



# Waukee Community School District Waukee, Iowa

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2016

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

**Waukee, Iowa**

**Fiscal Year Ended June 30, 2016**

**OFFICIAL ISSUING REPORT**

**Lora Appenzeller-Miller, Chief Financial Officer**

**OFFICE ISSUING REPORT**

**Business Office**

**Waukee Community School District**  
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November 22, 2016

We are a District with a dedication to all students and an unwavering commitment to a quality educational program. That commitment, along with a strong sense of community defines the work of the Board of Education for the Waukee Community School District. In a time of ongoing funding restrictions and changing financial models, achieving these goals is a significant challenge.

Our shared vision statement is “Dedicated to optimizing individual learning and potential for success in a global community.” Honoring our vision keeps us focused on moving forward, closing any gap that may exist between our current reality and our vision. The District’s Guiding Principles, Vision and Mission Statement guide the allocation of resources to achieve our goals.

Iowa continues to fall short of fully funding the education formula for K-12 schools. In Waukee, we will continue to allocate available resources to fulfill our mission and our commitment to students.

This report is a comprehensive financial record of the District for the fiscal year ended June 30, 2016. It reflects the conditions that have enabled the Waukee Community School District to maintain a favorable financial picture – even during a period of challenging growth. Among the enabling conditions are:

- We have a highly dedicated and skilled team of teachers, staff, and administrators.
- We have a highly effective Board of Education and a very supportive community.
- We work in an atmosphere where everyone is encouraged to work at their highest level in a collaborative environment.

As you examine this report, you will see a pattern of on-going financial strength that we hope to continue into the future. We welcome your questions and suggestions. We will continue to learn together to build on our success as a learning community for the future.

Respectfully Submitted,



David J. Wilkerson, Ph.D.  
Superintendent

November 22, 2016

Members of the Board of Education  
Waukee Community School District  
Patrons of the Waukee Community School District  
Waukee, Iowa

The Comprehensive Annual Financial Report (CAFR) for the Waukee Community School District for the fiscal year ended June 30, 2016 is submitted herewith. Responsibility for accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District Office of Administrative Services. We believe the data is accurately presented, in all material respects; that the data is presented to fairly set forth the financial position of the governmental activities, business type activities, each major fund, the aggregate remaining fund information and the respective changes in financial position and cash flows where applicable; and that all necessary disclosures have been included in order to enable the reader to gain the maximum understanding of the District's financial affairs.

The Comprehensive Financial Annual Report is presented in four sections: introductory, financial, statistical, and compliance. The introductory section, which is unaudited, includes this transmittal letter, a list of principal District officials, and an organizational chart. The financial section includes the management's discussion and analysis, audited basic financial statements, required supplementary information and the combining and individual fund financial statements and schedules, as well as the independent auditor's report. The statistical section, which is un-audited, includes selected financial and demographic information, generally presented on a multi-year basis. The compliance section contains the schedule of expenditures of federal awards and audit findings. We encourage readers to refer to all four sections of the report, including the Management's Discussion and Analysis in the financial section, which gives a more detailed summary of the District's financial performance.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U. S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments*.

The report includes all funds of the Waukee Community School District. The Waukee Community School District has no component units that meet the Governmental Accounting Standards Board criteria. The District provides a full range of services including instructional, administrative, transportation, food service, maintenance of sites and facilities, custodial, clerical, extra and co-curricular and athletic and activities.

This CAFR has been prepared using the guidelines recommended by the Association of School Business Officials International (ASBO) and Government Finance Officers Association of the United States and Canada (GFOA). Certificates of Excellence are awarded to school systems that have presented their CAFR to the GFOA and ASBO Panels of Review for critical review and evaluation. Receiving these awards are recognition that a school system has met the highest standards of excellence in school financial reporting. The standards used in the "Certificate of Excellence Program" and "Certificate of Achievement Program" are based on generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). We will actively pursue these awards through the efforts of the entire Waukee Team. The Waukee Community School District received the ASBO certificate for its comprehensive annual financial report for the fiscal years ending June 30, 2004, 2005, 2006, 2007, 2008, 2010, 2011, 2012, 2013, 2014, 2015 and 2016. The Waukee Community School District received the GFOA certificate for its comprehensive annual financial report for the fiscal years ending June 30, 2012, 2013, 2014, 2015 and 2016.

## BASIS OF ACCOUNTING

The District’s accounting records were maintained on a modified accrual basis. These accounting policies are enumerated in the notes to the financial statements. All the District’s funds are presented in this report and have been audited by the District’s independent certified public accountants, Van Maanen, Sietstra, Meyer & Nikkel, P.C.

The chart of accounts used by the District is in conformance with the Uniform Accounting System for Iowa Schools and Area Education Agencies issued November 1975 and updated in 2009, by the Iowa Department of Education. The chart of accounts manual is updated on an annual basis. The District is in full compliance with these requirements.

## ECONOMIC CONDITION AND OUTLOOK

The District is located in the central part of the state, within the larger Des Moines metropolitan area and ranks as one of the top growth areas of the country. The economic condition and outlook is stable. The Waukee Community School District has been and is currently the fastest growing school district in the state of Iowa and the growth projections are expected to continue. Certified enrollment for fiscal 2015-16 was 9,448.71 students. This is an increase of 675.43 over 2014-15. Taxable assessed value continues to grow even during the current slow economic environment. The economy in the state has improved slightly the past year and this continues to impact revenue for public education. While the unemployment rate in the greater Des Moines has consistently remained lower than national averages, the economy has been slow to rebound. Retail sales in the greater Des Moines have leveled but remain strong. The City of West Des Moines continues to grow as does the City of Waukee. District taxable assessed valuations have continued steady growth to over \$3.4 billion for January 2015 values.

Based on conservative projections, this trend is expected to continue. While having a positive impact, the growth also presents significant challenges for the District. The District utilizes the optional instructional support levy at a level deemed appropriate and will need to continue a high level of efficient use of human resources and facilities. The following table shows the projected enrollment and age of school buildings.

School	Grade Levels	Dates of Construction / Remodeling	Enrollment for 2016-17	Enrollment for 2017-18	Enrollment for 2018-19
Waukee High School	10-12	1997, 2000, 2001, 2007, 2011	1780	1872	1986
Prairieview	8-9	2003, 2009	680	710	742
Timberline	8-9	2015	706	707	723
Waukee Middle School	6-7	1974, 1977, 1987, 1994, 1999, 2008	720	771	858
South Middle School	6-7	2010	706	804	857
Brookview Elementary	K-5	2001, 2002	626	636	646
Eason Elementary	K-5	1994, 2002	577	587	597
Grant Ragan Elementary	K-5	2016	693	703	713
Maple Grove Elementary	K-5	2007	744	754	764
Shuler Elementary	K-5	2010	690	700	710
Walnut Hills Elementary	K-5	2005	619	629	639
Waukee Elementary	K-5	2010	694	704	714
Woodland Hills Elementary	K-5	2013	571	581	591

Retail sales, building permits and population increases in the western suburbs far exceed that of any other location in the metropolitan area or in the State of Iowa. An article in the September 27, 2007 edition of the Des Moines Register quoted a report from the Bureau of Economic Analysis showing the Des Moines Metropolitan area ranking 24<sup>th</sup> in the United States in terms of gross domestic product. The report also showed the area as the fastest growing municipal economy in the country increasing 7.2% since 2004. Retail, commercial and residential property values continue to grow. Assessed values of the District are conservatively projected to increase by 5-10% or more in the near term. In the fall of 2004, a new 250-acre

retail shopping mall opened within the boundaries of the District and is expected to generate eighty million dollars in revenue annually. Wells Fargo opened its national mortgage headquarters in West Des Moines and currently employs in excess of 1,000. Athena has located its North American headquarters within the boundaries of our school district with employment projections rivaling Wells Fargo. Areas surrounding the Jordan Creek Town Center continue to grow and add new retail and commercial property. The Waukee Community School District is the largest district in Dallas County with over one-half of the county's students. Waukee Community School District participates in the statewide sales tax pool that is allocated to the District on a per pupil basis.

## MAJOR INITIATIVES

**Current year.** The District implemented a 10-year plan for facilities and continues to utilize a 5-year plan for finances. The District's rapid growth, limited resources and the need to clearly outline and prioritize site and facility needs in chronological order necessitate the plans. The District purchased land for the 9<sup>th</sup> Elementary. The District issued General Obligation Capital Loan Notes to finance building a new Centralized Transportation Facility and to purchase the land for the second high school. The transportation facility will also have a central receiving location, as well as a shared fueling station with the City of Waukee. Grant Ragan Elementary was completed and opened in the fall of 2016. The building of the Waukee Innovation and Learning Center (WILC) facility project is underway and is expected to be completed soon. Students are currently out in satellite business locations.

**Future Considerations.** The 10-year facility plan and accompanying demographic information concluded that student enrollment and tax base would continue to increase at a rapid pace. This study showed the need for additional space at the current high school by the fall of 2019. The District is working with the City of Waukee for the development of the site for the second high school.

## DEBT ADMINISTRATION

The ratio of net indebtedness to assessed valuation and the amount of indebtedness per capita are useful indicators of the District's debt position. The 2016 fiscal year data shows a total outstanding indebtedness on June 30 of \$167,525,000 with a ratio of debt to 100% taxable, actual, assessed valuation of 3.17%. During FY 2016, \$15,220,000 of outstanding debt was paid and an additional \$13,655,000 of new debt issued. In the near future as assessed valuation and District population rise and total indebtedness decrease, these economic indicators will reflect a very favorable financial position.

The above indebtedness of \$167,525,000 is a result of general obligation bonds issued July 2006, May 2009, July 2009, April 2010, July 2011, June 2012, July 2014, August 2014 and March 2015. Capital loan notes were issued in May 2016. Revenue bonds were issued in June 2012, July 2013, April 2014 and June 2015. The district will advance fund bonds and crossover refinance bonds to reduce outstanding debt during the next fiscal year.

## FINANCIAL INFORMATION

Management of the District is responsible for establishing and maintaining an internal control designed to ensure that its capital assets are protected from loss, theft or misuse and to ensure that accounting data are compiled to allow for the preparation of the basic financial statements in accordance with accounting principles generally accepted in the United State of America. The internal control is designed to provide reasonable, but not absolute, assurances that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

Single Audit. As a recipient of federal, state and county financial assistance, the District also is responsible for ensuring that an adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control is subject to periodic evaluation by management and external auditors.



As a part of the District's single audit, described earlier, tests are made to determine the adequacy of the internal control over financial reporting and its compliance with applicable laws and regulations, including those related to major federal awards programs. The results of the District's single audit for the fiscal year ended June 30, 2016, provided no instances of material weaknesses in the internal control or violations of applicable laws and regulations.

Budgetary Controls. In addition, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of the General Fund, special revenue funds, Debt Service Fund, enterprise funds and capital projects funds are included in the annual appropriated budget. Project length financial plans are adopted for the capital projects funds and budgeted accordingly on an annual basis. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by program level for all funds combined rather than at the individual fund level. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at the fiscal year's end. However, encumbrances generally are re-appropriated as part of the following year's budget.

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

#### BASIS OF PRESENTATION

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

#### OTHER INFORMATION

Independent Audit. The accounting firm of Van Maanen, Sietstra, Meyer & Nikkel, P.C. was selected to perform the annual audit in accordance with Chapter 11 of the Code of Iowa. In addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The auditor's report on the basic financial statements, combining and individual fund statements and other schedules is included in the financial section of this report.

#### ACKNOWLEDGEMENT

The preparation of this report on a timely basis could not have been accomplished without the effort of the accounting staff and our auditors, Van Maanen, Sietstra, Meyer & Nikkel, P.C. We would like to express our appreciation to all staff members who assisted and contributed to this report. Also, appreciation is expressed for the interest and support of the Board of Education in conducting the financial operations of the District in a most responsible and progressive manner.

Respectfully submitted,

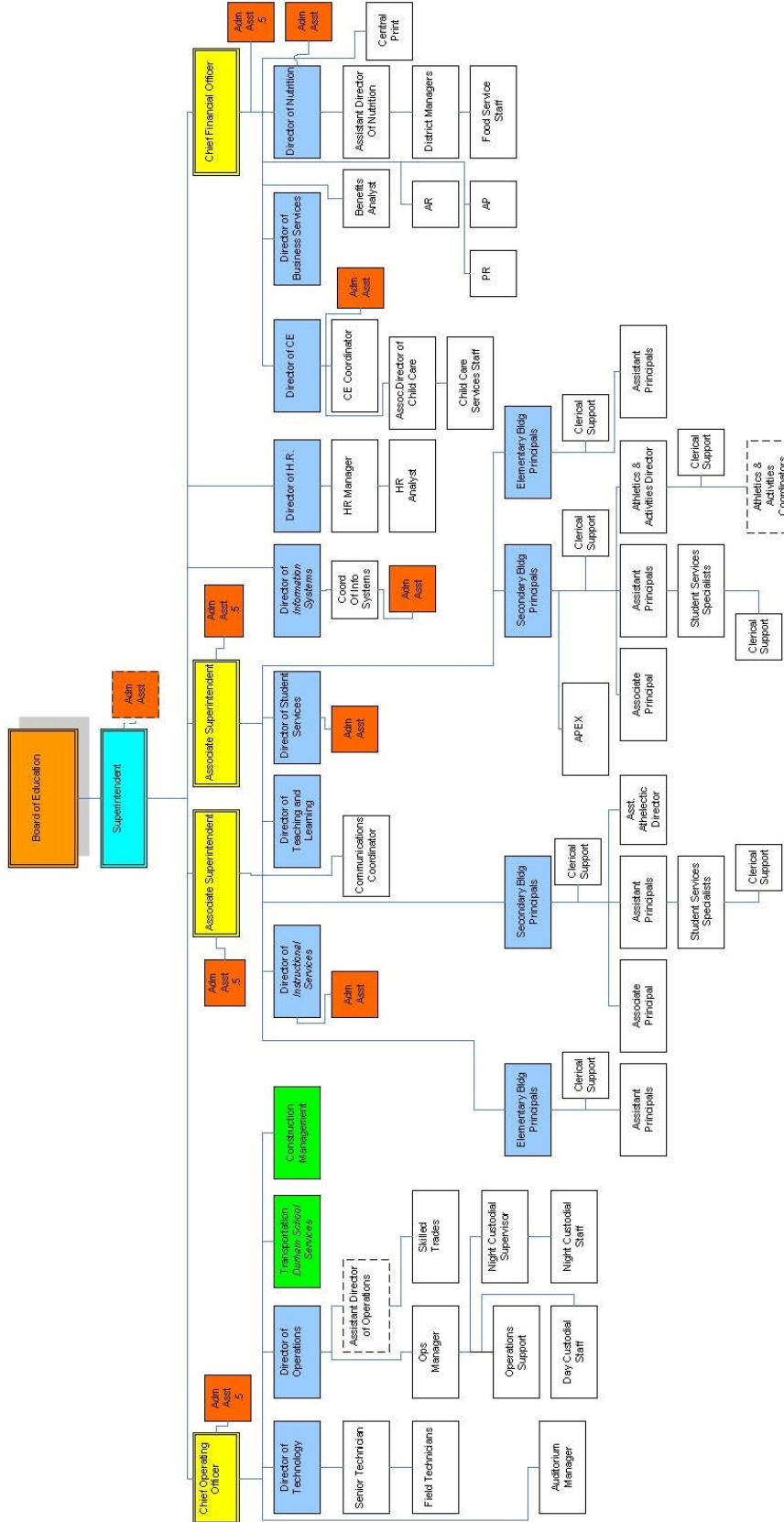


David J. Wilkerson, Ph.D.  
Superintendent



Lora Appenzeller Miller  
Chief Financial Officer

Wauke Community School District  
 Organizational Chart  
 Year Ended June 30, 2016



**Waukee Community School District  
Board of Education and Board Attorney  
Year Ended June 30, 2016**

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<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
<b>Board of Education (Before September 2015 Election)</b>		
Mary Scheve	President	2015
Patrick Nehls	Vice President	2017
Larry Lyon	Board Member	2015
Jerry Ripperger	Board Member	2015
Susan Bunz	Board Member	2017
David Cunningham	Board Member	2017
Wendy Liskey	Board Member	2017
<b>(After September 2015 Election)</b>		
Mary Scheve	President	2017
David Cunningham	Vice President	2017
Patrick Nehls	Board Member	2017
Wendy Liskey	Board Member	2017
Susan Bunz	Board Member	2018
Ethan Husiman	Board Member	2018
Scott Blum	Board Member (Resigned)	2018
Jerry Ripperger	Board Member (Appointed)	2017
<b>Board Attorney</b>		
Ahlers & Cooney, P.C.	School Attorney	Indefinite

**Waukee Community School District**  
**School District Administration**  
**Year Ended June 30, 2016**

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<u>Name</u>	<u>Position</u>
Dr. David J. Wilkerson	Superintendent
Cindi McDonald	Assistant Superintendent for School Improvement
Lora Appenzeller-Miller	Chief Financial Officer
Eric Rose	Chief Operations Officer
Peg Erke	Director of Student Services
Lindsay Law	Director of Teaching & Learning
Ali Locker	Director of Teaching & Learning
Stacie DeHaan	Director of Instructional Services
Mark Toland	Director of Technology
Keith Elmquist	Director of Operations
Jeannie Allgood	Director of Nutrition Services
Jeff Longman	Director of Community Education
Andrea Wilmes	Director of Childcare Services
Terry Welker	Director of Human Resources
Tim Bloom	Director of Business Services
Kirk Johnson	High School Principal
Judi Roland	Associate High School Principal
Joshua Smith	Assistant High School Principal
Nate Zittergruen	Assistant High School Principal
Michelle Hill	Executive Director of CAPS
Brady Fleming	Timberline Principal
Mark Stallman	Assistant Timberline Principal
Juley Murphy-Tiernen	Prairieview Principal
Amy Bidwel	Assistant Prairieview Principal
Doug Barry	South Middle School Principal
Clay Young	Assistant Principal South Middle School
Adam Shockey	Middle School Principal
Susan Anderson	Assistant Middle School Principal
Nicole Tjaden	Waukee Elementary Principal
Clint Prohaska	Eason Elementary Principal
Terry Hurlburt	Brookview Elementary Principal
Lyndsay Marron	Walnut Hills Elementary Principal
Kim Tierney	Maple Grove Principal
Karen Allison	Shuler Elementary Principal
Scott Shumaker	Woodland Hills Elementary Principal
Katie Ferguson	Assistant Elementary Principal
Matt Robie	Assistant Elementary Principal
Stephanie Angelino	Assistant Elementary Principal
Haley Topp	Assistant Elementary Principal
Jim Duea	Director of Athletics & Activities
Todd Schreiber	Assistant Director of Athletics

**Waukee Community School District  
Consultants, Advisers, and Official Depositories  
Year Ended June 30, 2016**

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**Consultants and Advisors:**

Certified Public Accountants:

Van Maanen, Sietstra, Meyer & Nikkel, PC  
705 Main St  
Pella, IA 50219

Bond Attorney:

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

Financial Consultant

The PFM Group  
801 Grand Ave, Ste 3300  
Des Moines, Iowa 50309-3800

General Counsel:

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

Property/Casualty Insurance Agent

Insurance Associates  
2501 Westown Parkway, Suite 1104  
West Des Moines, Iowa 50266-1438

Benefits Insurance Broker:

Mercer Advantage  
1776 West Lakes Parkway - SS2  
West Des Moines, Iowa 50266

**Official Depositories:**

Wells Fargo, Iowa  
110 Highway 6  
Waukee, Iowa 50263

First American Bank  
45 N. Warrior Lane  
Waukee, Iowa 50263

Iowa School Joint Investment Trust  
P.O. Box 71158  
Clive Iowa 50325-0158

The Education Liquidity Fund  
1415 28th St., Suite 200  
Century Building  
West Des Moines, Iowa 50266-1456



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

**Waukee Community School District**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2015.**

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards.



*Brenda Burkett*

Brenda R. Burkett, CPA, CSBA, SFO  
President

*John D. Musso*

John D. Musso, CAE, RSBA  
Executive Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Waukee Community School District  
Iowa**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2015**

Executive Director/CEO







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

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

## **Independent Auditor's Report**

To the Board of Education  
Waukee Community School District  
Waukee, 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 Waukee Community School District, Waukee, Iowa, as of and for the year ended June 30, 2016, and the related Notes to the Financial Statements, which collectively comprise the District's basic financial statements 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 U.S. generally accepted accounting principles. This includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 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 Waukee Community School District as of June 30, 2016, and the respective changes in financial position and, where applicable, its cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

## Other Matters

### *Required Supplementary Information*

U.S. generally accepted accounting principles require Management's Discussion and Analysis, the Budgetary Comparison Information, the Schedule of the District's Proportionate Share of the Net Pension Liability, the Schedule of District Contributions and the Schedule of Funding Progress for the Retiree Health Plan on pages 15 through 22 and 62 through 68 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 which considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, 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 Waukeee Community School District's basic financial statements. We previously audited, in accordance with the standards referred to in the third paragraph of this report, the financial statements for the nine years ended June 30, 2015, (which are not presented herein) and expressed unmodified opinions on those financial statements. The supplementary information included in Schedules 1 through 9, 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* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary 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. 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 U.S. generally accepted auditing standards. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on them.

### Other Reporting Required by Government Auditing Standards

In accordance with *Governmental Auditing Standards*, we have also issued our report dated November 22, 2016, on our consideration of the Waukeee 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Waukeee Community School District's internal control over financial reporting and compliance.

*Van Maanen, Sietstra, Meyer & Nikkel PC*

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

November 22, 2016

**Waukee Community School District  
Management's Discussion and Analysis  
Year Ended June 30, 2016**

It is with great pleasure, we present to you the financial picture of Waukee Community School District. We offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the Waukee Community School District for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

**2016 Financial Highlights**

The District showed a government wide increase in net position of \$13,349,783 during the year ended June 30, 2016.

Governmental activities revenues increased from \$105,060,298 in fiscal year 2015 to \$116,928,529 in 2016. General revenues increased from \$91,251,011 in fiscal year 2015 to \$99,528,308 in 2016. Program revenues increased from \$13,809,287 in 2015 to \$17,400,221 in 2016. The business type activities revenues increased from \$6,617,959 in fiscal year 2015 to \$7,487,207 in 2016.

As of June 30, 2016, unassigned fund balance for the General Fund was \$6,664,946 or 7.56% of General Fund expenditures. The financial solvency ratio for the year ended June 30, 2016 was 7.54%, which is a decrease of 1.03% over the previous year. This decrease is due to increased expenditures in the current year due to additional staff due to increased enrollment.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Waukee Community School District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

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

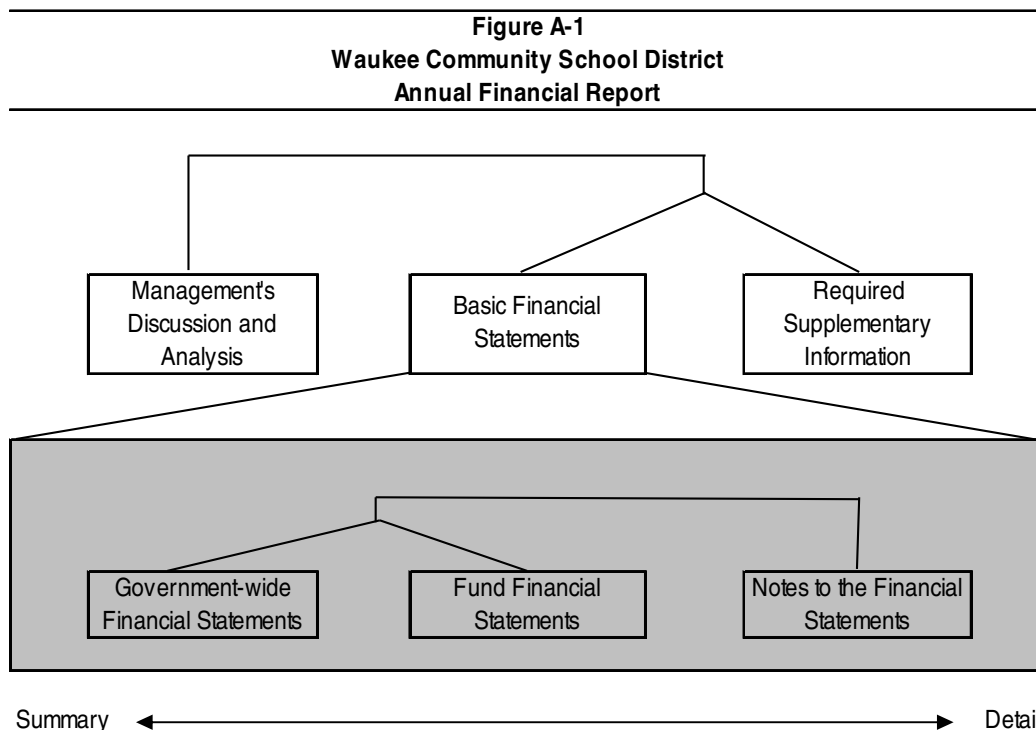


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of the management's discussion and analysis highlights the structure and contents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

**Figure A-2**  
**Major Features of the Government-wide and Fund Financial Statements**

	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services and adult education	Instances in which the District administers resources on behalf of someone else, such as scholarship programs
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenues, expenditures and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of revenues, expenses and changes in fund net position</li> <li>• Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of fiduciary net position</li> <li>• Statement of changes in fiduciary net position</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	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, 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 deferred outflow/ inflow information	Consumption/ acquisition of net position that is applicable to a future reporting period	Consumption/ acquisition of fund balance that is applicable to a future reporting period	Consumption/ acquisition of net position that is applicable to a future reporting period	Consumption/ acquisition of net position that is applicable to a future reporting period
Type of inflow/ outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

**Government-wide financial statements** - The government-wide financial statements are designed to provide readers with a broad overview of Waukee Community School District's finances in a manner similar to a private-sector business.

The statement of net position presents information on all Waukee Community School District's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the changes occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements reflect functions of the Waukee Community School District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, non-instructional services, other and interest on long-term debt. Business type activities are those that the District charges a fee to help cover the costs, such as School Nutrition.

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The government-wide financial statements include only Waukee Community School District. There are no other organizations or agencies whose financial statements should be combined and presented with the financial statements of the District.

**Fund financial statements** – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Waukee Community School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary fund and fiduciary funds.

*Governmental funds* – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Waukee Community School District maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Debt Service and Capital Projects Funds, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 28 through 31 of this report.

*Proprietary fund* – The District maintains two types of proprietary fund, the enterprise fund and internal services funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District maintains two non-major enterprise funds. Internal service funds are used to report the same functions presented as governmental activities in the government-wide financial statements. The District maintains three internal service funds to account for the premium and claim payments for the self-funded health insurance and dental insurance plans, as well as flexible benefits for the District's employees. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. Because the service provided by the District predominately benefits governmental, rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 32 through 34 of this report.

*Fiduciary funds* – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Waukee Community School District's own programs. The fiduciary funds of the District are private purpose trust funds. The District accounts for outside donations for scholarships for individual students in this fund.

The basic fiduciary fund financial statements can be found on pages 35 through 36 of this report.

**Notes to the financial statements** – The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

**Other information** – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Waukee Community School District's budgetary comparison for the year, the proportionate share of the net pension liability and related contributions, as well as presenting the Schedule of Funding Progress for the Retiree Health Plan. Required Supplemental Information can be found on pages 61 through 68 of this report.

Other Supplementary Information provides detailed information about the non-major governmental and proprietary funds.

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**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The District's total net position has increased from a year ago from \$76,458,306 to \$89,808,089.

A significant portion of the District's total assets reflects the investment in capital assets. The District uses these capital assets to provide educational services; consequently, these assets are not available for future spending. The District's net investment in capital assets was \$79,810,740. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Figure A-3 below provides a summary of the District's net position at June 30, 2016 compared to June 30, 2015.

	Governmental activities		Business type activities		Total		Total Change
	June 30,		June 30,		June 30,		June 30,
	2016	2015	2016	2015	2016	2015	2015-2016
Current assets	\$ 136,981,101	135,381,249	3,910,156	3,304,237	140,891,257	138,685,486	1.59%
Capital assets, net	230,482,734	211,978,737	2,214,513	2,223,321	232,697,247	214,202,058	8.63%
<b>Total assets</b>	<b>367,463,835</b>	<b>347,359,986</b>	<b>6,124,669</b>	<b>5,527,558</b>	<b>373,588,504</b>	<b>352,887,544</b>	<b>5.87%</b>
<b>Deferred outflows of resources</b>	<b>14,665,557</b>	<b>7,353,686</b>	<b>768,075</b>	<b>373,953</b>	<b>15,433,632</b>	<b>7,727,639</b>	<b>99.72%</b>
Current liabilities	31,222,733	31,915,739	272,151	250,243	31,494,884	32,165,982	-2.09%
Noncurrent liabilities	197,609,066	187,956,072	2,125,186	1,633,426	199,734,252	189,589,498	5.35%
<b>Total liabilities</b>	<b>228,831,799</b>	<b>219,871,811</b>	<b>2,397,337</b>	<b>1,883,669</b>	<b>231,229,136</b>	<b>221,755,480</b>	<b>4.27%</b>
<b>Deferred inflow of resources</b>	<b>67,585,802</b>	<b>61,903,019</b>	<b>399,109</b>	<b>498,378</b>	<b>67,984,911</b>	<b>62,401,397</b>	<b>8.95%</b>
<b>Net Position:</b>							
Net investment in capital assets	77,596,227	38,226,568	2,214,513	2,223,321	79,810,740	40,449,889	97.31%
Restricted	30,593,382	59,346,172	-	-	30,593,382	59,346,172	-48.45%
Unrestricted	(22,477,818)	(24,633,898)	1,881,785	1,296,143	(20,596,033)	(23,337,755)	-11.75%
<b>Total Net Position</b>	<b>\$ 85,711,791</b>	<b>72,938,842</b>	<b>4,096,298</b>	<b>3,519,464</b>	<b>89,808,089</b>	<b>76,458,306</b>	<b>17.46%</b>

The restricted portion of the District's net position (34.07%) represents resources that are subject to external restrictions on how they may be used. These restrictions include \$1,118,032 for categorical funding, \$6,182,727 for debt service, \$2,192,978 for management levy purposes, \$567,944 for student activities, \$18,309,316 for school infrastructure and \$2,222,385 for physical plant and equipment. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to students and creditors.

At the end of the last fiscal year, the Waukee Community School District was unable to report positive balances in all three categories of net position. GASB 68 was implemented creating a deficit unrestricted net position. It should be noted that this is a book entry of a negative amount and not an actual deficit of cash.

The District's total net position increased by \$13,349,783 or 17.46%, during the current fiscal year. The total net investment in capital assets increased 97.31%. The governmental activities net position increased by \$12,722,949. Business type activities net position increased by \$576,834.

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Figure A-4 highlights the District's revenues and expenses for the fiscal year ended June 30, 2016 as compared to the fiscal year ended June 30, 2015. These two main components are subtracted to yield the change in net position. This table utilized the full accrual method of accounting. Revenue is further divided into two major components: Program Revenue and General Revenue. Program Revenue is defined as charges for services and sales, operating and capital grants and contributions. General Revenue includes taxes and unrestricted grants such as state foundation support.

	<b>Governmental activities</b>		<b>Business type activities</b>		<b>Total District</b>		<b>Total Change</b>
	<b>June 30,</b>		<b>June 30,</b>		<b>June 30,</b>		<b>June 30,</b>
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2015-2016</b>
<b>Revenues:</b>							
Program revenues:							
Charges for services	\$ 3,566,562	3,342,889	6,105,985	5,354,951	9,672,547	8,697,840	11.21%
Operating grants and contributions	13,833,659	10,466,398	1,378,531	1,261,576	15,212,190	11,727,974	29.71%
General Revenues:							
Property and other taxes	52,002,933	47,307,958	-	-	52,002,933	47,307,958	9.92%
Statewide sales and services tax	8,351,818	7,867,527	-	-	8,351,818	7,867,527	6.16%
Unrestricted state grants	38,074,578	35,169,788	-	-	38,074,578	35,169,788	8.26%
Unrestricted investment earnings	144,168	80,346	2,691	1,432	146,859	81,778	79.58%
Other	954,811	825,392	-	-	954,811	825,392	15.68%
Total revenues	<u>116,928,529</u>	<u>105,060,298</u>	<u>7,487,207</u>	<u>6,617,959</u>	<u>124,415,736</u>	<u>111,678,257</u>	<u>11.41%</u>
<b>Expenses:</b>							
Program expenses:							
Instruction	59,495,975	54,794,040	-	-	59,495,975	54,794,040	8.58%
Support services	30,119,154	24,651,302	322,355	270,371	30,441,509	24,921,673	22.15%
Non-instructional programs	-	-	7,148,158	6,601,806	7,148,158	6,601,806	8.28%
Other	8,540,196	7,924,668	-	-	8,540,196	7,924,668	7.77%
Debt service	5,440,115	6,191,165	-	-	5,440,115	6,191,165	-12.13%
Total expenses	<u>103,595,440</u>	<u>93,561,175</u>	<u>7,470,513</u>	<u>6,872,177</u>	<u>111,065,953</u>	<u>100,433,352</u>	<u>10.59%</u>
Changes in Net Position before Transfers	13,333,089	11,499,123	16,694	(254,218)	13,349,783	11,244,905	18.72%
Transfers	(560,140)	(740,091)	560,140	740,091	-	-	0.00%
Changes in Net Position	<u>12,772,949</u>	<u>10,759,032</u>	<u>576,834</u>	<u>485,873</u>	<u>13,349,783</u>	<u>11,244,905</u>	<u>18.72%</u>
Net Position beginning of year	<u>72,938,842</u>	<u>62,179,810</u>	<u>3,519,464</u>	<u>3,033,591</u>	<u>76,458,306</u>	<u>65,213,401</u>	<u>17.24%</u>
Net Position end of year	<u>85,711,791</u>	<u>72,938,842</u>	<u>4,096,298</u>	<u>3,519,464</u>	<u>89,808,089</u>	<u>76,458,306</u>	<u>17.46%</u>

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

The number of students served by the District increased by 675 students, or a 7.70% increase over the prior year. This accounts for the across the board increase in revenues and expenses in both governmental activities and business-type activities. Investment earnings increased 79.58% due to increased availability of investment capital for longer periods of time and more favorable interest rates. Statewide sales tax increased by 6.16% due to an overall growth in statewide sales and services tax and due to increased number of students.

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**Governmental Activities** – Figure A-5 below discloses the total and net cost of services for the District's major governmental activities, instruction, support services, non-instructional programs, other and debt service expenses, for the year ended June 30, 2016 compared to the year ended June 30, 2015. The total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program revenues. Succinctly put, net costs are costs that must be covered by state aid and local taxes. The difference in these two columns would represent restricted grants and services. Net cost of services is 83.20% of total cost of services in 2016.

	<b>Total Cost of Services</b>			<b>Net Cost of Services</b>		
	<b>June 30,</b>			<b>June 30,</b>		
	<b>2016</b>	<b>2015</b>	<b>2015-2016</b>	<b>2016</b>	<b>2015</b>	<b>2015-2016</b>
Instruction	\$ 59,495,975	54,794,040	8.58%	46,495,100	45,063,895	3.18%
Support services	30,119,154	24,651,302	22.18%	29,481,551	24,081,761	22.42%
Other	8,540,196	7,924,668	7.77%	4,778,453	4,415,067	8.23%
Debt service	5,440,115	6,191,165	-12.13%	5,440,115	6,191,165	-12.13%
	<b>\$ 103,595,440</b>	<b>93,561,175</b>	<b>10.72%</b>	<b>86,195,219</b>	<b>79,751,888</b>	<b>8.08%</b>

**Business Type Activities** – Revenues for business type activities during the year ended June 30, 2016 were \$7,487,207 representing, an 13.13% increase over the prior year, while expenses totaled \$7,470,513, 8.71% increase over the prior year. The District's business type activities include the School Nutrition Fund and Community Education Fund.

**Individual Fund Analysis**

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

**Governmental Funds** – The focus of the Waukee Community School District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Waukee Community School District's governmental funds reported combined ending balances of \$59,028,331, a decrease of \$7,954,232 in comparison with the prior year. Approximately 11.29% of this total amount or \$6,664,946 constitutes unassigned fund balance and is available for spending at the government's discretion. The remainder of the fund balance is non-spendable or restricted. Restricted net position represent resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. The non-spendable fund balance of \$44,468 is in inventories. Restricted fund balances consist of \$1,118,032 for categorical funding, \$7,061,571 for debt service, \$2,931,464 for management levy purposes, \$567,944 for student activities, \$25,425,464 for school infrastructure and \$15,214,442 for physical plant and equipment.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$6,664,946, while total fund balance reached \$7,827,446. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and the total fund balance to total fund expenditures. Unassigned fund balance represents 7.56% of total General Fund expenditures.

The fund balance of the District's General Fund increased \$24,577 during the current fiscal year. This increase was anticipated and was due to additional cash reserve levy to fund increased staff costs from the increase of students enrolled. The State of Iowa did increase supplemental state aid 1.25% for 2015-16, the amount the District receives per student.

The District's other major funds include the Debt Service Fund and the Capital Projects Fund. The Debt Service fund balance increased \$8,586 due interest income. The Capital Projects fund balance decreased \$7,143,357 due to the spending of bond proceeds. The District issued \$13,655,000 in general obligation capital loan notes in May 2016, to finance capital facility construction of a Centralized Transportation Facility and purchase land for a second high school. The transportation facility will include a central receiving building, as well as a fueling station, that will be shared with the City of Waukee and is anticipated to be completed by January 2017.



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**Budgetary Highlights**

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

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

	Budget- Original	Budget- Final	Actual	Variance
Instruction	\$ 55,660,000	65,000,000	59,794,621	5,205,379
Support services	27,942,100	30,000,000	27,843,987	2,156,013
Non-instructional programs	7,200,000	7,800,000	7,148,158	651,842
Other	73,625,994	73,625,994	52,496,345	21,129,649
	<u>\$ 164,428,094</u>	<u>176,425,994</u>	<u>147,283,111</u>	<u>29,142,883</u>

**Capital Assets and Debt Administration**

**Capital Assets** – The following table shows ending balances of capital assets invested in various categories. The District recognized a total net increase of \$61,941,414. The increase can be attributed to completion of the 8-9 Timberline building, Eason Elementary roof project and Brookview Elementary HVAC project. Increased construction in progress not completed at June 30 also impacted the increase. Projects underway include the Grant Ragan Elementary building project, Wauke Innovation and Learning Center building project, Bus Barn building project, Park Road paving project, High School CCTV project, District-wide security upgrades and Brookview Elementary roof project.

**Figure A-6  
Capital Assets, Net of Depreciation**

	Governmental activities		Business Type activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2016	2015	2016	2015	2016	2015	2015-2016
Land	\$ 8,334,281	8,320,081	-	-	8,334,281	8,320,081	0.17%
Improvements other than buildings	3,622,792	3,974,227	-	-	3,622,792	3,974,227	-8.84%
Buildings and improvements	186,147,687	158,712,722	-	-	186,147,687	158,712,722	17.29%
Furniture and equipment	1,981,947	1,970,673	2,214,513	2,223,321	4,196,460	4,193,994	0.06%
Construction in progress	30,396,027	39,001,034	-	-	30,396,027	39,001,034	-22.06%
Total	<u>\$ 230,482,734</u>	<u>211,978,737</u>	<u>2,214,513</u>	<u>2,223,321</u>	<u>232,697,247</u>	<u>214,202,058</u>	<u>8.63%</u>

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

**Debt** – As of June 30, 2016, the Wauke Community School District had general obligation bonds, capital loan notes and revenue bonds outstanding principal balance totaling \$167,525,000. In the current year, the District paid \$15,220,000 in principal and \$6,484,070 in interest.

As of June 30, 2016, the District's available debt limit was \$264,557,423 which leaves a legal debt margin of \$160,272,423 once the current year applicable general obligation and capital loan debt is applied.

**Figure A-7  
Long-term Debt Obligations**

	Total School District		Total Change
	June 30,		June 30,
	2016	2015	2015-16
General obligation bonds	\$ 90,630,000	99,325,000	-8.75%
Revenue bonds	63,240,000	67,050,000	-5.68%
Capital loan notes	13,655,000	2,715,000	402.95%
Bond discounts, net of amortization	(923,418)	(976,737)	-5.46%
Bond premiums, net of amortization	6,393,130	5,638,906	13.38%
Early retirement payable	738,486	686,319	7.60%
Net pension liability	35,727,491	27,004,770	32.30%
Net OPEB liability	5,257,798	4,432,424	18.62%
Compensated absences	443,103	412,548	7.41%
Totals	\$ 215,161,590	206,288,230	4.30%

Additional information about the District's long-term debt can be found in note 6 to the financial statements.

#### **Economic Factors and Next Year's Budgets and Rates**

The District is located in the central part of the state, approximately 15 miles west of the city of Des Moines. The District, comprised totally in Dallas County, Iowa, is one of the fastest growing counties in the nation. The District is the fastest growing school district in the State of Iowa. The October 2016 certified student enrollment increased 580 students over the previous year. The economic condition and outlook of the District is one of great optimism. Over the past nine years, the total taxable assessed value in the District has increased by \$1.73 billion or 144.95%. For the current fiscal year, taxable assessed value in the District increased \$257,509,050 or 9.65%.

Based on conservative estimates this trend is expected to continue and probably accelerate in the immediate future. The eastern portions of Dallas County are experiencing growth in both residential and commercial development. The collection of the statewide sales tax, a one cent tax on all covered retail sales, began in January of 2004 and generated \$8.3 million dollars in fiscal 2016. An estimated \$9.1 million dollars is expected to be generated in 2017. The one-cent sales tax will continue through December of 2029 and is now part of the state pool.

This growth, while having a positive impact, also presents significant challenges for the District. The District is utilizing the optional instructional support levy to its fullest and will need to continue its high level of efficient use of human resources and facilities.

Retail sales, building permits and population increases in the western suburbs far exceed that of any other location in the metropolitan area or in the State of Iowa. Dallas County is one of the fastest growing counties in the country. These increases are projected to continue if economic conditions remain favorable.

The State of Iowa saw an improved economic upturn. Revenue projections at the state level increased from the previous year. The District has faced reductions in funding for state aid and other state-funded programs in the previous fiscal years. The District has taken a proactive approach to fiscal stability, that has served it well in these times of financial crisis. The 2016 legislature set supplemental state aid for 2016-17 at 2.25%. We are optimistic about the District's financial outlook, because of prudent actions taken over the past six to seven years. The District has positioned itself extremely well to withstand financial uncertainties at both the state and federal level. We are confident as the national economy begins to strengthen, state revenues will follow the same upward direction.

#### **Requests for Information**

These financial statements and discussions are designed to provide our students, citizens, taxpayers, investors and creditors with a complete disclosure of the District's finances and to demonstrate a high degree of accountability for the public dollars entrusted to us. If you have questions about this report or need additional information, please write Lora Appenzeller-Miller, Chief Financial Officer, Waukee Community School District, 560 S.E. University Avenue, Waukee, Iowa, 50263.

## **Basic Financial Statements**

**Waukee Community School District**  
**Statement of Net Position**  
**June 30, 2016**

	Governmental Activities	Business Type Activities	Total Primary Government
<b>Assets</b>			
Current assets:			
Cash, cash equivalents and pooled investments	\$ 75,002,268	3,842,515	78,844,783
Receivables:			
Property tax:			
Delinquent	107,775	-	107,775
Succeeding year	59,665,907	-	59,665,907
Accounts	45,790	3,060	48,850
Due from other governments	2,114,893	1,100	2,115,993
Inventories	44,468	63,481	107,949
Total current assets	136,981,101	3,910,156	140,891,257
Non-current assets:			
Capital assets:			
Land	8,334,281	-	8,334,281
Improvements other than buildings	7,460,173	-	7,460,173
Buildings and improvements	222,604,873	-	222,604,873
Vehicles, furniture and equipment	5,133,605	4,434,253	9,567,858
Construction in progress	30,396,027	-	30,396,027
Accumulated depreciation	(43,446,225)	(2,219,740)	(45,665,965)
Total capital assets	230,482,734	2,214,513	232,697,247
Total non-current assets	230,482,734	2,214,513	232,697,247
<b>Total assets</b>	<b>367,463,835</b>	<b>6,124,669</b>	<b>373,588,504</b>
<b>Deferred outflows of resources</b>			
Pension related deferred outflows	14,665,557	768,075	15,433,632
<b>Total deferred outflows of resources</b>	<b>14,665,557</b>	<b>768,075</b>	<b>15,433,632</b>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	5,739,536	55,550	5,795,086
Salaries and benefits payable	8,775,770	75,029	8,850,799
Advances from prepaid lunches	-	107,188	107,188
Advances from prepaid tuition	-	5,160	5,160
Contracts payable	43,500	-	43,500
Incurred but not reported claims	706,686	-	706,686
Accrued interest payable	559,127	-	559,127
Capital loan notes payable	1,192,144	-	1,192,144
Revenue bonds payable	4,038,380	-	4,038,380
General obligation bonds payable	9,420,592	-	9,420,592
Early retirement payable	333,119	-	333,119
Compensated absences	413,879	29,224	443,103
Total current liabilities	31,222,733	272,151	31,494,884

**Waukee Community School District**  
**Statement of Net Position**  
**June 30, 2016**

	Governmental Activities	Business Type Activities	Total Primary Government
<i>Continued from previous page</i>			
Noncurrent liabilities:			
Capital loan notes payable	13,964,767	-	13,964,767
Revenue bonds payable	60,773,326	-	60,773,326
General obligation bonds payable	83,605,503	-	83,605,503
Early retirement payable	405,367	-	405,367
Net pension liability	33,948,854	1,778,637	35,727,491
Net OPEB liability	4,911,249	346,549	5,257,798
Total noncurrent liabilities	197,609,066	2,125,186	199,734,252
<b>Total liabilities</b>	228,831,799	2,397,337	231,229,136
<b>Deferred inflows of resources</b>			
Unavailable property tax revenue	59,665,907	-	59,665,907
Pension related deferred inflows	7,919,895	399,109	8,319,004
<b>Total deferred inflows of resources</b>	67,585,802	399,109	67,984,911
<b>Net position</b>			
Net investment in capital assets	77,596,227	2,214,513	79,810,740
Restricted for:			
Categorical funding	1,118,032	-	1,118,032
Management levy purposes	2,192,978	-	2,192,978
Physical plant and equipment levy	2,222,385	-	2,222,385
Student activities	567,944	-	567,944
School infrastructure	18,309,316	-	18,309,316
Debt service	6,502,444	-	6,502,444
Unrestricted	(22,797,535)	1,881,785	(20,915,750)
<b>Total net position</b>	\$ 85,711,791	4,096,298	89,808,089

See notes to financial statements.

Exhibit B

**Waukee Community School District  
Statement of Activities  
Year ended June 30, 2016**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Service	Operating Grants, Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total Primary Government
<b>Governmental activities:</b>						
Instruction:						
Regular	\$ 39,774,410	1,911,212	8,280,712	(29,582,486)	-	(29,582,486)
Special	10,620,723	301,709	1,442,020	(8,876,994)	-	(8,876,994)
Other	9,100,842	1,016,902	48,320	(8,035,620)	-	(8,035,620)
	<u>59,495,975</u>	<u>3,229,823</u>	<u>9,771,052</u>	<u>(46,495,100)</u>	<u>-</u>	<u>(46,495,100)</u>
Support services:						
Student	3,255,556	-	-	(3,255,556)	-	(3,255,556)
Instructional staff	7,129,189	-	-	(7,129,189)	-	(7,129,189)
Administration	6,100,852	-	-	(6,100,852)	-	(6,100,852)
Operation and maintenance of plant	9,876,406	285,897	-	(9,590,509)	-	(9,590,509)
Transportation	3,757,151	50,842	300,864	(3,405,445)	-	(3,405,445)
	<u>30,119,154</u>	<u>336,739</u>	<u>300,864</u>	<u>(29,481,551)</u>	<u>-</u>	<u>(29,481,551)</u>
Other expenses:						
Interest (unallocated)	5,440,115	-	-	(5,440,115)	-	(5,440,115)
AEA flowthrough	3,761,743	-	3,761,743	-	-	-
Depreciation (unallocated) *	4,778,453	-	-	(4,778,453)	-	(4,778,453)
	<u>13,980,311</u>	<u>-</u>	<u>3,761,743</u>	<u>(10,218,568)</u>	<u>-</u>	<u>(10,218,568)</u>
Total governmental activities	103,595,440	3,566,562	13,833,659	(86,195,219)	-	(86,195,219)
<b>Business type activities:</b>						
Support services:						
Administration	194,469	-	-	-	(194,469)	(194,469)
Operation and maintenance of plant	95,060	-	-	-	(95,060)	(95,060)
Transportation	32,826	-	-	-	(32,826)	(32,826)
	<u>322,355</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(322,355)</u>	<u>(322,355)</u>
Non-instructional programs:						
Food service operations	4,966,488	3,632,599	1,378,531	-	44,642	44,642
Community education operations	2,181,670	2,473,386	-	-	291,716	291,716
	<u>7,148,158</u>	<u>6,105,985</u>	<u>1,378,531</u>	<u>-</u>	<u>336,358</u>	<u>336,358</u>
Total business type activities	7,470,513	6,105,985	1,378,531	-	14,003	14,003
Total primary government	<u>\$ 111,065,953</u>	<u>9,672,547</u>	<u>15,212,190</u>	<u>(86,195,219)</u>	<u>14,003</u>	<u>(86,181,216)</u>

Exhibit B

**Waukee Community School District  
Statement of Activities  
Year ended June 30, 2016**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Service	Operating Grants, Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total Primary Government
<i>Totals continued from previous page</i>	\$ 111,065,953	9,672,547	15,212,190	\$ (86,195,219)	14,003	(86,181,216)
<b>General Revenues:</b>						
Property tax levied for:						
General purposes				34,019,635	-	34,019,635
Debt service				12,265,056	-	12,265,056
Capital outlay				5,718,242	-	5,718,242
Statewide sales, services and use tax				8,351,818	-	8,351,818
Unrestricted state grants				38,074,578	-	38,074,578
Grants and contributions not restricted to specific programs				439,903	-	439,903
Unrestricted investment earnings				144,168	2,691	146,859
Other				514,908	-	514,908
Total general revenues				99,528,308	2,691	99,530,999
Change in net position before transfers				13,333,089	16,694	13,349,783
Transfers:						
Capital contributions				(314,970)	314,970	-
Transfers				(245,170)	245,170	-
Total contributions and transfers				(560,140)	560,140	-
Change in net position				12,772,949	576,834	13,349,783
Net position beginning of year				72,938,842	3,519,464	76,458,306
Net position end of year				\$ 85,711,791	4,096,298	89,808,089

\* This amount excludes the depreciation that is included in the direct expense of the various programs.

See notes to financial statements.

Exhibit C

**Waukee Community School District  
Balance Sheet  
Governmental Funds  
June 30, 2016**

	General	Debt Service	Capital Projects	Non-major Governmental Funds	Total
<b>Assets</b>					
Cash, cash equivalents and pooled investments	\$ 17,428,980	896,757	49,411,412	3,537,020	71,274,169
Receivables:					
Property tax:					
Delinquent	72,297	24,197	11,281	-	107,775
Succeeding year	38,516,992	14,974,319	6,174,596	-	59,665,907
Accounts	43,757	-	1,168	865	45,790
Due from other governments	739,697	154	1,375,042	-	2,114,893
Inventories	44,468	-	-	-	44,468
<b>Total assets</b>	<b>\$ 56,846,191</b>	<b>15,895,427</b>	<b>56,973,499</b>	<b>3,537,885</b>	<b>133,253,002</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
Liabilities:					
Accounts payable	\$ 1,732,081	-	3,975,034	32,379	5,739,494
Salaries and benefits payable	8,769,672	-	-	6,098	8,775,770
Contracts payable	-	-	43,500	-	43,500
Total liabilities	10,501,753	-	4,018,534	38,477	14,558,764
Deferred inflows of resources:					
Unavailable revenues:					
Succeeding year property tax	38,516,992	14,974,319	6,174,596	-	59,665,907
Total deferred inflows of resources	38,516,992	14,974,319	6,174,596	-	59,665,907
Fund balances:					
Nonspendable fund balance:					
Inventories	44,468	-	-	-	44,468
Restricted for:					
Categorical funding	1,118,032	-	-	-	1,118,032
Debt service	-	921,108	6,140,463	-	7,061,571
Mangement levy purposes	-	-	-	2,931,464	2,931,464
Student activities	-	-	-	567,944	567,944
School infrastructure	-	-	25,425,464	-	25,425,464
Physical plant and equipment	-	-	15,214,442	-	15,214,442
Unassigned	6,664,946	-	-	-	6,664,946
Total fund balances	7,827,446	921,108	46,780,369	3,499,408	59,028,331
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 56,846,191</b>	<b>15,895,427</b>	<b>56,973,499</b>	<b>3,537,885</b>	<b>133,253,002</b>

See notes to financial statements.



Exhibit D

**Waukee Community School District  
Reconciliation of the Balance Sheet  
Governmental Funds To the Statement of Net Position  
June 30, 2016**

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**Total fund balances of governmental funds (Exhibit C)** \$ 59,028,331

***Amounts reported for governmental activities in the Statement of Net Position are different because:***

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. 230,482,734

The internal service fund is used to charge the costs of the district's flexible benefits plan, self-funded dental plan and self-funded health insurance plan to the governmental funds. The net position of the internal service fund are therefore included in governmental activities. 3,021,371

Accrued interest payable on long-term liabilities is not due and payable in the current year and, therefore is not reported as a liability in the governmental funds. (559,127)

Pension 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	\$	14,665,557	
Deferred inflows of resources		(7,919,895)	6,745,662

Long-term liabilities, including bonds and notes payable, early retirement, 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. Those liabilities at year-end consist of:

Capital loan notes payable	\$	(13,655,000)	
Revenue bonds payable		(63,240,000)	
General obligation bonds payable		(90,630,000)	
Bond discounts		923,418	
Bond premiums		(6,393,130)	
Early retirement		(738,486)	
Compensated absences		(413,879)	
Net pension liability		(33,948,854)	
Other post employment benefits		(4,911,249)	(213,007,180)

**Net position of governmental activities (Exhibit A)** \$ 85,711,791

See notes to financial statements.

Exhibit E

Waukee Community School District  
 Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 Year ended June 30, 2016

	General	Debt Service	Capital Projects	Non-major Governmental Funds	Total
<b>Revenues:</b>					
Local sources:					
Local tax	\$ 34,019,635	12,265,056	5,718,242	-	52,002,933
Tuition	1,751,155	-	-	-	1,751,155
Other	1,467,618	8,838	89,548	1,348,382	2,914,386
State sources	49,651,192	496,910	8,583,488	-	58,731,590
Federal sources	1,528,465	-	-	-	1,528,465
Total revenues	88,418,065	12,770,804	14,391,278	1,348,382	116,928,529
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular	39,280,408	-	58,287	583,855	39,922,550
Special	10,692,329	-	-	-	10,692,329
Other	7,975,684	-	-	1,204,058	9,179,742
	57,948,421	-	58,287	1,787,913	59,794,621
Support services:					
Student	3,248,901	-	-	-	3,248,901
Instructional staff	6,537,925	-	597,160	-	7,135,085
Administration	6,283,939	7,500	74,311	22,800	6,388,550
Operation and maintenance of plant	6,624,793	-	-	381,707	7,006,500
Transportation	3,742,596	-	-	-	3,742,596
	26,438,154	7,500	671,471	404,507	27,521,632
Capital outlay:					
Facilities acquisition	-	-	27,010,498	-	27,010,498
Debt service:					
Principal	-	15,220,000	-	-	15,220,000
Debt issuance costs	-	2,034	18,000	-	20,034
Interest and fiscal charges	-	6,484,070	-	-	6,484,070
	-	21,706,104	18,000	-	21,724,104
Intergovernmental:					
Other expenditures	3,761,743	-	-	-	3,761,743
Total expenditures	88,148,318	21,713,604	27,758,256	2,192,420	139,812,598
Excess (deficiency) of revenues over (under) expenditures	269,747	(8,942,800)	(13,366,978)	(844,038)	(22,884,069)
Other financing sources (uses):					
Issuance of capital loan notes	-	-	13,655,000	-	13,655,000
Premium on the issuance of debt	-	-	1,553,799	-	1,553,799
Discount on the issuance of debt	-	-	(33,792)	-	(33,792)
Transfers in	418	8,951,386	-	-	8,951,804
Transfers out	(245,588)	-	(8,951,386)	-	(9,196,974)
Total other financing sources (uses)	(245,170)	8,951,386	6,223,621	-	14,929,837
Net change in fund balances	24,577	8,586	(7,143,357)	(844,038)	(7,954,232)
Fund balances beginning of year	7,802,869	912,522	53,923,726	4,343,446	66,982,563
Fund balances end of year	\$ 7,827,446	921,108	46,780,369	3,499,408	59,028,331

See notes to financial statements.

Exhibit F

**Waukee 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, 2016**

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**Net change in fund balances - total governmental funds (Exhibit E)** \$ (7,954,232)

***Amounts reported for governmental activities in the  
 Statement of Activities are different because:***

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, those costs are reported in the Statement of Net Position and are allocated over their estimated useful lives as depreciation expense in the Statement of Activities. The amounts of capital outlays and depreciation expense in the year are as follows:

Expenditures for capital assets	\$ 23,878,991	
Depreciation expense	<u>(5,374,994)</u>	18,503,997

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

Issuance of bond and note principal	(13,655,000)	
Premium on the issuance of debt	(1,553,799)	
Discount on the issuance of debt	33,792	
Repayments of bond and note principal	15,220,000	
Amortization of premiums and discounts	<u>712,464</u>	757,457

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when due. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due. 351,525

The current year District employer share of IPERS contributions are reported as expenditures in the governmental funds, but are reported as a deferred outflow of resources in the Statement of Net Position. 4,684,125

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Early retirement	(52,167)	
Compensated absences	(21,913)	
Pension expense	(3,777,048)	
Other postemployment benefits	<u>(770,972)</u>	(4,622,100)

The change in Net Position of the Internal Service Funds represent an undercharge to the governmental funds served and, therefore, increases expenses in the Statement of Activities. 1,052,177

**Change in net position of governmental activities (Exhibit B)** \$ 12,772,949

See notes to financial statements.

**Waukee Community School District**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2016**

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Funds
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 3,842,515	3,728,099
Receivables:		
Accounts	3,060	-
Due from other governments	1,100	-
Inventories	63,481	-
Total current assets	<u>3,910,156</u>	<u>3,728,099</u>
Non-current assets:		
Capital assets:		
Equipment	4,434,253	-
Accumulated depreciation	(2,219,740)	-
Total noncurrent assets	<u>2,214,513</u>	<u>-</u>
<b>Total assets</b>	<u>6,124,669</u>	<u>3,728,099</u>
<b>Deferred Outflows of Resources</b>		
Pension related deferred outflows	<u>768,075</u>	<u>-</u>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	55,550	42
Salaries and benefits payable	75,029	-
Incurred but not reported claims	-	706,686
Advances from prepaid lunches	107,188	-
Advances from prepaid tuition	5,160	-
Compensated absences	29,224	-
Total current liabilities	<u>272,151</u>	<u>706,728</u>
Noncurrent liabilities:		
Net pension liability	1,778,637	-
Net OPEB liability	346,549	-
Total noncurrent liabilities	<u>2,125,186</u>	<u>-</u>
<b>Total liabilities</b>	<u>2,397,337</u>	<u>706,728</u>
<b>Deferred Inflows of Resources</b>		
Pension related deferred inflows	<u>399,109</u>	<u>-</u>
<b>Net Position</b>		
Net investment in capital assets	2,214,513	-
Unrestricted	1,881,785	3,021,371
<b>Total net position</b>	<u>\$ 4,096,298</u>	<u>3,021,371</u>

See notes to financial statements.

Exhibit H

**Waukee Community School District**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**Year ended June 30, 2016**

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Funds
Operating revenue:		
Local sources:		
Charges for services	\$ 6,105,985	7,924,657
Operating expenses:		
Support services:		
Administration services	194,469	6,875,977
Operation and maintenance of plant	95,060	-
Transportation services	32,826	-
	<u>322,355</u>	<u>6,875,977</u>
Non-instructional programs:		
Food service operations:		
Depreciation	335,805	-
Other	4,630,683	-
	<u>4,966,488</u>	<u>-</u>
Other enterprise operations:		
Depreciation	14,542	-
Other	2,167,128	-
	<u>2,181,670</u>	<u>-</u>
Total operating expenses	<u>7,470,513</u>	<u>6,875,977</u>
Operating income (loss)	<u>(1,364,528)</u>	<u>1,048,680</u>
Non-operating revenues (expenses):		
Interest on investments	2,691	3,497
State sources	31,459	-
Federal sources	1,347,072	-
Total non-operating revenues	<u>1,381,222</u>	<u>3,497</u>
Income (loss) before contributions and transfers	16,694	1,052,177
Contributions and transfers:		
Capital contributions	314,970	-
Transfers in	245,588	-
Transfers out	(418)	-
Total contributions and transfers	<u>560,140</u>	<u>-</u>
Change in net position	576,834	1,052,177
Net position beginning of year	<u>3,519,464</u>	<u>1,969,194</u>
Net position end of year	<u>\$ 4,096,298</u>	<u>3,021,371</u>

See notes to financial statements.

Exhibit I

**Waukee Community School District  
Statement of Cash Flows  
Proprietary Funds  
Year ended June 30, 2016**

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Fund
Cash flows from operating activities:		
Cash received from sale of lunches and breakfasts	\$ 3,626,457	-
Cash received from miscellaneous operating activities	2,522,154	7,924,657
Cash paid to employees for services	(4,145,873)	(6,860,765)
Cash paid to suppliers for goods or services	(2,658,562)	-
Net cash provided (used) by operating activities	<u>(655,824)</u>	<u>1,063,892</u>
Cash flows from non-capital financing activities:		
Transfers in	245,588	-
Transfers out	(418)	-
State grants received	31,459	-
Federal grants received	1,042,545	-
Net cash provided by non-capital financing activities	<u>1,319,174</u>	<u>-</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(26,569)	-
Net cash used by capital and related financing activities	<u>(26,569)</u>	<u>-</u>
Cash flows from investing activities:		
Interest on investments	2,691	3,497
Net increase in cash and cash equivalents	639,472	1,067,389
Cash and cash equivalents at beginning of year	<u>3,203,043</u>	<u>2,660,710</u>
Cash and cash equivalents at end of year	<u>\$ 3,842,515</u>	<u>3,728,099</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>		
Operating income (loss)	\$ (1,364,528)	1,048,680
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Commodities used	304,527	-
Depreciation	350,347	-
Decrease in accounts receivable	28,683	-
Decrease in inventories	4,870	-
Increase (decrease) in accounts payable	(8,664)	42
Increase in salaries and benefits payable	7,987	-
Increase in incurred but not reported claims	-	15,170
Increase in unearned revenue	13,943	-
Increase in compensated absences payable	8,642	-
Increase in net OPEB liability	54,402	-
Decrease in net pension liability	(56,033)	-
Net cash provided (used) by operating activities	<u>\$ (655,824)</u>	<u>1,063,892</u>
<b>Reconciliation of cash and cash equivalents at year end to specific assets included on Combined Balance Sheet:</b>		
Current assets:		
Cash and investments	\$ 3,842,515	3,728,099
Cash and cash equivalents at year end	<u>\$ 3,842,515</u>	<u>3,728,099</u>
<b>Non-cash investing, capital and financing activities:</b>		
Noncapital financing activities, commodities received from the US Department of Agriculture	\$ 304,527	\$ -
Capital and related financing activities, capital contributions	314,970	-

See notes to financial statements.

Exhibit J

**Waukee Community School District  
Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2016**

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	<u>Private Purpose Trust</u>
	<u>Scholarship</u>
<b>Assets</b>	
Cash, cash equivalents and pooled investments	\$ 220,277
<b>Total assets</b>	<u>220,277</u>
<b>Net position</b>	
Assets held in trust for scholarships	<u>\$ 220,277</u>

See notes to financial statements.

Exhibit K

**Waukee Community School District  
Statement of Changes in Fiduciary Net Position  
Fiduciary Fund  
Year Ended June 30, 2016**

	Private Purpose Trust
	Scholarship
Additions:	
Local sources:	
Interest	\$ 8,546
Total additions	8,546
Deductions:	
Instruction:	
Scholarships awarded	14,342
Total deductions	14,342
Change in net position	(5,796)
Net position beginning of year	226,073
Net position end of year	\$ 220,277

See notes to financial statements.



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

The Waukee Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades kindergarten through twelve and special education pre-kindergarten. Additionally, the District either operates or sponsors various adult education programs. These courses include remedial education as well as vocational and recreational courses. The geographic area served includes the city of Waukee, Iowa; portions of the cities of West Des Moines, Clive and Urbandale, and the agricultural territory in Dallas County. The District is governed by a Board of Education whose members are elected on a non-partisan basis.

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

A. Reporting Entity

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

Jointly Governed Organization - The District participates in a jointly governed organization that provides services to the District but does not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The District is a member of the Dallas County Assessor's Conference Board.

B. Basis of Presentation

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

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

*Net investment in capital assets* consists of capital assets, net of accumulated depreciation plus unspent bond proceeds and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.

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

*Unrestricted net position* consists of net position not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources that are 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 are 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.

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

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

Fund accounting - The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, deferred inflows of resources, reserves, fund balance/Net Position, revenues and expenditures or expenses, as appropriate. The District has the following funds:

**Governmental Fund Types:** Governmental fund types are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

General Fund: The General Fund accounts for all sources used to finance District operation and maintenance, except those required to be accounted for in another fund.

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.

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

The other governmental funds of the District are considered non-major and are as follows:

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

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

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

**Proprietary Fund Types:** Proprietary fund types are used to account for the District's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position and cash flows. The following are the District's proprietary funds:

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

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

The following enterprise funds of the District are considered non-major:

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

Community Education Fund: This fund accounts for transactions for facilities and services to provide further education opportunities including before and after school child care and summer child care programs.

Internal Service Funds: The internal service funds are used to account for goods or services provided by one department to other departments of the District on a cost reimbursement basis. The internal service funds are charged back to the Governmental Funds and shown combined in the statement of net position and statement of activities. This chargeback is based on a percentage of total employees by the participants various functional areas. The District has the following internal service funds:

Self-Funded Dental Plan: This fund accounts for transactions for self-insured dental insurance received by District employees in which the District is responsible for paying all claims and administrative costs attributable to the insurance.

Self-Funded Health Plan: This fund accounts for transactions for self-insured health insurance received by District employees in which the District is responsible for paying all claims and administrative costs attributable to the insurance.

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

**Fiduciary Fund Types:** Fiduciary funds account for assets held by the District in a trustee or agency capacity for the benefit of others and cannot be used to support District activities. The District has the following fiduciary fund type:

Private Purpose Trust Fund: This fund accounts for assets held by the District under trust agreements with restrictions of income earned to be used to benefit individuals through scholarship awards.

C. Measurement Focus and Basis of Accounting

The government-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.

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

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments, and compensated absences are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

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

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

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

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Equity

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 investments in the Iowa Schools Joint Investment Trust and The Education Liquidity Fund (TELF), which are valued at amortized cost, and non-negotiable certificates of deposit, which are stated at cost.

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

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

Property tax receivable is recognized in these funds on the levy or lien date, which is the date that the tax asking is certified by the Board of Education. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Education to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the District is required to certify its budget in April of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is deferred 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, 2014 assessed property valuations; is for the tax accrual period July 1, 2015 through June 30, 2016 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April, 2015.

**Waukee Community School District**  
**Notes to Financial Statements**  
**June 30, 2016**

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

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 the moving average cost for purchased items and contributed value (fair value at the date received) for government commodities and other donated items. Inventories are recorded as expenses when consumed in the Government-wide financial statements and proprietary funds' financial statements. In the governmental fund financial statements, inventories are accounted for using the consumption method whereby inventory acquisitions are recorded in inventory accounts when purchased and are charged to operations when consumed or sold. In the proprietary fund financial statements, inventories are recorded at the lower costs (first in, first out method) or market and food commodities which were received from the federal government recorded at the contributed value as of the date received.

Capital Assets - Capital assets, which include property, furniture, and equipment, are reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Position. Capital assets are recorded at historical cost. Donated capital assets are recorded at 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. Capital assets are defined by the District as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

<u>Asset Class</u>	<u>Amount</u>
Land	\$ 5,000
Buildings	5,000
Improvements other than buildings	5,000
Furniture and equipment:	
Enterprise Fund equipment	500
Other furniture and equipment	5,000

Capital assets (with the exception of land and construction in progress, which are not depreciated) are depreciated using the straight line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives (In Years)</u>
Buildings	50 years
Improvements other than buildings	20 years
Furniture and equipment	5-20 years

Deferred Outflows of Resources - Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension 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 - Proceeds received by the District for which services will be rendered in a succeeding fiscal year, such as prepaid lunch money and prepaid tuition.

Compensated Absences - District employees accumulate a limited amount of earned but unused vacation for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees that have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2016. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund.

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

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

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net pension 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.

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

Deferred inflows of resources on the Statement of Net Position consists of the succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied and the unamortized portion of the net difference between projected and actual earnings on pension plan investments.

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

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

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

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

*Assigned* - Amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balances has been designated by the District's Board of Directors to the Chief Financial Officer.

*Unassigned* - All amounts not included in other spendable classifications.

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

The District does not have a minimum fund balance policy. They rely on Iowa Statutes for those funds that, by statute, have requirements placed on ending unencumbered cash.

**(2) Budgets and Budgetary Accounting**

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

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

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

1. In accordance with the Statutes of the State of Iowa, prior to March 15, the Board Secretary submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures or expenses and the means of financing them for the upcoming year, along with estimates for the current year and actual data for the preceding years. This budget is submitted in summary form, with an administrative control. The legal level of control for the detailed budget is at the functional area level.
2. Public hearings are required to be conducted to obtain taxpayer comment.
3. Prior to April 15, the budget is legally enacted through certification from the County Auditor.
4. Management is authorized to transfer budgeted amounts between departments within any functional area; however, any revisions that alter the total expenditures or expenses of any functional area must be approved by the Board of Education.
5. The Board of Education may amend the budget during the year by holding public hearings and certifying the amendment with the County Auditor. During the year ended June 30, 2016, the instruction, support services and non-instructional programs functional area expenditures were amended for an increase of 16.78%, 7.36% and 8.33%, respectively, to the originally approved budget.
6. Appropriations lapse at the end of each fiscal year.
7. The budget cannot be amended without the approval of the Board of Education.
8. Unexpended budgetary balance lapse at June 30 and are not available to finance expenditures or expenses of the following year.

As allowed by GASB Statement No. 41, *Budgetary Comparison Schedules - Perspective Differences*, the District presents budgetary comparison schedules as required supplementary information based on the program structure of four functional areas as required by state statute for its legally adopted budget.

**(3) Deposits and Pooled Investments**

As of June 30, 2016, the carrying amount of the District's bank deposits and pooled investments totaled \$79,065,060 with actual bank balances of \$3,236,606 and investment balances of \$75,828,454. Of the bank balances, \$500,000 was covered by federal depository insurance and \$2,736,606 was collateralized by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

**Waukee Community School District**  
**Notes to Financial Statements**  
**June 30, 2016**

(3) *Deposits and Pooled Investments (continued from previous page)*

The District is authorized by statute to invest public funds not currently needed for operating expenses in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured Iowa depository institutions approved by the Board; prime eligible bankers' acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; and certain joint investment trusts. However, the District's investment policy additionally limits investments in commercial paper to obligations at the time of purchase rated within the two highest ratings issued by nationally recognized statistical rating organizations with a maturity less than 270 days, with no more than 5% at the time of purchase placed in the second highest classification and no more than 10% of the investment portfolio in these investments. The District's investment policy additionally limits investments in prime bankers' acceptances that mature within 270 days and that are eligible for purchase by a federal reserve bank, with no more than 10% of the investment portfolio in these investments.

At June 30, 2016, the District had investments in the following:

Type	Amortized Cost/Fair Value
TELF	\$ 23,816,336
ISJIT	51,801,326
Money Market Mutual Fund	10,368
Negotiable Certificates of Deposit	200,424
	\$ 75,828,454

The investments in TELF and ISJIT are valued at an amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940. There is no material difference from fair value. In addition, the fair value of the District's financial position in the pool is the same as the value of the pool shares. The negotiable certificates of deposit and money market mutual fund are stated at fair value.

**Interest rate risk:** Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy requires operating funds to be invested in investments that mature within 397 days or less. When investing other than operating funds, the investments must mature according to the needs of the funds. Operating funds of the District are funds which are reasonably expected to be used during a current budget year or within 15 months of receipt. The maturity of the District's position in an external investment pool is based on the average maturity of the pool's investments.

**Credit risk:** The investment in the Iowa Schools Joint Investment Trust was rated AAAM by Standard & Poor's Rating Service. The Iowa Schools Joint Investment Trust is sponsored by the Iowa Association of School Boards, governed by a representative board of trustees. The board of trustees serves as the regulatory oversight of the pool. The investments in The Education Liquidity Fund (TELF) pool are registered and not subject to rating. The District's investment policy does not formally address credit risk.

**Custodial credit risk for deposits:** In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Chapter 12C of the Code of Iowa requires all District funds be deposited into an approved depository and be either insured or collateralized.

At June 30, 2016, the District's deposits with financial institutions were entirely covered by federal depository insurance or insured through the state pooled collateral, state sinking funds and by the state's ability to assess for lost funds. At June 30, 2016, \$75,828,454 of the District's investments was uninsured or unregistered with securities held by the counterparty's trust department or agent in the District's name.



**Waukee Community School District**  
**Notes to Financial Statements**  
**June 30, 2016**

**(4) Transfers**

The detail of transfers for the year ended June 30, 2016 is as follows:

	Transfers In				
	Governmental Activities		Total Governmental Activities	Business type Activities	
	General	Debt Service		Nonmajor Enterprise	Total
<u>Transfer Out</u>					
Governmental Activities:					
General	\$ -	-	-	245,588	245,588
Capital Projects	-	8,951,386	8,951,386	-	8,951,386
Business Type Activities:					
Nonmajor Enterprise	418	-	418	-	418
<b>Total</b>	<b>\$ 418</b>	<b>8,951,386</b>	<b>8,951,804</b>	<b>245,588</b>	<b>9,197,392</b>

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

The General Fund transferred rental income to the Nonmajor Enterprise, Community Service Fund.

Capital Projects Fund transferred to the Debt Service Fund to pay revenue bonds and capital loan notes.

The Nonmajor Enterprise, School Nutrition Fund transferred team nutrition grant revenue to the General Fund.

**(5) Capital Assets**

Capital assets activity for the year ended June 30, 2016 is as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 8,320,081	14,200	-	8,334,281
Construction in progress	39,001,034	19,092,739	27,697,746	30,396,027
<b>Total capital assets not being depreciated</b>	<b>47,321,115</b>	<b>19,106,939</b>	<b>27,697,746</b>	<b>38,730,308</b>
Capital assets being depreciated:				
Buildings	190,742,890	31,861,983	-	222,604,873
Improvements other than buildings	7,460,173	-	-	7,460,173
Furniture and equipment	4,525,790	607,815	-	5,133,605
<b>Total capital assets being depreciated</b>	<b>202,728,853</b>	<b>32,469,798</b>	<b>-</b>	<b>235,198,651</b>
Less accumulated depreciation for:				
Buildings	32,030,168	4,427,018	-	36,457,186
Improvements other than buildings	3,485,946	351,435	-	3,837,381
Furniture and equipment	2,555,117	596,541	-	3,151,658
<b>Total accumulated depreciation</b>	<b>38,071,231</b>	<b>5,374,994</b>	<b>-</b>	<b>43,446,225</b>
<b>Total capital assets being depreciated, net</b>	<b>164,657,622</b>	<b>27,094,804</b>	<b>-</b>	<b>191,752,426</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 211,978,737</b>	<b>46,201,743</b>	<b>27,697,746</b>	<b>230,482,734</b>

**Waukee Community School District**  
**Notes to Financial Statements**  
**June 30, 2016**

(5) *Capital Assets (continued from previous page)*

	Balance Beginning of Year	Additions	Reductions	Balance End of Year
<b>Business type activities:</b>				
Furniture and equipment	\$ 4,117,917	341,539	25,203	4,434,253
Less accumulated depreciation	1,894,596	350,347	25,203	2,219,740
Business-type activities capital assets, net	<u>\$ 2,223,321</u>	<u>(8,808)</u>	<u>-</u>	<u>2,214,513</u>

Depreciation expense was charged by the District as follows:

Governmental activities:

Instruction:

Regular \$ 454,288

Support services:

Student services 140

Instructional staff services 7,838

Administration 17,309

Operation and maintenance of plant 102,411

Transportation 14,555

596,541

Unallocated 4,778,453

Total depreciation expense - governmental activities \$ 5,374,994

Business type activities:

Food services \$ 335,805

Community education 14,542

\$ 350,347

(6)

**Long-Term Liabilities**

Changes in long-term liabilities for the year ended June 30, 2016 are summarized as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
<b>Governmental activities:</b>					
General obligation bonds	\$ 99,325,000	-	8,695,000	90,630,000	8,985,000
Premiums on general obligation bonds	3,171,292	-	606,847	2,564,445	462,238
Discounts on general obligation bonds	(199,210)	-	(30,860)	(168,350)	(26,646)
Subtotal general obligation bonds	<u>102,297,082</u>	<u>-</u>	<u>9,270,987</u>	<u>93,026,095</u>	<u>9,420,592</u>
Revenue bonds	67,050,000	-	3,810,000	63,240,000	3,920,000
Premiums on revenue bonds	2,467,614	-	174,230	2,293,384	174,229
Discounts on revenue bonds	(777,527)	-	(55,849)	(721,678)	(55,849)
Subtotal revenue bonds	<u>68,740,087</u>	<u>-</u>	<u>3,928,381</u>	<u>64,811,706</u>	<u>4,038,380</u>
Capital loan notes	2,715,000	13,655,000	2,715,000	13,655,000	975,000
Premiums on capital loan notes	-	1,553,799	18,498	1,535,301	221,971
Discounts on capital loan notes	-	(33,792)	(402)	(33,390)	(4,827)
Subtotal capital loan notes	<u>2,715,000</u>	<u>15,175,007</u>	<u>2,733,096</u>	<u>15,156,911</u>	<u>1,192,144</u>
Early retirement	686,319	389,108	336,941	738,486	333,119
Net pension liability	25,663,491	8,285,363	-	33,948,854	-
Net OPEB liability	4,140,277	770,972	-	4,911,249	-
Compensated absences	391,966	413,879	391,966	413,879	413,879
Subtotal governmental activities	<u>204,634,222</u>	<u>25,034,329</u>	<u>16,661,371</u>	<u>213,007,180</u>	<u>15,398,114</u>

**Waukee Community School District  
Notes to Financial Statements  
June 30, 2016**

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

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
<b>Business type activities:</b>					
Net pension liability	\$ 1,341,279	437,358	-	1,778,637	-
Net OPEB liability	292,147	54,402	-	346,549	-
Compensated absences	20,582	29,224	20,582	29,224	29,224
Subtotal business type activities	1,654,008	520,984	20,582	2,154,410	29,224
Total	\$ 206,288,230	25,555,313	16,681,953	215,161,590	15,427,338

Capital Loan Notes Payable

The district issued \$13,655,000 on May 24, 2016 in capital loan notes for the capital building and equipment purchases for the centralized transportation facility, central receiving facility and shared fueling station. The capital loan notes will be repaid using property tax collected in the Capital Projects, Physical Plant and Equipment Levy Fund. Details of the District's June 30, 2017 capital loan note indebtedness are as follows:

Year Ending June 30,	May 24, 2016 Issue			
	Interest Rates	Principal	Interest	Total
2017	4.00%	\$ 975,000	597,140	1,572,140
2018	5.00%	2,045,000	546,750	2,591,750
2019	5.00%	2,070,000	444,500	2,514,500
2020	5.00%	2,095,000	341,000	2,436,000
2021	5.00%	2,125,000	236,250	2,361,250
2022-2023	2.00-4.00%	4,345,000	173,800	4,518,800
		\$ 13,655,000	2,339,440	15,994,440

Revenue Bonds

The district issued \$18,900,000 on March 1, 2007 in revenue bonds for the capital facility construction of Maple Grove Elementary and South Middle School. During the year ended June 30, 2012, the district advance refunded \$5,900,000 of the March 1, 2007 revenue bond and issued \$22,335,000 on June 19, 2012 in revenue bonds. The revenue bond proceeds were used for the capital facility construction of Woodland Hills Elementary. The district issued \$16,785,000 on July 10, 2013 and \$16,690,000 on April 1, 2014 in revenue bonds for the capital facility construction of Timberline. The district issued \$19,990,000 on June 9, 2015 in revenue bonds for the capital facility construction of the Waukee Innovation and Learning Center (WILC). The revenue bonds will be repaid using statewide sales, service and use tax collected in the Capital Projects, Statewide Sales, Services and Use Tax Fund. Details of the District's June 30, 2016 revenue bond indebtedness is as follows:

Year Ending June 30,	June 19, 2012 Refunding Bond Issue			July 10, 2013 Issue		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2017	3.00%	\$ 925,000	504,150	2.00%	\$ 975,000	465,175
2018	3.00%	945,000	476,400	2.00%	995,000	445,675
2019	3.00%	965,000	448,050	2.00%	1,015,000	425,775
2020	3.00%	990,000	419,100	2.00%	1,040,000	405,475
2021	3.00%	1,015,000	389,400	3.00%	1,065,000	374,275
2022-2026	3.00-4.00%	5,605,000	1,436,150	3.00-3.50%	5,815,000	1,364,575
2027-2029	4.00%	3,900,000	316,000	3.75-4.00%	3,975,000	318,400
Total		\$ 14,345,000	3,989,250		\$ 14,880,000	3,799,350

**Waukee Community School District**  
**Notes to Financial Statements**  
**June 30, 2016**

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

Year Ending June 30,	April 1, 2014 Issue			June 9, 2015 Issue		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2017	5.00%	\$ 915,000	610,957	5.00%	\$ 1,105,000	637,225
2018	5.00%	975,000	565,206	5.00%	1,150,000	581,975
2019	5.00%	995,000	516,456	5.00%	1,245,000	524,475
2020	5.00%	1,025,000	466,706	2.00%	1,330,000	462,225
2021	5.00%	1,055,000	415,456	3.00%	1,390,000	435,625
2022-2026	3.00-5.00%	5,920,000	1,381,606	3.00%	7,640,000	1,522,925
2027-2029	3.375-3.625%	4,205,000	302,544	3.125-3.375%	5,065,000	336,590
Total		<u>\$ 15,090,000</u>	<u>4,258,931</u>		<u>\$ 18,925,000</u>	<u>4,501,040</u>

Total			
	Principal	Interest	Total
2017	\$ 3,920,000	2,217,507	6,137,507
2018	4,065,000	2,069,256	6,134,256
2019	4,220,000	1,914,756	6,134,756
2020	4,385,000	1,753,506	6,138,506
2021	4,525,000	1,614,756	6,139,756
2022-2026	24,980,000	5,705,256	30,685,256
2027-2029	17,145,000	1,273,534	18,418,534
Total	<u>\$ 63,240,000</u>	<u>16,548,571</u>	<u>79,788,571</u>

The district has pledged future statewide sales, services and use tax revenues to repay the \$63,240,000 bonds issued June 19, 2012, July 10, 2013, April 1, 2015 and June 9, 2015. The statewide sales, services and use tax revenue bonds were issued for the purpose of defraying a portion of the cost of school infrastructure. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenue received by the District. The bonds are not a general obligation of the District. However, the debt is subject to the constitutional debt limitation of the District. The total principal and interest remaining to be paid on the bonds is \$79,788,571. For the current year, principal of \$3,810,000 and interest of \$2,324,836 was paid on the bonds and total statewide sales and services tax revenues were \$8,351,818.

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

- a) \$6,140,463 of the proceeds from the issuance of the revenue bonds shall be deposited to a reserve account to be used solely for the purpose of paying principal and interest on the bonds if insufficient money is available in the sinking account. The balance of the proceeds shall be deposited to the project account.
- b) All proceeds from the statewide sales, services and use tax shall be placed in a revenue account.
- c) Monies in the revenue account shall be disbursed to make deposits into a sinking account to pay the principal and interest requirements of the revenue bonds for the fiscal year.
- d) Any monies remaining in the revenue account after the required transfer to the sinking account may be transferred to the project account to be used for any lawful purpose.

The District complied with all of the revenue bond provisions during the year ended June 30, 2016.

**Waukee Community School District**  
**Notes to Financial Statements**  
**June 30, 2016**

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

General Obligation Bonds

During the year ended June 30, 2008 the district issued refunding General Obligation Bonds of \$10,000,000 for capital facility construction. During the year ended June 30, 2009 the district issued General Obligation Bonds of \$50,000,000 for capital facility construction. During the year ended June 30, 2010 the district issued refunding General Obligation Bonds of \$2,395,000 to refinance bonds at lower interest rates that were originally issued for capital facility construction. During the year ended June 30, 2010 the district issued refunding General Obligation Bonds of \$15,915,000 to refinance bonds at lower interest rates that were originally issued for capital facility construction. During the year ended June 30, 2011 the district issued General Obligation Bonds of \$10,000,000 for capital facility construction for the High School addition project. During the year ended June 30, 2012 the district issued refunding General Obligation Bonds of \$8,390,000 to refinance bonds at lower interest rates that were originally issued for capital facility construction. During the year ended June 30, 2015 the district issued refunding General Obligation Bonds of \$6,330,000 to refinance bonds at lower interest rates that were originally issued for capital facility construction. During the year ended June 30, 2015 the district issued General Obligation Bonds of \$18,900,000 for capital facility construction for Grant Ragan Elementary. During the year ended June 30, 2015 the district issued refunding General Obligation Bonds of \$2,745,000 to refinance bonds at lower interest rates that were originally issued for capital facility construction. Details of the District's June 30, 2016 general obligation bonded indebtedness are as follows:

Year Ending June 30,	April 1, 2008 Issue			May 1, 2009 Issue		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2017	3.50%	\$ 340,000	205,102	4.00%	\$ 1,445,000	1,837,981
2018	3.50%	355,000	193,202	4.00%	1,500,000	1,780,181
2019	4.00%	375,000	180,778	4.00%	1,560,000	1,720,181
2020	4.00%	390,000	164,778	4.00%	1,560,000	1,449,031
2021	4.00%	410,000	150,178	4.00%	1,625,000	1,386,631
2022-2026	3.65-4.00%	2,330,000	500,843	4.00-4.625%	18,235,000	5,666,039
2027-2028	4.00%	1,085,000	65,600	5.00%	10,045,000	657,500
Total		<u>\$ 5,285,000</u>	<u>1,460,481</u>		<u>\$ 35,970,000</u>	<u>14,497,544</u>

Year Ending June 30,	July 23, 2009 Refunding Bond Issue			April 1, 2010 Refunding Bond Issue		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2017	3.85%	\$ 200,000	52,592	3.00%	\$ 685,000	401,000
2018	3.85%	205,000	44,892	3.00%	765,000	380,450
2019	4.00%	400,000	37,000	3.00%	1,090,000	357,500
2020	4.00%	525,000	21,000	3.25%	2,380,000	324,800
2021		-	-	3.50%	3,045,000	247,450
2022-2026		-	-	3.50%	4,025,000	211,575
2027-2028		-	-		-	-
Total		<u>\$ 1,330,000</u>	<u>155,484</u>		<u>\$ 11,990,000</u>	<u>1,922,775</u>

**Waukee Community School District**  
**Notes to Financial Statements**  
**June 30, 2016**

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

Year Ending June 30,	July 13, 2011 Issue			June 5, 2012 Refunding Bond Issue		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2017	1.75%	\$ 765,000	170,218	3.00%	\$ 190,000	240,450
2018	2.00%	785,000	156,830	3.00%	195,000	234,750
2019	2.20%	805,000	141,130	3.00%	200,000	228,900
2020	2.35%	830,000	123,420	3.00%	385,000	222,900
2021	2.55%	860,000	103,915	3.00%	385,000	211,350
2022-2026	2.55-3.10%	2,775,000	169,255	3.00%	6,660,000	465,000
2027-2028		-	-		-	-
Total		<u>\$ 6,820,000</u>	<u>864,768</u>		<u>\$ 8,015,000</u>	<u>1,603,350</u>

Year Ending June 30,	July 24, 2014 Refunding Bond Issue			August 13, 2014 Issue		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2017	2.00%	\$ 1,710,000	93,000	5.00%	\$ 2,805,000	702,250
2018	2.00%	1,705,000	58,800	5.00%	2,965,000	562,000
2019	2.00%	1,235,000	24,700	5.00%	3,120,000	413,750
2020		-	-	5.00%	1,300,000	257,750
2021		-	-	5.00%	1,855,000	192,750
2022-2026		-	-	5.00%	2,000,000	100,000
2027-2028		-	-		-	-
Total		<u>\$ 4,650,000</u>	<u>176,500</u>		<u>\$ 14,045,000</u>	<u>2,228,500</u>

Year Ending June 30,	March 24, 2015 Refunding Bond Issue			Total		
	Interest Rates	Principal	Interest	Principal	Interest	Total
2017	2.00%	\$ 845,000	67,000	\$ 8,985,000	\$ 3,769,593	12,754,593
2018	4.00%	825,000	50,100	9,300,000	3,461,205	12,761,205
2019	2.00%	855,000	17,100	9,640,000	3,121,039	12,761,039
2020		-	-	7,370,000	2,563,679	9,933,679
2021		-	-	8,180,000	2,292,274	10,472,274
2022-2026		-	-	36,025,000	7,112,712	43,137,712
2027-2028		-	-	11,130,000	723,100	11,853,100
Total		<u>\$ 2,525,000</u>	<u>134,200</u>	<u>\$ 90,630,000</u>	<u>23,043,602</u>	<u>113,673,602</u>

**Waukee Community School District**  
**Notes to Financial Statements**  
**June 30, 2016**

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

Early Retirement

The District does not offer an early retirement plan each year. The District offered a voluntary early retirement plan to its employees in 2015-16. Eligible employees were at least 55 years old on June 30 and employees completed 10 years of continuous service to the District. Employees filed a letter of intent which was required to be approved by the Board of Education.

The early retirement incentive offered in 2015-16 for each eligible employee was equal to 50% of the current year's base salary. In addition, the District paid an amount equal to \$5,600 per year towards the cost of medical insurance until the employee becomes eligible for Medicare. The early retirement cash benefits were paid in July following the start of retirement into a tax shelter annuity in the State of Iowa plan of the employees' choice. Early retirement benefits are paid by the Special Revenue, Management Levy Fund.

At June 30, 2016, the District has obligations to 26 participants with a total liability of \$738,486. Actual early retirement expenditures for the year ended June 30, 2016 totaled \$336,941. The early retirement is recorded as a long-term liability of the governmental activities in the government-wide financial statements.

**(7) Advance Refunding**

During the year ended June 30, 2014, the District advance funded \$1,670,000 of general obligation bonds dated May 1, 2009. The pre-levy property taxes were placed in an irrevocable escrow account and have been invested in U.S. Government obligations which have been certified to be sufficient to pay all principal and interest on the refunded bonds. This advance refunding was undertaken to reduce total debt service payments over the next fifteen years by \$2,421,500 and resulted in an economic gain of \$856,482.

During the year ended June 30, 2013, the District advance funded \$2,505,000 of general obligation bonds dated May 1, 2009. The pre-levy property taxes were placed in an irrevocable escrow account and have been invested in U.S. Government obligations which have been certified to be sufficient to pay all principal and interest on the refunded bonds. This advance refunding was undertaken to reduce total debt service payments over the next fifteen years by \$3,632,250 and resulted in an economic gain of \$1,242,554.

**(8) Operating Leases**

The District is obligated under an equipment lease for two trucks and a SUV. These leases are accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations and therefore are not included as capital assets or long-term liabilities in the Government-wide financial statements. The agreement provides for monthly lease payments of \$482 for the truck, \$425 for the SUV, and \$440 for the truck. The total payments under the lease agreement for the year ended June 30, 2016 were \$16,164.

The total annual lease payments under the lease agreements are as follows:

Year ending June 30,	Truck Lease	SUV Lease	Truck Lease	Total Leases
2017	\$ 482	5,100	5,287	10,387
2018	-	-	881	881
	\$ 482	5,100	6,168	11,268

**(9) 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 7401 Register Drive P.O. Box 9117, Des Moines, Iowa 50306-9117 or at [www.ipers.org](http://www.ipers.org).

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

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

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

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 1%age point. IPERS Contribution Rate Funding Policy requires that the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level%age of payroll, based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2016, pursuant to the required rate, Regular members contributed 5.95% of pay and the District contributed 8.93% for a total rate of 14.88%.

The District's contributions to IPERS for the year ended June 30, 2016 were \$4,931,385.



**Waukee Community School District**  
**Notes to Financial Statements**  
**June 30, 2016**

(9) Pension Plan (Continued)

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2016, the District reported a liability of \$35,727,491 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, 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, 2015, the District's collective proportion was 0.718654%, which was an increase of 0.051389% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$3,968,274. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expensed and actual experience	\$ 539,797	-
Changes of assumptions	983,668	-
Net difference between projected and actual earnings on pension plan investments	5,345,541	8,319,004
Changes in proportion and differences between District contributions and proportionate share of contributions	3,633,241	-
District contributions subsequent to the measurement date	4,931,385	-
<b>Total</b>	<b>\$ 15,433,632</b>	<b>8,319,004</b>

\$4,931,385 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, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2017	\$ 374,045
2018	374,045
2019	374,044
2020	374,044
2021	687,065
<b>Total</b>	<b>\$ 2,183,243</b>

There were no non-employer contributing entities at IPERS.

Actuarial Assumptions - The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation (effective June 30, 2014)	3.00% per annum
Rates of salary increase (effective June 30, 2010)	4.00 to 17.00% average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 1996)	7.50% compounded annually, net of investment expense, including inflation

**Waukee Community School District  
Notes to Financial Statements  
June 30, 2016**

(9) Pension Plan (Continued)

Wage growth 4.00% per annum, based on 3.00% inflation  
(effective June 30, 1996) and 1.00% real wage inflation

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of actuarial experience studies with dates corresponding to those listed above.

Mortality rates were based on the RP-2000 Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

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

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Core plus fixed income	28%	2.04%
Domestic equity	24%	6.29%
International equity	16%	6.75%
Private equity/debt	11%	11.32%
Real estate	8%	3.48%
Credit opportunities	5%	3.63%
U.S. TIPS	5%	1.91%
Other real assets	2%	6.24%
Cash	1%	-0.71%
Total	100%	

Discount Rate - The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that contributions from the District will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. These rates are shown in the table above.

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 7.50%, 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 (6.50%) or 1% higher (8.50%) than the current rate.

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
District's proportionate share of the net pension liability	\$62,552,408	\$35,727,491	\$13,085,335

IPERS' Fiduciary Net Position - Detailed information about IPERS' fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at [www.ipers.org](http://www.ipers.org).

**Waukee Community School District**  
**Notes to Financial Statements**  
**June 30, 2016**

(9) *Pension Plan (Continued)*

Payables to IPERS - At June 30, 2016, the District reported payables to IPERS' of \$410,899 for legally required employer contributions and \$273,779 for legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

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

Plan Description - The District operates a single-employer retiree benefit plan which provides medical and prescription drug benefits for retirees and their spouses. There are 971 active and 19 retired members in the plan. Participants must be age 55 or older at retirement and must have been employed full time by the District for a minimum of 15 consecutive years prior to the retirement year. The plan is administered by the District and the District has the authority to establish or amend the plan provisions or contribution requirements within the sections of the Code. The plan does not issue as stand-alone financial report.

The medical/prescription drug coverage provides eligible retirees with health care coverage through one of two medical plans offered through Wellmark: Blue Access HMO and Alliance Select PPO. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy and an OPEB liability.

Funding Policy - The contribution requirements of plan members are established and may be amended by the District. The District currently finances the retiree benefit plan on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation - The District's annual OPEB cost is calculated based on the annual required contribution (ARC) of the District, an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

The following table shows the components of the District's annual OPEB cost for the years ended June 30, 2016, 2015 and 2014 the amount actually contributed to the plan and changes in the District's net OPEB obligation:

	2016	2015	2014
Annual required contribution	\$ 896,000	896,000	663,000
Interest on net OPEB obligation	199,459	153,000	135,820
Adjustment to annual required contribution	(163,679)	(133,000)	(115,463)
Annual OPEB cost	931,780	916,000	683,357
Contributions made	(106,406)	(76,839)	(108,305)
Increase in net OPEB obligation	825,374	839,161	575,052
Net OPEB obligation beginning of year	4,432,424	3,593,263	3,018,211
Net OPEB obligation end of year	\$ 5,257,798	4,432,424	3,593,263

For calculation of the net OPEB obligation, the actuary has used the valuation day as July 1, 2014. The end of year net OPEB obligation was calculated by the actuary as the cumulative difference between the actuarially determined funding requirements and the actual contributions for the year ended June 30, 2016.

For the year ended June 30, 2016, the District contributed \$106,406. Retiree and active members receiving benefits contributed \$55,601 through their required contribution based on which plan the employee belongs to and whether single or family coverage is elected.

**Waukee Community School District**  
**Notes to Financial Statements**  
**June 30, 2016**

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

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation as of June 30, 2016 are summarized as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2014	\$ 683,357	15.85%	\$ 3,593,263
June 30, 2015	916,000	8.39%	4,432,424
June 30, 2016	931,780	11.42%	5,257,798

Funded Status and Funding Progress - As of July 1, 2014, the most recent actuarial valuation date for the period July 1, 2015 through June 30, 2016, the actuarial accrued liability was \$4,875,000, with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$4,875,000. The covered payroll (annual payroll of active employees covered by the plan) was approximately \$56,470,975 and the ratio of the UAAL to covered payroll was 8.6%. As of June 30, 2016, there were no trust fund assets.

Actuarial Methods and Assumptions - 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. Examples include assumptions about future employment, mortality and the health care cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as Required Supplementary Information in the section following the Notes to Financial Statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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.

As of the July 1, 2014 actuarial valuation date, the projected unit credit actuarial cost method was used. The actuarial assumption includes a 4.5% discount rate based on the District's funding policy. The projected annual medical trend rate is 11%. The ultimate medical trend rate is 5%. The medical trend rate is reduced 0.5% each year until reaching the 5% ultimate trend rate. Both rates include a 0% inflation rate assumption.

Mortality rates are from the RP2000 Group Annuity Mortality Table, applied on a gender-specific basis. Annual retirement and termination probabilities were developed from the retirement probabilities from the IPERS Actuarial Report as of June 30, 2014 and applying the termination factors used in the IPERS Actuarial Report as of June 30, 2014.

The District will pay an amount not to exceed \$5,600 per year toward the cost of the single medical insurance premium. Premium amounts in excess of \$5,600 annually will be the responsibility of the retiree. This allowance is available each year until the employee becomes eligible for Medicare. Employees may not choose to receive the insurance allowance in cash in lieu of medical coverage.

There are currently 3 grandfathered retirees receiving a subsidy for the District under different retirement provisions. Below is a description of the monthly subsidy levels by retirement year paid by the District.

Date Retired	HMO	PPO
Through 6/30/06	100% of current premium	100% of current premium
7/1/06 thru 6/30/07	\$ 270.46	\$ 338.71
7/1/07 thru 6/30/08	265.05	331.94
7/1/08 thru 6/30/09	261.96	339.45

**Waukee Community School District  
Notes to Financial Statements  
June 30, 2016**

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

Per capita health claim costs are developed by age adjusting the premiums shown above. The age 60 per capita health claim costs for retirees and spouses are as follows:

Per Capita Cost	HMO	PPO
Premium	\$ 8,150	\$ 10,186

The salary increase rate was assumed to be 3.5% per year. The UAAL is being amortized as a level%age of projected payroll expense on an open basis over 30 years.

**(11) Risk Management**

Waukee 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. During the year ended June 30, 2015, there were no significant reductions in coverage. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Partial Self-Funded Dental Insurance Plan

The District began a partial self-funded dental insurance plan during the year ended June 30, 2005. The plan is administered through a service agreement with Seabury and Smith. The District assumes liability for a maximum of the first \$1,000 of dental claims for each employee who participates in the plan. Employees participating in the plan are charged a premium each year to cover any estimated costs of the plan. The District reports the plan in the Internal Service, Self-Funded Dental Plan Fund. There was no claims liability at June 30, 2016.

A reconciliation of changes in the aggregate liabilities for claims for year ending is as follows:

	2016	2015
Unpaid claims at beginning of year	\$ -	-
Incurred claims	427,896	371,383
Payment	427,896	371,383
Unpaid claims at end of year	\$ -	-

Self-Funded Health Insurance Plan

The District began a partial self-funded health insurance plan during the year ended June 30, 2013. The District has established the internal service fund to account for premium and claim payments for a self-insured group health insurance plan for the District's employees to meet potential losses from medical claims. The District purchases commercial insurance to provide for aggregate stop-loss coverage for the excess of 125% of estimated claims for the plan year and specific stop-loss reinsurance coverage for the excess \$120,000 in insured claims for any one covered individual. Settled claims have not exceeded the commercial coverage in any of the past three calendar years.

Payments are made to the plan based on actuarial estimates of amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claims payable include all known claims and an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are estimated by considering the effects of inflation, recent claim settlement trends, including frequency and amount of pay-outs and other economic and social factors.

Changes in the balances of claims payable during the years ended June 30, 2016 and 2015 are as follows:

**Waukee Community School District**  
**Notes to Financial Statements**  
**June 30, 2016**

(11) *Risk Management (continued from previous page)*

	2016	2015
Unpaid claims at beginning of year	\$ 691,516	559,189
Incurred claims	4,712,450	4,610,111
Payment	4,697,280	4,477,784
Unpaid claims at end of year	<u>\$ 706,686</u>	<u>691,516</u>

Each participating fund makes payments to the self-insurance fund for amounts which are determined based on historical claims experience. Such payments are displayed on the financial statements as revenues and expenditures/expenses. There have been no significant reductions in insurance coverage from the past three years.

**(12) Area Education Agency**

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the Area Education Agency. The District's actual amount for this purpose totaled \$3,761,743 for the year ended June 30, 2016 and is recorded in the General Fund by making a memorandum adjusting entry to the financial statements.

**(13) Construction Commitments**

The District has active construction projects as of June 30, 2016. The projects include construction on the Waukee Innovation and Learning Center building project, HS Security project, HS Park Road parking project, District-wide Security project, Bus Barn building project, Grant Ragan Elementary building project, Brookview Elementary roof replacement project and Eason Elementary entrance remodel project. At the end of the year, the District paid \$30,396,027 with \$12,344,285 of outstanding contract agreements to be paid upon completion of the capital projects.

**(14) Disaggregation of Receivables and Payables**

Receivables and payables are disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the next year.

**(15) Restricted Categorical Funds**

The District's restricted fund balance for categorical funds at June 30, 2016 is comprised of the following programs:

Program	Amount
Educator quality, model core curriculum	\$ 243,303
Educator quality, professional development	234,051
Returning dropouts and dropout prevention programs	8,273
Teacher leadership	535,616
Successful progression for early readers	96,789
Total categorical funding	<u>\$ 1,118,032</u>

**(16) Contingent Liabilities**

As of June 30, 2016, the District does not have any contingent liabilities.

**(17) Subsequent Event**

The District issued \$33,250,000 of General Obligation School Refunding Bonds dated October 4, 2016, in order to do a crossover advanced refunding of the May 1, 2009 General Obligation Bond Issue.

**Waukee Community School District  
Notes to Financial Statements  
June 30, 2016**

**(18) Due from Other Governments**

Amount due from other governments by Fund as of June 30, 2016 are as follows:

	Governmental Activities			Business Type	Grand Total
	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Enterprise Fund	
Local sources:					
Tuition	\$ 368,660	-	-	-	368,660
Statewide sales, services and use tax	-	1,374,970	-	-	1,374,970
Summer classes	-	-	-	1,100	1,100
	<u>368,660</u>	<u>1,374,970</u>	<u>-</u>	<u>1,100</u>	<u>1,744,730</u>
State sources:					
Non-public transportation	300,364	-	-	-	300,364
Foster care special ed claim	3,975	-	-	-	3,975
Vocational aid	6,964	-	-	-	6,964
Military credit	492	72	154	-	718
	<u>311,795</u>	<u>72</u>	<u>154</u>	<u>-</u>	<u>312,021</u>
Federal sources:					
Title I	54,686	-	-	-	54,686
Title I SINA	4,383	-	-	-	4,383
Aids Education	173	-	-	-	173
	<u>59,242</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,242</u>
Total due from other governments	<u>\$ 739,697</u>	<u>1,375,042</u>	<u>154</u>	<u>1,100</u>	<u>2,115,993</u>

**(19) Reconciliation of Governmental Fund Balances to Net Position**

The following is the detailed reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.

	Net investment in Capital Assets	Management Levy	School Infrastructure	Physical Plant and Equipment Levy	Debt Service	Unassigned/Unrestricted
<b>Fund balance (Exhibit C)</b>	\$ -	2,931,464	25,425,464	15,214,442	7,061,571	6,664,946
Capital assets, net of accumulated depreciation	230,482,734	-	-	-	-	-
General obligation bond capitalized indebtedness	(93,026,095)	-	-	-	-	-
Revenue bond capitalized indebtedness	(64,811,706)	-	-	-	-	-
Capital loan note capitalized indebtedness	(15,156,911)	-	-	-	-	-
Unspent bond proceeds	20,108,205	-	(7,116,148)	(12,992,057)	-	-
Early retirement payable	-	(738,486)	-	-	-	-
Accrued interest payable	-	-	-	-	(559,127)	-
Internal service net position	-	-	-	-	-	3,021,371
Inventories	-	-	-	-	-	44,468
Compensated absences payable	-	-	-	-	-	(413,879)
Net pension liability	-	-	-	-	-	(33,948,854)
Net OPEB liability	-	-	-	-	-	(4,911,249)
Pension related deferred outflows	-	-	-	-	-	14,665,557
Pension related deferred inflows	-	-	-	-	-	(7,919,895)
<b>Net position (Exhibit A)</b>	<u>\$ 77,596,227</u>	<u>2,192,978</u>	<u>18,309,316</u>	<u>2,222,385</u>	<u>6,502,444</u>	<u>(22,797,535)</u>





**Required Supplementary Information**

**Waukee Community School District**  
**Budgetary Comparison Schedule of Revenues, Expenditures/Expenses and Changes in Balances**  
**Budget and Actual - All Governmental Funds and Proprietary Fund**  
**Required Supplementary Information**  
**Year ended June 30, 2016**

	Governmental Funds Actual	Proprietary Funds Actual	Total Actual	Budgeted Amounts Original	Budgeted Amounts Final	Final to Actual Variance- Positive (Negative)
Revenues:						
Local sources	\$ 56,668,474	6,108,676	62,777,150	61,650,351	61,650,351	1,126,799
State sources	58,731,590	31,459	58,763,049	58,978,082	58,978,082	(215,033)
Federal sources	1,528,465	1,347,072	2,875,537	2,645,621	2,645,621	229,916
Total revenues	116,928,529	7,487,207	124,415,736	123,274,054	123,274,054	1,141,682
Expenditures/Expenses:						
Instruction	59,794,621	-	59,794,621	55,660,000	65,000,000	5,205,379
Support services	27,521,632	322,355	27,843,987	27,942,100	30,000,000	2,156,013
Non-instructional programs	-	7,148,158	7,148,158	7,200,000	7,800,000	651,842
Other expenditures	52,496,345	-	52,496,345	73,625,994	73,625,994	21,129,649
Total expenditures/expenses	139,812,598	7,470,513	147,283,111	164,428,094	176,425,994	29,142,883
Deficiency of revenues under expenditures/expenses	(22,884,069)	16,694	(22,867,375)	(41,154,040)	(53,151,940)	30,284,565
Other financing sources (uses), net	14,929,837	560,140	15,489,977	-	-	15,489,977
Excess of revenues and other financing sources over expenditures/expenses	(7,954,232)	576,834	(7,377,398)	(41,154,040)	(53,151,940)	45,774,542
Balances beginning of year	66,982,563	3,519,464	70,502,027	69,068,537	69,068,537	1,433,490
Balances end of year	\$ 59,028,331	4,096,298	63,124,629	27,914,497	15,916,597	47,208,032

See accompanying independent auditor's report.

**(1) Basis of Presentation**

The District operates within the budget requirements for school districts as specified by state law and as prescribed by the Iowa Department of Management. Budgets are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

For the fiscal year beginning July 1, a proposed budget is adopted by the Board and filed with the County Auditor no later than April 15. The budget is certified by the County Auditor to the Department of Management.

Once adopted, the budget can be amended by the Board. The amendment must be published and a public hearing conducted prior to the amendment. Any amendments must be certified to the County Auditor no later than May 31. The proposed expenditure budget is advertised in the local newspaper, together with a notice of public hearing. During the year ended June 30, 2016, the District adopted a budget amendment increasing budgeted expenditures by \$11,997,900.

The legal level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is the functional area for a budgeted governmental and enterprise funds in total, rather than by individual fund type. Formal and legal budgetary control is based on four major classes of expenditures known as functional areas. These four functional areas are instruction, support services, non-instructional programs and other expenditures. The Code of Iowa also provides that District expenditures in the General Fund may not exceed the amount authorized by the school finance formula. Authorized expenditures cannot exceed the lesser of the certified budget plus any allowable amendments, or the authorized budget, which is the sum of the District's cost for that year plus the actual miscellaneous income received for that year plus the actual unspent balance from the preceding year. Appropriations, as adopted and amended, lapse at the end of the fiscal year.

The District is required by the Code of Iowa to budget for its share of media, education services and special education support provided through the local area education agency. The District's actual amount for this purpose totaled \$3,761,743 for the year ended June 30, 2016.

**Waukee Community School District**  
**Schedule of Funding Progress for the Retiree Health Plan**  
**Required Supplementary Information**  
**Year ended June 30, 2016**

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Year Ended June 30,	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2011	July 1, 2010	\$ -	5,253,000	5,253,000	0.0%	31,893,162	16.5%
2012	July 1, 2010	-	5,253,000	5,253,000	0.0%	37,224,617	14.1%
2013	July 1, 2012	-	3,974,000	3,974,000	0.0%	40,908,492	9.7%
2014	July 1, 2012	-	3,974,000	3,974,000	0.0%	46,257,859	8.6%
2015	July 1, 2014	-	4,875,000	4,875,000	0.0%	50,106,700	9.7%
2016	July 1, 2014	-	4,875,000	4,875,000	0.0%	56,470,975	8.6%

See Note 10 in the accompanying Notes to Financial Statements for the plan description, funding policy, annual OPEB cost, net OPEB obligation, funded status and funding progress.

See accompanying independent auditor's report.

**Waukee Community School District**  
**Schedule of District's Proportionate Share of the Net Pension Liability**  
**Iowa Public Employees' Retirement System**  
**Last Two Fiscal Year\***  
**(In Thousands)**  
**Required Supplementary Information**

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	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability	0.718654%	0.667265%
District's proportionate share of the net pension liability	\$35,727	\$27,005
District's covered-employee payroll	\$49,598	\$45,000
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	72.03%	60.01%
Plan fiduciary net position as a percentage of the total pension liability	85.19%	87.61%

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

See accompanying independent auditor's report.

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

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

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	2016	2015	2014	2013
Statutorily required contribution	\$4,931	\$4,429	\$4,018	\$3,573
Contributions in relation to the statutorily required contribution	<u>(4,931)</u>	<u>(4,429)</u>	<u>(4,018)</u>	<u>(3,573)</u>
Contribution deficiency (excess)	\$0	\$0	\$0	\$0
District's covered-employee payroll	\$56,471	\$49,598	\$45,000	\$41,214
Contributions as a percentage of covered-employee payroll	8.93%	8.93%	8.93%	8.67%

See accompanying independent auditor's report.

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2012	2011	2010	2009	2008	2007
\$3,040	\$2,389	\$2,169	\$1,889	\$1,542	\$1,234
(3,040)	(2,389)	(2,169)	(1,889)	(1,542)	(1,234)
\$0	\$0	\$0	\$0	\$0	\$0
\$37,673	\$34,377	\$32,615	\$29,741	\$25,489	\$21,456
8.07%	6.95%	6.65%	6.35%	6.05%	5.75%

**Waukee Community School District**  
**Notes to Required Supplementary Information – Pension Liability**  
**Year ended June 30, 2016**

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Changes of benefit terms:

Legislation passed in 2010 modified benefit terms for current Regular members. The definition of final average salary changed from the highest three to the highest five years of covered wages. The vesting requirement changed from four years of service to seven years. The early retirement reduction increased from 3% per year measured from the member's first unreduced retirement age to a 6% reduction for each year of retirement before age 65.

Legislative action in 2008 transferred four groups – emergency medical service providers, county jailers, county attorney investigators, and National Guard installation security officers – from Regular membership to the protection occupation group for future service only.

Changes of assumptions:

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

The 2010 valuation implemented the following refinements as a result of a quadrennial experience study:

- Adjusted retiree mortality assumptions.
- Modified retirement rates to reflect fewer retirements.
- Lowered disability rates at most ages.
- Lowered employment termination rates
- Generally increased the probability of terminating members receiving a deferred retirement benefit.
- Modified salary increase assumptions based on various service duration.

The 2007 valuation adjusted the application of the entry age normal cost method to better match projected contributions to the projected salary stream in the future years. It also included in the calculation of the UAL amortization payments the one-year lag between the valuation date and the effective date of the annual actuarial contribution rate.



**Supplementary Information**

Schedule 1

**Waukee Community School District  
Combining Balance Sheet  
Non-Major Governmental Funds  
June 30, 2016**

	Special Revenue		
	Management	Student Activity	Total
<b>Assets</b>			
Current assets:			
Cash and pooled investments	\$ 2,943,511	593,509	3,537,020
Receivables:			
Accounts	-	865	865
<b>Total assets</b>	<b>\$ 2,943,511</b>	<b>594,374</b>	<b>3,537,885</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
Current liabilities:			
Accounts payable	\$ 5,949	26,430	32,379
Deposits payable	6,098	-	6,098
Total liabilities	12,047	26,430	38,477
Fund balances:			
Restricted for:			
Management levy purposes	2,931,464	-	2,931,464
Student activities	-	567,944	567,944
Total fund balances	2,931,464	567,944	3,499,408
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 2,943,511</b>	<b>594,374</b>	<b>3,537,885</b>

See accompanying independent auditor's report.

Schedule 2

**Waukee Community School District**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**Year ended June 30, 2016**

	Special Revenue		
	Management	Student Activity	Total
Revenues:			
Local sources:			
Other	\$ 35,287	1,313,095	1,348,382
Total revenues	35,287	1,313,095	1,348,382
Expenditures:			
Current:			
Instruction:			
Regular	583,855	-	583,855
Other	-	1,204,058	1,204,058
Support services:			
Administration	22,800	-	22,800
Operation and maintenance of plant	381,707	-	381,707
Total expenditures	988,362	1,204,058	2,192,420
Excess (Deficiency) of revenues over (under) expenditures	(953,075)	109,037	(844,038)
Fund balances beginning of year	3,884,539	458,907	4,343,446
Fund balances end of year	\$ 2,931,464	567,944	3,499,408

See accompanying independent auditor's report.

**Waukee Community School District  
Combining Balance Sheet  
Capital Projects Fund Accounts  
June 30, 2016**

	Capital Projects			
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Other Capital Projects	Total
<b>Assets</b>				
Cash and pooled investments	\$ 30,908,391	16,840,706	1,662,315	49,411,412
Receivables:				
Property tax:				
Delinquent	-	11,281	-	11,281
Succeeding year	-	6,174,596	-	6,174,596
Accounts	-	-	1,168	1,168
Due from other governments	1,374,970	72	-	1,375,042
<b>Total assets</b>	<b>\$ 32,283,361</b>	<b>23,026,655</b>	<b>1,663,483</b>	<b>56,973,499</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
Liabilities:				
Accounts payable	\$ 1,253,336	1,637,617	1,084,081	3,975,034
Contracts payable	43,500	-	-	43,500
Total liabilities	1,296,836	1,637,617	1,084,081	4,018,534
Deferred inflows of resources:				
Unavailable revenues:				
Succeeding year property tax	-	6,174,596	-	6,174,596
Total deferred inflows of resources	-	6,174,596	-	6,174,596
Fund balances:				
Restricted for:				
Debt service	6,140,463	-	-	6,140,463
School infrastructure	24,846,062	-	579,402	25,425,464
Physical plant and equipment	-	15,214,442	-	15,214,442
Total fund balances	30,986,525	15,214,442	579,402	46,780,369
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 32,283,361</b>	<b>23,026,655</b>	<b>1,663,483</b>	<b>56,973,499</b>

See accompanying independent auditor's report.

Schedule 4

**Waukee Community School District**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Capital Projects Fund Accounts**  
**Year ended June 30, 2016**

	Capital Projects			Total
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Other Capital Projects	
Revenues:				
Local sources:				
Local tax	\$ -	5,718,242	-	5,718,242
Other	77,425	3,214	8,909	89,548
State sources	8,351,818	231,670	-	8,583,488
Total revenues	8,429,243	5,953,126	8,909	14,391,278
Expenditures:				
Current:				
Instruction:				
Regular	-	58,287	-	58,287
Support services:				
Instructional staff	-	597,160	-	597,160
Administration	21,792	48,741	3,778	74,311
Other expenditures:				
Facilities acquisition	13,195,800	4,142,858	9,671,840	27,010,498
Debt issuance costs	-	18,000	-	18,000
Total expenditures	13,217,592	4,865,046	9,675,618	27,758,256
Excess (Deficiency) of revenues over (under) expenditures	(4,788,349)	1,088,080	(9,666,709)	(13,366,978)
Other financing sources (uses):				
Issuance of capital loan notes	-	13,655,000	-	13,655,000
Premium on the issuance of debt	-	1,553,799	-	1,553,799
Discount on the issuance of debt	-	(33,792)	-	(33,792)
Transfers out	(6,136,836)	(2,814,550)	-	(8,951,386)
Total other financing sources (uses)	(6,136,836)	12,360,457	-	6,223,621
Excess (Deficiency) of revenues and other financing source over (under) expenditures and other financing uses	(10,925,185)	13,448,537	(9,666,709)	(7,143,357)
Fund balances beginning of year	41,911,710	1,765,905	10,246,111	53,923,726
Fund balances end of year	\$ 30,986,525	15,214,442	579,402	46,780,369

See accompanying independent auditor's report.

## Schedule 5

**Waukee Community School District**  
**Combining Schedule of Net Position**  
**Proprietary Funds**  
**June 30, 2016**

	Business Type Activities			Governmental Activities			
	Nonmajor Enterprise Funds			Internal Service Funds			
	School Nutrition	Community Education	Total	Flexible Benefits	Self-funded Dental Plan	Self-funded Health Plan	Total
<b>Assets</b>							
Current assets:							
Cash and pooled investments	\$ 1,900,398	1,942,117	3,842,515	218,241	489,790	3,020,068	3,728,099
Receivables:							
Accounts	-	3,060	3,060	-	-	-	-
Due from other governments	-	1,100	1,100	-	-	-	-
Inventories	37,955	25,526	63,481	-	-	-	-
Total current assets	1,938,353	1,971,803	3,910,156	218,241	489,790	3,020,068	3,728,099
Noncurrent assets:							
Capital assets:							
Equipment	4,354,292	79,961	4,434,253	-	-	-	-
Accumulated depreciation	(2,170,730)	(49,010)	(2,219,740)	-	-	-	-
Total noncurrent assets	2,183,562	30,951	2,214,513	-	-	-	-
<b>Total assets</b>	4,121,915	2,002,754	6,124,669	218,241	489,790	3,020,068	3,728,099
<b>Deferred Outflows of Resources</b>							
Pension related deferred outflows	459,041	309,034	768,075	-	-	-	-
<b>Liabilities</b>							
Current liabilities:							
Accounts payable	13,731	41,819	55,550	-	-	42	42
Salaries and benefits payable	12,291	62,738	75,029	-	-	-	-
Compensated absences	8,626	20,598	29,224	-	-	-	-
Incurred but not reported claims	-	-	-	-	-	706,686	706,686
Advances from prepaid lunches	107,188	-	107,188	-	-	-	-
Advances from prepaid tuition	-	5,160	5,160	-	-	-	-
Total current liabilities	141,836	130,315	272,151	-	-	706,728	706,728
Noncurrent liabilities:							
Net pension liability	1,052,115	726,522	1,778,637	-	-	-	-
Net OPEB liability	276,156	70,393	346,549	-	-	-	-
Total noncurrent liabilities	1,328,271	796,915	2,125,186	-	-	-	-
<b>Total liabilities</b>	1,470,107	927,230	2,397,337	-	-	706,728	706,728
<b>Deferred Inflows of Resources</b>							
Pension related deferred inflows	242,802	156,307	399,109	-	-	-	-
<b>Net Position</b>							
Net investment in capital assets	2,183,562	30,951	2,214,513	-	-	-	-
Unrestricted	684,485	1,197,300	1,881,785	218,241	489,790	2,313,340	3,021,371
<b>Total net position</b>	\$ 2,868,047	1,228,251	4,096,298	218,241	489,790	2,313,340	3,021,371

See accompanying independent auditor's report.

Schedule 6

**Waukee Community School District**  
**Combining Schedule of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**Year ended June 30, 2016**

	Business Type Activities			Governmental Activities			
	Nonmajor Enterprise Funds			Internal Service Funds			
	School Nutrition	Community Education	Total	Flexible Benefits	Self-funded Dental Plan	Self-funded Health Plan	Total
Operating revenue:							
Local sources:							
Charges for services	\$ 3,632,599	2,473,386	6,105,985	741,707	472,276	6,710,674	7,924,657
Operating expenses:							
Support services:							
Administration:							
Benefits	-	-	-	706,244	359,231	5,634,593	6,700,068
Purchased services	20,302	162,226	182,528	14,628	68,665	87,210	170,503
Supplies	11,941	-	11,941	-	-	2,750	2,750
Other	-	-	-	-	-	2,656	2,656
	32,243	162,226	194,469	720,872	427,896	5,727,209	6,875,977
Operation and maintenance of plant:							
Purchased services	63,453	-	63,453	-	-	-	-
Supplies	31,607	-	31,607	-	-	-	-
	95,060	-	95,060	-	-	-	-
Transportation:							
Purchased services	-	32,826	32,826	-	-	-	-
Total support services	127,303	195,052	322,355	720,872	427,896	5,727,209	6,875,977
Non-instructional programs:							
Food service operations:							
Salaries	1,689,883	-	1,689,883	-	-	-	-
Benefits	563,931	-	563,931	-	-	-	-
Purchased services	124,006	-	124,006	-	-	-	-
Supplies	2,219,031	-	2,219,031	-	-	-	-
Other	33,832	-	33,832	-	-	-	-
Depreciation	335,805	-	335,805	-	-	-	-
	4,966,488	-	4,966,488	-	-	-	-
Other enterprise operations:							
Salaries	-	1,523,761	1,523,761	-	-	-	-
Benefits	-	383,296	383,296	-	-	-	-
Purchased services	-	15,414	15,414	-	-	-	-
Supplies	-	234,434	234,434	-	-	-	-
Other	-	10,223	10,223	-	-	-	-
Depreciation	-	14,542	14,542	-	-	-	-
	-	2,181,670	2,181,670	-	-	-	-
Total non-instructional programs	4,966,488	2,181,670	7,148,158	-	-	-	-
Total operating expenses	5,093,791	2,376,722	7,470,513	720,872	427,896	5,727,209	6,875,977
Operating income (loss)	(1,461,192)	96,664	(1,364,528)	20,835	44,380	983,465	1,048,680

Schedule 6

**Waukee Community School District**  
**Combining Schedule of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**Year ended June 30, 2016**

	Business Type Activities			Governmental Activities			
	Nonmajor Enterprise Funds			Internal Service Funds			
	School Nutrition	Community Education	Total	Flexible Benefits	Self-funded Dental Plan	Self-funded Health Plan	Total
<i>Continued from previous page</i>							
Non-operating revenues:							
Interest on investments	754	1,937	2,691	-	503	2,994	3,497
State sources	31,459	-	31,459	-	-	-	-
Federal sources	1,347,072	-	1,347,072	-	-	-	-
Total non-operating revenues	<u>1,379,285</u>	<u>1,937</u>	<u>1,381,222</u>	<u>-</u>	<u>503</u>	<u>2,994</u>	<u>3,497</u>
Income (loss) before transfers and contributions	(81,907)	98,601	16,694	20,835	44,883	986,459	1,052,177
Contributions and transfers:							
Capital contributions	314,970	-	314,970	-	-	-	-
Transfers in	-	245,588	245,588	-	-	-	-
Transfers out	(418)	-	(418)	-	-	-	-
Total contributions and transfers	<u>314,552</u>	<u>245,588</u>	<u>560,140</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net position	232,645	344,189	576,834	20,835	44,883	986,459	1,052,177
Net position beginning of year	<u>2,635,402</u>	<u>884,062</u>	<u>3,519,464</u>	<u>197,406</u>	<u>444,907</u>	<u>1,326,881</u>	<u>1,969,194</u>
Net position end of year	<u>\$ 2,868,047</u>	<u>1,228,251</u>	<u>4,096,298</u>	<u>218,241</u>	<u>489,790</u>	<u>2,313,340</u>	<u>3,021,371</u>

See accompanying independent auditor's report.



Schedule 7

**Waukee Community School District  
Combining Schedule of Cash Flows  
Proprietary Funds  
Year ended June 30, 2016**

	Business Type Activities			Governmental Activities			
	Nonmajor Enterprise Funds			Internal Service Funds			
	School Nutrition	Community Education	Total	Flexible Benefits	Self-funded Dental Plan	Self-funded Health Plan	Total
<b>Cash flows from operating activities:</b>							
Cash received from sale of lunches and breakfasts	\$ 3,626,457	-	3,626,457	-	-	-	-
Cash received from miscellaneous operating activities	23,209	2,498,945	2,522,154	741,707	472,276	6,710,674	7,924,657
Cash payments to employees for services	(2,230,775)	(1,915,098)	(4,145,873)	(720,872)	(427,896)	(5,711,997)	(6,860,765)
Cash payments to suppliers for goods or services	(2,183,883)	(474,679)	(2,658,562)	-	-	-	-
Net cash provided (used) by operating activities	(764,992)	109,168	(655,824)	20,835	44,380	998,677	1,063,892
<b>Cash flows from non-capital financing activities:</b>							
Transfers in	-	245,588	245,588	-	-	-	-
Transfers out	(418)	-	(418)	-	-	-	-
State grants received	31,459	-	31,459	-	-	-	-
Federal grants received	1,042,545	-	1,042,545	-	-	-	-
Net cash provided by non-capital financing activities	1,073,586	245,588	1,319,174	-	-	-	-
<b>Cash flows from capital and related financing activities:</b>							
Acquisition of capital assets	(24,197)	(2,372)	(26,569)	-	-	-	-
Net cash used by capital and related financing activities	(24,197)	(2,372)	(26,569)	-	-	-	-
<b>Cash flows from investing activities:</b>							
Interest on investments	754	1,937	2,691	-	503	2,994	3,497
Net increase in cash and cash equivalents	285,151	354,321	639,472	20,835	44,883	1,001,671	1,067,389
Cash and cash equivalents at beginning of year	1,615,247	1,587,796	3,203,043	197,406	444,907	2,018,397	2,660,710
Cash and cash equivalents at end of year	\$ 1,900,398	1,942,117	3,842,515	218,241	489,790	3,020,068	3,728,099
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>							
Operating income (loss)	\$ (1,461,192)	96,664	(1,364,528)	20,835	44,380	983,465	1,048,680
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Commodities used	304,527	-	304,527	-	-	-	-
Depreciation	335,805	14,542	350,347	-	-	-	-
Decrease in accounts receivable	2,236	26,447	28,683	-	-	-	-
(Increase) decrease in inventories	12,176	(7,306)	4,870	-	-	-	-
Increase (decrease) in accounts payable	3,586	(12,250)	(8,664)	-	-	42	42
Increase (decrease) in salaries and benefits payable	8,358	(371)	7,987	-	-	-	-
Increase in incurred but not reported claims	-	-	-	-	-	15,170	15,170
Increase (decrease) in unearned revenue	14,831	(888)	13,943	-	-	-	-
Increase in compensated absences payable	2,494	6,148	8,642	-	-	-	-
Increase in other post employment benefits payable	43,351	11,051	54,402	-	-	-	-
Decrease in net pension liability	(31,164)	(24,869)	(56,033)	-	-	-	-
Net cash provided (used) by operating activities	(764,992)	109,168	(655,824)	20,835	44,380	998,677	1,063,892
<b>Reconciliation of cash and cash equivalents at year end to specific assets included on Combined Schedule of Net Position:</b>							
<b>Current assets:</b>							
Cash and investments	\$ 1,900,398	1,942,117	3,842,515	218,241	489,790	3,020,068	3,728,099
Cash and cash equivalents at year end	\$ 1,900,398	1,942,117	3,842,515	218,241	489,790	3,020,068	3,728,099
<b>Non-cash investing, capital and financing activities:</b>							
Noncapital financing activities, commodities received from the US Department of Agriculture	\$ 304,527	-	304,527	-	-	-	-
Capital and related financing activities, capital contributions	314,970	-	314,970	-	-	-	-

See notes to financial statements.

## Schedule 8

**Waukee Community School District**  
**Schedule of Changes in Special Revenue Fund, Student Activity Accounts**  
**Year ended June 30, 2016**

Account	Balance beginning of Year	Transfers	Revenues	Expenditures	Balance End of Year
<b>High School:</b>					
Art Club	\$ 259	-	240	240	259
Athletics	(61,070)	-	409,646	412,161	(63,585)
Baseball	17,752	-	11,453	13,704	15,501
Best Buddies	777	-	610	622	765
Boys Basketball	33,799	-	76,134	71,183	38,750
Boys Bowling	158	-	120	120	158
Boys Cross Country	9,624	-	21,137	14,043	16,718
Boys Golf	1,337	-	2,534	2,219	1,652
Boys Soccer	7,028	-	11,665	15,215	3,478
Boys Swimming	3,273	-	12,656	4,290	11,639
Boys Tennis	7,306	-	17,932	16,343	8,895
Boys Track	2,115	-	15,178	8,335	8,958
Cheerleaders	9,711	-	65,566	61,368	13,909
Class of 2015	6,390	(6,390)	-	-	-
Class of 2016	17,061	-	3,340	13,889	6,512
Class of 2017	10,812	-	9,980	539	20,253
Class of 2018	-	-	4,729	176	4,553
Dance/Drill Team	17,625	-	68,309	84,553	1,381
Dance Troupe	1,038	-	16,237	14,739	2,536
Drama	3,850	-	5,126	1,923	7,053
Drumline	73	-	-	-	73
Electrathon	895	-	-	-	895
Fashion Club	1,389	-	3,557	1,765	3,181
FCCLA Club	3,148	-	15,514	16,310	2,352
Flag Team/Color Guard	658	-	-	-	658
Football	9,021	-	67,659	60,237	16,443
Future Farmers of America	-	-	380	325	55
Girls Basketball	5,141	-	29,344	23,782	10,703
Girls Bowling	(714)	-	2,700	1,044	942
Girls Cross Country	15,733	-	8,898	16,542	8,089
Girls Golf	473	-	1,052	1,281	244
Girls Soccer	(522)	-	1,529	1,280	(273)
Girls Swimming	4,157	-	3,655	251	7,561
Girls Tennis	1,772	-	150	563	1,359
Girls Track	10,406	-	20,068	18,271	12,203
Hyperstream	415	-	225	-	640
Instrumental Music	576	-	-	-	576
International Club	1,227	-	2,568	3,181	614
Literacy magazine	94	-	-	-	94
Math Warriors	634	-	200	312	522
Musical	16,655	-	27,543	16,475	27,723
National Honor Society	4,226	-	7,422	9,221	2,427
Newspaper	1,262	1,500	6,212	5,272	3,702
Pal PE	121	-	-	-	121
Prom	9,963	-	17,370	12,285	15,048
ProStart	8,007	-	6,474	1,550	12,931
Quiz Bowl	-	176	1,525	1,701	-
Robotics	862	-	4,339	5,006	195
SELF Room	877	-	679	156	1,400
Show Choir	-	-	53,656	23,392	30,264
Softball	28,895	-	14,783	9,455	34,223
Sparkle Cheer	662	-	1,384	2,046	-
Speech	3,108	-	26,975	16,788	13,295
Student Council	13,477	-	9,412	10,474	12,415
Student Management	11,038	4,714	2,348	16,022	2,078
Track Club	18,658	-	11,265	15,222	14,701
Vocal Music	6,138	-	-	-	6,138
Volleyball	11,411	-	20,814	13,206	19,019
Weight Room	5,261	-	10,512	7,699	8,074

Schedule 8

**Waukee Community School District**  
**Schedule of Changes in Special Revenue Fund, Student Activity Accounts**  
**Year ended June 30, 2016**

Account	Balance beginning of Year	Transfers	Revenues	Expenditures	Balance End of Year
<b>High School (continued):</b>					
Wrestling	7,470	-	20,548	25,123	2,895
Yearbook	4,900	-	67,575	61,635	10,840
<b>Prairieview:</b>					
Art Club	81	-	-	-	81
Athletics	13,697	-	20,712	20,169	14,240
Dance Troupe	-	-	150	-	150
Drama	3,933	-	1,270	791	4,412
Instrumental Music	-	-	3,190	2,134	1,056
Student Council	748	-	245	573	420
Student Management	4,891	-	3,601	5,218	3,274
TSA Club	816	(816)	780	756	24
Yearbook	3,062	-	10,384	10,505	2,941
<b>Timberline:</b>					
Art Club	-	-	225	-	225
Drama	-	8,409	5,387	2,453	11,343
Student Council	-	-	663	470	193
TSA Club	-	816	3,484	3,771	529
Yearbook	-	-	9,470	277	9,193
<b>Middle School:</b>					
Drama/Speech/Musical	17,747	(8,409)	4,918	2,598	11,658
Student Management	21,605	402	4,267	6,351	19,923
Instrumental Music	2,453	-	13	-	2,466
Swing Choir	5,946	-	-	-	5,946
Vocal Music	402	(402)	-	-	-
Yearbook	28,561	-	8,059	7,615	29,005
<b>South Middle School:</b>					
Drama/Speech/Musical	8,409	-	2,641	1,497	9,553
Student Council	4,724	-	1,351	582	5,493
Student Management	161	-	-	-	161
Swing Choir	150	-	-	-	150
Vocal Music	57	-	-	-	57
Yearbook	14,097	-	6,356	1,486	18,967
<b>Elementary:</b>					
BV Instrumental Music	382	(382)	-	-	-
BV Student Council	2,189	-	-	-	2,189
BV Student Management	4,441	382	1,655	3,262	3,216
Eason Instrumental Music	454	(454)	-	-	-
Eason Student Management	13,998	454	2,341	16	16,777
MG Instrumental Music	111	-	-	-	111
MG Student Council	252	(252)	-	-	-
MG Student Management	-	252	-	-	252
SE Student Council	273	-	1,006	-	1,279
SE Student Management	526	-	-	-	526
WE Instrumental Music	13	(13)	-	-	-
WE Student Management	2,170	4,727	-	-	6,897
WE Playground	2,710	(2,710)	-	-	-
WE Student Council	2,004	(2,004)	-	-	-
WD Student Management	3	-	-	-	3
WH Instrumental Music	522	(522)	-	-	-
WH Student Management	610	819	-	-	1,429
WH Playground	297	(297)	-	-	-
Total	\$ 458,907	-	1,313,095	1,204,058	567,944

Schedule 9

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

	Modified Accrual Basis									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>Revenues:</b>										
Local sources:										
Local tax	\$ 52,002,933	47,307,958	44,483,899	49,429,235	46,100,059	44,584,830	40,946,587	38,492,214	32,425,053	26,907,371
Tuition	1,751,155	1,660,606	1,752,066	1,617,977	1,447,535	1,262,380	1,053,978	1,134,189	1,175,066	1,209,866
Other	2,914,386	2,585,797	2,594,529	2,240,380	2,211,111	2,165,795	3,375,273	2,185,922	2,432,638	2,604,416
State sources	58,731,590	52,001,373	46,168,070	33,947,675	31,651,321	26,672,882	21,558,200	23,361,214	21,804,292	18,700,021
Federal sources	1,528,465	1,502,340	1,440,092	1,370,769	1,160,750	2,788,705	4,132,391	1,021,619	479,500	485,203
<b>Total</b>	<b>\$ 116,928,529</b>	<b>105,058,074</b>	<b>96,438,656</b>	<b>88,606,036</b>	<b>82,570,776</b>	<b>77,474,592</b>	<b>71,066,429</b>	<b>66,195,158</b>	<b>58,316,549</b>	<b>49,906,877</b>
<b>Expenditures:</b>										
Instruction:										
Regular	\$ 39,922,550	39,600,308	36,743,084	33,376,569	30,670,571	27,556,857	27,511,695	23,090,642	20,040,299	16,944,785
Special	10,692,329	8,663,022	7,602,625	6,898,702	6,245,725	5,685,705	5,640,679	5,611,287	4,926,113	4,233,291
Other	9,179,742	6,861,561	5,908,587	5,418,825	4,822,790	4,629,290	3,624,135	2,932,365	2,389,598	2,147,056
Support services:										
Student	3,248,901	2,797,468	2,515,078	2,267,965	2,218,912	2,111,087	2,033,862	1,981,122	2,518,458	1,413,137
Instructional staff	7,135,085	4,551,829	3,753,678	3,019,995	2,903,099	2,596,051	2,604,731	2,372,731	2,450,310	1,631,053
Administration	6,388,550	5,722,321	5,494,316	4,781,680	4,874,352	4,521,528	3,668,870	4,145,264	3,639,159	2,909,779
Operation and maintenance of plant	7,006,500	6,544,304	6,205,021	5,483,373	4,943,591	4,849,053	4,188,307	3,778,765	3,829,770	3,023,278
Transportation	3,742,596	3,598,409	3,166,791	3,145,487	2,952,847	2,582,297	2,344,507	2,084,532	1,981,897	1,853,584
Non-instructional programs	-	-	-	-	-	-	-	-	29,955	265
Other expenditures:										
Capital outlay:										
Facilities acquisition	27,010,498	24,485,162	25,174,457	20,795,719	16,338,521	10,831,068	44,776,662	12,287,811	13,080,340	21,356,585
Debt Service:										
Principal	15,220,000	11,215,000	20,490,000	17,915,000	14,585,000	8,715,000	26,685,000	8,845,000	13,215,000	3,100,000
Interest and other charges	6,504,104	6,441,461	5,519,777	5,350,619	4,881,486	4,970,492	5,777,565	3,593,137	3,106,109	3,170,874
AEA flowthrough	3,761,743	3,509,601	3,141,750	2,804,317	2,573,444	2,496,394	2,306,290	1,922,343	1,696,590	1,434,517
<b>Total</b>	<b>\$ 139,812,598</b>	<b>123,990,446</b>	<b>125,715,164</b>	<b>111,258,251</b>	<b>98,010,338</b>	<b>81,544,822</b>	<b>131,162,303</b>	<b>72,644,999</b>	<b>72,903,598</b>	<b>63,218,204</b>

See accompanying independent auditor's report.

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

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<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	<b>82-90</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue sources, the property tax (or sales tax).	<b>91-100</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current level of outstanding debt and the District's ability to issue additional debt in the future.	<b>101-108</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	<b>112-115</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	<b>109-111, 116-118</b>

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

WAUKEE COMMUNITY SCHOOL DISTRICT

NET POSITION BY COMPONENT

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental activities:										
Net investment in capital assets	\$77,596,227	38,226,568	50,821,587	42,861,521	18,653,123	39,004,284	33,034,650	29,171,718	18,331,620	14,051,616
Restricted	30,913,099	59,346,172	37,769,176	34,262,277	46,889,652	17,089,247	11,605,994	4,452,801	9,922,010	7,820,732
Unrestricted	(22,797,535)	(24,633,898)	3,587,555	5,722,207	8,367,878	7,086,034	7,493,216	15,528,737	8,112,790	4,815,232
Total governmental activities net position	\$85,711,791	72,938,842	92,178,318	82,846,005	73,910,653	63,179,565	52,133,860	49,153,256	36,366,420	26,687,580
Business type activities:										
Net investment in capital assets	\$ 2,214,513	2,223,321	2,023,634	1,950,023	1,608,365	1,713,938	837,491	961,494	1,073,417	512,885
Unrestricted	1,881,785	1,296,143	2,571,681	2,503,115	2,110,396	1,924,278	1,868,689	1,537,359	1,151,127	948,838
Total business type activities net position	\$ 4,096,298	3,519,464	4,595,315	4,453,138	3,718,761	3,638,216	2,706,180	2,498,853	2,224,544	1,461,723
Total										
Net investment in capital assets	\$79,810,740	40,449,889	52,845,221	44,811,544	20,261,488	40,718,222	33,872,141	30,133,212	19,405,037	14,564,501
Restricted	30,913,099	59,346,172	37,769,176	34,262,277	46,889,652	17,089,247	11,605,994	4,452,801	9,922,010	7,820,732
Unrestricted	(20,915,750)	(23,337,755)	6,159,236	8,225,322	10,478,274	9,010,312	9,361,905	17,066,096	9,263,917	5,764,070
Total net position	\$89,808,089	76,458,306	96,773,633	87,299,143	77,629,414	66,817,781	54,840,040	51,652,109	38,590,964	28,149,303

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT

CHANGES IN NET POSITION

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>Expenses</b>										
Governmental Activities:										
Instruction	\$ 59,495,975	54,794,040	50,142,591	46,336,463	42,519,470	40,827,340	39,751,992	33,853,764	29,165,013	23,541,001
Support services	30,119,154	24,651,302	24,216,376	21,048,302	18,361,448	16,998,032	15,156,524	13,692,553	13,714,587	10,863,315
Non-instructional services	-	-	-	-	1,096	102,369	28,486	-	21,238	-
Other expenditures	13,980,311	14,115,833	12,270,360	11,684,025	10,760,065	7,533,339	13,008,444	5,862,005	5,115,615	6,868,514
Total governmental activities expenses	103,595,440	93,561,175	86,629,327	79,068,790	71,642,079	65,461,080	67,945,446	53,408,322	48,016,453	41,272,830
Business type activities:										
Instruction	-	-	-	-	-	-	-	-	11,932	7,101
Support services	322,355	270,371	193,063	145,660	127,696	-	-	257,408	359,328	285,066
Food service operations	4,966,488	4,687,754	4,368,264	3,739,271	3,496,079	3,463,106	2,861,494	2,429,393	2,133,551	1,735,203
Childcare operations	-	-	1,302,248	959,791	867,705	823,806	688,651	608,006	506,525	358,348
Community education operations	2,181,670	1,914,052	329,456	287,337	258,963	269,799	212,864	-	-	-
Total business type activities expenses	7,470,513	6,872,177	6,193,031	5,132,059	4,750,443	4,556,711	3,763,009	3,294,807	3,011,336	2,385,718
Total expenses	\$ 111,065,953	100,433,352	92,822,358	84,200,849	76,392,522	70,017,791	71,708,455	56,703,129	51,027,789	43,658,548
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Instruction	\$ 3,229,823	3,040,348	3,050,145	2,782,680	2,558,577	2,322,286	2,102,794	1,982,236	2,057,688	2,029,251
Support services	336,739	302,541	274,001	275,251	273,682	223,783	193,524	145,499	138,536	144,466
Operating grants and contributions	13,833,659	10,466,398	9,504,065	8,580,609	8,055,895	9,007,569	9,939,460	6,461,886	4,680,999	3,628,074
Total governmental activities program revenue	17,400,221	13,809,287	12,828,211	11,638,540	10,888,154	11,553,638	12,235,778	8,589,621	6,877,223	5,801,791
Business type activities:										
Charges for services:										
Support services	-	-	-	-	-	-	-	-	-	-
Food service operations	3,632,599	3,355,830	2,982,903	2,750,720	2,572,612	2,447,045	2,296,501	2,217,223	1,908,746	1,693,785
Childcare operations	-	-	1,564,904	1,318,906	1,081,982	910,638	791,795	753,598	699,391	470,059
Community education operations	2,473,386	1,999,121	116,701	116,747	113,230	98,503	58,234	-	-	-
Operating grants and contributions	1,378,531	1,261,576	1,190,464	1,028,289	864,022	794,023	681,161	585,268	504,340	421,173
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	7,484,516	6,616,527	5,854,972	5,214,662	4,631,846	4,250,209	3,827,691	3,556,089	3,112,477	2,585,017
Total program revenues	\$ 24,884,737	20,425,814	18,683,183	16,853,202	15,520,000	15,803,847	16,063,469	12,145,710	9,989,700	8,386,808
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (86,195,219)	(79,751,888)	(73,801,116)	(67,430,250)	(60,753,925)	(53,907,442)	(55,709,668)	(44,818,701)	(41,139,230)	(35,471,039)
Business type activities	14,003	(255,650)	(338,059)	82,603	(118,597)	(306,502)	64,682	261,282	101,141	199,299
Total net expense	\$ (86,181,216)	(80,007,538)	(74,139,175)	(67,347,647)	(60,872,522)	(54,213,944)	(55,644,986)	(44,557,419)	(41,038,089)	(35,271,740)
<b>General Revenues and Transfers</b>										
Governmental activities:										
Property taxes	\$ 52,002,933	47,307,958	44,483,899	43,231,968	40,929,986	38,999,099	37,143,451	33,707,077	27,644,301	22,707,713
Local option sales & services tax	8,351,818	7,867,527	7,269,180	6,197,267	5,170,073	5,585,731	3,803,136	4,785,137	4,780,752	4,199,658
Unrestricted state grants	38,074,578	35,169,788	30,834,917	26,737,619	24,756,176	20,447,529	15,766,453	18,195,747	17,597,500	15,518,867
Investment earnings	144,168	80,346	92,578	52,204	37,630	108,114	191,804	570,523	840,642	1,299,865
Other	954,811	825,392	929,871	796,701	788,757	780,481	1,925,807	347,053	576,131	376,121
Transfers	(560,140)	(740,091)	(477,016)	(650,157)	(197,609)	(1,218,178)	(140,379)	-	(621,256)	-
Total governmental activities	98,968,168	90,510,920	83,133,429	76,365,602	71,485,013	64,702,776	58,690,272	57,605,537	50,818,070	44,102,224
Business type activities:										
Investment earnings	2,691	1,432	3,220	1,617	1,533	3,546	2,266	12,977	40,396	40,854
Other	-	-	-	-	-	-	-	50	28	-
Transfers	560,140	740,091	477,016	650,157	197,609	1,218,178	140,379	-	621,256	-
Total general revenues and transfers	\$ 99,530,999	91,252,443	83,613,665	77,017,376	71,684,155	65,924,500	58,832,917	57,618,564	51,479,750	44,143,078
<b>Change in Net Position</b>										
Governmental activities	\$ 12,772,949	10,759,032	9,332,313	8,935,352	10,731,088	10,795,334	2,980,604	12,786,836	9,678,840	8,631,185
Business type activities	576,834	485,873	142,177	734,377	80,545	915,222	207,327	274,309	762,821	240,153
Total change in net position	\$ 13,349,783	11,244,905	9,474,490	9,669,729	10,811,633	11,710,556	3,187,931	13,061,145	10,441,661	8,871,338

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	2016*	2015*	2014*	2013*	2012*	2011*	2010	2009	2008	2007
General fund:										
Nonspendable	\$ 44,468	56,551	49,381	48,481	46,239	55,158	42,785	30,279	36,681	37,183
Restricted	1,118,032	852,797	535,668	953,225	1,053,041	449,859	73,885	-	97,222	158,461
Unassigned	6,664,946	6,893,521	6,323,937	8,794,094	10,471,856	8,626,046	8,490,957	9,085,543	6,897,344	4,529,957
<b>Total general fund</b>	<b>\$ 7,827,446</b>	<b>7,802,869</b>	<b>6,908,986</b>	<b>9,795,800</b>	<b>11,571,136</b>	<b>9,131,063</b>	<b>8,607,627</b>	<b>9,115,822</b>	<b>7,031,247</b>	<b>4,725,601</b>
All other governmental funds:										
Restricted:										
Debt service	\$ 921,108	912,522	993,273	11,789,967	11,779,376	4,450,438	4,229,495	8,157,269	9,432,642	3,453,669
Special revenue funds	3,499,408	4,343,446	5,002,413	4,606,744	3,720,456	3,323,455	5,313,955	4,935,005	3,156,244	1,644,624
Capital projects funds	46,780,369	53,923,726	31,509,015	17,319,284	31,212,515	11,081,599	13,726,849	51,426,443	10,340,847	17,488,964
<b>Total all other government funds</b>	<b>\$ 51,200,885</b>	<b>59,179,694</b>	<b>37,504,701</b>	<b>33,715,995</b>	<b>46,712,347</b>	<b>18,855,492</b>	<b>23,270,299</b>	<b>64,518,717</b>	<b>22,929,733</b>	<b>22,587,257</b>

Source: District Records

Notes: In 2011, the State of Iowa determined that the Physical Plant and Equipment Levy Fund is a capital projects fund and not a special revenue fund.  
Prior to 2011, the Physical Plant and Equipment Levy Fund is included in the special revenue funds.



WAUKEE COMMUNITY SCHOOL DISTRICT

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS AND DEBT SERVICE RATIO

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>Revenues:</b>										
Local tax	\$ 52,002,933	47,307,958	44,483,899	49,429,235	46,100,059	44,584,830	40,946,587	38,492,214	32,425,053	26,907,371
Tuition	1,751,155	1,660,606	1,752,066	1,617,977	1,447,535	1,262,380	1,053,978	1,134,189	1,175,066	1,209,866
Other	2,914,386	2,585,797	2,594,529	2,240,380	2,211,111	2,165,795	3,375,273	2,185,922	2,432,638	2,604,416
State sources	58,731,590	52,001,373	46,168,070	33,947,675	31,651,321	26,672,882	21,558,200	23,361,214	21,804,292	18,700,021
Federal sources	1,528,465	1,502,340	1,440,092	1,370,769	1,160,750	2,788,705	4,132,391	1,021,619	479,500	485,203
<b>Total revenues</b>	<b>116,928,529</b>	<b>105,058,074</b>	<b>96,438,656</b>	<b>88,606,036</b>	<b>82,570,776</b>	<b>77,474,592</b>	<b>71,066,429</b>	<b>66,195,158</b>	<b>58,316,549</b>	<b>49,906,877</b>
<b>Expenditures:</b>										
<b>Current:</b>										
<b>Instruction:</b>										
Regular	39,922,550	39,600,308	36,743,084	33,376,569	30,670,571	27,556,857	27,511,695	23,090,642	20,040,299	16,944,785
Special	10,692,329	8,663,022	7,602,625	6,898,702	6,245,725	5,685,705	5,640,679	5,611,287	4,926,113	4,233,291
Other	9,179,742	6,861,561	5,908,587	5,418,825	4,822,790	4,629,290	3,624,135	2,932,365	2,389,598	2,147,056
<b>Support services:</b>										
Student	3,248,901	2,797,468	2,515,078	2,267,965	2,218,912	2,111,087	2,033,862	1,981,122	2,518,458	1,413,137
Instructional	7,135,085	4,551,829	3,753,678	3,019,995	2,903,099	2,596,051	2,604,731	2,372,731	2,450,310	1,631,053
Administrative	6,388,550	5,722,321	5,494,316	4,781,680	4,874,352	4,521,528	3,668,870	4,145,264	3,639,159	2,909,779
Operation & plant maintenance	7,006,500	6,544,304	6,205,021	5,483,373	4,943,591	4,849,053	4,188,307	3,778,765	3,829,770	3,023,278
Transportation	3,742,596	3,598,409	3,166,791	3,145,487	2,952,847	2,582,297	2,344,507	2,084,532	1,981,897	1,853,584
Non-instructional services	-	-	-	-	-	-	-	-	29,955	265
<b>Other expenditures:</b>										
<b>Capital outlay:</b>										
Facilities acquisition	27,010,498	24,485,162	25,174,457	20,795,719	16,338,521	10,831,068	44,776,662	12,287,811	13,080,340	21,356,585
<b>Debt service:</b>										
Principal	15,220,000	11,215,000	20,490,000	17,915,000	14,585,000	8,715,000	26,685,000	8,845,000	13,215,000	3,100,000
Interest	6,484,070	6,267,366	5,403,107	5,350,619	4,881,486	4,970,492	5,777,565	3,584,653	3,097,409	3,166,074
Debt issuance costs	20,034	174,095	116,670	-	-	-	-	-	-	-
Fiscal charges	-	-	-	-	-	-	-	8,484	8,700	4,800
AEA flowthrough	3,761,743	3,509,601	3,141,750	2,804,317	2,573,444	2,496,394	2,306,290	1,922,343	1,696,590	1,434,517
<b>Total expenditures</b>	<b>139,812,598</b>	<b>123,990,446</b>	<b>125,715,164</b>	<b>111,258,251</b>	<b>98,010,338</b>	<b>81,544,822</b>	<b>131,162,303</b>	<b>72,644,999</b>	<b>72,903,598</b>	<b>63,218,204</b>
<b>Other financing sources (uses):</b>										
Sale of equipment	-	-	-	1,167	-	-	-	-	-	100
Sale of real property	-	20,000	-	684,000	-	-	-	-	-	-
Transfers in	8,951,804	8,002,065	7,097,936	12,114,897	9,446,880	7,135,491	5,016,481	6,868,247	5,327,082	3,101,062
Transfers out	(9,196,974)	(8,240,067)	(7,298,961)	(12,337,399)	(9,644,489)	(7,300,384)	(5,156,860)	(6,868,247)	(5,327,082)	(3,101,062)
Refunding bonds and notes issued	-	9,075,000	-	7,045,000	8,390,000	-	18,310,000	-	7,165,000	(4,285,000)
Bonds and notes issued	13,655,000	38,890,000	33,475,000	-	36,385,000	-	-	50,000,000	10,000,000	23,335,000
Payments to escrow agents for defeasance of bonds	-	(9,303,534)	-	-	-	-	-	-	-	-
Premium/discounts on bonds and notes	1,520,007	3,057,784	823,639	372,862	1,159,099	-	278,557	123,400	70,171	285,720
	14,929,837	41,501,248	34,097,614	7,880,527	45,736,490	(164,893)	18,448,178	50,123,400	17,235,171	19,335,820
<b>Net change in fund balance</b>	<b>\$ (7,954,232)</b>	<b>22,568,876</b>	<b>4,821,106</b>	<b>(14,771,688)</b>	<b>30,296,928</b>	<b>(4,235,123)</b>	<b>(41,647,696)</b>	<b>43,673,559</b>	<b>2,648,122</b>	<b>6,024,493</b>
<b>Total expenditures</b>	<b>\$ 139,812,598</b>	<b>123,990,446</b>	<b>125,715,164</b>	<b>111,258,251</b>	<b>98,010,338</b>	<b>81,544,822</b>	<b>131,162,303</b>	<b>72,644,999</b>	<b>72,903,598</b>	<b>63,218,204</b>
Less: capital expenditures	(23,878,991)	(22,271,979)	(21,735,752)	(18,403,292)	(16,114,705)	(11,338,807)	(39,552,978)	(13,264,257)	(13,209,951)	(20,735,371)
<b>Non-capital expenditures</b>	<b>115,933,607</b>	<b>101,718,467</b>	<b>103,979,412</b>	<b>92,854,959</b>	<b>81,895,633</b>	<b>70,206,015</b>	<b>91,609,325</b>	<b>59,380,742</b>	<b>59,693,647</b>	<b>42,482,833</b>
<b>Debt service expenditures</b>	<b>21,704,070</b>	<b>17,482,366</b>	<b>25,893,107</b>	<b>23,265,619</b>	<b>19,466,486</b>	<b>13,685,492</b>	<b>32,462,565</b>	<b>12,429,653</b>	<b>16,312,409</b>	<b>6,266,074</b>
<b>Debt service expenditures as a percentage of non-capital expenditures</b>	<b>18.72%</b>	<b>17.19%</b>	<b>24.90%</b>	<b>25.06%</b>	<b>23.77%</b>	<b>19.49%</b>	<b>35.44%</b>	<b>20.93%</b>	<b>27.33%</b>	<b>14.75%</b>

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT

GENERAL FUND REVENUES, BY SOURCE

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	Local		State	Federal	Total
	Taxes	Miscellaneous			
2016	\$ 34,019,635	3,218,773	49,651,192	1,528,465	88,418,065
2015	32,150,155	2,976,457	43,812,056	1,502,340	80,441,008
2014	26,640,942	2,998,329	38,896,147	1,440,092	69,975,510
2013	25,733,260	2,743,540	33,947,675	1,370,769	63,795,244
2012	27,018,767	2,657,125	31,649,148	1,160,750	62,485,790
2011	23,958,242	2,145,624	26,670,526	2,788,705	55,563,097
2010	23,325,578	1,711,651	21,556,102	4,132,391	50,725,722
2009	21,606,662	1,976,901	23,359,329	1,021,619	47,964,511
2008	19,059,387	2,045,360	21,802,799	479,500	43,387,046
2007	15,417,932	2,022,140	18,698,603	485,203	36,623,878

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT  
GENERAL FUND EXPENDITURES, BY FUNCTION

Last Ten Fiscal Years  
(Unaudited)

Year Ended June 30,	Instruction	Support Services	Non-Instructional Programs	Other Expenditures	Total
2016	\$ 57,948,421	26,438,154	-	3,761,743	88,148,318
2015	53,548,555	22,250,967	-	3,509,601	79,309,123
2014	48,756,673	20,762,876	-	3,141,750	72,661,299
2013	44,343,921	18,201,007	-	2,804,317	65,349,245
2012	40,431,738	16,842,894	-	2,573,444	59,848,076
2011	36,521,668	15,859,677	-	2,496,394	54,877,739
2010	34,446,910	14,466,615	-	2,306,290	51,219,815
2009	30,684,923	13,272,579	-	1,922,343	45,879,845
2008	26,185,188	13,176,495	23,127	1,696,590	41,081,400
2007	22,370,355	10,506,812	-	1,434,517	34,311,684

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

GOVERNMENT-WIDE REVENUES

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	Program Revenues							Total
	Charges for Services & Sales	Operating Grants & Contributions	Capital Grants & Contributions	Taxes	Other Local Sources	State Sources	Investment Earnings	
2016	\$ 9,672,547	15,212,190	-	52,002,933	954,811	46,426,396	146,859	124,415,736
2015	8,697,840	11,727,974	-	47,307,958	825,392	43,037,315	81,778	111,678,257
2014	7,988,654	10,694,529	-	44,483,899	929,871	38,104,097	95,798	102,296,848
2013	7,244,304	9,608,898	-	49,429,235	796,701	26,737,619	53,821	93,870,578
2012	6,600,083	8,919,917	-	46,100,059	788,757	24,756,176	39,163	87,204,155
2011	6,002,255	9,801,592	-	44,584,830	468,436	20,447,529	108,114	81,412,756
2010	5,442,848	10,620,621	-	40,946,587	1,623,126	16,069,134	194,070	74,896,386
2009	5,098,556	7,047,154	-	38,492,214	347,053	18,195,797	583,500	69,764,274
2008	4,804,361	5,185,339	-	32,425,053	306,433	17,867,226	881,038	61,469,450
2007	4,337,561	4,049,247	-	26,907,371	188,662	15,518,867	1,340,719	52,342,427
2006	4,302,124	3,315,819	111,484	21,902,505	361,325	13,589,697	624,187	44,207,141

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT  
GOVERNMENT-WIDE EXPENSES, BY FUNCTION

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	Instruction	Support Services	Non-instructional Programs	Other Expenditures	Total
2016	\$ 59,495,975	30,441,509	7,148,158	13,980,311	111,065,953
2015	54,794,040	24,921,673	6,601,806	14,115,833	100,433,352
2014	50,142,591	24,409,439	5,999,968	12,270,360	92,822,358
2013	46,336,463	21,193,962	4,986,399	11,684,025	84,200,849
2012	42,519,470	18,489,144	4,623,843	10,760,065	76,392,522
2011	40,827,340	16,998,032	102,369	7,547,279	65,475,020
2010	39,751,992	15,156,624	28,486	13,008,444	67,945,546
2009	33,853,764	13,692,553	-	5,862,005	53,408,322
2008	29,165,013	13,714,587	21,238	5,115,615	48,016,453
2007	23,541,001	10,863,315	2,385,718	6,868,514	43,658,548

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

COMPARISON OF GROWTH IN GENERAL FUND REVENUE, EXPENDITURES, ENROLLMENT,  
ENROLLMENT, ASSESSED VALUATION AND TAX RATE

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	Revenue	Growth	Expenditures	Growth	Budget Enrollment	Growth	Assessed Value	Growth	Tax Rate	Growth
2016	\$ 88,418,065	26.36%	\$ 88,148,318	21.31%	8,773.3	13.62%	\$ 2,927,346,657	16.24%	\$ 11.44323	9.40%
2015	80,441,008	26.09%	79,309,123	21.36%	8,288.6	16.56%	2,669,837,607	16.25%	11.76796	4.72%
2014	69,975,510	9.69%	72,661,299	11.19%	7,721.3	8.58%	2,518,311,680	9.65%	10.45960	-6.92%
2013	63,795,244	2.10%	65,349,245	9.19%	7,111.1	6.45%	2,296,636,475	5.47%	11.23770	-9.61%
2012	62,485,790	12.45%	59,848,076	9.06%	6,680.2	6.90%	2,177,617,587	4.75%	12.43205	7.52%
2011	55,566,068	9.27%	54,877,739	7.14%	6,249.2	4.72%	2,078,929,733	5.60%	11.56253	-2.59%
2010	50,851,999	6.02%	51,219,815	11.64%	5,967.4	8.73%	1,968,768,518	9.81%	11.86962	-1.58%
2009	47,964,420	10.55%	45,879,845	11.68%	5,488.3	8.13%	1,792,848,425	22.21%	12.06033	-7.57%
2008	43,387,046	18.47%	41,081,400	19.73%	5,075.6	12.09%	1,467,046,188	22.76%	13.04865	0.89%
2007	36,623,878	19.99%	34,311,684	15.95%	4,528.0	12.33%	1,195,088,331	22.33%	12.93403	4.52%

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT  
RATIO OF FINANCIAL CONDITION (General Fund)

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>Days net Cash Ratio</b> <u>cash</u> average daily disbursements	72.17	71.71	71.36	91.80	107.22	111.11	97.58	108.79	97.86	84.81
<b>Increased Revenue versus Increased Expenditures</b> <u>current year revenue minus prior year revenue</u> current year expenditures-prior year expenditures	0.90	1.57	0.85	0.24	1.40	1.29	0.54	0.95	1.00	1.29
<b>Financial Solvency Ratios</b> <u>current year Unassigned Fund Balance</u> current year actual revenue	7.54%	8.57%	9.04%	13.78%	16.76%	17.46%	16.70%	18.94%	15.68%	12.13%

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS SUMMARY

Last Ten Fiscal Years  
(Unaudited)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections In Subsequent Years*	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 52,102,555	\$ 52,002,933	99.81%	NA	\$ 52,002,933	99.81%
2015	44,785,869	44,483,899	99.33%	NA	44,483,899	99.33%
2014	44,785,869	44,483,899	99.33%	NA	44,483,899	99.33%
2013	43,309,318	43,231,968	99.82%	NA	43,231,968	99.82%
2012	41,006,827	40,929,986	99.81%	NA	40,929,986	99.81%
2011	39,108,503	38,752,389	99.09%	NA	38,752,389	99.09%
2010	37,195,005	36,890,708	99.18%	NA	36,890,708	99.18%
2009	33,731,694	33,466,568	99.21%	NA	33,466,568	99.21%
2008	27,781,276	27,380,225	98.56%	NA	27,380,225	98.56%
2007	22,787,988	22,707,713	99.65%	NA	22,707,713	99.65%

Source: District records

\* Dallas County, Iowa does not track delinquent taxes to a specific year if payment is made after the fiscal year closes.



WAUKEE COMMUNITY SCHOOL DISTRICT

PROPERTY TAX LEVIES AND COLLECTIONS DETAIL

Last Ten Fiscal Years  
(Unaudited)

Collection Year	General Fund	Management	Debt Service	PPEL	Total
<u>Property Tax Levies</u>					
2016	\$ 34,128,725	-	12,258,606	5,715,224	52,102,555
2015	32,064,251	-	9,924,663	5,290,551	47,279,465
2014	26,881,045	999,996	11,969,327	4,935,501	44,785,869
2013	25,808,912	1,500,002	11,328,958	4,671,446	43,309,318
2012	27,072,244	1,000,000	8,536,724	4,397,859	41,006,827
2011	24,037,687	1,999,993	8,927,727	4,143,096	39,108,503
2010	23,368,534	999,997	8,878,545	3,947,929	37,195,005
2009	21,622,344	999,997	7,499,922	3,609,431	33,731,694
2008	19,142,972	1,100,006	4,393,433	3,144,865	27,781,276
2007	15,457,308	500,501	4,270,762	2,559,417	22,787,988
<u>Property Tax Collections</u>					
2016	\$ 34,019,635	-	12,265,056	5,718,242	52,002,933
2015	32,150,155	-	9,887,212	5,270,591	47,307,958
2014	26,640,942	990,140	11,932,500	4,920,317	44,483,899
2013	25,733,260	1,495,610	11,330,866	4,672,232	43,231,968
2012	27,018,767	997,243	8,523,118	4,390,858	40,929,986
2011	23,797,934	1,980,046	8,861,871	4,112,538	38,752,389
2010	23,157,073	990,940	8,820,636	3,922,059	36,890,708
2009	21,443,124	991,736	7,447,496	3,584,212	33,466,568
2008	18,885,364	1,085,244	4,307,301	3,102,316	27,380,225
2007	15,417,932	498,717	4,246,299	2,544,765	22,707,713
<u>Percentage Collected</u>					
2016	99.68%	100.00%	100.05%	100.05%	99.81%
2015	100.27%	100.00%	99.62%	99.62%	100.06%
2014	99.11%	99.01%	99.69%	99.69%	99.33%
2013	99.71%	99.71%	100.02%	100.02%	99.82%
2012	99.80%	99.72%	99.84%	99.84%	99.81%
2011	99.00%	99.00%	99.26%	99.26%	99.09%
2010	99.10%	99.09%	99.35%	99.34%	99.18%
2009	99.17%	99.17%	99.30%	99.30%	99.21%
2008	98.65%	98.66%	98.04%	98.65%	98.56%
2007	99.75%	99.64%	99.43%	99.43%	99.65%

Source: District records

Dallas County, Iowa does not track delinquent taxes to a specific year if payment is made after the fiscal year closes.

WAUKEE COMMUNITY SCHOOL DISTRICT  
TAXABLE AND 100% VALUES OF PROPERTY

Last Ten Fiscal Years  
(Unaudited)

Levy Year	Collection Year	Real Property		Personal Property		Railroads & Utilities w/o Gas & Electric	
		Taxable	100% Value	Taxable	100% Value	Taxable	100% Value
2014	2015-16	\$3,673,427,350	5,254,666,916	-	-	11,254,925	11,958,138
2013	2014-15	3,141,504,579	4,777,395,156	-	-	13,751,197	13,912,313
2012	2013-14	2,926,408,458	4,434,892,988	-	-	16,058,120	16,058,120
2011	2012-13	2,770,449,833	4,262,419,966	-	-	13,768,052	13,768,052
2010	2011-12	2,605,956,254	4,090,294,621	-	-	14,274,534	14,274,534
2009	2010-11	2,066,543,684	3,371,574,382	-	-	14,139,966	14,139,966
2008	2009-10	1,955,777,049	3,400,929,740	-	-	13,641,512	13,641,512
2007	2008-09	1,780,656,409	3,116,199,794	-	-	12,272,629	12,272,629
2006	2007-08	1,858,042,043	2,950,899,982	-	-	13,116,350	13,116,350
2005	2006-07	1,510,070,351	2,419,304,099	-	-	15,444,126	15,465,927

Source: County Auditor's Office

Notes:

Gas and Electric is no longer subject to property tax, but instead pay utility replacement tax.

Includes Tax Increment Financing Valuations.

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

Gas & Electric		Total		Ratio of Total	Total
Taxable	100% Value	Taxable	100% Value	Taxable Value to 100% Value	Direct Rate (a)
12,680,359	24,523,406	3,697,362,634	5,291,148,460	69.88%	\$ 16.69522
12,739,114	22,569,666	3,167,994,890	4,813,877,135	65.81%	16.57669
12,922,909	26,874,546	2,955,389,487	4,477,825,654	66.00%	16.57669
13,055,544	27,733,322	2,797,273,429	4,303,921,340	64.99%	17.61083
13,218,079	27,433,258	2,633,448,867	4,132,002,413	63.73%	17.80292
12,386,049	26,579,651	2,093,069,699	3,412,293,999	61.34%	17.79315
12,991,469	26,566,149	1,982,410,030	3,441,137,401	57.61%	17.80336
12,192,016	17,468,314	1,805,121,054	3,145,940,737	57.38%	17.75814
11,994,305	17,065,329	1,883,152,698	2,981,081,661	63.17%	17.80148
7,070,342	8,407,740	1,532,584,819	2,443,177,766	62.73%	17.80905

WAUKEE COMMUNITY SCHOOL DISTRICT

TAX RATES BY FUND

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	General	Management	PPEL	Debt Service	Total
2016	\$ 11.44323	-	1.67000	3.58199	16.69522
2015	11.77148	-	1.67000	3.13279	16.57427
2014	10.45960	0.39709	1.67000	4.05000	16.57669
2013	11.23770	0.65313	1.67000	4.05000	17.61083
2012	12.43205	0.45922	1.67000	3.24165	17.80292
2011	11.56253	0.96203	1.67000	3.59859	17.79315
2010	11.86962	0.50793	1.67000	3.75581	17.80336
2009	12.06033	0.55777	1.67000	3.47004	17.75814
2008	13.04865	0.74981	1.67000	2.33302	17.80148
2007	12.93403	0.41838	1.67000	2.78664	17.80905

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

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

Levy Year	Collection Year	Dallas County	Dallas Co Hospital	State	Area XI Community College	City	Special	Waukee CSD	Total	Ratio to Total
<b>City of Waukee</b>										
2014	2015-16	\$4.25799	0.54042	0.00330	0.67574	13.50000	0.03000	16.69522	35.70267	46.762%
2013	2014-15	4.22032	0.57912	0.00330	0.65724	13.50000	0.04446	16.57427	35.57871	46.585%
2012	2013-14	4.26673	0.54517	0.00330	0.69120	13.50000	-	16.57669	35.58309	46.586%
2011	2012-13	4.64759	0.60683	0.00330	0.58466	13.50000	-	17.61083	36.95321	47.657%
2010	2011-12	4.62966	0.60911	0.00320	0.59018	13.50001	-	17.80292	37.13508	47.941%
2009	2010-11	4.72267	0.60945	0.00340	0.56008	13.50001	-	17.79315	37.18876	47.846%
2008	2009-10	5.24709	0.60971	0.00300	0.56778	13.50004	-	17.80336	37.73098	47.185%
2007	2008-09	5.30363	0.59132	0.00350	0.56386	13.50004	-	17.75814	37.72049	47.078%
2006	2007-08	7.19259	2.96959	0.00350	0.60276	13.50004	-	17.80148	42.06996	42.314%
2005	2006-07	8.90138	1.13685	0.00400	0.68488	13.50004	-	17.84693	42.07408	42.418%
2004	2005-06	6.15571	0.68223	0.00400	0.68408	13.50039	-	17.84693	38.87334	45.910%
<b>City of Clive</b>										
2014	2015-16	\$4.25799	0.54042	0.00330	0.67574	9.98951	0.64300	16.69522	32.80518	50.892%
2013	2014-15	4.22032	0.57912	0.00330	0.65724	9.98952	0.59246	16.57427	32.61623	50.816%
2012	2013-14	4.26673	0.54517	0.00330	0.69120	9.98809	0.48300	16.57669	32.55418	50.920%
2011	2012-13	4.64759	0.60683	0.00330	0.58466	9.98810	0.40300	17.61083	33.84431	52.035%
2010	2011-12	4.62966	0.60911	0.00320	0.59018	9.54485	0.25300	17.80292	33.43292	53.250%
2009	2010-11	4.72267	0.60945	0.00340	0.56008	9.53866	-	17.79315	33.22741	53.550%
2008	2009-10	5.24709	0.60971	0.00300	0.56778	9.53764	-	17.80336	33.76858	52.722%
2007	2008-09	5.30363	0.59132	0.00350	0.56386	9.53762	-	17.75814	33.75807	52.604%
2006	2007-08	7.19259	2.96959	0.00350	0.60276	9.53783	0.07294	17.80148	38.18069	46.624%
2005	2006-07	8.90138	1.13685	0.00400	0.68488	9.24927	-	17.84693	37.82331	47.185%
2004	2005-06	6.15571	0.68223	0.00400	0.68408	9.24927	-	17.84693	34.62222	51.548%
<b>City of Urbandale</b>										
2014	2015-16	\$4.25799	0.54042	0.00330	0.67574	9.82000	0.71684	16.69522	32.70951	51.041%
2013	2014-15	4.22032	0.57912	0.00330	0.65724	9.72000	0.65399	16.57427	32.40824	51.142%
2012	2013-14	4.26673	0.54517	0.00330	0.69120	9.57000	0.53200	16.57669	32.18509	51.504%
2011	2012-13	4.64759	0.60683	0.00330	0.58466	9.62000	0.45200	17.61083	33.52521	52.530%
2010	2011-12	4.62966	0.60911	0.00320	0.59018	9.52000	0.30200	17.80292	33.45707	53.211%
2009	2010-11	4.72267	0.56008	0.00340	0.56008	9.32000	-	17.79315	32.95938	53.985%
2008	2009-10	5.24709	0.60971	0.00300	0.56778	9.22000	-	17.80336	33.45094	53.222%
2007	2008-09	5.30363	0.59132	0.00350	0.56386	9.22000	-	17.75814	33.44045	53.104%
2006	2007-08	7.19259	2.96959	0.00350	0.60276	9.22000	0.17216	17.80148	37.96208	46.893%
2005	2006-07	8.90138	1.13685	0.00400	0.68488	9.07393	0.13129	17.84693	37.77926	47.240%
2004	2005-06	6.15571	0.68223	0.00400	0.68408	9.07393	-	17.84693	34.44688	51.810%
<b>City of West Des Moines</b>										
2014	2015-16	\$4.25799	0.54042	0.00330	0.67574	12.00000	0.76300	16.69522	34.93567	47.788%
2013	2014-15	4.22032	0.57912	0.00330	0.65724	12.05000	0.69800	16.57427	34.78225	47.652%
2012	2013-14	4.26673	0.54517	0.00330	0.69120	12.05000	0.63300	16.57669	34.76609	47.681%
2011	2012-13	4.64759	0.60683	0.00330	0.58466	12.05000	0.55300	17.61083	36.05621	48.843%
2010	2011-12	4.62966	0.60911	0.00320	0.59018	12.05000	0.40300	17.80292	36.08807	49.332%
2009	2010-11	4.72267	0.60945	0.00340	0.56008	12.05000	-	17.79315	35.73875	49.787%
2008	2009-10	5.24709	0.60971	0.00300	0.56778	12.05000	-	17.80336	36.28094	49.071%
2007	2008-09	5.30363	0.59132	0.00350	0.56386	12.05000	-	17.75814	36.27045	48.960%
2006	2007-08	7.19259	2.96959	0.00350	0.60276	12.04999	0.33240	17.80148	40.95231	43.469%
2005	2006-07	8.90138	1.13685	0.00400	0.68488	11.95000	0.27070	17.84693	40.79474	43.748%
2004	2005-06	6.15571	0.68223	0.00400	0.68408	11.95000	-	17.84693	37.32295	47.818%

Source: County Auditor's Office

WAUKEE COMMUNITY SCHOOL DISTRICT  
TAXABLE ASSESSED VALUATION BY PROPERTY TYPE\*

Last Ten Fiscal Years  
(Unaudited)

Collection Year	2016	% of Total	2015	% of Total	2014	% of Total	2013	% of Total
Residential	\$ 1,961,329,461	99.7%	\$ 1,819,337,044	92.5%	\$ 1,672,352,276	85.1%	\$ 1,521,419,301	77.4%
Agricultural	20,395,526	1.0%	19,694,238	1.0%	21,611,322	1.1%	20,654,402	1.1%
Commercial	919,304,330	46.8%	803,052,789	40.8%	792,886,495	40.3%	723,275,370	36.8%
Industrial	4,256,371	0.2%	3,543,037	0.2%	4,695,550	0.2%	4,092,070	0.2%
Railroads	3,157,552	0.2%	3,061,204	0.2%	2,958,041	0.2%	2,514,569	0.1%
Utilities w/o Gas & Electric	8,449,747	0.4%	10,689,993	0.5%	13,100,079	0.7%	13,768,052	0.7%
Gas & Electric	12,753,854	0.6%	12,739,114	0.6%	12,922,909	0.7%	13,055,544	0.7%
Sub-Total	2,929,646,841		2,672,117,419		2,520,526,672		2,298,779,308	
(Military Credit)	(2,300,184)		(2,279,812)		(2,214,992)		(2,142,833)	
Totals	<u>\$ 2,927,346,657</u>		<u>\$ 2,669,837,607</u>		<u>\$ 2,518,311,680</u>		<u>\$ 2,296,636,475</u>	

Notes:

\* Does not include TIF Valuation

Source: County Auditor and District records

2012	% of Total	2011	% of Total	2010	% of Total	2009	% of Total	2008	% of Total	2007	% of Total
\$ 1,391,067,695	70.7%	\$ 1,289,336,556	65.6%	\$ 1,209,740,589	61.5%	\$ 1,049,082,674	58.4%	\$ 894,414,446	61.0%	\$ 736,708,613	61.6%
20,027,338	1.0%	19,312,836	1.0%	13,792,106	0.7%	13,393,952	0.7%	13,510,560	0.9%	13,910,270	1.2%
734,726,132	37.4%	739,997,380	37.6%	712,326,724	36.2%	699,318,821	38.9%	530,841,969	36.2%	418,658,441	35.0%
4,371,778	0.2%	3,898,097	0.2%	4,096,860	0.2%	4,698,960	0.3%	4,865,916	0.3%	4,851,390	0.4%
2,006,741	0.1%	1,809,118	0.1%	1,559,461	0.1%	1,559,461	0.1%	1,281,039	0.1%	2,545,804	0.2%
14,274,534	0.7%	14,139,966	0.7%	13,641,512	0.7%	12,272,629	0.7%	11,835,311	0.8%	12,898,322	1.1%
13,218,079	0.7%	12,386,049	0.6%	12,991,469	0.7%	17,468,314	1.0%	11,994,305	0.8%	7,070,342	0.6%
2,179,692,297		2,080,880,002		1,968,148,721		1,797,794,811		1,468,743,546		1,196,643,182	
(2,074,710)		(1,950,269)		(1,854,007)		(1,795,576)		(1,697,358)		(1,554,851)	
<u>\$ 2,177,617,587</u>		<u>\$ 2,078,929,733</u>		<u>\$ 1,966,294,714</u>		<u>\$ 1,795,999,235</u>		<u>\$ 1,467,046,188</u>		<u>\$ 1,195,088,331</u>	

WAUKEE COMMUNITY SCHOOL DISTRICT

COMPARISON OF TAXES AND INTERGOVERNMENTAL REVENUE

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	Local revenue		Intergovernmental revenue		Total
	General and special revenue funds	Debt service and capital projects funds	State sources	Federal sources	
2016	\$ 38,586,790	18,081,684	58,731,590	1,528,465	116,928,529
2015	36,335,567	15,218,794	52,001,373	1,502,340	105,058,074
2014	31,848,281	16,982,213	46,168,070	1,440,092	96,438,656
2013	30,985,409	22,302,183	33,947,675	1,370,769	88,606,036
2012	31,648,612	18,110,093	31,651,321	1,160,750	82,570,776
2011	26,106,837	8,915,061	26,670,526	2,788,705	64,481,129
2010	25,163,506	8,928,576	21,556,102	4,132,391	59,780,575
2009	23,583,562	7,514,685	23,359,239	1,021,619	55,479,105
2008	26,294,962	9,737,795	21,804,292	479,500	58,316,549
2007	21,357,278	9,364,375	18,700,021	485,203	49,906,877



WAUKEE COMMUNITY SCHOOL DISTRICT

PRINCIPAL TAXPAYERS IN THE WAUKEE COMMUNITY SCHOOL DISTRICT

Current and Nine Years Ago  
(Unaudited)

Taxpayer	2014 Taxable Values	Percent of Total Assessed Value
Wells Fargo Home Mortgage, Inc.	\$ 212,048,082	6.20%
GCP Jordan Creek LLC	150,198,750	4.39%
Aviva Real Property Holdings LLC	49,445,163	1.44%
Jordan Creek Town Center LLC	46,218,996	1.35%
Microsoft Corporation	42,757,173	1.25%
Dallas County Partners II	28,342,962	0.83%
HyVee, Inc.	27,104,859	0.79%
Iowa Clinic West Lakes I, LLC	21,822,390	0.64%
CCOP I LLC	21,679,623	0.63%
Health Care REIT	20,432,377	0.60%
Total	\$ 620,050,375	
Total Taxable Assessed Value	\$ 3,422,289,424	

Taxpayer	2005 Taxable Values	Percent of Total Assessed Value
GCP Jordan Creek LLC	\$ 135,350,298	11.33%
Wells Fargo Home Mortgage, Inc.	107,615,478	9.00%
Dallas County Partners	46,478,344	3.89%
Dallas County Partners II	27,052,708	2.26%
West Lakes Development Company	19,472,682	1.63%
The Higbee Company	16,850,398	1.41%
Sherman Hills Real Estate Partnership LLP	15,870,044	1.33%
Bonstores Realty Two, LLC	14,980,868	1.25%
Northwood Village Ltd	14,092,079	1.18%
Total	\$ 397,762,899	
Total Taxable Assessed Value	\$ 1,195,088,131	

Source: Dallas County Auditor's Office

WAUKEE COMMUNITY SCHOOL DISTRICT

COMPARATIVE RATIO OF GENERAL BONDED DEBT TO ASSESSED VALUE AND BONDED DEBT PER CAPITA

Last Ten Fiscal Years  
(Unaudited)

Collection Year	Population (a)	100%		2014 Taxable Values		
		Actual Value	Legal Debt Limit(5%)	Indebtedness	Assessed	Debt per Capita
2016	37,076	\$ 5,291,148,460	\$ 264,557,423	\$ 104,285,000	1.97%	\$ 2,813
2015	37,076	4,813,877,135	240,693,857	102,040,000	2.12%	2,752
2014	37,076	4,477,825,654	223,891,283	91,910,000	2.05%	2,479
2013	37,076	4,303,921,340	215,196,067	113,395,000	2.63%	3,058
2012	37,076	4,132,002,413	206,600,121	121,265,000	2.93%	3,271
2011	37,076	3,964,429,946	198,221,497	104,730,000	2.64%	2,825
2010	37,076	3,822,756,705	191,137,835	110,770,000	2.90%	2,988
2009	13,173	3,502,206,021	175,110,301	116,575,000	3.33%	8,850
2008	13,173	2,981,081,661	149,054,083	72,945,000	2.45%	5,537
2007	13,173	2,443,177,766	122,158,888	66,495,000	2.72%	5,048
2006	13,173	1,891,425,680	94,571,284	69,445,000	3.67%	5,272

Notes:

(a) U.S. Department of Commerce, Bureau of Census

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT  
TO TOTAL GOVERNMENTAL FUND EXPENDITURES

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	Principal	Interest	Total Debt Service	Total Expenditures	Ratio of Debt Service to Total Expenditures
2016	\$ 15,220,000	6,484,070	21,704,070	139,812,598	15.52%
2015	11,215,000	6,267,366	17,482,366	123,990,446	14.10%
2014	20,490,000	5,403,107	25,893,107	125,715,164	20.60%
2013	17,915,000	5,314,568	23,229,568	111,222,200	20.89%
2012	14,585,000	4,881,486	19,466,486	98,010,338	19.86%
2011	8,715,000	4,970,492	13,685,492	81,544,822	16.78%
2010	26,685,000	5,777,565	32,462,565	131,162,303	24.75%
2009	8,845,000	3,584,653	12,429,653	72,644,999	17.11%
2008	13,215,000	3,097,409	16,312,409	72,903,598	22.38%
2007	3,100,000	3,166,074	6,266,074	63,218,204	9.91%

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	2016	2015	2014	2013	2012
Assessed value of property	\$ 5,291,148,460	4,813,877,135	4,477,825,654	4,303,921,340	4,132,002,413
Debt limit-5% of 100% assessed value	264,557,423	240,693,857	223,891,283	215,196,067	206,600,121
Amount of debt applicable to debt limit:					
General obligation bonds	90,630,000	99,325,000	86,555,000	105,515,000	110,465,000
General obligation capital loan note bonds	13,655,000	2,715,000	5,355,000	7,880,000	10,800,000
Total debt applicable to debt limit	<u>104,285,000</u>	<u>102,040,000</u>	<u>91,910,000</u>	<u>113,395,000</u>	<u>121,265,000</u>
Legal debt margin	<u>\$ 160,272,423</u>	<u>138,653,857</u>	<u>131,981,283</u>	<u>101,801,067</u>	<u>85,335,121</u>
Legal debt margin as a percentage of debt limit	60.58%	57.61%	58.95%	47.31%	41.30%

Source: District Records

2011	2010	2009	2008	2007
3,964,429,946	3,822,756,705	3,502,206,021	2,981,081,661	2,443,177,766
198,221,497	191,137,835	175,110,301	149,054,083	122,158,888
96,445,000	101,005,000	105,380,000	60,370,000	52,590,000
8,285,000	9,765,000	11,195,000	12,575,000	13,905,000
104,730,000	110,770,000	116,575,000	72,945,000	66,495,000
93,491,497	80,367,835	58,535,301	76,109,083	55,663,888
47.17%	42.05%	33.43%	51.06%	45.57%

WAUKEE COMMUNITY SCHOOL DISTRICT  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years  
(Unaudited)

Fiscal Year	General Obligation Bonds	Bond	Less: Amount	Total	Percent of Actual Taxable Value of	
		Premiums and Discounts (*)	Restricted for Debt Service		Property (a)	Per Capita (b)
2016	\$ 90,630,000	2,396,095	921,108	92,104,987	1.74%	\$ 2,484
2015	99,325,000	2,972,082	912,522	101,384,560	2.11%	2,735
2014	86,555,000	752,385	993,273	86,314,112	1.93%	2,328
2013	105,515,000	-	11,789,967	93,725,033	2.18%	2,528
2012	110,465,000	-	9,664,026	100,800,974	2.44%	2,719
2011	96,445,000	-	4,450,438	91,994,562	2.32%	2,481
2010	101,005,000	-	4,229,495	96,775,505	2.53%	2,610
2009	105,380,000	-	8,157,269	97,222,731	2.78%	7,380
2008	60,370,000	-	9,432,642	50,937,358	1.71%	3,867
2007	52,590,000	-	3,453,669	49,136,331	2.01%	3,730
2006	54,445,000	-	233,849	54,211,151	2.87%	4,115
2005	55,945,000	-	189,164	55,755,836	3.53%	4,233

Source: District records

Notes:

(a) Actual taxable value of property includes Tax Increment Financing valuation. Assessed value equals estimated actual value.  
See pages 104-105 for actual taxable value of property.

(b) See Page 113 for population data.

(\*) Starting in 2014, the bond premiums and discounts are being shown here. The District will levy taxes for general obligation debts.

WAUKEE COMMUNITY SCHOOL DISTRICT  
COMPUTATION OF OVERLAPPING AND DIRECT DEBT

As of June 30, 2016  
(Unaudited)

	Taxable Valuation	Taxable Valuation Within District	Percent in District	G. O. Debt	Waukee CSD Share of the Debt
Dallas County	\$ 4,964,931,973	\$ 3,357,529,603	67.62%	\$ 14,965,000	\$ 10,120,064
City of Waukee	781,506,330	541,701,699	69.32%	53,660,437	37,194,772
City of Clive	1,305,723,452	370,451,031	28.37%	32,165,000	9,125,636
City of Grimes	545,756,007	69,869	0.01%	24,610,000	3,151
City of Urbandale	2,707,370,693	541,701,699	20.01%	70,340,000	14,073,912
City of West Des Moines	4,403,448,240	16,666,561,555	378.49%	103,360,000	391,206,098
Area XI Des Moines Area Community College	40,089,928,553	3,357,529,603	8.37%	95,345,000	7,985,139
Total District Share of Overlapping Debt				<u>\$ 394,445,437</u>	<u>\$ 469,708,773</u>
Direct, Waukee Community School District:					
General Obligation			100.00%	\$ 90,630,000	\$ 90,630,000
Sales Tax Revenue Bonds			100.00%	63,240,000	63,240,000
General Obligation Capital Loan Notes			100.00%	13,655,000	13,655,000
Bond Premiums and Discounts			100.00%	5,469,712	5,469,712
Total District Direct Debt				<u>\$ 172,994,712</u>	<u>\$ 172,994,712</u>

Notes: The percentage applicable to the District is determined by the portion of the District geographical boundary included in the total boundary of the respective governmental entity.

Source: District records, County Auditor's office, City of Waukee, City of Clive, City of Grimes, City of Urbandale, City of West Des Moines, Area XI Des Moines Area Community College.

WAUKEE COMMUNITY SCHOOL DISTRICT

OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years  
(Unaudited)

Governmental Activities								
Fiscal Year	General Obligation		General Obligation	Bond	Total Primary Government	Percentage of		Per Capita (a)
	Bonds	Revenue Bonds	Capital Loan Note Bonds	Premiums and Discounts (*)		Personal Income (a)		
2016	\$ 90,630,000	63,240,000	13,655,000	2,396,095	169,921,095	N/A		\$ 4,583
2015	99,325,000	67,050,000	2,715,000	2,972,082	172,062,082	10.12%		4,641
2014	86,555,000	49,630,000	5,355,000	752,385	142,292,385	9.29%		3,838
2013	105,515,000	19,335,000	7,880,000	-	132,730,000	9.12%		3,580
2012	110,465,000	22,335,000	10,800,000	-	143,600,000	11.14%		3,873
2011	96,445,000	8,680,000	8,285,000	-	113,410,000	9.81%		3,059
2010	101,005,000	11,355,000	9,765,000	-	122,125,000	12.35%		3,294
2009	105,380,000	13,925,000	11,195,000	-	130,500,000	13.79%		9,907
2008	60,370,000	16,400,000	12,575,000	-	89,345,000	10.13%		6,782
2007	52,590,000	18,900,000	13,905,000	-	85,395,000	11.26%		6,483

Source: District records

Notes: N/A = not available. Details of the District's outstanding debt can be found in Note 7 in the notes to the financial statements.

(a) See Page 113 for personal income and population data. These ratios are calculated using personal income and population from the prior year calendar year.

(\*) Starting in 2014, the bond premiums and discounts are being shown here. The District will levy taxes for general obligation debts.



WAUKEE COMMUNITY SCHOOL DISTRICT

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years  
(Unaudited)

Fiscal Year	Revenue	Principal	Interest	Total	Coverage
2016	\$ 8,381,818	\$ 3,810,000	\$ 2,324,836	\$ 6,134,836	1.37
2015	7,867,527	2,570,000	1,867,841	4,437,841	1.77
2014	7,269,180	3,180,000	622,050	3,802,050	1.91
2013	6,197,267	3,000,000	648,448	3,648,448	1.70
2012	5,170,073	8,680,000	485,917	9,165,917	0.56
2011	5,585,731	2,675,000	482,558	3,157,558	1.77
2010	3,803,136	2,570,000	591,812	3,161,812	1.20
2009	4,785,137	2,475,000	690,812	3,165,812	1.51
2008	4,780,752	2,500,000	659,010	3,159,010	1.51
2007	4,199,658	-	-	-	-

Source: District records

Notes: Details of the District's outstanding debt can be found in Note 6 in the notes to the financial statements.

WAUKEE COMMUNITY SCHOOL DISTRICT

GENERAL ANALYSIS OF FACILITIES, CLASSROOMS AND STAFFING

June 30, 2016  
(Unaudited)

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Name of School	Dates of Construction	Grades Served
Elementary Schools:		
Vince Meyer Learning Center	1917, 1957, 1974, 1979, 1987, 1999, 2013	5 and Special Education
Brookview	2001, 2002, 2004	K-5 and Special Education
Eason	1994, 2002	K-5 and Special Education
Walnut Hills	2005	PK-5 and Special Education
Maple Grove	2007	K-5 and Special Education
Waukee	2010	PK-4 and Special Education
Shuler	2010	K-5 and Special Education
Woodland Hills	2013	PK-5 and Special Education
Grant Ragan	2016	PK-5 and Special Education
Waukee Middle School	1974, 1977, 1987, 1994, 1997, 1999, 2008	6-7 and Special Education
South Middle School	2010	6-7 and Special Education
Prairieview	2004, 2009	8-9 and Special Education
Timberline	2015	8-9 and Special Education
Waukee High School	1997, 2000, 2001, 2006, 2013	10-12 and Special Education
		District Wide
Other facilities - non-student occupancy:		
Waukee Elementary Annex	1932, 1995	
District Administration	2003, 2007	
District Central Receiving/Transportation Facility	2003	

Source: District records

Building Served	Enrollment Oct. 2016	Certified Staff	Pupil/Teacher Ratio	Number of Classrooms	Teaching Sections
-	-	-	-	-	-
626	35.1	17.83	28	27	
577	38.6	14.95	29	25	
619	43.1	14.36	38	26	
744	49.8	14.94	26	29	
694	47.6	14.58	31	24	
690	44.3	15.58	31	29	
571	40.5	14.10	25	22	
693	47.7	14.53	39	29	
5,214	346.7	15.04	247	211	
720	55.3	13.02	69	-	
706	57.0	12.39	71	-	
680	48.3	14.08	43	-	
706	48.0	14.71	43	-	
1,780	118.0	15.08	93	-	
9,806	673.3	14.56	566	211	

WAUKEE COMMUNITY SCHOOL DISTRICT

DISTRICT STAFFING LEVELS

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>Administration:</b>										
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Principal	12.00	12.00	11.00	10.00	10.00	10.00	8.00	8.00	8.00	7.00
Associate Principal	11.00	9.00	8.00	7.00	4.00	4.00	4.00	4.50	2.00	2.00
Other Administrators	9.00	8.00	7.00	6.00	5.00	5.00	6.00	6.00	6.00	6.00
Total Administration	33.00	30.00	27.00	24.00	20.00	20.00	19.00	19.50	17.00	16.00
<b>Other Professionals</b>										
<b>Instruction:</b>										
Teacher	596.45	553.80	514.87	484.23	438.54	416.93	332.03	384.34	357.44	318.33
Curriculum Specialist	20.00	16.00	17.00	15.00	8.50	9.00	1.00	0.50	2.00	2.00
Counselor	26.50	19.50	18.50	15.00	15.00	21.00	18.50	18.50	17.00	15.00
Title I	3.25	3.50	4.00	3.50	3.50	4.25	3.50	1.50	2.00	2.00
Media Specialist	12.00	11.00	11.00	10.00	10.00	10.00	8.00	8.00	7.00	7.00
Total Instruction	658.20	603.80	565.37	527.73	475.54	461.18	363.03	412.84	385.44	344.33
<b>Professional, Other:</b>										
Nurse	10.00	9.00	9.00	8.00	8.00	8.00	6.00	6.00	9.00	7.00
Other Professional	14.00	13.00	13.00	13.00	13.00	14.00	7.00	14.00	9.50	8.50
Total Professional, Other	24.00	22.00	22.00	21.00	21.00	22.00	13.00	20.00	18.50	15.50
<b>Support Personnel:</b>										
Office/Clerical	36.60	36.29	32.70	36.12	34.00	33.00	31.44	36.00	28.00	26.00
Crafts/Trades	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Teacher Associates	181.70	160.76	146.41	131.48	125.00	119.00	123.00	105.11	96.50	84.60
Other Support Personnel	203.10	174.48	174.89	132.18	97.00	127.00	98.07	104.87	72.30	61.72
Total Support Personnel	425.40	375.53	358.00	303.78	260.00	283.00	256.51	249.98	200.80	176.32
<b>Totals</b>	<b>1,140.60</b>	<b>1,031.33</b>	<b>972.37</b>	<b>876.51</b>	<b>776.54</b>	<b>786.18</b>	<b>651.54</b>	<b>702.32</b>	<b>621.74</b>	<b>552.15</b>

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

DISTRICT AND AREA UNEMPLOYMENT RATES AND PER CAPITA INCOME

Last Ten Fiscal Years  
(Unaudited)

Calendar Year	Population (a)	Personal Income (b)	Adjusted Gross Income per Tax Return (b)	Per Capita Personal Income	Unemployment Rate (c) State of Iowa	Unemployment Rate (c) Des Moines Area
2016	37,076	N/A	N/A	N/A	4.0%	3.8%
2015	37,076	\$ 1,699,804,876	\$ 73,350	\$ 45,847	3.7%	4.0%
2014	37,076	1,531,463,363	70,695	41,306	4.4%	4.3%
2013	37,076	1,455,243,830	81,595	39,250	4.6%	4.8%
2012	37,076	1,289,558,901	72,305	34,782	5.4%	5.5%
2011	37,076	1,155,726,388	64,801	31,172	6.0%	6.7%
2010	37,076	988,903,114	59,376	26,672	6.8%	6.8%
2009	13,173	946,060,501	60,432	71,818	6.6%	6.5%
2008	13,173	881,578,252	60,610	66,923	4.6%	4.1%
2007	13,173	758,654,683	59,516	57,592	3.4%	3.1%
2006	13,173	644,701,944	56,414	48,941	3.6%	2.9%
2005	13,173	555,164,780	55,059	42,144	4.8%	4.0%

Notes:

N/A = not available.

(a) U.S. Department of Commerce, Bureau of Census

(b) Iowa Department of Revenue

(c) Iowa Workforce Development

WAUKEE COMMUNITY SCHOOL DISTRICT

SUMMARY OF HISTORICAL RETAIL SALES  
(In Millions)

Last Ten Years  
(Unaudited)

Year	Dallas County	Percent Increase	Waukee	Percent Increase	West Des Moines	Percent Increase	Des Moines	Percent Increase
2015	\$ 1,162.42	7.4%	\$ 202.77	11.3%	\$ 723.44	7.1%	\$ 3,661.24	6.4%
2014	1,082.61	2.9%	182.26	22.8%	675.21	-1.1%	3,439.86	3.4%
2013	1,052.08	-4.1%	148.44	23.0%	682.39	-9.0%	3,325.45	1.9%
2012	1,097.52	16.0%	120.68	15.0%	749.96	18.0%	3,264.36	2.2%
2011	946.45	5.8%	104.95	10.6%	635.69	5.6%	3,195.13	2.8%
2010	894.95	-6.1%	94.85	5.2%	602.13	-8.9%	3,107.94	-5.8%
2009	953.12	15.6%	90.13	-9.7%	660.75	22.5%	3,300.12	-4.9%
2008	824.68	10.4%	99.80	-3.0%	539.37	-59.9%	3,470.69	1.5%
2007	747.18	10.8%	102.89	-15.0%	1,345.69	-27.8%	3,418.12	-2.4%
2006	674.51	97.8%	121.06	16.2%	1,864.22	103.9%	3,502.63	0.3%

Source: Iowa Department of Revenue and Finance

WAUKEE COMMUNITY SCHOOL DISTRICT

PRINCIPAL EMPLOYERS IN THE DISTRICT

Current year and nine years ago  
(Unaudited)

Presented below is a list of employers located within the Waukee Community School District, the type of business conducted and an approximate number of employees for each.

District Employers	Product/Service	2016		2007	
		Employees	% of Total	Employees	% of Total
Wells Fargo Mortgage & Financial	Financial	4,455		3,278	
Athene Holding Ltd.	Insurance	1,300		-	
Waukee Community Schools	Education	1,183		550	
Iowa Farm Bureau	Agriculture	1,160		1,117	
Hy-Vee	Food Supplier	724		1,500	
Iowa Foundation for Medical Care	Health Care	645		623	
Iowa Student Loan	Financial	400		-	
Waukee Family YMCA	Family Recreation	300		-	
Guide One	Insurance	220		642	
Gilcrest Jewett	Lumber/Building Materials	145		-	
Atlantic Bottling	Manufacturing	100		-	
Monarch Manufacturing	Window Manufacturing	95		-	
West Des Moines School	Education	-		1,200	
Marsh Insurance	Benefit Insurance	-		950	
Total		10,727		9,860	

Larger employers in the area	Product/Service	2016		2007	
		Employees	% of Total	Employees	% of Total
Wells Fargo & Co	Financial Services	14,500		-	
Hy-Vee Food Stores, Inc.	Retail Grocery and Drug	7,500		-	
Mercy Hospital Medical Center	Health Care	7,055		2,200	
UnityPoint Health	Health Care	6,435		5,000	
Principal Financial Group	Insurance	6,184		8,300	
Nationwide/Allied Insurance	Insurance	4,282		-	
John Deere Companies	Agricultural Sales	3,089		-	
DuPont Pioneer	Agricultural Sales	3,000		1,428	
State of Iowa	Government	-		6,749	
United States Government	Government	-		6,100	
Des Moines Ind. School District	Government	-		5,325	
Communication Data Services, Inc	Data Entry	-		3,000	
City of Des Moines	Government	-		2,170	
Wellmark Blue Cross Blue Shield	Insurance	-		2,066	
Bridgestone-Firestone	Manufacturing	-		1,700	
Total		30,045		44,038	

Notes: Percentages of total employment are unavailable for both 2007 and 2016.

Source: City Chambers of Commerce, Greater Dallas County Development Alliance, Greater Des Moines Partnership, the District, and the City of Waukee, and telephone survey conducted March 2016.

WAUKEE COMMUNITY SCHOOL DISTRICT

DISTRICT POPULATION

June 30, 2016  
(Unaudited)

Census Year	Waukee	Clive	Urbandale	West Des Moines
2010	13,790	15,447	39,463	56,609
2004/2008/2005*	8,132	14,125	35,904	51,744
2000	5,126	12,855	29,072	46,403
1990	2,512	7,462	23,500	31,702
1980	2,227	6,064	17,869	21,894

Source: City Chambers of Commerce

\*special Census done in 2004-Waukee, 2008 Urbandale and 2005 West DesMoines



WAUKEE COMMUNITY SCHOOL DISTRICT  
 CERTIFIED RESIDENT STUDENT ENROLLMENT BY GRADE

Last Ten Fiscal Years  
 (Unaudited)

Grade	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
PK	120	31	36	34	29	30	30	24	29	26
K	828	821	715	768	672	625	577	595	555	549
1	849	731	761	697	628	603	584	568	577	544
2	767	764	729	675	598	601	547	584	549	480
3	804	733	670	636	603	542	581	570	507	499
4	759	690	653	625	562	581	549	513	510	413
5	712	659	625	594	580	559	516	522	427	446
6	669	651	613	628	560	524	504	431	449	376
7	693	627	623	581	512	517	423	451	367	319
8	630	622	562	533	506	419	432	378	321	324
9	619	564	523	535	413	438	362	316	317	273
10	570	517	513	428	440	355	297	308	283	319
11	518	516	412	461	363	304	285	304	313	262
12	526	418	449	381	292	282	272	321	254	268
District Served Enrollment	9064.0	8344.7	7884.3	7576.0	6758.0	6380.0	5959.0	5885.0	5458.0	5098.0
Open Enrollment/Tuition In	215.0	214.0	222.0	210.0	191.0	185.1	169.2	175.0	199.0	219
Open Enrollment/Tuition Out (includes Home & Alt. School Students)	462.4	428.6	404.3	353.6	365.7	311.6	308.1	257.4	229.3	196.6
Certified Resident Enrollment	<u>9311.4</u>	8559.3	8066.6	7719.6	6932.7	6506.5	6097.9	5967.4	5488.3	5075.6

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT

OPERATING COST PER PUPIL

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	Total Costs*	Daily Membership	Operating Cost per Pupil
2016	\$ 88,148,318	9,059	\$ 9,731
2015	79,309,123	8,461	9,373
2014	72,661,299	7,994	9,090
2013	65,349,245	7,479	8,737
2012	59,848,076	6,884	8,694
2011	54,877,739	6,472	8,479
2010	51,246,632	6,021	8,511
2009	41,081,400	5,441	7,550
2008	34,311,684	5,065	6,774
2007	29,592,960	4,617	6,410

\*Includes only General Fund expenditures.

Source: District records

**Wauke Community School District  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2016**

Grantor/Program	CFDA Number	Grant Number	Expenditures
Indirect:			
U.S. Department of Agriculture:			
Iowa Department of Education:			
School Nutrition Cluster Programs:			
School Breakfast Program	10.553	FY 16	\$ 121,566
National School Lunch Program	10.555	FY 16	1,225,088 *
			1,346,654
Team Nutrition Grant	10.574	FY 16	418
U.S. Department of Education:			
Iowa Department of Education:			
Title I, Part A Cluster:			
Title I Grants to Local Educational Agencies	84.010	FY 15	4,210
Title I Grants to Local Educational Agencies	84.010	FY 16	210,313
Title I Grants to Local Educational Agencies - SINA	84.010	FY 16	8,765
			223,288
Individuals with Disabilities Education Act (TIER Alpha Testing)	84.027	FY 16	303
Career and Technical Education - Other Miscellaneous Reimbursements	84.048	FY 16	1,822
Title III - English Language Acquisition State Grants	84.365	FY 16	10,930
Improving Teacher Quality State Grants	84.367	FY 16	51,027
Grants for State Assessments	84.369	FY 16	34,124
National Endowment for the Arts:			
Iowa Arts Council:			
Promotion of the Arts - Partnership Agreements (Big Yellow School Bus Grant)	45.025	FY 16	500
Dallas Center-Grimes Community School District:			
Vocational Education - Basic Grants to States	84.048	FY 16	39,533
Heartland Area Education Agency:			
Special Education - Grants to States	84.027	FY 16	407,796
Title III - English Language Acquisition State Grants	84.365	FY 16	3,500
U.S. Department of Health and Human Services:			
Iowa Department of Education:			
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	93.938	FY 16	173
Total			\$ 2,120,068

See accompanying independent auditor's report.

**Waukee Community School District**  
**Notes to Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2016**

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**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the Waukee Community School District under programs of the federal government for the year ended June 30, 2016. 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 Waukee Community School District, it is not intended to and does not present the financial position, changes in financial position or cash flows of Waukee Community School District.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported in the Schedule are reported on the accrual or modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles on OMB Circular A-87, *cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in the reimbursement. Waukee Community School District has elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note 3. Noncash Assistance**

The schedule includes federal awards in the form of noncash assistance (commodities) received during the year in the amount of \$304,527 related to USDA Commodities grants provided by the U.S. Department of Agriculture passed through the Iowa Department of Education, CFDA No. 10.555.



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

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

To the Board of Education of  
Waukee Community School District:

We have audited in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the Waukee Community School District, as of and for the year ended June 30, 2016, and the related Notes to Financial Statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 22, 2016.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting 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 Waukee Community School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of non-compliance 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, 2016 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.

#### Waukee Community School District's Responses to the Findings

Waukee Community School District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. Waukee Community School District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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

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

*Van Maanen, Sietstra, Meyer & Nikkel PC*

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

November 22, 2016



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**CERTIFIED PUBLIC ACCOUNTANTS**

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

To the Board of Education of Waukee Community School District:

### Report on Compliance for Each Major Federal Program

We have audited Waukee Community School District's compliance with the types of compliance requirements described in U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Waukee Community School District's major federal programs for the year ended June 30, 2016. Waukee 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Waukee 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 U.S. generally accepted auditing standards, 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 non-compliance 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 Waukee Community School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe 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 Waukee Community School District's compliance.

### Opinion on Each Major Federal Program

In our opinion, Waukee 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, 2016.

## Report on Internal Control Over Compliance

The management of Waukee 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 Waukee 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 Waukee 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 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. Given these limitations, during our audit 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.

*Van Maanen, Sietstra, Meyer & Nikkel PC*

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

November 22, 2016



**Part I: Summary of the Independent Auditor's Results**

- (a) Unmodified opinions were issued on the financial statements.
- (b) No materials weaknesses in internal control over financial reporting were disclosed by the audit of the financial statements.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) No material weaknesses in internal control over the major programs were disclosed by the audit of the financial statements.
- (e) An unqualified opinion was issued on compliance with requirements applicable to each major program.
- (f) The audit disclosed no audit findings which were required to be reported in accordance with the Uniform Guidance, Section 200.515.
- (g) Major programs were as follows:
  - Clustered programs:
    - CFDA Number 10.553 - School Breakfast Program
    - CFDA Number 10.555 - National School Lunch Program
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- (i) Waukee Community School District qualified as a low-risk auditee.

**Part II: Findings Related to the Financial Statements**

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

**INTERNAL CONTROL DEFICIENCIES:**

No matters were noted.

**Part III: Findings and Questioned Costs for Federal Awards**

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

**INTERNAL CONTROL DEFICIENCIES:**

No matters were noted.

**Waukee Community School District  
Schedule of Findings and Questioned Costs  
Year ended June 30, 2016**

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

- IV-A-16      Certified Budget – District expenditures for the year ended June 30, 2016 did not exceed the amounts budgeted in any of the functional areas.
- IV-B-16      Questionable Expenditures - No expenditures were noted that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.
- IV-C-16      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-16      Business Transactions - No business transactions between the District and District officials or employees were noted.
- IV-E-16      Bond Coverage - Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that coverage is adequate for current operations.
- IV-F-16      Board Minutes - No transactions were noted requiring Board approval which had not been approved by the Board.
- IV-G-16      Certified Enrollment - A variance in the basic enrollment data certified to the Department of Education was noted.  
Recommendation - The certified enrollment data should be corrected for students who exit the District.  
Response - We will correct the certified enrollment in the future for students exiting the system.  
Conclusion - Response accepted.
- IV-H-16      Supplementary Weighting - No variances regarding the supplementary weighting certified to the Iowa Department of Education were noted.
- IV-I-16      Deposits and Investments - No instances of noncompliance were noted with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the District's investment policy.
- IV-J-16      Certified Annual Report - The Certified Annual Report was filed timely to the Iowa Department of Education.
- IV-K-16      Categorical Funding - No instances were noted of categorical funding used to supplant rather than supplement other funds.

**Waukee Community School District  
 Schedule of Findings and Questioned Costs  
 Year ended June 30, 2016**

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IV-L-16      Statewide Sales, Services and Use Tax - No instances of non-compliance with the use of the statewide sales, services and use tax revenue provisions of Chapter 423F.3 of the Code of Iowa were noted.

Pursuant to Chapter 423F.5 of the Code of Iowa, the annual audit is required to include certain reporting elements related to the statewide sales, services and use tax revenue. Districts are required to include these reporting elements in the Certified Annual Report (CAR) submitted to the Iowa Department of Education. For the year ended June 30, 2016, the District reported the following information regarding the statewide sales, services and use tax revenue in the District's CAR:

Beginning balance		\$ 41,911,710
Revenues/transfers in:		
Sales tax revenues	\$ 8,351,818	
Other local revenues	77,425	8,429,243
		<hr/> 50,340,953
Expenditures/transfers out:		
School infrastructure construction	11,709,972	
Land purchased	14,200	
Equipment	1,203,569	
Other	289,851	
Transfers to other funds:		
Debt service funds	6,136,836	19,354,428
		<hr/> \$ 30,986,525

For the year ended June 30, 2016, the District did not reduce any levies as a result of the moneys received under Chapter 423E or 423F of the Code of Iowa.

