



**Johnston Community School District
Johnston, Iowa**

Annual Comprehensive Financial Report

Year Ended June 30, 2022

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
JOHNSTON COMMUNITY SCHOOL DISTRICT**

Johnston, Iowa

Fiscal Year Ended June 30, 2022

OFFICIAL ISSUING REPORT

Ryan Eidahl, Chief Financial Officer

OFFICE ISSUING REPORT

Business Office

Johnston Community School District
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June 30, 2022

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Ryan Eidahl, Chief Financial Officer

Members of the Board of Education and Residents of
Johnston Community School District
Johnston, Iowa

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) for the Johnston Community School District for the fiscal year ended June 30, 2022. The report has been prepared to conform to guidelines recommended by the Association of School Business Officials (ASBO) International and the Government Finance Officers Association (GFOA) of the United States and Canada.

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 of the District in accordance with generally accepted accounting principles, (GAAP). It includes all District funds. All disclosures necessary to enable a reader to gain maximum understanding of the District's financial activities have been included.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget Circular A-133, Audits of States and Local Governments and Nonprofit Organizations. Information related to this single audit, including a schedule of expenditures of federal awards, the independent auditor's report on internal control over financial reporting and on compliance and other matters, independent auditor's report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance, and a schedule of findings are included in the single audit compliance section of this report.

The 2022 Annual Comprehensive Financial Report is presented in four sections: Introductory, Financial, Statistical and Single Audit Compliance. The Introductory Section includes a transmittal letter, the District's organizational chart, a list of District officials, and the 2021 Certificate of Achievement for Excellence in Financial Reporting presented by the Government Finance Officers Association and the Association of School Business Officials.

The financial section consists of the independent auditor's report, Management's Discussion and Analysis, audited basic financial statements, required supplemental information, and combining and individual fund statements and schedules. The audited basic financial statements present both an overview and a broad long-term perspective of the School District as a Whole in the government-wide financial statements. Management is responsible for preparing a Management's Discussion and Analysis (Mb&A). This discussion immediately follows the independent auditor's report and provides a narrative overview and analysis of the basic financial statement.

The Statistical Section sets forth selected unaudited financial and demographic information, and is divided into five categories including financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information generally presented on a multi-year basis.

Profile of the Government

School districts in Iowa operate with local control and have fiscal independence from other government entities. The District operates in compliance with the accounting principles generally accepted in the United States of America (GAAP) and currently prepares its financial statements per the Governmental Accounting Standards Board (GASB) Statement No. 34. A seven-member elected Board of Directors, serving staggered terms of four years, governs the Johnston Community School District. The Board of Directors is a policy-making and planning body whose decisions are carried out by school administrators. The District is subject to the general oversight of the Iowa Department of Education. This oversight generally includes an approval process that reviews compliance to standards enacted by legislative mandate.

The Johnston Community School District serves more than 38,000 people and covers 40 square miles in the northwest part of Polk County-Des Moines, Johnston, Urbandale, and Grimes. It is a thriving, growing suburb north of Iowa's capital of Des Moines with the Des Moines Metropolitan area including over 600,000 residents as of the 2010 census.

The District started as a one building district in 1914 and has grown to be the 13th largest of Iowa's 327 public school systems. The enrollment decrease from 7,004 students (certified) in 2020 to 6,987 students in the fall of 2020 and an increase from 7,135 students served to 7,157 served was due to the COVID pandemic. The District continues to see this effect in our fall 2022 certified enrollment count of 6,984, a decrease of 2 students. However, our students served increased in the fall of 2021 from 7,157 to 7,229, an increase of 72 students.

The District provides a full range of educational services appropriate to students in early childhood, preschool, transitional kindergarten, and grades kindergarten through twelve. These services include basic, regular and enriched academic education; special education for children with special needs; vocational education; and numerous individualized programs such as specialized instruction for students at-risk and for limited-English-speaking students.

In addition to the elementary, middle school and high school programs offered in the District, there are additional opportunities for achieving success. Students attend Metro West, an alternative school for students who function better in a less-structured environment. Students may also attend the Central Academy that affords additional opportunities for a greater breadth of classes.

The District serves these students in one high school, two middle schools and five elementary schools. Four of the elementary buildings are between fifteen and thirty-eight years old and one elementary is sixty-four years old. Our grades 6-7 middle school is eighteen years old, and our grades 8-9 middle school is fifty years old. The District has one high school which is now five years old. The District also operates a buildings and grounds/warehouse/transportation facility, a technology building located in the previous Wallace Annex, an older warehouse location, and District Office.

Economic Condition and Outlook

The District is located in the central part of the state, within the larger Des Moines metropolitan area and ranks as one of the top growth areas of the country. The economic condition and outlook of the District have remained strong during the past ten years, and as a result, the District has experienced tremendous growth over the past several years. This growth has had a positive effect on employment and the District's tax base. The District has averaged 4.3% annual increase in the tax base over the past ten years. In fiscal year 2022, the increase was 4.1%. The average increase over the last 5 years has been 18.5 students, and the District is still projected to grow marginally for a few more years. The District has utilized a demographer to assist with enrollment projections.

Based on conservative projections, this trend is expected to continue well into the next decade. While having a positive impact, the small growth also presents challenges for the District. The District utilizes the maximum optional instructional support levy and will need to continue a high level of efficient use of human resources and facilities.

Retail sales, building permits, and population increases in the western suburbs have generally exceeded that of any other location in the metropolitan area or in the State of Iowa. These increases are expected to continue if economic conditions remain stable.

In recent years, the state of Iowa has faced an economic downturn that severely hampered its ability to fund schools at the same level as in prior years. The District has faced inadequate funding for state aid and other state-funded programs, and this has resulted in lower supplemental state aid. The lower funding has become the new norm with the last ten years averaging 2.0% supplemental state aid. The supplemental state aid has been complimented with increased enrollment (with the exception of two years) allowing the District to meet its needs without implementing budget cuts in recent years.

Major Initiatives

It is projected that the district will continue to grow for the foreseeable future. To accommodate the district's growth, a facility plan was approved that included a new high school housing grades 10-12, renovations to the existing high school to house 8th and 9th grade students, renovations to the existing middle school to house elementary students by moving Wallace Elementary to that building along with all district preschool classes, and renovations to the current Wallace Elementary to meet district needs. The high school project was completed in 2017, Wallace Elementary was completed 2018, middle school completed renovations in the summers of 2019 and 2020, and the administrative building (previous Wallace Elementary) renovations began late fall 2018 with completion fall 2019. This facility plan

was funded through various sources including a bond referendum that passed in June 2014 for \$41 million, revenue bonds, and PPEL notes; this facility plan should meet the enrollment needs of the district for many years.

On March 2, 2021, the taxpayers, with an 82.03% approval, voted to extend the Voted Physical Plant and Equipment Levy (VPPEL) for another ten-year period starting with fiscal year ending June 30, 2024. In 2021, the VPPEL generated \$3.8 million. Also on March 2, 2021, the taxpayers, with an 88.34% approval, approved the District's Revenue Purpose Statement. Having this continual revenue stream approved as well as the purpose statement were crucial to our school district to maintain our buildings and technology.

Johnston Community School District is in its ninth year with digital learning environments. Johnston High School began their 1:1 in 2012, Johnston Middle School (8-9) came on board in 2015, and Summit Middle School (6-7) in 2016. Elementary schools were also part of the initiative with fourth and fifth grade classrooms at 1:1 and Kindergarten through 3rd grade being 2:1 in 2019. In order to meet learning needs through the pandemic, Johnston has now become a 1:1 school district for PK-12 students.

Relevant Financial Policies

Since the funding formula is pupil driven, an increase in total spending authority occurs by increasing the number of pupils or by increasing the cost per pupil. The cost per pupil can be increased by the legislature in setting the amount of supplemental state aid each year. Under the law, the legislature has thirty (30) days after receiving the governor's budget recommendation to set the state percent of supplemental state aid for the following year. Adequate supplemental state aid is critical in funding the needs of our district.

Internal Control

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state and local financial assistance, the District is also responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. As a part of the District's single audit, described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the District has complied with applicable laws and regulations.

Budgetary Controls

In addition, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the District's governing body. Activities of the General Fund, Special Revenue Funds, Enterprise Fund, Debt Service Fund and Capital Projects Fund are included in the annual budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the budgeted amount) is established by function and encompasses all fund types. To facilitate the monitoring of the legal provisions, and to provide more complete information to interested parties, the District prepares a more detailed budget for each fund. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

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

Basis of Presentation

The charts and accounts used by the District have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards and Audits of State and Local Government Units issued by the American Institute of Certified Public Accountants. In addition, the District's accounting records materially conform to the Uniform Financial Accounting for Iowa Schools and Area Education Agencies issued by the State Department of Education and Chapter 11 of the Code of Iowa. The chart of accounts manual is updated annually and the District is materially in compliance with these requirements.

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 requirements of the 1996 Amendment to the Single Audit Act, and the Uniform Guidance. The auditor's report on the general-purpose financial statements and combining and 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 internal controls and compliance. As a recipient of federal, state and county financial assistance, the District is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. The internal control procedures are subject to periodic evaluation by management and external auditors.

As part of the District's audit, tests are made to determine the adequacy of the internal control over financial reporting and its compliance with applicable laws and regulations, including those related to major federal award programs. The results of the District's audit for the fiscal year ended June 30, 2022 noted no material weaknesses in the internal controls over financial reporting or for compliance issues.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Johnston Community School District for its annual comprehensive financial report for the fiscal year ended June 30, 2021. The Certificate of Achievement is the highest form of recognition for excellence in state and local financial reporting. In order to be awarded a Certificate of Achievement, a government 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. A Certificate of Achievement is valid for a period of one year only. The Johnston Community School District has received this award annually for the last sixteen years. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

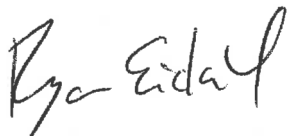
The District also received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials (ASBO) upon recommendation of the Association's Panel of Review, which has judged that the report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program. A certificate is valid for a period of one year. The Johnston Community School District has received this award for twenty years, and we are submitting this report to ASBO to determine its eligibility for another certificate.

Acknowledgements

The preparation of this report could not be accomplished without the efficient and dedicated services of the entire central administrative support staff and our auditors, Van Maanen, Sietstra, Meyer & Nikkel, PC. Finally, we would like to thank the Board of Education for their continued interest and support in conducting the financial operations of the District in a most responsible and progressive manner.

We are pleased to present this report of the results of the District's financial operation for the fiscal year ended June 30, 2022. It is our hope that study and review of this report will provide a better understanding of the District's financial operation for the District patrons.

Respectfully submitted,



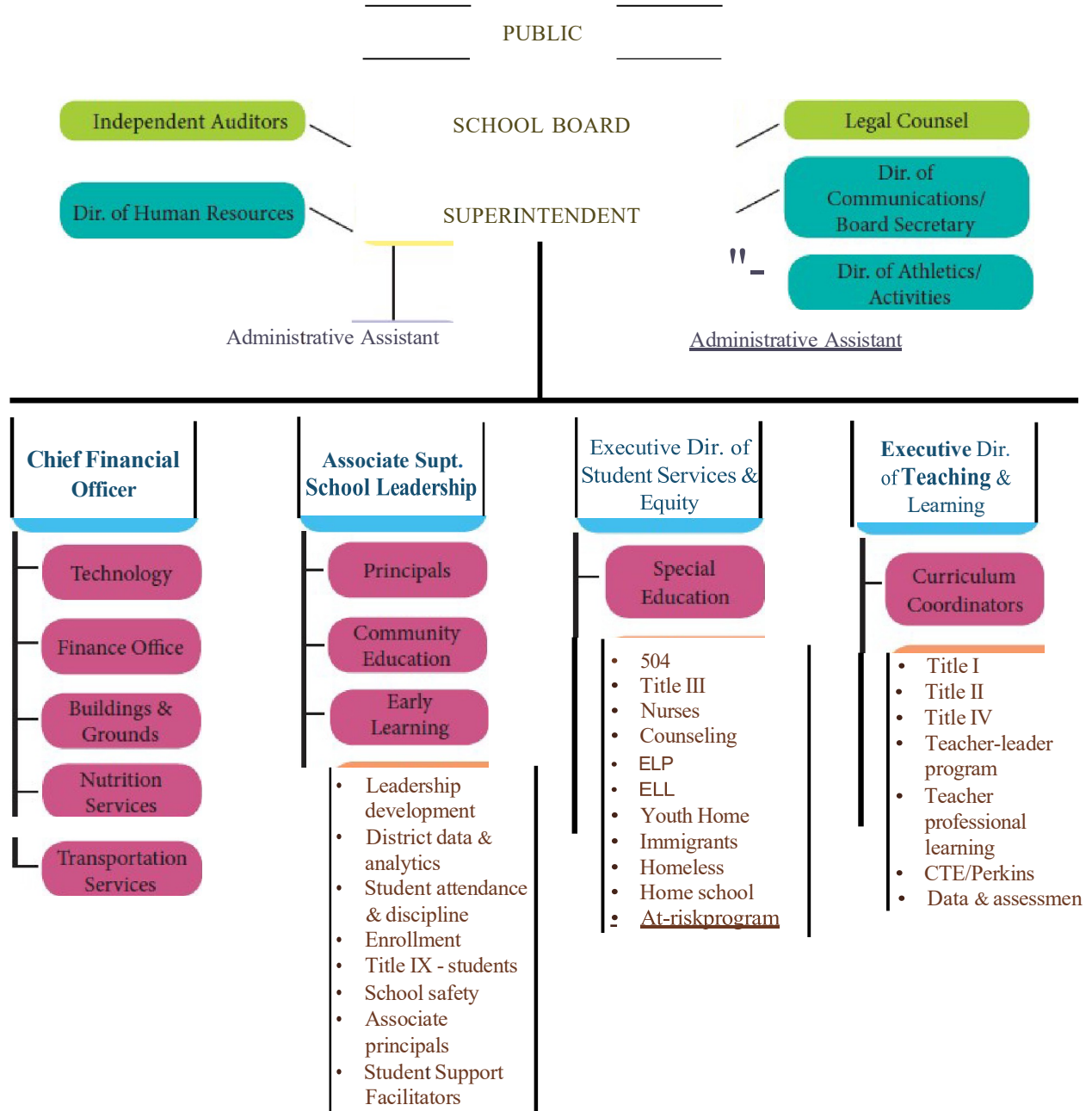
Ryan Eidahl
Chief Financial Officer



Laura Kacer
Superintendent

January 9, 2023

Johnston Community School District
 Organizational Chart
 June 30, 2022



**Johnston Community School District
Board of Education and School District Administration
Year Ended June 30, 2022**

<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
Board of Education		
Katie Fiala	President	2023
Alicia Clevenger	Vice President	2023
Derek Tidball	Board Member	2025
Jennifer Chamberland	Board Member	2023
Deb Davis	Board Member	2025
Soneeta Mangra-Dutcher	Board Member	2023
Clint Evans	Board Member	2025

School District Administration

Laura Kacer	Superintendent of Schools
Dr. Nikki Roorda	Associate Superintendent of Teaching & Learning
Ryan Eidahl	Chief Financial Officer
Maria Waller	Director of Business Services
Scott Kruthoff	Director of Community Education
Bob Devens	Director of Buildings and Grounds
LaRae Doll	Director of Nutrition & Food Services
Tony Sparks	Director of Technology
Anthony Spurgetis	Director of Human Resources
Ryan Woods	High School Principal
Randy Klein	High School Associate Principal
Nate Zittergruen	High School Associate Principal
Brent Riessen	Middle School Principal
Raine Mollenbeck	Middle School Associate Principal
Chris Billings	Summit Middle School Principal
Jerry Stratton	Summit School Associate Principal
Josh Tobey	Director of Athletics and Activities
Melissa Crosse	Assistant Director of Athletics and Activities
Nikki Heidemann	Lawson Elementary Principal
Kelley Harrison	Timber Ridge Elementary Principal
Lindsey Cornwell	Horizon Elementary Principal
Suzie Pearson	Wallace Elementary Principal
Eric Toot	Beaver Creek Elementary Principal
Vickie McCool	Director of Special Education
Joy Wiebers	Executive Director of Student Support & Equity
Lynn Meadows	Director of Communications
Joy Palmer	Director of Johnston Early Learning Academy



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Johnston Community School District
Iowa**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO



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

Johnston Community School District

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021.**

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



A handwritten signature in black ink, appearing to read 'William A. Sutter'.

William A. Sutter
President

A handwritten signature in black ink, appearing to read 'David J. Lewis'.

David J. Lewis
Executive Director



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Van Maanen, Sietstra, Meyer & Nikkel, PC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Education
Johnston Community School District
Johnston, Iowa

Report on the Financial Statements

Opinions

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 Johnston Community School District, Johnston, Iowa, as of and for the year ended June 30, 2022, and the related Notes to the Financial Statements, which collectively comprise the District's basic financial statements listed in the table of contents.

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 Johnston Community School District as of June 30, 2022 and the respective changes in financial position, and, where applicable, cash flows thereof for the year ended in accordance with U.S. general accepted accounting principles.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of Johnston Community School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 15 to the financial statements, Johnston Community School District adopted new accounting guidance related to Governmental Accounting Standards Board Statement No. 87, Leases. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of the District's Proportionate Share of the Net Pension Liability (Asset), the Schedule of District Contributions and the Schedule of Changes in the District's Total OPEB Liability, Related Ratios and Notes on pages 12 through 21 and 62 through 67 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Johnston Community School District's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the nine years ended June 30, 2021, (which are not presented herein) and expressed unmodified opinions on those financial statements. The supplementary information included in Schedules 1 through 12, including the Schedule of Expenditures of Federal Awards by Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost of Principles and Audit Requirements for Federal Awards (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the

and other additional procedures in accordance with auditing standards generally accepted by the United States of America. In our opinion, the supplementary information in Schedules 1 through 12 is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Governmental Auditing Standards, we have also issued our report dated January 9, 2023, on our consideration of the Johnston Community School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the 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 Johnston Community School District's internal control over financial reporting and compliance.

Van Maanen, Sietstra, Meyer & Nikkel PC

Van Maanen, Sietstra, Meyer & Nikkel, PC
Certified Public Accountants

January 9, 2023

**Johnston Community School District
Management's Discussion and Analysis
Year ended June 30, 2022**

This section of the Johnston Community School District annual financial report presents the readers of the District's financial statements a narrative overview and analysis of the financial activity of the District for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal. Professional standards require the inclusion of certain comparative information in the Management's Discussion and Analysis (MD&A).

Financial Highlights

- For the year ended June 30, 2022, the District reported an increase in combined total governmental and business-type activities net position of \$27,733,019 compared to an increase of \$14,423,150 during the year ended 2021.
- Total revenues for the fiscal year ended June 30, 2022 and 2021 of \$128,704,224 and \$120,826,352 were comprised of General Revenues in the amount of \$95,605,158 and \$91,571,904 and Program Revenues totaling \$33,099,066 and \$29,254,448 respectively.
- As of June 30, 2022, the District's governmental funds reported combined ending fund balances of \$38,686,759, a decrease of \$10,958,560 in comparison with 2021. This compares with June 30, 2021 balance of \$49,645,319, an increase of \$11,187,914 in comparison with 2020. This decrease for year ending 2022 consists primarily of decrease of \$17.9 million in the Debt fund due to the general obligation bonds being called in June, 2022. This was offset by an increase of \$5.4 million in the General fund and an increase of \$1.3 million in the Capital Projects funds.
- As of June 30, 2022, Unassigned fund balance for the General Fund was \$18,556,483 or 21.0% of total General Fund expenditures. This is an increase from the balance on June 30, 2021 of \$5,409,460 or 6.1% of expenditures. This increase is due to the higher \$6.5 million cash reserve levied, and then offset by 1.08% new money (state supplemental aid 2.4% and decreased enrollment), controlled staffing, the continuation of \$650,000 budgeted for curriculum resources in lieu of textbook adoptions.

Using This Annual Report

This 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 Johnston 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 Johnston Community School District's operations in more detail than the government-wide financial statements by providing information about the most significant funds. The remaining financial statements provide information about activities for which Johnston Community School District acts solely as an agent or custodian for the benefit of those outside of the District.
- The *Notes to Financial Statements* provide additional information essential to a full understanding of the data provided in the basic financial statements.
- The *Required Supplementary Information* further explains and supports the financial statements with a comparison of the District's budget for the year, the District's proportionate share of the net pension liability and related contributions, as well as presenting the Schedule of funding Progress for the Retiree Health Plan.
- The *Supplementary Information* provides detailed information about the nonmajor governmental funds. In addition, the Schedule of Expenditures of Federal Awards provides details of various federal programs benefiting the District.

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

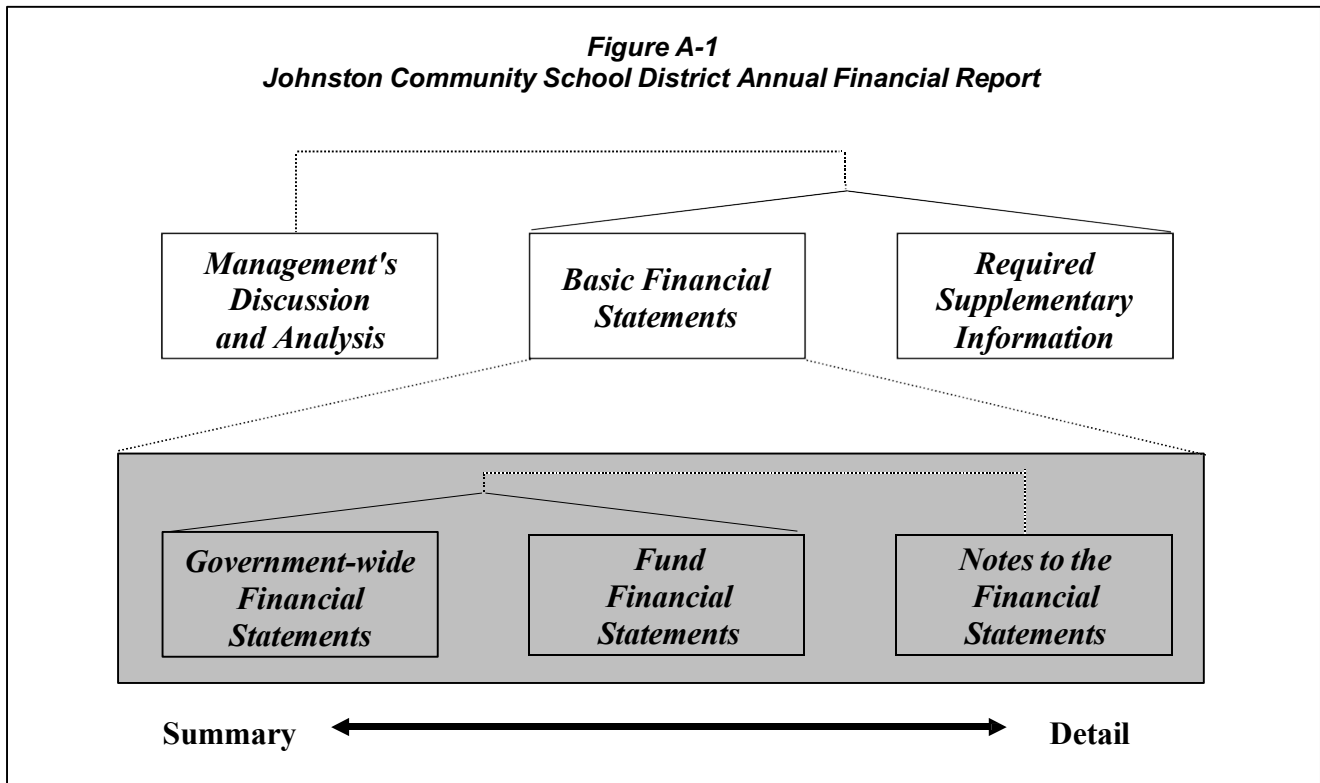


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of the management's discussion and analysis highlights the structure and contents of each of the statements.

Figure A-2 Major Features of the Government-wide and Fund Financial Statements			
	Government-wide Statements	Fund Statements	
		Governmental Funds	Proprietary 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 adult education
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenues, expenses and changes in fund net position • Statement of cash flows
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
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
Type of deferred outflow/inflow information	Consumption/ acquisition of net position that is applicable to a future reporting period	Consumption/ acquisition of fund balance that is applicable to a future reporting period	Consumption/ acquisition of net position that is applicable to a future reporting period
Type of inflow/ outflow information	All revenues and expenses during 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

Reporting the District's Financial Activities

Government-wide 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 outflow of resources, liabilities and deferred inflow of resources, with the difference reported as net position. 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 financial statements report the District's *net position* and how it has changed. Net position – the difference between the District's assets, deferred outflow of resources, liabilities and deferred inflow of resources – are one way to measure the District's financial health or position. Over time, increases or decreases in the District's net position is an indicator of whether financial position is improving or deteriorating. To assess the District's overall health, additional non-financial factors, such as changes in the District's property tax base and the condition of school buildings and other facilities, need to be considered.

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 tax 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, community education and community preschool 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 two 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 assets 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.

The District's governmental funds include the General Fund, the Special Revenue Funds, the Debt Service Fund and the Capital Projects Fund.

The required financial statements for governmental funds include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances and can be found on pages twenty-six through thirty of this report.

- *Proprietary funds:* Services for which the district charges a fess are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide financial statements. The District's Enterprise Funds, one type of proprietary fund, is the same as its business type activities but provides more detail and additional information, such as cash flows. The District currently has three enterprise funds: School Nutrition, Community Preschool, and Community Education. Internal service funds are used to report the same functions presented as governmental activities in the government-wide financial statements. The District maintains one internal service fund to account for the premium and claim payments for the self-insured health insurance and dental insurance plans for District employees. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. Because the service provided by the District predominately benefits governmental, rather than business-type functions, it has been included within governmental activities in the government-wide financial statements. The basic proprietary fund financial statements can be found on pages 31 through 34 of this report.

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Management's Discussion and Analysis
Year ended June 30, 2022**

The required financial statements for proprietary funds include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position and a Statement of Cash Flows.

Government-wide Financial Analysis

The District's financial position is the product of several financial transactions including the net result of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Net position - Figure A-3 below provides a summary of the District's net position for the year ended June 30, 2022 compared to June 30, 2021.

Figure A-3 Condensed Statement of Net Position							
	Governmental activities		Business type activities		Total		Total Change
	June 30,		June 30,		June 30,		June 30,
	2022	2021	2022	2021	2022	2021	2021-2022
Current assets	\$ 112,802,096	\$ 121,004,000	6,942,148	4,477,603	119,744,244	125,481,603	-4.6%
Capital assets, net	189,180,951	193,849,708	601,488	659,564	189,782,439	194,509,272	-2.4%
Total assets	301,983,047	314,853,708	7,543,636	5,137,167	309,526,683	319,990,875	-3.3%
Deferred outflows of resources	9,171,675	10,512,669	587,210	848,410	9,758,885	11,361,079	0.0%
Total deferred outflows of resources	9,171,675	10,512,669	587,210	848,410	9,758,885	11,361,079	0.0%
Current liabilities	25,617,241	24,555,901	579,753	622,416	26,196,994	25,178,317	4.0%
Long-term liabilities	50,750,665	127,218,005	239,983	3,074,403	50,990,648	130,292,408	-60.9%
Total liabilities	76,367,906	151,773,906	819,736	3,696,819	77,187,642	155,470,725	-50.4%
Deferred inflows of resources	86,738,312	49,781,034	1,960,902	434,502	88,699,214	50,215,536	0.0%
Total deferred inflows of resources	86,738,312	49,781,034	1,960,902	434,502	88,699,214	50,215,536	0.0%
Net Position:							
Net investment in capital assets	132,695,184	103,892,118	601,488	659,564	133,296,672	104,551,682	27.5%
Restricted	19,037,053	34,875,046	-	-	19,037,053	34,875,046	-45.4%
Unrestricted	(3,683,733)	(14,955,727)	4,748,720	1,194,692	1,064,987	(13,761,035)	-107.7%
Total net position	\$ 148,048,504	\$ 123,811,437	5,350,208	1,854,256	153,398,712	125,665,693	22.1%

As noted earlier, net position may serve over time as a useful indicator of a government entity's financial position. A significant portion of the District's total net position reflects its investment in capital assets (land and improvements, buildings and improvements, vehicles, furniture and equipment, and construction in progress) less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. The District's total net position increased from a year ago \$125,665,693 to \$153,398,712. The governmental activities net position increased \$24,237,067 and the business type activities net position increased \$3,495,952.

A significant portion of the District's total assets reflects its investment in capital assets. The District uses these capital assets to provide educational services; consequently, these assets are not available for future spending. The District's net position invested in capital assets, net of related debt, was \$133,296,672 for 2022 and \$104,551,682 for 2021.

Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. Long-term debt liabilities will be repaid through future property and sales taxes collections. Bond debt retirement for the year was \$28,945,000.

Property tax, sales tax, and unrestricted state grants account for 73.2% of the total revenue. The District's expenses primarily relate to instruction and support services that account for 75.6% of the total expenses.

The restricted portion of the District's net position (12.4% for 2022 and 27.8% for 2021) represents resources that are subject to external restrictions in how they may be used. Restrictions for 2022 include \$6,777,997 for school infrastructure, \$1,695,537 for physical plant and equipment levy, \$84,787 for internal services, \$530,460 for other special revenue purposes, \$1,934,826 for debt service, \$5,526,300 for

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Management's Discussion and Analysis
Year ended June 30, 2022**

management levy, and \$2,487,146 for state categorical funding. The remaining balance of unrestricted net position is \$1,064,987 for 2022 and (\$13,761,035) for 2021.

The District's total net position increased by \$27,733,019 during the current fiscal year as compared to an increase of \$14,423,150 in 2021. The governmental activities net position increased by \$24,237,067 in 2022 and increased by \$13,846,414 in 2021. The business type activities (which include nutrition, childcare, community education, and community preschool) increased by \$3,495,952 in 2022 as compared to an increase of \$576,736 in 2021. The reason for the change in business type activities is primarily due to a federal grant that was received within the childcare fund.

Governmental Activities

Revenues for governmental activities were \$119,289,837 and expenses were \$95,437,123 for the year ended June 30, 2022. Net position increased by \$24,237,067.

Figure A-4 highlights the District's revenues and expenses for the fiscal year ended June 30, 2022 and 2021. These two main components are subtracted to yield the change in net position. This exhibit utilizes the full accrual method of accounting. Revenue is further divided into two major components: program revenue and general revenue. Program revenue is defined as charges for services and sales, operating and capital grants and contributions. General revenue includes taxes and unrestricted grants such as state foundation support.

Expenses are shown in programs including instruction, support services, non-instructional programs and other expenses.

**Johnston Community School District
Management's Discussion and Analysis
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**Figure A-4
Changes in Net Position**

	Governmental activities		Business type activities		Total District		Total
	Year ended June 30,		Year ended June 30,		Year ended June 30,		Change
	2022	2021	2022	2021	2022	2021	2021-2022
Revenues:							
Program revenues:							
Charges for services	\$ 8,173,161	\$ 6,839,469	3,326,381	1,792,903	11,499,542	8,632,372	33.2%
Operating grants and contributions	15,511,518	17,360,702	6,088,006	3,261,374	21,599,524	20,622,076	4.7%
General revenues:							
Local taxes	48,768,982	48,125,767	-	-	48,768,982	48,125,767	1.3%
Statewide sales, services and use tax	8,448,742	7,092,979	-	-	8,448,742	7,092,979	19.1%
State grants	36,939,507	35,223,836	-	-	36,939,507	35,223,836	4.9%
Investment earnings	167,645	356,158	-	-	167,645	356,158	-52.9%
Other	1,280,282	773,164	-	-	1,280,282	773,164	65.6%
Total revenues	119,289,837	115,772,075	9,414,387	5,054,277	128,704,224	120,826,352	6.5%
Expenses:							
Program expenses:							
Instruction	63,918,995	68,674,883	-	-	63,918,995	68,674,883	-6.9%
Support services - students & staff	5,585,788	5,824,320	-	-	5,585,788	5,824,320	-4.1%
Support services - administration	6,879,240	6,813,756	-	-	6,879,240	6,813,756	1.0%
Operations and maintenance	8,155,224	9,276,356	-	-	8,155,224	9,276,356	-12.1%
Transportation	4,345,697	4,133,351	-	-	4,345,697	4,133,351	5.1%
Non-instructional activities	44,290	53,266	5,534,082	4,974,929	5,578,372	5,028,195	10.9%
Other	6,507,889	6,652,341	-	-	6,507,889	6,652,341	-2.2%
Total expenses	95,437,123	101,428,273	5,534,082	4,974,929	100,971,205	106,403,202	-5.1%
Excess (deficiencies) before transfers	23,852,714	14,343,802	3,880,305	79,348	27,733,019	14,423,150	92.3%
Transfers	384,353	(497,388)	(384,353)	497,388	-	-	-
Change in net position	24,237,067	13,846,414	3,495,952	576,736	27,733,019	14,423,150	92.3%
Net Position beginning of year	123,811,437	109,965,023	1,854,256	1,277,520	125,665,693	111,242,543	13.0%
Net Position end of year	\$ 148,048,504	\$ 123,811,437	5,350,208	1,854,256	153,398,712	125,665,693	22.1%

Business Type Activities

Revenues of the District's business type activities were \$9,414,387 and expenses were \$5,534,082 for the year ended June 30, 2022. Net position increased \$3,495,952. The District's business type activities include the School Nutrition, Community Preschool, Community Education, and Community Childcare Funds. Revenues of these activities were comprised of charges for service and federal and state reimbursements.

Individual Fund Analysis

- The financial performance of the District as a whole is reflected in its governmental funds as well. On June 30, 2022, the District's governmental funds reported combined fund balances of \$38,686,759 compared to the 2021 ending fund balances of \$49,645,319. The \$10,958,560 decrease for year ending 2022 is primarily due to payment of our pre-levied funds on the callable general obligation bonds in June 2022.

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Management’s Discussion and Analysis
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Governmental Fund Highlights

- The General Fund is the chief operating fund of the District. At the end of the current fiscal year, Unassigned fund balance of the General Fund was \$18,556,483 and \$13,781,660 for 2022 and 2021, respectively while total fund balance reached \$21,380,621 in 2022 and \$15,971,161 in 2021. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance of \$18,556,483 represents 21.0% of total General Fund expenditures, and total fund balance of \$21,380,621 represents approximately 24.2% of that same amount for 2022. For fiscal year 2021, unassigned fund balance of \$13,781,660 represents 16.0% of total General Fund expenditures, while total fund balance of \$15,971,161 represents approximately 18.6% of that same amount. This increase is due to the higher cash reserve levied and then offset by 1.08% new money (state supplemental aid 2.40% and decreased enrollment), controlled staffing, the continuation of \$650,000 budgeted for curriculum resources in lieu of textbook adoptions.
- The Debt Service Fund balance decreased from \$19,755,806 June 30, 2021 to \$1,801,844 June 30, 2022. The decrease in the Debt Service fund balance is due to the prepayment of principal on general obligation bonds which became callable in June 2022.
- The Capital Projects Fund balance increased from \$8,187,871 June 30, 2021 to \$9,447,534 June 30, 2022. This increase is due the increase in sales tax revenues received during fiscal year 2022.
- The non-major special revenue funds balance increased \$326,279 due to an increase in the Management Fund.

Proprietary Fund Highlights

The School Enterprise Funds net position increased from \$1,854,256 on June 30, 2021 to \$5,350,208 on June 30, 2022 for an increase of \$3,495,952 primarily due to increased federal funding for the Nutrition Fund and Child Care Fund.

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 for internal services, private-purpose trusts and agency 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 accrual basis. Schedules showing the original and final budget amounts compared to the District’s actual financial activity are included in the required supplementary information section of this report.

Legal Budgetary Highlights

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

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

	Final Budget	Actual	Variance
Instruction	\$ 66,835,593	63,762,858	3,072,735
Support services	28,925,323	26,245,394	2,679,929
Non-instructional programs	6,054,431	4,865,959	1,188,472
Other	22,233,965	41,292,621	(19,058,656)
	<u>\$ 124,049,312</u>	<u>136,166,832</u>	<u>(12,117,520)</u>

“Other” expenditures variance is due to general obligation bond being called in June 2022.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2022, the District had invested \$189,782,439 net of accumulated depreciation, in a broad range of capital assets, including land, buildings, athletic facilities, computers, audio-visual equipment, and furniture and equipment. This compares to the June 30, 2021 balance of \$194,576,099. See Figure A-5.

The original cost of the District's capital assets was \$272,470,710. Governmental funds account for \$259,925,739, Enterprise funds \$3,259,710, and the remainder is land at \$9,285,261.

The following schedule represents capital asset balances net of depreciation for the fiscal year ended June 30, 2022.

	Governmental activities		Business type activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2022	2021, as restated	2022	2021	2022	2021	2021-2022
Land	\$ 9,285,261	\$ 9,285,261	-	-	9,285,261	9,285,261	0.0%
Buildings	170,631,705	175,014,726	-	-	170,631,705	175,014,726	-2.5%
Improvements other than buildings	3,559,472	3,292,449	-	-	3,559,472	3,292,449	8.1%
Furniture and equipment	5,694,966	6,257,272	601,488	659,564	6,296,454	6,916,836	-9.0%
Right-to-use leased equipment	9,547	66,827	-	-	9,547	66,827	-85.7%
Total	\$ 189,180,951	\$ 193,916,535	601,488	659,564	189,782,439	194,576,099	-2.5%

Additional information about the District's capital assets can be found in Note 5 on page 46 in the notes to the financial statements.

Long-Term Debt

At June 30, 2022, the District had \$61,207,558 in long-term debt outstanding including general obligation bonds, revenue bonds, and other long-term debt outstanding. This represents a decrease of approximately 56.4% from June 30, 2021. (See Figure A-6)
More detailed information about the District's long-term liabilities is available in Note 6 to the financial statements.

The decrease is primarily a result of \$28,945,000 general obligation bond reductions and \$41,416,547 in net pension liability reduction.

	Governmental activities		Business type activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2022	2021, as restated	2022	2021	2022	2021	2021-2022
General obligation bonds	\$ 14,520,000	\$ 43,465,000	-	-	14,520,000	43,465,000	-66.6%
General obligation bond discount	(177,094)	(196,000)	-	-	(177,094)	(196,000)	-9.6%
General obligation bond premium	448,004	530,603	-	-	448,004	530,603	-15.6%
Revenue bonds	40,485,000	44,385,000	-	-	40,485,000	44,385,000	-8.8%
Revenue bond discount	(193,075)	(228,571)	-	-	(193,075)	(228,571)	-15.5%
Revenue bond premium	956,301	1,141,146	-	-	956,301	1,141,146	-16.2%
Obligations under lease	446,631	927,238	-	-	446,631	927,238	-51.8%
Other postemployment benefits	3,458,540	4,719,207	197,876	287,231	3,656,416	5,006,438	-27.0%
Net pension liability	836,033	42,252,580	42,107	2,787,172	878,140	45,039,752	-98.1%
Compensated absences	163,994	233,322	23,241	27,570	187,235	260,892	-28.2%
Totals	\$ 60,944,334	\$ 137,229,525	263,224	3,101,973	61,207,558	140,331,498	-56.4%

Economic Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of several existing circumstances that could significantly affect its financial health in the future:

- The District is located in the central part of the state, within the larger Des Moines metropolitan area and ranks as one of the top growth areas of the country. The economic condition and outlook of the District have remained strong during the past ten years, and as a result, the District has experienced tremendous growth over the past several years. This growth has had a positive effect on employment and the District's tax base.

- Prior to the pandemic, the District expected continued enrollment growth, but much smaller than the average over the last ten years of 91 or approximately one percent. The District has utilized a demographer to assist with enrollment projections.
- To accommodate the district's growth, a facility plan was approved that included a new high school housing grades 10-12 (opened fall 2017), renovations to the previous high school site to house 8th and 9th grade students (opened fall 2017), renovations to the previous middle school to house elementary students by moving Wallace Elementary to that building along with all district preschool classes (opened fall 2018), and renovations to the current Wallace Elementary to meet district needs (opened fall 2019). This facility plan was funded through various sources including a bond referendum that passed in June 2014 for \$41 million, revenue bonds, and PPEL notes; these facilities should meet the enrollment needs of the district for many years.
- Inadequate state funding and enrollments will continue to put great pressure on district finances to meet the personnel, facility and transportation needs of the District.
- In policy, the District has a financial solvency ratio target of 5-15% with 10% as a minimal goal, and unspent target of 5-15%. It will be important to maintain an adequate cash reserve levy to achieve and maintain the financial solvency goal, and will be equally important to monitor and adjust recurring expenses such as salaries and benefits which represent approximately 80% of the operating budget.
- The economy continues to be a factor that could have consequences for the district in regard to state revenues, property valuations, and enrollment, especially in light of the COVID pandemic.

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 Ryan Eidahl, Chief Financial Officer, Johnston Community School District, 6510 NW 62nd Avenue, Johnston, IA 50131-1234.



Basic Financial Statements

Exhibit A

**Johnston Community School District
Statement of Net Position
June 30, 2022**

	Governmental Activities	Business Type Activities	Total Primary Government
Assets			
Current assets:			
Cash, cash equivalents and pooled investments:	\$ 56,324,864	6,834,856	63,159,720
Receivables:			
Property tax:			
Delinquent	16,809	-	16,809
Succeeding year	49,508,077	-	49,508,077
Accounts	103,811	3,959	107,770
Due from other governments	6,511,543	41,591	6,553,134
Prepays	226,943	-	226,943
Inventories	110,049	61,742	171,791
Total current assets	112,802,096	6,942,148	119,744,244
Non-current assets:			
Capital assets:			
Capital assets - nondepreciable	9,285,261	-	9,285,261
Capital assets - depreciable or amortizable, net	179,895,690	601,488	180,497,178
Total capital assets	189,180,951	601,488	189,782,439
Total non-current assets	189,180,951	601,488	189,782,439
Total assets	301,983,047	7,543,636	309,526,683
Deferred Outflows of Resources			
OPEB related deferred outflows	648,283	45,188	693,471
Pension related deferred outflows	6,442,720	324,484	6,767,204
Total deferred outflows of resources	7,091,003	369,672	7,460,675
Liabilities			
Current liabilities:			
Accounts payable	4,212,808	112,364	4,325,172
Due to other governments	-	-	-
Advances from tuition and registration fees	-	-	-
Advances from prepaid childcare	-	107,866	107,866
Advances from prepaid lunches	-	140,263	140,263
Insurance claims payable	1,664,495	-	1,664,495
Salaries and benefits payable	8,409,603	196,019	8,605,622
Deposits payable	295,650	-	295,650
Accrued interest payable	841,016	-	841,016
General obligation bonds payable	5,363,694	-	5,363,694
Revenue bonds payable	4,219,350	-	4,219,350
Obligations under lease	446,631	-	446,631
Compensated absences	163,994	23,241	187,235
Total current liabilities	25,617,241	579,753	26,196,994
Non-current liabilities:			
General obligation bonds payable	9,427,216	-	9,427,216
Revenue bonds payable	37,028,876	-	37,028,876
Obligations under lease	-	-	-
Net pension liability	836,033	42,107	878,140
Other post employment benefits payable	3,458,540	197,876	3,656,416
Total non-current liabilities	50,750,665	239,983	50,990,648
Total liabilities	76,367,906	819,736	77,187,642

Exhibit A

Johnston Community School District
Statement of Net Position
June 30, 2022

	Governmental Activities	Business Type Activities	Total Primary Government
<i>Continued from previous page</i>			
Deferred Inflows of Resources			
Deferred property tax revenue	49,508,077	-	49,508,077
OPEB related deferred inflows	1,793,085	125,123	1,918,208
Pension related deferred inflows	32,130,260	1,618,241	33,748,501
Other	1,177,349	-	1,177,349
Advances on federal grants	48,869	-	48,869
Total deferred inflows of resources	84,657,640	1,743,364	86,401,004
Net Position			
Net investment in capital assets	132,695,184	601,488	133,296,672
Restricted for:			
State categorical funding	2,487,146	-	2,487,146
Management levy purposes	5,526,300	-	5,526,300
Debt service	1,934,826	-	1,934,826
School infrastructure	6,777,997	-	6,777,997
Physical plant and equipment	1,695,537	-	1,695,537
Internal service	84,787	-	84,787
Student activities	530,460	-	530,460
Unrestricted	(3,683,733)	4,748,720	1,064,987
Total net position	\$ 148,048,504	5,350,208	153,398,712

See notes to Basic Financial Statements

Exhibit B

Johnston Community School District
Statement of Activities
Year ended June 30, 2022

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Service	Operating Grants, Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total Primary Government
Governmental activities:						
Instruction:						
Regular	\$ 41,410,517	5,841,458	9,574,425	(25,994,634)	-	(25,994,634)
Special	13,142,470	1,253,596	2,382,899	(9,505,975)	-	(9,505,975)
Other	9,366,008	923,436	80,062	(8,362,510)	-	(8,362,510)
	<u>63,918,995</u>	<u>8,018,490</u>	<u>12,037,386</u>	<u>(43,863,119)</u>	<u>-</u>	<u>(43,863,119)</u>
Support Service:						
Student	2,161,224	-	-	(2,161,224)	-	(2,161,224)
Instructional staff	3,424,564	-	-	(3,424,564)	-	(3,424,564)
Administration	6,879,240	-	-	(6,879,240)	-	(6,879,240)
Operation and maintenance of plant	8,155,224	42,843	-	(8,112,381)	-	(8,112,381)
Transportation	4,345,697	111,828	116,837	(4,117,032)	-	(4,117,032)
	<u>24,965,949</u>	<u>154,671</u>	<u>116,837</u>	<u>(24,694,441)</u>	<u>-</u>	<u>(24,694,441)</u>
Non-instructional programs:						
Nutrition services	18,214	-	-	(18,214)	-	(18,214)
Community education services	26,076	-	-	(26,076)	-	(26,076)
	<u>44,290</u>	<u>-</u>	<u>-</u>	<u>(44,290)</u>	<u>-</u>	<u>(44,290)</u>
Other expenses:						
Facilities acquisition	238,039	-	-	(238,039)	-	(238,039)
Long-term debt interest	2,912,555	-	-	(2,912,555)	-	(2,912,555)
AEA support	3,357,295	-	3,357,295	-	-	-
	<u>6,507,889</u>	<u>-</u>	<u>3,357,295</u>	<u>(3,150,594)</u>	<u>-</u>	<u>(3,150,594)</u>
Total governmental activities	<u>95,437,123</u>	<u>8,173,161</u>	<u>15,511,518</u>	<u>(71,752,444)</u>	<u>-</u>	<u>(71,752,444)</u>
Business type activities:						
Non-instructional programs:						
Nutrition services	3,907,339	469,934	4,875,554	-	1,438,149	1,438,149
Daycare services	893,880	1,904,154	1,180,264	-	2,190,538	2,190,538
Preschool services	265,818	269,206	32,188	-	35,576	35,576
Community education services	467,045	683,087	-	-	216,042	216,042
Total business type activities	<u>5,534,082</u>	<u>3,326,381</u>	<u>6,088,006</u>	<u>-</u>	<u>3,880,305</u>	<u>3,880,305</u>
Total primary governmental activities	<u>\$ 100,971,205</u>	<u>11,499,542</u>	<u>21,599,524</u>	<u>(71,752,444)</u>	<u>3,880,305</u>	<u>(67,872,139)</u>

Exhibit B

Johnston Community School District
 Statement of Activities
 Year ended June 30, 2022

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Service	Operating Grants, Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total Primary Government
Totals continued from previous page	\$ 100,971,205	11,499,542	21,599,524	(71,752,444)	3,880,305	(67,872,139)
General revenues and transfers:						
Property tax levied for:						
General purposes				\$ 34,213,072	-	34,213,072
Debt service				9,549,325	-	9,549,325
Capital outlay				5,006,585	-	5,006,585
Statewide sales, services and use tax shared revenue				8,448,742	-	8,448,742
Unrestricted state grants				35,675,187	-	35,675,187
American rescue plan act				1,264,320	-	1,264,320
Unrestricted investment earnings				167,645	-	167,645
Other				1,280,282	-	1,280,282
Transfers				384,353	(384,353)	-
Total general revenues and transfers				95,989,511	(384,353)	95,605,158
Change in net position				24,237,067	3,495,952	27,733,019
Net position beginning of year				123,811,437	1,854,256	125,665,693
Net position end of year				\$ 148,048,504	5,350,208	153,398,712

See notes to Basic Financial Statements

Exhibit C

**Johnston Community School District
Balance Sheet
Governmental Funds
June 30, 2022**

	General	Debt Service	Capital Projects	Non-major Special Revenue	Total
Assets					
Cash, cash equivalents and pooled investments	\$ 28,011,701	1,804,280	9,344,153	6,559,167	45,719,301
Receivables:					
Property tax:					
Delinquent	13,185	2,114	1,108	402	16,809
Succeeding year	29,693,611	11,807,094	5,127,365	2,880,007	49,508,077
Accounts	85,343	-	5,256	13,212	103,811
Due from other governments	4,742,066	-	1,769,477	-	6,511,543
Prepaid expenses	226,943	-	-	-	226,943
Inventories	110,049	-	-	-	110,049
Total assets	\$ 62,882,898	13,613,488	16,247,359	9,452,788	102,196,533
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	\$ 3,771,758	4,550	199,461	94,457	4,070,226
Salaries and benefits payable	7,988,039	-	-	421,564	8,409,603
Due to other governments	-	-	-	-	-
Deposits payable	-	-	295,650	-	295,650
Total liabilities	11,759,797	4,550	495,111	516,021	12,775,479
Deferred inflows of resources:					
Unavailable revenues:					
Other	-	-	1,177,349	-	1,177,349
Succeeding year property tax	29,693,611	11,807,094	5,127,365	2,880,007	49,508,077
Advances of federal grants	48,869	-	-	-	48,869
Total deferred inflows of resources	29,742,480	11,807,094	6,304,714	2,880,007	50,734,295
Fund balances:					
Nonspendable for:					
Inventories	110,049	-	-	-	110,049
Prepaid expenses	226,943	-	-	-	226,943
Restricted for:					
School infrastructure	-	-	6,777,997	-	6,777,997
Debt service	-	1,801,844	974,000	-	2,775,844
State categorical funding	2,487,146	-	-	-	2,487,146
Physical plant and equipment	-	-	1,695,537	-	1,695,537
Management levy purposes	-	-	-	5,526,300	5,526,300
Student activities	-	-	-	530,460	530,460
Unassigned	18,556,483	-	-	-	18,556,483
Total fund balances	21,380,621	1,801,844	9,447,534	6,056,760	38,686,759
Total liabilities, deferred inflows of resources and fund balances	\$ 62,882,898	13,613,488	16,247,359	9,452,788	102,196,533

See notes to Basic Financial Statements

Exhibit D

**Johnston Community School District
Reconciliation of the Balance Sheet
Governmental Funds to the Statement of Net Position
June 30, 2022**

Total fund balances of governmental funds (Exhibit C) \$ 38,686,759

**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. 189,180,951

The Internal Service Fund is used by management to charge the costs of partial self funding of the District's health insurance benefit plan to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position. 8,798,483

Pension and OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:

Deferred outflows of resources	\$ 7,091,004	
Deferred inflows of resources	<u>(33,923,345)</u>	(26,832,341)

Long-term liabilities, including bonds and notes payable, bond discounts and premiums, compensated absences, accrued interest, lease payable, net pension liability and other postemployment benefits, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Those liabilities at year-end consist of:

General obligation bonds payable	(14,520,000)	
Revenue bonds payable	(40,485,000)	
Obligations under lease	(446,631)	
Bond discounts	370,170	
Bond premiums	(1,404,304)	
Accrued interest	(841,016)	
Compensated absences	(163,994)	
Net pension liability	(836,033)	
Other post employment benefits	<u>(3,458,540)</u>	<u>(61,785,348)</u>

Net position of governmental activities (Exhibit A) \$ 148,048,504

See notes to Basic Financial Statements

Exhibit E

Johnston Community School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended June 30, 2022

	General	Debt Service	Capital Projects	Non-major Special Revenue	Total
Revenues:					
Local sources:					
Local tax	\$ 33,253,356	9,549,325	5,006,585	959,716	48,768,982
Tuition	6,648,028	-	-	-	6,648,028
Other	940,220	116,663	13,593	1,887,434	2,957,910
Intermediate sources	111,644	-	-	-	111,644
State sources	48,421,478	1,108	8,449,323	128	56,872,037
Federal sources	3,922,266	-	-	-	3,922,266
Total revenues	93,296,992	9,667,096	13,469,501	2,847,278	119,280,867
Expenditures:					
Current:					
Instruction:					
Regular instruction	38,413,294	-	143,554	524,772	39,081,620
Special instruction	15,091,873	-	-	-	15,091,873
Other instruction	8,311,938	-	-	1,014,226	9,326,164
	61,817,105	-	143,554	1,538,998	63,499,657
Support services:					
Student services	2,315,151	-	-	-	2,315,151
Instructional staff services	2,683,171	-	776,240	-	3,459,411
Administration services	6,786,976	12,650	175,880	259,800	7,235,306
Operation and maintenance of plant services	7,573,764	-	160,088	692,579	8,426,431
Transportation services	3,717,701	-	627,159	12,789	4,357,649
	23,076,763	12,650	1,739,367	965,168	25,793,948
Non-instructional programs:					
Food service	-	-	-	12,640	12,640
Community service and education	33,884	-	-	-	33,884
	33,884	-	-	12,640	46,524
Capital outlay:					
Other expenditures	-	-	1,520,096	-	1,520,096
Debt Service:					
Other expenditures:					
Principal	-	33,325,607	-	-	33,325,607
Interest and other charges	-	3,060,348	29,275	-	3,089,623
	-	36,385,955	29,275	-	36,415,230
Intergovernmental:					
Other expenditures	3,357,295	-	-	-	3,357,295
Total expenditures	88,285,047	36,398,605	3,432,292	2,516,806	130,632,750
Excess (deficiency) of revenues over (under) expenditures	5,011,945	(26,731,509)	10,037,209	330,472	(11,351,883)

Exhibit E

Johnston Community School District
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year ended June 30, 2022

	General	Debt Service	Capital Projects	Non-major Special Revenue	Total
<i>Continued from previous page</i>					
Other financing sources (uses):					
Sale of assets	8,970	-	-	-	8,970
Transfers in	388,545	8,777,547	-	-	9,166,092
Transfers out	-	-	(8,777,546)	(4,193)	(8,781,739)
Total other financing sources (uses)	397,515	8,777,547	(8,777,546)	(4,193)	393,323
Change in fund balances	5,409,460	(17,953,962)	1,259,663	326,279	(10,958,560)
Fund balances beginning of year	15,971,161	19,755,806	8,187,871	5,730,481	49,645,319
Fund balances end of year	\$ 21,380,621	1,801,844	9,447,534	6,056,760	38,686,759

See notes to Basic Financial Statements

Exhibit F

**Johnston 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, 2022**

Change in fund balances - total governmental funds (Exhibit E) \$ (10,958,560)

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 of the capital assets as depreciation/amortization expense in the Statement of Activities. The amounts of capital outlays and depreciation/amortization expense in the year are as follows:

Capital outlays:			
From facilities acquisition	\$	1,326,357	
Less current year depreciation/amortization		<u>(6,061,941)</u>	(4,735,584)

Proceeds from issuing long-term liabilities provide current financial resources to governmental funds, but increases long-term liabilities in the Statement of Net Position. Repayment of long-term debt liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of issuance costs and premiums, whereas these amounts are deferred in and amortized in the Statement of Activities. Current year items are as follows:

Issuance of bonds and leases	-	
Repayments of bond and note principal	33,325,607	
Amortization of bond premiums and discounts	<u>213,042</u>	33,538,649

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when due. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due. 177,068

The current year District employer share of IPERS contributions are reported as expenditures in the governmental funds, but are reported as a deferred outflow of resources in the Statement of Net Position. 4,703,370

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.

Compensated absences	69,328	
Pension expense	2,396,781	
Other postemployment benefits	<u>(491,341)</u>	1,974,768

The Internal Service Fund is used by management to charge the costs of employee health benefits to individual funds. The change in Net Position of the Internal Service Fund is reported with governmental activities. (462,644)

Change in net position of governmental activities (Exhibit B) \$ 24,237,067

See notes to Basic Financial Statements

Exhibit G

**Johnston Community School District
Statement of Net Position
Proprietary Funds
June 30, 2022**

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Fund
Assets		
Current assets:		
Cash and cash equivalents	\$ 6,834,856	10,605,563
Receivables:		
Accounts	3,959	-
Due from other governments	41,591	-
Inventories	61,742	-
Total current assets	<u>6,942,148</u>	<u>10,605,563</u>
Non-current assets:		
Property and equipment:		
Machinery and equipment	3,259,710	-
Accumulated depreciation	(2,658,222)	-
Total non-current assets	<u>601,488</u>	<u>-</u>
Total assets	<u>7,543,636</u>	<u>10,605,563</u>
Deferred Outflows of Resources		
OPEB related deferred outflows	45,188	-
Pension related deferred outflows	324,484	-
Total deferred outflows of resources	<u>369,672</u>	<u>-</u>
Liabilities		
Current liabilities:		
Accounts payable	112,364	142,585
Advances from prepaid childcare	107,866	-
Advances from prepaid lunches	140,263	-
Insurance claims liability	-	1,664,495
Accrued salaries and benefits payable	196,019	-
Compensated absences payable	23,241	-
Total current liabilities	<u>579,753</u>	<u>1,807,080</u>
Non-current liabilities:		
Net pension liability	42,107	-
Other postemployment benefits payable	197,876	-
Total non-current liabilities	<u>239,983</u>	<u>-</u>
Total liabilities	<u>819,736</u>	<u>1,807,080</u>
Deferred Inflows of Resources		
OPEB related deferred inflows	125,123	-
Pension related deferred inflows	1,618,241	-
Total deferred inflows of resources	<u>1,743,364</u>	<u>-</u>
Net Position		
Net investment in capital assets	601,488	-
Restricted for:		
Flexible benefits	-	84,787
Unrestricted	4,748,720	8,713,696
Total net position	<u>\$ 5,350,208</u>	<u>8,798,483</u>

See notes to Basic Financial Statements

Exhibit H

Johnston Community School District
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year ended June 30, 2022

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Fund
Operating revenue:		
Local sources:		
Operating revenues	\$ 3,326,381	12,530,378
Operating expenses:		
Instructional programs:		
Instruction services:		
Other	263,201	-
	<u>263,201</u>	<u>-</u>
Support services:		
Depreciation	58	-
Other	451,388	12,993,022
	<u>451,446</u>	<u>12,993,022</u>
Non-instructional programs:		
Food service operations:		
Depreciation	110,094	-
Other	3,791,846	-
	<u>3,901,940</u>	<u>-</u>
Community service operations:		
Depreciation	3,314	-
Other	914,181	-
	<u>917,495</u>	<u>-</u>
Total operating expenses	<u>5,534,082</u>	<u>12,993,022</u>
Operating income (loss)	<u>(2,207,701)</u>	<u>(462,644)</u>
Non-operating revenues:		
State sources	60,881	-
Federal sources	6,022,108	-
Interest income	5,017	-
Total non-operating revenues	<u>6,088,006</u>	<u>-</u>
Income before transfers	3,880,305	(462,644)
Transfers (out)	<u>(384,353)</u>	<u>-</u>
Changes in net position	3,495,952	(462,644)
Net position beginning of year	<u>1,854,256</u>	<u>9,261,127</u>
Net position end of year	<u>\$ 5,350,208</u>	<u>8,798,483</u>

See notes to Basic Financial Statements

Exhibit I

Johnston Community School District
Statement of Cash Flows
Proprietary Funds
Year ended June 30, 2022

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Fund
Cash flows from operating activities:		
Cash received from sale of lunches and breakfasts	\$ 522,040	-
Cash received from community services	2,921,455	12,530,378
Cash payments to employees for services	(3,724,082)	(12,071,554)
Cash payments to suppliers for goods or services	(2,429,115)	(701,371)
Net cash provided (used) by operating activities	<u>(2,709,702)</u>	<u>(242,547)</u>
Cash flows from non-capital financing activities:		
State grants received	60,881	-
Federal grants received	6,022,108	-
Net cash provided by non-capital financing activities	<u>6,082,989</u>	<u>-</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(55,390)	-
Transfers	(384,353)	-
Net cash provided by capital and related financing activities	<u>(439,743)</u>	<u>-</u>
Cash flows from investing activities:		
Interest on investments	<u>5,017</u>	<u>-</u>
Net increase in cash and cash equivalents	2,938,561	(242,547)
Cash and cash equivalents at beginning of year	<u>4,212,596</u>	<u>10,848,110</u>
Cash and cash equivalents at end of year	<u><u>7,151,157</u></u>	<u><u>10,605,563</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (2,207,701)	(462,644)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Commodities used	316,301	-
Depreciation	113,466	-
(Increase) decrease in accounts receivable	21,186	-
(Increase) decrease in due from other governments	104,996	-
(Increase) decrease in inventory	31,533	-
Increase (decrease) in accounts payable	(23,138)	90,033
Increase (decrease) in insurance claims liability	-	130,064
Increase (decrease) in salaries and benefits payable	(6,128)	-
Increase (decrease) in unearned revenues	(9,068)	-
Increase (decrease) in compensated absences	(4,329)	-
Increase (decrease) in net pension liability	(2,745,065)	-
(Increase) decrease in deferred outflows of resources	478,738	-
Increase in deferred inflows of resources	1,308,862	-
Increase (decrease) in other post-employment benefits	(89,355)	-
Net cash provided (used) by operating activities	<u><u>\$ (2,709,702)</u></u>	<u><u>(242,547)</u></u>

Exhibit I

Johnston Community School District
Statement of Cash Flows
Proprietary Funds
Year ended June 30, 2022

Business Type Activities	Governmental Activities
Non-major Enterprise Funds	Internal Service Fund

Continued from previous page

**Reconciliation of cash and cash equivalents at year end to
specific assets included on Combined Balance Sheet:**

Current assets:

Cash and investments	\$ 6,834,856	10,605,563
Cash and cash equivalents at year end	<u>\$ 6,834,856</u>	<u>10,605,563</u>

Non-cash investing, capital and financing activities:

During the year ended June 30, 2022, the District received federal commodities valued at \$316,301.

See notes to Basic Financial Statements

(1) **Summary of Significant Accounting Policies**

The Johnston Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades prekindergarten through twelve. Additionally, the District either operates or sponsors various adult education programs. These courses include remedial education as well as career and technical and recreational courses. The geographic area served includes the city of Johnston, Iowa; portions of Urbandale, Des Moines, Granger and Grimes, Iowa; and other unincorporated areas of Polk County. The District is governed by a Board of Education whose members are elected on a non-partisan 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.

A. Reporting Entity

For financial reporting purposes, Johnston 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. Johnston 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 does 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 Polk County Assessor's Conference Board.

B. Basis of Presentation

Government-wide Financial Statements - The Statement of Net Position and the Statement of Activities report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for service.

The Statement of Net Position presents the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Net position is reported in the following categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation 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 results when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of net position not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those 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 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.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

Fund Financial Statements - Separate financial statements are provided for governmental and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor governmental funds. Combining schedules are also included for the Capital Projects Fund accounts.

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 revenues not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenditures, including instructional, support and other costs.

The Debt Service Fund is utilized to account for property tax and other revenues to be used for the payment of interest and principal on the District's general long-term debt.

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

The District reports the following non-major governmental funds:

The Special Revenue Funds account for the revenue sources that are legally restricted to expenditures for specific purposes. These funds consist of the following:

Student Activity Funds: This fund accounts for transactions that occur due to student-related activities from groups and organizations such as athletic and activity events, fundraising and other extra-curricular or co-curricular activities.

Management Fund: This fund is authorized by Iowa Code Section 298.4 and accounts for transactions related to unemployment, early retirement, judgments and settlements and the cost of liability insurance as it relates to property and casualty.

The District reports the following proprietary funds:

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

The District reports the following non-major enterprise funds:

School Nutrition Fund: This fund accounts for transactions related to the school lunch, breakfast and summer food programs authorized by Iowa Code 283A.

Child Care Fund: This fund accounts for transactions for before and after school child care and summer child care programs authorized by Iowa Code 298A.12 and 279.49.

Preschool Fund: This fund accounts for transactions for preschool programs with an instructional component for children who have not yet met the age requirement for school-aged education.

Community Education Fund: This fund accounts for transactions for facilities and services to provide further education opportunities to the local area.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

Internal Service Funds: The internal service funds are used to account for goods or services provided by one department to other departments of the District on a cost reimbursement basis. The District has the following internal service funds:

Self-Insurance Fund: This fund accounts for transactions for self-insured health insurances including medical, dental, prescription and vision received by District employees in which the District is responsible for paying all claims and administrative costs attributable to the insurances listed above.

Flexible Benefits: This fund accounts for transactions for certain benefits available to District employees in which the District is responsible for paying all premiums or costs specified by the employee.

C. Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year end.

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the District.

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's Enterprise Funds 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 non-operating revenues and expenses.

The District maintains its financial records on the cash basis. The financial statements of the District are prepared by making memorandum adjusting entries to the cash basis financial records.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position

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

Cash, Cash Equivalents and Pooled Investments – The District maintains a cash and investment pool used by all funds. The cash and investment pool has the same characteristics as demand deposits. Each fund type's portion of this pool is displayed in the financial statements as cash and cash equivalents in that fund. The District utilizes a financial institution to service bonded debt as principal and interest payments come due. The monies are either maintained in a central bank account or used to purchase legal investments.

It is the policy of the District to value investment contracts and money market investments with a maturity of one year or less at the time of purchase at cost or amortized cost. Investment contracts and money market investments that had a remaining maturity of greater than one year at the time of purchase are reported at fair value.

The District has invested funds in the Iowa Schools Joint Investment Trust (ISJIT). ISJIT is an investment pool managed by the trustee, Bankers Trust, which allows governments within the State to pool their funds for investment purposes. ISJIT is registered with the SEC as an investment company and operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940. Investments in ISJIT are valued at an amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940.

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, have a maturity date no longer than three months.

Property Tax Receivable – Property tax in the governmental funds are accounted for using the modified accrual basis of accounting.

Property tax receivable is recognized in these funds on the levy or lien date, which is the date that the tax asking is certified by the Board of Education. Delinquent property tax receivable represents unpaid taxes for the current and prior years. 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 District is required to certify its budget in April 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 reported as a deferred inflow of resources in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

Property tax revenue recognized in these funds become due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2020 assessed property valuations; is for the tax accrual period July 1, 2021 through June 30, 2022 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2021.

Due from Other Governments – Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments. Federal and state grants are recorded as receivables and the revenue is recognized during the period in which the District fulfills the requirements for receiving the grant awards in the government-wide statements. In the governmental fund statements, the revenue must meet the measurable and available criteria. Amounts received for which legal claims or applicable requirements have not been met are recorded as deferred revenue. Certain intergovernmental revenues have been included to spend such funds only for the purpose reported.

Inventories – Inventories are valued at cost using the first-in, first-out method for purchased items and government commodities. Inventories of proprietary funds are recorded as expenses when consumed rather than when purchased or received.

Prepaid Items – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements on the consumption method.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

Capital Assets – Capital assets, which include property, furniture, and equipment and intangibles acquired after July 1, 1980 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 (except for intangible right-to-use lease assets, the measurement of which is discussed under “Leases” below) if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. 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. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class. Reportable 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.

<u>Asset Class</u>	<u>Amount</u>
Land	\$ 3,500
Buildings	3,500
Improvements other than buildings	3,500
Right-to-use leased assets	3,500
Furniture and equipment:	
School Nutrition Fund equipment	500
Other furniture and equipment	3,500

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment and the right-to-use leased assets are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives (In Years)</u>
Buildings	50
Improvements other than buildings	20-50
Right-to-use leased assets	2-15
Furniture and equipment	5-15

Leases- Johnston Community School District is the lessee for a noncancellable lease of equipment. The District has recognized a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The District recognizes lease with an initial individual value of \$5,000 or more.

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

Key estimates and judgments related to leases include how Johnston Community School District determines the discount rate it uses to discount the expected lease payments to present value, lease term and lease payments.

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

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

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

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

Interfund Activity - Transfers between governmental and business type activities on the government-wide statements are reported in the same manner as general revenues. Sales of goods and services between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds.

Deferred Outflows of Resources - Deferred outflows of resources represent a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense, the unamortized portion of the net difference between projected and actual earnings on pension plan investments and contributions from the District after the measurement date but before the end of the District's reporting period.

Salaries and Benefits Payable - Payroll and related expenditures for teachers with annual contracts corresponding to the current school year, which are payable in July and August, have been accrued as liabilities.

Advances - Proceeds received by the District for which services will be rendered in a succeeding fiscal year, such as prepaid tuition and registration fees, prepaid childcare and prepaid lunch money.

Compensated Absences - District employees accumulate a limited amount of earned but unused vacation for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees that have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2022. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund. The District has no vesting requirement and the earned but unused vacation is all considered a current liability.

Long-term Liabilities - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities column in the Statement of Net Position.

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. The net pension liability attributable to the governmental activities will be paid primarily by the General Fund.

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

Deferred Inflows of Resources - Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the fund financial statements consist of property tax receivable and other receivables not collected within sixty days after year end and succeeding year property tax receivable that will not be recognized until the year for which it is levied.

Deferred inflows of resources in the Statement of Net Position consists of the succeeding year's property tax receivable that will not be recognized as revenue until the year for which it is levied, other receivables not collected within sixty days after year end and unrecognized items not yet charged to pension and OPEB expense.

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

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 are imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts which can be used only for specific purposes determined 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 constrained by the District's intent to use them for a specific purpose. It is the District's policy that the authority to assign fund balance has been delegated by the District's Board of Education to the Chief Financial Officer through the adoption of the budget.

Unassigned – All amounts not included in the preceding classifications. Negative unassigned fund balance may be reported in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed or assigned to those purposes.

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

E. Budgets and Budgetary Accounting

As allowed by GASB Statement No. 41, *Budgetary Comparison Schedules - Perspective Differences*, the District presents budgetary comparison schedules as required supplementary information based on the program structure of four functional areas as required by state statute for its legally adopted budget. During the year ended June 30, 2022, expenditures exceeded the amounts budgeted in the other expenditures area.

(2) Cash, Cash Equivalents and Pooled Investments

The District's deposits in banks at June 30, 2022 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 authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Education; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

At June 30, 2022 the District had cash, cash equivalents and pooled investments in the following:

Iowa Schools Joint Investment Trust:	
Diversified Portfolio	\$ 36,862,811
Checking Accounts	<u>26,296,909</u>
	<u>\$ 63,159,720</u>

Johnston Community School District
Notes to Basic Financial Statements
June 30, 2022

At June 30, 2022 the District had investments in the Iowa Schools joint Investment Trust District (ISJIT) which are valued at an amortized cost pursuant to rule 2a-7 under the Investment Company Act of 1940. There were no limitations or restrictions on withdrawals of the ISJIT investments. The investments in ISJIT were rated AAAM by Standard & Poor's Financial Services.

The District had no investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

Concentration of credit risk. The District's investment policy seeks diversification to reduce overall portfolio risk while attaining market rates of return to enable the District to meet all anticipated cash requirements. The District's policy further restricts investments in short-term corporate debt and commercial paper to no more than 30 percent of the investment portfolio of the District and no more than 5 percent of the investment portfolio can be invested in the securities of a single issuer.

Custodial credit risk. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its 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 (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Chapter 12c of the Code of Iowa requires all District funds be deposited into an approved depository and be either insured or collateralized.

(3) Due from Other Governments

The detail of due from other governments for the year ended June 30, 2022 is as follows:

Due from other districts	\$ 3,807,661
Due from the State of Iowa - Local sources	-
Due from the State of Iowa - State sources	2,160,071
Due from the State of Iowa - Federal sources	585,402
	<u>\$ 6,553,134</u>

All amounts are expected to be collected within one year.

(4) Interfund Transfers

The detail of interfund transfers for the year ended June 30, 2022 is as follows:

Transfer to	Transfer from	Amount
Debt Service Fund	Capital Projects Fund - Statewide Sales, Services and Use Tax	\$ 5,568,752
Debt Service Fund	Capital Projects Fund - Physical Plant and Equipment Levy	3,208,794
General Fund	Special Revenue Fund - Management	4,193
General Fund	Nutrition Fund	209,353
General Fund	Community Child Care	150,000
General Fund	Community Preschool	12,500
General Fund	Community Education	12,500
		<u>\$ 9,166,092</u>

Transfers generally move revenues from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources. A transfer was made into the Debt Service fund to pay debt payments funded by tax collections in the Statewide Sales, Services & Use Tax fund, and Physical Plant and Equipment Levy Fund. Transfers were made from the Business Type funds for indirect expenses.

Johnston Community School District
Notes to Basic Financial Statements
June 30, 2022

(5) Capital Assets

Capital assets activity for the year ended June 30, 2022 is as follows:

	Balance Beginning of Year, Restated	Additions	Reductions	Balance End of Year
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 9,285,261	-	-	9,285,261
Total capital assets not being depreciated/amortized	<u>9,285,261</u>	<u>-</u>	<u>-</u>	<u>9,285,261</u>
Capital assets being depreciated/amortized:				
Buildings	235,716,879	433,365	-	236,150,244
Improvements other than buildings	8,885,986	657,085	-	9,543,071
Furniture and equipment	13,929,690	235,907	-	14,165,597
Right-to-use leased equipment	66,827	-	-	66,827
Total capital assets being depreciated/amortized	<u>258,599,382</u>	<u>1,326,357</u>	<u>-</u>	<u>259,925,739</u>
Less accumulated depreciation/amortization for:				
Buildings	60,702,153	4,816,386	-	65,518,539
Improvements other than buildings	5,593,537	390,062	-	5,983,599
Furniture and equipment	7,672,418	798,213	-	8,470,631
Right-to-use leased equipment	-	57,280	-	57,280
Total accumulated depreciation/amortization	<u>73,968,108</u>	<u>6,061,941</u>	<u>-</u>	<u>80,030,049</u>
Total capital assets being depreciated/amortized, net	<u>184,631,274</u>	<u>(4,735,584)</u>	<u>-</u>	<u>179,895,690</u>
Governmental activities capital assets, net	<u>\$ 193,916,535</u>	<u>(4,735,584)</u>	<u>-</u>	<u>189,180,951</u>
Business type activities:				
Furniture and equipment	\$ 3,204,320	55,390	-	3,259,710
Less accumulated depreciation	2,544,756	113,466	-	2,658,222
Business-type activities capital assets, net	<u>\$ 659,564</u>	<u>(58,076)</u>	<u>-</u>	<u>601,488</u>

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

Governmental activities:		
Instruction:		
Regular		\$ 5,663,064
Other		7,761
Support services:		
Instructional staff services		80,758
Administration		101,957
Operation and maintenance of plant		176,231
Transportation		32,170
Total depreciation/amortization expense - governmental activities		<u>\$ 6,061,941</u>
Business type activities:		
Food services		\$ 110,094
Community Childcare		3,089
Community Education		225
Community Preschool		58
Total depreciation/amortization expense - business type activities activities		<u>\$ 113,466</u>

Johnston Community School District
Notes to Basic Financial Statements
June 30, 2022

(6) Long-Term Liabilities

Changes in long-term liabilities for the year ended June 30, 2022 are summarized as follows:

	Balance Beginning of Year, Restated	Additions	Reductions	Balance End of Year	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 43,465,000	-	28,945,000	14,520,000	5,300,000
General obligation bond discounts	(196,000)	-	18,906	(177,094)	(18,907)
General obligation bond premiums	530,603	-	82,599	448,004	82,601
Revenue bonds	44,385,000	-	3,900,000	40,485,000	4,070,000
Revenue bond discounts	(228,571)	-	35,496	(193,075)	(35,497)
Revenue bond premiums	1,141,146	-	184,845	956,301	184,847
Obligations under lease	927,238	-	480,607	446,631	446,631
Net OPEB liability	4,719,207	-	1,260,667	3,458,540	-
Net pension liability	42,252,580	-	41,416,547	836,033	-
Compensated absences	233,322	163,994	233,322	163,994	163,994
Total	\$ 137,229,525	163,994	76,557,989	60,944,334	10,193,669
Business type activities:					
Net OPEB liability	\$ 287,231	-	89,355	197,876	-
Net pension liability	2,787,172	-	2,745,065	42,107	-
Compensated absences	27,570	23,241	27,570	23,241	23,241
Total	\$ 3,101,973	23,241	2,861,990	263,224	23,241

Compensated absences, pension liabilities and net OPEB liabilities are generally liquidated by the General Fund for governmental activities and the respective funds for business-type activities.

General Obligation Bonds Payable

Details of the District's June 30, 2022 general obligation bonded indebtedness are as follows:

On December 9, 2015, the District issued \$55,300.00 of general obligation bonds to pay costs associated with refunding current indebtedness and construction of the new high school. The bonds bear interest at rates ranging from 3.00% to 3.63% per annum. During the year ended June 30, 2022, principal and interest paid were \$25,940,000 and \$1,218,019, respectively.

\$55,300,000 Bond Issue of December 9, 2015				
Year ended June 30,	Rates	Principal	Interest	Total
2023	3.00%	\$ 2,235,000	343,650	2,578,650
2024	3.00%	2,305,000	276,600	2,581,600
2025	3.00%	2,370,000	207,450	2,577,450
2026	3.00%	2,445,000	136,350	2,581,350
2027	3.25%	2,100,000	63,000	2,163,000
Subtotal		\$ 11,455,000	1,027,050	12,482,050

On December 22, 2016, the District issued \$9,320,000 of general obligation bonds to pay costs associated with refunding current indebtedness and various improvements. The bonds bear interest at rates ranging from 2.25% to 2.50% per annum. During the year ended June 30, 2022, principal and interest paid were \$2,865,000 and \$140,703, respectively.

\$9,320,000 Bond Issue of December 22, 2016				
Year ended June 30,	Rates	Principal	Interest	Total
2023	2.50%	\$ 2,935,000	73,376	3,008,376
Subtotal		\$ 2,935,000	73,376	3,008,376

Johnston Community School District
Notes to Basic Financial Statements
June 30, 2022

(6) *Long-Term Liabilities (continued from previous page)*

On November 8, 2017 the District issued \$8,235,000 of general obligation bonds to pay costs associated with various school improvements. The bonds bear interest at 2.00% per annum. During the year ended June 30, 2022 principal and interests paid were \$140,000 and \$5,400, respectively.

\$8,235,000 Bond Issue of November 8, 2017				
Year ended June 30,	Rates	Principal	Interest	Total
2023	2.00%	\$ 130,000	2,600	132,600
Subtotal		\$ 130,000	2,600	132,600
Totals				
Year ended June 30,		Principal	Interest	Total
2023		\$ 5,300,000	419,626	5,719,626
2024		2,305,000	276,600	2,581,600
2025		2,370,000	207,450	2,577,450
2026		2,445,000	136,350	2,581,350
2027		2,100,000	63,000	2,163,000
Total		\$ 14,520,000	1,103,026	15,623,026

Revenue Bonds Payable

Details of the District's June 30, 2022 statewide sales, services and use tax revenue bonded indebtedness are as follows:

The District has pledged future statewide sales, services and use tax revenues to repay the \$42,900,000 of bonds issued in 2013. The bonds were issued for the purpose of financing a portion of the costs of a new high school. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District and are payable through 2030. The bonds are not a general obligation of the District. However, the debt is subject to the constitutional debt limitation of the District. Annual principal and interest payments on the bonds are expected to require nearly 100% of the statewide sales, services and use tax revenues. The total principal and interest remaining to be paid on the notes is \$30,871,702. For the current year, \$2,685,000 in principal was paid and \$1,190,081 of interest was paid on the bonds and total statewide sales, services and use tax revenues were \$8,448,742.

The resolution providing for the issuance of the statewide sales, services and use tax revenue bonds includes the following provisions:

- a) All proceeds from the statewide sales, services and use tax shall be placed in a revenue account.
- b) Monies in the revenue account shall be disbursed to pay the principal and interest requirements of the revenue bonds for the fiscal year.
- c) Any monies remaining in the revenue account after the required payments may be transferred to the project account to be used for any lawful purpose

The District complied with all of the revenue bond provisions during the year ended June 30, 2022.

\$42,900,000 Bond Issue of 2013				
Year ended June 30,	Rates	Principal	Interest	Total
2023	5.0%	\$ 2,820,000	1,052,456	3,872,456
2024	5.0%	2,960,000	907,956	3,867,956
2025	3.5%	3,110,000	779,531	3,889,531
2026	3.8%	3,140,000	666,231	3,806,231
2027	3.8%	3,335,000	544,825	3,879,825
2028	5.0%	3,455,000	395,919	3,850,919
2029	4.1%	3,625,000	234,778	3,859,778
2030	4.3%	3,765,000	80,006	3,845,006
Subtotal		\$ 26,210,000	4,661,702	30,871,702

Johnston Community School District
Notes to Basic Financial Statements
June 30, 2022

(6) *Long-Term Liabilities (continued from previous page)*

The District has pledged future statewide sales, services and use tax revenues to repay the \$9,740,000 of bonds issued in 2013. The bonds were issued for the purpose of financing a portion of the costs of a new high school. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District and are payable through 2030. The bonds are not a general obligation of the District. However, the debt is subject to the constitutional debt limitation of the District. Annual principal and interest payments on the bonds are expected to require nearly 100% of the statewide sales, services and use tax revenues. The total principal and interest remaining to be paid on the notes is \$8,623,101. For the current year, \$440,000 in principal and \$256,800 of interest was paid on the bonds and total statewide sales, services and use tax revenues were \$8,448,742.

The resolution providing for the issuance of the statewide sales, services and use tax revenue bonds includes the following provisions:

- a) \$974,000 of the proceeds from the issuance of the revenue bonds shall be deposited to 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. The balance of the proceeds shall be deposited to the project account.
- b) All proceeds from the statewide sales, services and use tax shall be placed in a revenue account.
- c) Monies in the revenue account shall be disbursed to make deposits into a sinking account to pay the principal and interest requirements of the revenue bonds for the fiscal year.
- d) Any monies remaining in the revenue account after the required transfer to the sinking account may be transferred to the project account to be used for any lawful purpose.

The District complied with all of the revenue bond provisions during the year ended June 30, 2022.

\$9,740,000 Bond Issue of 12/4/2013				
Year ended June 30,	Rates	Principal	Interest	Total
2023	3.0%	\$ 450,000	243,450	693,450
2024	3.0%	465,000	229,725	694,725
2025	3.0%	480,000	215,550	695,550
2026	3.0%	495,000	200,925	695,925
2027	3.0%	510,000	185,850	695,850
2028	3.3%	530,000	169,588	699,588
2029	3.5%	550,000	151,350	701,350
2030	4.0%	3,615,000	131,663	3,746,663
Subtotal		\$7,095,000	1,528,101	8,623,101

Johnston Community School District
Notes to Basic Financial Statements
June 30, 2022

(6) *Long-Term Liabilities (continued from previous page)*

The District has pledged future statewide sales, services and use tax revenues to repay the \$8,709,000 of bonds issued in 2018. The bonds were issued for the purpose of financing a portion of the costs of Wallace, the ARC and a street project. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenues received by the District and are payable through 2030. The bonds are not a general obligation of the District. However, the debt is subject to the constitutional debt limitation of the District. Annual principal and interest payments on the bonds are expected to require nearly 100% of the statewide sales, services and use tax revenues. The total principal and interest remaining to be paid on the notes is \$8,049,547. For the current year, \$775,000 in principal was paid and \$220,971 of interest was paid on the bonds and total statewide sales, services and use tax revenues were \$8,448,742.

The resolution providing for the issuance of the statewide sales, services and use tax revenue bonds includes the following provisions:

- a) All proceeds from the statewide sales, services and use tax shall be placed in a revenue account.
- b) Monies in the revenue account shall be disbursed to pay the principal and interest requirements of the revenue bonds for the fiscal year.
- c) Any monies remaining in the revenue account after the required payments may be transferred to the project account to be used for any lawful purpose

The District complied with all of the revenue bond provisions during the year ended June 30, 2022.

\$8,709,000 Bond Issue of 2018				
Year ended June 30,	Rates	Principal	Interest	Total
2023	2.92%	\$ 800,000	197,976	997,976
2024	2.92%	825,000	174,251	999,251
2025	2.92%	845,000	149,869	994,869
2026	2.92%	949,000	123,677	1,072,677
2027	2.92%	899,000	96,696	995,696
2028	2.92%	925,000	70,065	995,065
2029	2.92%	953,000	42,647	995,647
2030	2.92%	984,000	14,366	998,366
Subtotal		\$ 7,180,000	869,547	8,049,547
Year ended June 30,	Rates	Principal	Interest	Total
2023	Various	\$ 4,070,000	1,493,882	5,563,882
2024	Various	4,250,000	1,311,932	5,561,932
2025	Various	4,435,000	1,144,950	5,579,950
2026	Various	4,584,000	990,833	5,574,833
2027	Various	4,744,000	827,371	5,571,371
2028	Various	4,910,000	635,572	5,545,572
2029	Various	5,128,000	428,775	5,556,775
2030	Various	8,364,000	226,035	8,590,035
Total		\$ 40,485,000	7,059,350	47,544,350

Johnston Community School District
Notes to Basic Financial Statements
June 30, 2022

(6) *Long-Term Liabilities (continued from previous page)*

As of June 30, 2022, the District did not exceed its legal debt margin, computed as follows:

Total assessed valuation	<u>\$ 4,626,946,279</u>
Debit limit of 5% of total assessed valuation	231,347,314
Amount of debt applicable to debt limit, total general obligation bonded debt	<u>14,520,000</u>
Excess of debt limit over bonded debt issued, legal debt margin	<u>\$ 216,827,314</u>

Capital Lease Payable

The District entered into a capital lease arrangement for the purchase of \$1,721,703 of computer equipment for the District. The following is a schedule of the future minimum payments required under the lease together with its present value as of June 30, 2022:

Year Ending June 30,	Apple, Inc. Capital Lease	
	Payment	Total
2023	\$ 451,290	\$ 451,290
Total minimum lease payments	\$ 451,290	\$ 451,290
Less amount representing interest	14,206	14,206
Present value of minimum lease payments	<u>\$ 437,084</u>	<u>\$ 437,084</u>

On September 1, 2017, the District entered into a lease agreement for copiers. An initial lease liability was recorded in the amount of \$66,827 per Accounting Change / Restatement Note 15. The agreement requires monthly payments of \$4,773.37 over 5 years with the final payment on August 1, 2022. During the year ended June 30, 2022, \$57,280.40 was paid.

Year Ending June 30,	Copier Lease	
	Payment	Total
2023	\$ 9,547	\$ 9,547
Total minimum lease payments	\$ 9,547	\$ 9,547
Less amount representing interest	-	-
Present value of minimum lease payments	<u>\$ 9,547</u>	<u>\$ 9,547</u>

(7) **Pension Plan**

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 P.O. Box 9117, Des Moines, Iowa, 50306-9117 or at www.ipers.org.

IPERS benefits are established under Iowa Code Chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general 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, anytime 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.

(7) *Pension Plan (continued from previous page)*

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% for each month that the member receives benefits before the member's earliest normal retirement age. For service earned on or after July 1, 2012, the reduction is 0.50% for each month the member receives benefits before age 65.

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

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

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

In the fiscal year 2022, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the District contributed 9.44% of covered payroll for a total rate of 15.73%.

The District's contributions to IPERS for the year ended June 30, 2022 were \$4,940,251.

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2022, the District reported a liability of \$878,140 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, 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 IPERS relative to the contributions of all IPERS participating employers. At June 30, 2021, the District's proportion was 0.626386%, which was a decrease of 0.019276% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the District recognized pension expense of \$(3,241,545). At June 30, 2022, 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	\$ 668,140	670,852
Changes of assumptions	574,377	-
Net difference between projected and actual earnings on IPERS' investments	-	31,816,360
Changes in proportion and differences between District contributions and proportionate share of contributions	584,436	1,261,289
District contributions subsequent to the measurement date	4,940,251	-
Total	\$ 6,767,204	33,748,501

Johnston Community School District
Notes to Basic Financial Statements
June 30, 2022

(7) *Pension Plan (continued from previous page)*

\$4,940,251 reported as deferred outflows of resources related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. 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	
2023	\$ (7,749,171)
2024	(7,860,554)
2025	(7,409,190)
2026	(8,872,151)
2027	(30,482)
	\$ (31,921,548)

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions - The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, as follows:

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

The actuarial assumptions used in the June 30, 2021 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 used in the 2021 valuation were based on the RP-2014 Employee and healthy Annuitant Tables with MP-2017 generational adjustments.

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

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	22.0%	4.43%
International equity	17.5	6.01
Global smart beta equity	6.0	5.10
Core plus fixed income	26.0	0.29
Public credit	4.0	2.08
Cash	1.0	(0.25)
Private equity	13.0	9.51
Private real assets	7.5	4.63
Private credit	3.0	2.87
Total	100%	

(7) *Pension Plan (continued from previous page)*

Discount Rate - The discount rate used to measure the total pension liability was 3.54%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the District will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS' fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on IPERS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 31,080,172	\$ 878,140	\$ (24,433,086)

IPERS' Fiduciary Net Position - Detailed information about IPERS' 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 IPERS - At June 30, 2022, the District reported payables to IPERS of \$405,246 for legally required District contributions and \$220,021 for legally required employee contributions withheld from employee wages which had not yet remitted to IPERS.

(8) **Other Post-Employment Benefits (OPEB)**

Plan Description - The District administers a single-employer benefit plan which provides medical and prescription drug benefits for employees, retirees and their spouses. Group insurance benefits for employees are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No.75.

OPEB Benefits – Individuals who are employed by Johnston Community School District and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for the medical and prescription drug benefits as active employees, which results in an implicit rate subsidy and an OPEB liability.

Retired participants must be age 55 or older at retirement. At June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	21
Active employees	878
	<u>899</u>

Total OPEB Liability – The District's total OPEB liability of \$3,656,416 was measured as of June 30, 2022, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions – The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of Inflation (effective June 30, 2020)	2.50% per annum.
Rates of salary increase (effective June 30, 2020)	3.50% per annum including inflation
Discount rate (effective June 30, 2020)	2.16% compounded annually, including inflation
Healthcare cost trend rate (effective June 30, 2020)	5.56% initial rate decreasing by 0.50% annually to an ultimate rate of 4.50%

Johnston Community School District
Notes to Basic Financial Statements
June 30, 2022

(8) *Other Post-Employment Benefits (OPEB) (continued from previous page)*

Discount Rate – The discount rate used to measure the total OPEB liability was 3.54% which reflects the index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

Mortality rates are from the SOA RPH-2019 total dataset mortality table fully generational using Scale MP-2019. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience studies with dates corresponding to those listed above.

Changes in the Total OPEB Liability

	Total OPEB Liability
Total OPEB liability beginning of year	\$ 5,006,438
Changes for the year:	
Service cost	567,686
Interest	119,459
Differences between expected and actual experiences	-
Changes in assumptions	(1,949,967)
Benefit payments	(87,200)
	(1,350,022)
	\$ 3,656,416

Changes of assumptions reflect a change in the discount rate from 2.16% in fiscal year 2021 to 3.54% in fiscal year 2022.

Sensitivity of the District's 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% lower (2.54%) or 1% higher (4.54%) than the current discount rate.

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB liability	\$ 3,980,000	3,656,416	3,360,000

Sensitivity of the District's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the District as what the District's total liability would be if it were calculated using healthcare cost trend rates that are 1% lower (6.0%) or 1% higher (8.0%) than the current healthcare cost trend rates.

	1% Decrease (6.00%)	Trend Rate (7.00%)	1% Increase (8.00%)
Total OPEB liability	\$ 3,214,000	3,656,416	4,183,000

(8) *Other Post- Employment Benefits (OPEB) (Continued from previous page)*

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB – For the year ended June 30, 2022, the District recognized OPEB expense of (\$1,350,021). At June 30, 2022, the District reported deferred inflows and outflows of resources related to OPEB from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 387,947	(1,656,035)
Changes in assumptions	305,524	(262,173)
Total	<u>\$ 693,471</u>	<u>(1,918,208)</u>

The amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized as an offset to OPEB expense as follows:

Year ending June 30,	Amount
2023	\$ (73,780)
2024	(73,780)
2025	(73,780)
2026	(73,780)
2027	(73,780)
Thereafter	(855,837)
	<u>\$ (1,224,737)</u>

(9) Risk Management

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

In addition to the above, the District operates a partially self-funded insurance program administered by a third-party administrator for its employees' and eligible dependents' medical benefits. The program is supplemented by stop loss protection, which limits the District's liability to \$60,000 per individual medical claim or an aggregate limit of 125% during the period July 1, 2006 through June 30, 2022.

The District operates a totally self-funded insurance program administered by a third-party administrator for its employees' and eligible dependents' dental benefits. The program liability is limited to \$1,000 per individual per year.

Both plans receive an annual actuarial opinion and an annual report is filed with the State of Iowa Insurance Division. The insurance claims liability of \$1,664,495 reported at June 30, 2022 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported.

The District operates a Section 125/Flex Plan whereby employee contributions are made through payroll deduction and eligible expenses are reimbursed on a weekly basis.

The above plans are reported in the Internal Services Fund.

Changes in the reported liability since July 1, 2011 resulted from the following:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
2012	\$ 821,292	6,902,759	(6,884,482)	839,569
2013	839,569	6,684,776	(6,708,442)	815,903
2014	815,903	8,423,483	(8,234,488)	1,004,898
2015	1,004,898	7,460,500	(7,525,271)	940,127
2016	940,127	8,647,617	(8,538,983)	1,048,761
2017	1,048,761	8,943,579	(8,888,071)	1,104,269
2018	1,104,269	8,903,436	(8,904,854)	1,102,851
2019	1,102,851	10,976,060	(10,744,338)	1,334,573
2020	1,334,573	12,448,105	(12,239,183)	1,543,495
2021	1,543,495	12,143,670	(12,152,734)	1,534,431
2022	1,534,431	13,123,086	(12,993,022)	1,664,495

(10) Termination Benefits

Early retirement was offered to district employees covered by the JEA master agreement during FY 2022. The plan required employees to have completed at least ten years of full-time service within the prior twelve consecutive years to the District and much have reached age fifty- five on or before June 30 in the calendar year in which early retirement was to commence. Early retirement benefits were equal to 50% of the average of the employee's last three years' contractual salary but not including TSS, Schedule B, etc. plus \$100 per day multiplied by the number of sick days accumulated as of retirement. The plan was limited to twenty employees, and the early retirement benefit was placed in a State RIC(b) plan as directed by the employee in the July immediately following retirement.

(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 \$3,357,295 for the year ended June 30, 2022 and is recorded in the General Fund by making a memorandum adjusting entry to the financial statements.

(12) Deficit Net Position

A net position deficit of \$271,386 exists in the Enterprise, Community Education Fund and of \$17,674 in the Enterprise, Community Preschool Fund.

This deficit in the Enterprise, Community Education Fund results from recognizing the OPEB liability and net pension liability (approximately \$187,000) as required by generally accepted auditing principles and is based on the District's employer share of contributions to IPERS relative to the contributions of all IPERS participating employers. This liability is only payable as the District pays the District's employer share of IPERS contributions on payrolls in the future years.

This deficit in the Enterprise, Community Preschool Fund results from recognizing the OPEB liability and net pension liability (approximately \$119,000) as required by generally accepted auditing principles and is based on the District's employer share of contributions to IPERS relative to the contributions of all IPERS participating employers. This liability is only payable as the District pays the District's employer share of IPERS contributions on payrolls in the future years.

(13) Tax Abatements

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

Tax Abatements of Other Entities

Other entities within the District provide tax abatements for urban renewal and economic development projects pursuant to Chapters 15 and 403 of the Code of Iowa. Additionally, the City of Johnston offered an urban revitalization tax abatement program pursuant to Chapter 404 of the Code of Iowa. With prior approval by the governing body, this program provides for an exemption of taxes based on a percentage of the actual value added by improvements.

Property tax revenues of the District were reduced by the following amounts for the year ended June 30, 2022 under agreements entered into by the following entities:

Entity	Tax Abatement Program	Amount of Tax Abated
City of Johnston	Urban renewal and economic development projects	\$ 375,786
City of Urbandale	Urban renewal and economic development projects	99,804
City of Grimes	Urban renewal and economic development projects	298,124

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, 2022 this reimbursement amounted to \$1,391,945.

(14) Categorical Funding

In accordance with Iowa Administrative Code Section 98.1, categorical funding is financial support from the state and federal governments targeted for particular categories of students, special programs, or special purposes. This support is in addition to school district or area education agency general purpose revenue, for purposes beyond the basic educational program and most often has restrictions on its use. Any portion of categorical funding provided by the state that is not expended by the end of the fiscal year must be carried forward as a restricted fund balance.

The following is a schedule of the categorical funding restricted in the General Fund at June 30, 2022.

Dropout prevention	\$ 314,178
Salary improvement	26,225
Gifted and talented program	135,255
Teacher leadership	391,640
Successful progression for early learners	106,062
Homeschool	29,794
Flexibility - teacher leadership	236,839
Flexibility - statewide voluntary preschool	170,955
Flexibility - professional development	600,000
Professional development	476,198
Total	\$ 2,487,146

(15) Accounting Change/ Restatement

Governmental Accounting Standards Board Statement No. 87, Leases, was implemented during fiscal year 2022. The new requirements require the reporting of certain lease liabilities which were previously not reported. The result of these changes had no effect on the beginning net position.

	Capital Assets	Obligations Under Lease	Net Position
Balances June 30, 2021, as previously reported	\$193,849,708	\$ 860,411	\$ 123,811,437
Change to implement GASBS No. 87	66,827	66,827	-
Balances July 1, 2021, as restated	<u>\$ 193,916,535</u>	<u>\$ 927,238</u>	<u>\$ 123,811,437</u>



Required Supplementary Information

Johnston Community School District
 Budgetary Comparison Schedule of Revenues, Expenditures/Expenses, and Changes in Balances
 Budget and Actual - All Governmental Funds and Proprietary Fund
 Required Supplementary Information
 Year ended June 30, 2022

	Governmental Funds Actual	Proprietary Funds Actual	Total Actual	Budgeted Amounts Final	Final to Actual Variance- Positive (Negative)
Revenues:					
Local sources	\$ 58,374,920	3,326,381	61,701,301	60,242,585	1,458,716
Intermediate sources	111,644	-	111,644	100,000	11,644
State sources	56,872,037	60,881	56,932,918	57,464,825	(531,907)
Federal sources	3,922,266	6,022,108	9,944,374	5,622,518	4,321,856
Total revenues	119,280,867	9,409,370	128,690,237	123,429,928	5,260,309
Expenditures:					
Instruction	63,499,657	263,201	63,762,858	66,835,593	(3,072,735)
Support services	25,793,948	451,446	26,245,394	28,925,323	(2,679,929)
Noninstructional programs	46,524	4,819,435	4,865,959	6,054,431	(1,188,472)
Other expenditures	41,292,621	-	41,292,621	22,233,965	19,058,656
Total expenditures	130,632,750	5,534,082	136,166,832	124,049,312	12,117,520
Excess (deficiency) of revenues over (under) expenditures	(11,351,883)	3,875,288	(7,476,595)	(619,384)	(6,857,211)
Other financing sources (uses), net	393,323	(379,336)	13,987	1,175,299	(1,161,312)
Change in fund balance	(10,958,560)	3,495,952	(7,462,608)	555,915	(8,018,523)
Balances beginning of year	49,645,319	1,854,256	51,499,575	44,557,070	6,942,505
Balances end of year	\$ 38,686,759	5,350,208	44,036,967	45,112,985	(1,076,018)

See accompanying independent auditor's report.

Johnston Community School District
Notes to Required Supplementary Information - Budgetary Reporting
Year Ended June 30, 2022

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

In accordance with the Code of Iowa, the Board of Education annually adopts a budget following required public notice and hearing for all funds except Private Purpose Trust and Agency Funds. The budget may be amended during the year utilizing similar statutorily prescribed procedures. The District's Budget is prepared on a GAAP basis.

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

During the year ended June 30, 2022, expenditures exceeded the budget amount in the other expenditures function.

Johnston Community School District
 Schedule of the District's Proportionate Share of the Net Pension Liability
 Iowa Public Employee's Retirement System
 For the Last Eight Fiscal Years* (In Thousands)
 Required Supplementary Information

	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.626386%	0.645662%	0.650501%	0.637611%	0.618953%	0.643295%	0.637961%	0.642155%
District's proportionate share of the net pension liability	\$ 878	45,040	37,921	40,337	40,861	40,117	31,716	25,989
District's covered payroll	\$ 50,875	50,884	49,816	47,918	45,789	45,752	43,990	41,980
District's proportionate share of the net pension liability as a percentage of its covered payroll	1.73%	88.52%	76.12%	84.18%	89.24%	87.68%	72.10%	61.91%
IPERS' net position as a percentage of the total pension liability	100.81%	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

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

See accompanying independent auditor's report.

Johnston Community School District
Schedule of District Contributions
Iowa Public Employees' Retirement System
Last 10 Fiscal Years (In Thousands)
Required Supplementary Information

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Statutorily required contribution	\$ 4,935	4,803	4,810	\$ 4,703	4,279	4,089	4,086	3,930	3,829	3,035
Contributions in relation to the statutorily required contribution	(4,935)	(4,803)	(4,810)	(4,703)	(4,279)	(4,089)	(4,086)	(3,930)	(3,829)	(3,035)
Contribution deficiency (excess)	\$ -	-	-	-	-	-	-	-	-	-
District's covered payroll	\$ 52,274	50,874	50,884	\$ 49,816	47,918	45,789	45,752	43,990	42,880	35,009
Contributions as a percentage of covered-employee payroll	9.44%	9.44%	9.45%	9.44%	8.93%	8.93%	8.93%	8.93%	8.93%	8.67%

See accompanying independent auditor's report.

Johnston Community School District
Notes to Required Supplementary Information - Pension Liability
Year Ended June 30, 2022

Changes of benefit terms:

There were 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.

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 a quadrennial study:

- Decreased the inflation assumption from 3.25% to 3.00%.
- Decreased the assumed rate of interest on member accounts from 4.00% to 3.75% per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Moved from an open 30-year amortization period to a closed 30-year amortization period for the UAL (unfunded actuarial liability) beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20-year period.

**Johnston Community School District
Schedule of Changes in the District's
Total OPEB Liability, Related Ratios and Notes
For the Last Five Years
Required Supplementary Information**

	2022	2021	2020	2019	2018
Service cost	\$ 567,686	555,957	384,738	353,543	340,371
Interest cost	119,459	109,711	130,180	126,591	118,855
Difference between expected and actual experiences	-	-	-	-	-
Changes in assumptions	(1,949,967)	20,548	744,406	103,555	(152,476)
Benefit payments	(87,200)	(176,250)	(195,075)	(138,020)	(102,504)
Net change in total OPEB liability	(1,350,022)	509,966	1,064,249	445,669	204,246
Total OPEB liability beginning of year	5,006,438	4,496,472	3,432,223	2,986,554	2,782,309
Total OPEB liability end of year	\$ 3,656,416	5,006,438	4,496,472	3,432,223	2,986,555
Covered-employee payroll	\$ 44,194,724	\$ 34,031,000	\$ 33,039,404	39,681,000	38,338,704
Total OPEB liability as a percentage of covered-employee payroll	8.27%	14.71%	13.61%	8.65%	7.79%

See accompanying independent auditor's report.

Notes to Schedule of Changes in the District's Total OPEB Liability and Related Ratios

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

Changes in benefit terms:

There were no significant changes in benefit terms.

Changes in assumptions:

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

Year ended June 30, 2022	3.54%
Year ended June 30, 2021	2.16%
Year ended June 30, 2020	2.21%
Year ended June 30, 2019	3.50%
Year ended June 30, 2018	3.87%
Year ended June 30, 2017	3.58%

Supplementary Information
Combining and Individual Fund Financial Statements and Schedules

Schedule 1

**Johnston Community School District
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2022**

Assets	Management	Student Activity	Total
Assets:			
Cash, cash equivalent and pooled investments	\$ 5,979,276	579,891	6,559,167
Receivables:			
Accounts	-	13,212	13,212
Property tax:			
Delinquent	402	-	402
Succeeding year	2,880,007	-	2,880,007
Total assets	\$ 8,859,685	593,103	9,452,788
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities:			
Accounts payable	\$ 31,814	62,643	94,457
Accrued salaries and benefits payable	421,564	-	421,564
Total liabilities	453,378	62,643	516,021
Deferred inflows of resources:			
Unavailable revenue			
Succeeding year property tax	2,880,007	-	2,880,007
Total deferred inflows of resources	2,880,007	-	2,880,007
Fund balances:			
Restricted for:			
Management levy purposes	5,526,300	-	5,526,300
Student activities	-	530,460	530,460
Total fund balances	5,526,300	530,460	6,056,760
Total liabilities, deferred inflows of resources and fund balances	\$ 8,859,685	593,103	9,452,788

See accompanying independent auditor's report.

Schedule 2

Johnston Community School District
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
 Non-Major Special Revenue Funds
 Year ended June 30, 2022

	Management	Student Activity	Total
Revenues:			
Local sources:			
Local tax:			
Property tax	\$ 942,332	-	942,332
Utility tax replacement excise tax	16,762	-	16,762
Mobile home tax	622	-	622
	<u>959,716</u>	<u>-</u>	<u>959,716</u>
Other local sources:			
Student activities	-	920,653	920,653
Donations	-	92,565	92,565
Other local revenue	828,267	45,949	874,216
	<u>828,267</u>	<u>1,059,167</u>	<u>1,887,434</u>
	<u>1,787,983</u>	<u>1,059,167</u>	<u>2,847,150</u>
State sources:			
Revenue in lieu of taxes :			
Military credit	128	-	128
	<u>128</u>	<u>-</u>	<u>128</u>
	<u>1,788,111</u>	<u>1,059,167</u>	<u>2,847,278</u>
Expenditures:			
Current:			
Instruction:			
Regular instruction:			
Salaries	3,000	-	3,000
Benefits	518,921	-	518,921
Purchased services	2,851	-	2,851
	<u>524,772</u>	<u>-</u>	<u>524,772</u>
Co-curricular instruction:			
Salaries	-	4,033	4,033
Benefits	-	564	564
Purchased services	-	296,379	296,379
Supplies	-	587,499	587,499
Property	-	69,633	69,633
Other	-	56,118	56,118
	<u>-</u>	<u>1,014,226</u>	<u>1,014,226</u>
Total instruction	<u>524,772</u>	<u>1,014,226</u>	<u>1,538,998</u>
Expenditures:			
Current:			
Support Services:			
Administration:			
Benefits	71,528	-	71,528
Purchased services	178,494	9,778	188,272
	<u>250,022</u>	<u>9,778</u>	<u>259,800</u>
Plant operation and maintenance:			
Benefits	7,056	-	7,056
Purchased services	685,523	-	685,523
	<u>692,579</u>	<u>-</u>	<u>692,579</u>
Student transportation:			
Benefits	11,664	-	11,664
Purchased services	1,125	-	1,125
	<u>12,789</u>	<u>-</u>	<u>12,789</u>
Total support services	<u>955,390</u>	<u>9,778</u>	<u>965,168</u>
Non-instructional Programs:			
Food services			
Benefits	12,640	-	12,640
Total non-instructional programs	<u>12,640</u>	<u>-</u>	<u>12,640</u>
Total expenditures	<u>1,492,802</u>	<u>1,024,004</u>	<u>2,516,806</u>
Excess (deficiency) of revenues over (under) expenditures	295,309	35,163	330,472
Other financing sources (uses):			
Operating transfers out	(4,193)	-	(4,193)
Total other financing uses	<u>(4,193)</u>	<u>-</u>	<u>(4,193)</u>
Change in fund balances	291,116	35,163	326,279
Fund balances beginning of year	<u>5,235,184</u>	<u>495,297</u>	<u>5,730,481</u>
Fund balances end of year	<u>\$ 5,526,300</u>	<u>530,460</u>	<u>6,056,760</u>

See accompanying independent auditor's report.

Schedule 3

Johnston Community School District
 Subcombining Balance Sheet
 Capital Projects Fund Accounts
 June 30, 2022

	Capital Projects		
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Total
Assets			
Cash, cash equivalents and pooled investments	\$ 7,511,005	1,833,148	9,344,153
Receivables:			
Property tax:			
Delinquent	-	1,108	1,108
Succeeding year	-	5,127,365	5,127,365
Accounts	5,256	-	5,256
Due from other governments	1,769,477	-	1,769,477
Total assets	\$ 9,285,738	6,961,621	16,247,359
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities:			
Accounts payable	\$ 60,742	138,719	199,461
Deposits Payable	295,650	-	295,650
Total liabilities	356,392	138,719	495,111
Deferred inflows of resources:			
Unavailable revenues:			
Other	1,177,349	-	1,177,349
Succeeding year property tax	-	5,127,365	5,127,365
Total deferred inflows of resources	1,177,349	5,127,365	6,304,714
Fund balances:			
Restricted for:			
School infrastructure	6,777,997	-	6,777,997
Debt Service	974,000	-	974,000
Physical plant and equipment	-	1,695,537	1,695,537
Total fund balances	7,751,997	1,695,537	9,447,534
Total liabilities, deferred inflows of resources and fund balances	\$ 9,285,738	6,961,621	16,247,359

See accompanying independent auditor's report.

Schedule 4

Johnston Community School District
 Subcombining Schedule of Revenues, Expenditures and Changes in Fund Balances
 Capital Projects Fund Accounts
 Year ended June 30, 2022

	Capital Projects		
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Total
Revenues:			
Local sources:			
Local tax	\$ -	5,006,585	5,006,585
Other	5,971	7,622	13,593
State sources	8,448,742	581	8,449,323
Total revenues	<u>8,454,713</u>	<u>5,014,788</u>	<u>13,469,501</u>
Expenditures:			
Current:			
Instructional Services:			
Regular instruction	137,007	6,547	143,554
Support Services:			
Instructional staff services	704,676	71,564	776,240
Administration	175,790	90	175,880
Plant operation and maintenance	39,668	120,420	160,088
Transportation	-	627,159	627,159
Other expenditures			
Facilities acquisition	757,563	762,533	1,520,096
Debt service	29,275	-	29,275
Total expenditures	<u>1,843,979</u>	<u>1,588,313</u>	<u>3,432,292</u>
Excess (deficiency) of revenues over (under) expenditures	6,610,734	3,426,475	10,037,209
Other financing sources (uses):			
Operating transfers out	(5,568,752)	(3,208,794)	(8,777,546)
Total other financing uses	<u>(5,568,752)</u>	<u>(3,208,794)</u>	<u>(8,777,546)</u>
Change in fund balances	1,041,982	217,681	1,259,663
Fund balances beginning of year	<u>6,710,015</u>	<u>1,477,856</u>	<u>8,187,871</u>
Fund balances end of year	<u>\$ 7,751,997</u>	<u>1,695,537</u>	<u>9,447,534</u>

See accompanying independent auditor's report.

Schedule 5

Johnston Community School District
 Combining Statement of Net Position
 Proprietary Funds
 June 30, 2022

	Business Type Activities					Governmental Activities		
	Enterprise Funds					Internal Service Funds		
	Community Education	Community Preschool	Community Child Care	School Nutrition	Total	Self-funded Insurance	Flexible Benefits	Total
Assets								
Current assets:								
Cash and cash equivalents	\$ 123,010	100,577	2,668,489	3,942,780	6,834,856	10,502,306	103,257	10,605,563
Receivables:								
Accounts	3,605	354	-	-	3,959	-	-	-
Due from other governments	-	-	26,465	15,126	41,591	-	-	-
Inventories	-	-	-	61,742	61,742	-	-	-
Total current assets	126,615	100,931	2,694,954	4,019,648	6,942,148	10,502,306	103,257	10,605,563
Non-current assets:								
Property and equipment:								
Machinery and equipment	40,389	8,178	136,606	3,074,537	3,259,710	-	-	-
Accumulated depreciation	(39,487)	(7,715)	(128,602)	(2,482,418)	(2,658,222)	-	-	-
Total non-current assets	902	463	8,004	592,119	601,488	-	-	-
Total assets	127,517	101,394	2,702,958	4,611,767	7,543,636	10,502,306	103,257	10,605,563
Deferred Outflows of Resources								
OPEB related deferred outflows	2,976	4,655	8,143	29,414	45,188	-	-	-
Pension related deferred outflows	40,792	23,224	99,126	161,342	324,484	-	-	-
Total deferred outflows of resources	43,768	27,879	107,269	190,756	369,672	-	-	-
Liabilities								
Current liabilities:								
Accounts payable	37,503	2	48,737	26,122	112,364	124,115	18,470	142,585
Advances from prepaid childcare	107,866	-	-	-	107,866	-	-	-
Advances from prepaid lunches	-	-	-	140,263	140,263	-	-	-
Insurance claims liability	-	-	-	-	-	1,664,495	-	1,664,495
Accrued salaries and benefits payable	52,676	-	33,121	110,222	196,019	-	-	-
Compensated absences	13,964	-	-	9,277	23,241	-	-	-
Total current liabilities	212,009	2	81,858	285,884	579,753	1,788,610	18,470	1,807,080
Non-current liabilities:								
Net pension liability	5,293	3,014	12,863	20,937	42,107	-	-	-
Other postemployment benefits payable	15,185	15,373	38,722	128,596	197,876	-	-	-
Total non-current liabilities	20,478	18,387	51,585	149,533	239,983	-	-	-
Total liabilities	232,487	18,389	133,443	435,417	819,736	1,788,610	18,470	1,807,080
Deferred Inflows of Resources								
OPEB related deferred inflows	6,748	12,733	23,595	82,047	125,123	-	-	-
Pension related deferred inflows	203,436	115,825	494,348	804,632	1,618,241	-	-	-
Total deferred inflows of resources	210,184	128,558	517,943	886,679	1,743,364	-	-	-
Net Position								
Invested in capital assets	902	463	8,004	592,119	601,488	-	-	-
Restricted for:								
Flexible benefits	-	-	-	-	-	-	84,787	84,787
Unrestricted	(272,288)	(18,137)	2,150,837	2,888,308	4,748,720	8,713,696	-	8,713,696
Total Net Position	\$ (271,386)	(17,674)	2,158,841	3,480,427	5,350,208	8,713,696	84,787	8,798,483

See accompanying independent auditor's report.

Schedule 6

Johnston Community School District
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 Proprietary Funds
 Year ended June 30, 2022

	Business Type Activities					Governmental Activities		
	Enterprise Funds					Internal Service Funds		
	Community Education	Community Preschool	Community Child Care	School Nutrition	Total	Self-funded Insurance	Flexible Benefits	Total
Operating revenues:								
Local sources:								
Other local sources:								
Food service sales	\$ -	-	-	458,140	458,140	-	-	-
Daycare service fees	-	-	1,904,154	-	1,904,154	-	-	-
Community education fees	603,844	268,635	-	-	872,479	-	-	-
Charges for services	79,243	-	-	-	79,243	12,150,229	380,149	12,530,378
Other operating income	-	571	-	11,794	12,365	-	-	-
Total operating revenues	683,087	269,206	1,904,154	469,934	3,326,381	12,150,229	380,149	12,530,378
Operating expenses:								
Instructional programs:								
Instructional services:								
Salaries	-	142,631	840	-	143,471	-	-	-
Benefits	-	1,652	144	-	1,796	-	-	-
Services	100	41,120	-	-	41,220	-	-	-
Supplies	-	7,196	-	-	7,196	-	-	-
Other	300	-	69,218	-	69,518	-	-	-
	400	192,599	70,202	-	263,201	-	-	-
Support Services:								
Administrative services:								
Salaries	2,796	47,231	99,043	-	149,070	-	-	-
Benefits	395	20,705	35,292	-	56,392	11,807,766	-	11,807,766
Services	153,157	5,225	53,022	4,794	216,198	787,052	398,204	1,185,256
Supplies	-	-	-	605	605	-	-	-
Depreciation	-	58	-	-	58	-	-	-
	156,348	73,219	187,357	5,399	422,323	12,594,818	398,204	12,993,022
Transportation services:								
Services	-	-	29,123	-	29,123	-	-	-
	-	-	29,123	-	29,123	-	-	-
	156,348	73,219	216,480	5,399	451,446	12,594,818	398,204	12,993,022
Non-instructional programs:								
Food services operations:								
Salaries	-	-	-	1,252,709	1,252,709	-	-	-
Benefits	-	-	-	337,437	337,437	-	-	-
Services	-	-	-	124,704	124,704	-	-	-
Supplies	-	-	-	2,075,797	2,075,797	-	-	-
Other	-	-	-	1,199	1,199	-	-	-
Depreciation	-	-	-	110,094	110,094	-	-	-
	-	-	-	3,901,940	3,901,940	-	-	-
Community service operations:								
Salaries	330,475	-	917,262	-	1,247,737	-	-	-
Benefits	(102,082)	-	(419,725)	-	(521,807)	-	-	-
Services	647	-	1,522	-	2,169	-	-	-
Supplies	63,076	-	105,050	-	168,126	-	-	-
Other	17,956	-	-	-	17,956	-	-	-
Depreciation	225	-	3,089	-	3,314	-	-	-
	310,297	-	607,198	-	917,495	-	-	-
	310,297	-	607,198	3,901,940	4,819,435	-	-	-
Total operating expenses	467,045	265,818	893,880	3,907,339	5,534,082	12,594,818	398,204	12,993,022
Operating income (loss)	216,042	3,388	1,010,274	(3,437,405)	(2,207,701)	(444,589)	(18,055)	(462,644)

Schedule 6

Johnston Community School District
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 Proprietary Funds
 Year ended June 30, 2022

	Business Type Activities					Governmental Activities		
	Enterprise Funds					Internal Service Funds		
	Community Education	Community Preschool	Community Child Care	School Nutrition	Total	Self-funded Insurance	Flexible Benefits	Total
<i>Continued from previous page</i>								
Non-operating revenues:								
State grants	-	32,060	-	-	32,060	-	-	-
State lunch and breakfast program claims	-	-	-	28,821	28,821	-	-	-
Federal grants	-	-	1,178,560	-	1,178,560	-	-	-
Federal nutrition revenue	-	-	-	4,527,247	4,527,247	-	-	-
Federal food commodities revenue	-	-	-	316,301	316,301	-	-	-
Interest income	-	128	1,704	3,185	5,017	-	-	-
Total non-operating revenues	-	32,188	1,180,264	4,875,554	6,088,006	-	-	-
Income (loss) before transfers	216,042	35,576	2,190,538	1,438,149	3,880,305	(444,589)	(18,055)	(462,644)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers (out)	(12,500)	(12,500)	(150,000)	(209,353)	(384,353)	-	-	-
Total other financing sources (uses)	(12,500)	(12,500)	(150,000)	(209,353)	(384,353)	-	-	-
Changes in Net Position	203,542	23,076	2,040,538	1,228,796	3,495,952	(444,589)	(18,055)	(462,644)
Net Position beginning of year (as restated)	(474,928)	(40,750)	118,303	2,251,631	1,854,256	9,158,285	102,842	9,261,127
Net Position end of year	\$ (271,386)	(17,674)	2,158,841	3,480,427	5,350,208	8,713,696	84,787	8,798,483

See accompanying independent auditor's report.

Schedule 7

Johnston Community School District
 Combining Statement of Cash Flows
 Proprietary Funds
 Year ended June 30, 2022

	Business Type Activities					Governmental Activities		
	Community Education	Community Preschool	Community Child Care	School Nutrition	Total	Self-funded Insurance	Flexible Benefits	Total
Cash flows from operating activities:								
Cash received from sale of lunches and breakfasts	\$ -	-	-	522,040	522,040	-	-	-
Cash received from community services	729,894	278,872	1,912,689	-	2,921,455	12,150,229	380,149	12,530,378
Cash paid to employees for services	(418,721)	(264,253)	(1,281,378)	(1,759,730)	(3,724,082)	(11,677,702)	(393,852)	(12,071,554)
Cash paid to suppliers for goods or services	(230,232)	(53,625)	(254,148)	(1,891,110)	(2,429,115)	(701,371)	-	(701,371)
Net cash provided (used) by operating activities	80,941	(39,006)	377,163	(3,128,800)	(2,709,702)	(228,844)	(13,703)	(242,547)
Cash flows from non-capital financing activities:								
State grants received	-	32,060	-	28,821	60,881	-	-	-
Federal grants received	-	-	1,178,560	4,527,247	5,705,807	-	-	-
Net cash provided by non-capital financing activities	-	32,060	1,178,560	4,556,068	5,766,688	-	-	-
Cash flows from capital and related financing activities:								
Acquisition of capital assets	(1,127)	-	-	(54,263)	(55,390)	-	-	-
Transfers	(12,500)	(12,500)	(150,000)	(209,353)	(384,353)	-	-	-
Net cash provided (used) by capital and related financing activities	(13,627)	(12,500)	(150,000)	(263,616)	(439,743)	-	-	-
Cash flows from investing activities:								
Interest on investments	-	128	1,704	3,185	5,017	-	-	-
Net increase (decrease) in cash and cash equivalents	67,314	(19,318)	1,407,427	1,166,837	2,622,260	(228,844)	(13,703)	(242,547)
Cash and cash equivalents at beginning of year, as restated	55,696	119,895	1,261,062	2,775,943	4,212,596	10,731,150	116,960	10,848,110
Cash and cash equivalents at end of year	\$ 123,010	100,577	2,668,489	3,942,780	6,834,856	10,502,306	103,257	10,605,563
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:								
Operating income (loss)	\$ 216,042	3,388	1,010,274	(3,437,405)	(2,207,701)	(444,589)	(18,055)	(462,644)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Commodities used	-	-	-	316,301	316,301	-	-	-
Depreciation	225	58	3,089	110,094	113,466	-	-	-
(Increase) decrease in accounts receivable	11,520	9,666	-	-	21,186	-	-	-
(Increase) decrease in due from other governments	-	-	8,535	96,461	104,996	-	-	-
(Increase) decrease in inventories	-	-	-	31,533	31,533	-	-	-
Increase (decrease) in accounts payable	5,004	(84)	3,787	(31,845)	(23,138)	85,681	4,352	90,033
Increase (Decrease) in insurance claims liability	-	-	-	-	-	130,064	-	130,064
Increase (decrease) in salaries and benefits payable	(12,459)	(87)	11,877	(5,459)	(6,128)	-	-	-
Increase (decrease) in unearned revenues	35,287	-	-	(44,355)	(9,068)	-	-	-
Increase (decrease) in compensated absences	9,742	-	(11,881)	(2,190)	(4,329)	-	-	-
Increase (decrease) in net pension liability	(387,935)	(172,262)	(1,165,414)	(1,019,454)	(2,745,065)	-	-	-
(Increase) decrease in deferred outflows of resources	66,291	26,107	220,826	165,514	478,738	-	-	-
Increase (decrease) in deferred inflows of resources	141,968	103,448	312,843	750,603	1,308,862	-	-	-
Increase (decrease) in other post-employment benefits	(4,744)	(9,240)	(16,773)	(58,598)	(89,355)	-	-	-
Net cash provided (used) by operating activities	\$ 80,941	(39,006)	377,163	(3,128,800)	(2,709,702)	(228,844)	(13,703)	(242,547)

Schedule 7

Johnston Community School District
 Combining Statement of Cash Flows
 Proprietary Funds
 Year ended June 30, 2022

	Business Type Activities					Governmental Activities		
	Community Education	Community Preschool	Community Child Care	School Nutrition	Total	Self-funded Insurance	Flexible Benefits	Total
<i>Continued from previous page</i>								
Reconciliation of cash and cash equivalents at year end to specific assets included on Combined Balance Sheet:								
Current assets:								
Cash and investments	\$ 123,010	100,577	2,668,489	3,942,780	6,834,856	10,502,306	103,257	10,605,563
Cash and cash equivalents at year end	\$ 123,010	100,577	2,668,489	3,942,780	6,834,856	10,502,306	103,257	10,605,563

Non-cash investing, capital and financing activities:
 During the year ended June 30, 2022, the District received federal commodities valued at \$316,301.

See accompanying independent auditor's report.

Supplementary Information
Capital Assets used in the Operation of Governmental Funds

Schedule 8

Johnston Community School District
Capital Assets Used in the Operation of Governmental Funds
Schedule by Source
June 30, 2022

<u>Governmental funds capital assets</u>	
Land and improvements	\$ 18,828,332
Buildings and improvements	236,150,244
Vehicles, furniture and equipment	14,165,597
Right-to-use leased equipment	<u>66,827</u>
Total governmental funds capital assets	<u>\$ 269,211,000</u>

<u>Investments in governmental funds capital assets by source</u>	
General Fund	\$ 10,860,980
Special Revenue Funds	747,193
Capital Projects Funds	<u>257,602,827</u>
Total governmental funds capital assets	<u>\$ 269,211,000</u>

See accompanying independent auditor's report.

Schedule 9

Johnston Community School District
 Capital Assets Used in the Operation of Governmental Funds
 Schedule by Function and Activity
 June 30, 2022

Function and Activity	Land and Improvements	Buildings and Improvements	Vehicles, Furniture and Equipment	Right-to-use leased equipment	Construction in Progress	Total
Instruction	\$ 17,287,324	233,135,314	9,947,169	-	-	260,369,807
Other instruction	371,476	95,986	-	-	-	467,462
Support services - instructional staff	441,545	-	1,828,751	-	-	2,270,296
Administration	328,878	1,191,161	368,332	66,827	-	1,955,198
Operation and maintenance of plant services	147,882	1,727,783	1,702,805	-	-	3,578,470
Student transportation services	251,227	-	318,540	-	-	569,767
Total	\$ 18,828,332	236,150,244	14,165,597	66,827	-	269,211,000

See accompanying independent auditor's report.

Schedule 10

Johnston Community School District
 Capital Assets Used in the Operation of Governmental Funds
 Schedule of Changes by Function and Activity
 Year ended June 30, 2022

Function and Activity	July 1, 2021	Additions	Deletions	June 30, 2022
Instruction	\$ 259,087,750	1,282,057	-	260,369,807
Other instruction	467,462	-	-	467,462
Support services - instructional staff	2,270,296	-	-	2,270,296
Administration	1,955,198	-	-	1,955,198
Operation and maintenance of plant services	3,578,470	-	-	3,578,470
Student transportation services	525,467	44,300	-	569,767
Total	<u>\$ 267,884,643</u>	<u>1,326,357</u>	<u>-</u>	<u>269,211,000</u>

See accompanying independent auditor's report.

**Supplementary Information
Other Financial Schedules**

Schedule 11

Johnston Community School District
 Schedule of Changes in Special Revenue Fund, Student Activity Accounts
 Year ended June 30, 2022

Account	Balance Beginning of Year	Revenues	Expenditures	Intrafund Transfers	Balanced End of Year
Elementary Schools:					
Lawson Elementary	\$ 2,404	-	-	-	2,404
Timber Ridge Elementary	104	-	-	-	104
Beaver Creek Elementary	2,213	-	-	-	2,213
Horizon	1,558	-	-	-	1,558
Summit Middle School:					
Drama Club	1,943	744	609	-	2,078
Student Council	384	-	-	-	384
Yearbook	-	16,108	11,466	-	4,642
Vocal Music	3,542	1,120	3,772	-	890
Instrumental Music	335	1,560	3,343	1,440	-
Tech Club	7,976	4,361	4,997	-	7,340
Lego Robotics	1,542	-	-	-	1,542
Cheerleading	6,158	-	-	-	6,158
Food Assistance	621	-	-	-	621
SOS	100	2,390	2,397	-	93
Student Activity	11,850	229	1,144	(1,440)	9,495
Math Counts	1	50	-	-	51
Middle School:					
Dragon Express	522	-	-	-	522
Student Council	1,615	-	(1,445)	-	3,060
Robotics	129	4,071	1,802	-	2,398
Yearbook	-	13,292	17,539	4,247	-
Vocal Music	4,421	45,818	61,016	10,777	-
Instrumental Music	25,540	435	1,160	(5,777)	19,038
Student Management	5,002	-	-	(4,247)	755
Cheerleading	131	-	-	-	131
MS Pride	4	-	-	-	4
Art Club	44	-	-	-	44
French Club	130	-	-	-	130
Spanish Club	176	-	-	-	176
Science Olympiad	1,489	40	-	-	1,534
GSA	355	-	-	-	355
Best Buddies	-	1,802	637	-	1,165
Tech Club	3,518	797	770	-	3,545
High School:					
Environmental Club	1,803	1,190	186	-	2,812
DECA	-	10	-	-	10
Core	-	235	107	-	128
Student Activity	-	6,614	-	-	6,614
French Club	172	-	-	-	172
Spanish Club	1,349	-	800	-	549
Drama Club	-	4,570	3,441	-	1,129
Speech -Large Group	4,856	-	1,273	(180)	3,403
Speech - Individual	-	-	180	180	-
Debate	1,653	3,937	2,949	-	2,641
Student Council	8,135	34,984	23,780	-	19,339
National Honor Society	4,265	1,590	1,987	-	3,876
Archery	4,297	-	-	-	4,297
Senior Class	28,881	22,415	10,585	(128)	40,583
Yearbook	71,214	52,587	59,699	-	64,102
Academic Competition	-	1,470	3,321	1,843	-
Math Club	1,815	-	(406)	(1,843)	378
Instrumental Music	8,596	13,578	10,500	-	11,674
Vocal Music	14,176	31,047	16,368	-	28,855
Piano	86	-	-	-	86
Madrigal	-	17,107	4,758	-	12,349
Showzam	9,893	50,146	11,872	(36,597)	11,570
Synergy	-	59,582	55,065	(4,517)	-
INNO	-	36,051	60,369	24,316	(2)
Girls Show Choir	-	15,411	27,209	11,798	-
Circle of Friends	1,281	102	928	-	455
SADD	157	-	-	-	157
Diversity Committee	100	-	-	-	100
Tech Club	2,611	1,920	1,506	-	3,031
Hyperstream	757	-	-	-	757
Gay Straight Alliance	262	-	-	-	262
Fencing Club	1,494	-	-	-	1,494
Exp Based Career	582	-	-	-	582
Musicals	1,652	24,016	21,374	-	4,294
Photo Club	1,000	-	-	-	1,000
We the People	923	-	-	-	923
Silver Cord	1,147	-	-	-	1,147
Family Career	2	684	714	28	-
Fishing Club	399	-	-	-	399
Science Olympiad	406	1,942	1,039	-	1,309
HOSA	69	1,202	1,371	100	-
American Sign	57	-	-	-	57
Key Club	217	602	312	-	507
Students 4 Change	1,440	-	-	-	1,440
Dragon A-la-Cart	1,306	-	-	-	1,306
Athletics	234,437	583,318	593,510	-	224,245
Total	\$ 495,297	1,059,167	1,024,004	-	530,460

See accompanying independent auditor's report.

Schedule 12

Johnston Community School District
 Schedule of Revenues by Source and Expenditures by Function
 All Governmental Funds
 For the Last Ten Years

	Modified Accrual Basis										
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues:											
Local sources:											
Local tax	\$ 48,768,982	48,125,767	45,309,062	44,526,384	40,930,405	39,253,233	37,064,106	35,626,566	32,393,934	35,857,736	35,695,347
Tuition	6,648,028	5,923,253	5,960,037	5,193,083	4,258,377	3,892,666	3,855,810	3,707,732	3,639,110	3,582,546	3,668,713
Other	2,957,910	2,032,031	3,651,731	4,026,726	3,583,002	3,875,304	2,952,246	2,317,904	2,661,625	2,367,120	2,106,399
Intermediate sources	111,644	118,134	102,828	102,103	95,576	91,273	88,824	89,537	90,390	98,961	95,614
State sources	56,872,037	54,730,311	53,257,938	51,457,369	49,601,732	48,755,230	45,960,835	43,653,789	39,316,622	31,650,260	30,704,092
Federal sources	3,922,266	4,835,398	2,525,438	3,119,381	2,760,895	2,334,744	2,126,015	2,074,240	1,898,661	1,769,532	1,692,437
Total	\$ 119,280,867	115,764,894	110,807,034	108,425,046	101,229,987	98,202,450	92,047,836	87,469,768	80,000,342	75,326,155	73,962,602
Expenditures:											
Instruction:											
Regular	\$ 39,081,620	38,451,615	39,347,512	38,750,238	36,823,617	35,134,637	33,604,284	32,626,297	30,467,849	29,014,697	27,638,864
Special	15,091,873	14,019,362	14,267,261	12,983,952	11,282,922	10,098,221	9,311,875	9,049,507	8,936,782	9,552,833	8,737,716
Other	9,326,164	8,789,258	8,931,755	9,259,212	8,532,447	8,370,945	7,877,884	7,818,352	7,644,581	6,851,147	6,188,208
Support services:											
Student	2,315,151	2,256,896	2,375,097	2,313,690	2,274,671	2,279,452	1,892,148	1,819,763	1,922,828	1,733,474	1,652,186
Instructional staff	3,459,411	3,364,008	3,325,919	3,244,276	3,380,314	4,256,407	3,829,694	3,116,176	3,446,669	5,256,963	3,238,683
Administration	7,235,306	6,880,628	6,622,019	6,379,852	6,418,567	6,224,502	6,188,422	6,059,234	6,021,436	5,580,409	5,354,058
Operation and maintenance of plant	8,426,431	9,006,083	8,148,471	8,005,666	6,789,467	5,776,018	5,403,883	5,322,847	5,604,645	4,899,107	4,826,922
Transportation	4,357,649	4,101,181	4,701,845	4,610,013	4,380,262	4,100,913	3,413,497	3,451,604	3,453,897	3,346,722	3,161,811
Non-instructional programs:											
Food services	12,640	17,909	5,235	1,330	22,998	13,222	6,537	12,756	60,845	50,075	22,680
Community services and education	33,884	34,049	175,441	148,969	201,283	200,203	144,963	162,264	153,851	134,712	142,207
Other expenditures:											
Facilities acquisition	1,520,096	1,303,098	5,928,821	10,503,462	20,328,773	36,617,228	39,095,795	25,238,957	4,513,719	3,223,347	10,429,507
Long-term debt:											
Principal	33,325,607	9,194,002	11,316,290	10,721,421	10,679,642	7,570,596	22,616,233	13,404,870	4,324,630	4,910,369	4,305,000
Interest and other charges	3,089,623	3,368,597	3,647,480	3,906,961	4,003,564	4,042,846	3,595,966	3,527,675	1,522,027	1,683,782	1,655,159
AEA support	3,357,295	3,300,087	3,177,946	3,110,039	2,977,024	2,840,921	2,746,943	2,610,924	2,448,847	2,307,835	2,236,244
Total	\$ 130,632,750	104,086,773	111,971,092	113,939,081	118,095,551	127,526,111	139,728,124	114,221,226	80,522,606	78,545,472	79,589,245

See accompanying independent auditor's report.

**Johnston Community School District
Statistical Section
Table of Contents**

The statistical section of the Johnston Community School 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.

<u>CONTENTS</u>	<u>PAGE</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	86-93
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue sources, the property tax (or sales tax).	94-96
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current level of outstanding debt and the District's ability to issue additional debt in the future.	98-117
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	118-121
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	122-129

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The District implemented GASB 68 in fiscal year 2016; schedules presenting government-wide information include information beginning in that year.

NET POSITION BY COMPONENT**Last Ten Fiscal Years**

Year ended June 30, 2022	2022	2021	2020	2019
Governmental activities:				
Net Investment in capital assets	\$ 132,695,184	103,892,118	99,309,022	96,562,542
Restricted	19,037,053	34,875,046	26,824,464	17,618,072
Unrestricted	(3,683,733)	(14,955,727)	(16,168,463)	(11,241,831)
Total governmental activities net position	\$ 148,048,504	123,811,437	109,965,023	102,938,783
Business type activities:				
Net Investment in capital assets	\$ 601,488	659,564	745,644	834,995
Restricted	-	-	-	-
Unrestricted	4,748,720	1,194,692	531,876	1,304,947
Total business type activities net position	\$ 5,350,208	1,854,256	1,277,520	2,139,942
Primary government:				
Net Investment in capital assets	\$ 133,296,672	104,551,682	100,054,666	97,397,537
Restricted	19,037,053	34,875,046	26,824,464	17,618,072
Unrestricted	1,064,987	(13,761,035)	(15,636,587)	(9,936,884)
Total primary government net position	\$ 153,398,712	125,665,693	111,242,543	105,078,725

Source: 2022 Certified Annual Report

Note: Change in unrestricted net position from 2014-2015 due to implementation of GASB 68.

2018	2017	2016	2015	2014	2013
92,188,629	76,387,314	63,827,711	58,871,834	13,249,999	65,764,354
11,157,688	20,505,552	24,264,939	23,692,664	63,844,645	10,749,999
(9,268,909)	(9,934,017)	(11,804,435)	(17,695,615)	8,209,879	8,028,431
94,077,408	86,958,849	76,288,215	64,868,883	85,304,523	84,542,784
821,200	951,723	394,007	513,678	614,448	731,486
-	-	-	-	920	-
1,044,406	723,663	1,249,056	1,091,515	2,884,984	2,513,869
1,865,606	1,675,386	1,643,063	1,605,193	3,500,352	3,245,355
93,009,829	77,339,034	64,221,718	59,385,512	13,864,447	66,495,840
11,157,688	20,505,453	24,264,939	23,692,664	63,845,565	10,749,999
(8,224,503)	-9,210,354	(10,555,379)	(16,604,100)	11,094,863	10,542,300
95,943,014	88,634,133	77,931,278	66,474,076	88,804,875	87,788,139

EXPENSES, PROGRAM REVENUES AND NET REVENUES (EXPENSES)

Last Ten Fiscal Years

Year ended June 30, 2022	2022	2021	2020	2019
Expenses:				
Governmental activities:				
Instruction	\$ 63,918,995	68,674,883	70,414,755	67,068,311
Student services	2,161,224	2,321,759	2,460,467	2,325,107
Instructional staff services	3,424,564	3,502,561	3,278,694	3,167,962
Administrative services	6,879,240	6,813,756	6,671,235	6,146,391
Operating and maintenance of plant services	8,155,224	9,276,356	8,113,422	7,851,357
Transportation services	4,345,697	4,133,351	4,692,702	4,611,616
Capital outlay	-	-	-	-
Long-term debt interest	2,912,555	3,263,192	3,607,402	3,964,032
Non-instructional programs	44,290	53,266	186,302	150,377
Other expenditures	3,595,334	3,389,149	4,555,872	4,524,310
Total governmental activities expenses	\$ 95,437,123	101,428,273	103,980,851	99,809,463
Business type activities:				
Nutrition	3,907,339	2,976,642	3,232,106	3,296,661
Preschool services	265,818	307,895	308,950	-
Daycare services	893,880	1,199,064	-	-
Community education services	467,045	491,328	2,663,171	3,389,659
Total business type activities expenses	5,534,082	4,974,929	6,204,227	6,686,320
Total primary government expenses	\$ 100,971,205	106,403,202	110,185,078	106,495,783
Program revenues:				
Governmental activities:				
Charges for services:				
Instruction	8,018,490	6,731,773	6,981,839	6,523,356
Support services	154,671	107,696	345,601	333,922
Operating grants and contributions	15,511,518	17,360,702	14,372,672	14,692,194
Total governmental activities program revenues	\$ 23,684,679	24,200,171	21,700,112	21,549,472
Business type activities:				
Charges for services:				
Nutrition	469,934	197,806	1,644,080	2,221,417
Preschool services	269,206	212,910	-	-
Daycare services	1,904,154	943,367	-	-
Community education services	683,087	438,820	2,306,597	3,512,289
Operating grants and contributions	6,088,006	3,261,374	1,583,446	1,457,840
Total business type program revenues	9,414,387	5,054,277	5,534,123	7,191,546
Total primary government program revenues	\$ 33,099,066	29,254,448	27,234,235	28,741,018
Net revenue (expense):				
Governmental activities	\$ (71,752,444)	(77,228,102)	(82,280,739)	(78,259,991)
Business type activities	3,880,305	79,348	(670,104)	505,226
Total primary government net expense	\$ (67,872,139)	(77,148,754)	(82,950,843)	(77,754,765)

Source: 2022 Certified Annual Report

2018	2017	2016	2015	2014	2013
62,193,136	56,825,307	52,795,932	49,803,088	49,337,355	49,036,745
2,283,577	2,300,234	1,859,466	1,758,854	1,925,705	1,697,758
3,217,568	4,442,506	3,999,945	3,261,971	3,590,304	3,645,976
6,172,408	6,023,950	5,350,729	5,581,377	5,711,829	5,251,380
6,810,716	5,672,304	5,282,071	5,219,346	5,672,497	4,919,762
4,317,348	4,045,455	3,429,478	3,445,848	3,309,073	3,222,225
-	-	-	-	-	-
3,940,520	3,961,417	3,421,694	3,254,018	2,591,867	1,595,681
226,088	213,642	151,702	150,343	205,640	159,747
5,188,911	3,680,205	4,552,822	5,454,504	6,962,566	2,971,590
94,350,272	87,165,020	80,843,839	77,929,349	79,306,836	72,500,864
3,277,729	3,353,090	3,329,784	3,354,998	3,248,993	2,989,163
-	-	-	2,087,055	1,916,455	2,095,538
-	-	-	-	-	-
3,474,661	3,559,029	3,411,483	997,118	997,042	795,752
6,752,390	6,912,119	6,741,267	6,439,171	6,162,490	5,880,453
101,102,662	94,077,139	87,585,106	84,368,520	85,469,326	78,381,317
5,620,229	5,100,587	5,190,701	4,858,280	4,944,723	4,708,965
564,809	223,819	373,294	261,651	333,733	334,746
13,923,397	13,062,254	12,346,212	11,896,003	9,391,081	8,742,525
20,108,435	18,386,660	17,910,207	17,015,934	14,669,537	13,786,236
3,282,217	2,426,387	2,479,676	2,547,400	2,424,013	2,332,549
-	-	-	2,295,884	2,105,910	2,164,258
-	-	-	-	-	-
2,581,288	3,539,693	3,409,300	999,673	986,262	813,678
1,303,707	1,220,226	1,100,705	1,034,906	966,302	887,948
7,167,212	7,186,306	6,989,681	6,877,863	6,482,487	6,198,433
27,275,647	25,572,966	24,899,888	23,893,797	21,152,024	19,984,669
(74,241,837)	(68,778,360)	(62,933,632)	(60,913,415)	(64,637,299)	(58,714,628)
414,822	274,187	248,414	438,692	319,997	317,980
(73,827,015)	(68,504,173)	(62,685,218)	(60,474,723)	(64,317,302)	(58,396,648)

GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION

Last Ten Fiscal Years

Year ended June 30, 2022	2022	2021	2020
Net (expense) revenue:			
Governmental activities	\$ (71,752,444)	(77,228,102)	(82,280,739)
Business type activities	3,880,305	79,348	(670,104)
Total primary government net expense	\$ (67,872,139)	(77,148,754)	(82,950,843)
General revenues and other changes in net position:			
Governmental activities:			
General revenues:			
Property taxes levied for:			
General purposes	34,213,072	32,039,390	30,634,016
Debt service	9,549,325	11,378,999	10,385,706
Capital outlay	5,006,585	4,707,378	4,289,340
Statewide sales, services and use tax	8,448,742	7,092,979	7,313,864
Unrestricted state grants	35,675,187	35,223,836	34,193,211
Unrestricted investment earnings	167,645	356,158	967,018
Other	2,544,602	773,164	1,331,506
Capital contributions	-	-	-
Transfers	384,353	(497,388)	192,318
Total governmental activities	\$ 95,989,511	91,074,516	89,306,979
Business type activities:			
Miscellaneous	-	-	-
Transfers	(384,353)	497,388	(192,318)
Total business type activities	\$ (384,353)	497,388	(192,318)
Total primary government general revenues and other changes in net position	95,605,158	91,571,904	89,114,661
Change in net position:			
Governmental activities	24,237,067	13,846,414	7,026,240
Business type activities	3,495,952	576,736	(862,422)
Total primary government change in net position	\$ 27,733,019	14,423,150	6,163,818

Source: 2022 Certified Annual Report

2019	2018	2017	2016	2015	2014	2013
(78,259,991)	(74,241,837)	(68,778,360)	(62,933,632)	(60,913,415)	(64,637,299)	(58,714,628)
505,226	414,822	274,187	248,414	438,692	319,997	317,980
(77,754,765)	(73,827,015)	(68,504,173)	(62,685,218)	(60,474,723)	(64,317,302)	(58,396,648)
29,435,435	28,821,494	29,253,021	28,270,487	26,634,779	25,257,174	23,739,582
10,677,490	8,048,021	6,123,980	5,184,793	5,537,573	3,815,774	3,614,999
4,413,457	4,060,890	3,892,711	3,608,826	3,462,422	3,320,986	3,169,354
6,684,467	6,442,320	6,998,547	6,306,953	6,074,567	5,449,133	5,336,410
33,295,431	32,085,616	31,096,960	29,515,436	27,832,918	26,458,419	24,769,091
973,711	304,884	384,870	162,818	126,645	85,142	46,852
1,410,485	1,372,671	2,305,590	1,093,108	792,981	947,410	872,283
-	-	-	-	-	-	-
230,890	224,602	218,102	210,544	169,884	65,000	65,000
87,121,366	81,360,498	80,273,781	74,352,965	70,631,769	65,399,038	61,613,571
-	-	-	-	-	-	-
(230,890)	(224,602)	(218,102)	(210,544)	(169,884)	(65,000)	(65,000)
(230,890)	(224,602)	(218,102)	(210,544)	(169,884)	(65,000)	(65,000)
86,890,476	81,135,896	80,055,679	74,142,421	70,461,885	65,334,038	61,548,571
8,861,375	7,118,661	11,495,421	11,419,333	9,718,354	761,739	2,898,943
274,336	190,220	56,085	37,870	268,808	254,997	252,980
9,135,711	7,308,881	11,551,506	11,457,203	9,987,162	1,016,736	3,151,923

FUND BALANCES - GOVERNMENTAL FUNDS**Last Ten Fiscal Years**

Year ended June 30, 2022	2022	2021	2020	2019
General Fund:				
Nonspendable for Inventories/Prepd	\$ 336,992	73,369	85,572	71,233
Restricted	2,487,146	2,116,132	1,541,847	1,548,758
Unassigned	18,556,483	13,781,660	10,518,726	12,695,403
Total general fund	21,380,621	15,971,161	12,146,145	14,315,394
All other governmental funds:				
Restricted, reported in:				
Debt Service	2,775,844	20,729,806	12,104,362	7,567,880
Special revenue funds	6,056,760	5,730,481	6,709,287	4,166,417
Capital project funds	8,473,534	7,213,871	7,497,611	11,650,012
Total all other governmental funds	17,306,138	33,674,158	26,311,260	23,384,309
Total governmental fund balances	\$ 38,686,759	49,645,319	38,457,405	37,699,703

Source: 2022 Certified Annual Report

2018	2017	2016	2015	2014	2013
70,895	60,138	67,662	44,102	47,864	49,391
1,659,862	1,576,733	1,525,575	1,283,366	801,527	742,491
14,154,725	13,107,148	10,088,953	6,065,734	4,195,630	4,019,759
15,885,482	14,744,019	11,682,190	7,393,202	5,045,021	4,811,641
3,362,140	1,569,155	1,430,769	2,265,914	9,545,061	9,721,828
2,704,873	2,174,684	1,882,474	1,743,993	1,989,103	2,901,807
12,306,451	24,051,715	45,188,623	39,921,249	61,322,483	6,173,055
18,373,464	27,795,554	48,501,866	43,931,156	72,856,647	18,796,690
34,258,946	42,539,573	60,184,056	51,324,358	77,901,668	23,608,331

GOVERNMENTAL FUNDS REVENUES**Last Ten Fiscal Years**

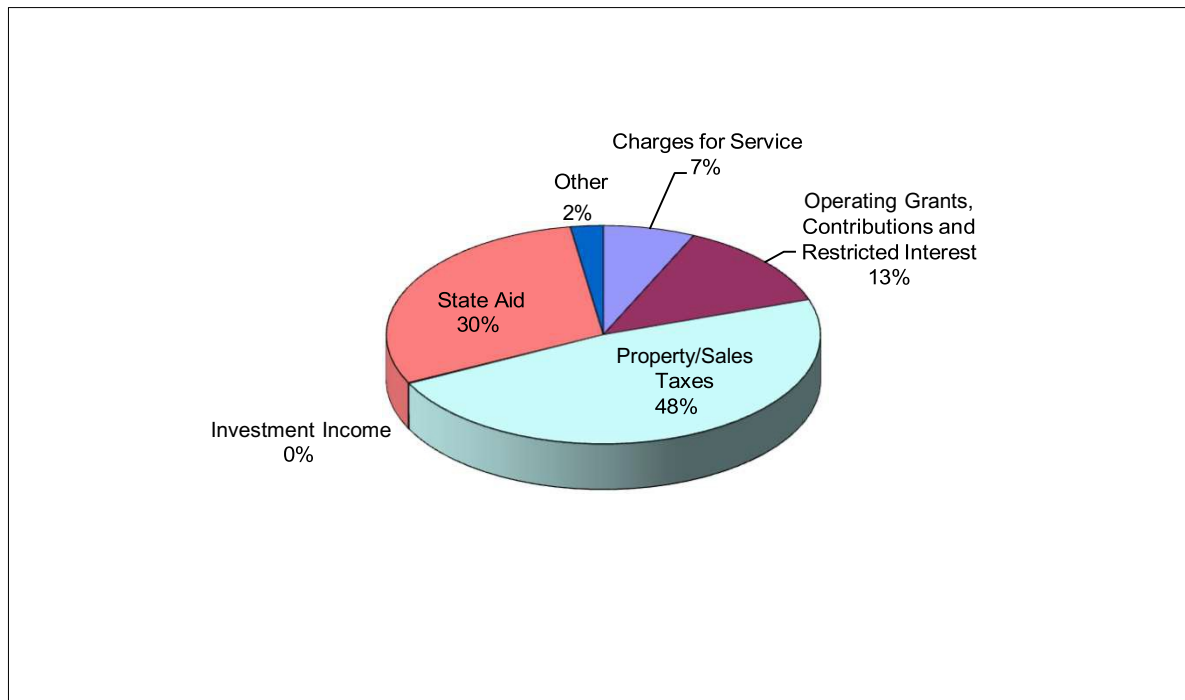
Year ended June 30, 2022	2022	2021	2020	2019	2018	2017
Local Sources:						
Property taxes	\$ 46,536,222	45,892,651	42,996,541	42,227,566	38,631,314	36,926,204
Local option sales tax	-	-	-	-	-	-
Utility replacement	840,815	875,278	966,024	937,517	943,630	963,718
Property tax in lieu of	1,391,945	1,348,873	1,346,497	1,350,679	1,315,848	1,333,947
Tuition	6,648,028	5,923,253	5,960,037	5,193,083	4,258,377	3,892,666
Other local sources	1,866,829	1,220,754	2,046,677	2,119,003	2,215,786	2,720,277
Investment earnings	167,645	356,158	967,017	973,710	543,692	399,436
Student activities	923,436	470,410	638,036	944,635	863,137	801,434
Total local sources	58,374,920	56,087,377	54,920,829	53,746,193	48,771,784	47,037,682
Intermediate Sources	111,644	118,134	102,828	102,103	95,576	91,273
State sources:						
State foundation aid	35,685,187	35,223,836	34,193,211	33,295,431	32,085,616	31,096,960
Statewide Sales tax	8,448,742	7,092,979	7,313,864	6,684,467	6,442,320	6,998,547
Other state sources	12,738,108	12,407,170	11,750,863	11,477,471	11,073,796	10,659,723
Total state sources	56,872,037	54,723,985	53,257,938	51,457,369	49,601,732	48,755,230
Federal sources	3,922,266	4,835,398	2,525,439	3,119,381	2,760,895	2,318,265
Total Revenues	\$ 119,280,867	115,764,894	110,807,034	108,425,046	101,229,987	98,202,450

Source: 2022 Certified Annual Report

2016	2015	2014	2013
34,753,002	33,969,188	31,541,517	30,531,071
-	-	-	5,336,410
949,620	975,143	852,417	860,601
1,333,050	653,702	-	-
3,855,810	3,707,732	3,639,110	3,582,546
1,930,588	1,389,174	1,664,104	704,178
162,818	126,645	89,142	46,852
887,274	830,618	908,380	745,744
43,872,162	41,652,202	38,694,670	41,807,402
88,824	89,537	90,389	98,961
29,515,436	27,832,918	25,706,139	24,769,091
6,306,953	6,074,567	5,449,133	-
10,138,446	9,746,304	8,161,350	6,881,169
45,960,835	43,653,789	39,316,622	31,650,260
2,126,015	2,074,240	1,898,661	1,769,532
92,047,836	87,469,768	80,000,342	75,326,155

GOVERNMENTAL REVENUES, BY SOURCE
Last Ten Fiscal Years

Fiscal Year	PROGRAM REVENUES		GENERAL REVENUES				TOTAL
	Charges for Service	Operating Grants, Contributions and Restricted Interest	Property/Sales Taxes	Investment Income	State Aid	Other	
2021-22	\$ 8,173,161	15,511,518	57,217,724	167,645	35,685,187	2,918,955	119,674,190
2020-21	6,839,469	17,360,702	55,218,746	356,158	35,223,836	773,164	115,772,075
2019-20	7,327,440	14,372,672	52,622,926	967,017	34,193,211	1,323,768	110,807,034
2018-19	6,857,278	14,692,194	51,200,229	973,710	33,295,431	1,406,204	108,425,046
2017-18	6,185,038	13,923,397	47,333,112	543,692	32,085,616	1,159,132	101,229,987
2016-17	5,324,406	13,062,251	46,222,416	399,436	31,096,960	2,096,981	98,202,450
2015-16	5,563,995	12,436,212	43,342,625	162,818	29,515,436	1,026,750	92,047,836
2014-15	5,119,031	11,896,003	41,672,600	126,645	27,832,918	822,571	87,469,768
2013-14	5,278,456	9,391,081	37,843,067	89,142	25,706,139	1,692,457	80,000,342
2012-13	5,043,711	8,742,525	35,860,345	46,852	24,769,091	863,631	75,326,155
2004-05	4,390,273	3,117,791	23,672,255	200,335	14,607,644	501,142	46,489,440



Note: Governmental activities only, does not include business activities.

Source: District Audits



COMPARATIVE RATIO OF DEBT SERVICE TO GOVERNMENTAL FUNDS EXPENDITURES

Last Ten Fiscal Years

Year ending June 30, 2022	2022	2021	2020	2019	2018	2017
Instruction:						
Regular instruction	39,081,620	38,451,615	39,347,512	38,750,238	36,823,617	35,134,637
Special instruction	15,091,873	14,019,362	14,267,261	12,983,952	11,282,922	10,098,221
Other instruction	9,326,164	8,789,258	8,931,755	9,259,212	8,532,447	8,370,945
Support services:						
Student services	2,315,151	2,256,896	2,375,097	2,313,690	2,274,671	2,279,452
Instructional staff services	3,459,411	3,364,008	3,325,919	3,244,276	3,380,314	4,256,407
Administration services	7,235,306	6,880,628	6,622,019	6,379,852	6,418,567	6,224,502
Plant operation and maintenance	8,426,431	9,006,083	8,148,471	8,005,666	6,789,467	5,776,018
Transportation services	4,357,649	4,101,181	4,701,845	4,610,013	4,380,262	4,100,913
Non-instructional programs:						
Food services	12,640	17,909	5,235	1,330	22,998	13,222
Community service and education	33,884	34,049	175,441	148,969	201,283	200,203
Capital outlay	1,520,096	1,303,098	5,928,821	10,503,462	20,328,773	36,617,228
Debt service:						
Principal	33,325,607	9,194,002	11,316,290	10,721,421	10,679,642	7,570,596
Interest	3,089,623	3,368,597	3,647,480	3,802,560	3,923,232	3,944,651
Services	-	-	-	104,401	80,332	58,119
Intergovernmental other expenditures	3,357,295	3,300,087	3,177,946	3,110,039	2,977,024	2,840,921
Total expenditures	130,632,750	104,086,773	111,971,092	113,939,081	118,095,551	127,486,035
Less: capital expenditures	1,326,357	1,234,215	5,184,555	9,611,668	18,592,046	34,824,774
Non-capital expenditures	129,306,393	102,852,558	106,786,537	104,327,413	99,503,505	92,661,261
Debt service expenditures	36,415,230	12,562,599	14,963,770	14,523,981	14,602,874	11,515,247
Debt service as a percentage of non-capital expenditures	28.16%	12.21%	14.01%	13.92%	14.68%	12.43%

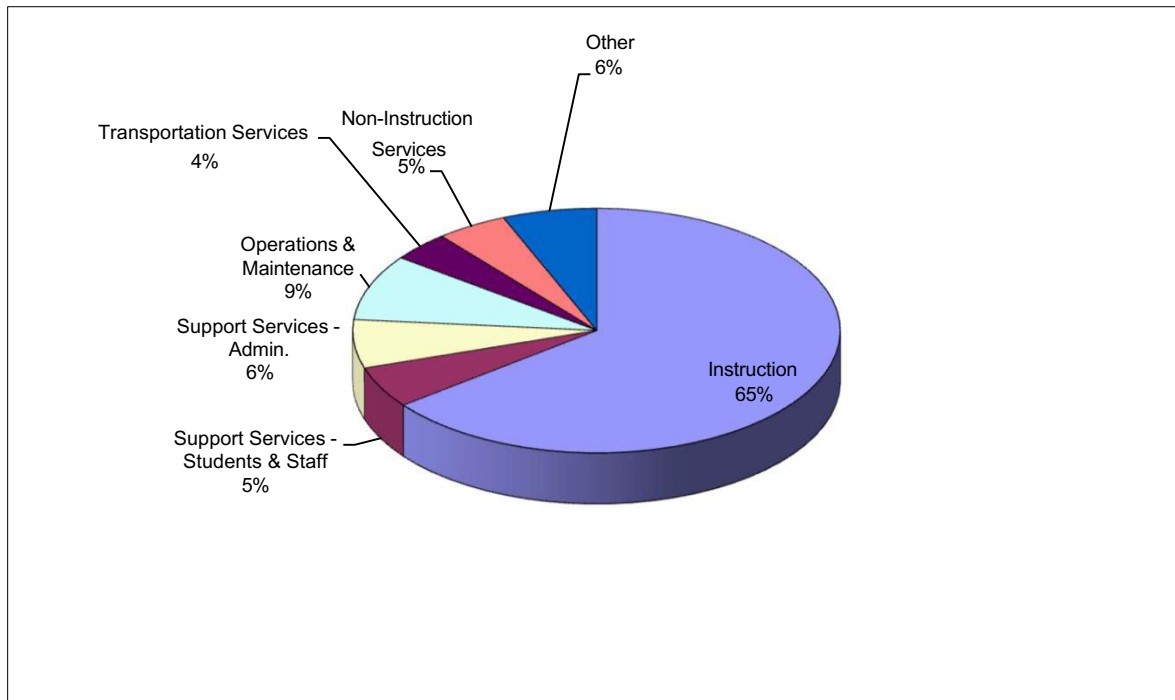
Source: 2022 Certified Annual Report

2016	2015	2014	2013
33,604,284	32,626,297	30,467,849	30,274,566
9,311,875	9,049,507	8,936,782	9,552,833
7,877,884	7,818,352	7,644,581	6,851,147
1,892,148	1,819,763	1,922,828	1,733,474
3,829,694	3,116,176	3,446,669	3,997,094
6,188,422	6,059,234	6,021,436	5,580,409
5,403,883	5,322,847	5,604,645	4,899,107
3,413,497	3,451,604	3,453,897	3,346,722
6,537	12,756	60,845	50,075
144,963	162,264	153,851	134,712
39,095,795	25,238,957	4,513,719	3,223,347
22,616,233	13,404,870	4,324,630	4,910,369
3,487,643	3,526,675	1,522,027	1,577,488
152,727	1,000	-	106,294
2,746,943	2,610,924	2,448,847	2,307,835
139,772,528	114,221,226	80,522,606	78,545,472
37,880,877	23,811,309	1,244,915	3,780,159
101,891,651	90,409,917	79,277,691	74,765,313
26,103,876	16,931,545	5,846,657	6,487,857
25.62%	18.73%	7.37%	8.68%

GOVERNMENT-WIDE EXPENSES, BY FUNCTION

Last Ten Fiscal Years

Fiscal Year	Instruction	Support Services - Students & Staff	Support Services - Admin.	Operations & Maintenance	Transportation Services	Non-Instruction Services	Other	Totals
2021-22	\$ 63,918,995	5,585,788	6,879,240	8,155,224	4,345,697	5,578,372	6,507,889	100,971,205
2020-21	68,674,883	5,824,320	6,813,756	9,276,356	4,133,351	5,028,195	6,652,341	106,403,202
2019-20	70,414,755	5,739,161	6,671,235	8,113,422	4,692,702	6,390,529	8,163,274	110,185,078
2018-19	67,068,311	5,493,069	6,146,391	7,851,357	4,611,616	6,836,697	8,488,342	106,495,783
2017-18	62,193,136	5,501,145	6,172,408	6,810,716	4,317,348	6,978,478	9,129,431	101,102,662
2016-17	56,825,307	6,742,740	6,023,950	5,672,304	4,045,455	7,125,764	7,641,622	94,077,142
2015-16	52,795,932	5,859,411	5,350,729	5,282,071	3,429,478	6,892,969	7,974,516	87,585,106
2014-15	49,803,088	5,020,825	5,581,377	5,219,346	3,445,848	6,589,514	8,708,522	84,368,520
2013-14	49,337,355	5,516,009	5,711,829	5,672,497	3,309,073	6,368,130	9,554,433	85,469,326
2012-13	49,036,745	5,343,734	5,305,717	4,919,762	3,222,225	6,040,200	4,567,271	78,435,654
2004-05	26,518,342	2,563,853	2,741,465	3,640,341	1,724,913	2,153,539	1,162,844	40,505,297



Source: District Audits



OTHER FINANCING SOURCES (USES) AND CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS**Last Ten Fiscal Years**

Year ended June 30, 2022	2022	2021	2020	2019
Excess (deficiency) of revenues over (under) expenditures	(11,351,883)	11,678,121	(1,164,058)	(5,514,035)
Other financing sources (uses):				
Transfers in	9,166,092	9,285,043	8,657,035	8,252,900
Transfers out	(8,781,739)	(9,782,431)	(8,464,717)	(8,022,010)
Sale of bonds/Discounts/Premiums	-	-	-	-
Sale of property/equipment	8,970	7,181	7,739	14,902
Proceeds from capital lease/lease purchase	-	-	1,721,703	-
Proceeds from debt issued	-	-	-	8,709,000
Net change in fund balances	(10,958,560)	11,187,914	757,702	3,440,757

Source: District Audit

2018	2017	2016	2015	2014	2013
(16,865,564)	(29,283,585)	(47,724,692)	(26,751,458)	(522,264)	(3,219,317)
8,620,607	5,808,831	5,561,136	3,294,653	1,897,301	2,861,855
(8,396,005)	(5,590,729)	(5,350,592)	(3,124,769)	(1,832,301)	(2,796,855)
110,994	195,482	345,363	(1,925)	54,747,368	-
14,341	1,466,318	4,791	6,189	3,233	8,652
-	439,200	723,692	-	-	1,259,869
8,235,000	9,320,000	55,300,000	-	-	9,374,113
(8,280,627)	(17,644,483)	8,859,698	(26,577,310)	54,293,337	7,488,317

**COMPARISONS OF GROWTH IN REVENUE, EXPENDITURES, ENROLLMENT,
 ASSESSED VALUATION AND TAX RATES - GENERAL FUND BY YEAR
 Last Ten Fiscal Years**

Fiscal Year	Revenue	Growth	Expenditures	Growth	Enrollment	Growth	Assessed Value	Growth	Tax Rate	Growth
2021-22	\$ 93,694,507	3.6%	\$ 88,285,047	2.0%	6,986.9	-0.2%	\$ 4,624,949,823	2.5%	12.53967	6.4%
2020-21	90,407,693	9.2%	86,582,677	1.9%	7,004.2	-1.4%	4,513,168,350	9.0%	11.78094	6.4%
2019-20	82,789,930	1.6%	84,959,179	2.2%	7,105.7	0.7%	4,140,306,050	2.0%	11.07691	-1.7%
2018-19	81,525,009	2.2%	83,095,097	5.7%	7,057.6	-0.2%	4,060,626,646	10.6%	11.26534	-11.0%
2017-18	79,786,837	3.2%	78,645,374	5.9%	7,074.1	2.6%	3,671,118,493	3.5%	12.66404	-5.1%
2016-17	77,304,648	3.1%	74,250,082	5.1%	6,894.2	2.0%	3,546,265,721	7.8%	13.33817	-4.0%
2015-16	74,965,911	6.2%	70,676,923	3.3%	6,756.1	2.1%	3,288,950,762	3.5%	13.88824	1.7%
2014-15	70,566,918	7.9%	68,388,621	4.9%	6,617.1	3.3%	3,178,778,284	1.4%	13.66094	1.9%
2013-14	65,393,402	6.7%	65,225,022	2.7%	6,408.0	2.2%	3,134,052,888	2.6%	13.41003	0.6%
2012-13	61,310,243	-0.4%	63,484,686	5.5%	6,269.0	2.0%	3,055,537,525	-1.1%	13.32548	-4.2%
2011-12	61,544,827	1.2%	60,153,139	3.9%	6,147.4	0.9%	3,088,909,736	3.4%	13.90275	-4.9%

Source: Polk County Auditor and Certified Annual Report

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

Collection Year	Real Property	Personal Property	Railroad & Utilities w/o Gas & Electric	Gas & Electric	Total Assessed Value	Total Taxable Value	Total Direct Rate
2021-22	\$ 4,522,573,694		4,045,929	98,330,200	4,624,949,823	2,948,541,523	17.76219
2020-21	4,411,112,484		5,465,664	96,590,202	4,513,168,350	2,825,945,089	17.75113
2019-20	4,038,250,184		5,465,664	96,590,202	4,140,306,050	2,654,845,614	18.35192
2018-19	3,964,594,754	-	5,566,102	90,465,790	4,060,626,646	2,569,837,941	18.35111
2017-18	3,574,111,752	-	5,325,207	91,681,534	3,671,118,493	2,354,339,310	18.32361
2016-17	3,452,812,103	-	5,594,714	87,858,904	3,546,265,721	2,247,010,252	18.35317
2015-16	3,204,905,488	-	6,006,901	78,038,373	3,288,950,762	2,091,826,714	18.35491
2014-15	3,109,427,512	-	6,783,155	62,567,617	3,178,778,284	2,035,596,241	17.35444
2013-14	3,049,121,748	-	7,634,070	77,297,070	3,134,052,888	2,001,735,565	17.35444
2012-13	2,972,775,062	-	7,935,534	74,826,929	3,055,537,525	1,897,678,183	17.35008
2004-05	1,775,241,092	-	6,213,831	42,537,137	1,823,992,060	1,106,229,055	15.6545

Source: Polk County Auditor and Iowa Department of Management

**PROPERTY TAX RATES PER \$1,000 ASSESSED VALUATION
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years**

		Overlapping Rates					District Direct Rates					
Levy Year	Collection Year	Polk County	State	Area XI Community College	City	Special	Johnston General Purpose	Johnston Capital Purpose	Johnston Debt Service	Johnston Community School District	Total	Ratio of Johnston CSD to Total
City of Des Moines												
2020	2021-22	\$ 10.88801	0.00260	0.67789	16.61000	-	12.90691	1.67000	3.18528	17.76219	45.94069	0.38663
2019	2020-21	11.21098	0.00270	0.63533	16.61156	-	12.03113	1.67000	4.05000	17.75113	46.21170	0.38413
2018	2019-20	11.31512	0.00280	0.65249	16.64000	-	12.63192	1.67000	4.05000	18.35192	46.96233	0.39078
2017	2018-19	11.00554	0.00290	0.69468	11.52167	-	12.63111	1.67000	4.05000	18.35111	41.57590	0.44139
2016	2017-18	11.02541	0.00310	0.67458	11.38698	-	13.33596	1.67000	3.31765	18.32361	41.41368	0.44245
2015	2016-17	11.22030	0.00330	0.72334	16.92000	0.06151	14.04477	1.67000	2.63840	18.35317	47.28162	0.38817
2014	2015-16	11.64598	0.00330	0.67574	16.92000	0.05484	14.28539	1.67000	2.39952	18.35491	47.65477	0.38516
2013	2014-15	11.34385	0.00330	0.65724	16.92000	0.05669	13.76563	1.67000	1.91881	17.35444	46.33552	0.37454
2012	2013-14	10.93115	0.00330	0.69120	16.92001	0.06911	13.76563	1.67000	1.91881	17.35444	45.96921	0.37752
2011	2012-13	10.66459	0.00330	0.58466	16.91982	0.06011	13.77526	1.67000	1.90482	17.35008	45.58256	0.38063
1991	1992-93	9.89515	0.00500	0.50664	16.17685	0.60419				15.41709	42.60492	0.36186
City of Grimes												
2020	2021-22	\$ 10.52566	0.00260	0.67789	11.41284	-	12.90691	1.67000	3.18528	17.76219	40.38118	0.43986
2019	2020-21	10.88323	0.00270	0.63533	11.71284	-	12.03113	1.67000	4.05000	17.75113	40.98523	0.43311
2018	2019-20	10.97737	0.00280	0.65249	12.81293	-	12.63192	1.67000	4.05000	18.35192	42.79751	0.42881
2017	2018-19	10.97754	0.00290	0.69468	12.91293	-	12.63111	1.67000	4.05000	18.35111	42.93916	0.42737
2016	2017-18	10.99741	0.00310	0.67458	12.91035	-	13.33596	1.67000	3.31765	18.32361	42.90905	0.42703
2015	2016-17	10.99830	0.00330	0.72334	12.91473	-	14.04477	1.67000	2.63840	18.35317	42.99284	0.42689
2014	2015-16	11.42398	0.00330	0.67574	12.91377	-	14.28539	1.67000	2.39952	18.35491	43.37170	0.42320
2013	2014-15	11.12160	0.00330	0.65724	12.91374	-	13.76563	1.67000	1.91881	17.35444	42.05032	0.41271
2012	2013-14	10.70915	0.00330	0.69120	12.91302	-	13.76563	1.67000	1.91881	17.35444	41.67111	0.41646
1992	1993-94	9.94219	0.00500	0.48828	10.80354	-				16.82614	38.06515	0.44204
1991	1992-93	9.53630	0.00500	0.50664	11.47068	-				15.41709	36.93571	0.41740
City of Johnston												
2020	2021-22	\$ 10.57677	0.00260	0.67789	10.63042	-	12.90691	1.67000	3.18528	17.76219	39.64987	0.44798
2019	2020-21	10.92623	0.00270	0.63533	10.63042	-	12.03113	1.67000	4.05000	17.75113	39.94581	0.44438
2018	2019-20	11.03037	0.00280	0.65249	11.64912	-	12.63192	1.67000	4.05000	18.35192	41.68670	0.44023
2017	2018-19	11.00554	0.00290	0.69468	11.52167	-	12.63111	1.67000	4.05000	18.35111	41.57590	0.44139
2016	2017-18	11.02541	0.00310	0.67458	11.38698	-	13.33596	1.67000	3.31765	18.32361	41.41368	0.44245
2015	2016-17	11.02630	0.00330	0.72334	11.40000	-	14.04477	1.67000	2.63840	18.35317	41.50611	0.44218
2014	2015-16	11.45198	0.00330	0.67574	11.50054	-	14.28539	1.67000	2.39952	18.35491	41.98647	0.43716
2013	2014-15	11.14960	0.00330	0.65724	11.34392	-	13.76563	1.67000	1.91881	17.35444	40.50850	0.42841
1993	1994-95	10.23648	0.00500	0.48398	9.67748	-				17.08339	37.48633	0.45572
1992	1993-94	9.94219	0.00500	0.48828	9.78743	-				16.82614	37.04904	0.45416
1991	1992-93	9.53630	0.00500	0.50664	9.24340	-				15.41709	34.70843	0.44419
City of Urbandale												
2020	2021-22	\$ 10.61991	0.00260	0.67789	10.11000	0.20884	12.90691	1.67000	3.18528	17.76219	39.38143	0.45103
2019	2020-21	10.97823	0.00270	0.63533	10.16000	0.16683	12.03113	1.67000	4.05000	17.75113	39.69422	0.44720
2018	2019-20	11.08237	0.00280	0.65249	10.52000	0.15929	12.63192	1.67000	4.05000	18.35192	40.76887	0.45015
2017	2018-19	11.05754	0.00290	0.69468	10.02000	0.06438	12.63111	1.67000	4.05000	18.35111	40.19061	0.45660
2016	2017-18	11.07741	0.00310	0.67458	10.02000	0.06856	13.33596	1.67000	3.31765	18.32361	40.16726	0.45618
2015	2016-17	11.07830	0.00330	0.72334	9.92000	0.06151	14.04477	1.67000	2.63840	18.35317	40.13962	0.45723
2014	2015-16	11.50398	0.00330	0.67574	9.82000	0.05484	14.28539	1.67000	2.39952	18.35491	40.41277	0.45419
1994	1995-96	9.67195	0.00500	0.48988	8.52000	0.57762				16.81254	36.07699	0.46602
1993	1994-95	10.23648	0.00500	0.48398	8.41309	0.59482				17.08339	36.81676	0.46401
1992	1993-94	9.94219	0.00500	0.48828	8.35880	0.61798				16.82614	36.23839	0.46432
1991	1992-93	9.53630	0.00500	0.50664	8.33427	0.60419				15.41709	34.40349	0.44813

Source: Polk County Auditor

**PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2022			2013		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Deere Credit Services	\$ 55,530,000	1	1.88%	\$ 52,120,000	2	2.75%
Pioneer Hi-Bred Co	49,863,198	2	1.69%	36,583,625	1	1.93%
Mid-American Inv. Co.	34,859,222	3				
Pioneer Hi-Bred Corn Co	28,302,742	4	0.96%	36,583,625	1	1.93%
Cole OFC Johnston IA LLC	27,000,000	5	0.92%			
ARCP OFC Johnston IA Phase II LLC	25,200,000	6	0.85%			
Pioneer Hi-Bred International Inc	23,457,981	7	0.80%			
Cadence Apartments Iowa LLC	12,350,476	8	0.42%			
Mansions at Hemingway LLC	11,845,974	9	0.40%			
Bricktowne Johnston LC	10,950,193	10	0.37%			
Mid-American Inv. Co.	13,140,000	10	0.45%	12,965,000	6	0.68%
Centro GA Haymarket Square LLC				19,638,000	4	1.03%
SCI Des Moines LLC				10,963,100	8	0.58%
MFR Partners III				20,404,480	3	1.08%
Target Corp.				13,090,000	5	0.69%
Spirit SPE Johnston LLC				10,680,000	9	0.56%
Wal-Mart				12,666,600	7	0.67%
Ladco Properties				10,650,000	10	0.56%
Total	\$ 292,499,786		8.74%	\$ 236,344,430		12.45%
Total taxable value	\$ 2,948,541,523			\$1,897,678,183		

Source: Polk County Auditor

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

Employer	2022			2013		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Corteva Agriscience	2,500	1	*	2,938	1	*
Johnston Community Schools	1,008	2	*	889	4	*
John Deere Credit	910	3	*	910	3	*
Childserve	725	4	*	926	2	*
Iowa National Guard	704	5	*	704	5	*
Goodwill of Central Iowa	375	6	*			*
Heartland Area Education Agency	250	7	*	250	6	*
Bishop Drumm Care Center	245	8	*	245	7	*
Children's Habilitation Center	175	9	*	175	8	*
Iowa Public Television	127	10	*	127	9	*
ITS Inc.				125	10	
Total	7,019			7,289		

*Information not available
Source: Greater DM Partnership

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Year ended June 30,	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
2022	\$ 47,841,589	\$ 47,377,037	99.03%	1,444	47,378,481	99.03%
2021	46,221,110	46,195,887	99.95%	538,961	46,734,848	101.11%
2020	44,488,832	43,939,534	98.77%	(5,907)	43,933,627	98.75%
2019	43,229,146	43,133,262	99.78%	2,677	43,135,939	99.78%
2018	39,645,683	39,608,125	99.91%	(34,053)	39,574,072	99.82%
2017	37,894,973	37,880,097	99.96%	4,874	37,884,971	99.97%
2016	35,779,037	35,729,875	99.86%	(31,855)	35,698,020	99.77%
2015	34,950,043	34,936,310	99.96%	4,478	34,940,788	99.97%
2014	32,565,344	32,433,674	99.60%	(72,054)	32,361,620	99.37%
2013	30,519,078	30,485,501	99.89%	6,177	30,491,678	99.91%
1998	8,992,250	9,029,027	100.41%	*	9,029,027	100.41%

Source: Polk County Cash Management

PROPERTY TAX RATES**Last Ten Fiscal Years**

Fiscal Year	General	Mngt.	Reg. PPEL	Voted PPEL	Debt Service	Total
2021-22	\$ 12.53967	0.36724	0.33000	1.34000	3.18528	17.76219
2020-21	11.78094	0.25019	0.33000	1.34000	4.05000	17.75113
2019-20	11.07691	1.55501	0.33000	1.34000	4.05000	18.35192
2018-19	11.26534	1.36577	0.33000	1.34000	4.05000	18.35111
2017-18	12.66404	0.67192	0.33000	1.34000	3.31765	18.32361
2016-17	13.33817	0.70660	0.33000	1.34000	2.63840	18.35317
2015-16	13.88824	0.39715	0.33000	1.34000	2.39952	18.35491
2014-15	13.66094	0.35193	0.33000	1.34000	2.67739	18.36026
2013-14	13.41003	0.35560	0.33000	1.34000	1.91881	17.35444
2012-13	13.32548	0.44978	0.33000	1.34000	1.90482	17.35008
1997-98	9.56906	0.19903	0.33000	0.67000	4.05000	14.81809

Source: District records

PROPERTY TAX LIABILITY**Last Ten Fiscal Years**

Fiscal Year	Assessed Value	Rollback	Taxable Value	Rate	Tax Liability	Change Dollars	Percent
2021-22	200,000	56.41%	112,819	17.76219	2,004	49	2.3%
2020-21	200,000	55.07%	110,140	17.75113	1,955	(134)	-6.6%
2019-20	200,000	56.92%	113,840	18.35192	2,089	48	2.3%
2018-19	200,000	55.62%	111,242	18.35111	2,041	(46)	-2.3%
2017-18	200,000	56.94%	113,878	18.32361	2,087	45	2.2%
2016-17	200,000	55.63%	111,252	18.35317	2,042	(4)	-0.2%
2015-16	200,000	55.73%	111,467	18.35491	2,046	213	11.6%
2014-15	200,000	54.40%	108,800	18.36026	1,998	237	13.5%
2013-14	200,000	52.82%	105,633	17.35444	1,833	72	4.1%
2012-13	200,000	50.75%	101,500	17.35008	1,761	77	4.6%
1994-95	\$ 200,000	68.04%	\$ 136,081	\$ 17.08339	\$ 2,325		

Source: District records, Polk County Assessor

RATIOS OF GENERAL BONDED DEBT OUTSTANDING**Last Ten Fiscal Years****(dollars in thousands, except per capita)**

Fiscal Year	Population	Assessed Value Property	Legal Debt Limit (5%)	General Obligation Bonds	Debt to Assessed Value	Per Capita
2022	17,278	\$ 4,624,949,823	231,247,491	14,790,910	0.32%	856
2021	17,278	4,513,168,350	225,658,418	43,799,603	0.97%	2,535
2020	17,278	4,140,306,050	207,015,303	48,908,298	1.18%	2,831
2019	17,278	4,060,626,646	203,031,332	56,525,000	1.39%	3,272
2018	17,278	3,671,118,493	183,555,925	64,355,000	1.75%	3,725
2017	17,278	3,546,265,721	177,313,286	63,775,000	1.80%	3,691
2016	17,278	3,288,950,762	164,447,538	59,100,000	1.80%	3,421
2015	17,278	3,178,778,284	158,938,914	23,720,000	0.75%	1,373
2014	17,278	3,134,052,888	156,702,644	36,705,000	1.17%	2,124
2013	17,278	3,055,537,525	152,776,876	40,620,000	1.33%	2,351
2012	17,278	3,088,909,736	154,445,487	35,630,000	1.15%	2,062

Source: U.S. Department of Commerce, Bureau of Census (2010 was the first census that contains Johnston school district information-it was just city of Johnston information in the past).

Source: Polk County Auditor and District Records, 100% Valuation Before Rollback and Including TIF

OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

(dollars in thousands, except per capita)

Fiscal Year	Governmental Activities				Total**
	General Obligation Bonds	Sales Tax Revenue Bonds	Equipment and Capital Loan Notes	Obligations Under Lease	
2022	\$ 14,790,910	41,248,226	-	446,631	56,485,767
2021	43,799,603	45,297,575	-	860,411	89,957,589
2020	48,908,298	49,185,924	-	1,270,413	99,364,635
2019	56,525,000	50,974,000	-	-	107,499,000
2018	64,355,000	45,010,000	-	-	109,365,000
2017	63,775,000	47,650,000	-	-	111,425,000
2016	59,100,000	50,190,000	-	-	109,290,000
2015	23,720,000	52,640,000	-	-	76,360,000
2014	37,212,468	52,640,000	-	-	89,852,468
2013	40,620,000	-	-	-	40,620,000
1998	25,425,000	-	-	-	25,425,000

* Includes TIF Valuation

** Total Indebtedness indicates amount of debt at the end of the fiscal year.

***Source: U.S. Department of Commerce, Bureau of Census (2010 was the first census that contains Johnston school district information-it was just city of Johnston information before that time).

****Source: Iowa Department of Revenue

NA-Information not available

	100% Assessed Valuation *	Percent of Actual Taxable Value of Property	Population***	Per Capita	Personal Income****	Percentage of Personal Income
\$	4,624,949,823	1.22%	17,278	3,269	N/A	NA
	4,513,168,350	1.99%	17,278	5,206	N/A	NA
	4,140,306,050	2.40%	17,278	5,751	N/A	NA
	4,060,626,646	2.65%	17,278	6,222	N/A	NA
	3,671,118,493	2.98%	17,278	6,330	N/A	NA
	3,546,265,721	3.14%	17,278	6,449	N/A	NA
	3,288,950,762	3.32%	17,278	6,325	N/A	NA
	3,178,778,284	2.40%	17,278	4,419	N/A	NA
	3,134,052,888	2.87%	17,278	5,200	N/A	NA
	3,055,537,525	1.33%	17,278	2,351	N/A	NA
	858,037,064	2.96%	7,649	3,324	11,031,940	0.23%

LEGAL DEBT MARGIN INFORMATION**Last Ten Fiscal Years**

Legal Debt Margin Calculation for Fiscal Year 2022 \$ 4,624,949,823

Debt limit (5% of assessed value) 231,247,491

Debt applicable to limit 56,485,767

Legal debt margin \$ 174,761,724

Year ended June 30,	2022	2021	2020	2019
Debt limit	231,247,491	225,658,418	207,015,303	203,031,322
Total net debt applicable to limit	56,485,767	89,957,589	98,094,222	107,499,000
Legal debt margin	174,761,724	135,700,829	108,921,081	95,532,322
Total net debt applicable to the limit as a percentage of debt limit	24%	40%	47%	53%

Source: Polk County Auditor and District Records

2018	2017	2016	2015	2014	2013
183,555,925	177,313,286	164,447,538	158,938,914	156,702,644	152,776,876
111,395,633	113,629,844	111,566,068	78,556,054	92,287,537	40,620,000
72,160,292	63,683,442	52,881,470	80,382,860	64,415,107	112,156,876
61%	64%	68%	49%	59%	27%

DEBT LIMIT

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

Legal Debt Margin Calculation for Fiscal Year 2021	
Actual assessed value	\$ 4,624,949,823
	<u>0.05</u>
Debt Limit:	<u>\$ 231,247,491</u>

Total Direct Debt = \$ 56,485,767 or 24.4% of debt limit.

*Includes TIF valuation of

OVERLAPPING AND UNDERLYING DEBT

	Outstanding	Total Taxable	Valuation	Percent	Amount
Polk County	229,485,632	30,282,901,606	2,948,541,523	9.74%	\$ 22,344,223
DMACC	97,560,000	56,678,598,966	2,948,541,523	5.20%	\$ 5,075,279
Heartland AEA 11	-	56,678,598,966	2,948,541,523	5.20%	\$ -
Urbandale San Sewer Dist	-	3,427,431,992	522,234,513	15.24%	\$ -
City of Des Moines	487,460,000	9,555,207,363	176,424,673	1.85%	\$ 9,000,325
City of Grimes	48,230,000	1,144,798,987	262,971,376	22.97%	\$ 11,078,896
City of Johnston	108,354,000	1,829,371,540	1,829,371,540	100.00%	\$ 108,354,000
City of Urbandale	75,145,000	3,677,588,787	523,688,699	14.24%	\$ 10,700,649
Subtotal, overlapping debt	<u>1,046,234,632</u>				<u>166,553,373</u>
District direct debt:					
General obligation	14,790,910				14,790,910
Capital loan notes					
Sales tax revenue	<u>41,248,226</u>				<u>41,248,226</u>
Total direct debt	<u>56,039,136</u>				<u>56,039,136</u>
Total direct and overlapping debt	<u>\$ 1,102,273,768</u>				<u>\$ 222,592,509</u>

Source: Polk County Auditor, Government Offices

Compares the taxable valuation of the Johnston Community School District to the taxable valuation of each taxing district less military and includes TIF incremental values, ag land, and gas and electric utility values.

PLEGGED REVENUE COVERAGE**Last Ten Fiscal Years**

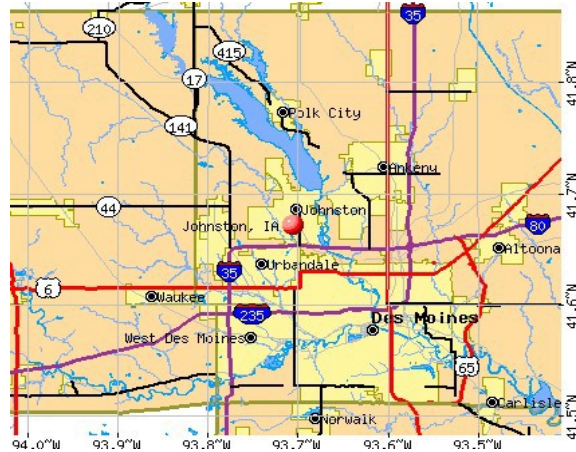
Year Ended June 30, 2022	Bonds Issued	Local Option Sales Tax Revenue Bonds					Coverage
		Revenue	Debt Service		Total		
			Principal	Interest			
2022	\$ 41,248,226	8,448,742	3,900,000	1,667,852	\$ 5,567,852	1.5174150	
2021	45,297,575	7,092,979	3,739,000	1,834,225	5,573,225	1.2726884	
2020	49,185,924	7,313,864	2,850,000	1,982,609	4,832,609	1.5134400	
2019	50,974,000	6,684,467	2,745,000	1,968,293	4,713,293	1.41821588	
2018	45,010,000	6,442,320	2,640,000	1,952,131	4,592,131	1.40290423	
2017	47,650,000	6,998,547	2,540,000	2,052,506	4,592,506	1.5239059	
2016	50,190,000	6,306,953	2,450,000	2,149,306	4,599,306	1.37128362	
2015	52,640,000	6,148,911	-	2,181,401	2,181,401	2.81878985	
2014	52,640,000	*	*	*	*	*	
2013	*	*	*	*	*	*	
1998	NA	NA	NA	NA	NA		

Source; District Records

* Coverage ratio not applicable as no debt payment in this fiscal year-bonds issued, but no payments until 2014-2015.

GENERAL INFORMATION

The Johnston Community School District is located in central Iowa within the Des Moines Metropolitan area. Included within the District's 25,344 acres are the cities of Johnston and portions of Des Moines, Urbandale and Grimes. Transportation facilities are provided by U.S. Interstates 35 & 80, Iowa Highway 141, as well as numerous paved county roads. Commercial airline service is available at the Des Moines International Airport. Commercial development within the District has been greatly enhanced by the continued growth of the northwestern portion of the metropolitan area. Residential growth and recreational opportunities within the District have been enhanced by the construction of Saylorville Lake, a U.S. Corps of Engineers flood control dam impounding the Des Moines River.



The three major employers within the District are Corteva, Childserve, and John Deere Credit. Corteva is an internationally known producer of hybrid seeds. With over 2,500 employees within the District, Corteva Agriscience was previously the Agriculture Division of DowDuPont (becoming a standalone company June 1, 2019). ChildServe is a not-for-profit organization that partners with families to help children with special health care needs. John Deere Credit provides retail, wholesale and lease financing as well as revolving credit to help facilitate the sale of John Deere agricultural, construction and forestry, and commercial and consumer equipment.

Continuing education centers within commuting distance include: Drake University, Grand View University, Des Moines University, and Mercy College of Health Sciences, all in Des Moines; Iowa State University, Ames; Simpson College, Indianola; and Des Moines Area Community College, Ankeny.

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Calendar Years

Calendar Year	Population *	Personal Income **	Adjusted Gross Income Per Tax Return **	Per Capita Personal Income	Unemployment Rate *** - %
2022	17,278	N/A	N/A	N/A	4.5
2021	17,278	N/A	N/A	N/A	4.0
2020	17,278	N/A	N/A	N/A	7.1
2019	17,278	\$1,551,620,634	77,092	89,803	2.6
2018	17,278	1,521,817,983	79,344	88,078	2.4
2017	17,278	1,465,351,140	76,400	84,810	2.9
2016	17,278	1,368,506,534	71,351	79,205	3.5
2015	17,278	1,310,825,054	70,905	75,867	3.6
2014	17,278	1,261,836,335	69,557	73,031	4.4
2013	17,278	1,214,695,925	68,841	70,303	4.8
2001*	9,506	322,824		33,960	1.7

N/A-Not available

* U.S. Department of Commerce, Bureau of Census (2010 was the first census that contains Johnston school district information-it was just city of Johnston information in the past).

**Iowa Department of Revenue

***Iowa Workforce Development annual average county-wide unemployment rate

CENSUS FIGURES BY AGE GROUP - 2010

	Johnston	Urbandale	Des Moines
Under 18 years	28.3%	24.8%	24.5%
18 to 24 years	6.6%	6.8%	10.9%
25 to 44 years	28.5%	28.3%	29.0%
45 to 64 years	26.7%	27.7%	24.2%
65 years and over	9.8%	12.5%	11.3%
Median Age	36.8	38.1	33.8

Source: U.S. Department of Commerce, Bureau of Census (2010)

RETAIL SALES (IN MILLIONS)**Last Ten Calendar Years**

Year ended	Johnston	Des Moines	Polk County	State
2021	\$ 192.7	4,118.6	9,442.9	43,666.6
2020	164.1	3,982.8	8,691.8	40,012.6
2019	175.1	4,044.7	8,762.8	40,127.1
2018	170.1	3,980.3	8,522.3	39,330.0
2017	151.4	3,851.7	8,312.0	38,956.5
2016	151.9	3,789.2	8,073.5	38,419.5
2015	139.7	3,661.2	7,736.2	37,526.3
2014	157.2	3,439.9	7,291.7	35,847.6
2013	156.5	3,325.4	6,970.0	34,800.6
2012	159.6	3,264.3	6,786.9	34,538.0
2002	87.4	3,789.7	6,052.8	28,446.6

NA - Information not available.

Source: Iowa Department of Revenue & Finance

BANK DEPOSITS

Institution	June 30, 2022 Deposits inside Market
Community State Bank	\$276,975,000
Wells Fargo Bank	169,709,000
Charter Bank	106,927,000
Grinnell State Bank	98,410,000
Bank Iowa	44,129,000
Bank of the West	34,236,000
Liberty National Bank	24,117,000
ITS Bank	500,000
	<u>\$755,003,000</u>

Source: FDIC Deposit Market Share Report, Zip Code 50131

RESIDENTIAL CONSTRUCTION BY NUMBER OF DWELLING UNITS**Last Ten Calendar Years**

Year	Single Family	Townhome	Multi-family	Totals
2021	120	29	50	199
2020	87	12	48	147
2019	55	14	144	213
2018	72	17	118	207
2017	68	14	118	200
2016	105	18	75	198
2015	124	45	395	564
2014	86	42	98	226
2013	101	23	109	233
2012	113	14	275	402
2004	324	65	0	389
Total	1,489	393	1,617	3,499

Source: City of Johnston Planning Department

DISTRICT STAFFING LEVELS -- General Fund (FTE)

Last Ten Fiscal Years

	For Fiscal Year ended June 30, 2022									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Administration:										
Superintendent	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assoc. Supt.	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-
Principals	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Assist. Principals	4.0	4.0	4.0	4.0	4.0	5.5	8.0	8.0	9.0	4.0
Other Admin.	16.0	14.6	14.6	13.6	13.6	12.2	9.0	9.0	9.0	10.0
Total Administration	30.0	28.6	28.6	27.6	27.6	27.7	27.0	27.0	28.0	23.0
Supervisors/ Coordinators/Managers	4.0	2.1	2.1	2.1	2.1	1.5	3.0	3.0	3.0	3.0
Instruction:										
Teachers	473.2	466.4	462.9	454.0	445.9	435.2	429.8	429.4	425.0	425.7
Counselors, Deans	19.5	19.5	20.0	20.0	20.0	15.0	10.0	13.0	10.5	15.5
Media Spec.	7.0	7.0	7.0	7.0	7.0	7.0	7.0	8.0	8.0	8.0
Other Instructors	-	-	-	-	-	-	-	2.0	3.0	3.0
Total Instruction	499.7	492.9	489.9	481.0	472.9	457.2	446.8	452.4	446.5	452.2
Professional/Other										
Nurses	8.9	8.0	8.0	8.0	8.5	8.5	8.5	8.0	8.0	8.0
Other Professional Staff	9.6	8.0	7.6	7.6	7.0	8.6	8.2	5.6	5.7	6.6
Total Professional/Other	18.5	16.0	15.6	15.6	15.5	17.1	16.7	13.6	13.7	14.6
Instructional Support Personnel:	255.2	220.1	217.9	202.1	169.6	156.3	150.0	133.7	125.6	139.6
Support Personnel:										
Office/Clerical	30.6	27.6	27.0	27.0	28.0	27.0	30.0	29.8	29.0	29.0
Transportation	13.6	13.3	16.5	12.8	14.0	12.3	54.0	49.6	51.2	47.4
Op. & Maintenance	51.7	53.1	53.8	52.4	46.8	43.8	45.5	42.6	40.6	42.6
Service Personnel	9.0	9.0	7.0	7.0	6.0	6.0	6.0	5.0	5.0	4.0
Total Support Personnel	104.9	103.0	104.3	99.2	94.8	89.1	135.5	126.9	125.8	123.0
Grand Totals	912.3	862.7	858.4	827.6	782.5	748.9	779.0	756.6	742.6	755.4
Certified Enrollment	6,986.9	7,004.2	7,105.7	7,057.6	7,074.1	6,894.2	6,756.1	6,616.0	6,409.0	6,269.0
Employees/Student	7.7	8.1	8.3	8.5	9.0	9.2	8.7	8.7	8.6	8.3
Pupil/Teacher	14.0	14.2	14.5	14.7	15.0	15.1	15.1	14.6	14.4	13.9

Source: District Data

OPERATING COST PER PUPIL**Last Ten Fiscal Years**

Fiscal Year	Total Costs	Daily Average Membership	General Fund Operating Expenses Per Pupil	Free or Reduced Percentage
2021-22	\$ 88,285,046	7,071	\$ 12,486	25.80%
2020-21	85,982,677	7,027	12,236	25.90%
2019-20	84,937,989	7,113	11,941	24.40%
2018-19	83,095,097	7,043	11,798	24.90%
2017-18	78,645,374	7,122	11,043	23.20%
2016-17	74,250,082	6,975	10,645	20.60%
2015-16	70,676,923	6,802	10,391	18.80%
2014-15	68,388,621	6,649	10,286	18.00%
2013-14	65,225,022	6,564	9,937	17.60%
2012-13	63,484,686	6,393	9,930	17.90%
1992-93	10,156,729	2,562	3,964	

Source: 2022 Certified Annual Report/Student Reporting in Iowa



GENERAL ANALYSIS OF FACILITIES
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016
Elementary Schools:							
Lawson K-5 (1958, 1960, 1967, 1998, 2012)							
Square Feet	82,532	82,532	82,532	82,532	82,532	82,532	82,532
Number of classrooms	47	47	47	47	47	47	47
Enrollment	594	594	628	591	576	581	576
Wallace PK-5 (1987, 1989)							
Square Feet					66,064	66,064	66,064
Number of classrooms					44	44	44
Enrollment					595	544	509
Wallace PK-5 (1984, 1990, 2007, 2018-Previous JMS)							
Square Feet	164,722	164,722	164,722	164,722			
Number of classrooms	44	44	44	44			
Enrollment	980	980	910	868			
Beaver Creek K-5 (1997, 2001)							
Square Feet	96,125	96,125	96,125	96,125	96,125	96,125	96,125
Number of classrooms	45	45	45	45	45	45	45
Enrollment	587	587	601	620	661	649	641
Horizon K-5 (2001)							
Square Feet	100,506	100,506	100,506	100,506	100,506	100,506	100,506
Number of classrooms	44	44	44	44	44	44	44
Enrollment	641	641	641	671	662	641	657
Timber Ridge K-5 (2007, 2013)							
Square Feet	122,181	122,181	122,181	122,181	122,181	122,181	122,181
Number of classrooms	48	48	48	48	48	48	48
Enrollment	643	643	643	660	735	718	705
Middle Schools:							
Summit Middle School 6-7 (2004, 2007, 2012)							
Square Feet	191,680	191,680	191,680	191,680	191,680	191,680	191,680
Number of classrooms	75	75	75	75	75	75	75
Enrollment	1,139	1,139	1,139	1,103	1,122	1,112	1,095
Johnston Middle School (1984,1990,2007)							
Square Feet						176,366	176,366
Number of classrooms						68	68
Enrollment						1,078	1,050
Johnston Middle School (1972,1977,1994,2008, 2017-Previous JHS)							
Square Feet	263,829	263,829	263,829	263,829	263,829		
Number of classrooms	88	88	88	88	88		
Enrollment	1,137	1,137	1,159	1,166	1,146		
High School:							
Johnston High School (1972, 1977, 1994, 2008)							
Square Feet						263,829	263,829
Number of classrooms						88	88
Enrollment						1,590	1,569
High School:							
Johnston High School (2017)							
Square Feet	369,000	369,000	369,000	369,000	369,000		
Number of classrooms	88	88	88	88	88		
Enrollment	1,778	1,778	1,725	1,679	1,623		
Other facilities:							
Administrative Resource Center (Previous DO-unoccupied)							
Square Feet	16,509	16,509	16,509	16,509	16,509	16,509	16,509
District Office (Previous Wallace PK-5 1987,1989,2019)							
Square Feet-Renovated Space	36,305	36,305	36,305				
Square Feet-Unrenovated/Unoccupied	29,759	29,759	29,759				
Transportation and BG (2000, 2007)							
Square Feet	17,040	17,040	17,040	17,040	17,040	17,040	17,040
Wallace Annex (1987)							
Square Feet	5,405	5,405	5,405	5,405	5,405	5,405	5,405
Number of classrooms	3	3	3	3	3	3	3
Warehouse (2000) and BG (2010)							
Square Feet	7,935	7,935	7,935	7,935	7,935	7,935	7,935

Source: District Information

The new High School opened fall 2017, and Johnston Middle School then moved into the old High School Building. The previous Johnston Middle School Building underwent renovations during fiscal year 2017-2018 and opened fall 2018-2019 as Wallace Elementary/Johnston Early Learning Academy. The previous Wallace Elementary underwent renovations 2019, and became the District Office fall 2019.

2015	2014	2013
82,532	82,532	82,532
47	47	47
574	692	615
66,064	66,064	66,064
44	44	44
550	567	513
96,125	96,125	96,125
45	45	45
695	723	767
100,506	100,506	100,506
44	44	44
665	701	729
122,181	122,181	116,681
48	48	48
707	537	505
191,680	191,680	191,680
75	75	75
1,052	1,026	1,017
176,366	176,366	176,366
68	68	68
1,042	1,026	999
263,829	263,829	263,829
88	88	88
1,557	1,450	1,360
16,509	16,509	16,509
17,040	17,040	17,040
5,405	5,405	5,405
3	3	3
7,935	7,935	7,935

SCHEDULE OF INSURANCE COVERAGE**June 30, 2022**

Company	Type of Policy	Period	
		From	To
Employers Mutual Companies	Business Protection - property coverage	7/1/2021	6/30/2022
Employers Mutual Companies	Business Protection - General Comprehensive Liability	7/1/2021	6/30/2022
Employers Mutual Companies	Business Protection - Automobile	7/1/2021	6/30/2022
Employers Mutual Companies	Business Protection- Crime Coverage	7/1/2021	6/30/2022
Employers Mutual Companies	Workers' Compensation	7/1/2021	6/30/2022
Employers Mutual Companies	Umbrella Liability	7/1/2021	6/30/2022
Employers Mutual Companies	Linebacker Policy - Errors and Omission Coverage	7/1/2021	6/30/2022
Employers Mutual Companies	Pollution Liability	7/1/2021	6/30/2022
Employers Mutual Companies	Excess Liability	7/1/2021	6/30/2022
Employers Mutual Companies	Flood	7/1/2021	6/30/2022
Employers Mutual Companies	Cyber Liability	7/1/2021	6/30/2022

Source: District Records

Note: The dollar amount for self insured reflects the amount paid during fiscal year 2022.

Liability Limits	Annual Premium
Building and property replacement; blanket boiler and vessels - business interruption and extra expense, earthquake	\$ 490,047
\$2,000,000 each occurrence/\$4,000,000 aggregate/Abuse and Molestation Coverage incl./ Schedule Affiliate Groups included as additional insureds school violet event coverage \$100,000	49,210
\$2,000,000 combined single limit/Uninsured and Underinsured motorist/\$5,000 auto medical per person; compr and collision/\$50,000 limit garage keepers at HS	32,498
Employee Theft per employee \$1,000,000; forgery or alterations \$100,000; Computer Fraud \$1,000,000; Funds Transfer fraud \$1,000,000	5,760
Self Insured-\$350,000 retention per occurrence, \$500,000 employer's liability maximum limit of indemnity per occurrence	115,060
\$12,000,000 each occurrence and aggregate/\$10,000 retained limit	23,490
\$2,000,000 Linebacker each loss & agg/additional insureds/ \$5,000 deductible	15,222
\$500,000 each incident, \$1,000,000 aggregate/\$250 deductible	1,125
\$15,000,000 limit each occurrence/aggregate/limit shared by all IASB policy holders	17,005
HS, SM, MS, BC, HZ, LW, TR, WL, Transportation/B&G, and DO	49,194
\$2,000,000 each loss and aggregate/\$25,000 retention each loss	24,240
Total Premium	<u>\$ 822,851</u>



Johnston Community School District
Schedule of Expenditures of Federal Awards
Year ended June 30, 2022

Grantor/Program	Assistance Listing Number		Expenditures
Indirect:			
U.S. Department of Agriculture:			
Iowa Department of Education:			
Child Nutrition Cluster:			
School Breakfast Program	10.553	FY 22	\$ 845,448
National School Lunch Program	10.555	FY 22	3,867,273
Summer Food Service Program for Children	10.559	FY 22	<u>130,827</u>
			<u>4,843,548</u>
U.S. Department of Education:			
Iowa Department of Education:			
Title I Grants to Local Educational Agencies	84.010	FY22	<u>262,660</u>
Title I SINA	84.010	FY22	24,292
Career and Technical Education - Basic Grants to States	84.048	FY22	<u>46,036</u>
Title III - English Language Acquisition	84.365	FY22	<u>2,809</u>
Supporting Effective Instruction State Grants	84.367	FY22	<u>105,095</u>
Title IV - Student Support and Academic Enrichment	84.424	FY22	<u>19,790</u>
Education Stabilization Fund Under the Coronavirus Aid, Relief and Economic Security Act (CARES) and the American Rescue Plan of 2021 (ARP):			
Education Stabilization Fund(Governor's Emergency Education Relief Fund II)	84.425C	FY22	86,548
American Rescue Plan Elementary and Secondary Emergency Relief (ARP ESSER III) (Teacher Retention Bonus)	84.425U	FY22	444,595
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER III - Learning Loss)	84.425U	FY22	809,105
American Rescue Plan Elementary and Secondary School Emergency Relief - Homeless Children and Youth	84.425W	FY22	<u>10,620</u>
			<u>1,350,868</u>
Heartland Area Education Agency			
Special Education - Grants to States	84.027	FY22	<u>386,960</u>
U.S. Department of Human Services:			
Iowa Department of Human Services:			
Child Care and Development Block Grant	93.575	FY22	70,000
Child Care and Development Block Grant (ARP Child Care Stabilization Grants)	93.575	FY22	<u>1,108,560</u>
			1,178,560
U.S. Department of Homeland Security			
Federal Emergency Management Agency			
Disaster Grant - Public Assistance	97.036	FY21	<u>200,559</u>
Total			<u>\$ 8,421,177</u>

See Notes to Schedule of Expenditures of Federal Awards.

Johnston Community School District
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the Johnston Community School District under programs of the federal government for the year ended June 30, 2022. 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 Johnston Community School District, it is not intended to and does not present the financial position, changes in financial position or cash flows of Johnston Community School District.

Note 2. Summary of Significant Accounting Policies

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

Note 3. Indirect Cost Rate

Johnston Community School District uses a federally negotiated indirect cost rate as allowed under the Uniform Guidance.

Note 4. Noncash Assistance

The schedule includes federal awards in the form of noncash assistance (commodities) received during the year in the amount of \$316,301 related to USDA Commodities grants provided by the U.S. Department of Agriculture passed through the Iowa Department of Education, Assistance Listing Number No. 10.555.



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CERTIFIED PUBLIC ACCOUNTANTS

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 of
Johnston Community School District:

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the Johnston Community School District, as of and for the year ended June 30, 2022, and the related Notes to Financial Statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 9, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Johnston Community School 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 Johnston Community School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Johnston Community School District's internal control.

A *deficiency in internal control* exists when the design or operation of the 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 which is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Johnston Community School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 which are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of non-compliance or other matters which are described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2022 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.

Johnston School District's Responses to Findings

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

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.

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

Van Maanen, Sietstra, Meyer & Nikkel PC

Van Maanen, Sietstra, Meyer & Nikkel, PC
Certified Public Accountants

January 9, 2023



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CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Education of Johnston Community School District:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Johnston Community School District's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of Johnston Community School District's major federal programs for the year ended June 30, 2022. Johnston Community School District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Johnson Community School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Johnston Community School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance

with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence judgement made by a reasonable user of the report on compliance about Johnston Community School District's compliance with the requirements of each major federal program as a whole.

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Van Maanen, Sietstra, Meyer & Nikkel PC

Van Maanen, Sietstra, Meyer & Nikkel, PC
Certified Public Accountants

January 9, 2023

**Johnston Community School District
Schedule of Findings and Questioned Costs
Year ended June 30, 2022**

Part I: Summary of the Independent Auditor's Results

- (a) Unmodified opinions were issued on the financial statements prepared in accordance with U.S. generally accepted accounting principles.
- (b) No material weaknesses in internal control over financial reporting were disclosed by the audit of the financial statements.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) No material weaknesses in internal control over major programs were disclosed by the audit of the financial statements.
- (e) An unmodified opinion was issued on compliance with requirements applicable to each major program.
- (f) The audit did not disclose any audit findings which are required to be reported in accordance with the Uniform Guidance, Section 200.516(a).
- (g) Major programs were as follows:
 - Child Nutrition Cluster:
 - Assistance Listing Number 10.553 – National School Breakfast Program
 - Assistance Listing Number 10.555 – National School Lunch Program
 - Assistance Listing Number 10.559 -- Summer Food Service Program for Children
 - Assistance Listing Number 93.575 – Child Care and Development Block Grant
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- (i) Johnston Community School District qualified as a low-risk auditee.

Part II: Findings Related to the Financial Statements

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

INTERNAL CONTROL DEFICIENCIES:

No matters were noted.

Part III: Findings and Questioned Costs for Federal Awards

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

INTERNAL CONTROL DEFICIENCIES:

No matters were noted.

**Johnston Community School District
Schedule of Findings and Questioned Costs
Year ended June 30, 2022**

Part IV: Other Findings Related to Required Statutory Reporting

- 2022-A Certified Budget – Expenditures for the year ended June 30, 2022 exceeded the certified budget amounts in the other instructions function.
- Recommendation- The certified budget should have been amended in accordance with Chapter 24.9 of the Code of Iowa before expenditures were allowed to exceed the budget.
- Response- Future budgets will be amended in sufficient amounts to ensure the certified budget is not exceeded.
- Conclusion- Response accepted.
- 2022-B 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.
- 2022-C 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.
- 2022-D Business Transactions - No business transactions were noted between the District and District officials or employees.
- 2022-E 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.
- 2022-F 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 coverage is adequate for current operations.
- 2022-G Board Minutes - No transactions were noted requiring Board approval which had not been approved by the Board.
- 2022-H Certified Enrollment – No variances were noted.
- 2022-I Supplementary Weighting – No variances regarding the supplementary weighting certified to the Iowa Department of Education were noted.
- 2022-J Deposits and Investments - No instances of noncompliance were noted with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the District's investment policy.
- 2022-K Certified Annual Report - The Certified Annual Report was filed with the Department of Education timely and we noted no significant deficiencies in the amounts reported.
- 2022-L Categorical Funding – No instances were noted of categorical funding used to supplant rather than supplement other funds.

**Johnston Community School District
Schedule of Findings and Questioned Costs
Year ended June 30, 2022**

2022-M Statewide Sales, Services and Use Tax – No instances of non-compliance with the use of the statewide sales, services and use 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, services and use 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, 2022, the District reported the following information regarding the statewide sales, services and use tax revenue in the District's CAR:

Statewide sales, services and use tax

Beginning balance		\$	6,710,015
Revenues/transfers in:			
Sales tax revenues	\$	8,448,742	
Other local revenues		5,971	<u>8,454,713</u>
Expenditures/transfers out:			
School infrastructure construction		757,563	
Regular instruction		137,007	
Instructional staff services		704,676	
Administration		175,790	
Plant and operation maintenance		39,668	
Debt service		29,275	
Transfers to other funds:			
Debt service funds		<u>5,568,752</u>	<u>7,412,731</u>
Ending balance			<u>\$ 7,751,997</u>

For the year ended June 30, 2022, the District did not reduce any levies as a result of the moneys received under Chapter 423E or 423F of the Code of Iowa.

2022-N Deficit Balances – The Community Education Fund and the Community Preschool Fund had deficit balances at June 30, 2022.

Recommendation – The District should continue to investigate alternatives to eliminate this deficit in order to return this fund to a sound financial condition.

Response – The District is continuing to investigate alternatives to minimize the deficit in the Community Education Fund and the Community Preschool Fund at the end of the fiscal year.

This deficit in the Enterprise, Community Education Fund results from recognizing OPEB liability and net pension liability (approximately \$187,000) as required by generally accepted auditing principles and is based on the District's employer share of contributions to IPERS relative to the contributions of all IPERS participating employers. This liability is only payable as the District pays the District's employer share of IPERS contributions on payrolls in the future years.

This deficit in the Enterprise, Community Preschool Fund results from recognizing the OPEB liability and net pension liability (approximately \$119,000) as required by generally accepted auditing principles and is based on the District's employer share of contributions to IPERS relative to the contributions of all IPERS participating employers. This liability is only payable as the District pays the District's employer share of IPERS contributions on payrolls in the future years.

Conclusion – Response accepted.