

COLLEGE COMMUNITY SCHOOL DISTRICT

**INDEPENDENT AUDITORS' REPORTS
BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

JUNE 30, 2020



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**COLLEGE COMMUNITY SCHOOL DISTRICT
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**COLLEGE COMMUNITY SCHOOL DISTRICT
OFFICIALS
JUNE 30, 2020**

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
<u>Board of Education</u>		
Randy Bauer	President	2023
Greg Kelsey	Board Member	2023
Jed Peterson	Board Member	2021
Todd Hahlen	Board Member	2021
Angela Ehle	Board Member	2023
Dawn Kousheh	Board Member	2023
Jim Hodina	Board Member	2021
<u>School Officials</u>		
Douglas Wheeler	Superintendent	Indefinite
Angie Morrison	District Secretary-Chief Financial Officer	Indefinite



INDEPENDENT AUDITORS' REPORT

Board of Education
College Community School District
Cedar Rapids, Iowa

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the College Community School District (the District), Cedar Rapids, Iowa, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the College Community School District as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary Information

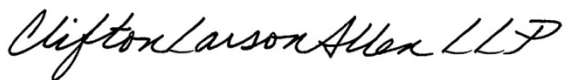
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College Community School District's basic financial statements. The supplementary information included in Schedules 1-9, as required by the state of Iowa, including the Schedule of Expenditures of Federal Awards required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements Cost Principles, and Audit Requirements for Federal Awards* is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information, as listed in the table of contents, 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the College Community School District's financial statements for the nine years ended June 30, 2019, which are not presented with the accompanying financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. Those audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the College Community School District's basic financial statements as a whole. The supplementary information included in Schedule 8 for the nine years ending June 30, 2019, 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 for those nine years ending June 30, 2019. Such information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the nine years ending June 30, 2019 presented in schedule 8 is fairly stated, in all material respects, in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 4, 2021 on our consideration of College 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 College Community School District's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering College Community School District's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Cedar Rapids, Iowa
January 4, 2021

Management's Discussion and Analysis

This section of the College Community School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2020. The analysis focuses on the District's financial performance as a whole. Please read it in conjunction with the District's financial statements, which immediately follow this section.

Efforts have been made to provide comparison to prior year data when such data is available. Comparison to prior year data will be provided for all key financial information.

Financial Highlights

- The State of Iowa allowed a 2.06% growth (State Supplemental Aid) for the 2019-20 school year. This followed the 1% State Supplemental Aid growth in 2018-19. District Certified enrollment decreased from 5162.7 in October 2017 to 5139.6 in October of 2018. These increased dollars were made up of a combination of State aid and local taxes. This increase represents a continued modest increase in funding representative of recent funding growth from the State. The District did see an increase in enrollment to 5194.1 in October of 2019 which will increase funding for the 2020-21 school year.
- The District spent over \$15 million on construction & remodeling projects during the year. Projects included continued work on the High School renovation project, Prairie View Elementary renovation and the construction of a new Early Childhood Center. Construction projects will continue in 2020-21 as the District continues to renovate older buildings. The District purchased over half a million in computer hardware & related software during the year. These purchases were funded with PPEL and statewide sales tax dollars and are becoming a prevalent ongoing cost related to the Districts operations.
- Voters approved a \$54 million dollar bond issue on March 3, 2020. The projects include a new 5/6 building as well as a remodel of the current Prairie Creek Intermediate for 9th graders and Prairie Delta to attend once complete. The District sold GO bonds during the year in the amount of \$56,030,000. This was a combination of refunding bonds along with new funds to be used on the 5/6 Building.
- The District also sold a \$11,780,00 Sales and Service Tax bond. This was a combination of refunding and for the purchase of approximately 155 Acres on the north side of 76th Ave. This land will be used for an Agricultural classroom as well as provide the district ample space for further growth. Total General & SAVE obligation bond principal totaled \$126.33 million as of June 30, 2020.
- The General Fund balance (total equity) increased from \$10,042,447 on June 30, 2019 to \$10,926,398 on June 30, 2020. This equates to a 17.03% solvency ratio which is up from a 14.94% ratio one year ago. Solvency ratios between 5-15% are considered "good" or "excellent" according to the Iowa School Board Association. The District's net cash position was \$8.14 million in the General Fund on June 30th.
- Interest rates remained relatively low with public fund investment rates over the course of the year. These rates yielded \$285,911 in revenue across all funds.
- The District's continues to utilize cash reserve to the extent possible to assist with cash position. The District levied cash reserve dollars of \$5.27 million in 2017-18, and \$5.2 million in 2018-19, as well as \$3.5 million in 2019-20. There is a limit based on fund balance.
- In March of 2020, the global wide pandemic due to COVID-19 began. In person learning did not happen after spring break of 2020. While the District realized savings in some areas due to this closure, many other unusual expenditures will continue into FY21. Some of these include personal protective equipment, online learning platforms, internet hot spots, additional cleaning supplies and equipment as well as other things.

Overview of the Financial Statements

This annual report consists of three parts: required supplementary information, which includes Management's Discussion and Analysis (this section), budgetary comparison schedules and schedule of funding progress for the retiree health plan, the basic financial statements, and supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

The first two statements are District-wide financial statements that provide both short-term and long-term information about the District's overall financial status.

- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the District-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short and long-term financial information about the activities the District operates like businesses, such as food services.
- Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related 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 management's discussion and analysis highlights the structure and contents of each of the statements.

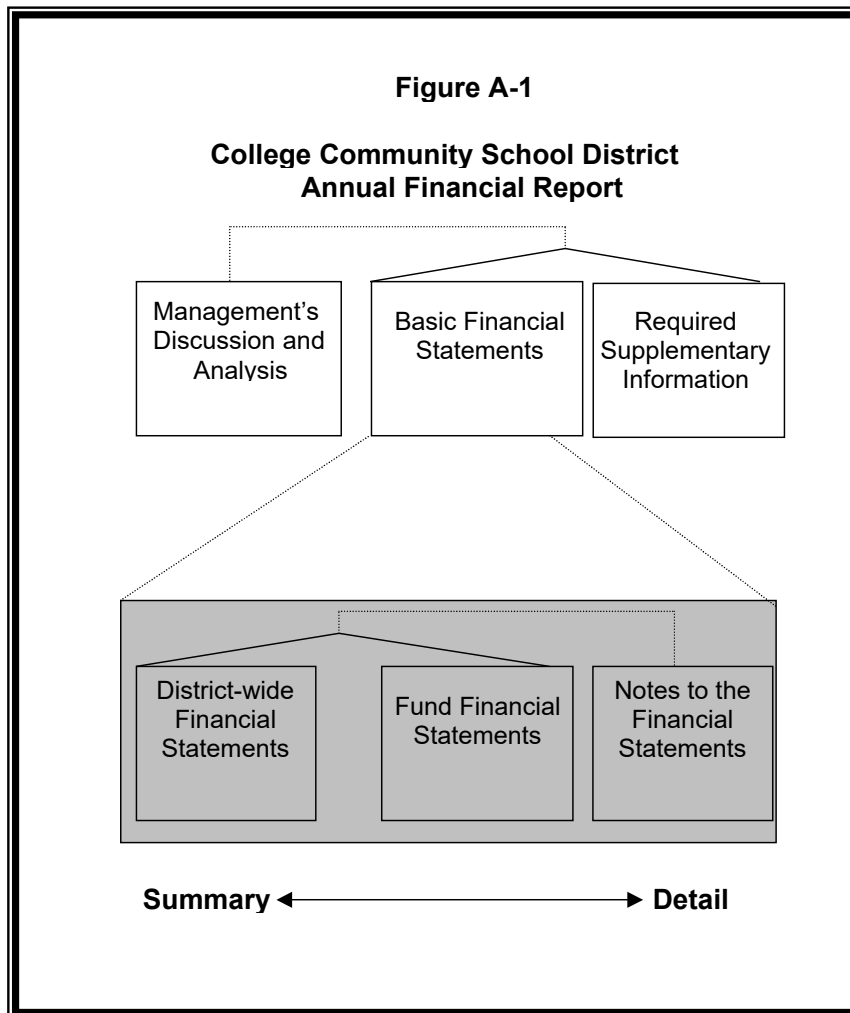


Figure A-2: Major Features of the District Wide and Fund Financial Statements				
	District-wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services is included here	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required financial statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenues, expenses and changes in net position • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during 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 and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

District-Wide Financial Statements

The District-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 and liabilities. 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 District-wide statements report the District's *net position* and how they have changed. Net position - the difference between the District's assets and deferred outflows and liabilities and deferred inflows - is 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 its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

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

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

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 repaying its long-term debts) or to show that it is properly using certain revenues (such as Federal grants).

The District has three kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial 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 funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. *Internal service funds* (the other kind of proprietary fund) are optional and available to report activities that provide supplies and services for other District programs and activities. At this time the District utilizes a print shop fund for this purpose.
- *Fiduciary funds*: The District is the trustee, or *fiduciary*, for assets that belong to others, such as a scholarship fund. The District accounts for outside donations to specific District schools for specific purposes in this fund. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

Financial Analysis of the District as a Whole

Net position: The District's net position is evidenced below in Figure A-3. Combined total net position has increased by 16.8%. This increase is due to increases in current assets as well as the large increase in capital assets due to construction and renovations. Liabilities increased as well. The District is required to report GASB No. 68 and GASB No. 75 liabilities which are within these numbers.

Figure A-3	Condensed Statement of Net Position (Expressed in Thousands)						
	Governmental Activities		Business-Type Activities		Total School District		Total Change
	2020	2019	2020	2019	2020	2019	2019-2020
Current and Other Assets	\$ 88,245	\$ 69,341	\$ 1,609	\$ 1,408	\$ 89,854	\$ 70,749	27.0%
Capital Assets	153,125	135,712	992	1,126	154,117	136,838	12.6%
Total Assets	<u>241,370</u>	<u>205,053</u>	<u>2,601</u>	<u>2,534</u>	<u>243,971</u>	<u>207,587</u>	17.5%
Deferred Outflows of Resources	\$ 9,670	\$ 11,196	\$ 404	\$ 510	\$ 10,074	\$ 11,706	-13.9%
Long-Term Obligations	178,902	152,218	1,651	1,809	180,553	154,027	17.2%
Other Liabilities	2,836	3,811	246	193	3,082	4,004	-23.0%
Total Liabilities	<u>181,738</u>	<u>156,029</u>	<u>1,897</u>	<u>2,002</u>	<u>183,635</u>	<u>158,031</u>	16.2%
Deferred Inflows of Resources	\$ 40,864	\$ 36,074	\$ 264	\$ 120	\$ 41,128	\$ 36,194	13.6%
Net Position							
Net Investment in Capital Assets	\$ 53,981	\$ 38,991	\$ 992	\$ 1,125	\$ 54,973	\$ 40,116	37.0%
Restricted	5,111	13,780	-	-	5,111	13,780	-62.9%
Unrestricted	(30,654)	(28,625)	(148)	(203)	(30,802)	(28,828)	6.8%
Total Net Position	<u>\$ 28,438</u>	<u>\$ 24,146</u>	<u>\$ 844</u>	<u>\$ 922</u>	<u>\$ 29,282</u>	<u>\$ 25,068</u>	16.8%

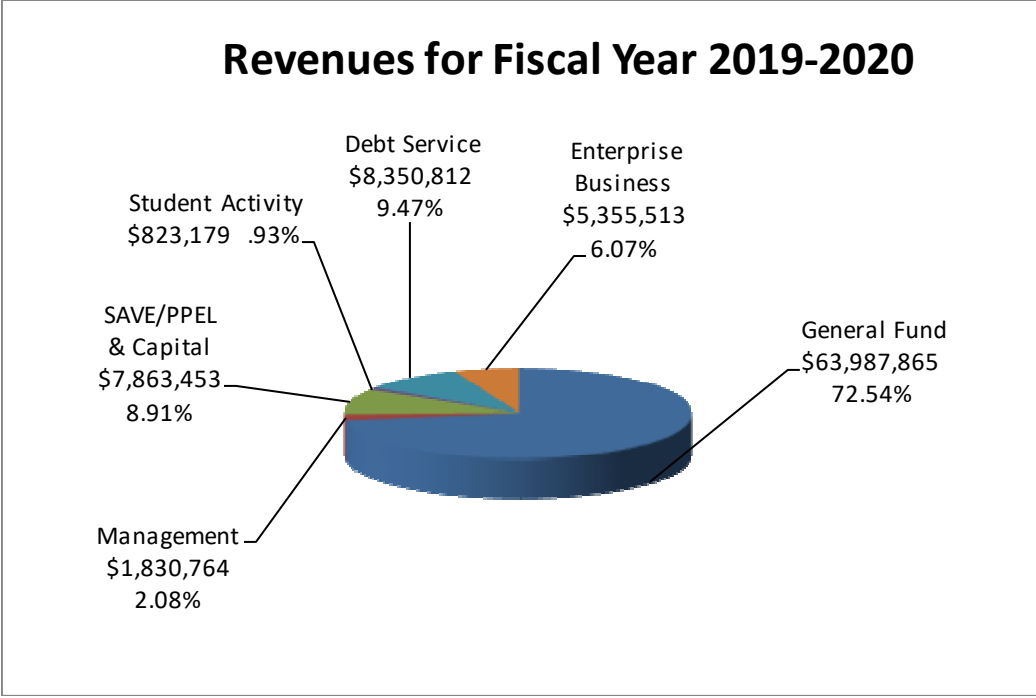
Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions-an Amendment of GASB Statement No. 27 was implemented during fiscal year 2015. In the past, pension expense was the amount of the employer contribution. Current reporting provides a more comprehensive measure of pension expense which is more reflective of the amounts employees earned during the year.

Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB), was implemented during fiscal year 2018. The beginning net position as of July 1, 2017 for governmental activities, as stated on chart A-4 below, were restated in 2017-18 to report the OPEB liability as of July 1, 2017. Fiscal year 2016-17 financial statement amounts for deferred inflows and outflows were not restated as the information was not available. Current reporting provides a more comprehensive measure of the OPEB liability.

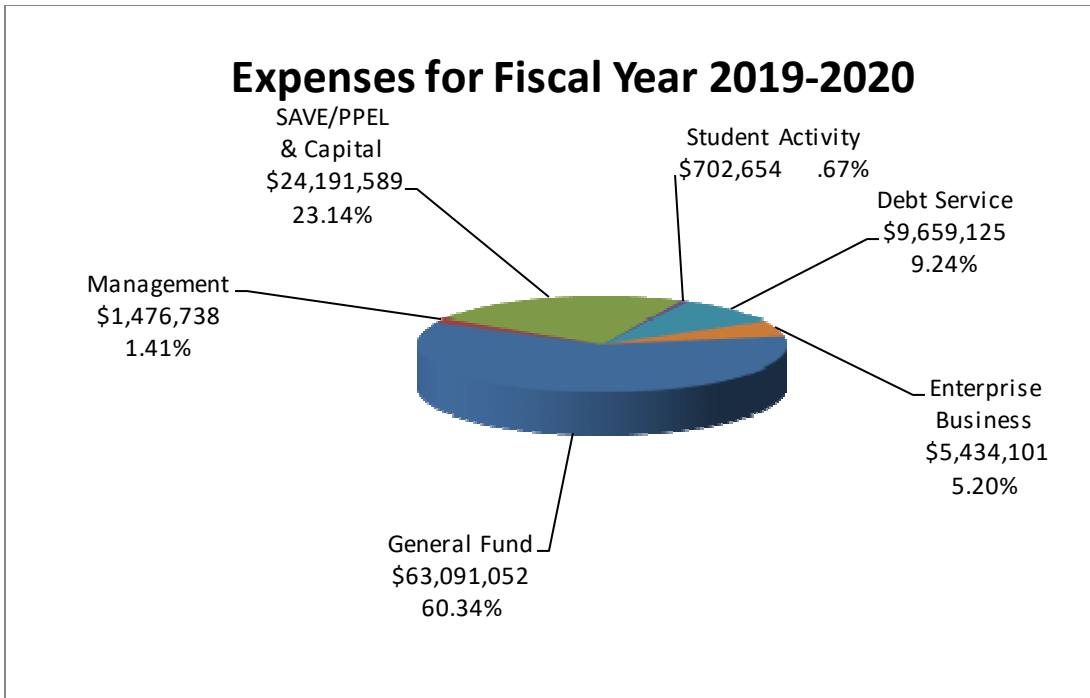
Figure A-4 below reflects totals from the 2019-2020 fiscal year ended June 30, 2020.

Figure A-4	Changes in Net Position (Expressed in Thousands)					
	Governmental Activities		Business-Type Activities		Total School District	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program Revenues						
Charges for Service and Sales	\$ 6,691	\$ 6,843	\$ 3,749	\$ 4,219	\$ 10,440	\$ 11,062
Operating Grants, Contributions, and Restricted Interest	9,400	9,521	1,606	1,315	11,006	10,836
Capital Grants, Contributions, and Restricted Interest	-	-	-	-	-	-
General Revenues						
Property Tax	42,602	41,400	-	-	42,602	41,400
Unrestricted State Grants	23,806	23,306	-	-	23,806	23,306
Unrestricted Investment Earnings	285	474	-	1	285	475
Transfers		(719)		719	-	-
Other	72	56	-	-	72	56
Total Revenues	<u>82,856</u>	<u>80,881</u>	<u>5,355</u>	<u>6,254</u>	<u>88,211</u>	<u>87,135</u>
Program Expenses:						
Governmental Activities						
Instruction	46,257	43,840	-	-	46,257	43,840
Support Services	22,484	21,725	39	40	22,523	21,765
Non-Instructional Activities	-	-	5,395	5,334	5,395	5,334
Other Expenses	9,823	7,640	-	-	9,823	7,640
Total Expenses	<u>78,564</u>	<u>73,205</u>	<u>5,434</u>	<u>5,374</u>	<u>83,998</u>	<u>78,579</u>
Change in Net Position	\$ 4,292	\$ 7,676	\$ (79)	\$ 880	\$ 4,213	\$ 8,556
Net Position Beginning of Year	<u>24,146</u>	<u>16,470</u>	<u>923</u>	<u>43</u>	<u>25,069</u>	<u>16,513</u>
Net Position End of Year	<u>\$ 28,438</u>	<u>\$ 24,146</u>	<u>\$ 844</u>	<u>\$ 923</u>	<u>\$ 29,282</u>	<u>\$ 25,069</u>

District's total revenues increased \$1.1 million from the previous year, while total expenditures increased \$5.4 million. Total net position increased \$4.42 million. This increase is attributed to the District's governmental activities. The District's governmental activity shows minimal increased costs for staff positions and expected increased revenues. Property tax collections continue to climb as the District was able to levy cash reserve for a consecutive fourth fiscal year. Cash reserve levy is the District's only means of recovering previous year expenses beyond those revenues provided by the State formula. Student enrollment, net open enrollment, and state supplemental aid have a significant role on revenues generated by the District. During the past 5 years, open enrollment and tuition generated revenue are as follows: fiscal year 2016 \$4.85 million, fiscal year 2017 \$5.27 million, fiscal year 2018 \$5.19 million; fiscal year 2019 \$5.21 million and fiscal year 2020 \$5.23. Business-type activities had a decrease in revenue due to the pandemic and a slight increase in expenditures. Resident enrollment, not including 4 year old preschool students, increased from 4,115 in September 2008 to 5,194 in October 2019. This calculates to an average of an additional 98 students per year.



The chart above illustrates total revenues for the 2019-20 school year. The General Fund accounts for the largest portion of revenues. The chart below illustrates total expenses which indicate the greatest portion of dollars were spent in the General Fund followed by Debt Service and Enterprise funds.



Governmental Activities

Governmental activities are primarily supported through the State aid formula and local property taxes. The overall property tax base (taxable valuation) has increased from \$1,539,300,282 in 2009 to \$2,232,911,707 in 2017. This 45% increase over the ten-year period averages to 5.69% per year. The increase from 2018 to 2019 was 4.72%.

The overall District tax rate was \$16.61 per thousand in the 2020 fiscal year, which was slightly less than the levy in the 2019 school year. The State Supplemental Aid increase was 2.06% which was greater than the previous year's 1%. The ability to levy dollars locally has become increasingly important due to low supplemental aid increases and the District's increased enrollment and special education deficit.

Figure A-5 presents the cost of four District activities: instruction, support services, non-instructional, and other expenses. The table shows each activity's *net cost*, (total costs less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers and State formula by each of these functions.

Figure A-5

Total and Net Cost of Governmental Activities
(Expressed in Thousands)

	Total Cost of Services	Net Cost of Services
Instruction	\$ 46,257	\$ 38,179
Support Services	22,484	16,858
Non-Instructional	-	-
Other Expenses	9,823	7,436
Totals	<u>\$ 78,564</u>	<u>\$ 62,473</u>

- The cost of all governmental activities this year was \$78.5 million compared to \$73.2 million a year ago. This increase is due to a slight increase in staffing as well as district projects.
- Most of the District's Governmental Activities costs were financed by District and State taxpayers. This portion of governmental activities was financed with \$42.6 million in Local Sources (including property taxes and fees) and \$40.3 million in State and Federal aid.

Business-Type Activities

Program revenues of the District's business-type activities were \$5.355 million, while expenses were \$5.434 million (Refer to Figure A-4). Although these activities are not in place to make a profit, they are organized and structured to operate at a revenue/expense neutral position. The end of year net position decreased slightly from a year ago. This is mostly due to the global pandemic and school closure from March 13 through the end of the fiscal year.

Financial Analysis of the District's Funds

Business-Type Fund Highlights

- The Nutrition and Daycare Fund balances both remain reduced due to the required GASB 68 (IPERS Liability) adjustment, however they are both increased substantially from the previous year. These adjustments resulted in a Nutrition fund balance of \$899,694 and a Daycare fund balance of (\$187,540). Cash position of the Nutrition fund is \$830,379 and Daycare is \$595,680. This represents an improvement in both funds and indicates that day-to-day costs are being paid for by collected fees for service.
- The Student Built House Fund balance did not increase as the house was not sold until the start of the FY2021 year.

Governmental Fund Highlights

- The District's General Fund balance increased this year as the District was able to levy cash reserve. Previous reports have explained the State statutory restrictions on levying cash. The District was able to once again levy cash in 2018-19 to offset lane advancement costs and recover deficit spending in ELL and the Special Education program from the previous year in the amount of \$5.21 million in 2018-19 and \$5.20 million in 2019-20. While the District saw an increase in enrollment in 2019-20 of 54 students and had projected this trend to continue, there was actually a decline of 105 students in the fall of 2020. It is anticipated that this is a one-year decline due to COVID-19 and that the district enrollment will rebound and continue the gradual increasing trend. The General Fund overall balance increased from \$10.04 to \$10.92 million during the fiscal year. This increase was partially due to the school closure and CARES funding that the District received. It is projected that the General Fund will either maintain or see a decrease in 2020-21. While revenues will be up from the previous year's increase in enrollment, many additional expenditures will be incurred due to COVID-19.
- The Management Fund balance remains strong and adequate with a closing balance of \$1.79 million. The District pays for its liability, property, fleet, workers compensation insurance, and early separation programs out of the Management Fund. The balance increased slightly from \$1.44 million at the conclusion of the previous year. The District continues to offer the early retirement program to certified staff in order to save costs in the General Fund. The number of staff that takes advantage of the incentive has an effect on the Management Fund as well.
- The Capital Project fund(s) (SAVE) balance decreased from \$9.98 million to \$2.5 million. This significant decrease is due to the continuation of the construction of the Early Childhood Center as well as beginning the renovation of Prairie Heights Elementary. The District renewed the Revenue Purpose Statement in November of 2019 so that future funds from SAVE may continue to be used for all of the uses mentioned previously, namely technology, infrastructure needs, vehicles and other uses allowed by law. The District maintains a projected budget for the SAVE fund which allows for the planning of capital projects for the next ten years.

- The Physical Plant and Equipment Levy (PPEL) Fund balance increased from \$1,132,594 to \$1,684,674. PPEL Fund dollars are utilized to purchase technology, pay leases and complete general maintenance projects. Funds are also utilized to replace old busses and vans in the District fleet. With its current assessed valuation, the District is able to generate approximately \$2.25 million annually in this fund. This is achieved with the current voter approved \$.67 levy per \$1,000 valuation and Board approved \$.33 per \$1,000. This is less than the maximum allowed voter approved levy of \$1.34 per \$1,000.
- The Other Governmental Funds balance (the Activity Fund) increased from \$655,455 to \$788,842 from the previous fiscal year. The primary activities in this fund include the athletic accounts and building level student activities other than athletics. The increase can mostly be attributed to the closure and activities not taking place after March.

General Fund Budgetary Highlights

Of all Governmental Funds, the General Fund is by far the largest, comprising 62% of all Governmental Fund expenses in the fiscal year. All other Governmental funds combined account for a little less than half of the General Fund expenditures in a typical year. That remained true in the 2019-20 fiscal year.

General Fund expenditures are updated monthly to monitor expenditures and reflect any changes in staffing and non-staffing costs. A comparison of General Fund budgeted to actual expenditures shows actual expenditures of \$63.06 million, which was less than the original budgeted line item amount of \$66.08 million approved in the certified budget in April 2019.

The General Funds “unassigned” fund balance at year-end was 17% of fund revenues, up from 14.94% a year ago. This is a positive sign affirming District Administration and Board efforts to control costs and increase balances. The Board of Education has supported action to ensure that District General Fund cash reserves are adequate utilizing local property taxes as necessary to fund the growth of the District. Another important aspect of the General fund balance is the actual “spending authority” that accompanies the cash reserve. At the time of this report, it’s estimated that the carry over authority is approximately \$8.3 million, up from \$7.9 million a year ago. The District is in a strong financial position of cash available to almost match authority with an ending cash balance of \$8.13 million. The District’s Board is committed to replenish the cash reserve through the cash reserve levy. Ensuring there is adequate cash to meet the District’s authority is a critical measure as the District continues to grow. As the cash position of the District improves, it will be vital to monitor spending authority. The District has added staffing in the 2018-19 and 2019-20 years that are needed due to growth and increased needs. While the District anticipates a decrease in spending authority in the 2020-21 year due to increased staffing costs and costs due to COVID-19.

Capital Asset and Debt Administration

Capital Assets

By the end of 2020, the District had invested, net of depreciation, \$154.1 million in a broad range of assets, including school buildings, athletic facilities, computer and audio-visual equipment, and administrative offices (See Figure A-6). This amount represents a net increase of 12.6% from a year ago.

Governmental Funds account for all of these assets with the exception of \$1,125,671, which is accounted for in the School Nutrition, Daycare, and Student Built House Funds.

Figure A-6 will continually change as the depreciation of current assets will continue to reduce/offset totals and renovations and additions to buildings are realized.

	Governmental Activities		Business-Type Activities		Total School District		Total Change
	2020	2019	2020	2019	2020	2019	2019-2020
	Land	\$ 9,478	\$ 3,973	\$ -	\$ -	\$ 9,478	\$ 3,973
Construction In Progress	47,503	32,106	-	-	47,503	32,106	48.0%
Buildings	85,774	88,786	-	-	85,774	88,786	-3.4%
Improvements Other than Buildings	8,261	8,971	-	-	8,261	8,971	-7.9%
Furniture and Equipment	2,109	1,876	992	1,126	3,101	3,002	3.3%
Totals	\$ 153,125	\$ 135,712	\$ 992	\$ 1,126	\$ 154,117	\$ 136,838	12.6%

Long-Term Debt

At year-end, the District had \$180.421 million in general obligation bonds, other long-term debt, OPEB, and pension obligations. This represents an increase of \$26.4 million over the previous fiscal year as can be seen in Figure A-7 below. Fiscal year 2020 marks the 12th year that the District is reporting the Other Post-Employment Benefits (OPEB) per GASB-45 and the 6th year of reporting GASB-68 (IPERS Liability). The OPEB actuarial liability is \$15.31 million and the IPERS (Net Pension) liability is calculated at \$32.19 million. OPEB liabilities are a combination of early retirement incentives offered by the District and implicit benefits guaranteed public employees by State code which allows them to take advantage of group health insurance rates until the age of 65.

Changes in the debt schedule traditionally have been due to the payment on general obligation bonds and the sale of new bonds. This changed significantly as the District is required to report actuarial OPEB and Net Pension amounts. These amounts represent possible future costs based upon individual employee choices about retirement and the State's ability, and will, to fund its IPERS obligations moving forward. The District did also incur new "actual" debt during the fiscal year as mentioned earlier with \$56.03 million in General Obligation bonds sold as approved by District voters in April, 2020 as well as \$11.78 million in SAVE bonds.

Figure A-7	Outstanding Long-Term Obligations (Expressed in Thousands)		
	Total School District		Total Change
	2020	2019	
General Obligation Bonds	\$ 126,331	\$ 90,255	40.0%
Bond Premiums	4,657	1,309	255.8%
Total OPEB Liability	15,306	11,832	29.4%
Retainage Payable	1,599	1,347	18.7%
Net Pension Liability	32,193	36,607	-12.1%
Compensated Absences	262	210	100.0%
Early Retirement	204	134	52.2%
	<u>\$ 180,552</u>	<u>\$ 141,694</u>	<u>27.4%</u>

Factors Bearing on the District's Future

- Financial solvency from both a cash and authority perspective are key to the District's financial position as the District continues to grow. Resident enrollment dropped by 105 students in 2020-21. The District believes that this is temporary due to COVID-19 but will need to be monitored closely.
- State funding growth for public schools for fiscal year 2020 was 2.06%. Funding for the 2021 fiscal year is 2.3%. The District considers these amounts to be inadequate moving forward. State Legislators have explained this new funding model as "targeted funding", which includes a number of categorical types of funds that can only be spent on specified projects. In some cases, these types of funds require additional staff to be hired but do not provide adequate funding to support current salary schedules for all remaining staff.
- SAVE funding was extended through 2050 by the legislature in 2019. Current funding levels provide approximately \$1018 per resident student per year. With District enrollment increasing, the District received revenue of \$5.33 million. Future revenues will be based on District student population and statewide sales tax figures and is estimated to continue to increase slightly each year.
- District certified enrollment increased if the fall of 2019 by 54 students. While this was the expected trend going forward, there was a decrease of 105 students in October of 2020. Under Iowa's school funding formula, increased resident enrollment can place upward pressure on the District tax levy although the State's commitment to funding supplemental increases has reduced that pressure. Historically, during the same time, property valuations have grown, which also helps offset this pressure. The State continues its initiative to balance property tax rates through an increase in the roll back percentage on residential property, which also provides upward pressure on the local levy rate. It is anticipated that the District can maintain a stable tax levy in the next several years.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability of the money it receives. If you have questions about this report or need additional financial information, contact Angie Morrison, Chief Financial Officer, College Community School District, 401 76th Avenue SW, Cedar Rapids, Iowa 52404.

BASIC FINANCIAL STATEMENTS

**COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2020**

EXHIBIT A

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Pooled Investments	\$ 48,474,918	\$ 1,587,670	\$ 50,062,588
Receivables:			
Property Tax:			
Delinquent	345,563	-	345,563
Succeeding Year	35,350,358	-	35,350,358
Accounts	15,944	46	15,990
Internal Balances	250,000	(250,000)	-
Due from Other Governments	3,764,189	7,149	3,771,338
Inventories	43,815	263,418	307,233
Nondepreciable Capital Assets	56,981,265	-	56,981,265
Depreciable Capital Assets, Net of Accumulated Depreciation	<u>96,143,483</u>	<u>992,474</u>	<u>97,135,957</u>
Total Assets	<u>241,369,535</u>	<u>2,600,757</u>	<u>243,970,292</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related	7,567,983	404,651	7,972,634
OPEB Related	<u>2,101,914</u>	<u>-</u>	<u>2,101,914</u>
Total Deferred Outflows of Resources	<u>9,669,897</u>	<u>404,651</u>	<u>10,074,548</u>
LIABILITIES			
Accounts Payable	1,526,629	11,076	1,537,705
Accrued Expenses	9,312	157,373	166,685
Salaries and Benefits Payable	176,210	77,521	253,731
Due to Other Governments	478,445	-	478,445
Accrued Interest Payable	397,346	-	397,346
Unearned revenue	248,341	-	248,341
Long-Term Liabilities:			
Portion Due Within One Year:			
Bonds Payable	7,414,000	-	7,414,000
Bond Premiums	370,617	-	370,617
Early Retirement	205,294	-	205,294
Compensated Absences	244,867	17,190	262,057
Retainage Payable	1,599,059	-	1,599,059
Portion Due After One Year:			
Bonds Payable	118,917,000	-	118,917,000
Bond Premiums	4,286,321	-	4,286,321
Net Pension Liability	30,559,045	1,633,952	32,192,997
Total OPEB Liability	<u>15,305,550</u>	<u>-</u>	<u>15,305,550</u>
Total Liabilities	<u>181,738,036</u>	<u>1,897,112</u>	<u>183,635,148</u>

See accompanying Notes to Financial Statements.

**COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2020**

EXHIBIT A

	Governmental Activities	Business-Type Activities	Total
DEFERRED INFLOWS OF RESOURCES			
Pension Related	\$ 4,943,680	\$ 264,332	\$ 5,208,012
Refunding Gain	569,603	-	569,603
Succeeding Year Property Taxes	35,350,358	-	35,350,358
Total Deferred Inflows of Resources	40,863,641	264,332	41,127,973
NET POSITION			
Net Investment in Capital Assets	53,980,693	992,474	54,973,167
Restricted for:			
Categorical Funding and Other Reserves	440,997	-	440,997
Debt Service	401,343	-	401,343
Physical Plant and Equipment Levy	1,684,674	-	1,684,674
Student Activity Purposes	788,842	-	788,842
Management Levy Purposes	1,794,777	-	1,794,777
Capital Projects	-	-	-
Unrestricted	(30,653,571)	(148,510)	(30,802,081)
Total Net Position	\$ 28,437,755	\$ 843,964	\$ 29,281,719

See accompanying Notes to Financial Statements.

**COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Service	Operating Grants, Contributions, and Restricted Interest	Capital Grants, Contributions, and Restricted Interest
Governmental Activities:				
Instruction:				
Regular Instruction	\$ 30,863,085	\$ 3,255,336	\$ 946,837	\$ -
Special Instruction	10,037,272	2,205,673	-	-
Other Instruction	5,356,692	1,083,117	586,745	-
	<u>46,257,049</u>	<u>6,544,126</u>	<u>1,533,582</u>	<u>-</u>
Support Services:				
Student	1,530,140	-	463,945	-
Instructional Staff	4,398,009	-	4,969,776	-
Administration	7,199,738	-	-	-
Operation and Maintenance of Plant	6,242,390	89,063	-	-
Transportation	3,113,899	58,295	45,271	-
	<u>22,484,176</u>	<u>147,358</u>	<u>5,478,992</u>	<u>-</u>
Other Expenses:				
Facilities Acquisition	407,910	-	-	-
Long-Term Debt Interest	3,305,453	-	-	-
AEA Flowthrough	2,387,062	-	2,387,062	-
Depreciation (Unallocated)	3,722,462	-	-	-
Total Other Expenses	<u>9,822,887</u>	<u>-</u>	<u>2,387,062</u>	<u>-</u>
Total Governmental Activities	78,564,112	6,691,484	9,399,636	-
Business-Type Activities:				
Support Services:				
Administrative Services	39,490	-	-	-
Non-Instructional Programs:				
Nutrition Services	2,837,160	1,306,828	1,530,885	-
Daycare Services	2,398,807	2,374,377	74,880	-
Concession Services	110,837	67,619	-	-
Student Built House	47,807	-	-	-
Total Business-Type Activities	<u>5,434,101</u>	<u>3,748,824</u>	<u>1,605,765</u>	<u>-</u>
Total	<u>\$ 83,998,213</u>	<u>\$ 10,440,308</u>	<u>\$ 11,005,401</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

EXHIBIT B

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (26,660,912)	\$ -	\$ (26,660,912)
(7,831,599)	-	(7,831,599)
<u>(3,686,830)</u>	-	<u>(3,686,830)</u>
(38,179,341)	-	(38,179,341)
(1,066,195)	-	(1,066,195)
571,767	-	571,767
(7,199,738)	-	(7,199,738)
(6,153,327)	-	(6,153,327)
<u>(3,010,333)</u>	-	<u>(3,010,333)</u>
(16,857,826)	-	(16,857,826)
(407,910)	-	(407,910)
(3,305,453)	-	(3,305,453)
-	-	-
<u>(3,722,462)</u>	-	<u>(3,722,462)</u>
<u>(7,435,825)</u>	-	<u>(7,435,825)</u>
(62,472,992)	-	(62,472,992)
-	(39,490)	(39,490)
-	553	553
-	50,450	50,450
-	(43,218)	(43,218)
-	<u>(47,807)</u>	<u>(47,807)</u>
-	<u>(79,512)</u>	<u>(79,512)</u>
<u>\$ (62,472,992)</u>	<u>\$ (79,512)</u>	<u>\$ (62,552,504)</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES (CONTINUED)
JUNE 30, 2020**

		Program Revenues		
		Charges for Service	Operating Grants, Contributions, and Restricted Interest	Capital Grants, Contributions, and Restricted Interest
GENERAL REVENUES	Expenses			
Property Tax Levied for:				
General Purposes				
Debt Service				
Capital Outlay				
Unrestricted State Grants				
Unrestricted Investment Earnings				
Other				
Total General Revenues				
 CHANGE IN NET POSITION				
 NET POSITION - BEGINNING OF YEAR				
 NET POSITION - END OF YEAR				

See accompanying Notes to Financial Statements.

EXHIBIT B

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ 31,962,663	\$ -	\$ 31,962,663
8,343,416	-	8,343,416
2,295,670	-	2,295,670
23,806,223	-	23,806,223
284,987	924	285,911
71,994	-	71,994
<u>66,764,953</u>	<u>924</u>	<u>66,765,877</u>
4,291,961	(78,588)	4,213,373
<u>24,145,794</u>	<u>922,552</u>	<u>25,068,346</u>
<u>\$ 28,437,755</u>	<u>\$ 843,964</u>	<u>\$ 29,281,719</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020**

	General	Special Revenue- Management	Debt Service
ASSETS			
Cash and Pooled Investments	\$ 8,136,102	\$ 1,983,262	\$ 726,017
Receivables:			
Property Tax:			
Delinquent	235,195	16,809	72,672
Succeeding Year	23,032,540	1,256,952	8,870,596
Accounts	7,174	-	-
Due from Other Funds	250,000	-	-
Due from Other Governments	3,315,562	-	-
Inventories	342	-	-
	<u>\$ 34,976,915</u>	<u>\$ 3,257,023</u>	<u>\$ 9,669,285</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 124,637	\$ -	\$ -
Accrued Expenses	9,312	-	-
Retainage Payable	-	-	-
Salaries and Benefits Payable	176,210	205,294	-
Due to Other Governments	459,477	-	-
Unearned revenue	248,341	-	-
Total Liabilities	<u>1,017,977</u>	<u>205,294</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Succeeding Year Property Tax	23,032,540	1,256,952	8,870,596
FUND BALANCES			
Nonspendable	342	-	-
Restricted for:			
Categorical Funding and Other Reserves	440,997	-	-
Debt Service	-	-	798,689
Management Levy Purposes	-	1,794,777	-
Student Activities	-	-	-
School Infrastructure	-	-	-
Physical Plant and Equipment	-	-	-
Assigned	111,885	-	-
Unassigned	10,373,174	-	-
Total Fund Balances	<u>10,926,398</u>	<u>1,794,777</u>	<u>798,689</u>
	<u>\$ 34,976,915</u>	<u>\$ 3,257,023</u>	<u>\$ 9,669,285</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 34,976,915</u>	<u>\$ 3,257,023</u>	<u>\$ 9,669,285</u>

See accompanying Notes to Financial Statements.

EXHIBIT C

<u>SAVE</u>	<u>5/6 Building Remodel</u>	<u>Nonmajor</u>	<u>Total</u>
\$ 4,877,893	\$ 29,303,672	\$ 3,297,087	\$ 48,324,033
-	-	20,887	345,563
-	-	2,190,270	35,350,358
-	-	8,770	15,944
-	-	-	250,000
448,627	-	-	3,764,189
-	-	-	342
<u>\$ 5,326,520</u>	<u>\$ 29,303,672</u>	<u>\$ 5,517,014</u>	<u>\$ 88,050,429</u>
\$ 1,210,553	\$ 88,536	\$ 102,903	\$ 1,526,629
-	-	-	9,312
1,599,059	-	-	1,599,059
-	-	-	381,504
-	-	18,968	478,445
-	-	-	248,341
<u>2,809,612</u>	<u>88,536</u>	<u>121,871</u>	<u>4,243,290</u>
-	-	2,190,270	35,350,358
-	-	-	342
-	-	-	440,997
-	-	-	798,689
-	-	-	1,794,777
-	-	788,842	788,842
2,516,908	29,215,136	731,357	32,463,401
-	-	1,684,674	1,684,674
-	-	-	111,885
-	-	-	10,373,174
<u>2,516,908</u>	<u>29,215,136</u>	<u>3,204,873</u>	<u>48,456,781</u>
<u>\$ 5,326,520</u>	<u>\$ 29,303,672</u>	<u>\$ 5,517,014</u>	<u>\$ 88,050,429</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2020**

EXHIBIT D

Total Fund Balances of Governmental Funds (page 28)	\$ 48,456,781
 <i>Amounts reported for governmental activities in the statement of net position is different because:</i>	
Capital assets used in governmental activities are not financial resources and, therefore are not reported as assets in the governmental funds.	153,074,833
Accrued interest payable on long-term liabilities is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds.	(397,346)
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	9,669,897
Deferred Inflows of Resources	(4,943,680)
Long-term liabilities, including bonds payable, compensated absences, other postemployment benefits payable, and net pension liability are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds as follows:	
Long-Term Debt	(131,557,541)
Compensated Absences	(244,867)
Net Pension Liability	(30,559,045)
Total Other Postemployment Benefits Liability	(15,305,550)
The Internal Service Funds are utilized to account for the financing of goods or services provided by one department or agency to other department or agencies of a government on a cost reimbursement basis. The net position of the Internal Service Fund is reported with governmental activities.	<u>244,273</u>
Net Position of Governmental Activities (page 20)	<u>\$ 28,437,755</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2020**

	General	Special Revenue- Management	Debt Service
REVENUES			
Local Sources:			
Local Tax	\$ 24,351,708	\$ 1,752,482	\$ 7,597,604
Tuition	5,290,595	-	-
Other	682,652	5,073	7,396
State Sources	32,092,385	73,209	745,812
Federal Sources	1,570,525	-	-
Total Revenues	63,987,865	1,830,764	8,350,812
EXPENDITURES			
Instruction:			
Regular Instruction	26,512,856	522,009	-
Special Instruction	9,642,191	30,972	-
Other Instruction	5,008,719	3,320	-
Total Instruction	41,163,766	556,301	-
Support Services:			
Student Services	1,530,140	-	-
Instructional Staff Services	3,555,706	-	-
Administrative Services	6,648,517	364,093	-
Operation and Maintenance of Plant Services	5,394,132	378,915	-
Transportation Services	2,411,729	177,429	-
Total Support Services	19,540,224	920,437	-
NonInstructional Programs	-	-	-
Other Expenditures:			
Facilities Acquisition	-	-	-
Long-Term Debt:			
Principal	-	-	6,044,000
Interest and Fiscal Charges	-	-	3,615,125
AEA Flowthrough	2,387,062	-	-
Total Other Expenditures	2,387,062	-	9,659,125
Total Expenditures	63,091,052	1,476,738	9,659,125
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	896,813	354,026	(1,308,313)
OTHER FINANCING SOURCES (USES)			
General Obligation Bonds Issued	-	-	29,740,000
Current Refunding of Bonds	-	-	(36,809,000)
Revenue Bond Issued	-	-	-
Premiums on Bonds Issued	-	-	-
Transfers In	-	-	8,925,101
Transfers Out	(12,862)	-	-
Total Other Financing Sources (Uses)	(12,862)	-	1,856,101
NET CHANGE IN FUND BALANCES	883,951	354,026	547,788
Fund Balances - Beginning of Year	10,042,447	1,440,751	250,901
FUND BALANCES - END OF YEAR	\$ 10,926,398	\$ 1,794,777	\$ 798,689

See accompanying Notes to Financial Statements.

EXHIBIT E

SAVE	5/6 Building Remodel	Nonmajor	Total
\$ -	\$ -	\$ 2,206,727	\$ 35,908,521
-	-	-	5,290,595
137,102	3,888	911,445	1,747,556
5,326,718	-	88,943	38,327,067
-	-	11,809	1,582,334
<u>5,463,820</u>	<u>3,888</u>	<u>3,218,924</u>	<u>82,856,073</u>
812,823	-	34,875	27,882,563
-	-	-	9,673,163
-	-	695,836	5,707,875
<u>812,823</u>	<u>-</u>	<u>730,711</u>	<u>43,263,601</u>
-	-	-	1,530,140
88,127	-	753,701	4,397,534
-	-	-	7,012,610
-	-	345,667	6,118,714
-	-	451,304	3,040,462
<u>88,127</u>	<u>-</u>	<u>1,550,672</u>	<u>22,099,460</u>
-	-	-	-
14,827,624	129,518	6,668,590	21,625,732
-	-	-	6,044,000
55,250	30,928	-	3,701,303
-	-	-	2,387,062
<u>14,882,874</u>	<u>160,446</u>	<u>6,668,590</u>	<u>33,758,097</u>
<u>15,783,824</u>	<u>160,446</u>	<u>8,949,973</u>	<u>99,121,158</u>
(10,320,004)	(156,558)	(5,731,049)	(16,265,085)
-	26,290,000	-	56,030,000
-	-	-	(36,809,000)
11,780,000	-	-	11,780,000
-	3,081,694	-	3,081,694
-	-	12,862	8,937,963
(8,925,101)	-	-	(8,937,963)
<u>2,854,899</u>	<u>29,371,694</u>	<u>12,862</u>	<u>34,082,694</u>
(7,465,105)	29,215,136	(5,718,187)	17,817,609
9,982,013	-	8,923,060	30,639,172
<u>\$ 2,516,908</u>	<u>\$ 29,215,136</u>	<u>\$ 3,204,873</u>	<u>\$ 48,456,781</u>

**COLLEGE 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, 2020**

EXHIBIT F

Net Change in Fund Balances - Total Governmental Funds (page 28) \$ 17,817,609

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, these costs are reported in the Statement of Net Position and are allocated over their estimated useful lives as a depreciation expense in the Statement of Activities. The amounts of capital outlays and depreciation expense in the year are as follows:

Capital Outlays	\$ 21,217,822	
Depreciation Expense	<u>(4,240,437)</u>	16,977,385

Proceeds from issuing long-term liabilities provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Current year issuances exceeded repayments as follows:

Issued	(67,810,000)	
Repaid or Refunded	42,853,000	
Change in Bond Premium	<u>(2,743,920)</u>	(27,700,920)

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 governmental funds when due. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due.

58,076

Pension expenditures on the governmental funds are measured by current year employee contributions. Pension expenses on the Statement of Activities are measured by the change in net pension liability and the related deferred inflows and deferred outflows.

(2,098,186)

OPEB expenditures in governmental funds are measured by the amount of financial resources used (amounts actually paid). OPEB expenses on the Statement of Activities are measured by the change in the OPEB liability and the related deferred inflows and deferred outflows.

(1,143,743)

Long-term liabilities that pertain to governmental funds are not due and payable in the current period and therefore are not reported as fund liabilities. Changes in liabilities, both current and long-term, are reported in the Statement of Net Position as follows:

Compensated Absences		65,712
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The Internal Service Funds are utilized to account for the financing of goods or services provided by one department or agency to other department or agencies of a government on a cost reimbursement basis. The change in net position of the Internal Service Fund is reported with governmental activities.

2,966

Change in Net Position of Governmental Activities (page 24) \$ 3,978,899

See accompanying Notes to Financial Statements.

**COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020**

EXHIBIT G

	<u>Nonmajor Proprietary Funds</u>	<u>Governmental Activities - Internal Service Fund</u>
ASSETS		
Cash and Cash Equivalents	\$ 1,587,670	\$ 150,885
Accounts Receivable	46	-
Inventories	263,418	43,473
Due from Other Governments	7,149	-
Capital Assets, Net of Accumulated Depreciation	992,474	49,915
Total Assets	2,850,757	244,273
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Deferred Outflows	404,651	-
LIABILITIES		
Current Liabilities:		
Accounts Payable	11,076	-
Accrued Expenses	157,373	-
Salaries and Benefits Payable	77,521	-
Compensated Absences	17,190	-
Due to Other Funds	250,000	-
Total Current Liabilities	513,160	-
Long-Term Liabilities:		
Net Pension Liability	1,633,952	-
Total Liabilities	2,147,112	-
DEFERRED INFLOWS OF RESOURCES		
Pension Related Deferred Inflows	264,332	-
NET POSITION		
Net Investment in Capital Assets	992,474	49,915
Unrestricted	(148,510)	194,358
Total Net Position	\$ 843,964	\$ 244,273

See accompanying Notes to Financial Statements.

**COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020**

EXHIBIT H

	Nonmajor Proprietary Funds	Governmental Activities - Internal Service Fund
OPERATING REVENUES		
Local Sources:		
Charges for Services	\$ 3,746,824	\$ 139,083
Miscellaneous	2,000	-
State Sources	74,880	-
Total Operating Revenues	3,823,704	139,083
OPERATING EXPENSES		
Support Services:		
Administrative Services	2,176	-
Operation and Maintenance of Plant Services	27,500	-
Total Support Services	29,676	-
Noninstructional Programs:		
Salaries	2,653,643	-
Benefits	824,017	-
Purchased Supplies	9,082	-
Supplies	1,771,115	126,497
Depreciation	146,568	9,620
Total Noninstructional Programs	5,404,425	136,117
Total Operating Expenses	5,434,101	136,117
OPERATING INCOME (LOSS)	(1,610,397)	2,966
NONOPERATING REVENUES (EXPENSES)		
State Sources	19,515	-
Federal Sources	1,511,370	-
Interest Income	924	-
Total Nonoperating Revenues (Expenses)	1,531,809	-
CHANGE IN NET POSITION	(78,588)	2,966
NET POSITION - BEGINNING OF YEAR	922,552	241,307
NET POSITION - END OF YEAR	\$ 843,964	\$ 244,273

See accompanying Notes to Financial Statements.

**COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020**

EXHIBIT I

	<u>Nonmajor Proprietary Funds</u>	<u>Governmental Activities - Internal Service Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Sale of Lunches and Breakfasts	\$ 1,306,966	\$ -
Cash Received from Daycare Activities	2,449,257	-
Cash Received from Printing	-	139,087
Cash Received from Concession Sales	77,546	-
Cash Received from Student-Built Houses	4,620	-
Cash Payments to Employees for Services	(3,377,706)	-
Cash Payments to Suppliers for Goods or Services	(1,981,271)	(151,330)
Net Cash Used by Operating Activities	<u>(1,520,588)</u>	<u>(12,243)</u>
CASH FLOWS FROM FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Grants Received	19,515	-
Federal Grants Received	1,511,370	-
Net Cash Provided by Noncapital Financing Activities	<u>1,530,885</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of Capital Assets	(13,370)	-
Net Cash Used by Capital and Related Financing Activities	<u>(13,370)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	924	-
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,149)	(12,243)
Cash and Cash Equivalents - Beginning of Year	<u>1,589,819</u>	<u>163,128</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 1,587,670</u></u>	<u><u>\$ 150,885</u></u>

See accompanying Notes to Financial Statements.

**COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020**

EXHIBIT I

	Nonmajor Proprietary Funds	Governmental Activities - Internal Service Fund
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (1,610,397)	\$ 2,966
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used by Operating Activities:		
Depreciation	146,568	9,620
Decrease in Inventories	(241,015)	(20,598)
Decrease (Increase) in Accounts Receivable	14,685	4
Increase in Prepaid Expenses	2,300	-
Increase in Deferred Outflows - Pension Related	105,830	-
Increase in Accounts Payable	(8,721)	(4,235)
Increase in Salaries and Benefits Payable	8,180	-
Increase in Compensated Absences	1,135	-
Increase in Net Pension Liability	(159,414)	-
Increase in Deferred Inflows-Pension Related	144,223	-
Increase in Due to Other Funds	(33)	-
Decrease in Due from Other Funds	22,142	-
Increase in Accrued Expenses	53,929	-
Net Cash Used by Operating Activities	\$ (1,520,588)	\$ (12,243)

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

During the year ended June 30, 2020, the District received \$240,724 of federal commodities.

**COLLEGE COMMUNITY SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020**

EXHIBIT J

Agency

ASSETS

Cash

\$ 204,579

LIABILITIES

Other Payables

\$ 204,579

See accompanying Notes to Financial Statements.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

College Community School District (the District) is a political subdivision of the state of Iowa and operates public schools for children in grades kindergarten through 12 and special education. 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 southern portion of Cedar Rapids, Iowa and the rural areas of southern Linn, northern Johnson, and eastern Benton counties. The District is governed by a Board of Education whose members are elected on a nonpartisan basis.

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

Reporting Entity

For financial reporting purposes, College 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. College Community School District has no component units which meet the Governmental Accounting Standards Board criteria.

Basis of Presentation

District-wide financial statements – The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for service.

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

Net Investment in Capital Assets – consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt attributable 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. Enabling legislation did not result in any restricted net position.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

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

Fund Financial Statements – Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the latter are excluded from the district-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other nonmajor governmental funds. Combining schedules are also included for the Capital Projects Fund accounts.

The District reports the following major governmental funds:

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

Special Revenue Management Fund – The Management Fund is used to account for the payment of District insurance costs and early separation benefits.

Debt Service Fund – 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.

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

5/6 Building Remodel – This Capital Projects Fund is to account for the resources used in the acquisition and construction of the remodel project at the fifth and sixth grade building in the District.

The Agency Funds are used to account for assets held by the District as an agent for individuals, private organizations and other governments. The Agency Fund is custodial in nature, assets equal liabilities, and does not involve measurement of results of operations.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting

The district-wide, proprietary, and fiduciary 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 nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

The District maintains its financial records on the modified accrual basis.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make a number of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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 cash balances of most District funds are pooled and invested. Investments are stated at fair value except for the investment in the Iowa Schools Joint Investment Trust which is valued at amortized cost and nonnegotiable certificates of deposit which are stated at amortized cost.

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

Property Tax Receivable – Property taxes in governmental fund types 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, 2018 assessed property valuations; is for the tax accrual period July 1, 2019 through June 30, 2020 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2019.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Balance/Net Position (Continued)

Due from Other Governments – Due from other governments represents amounts due from the state of Iowa, various shared revenues, grants, and reimbursements from other governments.

Inventories – Inventories are valued at cost using the first-in, first-out method for purchased items. 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 prepayments. Prepaid items are reported using the consumption method and recorded as an expense or expenditure at the time of consumption.

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 district-wide statement of net position. Capital assets are recorded at historical cost 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. 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>
Buildings	\$ 10,000
Site Improvements	10,000
Equipment/Vehicles (other than computers)	5,000
Computers	5,000

Property, furniture, and equipment are depreciated using the straight-line method of depreciation over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives (In Years)</u>
Buildings	50
Site Improvements	20
Equipment/Vehicles (other than computers)	5
Computers	3

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Balance/Net Position (Continued)

Deferred Outflows of Resources – Deferred outflows of resources represent a consumption of net position that applies to a future year(s) which 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 expense and OPEB expense, and contributions from the District after the measurement date but before the end of the District's reporting period.

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

Advances from Grantors – Grant proceeds which have been received by the District but will be spent in a succeeding fiscal year.

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 district-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, 2020. The compensated absences liability attributable to the governmental activities will be paid primarily by the Management Fund.

Long-Term Liabilities – In the district-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, 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.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Balance/Net Position (Continued)

Deferred Inflows of Resources – Deferred inflows of resources represent an acquisition of net position applicable to a future year(s) which 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 consist of property tax receivable and other receivables not collected within 60 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 consist of succeeding year property tax receivable that will not be recognized until the year for which it is levied, unrecognized items not yet charged to pension expense and OPEB expense and an unamortized gain on refunding of bonds.

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

Nonspendable – Amounts which cannot be spent because they are legally or contractually required to be maintained intact.

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

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

Assigned – Amounts the District intends to use for specific purposes. The Board of Education has delegated authority to assign fund balance to the Superintendent and Director of Business Services.

Unassigned – All amounts not included in other spendable classifications.

Budgeting and Budgetary Control

The budgetary comparison and related disclosures are reported as required supplementary information. During the year ended June 30, 2020, no expenditures exceeded the amounts budgeted.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 CASH AND POOLED INVESTMENTS

The District's deposits in banks at June 30, 2020 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 ensure 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.

The District follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. In accordance with this standard, the District has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the combined statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities.

Level 2 – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants and would use in pricing the asset.

The District investments in the Iowa Schools Joint Investment Trust (ISJIT) Pool, which is an external investment pool not registered with the Securities and Exchange Commission. The District's investment in ISJIT totaled \$9,867,496 at June 30, 2020. ISJIT is an external investment pool that is managed to maintain a dollar-weighted average portfolio maturity of no greater than 397 days and seeks to maintain a constant net asset value (NAV) per share of \$1.00. The investment in the Iowa Schools Joint Investment Trust was rated AAAM by Standard & Poor's Financial Services Company.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 CASH AND POOLED INVESTMENTS (CONTINUED)

Custodial credit risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's policy over custodial credit risk is to comply with Chapter 12C of the Code of Iowa. At June 30, 2020, all investments and collateral were listed in the name of the District.

Credit risk. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The District's policy over credit risk is to comply with Chapter 12C of the Code of Iowa. This is measured by the assignment of a rating by a nationally recognized statistical rating organization, which was Aaa.

Concentration of credit risk. The District does not have a formal policy limiting the amount of the total portfolio that may be invested with any one depository. All of the District's investments were with the ISJIT.

NOTE 3 DUE FROM AND DUE TO OTHER FUNDS

The detail of interfund receivables and payables at June 30, 2020 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Fund - Student Built House	\$ 250,000
Total		<u>\$ 250,000</u>

The interfund receivable to the General Fund is for expenses related to a house that was built by the students. The house was approved for sale at the end of the year. The interfund payables from the General Fund and Student Built House Fund are related to the movement of cash to cover negative cash balances within these two funds.

NOTE 4 INTERFUND TRANSFERS

The detail of interfund transfers for the year ended June 30, 2020 is as follows:

<u>Transfer to</u>	<u>Transfer From</u>	<u>Amount</u>
Debt Service	SAVE	\$ 8,925,101
Non-major	General	12,862
Total		<u>\$ 8,937,963</u>

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

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 5 CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2020 was as follows:

	Balance Beginning of Year	Increases	Decreases	Balance End of Year
Governmental Activities:				
Capital Assets not Being Depreciated:				
Land	\$ 3,972,734	\$ 5,505,192	\$ -	\$ 9,477,926
Construction in Progress	32,106,427	15,396,912	-	47,503,339
Total Capital Assets not Being Depreciated	36,079,161	20,902,104	-	56,981,265
Capital Assets Being Depreciated:				
Buildings	127,660,303	-	-	127,660,303
Improvements Other than Buildings	15,276,336	-	-	15,276,336
Furniture and Equipment	8,019,459	760,204	271,909	8,507,754
Total Capital Assets Being Depreciated	150,956,098	760,204	271,909	151,444,393
Less Accumulated Depreciation for:				
Buildings	38,873,916	3,012,790	-	41,886,706
Improvements Other than Buildings	6,305,337	709,673	-	7,015,010
Furniture and Equipment	6,143,509	527,594	271,909	6,399,194
Total Accumulated Depreciation	51,322,762	4,250,057	271,909	55,300,910
Governmental Activities Capital Assets, Net	<u>\$ 135,712,497</u>	<u>\$ 17,412,251</u>	<u>\$ -</u>	<u>\$ 153,124,748</u>
Business-Type Activities:				
Furniture and Equipment	\$ 2,613,835	\$ 13,370	\$ -	\$ 2,627,205
Less: Accumulated Depreciation	1,488,164	146,568	-	1,634,732
Business-Type Activities Capital Assets, Net	<u>\$ 1,125,671</u>	<u>\$ (133,198)</u>	<u>\$ -</u>	<u>\$ 992,473</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 5 CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to the governmental functions of the District as follows:

Governmental Activities:

Instruction:	
Regular	\$ 47,920
Other	27,056
Support Services:	
Instructional Staff	475
Administration	16,151
Operations and Maintenance	2,082
Transportation	433,910
	527,594
Unallocated Depreciation	3,722,463
Total Depreciation Expense - Governmental Activities	\$ 4,250,057

Business-Type Activities:

Daycare	\$ 3,203
Nutrition Services	143,365
Total Depreciation Expense - Business-Type Activities	\$ 146,568

NOTE 6 LONG-TERM LIABILITIES

Changes in long-term liabilities for the year ended June 30, 2020 are summarized as follows:

	Balance Beginning	Additions	Reductions	Balance End of Year	Due Within One Year
Early Retirement	\$ 302,837	\$ 205,294	\$ 302,837	\$ 205,294	\$ 205,294
General Obligation and SAVE Bonds	101,374,000	67,810,000	42,853,000	126,331,000	7,414,000
Bonds Premiums Payable	2,482,621	3,081,694	907,377	4,656,938	370,617
Compensated Absences	195,210	266,224	199,377	262,057	262,057
Total	\$ 104,354,668	\$ 71,363,212	\$ 44,262,591	\$ 131,455,289	\$ 8,251,968

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

Early Retirement

The District offers a voluntary early retirement plan to its certified employees. Eligible employees must be at least age 55 and employees must have completed ten years of continuous service to the District. Employees must complete an application which is required to be approved by the Board of Education. Early retirement incentives are available for all employees except bus drivers and are based on classification of employee. At June 30, 2020, the District has obligations to nine participants with a total liability of \$205,294. Actual early retirement expenditures for the year ended June 30, 2020 totaled \$205,294. The cost of early retirement payments expected to be liquidated currently is recorded as a liability of the Special Revenue, Management Fund.

General Obligation and SAVE Bonds

Details of the District's June 30, 2020 general obligation bonded indebtedness are as follows:

Year Ending June 30,	Bond Issue of 2016A			Bond Issue of 2016B		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2021	2.25%	\$ -	\$ 200,038	2.00%	\$ 340,000	\$ 126,500
2022	2.25	-	200,037	2.00	340,000	119,700
2023	2.25	-	200,037	2.00	255,000	112,900
2024	2.25	-	200,037	2.00	250,000	107,800
2025	2.25	-	200,037	2.00	290,000	102,800
2026-2030	2.25	2,440,000	950,687	2.00	4,850,000	188,700
2031-2035	2.25-2.50	4,465,000	587,513		-	-
2036-2040	2.50	1,395,000	34,875		-	-
Total		<u>\$ 8,300,000</u>	<u>\$ 2,573,261</u>		<u>\$ 6,325,000</u>	<u>\$ 758,400</u>

Year Ending June 30,	Bond Issue of 2017			Bond Issue of 2018A		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2021	3.00%	\$ -	\$ 699,906	3.25%	\$ -	\$ 315,650
2022	3.00	-	699,906	3.25	-	315,650
2023	3.00	-	699,906	3.25	-	315,650
2024	3.00	-	699,906	3.25	100,000	315,650
2025	3.00	-	699,906	3.25	80,000	312,400
2026-2030	3.00	3,000,000	3,409,533	3.25	1,500,000	1,467,749
2031-2035	3.00-3.25	10,705,000	2,518,813	3.25-3.30	1,750,000	1,190,975
2036-2040	3.75-4.00	6,000,000	360,000	3.30-3.50	5,840,000	546,950
Total		<u>\$ 19,705,000</u>	<u>\$ 9,787,876</u>		<u>\$ 9,270,000</u>	<u>\$ 4,780,674</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

General Obligation and SAVE Bonds (Continued)

Year Ending June 30,	Bond Issue of 2018B			Year Ending June 30,	Bond Issue of 2019		
	Interest Rates	Principal	Interest		Interest Rates	Principal	Interest
2021	3.25%	\$ 2,860,000	\$ 92,950	2021	0.00%	\$ -	\$ 475,250
2022		-	-	2022	0.00	-	475,250
2023		-	-	2023	0.00	-	475,250
2024		-	-	2024	0.00	-	475,250
2025		-	-	2025	0.00	-	475,250
2026-2030		-	-	2025-2029	5.00	4,000,000	2,185,750
2031-2035		-	-	2030-2034	5.00	3,455,000	860,500
2036-2040		-	-	2035-2038	5.00	2,050,000	235,250
Total		<u>\$ 2,860,000</u>	<u>\$ 92,950</u>	Total		<u>\$ 9,505,000</u>	<u>\$ 5,657,750</u>

Year Ending June 30,	Bond Issue of 2020			General Obligation Bonds Total	
	Interest Rates	Principal	Interest	Principal	Interest
2021	3.00%	\$ 2,735,000	\$ 1,620,201	\$ 5,935,000	\$ 3,530,495
2022	3.00%	4,230,000	1,598,850	4,570,000	3,409,393
2023	3.00%	4,450,000	1,471,950	4,705,000	3,275,693
2024	3.00%	4,495,000	1,338,450	4,845,000	3,137,093
2025	3.00%	4,615,000	1,203,600	4,985,000	2,993,993
2026-2030	3.00%	8,905,000	4,591,950	24,695,000	12,794,369
2031-2035	3.00%	7,200,000	3,516,000	27,575,000	8,673,801
2036-2040	3.00%	19,400,000	2,232,000	34,685,000	3,409,075
Total		<u>\$ 56,030,000</u>	<u>\$ 17,573,001</u>	<u>\$ 111,995,000</u>	<u>\$ 41,223,912</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

General Obligation and SAVE Bonds (Continued)

Year Ending June 30,	Revenue Bond of 2017			Year Ending June 30,	Revenue Bond of 2020		
	Interest Rates	Principal	Interest		Interest Rates	Principal	Interest
2021	2.41%	\$ 500,000	\$ 84,350	2021	2.41%	\$ 979,000	\$ 221,596
2022	2.41	500,000	72,300	2022	2.41	1,012,000	201,576
2023	2.41	500,000	60,250	2023	2.41	1,046,000	180,881
2024	2.41	500,000	48,200	2024	2.41	1,080,000	159,490
2025	2.41	500,000	36,150	2025	2.41	1,115,000	137,404
2026-2030	2.41	1,000,000	36,150	2025-2029	2.41	5,604,000	304,255
Total		<u>\$ 3,500,000</u>	<u>\$ 337,400</u>	Total		<u>\$ 10,836,000</u>	<u>\$ 1,205,202</u>

Revenue Bonds Total

Principal	Interest
\$ 1,479,000	\$ 305,946
1,512,000	273,876
1,546,000	241,131
1,580,000	207,690
1,615,000	173,554
6,604,000	340,405
<u>\$ 14,336,000</u>	<u>\$ 1,542,602</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

General Obligation and SAVE Bonds (Continued)

On August 15, 2012, the District issued \$6,000,000 of General Obligation School Bonds, Series 2012C. The proceeds of the issue were used for the new elementary school.

On April 23, 2013, the District issued \$9,000,000 of General Obligation School Bonds, Series 2013. The proceeds of the issue were used for the new elementary school.

On July 23, 2014, the District issued \$25,010,000 in General Obligation School Refunding Bonds, Series 2014. The proceeds were used to current refund the outstanding maturities of the District's General Obligation School Bonds, Series 2006.

On May 14, 2015, the District issued \$5,985,000 in General Obligation School Refunding Bonds, Series 2015. The proceeds were used to refund the outstanding maturities of the District's General Obligation School Bonds, Series 2009A and 2009B.

On November 1, 2016, the District issued \$10,000,000 in General Obligation School Bonds, Series 2016A. The proceeds of the issue were used for remodel projects on the High School and Elementary Schools.

On November 30, 2016, the District issued \$7,815,000 in General Obligation School Refunding Bonds, Series 2016B. The proceeds were to refund the outstanding maturities of the District's General Obligation School Bonds, Series 2007.

On June 1, 2017, the District issued \$20,000,000 in General Obligation School Bonds, Series 2017. The proceeds of the issue were used for remodel projects on the High School and Elementary Schools.

On December 19, 2017, the District issued \$5,000,000 in School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2017. The proceeds of the issue were used for school infrastructure projects, including the construction of an early childhood center.

On May 7, 2018, the District issued \$9,995,000 of General Obligation School Bonds, Series 2018A. The proceeds of the issue were used for remodel projects on the High School and Elementary Schools.

On May 7, 2018, the District issued \$6,200,000 of General Obligation School Refunding Bonds, Series 2018B. The proceeds of the issue were used to refund, in advance of maturity, \$6,280,000 of outstanding maturities of the District's General Obligation School Refunding Bonds, Series 2008. The refunding resulted in a cash flow savings of \$148,890, having a present value of \$141,555, over the life of the bonds.

On January 3, 2019, the District issued \$9,505,000 of General Obligation School Bonds, Series 2019. The proceeds of the issue were used for remodel projects on the High School and Elementary Schools.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

General Obligation and SAVE Bonds (Continued)

On May 1, 2019, the District issued \$7,069,000 of School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2019. The proceeds were used for completion of school infrastructure projects.

On April 20, 2020, the District issued \$56,030,000 of General Obligation School and Refunding Bonds, Series 2020. The proceeds of the issue were used to refund \$29,740,000 of outstanding maturities of the District's General Obligation School Bonds, Series 2012C, Series 2013, and Series 2014. The refunding resulted in a cash flow savings of \$2,153,311, having a present value of \$1,904,665, over the life of the bonds. The remaining proceeds were used for completion of school infrastructure projects.

On February 6, 2020, the District issued \$11,780,000 of School Infrastructure Sales, Services and Us Tax Revenue Bonds, Series 2020. The proceeds of the issue were used to refund \$7,069,000 of outstanding maturities of the District's School Infrastructure Sales, Services, and Use Tax Revenue Bonds, Series 2019. The refunding resulted in a cash flow savings of \$174,465, having a present value of \$145,648, over the life of the bonds. The remaining proceeds were used to purchase land for future school facilities.

NOTE 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 PO Box 9117, Des Moines, IA 60306-9117 or at www.ipers.com.

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

Pension Benefits

A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the members 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 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 salary.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7 PENSION PLAN (CONTINUED)

Pension Benefits (Continued)

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month that the member receives benefits before the member's earliest normal retirement age. For service earned starting July 1, 2012, the reduction is 0.50% for each month that 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 federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions

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

In fiscal year 2020, 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, 2020 were \$4,126,420.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7 PENSION PLAN (CONTINUED)

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the District's liability for its proportionate share of the net pension liability totaled \$32,192,997. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all IPERS participating employers.

At June 30, 2019, the District's collective proportion was .552238%, compared to .550384% measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized pension expense of \$6,295,410. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 89,248	\$ 1,157,492
Changes in Assumptions	3,448,331	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	3,627,764
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	308,635	422,756
District Contributions Subsequent to the Measurement Date	4,126,420	-
Total	<u>\$ 7,972,634</u>	<u>\$ 5,208,012</u>

The \$4,126,420 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, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ 741,496
2022	(889,513)
2023	(593,093)
2024	(564,088)
2025	(56,600)
Total	<u>\$ (1,361,798)</u>

There were no nonemployer contributing entities at IPERS.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7 PENSION PLAN (CONTINUED)

Actuarial Assumptions

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurements:

Rate of Inflation (effective June 30, 2017)	2.60% per annum
Rates of Salary Increases (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 2.6% inflation assumption and 0.65% real wage inflation.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an economic assumption study dated March 24, 2017 and a demographic assumption study dated June 28, 2018.

Mortality rates used in the June 30, 2019 valuation were based on the RP-2014 Employee and Healthy Annuitant Tables with MP-2017 generational adjustments.

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

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	22.0 %	5.60 %
International Equity	15.0	6.08
Global Smart Beta Equity	3.0	5.82
Core Plus Fixed Income	27.0	1.71
Public Credit	3.5	3.32
Public Real Assets	7.0	2.81
Cash	1.0	(0.21)
Private Equity	11.0	10.13
Private Real Assets	7.5	4.76
Private Credit	3.0	3.01
Total	100.0 %	

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7 PENSION PLAN (CONTINUED)

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 that employee contributions will be made at the contractually required rate and that contributions from the District will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.0%) or 1% higher (8.0%) than the current rate.

	1% Decrease 6.0%	Discount Rate 7.0%	1% Increase 8.0%
District's Proportionate Share of the Net Pension Liability	\$ 57,164,375	\$ 32,192,997	\$ 11,247,284

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website www.ipers.org.

Payables to the Pension Plan

At June 30, 2020, the District had remitted all contributions to IPERS which had been withheld from employee wages during the year.

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description – The District participates in a single-employer defined benefit plan (the Plan) through an Iowa Chapter 28E with five other schools, called the Metro Interagency Insurance Program (MIIP), which provides medical and prescription drug benefits for retirees and their spouses. The medical/prescription drug coverage is provided through a fully insured plan with Wellmark. The District pays 100% of the premium of the single coverage plan the retiree is enrolled in at the time of retirement. Retirees pay 100% of the excess of the explicit subsidy. The benefit ends upon the Retirees reaching age 65.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Benefits Provided – Individuals who are employed by the district and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement eligibility with IPERS. Coverage during retirement continues in the group health plan. Employees covered by the plan make contributions toward the plan premiums in certain situations.

At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	38
Active employees	786
Total	824

Total OPEB Liability – The District’s total liability of \$15,305,550 was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions – The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of Inflation (effective June 30, 2020)	3.00% per annum
Discount Rate (effective June 30, 2020)	3.50%, compounded annually, including inflation.
Healthcare cost trend (effective June 30, 2020)	6.50% initial rate decreasing by 0.25% annually to an ultimate rate of 5.00%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the plan as understood by the employer and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Discount Rate – The discount rate used to measure the total OPEB liability was 3.50% which reflects the index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA as of the measurement date.

Mortality rates are from the RP2014 annuitant distinct mortality table adjusted to 2006 with MP 2019 generational projection of future mortality improvement.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Changes in the Total Liability

	Total OPEB Liability
Total OPEB Liability Beginning of Year	\$ 13,854,879
Changes for the Year:	
Service Cost	979,356
Interest on Total Liability	517,298
Differences Between Expected and Actual Experiences	247,759
Changes in Assumptions	235,605
Benefit Payments	(529,347)
Net Changes	1,450,671
Total OPEB Liability End of Year	\$ 15,305,550

Sensitivity of the District's Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.50%) or 1% higher (4.50%) than the current discount rate.

	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB Liability	\$ 16,542,530	\$ 15,305,550	\$ 13,647,164

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 OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (4.00%) or 1% higher (6.00%) than the current healthcare cost trend rates.

	1% Decrease (4.00%)	Health Cost Trend Rate (5.00%)	1% Increase (6.00%)
Total OPEB Liability	\$ 13,084,161	\$ 15,305,550	\$ 17,394,318

OPEB Expense and Deferred Outflows of Resources Related to OPEB – For the year ended June 30, 2020, the District recognized OPEB expense of \$1,673,090. At June 30, 2020, the District reported deferred outflows of resources related to OPEB from the following resources:

	Deferred Outflows of Resources
Difference Between Expected and Actual Experience	\$ 818,640
Changes in Assumptions	1,283,274
Total	\$ 2,101,914

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

The amount reported as deferred outflows of resources related to OPEB will be recognized as OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ 176,436
2022	176,436
2023	176,436
2024	176,436
2025	176,436
Thereafter	<u>1,219,734</u>
Total	<u><u>\$ 2,101,914</u></u>

NOTE 9 RISK MANAGEMENT

College 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.

NOTE 10 AREA EDUCATION

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 \$2,387,062 for the year ended June 30, 2020 and is recorded in the General Fund by making a memorandum adjusting entry to the financial statements.

NOTE 11 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 for the citizens of those governments.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 11 TAX ABATEMENTS (CONTINUED)

Property tax revenues of the District were reduced by the following amounts for the year ended June 30, 2020:

<u>Entity</u>	<u>Tax Abatement Program</u>	<u>2018</u>
City of Cedar Rapids	Urban Renewal and Economic Development Projects	\$ 550,597
City of Cedar Rapids	Other Tax Abatement Program	71,611
City of Walford	Other Tax Abatement Program	2,349
City of Ely	Other Tax Abatement Program	176,296

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, 2020, this reimbursement amounted to \$147,690.

NOTE 12 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, 2020:

<u>Program</u>	<u>Amount</u>
Teacher Compensation Pay	\$ 112,711
Teacher Leadership	297,397
4-Year Old Preschool Grant	3,772
Home School Assistance	6,019
Early Literacy	21,098
Total	<u>\$ 440,997</u>

NOTE 13 DEFICIT BALANCES

The Day Care proprietary fund had a deficit balance of \$(187,540) at June 30, 2020. This was caused by the accounting for the net pension liability and other pension related items required by the Governmental Accounting Standards Board Statement No. 68 *Accounting and Financial Reporting for Pensions – an Amendment of GASB No. 27*.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 14 COMMITMENTS AND CONTINGENCIES

Federal and State Programs

Amounts received or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of funds which may be disallowed by the agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

NOTE 15 SUBSEQUENT EVENTS

Management evaluated subsequent events through January 4, 2021, the date the financial statements were available to be issued.

Subsequent to year end, the District's board of education approved the issuance of School Infrastructure Sales, Services and Use Tax Revenue Bonds, Series 2020A totaling \$9,000,000. The bonds are expected to be used to pay costs of capital projects for the construction and renovation of district buildings.

NOTE 16 JOINTLY GOVERNED ORGANIZATION

The Grant Wood Area Education Agency (GWAEA) was established by an act of the 1974 Legislature of the State of Iowa. The primary objective of the District is to provide, by a cooperative effort, comprehensive educational programs and other related services as can be effectively operated by its fifty-six member districts. Each member district shares in the cost of the programming, which is paid to the education district in the form of membership fees, reimbursements and other charges for services. The education district is able to recover the cost of its programs through the previously mentioned revenue sources. The jointly governed organization's financial statements are audited and available for inspection. Currently, one member of the District's board also serves as an active member of the GWAEA board.

REQUIRED SUPPLEMENTARY INFORMATION

**COLLEGE COMMUNITY SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN BALANCES – BUDGET AND ACTUAL
 ALL GOVERNMENT FUNDS AND PROPRIETARY FUNDS
 REQUIRED SUPPLEMENTARY INFORMATION
 YEAR ENDED JUNE 30, 2020**

	Governmental Funds Actual	Proprietary Funds Actual	Total Actual
REVENUES			
Local Sources	\$ 42,946,672	\$ 3,749,748	\$ 46,696,420
State Sources	38,327,067	94,395	38,421,462
Federal Sources	1,582,334	1,511,370	3,093,704
Total Revenues	<u>82,856,073</u>	<u>5,355,513</u>	<u>88,211,586</u>
EXPENDITURES			
Instruction	43,263,601	-	43,263,601
Support Services	22,099,460	29,676	22,129,136
Noninstructional Programs	-	5,404,425	5,404,425
Other Expenditures	33,758,097	-	33,758,097
Total Expenditures	<u>99,121,158</u>	<u>5,434,101</u>	<u>104,555,259</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(16,265,085)	(78,588)	(16,343,673)
OTHER FINANCING SOURCES, NET	<u>34,082,694</u>	<u>-</u>	<u>34,082,694</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	17,817,609	(78,588)	17,739,021
Balances - Beginning of Year	<u>30,639,172</u>	<u>922,552</u>	<u>31,561,724</u>
BALANCES - END OF YEAR	<u>\$ 48,456,781</u>	<u>\$ 843,964</u>	<u>\$ 49,300,745</u>

Budgeted Amounts		Final to Actual Variance Positive/ (Negative)
Original	Final	
\$ 48,234,524	\$ 48,234,524	\$ (1,538,104)
36,841,383	36,841,383	1,580,079
4,340,272	4,340,272	(1,246,568)
<u>89,416,179</u>	<u>89,416,179</u>	<u>(1,204,593)</u>
44,958,920	44,958,920	1,695,319
23,694,897	23,694,897	1,565,761
5,513,800	6,200,000	795,575
21,184,571	33,000,000	(758,097)
<u>95,352,188</u>	<u>107,853,817</u>	<u>3,298,558</u>
(5,936,009)	(18,437,638)	2,093,965
<u>-</u>	<u>-</u>	<u>34,082,694</u>
(5,936,009)	(18,437,638)	36,176,659
<u>21,889,426</u>	<u>21,889,426</u>	<u>9,672,298</u>
<u>\$ 15,953,417</u>	<u>\$ 3,451,788</u>	<u>\$ 45,848,957</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY REPORTING
JUNE 30, 2020**

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 the Print Fund and 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, noninstructional programs, and other expenditures. Although the budget document presents function expenditures or expenses by fund, the legal level of control is at the aggregated functional 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, the District adopted one budget amendment increasing budgeted expenditures by \$12,501,629.

During the year ended June 30, 2020, expenditures in the other expenditures function exceeded the amounts budgeted.

**COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
REQUIRED SUPPLEMENTARY INFORMATION**

**Iowa Public Employees' Retirement System
For the Last Six Measurement Dates*
(In Thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Pension Liability:	0.552238 %	0.550384 %	0.554504 %	0.566834 %	0.556838 %	0.521487 %
District's Total Proportionate Share of the Net Pension Liability	\$ 32,193	\$ 34,819	\$ 36,607	\$ 35,349	\$ 27,683	\$ 21,105
District's Covered Payroll	\$ 42,344	\$ 41,420	\$ 41,055	\$ 40,333	\$ 38,427	\$ 34,821
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	76.03%	84.06%	89.17%	87.64%	72.04%	60.61%
IPERS' Net Position as a Percentage of the Total Pension Liability	85.45%	83.62%	82.21%	81.82%	85.19%	87.61%

* The amounts presented for each fiscal year were determined as of June 30 of the prior year.

**COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST TEN FISCAL YEARS
(DOLLARS IN THOUSANDS)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Statutorily Required Contribution	\$ 4,127	\$ 3,997	\$ 3,699	\$ 3,666	\$ 3,602	\$ 3,432	\$ 3,019	\$ 2,617	\$ 2,152	\$ 2,002
Contributions in Relation to the Statutorily Required Contribution	<u>(4,127)</u>	<u>(4,011)</u>	<u>(3,699)</u>	<u>(3,666)</u>	<u>(3,602)</u>	<u>(3,432)</u>	<u>(3,019)</u>	<u>(2,617)</u>	<u>(2,152)</u>	<u>(2,002)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ (14)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 43,715	\$ 42,344	\$ 41,420	\$ 41,055	\$ 40,333	\$ 38,427	\$ 34,821	\$ 32,431	\$ 30,966	\$ 30,098
Contributions as a Percentage of Covered Payroll	9.44%	9.44%	8.93%	8.93%	8.93%	8.93%	8.67%	8.07%	6.95%	6.65%

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
PENSION LIABILITY
LAST THREE FISCAL YEARS**

IOWA PUBLIC EMPLOYEES RETIREMENT SYSTEM

Changes of Benefit Terms

There are no significant changes in benefit terms.

Changes of Assumptions

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

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

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 experience study:

- Decreased the inflation assumption from 3.25% to 3.00%.
- Decreased 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.
- Reduced retirement rates for sheriffs and deputies between the ages of 55 and 64.
- Moved from an open 30-year amortization period to a closed 30-year amortization period for the UAL (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.

**COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S
TOTAL OPEB LIABILITY, RELATED RATIOS, AND NOTES
LAST THREE FISCAL YEARS**

<u>Measurement Date</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Service Cost	\$ 979,356	\$ 320,199	\$ 267,096
Interest on Total OPEB Liability	517,298	415,319	417,740
Differences Between Expected and Actual Experiences	247,759	347,319	367,187
Changes in Assumptions	235,605	1,241,040	-
Benefit Payments	<u>(529,347)</u>	<u>(300,754)</u>	<u>(320,089)</u>
Net Change in Total OPEB Liability	1,450,671	2,023,123	731,934
Total OPEB Liability Beginning of Year	<u>13,854,879</u>	<u>11,831,756</u>	<u>11,099,822</u>
Total OPEB Liability End of Year	<u>\$ 15,305,550</u>	<u>\$ 13,854,879</u>	<u>\$ 11,831,756</u>
Covered Employee Payroll	\$ 41,802,085	\$ 40,905,540	\$ 39,977,630
Total OPEB Liability as a Percentage of Covered Employee Payroll	36.61%	33.87%	29.60%

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

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.

2020

- Discount rate 3.50%
- Inflation rate 3%
- Health care cost trend rate 6.5% decreasing to 5% after seven years
- Mortality rates were based on RP2014 annuitant distinct mortality table adjusted to 2006 with MP 2019 generational projection of future mortality improvement

2019

- There were no changes in actuarial assumptions

2018

- Discount rate 3.72%
- Inflation rate 2.75%
- Health care cost trend rate 6% per year
- Mortality rates were based on MP2014 annuity mortality table

Note 1: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Note 2: No assets are accumulated in a trust.

SUPPLEMENTARY INFORMATION

**COLLEGE COMMUNITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

SCHEDULE 1

	Special Revenue	Capital Projects		
	Student Activity	Physical Plant and Equipment Levy	High School/ Elementary Remodel	Total
ASSETS				
Cash and Pooled Investments	\$ 782,268	\$ 1,749,438	\$ 765,381	\$ 3,297,087
Receivables:				
Property Tax:				
Delinquent	-	20,887	-	20,887
Succeeding Year	-	2,190,270	-	2,190,270
Accounts	8,770	-	-	8,770
Total Assets	\$ 791,038	\$ 3,960,595	\$ 765,381	\$ 5,517,014
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 1,849	\$ 67,030	\$ 34,024	\$ 102,903
Due to Other Governments	347	18,621	-	18,968
Total Liabilities	2,196	85,651	34,024	121,871
DEFERRED INFLOWS OF RESOURCES - SUCCEEDING YEAR PROPERTY TAXES				
	-	2,190,270	-	2,190,270
FUND BALANCES				
Restricted for:				
School Infrastructure	-	-	731,357	731,357
Student Activities	788,842	-	-	788,842
Physical Plant and Equipment	-	1,684,674	-	1,684,674
Total Fund Balances	788,842	1,684,674	731,357	3,204,873
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 791,038	\$ 3,960,595	\$ 765,381	\$ 5,517,014

**COLLEGE COMMUNITY SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

SCHEDULE 2

	Special Revenue	Capital Projects		Total
	Student Activity	Physical Plant and Equipment Levy	High School/ Elementary Remodel	
REVENUES				
Local Sources:				
Local Tax	\$ -	\$ 2,206,727	\$ -	\$ 2,206,727
Other	823,179	21,586	66,680	911,445
State Sources	-	88,943	-	88,943
Federal Sources	-	11,809	-	11,809
Total Revenues	<u>823,179</u>	<u>2,329,065</u>	<u>66,680</u>	<u>3,218,924</u>
EXPENDITURES				
Instruction:				
Regular Instruction	-	34,875	-	34,875
Other Instruction	695,836	-	-	695,836
Support Services:				
Instructional Staff Services	-	753,701	-	753,701
Plant Operation and Maintenance Services	-	345,667	-	345,667
Transportation Services	6,818	444,486	-	451,304
Other Expenditures:				
Facilities Acquisition	-	198,256	6,470,334	6,668,590
Total Expenditures	<u>702,654</u>	<u>1,776,985</u>	<u>6,470,334</u>	<u>8,949,973</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	120,525	552,080	(6,403,654)	(5,731,049)
OTHER FINANCING SOURCES				
Transfers In	<u>12,862</u>	<u>-</u>	<u>-</u>	<u>12,862</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	133,387	552,080	(6,403,654)	(5,718,187)
Fund Balances - Beginning of Year	<u>655,455</u>	<u>1,132,594</u>	<u>7,135,011</u>	<u>8,923,060</u>
FUND BALANCES - END OF YEAR	<u>\$ 788,842</u>	<u>\$ 1,684,674</u>	<u>\$ 731,357</u>	<u>\$ 3,204,873</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF CHANGES IN STUDENT ACTIVITY ACCOUNTS
YEAR ENDED JUNE 30, 2020**

SCHEDULE 3

Student Activity Account:	Balance - Beginning of Year	Revenues	Expenditures	Balance - End of Year
Athletic:				
General	\$ 10,701	\$ 128,768	\$ 124,712	\$ 14,757
Student Clubs:				
Advisory	61,795	-	8,126	53,669
Co-Curricular Activities:				
High School	15,694	39,102	33,817	20,979
Prairie Crest	1,680	1,594	1,775	1,499
Prairie Heights	9,983	1,543	6,278	5,248
Prairie Ridge	7,558	16,212	15,368	8,402
Prairie View	4,925	1,544	193	6,276
Prairie Edge	1,447	21	282	1,186
Prairie Point	-	13,196	10,472	2,724
Prairie Creek	670	1,362	145	1,887
Prairie Hill	50	4,505	2,729	1,826
Student Council	23,595	10,924	8,454	26,065
Class of:				
2020	2,278	-	1,500	778
2021	-	5,575	5,575	-
2024	6,809	-	6,809	-
Baseball Club	12,690	8,123	20,703	110
Softball Club	18,994	1,550	14,109	6,435
Special Olympics	864	8,057	4,542	4,379
17-18 Yearbook	3,935	315	4,250	-
Yearbook	7,514	6,460	1,871	12,103
Spring and Fall Plays	8,889	4,398	4,217	9,070
German Club	2,896	3,813	1,838	4,871
Student Vending	6,756	10,569	9,436	7,889
Boys Letter Club	6,162	-	6,162	-
Girls Track Club	1,602	4,100	1,540	4,162
Boys Track Club	2,091	18,056	13,209	6,938
Volleyball Club	3,623	13,778	13,231	4,170
Art Activity	942	-	-	942
McGaffic Activity	104	-	-	104
Fox Activity	23	-	-	23
Instrumental Music	23,456	3,250	8,656	18,050
Cheerleading	3,790	12,076	9,706	6,160
Football Club	141	22,481	18,236	4,386
Business Prof./America	31,332	13,045	11,159	33,218

**COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF CHANGES IN STUDENT ACTIVITY ACCOUNTS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

SCHEDULE 3

	Balance - Beginning of Year	Revenues	Expenditures	Balance - End of Year
Student Clubs (Continued):				
Boys Tennis Club	\$ 202	\$ 630	\$ 767	\$ 65
Girls Tennis Club	707	3,358	3,140	925
Girls Cross Country Club	2,927	-	2,849	78
Marshall Activity	1,409	-	-	1,409
Dalton Activity	287	-	-	287
Bowling Club	737	1,463	1,520	680
Kean Activity	302	-	-	302
Boys Soccer Club	34,689	428	13,043	22,074
Girls Soccer Club	16,803	1,256	2,253	15,806
Wrestling Club	23,346	18,489	20,050	21,785
Music Trip	138,522	14,919	-	153,441
Prairie Dance Team Club	6,631	73,611	63,660	16,582
Instrumental Activity	806	39,109	37,255	2,660
Hawk Talk - General	1,675	-	-	1,675
Skills USA	660	1,980	-	2,640
Electric Car Club	1,896	2,565	1,834	2,627
Washington Trip	4,197	42,436	40,555	6,078
International Club	2,675	-	-	2,675
Girls Basketball Club	1,336	2,244	1,881	1,699
Boys Basketball Club	3,183	7,777	8,645	2,315
Vocal Music	56,206	56,246	58,305	54,147
Musical	3,270	1,276	190	4,356
National Honor Society	2,640	320	710	2,250
One and Two Act Plays	2,423	411	800	2,034
Girls Golf Club	382	50	381	51
Boys Golf Club	(24)	3,219	2,284	911
Boys Football	-	12,862	12,862	-
Trapshooting Club	12,687	8,477	1,902	19,262
Archery Club	25,584	31,915	29,464	28,035
Best Buddies	1,086	1,533	1,275	1,344
Graphics Club	305	-	-	305
Family Career Community Leaders	11,582	3,119	963	13,738
Drama	7,090	4,416	1,884	9,622
Speech	1,493	1,412	769	2,136
Key Club	3,127	5,336	5,551	2,912
State Tournaments	-	18,412	18,412	-
Science National Honor Society	1,491	450	350	1,591
FFA Club	-	121,905	-	121,905
GSA Club	134	-	-	134
Total Student Clubs	<u>644,754</u>	<u>707,273</u>	<u>577,942</u>	<u>774,085</u>
Total	<u>\$ 655,455</u>	<u>\$ 836,041</u>	<u>\$ 702,654</u>	<u>\$ 788,842</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
COMBINING STATEMENTS OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
JUNE 30, 2020**

	<u>School Nutrition</u>	<u>Day Care</u>	<u>Resale</u>
ASSETS			
Cash and Cash Equivalents	\$ 830,379	\$ 595,680	\$ 117,947
Accounts Receivable	46	-	-
Inventories	41,341	-	-
Prepaid Expenses	-	-	-
Due from Other Governments	-	7,149	-
Capital Assets, Net of Accumulated Depreciation	<u>877,670</u>	<u>109,540</u>	<u>5,264</u>
Total Assets	<u>1,749,436</u>	<u>712,369</u>	<u>123,211</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Deferred Outflows	<u>182,811</u>	<u>219,987</u>	<u>1,853</u>
Total Deferred Outflows of Resources	182,811	219,987	1,853
LIABILITIES			
Accounts Payable	8,578	2,193	155
Accrued Expenses	157,373	-	-
Salaries and Benefits Payable	6,498	71,023	-
Compensated Absences	2,504	14,686	-
Due to Other Governments	-	-	-
Due to Other Funds	-	-	-
Total Liabilities	<u>174,953</u>	<u>87,902</u>	<u>155</u>
Long-Term Liabilities:			
Net Pension Liability	<u>738,181</u>	<u>888,291</u>	<u>7,480</u>
Total Liabilities	913,134	976,193	7,635
DEFERRED INFLOWS OF RESOURCES			
Pension Related Deferred Inflows	<u>119,419</u>	<u>143,703</u>	<u>1,210</u>
NET POSITION			
Net Investment in Capital Assets	877,670	109,540	5,264
Unrestricted	<u>22,024</u>	<u>(297,080)</u>	<u>110,955</u>
Total Net Position	<u>\$ 899,694</u>	<u>\$ (187,540)</u>	<u>\$ 116,219</u>

SCHEDULE 4

<u>Student Built House</u>	<u>Total</u>
\$ 43,664	\$ 1,587,670
-	46
222,077	263,418
-	-
-	7,149
-	992,474
<u>265,741</u>	<u>2,850,757</u>
-	404,651
-	404,651
150	11,076
-	157,373
-	77,521
-	17,190
-	-
<u>250,000</u>	<u>250,000</u>
250,150	513,160
-	1,633,952
<u>250,150</u>	<u>2,147,112</u>
-	264,332
-	992,474
<u>15,591</u>	<u>(148,510)</u>
<u>\$ 15,591</u>	<u>\$ 843,964</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
COMBINING STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020**

	School Nutrition	Day Care	Resale
	<u> </u>	<u> </u>	<u> </u>
OPERATING REVENUES			
Local Sources:			
Charges for Services	\$ 1,304,828	\$ 2,374,377	\$ 67,619
Miscellaneous	2,000	-	-
State Sources	-	74,880	-
Total Operating Revenues	<u>1,306,828</u>	<u>2,449,257</u>	<u>67,619</u>
OPERATING EXPENSES			
Support Services:			
Administrative Services	-	2,176	-
Operation and Maintenance of Plant Services	<u>-</u>	<u>27,500</u>	<u>-</u>
Total Support Services	-	29,676	-
Noninstructional Programs:			
Salaries	1,081,562	1,563,387	8,694
Benefits	402,892	420,226	899
Purchased Supplies	-	4,486	4,596
Supplies	1,209,341	417,319	96,648
Depreciation	<u>143,365</u>	<u>3,203</u>	<u>-</u>
Total Non-Instructional Programs	<u>2,837,160</u>	<u>2,408,621</u>	<u>110,837</u>
Total Operating Expenses	<u>2,837,160</u>	<u>2,438,297</u>	<u>110,837</u>
OPERATING INCOME (LOSS)	(1,530,332)	10,960	(43,218)
NONOPERATING REVENUES			
State Sources	19,515	-	-
Federal Sources	1,511,370	-	-
Interest Income	450	381	93
Total Nonoperating Revenues	<u>1,531,335</u>	<u>381</u>	<u>93</u>
NET INCOME (LOSS)	1,003	11,341	(43,125)
Net Position - Beginning of Year	<u>898,691</u>	<u>(198,881)</u>	<u>159,344</u>
NET POSITION - END OF YEAR	<u>\$ 899,694</u>	<u>\$ (187,540)</u>	<u>\$ 116,219</u>

SCHEDULE 5

<u>Student Built House</u>	<u>Total</u>
\$ -	\$ 3,746,824
-	2,000
-	74,880
<u>-</u>	<u>3,823,704</u>
-	2,176
-	27,500
<u>-</u>	<u>29,676</u>
-	2,653,643
-	824,017
-	9,082
47,807	1,771,115
-	146,568
<u>47,807</u>	<u>5,404,425</u>
<u>47,807</u>	<u>5,434,101</u>
(47,807)	(1,610,397)
-	19,515
-	1,511,370
-	924
<u>-</u>	<u>1,531,809</u>
(47,807)	(78,588)
<u>63,398</u>	<u>922,552</u>
<u>\$ 15,591</u>	<u>\$ 843,964</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
COMBINING STATEMENTS OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020**

	School Nutrition	Day Care	Resale
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Sale of Lunches and Breakfasts	\$ 1,306,966	\$ -	\$ -
Cash Received from Day Care Activities	-	2,449,257	-
Cash Received from Printing	-	-	-
Cash Received from Concession Sales	-	-	77,546
Cash Received from Student-Built Houses	-	-	-
Cash Payments to Employees for Services	(1,440,619)	(1,926,280)	(10,807)
Cash Payments to Suppliers for Goods or Services	(1,143,363)	(459,701)	(103,939)
Net Cash Provided (Used) by Operating Activities	<u>(1,277,016)</u>	<u>63,276</u>	<u>(37,200)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Grants Received	19,515	-	-
Federal Grants Received	1,511,370	-	-
Net Cash Provided by Noncapital Financing Activities	<u>1,530,885</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of Capital Assets	(6,045)	(7,325)	-
Net Cash Used by Capital Financing Activities	<u>(6,045)</u>	<u>(7,325)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	450	381	93
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	248,274	56,332	(37,107)
Cash and Cash Equivalents - Beginning of Year	<u>582,105</u>	<u>539,348</u>	<u>155,054</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 830,379</u></u>	<u><u>\$ 595,680</u></u>	<u><u>\$ 117,947</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (1,530,332)	\$ 10,960	\$ (43,218)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	143,365	3,203	-
Increase in Inventories	(18,948)	-	-
Decrease (Increase) in Accounts Receivable	138	-	9,927
Decrease in Prepaid Expenses	-	-	2,300
Decrease in Deferred Outflows - Pension Related	47,415	57,610	805
Decrease (Increase) in Accounts Payable	4,636	(4,001)	(4,995)
Increase (Decrease) in Salaries and Benefits Payable	1,585	7,341	(746)
Increase in Compensated Absences	210	925	-
Increase (Decrease) in Net Pension Liability	(70,626)	(86,931)	(1,857)
Increase in Deferred Inflows - Pension Related	65,251	78,388	584
Decrease in Due to Governments	-	-	-
Decrease in Due from Other Funds	26,361	(4,219)	-
Increase in Accrued Expenses	53,929	-	-
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (1,277,016)</u></u>	<u><u>\$ 63,276</u></u>	<u><u>\$ (37,200)</u></u>

SCHEDULE 6

Student Built House	Total
\$ -	\$ 1,306,966
-	2,449,257
-	-
-	77,546
4,620	4,620
-	(3,377,706)
(274,268)	(1,981,271)
<u>(269,648)</u>	<u>(1,520,588)</u>
-	19,515
-	<u>1,511,370</u>
-	1,530,885
-	(13,370)
-	<u>(13,370)</u>
-	924
<u>(269,648)</u>	<u>(2,149)</u>
313,312	<u>1,589,819</u>
<u>\$ 43,664</u>	<u>\$ 1,587,670</u>
\$ (47,807)	\$ (1,610,397)
-	146,568
(222,067)	(241,015)
4,620	14,685
-	2,300
-	105,830
(4,361)	(8,721)
-	8,180
-	1,135
-	(159,414)
-	144,223
(33)	(33)
-	22,142
-	53,929
<u>\$ (269,648)</u>	<u>\$ (1,520,588)</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
 SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 YEAR ENDED JUNE 30, 2020**

	Balance - Beginning of Year	Additions	Deductions	Balance - End of Year
SCHEDULE 7				
ASSETS				
Cash	<u>\$ 213,114</u>	<u>\$ 399,809</u>	<u>\$ 408,344</u>	<u>\$ 204,579</u>
LIABILITIES				
Other Payables	<u>\$ 213,114</u>	<u>\$ 399,809</u>	<u>\$ 408,344</u>	<u>\$ 204,579</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUNDS
FOR THE LAST TEN YEARS**

	Modified Accrual Basis			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
REVENUES				
Local Sources:				
Local Tax	\$ 35,908,521	\$ 34,757,440	\$ 33,172,332	\$ 30,970,152
Tuition	5,290,595	5,292,085	5,196,518	5,367,190
Other	1,747,556	2,051,780	7,281,416	6,742,558
State Sources	38,327,067	37,696,285	31,115,437	29,913,647
Federal Sources	1,582,334	1,802,773	1,832,151	1,467,224
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Revenues	<u>\$ 82,856,073</u>	<u>\$ 81,600,363</u>	<u>\$ 78,597,854</u>	<u>\$ 74,460,771</u>
EXPENDITURES				
Instruction:				
Regular Instruction	\$ 27,882,563	\$ 27,167,617	\$ 24,896,195	\$ 24,742,510
Special Instruction	9,673,163	9,045,564	8,848,054	8,879,229
Other Instruction	5,707,875	6,112,475	7,277,514	6,855,733
Support Services:				
Student Services	1,530,140	2,201,214	2,105,811	1,832,587
Instructional Staff Services	4,397,534	3,777,867	5,170,564	5,511,715
Administration Services	7,012,610	6,364,268	5,365,935	5,245,503
Operation and Maintenance of				
Plant Services	6,118,714	5,701,771	5,538,722	5,387,066
Transportation Services	3,040,462	3,044,638	3,175,587	2,941,130
Noninstructional Programs	-	-	-	-
Other Expenditures:				
Facilities Acquisition	21,625,732	22,648,522	26,745,503	6,443,233
Long-Term Debt:				
Principal	6,044,000	5,455,000	5,337,515	5,995,000
Debt Issuance Costs	-	-	-	-
Interest and Other Charges	3,701,303	2,822,329	2,751,184	2,319,971
AEA Flowthrough	2,387,062	2,347,624	2,271,209	2,142,467
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>\$ 99,121,158</u>	<u>\$ 96,688,889</u>	<u>\$ 99,483,793</u>	<u>\$ 78,296,144</u>

SCHEDULE 8

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 30,304,095	\$ 26,484,747	\$ 25,310,764	\$ 25,023,351	\$ 26,041,452	\$ 24,219,102
5,000,288	5,023,465	4,948,495	4,952,310	4,602,834	4,312,674
6,535,241	6,640,933	5,509,288	5,448,161	6,295,538	5,905,077
27,039,978	25,244,359	23,997,931	22,472,151	21,312,839	19,794,883
1,409,905	1,471,403	1,410,562	1,371,591	1,432,493	2,967,785
<u>\$ 70,289,507</u>	<u>\$ 64,864,907</u>	<u>\$ 61,177,040</u>	<u>\$ 59,267,564</u>	<u>\$ 59,685,156</u>	<u>\$ 57,199,521</u>
\$ 25,991,924	\$ 25,677,198	\$ 23,942,648	\$ 21,524,976	\$ 19,939,924	\$ 18,906,433
8,268,218	8,705,841	7,865,920	7,393,347	7,712,339	7,303,228
5,151,301	5,180,176	4,622,636	4,439,053	4,375,324	4,073,595
1,926,379	1,781,388	1,646,829	1,803,044	1,992,616	1,588,468
5,883,574	3,134,754	2,618,659	2,491,934	4,966,561	2,604,179
5,461,788	4,841,584	4,467,386	4,002,873	3,876,552	3,743,217
5,214,216	4,790,768	4,664,768	4,367,545	3,934,601	3,864,337
2,882,186	2,583,336	2,697,027	2,454,845	2,140,375	2,076,206
-	-	-	193	48,084	32,611
2,206,460	5,851,028	13,734,004	2,512,455	5,932,980	2,737,713
4,135,000	6,251,889	5,648,112	3,825,000	2,875,000	2,800,000
-	-	-	-	-	-
1,813,030	2,272,269	2,577,352	2,638,424	2,457,999	2,503,471
2,046,725	1,971,913	1,837,962	1,744,232	1,660,568	1,719,630
<u>\$ 70,980,801</u>	<u>\$ 73,042,144</u>	<u>\$ 76,323,303</u>	<u>\$ 59,197,921</u>	<u>\$ 61,912,923</u>	<u>\$ 53,953,088</u>

**COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020**

SCHEDULE 9

Grantor/Program	CFDA Number	Agency or Pass-Through Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Agriculture				
Passed Through Iowa Department of Education:				
Child Nutrition Cluster:				
Commodities	10.555	FY20-4951	\$ -	\$ 240,724
National School Lunch Program	10.555	FY20-4553	-	640,905
COVID-19 National School Lunch Program	10.555	FY20-4056		509,369
Total CFDA 10.555			-	1,390,998
School Breakfast Program	10.553	FY20-4552	-	120,372
Total Child Nutrition Cluster			-	1,511,370
U.S. Department of Education				
Passed Through Iowa Department of Education:				
Special Education Cluster - State Personnel Development Grant	84.027	FY20-4521		236,680
Title I - Grants to Local Educational Agencies	84.010	FY20-4501	-	457,446
Education for Homeless Children and Youth	84.196	FY20-4565	-	36,943
Teacher Quality Program	84.367	FY20-4643	-	90,669
Title IV Part A Student Support	84.424	FY20-4669	-	3,245
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	FY20-4052		117,957
Passed Through Grant Wood Area Education Agency:				
Vocational Education - Basic Grants to States	84.048	FY20-4531	-	31,059
Title III - English Acquisition State Grants	84.365	FY20-4644	-	3,060
U.S. Department of Health and Human Services				
Passed Through Iowa Department of Human Services				
Model Employment Transition Source	93.658	FY20-4634	-	6,721
Total			\$ -	\$ 2,495,150

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

**COLLEGE COMMUNITY SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020**

NOTE 1 GENERAL

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of College Community School District under programs of the federal government for the year ended June 30, 2020. 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 College Community School District, it is not intended to and does not present the financial position, changes in financial position or cash flows of College Community School District.

The District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 2 BASIS OF ACCOUNTING

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



**INDEPENDENT AUDITORS' 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**

Board of Education
College Community School District
Cedar Rapids, Iowa

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of College Community School District as of and for the year ended June 30, 2020, and the related Notes to the Financial Statements, which collectively comprise College Community School District's basic financial statements, and have issued our report thereon dated January 4, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether College 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, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance or other matters that 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, 2020 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.

College Community School District's Response to the Findings

College Community School District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. College Community School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



CliftonLarsonAllen LLP

Cedar Rapids, Iowa
January 4, 2021



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Education
College Community School District
Cedar Rapids, Iowa

Report on Compliance for Each Major Federal Program

We have audited College Community School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of College Community School District's major federal programs for the year ended June 30, 2020. College Community School District's major federal programs are identified in Part I of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, College Community School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

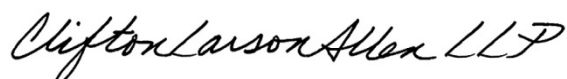
Report on Internal Control Over Compliance

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

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

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

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



CliftonLarsonAllen LLP

Cedar Rapids, Iowa
January 4, 2021

**COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Part I – Summary of the Independent Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
 - Material weakness(es) identified? _____ yes X no
 - Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ yes X none reported
3. Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

1. Internal control over major federal programs:
 - Material weakness(es) identified? _____ yes X no
 - Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ yes X none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a) _____ yes X no

Identification of Major Federal Programs

CFDA Number(s)

10.553, 10.555 & 10.559

Name of Federal Program or Cluster

Child Nutrition Cluster

Dollar threshold used to distinguish between

Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

_____ yes X no

**COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Part II – Findings Related to the Financial Statement

Our audit did not identify any financial statement findings.

Part III – Findings and Questioned Costs for Federal Awards

Our audit did not identify any matters required to be reported in accordance with 2 CFR 200.516(a)

**COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Part IV – Other Findings Related to Required Statutory Reporting

IV-A-2020 Certified Budget – Expenditures for the year ended June 30, 2020 exceeded the amended certified budget amounts in the other expenditures function.

Recommendation – The certified budget should have been amended in accordance with Chapter 24.9 of the Code of Iowa before expenditures were allowed to exceed the budget.

Response – Future budgets will be amended in sufficient amounts to ensure the certified budget is not exceeded.

Conclusion – Response accepted.

IV-B-2020 Questionable Expenditures – No expenditures that may not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979 were noted.

IV-C-2020 Travel Expense – No expenditures of District money for travel expenses of spouses of District officials or employees were noted. No travel advances to District officials or employees were noted.

IV-D-2020 Business Transactions – No business transactions between the District and District officials or employees were noted.

IV-E-2020 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 insure that the coverage is adequate for current operations.

IV-F-2020 Board Minutes – We noted no transactions requiring Board approval which had not been approved by the Board.

IV-G-2020 Supplementary Weighting – No variances regarding the supplementary weighting certified to the Department of Education were noted.

IV-H-2020 Deposits and Investments – No instances of noncompliance with the deposit and investment provisions of Chapter 12B and Chapter 12C of the Code of Iowa and the District’s investment policy were noted.

IV-I-2020 Certified Annual Report – The Certified Annual Report was certified timely to the Iowa Department of Education.

IV-J-2020 Certified Enrollment – No variances in the basic enrollment data certified to the Iowa Department of Education were noted.

IV-K-2020 Categorical Funding – No instances were noted of categorical funding used to supplant rather than supplement other funds.

**COLLEGE COMMUNITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Part IV – Other Findings Related to Required Statutory Reporting (Continued)

IV-L-2020 Statewide Sales, Services and Use Tax – For the year ended June 30, 2020, the District did not reduce any levies as a result of the monies received under Chapter 423E or 423F of the Code of Iowa.

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, 2020, the District reported the following information regarding the statewide sales, services, and use tax revenue in the District’s CAR:

Beginning Balance		\$ 9,982,013
Revenues/Transfers in:		
Sales Tax Revenues	\$ 5,326,718	
Revenue Bond Issued	11,780,000	
Other Local Revenues	137,102	
	17,243,820	17,243,820
Expenditures/Transfers out:		
Instruction	812,823	
School Infrastructure Construction	14,827,624	
Support Services	88,127	
Debt Service	55,250	
Transfers to Debt Service Fund	8,925,101	
	24,708,925	24,708,925
Ending Balance		\$ 2,516,908

For the year ended June 30, 2020, the District did not reduce any levies as a result of the monies received under Chapter 423E or 423F of the Code of Iowa.

IV-M-2020 Deficit Balance – The District had a deficit balance in the Proprietary – Day Care Fund of \$(187,540). This was caused by the accounting for the net pension liability and other pension related items required by the Governmental Accounting Standards Board Statement No. 68 *Accounting and Financial Reporting for Pensions – an Amendment of GASB No. 27*.

Recommendation – The District should take appropriate action to return this fund to sound financial condition.

Response – This fund is considered to be run as a nonprofit by the District. Therefore, the profits from this fund will be very minimal each year. The District will work to return this fund to a positive balance over time, as it is a large deficit, but it will likely hold a deficit balance for many years.

Conclusion – Response accepted.

