225,000 General Obligation School Capital Loan Notes, Series 2020A with interest rates ranging from 2.0 percent to 5.0 percent to construct, build, furnish and equip additions, including storm shelters to a number of schools. The notes are general obligations of the District to be paid from a continuing annual levy. Principal is payable each May 1 and interest is payable semi-annually each November 1 and May 1 until maturity on May 1, 2031. The total principal and interest remaining to be paid on the 2022 bonds is \$47,752,450. During the year ended June 30, 2023, \$4,340,000 of principal and \$1,855,700 of interest was paid on the bonds.

Revenue bonds:

Series 2012: On April 5, 2012, the District issued \$10,000,000 in School Infrastructure Sales, Services and Use Tax Revenue Bonds to finance school infrastructure projects. The bonds bear interest at rates ranging from 2.10 percent to 3.00 percent and had an unpaid balance of \$7,980,000. The revenue bonds will be repaid using statewide sales, services and use tax collected in the Capital Projects Fund. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District. The bonds are not general obligations of the District. The total principal and interest remaining to be paid on the 2012 bonds is \$8,796,638. During the year ended June 30, 2023, \$1,020,000 principal was paid on the 2012 bonds and \$222,915 of interest was paid on the bonds.

Series 2013: On December 23, 2013, the District issued \$9,760,000 in School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2013 to finance school infrastructure projects. The bonds bear interest at rates ranging from 3.00 percent to 4.00 percent and had an unpaid balance of \$4,860,000. The revenue bonds will be repaid using statewide sales, services and use tax collected in the Capital Projects Fund. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District. The bonds are not general obligations of the District. The total principal and interest remaining to be paid on the 2013 bonds is \$5,508,006. During the year ended June 30, 2023, \$610,000 of principal and \$176,095 of interest was paid on the 2013 bonds.

Series 2014: On June 24, 2014, the District issued \$22,320,000 in School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2014 to finance school infrastructure projects. The bonds bear interest at rates ranging from 2.00 percent to 5.00 percent and had an unpaid balance of \$11,620,000. The revenue bonds will be repaid using statewide sales, services and use tax collected in the Capital Projects Fund. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District. The bonds are not general obligations of the District. The total principal and interest remaining to be paid on the 2014 bonds is \$12,995,333. During the year ended June 30, 2023, \$1,440,000 of principal and \$436,663 of interest was paid on the 2014 bonds.

The statewide sales, services and use tax revenues were \$12,019,830 for the year ended June 30, 2023. Annual principal and interest payments on the bonds are expected to require approximately 35 percent of the statewide sales, services, and use tax revenues. Total principal and interest remaining on the revenue bonds is \$27,299,977. For the current year, total principal paid was \$3,070,000 and total interest paid was \$835,673.

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

**Note 6. Long-Term Debt (Continued)**

The resolution providing for the issuance of the revenue bonds included the following provisions:

- All proceeds from the statewide sales, service and use tax shall be deposited into the revenue account.
- Monies in the revenue account shall first be disbursed to make deposits into the sinking account to pay the principal and interest requirements of the revenue bonds for the fiscal year. At June 30, 2023, there was \$1,150,720, \$713,474, and \$1,690,331 deposited in the sinking account for the 2012, 2013 and 2014 bonds respectively.
- Monies in the revenue account shall next be disbursed to maintain a reserve account to be used solely for the purpose of paying principal and interest on the bonds if insufficient money is available in the sinking account. At June 30, 2023, there was \$979,069, \$798,495 and \$2,055,417 deposited in the reserve account for the 2012, 2013 and 2014 bonds respectively.
- If monies in the sinking fund exceed the required amount, the excess shall be transferred to the revenue account. At June 30, 2023, there was \$113,020, \$107,588 and \$172,516 deposited in the revenue account for the 2012, 2013 and 2014 bonds respectively.

Year ending June 30:	Capital Loan Refunding Notes, Series 2020A		
	Principal	Interest	Total
2024	\$ 4,555,000	\$ 1,638,700	\$ 6,193,700
2025	4,785,000	1,410,950	6,195,950
2026	5,025,000	1,171,700	6,196,700
2027	5,275,000	920,450	6,195,450
2028	5,535,000	656,700	6,191,700
2029-2031	16,090,000	688,950	16,778,950
<b>Subtotal</b>	41,265,000	6,487,450	47,752,450
Plus unamortized premium	6,268,567	-	6,268,567
<b>Totals</b>	<b>\$ 47,533,567</b>	<b>\$ 6,487,450</b>	<b>\$ 54,021,017</b>

West Des Moines Community School District

Notes to Basic Financial Statements  
Year Ended June 30, 2023

**Note 6. Long-Term Debt (Continued)**

Year ending June 30:	Revenue Bonds, Series 2012		
	Principal	Interest	Total
2024	\$ 1,045,000	\$ 199,423	\$ 1,244,423
2025	1,075,000	174,505	1,249,505
2026	1,105,000	161,605	1,266,605
2027	1,135,000	119,225	1,254,225
2028	1,170,000	88,383	1,258,383
2029-2030	2,450,000	73,497	2,523,497
<b>Subtotal</b>	7,980,000	816,638	8,796,638
Less unamortized discount	(33,902)	-	(33,902)
<b>Totals</b>	<b>\$ 7,946,098</b>	<b>\$ 816,638</b>	<b>\$ 8,762,736</b>

Year ending June 30:	Revenue Bonds, Series 2013		
	Principal	Interest	Total
2024	\$ 630,000	\$ 157,495	\$ 787,495
2025	650,000	137,970	787,970
2026	670,000	127,895	797,895
2027	690,000	94,563	784,563
2028	715,000	70,493	785,493
2029-2030	1,505,000	59,590	1,564,590
<b>Subtotal</b>	4,860,000	648,006	5,508,006
Plus unamortized premium	86,540	-	86,540
<b>Totals</b>	<b>\$ 4,946,540</b>	<b>\$ 648,006</b>	<b>\$ 5,594,546</b>

Year ending June 30:	Revenue Bonds, Series 2014		
	Principal	Interest	Total
2024	\$ 1,490,000	\$ 363,413	\$ 1,853,413
2025	1,540,000	295,363	1,835,363
2026	1,590,000	264,562	1,854,562
2027	1,650,000	192,113	1,842,113
2028	1,715,000	141,638	1,856,638
2029-2030	3,635,000	118,244	3,753,244
<b>Subtotal</b>	11,620,000	1,375,333	12,995,333
Plus unamortized premium	529,357	-	529,357
<b>Totals</b>	<b>\$ 12,149,357</b>	<b>\$ 1,375,333</b>	<b>\$ 13,524,690</b>



**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

**Note 6. Long-Term Debt (Continued)**

**Leases:**

On July 1, 2020, the District entered into a lease agreement for copier and print shop equipment. The lease requires quarterly payments of \$47,240 and has an interest rate of 4.0 percent. The lease expires on June 30, 2025. The details of the lease are as follows:

Year ending June 30:	Equipment Leases		
	Principal	Interest	Total
2024	\$ 177,137	\$ 11,823	\$ 188,960
2025	184,328	4,631	188,959
<b>Totals</b>	<b>\$ 361,465</b>	<b>\$ 16,454</b>	<b>\$ 377,919</b>

**Subscription Based Information Technology Arrangements (SBITA):**

The District has entered into agreements for subscription based information technology. The agreements expire on June 30, 2025. The details of the agreements are as follows:

Year ending June 30:	SBITA		
	Principal	Interest	Total
2024	\$ 64,497	\$ 1,520	\$ 66,017
2025	6,527	130	6,657
<b>Totals</b>	<b>\$ 71,024</b>	<b>\$ 1,520</b>	<b>\$ 66,017</b>

As of June 30, 2023, the District did not exceed its legal debt margin computed as follows:

Total assessed valuation	\$ 8,741,965,915
Debt limit, 5% of total assessed valuation	\$ 437,098,296
Amount of debt applicable to debt limit: total	
Capital loan notes	41,265,000
Total indebtedness	<u>41,265,000</u>
<b>Excess of debt limit over debt outstanding, legal debt margin</b>	<b><u>\$ 395,833,296</u></b>

## West Des Moines Community School District

### Notes to Basic Financial Statements Year Ended June 30, 2023

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#### Note 7. Early Retirement

In order to hasten early retirement, the District offered an early retirement plan benefit to its employees. The Board reserves the right to amend or revoke this Early Retirement Plan or any provision of this plan at any time, with or without notice.

To be eligible to participate in this Plan, an employee must (1) have worked a minimum of 30 hours per week, or 70 percent of contract, during each of the last ten full years of service; (2) a year of service refers to a school year. Thus, in order to count as a school year, the employee must be employed by the first student contact day in order for that year to count towards a full year of service; (3) have a minimum of ten full years of continuous service in the District; (4) have obtained the age of 55 on date of retirement; (5) an employee terminated for just cause, or receiving payments or benefits from or on behalf of the District that are not tied to the performance of current duties, is not eligible (6) an employee is eligible to participate in the plan only at the end of the current school year for certified employees or nine month employees or June 30<sup>th</sup> for all other employees.

Benefits to eligible employees include a lump sum payment into a tax-sheltered annuity benefit of \$42,000 and a one-time lump sum contribution to the early retiree's tax-sheltered annuity account equaling 10 percent of the early retiree's base salary including teacher salary supplement or wage notice for the fiscal year 2023 school year. The contributions to the tax-sheltered annuity benefit will be made in July 2023 following the June 30, 2023 retirement.

In addition, the District has early retirees from prior early retirement plans who receive a contribution to their health insurance until the earlier of six years from the retirement date or the month prior to the early retiree's 65<sup>th</sup> birthday. The health insurance contributions under these prior plans mature in varying amounts through June 30, 2026.

As of June 30, 2023 the District had \$2,262,605 accrued in the Management Fund and \$126,308 accrued as a long-term liability in Governmental Activities. The current year cost to the District was \$2,121,320 which consisted of 44 participants in the fiscal year 2023 plan. A summary of changes in liability for early retirement is shown as follows:

Balance, June 30, 2022	\$ 1,580,062
Additions	2,096,039
Reductions	1,287,188
Balance, June 30, 2023	<u>\$ 2,388,913</u>

#### Note 8. Postemployment Benefits Other Than Pensions (OPEB)

##### General Information about the OPEB Plan

Plan description: The District's defined benefit OPEB plan, West Des Moines Community School District Postemployment Plan Other Than Pensions (the Plan), provides postemployment benefits for eligible participants enrolled in its plans. The plan is a single-employer defined benefit OPEB plan administered by the District. Under Chapter 509A.13 of the Code of Iowa, "Group Insurance for Public Employees": *If a governing body... has procured insurance for its employees, the governing body 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.*

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

**Note 8. Other Postemployment Benefits (Continued)**

In order to be eligible for the District premium subsidy at retirement, employees must have obtained the age of 55 with a minimum of ten full years of continuous employment in the District. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standard Board Statement No. 75.

Benefits provided: The Plan provides pre Medicare medical and prescription drug benefits to its participants. The medical and prescription drug benefits are provided through a self funded program administered by a third-party administrator. Retirees are eligible for three self-insured PPO plans offered through Wellmark. Dental coverage is made available to eligible retirees and is fully contributory.

The full monthly premium rates as of July 1, 2023 for each plan are as shown below:

Rate Tier	HMO	PPO 1	PPO 2	PPO 3
Single	\$ 680	\$ 652	\$ 612	\$ 590
Subscriber and Spouse	1,495	1,436	1,346	1,299
Subscriber and Children	1,291	1,240	1,162	1,122
Family	2,039	1,958	1,835	1,771

Future retirees meeting eligibility requirements are reimbursed a fixed subsidy equal to the lowest single medical premium equivalent at the time of retirement. The District provides the subsidy for six years or until the retiree reaches age 65.

Employees covered by benefit terms: At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	88
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	1,316
	1,404

**Total OPEB Liability**

The District's total OPEB liability of \$17,920,947 was measured as of June 30, 2023 and was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023.

Actuarial assumptions and other inputs: The total OPEB liability in the rolled forward June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	3.00% per annum
Salary increases	3.25% per annum
Discount rate	3.65% per annum
Retirees' share of benefit-related costs	0%
Health care cost trend rate	6.75%
	The trend rate is reduced by 0.25% each year until reaching the ultimate trend rate of 4.0%

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

**Note 8. Other Postemployment Benefits (Continued)**

The discount rate was based on the Bond Buyer 20-Bond GO index. Mortality rates were based on the Pub-2010 mortality table with generational scale MP-2021. The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period 2010– 2021.

**Changes in the Total OPEB Liability**

	Total OPEB Liability
Balance at July 1, 2022	\$ 16,933,245
Changes for the year:	
Service cost	1,492,058
Interest	634,849
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(155,781)
Benefit payments	(983,424)
Net changes	<u>987,702</u>
Balance at June 30, 2023	<u>\$ 17,920,947</u>

There were no changes as a result of benefits terms. The discount rate was 3.65% per annum in 2023 and 3.54% per annum in 2022.

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB liability	\$ 19,375,000	\$ 17,920,947	\$ 16,594,000

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates: The following presents that total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1-percentage point higher than the current healthcare cost trend rates.

	1% Decrease (5.75% decreasing to 3.0%)	Healthcare Cost Trend Rates (6.75% decreasing to 4.0%)	1% Increase (7.75% decreasing to 5.0%)
Total OPEB liability	\$ 15,978,000	\$ 17,920,947	\$ 20,228,000

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

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**Note 8. Other Postemployment Benefits (Continued)**

For the year ended June 30, 2023, the District recognized OPEB expense of \$1,363,857. At June 30, 2023, The District 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	\$ -	\$ (4,242,317)
Changes of assumptions or other inputs	516,339	(4,239,028)
Net difference between projected and actual investments	-	-
<b>Total</b>	<b>\$ 516,339</b>	<b>\$ (8,481,345)</b>

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

Year ended June 30:	
2024	\$ (763,051)
2025	(763,051)
2026	(763,051)
2027	(763,051)
2028	(699,532)
Thereafter	(4,213,270)
	<u>\$ (7,965,006)</u>

**Note 9. Retirement System**

Plan Description – IPERS membership is mandatory for employees of the District, except for those covered by another retirement system. Employees of the District 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](http://www.ipers.org).

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

Pension Benefits – A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, 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.

## West Des Moines Community School District

### Notes to Basic Financial Statements Year Ended June 30, 2023

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#### Note 9. Retirement System (Continued)

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 receives benefits before the member's earliest normal retirement age. For service earned starting July 1, 2012, the reduction is 0.50 percent for each month that the member receives benefits before 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 – Contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires that the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll, based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2023, pursuant to the required rate, Regular members contributed 6.29 percent of covered payroll and the District contributed 9.44 percent of covered payroll for a total rate of 15.73 percent.

The District's contributions to IPERS for the year ended June 30, 2023 were \$7,041,942.

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2023, the District reported a liability of \$33,936,553 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2022, the District's collective proportion was 0.8982320 percent, which was an increase of 1.255667 from its proportion measured as of June 30, 2021.

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

**Note 9. Retirement System (Continued)**

For the year ended June 30, 2023, the District recognized pension expense (income) of (\$581,788). At June 30, 2023, the District 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	\$ 1,504,404	\$ (464,856)
Changes of assumptions	1,124,284	(1,096,300)
Net difference between projected and actual earnings on pension plan investments	-	(3,632,799)
Changes in proportion and differences between District contributions and proportionate share of contributions	366,931	(1,923,761)
District contributions subsequent to the measurement date	7,041,942	-
<b>Total</b>	<u>\$ 10,037,561</u>	<u>\$ (7,117,716)</u>

\$7,041,942 reported as deferred outflows of resources related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2024	\$ (3,587,859)
2025	(2,846,076)
2026	(4,787,609)
2027	7,123,502
2028	(24,055)
Thereafter	-
<b>Total</b>	<u>\$ (4,122,097)</u>

There were no non-employer contributing entities to IPERS.

**Actuarial Assumptions** – The total pension liability in the June 30, 2022 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 percent to 16.25 percent average, including inflation. Rates vary by membership group.
Investment rate of return (effective June 30, 2017)	7.00 percent, compounded annually, net of investment expense, including inflation
Wage growth (effective June 30, 2017)	3.25 percent per annum, based on 2.60 percent inflation and 0.65 percent real wage inflation

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

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**Note 9. Retirement System (Continued)**

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021. Mortality rates used in the 2022 valuation were based on the PubG-2010 mortality tables with future mortality improvements modeled using Scale MP-2021.

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 (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	22.0%	3.57%
International equity	17.5%	4.79%
Global smart beta equity	6.0%	4.16%
Core plus fixed income	20.0%	1.66%
Public credit	4.0%	3.77%
Cash	1.0%	0.77%
Private equity	13.0%	7.57%
Private real assets	8.5%	3.55%
Private credit	8.0%	3.63%
<b>Total</b>	<b>100%</b>	



## West Des Moines Community School District

### Notes to Basic Financial Statements Year Ended June 30, 2023

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#### Note 9. Retirement System (Continued)

Discount Rate – The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that contributions from the District will be made at contractually required rates, actuarially determined. 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 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 the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate.

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
District's proportionate share of the net pension liability (asset)	\$ 63,227,879	\$ 33,936,553	\$ 8,122,844

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](http://www.ipers.org).

Payables to the Pension Plan – At June 30, 2023, the District reported payables to the defined benefit pension plan of \$649,464 for legally required employer contributions and \$432,747 for legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

#### Note 10. Risk Management

The District is exposed to various risks of loss related to torts, theft; damage to and destruction of assets; errors and omissions; and natural disasters. These risks, except injuries to employees and claim payments for health, prescriptions and dental insurance, are covered by the purchase of commercial insurance. The District assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District has established an internal service fund to account for premium and claim payments for a self-insured group health insurance plan for the District's employees to meet potential losses from medical claims. Self-insurance is in effect up to an individual stop loss amount of \$200,000 and aggregate amount of 125 percent of expected claims. The District also self-insures for its dental plan. The dental plan includes no aggregate reinsurance.

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

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**Note 10. Risk Management (Continued)**

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claims payable include all known claims and an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are estimated by considering the effects of inflation, recent claim settlement trends, including frequency and amount of pay-outs and other economic and social factors.

Changes in the balances of claims payable during the years ended June 30, 2023 and 2022 are as follows:

	Self-Insurance Fund	
	2023	2022
Claims payable, beginning of year	\$ 3,000,000	\$ 3,000,000
Incurred claims (including IBNR and changes in estimates)	17,302,913	17,206,378
Claim payments	17,706,950	17,206,378
Claims payable, end of year	<u>\$ 2,595,963</u>	<u>\$ 3,000,000</u>

Each participating fund makes payments to the self-insurance fund for amounts which are determined based on historical claims experience. Such payments are displayed on the financial statements as revenues and expenditures/expenses. There have been no significant reductions in insurance coverage from the prior year.

**Note 11. Area Education Agency**

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the local area education agency. The District's actual amount for this purpose totaled \$4,250,479 the year ended June 30, 2023 and is recorded in the General Fund by making a memorandum adjusting entry to the financial statements.

## West Des Moines Community School District

### Notes to Basic Financial Statements Year Ended June 30, 2023

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#### Note 12. Commitments and Contingencies

As of June 30, 2023, the District is involved in various claims against the District that arise in the normal course of operations, which are covered by insurance. The outcome and eventual liability of the District, if any, from these claims and any unasserted claims is not known at this time; however, management does not believe they will be material to the basic financial statements.

The District has entered contract commitments with contractors for the completion of several construction projects. The total contract commitments are \$112,809,507 of which \$85,809,168 has been incurred as of June 30, 2023. The unpaid commitment balance is \$27,000,339. Revenue and general obligation bonds will provide funding for these future expenditures.

#### Note 13. 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 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. Property tax revenues of the District were reduced by the following amounts for the year ended June 30, 2023 under tax abatement agreements of other entities:

Entity	Tax Abatement Program	Amount of Tax Abated
City of Clive, Iowa	Urban renewal and economic development projects	\$ 128,572
City of Urbandale, Iowa	Urban renewal and economic development projects	45,632
City of West Des Moines, Iowa	Urban renewal and economic development projects	92,562

The State of Iowa reimburses the District an amount equivalent to the increment of valuation on which property tax is divided times \$5.40 per \$1,000 of taxable valuation. For the year ended June 30, 2023, this reimbursement amounted to \$136,780.

#### Note 14. Deficit Fund Balance

The Capital Projects Fund has deficit unassigned fund balance of \$21,453,626 as of June 30, 2023. The deficit is due to the Capital Projects Fund borrowing \$25,000,000 from the other funds of the District. In April 2023, the Board of Education approved a resolution to loan \$10,000,000 from the Management Fund to the Capital Projects Fund at 4.05 percent interest. In June 2023, the Board of Education approved a resolution to loan \$7,000,000 from the General Fund and \$5,000,000 from the Internal Service Fund to the Capital Projects Fund at 4.20 percent interest. The interfund loans were repaid October 1, 2023.

## West Des Moines Community School District

### Notes to Basic Financial Statements Year Ended June 30, 2023

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#### **Note 15. New Governmental Accounting Standards Board (GASB) Statements**

The District adopted the following statements during the year ended June 30, 2023:

GASB Statement No. 91, *Conduit Debt Obligations*, issued May 2019. This Statement clarifies the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements association with conduit debt obligations; and improving required note disclosures. This Statement requires issuers to disclose general information about their conduit debt obligations organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, issued March 2020. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, issued May 2020. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement 1) defines a SBITA; 2) establishes that a SBITA results in a right-to-use subscription assets- an intangible asset- and a corresponding subscription liability; 3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and 4) requires note disclosures regarding a SBITA.

GASB Statement No. 99, *Omnibus 2022*, issued April 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

Other than the restatement for the implementation of GASB Statement No. 96 as discussed in Note 16, the implementation of the above statements did not have a material impact on the District's Financial Statements.

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

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**Note 15. New Governmental Accounting Standards Board (GASB) Statements (Continued)**

As of June 30, 2023, GASB had issued several statements not yet required to be implemented by the District. The Statements which might impact the District are as follows:

GASB Statement No. 100, *Accounting Changes and Error Corrections- An Amendment of GASB Statement No. 62*, issued June 2022, will be effective for the District beginning with its fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

GASB Statement No. 101, *Compensated Absences*, issued June 2022, will be effective for the District beginning with its fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. This Statement amends the existing requirements to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (As long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

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

**West Des Moines Community School District**

**Notes to Basic Financial Statements  
Year Ended June 30, 2023**

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**Note 16. Restatement**

Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, was implemented during fiscal year 2023. The new requirements require the reporting of certain right-to-use subscription-based IT arrangements and liabilities which were previously not reported. The beginning net position was restated as follows:

	<u>Governmental Activities</u>
Net position June 30, 2022 as previously reported	\$ 181,310,635
Right to use subscription asset	1,867,455
Right to use subscription asset accumulated amortization	(940,404)
Subscription obligation	(114,327)
Net position June 30, 2022 as restated	<u>\$ 182,123,359</u>

**Note 17. Subsequent Event**

On September 28, 2023, the District issued \$45,500,000 School Infrastructure Sales, Services and Use Tax Revenue Bonds Series 2023 and issued \$10,060,000 General Obligation School Capital Loan Notes Series 2023.

The School Infrastructure Sales, Services and Use Tax Revenue Bonds Series 2023 are being issued for school infrastructure projects. The bonds require annual principal payments each July 1 commencing July 1, 2024, and ranging from \$525,000 to \$3,910,000. The bonds have interest rates ranging from 4.125 percent to 6.000 percent and required semi-annual interest payments each January 1 and July 1 commencing January 1, 2024.

The Capital Loan Notes Series 2023 are being issued to provide funds to construct, build, furnish and equip additions, including storm shelters to several schools and to renovate and improve the baseball/softball stadium facility. The bonds require annual principal payments each May 1 commencing May 1, 2024, and ranging from \$855,000 to \$2,175,000. The bonds have interest rates ranging from 5.0 to 7.0 percent and require semi-annual interest payments each November 1 and May 1 commencing November 1, 2023.



**WEST DES MOINES**  
**COMMUNITY SCHOOLS**

**REQUIRED SUPPLEMENTARY INFORMATION**



**West Des Moines Community School District**

**Required Supplementary Information**

**Budgetary Comparison Schedule of Revenues, Expenditures/Expenses and Changes in Balances -  
Budget and Actual - All Governmental and Enterprise Funds  
Year Ended June 30, 2023**

	Governmental Funds - Actual	Proprietary Fund - Actual
Revenues:		
Local sources	\$ 86,674,340	\$ 4,183,014
State sources	66,392,150	47,147
Federal sources	7,215,373	5,365,977
<b>Total revenues</b>	<b>160,281,863</b>	<b>9,596,138</b>
Expenditures/expenses:		
Instruction	93,547,045	101,883
Support services	38,783,071	79,185
Noninstructional programs	865,673	7,361,590
Other expenditures	68,192,493	-
<b>Total expenditures/expenses</b>	<b>201,388,282</b>	<b>7,542,658</b>
<b>Excess (deficiency) of revenues over (under) expenditures/expenses</b>	<b>(41,106,419)</b>	<b>2,053,480</b>
Other financing sources (uses):		
Transfers in	10,746,910	-
Transfers (out)	(10,534,704)	(212,206)
Proceeds from issuance of long-term debt	18,887	-
Proceeds (loss) from sale of capital assets	52,332	(9,526)
<b>Total other financing sources (uses)</b>	<b>283,425</b>	<b>(221,732)</b>
<b>Net change in fund balance</b>	<b>(40,822,994)</b>	<b>1,831,748</b>
Balance, beginning of year	77,600,218	5,124,531
Balance, end of year	<b>\$ 36,777,224</b>	<b>\$ 6,956,279</b>

See Notes to Required Supplementary Information.

Total Actual	Budgeted Amounts		Final to Actual Variance
	Original	Final	
\$ 90,857,354	\$ 85,217,347	\$ 85,217,347	\$ 5,640,007
66,439,297	64,991,051	64,991,051	1,448,246
12,581,350	9,715,754	9,715,754	2,865,596
<u>169,878,001</u>	<u>159,924,152</u>	<u>159,924,152</u>	<u>9,953,849</u>
93,648,928	94,671,979	94,671,979	1,023,051
38,862,256	40,236,341	40,236,341	1,374,085
8,227,263	7,841,532	7,841,532	(385,731)
68,192,493	72,493,872	72,493,872	4,301,379
<u>208,930,940</u>	<u>215,243,724</u>	<u>215,243,724</u>	<u>6,312,784</u>
(39,052,939)	(55,319,572)	(55,319,572)	16,266,633
10,746,910	10,378,676	10,378,676	368,234
(10,746,910)	(10,378,676)	(10,378,676)	(368,234)
18,887	7,000,000	7,000,000	(6,981,113)
42,806	35,525	35,525	7,281
<u>61,693</u>	<u>7,035,525</u>	<u>7,035,525</u>	<u>(6,973,832)</u>
(38,991,246)	(48,284,047)	(48,284,047)	9,292,801
82,724,749			
<u>\$ 43,733,503</u>			

**West Des Moines Community School District**

**Required Supplementary Information  
Schedule of Changes in the District's Total OPEB  
Liability and Related Ratios  
Last Six Fiscal Years**

	2023	2022
Total OPEB liability		
Changes for the year:		
Service cost	\$ 1,492,058	\$ 2,156,750
Interest	634,849	467,549
Changes of benefit terms	-	-
Differences between expected and actual experience	-	(2,862,835)
Changes in assumptions or other inputs	(155,781)	(1,910,836)
Benefit payments	(983,424)	(812,767)
Net changes in total OPEB liability	987,702	(2,962,139)
Total OPEB liability - beginning	16,933,245	19,895,384
Total OPEB liability - ending	<u>\$ 17,920,947</u>	<u>\$ 16,933,245</u>
Covered employee payroll	\$ 76,545,000	\$ 74,315,796
Total OPEB liability as a percentage of covered employee payroll	23%	23%

**Notes to Schedule:**

Changes of benefit terms:

There were no changes as a result of changes in benefit terms.

Changes of assumption:

Changes of assumptions or other inputs reflect a change in the discount rate. The following are the discount rates used in each period:

3.65%	3.54%
-------	-------

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

\* The schedule is intended to present information for ten years.  
Information prior to 2018 is not available.

2021	2020	2019	2018
\$ 2,096,078	\$ 2,968,272	\$ 2,877,402	\$ 2,770,560
433,624	1,232,636	1,200,012	1,122,790
-	(12,779,161)	-	-
-	(2,593,597)	-	-
83,013	(3,176,752)	899,215	(701,804)
(484,516)	(268,212)	(1,445,811)	(1,160,978)
2,128,199	(14,616,814)	3,530,818	2,030,568
17,767,186	32,384,000	28,853,182	26,822,614
<u>\$ 19,895,385</u>	<u>\$ 17,767,186</u>	<u>\$ 32,384,000</u>	<u>\$ 28,853,182</u>
\$ 73,287,000	\$ 71,152,657	\$ 66,729,000	\$ 64,472,632
27%	25%	49%	45%
2.16%	2.21%	3.50%	3.87%

**West Des Moines Community School District**

**Required Supplementary Information  
 Schedule of the District's Proportionate Share of the Net Pension Liability  
 Iowa Public Employees' Retirement System  
 Last Nine Fiscal Years**

	2023*	2022*	2021*
District's proportion of the net pension liability	0.8982320%	-0.3574345%	0.8907591%
District's proportionate share of the net pension liability	\$ 33,936,553	\$ 1,233,960	\$ 62,573,473
District's covered payroll	\$ 72,409,279	\$ 71,467,751	\$ 70,731,231
District's proportionate share of the net pension liability as a percentage of its covered payroll	46.87%	1.73%	88.47%
Plan fiduciary net pension as a percentage of the total pension liability	91.40%	100.81%	82.90%

\*The amounts presented for each fiscal year were determined as of the prior fiscal-year end.

Note: The schedule is intended to present information for ten years. Information prior to 2015 is not available.

See Notes to Required Supplementary Information.

2020*	2019*	2018*	2017*	2016*	2015*
0.8933927%	0.8978051%	0.857589%	0.855692%	0.854553%	0.872553%
\$ 51,728,106	\$ 56,815,308	\$ 57,126,273	\$ 53,851,401	\$ 42,219,060	\$ 34,604,646
\$ 68,028,825	\$ 67,554,020	\$ 64,049,494	\$ 61,464,091	\$ 58,586,855	\$ 57,149,369
76.04%	84.10%	89.19%	87.61%	72.06%	60.55%
85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

**West Des Moines Community School District**

**Required Supplementary Information  
Schedule of District Contributions (In Thousands)  
Iowa Public Employees' Retirement System  
Last Ten Fiscal Years**

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	2023	2022	2021	2020
Statutorily required contribution	\$ 7,042	\$ 6,835	\$ 6,744	\$ 6,677
Contributions in relation to the statutorily required contribution	\$ (7,042)	\$ (6,835)	\$ (6,744)	\$ (6,677)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 74,681	\$ 72,409	\$ 71,468	\$ 70,731
Contributions as a percentage of covered payroll	9.43%	9.44%	9.44%	9.44%

See Notes to Required Supplementary Information.

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2019	2018	2017	2016	2015	2014
\$ 6,418	\$ 6,032	\$ 5,720	\$ 5,489	\$ 5,232	\$ 5,103
\$ (6,418)	\$ (6,032)	\$ (5,720)	\$ (5,489)	\$ (5,232)	\$ (5,103)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 68,028	\$ 67,554	\$ 64,049	\$ 61,464	\$ 58,587	\$ 57,149
9.43%	8.93%	8.93%	8.93%	8.93%	8.93%





**WEST DES MOINES**  
**COMMUNITY SCHOOLS**

## West Des Moines Community School District

### Note to Required Supplementary Information

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#### Note 1. Budgets and Budgetary Information

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

In accordance with the Code of Iowa, the Board of Education annually adopts a budget following required public notice and hearing for all funds except internal service, private-purpose trust and custodial funds. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's budget is prepared in accordance with generally accepted accounting principles.

Formal and legal budgetary control for the certified budget is based upon four major classes or expenditures known as functions, not by fund or fund type. These four functions are instruction, support services, noninstructional programs and other expenditures. Although the budget document presents function expenditures or expenses by fund, the legal level of control is at the aggregated function level, not by fund. The Code of Iowa also provides that District expenditures in the General Fund may not exceed the amount authorized by the school finance formula. During the year, the District did not amend the budget. The District exceeded the budget in the noninstructional programs function by \$385,731.

#### Note 2. Iowa Public Employees' Retirement System Pension Liability

##### Changes of benefit terms:

There are no significant changes in benefit terms.

##### Changes of assumptions:

The 2022 valuation incorporated the following refinements after a quadrennial experience study:

- Changed mortality assumptions to the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.
- Adjusted retirement rates for Regular members.
- Lowered disability rates for Regular members.
- Adjusted termination rates for all membership groups.

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.

## West Des Moines Community School District

### Note to Required Supplementary Information

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#### Note 2. Iowa Public Employees' Retirement System Pension Liability (Continued)

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

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

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

- Decreased the inflation assumption from 3.25 percent to 3.00 percent.
- Decreased the assumed rate of interest on member accounts from 4.00 percent to 3.75 percent 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 beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20 year period.

**OTHER COMBINING AND  
INDIVIDUAL FUND FINANCIAL STATEMENTS**

**West Des Moines Community School District**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2023**

	Special Revenue			
	Playground	Student Activity	Debt Service	Total
<b>Assets</b>				
Cash, cash equivalents and investments	\$ 886,436	\$ 1,037,683	\$ 3,000	\$ 1,927,119
Receivables:				
Property tax:				
Current year	639	-	-	639
Succeeding year	716,569	-	-	716,569
Other	-	2,657	-	2,657
<b>Total assets</b>	<b>\$ 1,603,644</b>	<b>\$ 1,040,340</b>	<b>\$ 3,000</b>	<b>\$ 2,646,984</b>
<b>Liabilities, deferred inflows of resources and fund balances</b>				
Liabilities:				
Accounts payable	\$ 231,088	\$ 115,323	\$ 3,000	\$ 349,411
<b>Total liabilities</b>	<b>231,088</b>	<b>115,323</b>	<b>3,000</b>	<b>349,411</b>
Deferred inflows of resources, unavailability revenue:				
Succeeding year property tax	716,569	-	-	716,569
	716,569	-	-	716,569
Fund balances, restricted	655,987	925,017	-	1,581,004
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 1,603,644</b>	<b>\$ 1,040,340</b>	<b>\$ 3,000</b>	<b>\$ 2,646,984</b>

**West Des Moines Community School District**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended June 30, 2023**

	Special Revenue			Total
	Playground	Student Activity	Debt Service	
<b>Revenues:</b>				
Property taxes and other local sources:				
Property taxes	\$ 712,508	\$ -	\$ -	\$ 712,508
Utility replacement	3,126	-	-	3,126
Other local sources	15,386	305,411	-	320,797
Investment earnings	29,976	39,156	-	69,132
Student activities	-	1,220,068	-	1,220,068
<b>Total revenues</b>	<b>760,996</b>	<b>1,564,635</b>	<b>-</b>	<b>2,325,631</b>
<b>Expenditures:</b>				
Current:				
Instruction	4,600	1,893,474	-	1,898,074
Support services:				
Student	17,154	-	-	17,154
Instructional staff	-	3,536	-	3,536
General administration	621	-	-	621
Business administration	13,703	15,090	6,600	35,393
Operation and maintenance of plant services	-	30,665	-	30,665
Transportation	301	-	-	301
Noninstructional programs	860,852	-	-	860,852
Debt service:				
Principal	-	-	7,642,415	7,642,415
Interest	-	-	2,713,937	2,713,937
<b>Total expenditures</b>	<b>897,231</b>	<b>1,942,765</b>	<b>10,362,952</b>	<b>13,202,948</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(136,235)</b>	<b>(378,130)</b>	<b>(10,362,952)</b>	<b>(10,877,317)</b>
<b>Other financing sources (uses):</b>				
Transfer in	-	141,281	10,362,952	10,504,233
Transfer out	(10,000)	-	-	(10,000)
<b>Total other financing sources (uses)</b>	<b>(10,000)</b>	<b>141,281</b>	<b>10,362,952</b>	<b>10,494,233</b>
<b>Net change in fund balances</b>	<b>(146,235)</b>	<b>(236,849)</b>	<b>-</b>	<b>(383,084)</b>
Fund balances, beginning of year	802,222	1,161,866	-	1,964,088
Fund balances, end of year	\$ 655,987	\$ 925,017	\$ -	\$ 1,581,004

**West Des Moines Community School District**

**Schedule of Combining Balance Sheet-  
Capital Projects Fund, By Account  
June 30, 2023**

	Capital Projects Fund Accounts		
	Physical Plant and Equipment	Statewide Sales and Services Tax	Total
<b>Assets</b>			
Cash, cash equivalents and investments	\$ 2,883,963	\$ 11,680,406	\$ 14,564,369
Restricted cash, cash equivalents and investments	-	7,780,630	7,780,630
Receivables:			
Property taxes:			
Current year	8,061	-	8,061
Succeeding year	9,430,438	-	9,430,438
Due from other governments	-	845,716	845,716
Due from other funds	3,032,471	-	3,032,471
Other	43,271	75,255	118,526
<b>Total assets</b>	<b>\$ 15,398,204</b>	<b>\$ 20,382,007</b>	<b>\$ 35,780,211</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)</b>			
Liabilities,			
Accounts payable	\$ 63,370	\$ 9,055,003	\$ 9,118,373
Due to other funds	-	25,000,000	25,000,000
	63,370	34,055,003	34,118,373
Deferred inflows of resources, unavailable revenue:			
Succeeding year property tax	9,430,438	-	9,430,438
<b>Total deferred inflows of resources</b>	<b>9,430,438</b>	<b>-</b>	<b>9,430,438</b>
Fund balances (deficits):			
Restricted for:			
Physical plant and equipment	5,904,396	-	5,904,396
Debt service	-	7,780,630	7,780,630
Unassigned	-	(21,453,626)	(21,453,626)
<b>Total fund balances (deficits)</b>	<b>5,904,396</b>	<b>(13,672,996)</b>	<b>(7,768,600)</b>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<b>\$ 15,398,204</b>	<b>\$ 20,382,007</b>	<b>\$ 35,780,211</b>

**West Des Moines Community School District**

**Schedule of Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance-Capital Projects Fund, By Account  
Year Ended June 30, 2023**

	Capital Projects Fund Accounts		Total
	Physical Plant and Equipment	Statewide Sales and Services Tax	
Revenues:			
Property taxes and other local sources:			
Property taxes	\$ 9,378,961	\$ -	\$ 9,378,961
Utility replacement	38,673	-	38,673
Other local sources	2,280	119,969	122,249
Investment earnings	186,955	431,795	618,750
State sources:			
Statewide sales and services tax	-	12,019,830	12,019,830
<b>Total revenues</b>	<b>9,606,869</b>	<b>12,571,594</b>	<b>22,178,463</b>
Expenditures:			
Current:			
Instruction	124,526	2,207,553	2,332,079
Support services:			
General administration	765	21,447	22,212
Business administration	545,256	131,125	676,381
Plant operation and maintenance	144,964	-	144,964
Student transportation	-	292,306	292,306
Capital outlay	233,893	53,351,769	53,585,662
<b>Total expenditures</b>	<b>1,049,404</b>	<b>56,004,200</b>	<b>57,053,604</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>8,557,465</b>	<b>(43,432,606)</b>	<b>(34,875,141)</b>
Other financing (uses):			
Transfers in	-	20,471	20,471
Transfers (out)	(6,385,260)	(3,918,330)	(10,303,590)
<b>Total other financing (uses)</b>	<b>(6,385,260)</b>	<b>(3,897,859)</b>	<b>(10,283,119)</b>
<b>Net change in fund balance</b>	<b>2,172,205</b>	<b>(47,330,465)</b>	<b>(45,158,260)</b>
Fund balances, beginning of year	3,732,191	33,657,469	37,389,660
Fund balances (deficits), end of year	\$ 5,904,396	\$ (13,672,996)	\$ (7,768,600)



**West Des Moines Community School District**

**Combining Statement of Net Position**

**Nonmajor Enterprise Funds**

**June 30, 2023**

	School Nutrition	Community Education	Total
<b>Assets</b>			
Current assets:			
Cash, cash equivalents and investments	\$ 4,283,996	\$ 4,340,530	\$ 8,624,526
Other receivables, net of \$163,667 allowance	110,583	52,578	163,161
Inventories	483,053	-	483,053
<b>Total current assets</b>	<b>4,877,632</b>	<b>4,393,108</b>	<b>9,270,740</b>
Noncurrent assets,			
Capital assets:			
Machinery and equipment	4,522,617	-	4,522,617
Less accumulated depreciation	(3,638,423)	-	(3,638,423)
<b>Total noncurrent assets</b>	<b>884,194</b>	<b>-</b>	<b>884,194</b>
<b>Total assets</b>	<b>5,761,826</b>	<b>4,393,108</b>	<b>10,154,934</b>
<b>Deferred outflows of resources,</b>			
Pension related deferred outflows	633,253	890,045	1,523,298
OPEB related deferred outflows	12,285	7,991	20,276
<b>Total deferred outflows of resources</b>	<b>645,538</b>	<b>898,036</b>	<b>1,543,574</b>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	136,319	98,227	234,546
Compensated absences	21,109	33,023	54,132
Unearned revenue	151,819	70,188	222,007
<b>Total current liabilities</b>	<b>309,247</b>	<b>201,438</b>	<b>510,685</b>
Long-term liabilities:			
Net pension liability	1,394,287	1,581,253	2,975,540
Net OPEB liability	484,879	313,243	798,122
<b>Total long-term liabilities</b>	<b>1,879,166</b>	<b>1,894,496</b>	<b>3,773,662</b>
<b>Total liabilities</b>	<b>2,188,413</b>	<b>2,095,934</b>	<b>4,284,347</b>
<b>Deferred inflows of resources:</b>			
Pension related deferred inflows	68,672	62,948	131,620
Net OPEB related deferred inflows	164,622	161,640	326,262
<b>Total deferred inflows of resources</b>	<b>233,294</b>	<b>224,588</b>	<b>457,882</b>
<b>Net Position</b>			
Investment in capital assets	884,194	-	884,194
Unrestricted	3,101,463	2,970,622	6,072,085
<b>Total net position</b>	<b>\$ 3,985,657</b>	<b>\$ 2,970,622</b>	<b>\$ 6,956,279</b>

**West Des Moines Community School District**

**Combining Statement of Revenues, Expenses and Changes in Net Position  
Nonmajor Enterprise Funds  
Year Ended June 30, 2023**

	School Nutrition	Community Education	Total
Operating revenues:			
Food sales	\$ 1,244,826	\$ -	\$ 1,244,826
Sale of services	-	2,642,367	2,642,367
Other	170	-	170
<b>Total operating revenues</b>	<b>1,244,996</b>	<b>2,642,367</b>	<b>3,887,363</b>
Operating expenses:			
Salaries	1,703,089	1,827,306	3,530,395
Employee benefits	437,183	296,362	733,545
Purchased services	4,956	107,459	112,415
Food consumed	1,818,817	-	1,818,817
Supplies	789,573	325,368	1,114,941
Depreciation	231,229	-	231,229
Other	-	1,316	1,316
<b>Total operating expenses</b>	<b>4,984,847</b>	<b>2,557,811</b>	<b>7,542,658</b>
<b>Operating income (loss)</b>	<b>(3,739,851)</b>	<b>84,556</b>	<b>(3,655,295)</b>
Nonoperating revenues (expenses):			
Federal food commodities	622,151	-	622,151
Federal appropriations	3,940,376	803,450	4,743,826
State appropriations	47,147	-	47,147
Interest	140,088	155,563	295,651
(Loss) on disposal of capital asset	(9,526)	-	(9,526)
<b>Total nonoperating revenues (expenses)</b>	<b>4,740,236</b>	<b>959,013</b>	<b>5,699,249</b>
<b>Income before transfers</b>	<b>1,000,385</b>	<b>1,043,569</b>	<b>2,043,954</b>
Transfers (out)	(112,206)	(100,000)	(212,206)
	(112,206)	(100,000)	(212,206)
<b>Changes in net position</b>	<b>888,179</b>	<b>943,569</b>	<b>1,831,748</b>
Net position, beginning	3,097,478	2,027,053	5,124,531
Net position, end of year	<b>\$ 3,985,657</b>	<b>\$ 2,970,622</b>	<b>\$ 6,956,279</b>

**West Des Moines Community School District**

**Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
Year Ended June 30, 2023**

	School Nutrition	Community Education	Total
Cash Flows From Operating Activities:			
Receipts from customers and users	\$ 1,174,694	\$ 2,609,278	\$ 3,783,972
Payments to suppliers	(2,228,766)	(395,556)	(2,624,322)
Payments to employees	(2,372,607)	(2,339,710)	(4,712,317)
<b>Net cash (used in) operating activities</b>	<b>(3,426,679)</b>	<b>(125,988)</b>	<b>(3,552,667)</b>
Cash Flows From Noncapital Financing Activities:			
Federal and state appropriations received	3,987,523	803,450	4,790,973
Transfers (out)	(112,206)	(100,000)	(212,206)
<b>Net cash provided by financing activities</b>	<b>3,875,317</b>	<b>703,450</b>	<b>4,578,767</b>
Cash Flows From Capital and Related Financing Activities:			
Purchases of capital assets	(106,153)	-	(106,153)
<b>Net cash (used in) capital and related financing activities</b>	<b>(106,153)</b>	<b>-</b>	<b>(106,153)</b>
Cash Flows From Investing Activities, interest received	140,088	155,563	295,651
<b>Net change in cash and cash equivalents</b>	<b>482,573</b>	<b>733,025</b>	<b>1,215,598</b>
Cash and Cash Equivalents:			
Beginning of year	3,801,423	3,607,505	7,408,928
End of year	<b>\$ 4,283,996</b>	<b>\$ 4,340,530</b>	<b>\$ 8,624,526</b>

(Continued)

**West Des Moines Community School District**

**Combining Statement of Cash Flows (Continued)**

**Nonmajor Enterprise Funds**

**Year Ended June 30, 2023**

	School Nutrition	Community Education	Total
Reconciliation of operating income (loss) to net cash (used in) operating activities:			
Operating income (loss)	\$ (3,739,851)	\$ 84,556	\$ (3,655,295)
Adjustments to reconcile operating income (loss) to net cash (used in) operating activities:			
Depreciation	231,229	-	231,229
Federal food commodities used	622,151	-	622,151
Change in assets and liabilities:			
Receivables	(53,383)	(16,137)	(69,520)
Inventories	(349,111)	-	(349,111)
Prepaid expenses	16,663	-	16,663
Accounts payable	94,877	38,587	133,464
Compensated absences	6,309	14,217	20,526
Unearned revenue	(16,919)	(16,952)	(33,871)
Net pension liability and related deferrals	(250,057)	(241,672)	(491,729)
Net OPEB liability and related deferrals	11,413	11,413	22,826
<b>Net cash (used in) operating activities</b>	<b>\$ (3,426,679)</b>	<b>\$ (125,988)</b>	<b>\$ (3,552,667)</b>
Schedule of Noncash Items:			
Noncapital financing activities, federal commodities	\$ 622,151	\$ -	\$ 622,151



**WEST DES MOINES**  
**COMMUNITY SCHOOLS**

**West Des Moines Community School District**

**Statistical Section  
Contents**

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

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

**West Des Moines Community School District**

**Net Position by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(Unaudited)**

	2014	2015	2016	2017
Governmental activities:				
Net investment in capital assets	\$ 162,629,002	\$ 150,519,660	\$ 152,861,497	\$ 157,687,214
Restricted	18,089,610	34,014,409	34,915,134	33,095,051
Unrestricted	19,104,764	(18,824,684)	(13,915,780)	(13,220,139)
<b>Total governmental activities net position</b>	<b>\$ 199,823,376</b>	<b>\$ 165,709,385</b>	<b>\$ 173,860,851</b>	<b>\$ 177,562,126</b>
Business-type activities				
Net investment in capital assets	\$ 1,901,196	\$ 1,740,773	\$ 1,521,188	\$ 1,470,428
Unrestricted	3,221,434	1,259,718	1,357,309	1,617,426
<b>Total business-type activities net position</b>	<b>\$ 5,122,630</b>	<b>\$ 3,000,491</b>	<b>\$ 2,878,497</b>	<b>\$ 3,087,854</b>
Primary government:				
Net investment in capital assets	\$ 164,530,198	\$ 152,260,433	\$ 154,382,685	\$ 159,157,642
Restricted	18,089,610	34,014,409	34,915,134	33,095,051
Unrestricted	22,326,198	(17,564,966)	(12,558,471)	(11,602,713)
<b>Total primary government net position</b>	<b>\$ 204,946,006</b>	<b>\$ 168,709,876</b>	<b>\$ 176,739,348</b>	<b>\$ 180,649,980</b>

2018	2019	2020	2021	2022	2023
\$ 160,105,762	\$ 166,205,682	\$ 176,849,809	\$ 173,214,274	\$ 169,328,844	\$ <b>223,211,935</b>
29,030,351	34,162,545	23,670,070	28,696,826	36,557,678	<b>25,114,052</b>
(36,528,702)	(47,470,994)	(40,024,716)	(40,284,923)	(24,575,887)	<b>(35,645,765)</b>
<b>\$ 152,607,411</b>	<b>\$ 152,897,233</b>	<b>\$ 160,495,163</b>	<b>\$ 161,626,177</b>	<b>\$ 181,310,635</b>	<b>\$ 212,680,222</b>
\$ 1,460,202	\$ 1,375,516	\$ 1,217,770	\$ 1,187,911	\$ 1,018,796	\$ <b>884,194</b>
1,197,855	1,072,025	489,713	1,864,501	5,412,063	<b>7,371,823</b>
<b>\$ 2,658,057</b>	<b>\$ 2,447,541</b>	<b>\$ 1,707,483</b>	<b>\$ 3,052,412</b>	<b>\$ 6,430,859</b>	<b>\$ 8,256,017</b>
\$ 161,565,964	\$ 167,581,198	\$ 178,067,579	\$ 174,402,185	\$ 170,347,640	\$ <b>224,096,129</b>
29,030,351	34,162,545	23,670,070	28,696,826	36,557,678	<b>25,114,052</b>
(35,330,847)	(46,398,969)	(39,535,003)	(38,420,422)	(19,163,824)	<b>(28,273,942)</b>
<b>\$ 155,265,468</b>	<b>\$ 155,344,774</b>	<b>\$ 162,202,646</b>	<b>\$ 164,678,589</b>	<b>\$ 187,741,494</b>	<b>\$ 220,936,239</b>



**West Des Moines Community School District**

**Expenses, Program Revenues and Net (Expense) Revenue  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(Unaudited)**

	2014	2015	2016	2017
Expenses:				
Governmental activities:				
Instruction	\$ 74,101,225	\$ 79,526,445	\$ 80,072,100	\$ 87,584,473
Support services	33,104,411	31,693,679	32,307,088	33,313,550
Noninstructional programs	545,689	511,434	507,475	472,727
Other	3,596,211	3,741,994	3,804,493	3,814,800
Interest on long-term debt	1,711,719	2,175,143	1,674,726	1,703,274
<b>Total governmental activities</b>	<b>113,059,255</b>	<b>117,648,695</b>	<b>118,365,882</b>	<b>126,888,824</b>
Business-type activities:				
Nutrition	4,603,634	4,630,609	4,565,909	4,442,272
Community education	2,680,646	2,623,649	2,761,087	3,055,352
Preschool regular education	101,006	967	-	-
Student construction	-	-	-	-
<b>Total business-type activities</b>	<b>7,385,286</b>	<b>7,255,225</b>	<b>7,326,996</b>	<b>7,497,624</b>
<b>Total primary government expenses</b>	<b>120,444,541</b>	<b>124,903,920</b>	<b>125,692,878</b>	<b>134,386,448</b>
Program revenues:				
Governmental activities:				
Charges for services:				
Instruction	7,317,855	7,480,699	8,028,185	8,158,876
Support services	1,583,371	1,315,940	1,634,911	1,837,100
Operating grants and contributions	14,192,480	17,472,369	19,045,978	16,829,008
Capital grants and contributions	-	2,000,000	-	-
<b>Total governmental activities</b>	<b>23,093,706</b>	<b>28,269,008</b>	<b>28,709,074</b>	<b>26,824,984</b>
Business-type activities:				
Charges for services:				
Nutrition	2,322,567	2,389,672	2,234,029	2,232,027
Community education	2,695,600	2,967,741	2,958,351	3,271,549
Operating grants and contributions	2,057,772	1,998,988	2,122,138	2,164,865
Capital grants and contributions	-	-	-	139,080
<b>Total business-type activities</b>	<b>7,075,939</b>	<b>7,356,401</b>	<b>7,314,518</b>	<b>7,807,521</b>
<b>Total primary government revenues</b>	<b>30,169,645</b>	<b>35,625,409</b>	<b>36,023,592</b>	<b>34,632,505</b>
Net (expense) revenues:				
Governmental activities	(89,965,549)	(89,379,687)	(89,656,808)	(100,063,840)
Business-type activities	(309,347)	101,176	(12,478)	309,897
<b>Total primary government revenues</b>	<b>\$ (90,274,896)</b>	<b>\$ (89,278,511)</b>	<b>\$ (89,669,286)</b>	<b>\$ (99,753,943)</b>

	2018	2019	2020	2021	2022	2023
\$	95,705,186	\$ 93,945,184	\$ 89,204,546	\$ 96,923,636	\$ 84,896,172	\$ <b>94,338,864</b>
	40,132,796	38,326,228	36,816,314	44,831,528	41,297,436	<b>27,267,652</b>
	521,785	535,148	638,465	748,104	699,309	<b>821,645</b>
	3,898,573	3,935,098	4,026,872	4,153,136	4,187,910	<b>4,250,479</b>
	1,543,841	1,149,116	809,005	1,635,597	2,210,414	<b>1,687,540</b>
	141,802,181	137,890,774	131,495,202	148,292,001	133,291,241	<b>128,366,180</b>
	4,104,322	4,647,074	4,399,266	4,258,325	4,658,477	<b>4,997,668</b>
	3,090,242	2,993,184	2,457,594	1,745,204	2,082,657	<b>2,561,106</b>
	-	-	-	-	-	-
	-	-	-	-	-	-
	7,194,564	7,640,258	6,856,860	6,003,529	6,741,134	<b>7,558,774</b>
	148,996,745	145,531,032	138,352,062	154,295,530	140,032,375	<b>135,924,954</b>
	9,440,258	8,040,909	8,268,999	8,892,014	9,990,535	<b>8,963,439</b>
	1,883,959	1,709,843	2,473,436	2,225,307	1,942,412	<b>3,850,632</b>
	16,345,122	18,473,436	18,291,760	23,589,353	23,235,698	<b>23,203,039</b>
	-	-	-	-	-	-
	27,669,339	28,224,188	29,034,195	34,706,674	35,168,645	<b>36,017,110</b>
	2,159,035	2,154,729	1,610,848	201,936	535,835	<b>1,244,996</b>
	2,742,428	3,004,552	2,092,827	1,618,817	2,490,925	<b>2,642,367</b>
	2,187,366	2,451,091	2,575,437	4,373,963	7,291,241	<b>5,413,124</b>
	157,342	-	-	14,361	-	-
	7,246,171	7,610,372	6,279,112	6,209,077	10,318,001	<b>9,300,487</b>
	34,915,510	35,834,560	35,313,307	40,915,751	45,486,646	<b>45,317,597</b>
	(114,132,842)	(109,666,586)	(102,461,007)	(113,585,327)	(98,122,596)	<b>(92,349,070)</b>
	51,607	(29,886)	(577,748)	205,548	3,576,867	<b>1,741,713</b>
\$	(114,081,235)	\$ (109,696,472)	\$ (103,038,755)	\$ (113,379,779)	\$ (94,545,729)	\$ <b>(90,607,357)</b>

West Des Moines Community School District

**General Revenues and Total Change in Net Position**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*  
**(Unaudited)**

	2014	2015	2016	2017
Net (expense) revenues:				
Governmental activities	\$ (89,379,687)	\$ (89,656,808)	\$ (100,063,840)	\$ (114,132,842)
Business-type activities	101,176	(12,478)	309,897	51,607
<b>Total primary government net expense</b>	<b>(89,278,511)</b>	<b>(89,669,286)</b>	<b>(99,753,943)</b>	<b>(114,081,235)</b>
General revenues and other changes in net position:				
Governmental activities:				
General revenues:				
Taxes:				
Property taxes	53,787,935	53,916,073	53,605,669	59,089,889
Statewide sales and services tax	7,927,921	8,601,194	8,727,573	8,535,006
Utility replacement tax	894,863	1,058,440	888,823	985,360
State foundation aid, unrestricted	31,598,458	32,747,900	33,926,861	33,955,733
Investment earnings	176,998	196,127	534,348	1,055,270
Gain (loss) on disposal of capital assets	-	-	-	18,857
Miscellaneous	71,058	-	-	-
Transfers	125,000	125,000	125,000	125,000
<b>Total governmental activities</b>	<b>94,582,233</b>	<b>96,644,734</b>	<b>97,808,274</b>	<b>103,765,115</b>
Business-type activities:				
Investment earnings	7,003	1,725	15,484	24,460
Transfers	(125,000)	(125,000)	(125,000)	(125,000)
<b>Total business-type activities</b>	<b>(117,997)</b>	<b>(123,275)</b>	<b>(109,516)</b>	<b>(100,540)</b>
<b>Total primary government</b>	<b>94,464,236</b>	<b>96,521,459</b>	<b>97,698,758</b>	<b>103,664,575</b>
Change in net position:				
Governmental activities	5,202,546	6,987,926	(2,255,566)	(10,367,727)
Business-type activities	(16,821)	(135,753)	200,381	(48,933)
<b>Total primary government</b>	<b>\$ 5,185,725</b>	<b>\$ 6,852,173</b>	<b>\$ (2,055,185)</b>	<b>\$ (10,416,660)</b>

	2018	2019	2020	2021	2022	2023
\$	(109,666,586)	\$ (109,666,586)	\$ (102,461,007)	\$ (113,585,327)	\$ (98,122,596)	\$ (92,349,070)
	(29,886)	(29,886)	(577,748)	205,548	3,576,867	1,741,713
	(109,696,472)	(109,696,472)	(103,038,755)	(113,379,779)	(94,545,729)	(90,607,357)
	60,685,813	64,677,234	64,504,719	69,490,040	70,213,984	70,334,172
	8,203,971	9,448,540	8,990,382	10,087,920	10,836,570	10,537,243
	935,285	928,717	911,147	883,136	335,193	304,704
	34,065,737	33,079,773	34,406,214	34,967,135	35,608,818	38,281,015
	1,400,113	1,566,173	1,022,595	267,062	397,509	3,168,978
	94,654	-	-	138,366	185,748	49,646
	-	16,654	16,205	16,205	16,940	17,972
	236,510	239,317	207,675	(1,133,523)	218,766	212,206
	105,622,083	109,956,408	110,058,937	114,716,341	117,813,528	122,905,936
	41,764	58,687	45,365	5,858	20,346	295,651
	(236,510)	(239,317)	(207,675)	1,133,523	(218,766)	(212,206)
	(194,746)	(180,630)	(162,310)	1,139,381	(198,420)	83,445
	105,427,337	109,775,778	109,896,627	115,855,722	117,615,108	122,989,381
	(4,044,503)	289,822	7,597,930	1,131,014	19,690,932	30,556,866
	(224,632)	(210,516)	(740,058)	1,344,929	3,378,447	1,825,158
\$	(4,269,135)	\$ 79,306	\$ 6,857,872	\$ 2,475,943	\$ 23,069,379	\$ 32,382,024

**West Des Moines Community School District**

**Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(Unaudited)**

	2014	2015	2016	2017
General Fund:				
Nonspendable	\$ 59,724	\$ 57,385	\$ 55,794	\$ 71,931
Restricted	1,132,103	2,145,210	3,805,044	4,087,212
Committed	3,346,429	4,587,716	4,988,125	5,567,381
Unassigned	9,252,985	9,218,538	11,844,251	17,584,460
<b>Total General Fund</b>	<b>13,791,241</b>	<b>16,008,849</b>	<b>20,693,214</b>	<b>27,310,984</b>
All other governmental funds:				
Restricted	32,472,010	35,303,565	34,543,070	32,540,820
Unassigned	-	-	-	-
<b>Total all other governmental funds</b>	<b>32,472,010</b>	<b>35,303,565</b>	<b>34,543,070</b>	<b>32,540,820</b>
<b>Total governmental funds</b>	<b>\$ 46,263,251</b>	<b>\$ 51,312,414</b>	<b>\$ 55,236,284</b>	<b>\$ 59,851,804</b>

	2018	2019	2020	2021	2022	2023
\$	69,632	\$ 165,448	\$ 140,575	\$ 234,977	\$ 175,754	\$ 100,955
	3,482,187	2,928,847	2,201,318	2,695,958	2,704,263	3,173,260
	4,881,607	4,832,526	4,598,506	5,189,067	5,266,678	4,269,646
	12,388,268	7,337,358	10,924,314	13,007,006	20,326,637	24,913,216
	20,821,694	15,264,179	17,864,713	21,127,008	28,473,332	32,457,077
	29,231,146	34,616,679	25,124,733	75,645,596	49,126,886	25,773,773
	-	-	-	-	-	(21,453,626)
	29,231,146	34,616,679	25,124,733	75,645,596	49,126,886	4,320,147
\$	50,052,840	\$ 49,880,858	\$ 42,989,446	\$ 96,772,604	\$ 77,600,218	\$ 36,777,224

**West Des Moines Community School District**

**Governmental Funds Revenues**

**Last Ten Fiscal Years**

*(modified accrual basis of accounting)*

**(Unaudited)**

	2014	2015	2016	2017
Local sources:				
Property taxes	\$ 53,787,935	\$ 53,916,073	\$ 53,605,669	\$ 56,625,455
Utility replacement	894,863	1,058,440	888,823	985,360
Other local sources	6,885,922	8,748,543	7,421,566	7,904,615
Investment earnings (loss)	176,998	196,127	534,348	1,055,270
Student activities	1,680,020	1,579,994	1,429,051	1,370,020
<b>Total local sources</b>	<b>63,425,738</b>	<b>65,499,177</b>	<b>63,879,457</b>	<b>67,940,720</b>
State sources:				
State foundation aid	31,598,458	32,747,900	33,926,861	33,955,733
Statewide sales and services tax	7,925,921	8,601,194	8,727,573	8,635,006
Other state sources	11,737,750	15,296,027	17,068,526	16,897,460
<b>Total state sources</b>	<b>51,262,129</b>	<b>56,645,121</b>	<b>59,722,960</b>	<b>59,488,199</b>
Federal sources	2,793,147	2,644,444	2,789,931	3,117,323
<b>Total revenues</b>	<b>\$ 117,481,014</b>	<b>\$ 124,788,742</b>	<b>\$ 126,392,348</b>	<b>\$ 130,546,242</b>

	2018	2019	2020	2021	2022	2023
\$	58,250,769	\$ 62,188,047	\$ 62,489,723	\$ 67,093,263	\$ 67,871,742	\$ 70,334,172
	935,285	928,717	911,147	883,136	335,193	304,704
	9,161,188	8,863,643	9,029,183	9,563,482	11,232,823	11,646,418
	1,400,113	1,566,173	1,022,595	267,062	397,509	3,168,978
	1,387,918	1,323,406	1,247,571	888,842	1,168,086	1,220,068
	71,135,273	74,869,986	74,700,219	78,695,785	81,005,353	86,674,340
	34,065,737	33,079,773	34,406,214	34,967,135	35,608,818	38,281,015
	8,353,971	9,148,540	9,263,381	8,973,645	10,645,258	12,019,830
	17,149,980	17,514,592	17,488,409	17,938,544	18,107,849	16,091,305
	59,569,688	59,742,905	61,158,004	61,879,324	64,361,925	66,392,150
	2,405,297	2,972,068	3,179,910	7,371,621	8,154,083	7,215,373
\$	133,110,258	\$ 137,584,959	\$ 139,038,133	\$ 147,946,730	\$ 153,521,361	\$ 160,281,863



**West Des Moines Community School District**

**Governmental Funds Expenditures and Debt Service Ratio**

**Last Ten Fiscal Years**

*(modified accrual basis of accounting)*

**(Unaudited)**

	2014	2015	2016	2017
Instruction	\$ 69,137,320	\$ 72,991,704	\$ 76,645,305	\$ 77,083,227
Support services:				
Student support services	3,435,195	3,283,989	3,316,259	3,239,452
Instructional staff support services	4,593,121	4,095,927	4,195,707	4,468,736
General administration	3,921,230	1,765,809	1,636,965	1,287,262
School/building administration	4,517,735	4,536,649	4,492,476	4,045,281
Business administration	3,160,543	2,878,381	3,235,918	3,284,187
Plant operation and maintenance	8,945,443	8,197,498	8,813,470	8,906,209
Student transportation	4,145,312	3,985,448	3,685,734	3,155,733
Noninstructional programs	534,005	506,448	503,479	468,672
Other	3,596,211	3,741,994	3,804,493	3,821,300
Capital outlay	24,355,046	7,224,711	3,995,791	7,774,638
Debt service:				
Principal	4,755,000	5,340,000	33,425,000	5,935,000
Interest	1,385,818	2,006,062	2,230,515	2,618,198
Bond issuance costs	244,332	-	-	-
<b>Total expenditures</b>	<b>\$ 136,726,311</b>	<b>\$ 120,554,620</b>	<b>\$ 149,981,112</b>	<b>\$ 126,087,895</b>
Debt service as a percentage of noncapital expenditures	5.75%	6.50%	24.49%	7.17%

	2018	2019	2020	2021	2022	2023
\$	91,166,727	\$ 84,150,857	\$ 86,022,942	\$ 88,294,435	\$ 85,969,879	\$ 93,547,045
	3,920,957	3,431,283	3,770,328	3,794,103	3,428,700	<b>3,660,952</b>
	5,021,110	4,988,799	4,853,341	7,862,541	7,787,813	<b>7,931,044</b>
	1,532,759	1,443,575	1,400,123	1,787,880	1,275,525	<b>902,178</b>
	5,208,013	4,943,484	5,121,913	5,287,921	5,411,765	<b>5,451,513</b>
	4,275,054	4,318,328	4,019,360	5,631,357	5,322,982	<b>5,236,251</b>
	10,359,180	10,088,271	10,249,046	11,867,277	12,468,854	<b>11,872,172</b>
	3,648,449	3,567,080	3,474,741	2,760,091	3,398,363	<b>3,728,961</b>
	509,347	527,316	691,999	738,864	693,211	<b>865,673</b>
	3,905,073	3,935,098	4,026,872	4,153,136	4,187,910	<b>4,250,479</b>
	5,115,932	8,174,894	14,024,312	9,563,925	32,658,936	<b>53,585,662</b>
	6,350,000	6,615,000	6,890,000	7,675,000	7,288,582	<b>7,642,415</b>
	2,230,798	1,907,623	1,626,797	2,489,714	3,232,861	<b>2,713,937</b>
	-	-	-	-	-	-
\$	143,243,399	\$ 138,091,608	\$ 146,171,774	\$ 151,906,244	\$ 173,125,381	\$ 201,388,282
	6.17%	6.54%	6.36%	7.10%	7.47%	<b>7.80%</b>

**West Des Moines Community School District**

**Other Financing Sources and Uses and Net Change in Fund Balances**

**Governmental Funds**

**Last Ten Fiscal Years**

*(modified accrual basis of accounting)*

**(Unaudited)**

	2014	2015	2016	2017
Excess (deficiency) of revenues over (under) expenditures	\$ (19,245,297)	\$ 4,234,122	\$ (23,588,764)	\$ 4,458,347
Other financing sources (uses):				
Proceeds from the sale of capital assets	71,510	690,041	570,599	32,173
Transfers in	6,353,818	7,562,062	35,851,496	8,780,198
Transfers out	(6,228,818)	(7,437,062)	(35,726,496)	(8,655,198)
Capital loan notes issued	-	-	23,665,000	-
IT subscription liability issued	-	-	-	-
Premiums on bonds	1,559,407	-	3,152,035	-
Revenue bonds issued	32,080,000	-	-	-
<b>Total other financing sources (uses)</b>	<b>33,835,917</b>	<b>815,041</b>	<b>27,512,634</b>	<b>157,173</b>
<b>Net change in fund balances</b>	<b>\$ 14,590,620</b>	<b>\$ 5,049,163</b>	<b>\$ 3,923,870</b>	<b>\$ 4,615,520</b>

2018	2019	2020	2021	2022	2023
\$ (10,133,141)	\$ (506,649)	\$ (7,133,641)	\$ (3,959,514)	\$ (19,604,020)	\$ (41,106,419)
97,667	95,350	34,554	138,366	212,868	52,332
8,999,823	8,918,243	8,884,360	10,568,312	11,094,160	10,746,910
(8,763,313)	(8,678,926)	(8,676,685)	(11,547,096)	(10,875,394)	(10,534,704)
-	-	-	50,225,000	-	-
-	-	-	-	-	18,887
-	-	-	8,358,090	-	-
-	-	-	-	-	-
334,177	334,667	242,229	57,742,672	431,634	283,425
\$ (9,798,964)	\$ (171,982)	\$ (6,891,412)	\$ 53,783,158	\$ (19,172,386)	\$ (40,822,994)



**WEST DES MOINES**  
**COMMUNITY SCHOOLS**

**West Des Moines Community School District**

**Assessed Value and Actual Value of Taxable Property  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	Assessed Value					Total Assessed Value	Total Taxable Value	Total Direct Rate
	Real Property	Personal Property	Railroad and Utilities Without Gas & Electric	Gas and Electric	Total			
2014	6,242,182,454	-	23,446,169	104,646,454	6,370,275,077	4,355,728,442	13.26452	
2015	6,186,249,251	-	24,716,450	84,952,906	6,295,918,607	4,275,650,297	13.26572	
2016	6,196,178,981	-	18,366,254	100,256,276	6,314,801,511	4,231,799,008	13.24189	
2017	6,633,975,274	-	14,750,212	121,561,635	6,770,287,121	4,529,501,971	13.26872	
2018	6,715,431,412	-	18,640,806	123,199,768	6,857,271,986	4,639,538,873	13.26871	
2019	7,340,406,858	-	19,048,118	120,832,179	7,480,287,155	5,009,228,399	13.27000	
2020	7,437,469,446	-	20,303,803	124,202,735	7,581,975,987	5,065,497,498	13.16229	
2021	7,982,652,396	-	19,778,910	131,111,681	8,130,083,451	5,311,987,134	13.15863	
2022	8,018,789,005	-	26,757,952	131,590,855	8,173,894,960	5,396,813,026	13.15921	
<b>2023</b>	<b>8,570,658,998</b>	<b>-</b>	<b>24,156,687</b>	<b>144,068,502</b>	<b>8,735,802,459</b>	<b>5,589,899,281</b>	<b>13.15798</b>	

Notes: The assessed values are determined as of January 1, of the prior fiscal year indicated. These assessed values are used to calculate the taxable values for the second budget following assessment date. For taxable values for the second budget following assessment date. For example the total assessed value of \$5,065,497,498 from January 1, 2018 is used for the taxable values for fiscal year 2020.

Gas and electric is not subject to property tax, but instead pay utility replacement taxes.

Source: Polk County Auditor and/or Iowa Department of Management

**West Des Moines Community School District**

**Direct and Overlapping Property Tax Rates**

**Last Ten Fiscal Years**

*(rate per \$1,000 of assessed value)*

**(Unaudited)**

Fiscal Year	District Direct Rates				Overlapping Rates			
	General Purposes	Capital Purposes	Debt Service	Total	County	City of Clive	City of Urbandale	City of West Des Moines
2014	11.44810	1.81642	-	13.26452	11.49540	9.98809	9.57000	12.05000
2015	11.55881	1.70691	-	13.26572	11.72039	9.98952	9.72000	12.05000
2016	11.43689	1.80500	-	13.24189	11.86039	9.98951	9.82000	12.00000
2017	11.46372	1.80500	-	13.26872	11.86039	10.14499	9.92000	12.00000
2018	11.46371	1.80500	-	13.26871	11.86039	10.14499	10.02000	12.00000
2019	11.46500	1.80500	-	13.27000	11.86039	10.14475	10.02000	11.79000
2020	11.35729	1.80500	-	13.16229	11.86039	10.14475	10.52000	10.99000
2021	11.35363	1.80500	-	13.15863	11.86039	10.14401	10.16000	10.99000
2022	11.35421	1.80500	-	13.15921	11.68542	10.14268	10.11000	10.95000
<b>2023</b>	<b>11.35298</b>	<b>1.80500</b>	<b>-</b>	<b>13.15798</b>	<b>11.32258</b>	<b>10.14078</b>	<b>10.01000</b>	<b>10.95000</b>

**Source:** Polk County Auditor's Office.

**Notes:**

Includes levies for operating and debt service costs.

The District has certain restrictions on raising the property tax rate.

General Fund - the District's enrollment as well as District property value and state aid is formula calculated to determine the maximum amount of allowable funding.

Special Revenue Funds - The Special Revenue Fund, PPEL has a restriction from voters of \$1.00 and board imposed levy up to \$0.33.

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Overlapping Rates

City of Windsor Heights	Area XI Community College	Special Rates for City of:				Windsor Heights
		Clive	Urbandale	West Des Moines	West Windsor Heights	
13.89892	0.69120	-	0.06911	0.47163	0.47163	
15.34886	0.65724	-	0.05699	0.49915	0.49915	
15.07588	0.67574	-	0.05484	0.34610	0.34610	
15.66110	0.72334	-	0.06151	0.30810	0.30810	
16.96522	0.67458	-	0.06856	0.38597	0.38597	
16.58088	0.69468	-	0.06438	0.40186	0.41860	
16.52430	0.65249	-	0.15929	0.42000	0.42000	
14.47611	0.63533	-	0.16683	0.39000	0.39000	
14.47612	0.67789	-	0.20884	0.38720	0.38720	
<b>13.76541</b>	<b>0.69448</b>	-	<b>0.21671</b>	<b>0.83939</b>	<b>0.93613</b>	



**West Des Moines Community School District**

**Principal Property Taxpayers  
Current Year and Ten Years Ago  
(Unaudited)**

Taxpayer	2023			2014		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Microsoft Corporation	\$ 220,153,244	1	3.94%			
IFBF Property Management	57,660,785	2	1.03%	\$ 36,225,630	3	0.83%
Regency West Office Partners LLC	42,117,513	3	0.75%	37,504,800	2	0.86%
LOJA WTP LLC	39,982,714	4	0.72%			
1776 West Lakes Parkway LC	33,777,876	5	0.60%	25,902,130	6	0.59%
MLG/PF West Glen Investment LLC	32,029,700	6	0.57%	29,721,164	4	0.68%
Charles I Colby & Ruth Colby West University Trust	30,436,900	7	0.54%	17,764,200	9	0.41%
Three Fountains II LLC	29,196,732	8	0.52%	23,395,500	7	0.54%
Lithia Real Estate Inc	28,074,725	9	0.50%			
Hy-Vee Food Stores Inc	26,936,588	10	0.48%			
Valley West Mall LLC				60,885,000	1	1.40%
Water Tower Place Shopping Center LC				26,330,670	5	0.60%
Mid-America Investment Company				20,905,200	8	0.48%
Mercy Properties				17,189,010	10	0.39%
<b>Total</b>	<b>\$ 540,366,777</b>		<b>9.67%</b>	<b>\$ 295,823,304</b>		<b>6.79%</b>
<b>Total taxable value</b>	<b>\$ 5,589,899,281</b>			<b>\$ 4,355,728,442</b>		

Source: Polk County Auditor

**West Des Moines Community School District**

**Property Tax Levies and Collections  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date*	
		Amount*	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 55,235,446	\$ 54,696,827	99.02%	\$ 506,156	\$ 55,202,983	99.94%
2015	55,114,810	54,985,578	99.77%	-	54,985,578	99.77%
2016	54,473,339	54,477,366	100.01%	-	54,477,366	100.01%
2017	57,668,175	57,620,284	99.92%	-	57,620,284	99.92%
2018	59,187,437	59,187,437	100.00%	327,741	59,515,178	100.55%
2019	65,722,764	65,631,354	99.86%	-	65,631,354	99.86%
2020	63,996,403	63,981,696	99.98%	-	63,981,696	99.98%
2021	66,737,502	67,993,733	101.88%	-	67,993,733	101.88%
2022	68,423,636	68,111,786	99.54%	112,086	68,223,872	100.91%
<b>2023</b>	<b>70,889,170</b>	<b>70,643,775</b>	<b>99.65%</b>	<b>13,073</b>	<b>70,656,848</b>	<b>99.67%</b>

Source: Polk County Auditor and School District financial records.

\* Information regarding subsequent years collections of prior tax levies is not available from 2019-2021.

**West Des Moines Community School District**

**Actual Historic Sales, Services and Use Tax Collections  
Last Ten Fiscal Years  
(Unaudited)**

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Fiscal year	Dallas Co. Revenue	Polk Co. Revenue	Total Revenue
<b>2023</b>	\$ -	\$ <b>12,019,830</b>	\$ <b>12,019,830</b>
2022	-	10,645,258	10,645,258
2021	-	8,973,645	8,973,645
2020	-	9,263,382	9,263,382
2019	-	9,148,540	9,148,540
2018	-	8,353,971	8,353,971
2017	726,509	7,908,496	8,635,005
2016	3,360	8,724,213	8,727,573
2015	65,427	8,535,767	8,601,194
2014	72,307	7,853,614	7,925,921

Note: The table illustrates the actual sales, services and use tax collections of the District for the period indicated, on an accrual basis.

Source: District records.

**West Des Moines Community School District**

**Outstanding Debt by Type  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	General Obligation Bonds	Sales Tax Revenue Bonds	Capital Loan Notes	Lease Obligations	IT Subscription Liability	Total	G.O. Bonds as a Percent of Actual Taxable Value of Property	Direct Debt Per Capita Personal Income	Direct Debt as a Percent of Personal Income
2014	-	\$ 43,542,162	\$ 37,064,593	\$ -	\$ -	\$ 80,606,755	*	1,887.44	3.62%
2015	-	42,959,365	32,131,794	-	-	75,091,159	*	1,734.05	3.87%
2016	-	41,101,568	26,643,301	-	-	67,744,869	*	1,521.95	4.19%
2017	-	39,213,772	21,902,641	-	-	61,116,413	*	1,393.98	4.58%
2018	-	37,295,976	16,776,981	-	-	54,072,957	*	1,201.92	5.33%
2019	-	35,338,178	11,426,321	-	-	46,764,499	*	934.97	6.94%
2020	-	33,340,380	5,840,661	-	-	39,181,041	*	N/A	N/A
2021	-	31,302,587	57,675,185	695,272	-	89,673,492	*	N/A	N/A
2022	-	28,209,791	52,709,376	531,690	-	81,450,857	*	1,427.61	4.89%
<b>2023</b>	-	<b>25,041,995</b>	<b>47,533,567</b>	<b>361,465</b>	<b>71,024</b>	<b>73,008,051</b>	*	<b>1,187.05</b>	<b>5.96%</b>

Source: District records.

\* Information not available

**West Des Moines Community School District**

**Legal Debt Margin Information  
Last Ten Fiscal Years  
(Unaudited)**

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	2014	2015	2016	2017
Debt limit	\$ 314,795,930	\$ 315,740,076	\$ 338,308,136	\$ 343,061,671
Total net debt applicable to limit	<u>78,600,000</u>	<u>73,260,000</u>	<u>63,500,000</u>	<u>57,565,000</u>
Legal debt margin	<u>\$ 236,195,930</u>	<u>\$ 242,480,076</u>	<u>\$ 274,808,136</u>	<u>\$ 285,496,671</u>
<b>Total net debt applicable to the limit as a percentage of debt limit</b>	24.97%	23.20%	18.77%	16.78%

Source: Polk County Auditor and District records.

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed value	<b><u>\$ 8,741,965,915</u></b>
Debt limit (5% of assessed value)	<b>\$ 437,098,296</b>
Debt applicable to limit	<b><u>41,265,000</u></b>
Legal debt margin	<b><u>\$ 395,833,296</u></b>

	2018	2019	2020	2021	2022	2023
\$	374,202,428	\$ 379,098,799	\$ 379,098,799	\$ 450,309,928	\$ 468,115,757	\$ <b>437,098,296</b>
	51,215,000	44,600,000	37,710,000	80,260,000	53,241,066	<b>41,265,000</b>
\$	<b>322,987,428</b>	\$ <b>334,498,799</b>	\$ <b>341,388,799</b>	\$ <b>370,049,928</b>	\$ <b>414,874,691</b>	\$ <b>395,833,296</b>

	13.69%	11.76%	9.95%	17.82%	11.37%	<b>9.44%</b>
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**West Des Moines Community School District**

**Direct and Overlapping Governmental Activities Debt  
As of June 30, 2023  
(Unaudited)**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Direct and Overlapping Debt
Polk County	\$ 184,620,000	22.24%	\$ 41,059,488
City of West Des Moines	233,283,266	99.94%	233,143,296
City of Des Moines	610,499,993	0.20%	1,221,000
City of Clive	38,695,000	100.00%	38,695,000
City of Urbandale	59,995,000	19.61%	11,765,020
City of Windsor Heights	10,660,000	50.05%	5,335,330
<b>Subtotal, overlapping debt</b>	<u>\$ 1,137,753,259</u>		<u>\$ 331,219,134</u>
Total district debt (capital loan notes, bonds, lease obligation, and IT subscription liability)	73,008,051	100.00%	73,008,051
<b>Total direct and overlapping debt</b>	<u>\$ 1,210,761,310</u>		<u>\$ 404,227,185</u>

Source: Polk County Auditor.

Source: Treasurer of State of Iowa.

\* Compares the taxable valuation of the West Des Moines Community School District to the taxable valuation of each taxing district located within the District. Includes TIF incremental values. Does not include ag land.

**West Des Moines Community School District**

**Pledged Revenue Coverage  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	Local Option Sales Tax Revenue Bonds					Coverage
	Revenue	Debt Service		Total		
		Principal	Interest			
2014	\$ 7,925,921	\$ 4,755,000	\$ 1,385,818	\$ 6,140,818	77.48	
2015	8,601,194	5,340,000	2,006,062	7,346,062	85.41	
2016	8,727,573	1,760,000	1,314,073	3,074,073	35.22	
2017	8,635,006	1,790,000	1,005,358	2,795,358	32.37	
2018	8,353,971	1,820,000	1,200,198	3,020,198	36.15	
2019	9,448,540	1,860,000	1,151,573	3,011,573	31.87	
2020	9,263,381	1,900,000	1,108,448	3,008,448	32.48	
2021	8,973,645	1,940,000	788,538	2,728,538	30.41	
2022	10,645,258	2,995,000	946,723	3,941,723	37.03	
<b>2023</b>	<b>12,019,830</b>	<b>3,070,000</b>	<b>835,673</b>	<b>3,905,673</b>	<b>32.49</b>	

Source: District records.



**West Des Moines Community School District**

**Current Statewide Receipts of the SAVE Tax - Average Per Pupil  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	Statewide Disbursements (1)	Statewide Enrollment (Prior October Count)	Statewide Average Revenue Per Student (2)
<b>2023</b>	<b>\$ 583,188,210</b>	<b>485,630</b>	<b>\$ 1,200.89</b>
2022	540,481,656	484,161	1,116.33
2021	544,788,628	490,094	1,112.00
2020	505,593,619	487,652	1,037.00
2019	483,940,176	486,264	995.22
2018	471,365,664	485,147	971.59
2017	454,315,075	483,451	939.73
2016	453,349,009	480,772	942.96
2015	441,852,491	478,921	922.60
2014	430,107,790	476,245	903.12

(1) Fiscal year 2008 through 2015 Statewide disbursements are final receipts.

(2) Statewide Average Revenue Per Student is based on the State's projected statewide receipts for each year.

Source: Department of Revenue, State of Iowa and District records.

**West Des Moines Community School District**

**Estimated Receipts of the Tax Available for Distribution  
(Unaudited)**

Table I: Assuming no growth in statewide revenues and no enrollment change

Fiscal Year June 30:	Total Revenues (1)	Total Enrollment	Average Per Student
2012	\$ 401,776,847	473,493	849
2013	410,948,081	473,504	868
2014	430,107,790	476,245	903
2015	441,852,491	478,921	923
2016	453,349,009	480,772	943
2017	454,315,075	483,451	940
2018	471,365,664	485,147	972
2019	483,940,176	486,264	995
2020	505,593,619	487,652	1,037
2021	544,786,628	490,094	1,112
2022	594,840,687	484,159	1,229
2023	594,840,687	484,159	1,229
2024	594,840,687	484,159	1,229
2025	594,840,687	484,159	1,229
2026	594,840,687	484,159	1,229
2027	594,840,687	484,159	1,229
2028	594,840,687	484,159	1,229
2029	594,840,687	484,159	1,229
2030	594,840,687	484,159	1,229
2031	594,840,687	484,159	1,229
2032	594,840,687	484,159	1,229
2033	594,840,687	484,159	1,229

Table II: Assumes 10-Year Average Growth in Statewide Revenues and Statewide Enrollment

Fiscal Year June 30:	Total Revenues (1)(2)	Total Enrollment	Average Per Student
2012	\$ 401,776,847	473,493	849
2013	410,948,081	473,504	868
2014	430,107,790	476,245	903
2015	441,852,491	478,921	923
2016	453,349,009	480,772	943
2017	454,315,075	483,451	940
2018	471,365,664	485,147	972
2019	483,940,176	486,264	995
2020	505,593,619	487,652	1,037
2021	544,786,628	490,094	1,112
2022	594,840,687	484,159	1,229
2023	618,634,314	485,127	1,275
2024	643,379,687	486,098	1,324
2025	669,114,875	487,070	1,374
2026	695,879,470	488,044	1,426
2027	723,714,648	489,020	1,480
2028	752,663,234	489,998	1,536
2029	782,769,764	490,978	1,594
2030	814,080,554	491,960	1,655
2031	846,643,776	492,944	1,718
2032	880,509,527	493,930	1,783
2033	915,729,908	494,918	1,850

1) Assumes 4% growth in Statewide Revenues

2) Assumes 0.2% growth in Statewide Enrollment

Source: District records.

**West Des Moines Community School District**

**Estimated Future Tax Revenues  
(Unaudited)**

Presented below is a table illustrating the estimated collections of the tax for the periods indicated, using the assumptions below:

Fiscal Year June 30:	Without Growth Estimated Collection				With Growth Estimated Collection			
	(1)	(2)	(3)	(4)(6)	(1)	(2)	(3)	(5)(6)
2016	\$			8,727,573	\$			8,727,573
2017				8,635,006				8,635,006
2018				8,353,971				8,353,971
2019				9,148,540				9,148,540
2020				9,263,381				9,263,381
2021				8,973,645				8,973,645
2022				10,645,258				10,645,258
2023				12,284,612				12,284,612
2024				10,802,025				11,234,106
2025				10,802,025				11,683,470
2026				10,802,025				12,150,809
2027				10,802,025				12,636,841
2028				10,802,025				13,142,315
2029				10,802,025				13,668,008
2030				10,802,025				14,214,728
2031				10,802,025				14,783,317
2032				10,802,025				15,374,650
2033				10,802,025				15,989,636

- 1) FY2023 tax revenue is based on the Iowa Department of Revenue estimates and includes the FY2022 reconciliation payment in the amount of \$1,482,587.
- 2) After October 2023, tax revenue will be based on actual receipts, not Iowa Department of Revenue estimates. So there will be no reconciliation payment in FY2024 or subsequent years.
- 3) The District projects future enrollment to remain stable at 8,775.
- 4) Assumes 0% growth in future statewide average funding per pupil.
- 5) Assumes 4% growth in future statewide average funding per pupil.
- 6) The Tax expires January 1, 2050.

Source: District records.

**West Des Moines Community School District**

**Projected Debt Service Coverage  
(Unaudited)**

Fiscal Year June 30:	Combined P&I Payments (1)	Tax Revenue (2)(3)	Historical and Estimated Coverage
2016	\$ 3,074,073	\$ 8,727,573	2.84 x
2017	3,050,823	8,635,006	2.83 x
2018	3,020,723	8,353,971	2.77 x
2019	3,007,623	9,148,540	3.04 x
2020	3,010,023	9,263,381	3.08 x
2021	2,985,923	8,973,645	3.01 x
2022	3,939,273	10,645,258	2.70 x
2023	3,908,748	12,284,612	3.14 x
2024	3,908,748	10,802,025	2.76 x
2025	3,883,930	10,802,025	2.78 x
2026	3,872,363	10,802,025	2.79 x
2027	3,871,475	10,802,025	2.79 x
2028	3,883,345	10,802,025	2.78 x
2029	3,899,583	10,802,025	2.77 x
2030	3,913,415	10,802,025	2.76 x
2031	3,933,109	10,802,025	2.75 x
2032	780,300	10,802,025	13.84 x
2033	-	10,802,025	N/A

1) For the parity text calculation requirements of a fiscal year, per the resolution, shall exclude any payment of principal or interest falling due on the first day of the fiscal year and include any payment of principal or interest falling due on the first day of the succeeding fiscal year.

2) FY2023 tax revenue is based on the Iowa Department of Revenue estimates and includes the FY2022 reconciliation payment in the amount of \$1,482,587.

3) Tax Revenue in FY 2024 and thereafter assumes 0% growth in statewide average funding per pupil and no change in District enrollment.

Source: District records.

**West Des Moines Community School District**

**Debt Ratios and Valuation Per Capita  
Year Ended June 30, 2023  
(Unaudited)**

Debt Ratios:	General Obligation Debt	(1) Debt/Actual Market Value \$ (8,173,894,960)	(2) Debt/Taxable Value \$ (5,396,813,026)	(3) Debt Per Capita (70,741)
District's Total General Obligation Debt	\$ 41,265,000	0.72%	0.74%	\$ 583.33
District's Proportionate Share of Overlapping Debt	331,219,134	5.77%	5.93%	\$ 4,682.14
District's Net Overall Debt	<u>\$ 372,484,134</u>	<u>6.49%</u>	<u>6.66%</u>	<u>\$ 5,265.46</u>

- (1) Based on the District's 1/1/20 Actual Valuation including Ag Land & Buildings, Taxable TIF Increment and all Utilities.  
 (2) Based on the District's 1/1/20 Taxable Valuation including Ag Land & Buildings, Taxable TIF Increment and all Utilities.  
 (3) U.S. Census Bureau, Annual Population Estimates for the City of West Des Moines

Valuation Per Capita:	Valuation 1/1/2021	Valuation Per Capita (70,741)
100% Actual Valuation	\$ 8,735,802,459	\$ 123,489.95
Taxable Valuation	\$ 5,589,899,281	\$ 79,019.23

- (1) Based on the District's 1/1/21 Actual Valuation including Ag Land & Buildings, Taxable TIF Increment and all Utilities.

**West Des Moines Community School District**

**Demographic and Economic Statistics  
Last Ten Calendar Years  
(Unaudited)**

Calendar Year	Population *	Personal Income (Thousands of Dollars)	Margin of Error (+/-)	Per Capita Personal Income (1)	Margin of Error (+/-)	Unemployment Rate (2)
2014	64,104	\$ 2,917,044	\$ 304,681	\$ 42,707	\$ 4,723	3.10%
2015	64,104	2,903,856	279,342	43,304	4,294	2.60%
2016	64,104	2,838,957	297,020	44,512	4,720	2.50%
2017	64,104	2,803,092	260,212	43,843	3,738	2.40%
2018	64,104	2,882,189	260,664	44,989	4,091	2.00%
2019	64,104	3,244,833	266,775	50,017	4,273	2.20%
2020	64,104	N/A	N/A	N/A	N/A	5.00%
2021	63,848	N/A	N/A	N/A	N/A	3.60%
2022	69,792	3,981,913	N/A	57,054	N/A	4.20%
<b>2023</b>	<b>70,741</b>	<b>4,350,855</b>	<b>N/A</b>	<b>61,504</b>	<b>N/A</b>	<b>2.80%</b>

(1) Source: Office of Social and Economic Trend Analysis [www.seta.iastate.edu](http://www.seta.iastate.edu)

(2) Source: U.S. Census Bureau decennial census PL94-171 redistricting files

(3) Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

2021 unemployment rate based on a 9-month period, January through September

(4) Source: U.S. Census Bureau, Annual Population Estimates for the City of West Des Moines

Notes: N/A = Information not available.

## West Des Moines Community School District

### Retail Sales Within District Last Nine Fiscal Years (Unaudited)

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Fiscal Year	City of Clive	City of Des Moines	City of Urbandale	City of Windsor Heights	City of * West Des Moines
2015	\$ 440,106,813	\$ 3,661,238,466	\$ 732,119,796	\$ 36,494,864	\$ 1,723,946,833
2016	469,996,335	3,789,289,855	752,452,126	39,242,425	1,768,926,175
2017	502,265,386	3,851,675,382	790,710,349	40,007,863	1,796,720,183
2018	490,636,671	3,980,273,823	815,971,715	56,240,091	1,750,840,994
2019	454,372,730	4,049,916,575	817,795,298	82,721,678	1,810,482,118
2020	430,949,320	3,982,845,524	826,263,273	86,039,396	1,674,747,675
2021	460,635,167	4,120,182,099	967,804,610	100,933,234	1,804,878,707
2022	578,837,234	4,641,498,289	1,095,415,696	90,275,501	2,074,738,395
<b>2023</b>	<b>612,594,514</b>	<b>4,856,487,006</b>	<b>1,148,413,955</b>	<b>105,480,019</b>	<b>2,178,952,007</b>

Source: Iowa Department of Revenue website

\* Includes Dallas County and Polk County

Note: 2023 includes 4th quarter from fiscal year 2022 and 1st through 3rd quarter from fiscal year 2023 based on availability of data.

**West Des Moines Community School District**

**Principal Employers  
Current Year and Ten Years Ago  
(Unaudited)**

Employer	2023			2014		
	Employees *	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Wells Fargo & Company	13,000	1	3%	8,200	1	3%
Hy-Vee Inc.	11,184	2	3%	2,100	9	1%
Principal	6,100	3	2%	6,131	3	2%
MercyOne (Mercy Medical Center)	5,777	4	2%	7,100	2	3%
UnityPoint Health (Iowa Health System)	5,492	5	1%	5,505	4	2%
Des Moines Independent CSD	4,499	6	1%	4,967	6	2%
Amazon	4,100	7	1%			
John Deere	3,328	8	1%	3,100	7	1%
Nationwide (Nationwide/Allied)	3,300	9	1%	5,000	5	2%
Corteva Agriscience (Dupont Pioneer)	2,255	10	1%	2,849	8	1%
Kum & Go				1,820	10	1%
<b>Total ***</b>	<b>59,035</b>		<b>16%</b>	<b>46,772</b>		<b>17%</b>

Sources:

\* Source: Major Employers in the Greater Des Moines Region, Greater Des Moines Partnership, July 2022

\*\* Source: DMPS District records October 2022

\*\*\* Source: Bureau of Labor Statistics, US Dept. of Labor, June 2022 and June 2013; District Records





**WEST DES MOINES**  
**COMMUNITY SCHOOLS**

## West Des Moines Community School District

### Population of Cities and Counties Within District Last Three U.S. Census Data Years (Unaudited)

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Calendar Year	Polk County	City of Clive	City of Des Moines	City of Urbandale	City of Windsor Heights	City of West Des Moines
1990	327,140	7,462	193,187	23,500	5,190	31,702
2000	374,601	12,855	198,682	29,072	4,805	46,403
2010	430,640	15,447	203,433	39,463	4,860	56,609
<b>2020</b>	<b>492,401</b>	<b>18,601</b>	<b>214,133</b>	<b>45,580</b>	<b>5,252</b>	<b>68,723</b>

Note 1: No information is reported for Dallas County as the District is served by 1% and it is made up of rural area.

Note 2: Populations for school districts are not calculated by the U.S. Census Bureau. The population of the city and county within which the District is located best illustrates school district population trends.

Source: U.S. Census Bureau

**West Des Moines Community School District**

**Full-Time Equivalent District Employees By Type**

**Last Ten Fiscal Years**

**(Unaudited)**

	Full-Time Equivalent Employees as of June 30				
	2014	2015	2016	2017	2018
<b>Administration:</b>					
Superintendent	1.0	1.0	1.0	1.0	1.0
Principals	14.0	13.0	13.0	13.0	13.0
Assistant principals	8.0	8.0	8.0	7.0	7.0
Other	14.0	14.0	14.0	15.0	18.0
Other professionals	13.0	12.4	10.0	9.0	12.0
<b>Total supervisory</b>	<b>50.0</b>	<b>48.4</b>	<b>46.0</b>	<b>45.0</b>	<b>51.0</b>
<b>Instruction:</b>					
Teacher	588.3	603.7	605.2	611.0	627.4
Counselor	18.6	19.0	19.0	21.0	21.0
Title I	4.0	5.0	7.2	7.4	7.0
Librarian	8.5	6.9	6.7	6.7	6.5
<b>Total instruction</b>	<b>619.4</b>	<b>634.6</b>	<b>638.1</b>	<b>646.1</b>	<b>661.9</b>
<b>Student services:</b>					
Nurse	2.0	2.0	2.0	2.0	2.0
Other professionals	3.1	2.4	2.4	2.4	2.0
<b>Total student services</b>	<b>5.1</b>	<b>4.4</b>	<b>4.4</b>	<b>4.4</b>	<b>4.0</b>
<b>Support and administration:</b>					
Clerical/secretarial	66.4	58.9	59.6	63.8	59.2
Teacher assistant	205.4	206.5	217.1	238.7	237.2
Other support personnel	216.1	207.7	214.3	209.3	213.1
Crafts/trades	20.0	17.0	14.0	16.0	14.0
<b>Total support and administration</b>	<b>507.9</b>	<b>490.1</b>	<b>505.0</b>	<b>527.8</b>	<b>523.5</b>
<b>Total</b>	<b>1,182.4</b>	<b>1,177.5</b>	<b>1,193.5</b>	<b>1,223.3</b>	<b>1,240.4</b>

Source: District records

Full-Time Equivalent Employees as of June 30					Percentage
2019	2020	2021	2022	2023	2014-2023
1.0	1.0	1.0	1.0	<b>1.0</b>	0.0%
13.0	13.0	13.0	13.0	<b>13.0</b>	-7.1%
8.0	8.0	8.0	8.0	<b>8.0</b>	0.0%
19.0	19.0	20.0	19.0	<b>19.0</b>	35.7%
13.0	13.0	13.0	13.0	<b>14.0</b>	7.7%
54.0	54.0	55.0	54.0	<b>55.0</b>	10.0%
630.1	649.3	650.7	655.2	<b>661.2</b>	12.4%
21.0	21.0	21.0	21.0	<b>21.0</b>	12.9%
7.5	7.9	8.1	8.9	<b>10.9</b>	171.3%
11.3	11.3	11.3	11.3	<b>10.8</b>	26.5%
669.9	689.5	691.1	696.3	<b>703.8</b>	13.6%
1.0	1.0	1.0	1.0	<b>1.0</b>	-50.0%
2.0	2.0	2.0	2.0	<b>2.0</b>	-35.5%
3.0	3.0	3.0	3.0	<b>3.0</b>	-41.2%
54.8	55.9	55.0	53.2	<b>51.3</b>	-22.7%
241.2	246.2	247.5	241.2	<b>231.8</b>	12.8%
233.9	228.5	188.7	167.7	<b>174.1</b>	-19.4%
13.0	18.0	14.0	12.0	<b>10.0</b>	-50.3%
542.9	548.6	505.2	474.1	<b>467.2</b>	-8.0%
1,269.8	1,295.1	1,254.3	1,227.4	<b>1,229.0</b>	3.9%



**WEST DES MOINES**  
**COMMUNITY SCHOOLS**

**West Des Moines Community School District**

**Operating Statistics  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	Dallas County	Polk County	Certified Enrollment	General Fund Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Percentage of Students Receiving Free or Reduced-Price Meals
2014	68	8,986	9,054	\$ 94,968,196	\$ 10,489	1.64	619.4	30.45
2015	65	9,081	9,146	98,089,800	10,725	0.02	634.6	31.35
2016	51	8,962	9,013	101,836,294	11,299	0.05	638.1	34.01
2017	40	8,929	8,969	101,395,015	11,305	0.00	646.1	32.21
2018	45	8,873	8,918	118,277,391	13,263	0.17	661.9	33.98
2019	40	8,901	8,941	113,166,279	12,658	-4.56%	669.8	35.43
2020	33	8,957	8,989	114,446,448	12,748	0.71%	689.5	39.67
2021	23	8,797	8,820	122,599,925	13,900	7.12%	691.1	39.60
2022	24	8,750	8,775	121,487,920	13,845	-0.40%	696.3	37.55
<b>2023</b>	<b>24</b>	<b>8,655</b>	<b>8,679</b>	<b>128,230,859</b>	<b>14,775</b>	<b>6.72%</b>	<b>703.8</b>	<b>33.34</b>

Source: District records.

**West Des Moines Community School District**

**School Building Information  
Last Ten Fiscal Years  
(Unaudited)**

School	Fiscal Year			
	2014	2015	2016	2017
Elementary:				
Clive (1952, 1955, 1957, 1959, 1965, 1989, 1991, 2005):				
Square feet	67,802	67,802	67,802	67,802
Number of classrooms	21	30	30	30
Enrollment	458	539	517	447
Crestview (1961, 1966, 1969, 1976, 1991, 2009, 2018):				
Square feet	73,414	73,414	73,414	73,414
Number of classrooms	25	30	30	30
Enrollment	469	518	530	459
Crossroads Park (1977, 2010, 2018):				
Square feet	68,875	68,875	68,875	68,875
Number of classrooms	25	33	33	33
Enrollment	537	565	546	536
Fairmeadows (1957, 1962, 1976, 1987, 1992, 2006):				
Square feet	51,435	55,343	55,343	55,343
Number of classrooms	23	35	35	35
Enrollment	540	535	575	531
Hillside (2004):				
Square feet	81,222	81,222	81,222	81,222
Number of classrooms	45	40	40	40
Enrollment	548	581	580	538
Jordan Creek (1992, 2016):				
Square feet	82,000	82,000	85,637	85,637
Number of classrooms	35	40	40	40
Enrollment	693	714	781	685
Rex Mathes (1951, 1956, 1969, 1989, 1991):				
Square feet	20,600	20,600	20,600	20,600
Number of classrooms	3	3	3	3
Enrollment	-	-	-	-
Western Hills (1967, 1968, 1988, 1992, 2009):				
Square feet	74,755	73,689	73,689	73,689
Number of classrooms	27	36	36	36
Enrollment	570	585	587	541
Westridge (1990, 2013):				
Square feet	81,000	81,000	81,000	81,000
Number of classrooms	35	40	40	40
Enrollment	546	662	753	648

\* Information not available

(Continued)

Fiscal Year					
2018	2019	2020	2021	2022	<b>2023</b>
67,802	67,802	67,802	67,802	67,802	<b>67,802</b>
30	30	30	30	30	<b>30</b>
443	443	444	437	419	<b>496</b>
73,764	74,114	74,114	74,114	74,114	<b>74,114</b>
30	30	30	30	30	<b>30</b>
463	479	480	494	471	<b>526</b>
69,305	69,735	69,735	69,735	69,735	<b>69,735</b>
33	33	33	33	33	<b>33</b>
532	525	524	522	525	<b>527</b>
55,343	55,343	55,343	55,343	55,343	<b>55,343</b>
35	35	35	35	35	<b>35</b>
529	534	533	526	517	<b>538</b>
81,222	81,222	81,222	81,222	81,222	<b>81,222</b>
40	40	40	40	40	<b>40</b>
546	546	539	517	532	<b>532</b>
85,637	85,637	85,637	85,637	85,637	<b>85,637</b>
40	40	40	40	40	<b>40</b>
650	663	659	637	578	<b>602</b>
20,600	20,600	20,600	20,600	20,600	<b>20,600</b>
3	3	3	3	3	<b>3</b>
-	-	-	-	-	<b>-</b>
73,689	73,689	73,689	73,689	73,689	<b>73,689</b>
36	36	36	36	36	<b>36</b>
537	538	535	531	529	<b>535</b>
81,000	81,000	81,000	81,000	81,000	<b>81,000</b>
40	40	40	40	40	<b>40</b>
619	651	647	631	664	<b>697</b>



**West Des Moines Community School District**

**School Building Information (Continued)  
Last Ten Fiscal Years  
(Unaudited)**

School	Fiscal Year		
	2014	2015	2016
Middle:			
Indian Hills (1977,1992)			
Square feet	115,074	115,074	115,074
Number of classrooms	45	55	55
Enrollment	610	675	711
Stilwell (1960, 1962, 1968, 1984, 1988, 1992, 2002, 2010, 2012):			
Square feet	108,416	99,571	99,571
Number of classrooms	42	59	59
Enrollment	667	692	717
High:			
Valley Southwoods Freshman (1999)			
Square feet	162,500	162,500	162,500
Number of classrooms	44	55	55
Enrollment	614	711	680
Valley (1964, 1967, 1969, 1970, 1989, 1992, 2005, 2012, 2015):			
Square feet	455,418	456,360	456,360
Number of classrooms	124	125	125
Enrollment	1,854	1,951	1,974
Other:			
Walnut Creek Campus Alternative High School (1957, 1970, 1989, 1991, 2012)			
Square feet	18,052	41,260	41,260
Number of classrooms	16	15	15
Enrollment	158	173	156

\* Information not available

Source: District record (Reflects Students served as of October 1st of each school year)

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Fiscal Year						
2017	2018	2019	2020	2021	2022	2023
115,074	115,074	115,074	115,074	115,074	115,074	<b>115,074</b>
55	55	55	55	55	55	<b>55</b>
607	574	620	615	625	595	<b>693</b>
99,571	99,571	99,571	99,571	99,571	99,571	<b>99,571</b>
59	59	59	59	59	59	<b>59</b>
665	677	703	699	683	700	<b>673</b>
162,500	162,500	162,500	162,500	162,500	162,500	<b>162,500</b>
55	55	55	55	55	55	<b>55</b>
674	669	668	666	641	697	<b>687</b>
456,360	456,360	456,360	456,360	456,360	456,360	<b>456,360</b>
125	125	125	125	125	125	<b>125</b>
1,830	1,844	1,831	1,824	1,861	1,844	<b>2,081</b>
41,260	41,260	41,260	41,260	41,260	41,260	<b>41,260</b>
15	15	15	15	15	15	<b>15</b>
119	130	138	138	93	110	<b>183</b>

**West Des Moines Community School District**

**Open Enrollment  
Last Nine Fiscal Years  
(Unaudited)**

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Fiscal Year	Open Enrolled In	Open Enrolled Out	Net Open Enrollment
2015	614.5	638.9	(24.4)
2016	672.0	635.0	37.0
2017	649.0	630.5	18.5
2018	590.0	647.0	(57.0)
2019	894.0	612.0	282.0
2020	711.8	625.2	86.6
2021	770.6	599.7	170.9
2022	829.8	572.3	257.5
<b>2023</b>	<b>917.6</b>	<b>574.0</b>	<b>343.6</b>

Note: Students in Iowa are allowed to choose to enroll into and out of the District. The District's revenues per pupil are adjusted for any net gains and/or losses in enrollment. Listed above are recent open enrollment numbers for the District.

Source: Certified enrollment from state as of October 1.

## **COMPLIANCE**



**WEST DES MOINES**  
**COMMUNITY SCHOOLS**

**West Des Moines Community School District**

**Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Federal Expenditures
<b>U.S. Department of Agriculture</b>				
Pass-Through State Department of Agriculture and State of Iowa Department of Education:				
<i>Child Nutrition Program Cluster:</i>				
School Breakfast Program	10.553	77-1737	\$ -	\$ 620,752
National School Lunch Program	10.555	77-1737	-	2,694,053
Supply Chain Assistance	10.555	77-1737	-	378,076
Commodities-Noncash	10.555	77-1737	-	563,281
Commodities-Noncash, Department of Defense	10.555	77-1737	-	58,870
			-	3,694,280
Summer Food Service Program for Children	10.559	77-1737	-	132,778
Fresh Fruit and Vegetable Program	10.582	77-1737	-	102,627
<i>Total Child Nutrition Program Cluster</i>				-
<b>Total U.S. Department of Agriculture</b>				<b>4,550,437</b>
<b>U.S. Department of Education</b>				
Pass -Through State of Iowa Department of Education:				
Title I - Grants to Local Educational Agencies	84.010A	FY23 4501	-	1,170,817
Title I - Grants to Local Educational Agencies	84.010A	FY23 4508	-	12,995
			-	1,183,812
<i>Special Education Cluster:</i>				
Special Education-Grants to States (IDEA, Part B)	84.027		-	51,101
Special Education- Preschool Grants to States (IDEA Part B)	84.173		-	3,661
<i>Total Special Education Cluster</i>				-
Career and Technical Education-Basic				
Grants to States (Perkins V)	84.048A	42-6004531	-	125,184
English Language Acquisition State Grants	84.365	42-6004644	-	13,424 (2)
Supporting Effective Instruction State Grants	84.367	42-6004643	-	293,849
Student Support and Academic Enrichment Program	84.424	42-6004669	-	72,402
Education Stabilization Fund:				
COVID-19 Rethink K-12 Education Models Discretionary Grants	84.425B	42-6004053	-	89,650
COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	42-6004052	-	2,205,470
COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	42-6004055	-	721,204
			-	2,926,674
COVID-19 ARP- Elementary and Secondary School Emergency Relief Fund (ARP-ESSER)	84.425U	42-6004045	-	127,628
<i>Total Education Stabilization Fund</i>				-
<i>Total U.S. Department of Education</i>				<i>3,143,952</i>

(Continued)

**West Des Moines Community School District**

**Schedule of Expenditures of Federal Awards (Continued)  
Year Ended June 30, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Pass-Through Heartland Area Education Agency: <i>Special Education Cluster:</i>				
Special Education-Grants to States (IDEA, Part B)	84.027	42-6004525	\$ -	\$ 453,999 (1)
English Language Acquisition State Grants	84.365	FY22 4644	-	56,407 (2)
<b>Total U.S. Department of Education</b>			-	5,397,791
 <b>U.S. Department of Health and Human Services</b>				
Pass-Through State of Iowa Department of Human Services: <i>477 Cluster:</i>				
COVID-19 ARP- Child Care Development Block Stabilization Grants	93.575	FY23 4616	-	803,450
Pass -Through State of Iowa Department of Education: Foster Care Title IV-E Transportation Reimbursement	93.658		-	6,169
<b>Total U.S. Department of Health and         Human Services</b>			-	809,619
 <b>Total expenditures of federal awards</b>			\$ -	\$ 10,757,847

(1) Total Federal Assistance Listing Number 84.027 and 84.173, Special Education Cluster, \$505,100.

(2) Total Federal Assistance Listing Number 84.365 \$69,831  
See Notes to Schedule of Expenditures of Federal Awards.

## West Des Moines Community School District

### Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2023

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#### **Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of West Des Moines Community School District under programs of the federal government for the year ended June 30, 2023. 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 District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

#### **Note 2. Significant Accounting Policies**

Expenditures reported on the schedule of expenditures of federal awards are reported on the modified accrual or accrual basis of accounting based on the fund type of the program. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements. Revenue from federal awards is recognized when the District has done everything necessary to establish its right to revenue. For governmental funds, revenue from federal awards is recognized when it is both measurable and available. Expenditures of federal awards are recognized in the accounting period when the liability is incurred.

#### **Note 3. Indirect Cost Rate**

The District has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.





**WEST DES MOINES**  
**COMMUNITY SCHOOLS**



**West Des Moines Community School District**

**Summary Schedule of Prior Audit Findings**

**Year Ended June 30, 2023**

Findings	Status	Reason for Recurrence and Corrective Action Plan or Other Explanation
<b>Findings Related to Statutory Reporting</b>		
<b>IV-A-22</b> The District exceeded the certified budget in the other expenditures function.	Not corrected.	The budget was not amended. See IV-A-23.
<b>IV-H-22</b> The District identified variances in certified enrollment certified to the state in October 2021.	Not corrected.	Student data changes are not timely communicated. See IV-H-23
<b>IV-I-22</b> The District identified variances in supplementary weighting certified to the state in October 2021.	Not corrected.	Class coding changes are not timely identified. See IV-I-23



**WEST DES MOINES**  
**COMMUNITY SCHOOLS**



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

To the Board of Education  
West Des Moines Community School District  
West Des Moines, Iowa

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of West Des Moines Community School District (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 29, 2023.

Our report includes an emphasis of matter paragraph for the implementation of Governmental Accounting Standards Board Statement No. 96.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of West Des Moines Community School District'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 District'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of non-compliance or other matters which are described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2023 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the District. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Bohnsack & Frommelt LLP*

Moline, Illinois  
November 29, 2023

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

To the Board of Education  
West Des Moines Community School District  
West Des Moines, Iowa

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited West Des Moines Community School District's (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, West Des Moines Community School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit,
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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.

*Bohnsack & Frommelt LLP*

Moline, Illinois  
November 29, 2023





**WEST DES MOINES**  
**COMMUNITY SCHOOLS**

**West Des Moines Community School District**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

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**I. Summary of the Independent Auditor's Results**

**Financial Statements**

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency identified?  Yes  None Reported
- Noncompliance material to financial statements noted?  Yes  No

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency identified?  Yes  None Reported

Type of auditor's report issued on compliance for major programs:

Unmodified

- Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  Yes  No

**Identification of major programs:**

Federal Assistance

Listing Number	Name of Federal Program or Cluster
Child Nutrition Program Cluster:	
10.553	School Breakfast Program
10.555	National School Lunch Program
10.555	Supply Chain Assistance
10.555	Commodities-Noncash
10.555	Commodities-Noncash, Department of Defense
10.559	Summer Food Service Program for Children
10.582	Fresh Fruit and Vegetable Program
Education Stabilization Fund:	
84.425B	COVID-19 Rethink K-12 Education Models Discretionary Grants
84.425D	COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER II)
84.425D	COVID-19 Elementary and Secondary School Emergency Relief Fund (ESSER II)
84.425U	COVID-19 ARP- Elementary and Secondary School Emergency Relief Fund (ARP-ESSER)

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

Auditee qualified as low-risk auditee?  Yes  No

(Continued)

**West Des Moines Community School District**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

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**Part II: Findings Related to the Basic Financial Statements**

**Instances of noncompliance:**

No instances to report.

**Significant Deficiencies:**

No instances to report.

**Part III: Findings and Questioned Costs for Federal Awards**

**Instances of noncompliance:**

No instances to report.

**Internal control deficiencies:**

No instances to report.

**Part IV: Other Findings Related to Statutory Reporting**

**IV-A-23 - Certified Budget:**

Finding: Expenditures for the year ended June 30, 2023 exceeded the amended certified budget in the noninstructional programs function.

Recommendation: The certified budget should be amended before expenditures are allowed to exceed the budget.

Response and Corrective Action Plan: Future budgets will be amended in sufficient amounts to ensure the certified budget is not exceeded.

Conclusion: Response accepted.

**IV-B-23 - Questionable Expenditures:** There were no expenditures noted that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.

**IV-C-23 - Travel Expense:** No expenditures of District money for travel expenses of spouses of District officials or employees were noted. No travel advances to District officials or employees were noted.

**IV-D-23 - Business Transactions:** : No business transactions between the District and District officials or employees were noted except for the following:

The District incurred \$19,233 in expenditures to Drake University. Board Member Jill Canton Johnson is an employee of Drake University and abstains from voting on the transactions.

The District incurred \$5,206 for Contemporary Services Corporation. Board Member Lila Montoya Starr abstains from voting on the transactions. The District incurred \$695,086 in expenditures with the Iowa Department of Human Services. Board Member Lila Montoya Starr is an employee.

In accordance with the Attorney General's opinion dated November 9, 1976, the transactions do not appear to represent a conflict of interest.

(Continued)

## West Des Moines Community School District

### Schedule of Findings and Questioned Costs Year Ended June 30, 2023

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**IV-E-23 - Restricted Donor Activity:** No transactions were noted between the District, District officials or District employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

**IV-F-23 - Bond Coverage:** Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure the coverage is adequate for current operations.

**IV-G-23 - Board Minutes:** No transactions requiring Board approval which had not been approved by the Board were noted.

**IV-H-23 - Certified Enrollment:**

Finding: The District identified variances in certified enrollment certified to the state in October 2022.

Recommendation: We recommend the District review certified enrollment data for accuracy prior to submission to the state.

Response and Correction Action Plan: The District will continue to review data prior to submission. Unfortunately, facts are learned after certification date that result in required adjustments.

Conclusion: Response accepted.

**IV-I-23 - Supplementary Weighting:**

Finding: The District identified variances in supplementary weighting certified to the state in October 2022.

Recommendation: We recommend the District review supplementary weighting for accuracy prior to submission to the state.

Response and Correction Action Plan: The District will continue to review data prior to submission.

Conclusion: Response accepted.

**IV-J-23 - Deposits and Investments:** No instances of non-compliance with the deposit and investment provisions of Chapter 12B and Chapter 12C of the Code of Iowa and the District's investment policy were noted.

**IV-K-23 - Certified Annual Report:** The certified annual report was certified timely to the Iowa Department of Education.

**IV-L-23 - Categorical Funding:** No instances of categorical funding being used to supplant rather than supplement other funds were noted.

**IV-M-23 - Statewide Sales and Services Tax:** No instances of noncompliance with the use of the statewide sales and services tax revenue provisions of Chapter 423F.3 of the Code of Iowa were noted. Pursuant to Chapter 423F.5 of the Code of Iowa, the annual audit is required to include certain reporting elements related to the statewide sales and services tax revenue. Districts are required to include these reporting elements in the Certified Annual Report (CAR) submitted to the Iowa Department of Education.

(Continued)

**West Des Moines Community School District**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023**

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For the year ended June 30, 2023, the District reported the following information regarding the statewide sales and services tax revenue in the District's CAR:

Beginning balance		\$	33,657,469
Revenues/other financing sources:			
Statewide sales and services tax revenue	\$	12,019,830	
Investment earnings		431,795	
Other local sources		119,969	
Transfers in		20,471	12,592,065
Expenditures/other financing uses:			
Instruction		2,207,553	
Support services		444,878	
Transfers out, debt service		3,918,330	
School infrastructure:			
Buildings		53,351,769	59,922,530
Ending balance			<u>\$ (13,672,996)</u>

For the year ended June 30, 2023, the District reduced the tax levy by not having a debt service levy of \$2.26 per \$1000 of taxable valuation as a result of the moneys received under Chapter 423E or 423F of the Code of Iowa.



**West Des Moines Community School District**

**Corrective Action Plan  
Year Ended June 30, 2023**

Findings	Corrective Action Plan	Anticipated Date of Completion and Responsible Contact Person
<b>Findings Related to Statutory Reporting</b>		
<b>IV-A-23</b> The District exceeded the certified budget in the noninstructional programs function.	See IV-A-23	June 30, 2024 Paul Bobek
<b>IV-H-23</b> The District identified variances in certified enrollment certified to the state in October 2022.	See IV-H-23	June 30, 2024 Mike Sherman
<b>IV-I-23</b> The District identified variances in supplementary weighting certified to the state in October 2022.	See IV-I-23	June 30, 2024 Mike Sherman



3550 Mills Civic Parkway | West Des Moines, IA 50265  
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The West Des Moines Community Schools does not discriminate on the basis of race, color, national origin, sex, disability, religion, creed, age (for employment), marital status, sexual orientation, gender identity, genetic information, military service, familial status, and socioeconomic status in its educational programs and its employment practices. There is a grievance procedure for processing complaints of discrimination. If you have questions or a grievance related to this policy, please contact the district's Equity Coordinator Dr. Dau Jok, Executive Director of Equity, Inclusion, and Diversity, 3550 Mills Civic Parkway, West Des Moines, IA 50265; Phone: 515-633-5040; Email [jokd@wdmcs.org](mailto:jokd@wdmcs.org). (Adherence to bona fide occupational/educational qualifications will not be interpreted as discriminatory.)