



**Johnston Community School District  
Johnston, Iowa**

Annual Comprehensive Financial Report

Year Ended June 30, 2023



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

**Johnston, Iowa**

**Fiscal Year Ended June 30, 2023**

**OFFICIAL ISSUING REPORT**

**Ryan Eidahl, Chief Financial Officer**

**OFFICE ISSUING REPORT**

**Business Office**



**Johnston Community School District**  
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**June 30, 2023**

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Johnston Community School District  
6510 NW 62<sup>nd</sup> Avenue, P.O. Box 10  
Johnston, IA 50131-0010 ph.515-278-0470 fax 515-278-5884  
Ryan Eidahl, Chief Financial Officer

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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, 2023. 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 2023 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 2022 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 (MD&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 2023 certified enrollment count of 6,838, a decrease of 146 students. However, our students served increased in the fall of 2023 from 7,229 to 7,239, an increase of 10 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-nine years old and one elementary is sixty-five years old. Our grades 6-7 middle school is nineteen years old, and our grades 8-9 middle school is fifty-one years old. The District has one high school which is now seven years old. The District also operates a buildings and grounds/warehouse/transportation facility, a technology building located in the previous Wallace Annex, 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 2023; the increase was 2.2%. 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 8<sup>th</sup> and 9<sup>th</sup> 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 eleventh 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 3<sup>rd</sup> 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, 2023 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, 2022. 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, 2023. 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



Dr. Nikki Roorda  
Superintendent

Johnston Community School District  
 Organizational Chart  
 June 30, 2023



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

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<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
<b>Board of Education</b>		
Alicia Clevenger	President	2023
Jennifer Chamberland	Vice President	2023
Derek Tidball	Board Member	2025
Katie Fiala	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
Chris Billings	Executive Director of School Leadership
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
Dr. Nate Zittergruem	Director of Human Resources
Ryan Woods	High School Principal
Randy Klein	High School Associate Principal
Kyle Burns	High School Associate Principal
Brent Riessen	Middle School Principal
Tron England	Middle School Associate Principal
Kaniesha Pettaway	Summit Middle School Principal
Jerry Stratton	Summit School Associate Principal
Mike O'Connor	Director of Athletics and Activities
Melissa Crosse	Assistant Director of Athletics and Activities
Nikki Heidemann	Lawson Elementary Principal
Raine Mollenbeck	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
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, 2022

*Christopher P. Morrill*

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, 2022.**

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



A handwritten signature in black ink, reading 'John W. Hutchison'.

**John W. Hutchison  
President**

A handwritten signature in black ink, reading 'Siobhán McMahon'.

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



705 Main Street  
Pella, IA 50219  
Ph.: 641-628-3737  
Fax: 641-628-3757

[www.vanmaanencpa.com](http://www.vanmaanencpa.com)

**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, 2023, 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, 2023 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 (GAAS) 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.

#### 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 GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 GAAS and Government Auditing Standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 58 through 63 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 ten years ended June 30, 2022, (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 underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted 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 March 18, 2024, 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

March 18, 2024

**Johnston Community School District  
Management's Discussion and Analysis  
Year ended June 30, 2023**

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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, 2023. 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, 2023, the District reported an increase in combined total governmental and business-type activities net position of \$23,846,452 compared to an increase of \$27,733,019 during the year ended 2022.
- Total revenues for the fiscal year ended June 30, 2023 and 2022 of \$162,523,303 and \$128,704,224 were comprised of General Revenues in the amount of \$99,820,118 and \$95,605,158 and Program Revenues totaling \$62,703,185 and \$33,099,066 respectively.
- As of June 30, 2023, the District's governmental funds reported combined ending fund balances of \$40,782,494, an increase of \$2,095,735 in comparison with 2022, which had a balance of \$38,686,759. This increase for year ending 2023 consists primarily of an increase in Capital Projects Fund and Management Fund.
- As of June 30, 2023, Unassigned fund balance for the General Fund was \$15,556,695 or 16.7% of total General Fund expenditures. This is a decrease from the balance on June 30, 2022 of \$18,556,483 or 21.0% of expenditures. This decrease is due to the Board committing \$2,150,000 towards future expenditure in FY24.

**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.

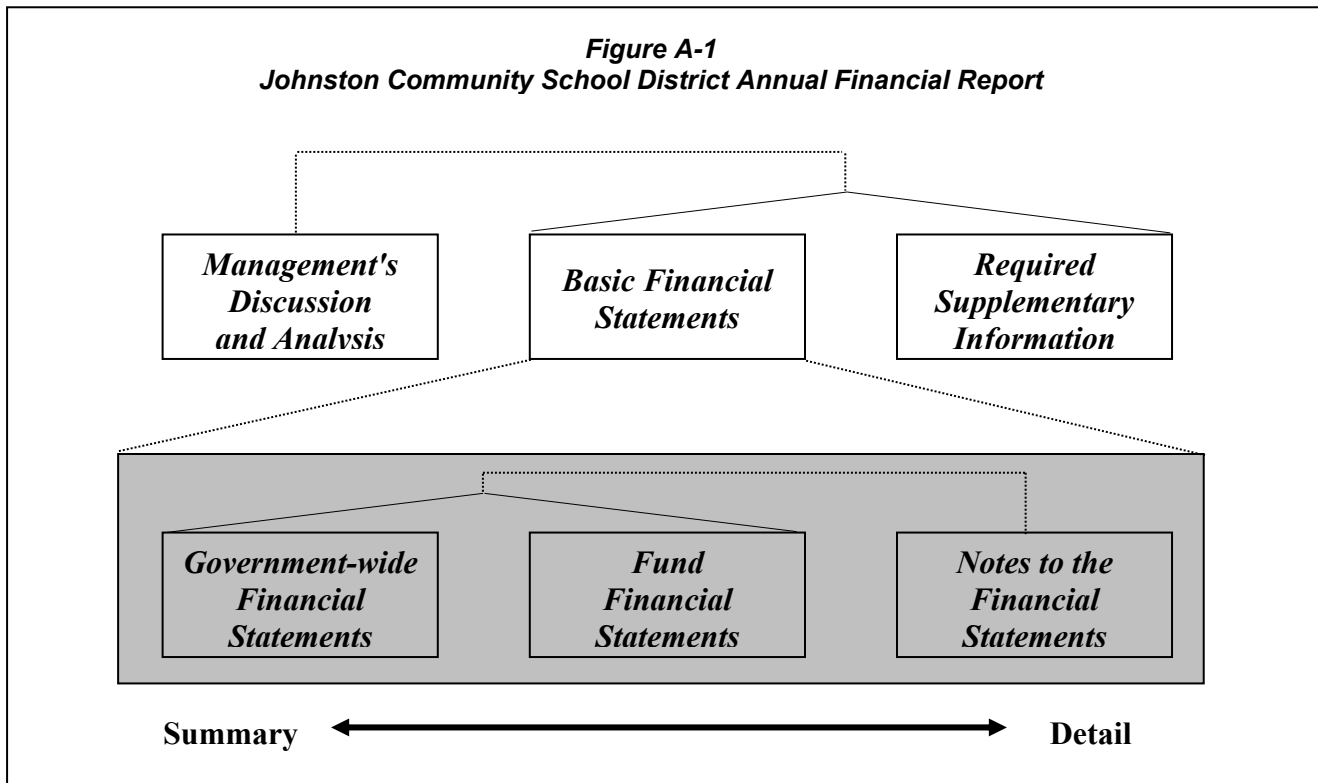


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of the management's discussion and analysis highlights the structure and contents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

<b>Figure A-2 Major Features of the Government-wide and Fund Financial Statements</b>			
	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"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of revenues, expenses and changes in fund net position</li> <li>• Statement of cash flows</li> </ul>
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 28 through 32 of this report.

- *Proprietary funds*: Services for which the district charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the 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 33 through 35 of this report.

**Johnston Community School District  
Management's Discussion and Analysis  
Year ended June 30, 2023**

- *Fiduciary funds:* The District is the trustee, or fiduciary, for assets that belong to others. These funds include Custodial Funds, as follows:
  - Custodial Funds – These are funds through which the District administers and accounts for certain federal and/or state grants as a fiscal agent.

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

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, 2023 compared to June 30, 2022.

Figure A-3 Condensed Statement of Net Position							
	Governmental activities		Business type activities		Total		Total Change
	June 30,		June 30,		June 30,		June 30,
	2023	2022	2023	2022	2023	2022	2022-2023
Current assets	\$ 100,739,972	\$ 112,802,096	8,220,745	6,942,148	108,960,717	119,744,244	-9.0%
Capital assets, net	183,780,257	189,180,951	673,658	601,488	184,453,915	189,782,439	-2.8%
<b>Total assets</b>	<b>284,520,229</b>	<b>301,983,047</b>	<b>8,894,403</b>	<b>7,543,636</b>	<b>293,414,632</b>	<b>309,526,683</b>	<b>-5.2%</b>
Deferred outflows of resources	6,759,804	9,171,675	355,342	587,210	7,115,146	9,758,885	-27.1%
<b>Total deferred outflows of resources</b>	<b>6,759,804</b>	<b>9,171,675</b>	<b>355,342</b>	<b>587,210</b>	<b>7,115,146</b>	<b>9,758,885</b>	<b>-27.1%</b>
Current liabilities	19,876,420	25,617,241	634,974	579,753	20,511,394	26,196,994	-21.7%
Long-term liabilities	58,676,674	50,750,665	1,411,511	239,983	60,088,185	50,990,648	17.8%
<b>Total liabilities</b>	<b>78,553,094</b>	<b>76,367,906</b>	<b>2,046,485</b>	<b>819,736</b>	<b>80,599,579</b>	<b>77,187,642</b>	<b>4.4%</b>
Deferred inflows of resources	42,392,019	86,738,312	293,016	1,960,902	42,685,035	88,699,214	-51.9%
<b>Total deferred inflows of resources</b>	<b>42,392,019</b>	<b>86,738,312</b>	<b>293,016</b>	<b>1,960,902</b>	<b>42,685,035</b>	<b>88,699,214</b>	<b>-51.9%</b>
Net Position:							
Net investment in capital assets	148,430,855	132,695,184	673,658	601,488	149,104,513	133,296,672	11.9%
Restricted	21,665,369	19,037,053	-	-	21,665,369	19,037,053	13.8%
Unrestricted	238,696	(3,683,733)	6,236,586	4,748,720	6,475,282	1,064,987	508.0%
<b>Total net position</b>	<b>\$ 170,334,920</b>	<b>\$ 148,048,504</b>	<b>6,910,244</b>	<b>5,350,208</b>	<b>177,245,164</b>	<b>153,398,712</b>	<b>15.5%</b>

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 \$153,398,712 to \$177,245,164. The governmental activities net position increased \$22,286,416 and the business type activities net position increased \$1,560,036.

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 \$149,104,513 for 2023 and \$133,296,672 for 2022.

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 \$14,520,000.

**Johnston Community School District  
Management's Discussion and Analysis  
Year ended June 30, 2023**

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Property tax, sales tax, and unrestricted state grants account for 73.3% of the total revenue. The District's expenses primarily relate to instruction and support services that account for 74.6% of the total expenses.

The restricted portion of the District's net position (12.2% for 2023 and 12.4% for 2022) represents resources that are subject to external restrictions in how they may be used. Restrictions for 2023 include \$9,471,039 for school infrastructure, \$2,488,898 for physical plant and equipment levy, \$40,307 for internal services, \$559,605 for other special revenue purposes, \$948,768 for debt service, \$5,584,053 for management levy, and \$2,572,699 for state categorical funding. The remaining balance of unrestricted net position is \$6,475,282 for 2023 and \$1,064,987 for 2022.

The District's total net position increased by \$23,846,452 during the current fiscal year as compared to an increase of \$27,733,019 in 2022. The governmental activities net position increased by \$22,286,416 in 2023 and increased by \$24,237,067 in 2022. The business type activities (which include nutrition, childcare, community education, and community preschool) increased by \$1,560,036 in 2023 as compared to an increase of \$3,495,952 in 2022. 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 \$123,700,750 and expenses were \$101,754,841 for the year ended June 30, 2023. Net position increased by \$22,286,416.

Figure A-4 highlights the District's revenues and expenses for the fiscal year ended June 30, 2023 and 2022. 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
	2023	2022	2023	2022	2023	2022	2022-2023
<b>Revenues:</b>							
Program revenues:							
Charges for services	\$ 8,295,651	\$ 8,173,161	5,892,803	3,326,381	14,188,454	11,499,542	23.4%
Operating grants and contributions	15,584,981	15,511,518	2,713,561	6,088,006	18,298,542	21,599,524	-15.3%
General revenues:							
Local taxes	49,449,327	48,768,982	-	-	49,449,327	48,768,982	1.4%
Statewide sales, services and use tax	9,567,874	8,448,742	-	-	9,567,874	8,448,742	13.2%
State grants	38,024,472	36,939,507	-	-	38,024,472	36,939,507	2.9%
Investment earnings	1,260,349	167,645	-	-	1,260,349	167,645	651.8%
Other	1,518,096	1,280,282	-	-	1,518,096	1,280,282	18.6%
Total revenues	123,700,750	119,289,837	8,606,364	9,414,387	132,307,114	128,704,224	2.8%
<b>Expenses:</b>							
Program expenses:							
Instruction	69,576,831	63,918,995	-	-	69,576,831	63,918,995	8.9%
Support services - students & staff	6,643,231	5,585,788	-	-	6,643,231	5,585,788	18.9%
Support services - administration	4,694,882	6,879,240	-	-	4,694,882	6,879,240	-31.8%
Operations and maintenance	9,131,869	8,155,224	-	-	9,131,869	8,155,224	12.0%
Transportation	5,629,828	4,345,697	-	-	5,629,828	4,345,697	29.5%
Non-instructional activities	(57,466)	44,290	6,705,821	5,534,082	6,648,355	5,578,372	19.2%
Other	6,135,666	6,507,889	-	-	6,135,666	6,507,889	-5.7%
Total expenses	101,754,841	95,437,123	6,705,821	5,534,082	108,460,662	100,971,205	7.4%
Excess (deficiencies) before transfers	21,945,909	23,852,714	1,900,543	3,880,305	23,846,452	27,733,019	-14.0%
Transfers	340,507	384,353	(340,507)	(384,353)	-	-	-
Change in net position	22,286,416	24,237,067	1,560,036	3,495,952	23,846,452	27,733,019	-14.0%
Net Position beginning of year	148,048,504	123,811,437	5,350,208	1,854,256	153,398,712	125,665,693	22.1%
Net Position end of year	\$ 170,334,920	\$ 148,048,504	6,910,244	5,350,208	177,245,164	153,398,712	15.5%

**Business Type Activities**

Revenues of the District's business type activities were \$8,606,364 and expenses were \$6,705,821 for the year ended June 30, 2023. Net position increased \$1,560,036. 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, 2023, the District's governmental funds reported combined fund balances of \$40,782,494 compared to the 2022 ending fund balances of \$38,686,759. The \$2,095,735 increase for year ending 2023 is primarily due to additional funds available within the Capital Project Funds.



**Johnston Community School District  
Management’s Discussion and Analysis  
Year ended June 30, 2023**

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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 \$15,556,695 and \$18,556,483 for 2023 and 2022, respectively while total fund balance reached \$20,773,674 in 2023 and \$21,380,621 in 2022. 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 \$15,556,695 represents 16.8% of total General Fund expenditures, and total fund balance of \$18,556,483 represents approximately 21.0% of that same amount for 2022. This decrease is due to the Board committing fund balance for FY24 expenditures.
- The Debt Service Fund balance increased from \$1,801,844 June 30, 2022 to \$1,905,225 June 30, 2023. The increase in the Debt Service fund balance is due to additional interest earned on the account. This balance will be transferred to Capital Projects-PPEL Fund in FY 24.
- The Capital Projects Fund balance increased from \$10,264,082 June 30, 2022 to \$11,959,937 June 30, 2023. This increase is due the increase in sales tax revenues received during fiscal year 2023.
- The non-major special revenue funds balance increased \$903,446 due to an increase in the Management Fund.

**Proprietary Fund Highlights**

The School Enterprise Funds net position increased from \$5,350,208 on June 30, 2022 to \$6,910,244 on June 30, 2023 for an increase of \$1,560,036 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	\$ 68,840,661	65,918,446	2,922,215
Support services	31,313,930	30,278,528	1,035,402
Non-instructional programs	5,736,064	5,916,457	(180,393)
Other	60,420,969	56,754,101	3,666,868
	<u>\$ 166,311,624</u>	<u>158,867,532</u>	<u>7,444,092</u>

Non-Instructional programs exceeded due to the end of the year adjustments for OPEB requirements.

**Capital Assets and Debt Administration**

**Capital Assets**

At June 30, 2023, the District had invested \$184,453,915 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, 2022 balance of \$189,782,439. See Figure A-5.

The original cost of the District's capital assets was \$272,123,573. Governmental funds account for \$259,674,815, Enterprise funds \$3,400,000, and the remainder is land at \$9,048,758.

The following schedule represents capital asset balances net of depreciation for the fiscal year ended June 30, 2023.

	Governmental activities		Business type activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2023	2022	2023	2022	2023	2022	2022-2023
Land	\$ 9,048,758	\$ 9,285,261	-	-	9,048,758	9,285,261	-2.5%
Construction in progress	-	-	-	-	-	-	#DIV/0!
Buildings	166,246,752	170,631,705	-	-	166,246,752	170,631,705	-2.6%
Improvements other than buildings	3,291,942	3,559,472	-	-	3,291,942	3,559,472	-7.5%
Furniture and equipment	5,192,805	5,694,966	673,658	601,488	5,866,463	6,296,454	-6.8%
Right-to-use leased equipment	-	9,547	-	-	-	9,547	-100.0%
Total	\$ 183,780,257	\$ 189,180,951	673,658	601,488	184,453,915	189,782,439	-2.8%

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

**Long-Term Debt**

At June 30, 2023, the District had \$64,129,327 long-term debt outstanding including revenue bonds, and other long-term debt outstanding. This represents an increase of approximately 4.8% from June 30, 2022. (See Figure A-6)

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

The increase is primarily a result of the net pension liability.

	Governmental activities		Business type activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2023	2022	2023	2022	2023	2022	2022-2023
General obligation bonds	\$ -	\$ 14,520,000	-	-	-	14,520,000	-100.0%
General obligation bond discount	-	(177,094)	-	-	-	(177,094)	-100.0%
General obligation bond premium	-	448,004	-	-	-	448,004	-100.0%
Revenue bonds	32,760,000	40,485,000	-	-	32,760,000	40,485,000	-19.1%
Revenue bond discount	-	(193,075)	-	-	-	(193,075)	-100.0%
Revenue bond premium	2,589,408	956,301	-	-	2,589,408	956,301	170.8%
Obligations under lease	-	446,631	-	-	-	446,631	-100.0%
Other postemployment benefits	3,855,169	3,458,540	222,574	197,876	4,077,743	3,656,416	11.5%
Net pension liability	23,307,018	836,033	1,188,937	42,107	24,495,955	878,140	2689.5%
Compensated absences	186,081	163,994	20,140	23,241	206,221	187,235	10.1%
Totals	\$ 62,697,676	\$ 60,944,334	1,431,651	263,224	64,129,327	61,207,558	4.8%

### **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 8<sup>th</sup> and 9<sup>th</sup> 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 62<sup>nd</sup> Avenue, Johnston, IA 50131-1234.



## **Basic Financial Statements**

Exhibit A

**Johnston Community School District  
Statement of Net Position  
June 30, 2023**

	Governmental Activities	Business Type Activities	Total Primary Government
<b>Assets</b>			
Current assets:			
Cash, cash equivalents and pooled investments:	\$ 58,383,211	8,100,307	66,483,518
Receivables:			
Property tax:			
Delinquent	157,550	-	157,550
Succeeding year	36,309,210	-	36,309,210
Accounts	97,791	27,331	125,122
Due from other governments	5,154,944	12,420	5,167,364
Prepays	511,312	-	511,312
Inventories	125,954	80,687	206,641
Total current assets	<u>100,739,972</u>	<u>8,220,745</u>	<u>108,960,717</u>
Non-current assets:			
Capital assets:			
Capital assets - nondepreciable	9,048,758	-	9,048,758
Capital assets - depreciable or amortizable, net	174,731,499	673,658	175,405,157
Total capital assets	<u>183,780,257</u>	<u>673,658</u>	<u>184,453,915</u>
Total non-current assets	<u>183,780,257</u>	<u>673,658</u>	<u>184,453,915</u>
<b>Total assets</b>	<u>284,520,229</u>	<u>8,894,403</u>	<u>293,414,632</u>
<b>Deferred Outflows of Resources</b>			
OPEB related deferred outflows	595,886	41,927	637,813
Pension related deferred outflows	6,163,918	313,415	6,477,333
<b>Total deferred outflows of resources</b>	<u>6,759,804</u>	<u>355,342</u>	<u>7,115,146</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	4,775,168	146,697	4,921,865
Due to other governments	244,105	-	244,105
Advances from grantors	-	23,580	23,580
Advances from prepaid childcare	-	104,401	104,401
Advances from prepaid lunches	-	108,113	108,113
Insurance claims payable	1,640,684	-	1,640,684
Salaries and benefits payable	8,222,829	232,043	8,454,872
Deposits payable	16,183	-	16,183
Accrued interest payable	956,455	-	956,455
Revenue bonds payable	3,834,915	-	3,834,915
Compensated absences	186,081	20,140	206,221
Total current liabilities	<u>19,876,420</u>	<u>634,974</u>	<u>20,511,394</u>
Non-current liabilities:			
Revenue bonds payable	31,514,487	-	31,514,487
Net pension liability	23,307,018	1,188,937	24,495,955
Other post employment benefits payable	3,855,169	222,574	4,077,743
Total non-current liabilities	<u>58,676,674</u>	<u>1,411,511</u>	<u>60,088,185</u>
<b>Total liabilities</b>	<u>78,553,094</u>	<u>2,046,485</u>	<u>80,599,579</u>

Exhibit A

**Johnston Community School District  
Statement of Net Position  
June 30, 2023**

	Governmental Activities	Business Type Activities	Total Primary Government
<i>Continued from previous page</i>			
<b>Deferred Inflows of Resources</b>			
Deferred property tax revenue	36,309,210	-	36,309,210
OPEB related deferred inflows	1,718,025	106,290	1,824,315
Pension related deferred inflows	4,081,143	186,726	4,267,869
Advances on federal grants	283,641	-	283,641
<b>Total deferred inflows of resources</b>	<b>42,392,019</b>	<b>293,016</b>	<b>42,685,035</b>
<b>Net Position</b>			
Net investment in capital assets	148,430,855	673,658	149,104,513
Restricted for:			
State categorical funding	2,572,699	-	2,572,699
Management levy purposes	5,584,053	-	5,584,053
Debt service	948,768	-	948,768
School infrastructure	9,471,039	-	9,471,039
Physical plant and equipment	2,488,898	-	2,488,898
Internal service	40,307	-	40,307
Student activities	559,605	-	559,605
Unrestricted	238,696	6,236,586	6,475,282
<b>Total net position</b>	<b>\$ 170,334,920</b>	<b>6,910,244</b>	<b>177,245,164</b>

See notes to Basic Financial Statements

Exhibit B

Johnston Community School District  
 Statement of Activities  
 Year ended June 30, 2023

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
<b>Governmental activities:</b>						
Instruction:						
Regular	\$ 44,639,044	4,703,399	9,426,706	(30,508,939)	-	(30,508,939)
Special	15,346,443	2,435,666	2,541,435	(10,369,342)	-	(10,369,342)
Other	9,591,344	1,052,784	59,250	(8,479,310)	-	(8,479,310)
	<u>69,576,831</u>	<u>8,191,849</u>	<u>12,027,391</u>	<u>(49,357,591)</u>	<u>-</u>	<u>(49,357,591)</u>
Support Service:						
Student	2,325,718	-	-	(2,325,718)	-	(2,325,718)
Instructional staff	4,317,513	-	-	(4,317,513)	-	(4,317,513)
Administration	4,694,882	-	-	(4,694,882)	-	(4,694,882)
Operation and maintenance of plant	9,131,869	47,090	10,000	(9,074,779)	-	(9,074,779)
Transportation	5,629,828	56,712	124,807	(5,448,309)	-	(5,448,309)
	<u>26,099,810</u>	<u>103,802</u>	<u>134,807</u>	<u>(25,861,201)</u>	<u>-</u>	<u>(25,861,201)</u>
Non-instructional programs:						
Nutrition services	(49,397)	-	-	49,397	-	49,397
Community education services	(8,069)	-	-	8,069	-	8,069
	<u>(57,466)</u>	<u>-</u>	<u>-</u>	<u>57,466</u>	<u>-</u>	<u>57,466</u>
Other expenses:						
Facilities acquisition	149,035	-	-	(149,035)	-	(149,035)
Long-term debt interest	2,563,848	-	-	(2,563,848)	-	(2,563,848)
AEA support	3,422,783	-	3,422,783	-	-	-
	<u>6,135,666</u>	<u>-</u>	<u>3,422,783</u>	<u>(2,712,883)</u>	<u>-</u>	<u>(2,712,883)</u>
Total governmental activities	101,754,841	8,295,651	15,584,981	(77,874,209)	-	(77,874,209)
<b>Business type activities:</b>						
Non-instructional programs:						
Nutrition services	3,951,829	2,119,989	2,591,979	-	760,139	760,139
Daycare services	1,733,160	2,801,115	78,346	-	1,146,301	1,146,301
Preschool services	301,519	262,779	43,236	-	4,496	4,496
Community education services	719,313	708,920	-	-	(10,393)	(10,393)
Total business type activities	<u>6,705,821</u>	<u>5,892,803</u>	<u>2,713,561</u>	<u>-</u>	<u>1,900,543</u>	<u>1,900,543</u>
Total primary governmental activities	<u>\$ 108,460,662</u>	<u>14,188,454</u>	<u>18,298,542</u>	<u>(77,874,209)</u>	<u>1,900,543</u>	<u>(75,973,666)</u>



Exhibit B

**Johnston Community School District  
Statement of Activities  
Year ended June 30, 2023**

	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
<b>Totals continued from previous page</b>	\$ 108,460,662	14,188,454	18,298,542	(77,874,209)	1,900,543	(75,973,666)
General revenues and transfers:						
Property tax levied for:						
General purposes				\$ 32,534,249	-	32,534,249
Debt service				11,784,652	-	11,784,652
Capital outlay				5,130,426	-	5,130,426
Statewide sales, services and use tax shared revenue				9,567,874	-	9,567,874
Unrestricted state grants				38,024,472	-	38,024,472
Unrestricted investment earnings				1,260,349	-	1,260,349
Other				1,518,096	-	1,518,096
Transfers				340,507	(340,507)	-
Total general revenues and transfers				100,160,625	(340,507)	99,820,118
Change in net position				22,286,416	1,560,036	23,846,452
Net position beginning of year				148,048,504	5,350,208	153,398,712
Net position end of year				\$ 170,334,920	6,910,244	177,245,164

See notes to Basic Financial Statements

Exhibit C

**Johnston Community School District  
Balance Sheet  
Governmental Funds  
June 30, 2023**

	General	Debt Service	Capital Projects	Non-major Special Revenue	Total
<b>Assets</b>					
Cash, cash equivalents and pooled investments	\$ 28,018,395	1,871,588	12,279,668	6,244,787	48,414,438
Receivables:					
Property tax:					
Delinquent	93,911	38,037	16,518	9,084	157,550
Succeeding year	26,544,125	-	5,240,085	4,525,000	36,309,210
Accounts	96,018	-	-	1,773	97,791
Due from other governments	4,481,523	-	673,421	-	5,154,944
Prepays	368,326	-	-	-	368,326
Inventories	125,954	-	-	-	125,954
<b>Total assets</b>	<b>\$ 59,728,252</b>	<b>1,909,625</b>	<b>18,209,692</b>	<b>10,780,644</b>	<b>90,628,213</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
Liabilities:					
Accounts payable	\$ 3,660,613	4,400	1,009,670	95,068	4,769,751
Salaries and benefits payable	8,222,094	-	-	735	8,222,829
Due to other governments	244,105	-	-	-	244,105
Deposits payable	-	-	-	16,183	16,183
Total liabilities	12,126,812	4,400	1,009,670	111,986	13,252,868
Deferred inflows of resources:					
Unavailable revenues:					
Succeeding year property tax	26,544,125	-	5,240,085	4,525,000	36,309,210
Advances of federal grants	283,641	-	-	-	283,641
Total deferred inflows of resources	26,827,766	-	5,240,085	4,525,000	36,592,851
Fund balances:					
Nonspendable for:					
Inventories	125,954	-	-	-	125,954
Prepaid expenses	368,326	-	-	-	368,326
Restricted for:					
School infrastructure	-	-	9,471,039	-	9,471,039
Debt service	-	1,905,225	-	-	1,905,225
State categorical funding	2,572,699	-	-	-	2,572,699
Physical plant and equipment	-	-	2,488,898	-	2,488,898
Management levy purposes	-	-	-	5,584,053	5,584,053
Student activities	-	-	-	559,605	559,605
Committed	2,150,000	-	-	-	2,150,000
Unassigned	15,556,695	-	-	-	15,556,695
Total fund balances	20,773,674	1,905,225	11,959,937	6,143,658	40,782,494
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 59,728,252</b>	<b>1,909,625</b>	<b>18,209,692</b>	<b>10,780,644</b>	<b>90,628,213</b>

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, 2023**

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Total fund balances of governmental funds (Exhibit C) \$ 40,782,494

**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. 183,780,257

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. 8,465,655

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	\$ 6,759,804	
Deferred inflows of resources	(5,799,168)	960,636

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	-	
Revenue bonds payable	(32,760,000)	
Obligations under lease	-	
Bond discounts	-	
Bond premiums	(2,589,401)	
Accrued interest	(956,455)	
Compensated absences	(186,081)	
Net pension liability	(23,307,017)	
Other post employment benefits	(3,855,168)	(63,654,122)

**Net position of governmental activities (Exhibit A) \$ 170,334,920**

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, 2023**

	General	Debt Service	Capital Projects	Non-major Special Revenue	Total
<b>Revenues:</b>					
Local sources:					
Local tax	\$ 29,657,462	11,784,652	5,130,426	2,876,787	49,449,327
Tuition	6,773,240	-	-	-	6,773,240
Other	1,849,645	124,058	496,670	1,291,129	3,761,502
Intermediate sources	116,043	-	-	-	116,043
State sources	50,309,497	1,321	9,568,448	378	59,879,644
Federal sources	3,177,738	-	10,000	-	3,187,738
<b>Total revenues</b>	<b>91,883,625</b>	<b>11,910,031</b>	<b>15,205,544</b>	<b>4,168,294</b>	<b>123,167,494</b>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular instruction	39,550,355	-	207,653	226,318	39,984,326
Special instruction	15,682,713	-	-	-	15,682,713
Other instruction	8,798,027	-	-	1,124,307	9,922,334
	64,031,095	-	207,653	1,350,625	65,589,373
Support services:					
Student services	2,412,159	-	-	-	2,412,159
Instructional staff services	2,933,178	-	1,465,235	-	4,398,413
Administration services	6,954,211	10,200	177,187	1,036,520	8,178,118
Operation and maintenance of plant services	8,128,348	-	186,207	836,697	9,151,252
Transportation services	4,935,465	-	677,331	23,131	5,635,927
	25,363,361	10,200	2,505,960	1,896,348	29,775,869
Non-instructional programs:					
Food service	-	-	-	16,607	16,607
Community service and education	24,493	-	-	1,268	25,761
	24,493	-	-	17,875	42,368
Capital outlay:					
Other expenditures	-	-	1,820,825	-	1,820,825
Debt Service:					
Other expenditures:					
Principal	-	49,071,631	-	-	49,071,631
Interest and other charges	-	2,196,536	242,326	-	2,438,862
	-	51,268,167	242,326	-	51,510,493
Intergovernmental:					
Other expenditures	3,422,783	-	-	-	3,422,783
<b>Total expenditures</b>	<b>92,841,732</b>	<b>51,278,367</b>	<b>4,776,764</b>	<b>3,264,848</b>	<b>152,161,711</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(958,107)</b>	<b>(39,368,336)</b>	<b>10,428,780</b>	<b>903,446</b>	<b>(28,994,217)</b>

Exhibit E

**Johnston Community School District  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
Year ended June 30, 2023**

	General	Debt Service	Capital Projects	Non-major Special Revenue	Total
<i>Continued from previous page</i>					
Other financing sources (uses):					
Sale of assets	10,653	-	1,399,475	-	1,410,128
Debt issued	-	-	29,339,317	-	29,339,317
Capital leases	-	-	-	-	-
Transfers in	340,507	39,471,717	-	-	39,812,224
Transfers out	-	-	(39,471,717)	-	(39,471,717)
Total other financing sources (uses)	351,160	39,471,717	(8,732,925)	-	31,089,952
Change in fund balances	(606,947)	103,381	1,695,855	903,446	2,095,735
Fund balances beginning of year, as restated	21,380,621	1,801,844	10,264,082	5,240,212	38,686,759
Fund balances end of year	\$ 20,773,674	1,905,225	11,959,937	6,143,658	40,782,494

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, 2023**

**Change in fund balances - total governmental funds (Exhibit E)** \$ 2,095,735

***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	\$ 1,711,327	
From facilities disposition	(886,419)	
Less current year depreciation/amortization	(6,225,602)	(5,400,694)

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	(29,339,317)	
Repayments of bond and note principal	49,071,631	
Amortization of bond premiums and discounts	1,404,051	21,136,365

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.

(115,439)

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.

4,866,438

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	(22,087)	
Pension expense	432,892	
Other postemployment benefits	(373,966)	36,839

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.

(332,828)

**Change in net position of governmental activities (Exhibit B)** **\$ 22,286,416**

See notes to Basic Financial Statements

Exhibit G

**Johnston Community School District  
Statement of Net Position  
Proprietary Funds  
June 30, 2023**

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Fund
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 8,100,307	9,968,773
Receivables:		
Accounts	27,331	-
Due from other governments	12,420	-
Prepaid expenses	-	142,986
Inventories	80,687	-
Total current assets	<u>8,220,745</u>	<u>10,111,759</u>
Non-current assets:		
Property and equipment:		
Machinery and equipment	3,400,090	-
Accumulated depreciation	(2,726,432)	-
Total non-current assets	<u>673,658</u>	<u>-</u>
<b>Total assets</b>	<u><b>8,894,403</b></u>	<u><b>10,111,759</b></u>
<b>Deferred Outflows of Resources</b>		
OPEB related deferred outflows	41,927	-
Pension related deferred outflows	313,415	-
<b>Total deferred outflows of resources</b>	<u><b>355,342</b></u>	<u><b>-</b></u>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	146,697	5,420
Advances from prepaid childcare	104,401	-
Advances from prepaid lunches	108,113	-
Advances from grantors	23,580	-
Insurance claims liability	-	1,640,684
Accrued salaries and benefits payable	232,043	-
Compensated absences payable	20,140	-
Total current liabilities	<u>634,974</u>	<u>1,646,104</u>
Non-current liabilities:		
Net pension liability	1,188,937	-
Other postemployment benefits payable	222,574	-
Total non-current liabilities	<u>1,411,511</u>	<u>-</u>
<b>Total liabilities</b>	<u><b>2,046,485</b></u>	<u><b>1,646,104</b></u>
<b>Deferred Inflows of Resources</b>		
OPEB related deferred inflows	106,290	-
Pension related deferred inflows	186,726	-
<b>Total deferred inflows of resources</b>	<u><b>293,016</b></u>	<u><b>-</b></u>
<b>Net Position</b>		
Net investment in capital assets	673,658	-
Restricted for:		
Flexible benefits	-	40,307
Unrestricted	6,236,586	8,425,348
<b>Total net position</b>	<u><b>\$ 6,910,244</b></u>	<u><b>8,465,655</b></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, 2023**

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Fund
Operating revenue:		
Local sources:		
Operating revenues	\$ 5,892,803	12,710,161
Operating expenses:		
Instructional programs:		
Instruction services:		
Other	329,073	-
	<u>329,073</u>	<u>-</u>
Support services:		
Depreciation	58	-
Other	502,601	13,042,989
	<u>502,659</u>	<u>13,042,989</u>
Non-instructional programs:		
Food service operations:		
Depreciation	104,115	-
Other	3,845,874	-
	<u>3,949,989</u>	<u>-</u>
Community service operations:		
Depreciation	3,312	-
Other	1,920,788	-
	<u>1,924,100</u>	<u>-</u>
Total operating expenses	<u>6,705,821</u>	<u>13,042,989</u>
Operating income (loss)	<u>(813,018)</u>	<u>(332,828)</u>
Non-operating revenues:		
State sources	68,146	-
Federal sources	2,467,727	-
Interest income	177,688	-
Total non-operating revenues	<u>2,713,561</u>	<u>-</u>
Income (loss) before transfers	1,900,543	(332,828)
Transfers (out)	<u>(340,507)</u>	<u>-</u>
Changes in net position	1,560,036	(332,828)
Net position beginning of year	<u>5,350,208</u>	<u>8,798,483</u>
Net position end of year	<u>\$ 6,910,244</u>	<u>8,465,655</u>

See notes to Basic Financial Statements



Exhibit I

**Johnston Community School District  
Statement of Cash Flows  
Proprietary Funds  
Year ended June 30, 2023**

	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	\$ 2,114,123	-
Cash received from community services	3,772,444	12,710,161
Cash payments to employees for services	(3,982,259)	(12,486,427)
Cash payments to suppliers for goods or services	(2,449,404)	(860,524)
Net cash provided (used) by operating activities	<u>(545,096)</u>	<u>(636,790)</u>
Cash flows from non-capital financing activities:		
State grants received	68,146	-
Federal grants received	2,084,875	-
Net cash provided (used) by non-capital activities	<u>2,153,021</u>	<u>-</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(179,655)	-
Transfers	(340,507)	-
Net cash provided by capital and related financing activities	<u>(520,162)</u>	<u>-</u>
Cash flows from investing activities:		
Interest on investments	177,688	-
Net increase (decrease) in cash and cash equivalents	1,265,451	(636,790)
Cash and cash equivalents at beginning of year	6,834,856	10,605,563
Cash and cash equivalents at end of year	<u>8,100,307</u>	<u>9,968,773</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>		
Operating income (loss)	\$ (813,018)	(332,828)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Commodities used	382,852	-
Depreciation	107,485	-
(Increase) decrease in accounts receivable	(23,372)	-
(Increase) decrease in due from other governments	29,171	-
(Increase) decrease in prepaid expenses	-	(142,986)
(Increase) decrease in inventory	(18,945)	-
Increase (decrease) in accounts payable	34,333	(137,165)
Increase (decrease) in insurance claims liability	-	(23,811)
Increase (decrease) in salaries and benefits payable	36,024	-
Increase (decrease) in unearned revenues	(12,035)	-
Increase (decrease) in compensated absences	(3,101)	-
Increase (decrease) in net pension liability	1,146,830	-
(Increase) decrease in deferred outflows of resources	14,330	-
Increase (decrease) in deferred inflows of resources	(1,450,348)	-
Increase (decrease) in other post-employment benefits	24,698	-
Net cash provided (used) by operating activities	<u>\$ (545,096)</u>	<u>(636,790)</u>
<b>Reconciliation of cash and cash equivalents at year end to specific assets included on Combined Balance Sheet:</b>		
Current assets:		
Cash and investments	\$ 8,100,307	9,968,773
Cash and cash equivalents at year end	<u>\$ 8,100,307</u>	<u>9,968,773</u>

**Non-cash investing, capital and financing activities:**

During the year ended June 30, 2023, the District received federal commodities valued at \$382,852.

See notes to Basic Financial Statements

Exhibit J

Johnston Community School District  
Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2023

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<b>Assets</b>	<u>Custodial</u>
Due from other governments	\$ 155,557
<b>Total assets</b>	<u>\$ 155,557</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>	
Liabilities:	
Other payables	\$ 133,570
Other liabilities	21,987
Total liabilities	<u>155,557</u>
Net position	
Restricted for other organization	<u>-</u>
Total fund balances	<u>-</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 155,557</u>

See notes to Basic Financial Statements

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.

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

Custodial Fund: The Custodial Fund is used to account for assets held by the District as an agent for individuals, private organizations and other governments.

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

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

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.

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

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.

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

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.

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 does not have any leased assets.

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.

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

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, 2023. 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.



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

*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, 2023, expenditures exceeded the amounts budgeted in the noninstructional expenditures area.

**(2) Cash, Cash Equivalents and Pooled Investments**

The District’s deposits in banks at June 30, 2023 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure 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, 2023 the District had cash, cash equivalents and pooled investments in the following:

Iowa Schools Joint Investment Trust	
Diversified Portfolio	\$ 39,471,067
Checking Accounts	27,012,451
	<u>\$ 66,483,518</u>

At June 30, 2023 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.

**Johnston Community School District**  
**Notes to Basic Financial Statements**  
**June 30, 2023**

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(2) *Cash, Cash Equivalents and Pooled Investments (Continued from previous page)*

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, 2023 is as follows:

Due from other districts	\$ 3,666,067
Due from the State of Iowa - Local sources	-
Due from the State of Iowa - State sources	502,634
Due from the State of Iowa - Federal sources	998,663
	<u>\$ 5,167,364</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, 2023 is as follows:

Transfer to	Transfer from	Amount
Debt Service Fund	Capital Projects Fund - Statewide Sales, Services and Use Tax	\$ 35,869,305
Debt Service Fund	Capital Projects Fund - Physical Plant and Equipment Levy	3,602,412
General Fund	Nutrition Fund	190,507
General Fund	Community Child Care	150,000
		<u>\$ 39,812,224</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, 2023**

**(5) Capital Assets**

Capital assets activity for the year ended June 30, 2023 is as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 9,285,261	-	236,504	9,048,757
Total capital assets not being depreciated/amortized	9,285,261	-	236,504	9,048,757
Capital assets being depreciated/amortized:				
Buildings	236,150,244	1,043,411	1,681,870	235,511,785
Improvements other than buildings	9,543,071	161,316	153,593	9,550,794
Furniture and equipment	14,165,597	506,599	59,960	14,612,236
Right-to-use leased equipment	66,827	-	66,827	-
Total capital assets being depreciated/amortized	259,925,739	1,711,326	1,962,250	259,674,815
Less accumulated depreciation/amortization for:				
Buildings	65,518,539	4,826,393	1,079,898	69,265,034
Improvements other than buildings	5,983,599	390,449	115,195	6,258,853
Furniture and equipment	8,470,631	1,008,760	59,959	9,419,432
Right-to-use leased equipment	57,280	-	57,280	-
Total accumulated depreciation/amortization	80,030,049	6,225,602	1,312,332	84,943,319
Total capital assets being depreciated/amortized, net	179,895,690	(4,514,276)	649,918	174,731,496
Governmental activities capital assets, net	\$ 189,180,951	(4,514,276)	886,422	183,780,253
<b>Business type activities:</b>				
Furniture and equipment	\$ 3,259,710	179,565	39,275	3,400,000
Less accumulated depreciation	2,658,222	107,485	39,275	2,726,432
Business-type activities capital assets, net	\$ 601,488	72,080	-	673,568

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

Governmental activities:

Instruction:

Regular \$ 6,037,850

Other 1,682

Support services:

Instructional staff services 1,268

Administration 37,531

Operation and maintenance of plant 115,101

Transportation 32,170

Total depreciation/amortization expense - governmental activities \$ 6,225,602

Business type activities:

Food services \$ 104,115

Community Childcare 3,087

Community Education 225

Community Preschool 58

Total depreciation/amortization expense - business type activities activities \$ 107,485

**Johnston Community School District  
Notes to Basic Financial Statements  
June 30, 2023**

**(6) Long-Term Liabilities**

Changes in long-term liabilities for the year ended June 30, 2023 are summarized as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
<b>Governmental activities:</b>					
General obligation bonds	\$ 14,520,000	-	14,520,000	-	-
General obligation bond discounts	(177,094)	-	177,094	-	-
General obligation bond premiums	448,004	-	448,004	-	-
Revenue bonds	40,485,000	26,380,000	34,105,000	32,760,000	3,465,000
Revenue bond discounts	(193,075)	-	193,075	-	-
Revenue bond premiums	956,301	2,959,317	1,326,210	2,589,408	369,915
Obligations under lease	446,631	-	446,631	-	-
Net OPEB liability	3,458,540	396,629	-	3,855,169	-
Net pension liability	836,033	22,470,985	-	23,307,018	-
Compensated absences	163,994	186,081	163,994	186,081	186,081
<b>Total</b>	<b>\$ 60,944,334</b>	<b>52,393,012</b>	<b>51,380,008</b>	<b>62,697,676</b>	<b>4,020,996</b>
<b>Business type activities:</b>					
Net OPEB liability	\$ 197,876	24,698	-	222,574	-
Net pension liability	42,107	1,146,830	-	1,188,937	-
Compensated absences	23,241	20,140	23,241	20,140	20,140
<b>Total</b>	<b>\$ 263,224</b>	<b>1,191,668</b>	<b>23,241</b>	<b>1,431,651</b>	<b>20,140</b>

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.

Revenue Bonds Payable

Details of the District's June 30, 2023 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 \$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 \$7,051,571. For the current year, \$800,000 in principal was paid and \$197,976 of interest was paid on the bonds and total statewide sales, services and use tax revenues were \$9,567,874.

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

**Johnston Community School District**  
**Notes to Basic Financial Statements**  
**June 30, 2023**

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

The District complied with all of the revenue bond provisions during the year ended June 30, 2023.

\$8,709,000 Bond Issue of 2018				
Year ended June 30,	Rates	Principal	Interest	Total
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		\$ 6,380,000	671,571	7,051,571

The District has pledged future statewide sales, services and use tax revenues to repay the \$26,380,000 of bonds issued in 2022. The bonds were issued for the purpose of refunding 2013 and 2014 revenue bonds. 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 \$32,515,037. For the current year, \$0 in principal was paid and \$872,901 of interest was paid on the bonds and total statewide sales, services and use tax revenues were \$9,567,874.

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, 2023.

\$26,380,000 Bond Issue of 2022				
Year ended June 30,	Rates	Principal	Interest	Total
2024	8.35%	\$ 2,640,000	1,616,398	4,256,398
2025	8.35%	2,870,000	1,386,355	4,256,355
2026	8.35%	3,035,000	1,139,821	4,174,821
2027	8.35%	3,365,000	872,621	4,237,621
2028	8.35%	3,645,000	579,954	4,224,954
2029	5.00%	3,950,000	329,025	4,279,025
2030	3.25%	4,140,000	163,000	4,303,000
2031	3.50%	2,735,000	47,863	2,782,863
Subtotal		\$ 26,380,000	6,135,037	32,515,037

**Johnston Community School District  
Notes to Basic Financial Statements  
June 30, 2023**

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

<i>Long-Term Liabilities (continued from previous page)</i>					
Revenue Bonds					
Year ended June 30,	Rates	Principal	Interest	Total	
2024	Various	\$ 3,465,000	1,790,649	5,255,649	
2025	Various	3,715,000	1,536,224	5,251,224	
2026	Various	3,984,000	1,263,498	5,247,498	
2027	Various	4,264,000	969,317	5,233,317	
2028	Various	4,570,000	650,019	5,220,019	
2029	Various	4,903,000	371,672	5,274,672	
2030	Various	5,124,000	177,366	5,301,366	
2031	Various	2,735,000	719,434	9,834,434	
Total		\$ 32,760,000	7,478,179	46,618,179	

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

Total assessed valuation	<u>\$ 4,964,837,026</u>
Debit limit of 5% of total assessed valuation	248,241,851
Amount of debt applicable to debt limit, total general obligation bonded debt	-
Excess of debt limit over bonded debt issued, legal debt margin	<u>\$ 248,241,851</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](http://www.ipers.org).

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

**Pension Benefits** – A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, 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 2023, 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, 2023 were \$5,114,802.

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2023, the District reported a liability of \$24,495,955 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District’s proportion of the net pension liability was based on the District’s share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2022, the District’s proportion was 0.617167%, which was a decrease of 0.009219% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized pension expense of (\$5,572,946). At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,085,902	335,540
Changes of assumptions	20,785	584
Net difference between projected and actual earnings on IPERS' investments	-	2,622,213
Changes in proportion and differences between District contributions and proportionate share of contributions	255,844	1,309,532
District contributions subsequent to the measurement date	5,114,802	-
Total	\$ 6,477,333	4,267,869

**Johnston Community School District**  
**Notes to Basic Financial Statements**  
**June 30, 2023**

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

\$5,114,802 reported as deferred outflows of resources related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June, 30	
2024	\$ (2,520,185)
2025	(2,077,253)
2026	(3,519,282)
2027	5,194,726
2028	16,656
	<u>\$ (2,905,338)</u>

There were no non-employer contributing entities to IPERS.

Actuarial Assumptions - The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, 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, 2022 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021.

Mortality rates used in the 2022 valuation were based on the PubG-2010 mortality tables with future mortality improvements modeled using Scale MP-2021.

The long-term expected rate of return on 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%	3.57%
International equity	17.5	4.79
Global smart beta equity	6.0	4.16
Core plus fixed income	20.0	1.66
Public credit	4.0	3.77
Cash	1.0	0.77
Private equity	13.0	7.57
Private real assets	8.5	3.55
Private credit	8.0	3.63
Total	<u>100%</u>	



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

Discount Rate - The discount rate used to measure the total pension liability was 7.0. 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	\$ 45,638,905	\$ 24,495,955	\$ 5,863,200

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

Payables to the IPERS - At June 30, 2023, 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, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	27
Active employees	846
	873

Total OPEB Liability - The District's total OPEB liability of \$4,077,743 was measured as of June 30, 2023, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions - The total OPEB liability in the June 30, 2023 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.

**Johnston Community School District**  
**Notes to Basic Financial Statements**  
**June 30, 2023**

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

Rate of Inflation (effective June 30, 20203)	2.50% per annum.
Rates of salary increase (effective June 30, 2023)	3.50% per annum including inflation
Discount rate (effective June 30, 2023)	3.65% compounded annually, including inflation
Healthcare cost trend rate (effective June 30, 2023)	6.75% initial rate decreasing by 0.50% annually to an ultimate rate of 4.00%

Discount Rate – The discount rate used to measure the total OPEB liability was 3.65% 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-2021 total dataset mortality table fully generational using Scale MP-2021. 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, 2023 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	\$ 3,656,416
Changes for the year:	
Service cost	428,114
Interest	142,618
Differences between expected and actual experiences	-
Changes in assumptions	(37,787)
Benefit payments	(111,618)
	421,327
	\$ 4,077,743

Changes of assumptions reflect a change in the discount rate from 3.54% in fiscal year 2022 to 3.65 in fiscal year 2023.

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 it were calculated using a discount rate that is 1% lower (2.65%) or 1% higher (4.64%) than the current discount rate.

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB liability	\$ 4,440,000	4,078,000	3,748,000

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 it were calculated using healthcare cost trend rates that are 1% lower (5.75%) or 1% higher (7.75%) than the current healthcare cost trend rates.

	1% Decrease (5.75%)	Trend Rate (6.75%)	1% Increase (7.75%)
Total OPEB liability	\$ 3,585,000	4,078,000	4,666,000

**Johnston Community School District**  
**Notes to Basic Financial Statements**  
**June 30, 2023**

(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, 2023, the District recognized OPEB expense of (\$959,459). At June 30, 2023, 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	\$ 359,211	(1,551,540)
Changes in assumptions	278,602	(272,775)
Total	<u>\$ 637,813</u>	<u>(1,824,315)</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
2024	\$ (76,023)
2025	(76,023)
2026	(76,023)
2027	(76,023)
2028	(76,023)
Thereafter	(806,387)
	<u>\$ (1,186,502)</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, 2023.

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 \$1,640,684 reported at June 30, 2023 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.

(9) *Risk Management (Continued from previous page)*

Changes in the reported liability since July 1, 2012 resulted from the following:

	Beginning of Fiscal Year Liability	Current Year		Balance at Fiscal Year-End
		Claims and Changes in Estimates	Claim Payments	
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
2023	1,664,495	13,019,178	(13,042,989)	1,640,684

(10) **Area Education Agency**

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the Area Education Agency. The District's actual amount for this purpose totaled \$3,422,783 for the year ended June 30, 2023 and is recorded in the General Fund by making a memorandum adjusting entry to the financial statements.

(11) **Deficit Net Position**

A net position deficit of \$281,779 exists in the Enterprise, Community Education Fund and of \$13,178 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 \$152,000) 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 \$91,000) 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.

(12) **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.

(12) *Tax Abatements (Continued from previous page)*

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, 2023 under agreements entered into by the following entities:

<u>Entity</u>	<u>Tax Abatement Program</u>	<u>Amount of Tax Abated</u>
City of Johnston	Urban renewal and economic development projects	\$ 405,521
City of Urbandale	Urban renewal and economic development projects	82,476
City of Grimes	Urban renewal and economic development projects	281,135

The State of Iowa reimburses the District an amount equivalent to the increment of valuation on which property tax is divided times \$5.40 per \$1,000 of taxable valuation. For the year ended June 30, 2023, this reimbursement amounted to \$377,288.

(13) **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, 2023.

Dropout prevention	\$ 217,748
Salary improvement	18,104
Gifted and talented program	65,823
Teacher leadership	297,690
Successful progression for early learners	119,367
Homeschool	40,750
Flexibility - teacher leadership	236,839
Flexibility - statewide voluntary preschool	327,325
Flexibility - professional development	600,000
Professional development	649,053
<b>Total</b>	<b>\$ 2,572,699</b>

**(14) Accounting Change/ Restatement**

The District reallocated insurance proceeds received during 2022 from the Management Fund to the Physical Plant and Equipment Levy Fund. The beginning fund balances were restated as show below. The result of these changes had no effect on the beginning net position of the governmental funds.

	Fund Balance	
	Management Fund	Physical Plant and Equipment Levy
Balances June 30, 2022, as previously reported	\$ 5,526,300	\$ 1,695,537
Reallocation of insurance proceeds	(816,548)	816,548
Balances July 1, 2022, as restated	\$ 4,709,752	\$ 2,512,085

**(15) Contingencies**

The District is named in several ongoing legal matters as described by District attorneys. At this time no conclusion can be made as to the outcome of these cases or any potential loss associated with them.

**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, 2023**

	Governmental Funds Actual	Proprietary Funds Actual	Total Actual	Budgeted Amounts Original	Final	Final to Actual Variance- Positive (Negative)
<b>Revenues:</b>						
Local sources	\$ 59,984,069	5,892,803	65,876,872	61,695,123	61,695,123	4,181,749
Intermediate sources	116,043	-	116,043	100,000	100,000	16,043
State sources	59,879,644	68,146	59,947,790	58,870,281	58,870,281	1,077,509
Federal sources	3,187,738	2,467,727	5,655,465	5,601,600	5,601,600	53,865
Total revenues	<u>123,167,494</u>	<u>8,428,676</u>	<u>131,596,170</u>	<u>126,267,004</u>	<u>126,267,004</u>	<u>5,329,166</u>
<b>Expenditures:</b>						
Instruction	65,589,373	329,073	65,918,446	68,840,661	68,840,661	(2,922,215)
Support services	29,775,869	502,659	30,278,528	31,313,930	31,313,930	(1,035,402)
Noninstructional programs	42,368	5,874,089	5,916,457	5,736,064	5,736,064	180,393
Other expenditures	56,754,101	-	56,754,101	28,420,969	60,420,969	(3,666,868)
Total expenditures	<u>152,161,711</u>	<u>6,705,821</u>	<u>158,867,532</u>	<u>134,311,624</u>	<u>166,311,624</u>	<u>(7,444,092)</u>
Excess (deficiency) of revenues over (under) expenditures	(28,994,217)	1,722,855	(27,271,362)	(8,044,620)	(40,044,620)	12,773,258
Other financing sources (uses), net	31,089,952	(162,819)	30,927,133	5,000	5,000	30,922,133
Change in fund balance	2,095,735	1,560,036	3,655,771	(8,039,620)	(40,039,620)	43,695,391
Balances beginning of year	<u>38,686,759</u>	<u>5,350,208</u>	<u>44,036,967</u>	<u>46,787,121</u>	<u>46,787,121</u>	<u>(2,750,154)</u>
Balances end of year	<u>\$ 40,782,494</u>	<u>6,910,244</u>	<u>47,692,738</u>	<u>38,747,501</u>	<u>6,747,501</u>	<u>40,945,237</u>

See accompanying independent auditor's report.



**Johnston Community School District**  
**Notes to Required Supplementary Information - Budgetary Reporting**  
**Year Ended June 30, 2023**

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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, 2023, expenditures exceeded the budget amount in the noninstructional expenditures function. In addition, the District adopted a budget amendment after the May 31 deadline.

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 Nine Fiscal Years\* (In Thousands)  
 Required Supplementary Information

	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.617167%	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	\$ 24,496	878	45,040	37,921	40,337	40,861	40,117	31,716	25,989
District's covered payroll	\$ 52,274	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	46.86%	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	91.41%	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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$ 5,097	4,935	4,803	4,810	\$ 4,703	4,279	4,089	4,086	3,930	3,829
Contributions in relation to the statutorily required contribution	(5,097)	(4,935)	(4,803)	(4,810)	(4,703)	(4,279)	(4,089)	(4,086)	(3,930)	(3,829)
Contribution deficiency (excess)	\$ -	-	-	-	-	-	-	-	-	-
District's covered payroll	\$ 53,992	52,274	50,874	50,884	\$ 49,816	47,918	45,789	45,752	43,990	42,880
Contributions as a percentage of covered payroll	9.44%	9.44%	9.44%	9.45%	9.44%	8.93%	8.93%	8.93%	8.93%	8.93%

See accompanying independent auditor's report.

**Johnston Community School District**  
**Notes to Required Supplementary Information - Pension Liability**  
**Year Ended June 30, 2023**

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Changes of benefit terms:

There were no significant changes in benefit terms.

Changes of assumptions:

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

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

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

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

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 Six Years**  
**Required Supplementary Information**

	2023	2022	2021	2020	2019	2018
Service cost	\$ 428,114	567,686	555,957	384,738	353,543	340,371
Interest cost	142,618	119,459	109,711	130,180	126,591	118,855
Difference between expected and actual experiences	-	-	-	-	-	-
Changes in assumptions	(37,787)	(1,949,967)	20,548	744,406	103,555	(152,476)
Benefit payments	(111,618)	(87,200)	(176,250)	(195,075)	(138,020)	(102,504)
Net change in total OPEB liability	421,327	(1,350,022)	509,966	1,064,249	445,669	204,246
Total OPEB liability beginning of year	3,656,416	5,006,438	4,496,472	3,432,223	2,986,554	2,782,309
Total OPEB liability end of year	\$ 4,077,743	3,656,416	5,006,438	4,496,472	3,432,223	2,986,555
Covered-employee payroll	\$ 45,742,000	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	8.91%	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, 2023	3.65%
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%

**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, 2023

<b>Assets</b>	Management	Student Activity	Total
<b>Assets:</b>			
Cash, cash equivalent and pooled investments	\$ 5,598,656	646,131	6,244,787
<b>Receivables:</b>			
Accounts	1,119	654	1,773
<b>Property tax:</b>			
Delinquent	9,084	-	9,084
Succeeding year	4,525,000	-	4,525,000
<b>Total assets</b>	<b>\$ 10,133,859</b>	<b>646,785</b>	<b>10,780,644</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 24,806	70,262	95,068
Accrued salaries and benefits payable	-	735	735
Deposits payable	-	16,183	16,183
<b>Total liabilities</b>	<b>24,806</b>	<b>87,180</b>	<b>111,986</b>
<b>Deferred inflows of resources:</b>			
<b>Unavailable revenue</b>			
Succeeding year property tax	4,525,000	-	4,525,000
<b>Total deferred inflows of resources</b>	<b>4,525,000</b>	<b>-</b>	<b>4,525,000</b>
<b>Fund balances:</b>			
<b>Restricted for:</b>			
Management levy purposes	5,584,053	-	5,584,053
Student activities	-	559,605	559,605
<b>Total fund balances</b>	<b>5,584,053</b>	<b>559,605</b>	<b>6,143,658</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 10,133,859</b>	<b>646,785</b>	<b>10,780,644</b>

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, 2023**

	Management	Student Activity	Total
<b>Revenues:</b>			
Local sources:			
Local tax:			
Property tax	\$ 2,822,360	-	2,822,360
Utility tax replacement excise tax	52,426	-	52,426
Mobile home tax	2,001	-	2,001
	<u>2,876,787</u>	<u>-</u>	<u>2,876,787</u>
Other local sources:			
Student activities	-	1,049,315	1,049,315
Donations	-	114,087	114,087
Other local revenue	104,857	22,870	127,727
	<u>104,857</u>	<u>1,186,272</u>	<u>1,291,129</u>
	<u>2,981,644</u>	<u>1,186,272</u>	<u>4,167,916</u>
State sources:			
Revenue in lieu of taxes :			
Military credit	378	-	378
	<u>378</u>	<u>-</u>	<u>378</u>
	<u>2,982,022</u>	<u>1,186,272</u>	<u>4,168,294</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular instruction:			
Benefits	226,318	-	226,318
	<u>226,318</u>	<u>-</u>	<u>226,318</u>
Co-curricular instruction:			
Salaries	-	3,417	3,417
Benefits	-	465	465
Purchased services	-	225,081	225,081
Supplies	-	714,603	714,603
Property	-	123,622	123,622
Other	-	57,119	57,119
	<u>-</u>	<u>1,124,307</u>	<u>1,124,307</u>
	<u>226,318</u>	<u>1,124,307</u>	<u>1,350,625</u>
Expenditures:			
Current:			
Support Services:			
Administration:			
Benefits	55,872	-	55,872
Purchased services	963,515	17,133	980,648
	<u>1,019,387</u>	<u>17,133</u>	<u>1,036,520</u>
Plant operation and maintenance:			
Benefits	16,943	-	16,943
Purchased services	819,754	-	819,754
	<u>836,697</u>	<u>-</u>	<u>836,697</u>
Student transportation:			
Benefits	6,319	-	6,319
Purchased services	1,125	15,687	16,812
	<u>7,444</u>	<u>15,687</u>	<u>23,131</u>
	<u>1,863,528</u>	<u>32,820</u>	<u>1,896,348</u>
Non-instructional Programs:			
Food services			
Benefits	16,607	-	16,607
Community service & education:			
Benefits	1,268	-	1,268
	<u>17,875</u>	<u>-</u>	<u>17,875</u>
	<u>2,107,721</u>	<u>1,157,127</u>	<u>3,264,848</u>
Excess (deficiency) of revenues over (under) expenditures	874,301	29,145	903,446
Change in fund balances	874,301	29,145	903,446
Fund balances beginning of year, as restated	4,709,752	530,460	5,240,212
Fund balances end of year	<u>\$ 5,584,053</u>	<u>559,605</u>	<u>6,143,658</u>

See accompanying independent auditor's report.



Schedule 3

Johnston Community School District  
 Subcombining Balance Sheet  
 Capital Projects Fund Accounts  
 June 30, 2023

	Capital Projects		
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Total
<b>Assets</b>			
Cash, cash equivalents and pooled investments	\$ 8,841,323	3,438,345	12,279,668
Receivables:			
Property tax:			
Delinquent	-	16,518	16,518
Succeeding year	-	5,240,085	5,240,085
Due from other governments	673,421	-	673,421
<b>Total assets</b>	<b>\$ 9,514,744</b>	<b>8,694,948</b>	<b>18,209,692</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
Liabilities:			
Accounts payable	\$ 43,705	965,965	1,009,670
Total liabilities	43,705	965,965	1,009,670
Deferred inflows of resources:			
Unavailable revenues:			
Succeeding year property tax	-	5,240,085	5,240,085
Total deferred inflows of resources	-	5,240,085	5,240,085
Fund balances:			
Restricted for:			
School infrastructure	9,471,039	-	9,471,039
Physical plant and equipment	-	2,488,898	2,488,898
Total fund balances	9,471,039	2,488,898	11,959,937
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 9,514,744</b>	<b>8,694,948</b>	<b>18,209,692</b>

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, 2023**

	Capital Projects		
	Statewide Sales, Services and Use	Physical Plant and Equipment	Total
	Tax	Levy	
Revenues:			
Local sources:			
Local tax	\$ -	5,130,426	5,130,426
Other	178,025	318,645	496,670
State sources	9,567,874	574	9,568,448
Federal sources	-	10,000	10,000
Total revenues	<u>9,745,899</u>	<u>5,459,645</u>	<u>15,205,544</u>
Expenditures:			
Current:			
Instructional Services:			
Regular instruction	122,344	85,309	207,653
Support Services:			
Instructional staff services	699,584	765,651	1,465,235
Administration	108,449	68,738	177,187
Plant operation and maintenance	66,827	119,380	186,207
Transportation	-	677,331	677,331
Other expenditures			
Facilities acquisition	257,339	1,563,486	1,820,825
Debt service	242,326	-	242,326
Total expenditures	<u>1,496,869</u>	<u>3,279,895</u>	<u>4,776,764</u>
Excess (deficiency) of revenues over (under) expenditures	8,249,030	2,179,750	10,428,780
Other financing sources (uses):			
Proceeds from sale of assets	-	1,399,475	1,399,475
Proceeds from debt issued	29,339,317	-	29,339,317
Capital leases	-	-	-
Operating transfers out	(35,869,305)	(3,602,412)	(39,471,717)
Total other financing uses	<u>(6,529,988)</u>	<u>(2,202,937)</u>	<u>(8,732,925)</u>
Change in fund balances	1,719,042	(23,187)	1,695,855
Fund balances beginning of year, as restated	<u>7,751,997</u>	<u>2,512,085</u>	<u>10,264,082</u>
Fund balances end of year	<u>\$ 9,471,039</u>	<u>2,488,898</u>	<u>11,959,937</u>

See accompanying independent auditor's report.

Schedule 5

Johnston Community School District  
 Combining Statement of Net Position  
 Proprietary Funds  
 June 30, 2023

	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
<b>Assets</b>								
Current assets:								
Cash and cash equivalents	\$ 114,357	85,128	3,603,322	4,297,500	8,100,307	9,928,466	40,307	9,968,773
Receivables:								
Accounts	2	-	27,327	2	27,331	-	-	-
Due from other governments	-	-	-	12,420	12,420	-	-	-
Prepaid expenses	-	-	-	-	-	142,986	-	142,986
Inventories	-	-	-	80,687	80,687	-	-	-
<b>Total current assets</b>	<b>114,359</b>	<b>85,128</b>	<b>3,630,649</b>	<b>4,390,609</b>	<b>8,220,745</b>	<b>10,071,452</b>	<b>40,307</b>	<b>10,111,759</b>
Non-current assets:								
Property and equipment:								
Machinery and equipment	40,389	8,178	136,606	3,214,917	3,400,090	-	-	-
Accumulated depreciation	(39,712)	(7,773)	(131,689)	(2,547,258)	(2,726,432)	-	-	-
<b>Total non-current assets</b>	<b>677</b>	<b>405</b>	<b>4,917</b>	<b>667,659</b>	<b>673,658</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>115,036</b>	<b>85,533</b>	<b>3,635,566</b>	<b>5,058,268</b>	<b>8,894,403</b>	<b>10,071,452</b>	<b>40,307</b>	<b>10,111,759</b>
<b>Deferred Outflows of Resources</b>								
OPEB related deferred outflows	2,830	4,309	7,614	27,174	41,927	-	-	-
Pension related deferred outflows	186,469	23,536	(49,655)	153,065	313,415	-	-	-
<b>Total deferred outflows of resources</b>	<b>189,299</b>	<b>27,845</b>	<b>(42,041)</b>	<b>180,239</b>	<b>355,342</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>								
Current liabilities:								
Accounts payable	47,867	29	58,874	39,927	146,697	5,420	-	5,420
Advances from prepaid childcare	102,701	-	1,700	-	104,401	-	-	-
Advances from prepaid lunches	-	-	-	108,113	108,113	-	-	-
Advances from grantors	-	-	-	23,580	23,580	-	-	-
Insurance claims liability	-	-	-	-	-	1,640,684	-	1,640,684
Accrued salaries and benefits payable	70,106	395	57,846	103,696	232,043	-	-	-
Compensated absences	5,594	-	7,194	7,352	20,140	-	-	-
<b>Total current liabilities</b>	<b>226,268</b>	<b>424</b>	<b>125,614</b>	<b>282,668</b>	<b>634,974</b>	<b>1,646,104</b>	<b>-</b>	<b>1,646,104</b>
Non-current liabilities:								
Net pension liability	152,290	90,702	368,861	577,084	1,188,937	-	-	-
Other postemployment benefits payable	16,297	17,997	42,725	145,555	222,574	-	-	-
<b>Total non-current liabilities</b>	<b>168,587</b>	<b>108,699</b>	<b>411,586</b>	<b>722,639</b>	<b>1,411,511</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>394,855</b>	<b>109,123</b>	<b>537,200</b>	<b>1,005,307</b>	<b>2,046,485</b>	<b>1,646,104</b>	<b>-</b>	<b>1,646,104</b>
<b>Deferred Inflows of Resources</b>								
OPEB related deferred inflows	4,959	11,064	17,554	72,713	106,290	-	-	-
Pension related deferred inflows	186,300	6,369	(116,371)	110,428	186,726	-	-	-
<b>Total deferred inflows of resources</b>	<b>191,259</b>	<b>17,433</b>	<b>(98,817)</b>	<b>183,141</b>	<b>293,016</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Position</b>								
Invested in capital assets	677	405	4,917	667,659	673,658	-	-	-
Restricted for:								
Flexible benefits	-	-	-	-	-	-	40,307	40,307
Unrestricted	(282,456)	(13,583)	3,150,225	3,382,400	6,236,586	8,425,348	-	8,425,348
<b>Total Net Position</b>	<b>\$ (281,779)</b>	<b>(13,178)</b>	<b>3,155,142</b>	<b>4,050,059</b>	<b>6,910,244</b>	<b>8,425,348</b>	<b>40,307</b>	<b>8,465,655</b>

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, 2023

	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	\$ -	-	-	2,075,917	2,075,917	-	-	-
Daycare service fees	-	-	2,801,115	-	2,801,115	-	-	-
Community education fees	619,342	262,779	-	-	882,121	-	-	-
Charges for services	81,639	-	-	-	81,639	12,291,213	418,948	12,710,161
Other operating income	7,939	-	-	44,072	52,011	-	-	-
Total operating revenues	708,920	262,779	2,801,115	2,119,989	5,892,803	12,291,213	418,948	12,710,161
Operating expenses:								
Instructional programs:								
Instructional services:								
Salaries	-	166,328	360	-	166,688	-	-	-
Benefits	-	24,711	61	-	24,772	-	-	-
Services	-	41,454	-	-	41,454	-	-	-
Supplies	-	6,925	-	-	6,925	-	-	-
Other	325	-	88,909	-	89,234	-	-	-
	325	239,418	89,330	-	329,073	-	-	-
Support Services:								
Administrative services:								
Salaries	-	39,383	115,677	-	155,060	-	-	-
Benefits	-	17,091	36,452	-	53,543	11,980,718	-	11,980,718
Services	182,820	5,569	58,822	1,840	249,051	598,843	463,428	1,062,271
Supplies	-	-	-	-	-	-	-	-
Depreciation	-	58	-	-	58	-	-	-
	182,820	62,101	210,951	1,840	457,712	12,579,561	463,428	13,042,989
Transportation services:								
Services	-	-	44,947	-	44,947	-	-	-
	-	-	44,947	-	44,947	-	-	-
	182,820	62,101	255,898	1,840	502,659	12,579,561	463,428	13,042,989
Non-instructional programs:								
Food services operations:								
Salaries	-	-	-	1,312,532	1,312,532	-	-	-
Benefits	-	-	-	405,791	405,791	-	-	-
Services	-	-	-	124,615	124,615	-	-	-
Supplies	-	-	-	2,001,165	2,001,165	-	-	-
Other	-	-	-	1,771	1,771	-	-	-
Depreciation	-	-	-	104,115	104,115	-	-	-
	-	-	-	3,949,989	3,949,989	-	-	-
Community service operations:								
Salaries	347,902	-	1,075,785	-	1,423,687	-	-	-
Benefits	86,735	-	121,884	-	208,619	-	-	-
Services	2,457	-	1,698	-	4,155	-	-	-
Supplies	73,143	-	185,478	-	258,621	-	-	-
Other	25,706	-	-	-	25,706	-	-	-
Depreciation	225	-	3,087	-	3,312	-	-	-
	536,168	-	1,387,932	-	1,924,100	-	-	-
	536,168	-	1,387,932	3,949,989	5,874,089	-	-	-
Total operating expenses	719,313	301,519	1,733,160	3,951,829	6,705,821	12,579,561	463,428	13,042,989
Operating income (loss)	(10,393)	(38,740)	1,067,955	(1,831,840)	(813,018)	(288,348)	(44,480)	(332,828)

Schedule 6

Johnston Community School District  
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
 Proprietary Funds  
 Year ended June 30, 2023

	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	-	41,454	-	-	41,454	-	-	-
State lunch and breakfast program claims	-	-	-	26,692	26,692	-	-	-
Federal grants	-	-	-	-	-	-	-	-
Federal nutrition revenue	-	-	-	2,084,875	2,084,875	-	-	-
Federal food commodities revenue	-	-	-	382,852	382,852	-	-	-
Interest income	-	1,782	78,346	97,560	177,688	-	-	-
Total non-operating revenues	-	43,236	78,346	2,591,979	2,713,561	-	-	-
Income (loss) before transfers	(10,393)	4,496	1,146,301	760,139	1,900,543	(288,348)	(44,480)	(332,828)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers (out)	-	-	(150,000)	(190,507)	(340,507)	-	-	-
Total other financing sources (uses)	-	-	(150,000)	(190,507)	(340,507)	-	-	-
Changes in Net Position	(10,393)	4,496	996,301	569,632	1,560,036	(288,348)	(44,480)	(332,828)
Net Position beginning of year (as restated)	(271,386)	(17,674)	2,158,841	3,480,427	5,350,208	8,713,696	84,787	8,798,483
Net Position end of year	\$ (281,779)	(13,178)	3,155,142	4,050,059	6,910,244	8,425,348	40,307	8,465,655

See accompanying independent auditor's report.

Schedule 7

Johnston Community School District  
 Combining Statement of Cash Flows  
 Proprietary Funds  
 Year ended June 30, 2023

	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	\$ -	-	-	2,114,123	2,114,123	-	-	-
Cash received from community services	707,358	263,133	2,801,953	-	3,772,444	12,291,213	418,948	12,710,161
Cash paid to employees for services	(441,924)	(267,897)	(1,425,749)	(1,846,689)	(3,982,259)	(12,004,529)	(481,898)	(12,486,427)
Cash paid to suppliers for goods or services	(274,087)	(53,921)	(369,717)	(1,751,679)	(2,449,404)	(860,524)	-	(860,524)
Net cash provided (used) by operating activities	(8,653)	(58,685)	1,006,487	(1,484,245)	(545,096)	(573,840)	(62,950)	(636,790)
Cash flows from non-capital financing activities:								
State grants received	-	41,454	-	26,692	68,146	-	-	-
Federal grants received	-	-	-	2,084,875	2,084,875	-	-	-
Net cash provided by non-capital financing activities	-	41,454	-	2,111,567	2,153,021	-	-	-
Cash flows from capital and related financing activities:								
Acquisition of capital assets	-	-	-	(179,655)	(179,655)	-	-	-
Transfers	-	-	(150,000)	(190,507)	(340,507)	-	-	-
Net cash provided (used) by capital and related financing activities	-	-	(150,000)	(370,162)	(520,162)	-	-	-
Cash flows from investing activities:								
Interest on investments	-	1,782	78,346	97,560	177,688	-	-	-
Net increase (decrease) in cash and cash equivalents	(8,653)	(15,449)	934,833	354,720	1,265,451	(573,840)	(62,950)	(636,790)
Cash and cash equivalents at beginning of year	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 end of year	\$ 114,357	85,128	3,603,322	4,297,500	8,100,307	9,928,466	40,307	9,968,773
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>								
Operating income (loss)	\$ (10,393)	(38,740)	1,067,955	(1,831,840)	(813,018)	(288,348)	(44,480)	(332,828)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Commodities used	-	-	-	382,852	382,852	-	-	-
Depreciation	225	58	3,087	104,115	107,485	-	-	-
(Increase) decrease in accounts receivable	3,603	354	(27,327)	(2)	(23,372)	-	-	-
(Increase) decrease in due from other governments	-	-	26,465	2,706	29,171	-	-	-
(Increase) decrease in prepaid expenses	-	-	-	-	-	(142,986)	-	(142,986)
(Increase) decrease in inventories	-	-	-	(18,945)	(18,945)	-	-	-
Increase (decrease) in accounts payable	10,364	27	10,137	13,805	34,333	(118,695)	(18,470)	(137,165)
Increase (Decrease) in insurance claims liability	-	-	-	-	-	(23,811)	-	(23,811)
Increase (decrease) in salaries and benefits payable	17,430	395	24,725	(6,526)	36,024	-	-	-
Increase (decrease) in unearned revenues	(5,165)	-	1,700	(8,570)	(12,035)	-	-	-
Increase (decrease) in compensated absences	(8,370)	-	7,194	(1,925)	(3,101)	-	-	-
Increase (decrease) in net pension liability	146,997	87,688	355,998	556,147	1,146,830	-	-	-
(Increase) decrease in deferred outflows of resources	(145,531)	34	149,310	10,517	14,330	-	-	-
Increase (decrease) in deferred inflows of resources	(18,925)	(111,125)	(616,760)	(703,538)	(1,450,348)	-	-	-
Increase (decrease) in other post-employment benefits	1,112	2,624	4,003	16,959	24,698	-	-	-
Net cash provided (used) by operating activities	(8,653)	(58,685)	1,006,487	(1,484,245)	(545,096)	(573,840)	(62,950)	(636,790)
<b>Reconciliation of cash and cash equivalents at year end to specific assets included on Combined Balance Sheet:</b>								
Current assets:								
Cash and investments	\$ 114,357	85,128	3,603,322	4,297,500	8,100,307	9,928,466	40,307	9,968,773
Cash and cash equivalents at year end	\$ 114,357	85,128	3,603,322	4,297,500	8,100,307	9,928,466	40,307	9,968,773

**Non-cash investing, capital and financing activities:**

During the year ended June 30, 2023, the District received federal commodities valued at \$382,852.

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, 2023

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**Governmental funds capital assets**

Land and improvements	\$	18,599,551
Buildings and improvements		235,511,785
Vehicles, furniture and equipment		14,612,236
Right-to-use leased equipment		<u>-</u>
Total governmental funds capital assets	\$	<u>268,723,572</u>

**Investments in governmental funds capital assets by source**

General Fund	\$	10,860,980
Special Revenue Funds		855,774
Capital Projects Funds		<u>257,006,818</u>
Total governmental funds capital assets	\$	<u>268,723,572</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, 2023

<b>Function and Activity</b>	Land and Improvements	Buildings and Improvements	Vehicles, Furniture and Equipment	Right-to-use leased equipment	Construction in Progress	Total
Instruction	\$ 17,295,047	233,442,867	10,453,769	-	-	261,191,683
Other instruction	371,476	95,986	-	-	-	467,462
Support services - instructional staff	441,545	-	1,828,751	-	-	2,270,296
Administration	139,438	433,400	317,450	-	-	890,288
Operation and maintenance of plant services	100,819	1,539,530	1,693,727	-	-	3,334,076
Student transportation services	251,227	-	318,540	-	-	569,767
Total	<u>\$ 18,599,552</u>	<u>235,511,783</u>	<u>14,612,237</u>	<u>-</u>	<u>-</u>	<u>268,723,572</u>

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, 2023**

<b>Function and Activity</b>	<b>July 1, 2022</b>	<b>Additions</b>	<b>Deletions</b>	<b>June 30, 2022</b>
Instruction	\$ 260,369,807	1,711,323	889,447	261,191,683
Other instruction	467,462	-	-	467,462
Support services - instructional staff	2,270,296	-	-	2,270,296
Administration	1,955,198	-	1,064,910	890,288
Operation and maintenance of plant services	3,578,470	-	244,394	3,334,076
Student transportation services	569,767	-	-	569,767
Total	<u>\$ 269,211,000</u>	<u>1,711,323</u>	<u>2,198,751</u>	<u>268,723,572</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, 2023

Account	Balance Beginning of Year	Revenues	Expenditures	Intrafund Transfers	Balanced End of Year
<b>Elementary Schools:</b>					
Lawson Elementary	\$ 2,404	-	-	-	2,404
Timber Ridge Elementary	104	29	-	-	133
Beaver Creek Elementary	2,213	-	-	-	2,213
Horizon	1,558	-	-	-	1,558
<b>Summit Middle School:</b>					
Drama Club	2,078	743	527	-	2,294
Student Council	384	-	-	-	384
Yearbook	4,642	10,768	10,053	-	5,357
Vocal Music	890	1,960	1,914	-	936
Instrumental Music	-	4,311	1,345	(1,440)	1,526
Tech Club	7,340	2,006	6,039	-	3,307
Lego Robotics	1,542	-	-	-	1,542
Cheerleading	6,158	-	-	-	6,158
Food Assistance	621	-	-	-	621
SOS	93	-	-	-	93
Student Activity	9,495	-	629	1,440	10,306
Math Counts	51	-	-	-	51
<b>Middle School:</b>					
Dragon Express	522	-	-	-	522
Student Council	3,060	1,498	822	(2,900)	836
Robotics	2,398	-	-	-	2,398
Yearbook	-	13,452	16,132	2,680	-
Math Club	-	-	220	220	-
Vocal Music	-	69,463	53,921	-	15,542
Instrumental Music	19,038	793	1,462	-	18,369
Student Management	755	-	-	-	755
Cheerleading	131	-	-	-	131
MS Pride	4	-	-	-	4
Art Club	44	-	-	-	44
French Club	130	-	-	-	130
Spanish Club	176	-	-	-	176
Science Olympiad	1,534	1,600	1,728	-	1,406
GSA	355	-	-	-	355
Best Buddies	1,165	1,020	1,966	-	219
Tech Club	3,545	4,158	1,670	-	6,033
<b>High School:</b>					
Environmental Club	2,812	515	-	-	3,327
DECA	10	1,294	3,111	1,807	-
Core	128	-	-	-	128
Student Activity	6,614	14	-	-	6,628
French Club	172	-	-	-	172
Spanish Club	549	-	40	-	509
Drama Club	1,129	3,260	1,357	-	3,032
Speech -Large Group	3,403	5,640	3,460	-	5,583
Speech - Individual	-	2,048	1,639	-	409
Debate	2,641	7,478	12,684	2,565	-
Student Council	19,339	31,177	27,726	(5,490)	17,300
National Honor Society	3,876	922	1,455	-	3,343
Archery	4,297	-	-	-	4,297
Senior Class	40,583	17,801	14,297	-	44,087
Yearbook	64,102	42,682	19,687	-	87,097
Academic Competition	-	2,749	2,073	-	676
Math Club	378	-	-	-	378
Instrumental Music	11,674	11,513	14,696	-	8,491
Vocal Music	28,855	63,818	104,696	12,023	-
Piano	86	-	-	-	86
Madrigal	12,349	21,268	6,672	-	26,945
Showzam	11,570	61,970	16,823	(12,586)	44,131
Synergy	-	27,531	28,025	494	-
INNO	(2)	40,003	40,071	70	-
Girls Show Choir	-	16,613	16,316	-	297
Circle of Friends	455	2,370	1,775	-	1,050
SADD	157	-	-	-	157
Diversity Committee	100	-	-	-	100
Tech Club	3,031	1,920	1,464	-	3,487
Hyperstream	757	-	-	-	757
Gay Straight Alliance	262	-	-	-	262
Fencing Club	1,494	-	-	-	1,494
Exp Based Career	582	-	-	-	582
Musicals	4,294	69,207	42,841	-	30,660
Photo Club	1,000	-	-	-	1,000
We the People	923	-	-	-	923
Silver Cord	1,147	-	-	-	1,147
Family Career	-	788	854	66	-
Fishing Club	399	-	-	-	399
Science Olympiad	1,309	1,979	927	-	2,361
HOSA	-	2,652	3,703	1,051	-
American Sign	57	-	-	-	57
Key Club	507	568	505	-	570
Students 4 Change	1,440	300	660	-	1,080
Dragon A-la-Cart	1,306	-	-	-	1,306
Athletics	224,245	636,391	691,142	-	169,494
<b>Total</b>	<b>\$ 530,460</b>	<b>1,186,272</b>	<b>1,157,127</b>	<b>-</b>	<b>559,605</b>

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									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Revenues:</b>										
Local sources:										
Local tax	\$ 49,449,327	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
Tuition	6,773,240	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
Other	3,761,502	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
Intermediate sources	116,043	111,644	118,134	102,828	102,103	95,576	91,273	88,824	89,537	90,390
State sources	59,879,644	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
Federal sources	3,187,738	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
<b>Total</b>	<b>\$ 123,167,494</b>	<b>119,280,867</b>	<b>115,764,894</b>	<b>110,807,034</b>	<b>108,425,046</b>	<b>101,229,987</b>	<b>98,202,450</b>	<b>92,047,836</b>	<b>87,469,768</b>	<b>80,000,342</b>
<b>Expenditures:</b>										
Instruction:										
Regular	\$ 39,984,326	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
Special	15,682,713	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
Other	9,922,334	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
Support services:										
Student	2,412,159	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
Instructional staff	4,398,413	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
Administration	8,178,118	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
Operation and maintenance of plant	9,151,252	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
Transportation	5,635,927	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
Non-instructional programs:										
Food services	16,607	12,640	17,909	5,235	1,330	22,998	13,222	6,537	12,756	60,845
Community services and education	25,761	33,884	34,049	175,441	148,969	201,283	200,203	144,963	162,264	153,851
Other expenditures:										
Facilities acquisition	1,820,825	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
Long-term debt:										
Principal	49,071,631	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
Interest and other charges	2,438,862	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
AEA support	3,422,783	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
<b>Total</b>	<b>\$ 152,161,711</b>	<b>130,632,750</b>	<b>104,086,773</b>	<b>111,971,092</b>	<b>113,939,081</b>	<b>118,095,551</b>	<b>127,526,111</b>	<b>139,728,124</b>	<b>114,221,226</b>	<b>80,522,606</b>

See accompanying independent auditor's report.

**Statistical Section**

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

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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.

<b><u>CONTENTS</u></b>	<b><u>PAGE</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	<b>82-89</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue sources, the property tax (or sales tax).	<b>90-92</b>
<b>Debt Capacity</b> 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.	<b>94-113</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	<b>114-117</b>
<b>Operating Information</b> 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.	<b>118-125</b>

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, 2023	2023	2022	2021	2020
Governmental activities:				
Net Investment in capital assets	\$ 148,430,855	132,695,184	103,892,118	99,309,022
Restricted	21,665,369	19,037,053	34,875,046	26,824,464
Unrestricted	238,696	(3,683,733)	(14,955,727)	(16,168,463)
<b>Total governmental activities net position</b>	<b>\$ 170,334,920</b>	<b>148,048,504</b>	<b>123,811,437</b>	<b>109,965,023</b>
Business type activities:				
Net Investment in capital assets	\$ 673,658	601,488	659,564	745,644
Restricted				
Unrestricted	6,236,586	4,748,720	1,194,692	531,876
<b>Total business type activities net position</b>	<b>\$ 6,910,244</b>	<b>5,350,208</b>	<b>1,854,256</b>	<b>1,277,520</b>
Primary government:				
Net Investment in capital assets	\$ 149,104,513	133,296,672	104,551,682	100,054,666
Restricted	21,665,369	19,037,053	34,875,046	26,824,464
Unrestricted	6,475,282	1,064,987	(13,761,035)	(15,636,587)
<b>Total primary government net position</b>	<b>\$ 177,245,164</b>	<b>153,398,712</b>	<b>125,665,693</b>	<b>111,242,543</b>

Source: 2023 Certified Annual Report

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



2019	2018	2017	2016	2015	2014
96,562,542	92,188,629	76,387,314	63,827,711	58,871,834	13,249,999
17,618,072	11,157,688	20,505,552	24,264,939	23,692,664	63,844,645
(11,241,831)	(9,268,909)	(9,934,017)	(11,804,435)	(17,695,615)	8,209,879
102,938,783	94,077,408	86,958,849	76,288,215	64,868,883	85,304,523
834,995	821,200	951,723	394,007	513,678	614,448
-	-	-	-	-	920
1,304,947	1,044,406	723,663	1,249,056	1,091,515	2,884,984
2,139,942	1,865,606	1,675,386	1,643,063	1,605,193	3,500,352
97,397,537	93,009,829	77,339,034	64,221,718	59,385,512	13,864,447
17,618,072	11,157,688	20,505,453	24,264,939	23,692,664	63,845,565
(9,936,884)	(8,224,503)	-9,210,354	(10,555,379)	(16,604,100)	11,094,863
105,078,725	95,943,014	88,634,133	77,931,278	66,474,076	88,804,875

**EXPENSES, PROGRAM REVENUES AND NET REVENUES (EXPENSES)**

**Last Ten Fiscal Years**

Year ended June 30, 2023	2023	2022	2021	2020
<b>Expenses:</b>				
Governmental activities:				
Instruction	\$ 69,576,831	63,918,995	68,674,883	70,414,755
Student services	2,325,718	2,161,224	2,321,759	2,460,467
Instructional staff services	4,317,513	3,424,564	3,502,561	3,278,694
Administrative services	4,694,882	6,879,240	6,813,756	6,671,235
Operating and maintenance of plant services	9,131,869	8,155,224	9,276,356	8,113,422
Transportation services	5,629,828	4,345,697	4,133,351	4,692,702
Capital outlay	-	-	-	-
Long-term debt interest	2,563,848	2,912,555	3,263,192	3,607,402
Non-instructional programs	(57,466)	44,290	53,266	186,302
Other expenditures	3,571,818	3,595,334	3,389,149	4,555,872
<b>Total governmental activities expenses</b>	<b>\$ 101,754,841</b>	<b>95,437,123</b>	<b>101,428,273</b>	<b>103,980,851</b>
Business type activities:				
Nutrition	3,951,829	3,907,339	2,976,642	3,232,106
Preschool services	301,519	265,818	307,895	308,950
Daycare services	1,733,160	893,880	1,199,064	-
Community education services	719,313	467,045	491,328	2,663,171
<b>Total business type activities expenses</b>	<b>6,705,821</b>	<b>5,534,082</b>	<b>4,974,929</b>	<b>6,204,227</b>
<b>Total primary government expenses</b>	<b>\$ 108,460,662</b>	<b>100,971,205</b>	<b>106,403,202</b>	<b>110,185,078</b>
<b>Program revenues:</b>				
Governmental activities:				
Charges for services:				
Instruction	8,191,849	8,018,490	6,731,773	6,981,839
Support services	103,802	154,671	107,696	345,601
Operating grants and contributions	15,584,981	15,511,518	17,360,702	14,372,672
<b>Total governmental activities program revenues</b>	<b>\$ 23,880,632</b>	<b>23,684,679</b>	<b>24,200,171</b>	<b>21,700,112</b>
Business type activities:				
Charges for services:				
Nutrition	2,119,989	469,934	197,806	1,644,080
Preschool services	262,779	269,206	212,910	-
Daycare services	2,801,115	1,904,154	943,367	-
Community education services	708,920	683,087	438,820	2,306,597
Operating grants and contributions	2,713,561	6,088,006	3,261,374	1,583,446
<b>Total business type program revenues</b>	<b>8,606,364</b>	<b>9,414,387</b>	<b>5,054,277</b>	<b>5,534,123</b>
<b>Total primary government program revenues</b>	<b>\$ 32,486,996</b>	<b>33,099,066</b>	<b>29,254,448</b>	<b>27,234,235</b>
<b>Net revenue (expense):</b>				
Governmental activities	\$ (77,874,209)	(71,752,444)	(77,228,102)	(82,280,739)
Business type activities	1,900,543	3,880,305	79,348	(670,104)
<b>Total primary government net expense</b>	<b>\$ (75,973,666)</b>	<b>(67,872,139)</b>	<b>(77,148,754)</b>	<b>(82,950,843)</b>

Source: 2023 Certified Annual Report

2019	2018	2017	2016	2015	2014
67,068,311	62,193,136	56,825,307	52,795,932	49,803,088	49,337,355
2,325,107	2,283,577	2,300,234	1,859,466	1,758,854	1,925,705
3,167,962	3,217,568	4,442,506	3,999,945	3,261,971	3,590,304
6,146,391	6,172,408	6,023,950	5,350,729	5,581,377	5,711,829
7,851,357	6,810,716	5,672,304	5,282,071	5,219,346	5,672,497
4,611,616	4,317,348	4,045,455	3,429,478	3,445,848	3,309,073
-	-	-	-	-	-
3,964,032	3,940,520	3,961,417	3,421,694	3,254,018	2,591,867
150,377	226,088	213,642	151,702	150,343	205,640
4,524,310	5,188,911	3,680,205	4,552,822	5,454,504	6,962,566
99,809,463	94,350,272	87,165,020	80,843,839	77,929,349	79,306,836
3,296,661	3,277,729	3,353,090	3,329,784	3,354,998	3,248,993
-	-	-	-	2,087,055	1,916,455
-	-	-	-	-	-
3,389,659	3,474,661	3,559,029	3,411,483	997,118	997,042
6,686,320	6,752,390	6,912,119	6,741,267	6,439,171	6,162,490
106,495,783	101,102,662	94,077,139	87,585,106	84,368,520	85,469,326
6,523,356	5,620,229	5,100,587	5,190,701	4,858,280	4,944,723
333,922	564,809	223,819	373,294	261,651	333,733
14,692,194	13,923,397	13,062,254	12,346,212	11,896,003	9,391,081
21,549,472	20,108,435	18,386,660	17,910,207	17,015,934	14,669,537
2,221,417	3,282,217	2,426,387	2,479,676	2,547,400	2,424,013
-	-	-	-	2,295,884	2,105,910
-	-	-	-	-	-
3,512,289	2,581,288	3,539,693	3,409,300	999,673	986,262
1,457,840	1,303,707	1,220,226	1,100,705	1,034,906	966,302
7,191,546	7,167,212	7,186,306	6,989,681	6,877,863	6,482,487
28,741,018	27,275,647	25,572,966	24,899,888	23,893,797	21,152,024
(78,259,991)	(74,241,837)	(68,778,360)	(62,933,632)	(60,913,415)	(64,637,299)
505,226	414,822	274,187	248,414	438,692	319,997
(77,754,765)	(73,827,015)	(68,504,173)	(62,685,218)	(60,474,723)	(64,317,302)

**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**

**Last Ten Fiscal Years**

Year ended June 30, 2023	2023	2022	2021
Net (expense) revenue:			
Governmental activities	\$ (77,874,209)	(71,752,444)	(77,228,102)
Business type activities	1,900,543	3,880,305	79,348
<b>Total primary government net expense</b>	<b>\$ (75,973,666)</b>	<b>(67,872,139)</b>	<b>(77,148,754)</b>
General revenues and other changes in net position:			
Governmental activities:			
General revenues:			
Property taxes levied for:			
General purposes	32,534,249	34,213,072	32,039,390
Debt service	11,784,652	9,549,325	11,378,999
Capital outlay	5,130,426	5,006,585	4,707,378
Statewide sales, services and use tax	9,567,874	8,448,742	7,092,979
Unrestricted state grants	38,024,472	35,675,187	35,223,836
Unrestricted investment earnings	1,260,349	167,645	356,158
Other	1,518,096	2,544,602	773,164
Capital contributions	-	-	-
Transfers	340,507	384,353	(497,388)
<b>Total governmental activities</b>	<b>\$ 100,160,625</b>	<b>95,989,511</b>	<b>91,074,516</b>
Business type activities:			
Miscellaneous	-	-	-
Transfers	(340,507)	(384,353)	497,388
<b>Total business type activities</b>	<b>\$ (340,507)</b>	<b>(384,353)</b>	<b>497,388</b>
<b>Total primary government general revenues and other changes in net position</b>	<b>99,820,118</b>	<b>95,605,158</b>	<b>91,571,904</b>
Change in net position:			
Governmental activities	22,286,416	24,237,067	13,846,414
Business type activities	1,560,036	3,495,952	576,736
<b>Total primary government change in net position</b>	<b>\$ 23,846,452</b>	<b>27,733,019</b>	<b>14,423,150</b>

Source: 2023 Certified Annual Report

2020	2019	2018	2017	2016	2015	2014
(82,280,739)	(78,259,991)	(74,241,837)	(68,778,360)	(62,933,632)	(60,913,415)	(64,637,299)
(670,104)	505,226	414,822	274,187	248,414	438,692	319,997
(82,950,843)	(77,754,765)	(73,827,015)	(68,504,173)	(62,685,218)	(60,474,723)	(64,317,302)
30,634,016	29,435,435	28,821,494	29,253,021	28,270,487	26,634,779	25,257,174
10,385,706	10,677,490	8,048,021	6,123,980	5,184,793	5,537,573	3,815,774
4,289,340	4,413,457	4,060,890	3,892,711	3,608,826	3,462,422	3,320,986
7,313,864	6,684,467	6,442,320	6,998,547	6,306,953	6,074,567	5,449,133
34,193,211	33,295,431	32,085,616	31,096,960	29,515,436	27,832,918	26,458,419
967,018	973,711	304,884	384,870	162,818	126,645	85,142
1,331,506	1,410,485	1,372,671	2,305,590	1,093,108	792,981	947,410
-	-	-	-	-	-	-
192,318	230,890	224,602	218,102	210,544	169,884	65,000
89,306,979	87,121,366	81,360,498	80,273,781	74,352,965	70,631,769	65,399,038
-	-	-	-	-	-	-
(192,318)	(230,890)	(224,602)	(218,102)	(210,544)	(169,884)	(65,000)
(192,318)	(230,890)	(224,602)	(218,102)	(210,544)	(169,884)	(65,000)
89,114,661	86,890,476	81,135,896	80,055,679	74,142,421	70,461,885	65,334,038
7,026,240	8,861,375	7,118,661	11,495,421	11,419,333	9,718,354	761,739
(862,422)	274,336	190,220	56,085	37,870	268,808	254,997
6,163,818	9,135,711	7,308,881	11,551,506	11,457,203	9,987,162	1,016,736

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

Year ended June 30, 2023	2023	2022	2021	2020
General Fund:				
Nonspendable for Inventories/Prepd	\$ 494,280	336,992	73,369	85,572
Restricted	2,572,699	2,487,146	2,116,132	1,541,847
Committed	2,150,000	-	-	-
Unassigned	15,556,695	18,556,483	13,781,660	10,518,726
<b>Total general fund</b>	20,773,674	21,380,621	15,971,161	12,146,145
All other governmental funds:				
Restricted, reported in:				
Debt Service	1,905,225	2,775,844	20,729,806	12,104,362
Special revenue funds	6,143,658	6,056,760	5,730,481	6,709,287
Capital project funds	11,959,937	8,473,534	7,213,871	7,497,611
<b>Total all other governmental funds</b>	20,008,820	17,306,138	33,674,158	26,311,260
<b>Total governmental fund balances</b>	\$ 40,782,494	38,686,759	49,645,319	38,457,405

Source: 2023 Certified Annual Report

2019	2018	2017	2016	2015	2014
71,233	70,895	60,138	67,662	44,102	47,864
1,548,758	1,659,862	1,576,733	1,525,575	1,283,366	801,527
-	-	-	-	-	-
12,695,403	14,154,725	13,107,148	10,088,953	6,065,734	4,195,630
14,315,394	15,885,482	14,744,019	11,682,190	7,393,202	5,045,021
7,567,880	3,362,140	1,569,155	1,430,769	2,265,914	9,545,061
4,166,417	2,704,873	2,174,684	1,882,474	1,743,993	1,989,103
11,650,012	12,306,451	24,051,715	45,188,623	39,921,249	61,322,483
23,384,309	18,373,464	27,795,554	48,501,866	43,931,156	72,856,647
37,699,703	34,258,946	42,539,573	60,184,056	51,324,358	77,901,668

**GOVERNMENTAL FUNDS REVENUES****Last Ten Fiscal Years**

Year ended June 30, 2023	2023	2022	2021	2020	2019	2018
<b>Local Sources:</b>						
Property taxes	\$ 48,603,805	46,536,222	45,892,651	42,996,541	42,227,566	38,631,314
Utility replacement	845,522	840,815	875,278	966,024	937,517	943,630
Property tax in lieu of	487,039	1,391,945	1,348,873	1,346,497	1,350,679	1,315,848
Tuition	6,773,240	6,648,028	5,923,253	5,960,037	5,193,083	4,258,377
Other local sources	1,448,370	1,866,829	1,220,754	2,046,677	2,119,003	2,215,786
Investment earnings	1,260,349	167,645	356,158	967,017	973,710	543,692
Student activities	1,052,783	923,436	470,410	638,036	944,635	863,137
<b>Total local sources</b>	<b>60,471,108</b>	<b>58,374,920</b>	<b>56,087,377</b>	<b>54,920,829</b>	<b>53,746,193</b>	<b>48,771,784</b>
<b>Intermediate Sources</b>	<b>116,043</b>	<b>111,644</b>	<b>118,134</b>	<b>102,828</b>	<b>102,103</b>	<b>95,576</b>
<b>State sources:</b>						
State foundation aid	38,024,472	35,685,187	35,223,836	34,193,211	33,295,431	32,085,616
Statewide Sales tax	9,567,874	8,448,742	7,092,979	7,313,864	6,684,467	6,442,320
Other state sources	11,800,259	12,738,108	12,407,170	11,750,863	11,477,471	11,073,796
<b>Total state sources</b>	<b>59,392,605</b>	<b>56,872,037</b>	<b>54,723,985</b>	<b>53,257,938</b>	<b>51,457,369</b>	<b>49,601,732</b>
<b>Federal sources</b>	<b>3,187,738</b>	<b>3,922,266</b>	<b>4,835,398</b>	<b>2,525,439</b>	<b>3,119,381</b>	<b>2,760,895</b>
<b>Total Revenues</b>	<b>\$ 123,167,494</b>	<b>119,280,867</b>	<b>115,764,894</b>	<b>110,807,034</b>	<b>108,425,046</b>	<b>101,229,987</b>

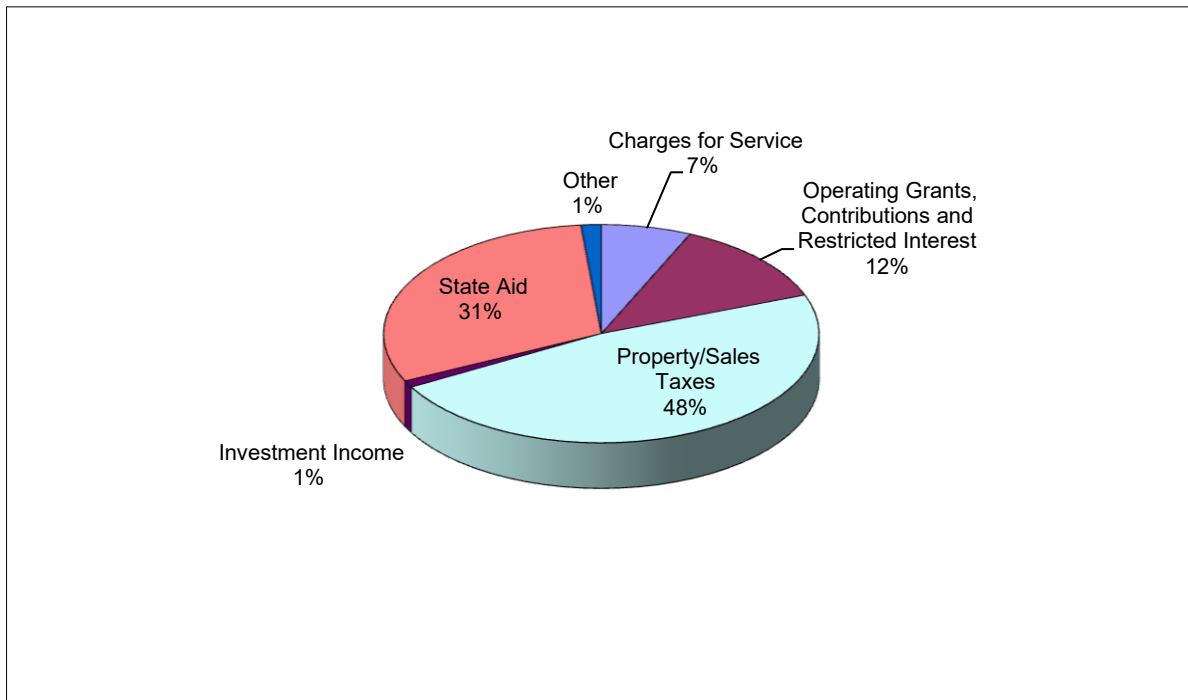
Source: 2023 Certified Annual Report



2017	2016	2015	2014
36,926,204	34,753,002	33,969,188	31,541,517
963,718	949,620	975,143	852,417
1,333,947	1,333,050	653,702	-
3,892,666	3,855,810	3,707,732	3,639,110
2,720,277	1,930,588	1,389,174	1,664,104
399,436	162,818	126,645	89,142
801,434	887,274	830,618	908,380
47,037,682	43,872,162	41,652,202	38,694,670
91,273	88,824	89,537	90,389
31,096,960	29,515,436	27,832,918	25,706,139
6,998,547	6,306,953	6,074,567	5,449,133
10,659,723	10,138,446	9,746,304	8,161,350
48,755,230	45,960,835	43,653,789	39,316,622
2,318,265	2,126,015	2,074,240	1,898,661
98,202,450	92,047,836	87,469,768	80,000,342

**GOVERNMENTAL REVENUES, BY SOURCE**  
**Last Ten Fiscal Years**

PROGRAM REVENUES			GENERAL REVENUES				TOTAL
Fiscal Year	Charges for Service	Operating Grants, Contributions and Restricted Interest	Property/Sales Taxes	Investment Income	State Aid	Other	
2022-23	\$ 8,295,651	15,584,981	59,017,201	1,260,349	38,024,472	1,858,603	124,041,257
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



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, 2023	2023	2022	2021	2020	2019	2018
Instruction:						
Regular instruction	\$ 39,984,326	39,081,620	38,451,615	39,347,512	38,750,238	36,823,617
Special instruction	15,682,713	15,091,873	14,019,362	14,267,261	12,983,952	11,282,922
Other instruction	9,922,334	9,326,164	8,789,258	8,931,755	9,259,212	8,532,447
Support services:						
Student services	2,412,159	2,315,151	2,256,896	2,375,097	2,313,690	2,274,671
Instructional staff services	4,398,413	3,459,411	3,364,008	3,325,919	3,244,276	3,380,314
Administration services	8,178,118	7,235,306	6,880,628	6,622,019	6,379,852	6,418,567
Plant operation and maintenance	9,151,252	8,426,431	9,006,083	8,148,471	8,005,666	6,789,467
Transportation services	5,635,927	4,357,649	4,101,181	4,701,845	4,610,013	4,380,262
Non-instructional programs:						
Food services	16,607	12,640	17,909	5,235	1,330	22,998
Community service and education	25,761	33,884	34,049	175,441	148,969	201,283
Capital outlay	1,820,825	1,520,096	1,303,098	5,928,821	10,503,462	20,328,773
Debt service:						
Principal	49,071,631	33,325,607	9,194,002	11,316,290	10,721,421	10,679,642
Interest	2,438,862	3,089,623	3,368,597	3,647,480	3,802,560	3,923,232
Services	-	-	-	-	104,401	80,332
Intergovernmental other expenditures	3,422,783	3,357,295	3,300,087	3,177,946	3,110,039	2,977,024
<b>Total expenditures</b>	<b>\$ 152,161,711</b>	<b>130,632,750</b>	<b>104,086,773</b>	<b>111,971,092</b>	<b>113,939,081</b>	<b>118,095,551</b>
Less: capital expenditures	1,711,327	1,326,357	1,234,215	5,184,555	9,611,668	18,592,046
<b>Non-capital expenditures</b>	<b>\$ 150,450,384</b>	<b>129,306,393</b>	<b>102,852,558</b>	<b>106,786,537</b>	<b>104,327,413</b>	<b>99,503,505</b>
<b>Debt service expenditures</b>	<b>\$ 51,510,493</b>	<b>36,415,230</b>	<b>12,562,599</b>	<b>14,963,770</b>	<b>14,523,981</b>	<b>14,602,874</b>
<b>Debt service as a percentage of non-capital expenditures</b>	<b>34.24%</b>	<b>28.16%</b>	<b>12.21%</b>	<b>14.01%</b>	<b>13.92%</b>	<b>14.68%</b>

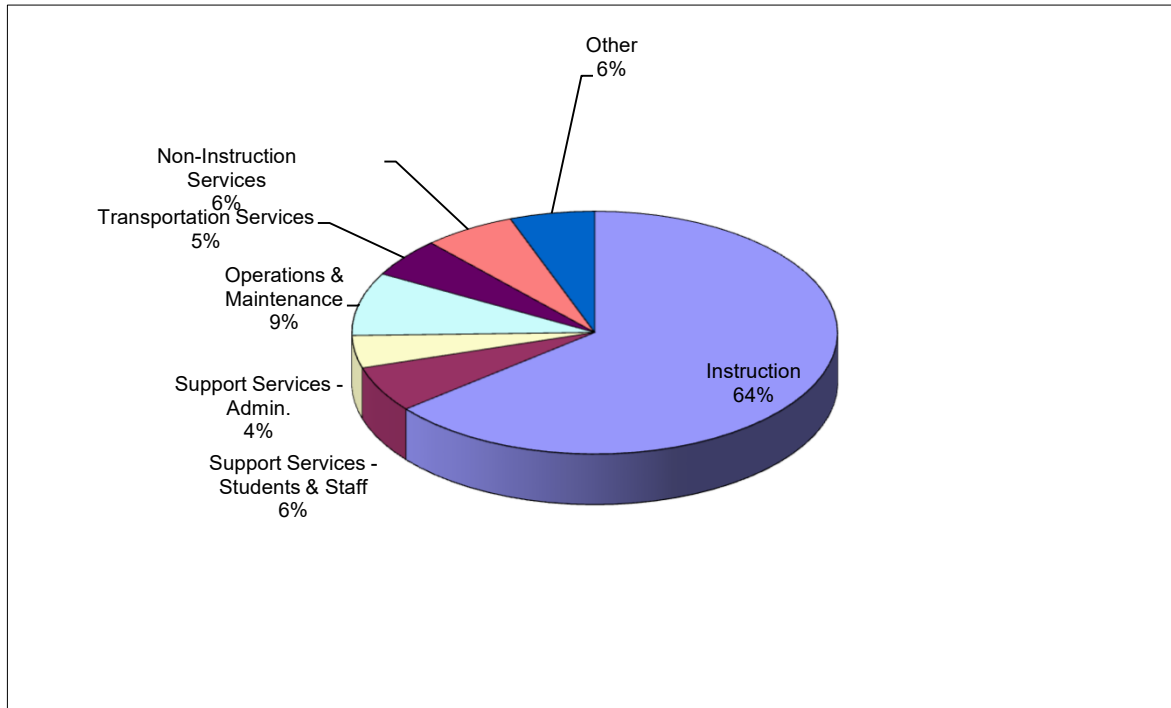
Source: 2023 Certified Annual Report

2017	2016	2015	2014
35,134,637	33,604,284	32,626,297	30,467,849
10,098,221	9,311,875	9,049,507	8,936,782
8,370,945	7,877,884	7,818,352	7,644,581
2,279,452	1,892,148	1,819,763	1,922,828
4,256,407	3,829,694	3,116,176	3,446,669
6,224,502	6,188,422	6,059,234	6,021,436
5,776,018	5,403,883	5,322,847	5,604,645
4,100,913	3,413,497	3,451,604	3,453,897
13,222	6,537	12,756	60,845
200,203	144,963	162,264	153,851
36,617,228	39,095,795	25,238,957	4,513,719
7,570,596	22,616,233	13,404,870	4,324,630
3,944,651	3,487,643	3,526,675	1,522,027
58,119	152,727	1,000	-
2,840,921	2,746,943	2,610,924	2,448,847
127,486,035	139,772,528	114,221,226	80,522,606
34,824,774	37,880,877	23,811,309	1,244,915
92,661,261	101,891,651	90,409,917	79,277,691
11,515,247	26,103,876	16,931,545	5,846,657
12.43%	25.62%	18.73%	7.37%

**GOVERNMENT-WIDE EXPENSES, BY FUNCTION**

**Last Ten Fiscal Years**

Fiscal Year	Support Services		Support	Operations & Maintenance	Transportation Services	Non-Instruction Services		Totals
	Instruction	- Students & Staff	Services - Admin.			Other		
2022-23	\$ 69,576,831	6,643,231	4,694,882	9,131,869	5,629,828	6,648,355	6,135,666	108,460,662
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



Source: District Audits



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

Year ended June 30, 2023	2023	2022	2021	2020
Excess (deficiency) of revenues over (under) expenditures	\$ (28,994,217)	(11,351,883)	11,678,121	(1,164,058)
Other financing sources (uses):				
Transfers in	39,812,224	9,166,092	9,285,043	8,657,035
Transfers out	(39,471,717)	(8,781,739)	(9,782,431)	(8,464,717)
Sale of bonds/Discounts/Premiums	29,339,317	-	-	-
Sale of property/equipment	1,410,128	8,970	7,181	7,739
Proceeds from capital lease/lease purchase	-	-	-	1,721,703
Proceeds from debt issued	-	-	-	-
<b>Net change in fund balances</b>	<b>\$ 2,095,735</b>	<b>(10,958,560)</b>	<b>11,187,914</b>	<b>757,702</b>

Source: District Audit



2019	2018	2017	2016	2015	2014
(5,514,035)	(16,865,564)	(29,283,585)	(47,724,692)	(26,751,458)	(522,264)
8,252,900	8,620,607	5,808,831	5,561,136	3,294,653	1,897,301
(8,022,010)	(8,396,005)	(5,590,729)	(5,350,592)	(3,124,769)	(1,832,301)
-	110,994	195,482	345,363	(1,925)	54,747,368
14,902	14,341	1,466,318	4,791	6,189	3,233
-	-	439,200	723,692	-	-
8,709,000	8,235,000	9,320,000	55,300,000	-	-
3,440,757	(8,280,627)	(17,644,483)	8,859,698	(26,577,310)	54,293,337

**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
2022-23	\$ 92,234,785	-1.6%	92,841,732	5.2%	6,984.8	0.0%	4,458,372,855	-3.6%	11.13525	-11.2%
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%

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
2022-23	\$ 4,858,851,900		3,235,711	104,709,571	4,966,797,182	3,078,278,484	17.75238
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**

Levy Year	Collection Year	Overlapping Rates					District Direct Rates				Ratio of Johnston CSD to Total	
		Polk County	State	Area XI Community College	City	Special	Johnston General Purpose	Johnston Capital Purpose	Johnston Debt Service	Johnston Community School District		
City of Des Moines												
2021	2022-23	\$ 10.55691	0.00240	0.69448	16.61000	-	12.23591	1.67000	3.84561	17.75152	45.61531	0.38916
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
1991	1992-93	9.89515	0.00500	0.50664	16.17685	0.60419				15.41709	42.60492	0.36186
City of Grimes												
2021	2022-23	\$ 10.17707	0.00240	0.69448	11.18908		12.23591	1.67000	3.84561	17.75152	39.81455	0.44586
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
1991	1992-93	9.53630	0.00500	0.50664	11.47068	-				15.41709	36.93571	0.41740
City of Johnston												
2021	2022-23	\$ 10.23646	0.00240	0.69448	10.67513		12.23591	1.67000	3.84561	17.75152	39.35999	0.45100
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
2012	2013-14	10.73715	0.00330	0.69120	11.15007	-	13.76563	1.67000	1.91881	17.35444	39.93616	0.43455
1991	1992-93	9.53630	0.00500	0.50664	9.24340	-				15.41709	34.70843	0.44419
City of Urbandale												
2021	2022-23	\$ 10.26334	0.00240	0.69448	10.01000	-	12.23591	1.67000	3.84561	17.75152	38.72174	0.45844
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
2013	2014-15	11.20160	0.00330	0.65724	9.72000	0.05699	13.76563	1.67000	1.91881	17.35444	38.99357	0.44506
2012	2013-14	10.78915	0.00330	0.69120	9.57000	0.06911	13.76563	1.67000	1.91881	17.35444	38.47720	0.45103
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	2023			2014		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Deere Credit Services	\$ 57,096,973	1	1.85%	\$ 49,514,000	2	2.47%
Mid-American Inv. Co.	\$ 48,776,055	2		12,934,250	7	0.65%
Pioneer Hi-Bred Co	48,380,944	3	1.57%	77,745,235	1	3.88%
Pioneer Hi-Bred International Inc	30,423,190	4				
Cole OFC Johnston IA LLC	27,756,976	5	0.90%	27,759,285	3	1.39%
Pioneer Hi-Bred Corn Co	26,933,917	6	0.87%			
Bricktowne Johnston LC	26,395,998	7	0.86%			
ARCP OFC Johnston IA Phase II LLC	25,866,975	8	0.84%			
Edward Rose Millennial Development LLC	22,187,941	9	0.72%			
Deere & Company	20,398,631	10	0.66%			
Mansions at Hemingway LLC				10,776,680	10	0.54%
MFR Partners III				20,088,307	4	1.00%
Centro GA Haymarket Square LLC				18,656,100	5	0.93%
Gabus Family Trust				13,765,000	6	0.69%
Wal-Mart				12,030,316	8	0.60%
Village Court				11,043,241	9	0.55%
<b>Total</b>	<b>\$ 334,217,600</b>		<b>8.28%</b>	<b>\$ 254,312,414</b>		<b>12.70%</b>
Total taxable value	\$ 3,078,278,484			\$2,001,735,565		

Source: Polk County Auditor

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

Employer	2023			2014		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Corteva Agriscience	2,255	1	*	2,910	1	*
Johnston Community Schools	1,034	2	*	879	4	*
John Deere Credit	910	3	*	910	3	*
Childserve	825	4	*	946	2	*
Iowa National Guard	704	5	*	700	5	*
Goodwill of Central Iowa	375	6	*			*
Heartland Area Education Agency	250	7	*	325	6	*
Bishop Drumm Care Center	245	8	*	245	7	*
Children's Habilitation Center	175	9	*	175	8	*
Iowa Public Television	127	10	*	100	9	*
ITS Inc.				139	10	
<b>Total</b>	<b>6,900</b>			<b>7,329</b>		

\*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
2023	\$ 49,508,077	\$ 49,436,520	99.86%	-	49,436,520	99.86%
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
2022-23	\$ 11.13525	1.10066	0.33000	1.34000	3.84561	17.75152
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	17.75152	2,003	48	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
2023	17,278	\$ 4,966,797,182	248,339,859	-	0.00%	-
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	
2023	\$ -	35,349,408	-	-	35,349,408
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

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	100% Assessed Valuation *	Percent of Actual Taxable Value of Property	Population***	Per Capita	Personal Income****	Percentage of Personal Income
\$	4,966,797,182	0.71%	17,278	2,046	N/A	NA
\$	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**

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Legal Debt Margin Calculation for Fiscal Year 2023	\$ 4,966,797,182
Debt limit (5% of assessed value)	248,339,859
Debt applicable to limit	<u>-</u>
Legal debt margin	<u>35,349,408</u>
	<u>\$ 212,990,451</u>

Year ended June 30,	2023	2022	2021	2020
Debt limit	248,339,859	231,247,491	225,658,418	207,015,303
Total net debt applicable to limit	<u>35,349,408</u>	<u>56,485,767</u>	<u>89,957,589</u>	<u>98,094,222</u>
Legal debt margin	<u>212,990,451</u>	<u>174,761,724</u>	<u>135,700,829</u>	<u>108,921,081</u>
Total net debt applicable to the limit as a percentage of debt limit	14%	24%	40%	47%

Source: Polk County Auditor and District Records

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2019	2018	2017	2016	2015	2014
203,031,322	183,555,925	177,313,286	164,447,538	158,938,914	156,702,644
107,499,000	111,395,633	113,629,844	111,566,068	78,556,054	92,287,537
95,532,322	72,160,292	63,683,442	52,881,470	80,382,860	64,415,107
53%	61%	64%	68%	49%	59%

**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:

<b>Legal Debt Margin Calculation for Fiscal Year 2023</b>	
Actual assessed value	\$ 4,966,797,182
	0.05
Debt Limit:	<u>\$ 248,339,859</u>

Total Direct Debt = \$ 35,349,408 or 14.2% of debt limit.

\*Includes TIF valuation of

**OVERLAPPING AND UNDERLYING DEBT**

	Outstanding	Total Taxable	Valuation	Percent	Amount
Polk County	190,439,207	32,813,163,903	3,137,775,318	9.56%	\$ 18,210,845
DMACC	90,855,000	62,389,305,642	3,137,775,318	5.03%	\$ 4,569,414
Des Moines Area Regional Transit	3,813,853	24,063,578,486	3,137,775,318	13.04%	\$ 497,308
Heartland AEA 11	-	62,389,305,642	3,137,775,318	5.03%	\$ -
Urbandale San Sewer Dist	5,490,000	3,752,495,029	540,943,315	14.42%	\$ 791,414
City of Des Moines	527,780,000	10,008,643,928	183,827,672	1.84%	\$ 9,693,678
City of Grimes	70,015,000	1,376,449,708	292,266,104	21.23%	\$ 14,866,516
City of Johnston	133,511,000	1,948,455,783	1,948,455,783	100.00%	\$ 133,511,000
City of Urbandale	71,585,000	4,005,694,975	546,642,787	13.65%	\$ 9,768,947
<b>Subtotal, overlapping debt</b>	<u>1,093,489,060</u>				<u>191,909,123</u>
District direct debt:					
General obligation	-				-
Capital loan notes					
Sales tax revenue	35,349,408				35,349,408
<b>Total direct debt</b>	<u>35,349,408</u>				<u>35,349,408</u>
<b>Total direct and overlapping debt</b>	<u>\$ 1,128,838,468</u>				<u>\$ 227,258,531</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**

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Year Ended June 30, 2022	Bonds Issued	Local Option Sales Tax Revenue Bonds				Coverage
		Revenue	Debt Service		Total	
			Principal	Interest		
2023	\$ 35,349,408	9,567,874	3,620,000	1,632,355	\$ 5,252,355	1.8216351
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	*	*	*	*	*
1998	NA	NA	NA	NA	NA	

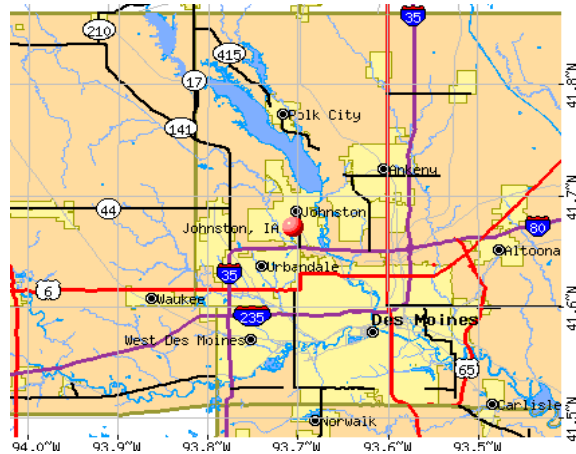
Source; District Records

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

## GENERAL INFORMATION

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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 *** - %
2023	17,278	N/A	N/A	N/A	4.5
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
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
2022	\$	226.7	4,641.1	10,474.4	46,698.5
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		87.4	3,789.7	6,052.8	28,446.6

NA - Information not available.

Source: Iowa Department of Revenue & Finance

**BANK DEPOSITS**

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Institution	June 30, 2023 Deposits inside Market
Community State Bank	\$433,239,000
Wells Fargo Bank	164,332,000
Charter Bank	92,372,000
Grinnell State Bank	89,626,000
Bank Iowa	41,003,000
BMO Harris Bank National Association	30,339,000
Liberty National Bank	16,021,000
ITS Bank	500,000
	<u>\$867,432,000</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
2022	97	47	101	245
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
<b>Total</b>	<b>915</b>	<b>261</b>	<b>1,256</b>	<b>2,432</b>

Source: City of Johnston Planning Department

**DISTRICT STAFFING LEVELS -- General Fund (FTE)**  
**Last Ten Fiscal Years**

	For Fiscal Year ended June 30, 2023									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Administration:</b>										
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	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	4.0	5.5	8.0	8.0	9.0
Other Admin.	16.6	16.0	14.6	14.6	13.6	13.6	12.2	9.0	9.0	9.0
<b>Total Administration</b>	<b>30.6</b>	<b>30.0</b>	<b>28.6</b>	<b>28.6</b>	<b>27.6</b>	<b>27.6</b>	<b>27.7</b>	<b>27.0</b>	<b>27.0</b>	<b>28.0</b>
<b>Supervisors/ Coordinators/Managers</b>	<b>2.5</b>	<b>4.0</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>	<b>1.5</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>
<b>Instruction:</b>										
Teachers	485.1	473.2	466.4	462.9	454.0	445.9	435.2	429.8	429.4	425.0
Counselors, Deans	13.5	19.5	19.5	20.0	20.0	20.0	15.0	10.0	13.0	10.5
Media Spec.	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	8.0	8.0
Other Instructors	-	-	-	-	-	-	-	-	2.0	3.0
<b>Total Instruction</b>	<b>505.6</b>	<b>499.7</b>	<b>492.9</b>	<b>489.9</b>	<b>481.0</b>	<b>472.9</b>	<b>457.2</b>	<b>446.8</b>	<b>452.4</b>	<b>446.5</b>
<b>Professional/Other</b>										
Nurses	10.3	8.9	8.0	8.0	8.0	8.5	8.5	8.5	8.0	8.0
Other Professional Staff	9.6	9.6	8.0	7.6	7.6	7.0	8.6	8.2	5.6	5.7
<b>Total Professional/Other</b>	<b>19.9</b>	<b>18.5</b>	<b>16.0</b>	<b>15.6</b>	<b>15.6</b>	<b>15.5</b>	<b>17.1</b>	<b>16.7</b>	<b>13.6</b>	<b>13.7</b>
<b>Instructional Support Personnel:</b>	<b>261.2</b>	<b>255.2</b>	<b>220.1</b>	<b>217.9</b>	<b>202.1</b>	<b>169.6</b>	<b>156.3</b>	<b>150.0</b>	<b>133.7</b>	<b>125.6</b>
<b>Support Personnel:</b>										
Office/Clerical	28.0	30.6	27.6	27.0	27.0	28.0	27.0	30.0	29.8	29.0
Transportation	14.3	13.6	13.3	16.5	12.8	14.0	12.3	54.0	49.6	51.2
Op. & Maintenance	66.9	51.7	53.1	53.8	52.4	46.8	43.8	45.5	42.6	40.6
Service Personnel	8.5	9.0	9.0	7.0	7.0	6.0	6.0	6.0	5.0	5.0
<b>Total Support Personnel</b>	<b>117.7</b>	<b>104.9</b>	<b>103.0</b>	<b>104.3</b>	<b>99.2</b>	<b>94.8</b>	<b>89.1</b>	<b>135.5</b>	<b>126.9</b>	<b>125.8</b>
<b>Grand Totals</b>	<b>937.5</b>	<b>912.3</b>	<b>862.7</b>	<b>858.4</b>	<b>827.6</b>	<b>782.5</b>	<b>748.9</b>	<b>779.0</b>	<b>756.6</b>	<b>742.6</b>
Certified Enrollment	6,984.8	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
Employees/Student	7.5	7.7	8.1	8.3	8.5	9.0	9.2	8.7	8.7	8.6
Pupil/Teacher	13.8	14.0	14.2	14.5	14.7	15.0	15.1	15.1	14.6	14.4

Source: District Data

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

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Fiscal Year	Total Costs	Daily Average Membership	General Fund Operating Expenses Per Pupil	Free or Reduced Percentage
2022-23	\$ 92,841,732	7,180	\$ 12,931	26.30%
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%
1992-93	10,156,729	2,562	3,964	

Source: 2023 Certified Annual Report/Student Reporting in Iowa



**GENERAL ANALYSIS OF FACILITIES**  
**Last Ten Fiscal Years**

	2023	2022	2021	2020	2019	2018
<b>Elementary Schools:</b>						
Lawson K-5 (1958, 1960, 1967, 1998, 2012)						
Square Feet	82,532	82,532	82,532	82,532	82,532	82,532
Number of classrooms	47	47	47	47	47	47
Enrollment	594	594	594	628	591	576
Wallace PK-5 (1987, 1989)						
Square Feet						66,064
Number of classrooms						44
Enrollment						595
Wallace PK-5 (1984, 1990, 2007, 2018-Previous JMS)						
Square Feet	164,722	164,722	164,722	164,722	164,722	
Number of classrooms	44	44	44	44	44	
Enrollment	980	980	980	910	868	
Beaver Creek K-5 (1997, 2001)						
Square Feet	96,125	96,125	96,125	96,125	96,125	96,125
Number of classrooms	45	45	45	45	45	45
Enrollment	587	587	587	601	620	661
Horizon K-5 (2001)						
Square Feet	100,506	100,506	100,506	100,506	100,506	100,506
Number of classrooms	44	44	44	44	44	44
Enrollment	641	641	641	641	671	662
Timber Ridge K-5 (2007, 2013)						
Square Feet	122,181	122,181	122,181	122,181	122,181	122,181
Number of classrooms	48	48	48	48	48	48
Enrollment	643	643	643	643	660	735
<b>Middle Schools:</b>						
Summit Middle School 6-7 (2004, 2007, 2012)						
Square Feet	191,680	191,680	191,680	191,680	191,680	191,680
Number of classrooms	75	75	75	75	75	75
Enrollment	1,139	1,139	1,139	1,139	1,103	1,122
Johnston Middle School (1984,1990,2007)						
Square Feet						
Number of classrooms						
Enrollment						
Johnston Middle School (1972,1977,1994,2008, 2017-Previous JHS)						
Square Feet	263,829	263,829	263,829	263,829	263,829	263,829
Number of classrooms	88	88	88	88	88	88
Enrollment	1,137	1,137	1,137	1,159	1,166	1,146
<b>High School:</b>						
Johnston High School (1972, 1977, 1994, 2008)						
Square Feet						
Number of classrooms						
Enrollment						
<b>High School:</b>						
Johnston High School (2017)						
Square Feet	369,000	369,000	369,000	369,000	369,000	369,000
Number of classrooms	88	88	88	88	88	88
Enrollment	1,778	1,778	1,778	1,725	1,679	1,623
<b>Other facilities:</b>						
Administrative Resource Center ( Previous DO-unoccupied) -Sold 2023						
Square Feet		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	36,305		
Square Feet-Unrenovated/Unoccupied	29,759	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
Wallace Annex (1987)						
Square Feet	5,405	5,405	5,405	5,405	5,405	5,405
Number of classrooms	3	3	3	3	3	3
Warehouse (2000) and BG (2010) - Sold 2023						
Square Feet		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.



2017	2016	2015	2014
82,532	82,532	82,532	82,532
47	47	47	47
581	576	574	692
66,064	66,064	66,064	66,064
44	44	44	44
544	509	550	567
96,125	96,125	96,125	96,125
45	45	45	45
649	641	695	723
100,506	100,506	100,506	100,506
44	44	44	44
641	657	665	701
122,181	122,181	122,181	122,181
48	48	48	48
718	705	707	537
191,680	191,680	191,680	191,680
75	75	75	75
1,112	1,095	1,052	1,026
176,366	176,366	176,366	176,366
68	68	68	68
1,078	1,050	1,042	1,026
263,829	263,829	263,829	263,829
88	88	88	88
1,590	1,569	1,557	1,450
16,509	16,509	16,509	16,509
17,040	17,040	17,040	17,040
5,405	5,405	5,405	5,405
3	3	3	3
7,935	7,935	7,935	7,935

**SCHEDULE OF INSURANCE COVERAGE****June 30, 2023**

Company	Type of Policy	Period	
		From	To
Employers Mutual Companies	Business Protection - property coverage	7/1/2022	6/30/2023
Employers Mutual Companies	Business Protection - General Comprehensive Liability	7/1/2022	6/30/2023
Employers Mutual Companies	Business Protection - Automobile	7/1/2022	6/30/2023
Employers Mutual Companies	Business Protection- Crime Coverage	7/1/2022	6/30/2023
Employers Mutual Companies	Workers' Compensation	7/1/2022	6/30/2023
Employers Mutual Companies	Umbrella Liability	7/1/2022	6/30/2023
Employers Mutual Companies	Linebacker Policy - Errors and Omission Coverage	7/1/2022	6/30/2023
Employers Mutual Companies	Pollution Liability	7/1/2022	6/30/2023
Employers Mutual Companies	Excess Liability	7/1/2022	6/30/2023
Employers Mutual Companies	Flood	7/1/2022	6/30/2023
Employers Mutual Companies	Cyber Liability	7/1/2022	6/30/2023

Source: District Records

Note: The dollar amount for self insured reflects the amount paid during fiscal year 2023.

Liability Limits	Annual Premium
Building and property replacement; blanket boiler and vessels - business interruption and extra expense, earthquake	\$ 632,696
\$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	62,191
\$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	30,628
Employee Theft per employee \$1,000,000; forgery or alterations \$100,000; Computer Fraud \$1,000,000; Funds Transfer fraud \$1,000,000	6,529
Self Insured-\$350,000 retention per occurrence, \$500,000 employer's liability maximum limit of indemnity per occurrence	121,269
\$12,000,000 each occurrence and aggregate/\$10,000 retained limit	26,331
\$2,000,000 Linebacker each loss & agg/additional insureds/ \$5,000 deductible	19,140
\$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	23,149
\$2,000,000 each loss and aggregate/\$25,000 retention each loss	31,500
Total Premium	<u>\$ 971,563</u>



**Johnston Community School District**  
**Schedule of Expenditures of Federal Awards**  
**Year ended June 30, 2023**

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 23	\$ 284,841
National School Lunch Program	10.555	FY 23	2,165,314
Summer Food Service Program for Children	10.559	FY 23	9,769
			<u>2,459,924</u>
Child Nutrition Discretionary Grants Limited Availability	10.579	FY 23	<u>7,802</u>
Cooperative Forestry Assistance (Keepers of the Land Planting Grant)	10.664	FY 23	<u>10,000</u>
U.S. Environmental Protection Agency			
Iowa Department of Education:			
Environmental Education Local Grants Program	66.951	FY 23	<u>1,563</u>
U.S. Department of Education:			
Iowa Department of Education:			
Title I Grants to Local Educational Agencies	84.010	FY 23	<u>742,666</u>
Title I Grants to Local Educational Agencies	84.010	FY22	<u>43,172</u>
Title I SINA	84.010	FY 23	<u>10,765</u>
Career and Technical Education - Basic Grants to States	84.048	FY 23	<u>59,250</u>
Title III - English Language Acquisition	84.365	FY 23	<u>12,393</u>
Supporting Effective Instruction State Grants	84.367	FY 23	<u>134,343</u>
Title IV - Student Support and Academic Enrichment	84.424	FY 23	<u>17,450</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	FY 23	143,267
American Rescue PlanElementary and Secondary Emergency Relief (ARP ESSER III) (Teacher and Paraeducator Apprenticeship program)	84.425U	FY 23	439,193
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER III - Learning Loss)	84.425U	FY 23	7,227
			<u>589,687</u>
Heartland Area Education Agency			
Special Education - Grants to States	84.027	FY 23	<u>324,171</u>
Total			<u>\$ 4,413,186</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, 2023**

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**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, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of 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 \$382,852 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.

**Note 5. Pass-through Funding**

Of the federal expenditures presented in the Schedule, the District provided federal awards to subrecipients as follows:

Program Title	Assistance Listing Number	Amount Provided to Subrecipients
American Rescue PlanElementary and Secondary Emergency Relief (ARP ESSER III) (Teacher and Paraeducator Apprenticeship program)	84.425U	155,552



705 Main Street  
Pella, IA 50219  
Ph.: 641-628-3737  
Fax: 641-628-3757

[www.vanmaanencpa.com](http://www.vanmaanencpa.com)

**Van Maanen, Sietstra, Meyer & Nikkel, PC**  
**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 auditing standards generally accepted in the United State of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the Johnston Community School District, as of and for the year ended June 30, 2023, and the related Notes to Financial Statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 18, 2024.

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 that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that 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, 2023 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the District. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Johnston School District's Responses to Findings

Government Auditing Standards require 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

March 18, 2024





705 Main Street  
Pella, IA 50219  
Ph.: 641-628-3737  
Fax: 641-628-3757

[www.vanmaanencpa.com](http://www.vanmaanencpa.com)

**Van Maanen, Sietstra, Meyer & Nikkel, PC**  
**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, 2023. Johnston Community School District's major federal programs are identified in Part I of the accompanying Schedule of Findings and Questioned Costs.

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

Basis for Opinion on Each Major Federal Program

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

March 18, 2024

**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
- (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.

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

- 2023-A      Certified Budget – Expenditures for the year ended June 30, 2023 exceeded the certified budget amounts in the noninstructional programs function. In addition, the District adopted a budget amendment after the May 31 deadline.
- 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. Also, the budget amendment should have been adopted prior to the required deadline.
- Response- Future budgets will be amended in sufficient amounts to ensure the certified budget is not exceeded and filed timely.
- Conclusion- Response accepted.
- 2023-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.
- 2023-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.
- 2023-D      Business Transactions - No business transactions were noted between the District and District officials or employees.
- 2023-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.
- 2023-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.
- 2023-G      Board Minutes - No transactions were noted requiring Board approval which had not been approved by the Board.
- 2023-H      Certified Enrollment – Variances in the basic enrollment data certified to the Iowa Department of Education were noted.
- Recommendation – The certified enrollment data should be corrected.
- Response – The Iowa Department of Education and the Iowa Department of Management will be notified of the error.
- Conclusion – Response accepted.
- 2023-I      Supplementary Weighting – Variances regarding the supplementary weighting certified to the Iowa Department of Education were noted.
- Recommendation – The supplementary weighting data should be corrected.
- Response – The Iowa Department of Education and the Iowa Department of Management will be notified of the error.
- Conclusion – Response accepted

**Johnston Community School District  
Schedule of Findings and Questioned Costs  
Year ended June 30, 2023**

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- 2023-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.
- 2023-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.
- 2023-L      Categorical Funding – No instances were noted of categorical funding used to supplant rather than supplement other funds.
- 2023-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, 2023, 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		\$	7,751,997
Revenues/transfers in:			
Sales tax revenues	\$	9,567,874	
Other local revenues		178,025	
Proceeds from debt issued		29,339,317	<u>39,085,216</u>
Expenditures/transfers out:			
School infrastructure construction		257,339	
Regular instruction		122,344	
Instructional staff services		699,584	
Administration		108,449	
Plant and operation maintenance		66,827	
Debt service		242,326	
Transfers to other funds:			
Debt service funds		<u>35,869,305</u>	<u>37,366,174</u>
Ending balance			<u>\$ 9,471,039</u>

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

- 2023-N      Deficit Balances – The Community Education Fund and the Community Preschool Fund had deficit balances at June 30, 2023.

**Johnston Community School District  
Schedule of Findings and Questioned Costs  
Year ended June 30, 2023**

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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 \$152,000) 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 \$91,000) 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.