

NORTH SCOTT
Community School District

Eldridge, Iowa



Annual Comprehensive
Financial Report
For The Fiscal Year
Ended June 30, 2024

Annual Comprehensive Financial Report of the

North Scott Community School District
Eldridge, Iowa

For the Fiscal Year Ended June 30, 2024

Official Issuing Report
Jill Van Roekel – Director of Business Affairs

Office Issuing Report
Business Office

Notice

The North Scott Community School District does not discriminate on the basis of race, color, national origin, religion, sex, disability, sexual orientation, gender identity or marital status in its educational programs, services or employment practices. Inquiries concerning application of this statement should be addressed to:

Erin Paysen, Equity Coordinator

*308 North Main Street
Donahue, Iowa 52746*

563-282-9627

INTRODUCTORY SECTION

THIS PAGE INTENTIONALLY LEFT BLANK

INTRODUCTORY SECTION (Unaudited)

| | |
|---|-------|
| Letter of transmittal | i-vii |
| ASBO Certificate of excellence in financial reporting | viii |
| GFOA Certificate of achievement for excellence in financial reporting | ix |
| Organizational chart | x |
| Board of Education and School District Administration | xi |
| Consultants and advisors | xii |

FINANCIAL SECTION

| | |
|---|-------|
| Independent auditor's report | 1-3 |
| Management's discussion and analysis | 4-15 |
| Basic financial statements: | |
| Government-wide financial statements: | |
| Statement of net position | 16-17 |
| Statement of activities | 18-19 |
| Governmental fund financial statements: | |
| Balance sheet- governmental funds | 20 |
| Reconciliation of total governmental fund balances to net position of governmental activities | 21 |
| Statement of revenues, expenditures and changes in fund balances- governmental funds | 22 |
| Reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities | 23 |
| Proprietary fund financial statements: | |
| Statement of net position | 24 |
| Statement of revenues, expenses and changes in net position | 25 |
| Statement of cash flows | 26-27 |
| Fiduciary fund financial statements: | |
| Statement of fiduciary net position | 28 |
| Statement of changes in fiduciary net position | 29 |
| Notes to financial statements | 30-57 |
| Required supplementary information: | |
| Budgetary comparison schedule of revenues, expenditures/expenses and changes in balances budget and actual- all governmental and enterprise funds | 58-59 |
| Schedule of changes in the district's total OPEB liability and related ratios | 60-61 |
| Schedule of the district's proportionate share of the net pension liability | 62-63 |
| Schedule of the district's contributions | 64-65 |
| Notes to required supplementary information | 66-67 |
| Other supplementary information: | |
| Nonmajor governmental funds: | |
| Combining balance sheet | 68 |
| Combining statement of revenues, expenditures and changes in fund balances | 69 |
| Schedule of combining balance sheet- capital projects fund- by account | 70 |
| Combining schedule of revenues, expenditures and changes in fund balances- capital projects fund- by account | 71 |
| Nonmajor enterprise funds: | |
| Combining statement of net position | 72 |
| Combining statement of revenues, expenses and changes in net position | 73 |
| Combining statement of cash flows | 74-75 |

STATISTICAL SECTION (Unaudited)

| | |
|---|---------|
| Statistical section contents | 76 |
| Financial trends: | |
| Net position by component | 77-78 |
| Expenses, program revenues and net (expense)/revenue | 79-80 |
| General revenues and total change in net position | 81-82 |
| Fund balances, governmental funds | 83-84 |
| Governmental funds revenues | 85-86 |
| Governmental funds expenditures and debt service ratio | 87-88 |
| Other financing sources and uses and net change in fund balances | 89-90 |
| Revenue capacity: | |
| Assessed value and actual value of taxable property | 91 |
| Direct and overlapping property tax rates | 92-93 |
| Principal property taxpayers | 94 |
| Property tax levies and collections | 95 |
| Debt capacity: | |
| Outstanding debt by type | 96 |
| Ratio of net bonded debt to assessed values | 97 |
| Ratio of annual debt service principal and interest for general bonded debt to total general expenditures | 98 |
| Legal debt margin information | 99-100 |
| Direct and overlapping governmental activities debt | 101 |
| Pledged revenue coverage | 102 |
| Demographic and economic statistics: | |
| Demographic and economic statistics | 103 |
| Principal employers | 104 |
| Operating information: | |
| Full-time equivalent district employees by type | 105-106 |
| Operating statistics | 107-108 |
| Free and reduced students | 109 |
| School building information | 110-111 |
| Capital asset information | 112-113 |
| Property values, construction and bank deposits | 114 |
| Miscellaneous information: | |
| Miscellaneous demographic statistics | 115-120 |
| Enrollment by grade and certified enrollment | 121-122 |
| Schedule of insurance coverage | 123-124 |
| History of state aid payments | 125 |
| Local regular program budget vs. teacher settlements, new money | 126 |
| Average salary by education level | 127-128 |
| Total package settlement | 129-130 |
| Financial solvency ratio | 131 |

COMPLIANCE SECTION

| | |
|--|---------|
| Schedule of expenditures of federal awards | 132-133 |
| Notes to the schedule of expenditures of federal awards | 134 |
| Summary schedule of prior audit findings | 135 |
| 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 | 136-137 |
| Independent auditor's report on compliance for each major federal program and on internal control over compliance as required by the Uniform Guidance | 138-140 |
| Schedule of findings and questioned costs | 141-144 |
| Corrective action plan | 145 |



NORTH SCOTT

Community School District

December 13, 2024

Mr. Mark Pratt, President
and Members of the Board of
Education and Citizens of
North Scott Community School District
Eldridge, Iowa

We are delighted to submit to you the Annual Comprehensive Financial Report, (ACFR) of the North Scott Community School District, (the "District") for the year ending June 30, 2024. This report has been prepared to conform to guidelines recommended by the Association of School Business Officials International and the Government Finance Officers Association of the United States and Canada.

The report presents the financial information of the District accurately and concisely. It is comprehensive, yet easily readable. The Annual Comprehensive Financial Report will be submitted to the Association of School Business Officials of the United States and Canada (ASBO) for review for the ASBO Certificate of Excellence and to the Government Finance Officers Association for the GFOA Certificate of Achievement.

This letter of transmittal is designed to complement the Management's Discussion and Analysis included within the financial section of the ACFR and should be read in conjunction with it.

Management Responsibility

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed information is fairly stated in all material respects and is presented in a manner which sets forth the financial position and results of operations of the various funds and account groups of the District in accordance with generally accepted accounting principles, (GAAP). It includes the entire District. The District is not included in any other reporting entity, nor is any other entities included within this report. All disclosures necessary to enable a reader to gain maximum understanding of the District's financial activities have been included.

Basis of Accounting and Accounting System

The District's accounting records for general operations are maintained on a modified accrual basis, with the revenue being accrued when available and measurable. Expenditures are recorded when the services or goods are received and the liabilities are incurred. Accounting records for the District's nutrition and day care programs and internal service fund are maintained on the accrual basis. All the District's funds are presented in this report and have been audited by the District's independent certified public accountants, Bohnsack & Frommelt LLP, Certified Public Accountants.

In developing and evaluating the accounting system of the school District, much consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognized that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the internal accounting controls of the school District adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Profile of the Government

North Scott Community School District was incorporated November 1956. The District is supported financially by state aid, property taxes, state and federal grants for special projects and local revenue. The District is governed by a seven-member board of education. The elections are held in November of odd-numbered years. Three and four positions are up for election on alternate odd-numbered years. All board members are elected at large.

The combined financial statements include all funds, organizations, account groups, agencies, boards, commissions and other authorities. The District has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The criteria considered in determining financial accountability include appointing a voting 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.

The District provides a full range of educational services for residents of the North Scott Community School District appropriate to students in early childhood and grades kindergarten through twelve. The District serves approximately 3,400 students. These services include basic, regular and enriched academic education, specialized education for handicapped children, vocational education and many individualized programs such as specialized instruction for students at-risk.

There are no charter schools located within the boundaries of the North Scott Community School District.

Debt Administration

As of June 30, 2024 the District had \$53,404,808 of debt applicable to its legal debt margin. This amount is below the District's bonding capacity of \$115,059,746.

Financial Policies

The District invests in only those securities allowed by the Code of Iowa, Chapter 12C. Because of the timing of the state aid payments, a portion of the available cash must be kept in very liquid accounts. To maximize investment return, the District invests in a bank Sweep Account with rates ranging from 2.91% to 3.10%, and a Savings Account with rates ranging from 4.91% to 5.68%.

The Iowa Schools Joint Investment Trust is a common law trust established under Iowa Law pursuant to Chapter 28E and Section 279.29, Iowa code (1985), as amended which authorized Iowa schools to jointly invest monies pursuant to a joint investment agreement. The objective of the liquid account is to maintain a high degree of liquidity and safety of principal through investment in short-term securities as permitted for Iowa schools under Iowa law. Money may be withdrawn at any time. ISJIT interest rates ranged from 4.87% to 5.30%.

Interest revenue of \$2,261,150 was earned on all cash and investments for the fiscal year ending June 30, 2024. This represents an increase of \$1,021,865 or 82%. The increase in revenue can be attributed and increase in interest rates as well as interest income earned on bond deposits.

The District currently covers property and liability losses with traditional insurance coverage through the Iowa Association of School Board's group plan carried by Employer's Mutual Insurance Company. Worker's Compensation coverage is provided by West Bend Mutual. The group health plan is self-funded with stop loss policies purchased for both specific and group aggregate limits. The dental and vision plans are also self-funded with individual limits of the amount the plan will pay annually.

Budgeting

The District's Board of Education annually adopts a budget and approves the related appropriations for the General, Special Revenue, Debt Service, Capital Projects and Enterprise Funds in accordance with provisions outlined in the statutes of the State of Iowa. The budgets are prepared on an accrual basis, which details estimates of GAAP revenues and GAAP expenditures, and use of beginning fund balances, whereas the financial statements of the funds are prepared on either the modified accrual basis or accrual basis of accounting. A statement comparing the budget to actual receipts and disbursements is included in the required supplemental information in aggregate form for fund types for which budgets are required.

Formal and legal budgetary control for the certified budget is based upon four major classes of expenditures known as functional areas, not by fund or fund type. These four functional areas are instruction, support services, non-instructional programs and other expenditures. Although the budget document presents functional area expenditures or expenses by fund, the legal level of control is at the aggregated functional level, not at the fund or fund type level. The Code of Iowa also provides the District expenditures in the General Fund may not exceed the amount authorized by the school finance formula.

For management control, the budget is reviewed on a line item basis for up to a 10% variance. However, since a budget is a plan, overages on a line item basis are allowed if sufficient funds are available on a major function basis.

Enrollment Projections

With the North Scott Community School District being a suburb of a large metropolitan area, growth to the District is dependent on new housing additions and new families moving into the area. In the last few years, the enrollment has been shifting from the rural areas of the District to the center of the District where the junior high and high school are located as well as the major highways to allow for commuting into the larger metropolitan area. There are currently two expanding subdivisions in the center of the District.

A new law effective for the 2021-2022 school year prevents school Districts from using a voluntary diversity plan as a barrier to prevent families from enrolling into another District. Currently, this has resulted in a net open enrollment increase of approximately 270 students.

Long-term Financial Planning

An important element in maintaining an excellent educational program is the management of fiscal and capital resources. The District uses a long-term planning process, consistent enrollment and a steady growth in property tax base has helped achieve and maintain salary and benefit schedules that attract and retain quality staff, excellent facilities and equipment that is updated annually, there is community support for the Instructional Support Levy and the Physical Plant and Equipment Levy.

Age of School Buildings

The District was incorporated in 1956. A high school was completed in 1958, followed by the construction of five elementary buildings and a Jr. High building between 1967 and 1976. Major building additions were completed on all seven educational buildings between 1998 and 2000. Major building additions and improvements took place during 2013-2017 at Edward White, Alan Shepard Elementary, John Glenn Elementary, the Jr. High and High School. In 2018-2019 the Lancer Athletic Building was completed, the High School kitchen, cafeteria and auditorium were remodeled. In 2019, a transportation facility was purchased. In 2020, a new indoor practice facility was completed. In 2021, the District began construction on the North Scott Community YMCA in conjunction with the City of Eldridge with completion in December 2022. Starting in 2023 the District began a major building addition to Alan Shepard Elementary, began construction on a Regional Innovation Center, moved and improved the Softball Complex, and purchased a wrestling facility. Starting in 2024 the District began major building additions to Neil Armstrong Elementary, the Jr. High, High School Welding Lab and Lancer Stadium.

Major Initiatives and Achievements

North Scott Community Schools experienced a successful 2023-2024 school year. We maintained high expectations for our students and staff despite some challenges, which included the teacher, staff and substitute shortage. The following information highlights some of the accomplishments or major initiatives we are proud of.

- Professional development focused on the following areas:
 - Early literacy instructional routines and procedures (phonics, phonemic awareness, etc.)
 - Continued refinement of our guaranteed and viable curriculum in all areas
 - Vertical alignment in the areas of writing, math, art, and SEL K-12. Through this process, teachers created proficiency scales for essential standards and engaged in grade-level and vertical conversations.
 - Grading and feedback practices at the secondary level
 - Assessment design at the secondary level
 - Gradual Release of Responsibility and small group instruction at the secondary level
 - Differentiated learning based on grade level and department at the secondary level
- Collaborative teams have been established district-wide using the Professional Learning Communities model and continued to be a focus for our staff to support student learning.
- Teacher leaders have been lead learners with standards based grading with the goal of ensuring that grading reflects students' learning of standards, is accurate, and consistent. The secondary will have full implementation in the 24/25 school year.
- The district began work with the vertical alignment of our curriculum. We started in the areas of writing, math, and counseling. During this process, proficiency scales were developed. The proficiency scales had an impact on assessment and instruction within the classroom as well.
- All teachers are supported by the ongoing commitment to the Teacher Leadership and Compensation system with mentors, teacher leaders, and instructional coaches working in the system. They provide large group, job-embedded, and one-on-one professional learning directly to teachers. They also support the broader system through data analysis and system planning and collaborative team facilitation and support.
- We continued with the New Teacher network (NTN) to provide an extra layer of support for our 1st and 2nd year teachers. We met with our first year teachers monthly and covered a variety of topics.
- Special education teachers and reading interventionists received ongoing training in the area of literacy instruction through internal training.
- We have a Challenging Behavior Team that engaged in professional development of their own. We partnered with the Mississippi Bend AEA for the training. The team also made site visits to buildings when needed to assist in the development of behavior plans for students throughout the district. Team members serve as vital resources for MTSS within their respective schools.

- We continued to emphasize the development and implementation of our Talented and Gifted/Extended Learning Programming. Emphasis was placed on the consultation and collaboration role of our ELP/TAG teachers as well as the development of our guaranteed and viable curriculum. We completed the scope and sequence and will move to consistent instructional planning across the district for K-6. In addition, in order to align more closely with the state the identification process was updated to include identification for K-3 students.
- We are proud of the expansive opportunities available to students within our CTE course offerings as we continue to expand our offerings. In 2023 - 2024, an increased enrollment in construction tech and welding prompted the addition of a part-time teacher. We have also further diversified our agricultural education offerings with the addition of diesel mechanics, food processing, and agri business management.
- As evidenced above, District efforts are focused on supporting and increasing student learning. Listed below is information on student achievement for the 2023-2024 school year. The percentages below reflect the number of students who were proficient in the spring of 2024.

- 2024 ISASP ELA Results:

| | | |
|-----------------------------|------------------------------|------------------------------|
| 3 rd grade – 73% | 4 th grade – 84% | 5 th grade – 80% |
| 6 th grade – 86% | 7 th grade – 83% | 8 th grade – 84% |
| 9 th grade – 84% | 10 th grade – 77% | 11 th grade – 66% |

- 2024 ISASP Math Results:

| | | |
|-----------------------------|------------------------------|------------------------------|
| 3 rd grade – 87% | 4 th grade – 85% | 5 th grade – 80% |
| 6 th grade – 88% | 7 th grade – 77% | 8 th grade – 83% |
| 9 th grade – 77% | 10 th grade – 76% | 11 th grade – 81% |

- 2024 ISASP Science Results:

| |
|------------------------------|
| 5 th grade - 72% |
| 8 th grade - 74% |
| 10 th grade - 77% |

- The dropout rate of students in grades 9-12 in 2023 was 0.69%.
- The 2024 graduation rate for the North Scott Community School District was 92.91% for four year graduates.
- The 2024 graduation rate for the North Scott Community School District was 93.72% for 5 year graduates.
- All 2024 graduates completed 4 years of ELA and at least 3 years of math, science, and social studies.
- 82.05% of 2024 graduating seniors indicated they intended to pursue post-secondary education or training.

Economic Condition and Outlook

The District's General Fund Balance increased by \$1,526,096, and the Unassigned Fund Balance increased by \$1,606,381. The overall General Fund Balance increase is due to an increase in tuition in revenues not budgeted to be spent, additional grant funding received, planning for future budgetary increases due to building and programming expansions, and an increase in interest income. The District's General Fund Unspent Authorized Budget (UAB) increased by over \$2 million and the UAB percentage of maximum authorized budget is 22%.

The District's solvency ratio for 2023-2024 is 23.80%, compared to 20.84%, in 2022-2023. It is recommended the District have a solvency ratio of no more than 25%. It is anticipated the solvency ratio will be stable for 2024-2025.

2023-2024 fiscal year was the final year supplemented through the Coronavirus Aid, Relief, and Economic Security (CARES) Act resources. The District has financially planned for the loss of this funding source moving forward.

In 2023 The Board approved the issuance of approximately \$20,000,000 School Infrastructure Sales, Services, and Use Tax Revenue Bonds, Series 2023 and the voters approved the issuance of \$25,000,000 General Obligation Bonds. These bonds are being used to build a Regional Innovation Center and softball complex, to complete additions to the High School, Junior High, Neil Armstrong Elementary, and Alan Shepard Elementary, make improvements to Lancer Stadium, the purchase and remodel of a wrestling facility, energy savings projects and the purchase of land. All of these projects will be completed within the next year.

The Iowa school funding formula is a complex formula that is pupil driven and increasing total spending authority occurs by increasing the number of pupils or increasing the cost per pupil. Certified enrollment decreased 2.56% from 3,097.63 in 2023-2024 to 3,018.2 in 2024-2025, while net open enrolled in students increased by 30 students to 296. The October 2024 certified count decreased again to 2,991.7. The cost per pupil for 2023-24 is \$7,635 and the cost per pupil for 2024-25 is \$7,826. The cost per pupil for 2025-26 is currently unknown.

During the 2024 Legislative session, new teacher wage minimums were introduced and Supplemental State Aid was set at 2.50 percent for 2024-2025. The new wage minimums will have a large impact on future teacher salary schedules. Continued low Supplemental State Aid makes balancing the budget challenging. Additional funding was provided to help support the implementation of a richer teacher salary schedule.

Independent Audit

The Code of the State of Iowa requires an annual audit of the District to be performed by an accounting firm selected in a competitively bid process. The annual audit meets the requirements of the Code of Iowa, generally accepted 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). The auditor's report on the general purpose financial statements and combining individual fund statements is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in a separate section for the internal controls and compliance.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting, and the Association of School Business Officials of the United States and Canada (ASBO) awarded a Certificate of Excellence in Financial Reporting to the North Scott Community School District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. The North Scott Community School District received these awards for the first time for its fiscal year 1983 ASBO Annual Comprehensive Financial Report and the 1985 GFOA Certificate of Achievement for Excellence in Financial Reporting. In order to be awarded the Certificates, a governmental must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet program requirements for both awards and we are submitting it to ASBO and GFOA to determine its eligibility for each certificate.

Other Matters

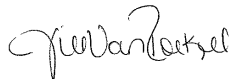
Also included in this report is a statistical section that will give the reader a better understanding of the school system with background and additional financial data. The background information includes the following:

1. Analysis of facilities, classroom and staffing
2. Staffing levels for a ten (10) year period
3. Location and economic profile
4. Major taxpayers of the District
5. Major employers of the District
6. Enrollments by grade level
7. Operating cost per pupil
8. Schedule of insurance coverage
9. History of state aid payments
10. Free and reduced percentages
11. Teacher average salary and education
12. Local regular program budget vs. teacher settlements
13. Other labor settlements
14. Financial solvency ratio


We wish to take this opportunity to thank the administrative office staff who assisted in obtaining and organizing data, the County Auditor and Treasurer offices and the city and town officials who provided much needed information. Without all of the above groups' efforts, the report could not have been completed.

Finally, sincere appreciation is extended to the Board of Directors, where the commitment to excellence begins. It is with great pride that this year's Annual Comprehensive Financial Report is submitted to the Board of Directors.

Very truly yours,



Jill Van Roekel
Director of Business Affairs



Joe Stutting
Superintendent of Schools



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

North Scott Community School District

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2023.**

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



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

Ryan S. Stechschulte
President

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

James M. Rowan, CAE, SFO
CEO/Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**North Scott Community School District
Iowa**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

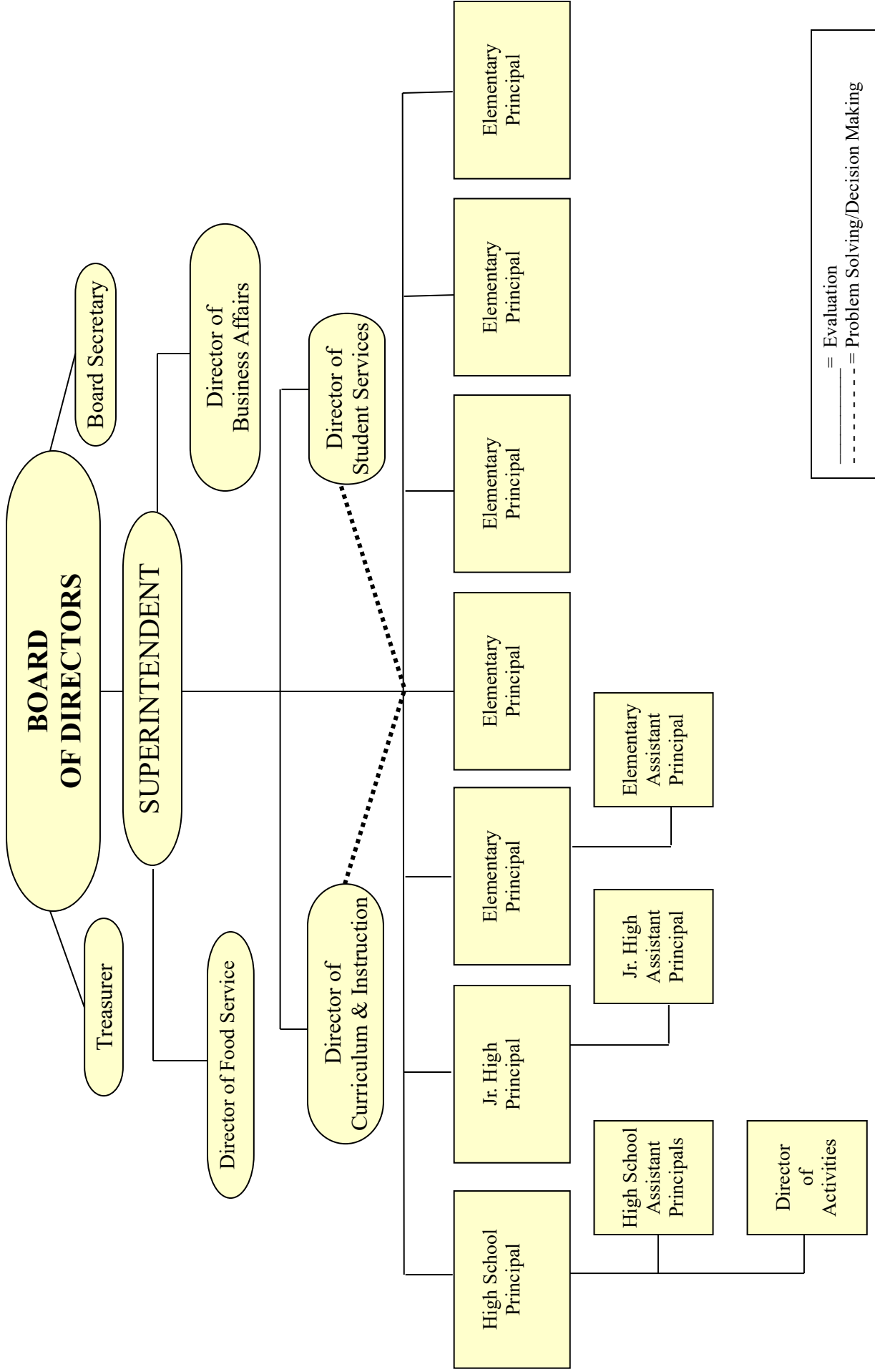
June 30, 2023

Christopher P. Morill

Executive Director/CEO

NORTH SCOTT COMMUNITY SCHOOL DISTRICT

Organizational Chart



_____ = Evaluation
 - - - - - = Problem Solving/Decision Making

North Scott Community School District

**Board of Education and School District Administration
Year Ended June 30, 2024**

Board of Education

| | | |
|--------------------|----------------|------|
| Mark Pratt | President | 2025 |
| Tracy Lindaman | Vice President | 2025 |
| Molly Bergfeld | Director | 2027 |
| Joni Dittmer | Director | 2027 |
| Carrie Keppy | Director | 2027 |
| Stephanie Eckhardt | Director | 2027 |
| Frank Wood | Director | 2025 |

School District Administration

| | |
|--------------------------|--------------------------------------|
| Joe Stutting | Superintendent |
| Terina Bruns | Board Secretary |
| Steven Fahrenkrog | Treasurer |
| Jill Van Roekel | Director of Business Affairs |
| Nicole Litterer | Director of Curriculum & Instruction |
| Heather Shults-Hendricks | Director of Student Services |
| Amy Guerrero | Director of Food Service |
| Shane Knoche | Principal |
| Chad Jones | Principal |
| Tim Green | Principal |
| Kyle Harris | Principal |
| Carmen Lane | Principal |
| Erin Paysen | Principal |
| Chad Ruth | Principal |
| Dan Marceau | Associate Principal |
| Jason Schroeder | Associate Principal |
| Aaron Schwartz | Associate Principal |
| Stephanie Fahrenkrog | Associate Principal |
| Kevin Moses | Associate Principal |

North Scott Community School District

Consultants and Advisors

Year Ended June 30, 2024

Certified Public Accountants

Bohnsack & Frommelt LLP
1500 River Drive, Suite 200
Moline, Illinois 61265

Financial Consultants

Public Financial Management, Inc.
801 Grand Avenue, Suite 3300
Des Moines, Iowa 50309

Personnel Services

Ahlers & Cooney, P.C.
100 Court Avenue, Suite 600
Des Moines, Iowa 50309-2231

Official Depositories

US Bank
PO Box 940
Davenport, Iowa 52805-0940

Blackhawk Bank & Trust
PO Box 1100
Milan, Illinois 61264-1100

First Trust & Savings Bank
123 South Main Street
Wheatland, Iowa 52777

Bond Attorneys

Ahlers & Cooney, P.C.
100 Court Avenue, Suite 600
Des Moines, Iowa 50309-2231

General Counsel

Lane & Waterman
220 North Main Street, Suite 600
Davenport, Iowa 52801-1987

Insurance Consultants

TrueNorth Companies
500 1st Street SE
Cedar Rapids, Iowa 52401

Official Depositories

First Central State Bank
PO Box 119
DeWitt, Iowa 52742

Iowa Schools Joint Investment Trust
453 - 7th Street, PO Box 897
Des Moines, Iowa 50304-0897



Independent Auditor's Report

To the Board of Education
North Scott Community School District
Eldridge, 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 North Scott Community School District, Iowa as of and for the year ended June 30, 2024, 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 North Scott Community School District, Iowa, as of June 30, 2024, 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 North Scott Community School District, Iowa and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the North Scott Community School District, Iowa'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 North Scott Community School District, Iowa'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 North Scott Community School District, Iowa'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, schedule of the District's proportionate share of the net pension liability and schedules of contributions for the Iowa Public Employee's Retirement System and schedule of changes in the District's total OPEB liability and related ratios, and budgetary comparison information, on pages 4–15 and 58-67 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 North Scott 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 December 13, 2024, on our consideration of the North Scott 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 North Scott 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 North Scott Community School District's internal control over financial reporting and compliance.

Bohnsack & Frommelt LLP

Moline, Illinois
December 13, 2024

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2024

North Scott Community School District provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2024. We encourage readers to consider this information in conjunction with the District's financial statements, which follow:

2024 FINANCIAL HIGHLIGHTS

- The District's overall financial position has increased from the prior year. The District showed an increase in net position of \$9,549,499 during the year ended June 30, 2024.
- Total revenues for the fiscal year ended June 30, 2024 and 2023 of \$56,353,540 and \$52,081,744 were comprised of general revenues in the amount of \$39,692,661 and \$36,521,248 and program revenues totaling \$16,660,879 and \$15,560,496, respectively.
- The District's General Fund fund balance increased by \$1,526,096, the unassigned fund balance increased by \$1,606,381 and the nonspendable/restricted/assigned fund balance decreased by \$80,285.
- In fiscal year 2024 the District paid principal on long-term debt of \$1,222,634 and paid interest on long term debt of \$976,105.

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

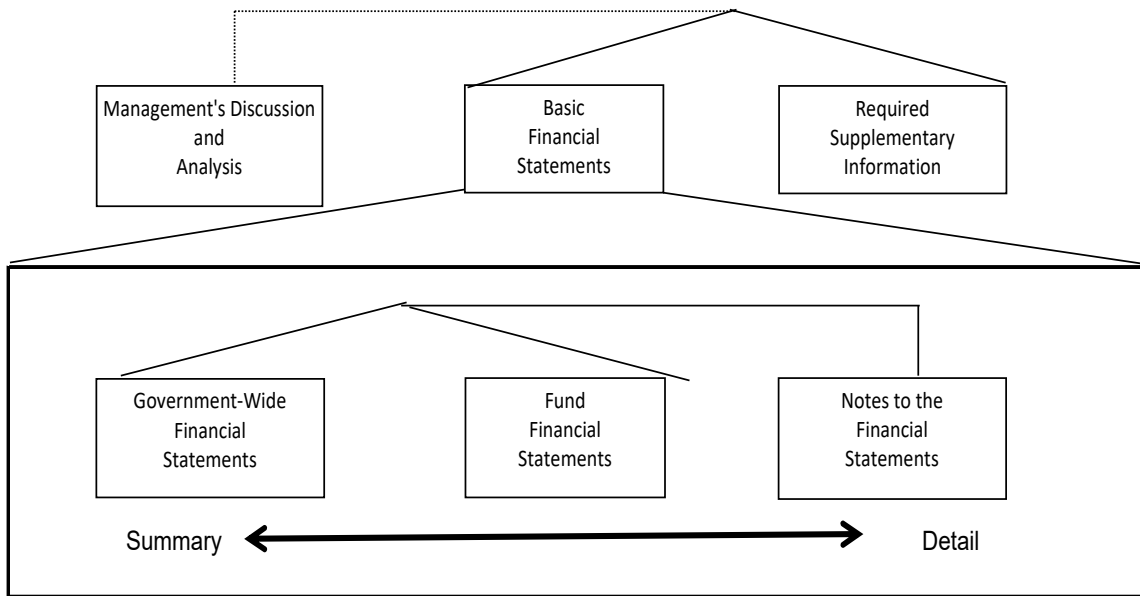
- Management's discussion and analysis introduces the basic financial statements and provides an analytical overview of the District's financial activities.
- The government-wide financial statements consist of a statement of net position and a statement of activities. These provide information about the activities of North Scott Community School District as a whole and present an overall view of the District's finances.
- The fund financial statements tell how governmental services were financed in the short-term as well as what remains for future spending. Fund financial statements report North Scott Community School District's operations in more detail than the government-wide statements by providing information about the most significant funds. The remaining statements provide financial information about activities for which North Scott Community School District acts solely as an agent or custodian for the benefit of those outside of the School District.
- Notes to the financial statements provide additional information essential to a full understanding of the data provided in the basic financial statements.
- Required supplementary information further explains and supports the financial statements with a comparison of the District's budget for the year, as well as presenting the schedule of the District's total OPEB liability and related ratios, and the District's proportionate share of net pension liability and related pension contributions.
- Other supplementary information provides detailed information about the nonmajor funds.

North Scott Community School District

**Management's Discussion and Analysis
Year Ended June 30, 2024**

Figure A-1 shows how the various parts of this annual report are arranged and relate to one another.

Figure A-1
North Scott Community School District Annual Financial Report



North Scott Community School District

**Management’s Discussion and Analysis
Year Ended June 30, 2024**

Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain.

| Figure A-2 Major Features of the Government-Wide and Fund Financial Statements | | | | |
|---|--|--|---|--|
| Government-Wide Statements | | Fund Statements | | |
| | | Governmental Funds | Proprietary Funds | Fiduciary Funds |
| Scope | Entire District (except fiduciary funds) | The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance | Activities the District operates similar to private businesses: food services and child care | Instances in which the District administers resources on behalf of someone else, such as scholarship programs, and student activities monies |
| Required financial statements | Statement of net position Statement of activities | Balance sheet Statement of revenues, expenditures and changes in fund balances | Statement of net position Statement of revenues, expenses and changes in net position Statement of cash flows | Statement of fiduciary net position Statement of changes in fiduciary net position |
| Accounting basis and measurement focus | Accrual accounting and economic resources focus | Modified accrual accounting and current financial resources focus | Accrual accounting and economic resources focus | Accrual accounting and economic resources focus |
| Type of asset/liability information | All assets and liabilities, both financial and capital, short-term and long-term | Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included | All assets and liabilities, both financial and capital, and short-term and long-term | All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can |
| Type of inflow/outflow information | All revenues and expenses during the year, regardless of when cash is received or paid | Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due during the year or soon thereafter | All revenues and expenses during the year, regardless of when cash is received or paid | All additions and deductions during the year, regardless of when cash is received or paid |

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2024

REPORTING THE DISTRICT'S FINANCIAL ACTIVITIES

Government-Wide Financial Statements

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

The two government-wide statements report the District's net position and how they have changed. Net position is one way to measure the District's financial position. Over time, increases or decreases in the District's net position is an indicator of whether the financial position is improving or deteriorating, respectively. To assess the District's overall health, you need to consider additional nonfinancial factors, such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements, the District's activities are divided into two categories:

- **Governmental activities.** Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state aid finance most of these activities.
- **Business-type activities.** The District charges fees to help cover the costs of certain services it provides. The District's school nutrition, child care, and student construction programs are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs.

Some funds are required by state law and by bond covenants. The District establishes other funds to control and manage money for particular purposes, such as accounting for student activity funds or to show that it is properly using certain revenues such as federal grants.

The District has three kinds of funds:

Governmental funds. Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial position that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information in the reconciliations following each of the governmental fund statements explains the relationship or differences between the two statements.

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2024

The District's governmental funds include the General Fund and Capital Projects Fund and nonmajor funds including the Management Fund, Student Activity Fund, Public Education and Recreation Levy Fund, and Debt Service Fund.

The required financial statements for governmental funds include a balance sheet and a statement of revenues, expenditures and changes in fund balances.

Proprietary funds. Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's enterprise funds, one type of proprietary fund, are the same as its business-type activities, but provide more detail and additional information, such as cash flows. The District currently has three enterprise funds, the School Nutrition Fund, the Child Care Fund, and the Student Construction Fund. The District uses internal service funds, the other kind of proprietary fund, to report activities that provide supplies and services for its other programs and activities. The District currently has one internal service fund, Self-funded Insurance Fund.

The required financial statements for proprietary funds include a statement of net position, statement of revenues, expenses and changes in net position and a statement of cash flows.

Fiduciary funds. The District is the trustee, or fiduciary, for the assets that belong to others. These funds include the custodial fund.

Custodial fund—These are funds for which the District accounts for revenues and expenditures of other various club accounts.

The District is responsible for ensuring the assets reported in the fiduciary funds are used only for their intended purpose and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

Reconciliations between the government-wide financial statements and the fund financial statements follow the fund financial statements.

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position – Figure A-3 below provides a summary of the District's net position for the year ended June 30, 2024 compared to June 30, 2023.

Figure A-3 Condensed Statement of Net Position

| | Governmental Activities | | Business-Type Activities | | Total District | | Total |
|----------------------------------|--------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|---------------------------|
| | June 30, 2024 | June 30, 2023 | June 30, 2024 | June 30, 2023 | June 30, 2024 | June 30, 2023 | Percentage Change 2023-24 |
| | Current and other assets | \$ 74,610,762 | \$ 63,529,246 | \$ 2,703,808 | \$ 3,118,024 | \$ 77,314,570 | \$ 66,647,270 |
| Capital assets | 89,371,714 | 59,174,649 | 1,081,490 | 652,565 | 90,453,204 | 59,827,214 | 51.2% |
| Total assets | 163,982,476 | 122,703,895 | 3,785,298 | 3,770,589 | 167,767,774 | 126,474,484 | 32.6% |
| Deferred outflows of resources | 4,812,732 | 3,077,888 | 132,065 | 109,584 | 4,944,797 | 3,187,472 | 55.1% |
| Noncurrent liabilities | 66,981,529 | 39,567,526 | 371,375 | 432,762 | 67,352,904 | 40,000,288 | 68.4% |
| Current liabilities | 12,618,868 | 7,471,409 | 113,649 | 123,781 | 12,732,517 | 7,595,190 | 67.6% |
| Total liabilities | 79,600,397 | 47,038,935 | 485,024 | 556,543 | 80,085,421 | 47,595,478 | 68.3% |
| Deferred inflows of resources | 18,687,436 | 17,629,421 | 27,662 | 74,504 | 18,715,098 | 17,703,925 | 5.7% |
| Net position: | | | | | | | |
| Net investment in capital assets | 49,808,850 | 47,720,427 | 1,081,490 | 634,850 | 50,890,340 | 48,355,277 | 5.2% |
| Restricted | 14,817,128 | 10,778,432 | - | - | 14,817,128 | 10,778,432 | 37.5% |
| Unrestricted | 5,881,397 | 2,614,568 | 2,323,187 | 2,614,276 | 8,204,584 | 5,228,844 | 56.9% |
| Total net position | \$ 70,507,375 | \$ 61,113,427 | \$ 3,404,677 | \$ 3,249,126 | \$ 73,912,052 | \$ 64,362,553 | 14.8% |

The District's combined net position increased by 14.8 percent or \$9,549,499 from the prior year net position.

The net investment in capital assets (e.g., land, construction in progress, infrastructure, buildings and equipment), less the related debt increased \$2,535,063 or 5.2 percent. The District's capital assets increased by \$30,625,990. The District's capital related debt increased \$25,754,024 from the issuance of the Series 2024 general obligation bonds of \$25,000,000.

Restricted net position represents resources that are subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. The District's restricted net position increased \$4,038,696 or 37.5 percent from the prior year. The increase is primarily due to statewide sales and use tax funds that are restricted for school infrastructure projects expenditures.

Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – increased from \$5,228,844 to \$8,204,584. The General Fund had an increase in fund balance of \$1,526,096 contributing to the increase in unrestricted net position.

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2024

Figure A-4 shows the changes in net position for the year ended June 30, 2024 compared to June 30, 2023.

Figure A-4 Changes in Net Position From Operating Results

| | Figure A-4 Changes in Net Position From Operating Results | | | | | | Total |
|--|---|----------------------|--------------------------|---------------------|----------------------|----------------------|---------------------------------|
| | Governmental Activities | | Business-Type Activities | | Total District | | Percentage Change 2023-24 |
| | June 30, 2024 | June 30, 2023 | June 30, 2024 | June 30, 2023 | June 30, 2024 | June 30, 2023 | |
| Revenues: | | | | | | | |
| Program revenues: | | | | | | | |
| Charges for services | \$ 4,498,378 | \$ 3,888,384 | \$ 1,503,474 | \$ 1,599,513 | \$ 6,001,852 | \$ 5,487,897 | 9.4% |
| Operating grants and contributions and restricted interest | 7,925,971 | 7,881,747 | 1,035,478 | 1,190,852 | 8,961,449 | 9,072,599 | -1.2% |
| Capital grants | 1,697,578 | 1,000,000 | - | - | 1,697,578 | 1,000,000 | 0.0% |
| General revenues: | | | | | | | |
| Taxes | 21,097,414 | 19,366,352 | - | - | 21,097,414 | 19,366,352 | 8.9% |
| Unrestricted state and federal revenues | 16,334,096 | 15,862,387 | - | - | 16,334,096 | 15,862,387 | 3.0% |
| Other | 2,144,585 | 1,204,480 | 116,566 | 88,029 | 2,261,151 | 1,292,509 | 74.9% |
| Total revenues | 53,698,022 | 49,203,350 | 2,655,518 | 2,878,394 | 56,353,540 | 52,081,744 | 8.2% |
| Program expenses: | | | | | | | |
| Governmental activities: | | | | | | | |
| Instruction | 26,567,129 | 25,817,050 | - | - | 26,567,129 | 25,817,050 | 2.9% |
| Support services | 14,958,010 | 13,990,169 | - | - | 14,958,010 | 13,990,169 | 6.9% |
| Noninstructional | 2,854 | 8,279 | - | - | 2,854 | 8,279 | -65.5% |
| Other expenditures | 2,845,481 | 2,226,050 | - | - | 2,845,481 | 2,226,050 | 27.8% |
| Nutrition services | - | - | 2,143,600 | 2,098,495 | 2,143,600 | 2,098,495 | 2.1% |
| Child care services | - | - | 281,831 | 332,808 | 281,831 | 332,808 | -15.3% |
| Student construction | - | - | 5,136 | 3,231 | 5,136 | 3,231 | 100.0% |
| Total expenses | 44,373,474 | 42,041,548 | 2,430,567 | 2,434,534 | 46,804,041 | 44,476,082 | 5.2% |
| Excess of revenues over expenses before transfers | 9,324,548 | 7,161,802 | 224,951 | 443,860 | 9,549,499 | 7,605,662 | 25.6% |
| Transfers | 69,400 | 54,815 | (69,400) | (54,815) | - | - | 0.0% |
| Change in net position | 9,393,948 | 7,216,617 | 155,551 | 389,045 | 9,549,499 | 7,605,662 | 25.6% |
| Beginning net position | 61,113,427 | 53,896,810 | 3,249,126 | 2,860,081 | 64,362,553 | 56,756,891 | 13.4% |
| Ending net position | \$ 70,507,375 | \$ 61,113,427 | \$ 3,404,677 | \$ 3,249,126 | \$ 73,912,052 | \$ 64,362,553 | 14.8% |

Governmental activities:

Taxes and unrestricted state grants account for 67.9 percent of the total governmental activities revenue. The District's expenses primarily relate to instructional and support services which account for 93.6 percent of the total governmental activities expenses.

The increase in total revenue is due to increases in state foundation aid, investment earnings and capital grants which was primarily for the Regional Innovation Center Facility. State foundation aid increased primarily due to the legislature passed a 3.0% increase in state aid.

Total expenses for governmental activities increased by \$2,331,926. The increase is primarily reflected in instruction and support services due to increased expenses related to salaries and benefits from Board of Education approved adjustments and due to increases in full-time equivalent positions.

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2024

The following table presents the total and net cost of the District's major governmental activities: instruction, support services and other expenses:

Figure A-5 Net Cost of Governmental Activities

| | Total Cost of Services | | Percentage | Net Cost of Services | | Percentage |
|------------------|------------------------|----------------------|--------------|----------------------|----------------------|-------------|
| | June 30, 2024 | June 30, 2023 | Change | June 30, 2024 | June 30, 2023 | Change |
| Instruction | \$ 26,567,129 | \$ 25,817,050 | 2.91% | \$ 14,519,768 | \$ 15,810,551 | -8.2% |
| Support services | 14,958,010 | 13,990,169 | 6.92% | 14,376,029 | 12,709,625 | 13.1% |
| Noninstructional | 2,854 | 8,279 | -65.53% | 2,854 | 8,279 | -65.5% |
| Other expenses | 2,845,481 | 2,226,050 | 27.83% | 1,352,896 | 742,962 | 82.1% |
| Total | \$ 44,373,474 | \$ 42,041,548 | 5.55% | \$ 30,251,547 | \$ 29,271,417 | 3.3% |

The cost financed by users of the District's programs for the year ended June 30, 2024 was \$4,498,378 compared to year ended June 30, 2023 \$3,888,384.

Federal and state governments subsidized certain programs with grants and contributions totaling \$9,623,549 for the year ended June 30, 2024 compared to year ended June 30, 2023 \$8,881,747.

The net cost of governmental activities was financed respectively for the years ended June 30, 2024 and 2023 with \$21,097,414 and \$19,366,352 in property tax, income surtax and statewide sales, services and other taxes, \$16,334,096 and \$15,862,387 in unrestricted state and federal revenue, \$2,144,585 and \$1,204,480 in unrestricted investment earnings and other general revenues.

Business-Type Activities

Revenues of the District's business-type activities were \$2,655,518 and expenses were \$2,430,567. The District's business-type activities include the School Nutrition Fund, the nonmajor Child Care Fund, and the nonmajor Student Construction Fund. Revenues of these activities were comprised of charges for service, federal and state reimbursements, and investment income.

The School Nutrition Fund revenues increased due to an increase in charges for services for the nutrition program primarily due to maintaining costs as the District's federal reimbursement rate went back to pre-pandemic programs. Operating expenses reflected an increase of \$49,382 over 2023. After nonoperating revenues and expenses, which include federal nutrition grants and a transfer to the General Fund, the School Nutrition Fund increased net position by \$162,625.

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2024

INDIVIDUAL FUND ANALYSIS

As previously noted, the North Scott Community School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The financial performance of the District is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported combined fund balances of \$38,910,682; an increase of \$4,238,303 from last year's ending fund balances of \$34,672,379. The increase is primarily due to the issuance of \$25,000,000 general obligation bonds. As of June 30, 2024, \$18,935,525 of the 2024 bonds and \$1,842,329 of the 2023 bond proceeds are unspent. The District spent \$31,731,263 for facilities acquisition in 2024 compared to \$7,886,810 in 2023.

Governmental Fund Highlights

The District's General Fund financial position increased by \$1,526,096. The District's General Fund revenues of \$41,792,921 reflect a \$1,763,161 increase from prior year revenue of \$40,029,760. The increase is due to an increase in state funding, tuition, federal grants and interest. Expenditures reflected an increase from \$39,602,529 in 2023 to \$40,325,542 in 2024. The increase in expenditures is primarily due to general wage increases and the timing of purchases due to supply coupled with increased costs.

The General Fund balance increased \$1,526,096 to \$10,860,622.

The Capital Projects Fund fund balance increased from \$20,848,807 fiscal year 2023 to \$23,185,878 in fiscal year 2024. The District expended \$31,731,263 for facilities purchases and improvements in 2024 compared to \$7,886,810 in 2023. Capital expenditures in the current year primarily related to the Alan Shepard School expansion, Lancer Stadium project, and the Regional Innovation Center project. In addition, the Capital Projects Fund issued \$25,000,000 in General Obligation School Bonds, Series 2024.

Proprietary Fund Highlights

Enterprise funds net position increased from \$3,249,126 in 2023 to \$3,404,677 in 2024. The School Nutrition Fund net position increased from \$2,644,103 in 2023 to \$2,806,728 in fiscal 2024. This is primarily due to increased charges for services of the school nutrition program offset by a decrease in federal funding for lunch programs.

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2024

BUDGETARY HIGHLIGHTS

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 its internal service and custodial funds. Although the budget document presents functional area expenditures or expenses by fund, the legal level of control is at the aggregated functional level, not at the fund or fund type level. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's budget is prepared on the GAAP basis. A schedule showing the original and final budget amounts compared to the District's actual financial activity is included in the required supplementary information section of this report. Since the District does not adopt a budget for individual funds, budgets for individual funds are not presented in the budgetary comparison.

The District had one budget amendment on May 28, 2024, which increased overall expenditures by \$20,546,685.

The District's total actual revenues were \$2,033,458 more than the total budgeted revenues due to receiving more in revenue from state sources.

Total expenditures were less than budgeted by \$9,743,382, primarily in the non-instructional and other expenditures functions which related primarily to timing of capital projects.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2024, the District had invested \$90,453,204, net of accumulated depreciation, in a broad range of capital assets, including land, buildings, athletic facilities, computers, audio-visual equipment and transportation equipment. See Figure A-6. This amount represents a net increase of \$30,625,990 from last year. More detailed information about capital assets is available in Note 5 for the financial statements. Depreciation expense for the year was \$2,393,638.

The original cost of the District's capital assets was \$136,582,919. Governmental funds account for \$134,685,543 with the remainder of \$1,897,376 the proprietary school nutrition fund.

Figure A-6 Capital Assets (Net of Depreciation)

| | Governmental Activities | | Business-Type Activities | | Total District | | Total |
|-----------------------------------|-------------------------|----------------------|--------------------------|-------------------|----------------------|----------------------|--------------|
| | June 30, 2024 | June 30, 2023 | June 30, 2024 | June 30, 2023 | June 30, 2024 | June 30, 2023 | Percentage |
| | | | | | | | Change |
| | June 30, 2024 | June 30, 2023 | June 30, 2024 | June 30, 2023 | June 30, 2024 | June 30, 2023 | 2023-24 |
| Land and construction in progress | \$ 34,686,359 | \$ 7,876,980 | \$ 409,192 | \$ - | \$ 35,095,551 | \$ 7,876,980 | 345.5% |
| Buildings | 44,591,336 | 45,579,197 | - | - | 44,591,336 | 45,579,197 | -2.2% |
| Land improvements | 6,063,714 | 1,947,757 | - | - | 6,063,714 | 1,947,757 | 211.3% |
| Machinery and equipment | 3,724,773 | 3,556,754 | 672,298 | 635,569 | 4,397,071 | 4,192,323 | 4.9% |
| Intangible right to use | | | | | | | |
| IT subscription | 305,532 | 213,961 | - | 16,996 | 305,532 | 230,957 | 32.3% |
| Total | \$ 89,371,714 | \$ 59,174,649 | \$ 1,081,490 | \$ 652,565 | \$ 90,453,204 | \$ 59,827,214 | 51.2% |

North Scott Community School District

**Management’s Discussion and Analysis
Year Ended June 30, 2024**

Long-Term Debt

As of June 30, 2024, the District had \$67,352,904 in long-term obligations outstanding. See Figure A-7.

Figure A-7 Outstanding Long-Term Obligations

| | Governmental Activities | | Business-Type Activities | | Total District | | Total Percentage Change |
|----------------------------|-------------------------|----------------------|--------------------------|-------------------|----------------------|----------------------|-------------------------------|
| | June 30, 2024 | June 30, 2023 | June 30, 2024 | June 30, 2023 | June 30, 2024 | June 30, 2023 | 2023-24 |
| | Revenue bonds | \$ 26,350,272 | \$ 27,498,818 | \$ - | \$ - | \$ 26,350,272 | \$ 27,498,818 |
| General obligation bonds | 26,996,442 | - | - | - | 26,996,442 | - | 100.0% |
| IT subscription obligation | 58,094 | 150,728 | - | 17,715 | 58,094 | 168,443 | -159.5% |
| Compensated absences | 104,248 | 88,730 | 5,952 | 4,993 | 110,200 | 93,723 | 17.6% |
| Total OPEB liability | 1,111,855 | 1,233,036 | 31,558 | 34,831 | 1,143,413 | 1,267,867 | -9.8% |
| Net pension liability | 12,360,618 | 10,596,214 | 333,865 | 375,223 | 12,694,483 | 10,971,437 | 15.7% |
| Total | \$ 66,981,529 | \$ 39,567,526 | \$ 371,375 | \$ 432,762 | \$ 67,352,904 | \$ 40,000,288 | 68.4% |

More detailed information about the District’s long-term liabilities is available in Note 6 to the financial statements.

The District has three series of School Infrastructure Sales, Services and Use Tax Revenue Bonds which are to be repaid using statewide sales, services and use tax collected in the Capital Project Fund. The Series 2013 and Series 2014 mature in 2029 and the Series 2023 matures in 2042.

The District issued \$25,000,000 of General Obligation School Bonds, Series 2024 in the current fiscal year. The bonds mature in 2042.

The District also had compensated absences payable of \$110,200 as of June 30, 2024, which will be paid primarily out of the General Fund and \$5,952 which will be paid from the District’s enterprise funds.

ECONOMIC FACTORS BEARING ON THE DISTRICT’S FUTURE

2023-2024 fiscal year was the final year supplemented through the Coronavirus Aid, Relief, and Economic Security (CARES) Act resources. The District has financially planned for the loss of this funding source moving forward.

In 2023 The Board approved the issuance of approximately \$20,000,000 School Infrastructure Sales, Services, and Use Tax Revenue Bonds, Series 2023 and the voters approved the issuance of \$25,000,000 General Obligation Bonds. These bonds are being used to build a Regional Innovation Center and softball complex, to complete additions to the High School, Junior High, Neil Armstrong Elementary, and Alan Shepard Elementary, make improvements to Lancer Stadium, the purchase and remodel of a wrestling facility, energy savings projects and the purchase of land. All of these projects will be completed within the next year.

The Iowa school funding formula is a complex formula that is pupil driven and increasing total spending authority occurs by increasing the number of pupils or increasing the cost per pupil. Certified enrollment decreased 2.56% from 3,097.63 in 2023-2024 to 3,018.2 in 2024-2025, while net open enrolled in students increased by 30 students to 296. The October 2024 certified count decreased again to 2,991.7. The cost per pupil for 2023-24 is \$7,635 and the cost per pupil for 2024-25 is \$7,826. The cost per pupil for 2025-26 is currently unknown.

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2024

Overall District enrollment has remained steady during the last 10 years with shifts between resident and nonresident students served. The Iowa Legislature set the funding growth rate for 2024-2025 at 2.5% and the funding growth rate for 2024-2025 is currently unknown.

Recent industrial expansions within the District have had a positive impact on the District's property tax valuations. Taxable valuations for 2024-2025 increased over 10%.

During the 2024 Legislative session, new teacher wage minimums were introduced. The new wage minimums will have a large impact on future teacher salary schedules. Continued low Supplemental State Aid makes balancing the budget challenging. Additional funding was provided to help support the implementation of a richer teacher salary schedule.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Jill Van Roekel, Director of Business Affairs, North Scott Community School district, 251 E. Iowa St., Eldridge, Iowa 52748.

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

Statement of Net Position

June 30, 2024

| | Governmental Activities | Business-Type Activities | Total |
|--|----------------------------|-----------------------------|--------------------|
| Assets | | | |
| Cash and pooled investments | \$ 49,176,997 | \$ 2,151,467 | \$ 51,328,464 |
| Restricted cash equivalents | 1,382,449 | - | 1,382,449 |
| Receivables: | | | |
| Property tax: | | | |
| Delinquent | 74,323 | - | 74,323 |
| Succeeding year | 17,752,847 | - | 17,752,847 |
| Income surtax | 260,824 | - | 260,824 |
| Accounts | 99,259 | 6,881 | 106,140 |
| Due from other governments | 4,711,835 | - | 4,711,835 |
| Interfund activity | 151,220 | (151,220) | - |
| Inventories | 425,328 | 34,326 | 459,654 |
| Prepaid expenses | 575,680 | 1,754 | 577,434 |
| Assets held for resale | - | 660,600 | 660,600 |
| Capital assets: | | | |
| Capital assets not being depreciated: | | | |
| Land and construction in progress | 34,686,359 | 409,192 | 35,095,551 |
| Capital assets being depreciated, net of accumulated depreciation: | | | |
| Buildings | 44,591,336 | - | 44,591,336 |
| Land improvements | 6,063,714 | - | 6,063,714 |
| Machinery and equipment | 3,724,773 | 672,298 | 4,397,071 |
| Intangible right to use IT subscription | 305,532 | - | 305,532 |
| Total capital assets | 89,371,714 | 1,081,490 | 90,453,204 |
| Total assets | 163,982,476 | 3,785,298 | 167,767,774 |
| Deferred Outflows of Resources: | | | |
| OPEB related deferred outflows | 147,044 | 6,043 | 153,087 |
| Pension related deferred outflows | 4,665,688 | 126,022 | 4,791,710 |
| Total deferred outflows of resources | 4,812,732 | 132,065 | 4,944,797 |

See Notes to Basic Financial Statements.

| | Governmental Activities | Business-Type Activities | Total |
|--|----------------------------|-----------------------------|----------------------|
| Liabilities, Deferred Inflows of Resources and Net Position | | | |
| Liabilities: | | | |
| Accounts payable | 8,050,848 | 32,926 | 8,083,774 |
| Salaries and benefits payable | 3,970,754 | 14,282 | 3,985,036 |
| Unearned revenue | - | 23,036 | 23,036 |
| Claims payable | 427,000 | - | 427,000 |
| Accrued interest | 170,266 | - | 170,266 |
| Deposits | - | 43,405 | 43,405 |
| Noncurrent liabilities: | | | |
| Portion due within one year: | | | |
| Compensated absences | 104,248 | 5,952 | 110,200 |
| IT subscription obligation | 31,105 | - | 31,105 |
| Revenue bonds | 1,165,000 | - | 1,165,000 |
| General obligation bonds | 520,000 | - | 520,000 |
| Total OPEB liability | 50,929 | 1,376 | 52,305 |
| Portion due after one year: | | | |
| Revenue bonds | 25,185,272 | - | 25,185,272 |
| General obligation bonds | 26,476,442 | - | 26,476,442 |
| IT subscription obligation | 26,989 | - | 26,989 |
| Total OPEB liability | 1,060,926 | 30,182 | 1,091,108 |
| Net pension liability | 12,360,618 | 333,865 | 12,694,483 |
| Total liabilities | 79,600,397 | 485,024 | 80,085,421 |
| Deferred inflows of resources, deferred revenue: | | | |
| Succeeding year property tax | 17,752,847 | - | 17,752,847 |
| OPEB related deferred inflows | 638,650 | 19,669 | 658,319 |
| Pension related deferred inflows | 295,939 | 7,993 | 303,932 |
| Total deferred inflows of resources | 18,687,436 | 27,662 | 18,715,098 |
| Net Position: | | | |
| Net investment in capital assets | 49,808,850 | 1,081,490 | 50,890,340 |
| Restricted for: | | | |
| Categorical funding | 609,012 | - | 609,012 |
| Debt service | 1,664,490 | - | 1,664,490 |
| School infrastructure | 6,624,996 | - | 6,624,996 |
| Management levy | 3,355,142 | - | 3,355,142 |
| Physical plant and equipment levy | 1,336,489 | - | 1,336,489 |
| Public education and recreation | 750,526 | - | 750,526 |
| Student activities | 476,473 | - | 476,473 |
| Unrestricted | 5,881,397 | 2,323,187 | 8,204,584 |
| Total net position | \$ 70,507,375 | \$ 3,404,677 | \$ 73,912,052 |

North Scott Community School District

**Statement of Activities
Year Ended June 30, 2024**

| Functions/Programs | Expenses |
|---|-----------------------------|
| Governmental activities: | |
| Instruction: | |
| Regular | \$ 16,840,006 |
| Special | 5,861,927 |
| Other | 3,865,196 |
| | <u>26,567,129</u> |
| Support services: | |
| Student | 1,779,031 |
| Instructional staff | 3,738,256 |
| Administration | 4,204,393 |
| Operation of plant | 3,322,506 |
| Transportation | 1,913,824 |
| | <u>14,958,010</u> |
| Noninstructional programs | <u>2,854</u> |
| Other: | |
| AEA flowthrough | 1,492,585 |
| Interest | 1,352,896 |
| | <u>2,845,481</u> |
| Total governmental activities | <u><u>44,373,474</u></u> |
| Business-type activities: | |
| Nutrition services | 2,143,600 |
| Child care services | 281,831 |
| Student construction | 5,136 |
| Total business-type activities | <u>2,430,567</u> |
| Total | <u><u>\$ 46,804,041</u></u> |
| General revenues and transfers: | |
| General revenues: | |
| Property tax levied for: | |
| General purposes | |
| Capital outlay | |
| Other | |
| Utility replacement tax | |
| Other taxes | |
| Statewide sales and services tax | |
| Revenue in lieu of taxes | |
| Unrestricted state and federal grants | |
| Unrestricted investment earnings | |
| Transfers | |
| Total general revenues and transfers | |
| Change in net position | |
| Net position, beginning of year | |
| Net position, end of year | |

See Notes to Basic Financial Statements.

| Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|-------------------------|---|--|--|-----------------------------|----------------|
| Charges for Services | Operating Grants, Contributions and Restricted Interest | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| \$ 2,408,051 | \$ 5,844,657 | \$ 1,697,578 | \$ (6,889,720) | \$ - | \$ (6,889,720) |
| 797,329 | 16,010 | - | (5,048,588) | - | (5,048,588) |
| 723,871 | 559,865 | - | (2,581,460) | - | (2,581,460) |
| 3,929,251 | 6,420,532 | 1,697,578 | (14,519,768) | - | (14,519,768) |
| - | - | - | (1,779,031) | - | (1,779,031) |
| 164,639 | - | - | (3,573,617) | - | (3,573,617) |
| 272,741 | - | - | (3,931,652) | - | (3,931,652) |
| 33,573 | - | - | (3,288,933) | - | (3,288,933) |
| 98,174 | 12,854 | - | (1,802,796) | - | (1,802,796) |
| 569,127 | 12,854 | - | (14,376,029) | - | (14,376,029) |
| - | - | - | (2,854) | - | (2,854) |
| - | 1,492,585 | - | - | - | - |
| - | - | - | (1,352,896) | - | (1,352,896) |
| - | 1,492,585 | - | (1,352,896) | - | (1,352,896) |
| 4,498,378 | 7,925,971 | 1,697,578 | (30,251,547) | - | (30,251,547) |
| 1,238,541 | 1,033,376 | - | - | 128,317 | 128,317 |
| 264,933 | 2,102 | - | - | (14,796) | (14,796) |
| - | - | - | - | (5,136) | (5,136) |
| 1,503,474 | 1,035,478 | - | - | 108,385 | 108,385 |
| \$ 6,001,852 | \$ 8,961,449 | \$ 1,697,578 | (30,251,547) | 108,385 | (30,143,162) |

| | | |
|---------------|--------------|---------------|
| 12,306,864 | - | 12,306,864 |
| 1,837,119 | - | 1,837,119 |
| 815,018 | - | 815,018 |
| 500,815 | - | 500,815 |
| 307,901 | - | 307,901 |
| 5,080,660 | - | 5,080,660 |
| 249,037 | - | 249,037 |
| 16,334,096 | - | 16,334,096 |
| 2,144,585 | 116,566 | 2,261,151 |
| 69,400 | (69,400) | - |
| 39,645,495 | 47,166 | 39,692,661 |
| 9,393,948 | 155,551 | 9,549,499 |
| 61,113,427 | 3,249,126 | 64,362,553 |
| \$ 70,507,375 | \$ 3,404,677 | \$ 73,912,052 |

North Scott Community School District

**Balance Sheet
Governmental Funds
June 30, 2024**

| | General | Capital Projects | Nonmajor Governmental Funds | Total |
|---|----------------------|----------------------|-----------------------------------|----------------------|
| Assets | | | | |
| Cash and pooled investments | \$ 13,239,221 | \$ 25,515,269 | \$ 4,866,028 | \$ 43,620,518 |
| Restricted cash equivalents | - | 1,382,449 | - | 1,382,449 |
| Receivables: | | | | |
| Property tax: | | | | |
| Delinquent | 61,581 | 8,630 | 4,112 | 74,323 |
| Succeeding year | 13,489,564 | 2,095,717 | 2,167,566 | 17,752,847 |
| Income surtax | 260,824 | - | - | 260,824 |
| Accounts | 25,959 | - | 18,220 | 44,179 |
| Due from other governments | 2,336,298 | 2,375,515 | 22 | 4,711,835 |
| Due from other funds | - | 151,220 | - | 151,220 |
| Inventories | 86,574 | 338,754 | - | 425,328 |
| Prepaid items | 216,899 | 349,951 | 7,730 | 574,580 |
| Total assets | \$ 29,716,920 | \$ 32,217,505 | \$ 7,063,678 | \$ 68,998,103 |
| Liabilities, Deferred Inflows of Resources and Fund Balances | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 1,094,363 | \$ 6,935,910 | \$ 20,575 | \$ 8,050,848 |
| Accrued liabilities | 3,959,399 | - | 11,355 | 3,970,754 |
| Total liabilities | 5,053,762 | 6,935,910 | 31,930 | 12,021,602 |
| Deferred inflows of resources, unavailable revenue: | | | | |
| Succeeding year property tax | 13,489,564 | 2,095,717 | 2,167,566 | 17,752,847 |
| Income surtax | 260,824 | - | - | 260,824 |
| Grants | 52,148 | - | - | 52,148 |
| Total deferred inflows of resources | 13,802,536 | 2,095,717 | 2,167,566 | 18,065,819 |
| Fund balances: | | | | |
| Nonspendable: | | | | |
| Inventories | 86,574 | 338,754 | - | 425,328 |
| Prepaid items | 216,899 | 349,951 | 7,730 | 574,580 |
| Restricted for: | | | | |
| Categorical funding | 609,012 | - | - | 609,012 |
| Debt service | - | 1,382,449 | 282,041 | 1,664,490 |
| Management levy purposes | - | - | 3,355,142 | 3,355,142 |
| Student activities | - | - | 468,743 | 468,743 |
| School infrastructure | - | 20,451,685 | - | 20,451,685 |
| Physical plant and equipment levy | - | 663,039 | - | 663,039 |
| Public education and recreation | - | - | 750,526 | 750,526 |
| Assigned for special purposes | 566,853 | - | - | 566,853 |
| Unassigned | 9,381,284 | - | - | 9,381,284 |
| Total fund balances | 10,860,622 | 23,185,878 | 4,864,182 | 38,910,682 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 29,716,920 | \$ 32,217,505 | \$ 7,063,678 | \$ 68,998,103 |

See Notes to Basic Financial Statements.

North Scott Community School District

**Reconciliation of Total Governmental Fund Balances to Net Position of
Governmental Activities**

June 30, 2024

| | |
|--|-----------------------------|
| Total fund balances of governmental funds | \$ 38,910,682 |
| Amounts reported for governmental activities in the statement of net position are different because: | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. | 89,371,714 |
| The Internal Service Fund is used to charge costs of the District's self-funded insurance plan to the governmental funds. The net position of the Internal Service Fund is therefore included under governmental activities. | 5,185,659 |
| Other assets are not available to pay for current period expenditures and, therefore, are deferred in the funds. | 312,972 |
| 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: | |
| OPEB related deferred outflows of resources | 147,044 |
| OPEB related deferred inflows of resources | (638,650) |
| Pension related deferred outflows of resources | 4,665,688 |
| Pension related deferred inflows of resources | (295,939) |
| Long-term liabilities, including bonds payable and compensated absences, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. | |
| Revenue bonds, current | (1,165,000) |
| Revenue bonds, noncurrent | (25,090,000) |
| Premium on revenue bonds | (95,272) |
| General obligation bonds, current | (520,000) |
| General obligation bonds, noncurrent | (24,480,000) |
| Premium on general obligation bonds | (1,996,442) |
| IT subscription obligation | (58,094) |
| Accrued interest | (170,266) |
| Compensated absences, current | (104,248) |
| Total OPEB liability | (1,111,855) |
| Net pension liability | (12,360,618) |
| Net position of governmental activities | <u>\$ 70,507,375</u> |

See Notes to Basic Financial Statements.

North Scott Community School District

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year Ended June 30, 2024

| | General | Capital Projects | Nonmajor Governmental Funds | Total |
|--|----------------------|----------------------|-----------------------------------|----------------------|
| Revenues: | | | | |
| Local sources: | | | | |
| Property tax | \$ 12,306,864 | \$ 1,837,119 | \$ 815,018 | \$ 14,959,001 |
| Utility excise tax | 416,161 | 56,769 | 27,885 | 500,815 |
| Other tax | 281,322 | 953 | 466 | 282,741 |
| Tuition | 3,254,839 | - | - | 3,254,839 |
| Other | 1,108,026 | 3,713,976 | 1,000,743 | 5,822,745 |
| State appropriations | 22,283,592 | 5,108,889 | 13,866 | 27,406,347 |
| Federal appropriations | 2,142,117 | - | - | 2,142,117 |
| Total revenues | 41,792,921 | 10,717,706 | 1,857,978 | 54,368,605 |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 17,094,583 | - | 30,142 | 17,124,725 |
| Special | 5,769,402 | - | 116,790 | 5,886,192 |
| Other | 2,635,815 | - | 755,901 | 3,391,716 |
| | 25,499,800 | - | 902,833 | 26,402,633 |
| Support services: | | | | |
| Student | 1,841,044 | - | 14,420 | 1,855,464 |
| Instructional staff | 3,306,740 | 516,621 | 10,365 | 3,833,726 |
| Administration | 3,745,649 | 262,231 | 47,475 | 4,055,355 |
| Operation and maintenance of plant | 3,325,521 | 14,655 | 464,443 | 3,804,619 |
| Transportation | 1,111,349 | 360,762 | 59,759 | 1,531,870 |
| | 13,330,303 | 1,154,269 | 596,462 | 15,081,034 |
| Noninstructional programs | 2,854 | - | - | 2,854 |
| Other expenditures: | | | | |
| Capital outlay facilities acquisition | - | 31,731,263 | - | 31,731,263 |
| Current, AEA flowthrough | 1,492,585 | - | - | 1,492,585 |
| Debt service: | | | | |
| Principal | - | - | 1,222,634 | 1,222,634 |
| Interest and fiscal fees | - | 305,764 | 976,105 | 1,281,869 |
| | 1,492,585 | 32,037,027 | 2,198,739 | 35,728,351 |
| Total expenditures | 40,325,542 | 33,191,296 | 3,698,034 | 77,214,872 |
| Excess (deficiency) of revenues over (under) expenditures | 1,467,379 | (22,473,590) | (1,840,056) | (22,846,267) |
| Other financing sources (uses): | | | | |
| Proceeds from sale of capital assets | 7,342 | 11,386 | - | 18,728 |
| Issuance of long-term debt | - | 25,000,000 | - | 25,000,000 |
| Premium on issuance of long-term debt | - | 1,996,442 | - | 1,996,442 |
| Transfers in | 69,400 | - | 2,215,192 | 2,284,592 |
| Transfers (out) | (18,025) | (2,197,167) | - | (2,215,192) |
| Total other financing sources (uses) | 58,717 | 24,810,661 | 2,215,192 | 27,084,570 |
| Net change in fund balances | 1,526,096 | 2,337,071 | 375,136 | 4,238,303 |
| Fund balances, beginning of year | 9,334,526 | 20,848,807 | 4,489,046 | 34,672,379 |
| Fund balances, end of year | \$ 10,860,622 | \$ 23,185,878 | \$ 4,864,182 | \$ 38,910,682 |

See Notes to Basic Financial Statements.

North Scott Community School District

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities
Year Ended June, 30 2024**

Net change in fund balances - total governmental funds \$ 4,238,303

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, those costs are reported in the statement of net position and are allocated over their estimated useful lives as depreciation/amortization expense in the statement of activities. The amounts of capital outlays and depreciation and amortization expense in the year are as follows:

| | | |
|---------------------------------------|--------------------|------------|
| Capital outlay | \$ 32,605,992 | |
| Depreciation and amortization expense | <u>(2,276,521)</u> | 30,329,471 |
| Loss on sale of capital assets | (113,678) | |
| Proceeds from sale of capital assets | <u>(18,728)</u> | (132,406) |

The increase in net position of the Internal Service Fund represents an overcharge to the governmental funds and is incorporated into the change in net position of governmental activities. 433,967

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, change in unavailable revenues:

| | | |
|---------------|--------------------|-----------|
| Income surtax | 25,160 | |
| Grants | 41,300 | |
| Other | <u>(1,000,000)</u> | (933,540) |

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. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:

| | | |
|--|--|--------------|
| Issuance of long term debt | | (25,000,000) |
| Premium on issuance of long term debt | | (1,996,442) |
| Payment of principal on long term debt | | 1,130,000 |
| Payment of IT subscription obligation | | 92,634 |
| Amortization of premium on issuance of revenue bonds | | 18,546 |
| Interest expense | | (89,573) |

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 the governmental funds, as follows:

| | | |
|----------------------|--|-----------|
| Compensated absences | | (15,518) |
| Total OPEB liability | | (16,117) |
| Pension expense | | 1,334,623 |

Change in net position of governmental activities \$ 9,393,948

See Notes to Basic Financial Statements.

North Scott Community School District

Statement of Net Position
 Proprietary Funds
 June 30, 2024

| | Business-Type Activities, Enterprise Funds | | | Governmental Activities, Internal Service Fund |
|---|--|------------------------------|---------------------|---|
| | School Nutrition | Nonmajor Enterprise Funds | Total | |
| Assets | | | | |
| Current assets: | | | | |
| Cash and pooled investments | \$ 1,987,570 | \$ 163,897 | \$ 2,151,467 | \$ 5,556,479 |
| Receivables, accounts | - | 6,881 | 6,881 | 55,080 |
| Inventories | 34,326 | - | 34,326 | - |
| Prepaid expenses | 1,164 | 590 | 1,754 | 1,100 |
| Assets held for resale | - | 660,600 | 660,600 | - |
| Total current assets | 2,023,060 | 831,968 | 2,855,028 | 5,612,659 |
| Noncurrent assets: | | | | |
| Capital assets being depreciated, net of accumulated depreciation: | | | | |
| Machinery and equipment | 1,081,490 | - | 1,081,490 | - |
| Total noncurrent assets | 1,081,490 | - | 1,081,490 | - |
| Total assets | 3,104,550 | 831,968 | 3,936,518 | 5,612,659 |
| Deferred Outflows of Resources: | | | | |
| OPEB related deferred outflows | 4,334 | 1,709 | 6,043 | - |
| Pension related deferred outflows | 97,272 | 28,750 | 126,022 | - |
| Total deferred outflows of resources | 101,606 | 30,459 | 132,065 | - |
| Liabilities | | | | |
| Current liabilities: | | | | |
| Accounts payable | 15,490 | 17,436 | 32,926 | - |
| Salaries and benefits payable | 5,055 | 9,227 | 14,282 | - |
| Unearned revenue | 23,036 | - | 23,036 | - |
| Claims payable | - | - | - | 427,000 |
| Deposits | 43,405 | - | 43,405 | - |
| Compensated absences | 5,718 | 234 | 5,952 | - |
| Due to other funds | - | 151,220 | 151,220 | - |
| Total OPEB liability | 1,062 | 314 | 1,376 | - |
| Total current liabilities | 93,766 | 178,431 | 272,197 | 427,000 |
| Noncurrent liabilities: | | | | |
| Total OPEB liability | 27,856 | 2,326 | 30,182 | - |
| Net pension liability | 257,698 | 76,167 | 333,865 | - |
| Total noncurrent liabilities | 285,554 | 78,493 | 364,047 | - |
| Total liabilities | 379,320 | 256,924 | 636,244 | 427,000 |
| Deferred Inflows of Resources: | | | | |
| OPEB related deferred inflows | 13,938 | 5,731 | 19,669 | - |
| Pension related deferred inflows | 6,170 | 1,823 | 7,993 | - |
| Total deferred inflows of resources | 20,108 | 7,554 | 27,662 | - |
| Net Position | | | | |
| Investment in capital assets | 1,081,490 | - | 1,081,490 | - |
| Unrestricted | 1,725,238 | 597,949 | 2,323,187 | 5,185,659 |
| Total net position | \$ 2,806,728 | \$ 597,949 | \$ 3,404,677 | \$ 5,185,659 |

See Notes to Basic Financial Statements.

North Scott Community School District

Statement of Revenues, Expenses and Changes in Net Position
 Proprietary Funds
 Year Ended June 30, 2024

| | Business-Type Activities, Enterprise Funds | | | Governmental Activities, Internal Service Fund |
|---|--|------------------------------|------------------|---|
| | School Nutrition | Nonmajor Enterprise Funds | Total | |
| Operating revenues: | | | | |
| Local sources: | | | | |
| Charges for service | \$ 1,237,023 | \$ 264,933 | \$ 1,501,956 | \$ 5,679,920 |
| Miscellaneous | 1,518 | - | 1,518 | - |
| Total operating revenues | 1,238,541 | 264,933 | 1,503,474 | 5,679,920 |
| Operating expenses: | | | | |
| Support services: | | | | |
| Administration: | | | | |
| Salaries | 107,105 | - | 107,105 | - |
| Benefits | 36,769 | - | 36,769 | - |
| Services | 3,201 | - | 3,201 | 5,508,910 |
| Transportation: | | | | |
| Salaries | - | 1,066 | 1,066 | - |
| Benefits | - | 182 | 182 | - |
| Services | - | 102 | 102 | - |
| Noninstructional programs: | | | | |
| Salaries | 532,735 | 238,253 | 770,988 | - |
| Benefits | 106,799 | 7,855 | 114,654 | - |
| Services | 480 | 1,175 | 1,655 | - |
| Supplies | 1,238,265 | 29,397 | 1,267,662 | - |
| Other | - | 8,937 | 8,937 | - |
| Depreciation | 117,117 | - | 117,117 | - |
| Total operating expenses | 2,142,471 | 286,967 | 2,429,438 | 5,508,910 |
| Operating income (loss) | (903,930) | (22,034) | (925,964) | 171,010 |
| Nonoperating revenues (expenses): | | | | |
| State sources | 13,098 | - | 13,098 | - |
| Federal sources | 1,020,278 | 2,102 | 1,022,380 | - |
| Interest on investments | 103,708 | 12,858 | 116,566 | 262,957 |
| Loss on sale of capital asset | (1,129) | - | (1,129) | - |
| Total nonoperating revenues (expenses) | 1,135,955 | 14,960 | 1,150,915 | 262,957 |
| Income (loss) before transfers | 232,025 | (7,074) | 224,951 | 433,967 |
| Transfers (out) | (69,400) | - | (69,400) | - |
| Change in net position | 162,625 | (7,074) | 155,551 | 433,967 |
| Net position, beginning of year | 2,644,103 | 605,023 | 3,249,126 | 4,751,692 |
| Net position, end of year | \$ 2,806,728 | \$ 597,949 | \$ 3,404,677 | \$ 5,185,659 |

See Notes to Basic Financial Statements.

North Scott Community School District

Statement of Cash Flows
 Proprietary Funds
 Year Ended June 30, 2024

| | Business-Type Activities, Enterprise Fund | | | Governmental |
|--|---|---------------------------|--------------------|-----------------------------------|
| | School Nutrition | Nonmajor Enterprise Funds | Total | Activities, Internal Service Fund |
| Cash flows from operating activities: | | | | |
| Cash received from: | | | | |
| Charges for services | \$ 1,204,870 | \$ 262,650 | \$ 1,467,520 | \$ - |
| Miscellaneous services | 1,518 | - | 1,518 | 5,624,840 |
| Cash payments to: | | | | |
| Employees for services | (846,983) | (295,358) | (1,142,341) | - |
| Suppliers for goods and services | (1,043,370) | (458,027) | (1,501,397) | (5,337,166) |
| Net cash provided by (used in) operating activities | (683,965) | (490,735) | (1,174,700) | 287,674 |
| Cash flows from noncapital financing activities: | | | | |
| Transfers to other funds | (69,400) | - | (69,400) | - |
| Proceeds from other funds | - | 151,220 | 151,220 | - |
| State grants received | 13,098 | - | 13,098 | - |
| Federal grants received | 838,522 | 2,102 | 840,624 | - |
| Net cash provided by noncapital financing activities | 782,220 | 153,322 | 935,542 | - |
| Cash flows from capital financing activities and related activities: | | | | |
| Acquisition of capital assets | (547,171) | - | (547,171) | - |
| Principal payment on IT subscription liability | (17,715) | - | (17,715) | - |
| Net cash (used in) capital financing activities | (564,886) | - | (564,886) | - |
| Cash flows from investing activities, interest on investments: | | | | |
| Net increase (decrease) in cash and cash equivalents | (362,923) | (324,555) | (687,478) | 550,631 |
| Cash and cash equivalents: | | | | |
| Beginning of year | 2,350,493 | 488,452 | 2,838,945 | 5,005,848 |
| End of year | \$ 1,987,570 | \$ 163,897 | \$ 2,151,467 | \$ 5,556,479 |

(Continued)

North Scott Community School District

Statement of Cash Flows (Continued)

Proprietary Funds

Year Ended June 30, 2024

| | Business-Type Activities, Enterprise Funds | | | Governmental Activities, Internal Service Fund |
|--|--|---------------------------------|-----------------------|---|
| | School Nutrition | Nonmajor Enterprise Funds | Total | |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | | |
| Operating income (loss) | \$ (903,930) | \$ (22,034) | \$ (925,964) | \$ 171,010 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | |
| Commodities consumed | 181,756 | - | 181,756 | - |
| Depreciation | 117,117 | - | 117,117 | - |
| (Increase) decrease in: | | | | |
| Inventories | 3,193 | - | 3,193 | - |
| Accounts receivable | - | (2,283) | (2,283) | (55,080) |
| Prepaid expenses | (1,164) | - | (1,164) | 4 |
| Assets held for resale | - | (424,228) | (424,228) | - |
| Increase (decrease) in: | | | | |
| Accounts payable | 14,790 | 5,812 | 20,602 | (2,750) |
| Claims payable | - | - | - | 174,490 |
| Salaries and benefits payable | 2,408 | (989) | 1,419 | - |
| OPEB benefits | 336 | 99 | 435 | - |
| Net pension liability | (68,038) | (46,352) | (114,390) | - |
| Compensated absences payable | 1,719 | (760) | 959 | - |
| Unearned revenue | (22,534) | - | (22,534) | - |
| Deposits | (9,618) | - | (9,618) | - |
| Net cash provided by (used in) operating activities | \$ (683,965) | \$ (490,735) | \$ (1,174,700) | \$ 287,674 |
| Noncash investing, capital and financing activities: | | | | |
| Federal commodities | \$ 181,756 | \$ - | \$ 181,756 | \$ - |

See Notes to Basic Financial Statements.

North Scott Community School District

Statement of Fiduciary Net Position

Fiduciary Fund

June 30, 2024

| | <u>Custodial Fund</u> |
|--------------------------------------|-----------------------|
| Assets | |
| Cash and pooled investments | \$ 48,565 |
| Accounts receivable | 405 |
| Total assets | <u>48,970</u> |
| Liabilities, accounts payable | <u>249</u> |
| Net position | <u>\$ 48,721</u> |

See Notes to Basic Financial Statements.

North Scott Community School District

Statement of Changes in Fiduciary Net Position

Fiduciary Fund

Year Ended June 30, 2024

| | <u>Custodial Fund</u> |
|---------------------------------|-------------------------|
| Additions | |
| Contributions | \$ 73,626 |
| Other | 888 |
| Total additions | <u>74,514</u> |
| Deductions | |
| Program supplies | <u>68,345</u> |
| Total deductions | <u>68,345</u> |
| Change in net position | 6,169 |
| Net position, beginning of year | <u>42,552</u> |
| Net position, end of year | <u><u>\$ 48,721</u></u> |

See Notes to Basic Financial Statements.

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

Notes to Basic Financial Statements Year Ended June 30, 2024

Note 1. Significant Accounting Policies

Reporting entity:

The North Scott Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades kindergarten through twelve and special education pre-kindergarten. The geographic area served includes the cities of Dixon, Maysville, Donahue, Long Grove, Eldridge, McCausland and Princeton, Iowa and the predominate agricultural territory in Scott County. The District is governed by a Board of Education whose members are elected on a nonpartisan basis.

The District's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

For financial reporting purposes, North Scott Community School District has included all funds, organizations, agencies, boards, commissions and authorities. The District has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the 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. The North Scott Community School District has no component units which meet the Governmental Accounting Standards Board criteria.

Jointly governed organizations: The District participates in a jointly governed organization that provides services to the District but do not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The District is a member of the Scott County Assessors' Conference Board.

Basis of presentation:

Government-wide financial statements: The statement of net position and the statement of activities report information on all of the nonfiduciary activities of the District. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

Restricted net position: Result 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 two preceding categories. Unrestricted net position often has constraints on resources that are imposed by management, but can be removed or modified.

North Scott Community School District

Notes to Basic Financial Statements Year Ended June 30, 2024

Note 1. Significant Accounting Policies (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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, contributions and interest that are restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements: Separate financial statements are provided for governmental, proprietary and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other nonmajor governmental funds.

The District reports the following major governmental funds:

The General Fund is the general operating fund of the District. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted or in this fund. From the fund are paid the general operating expenses, including instructional, support and other costs.

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

The District reports the following nonmajor governmental funds:

The Management Fund, a special revenue fund, is utilized to account for the payment of property insurance as well as early retirement incentives.

The Student Activity Fund, a special revenue fund, is utilized to account for the various student run organizations and athletic accounts of the District.

The Public Education and Recreation Levy Fund, accounts for the resources used to establish and maintain public recreation places and playgrounds and necessary accommodations.

The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. Revenue of the fund primarily consists of statewide sales, services and use tax.

The District reports the following major and nonmajor proprietary funds:

The District's proprietary funds are the Enterprise Funds, School Nutrition Fund, Child Care Fund, Student Construction Fund and the Internal Service Fund.

The School Nutrition Fund is considered a major fund. The School Nutrition Fund is used to account for the food service operations of the District.

The Child Care Fund is a nonmajor fund used to account for the child care service operations of the District.

North Scott Community School District

Notes to Basic Financial Statements Year Ended June 30, 2024

Note 1. Significant Accounting Policy (Continued)

The Student Construction fund is a nonmajor fund used to account for the student construction operations of the District.

The Child Care Fund is a nonmajor fund used to account for the child care service operations of the District.

The Student Construction fund is a nonmajor fund used to account for the student construction operations of the District.

The Internal Service Fund is used to account for the self-funded health insurance plan of the District. The Internal Service Fund is charged back to the Governmental Funds and shown combined in the statement of net position and statement of activities. This chargeback is based on a percentage of total employees by the participants' various functional areas.

The District also reports fiduciary funds which focus on net position and changes in net position. The District's fiduciary funds include the following:

The Custodial Fund is used to account for assets held by the District as an agent for individuals, private organizations and other governments. Specifically, these are funds for which the District accounts for revenue collected for faculty accounts such as purchase of pop and related expenditures, and for funds collected for other various special group accounts.

Measurement focus and basis of accounting:

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

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 government considers revenues to be available if they are collected within 60 days after year-end.

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments and compensated absences are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and lease obligations are reported as other financing sources.

North Scott Community School District

Notes to Basic Financial Statements Year Ended June 30, 2024

Note 1. Significant Accounting Policies (Continued)

Under 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 is 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.

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 principle ongoing operations. The principle operating revenues of the District's enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash, pooled investments and cash equivalents:

The cash balances of most District funds are pooled and invested. Investments are stated at fair value except for the investments in Iowa School Joint Investment Trust (ISJIT) which is valued at amortized cost and non-negotiable certificates of deposit which are stated at cost.

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and at the day of purchase, they have a maturity date no longer than three months.

Property taxes:

Property taxes receivable is recognized in the funds on the levy date that the tax asking is certified by the Board of Education to the County Board of Supervisors. Current year delinquent property taxes receivable represents unpaid taxes from the current year. The succeeding year property tax receivable represents taxes certified by the Board of Education to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the Board of Education is required to certify its budget to the County Auditor by April 15 of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is recorded as a deferred inflow and will not be recorded as revenue until the year for which it is levied.

Property tax revenue recognized in these funds became due and collectible in September and March of the fiscal year with a 1½ percent per month penalty for delinquent payments; is based on January 1, 2022 assessed property valuations; is for the tax accrual period July 1, 2023 through June 30, 2024 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2023.

Inventories:

General Fund inventories are valued at cost using the first-in and first-out method. The inventories consist of supplies. General fund inventories are recorded as expenses when consumed on the government-wide financial statements.

North Scott Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2024**

Note 1. Significant Accounting Policies (Continued)

The Enterprise Fund inventories are held for resale and are accounted for using the consumption method by which inventory acquisitions are recorded in inventory accounts when purchased or received by other means and are charged to operations when consumed or sold. The enterprise fund inventory consists primarily of food, with purchased food recorded at the lower cost (first-in, first-out method), or market and food commodities which were received from the federal government and recorded at the contributed value as of the date received.

Prepaid items:

The District accounts for the prepaid items by using the purchases method. Items prepaid include postage, registration, insurance, software package renewals and security.

Capital assets:

Capital assets, which include property, machinery and equipment and intangibles, are reported in the applicable governmental or business-type activities columns in the government-wide statement of net position. Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

| Assets | Amount |
|---------------------------------|---------|
| Land | \$ 1 |
| Buildings | 3,000 |
| Land improvements | 3,000 |
| Intangibles | 100,000 |
| Machinery and equipment | |
| School Nutrition Fund equipment | 500 |
| Other machinery and equipment | 3,000 |

Land is not depreciated. Buildings, land improvements, machinery and equipment and intangibles are depreciated/amortized using the straight-line method of depreciation over the following estimated useful lives:

| Asset Class | Estimated Useful Lives |
|-------------------------|------------------------|
| Buildings | 50 years |
| Land improvements | 20-50 years |
| Intangibles | 5-10 years |
| Machinery and equipment | 5-15 years |

North Scott Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2024**

Note 1. 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.

Salaries and benefits payable:

Payroll and related payroll taxes and benefits for teachers with annual contracts corresponding to the school year, but which have balances payable in July and August 2024, have been accrued as a liability as it is applicable to the fiscal year ended June 30, 2024.

Deposits:

Deposits consist primarily of monies collected for lunches that have not yet been served. The lunch account balances will either be reimbursed or served lunches. The lunch account balances are reflected on the statement of net position in the proprietary, school nutrition fund.

Compensated absences:

District employees accumulate a limited amount of earned but unused vacation benefits payable to employees that are generally liquidated within one year as employees are only allowed to carry over five days which must be used in the next fiscal year. Vacation pay is payable to employees upon retirement or termination. Sick leave does not vest. Compensated absences are reported in governmental funds only if they have matured.

North Scott Community School District

Notes to Basic Financial Statements Year Ended June 30, 2024

Note 1. Significant Accounting Policies (Continued)

The cost of vacation payments expected to be liquidated currently is recorded as a long-term liability on the statement of net position and will be paid in the future primarily from the General Fund. The compensated absences liability has been computed based on rates of pay in effect as of June 30, 2024. The full balance is due within a year.

Pensions:

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

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 in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The authority to assign fund balances has been delegated to the Director of Business Affairs by the Board of Education. The District has assigned balances received from donations and parent organizations; that are not specifically restricted, for supplies and other purposes. Unlike commitments, assignments only exist temporarily. An additional action does not normally have to be taken for the removal of an assignment.

Unassigned: All amounts not included in other spendable classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Residual deficit amounts of other governmental funds would also be reported as unassigned.

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. 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 toward restricted fund balance and then to less restrictive classifications – assigned and then unassigned fund balances.

North Scott Community School District

Notes to Basic Financial Statements Year Ended June 30, 2024

Note 1. 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 net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then. The District has pension and other post-employment benefit related deferred outflows that qualify for reporting in this category.

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 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 property tax, income surtax and other grants. 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. The District also reports pension and other post-employment benefit related deferred inflows in the government-wide statements and the proprietary fund statements.

Net Position:

In the government-wide statement of net position and the proprietary funds, 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 balance of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds of \$20,777,854. Net position is reported as restricted when there are limitations imposed on their use through 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 \$609,012 for categorical funding, \$1,664,490 for debt service, \$6,624,996 for school infrastructure, \$3,355,142 for management levy, \$1,336,489 for physical plant and equipment levy, \$750,526 for public education and recreation and \$476,473 for student activities.

Sometimes the District will fund outlays for a particular purpose from both restricted 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 transactions: Transactions among District funds would be treated as revenues and expenditures or expenses if they involved organizations external to the District and are accounted for as revenues and expenditures or expenses in the funds involved.

North Scott Community School District

Notes to Basic Financial Statements Year Ended June 30, 2024

Note 1. Significant Accounting Policies (Continued)

Transactions which constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expected, are separately reported in the respective fund's operating statements.

Activity between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as "due to/from other funds" in the fund financial statements. Any residual balances outstanding are reported in the government-wide financial statements as "internal balances".

Note 2. Budgets and Budgetary Accounting

In accordance with the Code of Iowa, the District's Board of Education annually adopts a single district-wide budget and approves the related appropriations following required public notice and hearing for all funds. The budgets and related appropriations as well as the financial statements are prepared on the modified accrual basis or accrual basis of accounting. The budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control for the certified budget is based upon four major classes of disbursements known as functional areas, not by fund. These four functional areas are instruction, support services, noninstructional programs and other expenditures. The Code of Iowa also provides that District disbursements in the General Fund may not exceed the amount authorized by the school finance formula. The District did not exceed budgeted expenditures.

The Board of Education follows these procedures in establishing budgetary data reflected in the financial statements:

- In accordance with the Statutes of the State of Iowa, prior to March 15, the Board Secretary submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures or expense and the means of financing them for the upcoming year, along with estimates for the current and actual data for the preceding years. This budget is submitted in summary form, with an administrative control. The legal level of control for the detailed budget is at the functional area level.
- Public hearings are required to be conducted to obtain taxpayer comment.
- Prior to April 15, the budget is legally enacted through certification from the County Auditor.
- Management is authorized to transfer budgeted amounts between departments within any functional area; however, any revisions that alter the total expenditures or expenses of any functional area must be approved by the Board of Education.
- The Board of Education may amend the budget during the year by holding public hearings and certifying the amendment with the County Auditor.
- Appropriations lapse at the end of each fiscal year.
- The budget cannot be amended without the approval of the Board of Education.

North Scott Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2024**

Note 3. Deposits and Pooled 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 and other evidenced 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.

As of June 30, 2024, the District had the following investments:

| Investment Type | Fair Value | <1 | 1-5 | 6-10 | >10 | Level Input | Rating Standard & Poor |
|-------------------------------------|---------------|---------------|------|------|------|-------------|------------------------|
| Iowa Schools Joint Investment Trust | \$ 31,127,690 | \$ 31,127,690 | \$ - | \$ - | \$ - | N/A | AAAm |

The District’s investment is in the Iowa Schools Joint Investment Trust. The fund is valued at an amortized cost pursuant to Rule 21-7 under the Investment Company Act of 1940. There are no limitations or restrictions on withdrawals from these investments.

Interest rate risk: The District’s investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) 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 the maturities shall be consistent with the needs and use of the District and must also conform to any loan covenant investment maturity restrictions. The maturity of the District’s assets in an external investment pool is based on the average maturity of the pool’s investments.

Credit risk: The investments in the Iowa School Joint Investment Trust are registered and not subject to rating. The District’s policy relating to credit risk of investments is to have the majority of the District’s bank deposits with an AAA/Aaa rated national banking company (by Standard & Poors and Moody’s Investors Services). The District does not have a separate policy from state statutes in regard to concentration risk.

Custodial credit risk: The risk for deposits is the risk that, in the event of a failure of a depository financial institution, the District will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. As of June 30, 2024, none of the District’s investments were exposed to custodial credit risk and deposits in banks were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The District is not subject to foreign-currency risk.

North Scott Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2024**

Note 4. Interfund Balances and Interfund Transfers

The detail of interfund balances as of June 30, 2024 is as follows:

| Due from | Due to | Amount |
|------------------------------|--|------------|
| Major fund, Capital Projects | Nonmajor enterprise fund, Student Construction | \$ 151,220 |

The interfund balances are a result of cash flowing expenditures of the Student Construction Fund.

The detail of transfers for the year ended June 30, 2024 is as follows:

| Transfer To | Transfer From | Amount |
|------------------------------|------------------------------|---------------------|
| Major fund, General | Major fund, School Nutrition | \$ 69,400 |
| Nonmajor Governmental Funds: | | |
| Debt Service | Major fund, Capital Projects | 2,197,167 |
| Student activity | Major fund, General | 18,025 |
| Total | | \$ 2,284,592 |

The Capital Projects Fund transferred statewide sales, services and use tax revenue to the Debt Service Fund for payment of principal and interest on the bonds. The School Nutrition Fund transfer is for program support. The Student Activity Fund transfer is for a safety equipment purchase.

North Scott Community School District

Notes to Basic Financial Statements
Year Ended June 30, 2024

Note 5. Capital Assets

A summary of changes capital assets is as follows:

| | Balance Beginning of Year | Increases | Decreases | Balance End of Year |
|--|---------------------------------|----------------------|---------------------|---------------------------|
| Governmental activities: | | | | |
| Capital assets not being depreciated and amortized | | | | |
| Land | \$ 1,778,920 | \$ - | \$ - | \$ 1,778,920 |
| Construction in progress | 6,098,060 | 31,285,821 | 4,476,442 | 32,907,439 |
| Total capital assets not being depreciated and amortized | 7,876,980 | 31,285,821 | 4,476,442 | 34,686,359 |
| Capital assets being depreciated and amortized: | | | | |
| Buildings | 76,610,531 | 411,006 | 150,177 | 76,871,360 |
| Land improvements | 7,945,961 | 4,299,967 | - | 12,245,928 |
| Machinery and equipment | 9,615,390 | 836,687 | 173,068 | 10,279,009 |
| Intangible right to use IT subscription | 353,934 | 248,953 | - | 602,887 |
| Total capital assets being depreciated and amortized | 94,525,816 | 5,796,613 | 323,245 | 99,999,184 |
| Less accumulated depreciation and amortization for: | | | | |
| Buildings | 31,031,334 | 1,266,461 | 17,771 | 32,280,024 |
| Land improvements | 5,998,204 | 184,010 | - | 6,182,214 |
| Machinery and equipment | 6,058,636 | 668,668 | 173,068 | 6,554,236 |
| Intangible right to use IT subscription | 139,973 | 157,382 | - | 297,355 |
| Total accumulated depreciation and amortization | 43,228,147 | 2,276,521 | 190,839 | 45,313,829 |
| Total capital assets being depreciated and amortized, net | 51,297,669 | 3,520,092 | 132,406 | 54,685,355 |
| Governmental activities capital assets, net | \$ 59,174,649 | \$ 34,805,913 | \$ 4,608,848 | \$ 89,371,714 |

North Scott Community School District

Notes to Basic Financial Statements
Year Ended June 30, 2024

Note 5. Capital Assets (Continued)

| | Balance Beginning of Year | Increases | Decreases | Balance End of Year |
|---|---------------------------------|-----------------------|---------------------|---------------------------|
| Business-type activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Construction in progress | \$ - | \$ 409,192 | \$ - | \$ 409,192 |
| Capital assets being depreciated: | | | | |
| Machinery and equipment | 1,353,694 | 137,979 | 54,478 | 1,437,195 |
| Intangible right to use IT subscription | 50,989 | - | - | 50,989 |
| Total capital assets being depreciated/amortized | 1,404,683 | 137,979 | 54,478 | 1,488,184 |
| Less accumulated depreciation/ amortization for: | | | | |
| Machinery and equipment | 718,125 | 100,121 | 53,349 | 764,897 |
| Intangible right to use IT subscription | 33,993 | 16,996 | - | 50,989 |
| Total accumulated depreciation/amortization | 752,118 | 117,117 | 53,349 | 815,886 |
| Business-type activities capital assets, net | \$ 652,565 | \$ 430,054 | \$ 1,129 | \$ 1,081,490 |

Depreciation and amortization expense was charged by the District as follows:

| | |
|---|---------------------|
| Governmental activities: | |
| Instruction: | |
| Regular | \$ 709,161 |
| Other | 487,462 |
| Support services: | |
| Administration | 285,403 |
| Operation and maintenance of plant | 370,050 |
| Transportation | 424,445 |
| Total governmental activities depreciation/amortization expense | \$ 2,276,521 |
| Business-type activities: | |
| Food services | 117,117 |
| Total business-type activities depreciation/amortization expense | \$ 117,117 |

North Scott Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2024**

Note 6. General Long-Term Debt

A summary of changes in general long-term debt for the year ended June 30, 2024:

| | Balance | | | Balance End | | Due Within |
|---------------------------------------|----------------------|----------------------|---------------------|----------------------|---------------------|------------|
| | Beginning | | Reductions | of Year | One Year | |
| | of Year | Additions | | | | |
| Governmental activities: | | | | | | |
| Revenue bonds, Series 2013 | \$ 4,230,000 | \$ - | \$ 650,000 | \$ 3,580,000 | \$ 670,000 | |
| Revenue bonds, Series 2014 | 3,155,000 | - | 480,000 | 2,675,000 | 495,000 | |
| Private placement: | | | | | | |
| Revenue bonds, Series 2023 | 20,000,000 | - | - | 20,000,000 | - | |
| Premium on revenue bonds | 113,818 | - | 18,546 | 95,272 | - | |
| General obligation bonds, Series 2024 | - | 25,000,000 | - | 25,000,000 | 520,000 | |
| Premium on general obligation bonds | - | 1,996,442 | - | 1,996,442 | - | |
| IT subscription obligation | 150,728 | - | 92,634 | 58,094 | 31,105 | |
| Compensated absences | 88,730 | 104,248 | 88,730 | 104,248 | 104,248 | |
| Total OPEB liability | 1,233,036 | - | 121,181 | 1,111,855 | 50,929 | |
| Net pension liability | 10,596,214 | 1,764,404 | - | 12,360,618 | - | |
| Total | \$ 39,567,526 | \$ 28,865,094 | \$ 1,451,091 | \$ 66,981,529 | \$ 1,871,282 | |
| Business-type activities: | | | | | | |
| Compensated absences | \$ 4,993 | \$ 5,952 | \$ 4,993 | \$ 5,952 | \$ 5,952 | |
| IT subscription obligation | 17,715 | - | 17,715 | - | - | |
| Total OPEB liability | 34,831 | - | 3,273 | 31,558 | 1,376 | |
| Net pension liability (asset) | 375,223 | - | 41,358 | 333,865 | - | |
| Total | \$ 432,762 | \$ 5,952 | \$ 67,339 | \$ 371,375 | \$ 7,328 | |

Compensated absences, OPEB liabilities and pension liabilities are generally liquidated by the General Fund.

Revenue bonds:

- On June 25, 2013, 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 2.00 percent to 3.20 percent and had an unpaid balance of \$3,580,000.
- On September 23, 2014, The District issued \$7,000,000 in School Infrastructure Sale, Services and Use Tax Revenue Bonds to finance school infrastructure projects. The bonds bear interest at rates ranging from 2.00 percent to 3.125 percent and had an unpaid balance of \$2,675,000.
- On January 13, 2023, The District issued \$20,000,000 in School Infrastructure Sale, Services and Use Tax Revenue Bonds to finance school infrastructure projects. The bonds bear an interest rate of 3.78 percent and have an unpaid balance of \$20,000,000.

The Series 2013, Series 2014 and Series 2023 revenue bonds will be repaid using statewide sales, services and use tax collected in the Capital Projects Fund. The bonds have a first priority lien and are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District through their maturity in 2042. The bonds are not general obligations of the District. The pledge of statewide sales, service and use tax revenues constitutes approximately 32% of annual statewide sales, service and use tax revenues of the District.

North Scott Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2024**

Note 6. General Long-Term Debt (Continued)

The total principal and interest remaining to be paid on the bonds is \$36,108,316. During the year ended June 30, 2024, principal of \$1,130,000 and interest of \$968,308 was paid on the bonds. Statewide sales, services and use tax revenues were \$5,080,660.

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, 2024, there was \$175,386 deposited in the sinking fund account.
- 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 2013 and 2014 bonds if insufficient money is available in the sinking account. At June 30, 2024, there was \$1,382,449 deposited in the reserve account.
- If monies in the sinking fund exceed the required amount, the excess shall be transferred to the revenue account.

North Scott Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2024**

Note 6. General Long-Term Debt (Continued)

Annual debt service requirement on the outstanding indebtedness as of June 30, 2024, are as follows:

Series 2013:

| Year ending June 30: | Rate | Principal | Interest | Total |
|----------------------|-------|---------------------|-------------------|---------------------|
| 2025 | 3.00% | \$ 670,000 | \$ 109,670 | \$ 779,670 |
| 2026 | 3.00% | 690,000 | 89,570 | 779,570 |
| 2027 | 3.00% | 715,000 | 68,870 | 783,870 |
| 2028 | 3.00% | 740,000 | 47,420 | 787,420 |
| 2029 | 3.20% | 765,000 | 24,480 | 789,480 |
| Total | | \$ 3,580,000 | \$ 340,010 | \$ 3,920,010 |

Series 2014:

| Year ending June 30: | Rate | Principal | Interest | Total |
|----------------------|-------|---------------------|-------------------|---------------------|
| 2025 | 2.38% | \$ 495,000 | \$ 73,962 | \$ 568,962 |
| 2026 | 2.50% | 515,000 | 62,207 | 577,207 |
| 2027 | 2.75% | 535,000 | 49,332 | 584,332 |
| 2028 | 2.75% | 555,000 | 34,619 | 589,619 |
| 2029 | 2.75% | 575,000 | 17,969 | 592,969 |
| Total | | \$ 2,675,000 | \$ 238,089 | \$ 2,913,089 |

Private Placement, Series 2023:

| Year ending June 30: | Rate | Principal | Interest | Total |
|----------------------|-------|----------------------|---------------------|----------------------|
| 2025 | 3.78% | \$ - | \$ 756,000 | \$ 568,962 |
| 2026 | 3.78% | - | 756,000 | 756,000 |
| 2027 | 3.78% | - | 756,000 | 756,000 |
| 2028 | 3.78% | - | 756,000 | 756,000 |
| 2029 | 3.78% | - | 756,000 | 756,000 |
| 2030-2034 | 3.78% | 6,580,000 | 3,301,044 | 9,881,044 |
| 2035-2039 | 3.78% | 7,915,000 | 1,959,741 | 9,874,741 |
| 2040-2042 | 3.78% | 5,505,000 | 421,470 | 5,926,470 |
| Total | | \$ 20,000,000 | \$ 9,462,255 | \$ 29,275,217 |

North Scott Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2024**

Note 6. General Long-Term Debt (Continued)

General Obligation Bonds:

On February 8, 2024 the District issued \$25,000,000 General Obligation School Bonds, Series 2024, for the purpose of providing funds to construct, build, furnish and equip a Regional Innovation Center and improve the site; to construct, build, furnish, and equip a welding/metal lab at the high school building and to improve the site; to renovate, remodel, repair, improve, furnish, and equip the music wing at the junior high building; to construct, build, furnish and equip an addition to Neil Armstrong Elementary; to renovate, repair, improve, furnish and equip Lancer Stadium; to implement various energy savings projects at District facilities and to acquire property. The bond has an interest rate ranging from 4.0 percent to 5.0 percent. Principal is due each June 1st and ranges from \$520,000 to \$1,895,000 until final payment on June 1, 2042. The outstanding balance at June 30, 2024 totaled \$25,000,000.

| Year ending June 30: | Rate | Principal | Interest | Total |
|----------------------|----------|----------------------|----------------------|----------------------|
| 2025 | 5.00% | \$ 520,000 | \$ 1,449,942 | \$ 779,670 |
| 2026 | 5.00% | 890,000 | 1,077,550 | 1,967,550 |
| 2027 | 5.00% | 935,000 | 1,033,050 | 1,968,050 |
| 2028 | 5.00% | 985,000 | 986,300 | 1,971,300 |
| 2029 | 5.00% | 1,030,000 | 937,050 | 1,967,050 |
| 2030-2034 | 5.00% | 5,995,000 | 3,857,500 | 9,852,500 |
| 2035-2039 | 4.0-5.0% | 7,495,000 | 2,352,800 | 9,847,800 |
| 2040-2042 | 4.00% | 7,150,000 | 729,000 | 7,879,000 |
| Total | | \$ 25,000,000 | \$ 12,423,192 | \$ 36,232,920 |

Subscription-Based Information Technology Arrangements:

The District has entered into several subscription based information technology arrangements (SBITA). The arrangements expire between June 30, 2025 and June 30, 2027. The details of the arrangements are as follows:

| Year ending June 30: | Governmental Activities | | |
|----------------------|-------------------------|-----------------|------------------|
| | Principal | Interest | Total |
| 2025 | \$ 31,105 | \$ 2,196 | \$ 33,301 |
| 2026 | 20,109 | 1,021 | 21,130 |
| 2027 | 6,880 | 260 | 7,140 |
| Total | \$ 58,094 | \$ 3,477 | \$ 61,571 |

North Scott Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2024**

Note 6. General Long-Term Debt (Continued)

The June 30, 2024 debt issued by the District did not exceed its legal debt margin computed as follows:

| | |
|---|-----------------------------|
| Total assessed valuation | <u>\$ 2,301,194,913</u> |
| Debt limit, 5% of total assessed valuation | \$ 115,059,746 |
| Amount of debt applicable to debt limit: | |
| Revenue bonds | \$ 26,255,000 |
| Premium on revenue bonds | 95,272 |
| General obligation bonds | 25,000,000 |
| Premium on general obligation bonds | 1,996,442 |
| IT subscription obligation | <u>58,094</u> |
| Excess of debt limit over bonded debt outstanding, legal debt margin | <u><u>\$ 61,654,938</u></u> |

Note 7. Postemployment Benefits Other Than Pensions (OPEB)

General Information about the OPEB Plan

Plan description: The District's defined benefit OPEB plan, the North Scott 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 retiree benefit plan which provides medical and prescription drug benefits for retirees and their spouses. The medical/prescription drug coverage is provided through a self-funded plan with stop-loss limits from First Administrators. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75.

Benefits provided: The Plan provides healthcare benefits including medical and prescription drug benefits for retirees and their dependents. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees. The full monthly premium rates as of September 1, 2023 for each plan are as shown below:

| Rate Tier | Medical |
|-----------|---------|
| Single | \$ 657 |
| Family | 1,365 |

Employees covered by benefit terms: At June 30, 2024, the following employees were covered by the benefit terms:

| | |
|--|-------------------|
| Inactive employees or beneficiaries currently receiving benefit payments | 11 |
| Inactive employees entitled to but not yet receiving benefit payments | - |
| Active employees | <u>402</u> |
| | <u><u>413</u></u> |

North Scott Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2024**

Note 7. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Total OPEB Liability: The District's total OPEB liability of \$1,143,413 and was determined by an actuarial valuation as of June 30, 2023 with a measurement date of June 30, 2023 rolled forward to June 30, 2024.

Actuarial assumptions and other inputs: The total OPEB liability in the 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 | 2.50% per annum |
| Salary increases | 3.25% per annum |
| Discount rate | 3.86% per annum |
| Retirees' share of benefit-related costs | 100% |
| Health care cost trend rate | 7.60% gradually decreasing over several decades to and ultimate rate of 3.9% in FY2076 and later. |

The discount rate was based on the Bond Buyer 20-Bond GO index. Mortality rates were based on the RP-2014 mortality tables with projected mortality improvements based on scale MP-2017, and other adjustments. The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period 2010– 2020.

Changes in the Total OPEB Liability

| | <u>Increase (Decrease)</u> |
|--|----------------------------|
| | <u>Total OPEB</u> |
| | <u>Liability</u> |
| | <u>(a)</u> |
| Balance at July 1, 2023 | \$ 1,267,867 |
| Changes for the year: | |
| Service cost | 85,335 |
| Interest | 48,968 |
| Changes of benefit terms | - |
| Differences between expected and actual experience | (132,642) |
| Changes in assumptions or other inputs | (73,810) |
| Benefit payments | (52,305) |
| Net changes | <u>(124,454)</u> |
| Balance at June 30, 2024 | <u>\$ 1,143,413</u> |

Changes of assumptions or other inputs reflect a change in the discount rate from 3.69% per annum in 2023 to 3.86% per annum in 2024.

North Scott Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2024**

Note 7. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

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 | Discount Rate | 1% Increase |
|----------------------|--------------|---------------|--------------|
| | 2.86% | 3.86% | 4.86% |
| Total OPEB liability | \$ 1,235,393 | \$ 1,143,413 | \$ 1,056,926 |

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.

| | Healthcare Cost | | |
|----------------------|-----------------|--------------|--------------|
| | 1% Decrease | Trend Rates | 1% Increase |
| | 6.60% | 7.60% | 8.60% |
| Total OPEB liability | \$ 1,014,020 | \$ 1,143,413 | \$ 1,295,834 |

For the year ended June 30, 2024, the District recognized OPEB expense of \$68,857. At June 30, 2024, 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 | \$ 106,428 | \$ (209,089) |
| Changes of assumptions or other inputs | 46,659 | (449,230) |
| Net difference between projected and actual investments | - | - |
| Contributions between measurement date and reporting date | - | - |
| Total | \$ 153,087 | \$ (658,319) |

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: | |
| 2025 | \$ (65,446) |
| 2026 | (65,446) |
| 2027 | (63,874) |
| 2028 | (58,739) |
| 2029 | (57,661) |
| Thereafter | (194,066) |
| | <u>\$ (505,232)</u> |

North Scott Community School District

Notes to Basic Financial Statements Year Ended June 30, 2024

Note 8. Risk Management

The District has a self-funded health insurance plan, reported as an internal service fund. The District purchases commercial insurance to provide for aggregate stop-loss coverage for the excess of 120 percent of estimated claims for the plan year and specific stop-loss reinsurance coverage for the excess of \$120,000 in insured claims for any one covered individual. Settled claims have not exceeded the commercial coverage in any of the past three calendar plan years.

Payments are made to the plan based on actuarial estimates of amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. The change in the unpaid claims liability for the two years ended June 30, 2024 and 2023 is as follows:

| | 2024 | 2023 |
|---------------------------------------|-------------------|-------------------|
| Balance, beginning of year | \$ 252,510 | \$ 356,000 |
| Incurred claims and claim adjustments | 3,765,974 | 3,176,181 |
| Payment of claims | 3,591,484 | 3,279,671 |
| Balance, end of year | <u>\$ 427,000</u> | <u>\$ 252,510</u> |

In addition, the District is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. These risks are covered by the purchase of commercial insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 9. Pension and Retirement Benefits

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 9118, Des Moines, Iowa 50306-9118 or at www.ipers.org.

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

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

North Scott Community School District

Notes to Basic Financial Statements Year Ended June 30, 2024

Note 9. Pension and Retirement Benefits (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. 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 2024, 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, 2024 were \$2,405,009.

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2024, the District reported a liability of \$12,694,483 its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, 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, 2023, the District's proportion was 0.281246 percent, which was a decrease of 0.009146 from its proportion measured as of June 30, 2022.

North Scott Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2024**

Note 9. Pension and Retirement Benefits (Continued)

For the year ended June 30, 2024, the District recognized pension expense of \$955,996. At June 30, 2024, 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 | \$ 1,073,970 | \$ 52,179 |
| Changes of assumptions | - | 201 |
| Net difference between projected and actual earnings on pension plan investments | 1,175,663 | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 137,068 | 251,552 |
| District contributions subsequent to the measurement date | 2,405,009 | - |
| Total | \$ 4,791,710 | \$ 303,932 |

Deferred outflows of resources of \$2,405,009 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, 2025. 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, | |
|---------------------|---------------------|
| 2025 | \$ (394,781) |
| 2026 | (974,785) |
| 2027 | 2,881,443 |
| 2028 | 509,629 |
| 2029 | 61,263 |
| Total | \$ 2,082,769 |

There were no non-employer contributing entities to IPERS.

North Scott Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2024**

Note 9. Pension and Retirement Benefits (Continued)

Actuarial Assumptions – The total pension liability in the June 30, 2023 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 |

The actuarial assumptions used in the June 30, 2023 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 2023 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 | 21.0% | 4.56% |
| International equity | 16.5% | 6.22% |
| Global smart beta equity | 5.0% | 5.22% |
| Core plus fixed income | 23.0% | 2.69% |
| Public credit | 3.0% | 4.38% |
| Cash | 1.0% | 1.59% |
| Private equity | 17.0% | 10.44% |
| Private real assets | 9.0% | 3.88% |
| Private credit | 4.5% | 4.60% |
| Total | 100% | |

North Scott Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2024**

Note 9. Pension and Retirement Benefits (Continued)

Discount Rate – The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the 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 7.0 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 (6.0 percent) or 1-percentage-point higher (8.0 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 | \$ 26,991,299 | \$ 12,694,483 | \$ 713,515 |

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

Payables to the Pension Plan – At June 30, 2024, the District reported payables to the defined benefit pension plan of \$195,337 for legally required employer contributions and \$130,156 for legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

Note 10. 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 area education agency. The District’s actual amount for this purpose totaled \$1,492,585 for the year ended June 30, 2024 and is recorded in the General Fund by making a memorandum adjusting entry to the cash basis financial statements.

North Scott Community School District

**Notes to Basic Financial Statements
Year Ended June 30, 2024**

Note 11. Categorical Funding

The District's restricted fund balance for categorical funding as of June 30, 2024 is comprised of the following programs:

| Program | Amount |
|---|--------------------------|
| Gifted and talented | \$ 153,354 |
| Teacher salary supplement | 80,477 |
| Professional development | 75,172 |
| Four-year old preschool | 25,181 |
| Successful progression for early readers | 23,791 |
| Home school assistance program | 48,291 |
| Teacher leadership | 202,746 |
| Total restricted for categorical funding | <u><u>\$ 609,012</u></u> |

Note 12. Commitments and Contingencies

The District has financial commitments primarily relating to the Neil Armstrong and Junior High projects, and Regional Innovation Center of approximately \$50,456,000 as of June 30, 2024 of which, approximately \$33,354,000 of costs have been incurred. Sales tax proceeds and future general obligation bond proceeds will fund the majority of these commitments.

The District commitments include contracts for the construction of the Regional Innovation Center Facility. On October 10, 2022, the District and the Eastern Iowa Community College District (EICCD) entered into an agreement for the construction, maintenance and operation of a shared facility and programming. EICCD has agreed to contribute \$3 million toward the construction of the facility and \$1 million toward furniture, fixtures and equipment. Payments from EICCD to the District will be made on specific construction stages. The District broke ground on the facility in April 2023.

North Scott Community School District

Notes to Basic Financial Statements Year Ended June 30, 2024

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, 2024 under tax abatement agreements of other entities.

| Entity | Tax Abatement Program | Amount of Tax Abated |
|-------------------------|---|----------------------|
| City of Eldridge, Iowa | Urban renewal and economic development projects | \$ 50,176 |
| City of Davenport, Iowa | Urban renewal and economic development projects | 440,076 |

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, 2024, this reimbursement amounted to \$290,243.

Note 14. New Governmental Accounting Standards Board (GASB) Statements

The District adopted the following statement during the year ended June 30, 2024:

GASB Statement No. 100, *Accounting Changes and Error Corrections- An Amendment of GASB Statement No. 62*, issued June 2022. 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.

The above statement did not have a material impact on the District's Financial Statements.

As of June 30, 2024, 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. 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.

North Scott Community School District

Notes to Basic Financial Statements Year Ended June 30, 2024

Note 14. New Governmental Accounting Standards Board (GASB) Statements (Continued)

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.

GASB Statement No. 102, *Certain Risk Disclosures*, issued December 2023, will be effective for the District beginning with its fiscal year ending June 30, 2025. The objective of this Statement is to provide users of government financial statements with information about risks related to a government's vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. A government should provide information in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact associated with the concentration or constraint. The disclosures should include descriptions of the following: (a) The concentration or constraint (b) Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements (c) Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

GASB Statement No. 103, *Financial Reporting Model Improvements*, issued April 2024, will be effective for the District beginning with its fiscal year ending June 30, 2026. The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*, issued September 2024, will be effective for the District beginning with its fiscal year ending June 30, 2026. The objective of this statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale.

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

REQUIRED SUPPLEMENTARY INFORMATION

North Scott Community School District

Required Supplementary Information

**Budgetary Comparison Schedule of Revenues, Expenditures/Expenses and Changes in Balances - Actual to Budget - All Governmental Funds and Enterprise Funds
Year Ended June 30, 2024**

| | Governmental Funds - Actual | Enterprise Funds - Actual |
|--|--------------------------------|------------------------------|
| Revenues: | | |
| Local sources | \$ 24,820,141 | \$ 1,620,040 |
| State sources | 27,406,347 | 13,098 |
| Federal sources | 2,142,117 | 1,022,380 |
| Total revenues | <u>54,368,605</u> | <u>2,655,518</u> |
| Expenditures/expenses: | | |
| Instruction | 26,402,633 | - |
| Support services | 15,081,034 | 148,425 |
| Noninstructional programs | 2,854 | 2,281,013 |
| Other expenditures | 35,728,351 | 1,129 |
| Total expenditures/expenses | <u>77,214,872</u> | <u>2,430,567</u> |
| Excess of revenues over (under) expenditures/expenses | <u>(22,846,267)</u> | <u>224,951</u> |
| Other financing sources (uses): | | |
| Issuance of long-term debt | 25,000,000 | - |
| | 1,996,442 | - |
| Proceeds from sale of capital assets | 18,728 | - |
| Interfund transfers in | 2,284,592 | - |
| Interfund transfers (out) | (2,215,192) | (69,400) |
| Total other financing sources (uses) | <u>27,084,570</u> | <u>(69,400)</u> |
| Net change in fund balance/net position | 4,238,303 | 155,551 |
| Fund balance/net position, beginning of year | 34,672,379 | 3,249,126 |
| Fund balance/net position, end of year | <u>\$ 38,910,682</u> | <u>\$ 3,404,677</u> |

See Notes to Required Supplementary Information.

| Total Actual | Budgeted Amounts | | Final to Actual Variance |
|----------------------|---------------------|---------------------|-----------------------------|
| | Original | Final | |
| \$ 26,440,181 | \$ 26,164,256 | \$ 26,164,256 | \$ 275,925 |
| 27,419,445 | 26,163,964 | 26,163,964 | 1,255,481 |
| 3,164,497 | 2,662,445 | 2,662,445 | 502,052 |
| <u>57,024,123</u> | <u>54,990,665</u> | <u>54,990,665</u> | <u>2,033,458</u> |
| 26,402,633 | 26,752,300 | 26,950,300 | 547,667 |
| 15,229,459 | 14,855,011 | 16,233,611 | 1,004,152 |
| 2,283,867 | 2,258,420 | 3,043,420 | 759,553 |
| <u>35,729,480</u> | <u>24,976,405</u> | <u>43,161,490</u> | <u>7,432,010</u> |
| <u>79,645,439</u> | <u>68,842,136</u> | <u>89,388,821</u> | <u>9,743,382</u> |
| <u>(22,621,316)</u> | <u>(13,851,471)</u> | <u>(34,398,156)</u> | <u>11,776,840</u> |
| 25,000,000 | - | - | 25,000,000 |
| 1,996,442 | - | - | 1,996,442 |
| 18,728 | 132,500 | 132,500 | (113,772) |
| 2,284,592 | 2,185,108 | 2,185,108 | 99,484 |
| <u>(2,284,592)</u> | <u>(2,185,108)</u> | <u>(2,185,108)</u> | <u>(99,484)</u> |
| <u>27,015,170</u> | <u>132,500</u> | <u>132,500</u> | <u>26,882,670</u> |
| 4,393,854 | \$ (13,718,971) | \$ (34,265,656) | \$ 38,659,510 |
| 37,921,505 | | | |
| <u>\$ 42,315,359</u> | | | |

North Scott Community School District

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

| | 2024 | 2023 |
|--|---------------------|---------------------|
| Total OPEB liability | | |
| Changes for the year: | | |
| Service cost | \$ 85,335 | \$ 109,396 |
| Interest | 48,968 | 27,820 |
| Changes of benefit terms | - | - |
| Differences between expected and actual experience | (132,642) | - |
| Changes in assumptions or other inputs | (73,810) | (182,096) |
| Benefit payments | (52,305) | (53,682) |
| Net changes in total OPEB liability | (124,454) | (98,562) |
| Total OPEB liability - beginning | 1,267,867 | 1,366,429 |
| Total OPEB liability - ending | <u>\$ 1,143,413</u> | <u>\$ 1,267,867</u> |
| Covered employee payroll | \$ 22,116,496 | \$ 22,195,956 |
| Total OPEB liability as a percentage of covered employee payroll | 5.17% | 5.71% |

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:

| | |
|-------|-------|
| 3.86% | 3.69% |
|-------|-------|

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

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

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|----|------------|---------------|---------------|---------------|---------------|
| \$ | 127,760 | \$ 108,938 | \$ 110,958 | \$ 106,135 | \$ 111,509 |
| | 39,500 | 45,126 | 50,871 | 47,012 | 37,740 |
| | - | - | - | - | - |
| | (125,760) | - | 215,473 | - | - |
| | (119,785) | 78,403 | (263,432) | (6,347) | (63,968) |
| | (79,514) | (82,061) | (68,737) | (65,092) | (38,523) |
| | (157,799) | 150,406 | 45,133 | 81,708 | 46,758 |
| | 1,524,228 | 1,373,822 | 1,328,689 | 1,246,981 | 1,200,223 |
| \$ | 1,366,429 | \$ 1,524,228 | \$ 1,373,822 | \$ 1,328,689 | \$ 1,246,981 |
| \$ | 19,423,846 | \$ 18,435,919 | \$ 18,435,919 | \$ 17,695,558 | \$ 17,601,302 |
| | 7.03% | 8.27% | 7.45% | 7.51% | 7.08% |
| | 1.92% | 2.45% | 3.13% | 3.62% | 3.56% |

North Scott 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

| | 2024* | 2023* | 2022* | 2021* |
|--|---------------|---------------|---------------|---------------|
| District's proportion of the net pension liability | 0.281246% | 0.290392% | -0.110451% | 0.275345% |
| District's proportionate share of the net pension liability | \$ 12,694,483 | \$ 10,971,437 | \$ 381,307 | \$ 19,342,229 |
| District's covered payroll | \$ 24,688,468 | \$ 23,384,768 | \$ 22,082,016 | \$ 21,851,887 |
| District's proportionate share of the net pension liability as a percentage of its covered payroll | 51.42% | 46.92% | 1.73% | 88.52% |
| Plan fiduciary net pension as a percentage of the total pension liability | 90.13% | 91.40% | 100.81% | 82.90% |

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

See Notes to Required Supplementary Information.

| 2020* | 2019* | 2018* | 2017* | 2016* | 2015* |
|---------------|---------------|---------------|---------------|---------------|---------------|
| 0.280581% | 0.285766% | 0.283696% | 0.284000% | 0.277835% | 0.273656% |
| \$ 16,247,482 | \$ 18,083,956 | \$ 18,897,741 | \$ 17,875,601 | \$ 13,726,395 | \$ 10,852,948 |
| \$ 21,353,267 | \$ 21,480,034 | \$ 21,176,537 | \$ 20,384,011 | \$ 19,030,701 | \$ 17,906,895 |
| 76.09% | 84.19% | 89.24% | 87.69% | 72.13% | 60.61% |
| 85.45% | 83.62% | 82.21% | 85.19% | 85.19% | 87.61% |

North Scott Community School District

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

| | 2024 | 2023 | 2022 | 2021 |
|---|------------|------------|------------|------------|
| Statutorily required contribution | \$ 2,405 | \$ 2,332 | \$ 2,208 | \$ 2,084 |
| Contributions in relation to the statutorily required contribution | \$ (2,405) | \$ (2,332) | \$ (2,208) | \$ (2,084) |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - |
| District's covered payroll | \$ 25,465 | \$ 24,688 | \$ 23,385 | \$ 22,082 |
| Contributions as a percentage of covered payroll | 9.44% | 9.45% | 9.44% | 9.44% |

Note: Amounts reported in thousands

See Notes to Required Supplementary Information.

| | 2020 | | 2019 | | 2018 | | 2017 | | 2016 | | 2015 |
|----|---------|----|---------|----|---------|----|---------|----|---------|----|---------|
| \$ | 2,062 | \$ | 2,015 | \$ | 1,918 | \$ | 1,891 | \$ | 1,820 | \$ | 1,710 |
| \$ | (2,062) | \$ | (2,015) | \$ | (1,918) | \$ | (1,891) | \$ | (1,820) | \$ | (1,710) |
| \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |
| \$ | 21,852 | \$ | 21,353 | \$ | 21,480 | \$ | 21,177 | \$ | 20,384 | \$ | 19,031 |
| | 9.44% | | 9.44% | | 8.93% | | 8.93% | | 8.93% | | 8.99% |

North Scott Community School District

Notes to Required Supplementary Information Year Ended June 30, 2024

Note 1. Budgets and Budgetary Accounting

This budgetary comparison is presented as required supplementary information in accordance with Government 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 the internal service fund and custodial funds. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's budget is prepared on the GAAP basis. Encumbrances are not recognized on the GAAP basis budget and appropriations lapse at year-end.

The District had one budget amendment, which increased total expenditures \$20,546,685.

Formal and legal budgetary control for the certified budget is based upon four major classes of expenditures known as functional areas, not by fund or fund type. These four functional areas are instruction, support services, noninstructional programs and other expenditures. Although the budget document presents functional area expenditures or expenses by fund, the legal level of control is at the aggregated functional level, not at the fund or fund type level. The Code of Iowa also provides the District expenditures in the General Fund may not exceed the amount authorized by the school finance formula.

The District did not exceed budgeted expenditures.

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 2023 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.

North Scott Community School District

**Notes to Required Supplementary Information
Year Ended June 30, 2024**

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%.

THIS PAGE INTENTIONALLY LEFT BLANK

OTHER SUPPLEMENTARY INFORMATION

THIS PAGE INTENTIONALLY LEFT BLANK

**COMBINING AND INDIVIDUAL
FUND FINANCIAL STATEMENTS**

North Scott Community School District

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024**

| | Special Revenue | | | | |
|---|---------------------|---------------------|--|---------------------|---------------------|
| | Management Fund | Student Activity | Public Education and Recreation Levy | Debt Service | Total |
| Assets | | | | | |
| Cash and pooled investments | \$ 3,351,889 | \$ 482,453 | \$ 749,653 | \$ 282,033 | \$ 4,866,028 |
| Receivables: | | | | | |
| Property tax: | | | | | |
| Delinquent | 3,243 | - | 869 | - | 4,112 |
| Succeeding year | - | - | 197,028 | 1,970,538 | 2,167,566 |
| Accounts | - | 18,220 | - | - | 18,220 |
| Due from other governments | 10 | - | 4 | 8 | 22 |
| Prepaid items | - | 7,730 | - | - | 7,730 |
| Total assets | \$ 3,355,142 | \$ 508,403 | \$ 947,554 | \$ 2,252,579 | \$ 7,063,678 |
| Liabilities, Deferred Inflows of Resources and Fund Balances | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ - | \$ 20,575 | \$ - | \$ - | \$ 20,575 |
| Accrued liabilities | - | 11,355 | - | - | 11,355 |
| Total liabilities | - | 31,930 | - | - | 31,930 |
| Deferred inflows of resources, unavailable revenue: | | | | | |
| Succeeding year property tax | - | - | 197,028 | 1,970,538 | 2,167,566 |
| Fund balances | | | | | |
| Nonspendable, prepaid items | - | 7,730 | - | - | 7,730 |
| Restricted for: | | | | | |
| Debt service | - | - | - | 282,041 | 282,041 |
| Management levy purposes | 3,355,142 | - | - | - | 3,355,142 |
| Student activities | - | 468,743 | - | - | 468,743 |
| Public education and recreation | - | - | 750,526 | - | 750,526 |
| Total fund balances | 3,355,142 | 476,473 | 750,526 | 282,041 | 4,864,182 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 3,355,142 | \$ 508,403 | \$ 947,554 | \$ 2,252,579 | \$ 7,063,678 |

North Scott Community School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 Year Ended June 30, 2024

| | Special Revenue | | | | Total |
|---|-----------------|------------------|--------------------------------------|--------------------|--------------------|
| | Management Fund | Student Activity | Public Education and Recreation Levy | Debt Service | |
| Revenues: | | | | | |
| Local sources: | | | | | |
| Property tax | \$ 642,710 | \$ - | \$ 172,308 | \$ - | \$ 815,018 |
| Utility excise tax | 21,990 | | 5,895 | - | 27,885 |
| Other tax | 365 | | 93 | 8 | 466 |
| Other | 176,226 | 768,453 | 31,338 | 24,726 | 1,000,743 |
| State appropriation | 10,935 | - | 2,931 | - | 13,866 |
| Total revenues | 852,226 | 768,453 | 212,565 | 24,734 | 1,857,978 |
| Expenditures: | | | | | |
| Current: | | | | | |
| Instruction: | | | | | |
| Regular | - | 30,142 | - | - | 30,142 |
| Special | 111,776 | 5,014 | - | - | 116,790 |
| Other | - | 755,901 | - | - | 755,901 |
| Support services: | | | | | |
| Student | 8,117 | 6,303 | - | - | 14,420 |
| Instructional staff | 9,440 | 925 | - | - | 10,365 |
| Administration | 45,463 | 2,012 | - | - | 47,475 |
| Operation and maintenance of plant | 455,462 | 8,981 | - | - | 464,443 |
| Transportation | 52,376 | 7,383 | - | - | 59,759 |
| Debt service: | | | | | |
| Principal | - | - | - | 1,222,634 | 1,222,634 |
| Interest and fees | - | - | - | 976,105 | 976,105 |
| Total expenditures | 682,634 | 816,661 | - | 2,198,739 | 3,698,034 |
| Excess (deficiency) of revenues over (under) expenditures before transfers | 169,592 | (48,208) | 212,565 | (2,174,005) | (1,840,056) |
| Transfers in | - | 18,025 | - | 2,197,167 | 2,215,192 |
| Net change in fund balances | 169,592 | (30,183) | 212,565 | 23,162 | 375,136 |
| Fund balances, beginning of year | 3,185,550 | 506,656 | 537,961 | 258,879 | 4,489,046 |
| Fund balances, end of year | \$ 3,355,142 | \$ 476,473 | \$ 750,526 | \$ 282,041 | \$ 4,864,182 |

North Scott Community School District

**Schedule of Combining Balance Sheet
Capital Projects Fund - By Account
June 30, 2024**

| | Capital Projects Accounts | | | Total |
|---|---|--|-----------------------------|----------------------|
| | Statewide Sales, Services and Use Tax | Physical Plant and Equipment Levy | Capital Projects Fund | |
| Assets | | | | |
| Cash and pooled investments | \$ 6,016,907 | \$ 634,276 | \$ 18,864,086 | \$ 25,515,269 |
| Restricted cash and equivalents | 1,382,449 | - | - | 1,382,449 |
| Receivables: | | | | |
| Property tax: | | | | |
| Delinquent | - | 8,630 | - | 8,630 |
| Succeeding year | - | 2,095,717 | - | 2,095,717 |
| Due from other governments | 2,375,481 | 34 | - | 2,375,515 |
| Due from other funds | - | 151,220 | - | 151,220 |
| Inventory | - | 338,754 | - | 338,754 |
| Prepaid items | - | 203,575 | 146,376 | 349,951 |
| Total assets | \$ 9,774,837 | \$ 3,432,206 | \$ 19,010,462 | \$ 32,217,505 |
| Liabilities, Deferred Inflows of Resources and Fund Balances | | | | |
| Liabilities, accounts payable | \$ 2,045,190 | \$ 131,121 | \$ 4,759,599 | \$ 6,935,910 |
| Deferred inflows of resources, unavailable revenue: | | | | |
| Succeeding year property tax | - | 2,095,717 | - | 2,095,717 |
| Total deferred inflows of resources | - | 2,095,717 | - | 2,095,717 |
| Fund Balances: | | | | |
| Nonspendable: | | | | |
| Inventory | - | 338,754 | - | 338,754 |
| Prepaid | - | 203,575 | 146,376 | 349,951 |
| Restricted for: | | | | |
| School infrastructure | 6,347,198 | - | 14,104,487 | 20,451,685 |
| Debt service | 1,382,449 | - | - | 1,382,449 |
| Physical plant and equipment | - | 663,039 | - | 663,039 |
| Total fund balances | 7,729,647 | 1,205,368 | 14,250,863 | 23,185,878 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 9,774,837 | \$ 3,432,206 | \$ 19,010,462 | \$ 32,217,505 |

North Scott Community School District

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Capital Projects Fund - By Account

Year Ended June 30, 2024

| | Capital Projects Accounts | | | Total |
|--|---|--|-----------------------------|---------------------|
| | Statewide Sales, Services and Use Tax | Physical Plant and Equipment Levy | Capital Projects Fund | |
| Revenues: | | | | |
| Local sources: | | | | |
| Property tax | \$ - | \$ 1,837,119 | \$ - | \$ 1,837,119 |
| Utility excise tax | - | 56,769 | - | 56,769 |
| Other tax | - | 953 | - | 953 |
| Other | 3,145,533 | 91,173 | 477,270 | 3,713,976 |
| State appropriations | 5,080,660 | 28,229 | - | 5,108,889 |
| Total revenues | 8,226,193 | 2,014,243 | 477,270 | 10,717,706 |
| Expenditures: | | | | |
| Current: | | | | |
| Support services: | | | | |
| Instructional staff | 193,060 | 323,561 | - | 516,621 |
| Administration | - | 262,231 | - | 262,231 |
| Operation and maintenance of plant | - | 14,655 | - | 14,655 |
| Transportation | - | 360,762 | - | 360,762 |
| Other expenditures: | | | | |
| Facilities acquisition | 19,282,175 | 958,761 | 11,490,327 | 31,731,263 |
| Debt service: | | | | |
| Interest and fees | - | - | 305,764 | 305,764 |
| Total expenditures | 19,475,235 | 1,919,970 | 11,796,091 | 33,191,296 |
| Excess (deficiency) of revenues over (under) expenditures | (11,249,042) | 94,273 | (11,318,821) | (22,473,590) |
| Other financing sources (uses): | | | | |
| Proceeds from sale of capital assets | - | 11,386 | - | 11,386 |
| Issuance of long-term debt | - | - | 25,000,000 | 25,000,000 |
| Premium on issuance of long-term debt | - | - | 1,996,442 | 1,996,442 |
| Transfers in | 1,426,758 | - | - | 1,426,758 |
| Transfers (out) | (2,098,835) | (98,332) | (1,426,758) | (3,623,925) |
| Total other financing sources (uses) | (672,077) | (86,946) | 25,569,684 | 24,810,661 |
| Net change in fund balance | (11,921,119) | 7,327 | 14,250,863 | 2,337,071 |
| Fund balance, beginning of year | 19,650,766 | 1,198,041 | - | 19,650,766 |
| Fund balance, end of year | \$ 7,729,647 | \$ 1,205,368 | \$ 14,250,863 | \$ 23,185,878 |

North Scott Community School District

Combining Statement of Net Position

Nonmajor Enterprise Funds

June 30, 2024

| | Child Care | Student Construction | Total |
|---|-------------------|-------------------------|-------------------|
| Assets | | | |
| Current assets: | | | |
| Cash and pooled investments | \$ 163,897 | \$ - | \$ 163,897 |
| Receivables, accounts | 6,881 | - | 6,881 |
| Prepaid expenses | 590 | - | 590 |
| Assets held for resale | - | 660,600 | 660,600 |
| Total assets | 171,368 | 660,600 | 831,968 |
| Deferred Outflows of Resources: | | | |
| OPEB related deferred outflows | 1,709 | - | 1,709 |
| Pension related deferred outflows | 28,750 | - | 28,750 |
| Total deferred outflows of resources | 30,459 | - | 30,459 |
| Liabilities | | | |
| Current liabilities: | | | |
| Accounts payable | 2,395 | 15,041 | 17,436 |
| Salaries and benefits payable | 9,227 | - | 9,227 |
| Compensated absences | 234 | - | 234 |
| Due to other fund | - | 151,220 | 151,220 |
| Total OPEB liability | 314 | - | 314 |
| Total current liabilities | 12,170 | 166,261 | 178,431 |
| Noncurrent liabilities: | | | |
| Total OPEB liability | 2,326 | - | 2,326 |
| Net pension liability | 76,167 | - | 76,167 |
| Total noncurrent liabilities | 78,493 | - | 78,493 |
| Total liabilities | 90,663 | 166,261 | 256,924 |
| Deferred Inflows of Resources: | | | |
| OPEB related deferred inflows | 5,731 | - | 5,731 |
| Pension related deferred inflows | 1,823 | - | 1,823 |
| Total deferred inflows of resources | 7,554 | - | 7,554 |
| Net Position | | | |
| Unrestricted | 103,610 | 494,339 | 597,949 |
| Total net position | \$ 103,610 | \$ 494,339 | \$ 597,949 |

North Scott Community School District

Combining Statement of Revenues, Expenses and Changes in Net Position

Nonmajor Enterprise Funds

Year Ended June 30, 2024

| | Child Care | Student Construction | Total |
|------------------------------------|-------------------|-------------------------|-------------------|
| Operating revenues: | | | |
| Local sources: | | | |
| Charges for service | \$ 264,933 | \$ - | \$ 264,933 |
| Total operating revenues | 264,933 | - | 264,933 |
| Operating expenses: | | | |
| Support services: | | | |
| Transportation: | | | |
| Salaries | 1,066 | - | 1,066 |
| Benefits | 182 | - | 182 |
| Purchased Services | 102 | - | 102 |
| Noninstructional programs: | | | |
| Salaries | 238,253 | - | 238,253 |
| Benefits | 7,855 | - | 7,855 |
| Purchased services | - | 1,175 | 1,175 |
| Supplies | 25,436 | 3,961 | 29,397 |
| Other | 8,937 | - | 8,937 |
| Total operating expenses | 281,831 | 5,136 | 286,967 |
| Operating (loss) | (16,898) | (5,136) | (22,034) |
| Nonoperating revenues: | | | |
| Federal sources | 2,102 | - | 2,102 |
| Interest on investments | 9,283 | 3,575 | 12,858 |
| Total nonoperating revenues | 11,385 | 3,575 | 14,960 |
| Change in net position | (5,513) | (1,561) | (7,074) |
| Net position, beginning of year | 109,123 | 495,900 | 605,023 |
| Net position, end of year | <u>\$ 103,610</u> | <u>\$ 494,339</u> | <u>\$ 597,949</u> |

North Scott Community School District

**Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2024**

| | Child Care | Student Construction | Total |
|---|-----------------|-------------------------|------------------|
| Cash flows from operating activities: | | | |
| Cash received from: | | | |
| Charges for services | \$ 262,650 | \$ - | \$ 262,650 |
| Cash payments to: | | | |
| Employees for services | (295,358) | - | (295,358) |
| Suppliers for goods and services | (35,418) | (422,609) | (458,027) |
| Net cash (used in) operating activities | (68,126) | (422,609) | (490,735) |
| Cash flows from noncapital financing activities: | | | |
| Proceeds from other funds | - | 151,220 | 151,220 |
| Federal grants received | 2,102 | - | 2,102 |
| Net cash provided by noncapital financing activities | 2,102 | 151,220 | 153,322 |
| Cash flows from investing activities, interest on investments | | | |
| | 9,283 | 3,575 | 12,858 |
| Net (decrease) in cash and cash equivalents | (56,741) | (267,814) | (324,555) |
| Cash and cash equivalents: | | | |
| Beginning of year | 220,638 | 267,814 | 488,452 |
| End of year | \$ 163,897 | \$ - | \$ 163,897 |

(Continued)

North Scott Community School District

Combining Statement of Cash Flows (Continued)

Nonmajor Enterprise Funds

Year Ended June 30, 2024

| | Child Care | Student Construction | Total |
|--|--------------------|-------------------------|---------------------|
| Reconciliation of operating (loss) | | | |
| to net cash (used in) operating activities: | | | |
| Operating (loss) | \$ (16,898) | \$ (5,136) | \$ (22,034) |
| Adjustments to reconcile operating (loss) | | | |
| to net cash (used in) operating activities: | | | |
| (Increase) decrease in: | | | |
| Accounts receivable | (2,283) | - | (2,283) |
| Assets held for sale | - | (424,228) | (424,228) |
| Increase (decrease) in: | | | |
| Accounts payable | (943) | 6,755 | 5,812 |
| Salaries and benefits payable | (989) | - | (989) |
| Net OPEB benefits | 99 | - | 99 |
| Net pension liability | (46,352) | - | (46,352) |
| Compensated absences payable | (760) | - | (760) |
| Net cash (used in) operating activities | \$ (68,126) | \$ (422,609) | \$ (490,735) |

THIS PAGE INTENTIONALLY LEFT BLANK

STATISTICAL SECTION

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

Statistical Section Contents

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.

| Contents | Page |
|---|---------|
| Financial Trends | 77-90 |
| These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time. | |
| Revenue Capacity | 91-95 |
| These schedules contain trend information to help the reader assess the factors affecting the District's ability to generate its property taxes. | |
| Debt Capacity | 96-102 |
| These schedules contain trend information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future. | |
| Demographic and Economic Information | 103-104 |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments | |
| Operating Information | 105-114 |
| These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs. | |
| Miscellaneous Information | 115-131 |
| These schedules offer additional insight to pertinent District data to inform the reader about the environment within which the District's financial activities take place and to help make comparisons over time and with other governments. | |

North Scott Community School District

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

| | Fiscal Year | | | |
|--------------------------------|----------------------|----------------------|----------------------|----------------------|
| | 2015 * | 2016 | 2017 | 2018 |
| Governmental activities: | | | | |
| Net investment in | | | | |
| capital assets | \$ 23,061,587 | \$ 24,761,641 | \$ 26,866,583 | \$ 31,471,058 |
| Restricted | 11,189,617 | 13,484,499 | 13,011,813 | 10,693,400 |
| Unrestricted | (5,877,760) | (5,674,346) | (5,418,428) | (4,389,974) |
| Business-type activities | | | | |
| Net investment in | | | | |
| capital assets | 207,054 | 188,246 | 209,174 | 760,303 |
| Unrestricted | 534,134 | 620,999 | 665,014 | 165,430 |
| Total primary | | | | |
| government net position | \$ 29,114,632 | \$ 33,381,039 | \$ 35,334,156 | \$ 38,700,217 |

* Implemented GASB Statement No. 68

Source: District financial records

| Fiscal Year | | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--|
| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | |
| \$ 34,773,981 | \$ 37,521,436 | \$ 36,689,158 | \$ 44,123,373 | \$ 47,720,427 | \$ 49,808,850 | |
| 10,530,257 | 10,709,426 | 12,800,339 | 11,091,389 | 10,778,432 | 14,817,128 | |
| (3,711,989) | (3,921,991) | (4,429,643) | (1,371,755) | 2,614,568 | 5,881,397 | |
| 685,021 | 664,836 | 616,780 | 567,572 | 634,850 | 1,081,490 | |
| 288,565 | 737,442 | 1,290,733 | 2,292,575 | 2,614,276 | 2,323,187 | |
| \$ 42,565,835 | \$ 45,711,149 | \$ 46,967,367 | \$ 56,703,154 | \$ 64,362,553 | \$ 73,912,052 | |

North Scott Community School District

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

| | Fiscal Year | | | |
|---|------------------------|------------------------|------------------------|------------------------|
| | 2015 | 2016 | 2017 | 2018 |
| Expenses: | | | | |
| Governmental activities: | | | | |
| Regular instruction | \$ 12,933,778 | \$ 15,018,027 | \$ 15,226,755 | \$ 15,208,231 |
| Special instruction | 3,319,612 | 5,117,267 | 3,722,635 | 3,997,791 |
| Other instruction | 4,283,392 | 2,688,013 | 4,592,874 | 4,682,336 |
| Student services | 1,392,966 | 1,490,651 | 1,557,232 | 1,574,595 |
| Instructional staff services | 1,344,541 | 1,536,639 | 2,508,038 | 2,441,964 |
| Administration services | 3,536,908 | 3,570,064 | 3,537,991 | 3,790,929 |
| Operation and maintenance of plant services | 2,994,502 | 1,939,011 | 3,416,517 | 2,609,387 |
| Transportation services | 1,634,400 | 1,492,815 | 1,681,881 | 1,647,218 |
| Food service operations | - | - | - | - |
| Noninstructional | 5,674 | 14,158 | 7,322 | 7,253 |
| Interest on long-term debt | - | - | - | - |
| AEA flowthrough | 1,193,582 | 1,247,226 | 1,279,320 | 1,318,145 |
| Debt service | 347,589 | 383,459 | 364,360 | 344,959 |
| Depreciation (unallocated) | - | - | - | - |
| Total governmental activities | 32,986,944 | 34,497,329 | 37,894,925 | 37,622,808 |
| Business-type activities: | | | | |
| Nutrition services | 1,433,211 | 1,565,582 | 1,545,279 | 1,614,897 |
| Child care services | 260,308 | 288,059 | 281,135 | 321,698 |
| Student construction | - | - | - | - |
| Total business-type activities | 1,693,519 | 1,853,641 | 1,826,414 | 1,936,595 |
| Total primary government expenses | 34,680,463 | 36,350,970 | 39,721,339 | 39,559,403 |
| Program revenues: | | | | |
| Governmental activities: | | | | |
| Charges for services: | | | | |
| Instruction: | | | | |
| Regular instruction | 888,593 | 1,019,052 | 1,154,046 | 1,172,062 |
| Special instruction | 205,357 | 152,817 | 183,978 | 262,594 |
| Other instruction | 394,751 | 343,472 | 437,055 | 418,657 |
| Support services | 86,862 | 95,139 | 103,315 | 84,213 |
| Operating grants and contributions | 5,290,274 | 6,541,950 | 5,461,241 | 5,466,292 |
| Capital grants and contributions | 62,054 | 47,509 | - | 114,209 |
| Total governmental activities | 6,927,891 | 8,199,939 | 7,339,635 | 7,518,027 |
| Business-type activities: | | | | |
| Charges for services: | | | | |
| Nutrition | 933,039 | 916,142 | 925,751 | 975,751 |
| Child care | 289,785 | 292,231 | 257,394 | 316,811 |
| Student construction | - | - | - | - |
| Operating grants and contributions | 633,592 | 700,926 | 726,895 | 692,284 |
| Total business-type activities | 1,856,416 | 1,909,299 | 1,910,040 | 1,984,846 |
| Total primary government revenues | 8,784,307 | 10,109,238 | 9,249,675 | 9,502,873 |
| Net (expense) revenues: | | | | |
| Total governmental activities | (26,059,053) | (26,297,390) | (30,555,290) | (30,104,781) |
| Total business-type activities | 162,897 | 55,658 | 83,626 | 48,251 |
| Total primary government revenues | \$ (25,896,156) | \$ (26,241,732) | \$ (30,471,664) | \$ (30,056,530) |

Source: District financial records

| | | Fiscal Year | | | | | | | | | |
|----|--------------|-------------|--------------|------|--------------|------|--------------|----|--------------|----|--------------|
| | | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | | | | |
| \$ | 15,928,205 | \$ | 15,700,559 | \$ | 16,512,955 | \$ | 14,526,074 | \$ | 16,084,078 | \$ | 16,840,006 |
| | 5,294,084 | | 4,143,677 | | 3,949,960 | | 5,462,605 | | 6,014,501 | | 5,861,927 |
| | 3,214,355 | | 4,755,060 | | 4,851,630 | | 3,622,644 | | 3,718,471 | | 3,865,196 |
| | 1,605,249 | | 1,597,632 | | 1,663,594 | | 1,528,067 | | 1,772,675 | | 1,779,031 |
| | 2,087,919 | | 2,440,185 | | 2,730,931 | | 2,391,876 | | 2,881,760 | | 3,738,256 |
| | 3,993,048 | | 3,760,468 | | 3,804,089 | | 3,514,627 | | 3,888,693 | | 4,204,393 |
| | 2,803,533 | | 2,352,668 | | 3,416,075 | | 2,917,670 | | 3,480,066 | | 3,322,506 |
| | 1,730,198 | | 2,234,326 | | 1,429,305 | | 1,968,824 | | 1,966,975 | | 1,913,824 |
| | 20,911 | | 15,033 | | 16,154 | | 8,654 | | 8,279 | | 2,854 |
| | 1,319,381 | | 1,370,500 | | 1,371,111 | | 1,433,468 | | 1,483,088 | | 1,492,585 |
| | 321,309 | | 321,972 | | 270,509 | | 245,144 | | 742,962 | | 1,352,896 |
| | - | | - | | - | | - | | - | | - |
| | 38,318,192 | | 38,692,080 | | 40,016,313 | | 37,619,653 | | 42,041,548 | | 44,373,474 |
| | 1,609,856 | | 1,713,827 | | 1,771,980 | | 1,898,398 | | 2,098,495 | | 2,143,600 |
| | 337,322 | | 339,628 | | 319,441 | | 297,504 | | 332,808 | | 281,831 |
| | - | | 5,315 | | 1,175 | | 230 | | 3,231 | | 5,136 |
| | 1,947,178 | | 2,058,770 | | 2,092,596 | | 2,196,132 | | 2,434,534 | | 2,430,567 |
| | 40,265,370 | | 40,750,850 | | 42,108,909 | | 39,815,785 | | 44,476,082 | | 46,804,041 |
| | 1,098,188 | | 1,258,950 | | 1,237,441 | | 1,144,105 | | 1,985,460 | | 2,408,051 |
| | 222,318 | | 276,187 | | 324,702 | | 558,310 | | 635,121 | | 797,329 |
| | 313,200 | | 422,090 | | 211,592 | | 36,546 | | - | | 723,871 |
| | 75,683 | | 60,042 | | 181,215 | | 1,260,377 | | 1,267,803 | | 569,127 |
| | 5,573,722 | | 5,268,541 | | 6,212,149 | | 7,107,322 | | 7,881,747 | | 7,925,971 |
| | 370,066 | | 257,012 | | 366,104 | | 209,664 | | 1,000,000 | | 1,697,578 |
| | 7,653,177 | | 7,542,822 | | 8,533,203 | | 10,316,324 | | 12,770,131 | | 14,121,927 |
| | 953,765 | | 740,710 | | 230,382 | | 299,865 | | 1,229,156 | | 1,238,541 |
| | 358,267 | | 274,612 | | 176,095 | | 267,328 | | 283,883 | | 264,933 |
| | - | | - | | - | | 20,000 | | 86,474 | | - |
| | 698,264 | | 1,243,865 | | 2,065,336 | | 2,595,776 | | 1,190,852 | | 1,035,478 |
| | 2,010,296 | | 2,259,187 | | 2,471,813 | | 3,182,969 | | 2,790,365 | | 2,538,952 |
| | 9,663,473 | | 9,802,009 | | 11,005,016 | | 13,499,293 | | 15,560,496 | | 16,660,879 |
| | (30,665,015) | | (31,149,258) | | (31,483,110) | | (27,303,329) | | (29,271,417) | | (30,251,547) |
| | 63,118 | | 200,417 | | 379,217 | | 986,837 | | 355,831 | | 108,385 |
| \$ | (30,601,897) | \$ | (30,948,841) | \$ | (31,103,893) | \$ | (26,316,492) | \$ | (28,915,586) | \$ | (30,143,162) |

North Scott Community School District

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

| | Fiscal Year | | | |
|---|---------------------|---------------------|---------------------|---------------------|
| | 2015 | 2016 | 2017 | 2018 |
| General revenues and other changes in net position: | | | | |
| Governmental activities: | | | | |
| Taxes: | | | | |
| Property taxes levied for general and other purposes* | \$ 11,606,668 | \$ 11,695,160 | \$ 11,831,951 | \$ 12,562,452 |
| Property taxes levied for capital projects and other | 1,239,110 | 1,292,849 | 1,316,439 | 1,381,514 |
| Unrestricted intergovernmental | 205,240 | 309,807 | 627,197 | 411,621 |
| Sales tax | 2,802,179 | 2,903,548 | 3,150,169 | 2,840,343 |
| Unrestricted grants and contributions | 13,035,041 | 14,076,931 | 15,188,270 | 15,196,967 |
| Miscellaneous | 44,617 | 128,211 | 135,763 | 79,524 |
| Investment earnings | 83,046 | 89,234 | 141,958 | 302,943 |
| Transfers | - | - | 51,717 | 47,117 |
| Total governmental activities | 29,015,901 | 30,495,740 | 32,443,464 | 32,822,481 |
| Business-type activities: | | | | |
| Miscellaneous | 9,627 | 10,528 | 28,120 | 22,681 |
| Investment earnings | 1,040 | 1,871 | 4,914 | 10,575 |
| Transfers | - | - | (51,717) | (47,117) |
| Total business-type activities | 10,667 | 12,399 | (18,683) | (13,861) |
| Total primary government | 29,026,568 | 30,508,139 | 32,424,781 | 32,808,620 |
| Change in net position: | | | | |
| Total governmental activities | 2,718,511 | 4,198,350 | 2,338,683 | 2,717,700 |
| Total business-type activities | 66,325 | 68,057 | 29,568 | 34,390 |
| Total primary government | \$ 2,784,836 | \$ 4,266,407 | \$ 2,368,251 | \$ 2,752,090 |

* Changes in property tax revenues are a product of underlying changes in property values and tax rates.

Source: District financial records

| Fiscal Year | | | | | | |
|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|--|
| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | |
| \$ 13,702,458 | \$ 12,864,339 | \$ 13,132,806 | \$ 12,105,245 | \$ 13,010,888 | \$ 13,121,882 | |
| 1,475,020 | 1,627,608 | 1,718,719 | 2,420,414 | 1,816,676 | 1,837,119 | |
| 904,097 | 977,008 | 1,282,353 | 894,332 | 801,006 | 1,057,753 | |
| 3,114,143 | 3,187,492 | 3,026,194 | 3,773,089 | 3,737,782 | 5,080,660 | |
| 14,515,809 | 14,954,654 | 14,915,773 | 14,718,228 | 15,862,387 | 16,334,096 | |
| 116,852 | 4,582 | - | 13,741 | 53,223 | - | |
| 602,218 | 446,073 | 103,963 | 114,468 | 1,151,257 | 2,144,585 | |
| 52,183 | (195,876) | 54,285 | 46,965 | 54,815 | 69,400 | |
| 34,482,780 | 33,865,880 | 34,234,093 | 34,086,482 | 36,488,034 | 39,645,495 | |
| 19,340 | 14,268 | 173,539 | - | - | - | |
| 17,578 | 18,131 | 6,764 | 12,762 | 88,029 | 116,566 | |
| (52,183) | 195,876 | (54,285) | (46,965) | (54,815) | (69,400) | |
| (15,265) | 228,275 | 126,018 | (34,203) | 33,214 | 47,166 | |
| 34,467,515 | 34,094,155 | 34,360,111 | 34,052,279 | 36,521,248 | 39,692,661 | |
| 3,817,765 | 2,716,622 | 2,750,983 | 6,783,153 | 7,216,617 | 9,393,948 | |
| 47,853 | 428,692 | 505,235 | 952,634 | 389,045 | 155,551 | |
| \$ 3,865,618 | \$ 3,145,314 | \$ 3,256,218 | \$ 7,735,787 | \$ 7,605,662 | \$ 9,549,499 | |

North Scott Community School District

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

| | Fiscal Year | | | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 2015 | 2016 | 2017 | 2018 |
| General Fund: | | | | |
| Nonspendable | \$ 177,995 | \$ 172,358 | \$ 178,036 | \$ 117,281 |
| Restricted | 466,930 | 635,402 | 689,907 | 757,288 |
| Assigned | 188,588 | 188,588 | 292,056 | 292,056 |
| Unassigned | 4,810,427 | 4,508,003 | 4,911,348 | 5,799,491 |
| Total General Fund | 5,643,940 | 5,504,351 | 6,071,347 | 6,966,116 |
| All other governmental funds: | | | | |
| Nonspendable | 4,550 | 630 | 12,566 | 54,592 |
| Restricted for: | | | | |
| Capital projects funds | 10,811,564 | 11,036,798 | 8,890,096 | 6,327,715 |
| Debt service | 1,499,510 | 1,504,282 | 1,510,855 | 1,522,845 |
| Special revenue funds | 1,197,185 | 1,575,251 | 1,790,955 | 1,968,552 |
| Total all other governmental funds | 13,512,809 | 14,116,961 | 12,204,472 | 9,873,704 |
| Total governmental funds | \$ 19,156,749 | \$ 19,621,312 | \$ 18,275,819 | \$ 16,839,820 |

Source: District financial records

| Fiscal Year | | | | | |
|---------------|---------------|---------------|---------------|---------------|---------------|
| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| \$ 126,526 | \$ 108,296 | \$ 111,033 | \$ 113,968 | \$ 97,952 | \$ 303,473 |
| 797,644 | 920,481 | 1,202,986 | 1,398,582 | 894,782 | 609,012 |
| 506,288 | 574,714 | 509,925 | 544,786 | 566,889 | 566,853 |
| 6,824,523 | 7,299,371 | 7,236,578 | 6,809,444 | 7,774,903 | 9,381,284 |
| 8,254,981 | 8,902,862 | 9,060,522 | 8,866,780 | 9,334,526 | 10,860,622 |
| 38,006 | 316,164 | 329,969 | 26,933 | 414,070 | 696,435 |
| 6,862,001 | 5,040,967 | 6,140,543 | 3,623,374 | 19,097,560 | 21,114,724 |
| 157,369 | 1,551,625 | 1,555,175 | 1,557,859 | 1,641,328 | 1,664,490 |
| 2,597,243 | 2,761,189 | 3,466,459 | 3,995,364 | 4,184,895 | 4,574,411 |
| 9,654,619 | 9,669,945 | 11,492,146 | 9,203,530 | 25,337,853 | 28,050,060 |
| \$ 17,909,600 | \$ 18,572,807 | \$ 20,552,668 | \$ 18,070,310 | \$ 34,672,379 | \$ 38,910,682 |

North Scott Community School District

Governmental Funds Revenues

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

| | Fiscal Year | | | |
|--|----------------------|----------------------|----------------------|----------------------|
| | 2015 | 2016 | 2017 | 2018 |
| Local sources: | | | | |
| Property taxes | \$ 12,430,224 | \$ 12,988,009 | \$ 13,148,390 | \$ 13,943,966 |
| Income surtax | 183,609 | 203,230 | 199,503 | 204,267 |
| Interest income | 72,733 | 76,503 | 119,134 | 302,943 |
| Other revenues | 2,433,296 | 2,047,102 | 2,689,164 | 2,301,756 |
| Total local sources | 15,119,862 | 15,314,844 | 16,156,191 | 16,752,932 |
| State sources: | | | | |
| State education finance program | 13,024,392 | 14,076,931 | 15,196,967 | 15,196,967 |
| Statewide sales, services and use tax | 2,802,180 | 2,903,548 | 2,840,343 | 2,840,343 |
| Other state grants | 4,023,817 | 4,830,872 | 4,542,646 | 4,517,277 |
| Total state sources | 19,850,389 | 21,811,351 | 22,579,956 | 22,554,587 |
| Federal sources, federal grants | 926,775 | 1,491,761 | 908,484 | 931,759 |
| Total revenues | \$ 35,897,026 | \$ 38,617,956 | \$ 39,644,631 | \$ 40,239,278 |

Source: District financial records

| Fiscal Year | | | | | | |
|---------------|---------------|---------------|---------------|---------------|---------------|--|
| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | |
| \$ 15,177,478 | \$ 14,491,947 | \$ 14,851,525 | \$ 14,525,659 | \$ 14,824,564 | \$ 14,959,001 | |
| 223,421 | 236,688 | 224,316 | 235,350 | 273,456 | 274,363 | |
| 602,218 | 446,073 | 80,053 | 90,207 | 953,433 | 1,881,628 | |
| 2,999,091 | 2,588,510 | 2,898,726 | 3,332,259 | 4,402,578 | 7,705,149 | |
| 19,002,208 | 17,763,218 | 18,054,620 | 18,183,475 | 20,454,031 | 24,820,141 | |
| 17,052,679 | 17,121,938 | 17,562,872 | 16,348,360 | 15,862,387 | 16,334,096 | |
| 3,114,143 | 3,187,492 | 3,026,194 | 3,773,089 | 3,737,782 | 5,080,660 | |
| 1,943,840 | 2,606,473 | 5,137,962 | 4,382,963 | 6,187,150 | 5,991,591 | |
| 22,110,662 | 22,915,903 | 22,700,834 | 24,504,412 | 25,787,319 | 27,406,347 | |
| 834,152 | 790,805 | 1,627,663 | 1,642,719 | 2,205,834 | 2,142,117 | |
| \$ 41,947,022 | \$ 41,469,926 | \$ 42,383,117 | \$ 44,330,606 | \$ 48,447,184 | \$ 54,368,605 | |

North Scott Community School District

Governmental Funds Expenditures and Debt Service Ratio

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

| | Fiscal Year | | | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 2015 | 2016 | 2017 | 2018 |
| Regular instruction | \$ 13,006,232 | \$ 14,810,509 | \$ 14,242,364 | \$ 14,068,181 |
| Special instruction | 3,459,513 | 5,220,416 | 3,706,249 | 4,025,833 |
| Other instruction | 4,249,107 | 2,531,419 | 4,363,770 | 4,435,216 |
| Student services | 1,444,916 | 1,514,943 | 1,534,895 | 1,554,900 |
| Instructional staff services | 1,394,685 | 1,561,680 | 2,484,224 | 2,416,569 |
| Administration services | 3,608,066 | 3,566,564 | 3,392,127 | 3,625,690 |
| Operation and maintenance of plant | 2,626,922 | 2,830,472 | 2,955,046 | 2,850,981 |
| Transportation services | 1,401,920 | 1,219,237 | 1,361,800 | 1,333,283 |
| Noninstructional programs | 5,674 | 14,158 | 7,322 | 7,253 |
| Capital outlay, facilities acquisition | 7,758,237 | 2,356,208 | 4,421,410 | 4,763,834 |
| AEA flowthrough | 1,193,582 | 1,247,226 | 1,279,320 | 1,318,145 |
| Debt service: | | | | |
| Principal | 950,000 | 955,000 | 970,000 | 980,000 |
| Interest and fiscal charges | 363,628 | 402,005 | 382,906 | 363,505 |
| Total expenditures | \$ 41,462,482 | \$ 38,229,837 | \$ 41,101,433 | \$ 41,743,390 |
| Debt service as a percentage of noncapital expenditures | 3.88% | 3.91% | 3.68% | 3.69% |

Source: District financial records

| Fiscal Year | | | | | | |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--|
| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | |
| \$ 14,777,803 | \$ 14,338,674 | \$ 15,247,481 | \$ 16,312,403 | \$ 17,186,764 | \$ 17,124,725 | |
| 5,281,294 | 4,165,387 | 3,976,949 | 5,517,771 | 6,030,050 | 5,886,192 | |
| 2,874,529 | 4,412,317 | 4,509,983 | 3,289,111 | 3,360,720 | 3,391,716 | |
| 1,568,666 | 1,558,246 | 1,622,555 | 1,712,444 | 1,899,589 | 1,855,464 | |
| 2,038,398 | 2,400,794 | 2,683,705 | 2,615,238 | 3,030,295 | 3,833,726 | |
| 3,834,287 | 3,598,605 | 3,639,552 | 3,869,480 | 4,070,135 | 4,055,355 | |
| 2,857,653 | 3,009,894 | 2,937,867 | 3,428,893 | 3,525,350 | 3,804,619 | |
| 1,388,925 | 1,855,275 | 1,021,441 | 1,662,101 | 1,625,049 | 1,531,870 | |
| 20,911 | 15,033 | 16,154 | 8,654 | 8,279 | 2,854 | |
| 3,639,670 | 2,554,345 | 2,099,588 | 5,607,118 | 7,886,810 | 31,731,263 | |
| 1,319,381 | 1,370,500 | 1,371,111 | 1,433,468 | 1,483,088 | 1,492,585 | |
| 995,000 | 1,020,000 | 1,040,000 | 1,070,000 | 1,179,603 | 1,222,634 | |
| 339,855 | 316,355 | 291,155 | 265,955 | 700,613 | 1,281,869 | |
| \$ 40,936,372 | \$ 40,615,425 | \$ 40,457,541 | \$ 46,792,636 | \$ 51,986,345 | \$ 77,214,872 | |
| 3.62% | 3.61% | 3.46% | 3.30% | 4.30% | 5.61% | |

North Scott 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)

| | Fiscal Year | | | |
|--|---------------------|-------------------|-----------------------|-----------------------|
| | 2015 | 2016 | 2017 | 2018 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (5,565,456) | \$ 388,119 | \$ (1,456,802) | \$ (1,504,112) |
| Other financing sources (uses): | | | | |
| Sale of capital assets | 18,846 | 76,444 | 59,592 | 20,996 |
| Issuance of IT subscription obligation | - | - | - | - |
| Issuance of bonds | 7,000,000 | - | - | - |
| Premium on issuance | 150,540 | - | - | - |
| Transfers in | 1,360,580 | 1,355,663 | 1,427,839 | 1,390,929 |
| Transfers out | (1,360,580) | (1,355,663) | (1,376,122) | (1,343,812) |
| Total other financing sources (uses) | 7,169,386 | 76,444 | 111,309 | 68,113 |
| Net change in fund balances | \$ 1,603,930 | \$ 464,563 | \$ (1,345,493) | \$ (1,435,999) |

Source: District financial records

| Fiscal Year | | | | | | |
|--------------|-------------|--------------|----------------|----------------|-----------------|--|
| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | |
| \$ 1,010,650 | \$ 854,501 | \$ 1,925,576 | \$ (2,462,030) | \$ (3,539,161) | \$ (22,846,267) | |
| 6,947 | 4,582 | - | 13,741 | 53,223 | 18,728 | |
| - | - | - | - | 33,192 | - | |
| - | - | - | - | 20,000,000 | 25,000,000 | |
| - | - | - | - | - | 1,996,442 | |
| 1,411,013 | 1,373,990 | 1,426,903 | 1,456,746 | 1,873,331 | 2,284,592 | |
| (1,358,830) | (1,569,866) | (1,372,618) | (1,409,781) | (1,818,516) | (2,215,192) | |
| 59,130 | (191,294) | 54,285 | 60,706 | 20,141,230 | 27,084,570 | |
| \$ 1,069,780 | \$ 663,207 | \$ 1,979,861 | \$ (2,401,324) | \$ 16,602,069 | \$ 4,238,303 | |

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

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

| Fiscal Year | Actual Value | | | Less Exemptions | Total Taxable Value - Actual | Total Direct Rate (a) |
|-------------|----------------------|---------------------|--------------------|------------------|------------------------------|-----------------------|
| | Residential Property | Commercial Property | Other Property | | | |
| 2015 | \$ 503,306,152 | \$ 222,893,531 | \$ 139,085,750 | \$ 1,655,688 | \$ 863,629,745 | \$ 14.19507 |
| 2016 | 529,972,762 | 213,453,591 | 140,725,732 | 1,655,688 | 882,496,397 | 14.01459 |
| 2017 | 573,867,704 | 195,492,425 | 167,081,701 | 1,611,240 | 934,830,590 | 13.85580 |
| 2018 | 597,969,228 | 199,841,640 | 166,356,616 | 1,585,312 | 962,582,172 | 13.82050 |
| 2019 | 643,198,947 | 269,936,128 | 186,613,521 | 1,570,496 | 1,098,178,100 | 13.74358 |
| 2020 | 670,291,892 | 297,603,988 | 189,475,898 | 1,550,124 | 1,155,821,654 | 12.42408 |
| 2021 | 673,435,001 | 318,050,085 | 202,806,618 | 1,553,828 | 1,192,737,876 | 12.13741 |
| 2022 | 712,075,528 | 302,918,822 | 206,033,331 | 1,492,712 | 1,219,534,969 | 11.64722 |
| 2023 | 737,318,483 | 322,946,854 | 206,447,671 | 1,442,708 | 1,265,270,300 | 11.47542 |
| 2024 | 769,755,794 | 316,250,474 | 191,912,890 | 1,396,408 | 1,276,522,750 | 11.46863 |

Source: Iowa Department of Management and Scott County Auditor.

Notes: Property is assessed on a calendar year basis. The assessments finalized as of January 1 of each year are applied to the second fiscal year following the tax assessment year.

(a) Per \$1,000 of assessed value.

North Scott 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 | Scott County | College Area IX | City of Bettendorf |
| 2015 | \$ 12.89507 | \$ 1.30000 | \$ - | \$ 14.19507 | \$ 6.13204 | \$ 0.92782 | \$ 12.55000 |
| 2016 | 12.71459 | 1.30000 | - | 14.01459 | 6.00377 | 0.96863 | 12.55000 |
| 2017 | 12.55580 | 1.30000 | - | 13.85580 | 5.82228 | 1.00909 | 12.55000 |
| 2018 | 12.52050 | 1.30000 | - | 13.82050 | 5.82167 | 1.03000 | 12.50000 |
| 2019 | 12.44358 | 1.30000 | - | 13.74358 | 5.82167 | 1.03000 | 12.50000 |
| 2020 | 11.12408 | 1.30000 | - | 12.42408 | 5.99401 | 0.99000 | 12.50000 |
| 2021 | 10.83741 | 1.30000 | - | 12.13741 | 6.21304 | 0.82406 | 12.80000 |
| 2022 | 10.34722 | 1.30000 | - | 11.64722 | 6.04197 | 0.92357 | 12.80000 |
| 2023 | 10.17542 | 1.30000 | - | 11.47542 | 5.95000 | 0.94542 | 12.65000 |
| 2024 | 10.16863 | 1.30000 | - | 11.46863 | 5.95000 | 0.94840 | 12.65000 |

Source: Iowa Department of Management and Scott County Auditor.

Note:

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 \$0.97 and board imposed levy up to \$0.33.

| Overlapping Rates | | | | | | | |
|----------------------|------------------|--------------------|---------------------|-----------------------|----------------------|-----------------------|----------------------|
| City of Davenport | City of Dixon | City of Donahue | City of Eldridge | City of Long Grove | City of Maysville | City of McCausland | City of Princeton |
| \$ 16.78000 | \$ 8.09989 | \$ 7.22152 | \$ 6.75442 | \$ 10.52099 | \$ 5.99993 | \$ 8.10000 | \$ 10.27158 |
| 16.78000 | 8.10000 | 7.22036 | 6.82817 | 10.45768 | 5.99988 | 8.10000 | 10.27158 |
| 16.78000 | 8.37000 | 7.22091 | 6.74841 | 10.29541 | 5.99003 | 8.10000 | 10.25069 |
| 16.78000 | 8.47000 | 7.21575 | 6.74820 | 10.21368 | 6.00002 | 8.10000 | 10.02797 |
| 16.78000 | 8.37000 | 7.22249 | 6.74728 | 9.98558 | 5.99993 | 7.89303 | 10.22336 |
| 16.78000 | 8.37000 | 7.22454 | 6.74949 | 9.92845 | 6.00003 | 9.76833 | 9.79527 |
| 16.78000 | 8.37000 | 7.22444 | 6.73610 | 9.79800 | 5.99990 | 12.64708 | 10.95783 |
| 16.78000 | 8.36992 | 6.44034 | 7.02670 | 9.62550 | 5.99993 | 10.61954 | 10.00266 |
| 16.78000 | 7.96819 | 6.82903 | 7.40732 | 9.62879 | 6.00004 | 10.07802 | 9.98495 |
| 16.78000 | 8.09652 | 6.89805 | 7.95954 | 9.60289 | 5.99994 | 10.98851 | 8.23916 |

North Scott Community School District

**Principal Property Tax Payers
Current Year and Nine Years Ago
(Unaudited)**

| Name of Taxpayer | 2024 | | | 2015 | | |
|------------------------------------|-----------------------|------|-----------------------------------|-----------------------|------|-----------------------------------|
| | Taxable Value | Rank | Percentage of Total Taxable Value | Taxable Value | Rank | Percentage of Total Taxable Value |
| Sterilite Corporation | \$ 59,845,327 | 1 | 4.7298% | | | |
| Kraft Heinz Foods Company | 44,510,551 | 2 | 3.5179% | | | |
| Midamerican Energy Company | 36,038,393 | 3 | 2.8483% | \$ 8,364,722 | 5 | 0.9726% |
| CF Caiman DVN LLC | 31,409,879 | 4 | 2.4825% | | | |
| John Deere Construction & Forestry | 30,439,152 | 5 | 2.4057% | 24,040,271 | 1 | |
| Deere & Company, Inc. | 21,916,411 | 6 | 1.7322% | | | |
| 200 East 90th St LLC | 13,806,277 | 7 | 1.0912% | | | |
| Alliance Pipeline | 11,353,066 | 8 | 0.8973% | 11,982,679 | 3 | 1.3932% |
| Murray Enterprises LTD | 11,081,104 | 9 | 0.8758% | 7,147,314 | 7 | 0.8310% |
| LLPT Trails Road LLC | 9,215,708 | 10 | 0.7284% | - | | 0.0000% |
| ARCP JDDPTIA01 | | | | 17,881,470 | 2 | 2.0791% |
| Petersen Properties, LC | | | | 10,188,891 | 4 | 1.1847% |
| Northern Boarder Pipeline Co | | | | 7,553,726 | 6 | 0.8783% |
| Sir Properties Trust | | | | 5,879,772 | 8 | 0.6836% |
| Callahan Construction Inc | | | | 5,386,050 | 9 | 0.6262% |
| Oneok North System LLC | | | | 4,815,468 | 10 | 0.5477% |
| | <u>\$ 269,615,868</u> | | <u>21.3090%</u> | <u>\$ 103,240,363</u> | | <u>9.1965%</u> |

Source: Scott County Auditor

2023 Total Tax Assessment payable in 2024: \$ 1,265,270,300

North Scott 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 |
| 2015 | \$ 12,672,844 | \$ 12,669,991 | 99.98% | \$ 2,853 | \$ 12,672,844 | 100.00% |
| 2016 | 12,783,686 | 12,780,091 | 99.97% | 3,595 | 12,783,686 | 100.00% |
| 2017 | 13,356,867 | 13,355,790 | 99.99% | 208 | 13,355,998 | 99.99% |
| 2018 | 13,727,323 | 13,726,635 | 99.99% | 233 | 13,726,868 | 100.00% |
| 2019 | 15,445,369 | 15,441,327 | 99.97% | 4,042 | 15,445,369 | 100.00% |
| 2020 | 14,872,703 | 14,762,200 | 99.26% | 104,707 | 14,866,907 | 99.96% |
| 2021 | 15,012,541 | 15,012,026 | 99.99% | 515 | 15,012,541 | 100.00% |
| 2022 | 14,750,107 | 14,744,672 | 99.96% | 1,654 | 14,744,672 | 99.97% |
| 2023 | 15,864,468 | 15,349,779 | 96.76% | - | 15,349,779 | 96.76% |
| 2024 | 15,973,415 | 15,708,342 | 98.34% | - | 15,708,342 | 98.34% |

Source: Iowa Department of Management, Scott County Auditor and School District financial records.

North Scott Community School District

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

| Fiscal Year | General Obligation Bonds | Revenue Bonds | Line of Credit | IT Subscription Obligation | Total Primary Government | Percentage of Personal Income* | Per Capita* |
|-------------|--------------------------|-------------------|----------------|----------------------------|--------------------------|--------------------------------|-------------|
| 2015 | \$ - | \$ 15,772,186 | \$ - | \$ - | \$ 15,772,186 | 0.0362 | \$ 1,037 |
| 2016 | - | 14,798,640 | - | - | 14,798,640 | 0.0324 | 973 |
| 2017 | - | 13,810,094 | - | - | 13,810,094 | 0.0294 | 908.38 |
| 2018 | - | 12,811,548 | - | - | 12,811,548 | 0.0238 | 764.77 |
| 2019 | - | 11,798,002 | - | - | 11,798,002 | 0.0215 | 356.36 |
| 2020 | - | 10,759,456 | 250,000 | - | 11,009,456 | 0.0193 | 305.67 |
| 2021 | - | 9,700,910 | - | - | 9,700,910 | 0.0155 | 278.63 |
| 2022 | - | 8,612,364 | - | 34,059 | 8,612,364 | 0.1362 | 241.14 |
| 2023 | - | 27,385,000 | - | 150,728 | 27,535,728 | N/A | N/A |
| 2024 | 26,996,442 | 26,350,272 | - | 58,094 | 53,404,808 | N/A | N/A |

Source: District financial records

Notes: Details of the District's outstanding debt can be found in Note 6 in the notes to the financial statements.

* See page 102 for personal income and population data. These rates are calculated using personal income and population for the prior calendar year.

N/A = not available.

North Scott Community School District

**Ratio of Net General Bonded Debt to Assessed Values
Last Ten Fiscal Years
(Unaudited)**

| Year of Collection | Estimated Actual Value of Taxable Property | Net General Bonded Debt | Ratio of Net Bonded Debt to Assessed Value | Net Bonded Debt Per Capita* |
|--------------------|--|-------------------------|--|-----------------------------|
| 2015-16 | \$ 954,105,513 | \$ - | - | \$ - |
| 2016-17 | 975,457,521 | - | - | - |
| 2017-18 | 1,027,794,598 | - | - | - |
| 2018-19 | 1,061,816,489 | - | - | - |
| 2019-20 | 1,154,042,949 | - | - | - |
| 2020-21 | 1,282,869,553 | - | - | - |
| 2021-22 | 1,334,999,359 | - | - | - |
| 2022-23 | 1,375,866,355 | - | - | - |
| 2023-24 | 1,442,752,839 | - | - | - |
| 2024-25 | 1,457,986,367 | 26,996,442 | 1.17% | 1,716 |

Source: Iowa Department of Management, Scott County Auditor and School District financial records.

Notes: Details of the District's outstanding debt can be found in Note 6 in the notes to the financial statements.

* See page 103 for personal income and population data. These rates are calculated using personal income and population for the prior calendar year.

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

**Ratio of Annual Debt Service Principal and Interest for General Bonded Debt
to Total General Expenditures
Last Ten Fiscal Years
(Unaudited)**

| Fiscal Year | Principal | Interest | Total Debt Service Principal and Interest | Total General Fund Expenditures | Ratio of Debt Service to Total General Expenditures |
|-------------|-----------|----------|---|---------------------------------|---|
| 2015 | \$ - | \$ - | \$ - | \$ 30,154,436 | - |
| 2016 | - | - | - | 32,308,297 | - |
| 2017 | - | - | - | 33,283,869 | - |
| 2018 | - | - | - | 33,596,992 | - |
| 2019 | - | - | - | 33,582,796 | - |
| 2020 | - | - | - | 34,022,343 | - |
| 2021 | - | - | - | 35,149,950 | - |
| 2022 | - | - | - | 37,169,574 | - |
| 2023 | - | - | - | 39,602,529 | - |
| 2024 | - | - | - | 40,325,542 | - |

Source: District financial records.

North Scott Community School District

Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)

| | 2015 | 2016 | 2017 | 2018 |
|---|---------------|---------------|---------------|---------------|
| Debt limit | \$ 47,705,276 | \$ 48,772,876 | \$ 51,389,730 | \$ 53,090,824 |
| Total net debt applicable to limit | 15,510,000 | 14,555,000 | 13,585,000 | 12,605,000 |
| Legal debt margin | \$ 32,195,276 | \$ 34,217,876 | \$ 37,804,730 | \$ 40,485,824 |
| Total net debt applicable to the limit as a percentage of debt limit | 32.51% | 29.84% | 26.44% | 23.74% |

Source: Iowa Department of Management, Scott County Auditor's Office and School District financial records.

Legal Debt Margin Calculation for Fiscal Year 2024

| | |
|-----------------------------------|--------------------------------|
| Assessed value | <u>\$ 2,301,194,913</u> |
| Debt limit (5% of assessed value) | \$ 115,059,746 |
| Debt applicable to limit | <u>53,404,808</u> |
| Legal debt margin | <u>\$ 61,654,938</u> |

| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---------------|---------------|---------------|---------------|----------------|----------------|
| \$ 57,702,147 | \$ 64,143,478 | \$ 66,749,968 | \$ 68,793,318 | \$ 111,767,366 | \$ 115,059,746 |
| 11,798,002 | 11,009,456 | 9,700,910 | 8,612,364 | 27,649,546 | 53,404,808 |
| \$ 45,904,145 | \$ 53,134,022 | \$ 57,049,058 | \$ 60,180,954 | \$ 84,117,820 | \$ 61,654,938 |
| 20.45% | 17.16% | 14.53% | 12.52% | 24.74% | 46.41% |

North Scott Community School District

**Direct and Overlapping Governmental Activities Debt
As of June 30, 2024
(Unaudited)**

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable* | Estimated Share of Direct and Overlapping Debt |
|--|------------------|----------------------------------|--|
| Scott County | \$ 15,423,595 | 13.50% | \$ 2,082,185 |
| Eastern Iowa Community College | 48,765,000 | 8.85% | 4,315,703 |
| City of Bettendorf | 137,020,000 | 17.00% | 23,293,400 |
| City of Davenport | 197,015,000 | 6.95% | 13,692,543 |
| City of Donahue | - | 100.00% | - |
| City of Eldridge | 15,301,000 | 100.00% | 15,301,000 |
| City of Long Grove | 2,170,000 | 100.00% | 2,170,000 |
| City of Maysville | - | 100.00% | - |
| City of McCausland | 796,000 | 100.00% | 796,000 |
| City of Princeton | - | 100.00% | - |
| Subtotal, overlapping debt | | | <u>61,650,830</u> |
| District direct debt | | | <u>53,404,808</u> |
| Total direct and overlapping debt | | | <u><u>\$ 115,055,638</u></u> |

Source: Scott County Auditor.

Notes:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This statistical page estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and business should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

* The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value. (Calculated by dividing the amount of the value applicable to the North Scott School District by the total value for that taxing authority; 2024 assessed values are used.)

North Scott Community School District

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

| Fiscal Year | Revenue Bonds* | | | Coverage |
|----------------|------------------|------------------|----------------|--------------|
| | Revenue | Debt Service | | |
| | | Principal | Interest | |
| 2015 | \$ 2,802,180 | \$ 950,000 | \$ 362,628 | 46.84 |
| 2016 | 2,903,548 | 955,000 | 401,005 | 46.70 |
| 2017 | 2,945,799 | 970,000 | 381,905 | 45.89 |
| 2018 | 2,852,367 | 980,000 | 362,505 | 47.07 |
| 2019 | 3,114,143 | 995,000 | 338,755 | 42.86 |
| 2020 | 3,187,492 | 1,020,000 | 314,655 | 41.87 |
| 2021 | 3,026,194 | 1,040,000 | 289,955 | 43.95 |
| 2022 | 3,692,055 | 1,070,000 | 264,755 | 36.19 |
| 2023 | 4,253,992 | 1,095,000 | 527,375 | 38.14 |
| 2024 | 5,080,660 | 1,130,000 | 968,308 | 41.30 |

Source: District financial records

Notes: Details regarding the District's outstanding debt can be found in Note 6 of the notes to the financial statements.

* These bonds are backed by a one-cent statewide sales, service and use tax.

North Scott Community School District

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

| Calendar Year | Population (a) | Personal Income (b) (Thousands of Dollars) | Per Capita Personal Income (a) | Scott County Area Unemployment Rate (c) * |
|---------------|----------------|---|--------------------------------|---|
| 2015 | 15,203 | \$ 435,231,484 | \$ 28,628 | 4.6 % |
| 2016 | 15,203 | 456,804,541 | 30,047 | 4.7 |
| 2017 | 15,203 | 469,240,595 | 30,865 | 3.8 |
| 2018 | 15,203 | 538,261,634 | 32,131 | 3.1 |
| 2019 | 15,203 | 548,757,140 | 33,107 | 2.4 |
| 2020 | 15,203 | 568,955,950 | 36,018 | 6.0 |
| 2021 | 16,159 | 624,983,884 | 34,817 | 5.8 |
| 2022 | 15,733 | 632,430,114 | 35,715 | 3.3 |
| 2023 | 15,733 | N/A | N/A | 2.9 |
| 2024 | 15,733 | N/A | N/A | 2.9 |

Source:

(a) U.S. Census Bureau

(b) Iowa Department of Revenue

(c) Iowa Workforce Development

Notes: N/A = not available.

* Based on a ten-month period, January through October.

North Scott Community School District

**Principal Employers - Regional*
Current Year and Nine Years Ago
(Unaudited)**

| Employer | 2024 | | | 2015 | | |
|---------------------------------|----------------------|------|--------------------------------|----------------------|------|--------------------------------|
| | Employees | Rank | Percentage of Total Employment | Employees | Rank | Percentage of Total Employment |
| Deere & Company | 8,572 | 1 | 1.52% % | 5,700 | 3 | 1.92% % |
| Rock Island Arsenal | 6,300 | 2 | 1.12% | 6,271 | 2 | 2.11% |
| Unity Point - Trinity | 6,100 | 3 | 1.08% | 5,200 | 4 | 1.75% |
| Genesis Health System | 4,700 | 4 | 0.83% | 14,100 | 1 | 4.74% |
| HyVee | 4,200 | 5 | 0.74% | 4,573 | 5 | 1.54% |
| HNI Corporation | 3,800 | 6 | 0.67% | | | |
| Walmart | 3,600 | 7 | 0.64% | | | |
| Arconic | 2,400 | 8 | 0.43% | 2,000 | 9 | 0.67% |
| Tyson Fresh Meats | 2,400 | 9 | 0.43% | 2,400 | 6 | 0.81% |
| Kraft Heinz | 1,200 | 10 | 0.21% | | | |
| City of Davenport | | | | 2,354 | 7 | 0.79% |
| Davenport CSD | | | | 2,200 | 8 | 0.74% |
| Oscar Mayer Foods | | | | 1,600 | 10 | 0.54% |
| Total | <u>43,272</u> | | <u>7.67% %</u> | <u>46,398</u> | | <u>15.60% %</u> |
| Total Regional Employees | 564,090 | | | 297,456 | | |

Source: Bi-State Regional Commission, Infogroup, Reference USA Gov, and individual employers. U.S. Census

*Quad Cities Chamber Region includes Clinton, Muscatine, and Scott Counties in Iowa, and Henry, Mercer, and Rock Island Counties in Illinois.

Note: "Percent of Total Employment" is derived from the proportion of a firm's employees divided by the total employees in the region. These employees may represent workers who commute outside of the study region, and are estimates reported by the Census Bureau, not the individual firms.

Note: Arsenal Employees include military personnel, tenants and contractors.

North Scott Community School District

**Full-Time Equivalent District Employees By Type
Last Ten Fiscal Years
(Unaudited)**

| | Full-Time Equivalent Employees as of June 30 | | | |
|---|--|--------------|--------------|--------------|
| | 2015 | 2016 | 2017 | 2018 |
| Supervisory: | | | | |
| Superintendent | 1.0 | 1.0 | 1.0 | 1.0 |
| Assistant superintendent | - | - | - | - |
| Principals | 6.9 | 6.9 | 6.8 | 7.0 |
| Assistant principals | 3.0 | 3.0 | 2.6 | 3.0 |
| District secretary | 0.3 | 0.3 | 0.3 | 0.3 |
| Business Manager | 1.0 | 1.0 | 1.0 | 1.0 |
| Other officials/administrators | 2.0 | 2.0 | 2.0 | 2.0 |
| Total supervisory | 14.2 | 14.2 | 13.7 | 14.3 |
| Instruction: | | | | |
| Classroom teachers | 157.9 | 172.0 | 170.0 | 164.4 |
| Special education teachers | 24.5 | 24.8 | 25.8 | 26.0 |
| Special programs | 14.5 | 13.5 | 17.2 | 19.5 |
| Vocational teachers | 12.8 | 11.8 | 11.0 | 11.0 |
| Teacher aides | 60.8 | 65.3 | 66.7 | 66.9 |
| Instructional technology technicians | 4.4 | 3.0 | 3.0 | 3.0 |
| Other instruction programs | 3.7 | 3.0 | 8.4 | 9.0 |
| Total instruction | 278.6 | 293.4 | 302.1 | 299.8 |
| Student services: | | | | |
| Social workers | 1.0 | 1.0 | 1.0 | 1.0 |
| Counselors | 10.5 | 10.5 | 10.5 | 10.5 |
| Library/media specialists | 4.5 | 5.8 | 4.9 | 5.0 |
| Nurses | 6.6 | 5.8 | 6.0 | 6.1 |
| Total student services | 22.6 | 23.1 | 22.4 | 22.6 |
| Support and administration: | | | | |
| Other support services | 1.2 | 1.2 | 1.2 | 1.2 |
| Office/clerical personnel | 23.7 | 23.5 | 22.3 | 22.3 |
| Other professional employees | - | 1.0 | 1.0 | 1.0 |
| Technology specialist | 1.0 | 1.0 | 1.0 | 1.0 |
| Other technical personnel | - | 2.0 | 2.0 | 2.0 |
| Crafts and trades personnel | 4.5 | 6.5 | 5.5 | 5.5 |
| Laborers | 31.6 | 3.0 | 3.0 | 3.0 |
| Service workers | 31.4 | 56.5 | 55.8 | 51.1 |
| Operative personnel | 12.8 | 13.8 | 13.0 | 12.6 |
| Total support and administration | 106.2 | 108.5 | 104.8 | 99.6 |
| Total | 421.5 | 439.2 | 443.0 | 436.3 |

Source: District financial records

| Full-Time Equivalent Employees as of June 30 | | | | | | Percentage Change 2015-2024 |
|--|-------|-------|-------|-------|--------------|-----------------------------------|
| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | - % |
| - | 1.0 | 1.0 | - | - | - | 100.00 |
| 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 2.19 |
| 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 66.67 |
| 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | - |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | - |
| 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | - |
| 16.3 | 17.3 | 17.3 | 16.3 | 16.3 | 16.3 | 15.19 |
| 166.3 | 162.5 | 162.8 | 164.4 | 171.7 | 166.0 | 5.14 |
| 26.5 | 28.5 | 27.0 | 28.0 | 33.0 | 35.5 | 44.94 |
| 17.1 | 17.7 | 15.1 | 15.1 | 19.1 | 19.0 | 31.31 |
| 13.5 | 12.0 | 13.0 | 13.5 | 15.2 | 14.8 | 15.35 |
| 67.6 | 68.1 | 65.2 | 67.2 | 75.3 | 65.9 | 8.39 |
| 4.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | (31.97) |
| 9.0 | 11.0 | 11.0 | 11.0 | 11.0 | 12.0 | 222.58 |
| 303.9 | 302.7 | 297.1 | 302.2 | 328.4 | 316.2 | 13.49 |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | - |
| 10.5 | 10.5 | 10.5 | 10.5 | 10.5 | 11.2 | 6.29 |
| 5.0 | 5.4 | 5.4 | 6.0 | 5.3 | 6.0 | 33.33 |
| 6.1 | 6.2 | 6.0 | 7.0 | 7.0 | 7.0 | 6.38 |
| 22.6 | 23.0 | 22.9 | 24.5 | 23.8 | 25.2 | 11.43 |
| 1.2 | 1.2 | 1.9 | 1.9 | 4.3 | 4.3 | 273.91 |
| 22.3 | 22.3 | 21.2 | 21.2 | 21.5 | 22.0 | (7.42) |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 100.00 |
| 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | - |
| 2.0 | 2.0 | 0.5 | 0.5 | 0.5 | 0.5 | - |
| 5.5 | 5.5 | 5.0 | 5.0 | 4.0 | 4.0 | (11.11) |
| 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 4.0 | (87.32) |
| 59.9 | 55.6 | 53.3 | 53.3 | 54.1 | 58.4 | 85.68 |
| 12.0 | 12.0 | 15.4 | 13.5 | 13.0 | 13.7 | 7.14 |
| 107.9 | 103.6 | 102.3 | 100.4 | 102.4 | 108.9 | 2.53 |
| 450.7 | 446.6 | 439.5 | 443.4 | 470.9 | 466.5 | 10.68 % |

North Scott Community School District

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

| Fiscal Year | Daily Average Attendance | Operating Expenditures | Cost Per Pupil | Percentage Change |
|-------------|--------------------------|------------------------|----------------|-------------------|
| 2015 | 3,088 | \$ 30,154,436 | \$ 9,765 | 2.53 |
| 2016 | 3,158 | 32,308,297 | 10,230 | 4.76 |
| 2017 | 3,170 | 33,258,870 | 10,492 | 2.56 |
| 2018 | 3,154 | 33,596,992 | 10,652 | 1.53 |
| 2019 | 2,998 | 33,582,796 | 11,202 | 5.16 |
| 2020 | 2,965 | 34,022,343 | 11,475 | 2.44 |
| 2021 | 2,907 | 35,149,950 | 12,093 | 5.39 |
| 2022 | 3,020 | 37,169,574 | 12,308 | 1.78 |
| 2023 | 3,088 | 39,602,529 | 12,825 | 4.20 |
| 2024 | 3,047 | 40,325,542 | 13,235 | 3.20 |

Source: Nonfinancial information from District records. District financial records.

Notes: Operating expenditures are total expenditures in the General Fund.

| Governmental Expenses | Cost Per Pupil | Percentage Change | Teaching Staff | Pupil-Teacher Ratio |
|-----------------------|----------------|-------------------|----------------|---------------------|
| \$ 41,462,482 | \$ 13,427 | 1.78 | 226.4 | 13.64 |
| 38,229,837 | 13,014 | (3.07) | 240.5 | 13.13 |
| 40,936,372 | 12,914 | (0.77) | 243.8 | 13.00 |
| 41,743,390 | 13,235 | 2.08 | 243.8 | 12.94 |
| 40,936,372 | 13,655 | 3.17 | 244.9 | 12.24 |
| 40,615,425 | 13,660 | 0.04 | 245.0 | 12.10 |
| 40,457,541 | 13,919 | 1.90 | 239.6 | 12.13 |
| 46,792,636 | 15,494 | 11.32 | 244.5 | 12.35 |
| 51,986,345 | 16,835 | 8.65 | 254.8 | 12.12 |
| 44,259,796 | 14,526 | 13.72 | 252.6 | 12.06 |

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

**Free and Reduced Students
Last Ten Fiscal Years
(Unaudited)**

| Fiscal Year | Reduced Students | Reduced Percentage | Free Students | Free Percentage | Total Free and Reduced Students | Total Free and Reduced Percentage |
|-------------|------------------|--------------------|---------------|-----------------|---------------------------------|-----------------------------------|
| 2015 | 139 | 4.68 | 583 | 20.45 | 722 | 25.13 % |
| 2016 | 112 | 3.54 | 580 | 18.35 | 692 | 21.89 |
| 2017 | 150 | 4.60 | 547 | 16.77 | 697 | 21.37 |
| 2018 | 145 | 4.46 | 630 | 19.37 | 775 | 23.82 |
| 2019 | 114 | 3.52 | 617 | 19.07 | 731 | 22.60 |
| 2020 | 113 | 3.42 | 662 | 20.04 | 775 | 23.46 |
| 2021 | 66 | 1.98 | 638 | 19.11 | 704 | 21.09 |
| 2022 | 102 | 2.95 | 795 | 23.02 | 897 | 25.98 |
| 2023 | 107 | 3.10 | 827 | 23.95 | 934 | 27.05 |
| 2024 | 138 | 3.99 | 814 | 23.54 | 952 | 27.53 |

Source: District financial records.

North Scott Community School District

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

| School | Fiscal Year | | | |
|-------------|-------------|---------|---------|---------|
| | 2015 | 2016 | 2017 | 2018 |
| Armstrong | | | | |
| Square feet | 41,095 | 41,095 | 41,095 | 41,095 |
| Capacity* | 720 | 720 | 720 | 720 |
| Enrollment | 329 | 351 | 370 | 368 |
| Playgrounds | 2 | 2 | 2 | 2 |
| Glenn | | | | |
| Square feet | 26,297 | 30,177 | 30,177 | 30,177 |
| Capacity* | 480 | 528 | 528 | 528 |
| Enrollment | 253 | 249 | 258 | 252 |
| Playgrounds | 2 | 2 | 2 | 2 |
| Grissom | | | | |
| Square feet | 29,209 | 29,209 | 29,209 | 29,209 |
| Capacity* | 480 | 480 | 480 | 480 |
| Enrollment | 187 | 194 | 185 | 203 |
| Playgrounds | 2 | 2 | 2 | 2 |
| Shepard | | | | |
| Square feet | 46,900 | 46,900 | 46,900 | 46,900 |
| Capacity* | 870 | 870 | 870 | 870 |
| Enrollment | 412 | 422 | 422 | 422 |
| Playgrounds | 2 | 2 | 2 | 2 |
| White | | | | |
| Square feet | 67,546 | 67,546 | 67,546 | 67,546 |
| Capacity* | 990 | 990 | 990 | 990 |
| Enrollment | 476 | 588 | 561 | 526 |
| Playgrounds | 2 | 2 | 2 | 2 |
| Jr. High | | | | |
| Square feet | 105,714 | 105,714 | 105,714 | 105,714 |
| Capacity* | 960 | 960 | 960 | 960 |
| Enrollment | 480 | 489 | 483 | 487 |
| Playgrounds | - | - | - | - |
| High School | | | | |
| Square feet | 205,000 | 205,000 | 205,000 | 205,000 |
| Capacity* | 1,740 | 1,740 | 1,740 | 1,740 |
| Enrollment | 973 | 962 | 956 | 985 |
| Playgrounds | - | - | - | - |

Source: District records.

Notes: * Capacity calculation is number of possible classrooms times maximum of 30 students each (as suggested by architect).

| Fiscal Year | | | | | |
|-------------|---------|---------|---------|---------|----------------|
| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| 41,095 | 41,095 | 41,095 | 41,095 | 41,095 | 41,095 |
| 720 | 720 | 720 | 720 | 720 | 720 |
| 372 | 375 | 363 | 371 | 378 | 369 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 30,177 | 30,177 | 30,177 | 30,177 | 30,177 | 30,177 |
| 528 | 528 | 528 | 528 | 528 | 528 |
| 236 | 228 | 214 | 208 | 192 | 184 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 29,209 | 29,209 | 29,209 | 29,209 | 29,209 | 29,209 |
| 480 | 480 | 480 | 480 | 480 | 480 |
| 199 | 198 | 195 | 184 | 197 | 177 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 46,900 | 46,900 | 46,900 | 46,900 | 46,900 | 46,900 |
| 870 | 870 | 870 | 870 | 870 | 870 |
| 428 | 442 | 427 | 441 | 452 | 472 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 67,546 | 67,546 | 67,546 | 67,546 | 67,546 | 67,546 |
| 990 | 990 | 990 | 990 | 990 | 990 |
| 528 | 506 | 548 | 579 | 579 | 558 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 105,714 | 105,714 | 105,714 | 105,714 | 105,714 | 105,714 |
| 960 | 960 | 960 | 960 | 960 | 960 |
| 528 | 501 | 496 | 499 | 544 | 556 |
| - | - | - | - | - | - |
| 205,000 | 205,000 | 205,000 | 205,000 | 205,000 | 205,000 |
| 1,740 | 1,740 | 1,740 | 1,740 | 1,740 | 1,740 |
| 956 | 988 | 1,018 | 1,041 | 1,072 | 1,056 |
| - | - | - | - | - | - |

North Scott Community School District

**Capital Asset Information
Last Ten Fiscal Years
(Unaudited)**

| School | Fiscal Year | | | |
|--------------------------|-------------|---------|---------|---------|
| | 2015 | 2016 | 2017 | 2018 |
| Elementary | | | | |
| Buildings | 5 | 5 | 5 | 5 |
| Square feet | 211,047 | 245,104 | 245,104 | 245,104 |
| Capacity | 3,540 | 3,588 | 2,588 | 3,588 |
| Enrollment | 1,657 | 1,804 | 1,796 | 1,771 |
| Playgrounds | 10 | 10 | 10 | 10 |
| Junior High | | | | |
| Buildings | 1 | 1 | 1 | 1 |
| Square feet | 105,714 | 105,714 | 105,714 | 105,714 |
| Capacity | 960 | 960 | 960 | 960 |
| Enrollment | 480 | 489 | 483 | 487 |
| High School | | | | |
| Buildings | 2 | 2 | 2 | 2 |
| Square feet | 205,000 | 205,000 | 205,000 | 205,000 |
| Capacity | 1,740 | 1,740 | 1,740 | 1,740 |
| Enrollment | 973 | 962 | 956 | 985 |
| Administrative | | | | |
| Admin building | 1 | 1 | 1 | 1 |
| Square feet | 5,188 | 5,188 | 5,188 | 5,188 |
| Warehouse/printshop | 1 | 1 | 1 | 1 |
| Square feet | 9,900 | 9,900 | 9,900 | 9,900 |
| Service buildings | 19 | 19 | 19 | 19 |
| Transportation | | | | |
| Bus garage | 1 | 1 | 1 | 1 |
| Square feet | 5,250 | 5,250 | 5,250 | 5,250 |
| Buses | 38 | 38 | 38 | 38 |
| Athletics | | | | |
| Lancer Athletic Building | - | - | 1 | 1 |
| Square feet | - | - | 24,000 | 24,000 |
| Indoor Practice Facility | - | - | - | - |
| Square feet | - | - | - | - |
| Wrestling Facility | - | - | - | - |
| Square feet | - | - | - | - |
| Football fields | 1 | 1 | 1 | 1 |
| Soccer fields | 1 | 1 | 1 | 1 |
| Running tracks | 1 | 1 | 1 | 1 |
| Baseball/softball | 2 | 2 | 2 | 2 |
| Tennis courts | 1 | 1 | 1 | 1 |

Source: District records.

| Fiscal Year | | | | | |
|-------------|---------|---------|---------|---------|----------------|
| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| 5 | 5 | 5 | 5 | 5 | 5 |
| 245,104 | 245,104 | 245,104 | 245,104 | 245,104 | 245,104 |
| 3,588 | 3,588 | 3,588 | 3,588 | 3,588 | 3,588 |
| 1,763 | 1,749 | 1,747 | 1,783 | 1,798 | 1,798 |
| 10 | 10 | 10 | 10 | 10 | 10 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 105,714 | 105,714 | 105,714 | 105,714 | 105,714 | 105,714 |
| 960 | 960 | 960 | 960 | 960 | 960 |
| 528 | 501 | 496 | 499 | 544 | 544 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 205,000 | 205,000 | 205,000 | 205,000 | 205,000 | 205,000 |
| 1,740 | 1,740 | 1,740 | 1,740 | 1,740 | 1,740 |
| 956 | 988 | 1,018 | 1,041 | 1,072 | 1,072 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 5,188 | 5,188 | 5,188 | 5,188 | 5,188 | 5,188 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 9,900 | 9,900 | 9,900 | 9,900 | 9,900 | 9,900 |
| 19 | 20 | 20 | 20 | 20 | 20 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 5,250 | 25,351 | 25,351 | 25,351 | 25,351 | 25,351 |
| 38 | 40 | 40 | 40 | 40 | 40 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 24,000 | 24,000 | 24,000 | 24,000 | 24,000 | 24,000 |
| - | - | 1 | 1 | 1 | 1 |
| - | - | 15,552 | 15,552 | 15,552 | 15,552 |
| - | - | - | - | 1 | 1 |
| - | - | - | - | 20,500 | 20,500 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 2 | 2 | 2 | 2 | 2 | 3 |
| 1 | 1 | 1 | 1 | 1 | 1 |

North Scott Community School District

**Property Values, Construction and Bank Deposits
Last Ten Fiscal Years
(Unaudited)**

| Year | Insured Property Values | Expenditures for Construction | Bank Deposit* |
|----------------|-------------------------------|-------------------------------------|-------------------|
| 2014-15 | \$ 110,037,643 | \$ 7,469,839 | \$ 7,261,512 |
| 2015-16 | 117,555,405 | 15,649,202 | 6,599,043 |
| 2016-17 | 119,576,825 | 6,615,029 | 5,415,715 |
| 2017-18 | 124,662,825 | 4,286,334 | 15,765,345 |
| 2018-19 | 127,709,918 | 5,714,786 | 21,533,792 |
| 2019-20 | 138,773,492 | 2,251,106 | 18,781,893 |
| 2020-21 | 140,128,492 | 2,763,255 | 18,870,348 |
| 2021-22 | 146,432,999 | 5,275,293 | 20,781,753 |
| 2022-23 | 221,342,897 | 13,492,071 | 22,878,409 |
| 2023-24 | 222,710,785 | 31,696,827 | 24,605,218 |

* School district's bank deposit as of June 30.

Sources: District financial and insurance records.

North Scott Community School District Miscellaneous Demographic Statistics

The North Scott Community School District was incorporated in 1956, and includes portions of Winfield, Butler, Sheridan, Princeton, Lincoln, Allens Grove and Hickory Grove townships, in the County of Scott, in the State of Iowa. The District encompasses an area of 220 square miles. Included in the District are the towns of Dixon, Maysville, Donahue, Long Grove, Eldridge, McCausland and Princeton and the unincorporated communities of Mt. Joy and Park View. The District office is located at 251 East Iowa Street, Eldridge, Iowa.

The District owns and operates seven schools plus an administration building, transportation facility, maintenance complex, athletic building and indoor practice facility. The following data provides the grade levels housed in each building.

| SCHOOLS | 23-24 | 22-23 | 21-22 | 20-21 | 19-20 | 18-19 | 17-18 | 16-17 | 15-16 | 14-15 |
|----------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Alan Shepard Elem. | K-6 | K-6 | K-6 | K-6 | K-6 | K-6 | K-6 | K-6 | K-6 | K-6 |
| Alan Shepard Elem. | | | | | PS | PS | PS | PS | PS | PS |
| Edward White Elem. | K-6 | K-6 | K-6 | K-6 | K-6 | K-6 | K-6 | K-6 | K-6 | K-6 |
| Edward White Elem. | PS | PS | PS | PS | | | | | | |
| John Glenn Elem. | PreK-6 | PreK-6 | PreK-6 | PreK-6 | PreK-6 | PreK-6 | PreK-6 | PreK-6 | PreK-6 | PreK-6 |
| Neil Armstrong Elem. | K-6 | K-6 | K-6 | K-6 | K-6 | K-6 | K-6 | K-6 | K-6 | K-6 |
| Neil Armstrong Elem. | PS | PS | PS | PS | PS | PS | PS | PS | PS | PS |
| Virgil Grissom Elem. | PS-6 | PS-6 | PS-6 | PS-6 | PS-6 | PS-6 | PS-6 | PS-6 | PS-6 | PS-6 |
| Junior High | 7-8 | 7-8 | 7-8 | 7-8 | 7-8 | 7-8 | 7-8 | 7-8 | 7-8 | 7-8 |
| High School | 9-12 | 9-12 | 9-12 | 9-12 | 9-12 | 9-12 | 9-12 | 9-12 | 9-12 | 9-12 |

*Approximately 63 sixth graders 11-12; approximately 78 sixth graders 12-13; approximately 72 sixth graders 13-14; approximately 81 sixth graders (Aug-Dec) 14-15.

Schools

North Scott High School, located in Eldridge, was opened in the fall of 1958. Major additions to this building were completed in 1980, 1982 and 2000 that included an 800-seat performing arts auditorium, six fully equipped science classrooms and a modernized and expanded vocal and instrumental music complex. Major interior renovation and enlargement of the girls' locker room was completed in October 2006, as well as the replacement of the original gymnasium floor. In 2008, a major renovation and enlargement of the high school nurse's office and other support offices was completed. An 864-square foot free-standing greenhouse was added to support the vocational agriculture and science departments. In 2009, a major track and football field renovation was completed. In 2014 major improvements and expansions were completed to the boys' locker room and wrestling room. In 2015 the High School was updated with renovations to the front school entrances, office area, and library/media center. The new 26,000 square foot fitness center at the high school, Lancer Athletic Building (LAB), was completed in 2017 and houses a 12,000 square foot weight room and two practice courts. In 2018 the High School kitchen was renovated and improvements began on the auditorium with completion in 2019. In 2019 a transportation facility was purchased. In 2020 a new indoor practice facility was completed.

The North Scott Junior High School, for grades seven and eight, was completed for occupancy January 3, 1976. Major interior remodeling was completed in 1991 and 2000 that included two fully equipped science classrooms and a second full-sized gymnasium. A major kitchen/cafeteria renovation and 1,444-square foot addition was completed in September 2009. In 2014 improvements and expansions were completed to the restrooms.

The John Glenn Elementary School at Donahue, the Virgil Grissom Elementary School at Princeton, the Alan Shepard Elementary School at Long Grove and the Edward White Elementary School at Eldridge were opened in 1967. These buildings replaced 32 buildings, which were mostly one-room, rural schools. Major additions to these elementary buildings were finished in 1967, 1969, 1971, 1993 and 2000. The Neil Armstrong Elementary

School at Park View was opened on August 30, 1976 with a major addition completed in 2000. A major interior renovation project was completed in two phases. The District started on a playground safety program, replacing existing playground equipment and adding rubber tile fall protection surfaces at four of the District's elementary buildings. A large addition was completed at Alan Shepard Elementary in 2014 which added multiple classrooms and breakout rooms. A large addition was completed at Ed White Elementary in 2015, which added a gym, multiple classrooms, and office area. The library was expanded and updated as well. In 2016, John Glenn Elementary added a SAFE room that also holds two classrooms for the building. In 2020 John Glenn completed a solar project. In 2023 a major building addition began at the Alan Shepard Elementary School including a new multipurpose room, service kitchen, teacher's lounge, art room and additional restrooms.

A major sports complex was completed in the fall of 2002, which includes 12 lighted tennis courts and a lighted soccer complex. This complex was expanded to include a softball field, expanded parking, concession stand and restrooms in 2023. A District-wide web-based HVAC control system upgrade was started in the spring of 2009. In 2021 the District began construction on a community YMCA with the City of Eldridge with completion in December 2022. A new softball field was completed in 2024.

The District began several building expansions as well as construction on a Regional Innovation Center in 2023-2024. The new facility will increase the number of career pathways for students which include agriculture, diesel, construction, electricity, plumbing, plant and animal sciences and veterinary assistance.

Staff and Curriculum

The North Scott Schools take pride in their excellent workforce. The seven buildings and central office are staffed by 16.0 FTE administrators, 252.7 FTE certified staff and 197.8 FTE support staff. The teaching staff includes classroom teachers, media specialists, nurses and teacher specialists in the areas of reading, art, music, physical education and guidance. The support staff of teacher aides, secretarial and clerical staff, bus drivers and mechanics, custodial/maintenance, child care, food service, print shop and grounds staff all contributes to creating a positive, safe learning environment for students.

Following are listed a variety of activities that were directed and/or coordinated by the Superintendent for the continuous improvement of the learning experiences and environment provided to students and staff during the 2023-2024 school year:

- The District completed the CASA document to report on the 2023-2024 school year and document plans for the upcoming year in implementing the Iowa Common Core.
- The District completed an internal end-of-year Teacher Leadership and Compensation (TLC) review.
- The District has identified long-range goals and annual improvement goals with specific action plans to meet the identified needs of students and staff within the District using a School Strategic plan which is reviewed annually with members of the administration and Board of Directors.
- Each building annually identifies building improvement goals based upon student data. Action plans are developed at the building level to make improvements at the site level. Buildings have developed a consistent framework for building leadership teams across the District.
- Curriculum, instruction, and assessment reports are made during the school year to the Board of Directors.

- The District has a Curriculum Cabinet, which meets once a month to discuss issues directly related to curriculum, instruction, and assessment; progress on our professional development plan implementation; and our District MTSS plan. We also observe several classrooms in one of the seven buildings each month. Members of the Cabinet include the Superintendent, Director of Curriculum and Instruction, Director of Student Services, a board member, all K-12 administrators, the K-12 Teacher Leader Coordinator, and all K-12 instructional coaches. Minutes of the Curriculum Cabinet are shared after each meeting at School Board meetings.
- All teachers were involved in grade level and content area meetings to align curriculum, assessment and instruction. The structure of Professional Learning Communities is utilized to carry out this collaborative work along with administrators and teacher leaders.
- The District employed reading specialists who provide academic support in reading for students in grades K-12. The Comprehensive Intervention Model was used by all reading specialists throughout the District.
- Parent/teacher conferences were held in grades kindergarten through twelve twice a year with a high parent participation rate at the K-6 level. The secondary schools continue to look for ways to support parent engagement through conferences.
- The District provided a well-articulated K-12 counseling program to address the needs of students. All elementary buildings had full time guidance personnel.
- The District continued to provide regular professional development opportunities to all staff in the areas of reading and math, meeting the needs of diverse learners, and student feedback.
- During this school year, four computer technicians were employed by the District to assist in the placement of technology in all classrooms and for our online learners. 100% of the District's classrooms are connected to the Internet. All staff members and students had Google accounts. There were more than 3,000 computers across the District. The District had a 1:1 initiative using Chromebooks as the primary devices for students. The District maintained a web page that was restructured and updated in 2022 and continues to be updated through the Communications Director position.
- The Central Office and administrative staff used a web-based personnel software system for hiring new staff.
- The District had an active mentoring program for beginning teachers. Each beginning teacher has a trained mentor for a two-year period. Training teachers has been on-going to enlarge the pool of mentors supporting beginning educators starting their careers in the District. New teachers met together monthly with a support team for additional support. The district is exploring new mentor training with Mentoring In Action.
- Each elementary and both the Junior High and High School provided student academic intervention time each school day.

Population

The population of the North Scott Community School District is estimated at approximately 16,000. The enrollment in October 2024 was 3,438 students – 1,092 senior high students, 533 junior high students, and 1,813 elementary students. These numbers include students who are open-enrolled or tuitioned into the District.

A fleet of 39 buses is owned by the District to serve its transportation needs. A total of 22 regular bus routes operate daily, with 3 activity routes operating in the evening. The District also has 6 special education routes operating daily.

Total student meals served during the 2023-2024 school year was 458,596 and total adult meals served was 18,953. During the 2023-2024 school year, the District received USDA commodity funding totaling \$181,756. This was made of allowable funds of \$136,875 plus additional funding of \$44,881. The additional commodity funding allowed the District to provide higher quality fresh produce to students. The District also received Supply Chain Assistance Funding totaling \$100,106 to use towards purchasing unprocessed food programs such as milk. With the additional revenue in the Nutrition Fund the District will continue to updating food service equipment.

The North Scott Board of Education generally meets on the second and fourth Monday of each month, and complete minutes are published in the North Scott Press and on the North Scott web page.

District Awards Over the Last Several Years

The following is a summary of various awards and positions held by specific individuals, buildings, school organizations and as a District, over the last several years.

Individuals

District individuals have served and been awarded the following recognition in the last 10 years.

- Presenters, University of Northern Iowa Literacy Spring Conference & Summer Academy, 2014, 2015, and 2016
- Presenter – 2017 Visible Learning Conference
- Presenter – Association for Middle Level Educators
- Presenters – 2018 National Reading Recovery Council Conference
- Presenters – 2022 Iowa Choral Directors' Summer Symposium
- State of Iowa Governor's Volunteer Award for Individual Volunteerism
- Big Brothers/Big Sisters of America Big Impact Award Winner
- Member of MBAEA and School Administrators of Iowa's Professional Development Committee, 2014-15
- Edward White Elementary Model PCL School, 2013-14, 2014-15, 2015-16
- Member of North Scott Rotary
- Member of State's C4K Committee
- Iowa State Representative
- Iowa State Senator
- Committee member, Leadership Committee, IASBO
- Iowa State Distribution Advisory Council
- Presenter at Middle Level Education Southeast Sectional Conference
- Southeast District High School Athletic Director of the Year, 2015
- Wrestling Coach of the Year, 2015

- Boys Class 4A Basketball Coach of the Year, 2015
- Iowa School Counselor-of-the-Year Semi-Finalist, 2017
- Iowa State Bar Mock Trial Coach Educator Hall of Fame Induction, 2017
- MAC Cross-Country Coach of the Year, 2018
- Football District Coaching Staff of the Year, 2018
- Cross Country MAC Coach of the Year, 2019
- Volleyball MAC Coach of the Year, 2019, 2023
- Football District Coach of the Year, 2019
- Wrestling MAC Coach of the Year, 2020
- Wrestling MAC Coach of the Year, 2021
- Track MAC Coach of the Year, 2021
- Girls Soccer Coach IGHS AU Soccer Golden Plaque Award, 2022
- Cross Country MAC Coach of the Year, 2022
- Boys Golf MAC Coach of the Year, 2022
- Girls Tennis MAC Coach of the Year, 2023
- Band teacher received the 2023 Karl King Distinguished Service Award via the Southeast Iowa Bandmasters Association
- Agriculture teacher received the 2023 Golden Owl Award Recipient
- Two 2023 Impact Award Recipients
- 2023 IHSSA Administrator of the Year Award

Building Awards

- Junior High Educational Equity Recognition Award – Iowa State Board of Education
- Junior High “Employer Support of the Guard and Reserve” ESGR Award

Grounds Awards

- 2015 Tennis Courts of the Year

Grants

- Scott County Regional Authority Grant, \$500,000 – Regional Innovation Center
- State of Iowa Career Academy Incentive Fund, \$1,000,000 – Regional Innovation Center
- State of Iowa SLFRF School Safety Improvement Grant, \$350,000
- Harbor Freight Tools for Schools, \$50,000
- Mental Health Training Paraeducator Fellowship, \$60,000

Statistical Review

Area – 220 square miles Altitude – 793 feet above sea level

Parks & Lakes – Scott County Park, a total of 1,450 acres. Each small town in the District has their own small park. Lost Grove Lake is a 400-acre lake located six miles east of Eldridge near Scott County Park where you can fish, kayak, canoe and hike.

Location – Distance in miles from Eldridge (center of District):

| | | | | | |
|------------|-----|-------------|-------|-------------|-----|
| Chicago | 162 | Los Angeles | 1,605 | Omaha | 300 |
| Dallas | 799 | Minneapolis | 334 | St. Louis | 240 |
| Denver | 777 | Detroit | 425 | Kansas City | 300 |
| Des Moines | 167 | Milwaukee | 199 | | |

Churches – 12, representing five denominations.

Fitness Center, Roller Skating Rink, Golf Course, Pickle Ball Court, Bike/Walking Trail (in City of Eldridge).

Public Library – Scott County Public Library and Bookmobile provide services to the seven communities located in North Scott.

Newspapers – 1 weekly, 1 daily (morning and evening) in metropolitan area. Also 1 weekly trade paper.

Climate:

| | |
|----------------------------|------|
| Average winter temperature | 24.6 |
| Average summer temperature | 72.7 |
| Average annual rainfall | 36.6 |
| Average annual snowfall | 29.2 |

Municipal Services

Council/City Managers; all volunteer fire department personnel in cities; full-time police officers-Eldridge and Princeton; part-time police officers-Princeton. All other cities are patrolled by the County; industrial waste pickup service.

Notice of Nondiscrimination

The North Scott Community School District does not discriminate on the basis of race, color, creed, gender, sexual orientation, marital status, national origin, religion, age or disability in its educational programs, services or employment practices. Inquiries concerning application of this statement should be address to:

Erin Paysen, Equity Coordinator
John Glenn Elementary
308 N Main Street
Donahue, Iowa 52746
Phone 563.282.9862

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

**Enrollment by Grade and Certified Enrollment
Last Ten Fiscal Years
(Unaudited)**

| Grade | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|----------------------|----------------|----------------|----------------|----------------|
| Enrollment by Grade | | | | |
| Kindergarten | 285.0 | 278.0 | 266.0 | 250.0 |
| 1 | 217.0 | 237.0 | 236.0 | 230.0 |
| 2 | 228.0 | 227.0 | 241.0 | 238.0 |
| 3 | 229.0 | 231.0 | 228.0 | 237.0 |
| 4 | 237.0 | 238.0 | 229.0 | 238.0 |
| 5 | 227.0 | 247.0 | 245.0 | 235.0 |
| 6 | 235.0 | 228.0 | 253.0 | 242.0 |
| 7 | 237.0 | 244.0 | 235.0 | 251.0 |
| 8 | 239.0 | 240.0 | 243.0 | 227.0 |
| 9 | 236.0 | 241.0 | 235.0 | 245.0 |
| 10 | 225.0 | 243.0 | 238.0 | 238.0 |
| 11 | 229.0 | 229.0 | 238.0 | 234.0 |
| 12 | 272.0 | 242.0 | 240.0 | 261.0 |
| | <u>3,096.0</u> | <u>3,125.0</u> | <u>3,127.0</u> | <u>3,126.0</u> |
| Certified enrollment | <u>3,046.3</u> | <u>3,078.2</u> | <u>3,062.1</u> | <u>3,035.1</u> |

Source: Basic Educational Data Survey (BEDS) and Certified Enrollment

| 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|----------------|----------------|----------------|----------------|----------------|----------------|
| 243.0 | 257.0 | 262.0 | 271.0 | 246.0 | 232.0 |
| 216.0 | 212.0 | 219.0 | 221.0 | 250.0 | 216.0 |
| 243.0 | 216.0 | 210.0 | 232.0 | 236.0 | 244.0 |
| 242.0 | 235.0 | 215.0 | 222.0 | 242.0 | 244.0 |
| 241.0 | 237.0 | 250.0 | 226.0 | 240.0 | 243.0 |
| 245.0 | 247.0 | 241.0 | 259.0 | 230.0 | 247.0 |
| 243.0 | 239.0 | 254.0 | 258.0 | 261.0 | 245.0 |
| 257.0 | 244.0 | 244.0 | 257.0 | 279.0 | 272.0 |
| 262.0 | 255.0 | 249.0 | 240.0 | 262.0 | 281.0 |
| 223.0 | 261.0 | 266.0 | 252.0 | 257.0 | 271.0 |
| 252.0 | 230.0 | 261.0 | 261.0 | 260.0 | 244.0 |
| 231.0 | 236.0 | 223.0 | 273.0 | 266.0 | 261.0 |
| 241.0 | 244.0 | 254.0 | 242.0 | 276.0 | 272.0 |
| 3,139.0 | 3,113.0 | 3,148.0 | 3,214.0 | 3,305.0 | 3,272.0 |
| 3,077.3 | 3,029.6 | 3,071.0 | 3,113.0 | 3,097.6 | 3,018.2 |

North Scott Community School District

**Schedule of Insurance Coverage
July 1, 2023- June 30, 2024
(Unaudited)**

| Detail of Coverage | Number | From | To |
|---|--------------|----------|----------|
| PROPERTY | | | |
| Coverage A - Buildings | 5A1-37-59-24 | 7/1/2023 | 7/1/2024 |
| Coverage B - Personal property | | | |
| Coverage C - Extra expense | | | |
| LIABILITY | | | |
| Premises, contractual, personal injury, teachers liability, nurses professional liability, garage keepers, employee benefits, additional insured. | 5D1-37-59-24 | 7/1/2023 | 7/1/2024 |
| FLEET | | | |
| Bodily injury, property damage, medical uninsured motorist, comprehensive, collision. Includes non-owned. | 5E1-37-59-24 | 7/1/2023 | 7/1/2024 |
| WORKERS' COMPENSATION | | | |
| | B062984 01 | 7/1/2023 | 7/1/2024 |
| INLAND MARINE | | | |
| All risk coverage based on statement of values. | 5C1-37-59-24 | 7/1/2023 | 7/1/2024 |
| COMMERCIAL UMBRELLA (EXCESS LIABILITY) | | | |
| | 5J1-37-59-24 | 7/1/2023 | 7/1/2024 |
| SCHOOL DISTRICT LEGAL LIABILITY | | | |
| Includes prior acts, 36-month discovery period extension, teacher negotiation-covers school board and all employees. | 5K1-37-59-24 | 7/1/2023 | 7/1/2024 |
| PUBLIC SCHOOL EMPLOYEES BLANKET BOND | | | |
| | 5F1-37-59-24 | 7/1/2023 | 7/1/2024 |
| POLLUTION | | | |
| | 5P1-37-59-24 | 7/1/2023 | 7/1/2024 |
| GROUP EXCESS LIABILITY | | | |
| | 1459908 | 7/1/2023 | 7/1/2024 |
| DATA COMPROMISE | | | |
| | 107860032 | 7/1/2023 | 7/1/2024 |

Source: School District insurance records.

| Liability Limits | Premium |
|--|---------|
| Coverages A and B - 90% of full replacement cost as per statement of values - \$25,000 deductible. Coverage C - As per schedule. | 301,993 |
| \$2,000,000 bodily injury and property damage each occurrence, \$2,000,000 aggregate. | 30,746 |
| \$1,000,000 combined single limit liability, \$5,000 medical payment, ACV comprehensive no deductible, buses \$1,000 deductible, small vehicles \$1,000 deductible and automobiles uninsured and underinsured motorist \$1,000,000 | 60,828 |
| Statutory. | 165,586 |
| As per schedule. | 14,383 |
| \$2,000,000 occurrence and \$4,000,000 aggregate. | 16,635 |
| \$2,000 deductible, \$2,000,000 each loss, \$2,000,000 aggregate. | 23,441 |
| Blanket coverage \$1,000,000 all employees w/ \$10,000 deductible | 4,695 |
| \$1,000,000 each incident, \$1,000,000 aggregate | 1,350 |
| \$10,000,000 occurrence limit and \$10,000,000 aggregate limit | 23,235 |
| As per schedule. | 19,377 |

North Scott Community School District

**History of State Aid Payments
Last Ten Fiscal Years
(Unaudited)**

| Fiscal Year | Budgeted State Aid | Actual Revenue | Difference State Aid to Actual | Difference % of Budget Variance** |
|-------------|--------------------|-------------------|--------------------------------|-----------------------------------|
| 2015 | \$ 16,592,001 | \$ 16,513,565 | \$ 78,436 | 0.47% |
| 2016 | 17,230,352 | 17,150,827 | 79,525 | 0.46% |
| 2017 | 18,978,935 | 18,902,895 | 76,040 | 0.40% |
| 2018 | 19,033,612 | 18,956,147 | 77,465 | 0.41% |
| 2019 | 18,374,416 | 18,298,603 | 75,813 | 0.41% |
| 2020 | 18,985,887 | 18,828,806 | 157,081 | 0.83% |
| 2021 | 18,977,216 | 18,901,181 | 76,035 | 0.40% |
| 2022 | 20,015,060 | 19,856,796 | 158,264 | 0.79% |
| 2023 | 21,345,790 | 21,197,245 | 148,545 | 0.70% |
| 2024 | 22,034,670 | 21,980,927 | 53,743 | 0.24% |
| Average | \$ 19,156,794 | \$ 19,058,699 | \$ 98,095 | 0.53% |

** The % of budget variance indicates the percent that actual revenues were below those projected by use of the state's foundation formula used in calculations to prepare the certified school district budget.

Source: District Budget Documents and Financial Records.

North Scott Community School District

**Local Regular Program Budget vs. Teacher Settlements
New Money the Last Ten Years - Percent Increase
(Unaudited)**

| Budget Year | Enrollment | (A) North Scott New Money | (B) North Scott Settlement | (C) New Money State Trend | (D) Settlement State Trend | (E) Certified Teaching Staff (FTE) |
|--------------------------|----------------|---------------------------------|----------------------------------|---------------------------------|----------------------------------|--|
| 2014-15 | 2,948.9 | 2.97% | 3.86% | 3.00% | 3.65% | 226.42 |
| 2015-16 | 3,046.3 | 4.60% | 3.51% | 1.87% | 3.15% | 240.48 |
| 2016-17 | 3,078.2 | 3.32% | 2.76% | 1.79% | 3.33% | 240.30 |
| 2017-18 | 3,062.1 | 1.00% | 3.45% | 1.34% | 2.16% | 243.80 |
| 2018-19 | 3,035.1 | 0.58% | 2.12% | 1.20% | 2.34% | 238.81 |
| 2019-20 | 3,077.3 | 2.73% | 2.00% | 1.23% | 2.51% | 240.31 |
| 2020-21 | 3,029.6 | 1.00% | 2.00% | 2.28% | 2.69% | 239.56 |
| 2021-22 | 3,071.0 | 3.79% | 3.30% | 1.95% | 2.88% | 244.50 |
| 2022-23 | 3,112.5 | 3.96% | 3.60% | 1.93% | 3.58% | 254.83 |
| 2023-24 | 3,097.6 | 2.50% | 3.64% | 3.00% | 3.94% | 252.56 |
| Ten-year average | \$ 3,056 | 2.65% | 3.02% | 1.96% | 3.02% | 242.16 |
| Percent variance (B-A)/B | | 23.52% | | (D-C)/C | 64.00% | |

* Source IASB reports.

North Scott Community School District

**Average Salary by Education Level
Last Ten Fiscal Years
(Unaudited)**

| Education Level | Fiscal Year | | | |
|-----------------------------|-------------|-----------|-----------|-----------|
| | 2015 | 2016 | 2017 | 2018 |
| BA | | | | |
| Total FTE | 66.50 | 67.98 | 59.60 | 65.60 |
| Average salary | 38,755.05 | 39,488.71 | 40,397.58 | 41,353.20 |
| BA + 15 | | | | |
| Total FTE | 21.44 | 23.50 | 22.06 | 20.31 |
| Average salary | 44,872.77 | 45,889.45 | 45,935.03 | 46,724.58 |
| BA + 30 | | | | |
| Total FTE | 22.00 | 19.50 | 21.63 | 22.63 |
| Average salary | 49,253.55 | 51,200.49 | 51,875.36 | 52,518.64 |
| MA | | | | |
| Total FTE | 62.98 | 64.00 | 64.01 | 65.38 |
| Average salary | 48,786.39 | 50,090.38 | 50,838.55 | 51,995.18 |
| MA + 15 | | | | |
| Total FTE | 20.50 | 25.50 | 30.50 | 29.00 |
| Average salary | 54,365.80 | 55,701.45 | 56,109.54 | 57,194.41 |
| MA + 30 | | | | |
| Total FTE | 33.00 | 40.00 | 42.50 | 40.88 |
| Average salary | 60,275.91 | 60,837.10 | 61,585.58 | 62,612.50 |
| Grand total FTE | 226.42 | 240.48 | 240.30 | 243.80 |
| Total average salary | 47,606.36 | 49,155.48 | 51,514.43 | 51,139.97 |

Source: District personnel records.

Notes:

Full-time instructional employees of the District are employed for all 192 work days, at eight hours per day 1,536 hours per year. This schedule includes the local instructional salary schedule only. Not included are state appropriations to increase salaries, i.e., Teacher Salary Supplement, Teacher Quality of Phase II Funds.

| Fiscal Year | | | | | |
|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------------------------|
| 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| 46.50 41,709.28 | 49.98 40,914.01 | 54.48 41,221.87 | 49.75 41,925.00 | 53.55 41,056.21 | 46.55 44,275.00 |
| 21.48 46,529.97 | 13.00 48,383.85 | 15.00 48,090.00 | 19.63 48,033.00 | 17.75 48,890.03 | 18.73 48,134.00 |
| 23.19 52,954.91 | 19.69 54,985.96 | 18.69 55,596.56 | 21.63 54,082.00 | 19.25 55,327.27 | 15.00 56,297.00 |
| 73.88 51,742.06 | 78.88 52,223.14 | 76.63 52,571.89 | 72.00 53,746.00 | 77.00 54,599.09 | 77.00 55,999.00 |
| 31.63 56,444.46 | 33.63 56,854.19 | 30.63 58,197.35 | 26.00 59,627.00 | 25.00 61,466.00 | 27.00 62,383.00 |
| 42.13 61,645.83 | 45.13 62,126.03 | 44.13 63,302.35 | 55.50 64,402.00 | 62.28 66,135.00 | 68.28 67,397.00 |
| 238.81 51,807.50 | 240.31 52,397.58 | 239.56 52,642.00 | 244.51 53,955.97 | 254.83 54,903.57 | 252.56 57,037.00 |

North Scott Community School District

**Total Package Settlement
Last Ten Fiscal Years
(Unaudited)**

| | Fiscal Year | | | |
|----------------|-------------|---------|---------|---------|
| | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
| Certified | 3.51 % | 2.76 % | 3.45 % | 2.12 % |
| Classified | 3.35 | 2.75 | 1.65 | 1.20 |
| Bus drivers | 3.35 | 2.76 | 1.00 | 1.26 |
| Administrators | 3.00 | 2.76 | 2.20 | 1.73 |
| Midmanagement | 3.00 | 2.76 | 2.50 | 1.63 |
| Print shop | 3.00 | 2.76 | 2.50 | N/A |
| Exempt | 3.00 | 2.76 | 2.50 | 1.88 |

Source: District records.

| | | Fiscal Year | | | | | 10-Year |
|---------|---------|-------------|---------|---------|----------------|---------|---------|
| 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | Average | |
| 2.00 % | 2.00 % | 3.30 % | 3.60 % | 3.64 % | 3.00 % | 2.94 % | |
| 2.00 | 2.00 | 3.40 | 3.60 | 3.57 | 2.80 | 2.63 | |
| 3.00 | 2.00 | 3.20 | 3.50 | 3.94 | 3.00 | 2.70 | |
| 2.00 | 2.00 | 3.20 | 3.40 | 3.50 | 2.50 | 2.63 | |
| 2.00 | 2.00 | 3.20 | 3.40 | 3.60 | 2.50 | 2.66 | |
| N/A | N/A | N/A | N/A | N/A | N/A | 2.42 | |
| 2.00 | 2.00 | 3.20 | 3.40 | 3.60 | 2.50 | 2.68 | |

North Scott Community School District

**Financial Solvency Ratio
Last Ten Fiscal Years
(Unaudited)**

| Fiscal Year | Unassigned/ Assigned General Fund Balance | Actual Revenues | Financial Solvency Ratio |
|-------------|--|----------------------|-----------------------------|
| 2024 | \$ 9,948,137 | \$ 41,792,921 | 23.80% |
| 2023 | 8,341,792 | 40,029,760 | 20.84% |
| 2022 | 7,354,231 | 37,051,040 | 19.85% |
| 2021 | 7,746,503 | 35,294,988 | 21.95% |
| 2020 | 7,874,085 | 34,867,591 | 22.58% |
| 2019 | 7,330,814 | 34,896,662 | 21.01% |
| 2018 | 6,091,547 | 34,422,847 | 17.66% |
| 2017 | 5,203,385 | 33,850,867 | 15.37% |
| 2016 | 4,696,591 | 30,914,743 | 15.19% |
| 2015 | 4,999,015 | 30,113,559 | 16.60% |

Source: District financial records.

Financial solvency = $\frac{\text{assigned} + (\text{plus}) \text{unassigned General Fund balances (numerator)}}{\text{actual General Fund revenues}}$

COMPLIANCE SECTION

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024**

| Federal Grantor/Pass-Through Grantor/ Program Title or Cluster Title | Federal Assistance Listing Number | Pass-Through Entity Identifying Number | Provided to Subrecipients | Total Federal Expenditures |
|---|--|--|------------------------------|----------------------------------|
| U.S. Department of Agriculture | | | | |
| Pass-Through Iowa Department of Education: | | | | |
| Child Nutrition Cluster Program: | | | | |
| School Breakfast Program | 10.553 | FY24 4552 | \$ - | \$ 116,092 |
| National School Lunch Program | 10.555 | FY24 4553 | - | 622,324 |
| National School Lunch Program- Supply Chain Assistance | 10.555 | FY24 4014 | - | 100,105 |
| Commodities -DOD (Noncash) | 10.555 | FY24 | - | 59,933 |
| Commodities (Noncash) | 10.555 | FY24 | - | 121,823 |
| | | | - | 904,185 |
| Total Child Nutrition Cluster Program | | | - | 1,020,277 |
| Child and Adult Food Care Program | 10.558 | FY24 4554 | - | 2,102 |
| Total U.S. Department of Agriculture | | | - | 1,022,379 |
| U.S. Department of Treasury | | | | |
| Pass-Through Iowa Department of Homeland Security and Emergency Management: | | | | |
| Coronavirus State and Local Fiscal Recovery Funds; School Safety Improvement Grant | 21.027 | SLFRF-2022-HSEM | - | 188,109 |
| U.S. Department of Education | | | | |
| Pass-Through Iowa Department of Education: | | | | |
| Title 1 Grants to Local Education Agencies | 84.010 | FY24 4501 | - | 340,144 |
| Supporting Effective Instruction State Grants | 84.367 | FY24 4643 | - | 65,034 |
| Student Support and Academic Enrichment Program | 84.424 | FY24 4669 | - | 18,866 |
| Education Stabilization Fund: | | | | |
| COVID-19 Discretionary Grants: Rethink K-12 Education Models Grants | 84.425B | FY24 4053 | - | 18,690 |
| COVID-19 Governor's Emergency Education Relief (GEER II) Fund | 84.425C | FY24 4054 | - | 30,151 |
| COVID-19 ARP-Elementary and Secondary School Emergency Relief Fund (ARP-ESSER III) | 84.425U | FY24 4045 | - | 817,500 |
| Total Education Stabilization Fund | | | - | 866,341 |
| (Continued) | | | | |

North Scott Community School District

Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2024

| Federal Grantor/Pass-Through Grantor/ Program Title or Cluster Title | Federal Assistance Listing Number | Pass-Through Entity Identifying Number | Provided to Subrecipients | Total Federal Expenditures |
|---|--|--|------------------------------|----------------------------------|
| U.S. Department of Education (continued) | | | | |
| Pass-Through Mississippi Bend Area Education Agency: | | | | |
| Special Education Cluster Program: | | | | |
| Special Education - Grants to States | | | | |
| IDEA, Part B | 84.027 | FY24 4521 | \$ - | \$ 138,254 |
| English Language Acquisition State Grants | 84.365 | FY24 4644 | - | 888 |
| Pass-Through Iowa Vocational Rehabilitation: | | | | |
| Rehabilitation Services- Vocational Rehabilitation Grants to States | | | | |
| | 84.126 | FY24 4598 | - | 132,356 |
| Total U.S. Department of Education | | | - | 1,561,883 |
| Total Expenditures of Federal Awards | | | \$ - | \$ 2,772,371 |

See notes to schedule of expenditures of federal awards.

North Scott Community School District

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2024

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the North Scott Community School District under programs of the federal government for the year ended June 30, 2024. 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 North Scott Community School District, it is not intended to and does not present the financial position, changes in net position or cash flows of North Scott Community School District.

Note 2. Summary of 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 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.

THIS PAGE INTENTIONALLY LEFT BLANK



.... a commitment to the community.

North Scott Community School District

**Summary Schedule of Prior Audit Findings
Year Ended June 30, 2024**

| Finding | Status | Reason for Recurrence and Corrective Action Plan or Other Explanation |
|---|----------------|--|
| Other Findings Related to Required Statutory Reporting: | | |
| IV-A-23: Expenditures for the year ended June 30, 2023 exceeded the certified budget for the noninstructional and other program functions prior to passing an amendment. | Corrected. | |
| IV-H-23: The District identified variances in certified enrollment submitted to the state in October 2022. | Not corrected. | Student data changes were not timely communicated to District. See response and corrective action plan at IV-H-24. |
| IV-I-23: The District identified variances in supplementary weighting data certified to the state in October 2022. | Corrected. | |
| IV-N-23: A copy of the resolution for expenditures from the flexibility fund was not provided to the Iowa Department of Education. | Corrected. | |

THIS PAGE INTENTIONALLY LEFT BLANK



**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
North Scott Community School District
Eldridge, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of North Scott Community School District (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 13, 2024.

Report on 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 North Scott 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. 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, 2024 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
December 13, 2024



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

To the Board of Education
North Scott Community School District
Eldridge, Iowa

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited North Scott 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, 2024. 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, North Scott 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, 2024.

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
December 13, 2024

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2024**

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?
- Significant deficiency identified?
- Noncompliance material to financial statements noted?

| | |
|------------------------------|---|
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> None Reported |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

Federal Awards

Internal control over major programs:

- Material weakness(es) identified?
- Significant deficiency identified?

| | |
|------------------------------|---|
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> 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)?

| | |
|------------------------------|--|
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
|------------------------------|--|

Identification of major programs:

Federal Assistance

| Listing Number | Name of Federal Program or Cluster |
|--------------------------|---|
| Child Nutrition Cluster: | |
| 10.553 | School Breakfast Program |
| 10.555 | National School Lunch Program |
| 10.555 | National School Lunch Program- Supply Chain Assistance |
| 10.555 | Commodities -DOD (Noncash) |
| 10.555 | Commodities (Noncash) |

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

Auditee qualified as low-risk auditee?

| | |
|---|-----------------------------|
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
|---|-----------------------------|

(Continued)

North Scott Community School District

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2024**

Part II: Findings Related to the Basic Financial Statements

Instances of noncompliance:

No matters were reported.

Internal control deficiencies:

No matters were reported.

Part III: Findings and Questioned Costs for Federal Awards

Instances of noncompliance:

No matters were reported.

Internal control deficiencies:

No matters were reported.

Part IV: Other Findings Related to Statutory Reporting

IV-A-24

Certified Budget: Expenditures for the year ended June 30, 2024 did not exceed the certified budget for the year ended June 30, 2024.

IV-B-24

Questionable Expenditures: No expenditures we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.

IV-C-24

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-24

Business Transactions: No business transactions between the District and District officials or employees were noted.

IV-E-24

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-24

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 that the coverage is adequate for current operations.

IV-G-234

Board Minutes: No transactions requiring Board approval which had not been approved by the Board were noted.

(Continued)

North Scott Community School District

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2024**

IV-H-24

Certified Enrollment: Variances regarding the basic enrollment data certified to the Iowa Department of Education were noted.

Finding: The District identified variances in certified enrollment submitted to the state in October 2023.

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

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

Conclusion: Response accepted.

IV-I-24

Supplementary Weighting: No variances in the supplementary weighting data certified to the Iowa Department of Education were noted.

IV-J-24

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-24

Certified Annual Report: The Certified Annual Report was certified timely to the Iowa Department of Education.

IV-L-24

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

(Continued)

North Scott Community School District

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2024**

IV-M-24

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. For the year ended June 30, 2024, the District reported the following information regarding the statewide sales and services tax revenue in the District's CAR:

| | | | |
|--|----|------------|------------------|
| Beginning balance | | \$ | 19,650,766 |
| Revenue / transfers in: | | | |
| Statewide sales and services tax revenue | \$ | 5,080,660 | |
| Transfers in | | 1,426,758 | |
| Other | | 3,145,533 | 9,652,951 |
| Expenditures/transfers out: | | | |
| Support services | | 193,060 | |
| School infrastructure: | | | |
| Buildings and improvements | | 19,282,175 | |
| Transfers out | | 2,098,835 | 21,574,070 |
| Ending balance | | \$ | <u>7,729,647</u> |

For the year ended June 30, 2024, the District reduced the tax levy by not having a debt service levy of \$2.68 per \$1,000 of taxable valuation as a result of the monies received under Chapter 423E or 423F of the Code of Iowa.

IV-N-24

Flexibility Fund: A copy of the resolution for expenditures from the flexibility fund was properly provided to the Iowa Department of Education.



... a commitment to the community.

North Scott Community School District

**Corrective Action Plan
Year Ended June 30, 2024**

| Findings | Corrective Action Plan | Anticipated Date of Completion |
|---|---|-----------------------------------|
| Other Findings Related to Required Statutory Reporting: | | |
| IV-H-24: The District identified variances in certified enrollment submitted to the state in October 2023. | See response and corrective action plan at IV-H-24. | June 30, 2025 Jill Van Roekel |