

**Clear Creek Amana
Community School District
Oxford, Iowa**

Financial and Compliance Report
Year Ended June 30, 2023

INTRODUCTORY SECTION (Unaudited)

Table of contents	i-ii
Board of Education and School District Administration	iii

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
Other information:	
Schedule of changes in special revenue fund, student activity fund	76
Schedule of revenues by source and expenditures by function	77-78

COMPLIANCE SECTION

Schedule of expenditures of federal awards	79
Notes to the schedule of expenditures of federal awards	80
Summary schedule of prior audit findings	81
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	82-83
Independent auditor's report on compliance for each major federal program and on internal control over compliance as required by the Uniform Guidance	84-86
Schedule of findings and questioned costs	87-93
Corrective action plan	94

Clear Creek Amana Community School District

**Board of Education and School District Administration
Year Ended June 30, 2023**

Board of Education

	Title	Term Expires
Kara Prickett	President	2025
Joe Burns	Vice President	2025
Jennifer Downes	Director	2025
Shaun Kukuzke	Director	2025
Matt McAreavy	Director	2023
Jen Mooney	Director	2023
Eileen Schmidt	Director	2023

School District Administration

Dr. Corey Seymour	Superintendent
Lori Robertson	Board Secretary/Director of Finance
Ahlers & Cooney	Attorney

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Independent Auditor's Report

To the Board of Education
Clear Creek Amana Community School District
Oxford, 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 Clear Creek Amana Community School District, Iowa as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Clear Creek Amana Community School District, Iowa, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Clear Creek Amana 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.

Emphasis of Matter

As discussed in Note 15 to the financial statements, Clear Creek Amana Community School District adopted new accounting guidance related to Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. As a result, June 30, 2022 governmental activities net position is restated by \$31,996. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clear Creek Amana 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 Clear Creek Amana 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 Clear Creek Amana 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 Clear Creek Amana 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.

The District's basic financial statements for the years ended June 30, 2014 through 2021, which are not presented herein, were audited by other auditors whose report thereon dated February 24, 2022 expressed unmodified opinions on the basic financial statements. Their report on the Schedule of Revenues by Source and Expenditures by Function for the years ended June 30, 2014 through 2021 stated that, in their opinion, such information was fairly stated in all material respects in relation to the basic financial statements as a whole for the years ended June 30, 2014 through 2021 taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2024, on our consideration of the Clear Creek Amana 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 Clear Creek Amana 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 Clear Creek Amana Community School District's internal control over financial reporting and compliance.

Bohnsack & Frommelt LLP

Moline, Illinois
February 5, 2024

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Clear Creek Amana Community School District

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

Clear Creek Amana 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, 2023. We encourage readers to consider this information in conjunction with the District's financial statements, which follow:

2023 FINANCIAL HIGHLIGHTS

- The District's overall financial position has increased from the prior year. The District showed an increase in net position of \$8,721,430 during the year ended June 30, 2023.
- Total revenues for the fiscal year ended June 30, 2023 and 2022 of \$57,417,983 and \$53,308,676 were comprised of general revenues in the amount of \$44,892,802 and \$40,476,455 and program revenues totaling \$12,525,181 and \$12,832,221, respectively.
- The District's General Fund balance increased by \$1,922,752, the unassigned fund balance increased by \$1,967,513 and the nonspendable/restricted/assigned fund balance decreased by \$44,761.
- In fiscal year 2023 the District decreased long-term debt by \$5,936,509 and paid interest on long term debt of \$3,293,178.
- The governmental activities net position was restated by \$31,996 for the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

USING THIS ANNUAL REPORT

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

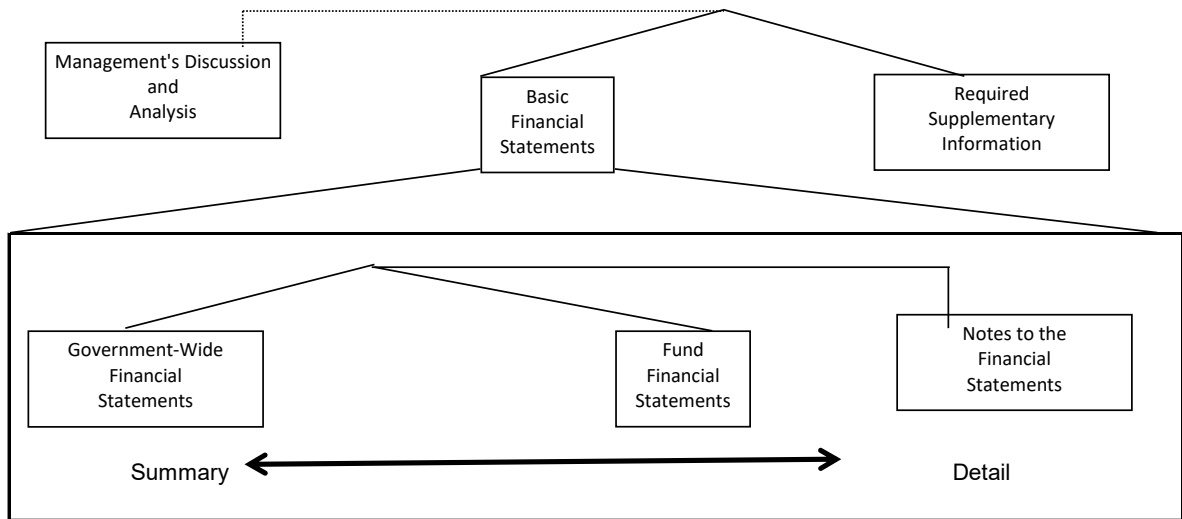
- Management's discussion and analysis introduces the basic financial statements and provides an analytical overview of the District's financial activities.
- The government-wide financial statements consist of a statement of net position and a statement of activities. These provide information about the activities of Clear Creek Amana 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 Clear Creek Amana 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 Clear Creek Amana 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.

Clear Creek Amana Community School District

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

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

Figure A-1
Clear Creek Amana Community School District Annual Financial Report



Clear Creek Amana Community School District

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

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, deferred outflows of resources and liabilities and deferred inflows of resources, 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, deferred outflows of resources and liabilities and deferred inflows of resources, 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

Clear Creek Amana Community School District

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

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, public pool, food production program and farm account program 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.

Clear Creek Amana Community School District

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

The District's governmental funds include the General Fund, Capital Projects Fund and Debt Service Fund and nonmajor funds including the Management Fund, Student Activity Fund and Library 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 four enterprise funds, the School Nutrition Fund, Public Pool Fund, Food Production Fund, and Farm Account 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.

Clear Creek Amana Community School District

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

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, 2023 compared to June 30, 2022.

Figure A-3 Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total District		Total
	Restated				Restated		Percentage Change 2022-23
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	
Current and other assets	\$ 58,761,410	\$ 53,652,439	\$ 747,323	\$ 654,871	\$ 59,508,733	\$ 54,307,310	9.6%
Capital assets	129,199,829	126,594,887	436,823	463,420	129,636,652	127,058,307	2.0%
Total assets	187,961,239	180,247,326	1,184,146	1,118,291	189,145,385	181,365,617	4.3%
Deferred outflows of resources	4,635,080	5,327,067	124,529	141,908	4,759,609	5,468,975	-13.0%
Long-term liabilities	112,950,415	104,560,613	324,654	64,710	113,275,069	104,625,323	8.3%
Other liabilities	6,125,395	4,181,083	63,972	78,757	6,189,367	4,259,840	45.3%
Total liabilities	119,075,810	108,741,696	388,626	143,467	119,464,436	108,885,163	9.7%
Deferred inflows of resources	25,672,665	37,515,064	43,685	359,887	25,716,350	37,874,951	-32.1%
Net position:							
Net investment in capital assets	42,068,528	38,093,582	436,823	463,420	42,505,351	38,557,002	10.2%
Restricted	11,695,784	10,421,714	-	-	11,695,784	10,421,714	12.2%
Unrestricted	(5,916,468)	(9,269,363)	439,541	293,425	(5,476,927)	(8,975,938)	39.0%
Total net position	\$ 47,847,844	\$ 39,245,933	\$ 876,364	\$ 756,845	\$ 48,724,208	\$ 40,002,778	21.8%

The District's combined net position increased by 21.8 percent or \$8,721,430 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 \$3,948,349 or 10.2 percent. The District's capital assets increased by \$2,578,345. The District's capital related debt decreased \$1,939,211.

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 \$1,274,070 from the prior year, primarily from an increase in restrictions for school infrastructure and physical plant and equipment levy.

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 a deficit of \$8,975,938 to a deficit \$5,476,927. The increase is due to the net pension liability and related deferral of inflows and deferral of outflows of resources experiencing improved investment earnings on an actuarial basis and reducing the District's net liabilities.

Clear Creek Amana Community School District

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

Figure A-4 shows the changes in net position for the year ended June 30, 2023 compared to June 30, 2022.

Figure A-4 Changes in Net Position From Operating Results

	Governmental Activities		Business-Type Activities		Total District		Total Change 2022-23	Percentage Change 2022-23
	Not restated				Not restated			
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022		
Revenues:								
Program revenues:								
Charges for services	\$ 3,455,410	\$ 3,219,272	\$ 897,745	\$ 169,062	\$ 4,353,155	\$ 3,388,334		28.5%
Operating grants and contributions and restricted interest	7,075,049	7,284,193	1,040,951	2,159,694	8,116,000	9,443,887		-14.1%
Capital grants	9,113	-	46,913	-	56,026	-		0.0%
General revenues:								
Property tax	22,557,148	21,049,201	-	-	22,557,148	21,049,201		7.2%
Income surtax	3,065,533	1,435,034	-	-	3,065,533	1,435,034		113.6%
Utility excise tax	589,315	576,230	-	-	589,315	576,230		2.3%
Other taxes	38,207	904,130	-	-	38,207	904,130		-95.8%
Statewide sales, services and use tax	3,359,861	3,581,905	-	-	3,359,861	3,581,905		-6.2%
Revenue in lieu of taxes	2,809	840,291	-	-	2,809	840,291		
Unrestricted state grants	13,963,002	12,061,900	-	-	13,963,002	12,061,900		15.8%
Unrestricted investment earnings	548,873	27,269	20,655	495	569,528	27,764		1951.3%
Insurance recoveries	747,399	-	-	-	747,399	-		100.0%
Total revenues	55,411,719	50,979,425	2,006,264	2,329,251	57,417,983	53,308,676		7.7%
Program expenses:								
Governmental activities:								
Instruction	24,233,148	21,951,166	-	-	24,233,148	21,951,166		10.4%
Support services	14,930,499	15,322,592	1,465	1,465	14,931,964	15,324,057		-2.6%
Noninstructional	8,815	18,253	1,885,280	1,814,426	1,894,095	1,832,679		3.4%
Other expenditures	7,637,346	6,842,829	-	-	7,637,346	6,842,829		11.6%
Total expenses	46,809,808	44,134,840	1,886,745	1,815,891	48,696,553	45,950,731		6.0%
Excess of revenues over expenses before transfers	8,601,911	6,844,585	119,519	513,360	8,721,430	7,357,945		18.5%
Transfers	-	16,762	-	(16,762)	-	-		0.0%
Change in net position	8,601,911	6,861,347	119,519	496,598	8,721,430	7,357,945		18.5%
Beginning net position, as restated	39,245,933	32,352,590	756,845	260,247	40,002,778	32,612,837		22.7%
Ending net position	\$ 47,847,844	\$ 39,213,937	\$ 876,364	\$ 756,845	\$ 48,724,208	\$ 39,970,782		21.9%

Governmental activities:

Local tax (property tax, income surtax, utility excise tax, and other taxes) and unrestricted state grants account for 72.6 percent of the total governmental activities revenue. The District's expenses primarily relate to instructional and support services which account for 83.7 percent of the total governmental activities expenses.

The increase in total revenue is primarily due to the increase in charges for services, unrestricted investment earnings and unrestricted state grants.

Total expenses for governmental activities increased by \$2,674,968. The increase is primarily reflected in instruction and other expenditures due to increases in interest payments for long-term debt.

Clear Creek Amana Community School District

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

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
	Not restated		Change	Not restated		Change
	June 30, 2023	June 30, 2022	2022-2023	June 30, 2023	June 30, 2022	2022-2023
Instruction	\$ 24,233,148	\$ 21,951,166	9.42%	\$ 16,646,807	\$ 14,065,224	18.4%
Support services	14,930,499	15,322,592	-2.63%	13,388,220	13,997,704	-4.4%
Noninstructional	8,815	18,253	-107.07%	8,815	18,253	-51.7%
Other expenses	7,637,346	6,842,829	10.40%	6,226,394	5,550,194	12.2%
Total	\$ 46,809,808	\$ 44,134,840	5.71%	\$ 36,270,236	\$ 33,631,375	7.8%

The cost financed by users of the District's programs for the year ended June 30, 2023 was \$3,455,410 compared to year ended June 30, 2022 \$3,219,272.

Federal and state governments subsidized certain programs with grants and contributions totaling \$7,084,162 for the year ended June 30, 2023 compared to year ended June 30, 2022 \$7,284,193.

The net cost of governmental activities was financed respectively for the years ended June 30, 2023 with \$22,557,148 in property tax, \$3,065,533 in income surtax, \$589,315 in utility excise tax, \$38,207 in other taxes, \$3,359,861 in statewide sales, services and use tax, \$2,809 in revenue in lieu of taxes, \$13,963,002 in unrestricted state grants, \$548,873 in unrestricted investment earnings and \$747,399 in insurance recoveries.

Business-Type Activities

Revenues of the District's business-type activities were \$2,006,264 and expenses were \$1,886,745. The District's business-type activities include the following nonmajor funds: School Nutrition Fund, Public Pool Fund, Food Production Fund and the Farm Account Fund. Revenues of these activities were comprised of charges for service, federal and state reimbursements, and investment income.

Clear Creek Amana Community School District

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

INDIVIDUAL FUND ANALYSIS

As previously noted, the Clear Creek Amana 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 \$25,192,135; an increase of \$3,015,318 from last year's ending fund balances of \$22,176,817. The increase is primarily due to the General Fund and the Capital Projects Fund and the issuance of \$3,635,000 in general obligation bonds.

Governmental Fund Highlights

The District's General Fund financial position increased by \$1,922,752. The District's General Fund revenues of \$40,919,830 reflect a \$2,490,044 increase from prior year revenue of \$38,429,786. The increase is primarily due to an increase in state funding and an increase in local tax from assessed valuation increases. Expenditures reflected an increase from \$37,457,225 in 2022 to \$39,156,547 in 2023. 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 fund balance increased from a deficit net position of (\$277,835) to \$1,644,917

The Capital Projects Fund fund balance increased from \$18,312,579 in fiscal year 2022 to \$19,560,179 in fiscal year 2023. The District expended \$5,253,142 for facilities purchases and improvements in 2023 compared to \$4,772,722 in 2022. In addition, the Capital Projects Fund issued \$3,635,000 in general obligation bonds.

The Debt Service Fund fund balance decreased \$181,244 from \$3,485,282 to \$3,304,038. The decrease was due to paying \$5,936,509 in principal and \$3,081,784 in interest and fiscal fees on long-term debt.

Proprietary Fund Highlights

Enterprise funds net position increased from \$756,845 in 2022 to \$876,364 in 2023.

Clear Creek Amana Community School District

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

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 fiduciary 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 17, 2023, which increased overall expenditures by \$2,246,497.

The District's total actual revenues were \$2,665,025 more than the total budgeted revenues due to receiving more in state funding, a variance of 4.9%.

Total expenditures were more than budgeted by \$757,164, primarily in the other expenditures function. The District overexpended its budget in the instruction, noninstructional programs and other expenditures function.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2023, the District had invested \$129,636,652 net of accumulated depreciation and amortization, 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 \$2,578,345 from last year. More detailed information about capital assets is available in Note 5 for the financial statements. Depreciation and amortization expense for the year was \$3,960,557.

The original cost of the District's capital assets was \$166,236,575. Governmental funds account for \$164,875,898 with the remainder of \$1,360,677 the proprietary school nutrition fund.

Figure A-6 Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total District		Total
	Restated				Restated		Percentage
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	Change
Land and construction in progress	\$ 11,221,587	\$ 12,007,619	\$ -	\$ -	\$ 11,221,587	\$ 12,007,619	-6.5%
Buildings	112,335,409	108,823,970	-	-	112,335,409	108,823,970	3.2%
Improvements	3,007,690	3,116,798	-	-	3,007,690	3,116,798	-3.5%
Machinery and equipment	2,282,742	2,330,510	436,823	463,420	2,719,565	2,793,930	-2.7%
Intangible right to use lease equipment	94,685	208,306	-	-	94,685	208,306	-54.5%
Intangible right to use IT subscription	257,716	107,684	-	-	257,716	107,684	139.3%
Total	\$ 129,199,829	\$ 126,594,887	\$ 436,823	\$ 463,420	\$ 129,636,652	\$ 127,058,307	2.0%

Clear Creek Amana Community School District

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

Long-Term Debt

As of June 30, 2023, the District had \$100,152,884 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
	Restated				Restated		2022-23
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	
General obligation bonds	\$ 92,735,000	\$ 92,560,000	\$ -	\$ -	\$ 92,735,000	\$ 92,560,000	0.2%
Bond premium	110,649	-	-	-	110,649	-	100.0%
Revenue bonds	7,220,000	9,460,000	-	-	7,220,000	9,460,000	-31.0%
Lease obligation	100,440	217,705	-	-	100,440	217,705	-116.8%
IT subscription obligation	208,093	75,688	-	-	208,093	75,688	63.6%
Total	\$ 100,374,182	\$ 102,313,393	\$ -	\$ -	\$ 100,374,182	\$ 102,313,393	-1.9%

On June 5, 2023, the District issued \$3,635,000 General Obligation School Bonds Series 2023. The bonds have an interest rate of 4.5%, principal is payable on June 1, 2043. Interest is payable semi annually on June 1 and December 1 until maturity on June 1, 2043.

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

The District also had compensated absences payable of \$64,440 as of June 30, 2023, and termination benefits of \$267,992 which will be paid primarily from the General Fund.

ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited the District continues to monitor funding streams and manage expenditures for any potential impact of the pandemic. The District experienced minimal impact during the pandemic due to receipt of federal funds to support increased demands on operations and maintenance supplies and additional staff hours. The District will continue to use the cash reserve levy to increase the general fund balance to adequate levels and manage expenditures within enrollment growth.

Residential and commercial growth continues at a steady pace in the communities on the eastern side of the district. The District experiences valuation growth annually at an average of 5.89% over the past five (5) years.

School financing is highly dependent on certified student enrollment which is the basis for the budget. Enrollment has increased an average of 158 students over the past five (5) years. The District works with a demographer to review projections annually based on housing permits, city administration and area residential and commercial developers. The demographers predict enrollment growth to increase approximately 1,000 students over the next five (5) years or an average of 200 students per year.

Clear Creek Amana Community School District

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

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 Ms. Lori Robertson, Director of Finance, 1486 Hwy 6 NW, Oxford, IA 52322.

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Clear Creek Amana Community School District

Statement of Net Position

June 30, 2023

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and pooled investments	\$ 30,308,892	\$ 720,361	\$ 31,029,253
Receivables:			
Property tax:			
Delinquent	173,489	-	173,489
Succeeding year	23,942,685	-	23,942,685
Accounts	1,601,518	4,649	1,606,167
Due from other governments	2,678,290	-	2,678,290
Inventories	-	22,313	22,313
Prepaid expenses	56,536	-	56,536
Capital assets:			
Capital assets not being depreciated:			
Land and construction in progress	11,221,587	-	11,221,587
Capital assets being depreciated, net of accumulated depreciation/amortization:			
Buildings	112,335,409	-	112,335,409
Land improvements	3,007,690	-	3,007,690
Machinery and equipment	2,282,742	436,823	2,719,565
Intangible right to use lease equipment	94,685	-	94,685
Intangible right to use IT subscription	257,716	-	257,716
Total capital assets	129,199,829	436,823	129,636,652
Total assets	187,961,239	1,184,146	189,145,385
Deferred Outflows of Resources:			
OPEB related deferred outflows	662,456	24,786	687,242
Pension related deferred outflows	3,972,624	99,743	4,072,367
Total deferred outflows of resources	4,635,080	124,529	4,759,609

See Notes to Basic Financial Statements.

	Governmental Activities	Business-Type Activities	Total
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities:			
Accounts payable	2,684,575	3,392	2,687,967
Salaries and benefits payable	3,156,510	1,386	3,157,896
Claims payable	18,200	-	18,200
Accrued interest	266,110	-	266,110
Unearned revenue	-	59,194	59,194
Noncurrent liabilities:			
Portion due within one year:			
Compensated absences	64,440	-	64,440
Termination benefits	90,918	-	90,918
Lease obligation	100,440	-	100,440
IT subscription obligation	92,694	-	92,694
Revenue bonds	1,575,000	-	1,575,000
General obligation bonds	3,615,000	-	3,615,000
Portion due after one year:			
Termination benefits	177,074	-	177,074
IT subscription obligation	115,399	-	115,399
Revenue bonds	5,645,000	-	5,645,000
General obligation bonds	89,230,649	-	89,230,649
Net OPEB liability	1,642,391	58,639	1,701,030
Net pension liability	10,601,410	266,015	10,867,425
Total liabilities	119,075,810	388,626	119,464,436
Deferred inflows of resources, deferred revenue:			
Succeeding year property tax	23,942,685	-	23,942,685
OPEB related deferred inflows	438,725	11,210	449,935
Pension related deferred inflows	1,291,255	32,475	1,323,730
Total deferred inflows of resources	25,672,665	43,685	25,716,350
Net Position:			
Net investment in capital assets	42,068,528	436,823	42,505,351
Restricted for:			
Categorical funding	526,635	-	526,635
Debt service	3,304,038	-	3,304,038
School infrastructure	5,193,852	-	5,193,852
Management levy	257,491	-	257,491
Physical plant and equipment levy	1,988,258	-	1,988,258
Library purposes	182,669	-	182,669
Student activities	242,841	-	242,841
Unrestricted	(5,916,468)	439,541	(5,476,927)
Total net position	\$ 47,847,844	\$ 876,364	\$ 48,724,208

Clear Creek Amana Community School District

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

Functions/Programs	Expenses
Governmental activities:	
Instruction	\$ 24,233,148
Support services:	
Student	1,392,765
Instructional staff	2,666,279
Administration	5,007,519
Operation of plant	3,730,222
Transportation	2,133,714
	<u>14,930,499</u>
Noninstructional programs	<u>8,815</u>
Other:	
AEA flowthrough	1,410,952
Interest	3,225,176
Unallocated depreciation	3,001,218
	<u>7,637,346</u>
Total governmental activities	<u><u>46,809,808</u></u>
Business-type activities:	
Support services:	
Administration	1,465
Noninstructional programs	<u>1,885,280</u>
Total business-type activities	<u>1,886,745</u>
Total	<u><u>\$ 48,696,553</u></u>
General revenues and transfers:	
General revenues:	
Property tax levied for:	
General purposes	
Capital outlay	
Other	
Income surtax	
Utility excise tax	
Other taxes	
Statewide sales and services tax	
Revenue in lieu of taxes	
Unrestricted state grants	
Unrestricted investment earnings	
Insurance recoveries	
Total general revenues and transfers	
Change in net position	
Net position, beginning of year, as restated	
Net position, end of year	

See Notes to Basic Financial Statements.

Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Charges for Services	Operating Grants, Contributions and Restricted Interest	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
\$ 2,054,205	\$ 5,532,136	\$ -	\$ (16,646,807)	\$ -	\$ (16,646,807)
453,142	-	-	(939,623)	-	(939,623)
27,123	-	-	(2,639,156)	-	(2,639,156)
760,722	28,598	-	(4,218,199)	-	(4,218,199)
160,218	-	9,113	(3,560,891)	-	(3,560,891)
-	103,363	-	(2,030,351)	-	(2,030,351)
1,401,205	131,961	9,113	(13,388,220)	-	(13,388,220)
-	-	-	(8,815)	-	(8,815)
-	1,410,952	-	-	-	-
-	-	-	(3,225,176)	-	(3,225,176)
-	-	-	(3,001,218)	-	(3,001,218)
-	1,410,952	-	(6,226,394)	-	(6,226,394)
3,455,410	7,075,049	9,113	(36,270,236)	-	(36,270,236)
-	-	-	-	(1,465)	(1,465)
897,745	1,040,951	46,913	-	100,329	100,329
897,745	1,040,951	46,913	-	98,864	98,864
\$ 4,353,155	\$ 8,116,000	\$ 56,026	(36,270,236)	98,864	(36,171,372)

14,930,588	-	14,930,588
705,444	-	705,444
6,921,116	-	6,921,116
3,065,533	-	3,065,533
589,315	-	589,315
38,207	-	38,207
3,359,861	-	3,359,861
2,809	-	2,809
13,963,002	-	13,963,002
548,873	20,655	569,528
747,399	-	747,399
44,872,147	20,655	44,892,802
8,601,911	119,519	8,721,430
39,245,933	756,845	40,002,778
\$ 47,847,844	\$ 876,364	\$ 48,724,208

Clear Creek Amana Community School District

Balance Sheet
Governmental Funds
June 30, 2023

	General	Capital Projects	Debt Service	Nonmajor Governmental Funds	Total
Assets					
Cash and pooled investments	\$ 4,355,678	\$ 20,637,308	\$ 3,261,103	\$ 846,806	\$ 29,100,895
Receivables:					
Property tax:					
Delinquent	112,719	5,228	43,877	11,665	173,489
Succeeding year	15,278,705	640,271	6,594,256	1,429,453	23,942,685
Accounts and other	907,276	691,406	-	2,836	1,601,518
Due from other governments	1,514,387	1,134,473	308	29,122	2,678,290
Prepaid items	53,876	-	-	2,660	56,536
Total assets	\$ 22,222,641	\$ 23,108,686	\$ 9,899,544	\$ 2,322,542	\$ 57,553,413
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	\$ 636,893	\$ 2,043,424	\$ 1,250	\$ 2,283	\$ 2,683,850
Salaries and benefits payable	3,148,705	-	-	7,805	3,156,510
Due to other funds	-	-	-	200,000	200,000
Total liabilities	3,785,598	2,043,424	1,250	210,088	6,040,360
Deferred inflows of resources, unavailable revenue:					
Succeeding year property tax	15,278,705	640,271	6,594,256	1,429,453	23,942,685
Income surtax	1,513,421	864,812	-	-	2,378,233
Total deferred inflows of resources	16,792,126	1,505,083	6,594,256	1,429,453	26,320,918
Fund balances:					
Nonspendable:					
Prepaid items	53,876	-	-	2,660	56,536
Restricted for:					
Categorical funding	526,635	-	-	-	526,635
Debt service	-	-	3,304,038	-	3,304,038
Management levy purposes	-	-	-	255,292	255,292
Student activities	-	-	-	242,380	242,380
School infrastructure	-	18,436,733	-	-	18,436,733
Physical plant and equipment levy	-	1,123,446	-	-	1,123,446
Public education and recreation	-	-	-	182,669	182,669
Unassigned	1,064,406	-	-	-	1,064,406
Total fund balances	1,644,917	19,560,179	3,304,038	683,001	25,192,135
Total liabilities, deferred inflows of resources and fund balances	\$ 22,222,641	\$ 23,108,686	\$ 9,899,544	\$ 2,322,542	\$ 57,553,413

See Notes to Basic Financial Statements.

Clear Creek Amana Community School District

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

Total fund balances of governmental funds	\$ 25,192,135
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.	129,199,829
The Internal Service Fund is used to charge costs of the District's partially self-funded insurance plan to the governmental funds. The net position of the Internal Service Fund is therefore included under governmental activities.	1,389,072
Other assets are not available to pay for current period expenditures and therefore, are deferred in the funds	2,378,233
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	662,456
OPEB related deferred inflows of resources	(438,725)
Pension related deferred outflows of resources	3,972,624
Pension related deferred inflows of resources	(1,291,255)
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	(1,575,000)
Revenue bonds, noncurrent	(5,645,000)
General obligation bonds, current	(3,615,000)
General obligation bonds, noncurrent	(89,120,000)
Bond premium	(110,649)
Lease obligation	(100,440)
IT subscription obligation	(208,093)
Accrued interest	(266,110)
Termination benefits	(267,992)
Compensated absences	(64,440)
Net OPEB liability	(1,642,391)
Net pension liability	(10,601,410)
Net position of governmental activities	\$ 47,847,844

See Notes to Basic Financial Statements.

Clear Creek Amana Community School District

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

	General	Capital Projects	Debt Service	Nonmajor Governmental Funds	Total
Revenues:					
Local sources:					
Local tax	\$ 17,133,393	\$ 1,728,902	\$ 6,061,483	\$ 1,029,377	\$ 25,953,155
Tuition	2,054,205	-	-	-	2,054,205
Other	698,384	464,932	102,888	654,794	1,920,998
State appropriations	19,360,465	3,801,076	627	2,260	23,164,428
Federal appropriations	1,673,383	4,050	-	-	1,677,433
Total revenues	40,919,830	5,998,960	6,164,998	1,686,431	54,770,219
Expenditures:					
Current:					
Instruction	23,821,168	176,872	-	583,802	24,581,842
Support services:					
Student	1,442,022	4,122	-	-	1,446,144
Instructional staff	2,428,059	239,165	-	71,147	2,738,371
Administration	4,338,516	198,159	-	557,518	5,094,193
Operation and maintenance of plant	4,086,408	479,759	-	351,011	4,917,178
Transportation	1,626,395	107,699	-	90,955	1,825,049
	13,921,400	1,028,904	-	1,070,631	16,020,935
Noninstructional programs	3,027	-	-	5,788	8,815
Other expenditures:					
Capital outlay facilities acquisition	-	5,253,142	-	-	5,253,142
Current, AEA flowthrough	1,410,952	-	-	-	1,410,952
Debt service:					
Principal	-	-	5,936,509	-	5,936,509
Interest and fiscal fees	-	211,394	3,081,784	-	3,293,178
	1,410,952	5,464,536	9,018,293	-	15,893,781
Total expenditures	39,156,547	6,670,312	9,018,293	1,660,221	56,505,373
Excess (deficiency) of revenues over (under) expenditures	1,763,283	(671,352)	(2,853,295)	26,210	(1,735,154)
Other financing sources (uses):					
Issuance of long-term debt	-	3,635,000	-	-	3,635,000
Premium on issuance of long-term debt	-	110,649	-	-	110,649
Proceeds from insurance recoveries	16,640	730,759	-	-	747,399
Proceeds from sale of capital assets	-	5,775	-	-	5,775
Proceeds from issuance of IT subscription obligations	218,224	33,425	-	-	251,649
Transfers in	-	-	2,672,051	-	2,672,051
Transfers (out)	(75,395)	(2,596,656)	-	-	(2,672,051)
Total other financing sources (uses)	159,469	1,918,952	2,672,051	-	4,750,472
Net change in fund balances	1,922,752	1,247,600	(181,244)	26,210	3,015,318
Fund balances (deficit), beginning of year	(277,835)	18,312,579	3,485,282	656,791	22,176,817
Fund balances, end of year	\$ 1,644,917	\$ 19,560,179	\$ 3,304,038	\$ 683,001	\$ 25,192,135

See Notes to Basic Financial Statements.

Clear Creek Amana 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 2023**

Net change in fund balances - total governmental funds \$ 3,015,318

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 expense in the statement of activities. The amounts of capital outlays and depreciation expense in the year are as follows:

Capital outlay	\$ 6,504,975	
Depreciation expense	<u>(3,887,093)</u>	2,617,882
Proceeds from sale of capital assets	(5,775)	
Loss on disposal of capital assets	<u>(7,165)</u>	(12,940)

The decrease in net position of the Internal Service Fund represents an undercharge to the governmental funds and is incorporated into the change in net position of governmental activities. (526,151)

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	297,050	
Statewide sales and services tax	<u>(441,140)</u>	(144,090)

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:

Payment of principal on bonds		5,700,000
Issuance of long-term debt		(3,635,000)
Issuance of bond premium		(110,649)
Payment of lease obligation		117,265
Issuance of IT subscription obligation		(251,649)
Payment of IT subscription obligation		119,244
Interest expense		68,002

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:

Termination benefits		96,869
Compensated absences		(196)
Net OPEB liability		(192,759)
Pension expense		<u>1,740,765</u>

Change in net position of governmental activities **\$ 8,601,911**

See Notes to Basic Financial Statements.

Clear Creek Amana Community School District

Statement of Net Position
 Proprietary Funds
 June 30, 2023

	Business-Type Activities, Enterprise Funds <u>Nonmajor</u>	Governmental Activities, Internal Service Fund <u>Service Fund</u>
Assets		
Current assets:		
Cash and pooled investments	\$ 720,361	\$ 1,207,997
Receivables, accounts	4,649	-
Inventories	22,313	-
Due from other funds	-	200,000
Total current assets	<u>747,323</u>	<u>1,407,997</u>
Noncurrent assets:		
Capital assets being depreciated, net of accumulated depreciation:		
Machinery and equipment	436,823	-
Total noncurrent assets	<u>436,823</u>	<u>-</u>
Total assets	<u>1,184,146</u>	<u>1,407,997</u>
Deferred Outflows of Resources:		
OPEB related deferred outflows	24,786	-
Pension related deferred outflows	99,743	-
Total deferred outflows of resources	<u>124,529</u>	<u>-</u>
Liabilities		
Current liabilities:		
Accounts payable	3,392	725
Salaries and benefits payable	1,386	-
Claims payable	-	18,200
Unearned revenue	59,194	-
Total current liabilities	<u>63,972</u>	<u>18,925</u>
Noncurrent liabilities:		
Net OPEB liability	58,639	-
Net pension liability	266,015	-
Total noncurrent liabilities	<u>324,654</u>	<u>-</u>
Total liabilities	<u>388,626</u>	<u>18,925</u>
Deferred Inflows of Resources:		
OPEB related deferred inflows	11,210	-
Pension related deferred inflows	32,475	-
Total deferred inflows of resources	<u>43,685</u>	<u>-</u>
Net Position		
Investment in capital assets	436,823	-
Unrestricted	439,541	1,389,072
Total net position	<u>\$ 876,364</u>	<u>\$ 1,389,072</u>

See Notes to Basic Financial Statements.

Clear Creek Amana Community School District

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

	Business-Type Activities, Enterprise Funds <u>Nonmajor</u>	Governmental Activities, Internal Service Fund <u>Service Fund</u>
Operating revenues:		
Local sources:		
Charges for service	\$ 879,340	\$ 25,109
Miscellaneous	18,405	-
Total operating revenues	<u>897,745</u>	<u>25,109</u>
Operating expenses:		
Support services:		
Administration:		
Salaries	509	-
Benefits	105	547,230
Services	851	42,222
Total support services	<u>1,465</u>	<u>589,452</u>
Noninstructional programs:		
Salaries	613,264	-
Benefits	186,107	-
Services	45,005	-
Supplies	967,394	-
Depreciation	73,464	-
Total noninstructional programs	<u>1,885,234</u>	<u>-</u>
Total operating expenses	<u>1,886,699</u>	<u>589,452</u>
Operating (loss)	<u>(988,954)</u>	<u>(564,343)</u>
Nonoperating revenues (expenses):		
State sources	11,693	-
Federal sources	1,029,258	-
Interest on investments	20,655	38,192
Loss on disposal of capital assets	(46)	-
Total nonoperating revenues (expenses)	<u>1,061,560</u>	<u>38,192</u>
Income (loss) before capital contributions	72,606	(526,151)
Capital contributions	46,913	-
Change in net position	<u>119,519</u>	<u>(526,151)</u>
Net position, beginning of year	756,845	1,915,223
Net position, end of year	<u>\$ 876,364</u>	<u>\$ 1,389,072</u>

See Notes to Basic Financial Statements.

Clear Creek Amana Community School District

**Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2023**

	Business-Type Activities, Enterprise Funds <u>Nonmajor</u>	Governmental Activities, Internal Service Fund <u>Service Fund</u>
Cash flows from operating activities:		
Cash received from:		
Charges for services	\$ 920,833	\$ -
Miscellaneous services	18,405	25,109
Cash payments to:		
Employees for services	(839,051)	(547,230)
Suppliers for goods and services	(836,030)	(95,322)
Net cash (used in) operating activities	<u>(735,843)</u>	<u>(617,443)</u>
Cash flows from noncapital financing activities:		
Payments from other funds	-	1,600,000
State grants received	11,693	-
Federal grants received	851,790	-
Net cash provided by noncapital financing activities	<u>863,483</u>	<u>1,600,000</u>
Cash flows from investing activities,		
interest on investments	<u>20,655</u>	<u>38,192</u>
Net increase (decrease) in cash and cash equivalents	148,295	1,020,749
Cash and cash equivalents:		
Beginning of year	13,948	187,248
End of year	<u>\$ 720,361</u>	<u>\$ 1,207,997</u>
(Continued)		

Clear Creek Amana Community School District

Statement of Cash Flows (Continued)

Proprietary Funds

Year Ended June 30, 2023

	Business-Type Activities, Enterprise Funds <u>Nonmajor</u>	Governmental Activities, Internal Service Fund <u>Service Fund</u>
Reconciliation of operating (loss) to net cash (used in) operating activities:		
Operating (loss)	\$ (988,954)	\$ (564,343)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:		
Commodities consumed	177,468	-
Depreciation	73,464	-
(Increase) decrease in:		
Inventories	(2,926)	-
Accounts receivable	53,774	-
Prepaid expenses	4,995	-
Increase (decrease) in:		
Accounts payable	(2,317)	18,600
Claims payable	-	(71,700)
Salaries and benefits payable	(187)	-
Net OPEB liability	4,841	-
Net pension liability	(43,720)	-
Unearned revenue	(12,281)	-
Net cash (used in) operating activities	\$ (735,843)	\$ (617,443)
Noncash investing, capital and related financing activities:		
Federal commodities	\$ 177,468	\$ -
Capital financing activities:		
Capital contributions	\$ 46,913	\$ -

See Notes to Basic Financial Statements.

Clear Creek Amana Community School District

Statement of Fiduciary Net Position

Fiduciary Fund

June 30, 2023

	<u>Custodial Fund</u>
Assets	
Cash and pooled investments	\$ 26,185
Accounts receivable	1,828
Prepaid expenses	175
Total assets	<u>\$ 28,188</u>
Liabilities	
Accounts payable	<u>\$ 2,095</u>
Net position	<u><u>\$ 26,093</u></u>

See Notes to Basic Financial Statements.

Clear Creek Amana Community School District

Statement of Changes in Fiduciary Net Position

Fiduciary Fund

Year Ended June 30, 2023

	<u>Custodial Fund</u>
Additions	
Contributions	<u>\$ 43,220</u>
Deductions	
Program supplies	<u>39,980</u>
Change in net position	3,240
Net position, beginning of year	22,853
Net position, end of year	<u><u>\$ 26,093</u></u>

See Notes to Basic Financial Statements.

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Clear Creek Amana Community School District

Notes to Financial Statements Year Ended June 30, 2023

Note 1. Significant Accounting Policies

Reporting entity:

The Clear Creek Amana 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. Additionally, the District either operates or sponsors various adult education programs. These courses include remedial education as well as career and technical and recreational courses. The geographic area served includes the cities of Coralville, North Liberty, Oxford, Tiffin and the Seven Villages of the Amana Colonies, Iowa, and agricultural territory in Johnson and Iowa Counties. 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, Clear Creek Amana 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 Clear Creek Amana 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 Johnson and Iowa 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. For the most part, the effect of interfund activity has been removed from the statements. 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.

Clear Creek Amana Community School District

Notes to Financial Statements Year Ended June 30, 2023

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 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 property taxes.

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 Library Fund, accounts for the resources used to establish and maintain the Library of the District.

The District reports the following nonmajor proprietary funds:

The District's proprietary funds are the enterprise funds and the Internal Service Fund.

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

The Public Pool Fund is a nonmajor fund used to account for the public pool operations of the District.

Clear Creek Amana Community School District

Notes to Financial Statements Year Ended June 30, 2023

Note 1. Significant Accounting Policies (Continued)

The Food Production Fund is a nonmajor fund used to account for crop production and sales for educational purposes.

The Farm Account Fund is a nonmajor fund used to account for the farm 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 and proprietary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The fiduciary fund financial statements are reported using 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 general long-term debt and acquisitions under leases and subscription obligations are reported as other financing sources.

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.

Clear Creek Amana Community School District

Notes to Financial Statements Year Ended June 30, 2023

Note 1. Significant Accounting Policies (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's 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.

The following accounting policies are followed in preparing the financial statements.

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 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, 2021 assessed property valuations; is for the tax accrual period July 1, 2022 through June 30, 2023 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2022.

Inventories:

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.

Clear Creek Amana Community School District

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

Note 1. Significant Accounting Policies (Continued)

Due from other governments:

Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants, and reimbursements from other governments.

Prepaid items:

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

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. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on 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	5,000
Land improvements	5,000
Intangibles	100,000
Machinery and equipment	
School Nutrition Fund equipment	500
Other machinery and equipment	5,000

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	5-25 years
Machinery and equipment	3-20 years

Clear Creek Amana Community School District

Notes to Financial Statements Year Ended June 30, 2023

Note 1. Significant Accounting Policies (Continued)

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 2023, have been accrued as a liability as it is applicable to the fiscal year ended June 30, 2023.

Leases:

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

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

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

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

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

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

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

Subscription-Based Information Technology Arrangements (SBITA)

The District has entered into contracts that convey control of the right to use information technology software. The District has recognized IT subscription liabilities and intangible right-to-use IT subscription assets 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.

Clear Creek Amana Community School District

Notes to Financial Statements Year Ended June 30, 2023

Note 1. Significant Accounting Policies (Continued)

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

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

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

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

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

Unearned Revenue:

Proprietary funds defer revenue recognition in connection with resources that have been received but not earned. Unearned revenue in the governmental funds arises when assets are recognized before revenue recognition criteria have been satisfied. Unearned revenue consists primarily of grant advances, school registration fees and meal deposits collected for the programs and services in the next school year.

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. 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, 2023. The full balance is due within a year.

Cash flows:

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

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.

Clear Creek Amana Community School District

Notes to Financial Statements Year Ended June 30, 2023

Note 1. Significant Accounting Policies (Continued)

Total OPEB liability:

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

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.

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.

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.

Clear Creek Amana Community School District

Notes to Financial Statements Year Ended June 30, 2023

Note 1. Significant Accounting Policies (Continued)

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, and income surtax. 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. As of June 30, 2023, unspent debt proceeds were \$13,242,881. 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 \$526,635 for categorical funding, \$3,304,038 for debt service, \$5,193,852 for school infrastructure, \$257,491 for management levy, \$1,988,258 for physical plant and equipment levy, \$182,669 for library purposes and \$242,841 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.

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".

Clear Creek Amana Community School District

Notes to Financial Statements Year Ended June 30, 2023

Note 1. Significant Accounting Policies (Continued)

Estimates:

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

Note 2. 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 except the internal service fund and fiduciary fund. 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 exceeded the amended budget in the instruction, noninstructional programs and other expenditures functions.

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.

Clear Creek Amana Community School District

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

Note 3. Deposits and Investments

The District is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities, certificates of deposit 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.

The District's cash and pooled investment consisted of depository accounts at financial institutions.

Custodial credit risk: The District's deposits in banks as of June 30, 2023 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This Chapter provides for additional assessments against the depositories to insure there will be no loss of public funds. The District does not have a separate custodial credit risk policy from state statutes.

Credit risk: The District does not have a separate credit risk risk policy from state statutes. The District does not have any investments as of June 30, 2023.

Note 4. Interfund Activity

The detail of interfund receivables and payable at June 30, 2023 are as follows:

Receivable Fund	Payable Fund	Amount
Internal Service Fund	Nonmajor fund, Management Fund	\$ 200,000

The interfund balances will be repaid from taxes received in the fall and were necessary for cash flow purposes.

The detail of transfers for the year ended June 30, 2023 is as follows:

Transfer To	Transfer From	Amount
Major fund, Debt Service Fund	Major fund, General Fund	\$ 75,395
Major fund, Debt Service Fund	Major fund, Capital Projects Fund	2,596,656
Total		\$ 2,672,051

Transfers generally move revenues from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources.

The transfer from the General Fund to the Debt Service Fund was for principal and interest payments on the IT subscription and lease obligations.

The transfer from the Capital Projects Fund to the Debt Service Fund was for principal and interest payments on the revenues bonds.

Clear Creek Amana Community School District

Notes to Financial Statements
Year Ended June 30, 2023

Note 5. Capital Assets

A summary of changes capital assets is as follows:

	Restated Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 6,247,718	\$ -	\$ -	\$ 6,247,718
Construction in progress	5,759,901	4,973,870	5,759,902	4,973,869
Total capital assets not being depreciated	12,007,619	4,973,870	5,759,902	11,221,587
Capital assets being depreciated:				
Land improvements	132,331,408	6,259,988	-	138,591,396
Buildings and building equipment	5,972,605	185,710	-	6,158,315
Machinery and equipment	7,438,165	593,660	94,306	7,937,519
Intangible right to use lease equipment	568,106	-	-	568,106
Intangible right to use IT subscription	147,326	251,649	-	398,975
Total capital assets being depreciated	146,457,610	7,291,007	94,306	153,654,311
Less accumulated depreciation/ amortization for:				
Land improvements	23,507,438	2,748,549	-	26,255,987
Buildings and building equipment	2,855,807	294,818	-	3,150,625
Machinery and equipment	5,107,655	628,488	81,366	5,654,777
Intangible right to use lease equipment	359,800	113,621	-	473,421
Intangible right to use IT subscription	39,642	101,617	-	141,259
Total accumulated depreciation and amortization	31,870,342	3,887,093	81,366	35,676,069
Total capital assets being depreciated, net	114,587,268	3,403,914	12,940	117,978,242
Governmental activities capital assets, net	\$ 126,594,887	\$ 8,377,784	\$ 5,772,842	\$ 129,199,829
Business-type activities:				
Capital assets being depreciated:				
Machinery and equipment	\$ 1,314,322	\$ 46,913	\$ 558	\$ 1,360,677
Less accumulated depreciation	850,902	73,464	512	923,854
Total capital assets being depreciated, net	463,420	(26,551)	46	436,823
Business-type activities capital assets, net	\$ 463,420	\$ (26,551)	\$ 46	\$ 436,823

Clear Creek Amana Community School District

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

Note 5. Capital Assets (Continued)

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

Governmental activities:		
Instruction:		\$ 368,800
Support services:		
Instructional staff		1,398
Administration		38,801
Operation and maintenance of plant		127,264
Transportation		349,612
Unallocated depreciation		3,001,218
Total governmental activities depreciation expense		\$ 3,887,093
Business-type activities:		
Food services		73,464
Total business-type activities depreciation expense		\$ 73,464

Note 6. General Long-Term Debt

A summary of changes in general long-term debt for the year ended June 30, 2023:

	Restated Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 92,560,000	\$ 3,635,000	\$ 3,460,000	\$ 92,735,000	\$ 3,615,000
Bond premium	-	110,649	-	110,649	-
Revenue bonds- direct placement	9,460,000	-	2,240,000	7,220,000	1,575,000
Lease obligation	217,705	-	117,265	100,440	100,440
IT subscription obligation	75,688	251,649	119,244	208,093	92,694
Termination benefits	364,861	-	96,869	267,992	90,918
Compensated absences	64,244	64,440	64,244	64,440	64,440
Net pension liability	374,796	10,226,614	-	10,601,410	-
Total OPEB liability	1,519,007	123,384	-	1,642,391	-
Total	\$ 104,636,301	\$ 14,411,736	\$ 6,097,622	\$ 112,950,415	\$ 5,538,492
Business-type activities:					
Net pension liability	\$ 9,170	\$ 256,845	\$ -	\$ 266,015	\$ -
Total OPEB liability	55,540	3,099	-	58,639	-
Total	\$ 64,710	\$ 259,944	\$ -	\$ 324,654	\$ -

Lease obligations, compensated absences, OPEB liabilities and pension liabilities are generally liquidated by the General Fund. Termination benefits are generally liquidated by the management fund.

Clear Creek Amana Community School District

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

Note 6. General Long-Term Debt (Continued)

Termination Benefits:

The District offered a voluntary early retirement plan to its employees in fiscal year 2021. Eligible licensed employees had to be at least age fifty-seven and had to have completed at least twelve years of full-time service to the District. Eligible classified employees had to be at least age fifty-seven and had to have completed at least twenty years of full-time service to the District. Employees had to complete an application which was required to be approved by the Board of Education. There was no early retirement plan offered to employees in fiscal year 2023.

The early retirement cash stipend benefit for each eligible employee is equal to \$37,500, payable over five years. Early retirement cash stipend benefits will be paid into a 403b plan in November of each year, beginning November 2021.

All employees who retire from the District are eligible to continue their health insurance coverage in the District group health at their own expense.

At June 30, 2023, the District has obligations to fourteen participants with a total liability of \$267,992. Actual early retirement expenditures for the year ended June 30, 2023 totaled \$96,869. The cost of early retirement payments is recorded as a long-term liability of the Governmental Activities in the government-wide financial statements.

General Obligation Bonds:

On June 5, 2023, the District issued \$3,635,000 General Obligation School Bonds Series 2023. The bonds have an interest rate of 4.5%, principal is payable on June 1, 2043. Interest is payable semi annually on June 1 and December 1 until maturity of June 1, 2043.

Clear Creek Amana Community School District

Notes to Financial Statements Year Ended June 30, 2023

Note 6. General Long-Term Debt (Continued)

Details of the District's June 30, 2023 general obligation bond indebtedness is as follows:

Year ending June 30:	Rate	Bond Issue June 3, 2015			Rate	Bond Issue June 1, 2016		
		Principal	Interest	Total		Principal	Interest	Total
2024	2.50%	\$ 320,000	\$ 213,550	\$ 533,550	3.00%	\$ 35,000	\$ 144,150	\$ 179,150
2025	2.75%	300,000	205,550	505,550	3.00%	35,000	143,100	178,100
2026	2.75%	340,000	197,300	537,300	3.00%	40,000	142,050	182,050
2027	3.00%	350,000	187,950	537,950	3.00%	40,000	140,850	180,850
2028	3.00%	360,000	177,450	537,450	3.00%	40,000	139,650	179,650
2029-2033	3.00%	1,735,000	728,700	2,463,700	3.00%	180,000	680,700	860,700
2034-2038	3.00%	3,820,000	218,400	4,038,400	3.00%	4,160,000	384,000	4,544,000
2039-2040	N/A	-	-	-	N/A	-	-	-
Total		\$ 7,225,000	\$ 1,928,900	\$ 9,153,900		\$ 4,530,000	\$ 1,774,500	\$ 6,304,500

Year ending June 30:	Rate	Bond Issue December 20, 2017			Rate	Bond Issue June 5, 2018		
		Principal	Interest	Total		Principal	Interest	Total
2024	3.00%	\$ 270,000	\$ 275,506	\$ 545,506	2.50%	\$ 225,000	\$ 325,722	\$ 550,722
2025	3.00%	280,000	267,406	547,406	2.63%	230,000	320,098	550,098
2026	3.00%	285,000	259,006	544,006	3.00%	235,000	314,060	549,060
2027	3.00%	295,000	250,456	545,456	3.00%	245,000	307,010	552,010
2028	3.00%	300,000	241,606	541,606	3.00%	255,000	299,660	554,660
2029-2033	3.00%	1,645,000	1,067,181	2,712,181	3.0-3.1%	1,375,000	1,379,665	2,754,665
2034-2038	3.0-3.125%	5,920,000	658,625	6,578,625	3.25-4.0%	6,300,000	1,128,550	7,428,550
2039-2040		-	-	-		-	-	-
Total		\$ 8,995,000	\$ 3,019,786	\$ 12,014,786		\$ 8,865,000	\$ 4,074,765	\$ 12,939,765

Year ending June 30:	Rate	Bond Issue and Refunding Bond June 13, 2019			Rate	Bond Issue May 21, 2020		
		Principal	Interest	Total		Principal	Interest	Total
2024	2.00%	\$ 535,000	\$ 978,600	\$ 1,513,600	3.00%	\$ 150,000	\$ 214,050	\$ 364,050
2025	2.00%	1,730,000	967,900	2,697,900	3.00%	35,000	209,550	244,550
2026	2.00%	2,760,000	933,300	3,693,300	3.00%	20,000	208,500	228,500
2027	2.00%	2,640,000	878,100	3,518,100	3.00%	195,000	207,900	402,900
2028	3.00%	2,800,000	741,300	3,541,300	3.00%	100,000	202,050	302,050
2029-2033	3.00%	15,345,000	2,826,300	18,171,300	3.00%	785,000	940,950	1,725,950
2034-2038	3.00%	4,015,000	964,800	4,979,800	3.00%	240,000	862,950	1,102,950
2039-2042	3.00%	5,350,000	160,500	5,510,500	3.00%	5,610,000	335,100	5,945,100
Total		\$ 35,175,000	\$ 8,450,800	\$ 43,625,800		\$ 7,135,000	\$ 3,181,050	\$ 10,316,050

Year ending June 30:	Rate	Refunding Bond Issue February 17, 2021			Rate	Bond Issue June 16, 2022		
		Principal	Interest	Total		Principal	Interest	Total
2024	1.00%	\$ 2,000,000	\$ 29,500	\$ 2,029,500	8.63%	\$ 80,000	\$ 638,250	\$ 718,250
2025	1.00%	950,000	9,500	959,500	8.63%	120,000	631,350	751,350
2026	N/A	-	-	-	8.63%	80,000	621,000	701,000
2027	N/A	-	-	-	8.63%	85,000	614,100	699,100
2028	N/A	-	-	-	8.63%	85,000	606,769	691,769
2029-2033	N/A	-	-	-	6.625-8.625%	565,000	2,913,624	3,478,624
2034-2038	N/A	-	-	-	4.250-6.625%	765,000	2,714,469	3,479,469
2039-2043	N/A	-	-	-	4.125-4.375%	12,445,000	1,804,494	14,249,494
Total		\$ 2,950,000	\$ 39,000	\$ 2,989,000		\$ 14,225,000	\$ 10,544,056	\$ 24,769,056

Year ending June 30:	Rate	Bond Issue June 5, 2023			Total General Obligation Bonds		
		Principal	Interest	Total	Principal	Interest	Total
2024	4.50%	\$ -	\$ 161,757	\$ 161,757	3,615,000	2,981,085	6,596,085
2025	4.50%	-	163,575	163,575	3,680,000	2,918,029	6,598,029
2026	4.50%	-	163,575	163,575	3,760,000	2,838,791	6,598,791
2027	4.50%	-	163,575	163,575	3,850,000	2,749,941	6,599,941
2028	4.50%	-	163,575	163,575	3,940,000	2,572,060	6,512,060
2029-2033	4.50%	-	817,875	817,875	21,630,000	11,354,995	32,984,995
2034-2038	4.50%	-	817,875	817,875	25,220,000	7,749,669	32,969,669
2039-2043	4.50%	3,635,000	797,875	4,432,875	27,040,000	3,097,969	30,137,969
Total		\$ 3,635,000	\$ 3,249,682	\$ 6,884,682	\$ 92,735,000	\$ 36,262,539	\$ 128,997,539

Clear Creek Amana Community School District

Notes to Financial Statements Year Ended June 30, 2023

Note 6. General Long-Term Debt (Continued)

Revenue Bonds

Details of the District's June 30, 2023 direct placement statewide sales, services and use tax revenue bonded indebtedness are as follows:

Year ending June 30:	Rate	Direct Placement Bond Issue June 3, 2019			Rate	Direct Placement Refunding Bond Issue June 4, 2021		
		Principal	Interest	Total		Principal	Interest	Total
2024	2.66%	\$ 25,000	\$ 67,964	\$ 92,964	0.92%	\$ 1,550,000	\$ 39,376	\$ 1,589,376
2025	2.66%	140,000	67,298	207,298	0.92%	987,000	26,390	1,013,390
2026	2.66%	150,000	63,574	213,574	0.92%	994,000	17,291	1,011,291
2027	2.66%	165,000	59,584	224,584	0.92%	994,000	8,147	1,002,147
2028		600,000	55,195	655,195	0.92%	140,000	966	140,966
2029-2030		1,475,000	45,885	1,520,885		-	-	-
Total		\$ 2,555,000	\$ 359,500	\$ 2,914,500		\$ 4,665,000	\$ 92,170	\$ 4,757,170

Year ending June 30:	Total- Direct Placement		
	Principal	Interest	Total
2024	\$ 1,575,000	\$ 107,340	\$ 1,682,340
2025	1,127,000	93,688	1,220,688
2026	1,144,000	80,865	1,224,865
2027	1,159,000	67,731	1,226,731
2028	740,000	56,161	796,161
2029-2030	1,475,000	45,885	1,520,885
Total	\$ 7,220,000	\$ 451,670	\$ 7,671,670

The District has pledged future statewide sales, services and use tax revenues to repay the revenue bonds. The bonds were issued for the purpose of refunding the prior revenue bonds and financing the costs of construction of a transportation/maintenance facility and the purchase of land for future school construction. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District and are payable through 2030. The bonds are not a general obligation of the District and the debt is not subject to the constitutional debt limitation of the District. Annual principal and interest payments on the bonds are expected to require approximately 74 percent of the statewide sales, services and use tax revenues. The total principal and interest remaining to be paid on the bonds is \$7,671,670. For the current year, principal of \$2,240,000 and interest of \$187,823 was paid on the bonds and total statewide sales, services and use tax revenues were \$3,801,001.

The resolutions providing for the issuance of school infrastructure sales, services and use tax revenue bonds include the following provisions:

1. The bonds will be redeemed from the future earnings of the school infrastructure sales, services and use tax revenues by the District and the bond holders hold a lien on the future revenues received.
2. Sufficient monthly deposits amounting to one twelfth of the next principal payment and one sixth of the next interest payment shall be made to the sinking funds for the purpose of making the bond principal and interest payments when due.
3. Any monies remaining in the revenue funds after the required transfer to the sinking funds may be transferred to the project fund to be used for any lawful purpose.

Clear Creek Amana Community School District

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

Note 6. General Long-Term Debt (Continued)

Leases:

The District has entered into a lease agreement for printer equipment. As of June 30, 2023, the value of the lease liability was \$100,440. Under the terms of the agreement, the District is required to make monthly principal and interest payments totaling \$10,183. The lease agreement has an interest rate of 3.0 percent with final maturity on June 30, 2024. The future principal and interest lease payments as of June 30, 2023 were as follows:

Year ending June 30:	Printer Lease			
	Rate	Principal	Interest	Total
2024	3.00%	\$ 100,440	\$ 1,387	\$ 101,827
Total		\$ 100,440	\$ 1,387	\$ 101,827

Subscription Based Information Technology Arrangements (SBITA):

The District has entered into subscription based information technology arrangements. The arrangements has an interest rate of 3.0 percent with final maturity on June 30, 2027. The future principal and interest payments as of June 30, 2023 were as follows:

Year ending June 30:	SBITA			
	Rate	Principal	Interest	Total
2024	3.00%	\$ 92,694	\$ 6,242	\$ 98,936
2025	3.00%	55,917	3,464	59,381
2026	3.00%	29,301	1,785	31,086
2027	3.00%	30,181	905	31,086
Total		\$ 208,093	\$ 12,396	\$ 220,489

Note 7. Postemployment Benefits Other Than Pensions (OPEB)

General Information about the OPEB Plan

Plan description: The District's defined benefit OPEB plan, the Clear Creek Amana 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.

Clear Creek Amana Community School District

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

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

Benefits provided: Individuals who are employed by Clear Creek Amana District are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for the medical and prescription drug benefits as active employees, which results in an implicit rate subsidy and an OPEB liability. The full monthly premium rates as of September 1, 2022 for each plan are as shown below:

Rate Tier	\$500 deductible	\$1,000 deductible	\$3,000 deductible
Single	\$ 635	\$ 619	\$ 602
Family	1,385	1,337	1,244

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

Inactive employees or beneficiaries currently receiving benefit payments	9
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	381
	390

Total OPEB Liability: The District's total OPEB liability of \$1,701,030 was measured as of June 30, 2023 and was determined by a rolled forward actuarial valuation as of June 30, 2021 for a reporting date of June 30, 2023.

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

Inflation	2.25% 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	6.7% for FY2023, gradually decreasing over several decades to an ultimate rate of 3.7% in FY2075 and later years.

The discount rate was based on the Fidelity GO AA 20 Year 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– 2022.

Clear Creek Amana Community School District

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

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

Changes in the Total OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balance at July 1, 2022	\$ 1,574,547	\$ -	\$ 1,574,547
Changes for the year:			
Service cost	154,200	-	154,200
Interest	62,594	-	62,594
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes in assumptions or other inputs	(25,421)	-	(25,421)
Benefit payments	(64,890)	-	(64,890)
Other changes	-	-	-
Net changes	126,483	-	126,483
Balance at June 30, 2023	<u>\$ 1,701,030</u>	<u>\$ -</u>	<u>\$ 1,701,030</u>

Changes of assumptions or other inputs reflect a change in the discount rate from 3.69% per annum in 2022 to 3.86% per annum in 2023.

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

	1% Decrease (2.86%)	Discount Rate (3.86%)	1% Increase (4.86%)
Total OPEB liability	\$ 1,855,573	\$ 1,701,030	\$ 1,558,681

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 Trend Rates		
	1% Decrease (5.70% decreasing to 2.70%)	Trend Rates (6.70% decreasing to 3.70%)	1% Increase (7.70% decreasing to 4.70%)
Total OPEB liability	\$ 1,458,558	\$ 1,701,030	\$ 1,999,170

Clear Creek Amana Community School District

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

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

For the year ended June 30, 2023, the District recognized OPEB expense of \$262,490. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 498,479	\$ (138,245)
Changes of assumptions or other inputs	188,763	(311,690)
Net difference between projected and actual investments	-	-
Total	\$ 687,242	\$ (449,935)

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

Year ended June 30:

2024	\$ 45,696
2025	45,696
2026	45,696
2027	45,696
2028	45,696
Thereafter	8,827
	<u>\$ 237,307</u>

Note 8. Risk Management

Clear Creek Amana Community School 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. The District assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District has health insurance through Wellmark. The employees can elect one of three plans. Two of the three plans carry a high deductible of \$8,000 /\$16,000 or \$1,000/ \$2,000 (single/family) and the high deductible plan \$8,000/ \$16,000. The partially self-funded plans are through Wellmark and administered by Auxiant. The District also offers a fully insured plan to their employees that offers a deductible of \$3,000 employee/ \$6,000 family deductible.

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 incurred but unpaid claims. Changes in the claims liability amounts for the years ended June 30, 2023 and 2022 were as follows:

Self-Insurance Liability	Beginning	Claims and Changes in Estimates	Claim Payments	Ending
2022	\$ -	\$ 688,543	\$ 616,843	\$ 71,700
2023	71,700	475,530	529,030	18,200

Clear Creek Amana Community School District

Notes to Financial Statements Year Ended June 30, 2023

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.

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.

Clear Creek Amana Community School District

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

Note 9. Pension and Retirement Benefits (Continued)

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

The District's contributions to IPERS for the year ended June 30, 2023 were \$2,309,635.

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2023, the District reported a liability of \$10,867,425 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2022, the District's proportion was 0.287639 percent, which was an increase of 0.398861 from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized pension expense of \$525,150. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 481,752	\$ 148,860
Changes of assumptions	9,221	259
Net difference between projected and actual earnings on pension plan investments	-	1,163,323
Changes in proportion and differences between District contributions and proportionate share of contributions	1,271,759	11,288
District contributions subsequent to the measurement date	2,309,635	-
Total	<u>\$ 4,072,367</u>	<u>\$ 1,323,730</u>

Deferred outflows of resources of \$2,309,635 related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2024	\$ (481,360)
2025	(355,005)
2026	(1,173,548)
2027	2,426,313
2028	22,602
Total	<u>\$ 439,002</u>

There were no non-employer contributing entities to IPERS.

Clear Creek Amana Community School District

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

Note 9. Pension and Retirement Benefits (Continued)

Actuarial Assumptions – The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of Inflation (effective June 30, 2017)	2.60 percent per annum
Salary Increases (effective June 30, 2017)	3.25 percent to 16.25 percent average, including inflation. Rates vary by membership group.
Investment rate of return (effective June 30, 2017)	7.00 percent, compounded annually, net of investment expense, including inflation
Wage growth (effective June 30, 2017)	3.25 percent per annum, based on 2.60 percent inflation and 0.65 percent real wage inflation

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

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

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

Clear Creek Amana Community School District

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

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 (asset)	\$ 20,247,320	\$ 10,867,425	\$ 2,601,160

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, 2023, the District reported payables to the defined benefit pension plan of \$0 for legally required employer contributions and \$0 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 \$1,410,952 for the year ended June 30, 2023 and is recorded in the General Fund by making a memorandum adjusting entry to the cash basis financial statements.

Clear Creek Amana Community School District

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

Note 11. Categorical Funding

The District's restricted fund balance for categorical funding as of June 30, 2023 is comprised of the following programs:

Program	Amount
Gifted and talented	\$ 227,415
Teacher leadership	129,874
Teacher quality	29,553
Professional development	69,734
Successful progression for early readers	57,011
Home school assistance program	13,048
Total restricted for categorical funding	\$ 526,635

Note 12. Commitments and Contingencies

The District has financial commitments primarily relating to the new elementary building and other remodeling projects of approximately \$36,668,400 as of June 30, 2023 of which, approximately \$4,973,670 of costs have been incurred. Sales tax and bond proceeds will fund the majority of these commitments.

Note 13. Tax Abatements

Governmental Accounting Standards Board Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments. Property tax revenues of the District were reduced by the following amounts for the year ended June 30, 2023 under tax abatement agreements of other entities.

Entity	Tax Abatement Program	Amount of Tax Abated
City of Coralville, Iowa	Urban renewal and economic development projects	\$ 428,858
City of North Liberty, Iowa	Urban renewal and economic development projects	74,015
City of Tiffin, Iowa	Urban renewal and economic development projects	56,965

The State of Iowa reimburses the District an amount equivalent to the increment of valuation on which property tax is divided times \$5.40 per \$1,000 of taxable valuation. For the year ended June 30, 2023, this reimbursement amounted to \$237,837.

Clear Creek Amana Community School District

Notes to Financial Statements Year Ended June 30, 2023

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

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

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

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

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

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

Other than the restatement for the implementation of GASB Statement No. 96, as disclosed in Note 15, the implementation of the above statements did not have a material impact on the District's Financial Statements.

Clear Creek Amana Community School District

Notes to Financial Statements Year Ended June 30, 2023

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

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

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

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

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.

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

Clear Creek Amana Community School District

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

Note 15. Restatement

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

	Governmental Activities
Net position June 30, 2022, as previously reported	\$ 39,213,937
Right to use subscription asset	147,326
Right to use subscription asset accumulated amortization	(39,642)
IT subscription obligation	(75,688)
Net position June 30, 2022, as restated	<u>\$ 39,245,933</u>

Note 16. Subsequent Event

On November 30, 2023, the District issued \$6,365,000 general obligation bond anticipation notes, Series 2023. The bonds have an interest rate of 4.99% maturing June 1, 2026.

On December 20, 2023, the Board of Education approved proceeding with a potential issuance of general obligation school bond anticipation notes series 2024 to be issued spring 2024.

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Clear Creek Amana 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, 2023**

	Governmental Funds - Actual	Enterprise Funds - Actual
Revenues:		
Local sources	\$ 29,928,358	\$ 918,400
State sources	23,164,428	11,693
Federal sources	1,677,433	1,029,258
Total revenues	54,770,219	1,959,351
Expenditures/expenses:		
Instruction	24,581,842	-
Support services	16,020,935	1,465
Noninstructional programs	8,815	1,885,280
Other expenditures	15,893,781	-
Total expenditures/expenses	56,505,373	1,886,745
Excess of revenues over (under) expenditures/expenses	(1,735,154)	72,606
Other financing sources (uses) and capital contributions:		
Proceeds from long term debt	3,635,000	-
Premium on issuance of long term debt	110,649	-
Proceeds from insurance recoveries	747,399	-
Proceeds from sale of capital assets	5,775	-
Proceeds from issuance of IT subscription obligation	251,649	-
Capital contributions	-	46,913
Interfund transfers in	2,672,051	-
Interfund transfers (out)	(2,672,051)	-
Total other financing sources (uses) and capital contributions	4,750,472	46,913
Net change in fund balance/net position	3,015,318	119,519
Fund balance/net position, beginning of year	22,176,817	756,845
Fund balance/net position, end of year	\$ 25,192,135	\$ 876,364

See Notes to Required Supplementary Information.

Total Actual	Budgeted Amounts		Final to Actual Variance
	Original	Final	
\$ 30,846,758	\$ 28,304,364	\$ 28,304,364	\$ 2,542,394
23,176,121	22,060,181	22,060,181	1,115,940
2,706,691	3,700,000	3,700,000	(993,309)
56,729,570	54,064,545	54,064,545	2,665,025
24,581,842	24,217,082	24,517,082	(64,760)
16,022,400	14,817,067	16,763,564	741,164
1,894,095	1,669,453	1,669,453	(224,642)
15,893,781	14,684,855	14,684,855	(1,208,926)
58,392,118	55,388,457	57,634,954	(757,164)
(1,662,548)	(1,323,912)	(3,570,409)	1,907,861
3,635,000	10,000,000	10,000,000	(6,365,000)
110,649	-	-	110,649
747,399	-	-	747,399
5,775	35,000	35,000	(29,225)
251,649	-	-	251,649
46,913	-	-	46,913
2,672,051	1,690,353	1,690,353	981,698
(2,672,051)	(3,490,353)	(3,490,353)	818,302
4,797,385	8,235,000	8,235,000	(3,437,615)
3,134,837	\$ 6,911,088	\$ 4,664,591	\$ (1,529,754)
22,933,662			
\$ 26,068,499			

Clear Creek Amana Community School District

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

	2023	2022
Total OPEB liability		
Changes for the year:		
Service cost	\$ 154,200	\$ 236,233
Interest	62,594	39,672
Changes of benefit terms	-	-
Differences between expected and actual experience	-	(145,887)
Changes in assumptions or other inputs	(25,421)	(350,843)
Benefit payments	(64,890)	(69,296)
Net changes in total OPEB liability	126,483	(290,121)
Total OPEB liability - beginning	1,574,547	1,864,668
Total OPEB liability - ending	<u>\$ 1,701,030</u>	<u>\$ 1,574,547</u>
Covered employee payroll	\$ 22,854,549	\$ 19,800,000
Total OPEB liability as a percentage of covered employee payroll	7.44%	7.95%

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%
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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.

	2021	2020	2019	2018
\$	201,847	\$ 57,770	\$ 57,770	\$ 57,905
	43,198	23,552	23,995	25,072
	-	-	-	-
	-	771,995	(13,463)	(11,148)
	88,173	192,072	-	-
	(59,810)	(58,981)	(97,748)	(101,720)
	273,408	986,408	(29,446)	(29,891)
	1,591,260	604,852	634,298	664,189
\$	1,864,668	\$ 1,591,260	\$ 604,852	\$ 634,298
\$	17,352,611	\$ 15,827,482	\$ 16,732,407	\$ 14,661,394
	10.75%	10.05%	3.61%	4.33%
	1.92%	2.45%	3.72%	3.72%

Clear Creek Amana Community School District

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

	2023*	2022*	2021*
District's proportion of the net pension liability	0.287639%	-0.111222%	0.262036%
District's proportionate share of the net pension liability	\$ 10,867	\$ 384	\$ 18,407
District's covered payroll	\$ 23,205	\$ 22,251	\$ 20,796
District's proportionate share of the net pension liability as a percentage of its covered payroll	46.83%	1.73%	88.51%
Plan fiduciary net pension as a percentage of the total pension liability	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.

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

Note: Amounts reported in thousands.

See Notes to Required Supplementary Information.

	2020*	2019*	2018*	2017*	2016*	2015*
	0.243685%	0.227779%	0.208769%	0.209701%	0.196374%	0.179968%
\$	14,111	\$ 14,414	\$ 13,907	\$ 13,197	\$ 9,702	\$ 7,137
\$	18,545	\$ 17,120	\$ 15,588	\$ 15,049	\$ 13,453	\$ 11,790
	76.09%	84.19%	89.22%	87.69%	72.12%	60.53%
	85.45%	83.62%	82.21%	85.19%	85.19%	87.61%

Clear Creek Amana Community School District

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

	2023	2022	2021	2020
Statutorily required contribution	\$ 2,310	\$ 2,187	\$ 2,100	\$ 1,963
Contributions in relation to the statutorily required contribution	\$ (2,310)	\$ (2,187)	\$ (2,100)	\$ (1,963)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 24,500	\$ 23,205	\$ 22,251	\$ 20,796
Contributions as a percentage of covered payroll	9.43%	9.42%	9.44%	9.44%

Note: Amounts reported in thousands

See Notes to Required Supplementary Information.

	2019		2018		2017		2016		2015		2014
\$	1,751	\$	1,529	\$	1,392	\$	1,344	\$	1,201	\$	1,051
\$	(1,751)	\$	(1,529)	\$	(1,392)	\$	(1,344)	\$	(1,201)	\$	(1,051)
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	18,545	\$	17,120	\$	15,588	\$	15,049	\$	13,453	\$	11,790
	9.44%		8.93%		8.93%		8.93%		8.93%		8.93%

Clear Creek Amana Community School District

Notes to Required Supplementary Information Year Ended June 30, 2023

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 fiduciary 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 on May 17, 2023, which increased total expenditures \$2,246,497.

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 exceeded budgeted expenditures in the instruction, noninstructional programs and other expenditures functions.

Note 2. Iowa Public Employees' Retirement System Pension Liability

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

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

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

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

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

Clear Creek Amana Community School District

**Notes to Required Supplementary Information
Year Ended June 30, 2023**

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

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

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

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

- Decreased the inflation assumption from 3.25 percent to 3.00 percent.
- Decreased the assumed rate of interest on member accounts from 4.00 percent to 3.75 percent per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Reduced retirement rates for sheriffs and deputies between the ages of 55 and 64.
- Moved from an open 30-year amortization period to a closed 30-year amortization period for the UAL beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20-year period.

Clear Creek Amana Community School District

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

	Special Revenue			
	Management Fund	Student Activity	Library	Total
Assets				
Cash and pooled investments	\$ 447,899	\$ 241,432	\$ 157,475	\$ 846,806
Receivables:				
Property tax:				
Delinquent	7,330	-	4,335	11,665
Succeeding year	1,400,005	-	29,448	1,429,453
Accounts	-	2,836	-	2,836
Due from other governments	63	-	29,059	29,122
Prepaid items	2,199	461	-	2,660
Total assets	\$ 1,857,496	\$ 244,729	\$ 220,317	\$ 2,322,542
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ 1,883	\$ 400	\$ 2,283
Accrued liabilities	-	5	7,800	7,805
Due to other funds	200,000	-	-	200,000
Total liabilities	200,000	1,888	8,200	210,088
Deferred inflows of resources, unavailable revenue:				
Succeeding year property tax	1,400,005	-	29,448	1,429,453
Fund balances				
Nonspendable, prepaid items	2,199	461	-	2,660
Restricted for:				
Management levy purposes	255,292	-	-	255,292
Student activities	-	242,380	-	242,380
Library purposes	-	-	182,669	182,669
Total fund balances	257,491	242,841	182,669	683,001
Total liabilities, deferred inflows of resources and fund balances	\$ 1,857,496	\$ 244,729	\$ 220,317	\$ 2,322,542

Clear Creek Amana Community School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2023

	Special Revenue			
	Management Fund	Student Activity	Library	Total
Revenues:				
Local sources:				
Local tax	\$ 999,476	\$ -	\$ 29,901	\$ 1,029,377
Other	7,330	547,552	99,912	654,794
State appropriation	128	-	2,132	2,260
Total revenues	1,006,934	547,552	131,945	1,686,431
Expenditures:				
Current:				
Instruction	95,494	488,308	-	583,802
Support services:				
Instructional staff	-	-	71,147	71,147
Administration	513,342	-	44,176	557,518
Operation and maintenance of plant	351,011	-	-	351,011
Transportation	90,955	-	-	90,955
Noninstructional programs	5,788	-	-	5,788
Total expenditures	1,056,590	488,308	115,323	1,660,221
Net change in fund balances	(49,656)	59,244	16,622	26,210
Fund balances, beginning of year	307,147	183,597	166,047	656,791
Fund balances, end of year	\$ 257,491	\$ 242,841	\$ 182,669	\$ 683,001

Clear Creek Amana Community School District

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

	Capital Projects Accounts			Total
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Other Construction Projects	
Assets				
Cash and pooled investments	\$ 3,736,323	\$ 516,386	\$ 16,384,599	\$ 20,637,308
Receivables:				
Property tax:				
Delinquent	-	5,228	-	5,228
Succeeding year	-	640,271	-	640,271
Accounts and other	-	639,784	51,622	691,406
Due from other governments	269,661	864,812	-	1,134,473
Total assets	\$ 4,005,984	\$ 2,666,481	\$ 16,436,221	\$ 23,108,686
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities, accounts payable	\$ 4,966	\$ 37,952	\$ 2,000,506	2,043,424
Deferred inflows of resources, unavailable revenue:				
Succeeding year property tax	-	640,271	-	640,271
Income surtax	-	864,812	-	864,812
Total deferred inflows of resources	-	1,505,083	-	1,505,083
Fund Balances:				
Restricted for:				
School infrastructure	4,001,018	-	14,435,715	18,436,733
Physical plant and equipment	-	1,123,446	-	1,123,446
Total fund balances	4,001,018	1,123,446	14,435,715	19,560,179
Total liabilities, deferred inflows of resources and fund balances	\$ 4,005,984	\$ 2,666,481	\$ 16,436,221	\$ 23,108,686

Clear Creek Amana Community School District

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Capital Projects Fund - By Account

Year Ended June 30, 2023

	Capital Projects Accounts			Total
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Other Construction Projects	
Revenues:				
Local sources:				
Local tax	\$ -	\$ 1,728,902	\$ -	\$ 1,728,902
Other	110,396	110,151	244,385	464,932
State appropriations	3,801,001	75	-	3,801,076
Federal appropriations	-	4,050	-	4,050
Total revenues	3,911,397	1,843,178	244,385	5,998,960
Expenditures:				
Current:				
Instruction	-	176,872	-	176,872
Support services:				
Student	-	4,122	-	4,122
Instructional staff	-	239,165	-	239,165
Administration	-	198,159	-	198,159
Operation and maintenance of plant	-	479,759	-	479,759
Transportation	-	107,699	-	107,699
Other expenditures:				
Facilities acquisition	536,612	613,069	4,103,461	5,253,142
Debt service:				
Interest and fiscal charges	-	-	211,394	211,394
Total expenditures	536,612	1,818,845	4,314,855	6,670,312
Excess (deficiency) of revenues over (under) expenditures	3,374,785	24,333	(4,070,470)	(671,352)
Other financing sources (uses):				
Issuance of long-term debt	-	-	3,635,000	3,635,000
Premium on issuance of long-term debt	-	-	110,649	110,649
Issuance of IT subscription obligation	-	33,425	-	33,425
Proceeds from insurance recoveries	-	730,759	-	730,759
Proceeds from sale of capital assets	-	5,775	-	5,775
Transfers (out)	(2,427,823)	(168,833)	-	(2,596,656)
Total other financing sources (uses)	(2,427,823)	601,126	3,745,649	1,918,952
Net change in fund balance	946,962	625,459	(324,821)	1,247,600
Fund balance, beginning of year	3,054,056	497,987	14,760,536	18,312,579
Fund balance, end of year	\$ 4,001,018	\$ 1,123,446	\$ 14,435,715	\$ 19,560,179

Clear Creek Amana Community School District

Combining Statement of Fund Net Position

Nonmajor Enterprise Funds

June 30, 2023

	School Nutrition	Public Pool	Food Production	Farm Account	Total
Assets					
Current assets:					
Cash and pooled investments	\$ 712,542	\$ 1,348	\$ 496	\$ 5,975	\$ 720,361
Receivables, accounts	4,649	-	-	-	4,649
Inventories	22,313	-	-	-	22,313
Total assets	739,504	1,348	496	5,975	747,323
Noncurrent assets:					
Capital assets being depreciated, net of accumulated depreciation:					
Machinery and equipment	436,823	-	-	-	436,823
Total noncurrent assets	436,823	-	-	-	436,823
Total assets	1,176,327	1,348	496	5,975	1,184,146
Deferred Outflows of Resources:					
OPEB related deferred outflows	24,786	-	-	-	24,786
Pension related deferred outflows	99,743	-	-	-	99,743
Total deferred outflows of resources	124,529	-	-	-	124,529
Liabilities					
Current liabilities:					
Accounts payable	1,506	1,348	-	538	3,392
Salaries and benefits payable	1,386	-	-	-	1,386
Unearned revenue	59,194	-	-	-	59,194
Total current liabilities	62,086	1,348	-	538	63,972
Noncurrent liabilities:					
Net OPEB liability	58,639	-	-	-	58,639
Net pension liability	266,015	-	-	-	266,015
Total noncurrent liabilities	324,654	-	-	-	324,654
Total liabilities	386,740	1,348	-	538	388,626
Deferred Inflows of Resources:					
OPEB related deferred inflows	11,210	-	-	-	11,210
Pension related deferred inflows	32,475	-	-	-	32,475
Total deferred inflows of resources	43,685	-	-	-	43,685
Net Position					
Investment in capital assets	436,823	-	-	-	436,823
Unrestricted	433,608	-	496	5,437	439,541
Total net position	\$ 870,431	\$ -	\$ 496	\$ 5,437	\$ 876,364

Clear Creek Amana Community School District

Combining Statement of Revenues, Expenses and Changes in Fund Net

Position Nonmajor Enterprise Funds

Year Ended June 30, 2023

	School Nutrition	Public Pool	Food Production	Farm Account	Total
Operating revenues:					
Local sources:					
Charges for service	\$ 834,985	\$ 14,305	\$ 1,236	\$ 28,814	\$ 879,340
Miscellaneous	4,263	10,000	-	4,142	18,405
Total operating revenues	839,248	24,305	1,236	32,956	897,745
Operating expenses:					
Operating expenses:					
Support services:					
Administration:					
Salaries	509	-	-	-	509
Benefits	105	-	-	-	105
Services	851	-	-	-	851
Total support services	1,465	-	-	-	1,465
Noninstructional programs:					
Salaries	597,297	15,967	-	-	613,264
Benefits	183,617	2,490	-	-	186,107
Services	41,660	2,822	-	523	45,005
Supplies	925,710	-	857	40,827	967,394
Depreciation	73,464	-	-	-	73,464
Total noninstructional programs	1,821,748	21,279	857	41,350	1,885,234
Total operating expenses	1,823,213	21,279	857	41,350	1,886,699
Operating income (loss)	(983,965)	3,026	379	(8,394)	(988,954)
Nonoperating revenues (expenses):					
State sources	11,693	-	-	-	11,693
Federal sources	1,029,258	-	-	-	1,029,258
Interest on investments	20,655	-	-	-	20,655
Loss on disposal of capital assets	(46)	-	-	-	(46)
Total nonoperating revenues (expenses)	1,061,560	-	-	-	1,061,560
Income (loss) before capital contributions	77,595	3,026	379	(8,394)	72,606
Capital contributions	46,913	-	-	-	46,913
Change in net position	124,508	3,026	379	(8,394)	119,519
Net position (deficit), beginning of year	745,923	(3,026)	117	13,831	756,845
Net position, end of year	\$ 870,431	\$ -	\$ 496	\$ 5,437	\$ 876,364

Clear Creek Amana Community School District

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

Year Ended June 30, 2023

	School Nutrition	Public Pool	Food Production	Farm Account	Total
Cash flows from operating activities:					
Cash received from:					
Charges for services	\$ 876,291	\$ 14,492	\$ 1,236	\$ 28,814	\$ 920,833
Miscellaneous services	4,263	10,000	-	4,142	18,405
Cash payments to:					
Employees for services	(820,199)	(18,852)	-	-	(839,051)
Suppliers for goods and services	(790,069)	(4,292)	(857)	(40,812)	(836,030)
Net cash provided by (used in) operating activities	(729,714)	1,348	379	(7,856)	(735,843)
Cash flows from noncapital financing activities:					
State grants received	11,693	-	-	-	11,693
Federal grants received	851,790	-	-	-	851,790
Net cash provided by noncapital financing activities	863,483	-	-	-	863,483
Cash flows from investing activities, interest on investments					
	20,655	-	-	-	20,655
Net increase (decrease) in cash and cash equivalents	154,424	1,348	379	(7,856)	148,295
Cash and cash equivalents:					
Beginning of year	558,118	-	117	13,831	572,066
End of year	<u>\$ 712,542</u>	<u>\$ 1,348</u>	<u>\$ 496</u>	<u>\$ 5,975</u>	<u>\$ 720,361</u>

(Continued)

Clear Creek Amana Community School District

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

	School Nutrition	Public Pool	Food Production	Farm Account	Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ (983,965)	\$ 3,026	\$ 379	\$ (8,394)	\$ (988,954)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) by operating activities:					
Commodities consumed	177,468	-	-	-	177,468
Depreciation	73,464	-	-	-	73,464
(Increase) decrease in:					
Inventories	(2,926)	-	-	-	(2,926)
Accounts receivable	53,587	187	-	-	53,774
Prepaid expenses	4,995	-	-	-	4,995
Increase (decrease) in:					
Accounts payable	(1,385)	(1,470)	-	538	(2,317)
Salaries and benefits payable	208	(395)	-	-	(187)
Net OPEB benefits	4,841	-	-	-	4,841
Net pension liability	(43,720)	-	-	-	(43,720)
Unearned revenue	(12,281)	-	-	-	(12,281)
Net cash provided by (used in) operating activities	\$ (729,714)	\$ 1,348	\$ 379	\$ (7,856)	\$ (735,843)
Noncash investing, capital and related financing activities:					
Federal commodities	\$ 177,468	\$ -	\$ -	\$ -	\$ 177,468
Capital financing activities:					
Capital contributions	\$ 46,913	\$ -	\$ -	\$ -	\$ 46,913

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Clear Creek Amana Community School District

Schedule of Changes in Special Revenue Fund,
 Student Activity Accounts
 Year Ended June 30, 2023

Account	Balance Beginning Year	Revenues	Expenditures	Transfers	Balance End of Year
Interest	\$ 351	\$ 6,114	\$ -	\$ (6,465)	\$ -
HS Drama	6,945	1,655	673	-	7,927
HS Musical	10,594	11,820	12,233	-	10,181
HS Show Choir	-	1,660	8,664	7,004	-
HS Band	2	-	-	(2)	-
HS Jazz Band	-	944	1,507	563	-
HS Color Guard	495	-	2,642	2,147	-
HS Speech	-	-	4,235	4,235	-
HS Athletics	92,837	330,326	304,240	8,601	127,524
HS Plus Club	172	-	-	(172)	-
HS FFA	7,985	53,790	38,104	(3,000)	20,671
HS Science Olympiad	-	296	531	235	-
HS Yearbook	20	-	-	-	20
HS Art Club	2,928	4,910	6,787	-	1,051
FCCLA	-	4,170	4,216	601	555
National Honor Society	651	30	452	-	229
HS Safe Club	137	-	-	(137)	-
HS Student Assistance Team	543	-	-	(543)	-
HS Spanish Club	278	-	-	(278)	-
HS Student Council	2,147	19,309	15,596	-	5,860
Government Club	1,065	-	-	(1,065)	-
HS Weight Club	7,531	19,790	19,817	-	7,504
HS Dance	287	-	-	-	287
HS Special Olympics Dance Team	36	-	-	(36)	-
HS Student Fundraiser	1,743	-	-	(1,743)	-
HS Transitions Students Fundraiser	466	-	-	(466)	-
HS Prom	8,535	5,700	5,886	-	8,349
HS Concessions	4,513	32,881	19,538	(10,313)	7,543
MS Drama	557	330	364	-	523
MS Jazz Band	1,179	5,830	1,750	-	5,259
MS Athletics	11,849	21,641	16,740	3,818	20,568
MS Extended Learning Program	257	603	658	-	202
MS Computer Club	3,263	-	-	(3,263)	-
MS STEM	930	-	-	-	930
MS FFA	-	6,051	5,089	3,000	3,962
MS Yearbook	128	1,104	1,157	-	75
7th Grade Club	1,853	2,351	2,230	-	1,974
MS Guitar Club	905	-	-	(905)	-
MS History Club	401	-	-	-	401
MS Art Club	1,012	616	119	-	1,509
MS Painting Club	61	-	-	-	61
8th Grade Club	-	507	-	-	507
Robotics Club	3,183	7,013	6,020	-	4,176
6th Grade Club	166	605	86	-	685
MS Reading	-	-	40	40	-
MS Student Council	3,758	1,496	2,332	-	2,922
MS Leadership	1,149	-	500	-	649
MS Concessions	368	6,010	6,102	-	276
Change in accruals	2,317	-	-	(1,856)	461
Total	\$ 183,597	\$ 547,552	\$ 488,308	\$ -	\$ 242,841

Clear Creek Amana Community School District

**Schedule of Revenues by Source and Expenditures by Function
All Governmental Funds - Modified Accrual Basis
Last Ten Years**

	Years Ended June 30:			
	2023	2022	2021	2020
Revenues:				
Local sources:				
Local tax	\$ 25,953,155	\$ 24,041,766	\$ 21,908,863	\$ 20,684,087
Tuition	2,054,205	2,089,877	1,997,725	2,226,824
Other	1,920,998	1,156,664	833,633	1,089,021
State sources	23,164,428	21,074,103	18,667,607	17,283,300
Federal sources	1,677,433	2,253,046	1,655,024	843,143
Total revenues	\$ 54,770,219	\$ 50,615,456	\$ 45,062,852	\$ 42,126,375
Expenditures:				
Instruction	\$ 24,581,842	\$ 23,453,451	\$ 22,140,329	\$ 21,256,098
Support services:				
Student services	1,446,144	1,431,555	1,132,676	1,051,979
Instructional staff services	2,738,371	2,699,854	2,464,603	2,478,707
Administration services	5,094,193	4,670,779	4,558,109	4,255,172
Operation and maintenance of plant services	4,917,178	4,620,093	4,006,663	4,196,927
Transportation services	1,825,049	1,847,303	1,473,070	1,877,401
Noninstructional programs	8,815	18,253	12,729	5,851
Other expenditures:				
Facilities acquisition	5,253,142	4,772,722	5,655,056	9,287,123
Long-term debt:				
Principal	5,936,509	12,855,803	9,010,000	4,474,000
Interest	3,293,178	2,963,492	2,940,643	2,883,258
AEA flowthrough	1,410,952	1,292,635	1,182,055	1,112,583
Total expenditures	\$ 56,505,373	\$ 60,625,940	\$ 54,575,933	\$ 52,879,099

Years Ended June 30:						
2019	2018	2017	2016	2015	2014	
\$ 20,581,943	\$ 16,382,531	\$ 15,327,355	\$ 11,972,260	\$ 12,513,604	\$ 11,214,429	
2,127,053	2,517,678	2,379,790	2,068,366	2,104,892	1,689,561	
1,172,446	1,426,642	1,159,652	910,893	692,914	792,596	
15,299,067	14,477,040	13,902,629	13,425,481	12,115,084	10,475,726	
1,101,964	1,025,124	976,951	992,397	1,353,224	968,544	
<u>\$ 40,282,473</u>	<u>\$ 35,829,015</u>	<u>\$ 33,746,377</u>	<u>\$ 29,369,397</u>	<u>\$ 28,779,718</u>	<u>\$ 25,140,856</u>	
\$ 19,556,510	\$ 17,326,759	\$ 15,962,819	\$ 15,885,248	\$ 15,070,930	\$ 13,176,808	
860,945	630,686	580,521	582,982	406,949	370,306	
1,740,963	2,089,975	1,764,845	1,414,256	1,111,400	724,892	
4,240,334	3,222,315	2,986,486	3,051,580	2,940,675	2,749,619	
3,270,290	3,196,582	2,638,651	2,664,753	2,297,325	2,013,246	
1,445,143	1,243,404	1,197,413	1,104,889	1,239,409	1,136,988	
5,642	7,107	7,326	6,532	5,826	4,870	
19,652,166	5,506,534	10,196,359	12,036,104	23,595,371	4,781,950	
49,118,000	3,340,000	3,250,000	3,140,000	7,995,000	17,910,597	
3,817,317	2,583,410	2,335,149	2,327,725	2,216,879	2,234,348	
996,996	899,760	830,343	796,497	771,323	682,767	
<u>\$ 104,704,306</u>	<u>\$ 40,046,532</u>	<u>\$ 41,749,912</u>	<u>\$ 43,010,566</u>	<u>\$ 57,651,087</u>	<u>\$ 45,786,391</u>	

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Clear Creek Amana Community School District

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

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	FY23 4552	\$ -	\$ 110,664
National School Lunch Program	10.555	FY23 4553	-	657,239
National School Lunch Program- Supply Chain Assistance	10.555	FY23 4014	-	77,327
Commodities -DOD (Noncash)	10.555	FY23	-	33,787
Commodities (Noncash)	10.555	FY23	-	143,681
			-	912,034
Total Child Nutrition Cluster Program			-	1,022,698
Local food for schools	10.185	FY23 4911	-	6,559
Cooperative forestry assistance grant	10.664	FY23 4682	-	4,050
Total U.S. Department of Agriculture			-	1,033,307
U.S. Department of Education				
Direct:				
Impact Aid	84.041		-	66,146
Pass-Through Iowa Department of Education:				
Title 1 Grants to Local Educational Agencies	84.010	FY23 4501	-	179,484
Supporting Effective Instruction State Grants	84.367	FY23 4643	-	35,556
Student Support and Academic				
Enrichment Program	84.424	FY23 4669	-	17,610
Education Stabilization Fund:				
COVID-19 Discretionary Grants: Rethink K-12				
Education Models Grants	84.425B	FY23 4053	-	16,424
COVID-19 ARP-Elementary and Secondary School Emergency Relief Fund (ARP-ESSER)	84.425U	FY23 4043	-	58,444
COVID-19 ARP-Elementary and Secondary School Emergency Relief Fund (ARP-ESSER)	84.425U	FY23 4045	-	358,808
			-	417,252
Total Education Stabilization Fund			-	433,676
Pass-Through Grant Wood Area Education Agency:				
Special Education Cluster Program:				
Special Education - Grants to States				
IDEA, Part B	84.027	FY23 4521	-	123,193
English Language Acquisition State Grants	84.365	FY23 4644	-	7,880
Career and Technical Education- Basic Grants to States	84.048	FY23 4531	-	12,411
Pass-Through State of Iowa Vocational Rehabilitation:				
Rehabilitation Services- Vocational Rehabilitation Grants to States	84.126	FY23 4598	-	69,456
Total U.S. Department of Education			-	945,412
Total Expenditures of Federal Awards			\$ -	\$ 1,978,719

See notes to schedule of expenditures of federal awards.

Clear Creek Amana Community School District

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

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Clear Creek Amana Community School District under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of Clear Creek Amana Community School District, it is not intended to and does not present the financial position, changes in net position or cash flows of Clear Creek Amana 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.

Clear Creek Amana Community School District

**Summary Schedule of Prior Audit Findings
 Year Ended June 30, 2023**

Finding	Status	Reason for Recurrence and Corrective Action Plan or Other Explanation
Internal Control Deficiencies:		
Material Weakness:		
2022-001: Bank reconciliations have significant differences during the fiscal year.	Corrected.	
Significant Deficiencies:		
2022-002: The District has insufficient segregation of duties over the payroll process.	Not corrected.	See response and corrective action plan at 2023-002.
2022-003: The District has insufficient segregation of duties over the student activities receipts process.	Not corrected.	See response and corrective action plan at 2023-003.
Findings and Questioned Costs For Federal Awards:		
2022-004: The District does not have a process to ensure compliance with suspension and debarment rules for vendors within the federal program.	Not corrected.	See response and corrective action plan at 2023-004.
Other Findings Related to Statutory Reporting:		
IV-A-22: Expenditures for the year ended June 30, 2022 exceeded the certified budget for the other expenditures function.	Not corrected.	See response and corrective action plan at IV-A-23.
IV-H-22: The District identified variances in certified enrollment submitted to the state in October 2021.	Not corrected.	See response and corrective action plan at IV-H-23.
IV-N-22: The District's General Fund has a deficit fund balance. The District's Public Pool enterprise fund has a deficit net position.	Corrected.	

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

To the Board of Education
Clear Creek Amana Community School District
Oxford, Iowa

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Clear Creek Amana Community School District (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated February 5, 2024.

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

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of Clear Creek Amana 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 misstatement 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control described in the accompanying Schedule of Findings and Questioned Costs, as items 2023-002 through 2023-003 that we consider to be significant deficiencies.

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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001.

We also noted certain immaterial instances of noncompliance and other matters which are described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

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

District's Response to the Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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
February 5, 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
Clear Creek Amana Community School District
Oxford, Iowa

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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 and therefore material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2023-004 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the internal control over compliance findings identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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
February 5, 2024

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Clear Creek Amana Community School District

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

I. Summary of the Independent Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

• Material weakness(es) identified?

Yes No

• Significant deficiency identified?

Yes None Reported

• Noncompliance material to financial statements noted?

Yes No

Federal Awards

Internal control over major programs:

• Material weakness(es) identified?

Yes No

• Significant deficiency identified?

Yes None Reported

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

Unmodified

• Any audit findings disclosed that are required to be reported
in accordance with 2 CFR 200.516(a)?

Yes No

Identification of major programs:

Federal Assistance

Listing Number	Name of Federal Program or Cluster
Child Nutrition Cluster Program:	
10.553	School Breakfast Program
10.555	National School Lunch Program
10.555	Commodities -DOD (Noncash)
10.555	Commodities (Noncash)
10.555	National School Lunch Program- Supply Chain Assistance
Education Stabilization Fund:	
84.425B	COVID-19 Discretionary Grants: Rethink K-12 Education Models Grants
84.425U	COVID-19 ARP-Elementary and Secondary School Emergency Relief Fund (ARP-ESSER)

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

Auditee qualified as low-risk auditee?

Yes No

(Continued)

Clear Creek Amana Community School District

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

Part II: Findings Related to the Basic Financial Statements

Instances of noncompliance:

2023-001

Finding: The District exceeded the authorized spending authority of the General Fund.

Criteria: Chapter 257.7 of the Code of Iowa states:

The authorized expenditures of a school district during a base year shall not exceed the lesser of the budget for that year certified under section 24.17 plus any allowable amendments permitted in this section, or the authorized budget, which is the sum of the combined district cost for that year, the actual miscellaneous income received for that year, and the actual unspent balance from the preceding year.

Condition: General Fund total expenditures exceeded the authorized spending authority budget by approximately \$835,000.

Cause: Additional staffing costs associated with opening the high school addition in August 2022 caused the District to exceed the authorized spending authority. In fiscal year 2020, the District experienced a deficit spending situation and a sharp decline in the UAB.

Effect: The District is not in compliance with allowable spending limits of the state of Iowa.

Context: The District's unspent authorized budget for fiscal year 2023 was exceeded by approximately \$835,000. The District's maximum authorized budget was approximately \$38.2 million and the District's expenditures were approximately \$39 million.

Identification as a repeat finding: This is not a repeat finding.

Recommendation: We recommend the District work with the state Iowa Department of Education and Iowa Department of Management to ensure allowable spending limits are in compliance with the Code of Iowa.

Response and Corrective Action Plan: The District attended a School Budget Review Committee hearing in December 2023 to request \$150,989 in MSA for LEP allowable costs and \$1,291,599 for special education deficit for FY23, and give a fiscal update. The District also requested \$150,511 for additional staffing costs for the high school addition which was granted for FY24. Since fiscal year 2020, the District has worked to regain staffing efficiencies and minimize increases in expenditures to mitigate the decline in spending authority and return to a positive trend as projected to begin with fiscal year 2024.

Internal control deficiencies:

Significant Deficiencies:

2023-002

Finding: The District has insufficient segregation of duties over the payroll process.

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

Clear Creek Amana Community School District

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

Condition: Employee positions at the District have access to change the employee master file, including entering new employees, modifying pay rates and adding deductions; enter time to the payroll system, process the monthly payroll and generate direct deposits and payroll checks. The positions have access to prepare the payroll checks and pay advices for distribution and process the direct deposit ACH to the bank. The positions also post the payroll to the general ledger.

Cause: Employees have access from initiation to completion of the payroll process.

Effect: Misappropriations of assets could occur and not be detected in a timely basis.

Context: The deficiency is over all payroll transactions of the District.

Identification as a repeat finding: This is a repeat finding.

Recommendation: In order to strengthen internal controls over the payroll process we recommend the following compensating controls be implemented at the District:

1. The capability to edit payroll rates should be removed from the Payroll Specialist. Alternatively, an edit report should be generated by a position separate from payroll processing on a routine basis and reviewed for unauthorized changes made.
2. The payroll register should be reviewed monthly by another position to check for reasonableness and proper employees.
3. An electronic approval process should be implemented at the financial institution for the payroll direct deposit. The direct deposit should be initiated at the financial institution by the Payroll Specialist position and should be approved at the financial institution by the Director of Finance or Accounting Specialist by comparing the direct deposit listing total to the direct deposit being made. The supervisory review should include reviewing the direct deposit listing for reasonableness of rates and proper employees.
4. The Director of Finance should obtain the monthly bank reconciliations and compare the bank balances to the monthly bank statement, book balance to the general ledger system and ensure there are no unusual or reoccurring reconciling items.

Response and Corrective Action Plan: Assigned duties and available District staff will be reviewed annually for increased opportunities to further segregate duties.

2023-003

Finding: The District has insufficient segregation of duties over the student activities receipts process.

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

Condition: The significant deficiency is the result of the following conditions:

- Cash and checks collected at athletic and activities events are not being counted and documented in the presence of two individuals at the end of the event prior to securing the receipts.
- One position in the Activities Office has access to cash and checks, prepares the deposit, and enters the receipts into the InTouch receipting system.
- Sponsors count the cash and checks before remitting the receipts to the Activities Office. However, there is no routine report back to the sponsor after deposit for the sponsor to approve the amount remitted agrees to their records.

Clear Creek Amana Community School District

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

Cause: The District has not established a system for counting and documenting collections at the events.

Effect: Misappropriations of assets or errors could occur and not be detected in a timely basis.

Context: The deficiency is over all cash and checks collected at student activities events.

Identification as a repeat finding: This is a repeat finding.

Recommendation: We recommend requiring two individuals count the receipts together at the end of each event and both sign and complete the count sheet. Alternatively, the receipts should be placed in a tamper proof bank bag at the end of the event and sealed. The tamper proof bag should not be opened until two individuals are present to count and prepare the deposit. We recommend the District consider the following:

- At the end of each event, two individuals should jointly count the receipts, including concession receipts, and complete a count sheet and deposit slip. Both should sign the count sheet to verify the receipts were counted together and agree the total. The cash and checks and deposit form would go into a tamper proof bank bag and be sealed. The total deposit should be written on the front of the bag and signed by the two individuals. The count sheet would go into the start-up till for the Activities Office.
- The tamper proof bank bag would then be placed into a locked dropbox for deposit. The courier would pick up the sealed bag and take it to the bank and provide the opened bag and validated deposit slip to the Activities Office for entry to InTouch receipting.
- Routinely, a report should be generated by the Business Office from InTouch or Software Unlimited and provided to each coach and sponsor to monitor their revenues and expenditures and agree revenues deposited to their detailed records.

Response and Corrective Action Plan: The District will review current processes and realign duties and system access levels to improve internal controls within the design of the receipt system.

Part III: Findings and Questioned Costs for Federal Awards

Instances of noncompliance:

No matters were reported.

Internal control deficiencies:

2023-004

U.S. Department of Agriculture

Pass-Through Iowa Department of Education

Child Nutrition Cluster Program:

Assistance Listing 10.553 School Breakfast Program

Assistance Listing 10.555 National School Lunch Program

Assistance Listing 10.555 National School Lunch Program -Supply Chain Assistance

Assistance Listing 10.555 Commodities (Noncash)

Assistance Listing 10.555 Commodities Department of Defense (Noncash)

Finding: The District did not have a process to ensure compliance with suspension and debarment rules for vendors within the federal program until March 2023.

Clear Creek Amana Community School District

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

Criteria: The April 2023 Office of Management and Budget Compliance Supplement states the following for Compliance Requirements-Suspension and Debarment:

“Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. “Covered transactions” include contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220...When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity,...is not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the System for Award Management (SAM) Exclusions maintained by the General Services Administration (GSA) and available at SAM.gov/HOME, (2) collecting a certification from the entity or, (3) adding a clause or condition to the covered transaction with that entity.”

Condition: The District issues a request for proposal every four years to select milk and bread vendors. The request for proposal does not require the vendors responding to the request for goods over \$25,000 to provide a certificate of suspension and debarment. The District does not maintain documentation for a vendor search within the SAM database as an alternative test.

Cause: The District does not monitor compliance with suspension and debarment rules as established by the Office of Management and Budget.

Effect: The District does not have adequate documentation to ensure compliance with federal requirements regarding suspension and debarment. The District could enter into a transaction with a suspended or debarred party.

Questioned Costs: \$0

Context: The District expended approximately \$133,000 with the milk and bread vendors for fiscal year 2023. Total program non-payroll expenditures were over \$800,000.

Identification as a Repeat Finding: This is a repeat finding.

Recommendation: We recommend the District require bidders on contracts to provide certification regarding suspension and debarment with each request for proposal issued. We recommend the District require the certification to be provided to them and maintained by any vendor the District incurs \$25,000 or more in a federal program.

Response and Corrective Action Plan: Beginning in March 2023, the District received certification of suspension and debarment as outlined by the Office of Management and Budget and will request certification as part of the process for future bids. In spring 2023, the District joined the Area Education Agency purchasing program for the Child Nutrition Program.

Part IV: Other Findings Related to Statutory Reporting

IV-A-23

Certified Budget:

Finding: Expenditures for the year ended June 30, 2023 exceeded the certified budget for the instruction, noninstructional programs and other expenditures functions.

Recommendation: The certified budget should be amended in accordance with Chapter 24.9 of the Code of Iowa before expenditures are allowed to exceed the budget.

Clear Creek Amana Community School District

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

Response: The District will amend the budget, allowing a higher threshold for estimated expenditures, to comply with the certified budget requirements.

Conclusion: Response accepted.

IV-B-23

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-23

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

IV-D-23

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

IV-E-23

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

IV-F-23

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

IV-G-23

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

IV-H-23

Certified Enrollment:

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

Recommendation: We recommend the District review student 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-23

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

IV-J-23

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

IV-K-23

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

Clear Creek Amana Community School District

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

IV-L-23

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

IV-M-23

Statewide Sales and Services Tax: No instances of noncompliance with the use of the statewide sales and services tax revenue provisions of Chapter 423F.3 of the Code of Iowa were noted. Pursuant to Chapter 423F.5 of the Code of Iowa, the annual audit is required to include certain reporting elements related to the statewide sales and services tax revenue. Districts are required to include these reporting elements in the Certified Annual Report (CAR) submitted to the Iowa Department of Education. For the year ended June 30, 2023, the District reported the following information regarding the statewide sales and services tax revenue in the District's CAR:

Beginning balance		\$	3,054,056
Revenue / transfers in:			
Statewide sales and services tax revenue	\$	3,801,001	
Other		110,396	3,911,397
			<hr/>
Expenditures/transfers out:			
Facilities acquisition		536,612	
Transfers out		2,427,823	2,964,435
			<hr/>
Ending balance		\$	<u>4,001,018</u>

For the year ended June 30, 2023, the District did not reduce the tax as a result of the monies received under Chapter 423E or 423F of the Code of Iowa.

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Clear Creek Amana Community School District

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

Findings	Corrective Action Plan	Contact and Anticipated Date of Completion
Instance of noncompliance:		
2023-001: The District exceeded the authorized spending authority of the General Fund.	See Response and corrective action plan at 2023-001.	Lori Robertson June 30, 2024
Internal Control Deficiencies:		
Significant Deficiencies:		
2023-002: The District has insufficient segregation of duties over the payroll process.	See Response and corrective action plan at 2023-002.	Lori Robertson June 30, 2024
2023-003: The District has insufficient segregation of duties over the student activities receipts process.	See Response and corrective action plan at 2023-003.	Lori Robertson June 30, 2024
Findings and Questioned Costs For Federal Awards:		
Significant Deficiencies:		
2023-004: The District does not have a process to ensure compliance with suspension and debarment rules for vendors within the federal program.	See Response and corrective action plan at 2023-004.	Lori Robertson June 30, 2024
Other Findings Related to Statutory Reporting:		
IV-A-23: Expenditures for the year ended June 30, 2023 exceeded the certified budget for the instruction, noninstructional programs, and other expenditures functions.	See Response and corrective action plan at IV-A-23.	Lori Robertson June 30, 2024
IV-H-23: The District identified variances in certified enrollment submitted to the state in October 2022.	See Response and corrective action plan at IV-H-23.	Lori Robertson June 30, 2024