

**NORTH SCOTT
COMMUNITY
SCHOOL DISTRICT**

Eldridge, Iowa



**Annual Comprehensive
Financial Report
For The Fiscal Year
Ended June 30, 2021**

Annual Comprehensive Financial Report of the

North Scott Community School District
Eldridge, Iowa

For the Fiscal Year Ended June 30, 2021

Official Issuing Report
Jill Van Roekel – Director of Business Affairs

Office Issuing Report
Business Office

Notice

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

Erin Paysen, Equity Coordinator

*308 North Main Street
Donahue, Iowa 52746*

563-282-9627

INTRODUCTORY SECTION



North Scott
Community Schools

THIS PAGE INTENTIONALLY LEFT BLANK

Table of Contents

INTRODUCTORY SECTION (UNAUDITED)

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

FINANCIAL SECTION

Independent auditor's report	1 - 3
Management's discussion and analysis	4 - 15
Basic financial statements:	
Government-wide financial statements:	
Statement of net position	16 - 17
Statement of activities	18 - 19
Governmental fund financial statements:	
Balance sheet governmental funds	20
Reconciliation of the balance sheet – governmental funds to statement of net position	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 – governmental funds to the statement of activities	23
Proprietary fund financial statements:	
Statement of net position proprietary funds	24
Statement of revenues, expenses and changes in net position proprietary funds	25
Statement of cash flows proprietary funds	26 - 27
Fiduciary fund financial statements:	
Statement of fiduciary net position	28
Statement of revenues, expenses and changes in net position	29
Notes to basic financial statements	30 – 56
Required supplementary information:	
Budgetary comparison schedule of revenues, expenditures/expenses and Changes in balances – actual to budget – all governmental funds and enterprise funds	57 – 58
Schedule of changes in the District's total OPEB liability and related ratios	59
Iowa Public Employees' Retirement System:	
Schedule of the District's proportionate share of the net pension liability	60 – 61
Schedule of District contributions	62 – 63
Notes to required supplementary information	64 – 65
Other supplementary information:	
Nonmajor governmental funds:	
Combining balance sheet	66
Combining statement of revenues, expenditures and changes in fund balances	67
Capital projects fund:	
Schedule of combining balance sheet, by account	68
Combining schedule of revenues, expenditures and changes in fund balances, by account	69
Nonmajor enterprise funds:	
Combining statement of net position	70
Combining statement of revenues, expenses and changes in net position	71
Combining statement of cash flows	72 – 73

STATISTICAL SECTION (UNAUDITED)

Statistical section contents	74
Net position by component	75 – 76
Expenses, program revenues and net (expense) revenue	77 – 78
General revenues and total change in net position	79 – 80
Fund balances, governmental funds	81 – 82
Governmental funds revenues	83 – 84
Governmental funds expenditures and debt service ratio	85 – 86
Other financing sources and uses and net change in fund balances, governmental funds	87 – 88
Assessed value and actual value of taxable property	89
Direct and overlapping property tax rates	90 – 91
Principal property tax payers	92
Property tax levies and collections	93
Outstanding debt by type	94
Ratio of net bonded debt to assessed values	95
Ratio of annual debt service principal and interest for general bonded debt to total general expenditures	96
Legal debt margin information	97 – 98
Direct and overlapping governmental activities debt	99
Pledged revenue coverage	100
Demographic and economic statistics	101
Principal employers	102
Full-time equivalent district employees by type	103 – 104
Operating statistics	105 – 106
Free and reduced students	107
School building information	108 – 109
Capital asset information	110 – 111
Miscellaneous demographic statistics	112 – 117
Property values, construction and bank deposits	118
Enrollment by grade and certified enrollment	119 – 120
Schedule of insurance coverage	121 – 122
History of state aid payments	123
Local regular program budget vs. teacher settlements, new money	124
Average salary by education level	125 – 126
Total package settlement	127 – 128
Financial solvency ratio	129

COMPLIANCE SECTION

Schedule of expenditures of federal awards	130 – 131
Notes to schedule of expenditures of federal awards	132
Summary schedule of prior audit findings	133
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 <i>Government Auditing Standards</i>	134 – 135
Independent auditor's report on compliance for each major federal program and report on Internal control over compliance required by the Uniform Guidance	136 – 137
Schedule of findings and questioned costs	138 – 141
Corrective action plan	142



. . . . a commitment to the community.

V 2021

Mrs. Joni Dittmer, President
and Members of the Board of
Education and Citizens of
North Scott Community School District
Eldridge, Iowa

We are delighted to submit to you the Annual Comprehensive Financial Report, (ACFR) of the North Scott Community School District, (the "District") for the year ending June 30, 2021. This report has been prepared to conform to guidelines recommended by the Association of School Business Officials International and the Government Finance Officers Association of the United States and Canada.

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

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

Management Responsibility

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

Basis of Accounting and Accounting System

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

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

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

Profile of the Government

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

The combined financial statements include all funds, organizations, account groups, agencies, boards, commissions and other authorities. The District has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The criteria considered in determining financial accountability include appointing a voting majority of an organization's governing body, and 1) the ability of the District to impose its will on that organization or 2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the District.

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

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

Debt Administration

As of June 30, 2021 the District had \$9,700,910 of debt applicable to its legal debt margin. This amount is well below the District's bonding capacity of \$66,749,968.

Financial Policies

The District invests in only those securities allowed by the Code of Iowa, Chapter 12C. Because of the timing of the state aid payments, a portion of the available cash must be kept in very liquid accounts. To maximize investment return, the District invests in a bank Sweep Account with rates ranging from .75% down to .48%, a Savings Account with rate of .45%. Interest revenue of \$110,727 was earned on all cash and investments for the fiscal year ending June 30, 2021. This represents a decrease of \$349,614 or 76%. The decrease in revenue can be attributed to a drop in interest rates beginning in April 2020.

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

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

Budgeting

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

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

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

Enrollment Projections

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

A new law effective for the 2021-2022 school year prevents school Districts from using a voluntary diversity plan as a barrier to prevent families from enrolling into another District. It is projected this will increase open enrollment numbers into the District.

Long-term Financial Planning

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

Age of School Buildings

The District was incorporated in 1956. A high school was completed in 1958, followed by the construction of five elementary buildings and a Jr. High building between 1967 and 1976. Major building additions were completed on all seven educational buildings between 1998 and 2000. Major building additions and improvements took place during 2013-2017 at Edward White, Alan Shepard Elementary, John Glenn Elementary, the Jr. High and High School. In 2018-2019 the Lancer Athletic Building was completed, the High School kitchen, cafeteria and auditorium were remodeled. In 2019, a transportation facility was purchased. In 2020, a new indoor practice facility was completed. In 2021, the District began construction on the North Scott Community YMCA in conjunction with the City of Eldridge.

Major Initiatives and Achievements

The 2020-21 school year included unique, perpetuating challenges caused by the ongoing Covid-19 Pandemic. Despite the difficulties the year presented, we persevered. The following information highlights some of the accomplishments or major initiatives we are proud of despite our circumstances.

- The District developed and implemented our Return to Learn Plan based on criteria set forth by the Department of Education.
 - We provided multiple learning options for our families to allow flexibility throughout the school year. Online education was one of the options for students and families. Some of our District teachers were reassigned to the online teaching positions. Students and teachers used the Edgenuity platform for teaching and learning. We made a great effort to keep our online students and their families connected to our District.
 - We offered a 100% face-to-face model for students from the beginning of the school year. Physical classroom spaces were adapted to allow distancing among students. Teachers adapted their instructional techniques to be mindful of the health and safety of our students.
- As part of our Return to Learn Plan, we needed to be prepared to go online in the event we experienced another school closure. In an effort to be proactive and support our teachers, we also utilized the support of our Mississippi Bend Area Education Agency. Teachers received professional development in utilizing helpful technology tools including Google Classroom at the K-6 level, Flipgrid, and Google Meets for video conferencing.
- Professional development was focused on accelerating student learning and 'going back to basics.' We reinforced evidenced-based practices that could be used in a Covid conscience classroom and adapted for virtual education.
 - School administrators received professional development in the same evidenced based practices. We emphasized how to identify and coach the use of these strategies with walk-throughs and frequent contact with our teachers.
- Professional Learning Communities have been established District-wide and continued to be a focus for our staff to support student learning.
- We had several teachers participate in a grading pilot at the 7-12th grade level. The work of the pilot group is focused on utilizing evidenced-based grading practices. The goal is to ensure grading reflects students' learning of standards, is accurate, and consistent.

- The District began to prepare for the work of vertical alignment in all content areas. This work included the development of proficiency scales at the 7-12 level. The instructional leaders of the District also came together to begin mapping out the work of vertical alignment.
- We trained a K-6 instructional coach through St. Mary's college. We also trained two instructional coaches in Cognitive Coaching. We worked to build leadership capacity throughout our District by providing support to all teachers in leadership positions through our Teacher Leadership and Compensation system.
- Special education teachers and reading interventionists received ongoing training in the area of literacy instruction. We partnered with our Mississippi Bend AEA for this work.
- We continued to emphasize the development and implementation of our Talented and Gifted/Extended Learning Programming. Emphasis was placed on the consultation and collaboration role of our ELP/TAG teachers.
- We are proud of the expansive opportunities available to students within our CTE course offerings. Despite the challenges presented by the pandemic, participation in the CTE areas increased. In available competitions throughout the state and nation, our students performed quite well - especially within our ag program.

As evidenced above, District efforts are focused on supporting and increasing student learning. Listed below is information on student achievement for the 2020-21 school year.

- ISASP ELA Results:

3 rd grade – 64%	4 th grade – 80%	5 th grade – 73%
6 th grade – 85%	7 th grade – 77%	8 th grade – 87%
9 th grade – 87%	10 th grade – 86%	11 th grade – 85%

- ISASP Math Results:

3 rd grade – 83%	4 th grade – 74%	5 th grade – 75%
6 th grade – 78%	7 th grade – 73%	8 th grade – 77%
9 th grade – 79%	10 th grade – 74%	11 th grade – 76%

- The dropout rate of students in grades 9-12 in 2020 was 1.04% (latest data available).
- The 2020 graduation rate for the North Scott Community School District was 95.15% for four year graduates. This is the latest data available.
- The 2019 graduation rate for the North Scott Community School District was 98.2% for 5 year graduates. This is the latest data available.
- 86.96% of 2021 graduating seniors indicated they intended to pursue post-secondary education or training.

Economic Condition and Outlook

The District's General Fund Balance increased by \$157,660, and the Unassigned Fund Balance decreased by \$62,793. The overall General Fund Balance increase is due to a decrease in spending restricted funds, while the decrease in the Unassigned Fund Balance is due to increased costs for substitutes and supplies.

The District's solvency ratio for 2020-2021 is 21.95%, compared to 22.58%, in 2019-2020. It is recommended the District have a solvency ratio of no more than 25%.

Due to the coronavirus pandemic, the District is operating in a new era filled with uncertainty. Some financial shortfalls for the 2020-2021 through 2023-2024 fiscal years will be supplemented through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, other state funding sources and District savings. Rising costs of supplies, material and labor as well as a labor shortage will have an unknown impact on the District in future years.

The 2019 Legislative Session extended the SAVE (Secure Advanced Vision for Education) fund until January 1st, 2051. In 2020, the Board and community passed a voter-approved Public Education and Recreation Levy in support of a community YMCA. In 2021, the Board and community approved an extended Revenue Purpose Statement. In 2022, the District extended its Instructional Support Levy for an additional 5 years.

The Iowa school funding formula is a complex formula that is pupil driven and increasing total spending authority occurs by increasing the number of pupils or increasing the cost per pupil. Enrollment increased 1.4% from 3,029.62 in 2020-2021 to 3,070.99 in 2021-2022. The October 2021 certified count increased to 3,112.52. The cost per pupil for 2020-21 is \$7,048 and the cost per pupil for 2021-22 is \$7,227. The cost per pupil for 2022-23 is currently unknown.

During the 2021 Legislative session, Supplemental State Aid was set at 2.40 percent for 2021-2022. Continued low Supplemental State Aid makes balancing the budget challenging.

Independent Audit

The Code of the State of Iowa requires an annual audit of the District to be performed by an accounting firm selected in a competitively bid process. The annual audit meets the requirements of the Code of Iowa, generally accepted auditing standards and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The auditor's report on the general purpose financial statements and combining individual fund statements is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in a separate section for the internal controls and compliance.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting, and the Association of School Business Officials of the United States and Canada (ASBO) awarded a Certificate of Excellence in Financial Reporting to the North Scott Community School District for its annual comprehensive financial report for the fiscal year ended June 30, 2020. The North Scott Community School District received these awards for the first time for its fiscal year 1983 ASBO Annual Comprehensive Financial Report and the 1985 GFOA Certificate of Achievement for Excellence in Financial Reporting. In order to be awarded the Certificates, a governmental must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Other Matters

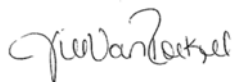
Also included in this report is a statistical section that will give the reader a better understanding of the school system with background and additional financial data. The background information includes the following:

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

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

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

Very truly yours,



Jill Van Roekel
Director of Business Affairs



Joe Stutting
Superintendent of Schools



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

North Scott Community School District

**for its Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2020.**

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



A handwritten signature in black ink, reading 'W. Edward Chabal'.

W. Edward Chabal
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**North Scott Community School District
Iowa**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

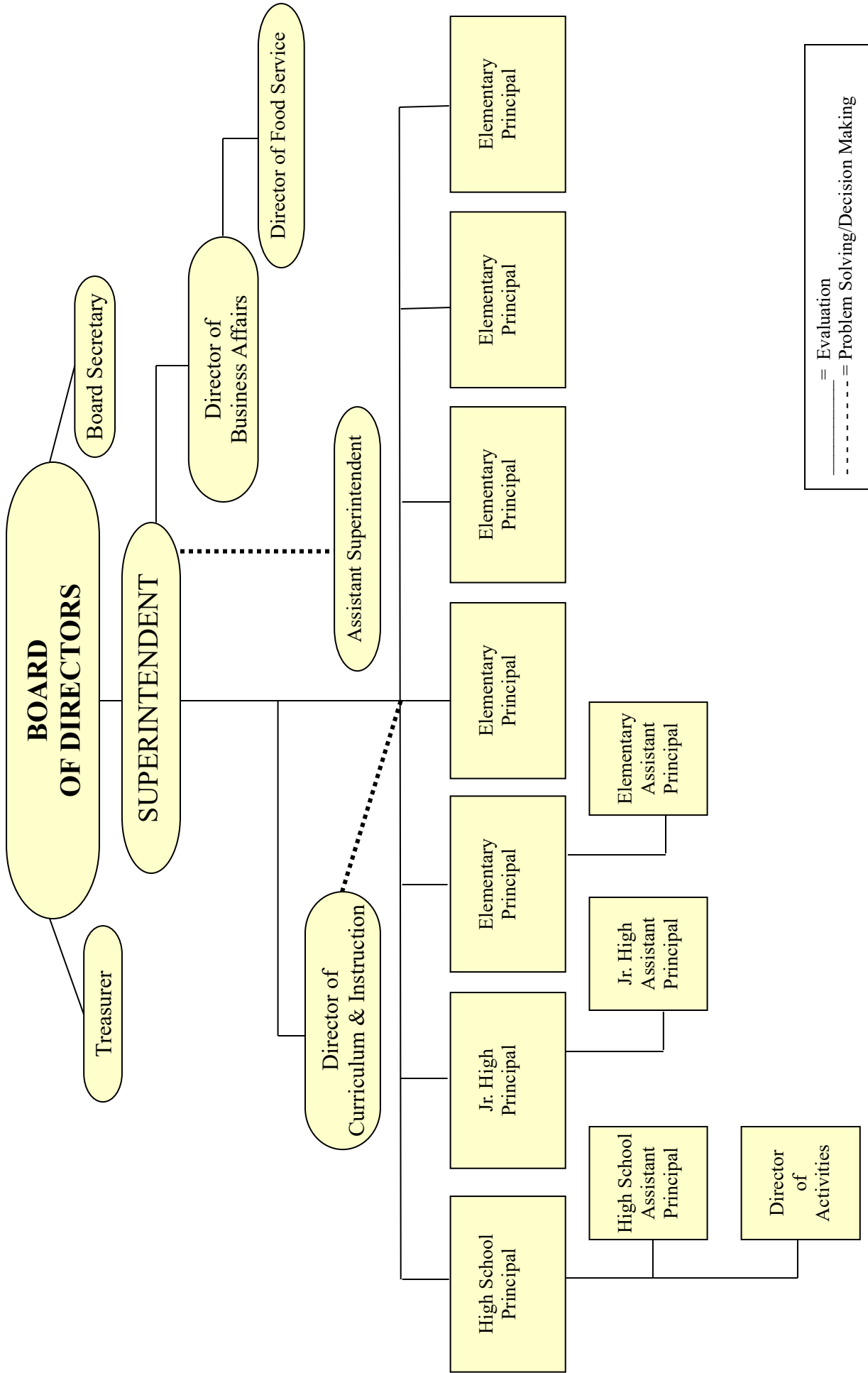
June 30, 2020

Christopher P. Morrell

Executive Director/CEO

NORTH SCOTT COMMUNITY SCHOOL DISTRICT

Organizational Chart



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

North Scott Community School District

Board of Education and School District Administration Year Ended June 30, 2021

Board of Education		
Prior November 2021:	Title	Term Expires
Joni Dittmer	President	2023
Tracy Lindaman	Vice President	2021
Molly Bergfeld	Director	2023
Glen Keppy	Director	2023
John Maxwell	Director	2023
Mark Pratt	Director	2021
Donn Wilmott	Director	2021
After November 2021:	Title	Term Expires
Joni Dittmer	President	2023
Tracy Lindaman	Vice President	2025
Molly Bergfeld	Director	2023
Glen Keppy	Director	2023
John Maxwell	Director	2023
Mark Pratt	Director	2025
Frank Wood	Director	2025

School District Administration	
Joe Stutting	Superintendent
Michael Kline	Assistant Superintendent
Terina Bruns	Board Secretary
Steven Fahrenkrog	Treasurer
Jill Van Roekel	Director of Business Affairs
Bernadette Brustkern	Director of Curriculum & Instruction
Amy Guerrero	Director of Food Service
Shane Knoche	Principal
John Hawley	Principal
Tim Green	Principal
Kyle Harris	Principal
Erin Paysen	Principal
Chad Ruth	Principal
Heather Shults-Hendricks	Principal
Dan Marceau	Associate Principal
Jason Schroeder	Associate Principal
Aaron Schwartz	Associate Principal
Stephanie Fahrenkrog	Associate Principal
Tim Riley	Associate Principal

North Scott Community School District

Consultants and Advisors

Year Ended June 30, 2021

Certified Public Accountants

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

Financial Consultants

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

Personnel Services

Lynch Dallas, PC
526 Second Avenue SE
Cedar Rapids, Iowa 52406

Official Depositories

US Bank
PO Box 940
Davenport, Iowa 52805-0940

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

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

Bond Attorneys

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

General Counsel

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

Insurance Consultants

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

Official Depositories

First Central State Bank
PO Box 119
DeWitt, Iowa 52742

The Education Liquidity Fund
1415 - 28th Street, Suite 200
West Des Moines, Iowa 50266

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



Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the North Scott Community School District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the North Scott Community School District, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the District's total OPEB liability and related ratios, budgetary comparison information, schedule of the District's proportionate share of the net pension liability for the pension retirement system and schedule of the District contributions for the pension retirement system on pages 4–15 and 57-65 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The other supplementary information, as listed in the table of contents, and 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*, and the other information, including the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information, as listed in the table of contents, and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2021, on our consideration of the 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 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 the District's internal control over financial reporting and compliance.

Bohnsack & Frommelt LLP

Moline, Illinois
November 19, 2021

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2021

North Scott Community School District provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2021. We encourage readers to consider this information in conjunction with the District's financial statements, which follow:

2021 FINANCIAL HIGHLIGHTS

- The District's overall financial position has increased from the prior year. The District showed an increase in net position of \$3,256,218 during the year ended June 30, 2021.
- Total revenues for the fiscal year ended June 30, 2021 and 2020 of \$45,365,127 and \$43,896,164 were comprised of general revenues in the amount of \$34,360,111 and \$34,094,155 and program revenues totaling \$11,005,016 and \$9,802,009, respectively.
- The District's General Fund balance increased by \$157,660, the unassigned fund balance decreased by \$62,793 and the nonspendable/restricted/assigned fund balance increased by \$220,453. The decrease in the unassigned fund balance is primarily due to the decrease in state appropriations.
- In fiscal year 2021 the District decreased long-term debt by \$1,040,000 and paid interest on long term debt of \$289,955.

USING THIS ANNUAL REPORT

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

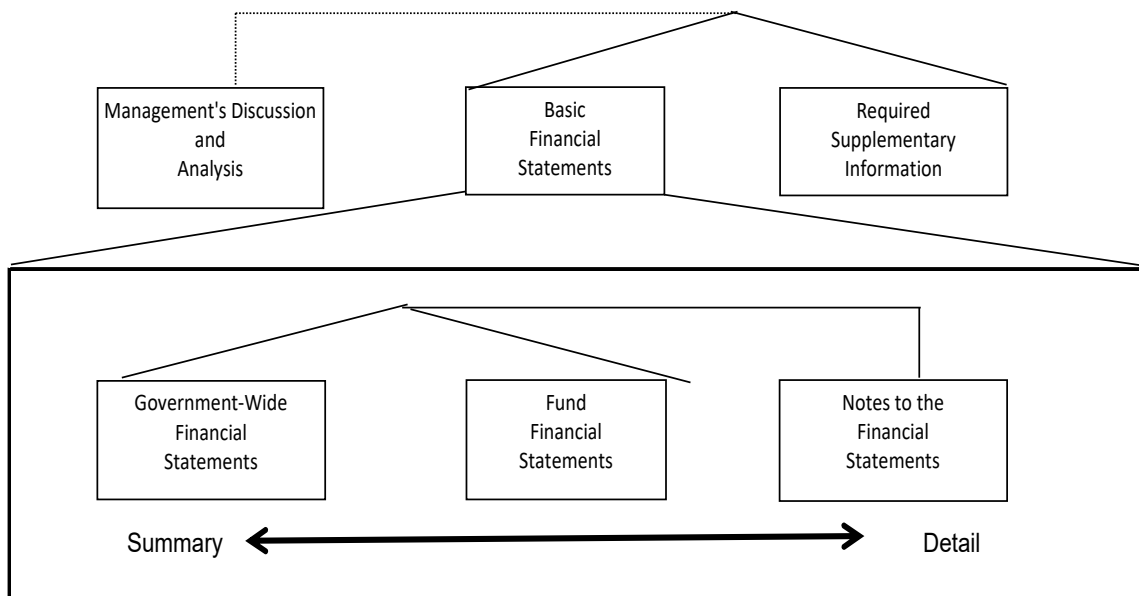
- Management's discussion and analysis introduces the basic financial statements and provides an analytical overview of the District's financial activities.
- The government-wide financial statements consist of a statement of net position and a statement of activities. These provide information about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

North Scott Community School District

**Management's Discussion and Analysis
Year Ended June 30, 2021**

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

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



North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2021

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

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

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2021

REPORTING THE DISTRICT'S FINANCIAL ACTIVITIES

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

The District has three kinds of funds:

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

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2021

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

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

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

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

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

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

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

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

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2021

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, 2021 compared to June 30, 2020.

Figure A-3 Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total District		Total
							Percentage
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	Change 2020-21
Current and other assets	\$ 46,098,434	\$ 43,113,445	\$ 2,029,074	\$ 1,701,122	\$ 48,127,508	\$ 44,814,567	7.4%
Capital assets	48,390,068	48,280,892	616,780	664,836	49,006,848	48,945,728	0.1%
Total assets	94,488,502	91,394,337	2,645,854	2,365,958	97,134,356	93,760,295	3.6%
Deferred outflows of resources	4,358,912	4,129,085	180,200	147,177	4,539,112	4,276,262	6.1%
Long-term liabilities	30,155,368	28,323,983	729,655	826,383	30,885,023	29,150,366	6.0%
Other liabilities	5,863,323	4,929,237	155,828	176,821	6,019,151	5,106,058	17.9%
Total liabilities	36,018,691	33,253,220	885,483	1,003,204	36,904,174	34,256,424	7.7%
Deferred inflows of resources	15,768,869	17,961,331	33,058	107,653	15,801,927	18,068,984	-12.5%
Net position:							
Net investment in capital assets	38,689,158	37,521,436	616,780	664,836	39,305,938	38,186,272	2.9%
Restricted	12,800,339	10,709,426	-	-	12,800,339	10,709,426	19.5%
Unrestricted	(4,429,643)	(3,921,991)	1,290,733	737,442	(3,138,910)	(3,184,549)	1.4%
Total net position	\$ 47,059,854	\$ 44,308,871	\$ 1,907,513	\$ 1,402,278	\$ 48,967,367	\$ 45,711,149	7.1%

The District's combined net position increased by 7.1 percent or \$3,256,218 from the prior year net position. The increase in net position was due primarily to an increase in capital assets and principal payments on long-term debt.

The net investment in capital assets (e.g., land, construction in progress, infrastructure, buildings and equipment), less the related debt increased \$1,119,666 or 2.9 percent. The District's capital assets increased by \$61,120. The District's capital related debt decreased \$1,040,000 from principal payments and \$18,546 from amortization of the premium on the revenue bonds.

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 \$2,090,913 from the prior year, primarily from an increase in restrictions for categorical funding and the 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 \$3,184,549 to a deficit of \$3,138,910. The deficit in unrestricted net position is due to the net pension liability and the net OPEB liability.

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2021

Figure A-4 shows the changes in net position for the year ended June 30, 2021 compared to June 30, 2020.

Figure A-4 Changes in Net Position From Operating Results

	Governmental Activities		Business-Type Activities		Total District		Total
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	Percentage Change 2020-21
Revenues:							
Program revenues:							
Charges for services	\$ 1,954,950	\$ 2,017,269	\$ 406,477	\$ 1,015,322	\$ 2,361,427	\$ 3,032,591	-22.1%
Operating grants and contributions and restricted interest	6,212,149	5,268,541	2,065,336	1,243,865	8,277,485	6,512,406	27.1%
Capital grants	366,104	257,012	-	-	366,104	257,012	0.0%
General revenues:							
Local tax	19,160,072	18,656,447	-	-	19,160,072	18,656,447	2.7%
Unrestricted state and federal revenues	14,915,773	14,954,654	-	-	14,915,773	14,954,654	-0.3%
Other	103,963	450,655	180,303	32,399	284,266	483,054	-41.2%
Total revenues	42,713,011	41,604,578	2,652,116	2,291,586	45,365,127	43,896,164	3.3%
Program expenses:							
Governmental activities:							
Instruction	25,314,545	24,599,296	-	-	25,314,545	24,599,296	2.9%
Support services	13,043,994	12,385,279	-	-	13,043,994	12,385,279	5.3%
Noninstructional	16,154	15,033	-	-	16,154	15,033	7.5%
Other expenditures	1,641,620	1,692,472	-	-	1,641,620	1,692,472	-3.0%
Nutrition services	-	-	1,771,980	1,713,827	1,771,980	1,713,827	3.4%
Child care services	-	-	319,441	339,628	319,441	339,628	-5.9%
Student construction	-	-	1,175	5,315	1,175	5,315	100.0%
Total expenses	40,016,313	38,692,080	2,092,596	2,058,770	42,108,909	40,750,850	3.3%
Excess of revenues over expenses before transfers	2,696,698	2,912,498	559,520	232,816	3,256,218	3,145,314	3.5%
Transfers	54,285	(195,876)	(54,285)	195,876	-	-	0.0%
Change in net position	2,750,983	2,716,622	505,235	428,692	3,256,218	3,145,314	3.5%
Beginning net position	44,308,871	41,592,249	1,402,278	973,586	45,711,149	42,565,835	7.4%
Ending net position	\$ 47,059,854	\$ 44,308,871	\$ 1,907,513	\$ 1,402,278	\$ 48,967,367	\$ 45,711,149	7.1%

Governmental activities:

Local tax and unrestricted state grants account for 79.7 percent of the total governmental activities revenue. The District's expenses primarily relate to instructional and support services which account for 95.8 percent of the total governmental activities expenses.

The increase in total revenue is primarily due to the increase in local taxes, and the federal funds received due to COVID-19.

Total expenses for governmental activities increased by \$1,324,233. The increase is primarily reflected in instruction and support services due to increases in wages and expenses related to pension and other postemployment benefits.

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2021

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			Net Cost of Services		
			Percentage			Percentage
	June 30, 2021	June 30, 2020	Change	June 30, 2021	June 30, 2020	Change
Instruction	\$ 25,314,545	\$ 24,599,296	2.83%	\$ 18,379,723	\$ 18,729,056	-1.9%
Support services	13,043,994	12,385,279	5.05%	12,816,724	12,083,197	6.1%
Noninstructional	16,154	15,033	6.94%	16,154	15,033	7.5%
Other expenses	1,641,620	1,692,472	-3.10%	270,509	321,972	-16.0%
Total	\$ 40,016,313	\$ 38,692,080	3.31%	\$ 31,483,110	\$ 31,149,258	1.1%

The cost financed by users of the District's programs for the year ended June 30, 2021 was \$1,954,950 compared to year ended June 30, 2020 \$2,017,269.

Federal and state governments subsidized certain programs with grants and contributions totaling \$6,578,253 for the year ended June 30, 2021 compared to year ended June 30, 2020 \$5,525,553.

The net cost of governmental activities was financed respectively for the years ended June 30, 2021 and 2020 with \$19,160,072 and \$18,656,447 in property tax, income surtax and statewide sales, services and use tax, \$14,915,773 and \$14,954,654 in unrestricted state and federal revenue, \$103,963 and \$446,073 in unrestricted investment earnings and other general revenues.

Business-Type Activities

Revenues of the District's business-type activities were \$2,652,116 and expenses were \$2,092,596. The District's business-type activities include the School Nutrition Fund, and the nonmajor Child Care Fund and the nonmajor Student Construction Fund. Revenues of these activities were comprised of charges for service, federal and state reimbursements, and investment income.

The School Nutrition Fund revenues increased due to COVID-19 and participation in the Summer Food Service Program. Operating expenses reflected an increase of \$57,720 over 2020. After nonoperating revenues and expenses, which include federal nutrition grants and a transfer to the General Fund, the School Nutrition Fund increased net position by \$370,413.

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2021

INDIVIDUAL FUND ANALYSIS

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

The financial performance of the District is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported combined fund balances of \$20,552,668; an increase of \$1,979,861 from last year's ending fund balances of \$18,572,807. The District spent \$2,099,588 for facilities acquisition in 2021 compared to \$2,554,345 in 2020.

Governmental Fund Highlights

The District's General Fund financial position increased by \$157,660. The District's General Fund revenues of \$35,294,988 reflect a \$427,397 increase from prior year revenue of \$34,867,591. The increase is primarily due to an increase in federal funding. Expenditures reflected an increase from \$34,022,343 in 2020 to \$35,149,950 in 2021.

The General Fund balance increased from \$8,902,862 to \$9,060,522.

The Capital Projects Fund balance increased from \$6,497,865 in fiscal year 2020 to \$7,564,461 in fiscal year 2021. The District expended \$2,099,588 for facilities purchases and improvements in 2021 compared to \$2,554,345 in 2020. In addition, the Capital Projects Fund transferred \$1,330,955 to the Debt Service Fund for payment of principal and interest on the District's revenue bonds.

Proprietary Fund Highlights

Enterprise funds net position increased from \$1,402,278 in 2020 to \$1,907,513 in 2021. The School Nutrition Fund net position increased from \$1,021,898 in 2020 to \$1,392,311 in fiscal 2021. The net pension liability for the proprietary funds as of June 30, 2021 was \$680,067.

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2021

BUDGETARY HIGHLIGHTS

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

The District had one budget amendment on May 12, 2021, which increased overall expenditures by \$2,502,312.

The District's total actual revenues were \$975,028 more than the total budgeted revenues due to receiving more in federal funding, a variance of 2.2%.

Total expenditures were less than budgeted by \$3,020,630.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2021, the District had invested \$49,006,848, net of accumulated depreciation, in a broad range of capital assets, including land, buildings, athletic facilities, computers, audio-visual equipment and transportation equipment. See Figure A-6. This amount represents a net increase of \$61,120 from last year. More detailed information about capital assets is available in Note 6 for the financial statements. Depreciation expense for the year was \$1,997,538.

The original cost of the District's capital assets was \$89,258,107. Governmental funds account for \$87,934,717 with the remainder of \$1,323,390 the proprietary school nutrition fund.

Figure A-6 Capital Assets (Net of Depreciation)

							Total
	Governmental Activities		Business-Type Activities		Total District		Percentage
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	Change 2020-21
Land and construction in progress	\$ 2,796,541	\$ 3,325,899	\$ -	\$ -	\$ 2,796,541	\$ 3,325,899	-15.9%
Buildings	40,532,782	39,894,127	-	-	40,532,782	39,894,127	1.6%
Land improvements	2,151,380	1,727,685	-	-	2,151,380	1,727,685	24.5%
Machinery and equipment	2,909,365	3,333,181	616,780	664,836	3,526,145	3,998,017	-11.8%
Total	\$ 48,390,068	\$ 48,280,892	\$ 616,780	\$ 664,836	\$ 49,006,848	\$ 48,945,728	0.1%

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2021

Long-Term Debt

As of June 30, 2021, the District had \$30,885,023 in long-term obligations outstanding. See Figure A-7.

Figure A-7 Outstanding Long-Term Obligations

	Governmental Activities		Business-Type Activities		Total District		Total Percentage Change
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	2020-21
Revenue bonds	\$ 9,700,910	\$ 10,759,456	\$ -	\$ -	\$ 9,700,910	\$ 10,759,456	-10.9%
Line of credit	-	-	-	250,000	-	250,000	100.0%
Early retirement	196,544	396,646	-	-	196,544	396,646	-101.8%
Compensated absences	114,460	116,210	6,652	6,750	121,112	122,960	-1.5%
Net OPEB liability	1,481,292	1,335,398	42,936	38,424	1,524,228	1,373,822	10.9%
Net pension liability	18,662,162	15,716,273	680,067	531,209	19,342,229	16,247,482	19.0%
Total	\$ 30,155,368	\$ 28,323,983	\$ 729,655	\$ 826,383	\$ 30,885,023	\$ 29,150,366	6.0%

More detailed information about the District's long-term liabilities is available in Note 7 to the financial statements.

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

In September 2019, the District obtained a \$250,000 line of credit to construct student built spec homes on property located at 106 Muhs Circle, Eldridge, Iowa. The note was collateralized by the property, and matured on September 24, 2020.

The District also had compensated absences payable of \$121,112 as of June 30, 2021, which will be paid primarily out of the General Fund.

North Scott Community School District

Management's Discussion and Analysis Year Ended June 30, 2021

ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE

The economic condition and outlook of the District have remained consistent during the last 10 years. Certified enrollment has ranged from 2,948.9 to 3,078.2 and the District's taxable valuation has increased on average just over 4% per year. The Iowa Legislature set the funding growth rate for 2021-2022 at 2.4% and the funding growth rate for 2022-2023 is currently unknown.

The Iowa school funding formula is a complex formula that is pupil driven and increasing total spending authority occurs by increasing the number of pupils or increasing the cost per pupil. Enrollment increased 1.4% from 3,029.62 in 2020-2021 to 3,070.99 in 2021-2022. The October 2021 certified count increased to 3,112.52. The cost per pupil for 2020-21 is \$7,048 and the cost per pupil for 2021-22 is \$7,227. The cost per pupil for 2022-23 is currently unknown.

Due to the coronavirus pandemic, the District is operating in a new era filled with uncertainty. Some financial shortfalls for the 2020-2021 through 2023-2024 fiscal years will be supplemented through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, other state funding sources and District savings. Rising costs of supplies, material and labor as well as a labor shortage will have an unknown impact on the District in future years.

The 2019 Legislative Session extended the SAVE (Secure Advanced Vision for Education) fund until January 1st, 2051. In 2020, the Board and community passed a voter-approved Public Education and Recreation Levy in support of a community YMCA. In 2021, the Board and community approved an extended Revenue Purpose Statement. In 2022, the District extended its Instructional Support Levy for an additional 5 years.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

Statement of Net Position

June 30, 2021

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and pooled investments	\$ 27,384,791	\$ 1,853,442	\$ 29,238,233
Restricted cash equivalents	1,382,449	-	1,382,449
Receivables:			
Property tax:			
Delinquent	114,159	-	114,159
Succeeding year	14,750,107	-	14,750,107
Income surtax	237,950	-	237,950
Accounts	94,341	138,196	232,537
Due from other governments	1,692,658	-	1,692,658
Inventories	69,382	36,220	105,602
Prepaid expenses	372,597	1,216	373,813
Capital assets:			
Capital assets not being depreciated:			
Land and construction in progress	2,796,541	-	2,796,541
Capital assets being depreciated, net of accumulated depreciation:			
Buildings	40,532,782	-	40,532,782
Land improvements	2,151,380	-	2,151,380
Machinery and equipment	2,909,365	616,780	3,526,145
Total capital assets	48,390,068	616,780	49,006,848
Total assets	94,488,502	2,645,854	97,134,356
Deferred Outflows of Resources:			
OPEB related deferred outflows	312,326	9,510	321,836
Pension related deferred outflows	4,046,586	170,690	4,217,276
Total deferred outflows of resources	4,358,912	180,200	4,539,112

See Notes to Basic Financial Statements.

	Governmental Activities	Business-Type Activities	Total
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities:			
Accounts payable	1,781,881	50,114	1,831,995
Salaries and benefits payable	3,481,379	14,591	3,495,970
Claims payable	578,000	-	578,000
Accrued interest	22,063	-	22,063
Deposits	-	91,123	91,123
Noncurrent liabilities:			
Portion due within one year:			
Compensated absences	114,460	6,652	121,112
Early retirement	98,272	-	98,272
Revenue bonds	1,070,000	-	1,070,000
Portion due after one year:			
Early retirement	98,272	-	98,272
Revenue bonds	8,630,910	-	8,630,910
Net OPEB liability	1,481,292	42,936	1,524,228
Net pension liability	18,662,162	680,067	19,342,229
Total liabilities	36,018,691	885,483	36,904,174
Deferred inflows of resources, deferred revenue:			
Succeeding year property tax	14,750,107	-	14,750,107
OPEB related deferred inflows	244,806	7,449	252,255
Pension related deferred inflows	773,956	25,609	799,565
Total deferred inflows of resources	15,768,869	33,058	15,801,927
Net Position:			
Net investment in capital assets	38,689,158	616,780	39,305,938
Restricted for:			
Categorical funding	1,202,986	-	1,202,986
Debt service	1,555,175	-	1,555,175
School infrastructure	3,939,849	-	3,939,849
Management levy	2,863,226	-	2,863,226
Physical plant and equipment levy	2,635,870	-	2,635,870
Public education and recreation	171,194	-	171,194
Student activities	432,039	-	432,039
Unrestricted	(4,429,643)	1,290,733	(3,138,910)
Total net position	\$ 47,059,854	\$ 1,907,513	\$ 48,967,367

North Scott Community School District

**Statement of Activities
Year Ended June 30, 2021**

	Functions/Programs	Expenses
Governmental activities:		
Instruction:		
Regular		\$ 16,512,955
Special		3,949,960
Other		4,851,630
		<u>25,314,545</u>
Support services:		
Student		1,663,594
Instructional staff		2,730,931
Administration		3,804,089
Operation of plant		3,416,075
Transportation		1,429,305
		<u>13,043,994</u>
Noninstructional programs		<u>16,154</u>
Other:		
AEA flowthrough		1,371,111
Interest		270,509
		<u>1,641,620</u>
Total governmental activities		<u><u>40,016,313</u></u>
Business-type activities:		
Nutrition services		1,771,980
Child care services		319,441
Student construction		1,175
Total business-type activities		<u>2,092,596</u>
Total		<u><u>\$ 42,108,909</u></u>
General revenues and transfers:		
General revenues:		
Property tax levied for:		
General purposes		
Capital outlay		
Other		
Unrestricted intergovernmental revenues		
Unrestricted state and federal grants		
Unrestricted investment earnings		
Other		
Transfers		
Total general revenues and transfers		
Change in net position		
Net position, beginning of year		
Net position, end of year		

See Notes to Basic Financial Statements.

Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Charges for Services	Operating Grants, Contributions and Restricted Interest	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
\$ 1,237,441	\$ 3,681,049	\$ 79,120	\$ (11,515,345)	\$ -	\$ (11,515,345)
324,702	532,556	-	(3,092,702)	-	(3,092,702)
211,592	581,378	286,984	(3,771,676)	-	(3,771,676)
1,773,735	4,794,983	366,104	(18,379,723)	-	(18,379,723)
4,287	26,293	-	(1,633,014)	-	(1,633,014)
12,369	312	-	(2,718,250)	-	(2,718,250)
5,450	6,729	-	(3,791,910)	-	(3,791,910)
159,109	-	-	(3,256,966)	-	(3,256,966)
-	12,721	-	(1,416,584)	-	(1,416,584)
181,215	46,055	-	(12,816,724)	-	(12,816,724)
-	-	-	(16,154)	-	(16,154)
-	1,371,111	-	-	-	-
-	-	-	(270,509)	-	(270,509)
-	1,371,111	-	(270,509)	-	(270,509)
1,954,950	6,212,149	366,104	(31,483,110)	-	(31,483,110)
230,382	1,956,439	-	-	414,841	414,841
176,095	108,897	-	-	(34,449)	(34,449)
-	-	-	-	(1,175)	(1,175)
406,477	2,065,336	-	-	379,217	379,217
\$ 2,361,427	\$ 8,277,485	\$ 366,104	(31,483,110)	379,217	(31,103,893)

11,882,922	-	11,882,922
1,718,719	-	1,718,719
1,249,884	-	1,249,884
4,308,547	-	4,308,547
14,915,773	-	14,915,773
103,963	6,764	110,727
-	173,539	173,539
54,285	(54,285)	-
34,234,093	126,018	34,360,111
2,750,983	505,235	3,256,218
44,308,871	1,402,278	45,711,149
\$ 47,059,854	\$ 1,907,513	\$ 48,967,367

North Scott Community School District

**Balance Sheet
Governmental Funds
June 30, 2021**

	General	Capital Projects	Nonmajor Governmental Funds	Total
Assets				
Cash and pooled investments	\$ 11,879,551	\$ 7,026,985	\$ 3,675,475	\$ 22,582,011
Restricted cash equivalents	-	1,382,449	-	1,382,449
Receivables:				
Property tax:				
Delinquent	91,569	12,939	9,651	114,159
Succeeding year	12,294,263	1,788,626	667,218	14,750,107
Income surtax	237,950	-	-	237,950
Accounts	38,505	-	320	38,825
Due from other governments	1,004,138	688,461	59	1,692,658
Inventories	69,382	-	-	69,382
Prepaid items	41,651	41,469	288,500	371,620
Total assets	\$ 25,657,009	\$ 10,940,929	\$ 4,641,223	\$ 41,239,161
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 595,123	\$ 1,152,666	\$ 34,092	\$ 1,781,881
Accrued liabilities	3,469,151	-	12,228	3,481,379
Total liabilities	4,064,274	1,152,666	46,320	5,263,260
Deferred inflows of resources, unavailable revenue:				
Succeeding year property tax	12,294,263	1,788,626	667,218	14,750,107
Income surtax	237,950	-	-	237,950
Statewide sales and services tax	-	435,176	-	435,176
Total deferred inflows of resources	12,532,213	2,223,802	667,218	15,423,233
Fund balances:				
Nonspendable:				
Inventories	69,382	-	-	69,382
Prepaid items	41,651	41,469	288,500	371,620
Restricted for:				
Categorical funding	1,202,986	-	-	1,202,986
Debt service	-	1,382,449	172,726	1,555,175
Management levy purposes	-	-	2,863,226	2,863,226
Student activities	-	-	432,039	432,039
School infrastructure	-	3,504,673	-	3,504,673
Physical plant and equipment levy	-	2,635,870	-	2,635,870
Public education and recreation	-	-	171,194	171,194
Assigned for special purposes	509,925	-	-	509,925
Unassigned	7,236,578	-	-	7,236,578
Total fund balances	9,060,522	7,564,461	3,927,685	20,552,668
Total liabilities, deferred inflows of resources and fund balances	\$ 25,657,009	\$ 10,940,929	\$ 4,641,223	\$ 41,239,161

See Notes to Basic Financial Statements.

North Scott Community School District

**Reconciliation of the Balance Sheet -
Governmental Funds to the Statement of Net Position
June 30, 2021**

Total fund balances of governmental funds	\$ 20,552,668
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.	48,390,068
The Internal Service Fund is used to charge costs of the District's self-funded insurance plan to the governmental funds. The net position of the Internal Service Fund is therefore included under governmental activities.	4,281,273
Other assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	673,126
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	312,326
OPEB related deferred inflows of resources	(244,806)
Pension related deferred outflows of resources	4,046,586
Pension related deferred inflows of resources	(773,956)
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	(1,070,000)
Revenue bonds, noncurrent	(8,480,000)
Premium on revenue bonds	(150,910)
Accrued interest	(22,063)
Early retirement	(196,544)
Compensated absences, current	(114,460)
Net OPEB liability	(1,481,292)
Net pension liability	(18,662,162)
Net position of governmental activities	\$ 47,059,854

See Notes to Basic Financial Statements.

North Scott Community School District

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2021

	General	Capital Projects	Nonmajor Governmental Funds	Total
Revenues:				
Local sources:				
Local tax	\$ 12,320,234	\$ 1,746,986	\$ 1,272,526	\$ 15,339,746
Tuition	1,421,155	-	-	1,421,155
Other	340,816	504,380	448,523	1,293,719
State appropriations	19,585,120	3,075,894	39,820	22,700,834
Federal appropriations	1,627,663	-	-	1,627,663
Total revenues	35,294,988	5,327,260	1,760,869	42,383,117
Expenditures:				
Current:				
Instruction:				
Regular	15,078,022	-	169,459	15,247,481
Special	3,976,949	-	-	3,976,949
Other	4,073,670	-	436,313	4,509,983
	23,128,641	-	605,772	23,734,413
Support services:				
Student	1,588,961	-	33,594	1,622,555
Instructional staff	2,164,878	487,465	31,362	2,683,705
Administration	3,218,976	334,412	86,164	3,639,552
Operation and maintenance of plant	2,713,201	14,874	209,792	2,937,867
Transportation	961,231	10,143	50,067	1,021,441
	10,647,247	846,894	410,979	11,905,120
Noninstructional programs	2,951	-	13,203	16,154
Other expenditures:				
Capital outlay facilities acquisition	-	2,099,588	-	2,099,588
Current, AEA flowthrough	1,371,111	-	-	1,371,111
Debt service:				
Principal	-	-	1,040,000	1,040,000
Interest and fiscal fees	-	-	291,155	291,155
	1,371,111	2,099,588	1,331,155	4,801,854
Total expenditures	35,149,950	2,946,482	2,361,109	40,457,541
Excess (deficiency) of revenues over (under) expenditures	145,038	2,380,778	(600,240)	1,925,576
Other financing sources (uses):				
Transfers in	54,285	16,773	1,355,845	1,426,903
Transfers out	(41,663)	(1,330,955)	-	(1,372,618)
Total other financing sources (uses)	12,622	(1,314,182)	1,355,845	54,285
Net change in fund balances	157,660	1,066,596	755,605	1,979,861
Fund balances, beginning of year	8,902,862	6,497,865	3,172,080	18,572,807
Fund balances, end of year	\$ 9,060,522	\$ 7,564,461	\$ 3,927,685	\$ 20,552,668

See Notes to Basic Financial Statements.

North Scott Community School District

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities Year Ended June, 30 2021

Net change in fund balances - total governmental funds	\$	1,979,861
--	----	-----------

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	\$	2,016,383	
Depreciation expense		<u>(1,907,207)</u>	109,176

The increase in net position of the Internal Service Fund represents an overcharge to the governmental funds and is incorporated into the change in net position of governmental activities.	25,392
--	--------

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	305,984
---	---------

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 revenue bonds	1,040,000
Amortization of premium on issuance of revenue bonds	18,546
Interest expense	2,100

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:

Early retirement	200,102
Compensated absences	1,750
Net OPEB liability	(68,315)
Pension expense	<u>(863,613)</u>

Change in net position of governmental activities	\$	<u>2,750,983</u>
--	-----------	-------------------------

See Notes to Basic Financial Statements.

North Scott Community School District

Statement of Net Position
Proprietary Funds
June 30, 2021

	Business-Type Activities, Enterprise Funds			Governmental Activities, Internal Service Fund
	School Nutrition	Nonmajor Enterprise Funds	Total	
Assets				
Current assets:				
Cash and pooled investments	\$ 1,161,117	\$ 692,325	\$ 1,853,442	\$ 4,802,780
Receivables, accounts	132,953	5,243	138,196	55,516
Inventories	36,220	-	36,220	-
Prepaid expenses	575	641	1,216	977
Total current assets	1,330,865	698,209	2,029,074	4,859,273
Noncurrent assets:				
Capital assets being depreciated, net of accumulated depreciation:				
Machinery and equipment	616,780	-	616,780	-
Total noncurrent assets	616,780	-	616,780	-
Total assets	1,947,645	698,209	2,645,854	4,859,273
Deferred Outflows of Resources:				
OPEB related deferred outflows	6,773	2,737	9,510	-
Pension related deferred outflows	116,547	54,143	170,690	-
Total deferred outflows of resources	123,320	56,880	180,200	-
Liabilities				
Current liabilities:				
Accounts payable	44,375	5,739	50,114	-
Salaries and benefits payable	7,126	7,465	14,591	-
Claims payable	-	-	-	578,000
Deposits	91,123	-	91,123	-
Compensated absences	1,528	5,124	6,652	-
Total current liabilities	144,152	18,328	162,480	578,000
Noncurrent liabilities:				
Net OPEB liability	36,995	5,941	42,936	-
Net pension liability	474,737	205,330	680,067	-
Total noncurrent liabilities	511,732	211,271	723,003	-
Total liabilities	655,884	229,599	885,483	578,000
Deferred Inflows of Resources:				
OPEB related deferred inflows	5,323	2,126	7,449	-
Pension related deferred inflows	17,447	8,162	25,609	-
Total deferred inflows of resources	22,770	10,288	33,058	-
Net Position				
Investment in capital assets	616,780	-	616,780	-
Unrestricted	775,531	515,202	1,290,733	4,281,273
Total net position	\$ 1,392,311	\$ 515,202	\$ 1,907,513	\$ 4,281,273

See Notes to Basic Financial Statements.

North Scott Community School District

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Funds

Year Ended June 30, 2021

	Business-Type Activities, Enterprise Funds			Governmental Activities, Internal Service Fund
	School Nutrition	Nonmajor Enterprise Funds	Total	
Operating revenues:				
Local sources:				
Charges for service	\$ 230,382	\$ 176,095	\$ 406,477	\$ 5,336,510
Miscellaneous	5,123	168,416	173,539	-
Total operating revenues	235,505	344,511	580,016	5,336,510
Operating expenses:				
Support services:				
Administration:				
Salaries	84,998	-	84,998	-
Benefits	36,016	-	36,016	-
Services	3,095	2,970	6,065	5,335,028
Other	13,460	-	13,460	-
Operation and maintenance of plant	-	40	40	-
Transportation:				
Salaries	-	188	188	-
Benefits	-	32	32	-
Noninstructional programs:				
Salaries	439,071	216,365	655,436	-
Benefits	179,643	66,835	246,478	-
Services	622	-	622	-
Supplies	924,311	31,671	955,982	-
Other	-	1,340	1,340	-
Depreciation	90,331	-	90,331	-
Total operating expenses	1,771,547	319,441	2,090,988	5,335,028
Operating income (loss)	(1,536,042)	25,070	(1,510,972)	1,482
Nonoperating revenues (expenses):				
State sources	12,867	-	12,867	-
Federal sources	1,943,572	108,897	2,052,469	-
Interest on investments	4,734	2,030	6,764	23,910
Interest expense	-	(1,175)	(1,175)	-
Loss on disposal of capital asset	(433)	-	(433)	-
Total nonoperating revenues (expenses)	1,960,740	109,752	2,070,492	23,910
Income before transfers	424,698	134,822	559,520	25,392
Transfers (out)	(54,285)	-	(54,285)	-
Change in net position	370,413	134,822	505,235	25,392
Net position, beginning of year	1,021,898	380,380	1,402,278	4,255,881
Net position, end of year	\$ 1,392,311	\$ 515,202	\$ 1,907,513	\$ 4,281,273

See Notes to Basic Financial Statements.

North Scott Community School District

**Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2021**

	Business-Type Activities, Enterprise Fund			Governmental Activities, Internal Service Fund
	School Nutrition	Nonmajor Enterprise Funds	Total	
Cash flows from operating activities:				
Cash received from:				
Charges for services	\$ 287,875	\$ 169,249	\$ 457,124	\$ -
Miscellaneous services	5,123	9,769	14,892	5,316,546
Proceeds from sale of student construction home	-	383,738	383,738	-
Cash payments to:				
Employees for services	(709,538)	(267,433)	(976,971)	-
Suppliers for goods and services	(695,117)	(58,675)	(753,792)	(5,258,005)
Net cash provided by (used in) operating activities	(1,111,657)	236,648	(875,009)	58,541
Cash flows from noncapital financing activities:				
Transfers out	(54,285)	-	(54,285)	-
Principal paid on loan payable	-	(250,000)	(250,000)	-
Interest paid on loan payable	-	(6,490)	(6,490)	-
State grants received	12,867	-	12,867	-
Federal grants received	1,730,747	108,897	1,839,644	-
Net cash provided by (used in) noncapital financing activities	1,689,329	(147,593)	1,541,736	-
Cash flows from capital financing activities and related activities, Acquisition of capital assets	(42,708)	-	(42,708)	-
Cash flows from investing activities, interest on investments	4,734	2,030	6,764	23,910
Net increase in cash and cash equivalents	539,698	91,085	630,783	82,451
Cash and cash equivalents:				
Beginning of year	621,419	601,240	1,222,659	4,720,329
End of year	\$ 1,161,117	\$ 692,325	\$ 1,853,442	\$ 4,802,780

(Continued)

North Scott Community School District

Statement of Cash Flows (Continued)

Proprietary Funds

Year Ended June 30, 2021

	Business-Type Activities, Enterprise Funds			Governmental
	School	Nonmajor		Activities,
	Nutrition	Enterprise	Total	Internal
		Funds		Service Fund
Reconciliation of operating income				
(loss) to net cash provided by				
(used in) operating activities:				
Operating income (loss)	\$ (1,536,042)	\$ 25,070	\$ (1,510,972)	\$ 1,482
Adjustments to reconcile operating				
income (loss) to net cash provided				
by (used in) operating activities:				
Commodities consumed	212,825	-	212,825	-
Depreciation	90,331	-	90,331	-
(Increase) decrease in:				
Inventories	22,831	-	22,831	-
Accounts receivable	57,441	(2,346)	55,095	(19,964)
Prepaid expenses	(25)	(161)	(186)	23
Assets held for sale	-	225,091	225,091	-
Increase (decrease) in:				
Accounts payable	10,740	(22,493)	(11,753)	77,000
Salaries and benefits payable	(983)	1,506	523	-
Net OPEB benefits	1,409	704	2,113	-
Net pension liability	29,577	14,062	43,639	-
Compensated absences payable	187	(285)	(98)	-
Deposits	52	(4,500)	(4,448)	-
Net cash provided by				
(used in) operating				
activities	\$ (1,111,657)	\$ 236,648	\$ (875,009)	\$ 58,541
Noncash investing, capital and				
financing activities:				
Federal commodities	\$ 212,825	\$ -	\$ 212,825	\$ -

See Notes to Basic Financial Statements.

North Scott Community School District

Statement of Fiduciary Net Position

Fiduciary Fund

June 30, 2021

	<u>Custodial Fund</u>
Assets	
Cash and pooled investments	\$ 26,530
Accounts receivable	405
Total assets	<u><u>\$ 26,935</u></u>
Net position	<u><u>\$ 26,935</u></u>

See Notes to Basic Financial Statements.

North Scott Community School District

Statement of Revenues, Expenses and Changes in Net Position

Fiduciary Fund

Year Ended June 30, 2021

	<u>Custodial Fund</u>
Additions	
Contributions	\$ 17,545
Other	15,893
Total additions	<u>33,438</u>
Deductions	
Program supplies	<u>32,057</u>
Total deductions	<u>32,057</u>
Change in net position	1,381
Net position, beginning of year	25,554
Net position, end of year	<u><u>\$ 26,935</u></u>

See Notes to Basic Financial Statements.

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 1. Significant Accounting Policies

Reporting entity:

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

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

For financial reporting purposes, North Scott Community School District has included all funds, organizations, agencies, boards, commissions and authorities. The District has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the District. The North Scott Community School District has no component units which meet the Governmental Accounting Standards Board criteria.

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

Basis of presentation:

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

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

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

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

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

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 1. Significant Accounting Policies (Continued)

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

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

The District reports the following major governmental funds:

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

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

The District reports the following nonmajor governmental funds:

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

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

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

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

The District reports the following major and nonmajor proprietary funds:

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

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

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

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

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 1. Significant Accounting Policies (Continued)

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 capital leases 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.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

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 District maintains its financial records on the accrual basis.

Cash, pooled investments and cash equivalents:

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

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

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.

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, 2019 assessed property valuations; is for the tax accrual period July 1, 2020 through June 30, 2021 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2020.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 1. Significant Accounting Policies (Continued)

Inventories:

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

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

Prepaid items:

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

Capital assets:

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

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

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 1. Significant Accounting Policies (Continued)

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

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

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 2021, have been accrued as a liability as it is applicable to the fiscal year ended June 30, 2021.

Deposits:

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

Compensated absences:

District employees accumulate a limited amount of earned but unused vacation benefits payable to employees that are generally liquidated within one year as employees are only allowed to carry over five days which must be used in the next fiscal year. Vacation pay is payable to employees upon retirement or termination. Sick leave does not vest. Compensated absences are reported in governmental funds only if they have matured. 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, 2021. 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.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 1. Significant Accounting Policies (Continued)

Fund balances:

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

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

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

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

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

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

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the District's policy is generally to first apply the expenditure toward restricted fund balance and then to less restrictive classifications – assigned and then unassigned fund balances.

Deferred outflows/inflows of resources:

In addition to assets, the balance sheet and/or statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of fund balance or net position 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.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

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 of fund balance or net position 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 the statewide sales and services tax, 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. 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 \$1,202,986 for categorical funding, \$1,555,175 for debt service, \$3,939,849 for school infrastructure, \$2,863,226 for management levy, \$2,635,870 for physical plant and equipment levy, \$171,194 for public education and recreation and \$432,039 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.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 2. Budgets and Budgetary Accounting

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

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

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

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

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 3. Deposits and Pooled Investments

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

As of June 30, 2021, the District had the following investments:

Investment Type	Amortized Cost	Maturity (in Years) Less Than 1
Iowa Schools Joint Investment Trust	\$ 12,328,047	\$ 12,328,047

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

Interest rate risk: The District's investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) in instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days but the maturities shall be consistent with the needs and use of the District and must also conform to any loan covenant investment maturity restrictions. The maturity of the District's assets in an external investment pool is based on the average maturity of the pool's investments.

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

Custodial credit risk: The risk for deposits is the risk that, in the event of a failure of a depository financial institution, the District will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. As of June 30, 2021, none of the District's investments were exposed to custodial credit risk and deposits in banks were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The District is not subject to foreign-currency risk.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 4. Due from Other Governments

The detail of due from other governments for the year ended June 30, 2021 is as follows:

Governmental activities:

Local appropriation:

Tuition	\$	723,316
Other		13,463
Total local appropriations		<u>736,779</u>
State grants		690,546
Federal grants		265,333
Total	\$	<u><u>1,692,658</u></u>

Note 5. Transfers

The detail of transfers for the year ended June 30, 2021 is as follows:

Transfer To	Transfer From	Amount
Major fund, General	Major fund, School Nutrition	\$ 54,285
Major fund, Capital Projects	Major fund, General	16,773
Nonmajor Governmental Funds:		
Debt Service	Major fund, Capital Projects	1,330,955
Student activity	Major fund, General	24,890
Total		<u><u>\$ 1,426,903</u></u>

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

The Student Activity Fund transfer is for a safety equipment purchase.

The General Fund transferred to the Capital Projects Fund for ESSER II capital expenditures and network improvements.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 6. Capital Assets

A summary of changes in capital assets is as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 1,378,920	\$ 400,000	\$ -	\$ 1,778,920
Construction in progress	1,946,979	1,017,621	1,946,979	1,017,621
Total capital assets not being depreciated	3,325,899	1,417,621	1,946,979	2,796,541
Capital assets being depreciated:				
Buildings	67,493,610	1,745,635	-	69,239,245
Land improvements	7,129,615	646,442	-	7,776,057
Machinery and equipment	7,969,210	153,664	-	8,122,874
Total capital assets being depreciated	82,592,435	2,545,741	-	85,138,176
Less accumulated depreciation for:				
Buildings	27,599,483	1,106,980	-	28,706,463
Land improvements	5,401,930	222,747	-	5,624,677
Machinery and equipment	4,636,029	577,480	-	5,213,509
Total accumulated depreciation	37,637,442	1,907,207	-	39,544,649
Total capital assets being depreciated, net	44,954,993	638,534	-	45,593,527
Governmental activities capital assets, net	\$ 48,280,892	\$ 2,056,155	\$ 1,946,979	\$ 48,390,068
Business-type activities:				
Capital assets being depreciated:				
Machinery and equipment	\$ 1,286,887	\$ 42,708	\$ 6,205	\$ 1,323,390
Less accumulated depreciation	622,051	90,331	5,772	706,610
Total capital assets being depreciated, net	664,836	(47,623)	433	616,780
Business-type activities capital assets, net	\$ 664,836	\$ (47,623)	\$ 433	\$ 616,780

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 6. Capital Assets (Continued)

Depreciation expense was charged by the District as follows:

Governmental activities:

Instruction:

Regular	\$	717,997
Other		372,254

Support services:

Administration		79,641
Operation and maintenance of plant		350,222
Transportation		387,093

Total governmental activities depreciation expense

\$ 1,907,207

Business-type activities:

Food services		90,331
---------------	--	--------

Total business-type activities depreciation expense

\$ 90,331

Note 7. General Long-Term Debt

A summary of changes in general long-term debt for the year ended June 30, 2021:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
Governmental activities:					
Revenue bonds, Series 2013	\$ 6,075,000	\$ -	\$ 600,000	\$ 5,475,000	\$ 615,000
Revenue bonds, Series 2014	4,515,000	-	440,000	4,075,000	455,000
Premium on revenue bonds	169,456	-	18,546	150,910	-
Early retirement	396,646	-	200,102	196,544	98,272
Compensated absences	116,210	114,460	116,210	114,460	114,460
Net OPEB liability	1,335,398	145,894	-	1,481,292	-
Net pension liability	15,716,273	2,945,889	-	18,662,162	-
Total	\$ 28,323,983	\$ 3,206,243	\$ 1,374,858	\$ 30,155,368	\$ 1,282,732
Business-type activities:					
Compensated absences	\$ 6,750	\$ 6,652	\$ 6,750	\$ 6,652	\$ 6,652
Line of credit	250,000	-	250,000	-	-
Net OPEB liability	38,424	4,512	-	42,936	-
Net pension liability	531,209	148,858	-	680,067	-
Total	\$ 826,383	\$ 160,022	\$ 256,750	\$ 729,655	\$ 6,652

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

In September 2019, the District obtained a \$250,000 line of credit to construct student built spec homes on property located at 106 Muhs Circle, Eldridge, Iowa. The note matured on September 24, 2020.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 7. General Long-Term Debt (Continued)

Revenue bonds:

- On June 25, 2013, the District issued \$10,000,000 in School Infrastructure Sales, Services and Use Tax Revenue Bonds to finance school infrastructure projects. The bonds bear interest at rates ranging from 2.00 percent to 3.20 percent and had an unpaid balance of \$5,475,000.
- On September 23, 2014, The District issued \$7,000,000 in School Infrastructure Sale, Services and Use Tax Revenue Bonds to finance school infrastructure projects. The bonds bear interest at rates ranging from 2.00 percent to 3.125 percent and had an unpaid balance of \$4,075,000.

The Series 2013 and Series 2014 revenue bonds will be repaid using statewide sales, services and use tax collected in the Capital Projects Fund. The bonds have a first priority lien and are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District through their maturity in 2029. The bonds are not general obligations of the District. The pledge of statewide sales, service and use tax revenues constitutes approximately 32% of annual statewide sales, service and use tax revenues of the District.

The total principal and interest remaining to be paid on the bonds is \$10,842,735. During the year ended June 30, 2021, principal of \$1,040,000 and interest of \$289,955 was paid on the bonds. Statewide sales, services and use tax revenues were \$3,026,194.

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

- All proceeds from the statewide sales, service and use tax shall be deposited into the revenue account.
- Monies in the revenue account shall first be disbursed to make deposits into the sinking account to pay the principal and interest requirements of the revenue bonds for the fiscal year. At June 30, 2021, there was \$172,726 deposited in the sinking fund account.
- Monies in the revenue account shall next be disbursed to maintain a reserve account to be used solely for the purpose of paying principal and interest on the bonds if insufficient money is available in the sinking account. At June 30, 2021, there was \$1,382,449 deposited in the revenue account.
- If monies in the sinking fund exceed the required amount, the excess shall be transferred to the revenue account.

North Scott Community School District

**Notes to Financial Statements
Year Ended June 30, 2021**

Note 7. General Long-Term Debt (Continued)

Annual debt service requirement on the outstanding indebtedness as of June 30, 2021, are as follows:

Series 2013:

Year ending June 30:	Rate	Principal	Interest	Total
2022	2.00%	\$ 615,000	\$ 155,880	\$ 770,880
2023	2.35%	630,000	142,350	772,350
2024	2.75%	650,000	127,545	777,545
2025	3.00%	670,000	109,670	779,670
2026	3.00%	690,000	89,570	779,570
2027-2029	3.00-3.20%	2,220,000	140,770	2,360,770
Total		\$ 5,475,000	\$ 765,785	\$ 6,240,785

Series 2014:

Year ending June 30:	Rate	Principal	Interest	Total
2022	3.00%	\$ 455,000	\$ 108,875	\$ 563,875
2023	2.25%	465,000	95,225	560,225
2024	2.25%	480,000	84,762	564,762
2025	2.38%	495,000	73,962	568,962
2026	2.50%	515,000	62,207	577,207
2027-2029	2.75-3.125%	1,665,000	101,919	1,766,919
Total		\$ 4,075,000	\$ 526,950	\$ 4,601,950

The June 30, 2021 debt issued by the District did not exceed its legal debt margin computed as follows:

Total assessed valuation	<u>\$ 1,334,999,359</u>
Debt limit, 5% of total assessed valuation	\$ 66,749,968
Amount of debt applicable to debt limit:	
General obligation bonded debt	<u>9,700,910</u>
Excess of debt limit over bonded debt	
outstanding, legal debt margin	<u>\$ 57,049,058</u>

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 7. General Long-Term Debt (Continued)

Early retirement: The District offered a voluntary early retirement plan to selected employee classifications in 2020. Eligible employees had to be at least age 55 and have completed at least 15 years of consecutive service to the District. Employees were required to complete an application which was approved by the Board of Education. The retirement benefit was 40 percent of the retiree's base wage at the time of their retirement. This amount was deposited into a Health Reimbursement Account and was intended to be used on a pretax basis for the retired employee's eligible medical expenses and/or health insurance premiums. The benefit to the Premium Plan was be paid in three equal installments in January following the year of retirement. As of June 30, 2021, the District had 16 participants in the 2020 plan and outstanding obligations of \$196,544 under the plan. The early retirement program was funded through a property tax assessment. Early retirement incentives are paid primarily out of the nonmajor special revenue, Management Levy Fund.

Note 8. Postemployment Benefits Other Than Pensions (OPEB)

General Information about the OPEB Plan

Plan description: The District's defined benefit OPEB plan, the North Scott Community School District Postemployment Plan Other Than Pensions (the Plan), provides postemployment benefits for eligible participants enrolled in its plans. The Plan is a single-employer retiree benefit plan which provides medical and prescription drug benefits for retirees and their spouses. The medical/prescription drug coverage is provided through a self-funded plan with stop-loss limits from First Administrators. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75.

Benefits provided: The Plan provides healthcare benefits including medical and prescription drug benefits for retirees and their dependents. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees. The full monthly premium rates as of September 1, 2020 for each plan are as shown below:

	Rate Tier	Medical
Single		\$ 632
Family		1,315

Employees covered by benefit terms: At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	17
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	320
	<u>337</u>

Total OPEB Liability: The District's total OPEB liability of \$1,524,228 was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

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

Actuarial assumptions and other inputs: The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50% per annum
Salary increases	3.25% per annum
Discount rate	2.45% per annum
Retirees' share of benefit-related costs	100%
Health care cost trend rate	6.40% with an ultimate health care cost trend rate of 4.40%

The discount rate was based on the Bond Buyer 20-Bond GO index. Mortality rates were based on the RP-2014 mortality tables with projected mortality improvements based on scale MP-2017, and other adjustments. The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period 2010– 2020.

Changes in the Total OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at July 1, 2020	\$ 1,373,822	\$ -	\$ 1,373,822
Changes for the year:			
Service cost	108,938	-	108,938
Interest	45,126	-	45,126
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes in assumptions or other inputs	78,403	-	78,403
Benefit payments	(82,061)	-	(82,061)
Net changes	150,406	-	150,406
Balance at June 30, 2021	\$ 1,524,228	\$ -	\$ 1,524,228

Changes of assumptions or other inputs reflect a change in the discount rate from 3.13% per annum in 2020 to 2.45% per annum in 2021.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

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

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

	1% Decrease	Discount Rate	1% Increase
	1.45%	2.45%	3.45%
Total OPEB liability	\$ 1,644,821	\$ 1,524,228	\$ 1,410,017

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
	5.40%	6.40%	7.40%
Total OPEB liability	\$ 1,328,410	\$ 1,524,228	\$ 1,759,185

For the year ended June 30, 2021, the District recognized OPEB expense of \$149,942. At June 30, 2021, 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	\$ 171,855	\$ -
Changes of assumptions or other inputs	70,467	(252,255)
Net difference between projected and actual investments	-	-
Contributions between measurement date and reporting date	79,514	-
Total	\$ 321,836	\$ (252,255)

Deferred inflows of \$79,514 related to OPEB resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2021. 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:	
2022	\$ (4,122)
2023	(4,122)
2024	(4,122)
2025	(4,122)
2026	(4,122)
Thereafter	10,677
	\$ (9,933)

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 9. Risk Management

The District has a self-funded health insurance plan, reported as an internal service fund. The District purchases commercial insurance to provide for aggregate stop-loss coverage for the excess of 125 percent of estimated claims for the plan year and specific stop-loss reinsurance coverage for the excess of \$100,000 in insured claims for any one covered individual. Settled claims have not exceeded the commercial coverage in any of the past three calendar plan years.

Payments are made to the plan based on actuarial estimates of amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. The change in the unpaid claims liability for the two years ended June 30, 2021 and 2020 is as follows:

	2021	2020
Balance, beginning of year	\$ 501,000	\$ 615,000
Incurred claims and claim adjustments	3,228,761	2,590,764
Payment of claims	3,151,761	2,704,764
Balance, end of year	<u>\$ 578,000</u>	<u>\$ 501,000</u>

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

Note 10. Pension and Retirement Benefits

Plan Description – IPERS membership is mandatory for employees of the District, except for those covered by another retirement system. Employees of the District are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by Iowa Public Employees' Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at 7401 Register Drive P.O. Box 9118, Des Moines, Iowa 50306-9118 or at www.ipers.org.

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

Pension Benefits – A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member's first month of entitlement to benefits. Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member's monthly IPERS benefit includes:

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

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 10. Pension and Retirement Benefits (Continued)

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

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

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

Contributions – Contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. Statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires that the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll, based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2021, 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, 2021 were \$2,083,968.

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2021, the District reported a liability of \$19,342,229 its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The 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, 2020, the District's proportion was 0.275345 percent, which was a decrease of 0.005236 from its proportion measured as of June 30, 2019.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 10. Pension and Retirement Benefits (Continued)

For the year ended June 30, 2021, the District recognized pension expense of \$2,994,469. At June 30, 2021, 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	\$ 21,368	\$ 458,460
Changes of assumptions	992,830	-
Net difference between projected and actual earnings on pension plan investments	1,087,340	-
Changes in proportion and differences between District contributions and proportionate share of contributions	31,770	341,105
District contributions subsequent to the measurement date	2,083,968	-
Total	\$ 4,217,276	\$ 799,565

Deferred outflows of resources of \$2,083,968 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2022	\$ 202,511
2023	294,474
2024	279,339
2025	571,166
2026	(13,747)
Total	\$ 1,333,743

There were no non-employer contributing entities to IPERS.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 10. Pension and Retirement Benefits (Continued)

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

Rate of Inflation (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, 2020 valuation were based on the results of an economic assumption study dated March 24, 2017 and a demographic assumption study dated June 28, 2018. Mortality rates were based on the RP-2014 Employee and Healthy Annuitant Tables with MP-2017.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates (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%	4.43%
International equity	17.5%	5.15%
Global smart beta equity	6.0%	4.87%
Core plus fixed income	28.0%	-0.29%
Public credit	4.0%	2.29%
Cash	1.0%	-0.78%
Private equity	11.0%	6.54%
Private real assets	7.5%	4.48%
Private credit	3.0%	3.11%
Total	100%	

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 10. 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	\$ 32,251,532	\$ 19,342,229	\$ 8,517,973

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, 2021, the District reported payables to the defined benefit pension plan of \$169,785 for legally required employer contributions and \$113,130 for legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

Note 11. Area Education Agency

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the area education agency. The District's actual amount for this purpose totaled \$1,371,111 for the year ended June 30, 2021 and is recorded in the General Fund by making a memorandum adjusting entry to the cash basis financial statements.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

Note 12. Categorical Funding

The District's restricted fund balance for categorical funding as of June 30, 2021 is comprised of the following programs:

Program	Amount
Gifted and talented	\$ 105,540
Early intervention	38,580
Teacher salary supplement	169,421
Professional development	243,442
Four-year old preschool	332,406
Successful progression for early readers	11,216
Home school assistance program	85,425
Teacher leadership	144,564
STEM	397
At risk	71,495
Other	500
Total restricted for categorical funding	\$ 1,202,986

Note 13. Commitments and Contingencies

The District has financial commitments relating to remodeling projects of approximately \$12,270,451 as of June 30, 2021 of which, approximately \$963,329 of costs have been incurred. Sales tax proceeds will fund the majority of these commitments.

Note 14. 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, 2021 under tax abatement agreements of other entities.

Entity	Tax Abatement Program	Amount of Tax Abated
City of Princeton, Iowa	Urban renewal and economic development projects	\$ 30,886
City of Eldridge, Iowa	Urban renewal and economic development projects	387,460
City of Davenport, Iowa	Urban renewal and economic development projects	331,009

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, 2021, this reimbursement amounted to \$361,215.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

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

The District adopted the following statements during the year ended June 30, 2021:

GASB Statement No. 84, *Fiduciary Activities*: The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The focus of the identification criteria established by the Statement is on 1) whether a government is controlling the assets of the fiduciary activity and 2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported as a fiduciary fund in the basic financial statements. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources.

GASB Statement No. 90, *Majority Equity Interest-An Amendment of GASB Statement No. 14 and No. 61*: The primary objectives of this Statement are to improve consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies the reporting of a majority equity interest. This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities and deferred inflows of resources at acquisition value at the date the government acquired the 100 percent equity interest in the component unit.

GASB Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. This new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness.

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

As of June 30, 2021, GASB had issued several statements not yet required to be implemented by the District. The Statements which might impact the District are as follows:

GASB Statement No. 87, *Leases*, issued June 2017, will be effective for the District beginning with its fiscal year ending June 30, 2022. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

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

GASB Statement No. 89, *Accounting for Interest Cost before the End of a Construction Period*, issued June 2018, will be effective for the District beginning with its fiscal year ending June 30, 2022. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that was previously accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or an enterprise fund. This statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

GASB Statement No. 91, *Conduit Debt Obligations*, issued May 2020, will be effective for the District beginning with its fiscal year ending June 30, 2023. 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. 92, *Omnibus 2020*, issued January 2020, will be effective for the District beginning with its fiscal year ending June 30, 2022 except for the requirements related to the effective date of Statement No. 87 and Implementation Guide 2020-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including leases, intra-entity transfers, assets accumulated for postemployment benefits, applicability of Statement No. 84 to postemployment benefit arrangements, measurement of liabilities related to asset retirement obligations in a government acquisition, reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers, nonrecurring fair value measurements of assets or liabilities, and terminology to refer to derivative instruments.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, issued March 2020, will be effective for the District beginning with its fiscal year ending June 30, 2022. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. This statement provides exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variably payment, clarifies the hedge accounting termination provisions when a hedge item is amended to replace the reference rate, clarifies the uncertainty related to the continued availability of IBORS, removes LIBOR as an appropriate benchmark interest rate for qualitative evaluation, identifies a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap, and clarifies the definition of reference rate, as it is used in Statement 53, as amended.

North Scott Community School District

Notes to Financial Statements Year Ended June 30, 2021

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

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, issued March 2020, will be effective for the District beginning with its fiscal year ending June 30, 2023. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). 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, will be effective for the District beginning with its fiscal year ending June 30, 2023. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). 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. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans- an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, issued June 2020, will be effective for the District beginning with its fiscal year ending June 30, 2022. The primary objective of this Statement are to 1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; 2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and 3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

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

Note 16. Subsequent Event

The COVID-19 outbreak is disrupting business across a range of industries in the United States and financial markets have experienced a significant decline. As a result, local, regional and national economies, including that of the District, may be adversely impacted. The extent of the financial impact of COVID-19 will depend on future developments, including the duration and spread, which are uncertain and cannot be predicted. Due to the uncertainties surrounding the outbreak, management cannot presently estimate the potential impact on the District's operations and finances.

THIS PAGE INTENTIONALLY LEFT BLANK

Required Supplementary Information

North Scott Community School District

Required Supplementary Information

**Budgetary Comparison Schedule of Revenues, Expenditures/Expenses and Changes in
Balances - Actual to Budget - All Governmental Funds and Enterprise Funds
Year Ended June 30, 2021**

	Governmental Funds - Actual	Enterprise Funds - Actual
Revenues:		
Local sources	\$ 18,054,620	\$ 586,780
State sources	22,700,834	12,867
Federal sources	1,627,663	2,052,469
Total revenues	42,383,117	2,652,116
Expenditures/expenses:		
Instruction	23,734,413	-
Support services	11,905,120	140,799
Noninstructional programs	16,154	1,950,189
Other expenditures	4,801,854	1,608
Total expenditures/expenses	40,457,541	2,092,596
Excess of revenues over (under) expenditures/expenses	1,925,576	559,520
Other financing sources (uses):		
Interfund transfers in	1,426,903	-
Interfund transfers out	(1,372,618)	(54,285)
Total other financing sources (uses)	54,285	(54,285)
Net change in fund balance/net position	1,979,861	505,235
Fund balance/net position, beginning of year	18,572,807	1,402,278
Fund balance/net position, end of year	\$ 20,552,668	\$ 1,907,513

See Notes to Required Supplementary Information.

Total Actual		Budgeted Amounts		Final to Actual
		Original	Final	Variance
\$	18,641,400	\$ 19,400,760	\$ 19,400,760	\$ (759,360)
	22,713,701	22,987,445	22,987,445	(273,744)
	3,680,132	1,672,000	1,672,000	2,008,132
	45,035,233	44,060,205	44,060,205	975,028
	23,734,413	23,396,267	24,954,029	1,219,616
	12,045,919	12,747,648	12,947,639	901,720
	1,966,343	1,785,183	2,529,742	563,399
	4,803,462	5,139,357	5,139,357	335,895
	42,550,137	43,068,455	45,570,767	3,020,630
	2,485,096	991,750	(1,510,562)	3,995,658
	1,426,903	1,407,160	1,407,160	19,743
	(1,426,903)	(1,407,160)	(1,407,160)	(19,743)
	-	-	-	-
	2,485,096	\$ 991,750	\$ (1,510,562)	\$ 3,995,658
	19,975,085			
\$	22,460,181			

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

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

	2021	2020	2019	2018
Total OPEB liability				
Changes for the year:				
Service cost	\$ 108,938	\$ 110,958	\$ 106,135	\$ 111,509
Interest	45,126	50,871	47,012	37,740
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	215,473	-	-
Changes in assumptions or other inputs	78,403	(263,432)	(6,347)	(63,968)
Benefit payments	(82,061)	(68,737)	(65,092)	(38,523)
Net changes in total OPEB liability	150,406	45,133	81,708	46,758
Total OPEB liability - beginning	1,373,822	1,328,689	1,246,981	1,200,223
Total OPEB liability - ending	<u>\$ 1,524,228</u>	<u>\$ 1,373,822</u>	<u>\$ 1,328,689</u>	<u>\$ 1,246,981</u>
Covered employee payroll	\$ 18,435,919	\$ 18,435,919	\$ 17,695,558	\$ 17,601,302
Total OPEB liability as a percentage of covered employee payroll	8.27%	7.45%	7.51%	7.08%

Notes to Schedule:

Changes of benefit terms:

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

Differences between expected and actual experience:

2020- Approximately \$239,000 of the increase is due to the change in premiums and assumed claims cost and (\$24,000) is due to all other experience change.

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:

2.45%	3.13%	3.62%	3.56%
-------	-------	-------	-------

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.

North Scott Community School District

Required Supplementary Information

Schedule of the District's Proportionate Share of the Net Pension Liability

Iowa Public Employees' Retirement System

Last Seven Fiscal Years

	2021*	2020*	2019*
District's proportion of the net pension liability	0.275345%	0.280581%	0.285766%
District's proportionate share of the net pension liability	\$ 19,342,229	\$ 16,247,482	\$ 18,083,956
District's covered payroll	\$ 21,851,887	\$ 21,353,267	\$ 21,480,034
District's proportionate share of the net pension liability as a percentage of its covered payroll	88.52%	76.09%	84.19%
Plan fiduciary net pension as a percentage of the total pension liability	82.90%	85.45%	83.62%

*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.

See Notes to Required Supplementary Information.

				2018*	2017*	2016*	2015*
				0.283696%	0.284000%	0.277835%	0.273656%
\$	18,897,741	\$	17,875,601	\$	13,726,395	\$	10,852,948
\$	21,176,537	\$	20,384,011	\$	19,030,701	\$	17,906,895
	89.24%		87.69%		72.13%		60.61%
	82.21%		85.19%		85.19%		87.61%

North Scott Community School District

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

	2021	2020	2019	2018
Statutorily required contribution	\$ 2,084	\$ 2,062	\$ 2,015	\$ 1,918
Contributions in relation to the statutorily required contribution	\$ (2,084)	\$ (2,062)	\$ (2,015)	\$ (1,918)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 22,082	\$ 21,852	\$ 21,353	\$ 21,480
Contributions as a percentage of covered payroll	9.44%	9.44%	9.44%	8.93%

Note: Amounts reported in thousands

See Notes to Required Supplementary Information.

2017		2016		2015		2014		2013		2012	
\$	1,891	\$	1,820	\$	1,710	\$	1,599	\$	1,564	\$	1,398
\$	(1,891)	\$	(1,820)	\$	(1,710)	\$	(1,599)	\$	(1,564)	\$	(1,398)
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	21,177	\$	20,384	\$	19,031	\$	17,907	\$	17,326	\$	17,326
	8.93%		8.93%		8.99%		8.93%		9.03%		8.07%

North Scott Community School District

Notes to Required Supplementary Information Year Ended June 30, 2021

Note 1. Budgets and Budgetary Accounting

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

In accordance with the Code of Iowa, the Board of Education annually adopts a budget following required public notice and hearing for all funds except the internal service fund and custodial funds. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's budget is prepared on the GAAP basis. Encumbrances are not recognized on the GAAP basis budget and appropriations lapse at year-end.

The District had one budget amendment on May 12, 2021, which increased total expenditures \$2,502,312.

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

The District did not exceed budgeted expenditures.

Note 2. Iowa Public Employees' Retirement System Pension Liability

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

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

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

North Scott Community School District

**Notes to Required Supplementary Information
Year Ended June 30, 2021**

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.

THIS PAGE INTENTIONALLY LEFT BLANK

Other Supplementary Information

THIS PAGE INTENTIONALLY LEFT BLANK

COMBINING AND INDIVIDUAL
FUND FINANCIAL STATEMENTS

North Scott Community School District

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021**

	Special Revenue				
	Management	Student	Public Education	Debt	
	Fund	Activity	and Recreation	Service	Total
			Levy		
Assets					
Cash and pooled investments	\$ 2,854,776	\$ 477,439	\$ 169,934	\$ 173,326	\$ 3,675,475
Receivables:					
Property tax:					
Delinquent	8,399	-	1,252	-	9,651
Succeeding year	500,005	-	167,213	-	667,218
Accounts	-	320	-	-	320
Due from other governments	51	-	8	-	59
Prepaid items	259,835	28,665	-	-	288,500
Total assets	\$ 3,623,066	\$ 506,424	\$ 338,407	\$ 173,326	\$ 4,641,223
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	\$ -	\$ 33,492	\$ -	\$ 600	\$ 34,092
Accrued liabilities	-	12,228	-	-	12,228
Total liabilities	-	45,720	-	600	46,320
Deferred inflows of resources, unavailable revenue:					
Succeeding year property tax	500,005	-	167,213	-	667,218
Fund balances					
Nonspendable, prepaid items	259,835	28,665	-	-	288,500
Restricted for:					
Debt service	-	-	-	172,726	172,726
Management levy purposes	2,863,226	-	-	-	2,863,226
Student activities	-	432,039	-	-	432,039
Public education and recreation	-	-	171,194	-	171,194
Total fund balances	3,123,061	460,704	171,194	172,726	3,927,685
Total liabilities, deferred inflows of resources and fund balances	\$ 3,623,066	\$ 506,424	\$ 338,407	\$ 173,326	\$ 4,641,223

North Scott Community School District

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2021**

	Special Revenue				
	Management	Student	Public Education	Debt	
	Fund	Activity	and Recreation	Service	Total
			Levy		
Revenues:					
Local sources:					
Local tax	\$ 1,107,593	\$ -	\$ 164,933	\$ -	\$ 1,272,526
Other	10,408	433,796	569	3,750	448,523
State appropriation	34,660	-	5,160	-	39,820
Total revenues	1,152,661	433,796	170,662	3,750	1,760,869
Expenditures:					
Current:					
Instruction:					
Regular	169,459	-	-	-	169,459
Other	-	436,313	-	-	436,313
Support services:					
Student	30,184	3,410	-	-	33,594
Instructional staff	31,098	264	-	-	31,362
Administration	83,643	2,521	-	-	86,164
Operations and maintenance					
of plant	203,175	6,617	-	-	209,792
Transportation	40,946	9,121	-	-	50,067
Noninstructional programs	13,203	-	-	-	13,203
Debt service:					
Principal	-	-	-	1,040,000	1,040,000
Interest and fees	-	-	-	291,155	291,155
Total expenditures	571,708	458,246	-	1,331,155	2,361,109
Excess (deficiency) of revenues over (under) expenditures before transfers	580,953	(24,450)	170,662	(1,327,405)	(600,240)
Transfers in	-	24,890	-	1,330,955	1,355,845
Net change in fund balances	580,953	440	170,662	3,550	755,605
Fund balances, beginning of year	2,542,108	460,264	532	169,176	3,172,080
Fund balances, end of year	\$ 3,123,061	\$ 460,704	\$ 171,194	\$ 172,726	\$ 3,927,685

North Scott Community School District

**Schedule of Combining Balance Sheet
Capital Projects Fund - By Account
June 30, 2021**

	Capital Projects Accounts		
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Total
Assets			
Cash and pooled investments	\$ 4,181,945	\$ 2,845,040	\$ 7,026,985
Restricted cash and equivalents	1,382,449	-	1,382,449
Receivables:			
Property tax:			
Delinquent	-	12,939	12,939
Succeeding year	-	1,788,626	1,788,626
Due from other governments	688,381	80	688,461
Prepaid items	-	41,469	41,469
Total assets	\$ 6,252,775	\$ 4,688,154	\$ 10,940,929
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities, accounts payable	\$ 930,477	\$ 222,189	\$ 1,152,666
Deferred inflows of resources, unavailable revenue:			
Succeeding year property tax	-	1,788,626	1,788,626
Statewide sales and services tax	435,176	-	435,176
Total deferred inflows of resources	435,176	1,788,626	2,223,802
Fund Balances:			
Nonspendable, prepaid items	-	41,469	41,469
Restricted for:			
School infrastructure	3,504,673	-	3,504,673
Debt service	1,382,449	-	1,382,449
Physical plant and equipment	-	2,635,870	2,635,870
Total fund balances	4,887,122	2,677,339	7,564,461
Total liabilities, deferred inflows of resources and fund balances	\$ 6,252,775	\$ 4,688,154	\$ 10,940,929

North Scott Community School District

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Capital Projects Fund - By Account

Year Ended June 30, 2021

	Capital Projects Accounts		
	Statewide	Physical	
	Sales, Services	Plant and	
	and Use Tax	Equipment	
		Levy	Total
Revenues:			
Local sources:			
Local tax	\$ -	\$ 1,746,986	\$ 1,746,986
Other	272,509	231,871	504,380
State appropriations	3,026,194	49,700	3,075,894
Total revenues	3,298,703	2,028,557	5,327,260
Expenditures:			
Current:			
Support services:			
Instructional staff	314,024	173,441	487,465
Administration	-	334,412	334,412
Operation and maintenance of plant	-	14,874	14,874
Transportation	-	10,143	10,143
Other expenditures:			
Facilities acquisition	1,506,533	593,055	2,099,588
Total expenditures	1,820,557	1,125,925	2,946,482
Excess of revenues over expenditures	1,478,146	902,632	2,380,778
Other financing sources (uses):			
Transfers in	-	16,773	16,773
Transfers out	(1,330,955)	-	(1,330,955)
Total other financing sources (uses)	(1,330,955)	16,773	(1,314,182)
Net change in fund balance	147,191	919,405	1,066,596
Fund balance, beginning of year	4,739,931	1,757,934	6,497,865
Fund balance, end of year	\$ 4,887,122	\$ 2,677,339	\$ 7,564,461

North Scott Community School District

Combining Statement of Net Position

Nonmajor Enterprise Funds

June 30, 2021

	Child Care	Student Construction	Total
Assets			
Current assets:			
Cash and pooled investments	\$ 309,904	\$ 382,421	\$ 692,325
Receivables, accounts	5,243	-	5,243
Prepaid expenses	641	-	641
Total assets	315,788	382,421	698,209
Deferred Outflows of Resources:			
OPEB related deferred outflows	2,737	-	2,737
Pension related deferred outflows	54,143	-	54,143
Total deferred outflows of resources	56,880	-	56,880
Liabilities			
Current liabilities:			
Accounts payable	5,739	-	5,739
Salaries and benefits payable	7,465	-	7,465
Compensated absences	5,124	-	5,124
Total current liabilities	18,328	-	18,328
Noncurrent liabilities:			
Net OPEB liability	5,941	-	5,941
Net pension liability	205,330	-	205,330
Total noncurrent liabilities	211,271	-	211,271
Total liabilities	229,599	-	229,599
Deferred Inflows of Resources:			
OPEB related deferred inflows	2,126	-	2,126
Pension related deferred inflows	8,162	-	8,162
Total deferred inflows of resources	10,288	-	10,288
Net Position			
Unrestricted	132,781	382,421	515,202
Total net position	\$ 132,781	\$ 382,421	\$ 515,202

North Scott Community School District

Combining Statement of Revenues, Expenses and Changes in Net Position

Nonmajor Enterprise Funds

Year Ended June 30, 2021

	Child Care	Student Construction	Total
Operating revenues:			
Local sources:			
Charges for service	\$ 176,095	\$ -	\$ 176,095
Miscellaneous	9,769	158,647	168,416
Total operating revenues	185,864	158,647	344,511
Operating expenses:			
Support services:			
Administration:			
Services	2,970	-	2,970
Operation and maintenance of plant	40	-	40
Transportation:			
Salaries	188	-	188
Benefits	32	-	32
Noninstructional programs:			
Salaries	216,365	-	216,365
Benefits	66,835	-	66,835
Supplies	31,671	-	31,671
Other	1,340	-	1,340
Total operating expenses	319,441	-	319,441
Operating income (loss)	(133,577)	158,647	25,070
Nonoperating revenues (expenses):			
Federal sources	108,897	-	108,897
Interest on investments	1,169	861	2,030
Interest expense	-	(1,175)	(1,175)
Total nonoperating revenues (expenses)	110,066	(314)	109,752
Change in net position	(23,511)	158,333	134,822
Net position, beginning of year	156,292	224,088	380,380
Net position, end of year	<u>\$ 132,781</u>	<u>\$ 382,421</u>	<u>\$ 515,202</u>

North Scott Community School District

**Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2021**

	Child Care	Student Construction	Total
Cash flows from operating activities:			
Cash received from:			
Charges for services	\$ 169,249	\$ -	\$ 169,249
Miscellaneous services	9,769	-	9,769
Proceeds from sale of student construction home	-	383,738	383,738
Cash payments to:			
Employees for services	(267,433)	-	(267,433)
Suppliers for goods and services	(31,584)	(27,091)	(58,675)
Net cash provided by (used in) operating activities	(119,999)	356,647	236,648
Cash flows from noncapital financing activities:			
Principal paid on loan payable	-	(250,000)	(250,000)
Interest paid on loan payable	-	(6,490)	(6,490)
Federal grants received	108,897	-	108,897
Net cash provided by (used in) noncapital financing activities	108,897	(256,490)	(147,593)
Cash flows from investing activities, interest on investments	1,169	861	2,030
Net increase (decrease) in cash and cash equivalents	(9,933)	101,018	91,085
Cash and cash equivalents:			
Beginning of year	319,837	281,403	601,240
End of year	\$ 309,904	\$ 382,421	\$ 692,325
(Continued)			

North Scott Community School District

Combining Statement of Cash Flows (Continued)

Nonmajor Enterprise Funds

Year Ended June 30, 2021

	Child Care	Student Construction	Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ (133,577)	\$ 158,647	\$ 25,070
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
(Increase) decrease in:			
Accounts receivable	(2,346)	-	(2,346)
Assets held for sale	-	225,091	225,091
Prepaid expenses	(161)	-	(161)
Increase (decrease) in:			
Accounts payable	4,598	(27,091)	(22,493)
Salaries and benefits payable	1,506	-	1,506
Net OPEB benefits	704	-	704
Net pension liability	14,062	-	14,062
Compensated absences payable	(285)	-	(285)
Deposits	(4,500)	-	(4,500)
Net cash provided by (used in) operating activities	\$ (119,999)	\$ 356,647	\$ 236,648

THIS PAGE INTENTIONALLY LEFT BLANK

STATISTICAL SECTION



North Scott
Community Schools

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

Statistical Section Contents

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

Contents	Page
Financial Trends	75-88
These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.	
Revenue Capacity	89-93
These schedules contain trend information to help the reader assess the factors affecting the District's ability to generate its property taxes.	
Debt Capacity	94-100
These schedules contain trend information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Demographic and Economic Information	101-102
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments	
Operating Information	103-111
These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	
Miscellaneous Information	112-129
These schedules offer additional insight to pertinent District data to inform the reader about the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.	

North Scott Community School District

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

	Fiscal Year			
	2012	2013	2014	2015 *
Governmental activities:				
Net investment in				
capital assets	\$ 19,839,922	\$ 21,204,665	\$ 23,850,888	\$ 23,061,587
Restricted	8,665,073	9,471,712	8,408,872	11,189,617
Unrestricted	5,665,890	5,615,466	6,859,375	(5,877,760)
Business-type activities				
Net investment in				
capital assets	253,472	242,862	218,572	207,054
Unrestricted	806,348	791,139	835,464	534,134
Total primary				
government net position	\$ 35,230,705	\$ 37,325,844	\$ 40,173,171	\$ 29,114,632

* Implemented GASB Statement No. 68

Source: District financial records

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 24,761,641	\$ 26,866,583	\$ 31,471,058	\$ 34,773,981	\$ 37,521,436	\$ 36,689,158
13,484,499	13,011,813	10,693,400	10,530,257	10,709,426	12,800,339
(5,674,346)	(5,418,428)	(4,389,974)	(3,711,989)	(3,921,991)	(4,429,643)
188,246	209,174	760,303	685,021	664,836	616,780
620,999	665,014	165,430	288,565	737,442	1,290,733
\$ 33,381,039	\$ 35,334,156	\$ 38,700,217	\$ 42,565,835	\$ 45,711,149	\$ 46,967,367

North Scott Community School District

Expenses, Program Revenues and Net (Expense) Revenue

Last Ten Fiscal Years

(accrual basis of accounting)

(Unaudited)

	Fiscal Year			
	2012	2013	2014	2015
Expenses:				
Governmental activities:				
Regular instruction	\$ 12,962,232	\$ 11,841,523	\$ 12,347,410	\$ 12,933,778
Special instruction	2,752,196	3,275,964	3,355,562	3,319,612
Other instruction	3,773,994	3,886,832	4,005,352	4,283,392
Student services	1,245,261	1,246,859	1,365,477	1,392,966
Instructional staff services	995,987	1,157,680	1,196,797	1,344,541
Administration services	3,323,786	3,366,816	3,306,897	3,536,908
Operation and maintenance of plant services	3,632,525	2,523,529	2,705,040	2,994,502
Transportation services	1,033,272	1,007,972	1,332,620	1,634,400
Food service operations	-	-	-	-
Noninstructional	-	-	5,172	5,674
Interest on long-term debt	-	-	-	-
AEA flowthrough	1,070,395	1,100,135	1,155,323	1,193,582
Debt service	-	221,458	222,192	347,589
Depreciation (unallocated)	1,176,212	1,704,026	896,676	-
Total governmental activities	31,965,860	31,332,794	31,894,518	32,986,944
Business-type activities:				
Nutrition services	1,395,843	1,444,983	1,462,230	1,433,211
Child care services	273,992	240,509	237,601	260,308
Student construction	-	-	-	-
Total business-type activities	1,669,835	1,685,492	1,699,831	1,693,519
Total primary government expenses	33,635,695	33,018,286	33,594,349	34,680,463
Program revenues:				
Governmental activities:				
Charges for services:				
Instruction:				
Regular instruction	823,426	790,471	790,699	888,593
Special instruction	207,798	261,957	166,834	205,357
Other instruction	324,945	357,427	352,856	394,751
Support services	66,905	60,017	68,280	86,862
Operating grants and contributions	5,279,988	4,743,405	4,854,185	5,290,274
Capital grants and contributions	228,823	11,986	37,619	62,054
Total governmental activities	6,931,885	6,225,263	6,270,473	6,927,891
Business-type activities:				
Charges for services:				
Nutrition	935,785	872,889	890,420	933,039
Child care	285,813	213,717	249,991	289,785
Operating grants and contributions	600,575	571,497	570,840	633,592
Total business-type activities	1,822,173	1,658,103	1,711,251	1,856,416
Total primary government revenues	8,754,058	7,883,366	7,981,724	8,784,307
Net (expense) revenues:				
Total governmental activities	(25,033,975)	(25,107,531)	(25,624,045)	(26,059,053)
Total business-type activities	152,338	(27,389)	11,420	162,897
Total primary government revenues	\$ (24,881,637)	\$ (25,134,920)	\$ (25,612,625)	\$ (25,896,156)

Source: District financial records

Fiscal Year						
2016	2017	2018	2019	2020	2021	
\$ 15,018,027	\$ 15,226,755	\$ 15,208,231	\$ 15,928,205	\$ 15,700,559	\$ 16,512,955	
5,117,267	3,722,635	3,997,791	5,294,084	4,143,677	3,949,960	
2,688,013	4,592,874	4,682,336	3,214,355	4,755,060	4,851,630	
1,490,651	1,557,232	1,574,595	1,605,249	1,597,632	1,663,594	
1,536,639	2,508,038	2,441,964	2,087,919	2,440,185	2,730,931	
3,570,064	3,537,991	3,790,929	3,993,048	3,760,468	3,804,089	
1,939,011	3,416,517	2,609,387	2,803,533	2,352,668	3,416,075	
1,492,815	1,681,881	1,647,218	1,730,198	2,234,326	1,429,305	
-	-	-	-	-	-	
14,158	7,322	7,253	20,911	15,033	16,154	
-	-	-	-	-	-	
1,247,226	1,279,320	1,318,145	1,319,381	1,370,500	1,371,111	
383,459	364,360	344,959	321,309	321,972	270,509	
-	-	-	-	-	-	
34,497,329	37,894,925	37,622,808	38,318,192	38,692,080	40,016,313	
1,565,582	1,545,279	1,614,897	1,609,856	1,713,827	1,771,980	
288,059	281,135	321,698	337,322	339,628	319,441	
-	-	-	-	5,315	1,175	
1,853,641	1,826,414	1,936,595	1,947,178	2,058,770	2,092,596	
36,350,970	39,721,339	39,559,403	40,265,370	40,750,850	42,108,909	
1,019,052	1,154,046	1,172,062	1,098,188	1,258,950	1,237,441	
152,817	183,978	262,594	222,318	276,187	324,702	
343,472	437,055	418,657	313,200	422,090	211,592	
95,139	103,315	84,213	75,683	60,042	181,215	
6,541,950	5,461,241	5,466,292	5,573,722	5,268,541	6,212,149	
47,509	-	114,209	370,066	257,012	366,104	
8,199,939	7,339,635	7,518,027	7,653,177	7,542,822	8,533,203	
916,142	925,751	975,751	953,765	740,710	230,382	
292,231	257,394	316,811	358,267	274,612	176,095	
700,926	726,895	692,284	698,264	1,243,865	2,065,336	
1,909,299	1,910,040	1,984,846	2,010,296	2,259,187	2,471,813	
10,109,238	9,249,675	9,502,873	9,663,473	9,802,009	11,005,016	
(26,297,390)	(30,555,290)	(30,104,781)	(30,665,015)	(31,149,258)	(31,483,110)	
55,658	83,626	48,251	63,118	200,417	379,217	
\$ (26,241,732)	\$ (30,471,664)	\$ (30,056,530)	\$ (30,601,897)	\$ (30,948,841)	\$ (31,103,893)	

North Scott Community School District

General Revenues and Total Change in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

(Unaudited)

	Fiscal Year			
	2012	2013	2014	2015
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Property taxes levied for general and other purposes*	\$ 11,091,158	\$ 11,342,208	\$ 11,423,988	\$ 11,606,668
Property taxes levied for capital projects	1,152,677	1,152,677	1,181,288	1,239,110
Unrestricted intergovernmental	165,387	175,898	190,686	205,240
Sales tax	2,997,352	2,220,523	2,597,792	2,802,179
Unrestricted grants and contributions	12,157,291	12,214,669	12,944,956	13,035,041
Miscellaneous	108,858	85,078	84,731	44,617
Investment earnings	32,014	32,187	27,896	83,046
Transfers	(113)	5,248	-	-
Total governmental activities	27,704,624	27,228,488	28,451,337	29,015,901
Business-type activities:				
Miscellaneous	1,629	5,023	5,834	9,627
Investment earnings	1,872	1,795	2,781	1,040
Transfers	113	(5,248)	-	-
Total business-type activities	3,614	1,570	8,615	10,667
Total primary government	27,708,238	27,230,058	28,459,952	29,026,568
Change in net position:				
Total governmental activities	2,597,093	1,604,443	2,392,284	2,718,511
Total business-type activities	(23,775)	12,990	171,512	66,325
Total primary government	\$ 2,573,318	\$ 1,617,433	\$ 2,563,796	\$ 2,784,836

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

Source: District financial records

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 11,695,160	\$ 11,831,951	\$ 12,562,452	\$ 13,702,458	\$ 12,864,339	\$ 13,132,806
1,292,849	1,316,439	1,381,514	1,475,020	1,627,608	1,718,719
309,807	627,197	411,621	904,097	977,008	1,282,353
2,903,548	3,150,169	2,840,343	3,114,143	3,187,492	3,026,194
14,076,931	15,188,270	15,196,967	14,515,809	14,954,654	14,915,773
128,211	135,763	79,524	116,852	4,582	-
89,234	141,958	302,943	602,218	446,073	103,963
-	51,717	47,117	52,183	(195,876)	54,285
30,495,740	32,443,464	32,822,481	34,482,780	33,865,880	34,234,093
10,528	28,120	22,681	19,340	14,268	173,539
1,871	4,914	10,575	17,578	18,131	6,764
-	(51,717)	(47,117)	(52,183)	195,876	(54,285)
12,399	(18,683)	(13,861)	(15,265)	228,275	126,018
30,508,139	32,424,781	32,808,620	34,467,515	34,094,155	34,360,111
4,198,350	2,338,683	2,717,700	3,817,765	2,716,622	2,750,983
68,057	29,568	34,390	47,853	428,692	505,235
\$ 4,266,407	\$ 2,368,251	\$ 2,752,090	\$ 3,865,618	\$ 3,145,314	\$ 3,256,218

North Scott Community School District

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

	Fiscal Year			
	2012	2013	2014	2015
General Fund:				
Nonspendable	\$ 117,332	\$ 107,467	\$ 145,574	\$ 177,995
Restricted	389,986	420,529	334,255	466,930
Assigned	115,597	123,083	160,043	188,588
Unassigned	4,357,182	4,459,089	5,039,443	4,810,427
Total General Fund	4,980,097	5,110,168	5,679,315	5,643,940
All other governmental funds:				
Nonspendable	19,222	6,412	13,877	4,550
Restricted for:				
Capital projects funds	6,698,709	16,631,098	9,888,243	10,811,564
Debt service	-	64,163	854,725	1,499,510
Special revenue funds	1,055,156	1,055,183	1,116,659	1,197,185
Total all other governmental funds	7,773,087	17,756,856	11,873,504	13,512,809
Total governmental funds	\$ 12,753,184	\$ 22,867,024	\$ 17,552,819	\$ 19,156,749

Source: District financial records

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 172,358	\$ 178,036	\$ 117,281	\$ 126,526	\$ 108,296	\$ 111,033
635,402	689,907	757,288	797,644	920,481	1,202,986
188,588	292,056	292,056	506,288	574,714	509,925
4,508,003	4,911,348	5,799,491	6,824,523	7,299,371	7,236,578
5,504,351	6,071,347	6,966,116	8,254,981	8,902,862	9,060,522
630	12,566	54,592	38,006	316,164	329,969
11,036,798	8,890,096	6,327,715	6,862,001	5,040,967	6,140,543
1,504,282	1,510,855	1,522,845	157,369	1,551,625	1,555,175
1,575,251	1,790,955	1,968,552	2,597,243	2,761,189	3,466,459
14,116,961	12,204,472	9,873,704	9,654,619	9,669,945	11,492,146
\$ 19,621,312	\$ 18,275,819	\$ 16,839,820	\$ 17,909,600	\$ 18,572,807	\$ 20,552,668

North Scott Community School District

Governmental Funds Revenues

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

	Fiscal Year			
	2012	2013	2014	2015
Local sources:				
Property taxes	\$ 12,016,744	\$ 12,312,301	\$ 12,605,276	\$ 12,430,224
Income surtax	163,183	165,864	188,005	183,609
Local option sales and services taxes	2,495,351	2,592,523	-	-
Interest income	32,014	32,187	23,690	72,733
Other revenues	2,675,815	2,308,130	2,011,333	2,433,296
Total local sources	17,383,107	17,411,005	14,828,304	15,119,862
State sources:				
State education finance program	11,955,282	12,164,429	12,944,956	13,024,392
Statewide sales, services and use tax	-	-	2,591,792	2,802,180
Other state grants	3,509,495	3,449,914	3,524,985	4,023,817
Total state sources	15,464,777	15,614,343	19,061,733	19,850,389
Federal sources, federal grants	1,166,881	870,266	784,160	926,775
Total revenues	\$ 34,014,765	\$ 33,895,614	\$ 34,674,197	\$ 35,897,026

Source: District financial records

Fiscal Year					
2016	2107	2018	2019	2020	2021
\$ 12,988,009	\$ 13,148,390	\$ 13,943,966	\$ 15,177,478	\$ 14,491,947	\$ 14,851,525
203,230	199,503	204,267	223,421	236,688	224,316
-	-	-	-	-	-
76,503	119,134	302,943	602,218	446,073	80,053
2,047,102	2,689,164	2,301,756	2,999,091	2,588,510	2,898,726
15,314,844	16,156,191	16,752,932	19,002,208	17,763,218	18,054,620
14,076,931	15,196,967	15,196,967	17,052,679	17,121,938	17,562,872
2,903,548	2,840,343	2,840,343	3,114,143	3,187,492	3,026,194
4,830,872	4,542,646	4,517,277	1,870,491	2,606,473	2,111,768
21,811,351	22,579,956	22,554,587	22,110,662	22,915,903	22,700,834
1,491,761	908,484	931,759	834,152	790,805	1,627,663
\$ 38,617,956	\$ 39,644,631	\$ 40,239,278	\$ 41,947,022	\$ 41,469,926	\$ 42,383,117

North Scott Community School District

Governmental Funds Expenditures and Debt Service Ratio

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

	Fiscal Year			
	2012	2013	2014	2015
Regular instruction	\$ 13,000,074	\$ 12,624,134	\$ 12,495,422	\$ 13,006,232
Special instruction	2,823,007	3,437,643	3,399,108	3,459,513
Other instruction	3,843,811	4,067,536	4,045,107	4,249,107
Student services	1,278,688	1,320,096	1,380,733	1,444,916
Instructional staff services	1,013,092	1,225,679	1,210,167	1,394,685
Administration services	3,168,979	3,420,065	3,251,108	3,608,066
Operation and maintenance of plant	2,646,448	2,518,287	2,565,999	2,626,922
Transportation services	1,023,349	1,317,422	1,327,172	1,401,920
Noninstructional programs	781	276	5,172	5,674
Capital outlay, facilities acquisition	1,625,806	2,673,326	8,417,223	7,758,237
AEA flowthrough	1,070,395	1,100,135	1,155,323	1,193,582
Debt service:				
Principal	-	-	540,000	950,000
Interest and fiscal charges	-	-	230,704	363,628
Issuance costs	-	221,458	-	-
Total expenditures	\$ 31,494,430	\$ 33,926,057	\$ 40,023,238	\$ 41,462,482
Debt service as a percentage of noncapital expenditures	0.00%	0.76%	2.44%	3.88%

Source: District financial records

Fiscal Year						
2016	2017	2018	2019	2020	2021	
\$ 14,810,509	\$ 14,242,364	\$ 14,068,181	\$ 14,777,803	\$ 14,338,674	\$ 15,247,481	
5,220,416	3,706,249	4,025,833	5,281,294	4,165,387	3,976,949	
2,531,419	4,363,770	4,435,216	2,874,529	4,412,317	4,509,983	
1,514,943	1,534,895	1,554,900	1,568,666	1,558,246	1,622,555	
1,561,680	2,484,224	2,416,569	2,038,398	2,400,794	2,683,705	
3,566,564	3,392,127	3,625,690	3,834,287	3,598,605	3,639,552	
2,830,472	2,955,046	2,850,981	2,857,653	3,009,894	2,937,867	
1,219,237	1,361,800	1,333,283	1,388,925	1,855,275	1,021,441	
14,158	7,322	7,253	20,911	15,033	16,154	
2,356,208	4,421,410	4,763,834	3,639,670	2,554,345	2,099,588	
1,247,226	1,279,320	1,318,145	1,319,381	1,370,500	1,371,111	
955,000	970,000	980,000	995,000	1,020,000	1,040,000	
402,005	382,906	363,505	339,855	316,355	291,155	
-	-	-	-	-	-	
\$ 38,229,837	\$ 41,101,433	\$ 41,743,390	\$ 40,936,372	\$ 40,615,425	\$ 40,457,541	
3.91%	3.68%	3.69%	3.62%	3.61%	3.46%	

North Scott Community School District

Other Financing Sources and Uses and Net Change in Fund Balances

Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(Unaudited)

	Fiscal Year			
	2012	2013	2014	2015
Excess (deficiency) of revenues over (under) expenditures	\$ (30,443)	\$ (5,349,041)	\$ (5,349,041)	\$ 388,119
Other financing sources (uses):				
Sale of capital assets	14,143	2,838	34,836	18,846
Insurance proceeds	-	-	-	-
Issuance of bonds	-	10,000,000	-	7,000,000
Premium on issuance	-	136,197	-	150,540
Transfers in	15,183	79,116	770,840	1,360,580
Transfers out	(15,296)	(73,868)	(770,840)	(1,360,580)
Total other financing sources (uses)	14,030	10,144,283	34,836	7,169,386
Net change in fund balances	\$ (16,413)	\$ 4,795,242	\$ (5,314,205)	\$ 7,557,505

Source: District financial records

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 388,119	\$ (1,504,112)	\$ 1,504,112	\$ 1,010,650	\$ 854,501	\$ 1,925,576
76,444	59,592	20,966	6,947	4,582	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,355,663	1,427,839	1,390,929	1,411,013	1,373,990	1,426,903
(1,355,663)	(1,376,122)	(1,343,812)	(1,358,830)	(1,569,866)	(1,372,618)
76,444	111,309	68,113	59,130	(191,294)	54,285
\$ 464,563	\$ (1,392,803)	\$ (1,435,999)	\$ 1,069,780	\$ 663,207	\$ 1,979,861

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

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

Fiscal Year	Actual Value			Less Exemptions	Total Taxable Value - Actual	Total Direct Rate (a)
	Residential Property	Commercial Property	Other Property			
2012	\$ 416,974,917	\$ 255,224,493	\$ 143,458,280	\$ 1,674,204	\$ 813,983,486	\$ 14.75525
2013	456,576,305	253,216,138	137,398,822	1,668,648	845,522,617	14.50592
2014	483,951,457	237,210,994	140,561,772	1,661,240	860,062,745	14.18910
2015	503,306,152	222,893,531	139,085,750	1,655,688	863,629,745	14.19507
2016	529,972,762	213,453,591	140,725,732	1,655,688	882,496,397	14.01459
2017	573,867,704	195,492,425	167,081,701	1,611,240	934,830,590	13.85580
2018	597,969,228	199,841,640	166,356,616	1,585,312	962,582,172	13.82050
2019	643,198,947	269,936,128	186,613,521	1,570,496	1,098,178,100	13.74358
2020	670,291,892	297,603,988	189,475,898	1,550,124	1,155,821,654	12.42408
2021	673,435,001	318,050,085	202,806,618	1,553,828	1,192,737,876	12.13741

Source: Iowa Department of Management and Scott County Auditor.

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

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

North Scott Community School District

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

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

(Unaudited)

Fiscal Year	District Direct Rates				Overlapping Rates		
	General Purposes	Capital Purposes	Debt Service	Total	Scott County	College Area IX	City of Bettendorf
2012	\$ 13.45525	\$ 1.30000	\$ -	\$ 14.75525	\$ 6.37759	\$ 1.01724	\$ 12.60000
2013	13.20592	1.30000	-	14.50592	6.30156	0.91511	12.55000
2014	12.88910	1.30000	-	14.18910	6.23534	0.92043	12.55000
2015	12.89507	1.30000	-	14.19507	6.13204	0.92782	12.55000
2016	12.71459	1.30000	-	14.01459	6.00377	0.96863	12.55000
2017	12.55580	1.30000	-	13.85580	5.82228	1.00909	12.55000
2018	12.52050	1.30000	-	13.82050	5.82167	1.03000	12.50000
2019	12.44358	1.30000	-	13.74358	5.82167	1.03000	12.50000
2020	11.12408	1.30000	-	12.42408	5.99401	0.99000	12.50000
2021	10.83741	1.30000	-	12.13741	6.21304	0.82406	12.80000

Source: Iowa Department of Management and Scott County Auditor.

Note:

* Includes levies for operating and debt service costs.

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

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

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

Overlapping Rates							
City of Davenport	City of Dixon	City of Donahue	City of Eldridge	City of Long Grove	City of Maysville	City of McCausland	City of Princeton
\$ 15.53000	\$ 8.10000	\$ 7.22080	\$ 6.75418	\$ 10.90085	\$ 5.16951	\$ 9.21668	\$ 9.58242
16.78000	8.10000	7.22267	6.75396	10.74199	5.16957	9.22504	10.26832
16.78000	8.10000	7.22420	6.75436	10.60442	5.57674	8.10000	10.27159
16.78000	8.09989	7.22152	6.75442	10.52099	5.99993	8.10000	10.27158
16.78000	8.10000	7.22036	6.82817	10.45768	5.99988	8.10000	10.27158
16.78000	8.37000	7.22091	6.74841	10.29541	5.99003	8.10000	10.25069
16.78000	8.47000	7.21575	6.74820	10.21368	6.00002	8.10000	10.02797
16.78000	8.37000	7.22249	6.74728	9.98558	5.99993	7.89303	10.22336
16.78000	8.37000	7.22454	6.74949	9.92845	6.00003	9.76833	9.79527
16.78000	8.37000	7.22444	6.73610	9.79800	5.99990	12.64708	10.95783

North Scott Community School District

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

Name of Taxpayer	2021			2012		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Sterilite Corporation	\$ 57,721,581	1	4.8394%			
Kraft Heinz Foods Company	43,545,339	2	3.6509%			
John Deere Construction & Forestry	29,025,095	3	2.4335%			
Deere & Company	20,118,429	4	1.6867%	\$ 22,776,100	1	2.7981%
Petersen Properties L C	13,353,554	5	1.1196%	22,613,870	2	2.7782%
Mid American Energy	11,721,469	6	0.9827%			
Alliance Pipeline	12,213,120	7	1.0240%	14,376,466	4	1.7662%
7G Properties LLC	8,025,012	8	0.6728%			
Murray Enterprises LTD	7,790,724	9	0.6532%	9,968,370	5	1.2246%
Northern Border Pipeline Company	7,145,558	10	0.5991%	8,002,681	6	0.9832%
ARCP JDDPTIA01				19,868,300	3	2.4409%
Sir Properties Trust				7,228,490	7	0.8880%
Callahan Construction Inc.				5,709,830	8	0.7015%
Earle M Jorgensen Co				5,171,990	9	0.6354%
Genesis Systems Group LTD				4,841,850	10	0.5948%
	<u>\$ 210,659,881</u>		<u>17.6619%</u>	<u>\$ 120,557,947</u>		<u>14.8109%</u>

Source: Scott County Auditor

2021 Total Tax Assessment: \$ 1,192,737,876
2012 Total Tax Assessment: \$ 813,983,486

North Scott Community School District

Property Tax Levies and Collections

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 12,307,354	\$ 12,251,578	99.55%	\$ 37,043	\$ 12,288,621	99.85%
2013	12,559,559	12,551,092	99.93%	2,469	12,553,561	99.95%
2014	12,600,240	12,596,250	99.97%	3,990	12,600,240	100.00%
2015	12,672,844	12,669,991	99.98%	2,853	12,672,844	100.00%
2016	12,783,686	12,780,091	99.97%	3,595	12,783,686	100.00%
2017	13,356,867	13,355,790	99.99%	208	13,355,998	99.99%
2018	13,727,323	13,726,635	99.99%	233	13,726,868	100.00%
2019	15,445,369	15,441,327	99.97%	4,042	15,445,369	100.00%
2020	14,872,703	14,762,200	99.26%	103,971	14,866,171	99.96%
2021	15,012,541	15,012,026	99.99%	-	15,012,026	99.99%

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

Note: N/A = not available.

North Scott Community School District

Outstanding Debt by Type Last Ten Fiscal Years (Unaudited)

Fiscal Year	General Obligation Bonds	Revenue Bonds	Line of Credit	Total Primary Government	Percentage of Personal Income*	Per Capita*
2012	\$ -	\$ -	\$ -	\$ -	-	\$ -
2013	-	10,000,000	-	10,000,000	0.0233	658
2014	-	9,587,685	-	9,587,685	0.0222	630.64
2015	-	15,772,186	-	15,772,186	0.0362	1,037.44
2016	-	14,798,640	-	14,798,640	0.0324	973.40
2017	-	13,810,094	-	13,810,094	0.0294	908.38
2018	-	12,811,548	-	12,811,548	0.0238	764.77
2019	-	11,798,002	-	11,798,002	N/A	N/A
2020	-	10,759,456	250,000	11,009,456	N/A	N/A
2021	-	9,700,910	-	9,700,910	N/A	N/A

Source: District financial records

Notes: Details of the District's outstanding debt can be found in Note 7 in the notes to the financial statements.

* See page 100 for personal income and population data. These rates are calculated using personal income and population for the prior calendar year.

N/A = not available.

North Scott Community School District

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

Year of Collection	Estimated Actual Value of Taxable Property	Total Primary Government Outstanding Debt	Net Bonded Debt	Amount Restricted for Repayment of Outstanding Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita*
2012-13	\$ 891,184,204	\$ 1,325,993	\$ -	\$ -	-	\$ -
2013-14	925,643,543	12,014,519	-	853,643	-	-
2014-15	950,539,289	11,544,681	-	854,725	-	-
2015-16	954,105,513	15,772,186	-	1,499,510	-	-
2016-17	975,457,521	14,798,640	-	1,504,282	-	-
2017-18	1,027,794,598	13,810,094	-	1,510,855	-	-
2018-19	1,061,816,489	12,811,548	-	1,522,845	-	-
2019-20	1,154,042,949	11,798,002	-	1,539,818	-	-
2020-21	1,282,869,553	11,009,456	-	1,551,625	-	-
2021-22	1,334,999,359	9,700,910	-	1,555,775	-	-

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

Notes: Details of the District's outstanding debt can be found in Note 7 in the notes to the financial statements.

* See page 100 for personal income and population data. These rates are calculated using personal income and population for the prior calendar year.

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

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

Fiscal Year	Principal	Interest	Total Debt Service Principal and Interest	Total General Fund Expenditures	Ratio of Debt Service to Total General Expenditures
2012	\$ -	\$ -	\$ -	\$ 27,936,637	-
2013	-	-	-	28,725,487	-
2014	-	-	-	28,894,503	-
2015	-	-	-	30,154,436	-
2016	-	-	-	32,308,297	-
2017	-	-	-	33,283,869	-
2018	-	-	-	33,596,992	-
2019	-	-	-	33,582,796	-
2020	-	-	-	34,022,343	-
2021	-	-	-	35,149,950	-

Source: District financial records.

North Scott Community School District

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

	2012	2013	2014	2015
Debt limit	\$ 44,559,210	\$ 46,282,177	\$ 47,526,964	\$ 47,705,276
Total net debt applicable to limit	-	10,000,000	9,460,000	15,510,000
Legal debt margin	\$ 44,559,210	\$ 36,282,177	\$ 38,066,964	\$ 32,195,276
Total net debt applicable to the limit as a percentage of debt limit	0.00%	21.61%	19.90%	32.51%

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

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed value	\$ 1,334,999,359
Debt limit (5% of assessed value)	\$ 66,749,968
Debt applicable to limit	9,700,910
Legal debt margin	\$ 57,049,058

2016	2017	2018	2019	2020	2021
\$ 48,772,876	\$ 51,389,730	\$ 53,090,824	\$ 57,702,147	\$ 64,143,478	\$ 66,749,968
14,555,000	13,585,000	12,605,000	11,798,002	11,009,456	9,700,910
\$ 34,217,876	\$ 37,804,730	\$ 40,485,824	\$ 45,904,145	\$ 53,134,022	\$ 57,049,058
29.84%	26.44%	23.74%	20.45%	17.16%	14.53%

North Scott Community School District

Direct and Overlapping Governmental Activities Debt As of June 30, 2020 (Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Direct and Overlapping Debt
Scott County	\$ 30,475,398	13.71%	\$ 4,178,177
Eastern Iowa Community College	28,325,000	8.27%	2,342,478
City of Bettendorf	135,432,000	0.11%	148,975
City of Davenport	198,545,000	5.94%	11,793,573
City of Eldridge	14,559,000	100.00%	14,559,000
City of Princeton	165,040	100.22%	165,404
City of Donahue	99,000	100.00%	99,000
City of Long Grove	455,000	100.00%	455,000
City of Maysville	-	0.00%	-
City of McCausland	-	0.00%	-
Subtotal, overlapping debt			<u>33,741,607</u>
District direct debt			<u>9,700,910</u>
Total direct and overlapping debt			<u><u>\$ 43,442,517</u></u>

Source: Scott County Auditor.

Notes:

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

* The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value. (Calculated by dividing the amount of the value applicable to the North Scott School District by the total value for that taxing authority; 2018 assessed values are used.)

North Scott Community School District

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

Fiscal Year	Revenue Bonds*			
	Revenue	Debt Service		Coverage
		Principal	Interest	
2012	\$ 2,495,352	\$ -	\$ -	-
2013	2,592,523	-	-	-
2014	2,591,792	540,000	229,955	29.71
2015	2,802,180	950,000	362,628	46.84
2016	2,903,548	955,000	401,005	46.70
2017	2,945,799	970,000	381,905	45.89
2018	2,852,367	980,000	362,505	47.07
2019	3,114,143	995,000	338,755	42.86
2020	3,187,492	1,020,000	314,655	41.87
2021	3,026,194	1,040,000	289,955	43.95

Source: District financial records

Notes: Details regarding the District's outstanding debt can be found in Note 7 of the notes to the financial statements.

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

North Scott Community School District

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

Calendar Year	Population (a)	Personal Income (b) (Thousands of Dollars)	Per Capita Personal Income (a)	Scott County Area Unemployment Rate (c) *
2012	15,203	\$ 414,889,870	\$ 27,290	670.0%
2013	15,203	429,135,081	28,227	6.1
2014	15,203	431,673,982	28,394	5.9
2015	15,203	435,231,484	28,628	4.6
2016	15,203	456,804,541	30,047	4.7
2017	15,203	469,240,595	30,865	3.8
2018	15,203	538,261,634	32,131	3.1
2019	15,203	548,757,140	33,107	2.4
2020	15,203	N/A	N/A	6.0
2021	N/A	N/A	N/A	3.8

Source:

(a) U.S. Census Bureau

(b) Iowa Department of Revenue

(c) Iowa Workforce Development

Notes: N/A = not available.

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

North Scott Community School District

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

Employer	2021				2012			
	Employees	Rank	Percentage of Total Employment		Employees	Rank	Percentage of Total Employment	
Deere & Company	6,400	1	2.61	%	5,800	2	3.77	%
Rock Island Arsenal	6,300	2	2.57		7,900	1	5.14	
Unity Point - Trinity	6,100	3	2.48		2,573	4	1.67	
Genesis Health System	4,700	4	1.91		5,100	3	3.32	
HyVee	4,200	5	1.71					
Walmart	3,600	6	1.47					
HNI Corporation/The Hon Company	3,200	7	1.30					
Tyson Fresh Meats	2,400	8	0.98		2,500	5	1.63	
Arconic	2,000	9	0.81					
Kraft Heinz	1,200	10	0.49					
Davenport CSD					2,200	6	1.43	
Aloca Inc					2,000	7	1.30	
Oscar Mayer Foods Inc.					1,600	8	1.04	
Genesis Medical Center					1,500	9	0.98	
APAC Customer Services Inc.					1,200	10	0.78	
Total	<u>40,100</u>		<u>16.33</u>	%	<u>32,373</u>		<u>21.06</u>	%
Total Regional Employees	245,573				153,738			

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

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

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

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

North Scott Community School District

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

	Full-Time Equivalent Employees as of June 30			
	2012	2013	2014	2015
Supervisory:				
Superintendent	1.0	1.0	1.0	1.0
Assistant superintendent	-	-	-	-
Principals	6.9	6.9	6.9	6.9
Assistant principals	2.0	2.0	1.0	3.0
District secretary	0.3	0.3	0.3	0.3
Business Manager	1.0	1.0	1.0	1.0
Other officials/administrators	2.0	2.0	2.0	2.0
Total supervisory	13.2	13.2	12.2	14.2
Instruction:				
Classroom teachers	149.6	151.6	153.6	157.9
Special education teachers	26.0	24.0	24.6	24.5
Special programs	15.8	14.9	14.9	14.5
Vocational teachers	11.3	11.2	9.8	12.8
Teacher aides	61.2	57.9	59.4	60.8
Instructional technology technicians	3.0	3.0	5.0	4.4
Other instruction programs	1.5	2.9	4.0	3.7
Total instruction	268.5	265.4	271.3	278.6
Student services:				
Social workers	1.0	1.0	1.0	1.0
Counselors	10.0	10.0	10.0	10.5
Library/media specialists	4.8	5.1	4.5	4.5
Nurses	5.5	5.3	5.5	6.6
Total student services	21.2	21.4	21.0	22.6
Support and administration:				
Other support services	1.2	1.2	1.8	1.2
Office/clerical personnel	24.4	25.3	27.8	23.7
Other professional employees	-	-	-	-
Technology specialist	1.0	1.0	1.0	1.0
Other technical personnel	2.0	2.0	-	-
Crafts and trades personnel	6.5	5.5	4.5	4.5
Laborers	3.0	3.0	28.8	31.6
Service workers	54.8	54.7	28.7	31.4
Operative personnel	15.5	13.2	13.0	12.8
Total support and administration	108.3	105.9	105.6	106.2
Total	411.1	405.9	410.1	421.5

Source: District financial records

Full-Time Equivalent Employees as of June 30						Percentage Change 2012 - 2021
2016	2017	2018	2019	2020	2021	
1.0	1.0	1.0	1.0	1.0	1.0	- %
-	-	-	-	1.0	1.0	100.00
6.9	6.8	7.0	7.0	7.0	7.0	2.19
3.0	2.6	3.0	5.0	5.0	5.0	150.00
0.3	0.3	0.3	0.3	0.3	0.3	-
1.0	1.0	1.0	1.0	1.0	1.0	-
2.0	2.0	2.0	2.0	2.0	2.0	-
14.2	13.7	14.3	16.3	17.3	17.3	31.56
172.0	170.0	164.4	166.3	162.5	162.8	8.77
24.8	25.8	26.0	26.5	28.5	27.0	3.89
13.5	17.2	19.5	17.1	17.7	15.1	(4.74)
11.8	11.0	11.0	13.5	12.0	13.0	14.74
65.3	66.7	66.9	67.6	68.1	65.2	6.55
3.0	3.0	3.0	4.0	3.0	3.0	-
3.0	8.4	9.0	9.0	11.0	11.0	653.42
293.4	302.1	299.8	303.9	302.7	297.1	10.66
1.0	1.0	1.0	1.0	1.0	1.0	-
10.5	10.5	10.5	10.5	10.5	10.5	5.00
5.8	4.9	5.0	5.0	5.4	5.4	13.68
5.8	6.0	6.1	6.1	6.2	6.0	10.09
23.1	22.4	22.6	22.6	23.0	22.9	8.02
1.2	1.2	1.2	1.2	1.2	1.9	68.70
23.5	22.3	22.3	22.3	22.3	21.2	(12.98)
1.0	1.0	1.0	1.0	1.0	1.0	100.00
1.0	1.0	1.0	1.0	1.0	1.0	-
2.0	2.0	2.0	2.0	2.0	0.5	(75.00)
6.5	5.5	5.5	5.5	5.5	5.0	(23.08)
3.0	3.0	3.0	3.0	3.0	3.0	-
56.5	55.8	51.1	59.9	55.6	53.3	(2.70)
13.8	13.0	12.6	12.0	12.0	15.4	(0.84)
108.5	104.8	99.6	107.9	103.6	102.3	(5.52)
439.2	443.0	436.3	450.7	446.6	439.5	6.93 %

North Scott Community School District

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

Fiscal Year	Daily Average Attendance	Operating Expenditures	Cost Per Pupil	Percentage Change
2012	3,004	\$ 27,936,637	\$ 9,300	(1.22)
2013	2,952	28,725,487	9,731	3.35
2014	3,034	28,894,503	9,524	2.41
2015	3,088	30,154,436	9,765	2.53
2016	3,158	32,308,297	10,230	4.76
2017	3,170	33,258,870	10,492	2.56
2018	3,154	33,596,992	10,652	1.53
2019	2,998	33,582,796	11,202	5.16
2020	2,965	34,022,343	11,475	2.44
2021	2,907	35,149,950	12,093	5.39

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

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

Governmental Expenses		Cost Per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio
\$	31,494,430	\$ 10,484	(2.85)	216.0	13.91
	33,926,057	11,493	6.49	219.6	13.44
	40,023,238	13,192	25.82	218.5	13.89
	41,462,482	13,427	1.78	226.4	13.64
	38,229,837	13,014	(3.07)	240.5	13.13
	40,936,372	12,914	(0.77)	243.8	13.00
	41,743,390	13,235	2.08	243.8	12.94
	40,936,372	13,655	3.17	244.9	12.24
	40,615,425	13,660	0.04	245.0	12.10
	40,457,541	13,919	1.90	239.6	12.13

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

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

Fiscal Year	Reduced Students	Reduced Percentage	Free Students	Free Percentage	Total Free and Reduced Students	Total Free and Reduced Percentage
2012	135	4.47%	610	20.18%	745	24.64%
2013	145	4.81	539	17.88	684	22.68
2014	145	4.79	553	18.25	698	23.04
2015	139	4.68	583	20.45	722	25.13
2016	112	3.54	580	18.35	692	21.89
2017	150	4.60	547	16.77	697	21.37
2018	145	4.46	630	19.37	775	23.82
2019	114	3.52	617	19.07	731	22.60
2020	113	3.42	662	20.04	775	23.46
2021	66	1.98	638	19.11	704	21.09

Source: District financial records.

North Scott Community School District

School Building Information Last Ten Fiscal Years (Unaudited)

School	Fiscal Year			
	2012	2013	2014	2015
Armstrong				
Square feet	41,095	41,095	41,095	41,095
Capacity*	720	720	720	720
Enrollment	326	316	314	329
Playgrounds	2	2	2	2
Glenn				
Square feet	26,297	26,297	26,297	26,297
Capacity*	480	480	480	480
Enrollment	256	239	271	253
Playgrounds	2	2	2	2
Grissom				
Square feet	29,209	29,209	29,209	29,209
Capacity*	480	480	480	480
Enrollment	207	194	186	187
Playgrounds	2	2	2	2
Shepard				
Square feet	39,609	39,609	46,900	46,900
Capacity*	720	720	720	870
Enrollment	355	366	357	412
Playgrounds	2	2	2	2
White				
Square feet	42,546	42,546	42,546	67,546
Capacity*	780	780	780	990
Enrollment	446	452	463	476
Playgrounds	2	2	2	2
Jr. High				
Square feet	105,714	105,714	105,714	105,714
Capacity*	960	960	960	960
Enrollment	475	478	478	480
Playgrounds	-	-	-	-
High School				
Square feet	199,143	199,143	205,000	205,000
Capacity*	1,740	1,740	1,740	1,740
Enrollment	971	942	942	973
Playgrounds	-	-	-	-

Source: District records.

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

Fiscal Year					
2016	2017	2018	2019	2020	2021
41,095	41,095	41,095	41,095	41,095	41,095
720	720	720	720	720	720
351	370	368	372	375	363
2	2	2	2	2	2
30,177	30,177	30,177	30,177	30,177	30,177
528	528	528	528	528	528
249	258	252	236	228	214
2	2	2	2	2	2
29,209	29,209	29,209	29,209	29,209	29,209
480	480	480	480	480	480
194	185	203	199	198	195
2	2	2	2	2	2
46,900	46,900	46,900	46,900	46,900	46,900
870	870	870	870	870	870
422	422	422	428	442	427
2	2	2	2	2	2
67,546	67,546	67,546	67,546	67,546	67,546
990	990	990	990	990	990
588	561	526	528	506	548
2	2	2	2	2	2
105,714	105,714	105,714	105,714	105,714	105,714
960	960	960	960	960	960
489	483	487	528	501	496
-	-	-	-	-	-
205,000	205,000	205,000	205,000	205,000	205,000
1,740	1,740	1,740	1,740	1,740	1,740
962	956	985	956	988	1,018
-	-	-	-	-	-

North Scott Community School District

Capital Asset Information Last Ten Fiscal Years (Unaudited)

School	Fiscal Year			
	2012	2013	2014	2015
Elementary				
Buildings	5	5	5	5
Square feet	178,756	178,756	186,047	211,047
Capacity	3,180	3,180	3,180	3,540
Enrollment	1,753	1,759	1,759	1,759
Playgrounds	10	10	10	10
Junior High				
Buildings	1	1	1	1
Square feet	105,714	105,714	105,714	105,714
Capacity	960	960	960	960
Enrollment	469	478	480	489
High School				
Buildings	2	2	2	2
Square feet	199,143	199,143	205,000	205,000
Capacity	1,740	1,740	1,740	1,740
Enrollment	962	942	973	962
Administrative				
Admin building	1	1	1	1
Square feet	5,188	5,188	5,188	5,188
Warehouse/printshop	1	1	1	1
Square feet	9,900	9,900	9,900	9,900
Service buildings	19	19	19	19
Transportation				
Bus garage	1	1	1	1
Square feet	5,250	5,250	5,250	5,250
Buses	38	38	38	38
Athletics				
Lancer Athletic Building	-	-	-	-
Square feet	-	-	-	-
Indoor Practice Facility	-	-	-	-
Square feet	-	-	-	-
Football fields	1	1	1	1
Soccer fields	1	1	1	1
Running tracks	1	1	1	1
Baseball/softball	2	2	2	2
Tennis courts	1	1	1	1

Source: District records.

Fiscal Year					
2016	2017	2018	2019	2020	2021
5	5	5	5	5	5
245,104	245,104	245,104	245,104	245,104	245,104
3,588	2,588	3,588	3,588	3,588	3,588
1,887	1,885		1,763	1,763	1,763
10	10	10	10	10	10
1	1	1	1	1	1
105,714	105,714	105,714	105,714	105,714	105,714
960	960	960	960	960	960
483	483		528	528	528
2	2	2	2	2	2
205,000	205,000	205,000	205,000	205,000	205,000
1,740	1,740	1,740	1,740	1,740	1,740
956	985		956	956	956
1	1	1	1	1	1
5,188	5,188	5,188	5,188	5,188	5,188
1	1	1	1	1	1
9,900	9,900	9,900	9,900	9,900	9,900
19	19	19	19	20	20
1	1	1	1	1	1
5,250	5,250	5,250	5,250	25,351	25,351
38	38	38	38	40	40
-	1	1	1	1	1
-	24,000	24,000	24,000	24,000	24,000
-	-	-	-	-	1
-	-	-	-	-	15,552
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
2	2	2	2	2	2
1	1	1	1	1	1

North Scott Community School District Miscellaneous Demographic Statistics

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

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

SCHOOLS	20-21	19-20	18-19	17-18	16-17	15-16	14-15	13-14	12-13	11-12
Alan Shepard Elem.	K-6	K-6	K-6	K-6	K-6	K-6	K-6	K-6	K-6	K-6
Alan Shepard Elem.		PS	PS	PS	PS	PS	PS	PS	PS	PS
Edward White Elem.	K-6	K-6	K-6	K-6	K-6	K-6	K-6	K-5	K-5	K-5
Edward White Elem.	PS									
John Glenn Elem.	PreK-6	PreK-6	PreK-6	PreK-6	PreK-6	PreK-6	PreK-6	PS-6	PreK-6	PreK-6
Neil Armstrong Elem.	K-6	K-6	K-6	K-6	K-6	K-6	K-6	K-6	K-6	K-6
Neil Armstrong Elem.	PS	PS	PS	PS	PS	PS	PS	PS	PS	PS
Virgil Grissom Elem.	PS-6	PS-6	PS-6	PS-6	PS-6	PS-6	PS-6	PS-6	PreK-6	PreK-6
Junior High	7-8	7-8	7-8	7-8	7-8	7-8	7-8	*6-8	*6-8	*6-8
High School	9-12	9-12	9-12	9-12	9-12	9-12	9-12	9-12	9-12	9-12

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

Schools

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

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

The John Glenn Elementary School at Donahue, the Virgil Grissom Elementary School at Princeton, the Alan Shepard Elementary School at Long Grove and the Edward White Elementary School at Eldridge were opened in 1967. These buildings replaced 32 buildings, which were mostly one-room, rural schools. Major additions to these elementary buildings were finished in 1967, 1969, 1971, 1993 and 2000. The Neil Armstrong Elementary School at Park View was opened on August 30, 1976 with a major addition completed in 2000. A major interior renovation project was completed in two phases. The District started on a playground safety program, replacing existing playground equipment and adding rubber tile fall protection surfaces at four of the District's elementary buildings. A large addition was completed at Alan Shepard Elementary in 2014 which added multiple classrooms and breakout rooms. A large addition was completed at Ed White Elementary in 2015, which added a gym, multiple classrooms, and office area. The library was expanded and updated as well. In 2016, John Glenn Elementary added a SAFE room that also holds two classrooms for the building. In 2020 John Glenn completed a solar project.

A major sports complex was completed in the fall of 2002, which includes 12 lighted tennis courts and a lighted soccer complex. A District-wide web-based HVAC control system upgrade was started in the spring of 2009. In 2021 the District began construction on a community YMCA with the City of Eldridge.

Staff and Curriculum

The North Scott Schools take pride in their excellent workforce. The seven buildings and central office are staffed by 17.00 FTE administrators, 239.6 FTE certified staff and 182.9 FTE support staff. The teaching staff includes classroom teachers, media specialists, nurses and teacher specialists in the areas of reading, art, music, physical education and guidance. The support staff of teacher aides, secretarial and clerical staff, bus drivers and mechanics, custodial/maintenance, child care, food service, print shop and grounds staff all contributes to creating a positive, safe learning environment for students.

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

- All teachers and administrators are involved in grade level and content area meetings to align curriculum, assessment and instruction. The structure of Professional Learning Communities is utilized to carry out this collaborative work.
- The District completed the development and implementation of our Return to Learn Plan as set forth by the Department of Education.
- The District completed the CASA document to report on the 2020-21 school year and document plans for the upcoming year in implementing the Iowa Common Core.
- The District completed the end-of-year state Teacher Leadership and Compensation (TLC) report. Data was highlighted to show the health of our programming and the positive effect TLC is having in the District.
- The District has identified long-range goals and annual improvement goals with specific action plans to meet the identified needs of students and staff within the District using a School Strategic plan which is reviewed annually with members of the administration and Board of Directors.
- The District employs reading specialists who provide academic support in reading for students in grades K-12. The Comprehensive Intervention Model is used by all reading specialists throughout the District.

- Curriculum, instruction, and assessment reports are made during the school year to the Board of Directors.
- The District has a Curriculum Cabinet, which meets once a month to discuss issues directly related to curriculum, instruction and assessment. Members of the Cabinet include the Superintendent, Curriculum Director, a board member, all K-12 administrators, the 7-12 Teacher Leader Coordinator, and all K-6 instructional coaches. Minutes of the Curriculum Cabinet are shared after each meeting at School Board meetings.
- Each building annually identifies building improvement goals based upon student data. Action plans are developed at the building level to make improvements at the site level.
- Parent/teacher conferences are held in grades kindergarten through twelve twice a year with a high parent participation rate.
- The District provides a well-articulated K-12 counseling program to address the needs of students. All elementary buildings have full time guidance personnel.
- The District continues to provide regular professional development opportunities to all staff in the areas of reading, math, science, technology, and meeting the needs of diverse learners. In 2020-21, an emphasis was placed on accelerating students' learning and implementing best practice. Training was provided by AEA consultants and instructional coaches within the District.
- Four computer technicians are employed by the District to assist in the placement of technology in all classrooms and for our online learners. 100% of the District's classrooms are connected to the Internet. All staff members and students Google accounts. There are more than 3,000 computers across the District. The District has a 1:1 initiative using Chromebooks as the primary devices for students. The District maintains a web page which was restructured and updated in 2018-19.
- The Central Office and administrative staff use a web-based personnel software system for hiring new staff.
- The District has an active mentoring program for beginning teachers. "Journey to Excellence" provides each beginning teacher with a trained mentor for a two-year period. Training teachers is on-going to enlarge the pool of mentors supporting beginning educators starting their careers in the District.
- Both the Junior High and High School provide a student academic intervention time each school day.

Population

The population of the North Scott Community School District is estimated at approximately 15,000. The enrollment in October 2021 was 3,397 students – 1,041 senior high students, 499 junior high students, 1,857 elementary students, 151 4-year-olds. These numbers include students who are open-enrolled or tuitioned into the District.

A fleet of 40 buses is owned by the District to serve its transportation needs. A total of 22 regular bus routes operate daily, with 3 activity routes operating in the evening. The District also has 5 special education routes operating daily.

Student lunches are prepared at two central locations, North Scott High School and North Scott Junior High. In the summer of 2020, meals were free to students under the Summer Food Service Program (SFSP). Starting August 23, 2020 - September 14, 2020 the District participated in National School Lunch Program (NSLP). During this short time students paid for meals. On September 14, 2020, the USDA again approved free meals for all students under SFSP due to the continued affects of coronavirus pandemic until June 30, 2021. As a result our total meals increased to 247,940 breakfast and 439,204 lunches served for 2020-21. This is approximately 275,000 more meals served as compared to the totals prior to the coronavirus pandemic.

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

District Awards Over the Last Several Years

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

Individuals

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

- Presenters, University of Northern Iowa Literacy Spring Conference & Summer Academy, 2013 2014, 2015, and 2016
- Presenter – 2017 Visible Learning Conference
- Presenter – Association for Middle Level Educators
- Presenters – 2018 National Reading Recovery Council Conference
- 1st place in the state for Sr. Division National History Day, 2014
- 2013 National Merit Finalist/Recipient
- Teacher of the Year Finalist, 2012
- Teacher National Board Certification, 2012
- State of Iowa Governor's Volunteer Award for Individual Volunteerism
- Big Brothers/Big Sisters of America Big Impact Award Winner
- Teacher National Board Certification, 2012
- National Merit Finalist/Recipient, 2013
- Member of MBAEA and School Administrators of Iowa's Professional Development Committee, 2013-15
- Member of SAI Elementary Principal of the Year Selection Committee, 2013-14
- Serve on SAI Fall Conference Planning Committee, 2012-13
- Edward White Elementary Model PCL School, 2013-14, 2014-15, 2015-16
- Member of North Scott Rotary
- Member of State's C4K Committee
- Iowa State Representative
- Iowa State Senator

- Committee member, Leadership Committee, IASBO
- Iowa State Distribution Advisory Council
- Presenter at Middle Level Education Southeast Sectional Conference
- Instructor – Iowa Superintendent and Leadership Consortium 2010 – Understanding & Managing Special Revenue Funds
- Southeast District High School Athletic Director of the Year, 2015
- Wrestling Coach of the Year, 2015
- Boys Class 4A Basketball Coach of the Year, 2015
- Iowa School Counselor-of-the-Year Semi-Finalist, 2017
- Iowa State Bar Mock Trial Coach Educator Hall of Fame Induction, 2017
- MAC Cross-Country Coach of the Year, 2018
- Football District Coaching Staff of the Year, 2018
- Cross Country MAC Coach of the Year, 2019
- Volleyball MAC Coach of the Year, 2019
- Football District Coach of the Year, 2019
- Wrestling MAC Coach of the Year, 2020
- Wrestling MAC Coach of the Year, 2021
- Track MAC Coach of the Year, 2021

Building Awards

- Five Elementary Schools Received the 2012-2014 USDA Healthier US School Challenge Award
- Junior High Educational Equity Recognition Award – Iowa State Board of Education
- Junior High “Employer Support of the Guard and Reserve” ESGR Award

Grounds Awards

- Presenter at National Sports Turf Manager’s Conference, 2012
- 2015 Tennis Courts of the Year

Grants

- Scott County Regional Authority Grant, \$13,904 – Promoting Cultural Proficiency and Diversity Through Literature
- Scott County Regional Authority Grant, \$7,450 – Family Engagement Literacy Backpacks
- Scott County Regional Authority Grant, \$7,657 – Science Department Lab Technology

Statistical Review

Area – 220 square miles

Altitude – 793 feet above sea level

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

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

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

Churches – 13, representing five denominations.

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

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

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

Climate:

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

Municipal Services

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

Notice of Nondiscrimination

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

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

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

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

Year	Insured Property Values	Expenditures for Construction	Bank Deposit*
2020-21	\$ 140,128,492	\$ 2,763,255	\$ 18,870,348
2019-20	138,773,492	2,251,106	18,781,893
2018-19	127,709,918	5,714,786	21,533,792
2017-18	124,662,825	4,286,334	15,765,345
2016-17	119,576,825	6,615,029	5,415,715
2015-16	117,555,405	15,649,202	6,599,043
2014-15	110,037,643	7,469,839	7,261,512
2013-14	99,516,364	11,223,369	2,439,275
2012-13	97,224,430	3,480,508	2,907,201
2011-12	91,387,744	1,625,806	2,109,219

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

Sources: District financial and insurance records.

North Scott Community School District

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

Grade	2020-21	2019-20	2018-19	2017-18
Enrollment by Grade				
Kindergarten	262.0	257.0	243.0	250.0
1	219.0	212.0	216.0	230.0
2	210.0	216.0	243.0	238.0
3	215.0	235.0	242.0	237.0
4	250.0	237.0	241.0	238.0
5	241.0	247.0	245.0	235.0
6	254.0	239.0	243.0	242.0
7	244.0	244.0	257.0	251.0
8	249.0	255.0	262.0	227.0
9	266.0	261.0	223.0	245.0
10	261.0	230.0	252.0	238.0
11	223.0	236.0	231.0	234.0
12	254.0	244.0	241.0	261.0
	3,148.0	3,113.0	3,139.0	3,126.0
Certified enrollment	3,071.0	3,029.6	3,077.3	3,035.1

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

2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
266.0	278.0	285.0	247.0	237.0	236.0
236.0	237.0	217.0	205.0	218.0	240.0
241.0	227.0	228.0	219.0	234.0	211.0
228.0	231.0	229.0	237.0	206.0	218.0
229.0	238.0	237.0	213.0	224.0	225.0
245.0	247.0	227.0	224.0	226.0	238.0
253.0	228.0	235.0	222.0	237.0	238.0
235.0	244.0	237.0	237.0	245.0	228.0
243.0	240.0	239.0	237.0	226.0	236.0
235.0	241.0	236.0	227.0	238.0	267.0
238.0	243.0	225.0	230.0	260.0	228.0
238.0	229.0	229.0	256.0	215.0	236.0
240.0	242.0	272.0	222.0	248.0	221.0
3,127.0	3,125.0	3,096.0	2,976.0	3,014.0	3,022.0
3,062.1	3,078.2	3,046.3	2,948.9	2,978.5	2,986.6

North Scott Community School District

Schedule of Insurance Coverage

July 1, 2019 - June 30, 2020

(Unaudited)

Detail of Coverage	Number	From	To
PROPERTY			
Coverage A - Buildings	5A1-37-59-21	7/1/2020	7/1/2021
Coverage B - Personal property			
Coverage C - Extra expense			
LIABILITY			
Premises, contractual, personal injury, teachers liability, nurses professional liability, garage keepers, employee benefits, additional insured.	5D1-37-59-21	7/1/2020	7/1/2021
FLEET			
Bodily injury, property damage, medical uninsured motorist, comprehensive, collision. Includes non-owned.	5E1-37-59-21	7/1/2020	7/1/2021
WORKERS' COMPENSATION	180-001-3941	7/1/2020	7/1/2021
INLAND MARINE			
All risk coverage based on statement of values.	5C1-37-59-21	7/1/2020	7/1/2021
COMMERCIAL UMBRELLA (EXCESS LIABILITY)	5J1-37-59-21	7/1/2020	7/1/2021
SCHOOL DISTRICT LEGAL LIABILITY			
Includes prior acts, 36-month discovery period extension, teacher negotiation-covers school board and all employees.	5K1-37-59-21	7/1/2020	7/1/2021
PUBLIC SCHOOL EMPLOYEES BLANKET BOND	5F1-37-59-21	7/1/2020	7/1/2021
POLLUTION	5P1-37-59-21	7/1/2021	7/1/2021
GROUP EXCESS LIABILITY	5Y1-37-59-21	7/1/2020	7/1/2021
DATA COMPROMISE	5Q1-37-59-21	7/1/2020	7/1/2021

Source: School District insurance records.

Liability Limits	Premium
Coverages A and B - 90% of full replacement cost as per statement of values - \$25,000 deductible. Coverage C - As per schedule.	118,452
\$2,000,000 bodily injury and property damage each occurrence, \$4,000,000 aggregate.	20,889
\$2,000,000 combined single limit liability, \$5,000 medical payment, ACV comprehensive no deductible, buses \$250 deductible, small vehicles \$100 deductible and automobiles uninsured and underinsured motorist \$1,000,000	48,927
Statutory.	127,362
As per schedule.	1,543
\$9,000,000 occurrence and aggregate.	14,618
\$2,000 deductible, \$2,000,000 each loss, \$2,000,000 aggregate.	13,806
Blanket coverage \$1,000,000 all employees w/ \$10,000 deductible	3,611
\$1,000,000 each incident, \$1,000,000 aggregate	1,350
\$15,000,000 occurrence limit and \$30,000,000 aggregate limit	6,948
As per schedule.	3,889

North Scott Community School District

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

Fiscal Year	Budgeted State Aid	Actual Revenue	Difference State Aid to Actual	Difference % of Budget Variance**
2021	\$ 18,977,216	\$ 18,901,181	\$ 76,035	0.40%
2020	18,985,887	18,828,806	157,081	0.83%
2019	18,374,416	18,298,603	75,813	0.41%
2018	19,033,612	18,956,147	77,465	0.41%
2017	18,978,935	18,902,895	76,040	0.40%
2016	17,230,352	17,150,827	79,525	0.46%
2015	16,592,001	16,513,565	78,436	0.47%
2014	15,876,358	15,793,642	82,716	0.52%
2013	15,395,627	15,308,497	87,130	0.57%
2012	15,904,254	14,321,192	1,583,062	9.95%
Average	\$ 17,534,866	\$ 17,297,536	\$ 237,330	2.29%

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

Source: District Budget Documents and Financial Records.

North Scott Community School District

Local Regular Program Budget vs. Teacher Settlements

New Money the Last Ten Years - Percent Increase

(Unaudited)

Budget Year	Enrollment	(A) North Scott New Money	(B) North Scott Settlement	(C) New Money State Trend	(D) Settlement State Trend	(E) Certified Teaching Staff (FTE)
2020-21	3,029.6	1.00%	2.00%	2.28%	2.69%	239.56
2019-20	3,077.3	2.73%	2.00%	1.23%	2.51%	240.31
2018-19	3,035.1	0.58%	2.12%	1.20%	2.34%	238.81
2017-18	3,062.1	1.00%	3.45%	1.34%	2.16%	243.80
2016-17	3,078.2	3.32%	2.76%	1.79%	3.33%	240.30
2015-16	3,046.3	4.60%	3.51%	1.87%	3.15%	240.48
2014-15	2,948.9	2.97%	3.86%	3.00%	3.65%	226.42
2013-14	2,978.5	1.72%	3.85%	2.42%	3.70%	218.48
2012-13	2,986.6	1.70%	3.76%	1.28%	3.70%	219.60
2011-12	2,964.5	1.30%	3.60%	0.13%	3.70%	216.68
Ten-year average	\$ 3,021	0.02	0.03	0.02	0.03	232.44
Percent variance (B-A)/B		32.32%		(D-C)/C	46.52%	

* Source IASB reports.

North Scott Community School District

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

Education Level	Fiscal Year			
	2012	2013	2014	2015
BA				
Total FTE	55.96	55.63	60.00	66.50
Average salary	37,148.84	36,955.78	37,731.38	38,755.05
BA + 15				
Total FTE	26.40	25.40	22.69	21.44
Average salary	41,056.06	42,295.08	44,143.98	44,872.77
BA + 30				
Total FTE	24.00	24.00	25.00	22.00
Average salary	62,422.63	48,339.25	48,766.80	49,253.55
MA				
Total FTE	56.66	61.07	60.29	62.98
Average salary	40,648.62	47,017.08	48,716.42	48,786.39
MA + 15				
Total FTE	22.00	22.00	21.50	20.50
Average salary	46,603.82	50,887.18	51,992.14	54,365.80
MA + 30				
Total FTE	31.00	32.00	29.00	33.00
Average salary	46,281.42	56,768.81	59,249.59	60,275.91
Grand total FTE	216.02	220.10	218.48	226.42
Total average salary	43,625.73	45,877.97	46,951.03	47,606.36

Source: District personnel records.

Notes:

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

Fiscal Year					
2016	2017	2018	2019	2020	2021
67.98 39,488.71	59.60 40,397.58	65.60 41,353.20	46.50 41,709.28	49.98 40,914.01	54.48 41,221.87
23.50 45,889.45	22.06 45,935.03	20.31 46,724.58	21.48 46,529.97	13.00 48,383.85	15.00 48,090.00
19.50 51,200.49	21.63 51,875.36	22.63 52,518.64	23.19 52,954.91	19.69 54,985.96	18.69 55,596.56
64.00 50,090.38	64.01 50,838.55	65.38 51,995.18	73.88 51,742.06	78.88 52,223.14	76.63 52,571.89
25.50 55,701.45	30.50 56,109.54	29.00 57,194.41	31.63 56,444.46	33.63 56,854.19	30.63 58,197.35
40.00 60,837.10	42.50 61,585.58	40.88 62,612.50	42.13 61,645.83	45.13 62,126.03	44.13 63,302.35
240.48 49,155.48	240.30 51,514.43	243.80 51,139.97	238.81 51,807.50	240.31 52,397.58	239.56 52,642.00

North Scott Community School District

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

	Fiscal Year			
	2021-22	2020-21	2019-20	2018-19
Certified	3.30 %	2.00 %	2.00 %	2.12 %
Classified	3.40	2.00	2.00	1.20
Bus drivers	3.20	2.00	3.00	1.26
Administrators	3.20	2.00	2.00	1.73
Midmanagement	3.20	2.00	2.00	1.63
Print shop	N/A	N/A	N/A	N/A
Exempt	3.20	2.00	2.00	1.88

Source: District records.

Fiscal Year						10-Year
2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	Average
3.45 %	2.76 %	3.51 %	3.86 %	3.85 %	3.76 %	3.07 %
1.65	2.75	3.35	3.86	3.06	3.38	2.67
1.00	2.76	3.35	3.86	3.12	3.52	2.30
2.20	2.76	3.00	3.25	3.78	3.38	2.52
2.50	2.76	3.00	3.86	3.00	3.38	2.75
2.50	2.76	3.00	3.86	3.00	3.38	2.60
2.50	2.76	3.00	3.86	3.00	3.38	2.79

North Scott Community School District

Financial Solvency Ratio Last Ten Fiscal Years (Unaudited)

Fiscal Year	Unassigned/ Assigned General Fund Balance	Actual Revenues	Financial Solvency Ratio
2021	\$ 7,746,503	\$ 35,294,988	21.95%
2020	7,874,085	34,867,591	22.58%
2019	7,330,814	34,896,662	21.01%
2018	6,091,547	34,422,847	17.66%
2017	5,203,385	33,850,867	15.37%
2016	4,696,591	30,914,743	15.19%
2015	4,999,015	30,113,559	16.60%
2014	5,199,486	29,463,500	17.65%
2013	4,582,172	28,838,374	15.89%
2012	4,472,779	28,960,008	15.44%

Source: District financial records.

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

COMPLIANCE SECTION



North Scott
Community Schools

THIS PAGE INTENTIONALLY LEFT BLANK

North Scott Community School District

**Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021**

Federal Grantor/Pass-Through Grantor/ Program Title or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture				
Pass-Through Iowa Department of Education:				
Child Nutrition Cluster Program:				
COVID-19 Child Nutrition Program CARES				
Grants to States	10.555	FY21 4056	\$ -	\$ 288,523
Commodities -DOD (Noncash)	10.555	FY21 4951	-	85,987
Commodities (Noncash)	10.555	FY21 4951	-	106,779
			-	481,289
Summer Food Service Program for Children	10.559	FY21 4556	-	1,462,283
Total Child Nutrition Cluster Program			-	1,943,572
Child and Adult Food Care Program	10.558	FY21 4554	-	1,397
Total U.S. Department of Agriculture			-	1,944,969
U.S. Department of Labor				
Pass-Through Iowa Workforce Development:				
Apprenticeship USA Grants	17.285	FY21 4017	-	30,984
Total U.S. Department of Labor			-	30,984
U.S. Department of Treasury				
Pass-Through Iowa Workforce Development:				
COVID-19 Coronavirus Relief Fund	21.019	FY21 4059	-	50,000
Pass-Through Eastern Iowa Mental Health and Disability Services Region:				
COVID-19 Coronavirus Relief Fund	21.019	FY21 4059	-	138,444
Total U.S. Department of Treasury			-	188,444
U.S. Department of Education				
Pass-Through Iowa Department of Education:				
Title 1 Grants to Local Educational Agencies	84.010	FY21 4501	-	231,608
Supporting Effective Instruction State Grants	84.367	FY21 4643	-	61,934
Student Support and Academic Enrichment Program	84.424	FY21 4669	-	11,978
Education Stabilization Fund:				
COVID-19 Education Stabilization Fund-GEERF	84.425C	FY21 4051	-	75,600
COVID-19 Education Stabilization Fund-ESSER I	84.425D	FY21 4052	-	194,708
COVID-19 Education Stabilization Fund-ESSER II	84.425D	FY21 4055	-	285,556
			-	480,264
Total Education Stabilization Fund			-	555,864

(Continued)

North Scott Community School District

Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program Title or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Education (continued)				
Pass-Through Mississippi Bend Area Education Agency:				
Special Education Cluster Program:				
Special Education - Grants to States				
IDEA, Part B	84.027	FY21 4521	\$ -	\$ 131,862
Career and Technical Education- Basic Grants to States	84.048	FY21 4531	-	21,607
Total U.S. Department of Education			-	1,014,853
U.S. Department of Health and Human Services				
Pass-Through Iowa Department of Education:				
COVID-19 Child Care and Development Block Grant	93.575	FY21 4616	-	107,500
Total U.S. Department of Health and Human Services			-	107,500
Total Expenditures of Federal Awards			\$ -	\$ 3,286,750

See notes to schedule of expenditures of federal awards.

North Scott Community School District

Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2021

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the North Scott Community School District under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of North Scott Community School District, it is not intended to and does not present the financial position, changes in net position or cash flows of North Scott Community School District.

Note 2. Summary of significant accounting policies

Expenditures reported on the Schedule of Expenditures of Federal Awards are reported on the modified accrual or accrual basis of accounting based on the fund-type of the program. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. 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.



North Scott Community School District
251 East Iowa Street, Eldridge, Iowa 52748
Fax (563) 285-6075 Phone (563) 285-4819

... a commitment to the community.

North Scott Community School District

Summary Schedule of Prior Audit Findings Year Ended June 30, 2021

Finding	Status	Reason for Recurrence and
		Corrective Action Plan or Other Explanation
Other Findings Related to Required Statutory Reporting:		
IV-G-20: There were variances regarding certified enrollment data certified to the state in October 2019.	Not corrected.	See IV-G-21.



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

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

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

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of North Scott Community School District's internal control.

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

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

Compliance and Other Matters

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

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bohnsack & Frommelt LLP

Moline, Illinois
November 19, 2021



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

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

Report on Compliance for Each Major Federal Program

We have audited North Scott Community School District's (the District) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. 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.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

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

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

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

Bohnsack & Frommelt LLP

Moline, Illinois
November 19, 2021

North Scott Community School District

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2021**

I. Summary of the Independent Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency identified?
- Noncompliance material to financial statements noted?

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

Federal Awards

Internal control over major programs:

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

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

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

Unmodified

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

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

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
Child Nutrition Cluster Program:	
10.555	COVID-19 Child Nutrition Program CARES Grants to States
10.555	Commodities -DOD (Noncash)
10.555	Commodities (Noncash)
10.559	Summer Food Service for Children

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

Auditee qualified as low-risk auditee?

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

(Continued)

North Scott Community School District

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

Part II: Findings Related to the Basic Financial Statements

Instances of noncompliance:

No matters were reported.

Internal control deficiencies:

No matters were reported.

Part III: Findings and Questioned Costs for Federal Awards

Instances of noncompliance:

No matters were reported.

Internal control deficiencies:

No matters were reported.

Part IV: Other Findings Related to Statutory Reporting

IV-A-21

Certified Budget: Expenditures for the year ended June 30, 2021 did not exceed the amounts budgeted at year-end.

IV-B-21

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-21

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-21

Business Transactions: Business transactions between the District and District officials or employees are detailed as follows:

Name, Title, and Business Connection	Transaction Description	Amount
Central Scott Telephone, CEO & General MGR, Donn Wilmott, Board Member	Services	\$ 72,981

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

IV-E-21

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-21

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.

(Continued)

North Scott Community School District

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2021**

IV-G-21

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

IV-H-21

Certified Enrollment:

Finding: Variances regarding the October 2020 certified enrollment data certified to the Iowa Department of Education were noted.

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

Response: The District will review current processes to ensure data submitted for certified enrollment is accurately reported.

Conclusion: Response accepted.

IV-I-21

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

IV-J-21

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-21

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

IV-L-21

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

(Continued)

North Scott Community School District

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

IV-M-21

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, 2021, the District reported the following information regarding the statewide sales and services tax revenue in the District's CAR:

Beginning balance		\$	4,739,931
Revenue / transfers in:			
Statewide sales and services tax revenue	\$	3,026,194	
Other		272,509	3,298,703
Expenditures/transfers out:			
Support services		314,024	
School infrastructure:			
Buildings and improvements		1,506,533	
Transfers out		1,330,955	3,151,512
Ending balance		\$	4,887,122

For the year ended June 30, 2021, the District reduced the tax levy by not having a debt service levy of \$2.485 per \$1,000 of taxable valuation as a result of the monies received under Chapter 423E or 423F of the Code of Iowa.



North Scott Community School District
251 East Iowa Street, Eldridge, Iowa 52748
Fax (563) 285-6075 Phone (563) 285-4819

... a commitment to the community.

North Scott Community School District

Corrective Action Plan

Year Ended June 30, 2021

Findings	Corrective Action Plan	Anticipated Date of Completion
Other Findings Related to Required Statutory Reporting:		
IV-< -21: There were variances regarding certified enrollment data certified to the state in October 2020.	See corrective action plan and response at IV-G-21	Fiscal Year 2022 Jill Van Roekel