

Jesup Community School District

**Independent Auditor's Reports
Basic Financial Statements
And Supplementary Information
Schedule of Findings**

June 30, 2005

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Independent Auditor's Report

To the Board of Education of
Jesup Community School District:

I have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of Jesup Community School District, Jesup, Iowa, as of and for the year ended June 30, 2005, which collectively comprise the District's basic financial statements listed in the table of contents. These financial statements are the responsibility of District officials. My responsibility is to express an opinion on these financial statements based on my audit.

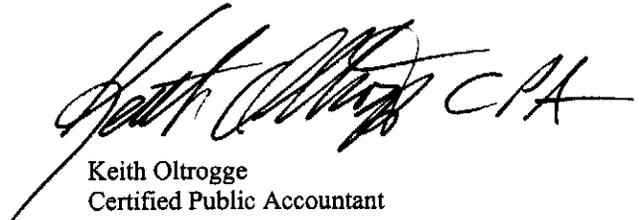
I conducted my audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe my audit provides a reasonable basis for my opinion.

In my 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 Jesup Community School District at June 30, 2005, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated August 23, 2005 on my consideration of Jesup Community School District's internal control over financial reporting and my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of my audit.

Management's Discussion and Analysis and budgetary comparison information on pages 4 through 11 and 33 through 34 are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Jesup Community School District's basic financial statements. I previously audited, in accordance with the standards referred to in the second paragraph of this report, the financial statements for the three years ended June 30, 2004 (which are not presented herein) and expressed unqualified opinions on those financial statements. Other supplementary information included in Schedules 1 through 5, including the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget (OMB) Circular A-133, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in my audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Keith Oltrogge
Certified Public Accountant

August 23, 2005

MANAGEMENT'S DISCUSSION AND ANALYSIS

Jesup Community School District provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2005. We encourage readers to consider this information in conjunction with the District's financial statements, which follow.

2005 FINANCIAL HIGHLIGHTS

- General Fund revenues increased from \$5,819,553 in fiscal 2004 to \$5,831,921 in fiscal 2005, and General Fund expenditures increased from \$5,520,350 in fiscal 2004 to \$5,910,430 in fiscal 2005. The District's General Fund balance decreased from \$2,214,730 in fiscal year 2004 to \$2,136,221 in fiscal year 2005, a 3.7% decrease.
- The increase in General Fund revenues was attributable to an increase in federal revenue in fiscal year 2005.
- A decrease in the District's General Fund balance resulted in the District's solvency ratio decreasing from 40.1% in 2004 to 36.1% in fiscal 2005. The District's solvency level indicates the District is able to meet unforeseen financing requirements and presents a sound risk for the timely repayment of short-term debt obligations.

USING THIS ANNUAL REPORT

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

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the District's financial activities.

The Government-wide Financial Statements consist of a Statement of Net Assets and a Statement of Activities. These provide information about the activities of Jesup Community School District as a whole and present an overall view of the District's finances.

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report Jesup Community School District's operations in more detail than the government-wide statements by providing information about the most significant funds. The remaining statements provide financial information about activities for which Jesup Community School District acts solely as an agent or custodian for the benefit of those outside of County government.

Notes to financial statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information further explains and supports the financial statements with a comparison of the District's budget for the year.

Other Supplementary Information provides detailed information about the non-major Special Revenue Funds. In addition, the Schedule of Expenditures of Federal Awards provides details of various programs benefiting the District.

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

Figure A-1
Jesup Community School District Annual Financial Report

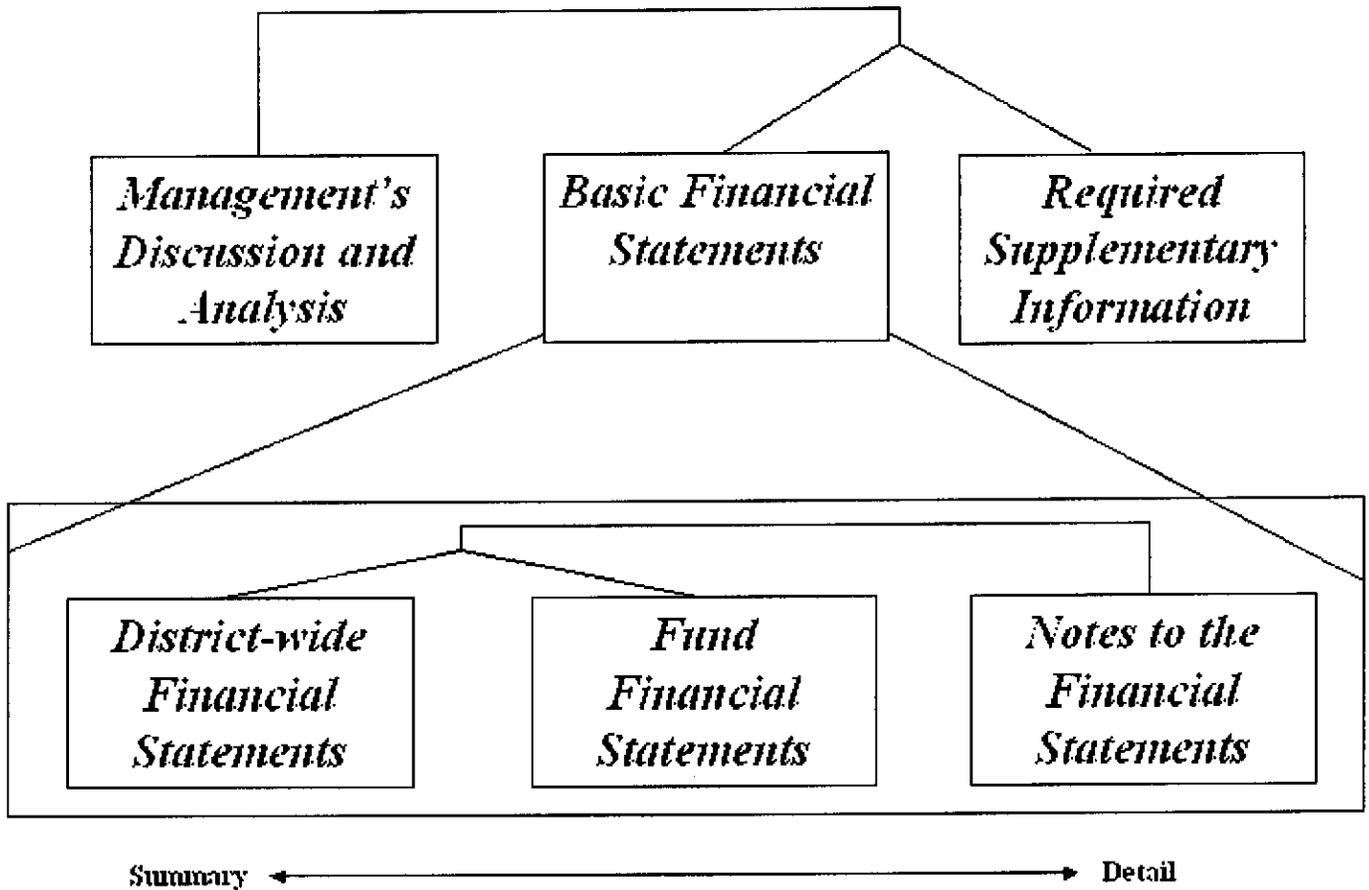


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain.

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

	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services and adult education	Instances in which the District administers resources on behalf of someone else, such as scholarship programs
Required financial statements	Statement of net assets Statement of activities	Balance sheet Statement of revenues, expenditures and changes in fund balances	Statement of net assets Statement of revenues, expenses and changes in fund net assets Statement of cash flows	Statement of fiduciary net assets Statement of changes in fiduciary net assets
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 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

REPORTING THE DISTRICT'S FINANCIAL ACTIVITIES

Government-wide Financial Statements

The government-wide financial statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Assets includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

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

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

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

Fund Financial Statements

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

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

The District has three kinds of funds:

- 1) *Governmental funds:* Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

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

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

- 2) *Proprietary funds:* Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide financial statements. The District's Enterprise Funds, one type of proprietary fund, are the same as its business type activities, but provide more detail and additional information, such as cash flows. The District currently has three Enterprise Funds: the School Nutrition Fund, Swimming Pool Fund and Day Care Fund.

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

3) *Fiduciary funds*: The District is the trustee, or fiduciary, for assets that belong to others. This fund consists of a Trust Fund.

- Trust Fund – The District accounts for outside donations for scholarships for individual students in this fund.

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

The required financial statements for fiduciary funds includes a statement of fiduciary net assets and a statement of changes in fiduciary net assets.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Figure A-3 below provides a summary of the District's net assets at June 30, 2005 compared to June 30, 2004.

Figure A-3
Condensed Statement of Net Assets

	Governmental Activities		Business Type Activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2005	2004	2005	2004	2005	2004	2004-2005
Current and other assets	\$5,820,751	\$8,455,243	\$112,222	\$119,367	\$5,932,973	\$8,574,610	-30.8%
Capital assets	7,381,232	4,292,178	30,388	22,839	7,411,620	4,315,017	71.8%
Total assets	\$13,201,983	\$12,747,421	\$142,610	\$142,206	\$13,344,593	\$12,889,627	3.5%
Long-term liabilities	\$4,655,000	\$4,847,153	\$-	\$-	\$4,655,000	\$4,847,153	-4.0%
Other liabilities	2,458,649	2,295,536	9,219	9,779	2,467,868	2,305,315	7.1%
Total liabilities	\$7,113,649	\$7,142,689	\$9,219	\$9,779	\$7,122,868	\$7,152,468	0.4%
Net assets:							
Invested in capital assets, net of related debt	\$2,726,232	-\$537,822	\$30,388	\$22,839	\$2,756,620	-\$514,983	435.9%
Unrestricted	3,362,102	6,142,554	103,003	109,588	3,465,105	6,252,142	-44.6%
Total net assets	\$6,088,334	\$5,604,732	\$133,391	\$132,427	\$6,221,725	\$5,737,159	8.4%

The District's combined net assets increased by nearly 8.4%, or \$484,566, over the prior year. The largest portion of the District's net assets is in the "invested in capital assets (e.g., land, infrastructure, buildings and equipment), less the related debt". The debt related to the investment in capital assets is liquidated with sources other than capital assets.

Unrestricted net assets – the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements – decreased by \$2,787,037, or 44.6%. This reduction in unrestricted net assets was a result of the increase in net assets.

Figure A-4 shows the change in net assets for the year ended June 30, 2005.

**Figure A-4
Changes in Net Assets**

	Governmental Activities	Business Type Activities	Total District
Revenues:			
Program revenues:			
Charges for service	\$503,663	\$214,231	\$717,894
Operating grants, contributions and restricted interest	1,140,621	97,664	1,238,285
Capital grants, contributions and restricted interest	-	-	-
General revenues:			
Property tax	1,815,802	-	1,815,802
Local option sales and service tax	419,710	-	419,710
Unrestricted state grants	2,676,759	-	2,676,759
Unrestricted investment earnings	76,578	1,289	77,867
Other	132,051	-	132,051
Total revenues	\$6,765,184	\$313,184	\$7,078,368
Program expenses:			
Governmental activities:			
Instruction	\$3,805,330	\$-	\$3,805,330
Support services	2,038,225	-	2,038,225
Non-instructional programs	-	312,220	312,220
Other expenses	438,027	-	438,027
Total expenses	\$6,281,582	\$312,220	\$6,593,802
Change in net assets	\$483,602	\$964	\$484,566

Property tax and unrestricted state grants account for 63.5% of the total revenue. The District's expenses primarily relate to instruction and support services, which account for 88.6% of the total expenses.

Governmental Activities

Revenues for governmental activities were \$6,765,184 and expenses were \$6,281,582. In a difficult budget year, the District was able to balance the budget by trimming expenses to match available revenues.

The following table presents the total and net cost of the District's governmental activities: instruction, support services, non-instructional programs and other expenses.

**Figure A-5
Total and Net Cost of Governmental
Activities**

	Total Cost of Services	Net Cost of Services
Instruction	\$3,805,330	\$2,209,222
Support Services	2,038,225	1,990,049
Non-instructional programs	-	-
Other expenses	438,027	438,027
Totals	\$6,281,582	\$4,637,298

- The cost financed by users of the District's programs was \$717,894.
- Federal and state governments subsidized certain programs with grants and contributions totaling \$1,238,285.
- The net cost of governmental activities was financed with \$1,815,802 in property and other taxes and \$2,676,759 in unrestricted state grants.

Business Type Activities

Revenues for business type activities were \$313,184 and expenses were \$312,220. The District's business type activities include the School Nutrition Fund and Swimming Pool Fund. Revenues of these activities were comprised of charges for service, federal and state reimbursements and investment income.

INDIVIDUAL FUND ANALYSIS

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

The financial performance of the District as a whole is reflected in its governmental funds, as well. As the District completed the year, its governmental funds reported a combined fund balance of \$6,088,334, well above last year's ending fund balances of \$5,604,732. However, the primary reason for the increase in combined fund balances in fiscal 2005 is due to approximately \$0.5 million of unexpended general bond proceeds received in fiscal 2003.

BUDGETARY HIGHLIGHTS

The District's receipts were \$183,444 more than budgeted receipts, a variance of 2.7%. The most significant variance resulted from the District receiving more in property taxes and federal aid than originally anticipated.

The District's total expenditures were less than budgeted, due primarily to the District's budget for the General Fund. It is the District's practice to budget expenditures at the maximum authorized spending authority for the General Fund. The District then manages or controls General Fund spending through its line-item budget. As a result, the District's certified budget should always exceed actual expenditures for the year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2005, the District had invested \$7,411,620, net of accumulated depreciation, in a broad range of capital assets, including land, buildings, athletic facilities, computers, audio-visual equipment and transportation equipment. (See Figure A-6) This represents a net increase of 71.8% from last year. More detailed information about the District's capital assets is presented in Note 4 to the financial statements. Depreciation expense for the year was \$203,758.

The original cost of the District's capital assets was \$11,541,164. Governmental funds account for \$11,477,701, with the remainder of \$63,463 accounted for in the Proprietary, School Nutrition Fund.

The largest change in capital asset activity during the year occurred in the construction in progress category. The District's construction in progress totaled \$258,181 at June 30, 2005, compared to \$3,269,798 reported at June 30, 2004. This significant decrease resulted from construction activity financed by the issuance of voter approved general obligation bonds and revenue bonds totaling \$5,000,000 in fiscal 2003 for construction of a new school, which were put into service at June 30, 2005.

**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,
	2005	2004	2005	2004	2005	2004	2004-2005
Land	\$33,500	\$33,500	\$-	\$-	\$33,500	\$33,500	0.0%
Construction in progress	258,181	3,269,798	-	-	258,181	3,269,798	-92.1%
Buildings	6,549,169	597,498	-	-	6,549,169	597,498	996.1%
Improvements other than buildings	116,617	137,878	-	-	116,617	137,878	-15.4%
Furniture and equipment	423,765	253,504	30,388	22,839	454,153	276,343	64.3%
Totals	\$7,381,232	\$4,292,178	\$30,388	\$22,839	\$7,411,620	\$4,315,017	71.8%

Long-Term Debt

At June 30, 2005, the District had \$4,655,000 in general obligation and other long-term debt outstanding. This represents a decrease of 4.0% from last year. (See Figure A-7) Additional information about the District's long-term debt is presented in Note 5 to the financial statements.

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

	Total District		Total Change
	June 30,		June 30,
	2005	2004	2004-2005
General obligation bonds	\$4,655,000	\$4,830,000	-3.6%
Early retirement	-	17,153	100.0%
Totals	\$4,655,000	\$4,847,153	-4.0%

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mary Anne Harrold, District Secretary/Treasurer and Business Manager, Jesup Community School District, 531 Prospect Street, P.O. Box 287, Jesup IA 50648.

Basic Financial Statements

Jesup Community School District

Statement of Net Assets

June 30, 2005

	Govern- mental Activities	Business Type Activities	Total
Assets			
Cash and Cash Equivalents:			
Other	\$ 3,817,406	\$ 110,317	\$ 3,927,723
Receivables:			
Property tax:			
Delinquent	20,537	-	20,537
Succeeding year	1,893,428	-	1,893,428
Accounts	633	334	967
Due from other governments	88,747	-	88,747
Inventories	-	1,571	1,571
Capital assets, net of accumulated depreciation	7,381,232	30,388	7,411,620
Total Assets	\$ 13,201,983	\$ 142,610	\$ 13,344,593
Liabilities			
Accounts payable	\$ 80,086	\$ 741	\$ 80,827
Salaries and benefits payable	456,041	4,585	460,626
Accrued interest payable	29,094	-	29,094
Deferred revenue-succeeding year property tax	1,893,428	-	1,893,428
Deferred revenue-other	-	3,893	3,893
Long-term liabilities:			
Portion due within one year:			
General obligation bonds payable	185,000	-	185,000
Portion due after one year:			
General obligation bonds payable	4,470,000	-	4,470,000
Total Liabilities	\$ 7,113,649	\$ 9,219	\$ 7,122,868
Net Assets			
Invested in capital assets, net of related debt	\$ 2,726,232	\$ 30,388	\$ 2,756,620
Unrestricted	3,362,102	103,003	3,465,105
Total Net Assets	\$ 6,088,334	\$ 133,391	\$ 6,221,725

Jesup Community School District

Statement of Activities

Year Ended June 30, 2005

	Expenses	Program Revenues		
		Charges for Services	Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest
Functions/Programs				
Governmental Activities:				
Instruction:				
Regular instruction	\$ 2,389,711	\$ 250,667	\$ 930,131	\$ -
Special instruction	711,265	64,946	173,713	-
Other instruction	704,354	166,375	10,276	-
	<u>\$ 3,805,330</u>	<u>\$ 481,988</u>	<u>\$ 1,114,120</u>	<u>\$ -</u>
Support Services:				
Student services	\$ 439,592	\$ -	\$ -	\$ -
Instructional staff services	180,385	-	-	-
Administration services	708,145	-	-	-
Operation and maintenance of plant services	381,826	795	-	-
Transportation services	322,366	-	26,501	-
Community services	5,911	20,880	-	-
	<u>\$ 2,038,225</u>	<u>\$ 21,675</u>	<u>\$ 26,501</u>	<u>\$ -</u>
Other Expenditures:				
Long-term debt interest	\$ 191,341	\$ -	\$ -	\$ -
AEA flow-through	246,686	-	-	-
	<u>\$ 438,027</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Governmental Activities	<u>\$ 6,281,582</u>	<u>\$ 503,663</u>	<u>\$ 1,140,621</u>	<u>\$ -</u>
Business Type Activities:				
Non-Instructional Programs:				
Food service operations	\$ 294,381	\$ 178,787	\$ 97,664	\$ -
Swimming pool operations	17,839	35,444	-	-
	<u>\$ 312,220</u>	<u>\$ 214,231</u>	<u>\$ 97,664</u>	<u>\$ -</u>
Total	<u>\$ 6,593,802</u>	<u>\$ 717,894</u>	<u>\$ 1,238,285</u>	<u>\$ -</u>

Net (Expense) Revenue
And Changes in Net Assets

Governmental Activities	Business Type Activities	Total
\$ -1,208,913	\$ -	\$ -1,208,913
-472,606	-	-472,606
-527,703	-	-527,703
<u>\$ -2,209,222</u>	<u>\$ -</u>	<u>\$ -2,209,222</u>
\$ -439,592	\$ -	\$ -439,592
-180,385	-	-180,385
-708,145	-	-708,145
-381,031	-	-381,031
-295,865	-	-295,865
14,969	-	14,969
<u>\$ -1,990,049</u>	<u>\$ -</u>	<u>\$ -1,990,049</u>
\$ -191,341	\$ -	\$ -191,341
-246,686	-	-246,686
<u>\$ -438,027</u>	<u>\$ -</u>	<u>\$ -438,027</u>
<u>\$ -4,637,298</u>	<u>\$ -</u>	<u>\$ -4,637,298</u>
\$ -	\$ -17,930	\$ -17,930
-	17,605	17,605
<u>\$ -</u>	<u>\$ -325</u>	<u>\$ -325</u>
<u>\$ -4,637,298</u>	<u>\$ -325</u>	<u>\$ -4,637,623</u>

Jesup Community School District

Statement of Activities

Year Ended June 30, 2005

	<u>Program Revenues</u>		
		Operating Grants, Contributions and Restricted Interest	Capital Grants, Contributions and Restricted Interest
<u>Expenses</u>	<u>Charges for Services</u>		
General Revenues:			
Property Tax Levied For:			
General purposes			
Debt service			
Capital outlay			
Local option sales and services tax			
Unrestricted state grants			
Unrestricted investment earnings			
Other			
Total General Revenues			
Change in net assets			
Net assets beginning of year			
Net Assets End of Year			

See notes to financial statements.

Net (Expense) Revenue
And Changes in Net Assets

Governmental Activities	Business Type Activities	Total
\$ 1,690,098	\$ -	\$ 1,690,098
69,774	-	69,774
55,930	-	55,930
419,710	-	419,710
2,676,759	-	2,676,759
76,578	1,289	77,867
132,051	-	132,051
\$ 5,120,900	\$ 1,289	\$ 5,122,189
483,602	964	484,566
5,604,732	132,427	5,737,159
\$ 6,088,334	\$ 133,391	\$ 6,221,725

Jesup Community School District

Balance Sheet
Governmental Funds

June 30, 2005

Assets	General	Capital Projects	Non-major Special Revenue	Total
Cash and Pooled Investments:				
Other	\$ 2,548,880	\$ 985,479	\$ 283,047	\$ 3,817,406
Receivables:				
Property Tax:				
Delinquent	18,245	-	2,292	20,537
Succeeding year	1,575,851	-	317,577	1,893,428
Accounts	633	-	-	633
Due from other governments	88,747	-	-	88,747
Total Assets	\$ 4,232,356	\$ 985,479	\$ 602,916	\$ 5,820,751
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 64,243	\$ 15,315	\$ 528	\$ 80,086
Salaries and benefits payable	456,041	-	-	456,041
Deferred Revenue:				
Succeeding year property tax	1,575,851	-	317,577	1,893,428
Total Liabilities	\$ 2,096,135	\$ 15,315	\$ 318,105	\$ 2,429,555
Fund Balances:				
Unreserved	\$ 2,136,221	\$ 970,164	\$ 284,811	\$ 3,391,196
Total Liabilities and Fund Balances	\$ 4,232,356	\$ 985,479	\$ 602,916	\$ 5,820,751

Jesup Community School District
Reconciliation of the Balance Sheet – Governmental Funds
To the Statement of Net Assets

June 30, 2005

Total fund balances of governmental funds (page 15)	\$ 3,391,196
 <i>Amounts reported for governmental activities in the Statement of Net Assets are different because:</i>	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds	7,381,232
Accrued interest payable on long-term liabilities is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds	-29,094
Long-term liabilities, including bonds payable and early retirement, are not due and payable in the current period and, therefore, are not reported in the funds	<u>-4,655,000</u>
Net assets of governmental activities (page 12)	<u>\$ 6,088,334</u>

Jesup Community School District

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds

Year Ended June 30, 2005

	General	Capital Projects	Non-Major Special Revenue	Total
Revenues:				
Local Sources:				
Local tax	\$ 1,608,071	\$ -	\$ 207,731	\$ 1,815,802
Tuition	298,173	-	-	298,173
Other	108,488	464,032	261,309	833,829
Intermediate sources	-	-	-	-
State sources	3,141,360	-	191	3,141,551
Federal sources	675,829	-	-	675,829
Total Revenues	\$ 5,831,921	\$ 464,032	\$ 469,231	\$ 6,765,184
Expenditures:				
Current:				
Instruction:				
Regular instruction	\$ 2,490,942	\$ -	\$ 28,813	\$ 2,519,755
Special instruction	727,863	-	-	727,863
Other instruction	516,999	-	172,614	689,613
	\$ 3,735,804	\$ -	\$ 201,427	\$ 3,937,231
Support Services:				
Student services	\$ 437,605	\$ -	\$ 1,987	\$ 439,592
Instructional staff services	179,633	-	325	179,958
Administration services	666,177	-	52,413	718,590
Operation and maintenance of plant services	356,954	-	11,800	368,754
Transportation services	281,660	-	1,323	282,983
Community services	5,911	-	-	5,911
	\$ 1,927,940	\$ -	\$ 67,848	\$ 1,995,788
Other Expenditures:				
Facilities acquisition	\$ -	\$ 2,852,357	\$ 164,386	\$ 3,016,743
Long-Term Debt:				
Principal	-	-	175,000	175,000
Interest and fiscal charges	-	-	192,435	192,435
AEA flow-through	246,686	-	-	246,686
	\$ 246,686	\$ 2,852,357	\$ 531,821	\$ 3,630,864
Total Expenditures	\$ 5,910,430	\$ 2,852,357	\$ 801,096	\$ 9,563,883
Excess (deficiency) of revenues over (under) expenditures	\$ -78,509	\$ -2,388,325	\$ -331,865	\$ -2,798,699
Other Financing Sources (Uses):				
Operating transfers in	\$ -	\$ -	\$ 291,218	\$ 291,218
Operating transfers out	-	-291,218	-	-291,218
Total Other Financing Sources (Uses)	\$ -	\$ -291,218	\$ 291,218	\$ -
Net change in fund balances	\$ -78,509	\$ -2,679,543	\$ -40,647	\$ -2,798,699
Fund balances beginning of year	2,214,730	3,649,707	325,458	6,189,895
Fund Balances End of Year	\$ 2,136,221	\$ 970,164	\$ 284,811	\$ 3,391,196

See notes to financial statements.

Jesup 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, 2005

Net change in fund balances – total governmental funds (page 17) \$ -2,798,699

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, these costs are not reported in the Statement of Net Assets and are allocated over their estimated useful lives as depreciation expense in the Statement of Activities. Capital outlay expenditures exceeded depreciation expense in the current year, as follows:

Expenditures for capital assets	\$ 3,314,223	
Depreciation expense	<u>-225,169</u>	3,089,054

Repayment of long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. Current year repayments exceeded issues, as follows:

Repaid	175,000
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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.

1,094

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

Early retirement	<u>17,153</u>
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Change in Net Assets of Governmental Activities (page 14) \$ 483,602

Jesup Community School District

Statement of Net Assets
Proprietary Funds

June 30, 2005

	Day Care	Swimming Pool	School Nutrition
Assets			
Cash and cash equivalents	\$ 1,170	\$ 26,830	\$ 82,317
Accounts receivable	-	-	334
Inventories	-	-	1,571
Capital assets, net of accumulated depreciation	-	-	30,388
Total Assets	\$ 1,170	\$ 26,830	\$ 114,610
Liabilities			
Accounts payable	\$ -	\$ -	\$ 741
Salaries and benefits payable	-	4,414	171
Deferred revenue	-	-	3,893
Total Liabilities	\$ -	\$ 4,414	\$ 4,805
Net Assets			
Invested in capital assets, net of related debt	\$ -	\$ -	\$ 30,388
Unrestricted	1,170	22,416	79,417
Total Net Assets	\$ 1,170	\$ 22,416	\$ 109,805

Jesup Community School District

Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds

June 30, 2005

	Day Care	Swimming Pool	School Nutrition
Operating revenues:			
Local sources:			
Charges for service	\$ -	\$ 35,444	\$ 178,787
Operating expenses:			
Non-instructional programs:			
Operations:			
Salaries	\$ -	\$ 14,919	\$ 108,629
Benefits	-	1,262	14,291
Purchased services	-	230	1,619
Supplies	-	1,123	163,064
Other	-	305	1,189
Depreciation	-	-	5,589
Total operating expenses	\$ -	\$ 17,839	\$ 294,381
Operating income (loss)	\$ -	\$ 17,605	\$ -115,594
Non-operating revenues:			
State sources	\$ -	-	\$ 4,322
Federal sources	-	-	93,342
Interest income	-	-	1,289
Total non-operating revenues	\$ -	-	\$ 98,953
Change in net assets	\$ -	\$ 17,605	\$ -16,641
Net assets beginning of year	1,170	4,811	126,446
Net Assets End of Year	\$ 1,170	\$ 22,416	\$ 109,805

Jesup Community School District

Statement of Cash Flows
Proprietary Fund

Year Ended June 30, 2005

	<u>School Nutrition</u>
Cash flows from operating activities:	
Cash received from sale of lunches and breakfasts	\$ 177,733
Cash paid to employees for services	-123,850
Cash paid to suppliers for goods or services	-149,448
Net cash used by operating activities	<u>\$ -95,565</u>
Cash flows from non-capital financing activities:	
State grants received	\$ 4,322
Federal grants received	78,806
Net cash provided by non-capital financing activities	<u>\$ 83,128</u>
Cash flows from capital and related financing activities:	
Acquisition of capital assets	<u>\$ -14,327</u>
Cash flows from investing activities:	
Interest on investments	<u>\$ 1,289</u>
Net decrease in cash and cash equivalents	\$ -25,475
Cash and cash equivalents beginning of year	<u>107,792</u>
Cash and Cash Equivalents End of Year	<u>\$ 82,317</u>
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ -115,594
Adjustments to reconcile operating loss to net cash used by operating activities:	
Loss on equipment retired	1,189
Commodities used	14,124
Depreciation	5,589
Decrease in inventories	376
Decrease in accounts receivable	519
Increase in accounts payable	735
(Decrease) in salaries and benefits payable	-930
(Decrease) in deferred revenue	-1,573
Net Cash Used by Operating Activities	<u>\$ 95,565</u>

Non-cash investing, capital and financing activities:

During the year ended June 30, 2005, the District received \$14,536 of federal commodities.

Jesup Community School District

Statement of Cash Flows
Proprietary Fund

Year Ended June 30, 2005

	<u>Swimming Pool</u>
Cash flows from operating activities:	
Cash received from services	\$ 35,444
Cash paid to employees for services	-14,973
Cash paid to suppliers for goods or services	-1,658
Net cash provided by operating activities	<u>\$ 18,813</u>
Net increase in cash and cash equivalents	\$ 18,813
Cash and cash equivalents beginning of year	<u>8,017</u>
Cash and Cash Equivalents End of Year	<u>\$ 26,830</u>
Reconciliation of operating loss to net cash used by operating activities:	
Operating income	\$ 17,605
Adjustments to reconcile operating loss to net cash used by operating activities:	
Increase in salaries and benefits payable	<u>1,208</u>
Net Cash Used by Operating Activities	<u>\$ 18,813</u>

Jesup Community School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2005

	Trust Scholarship
Assets	
Cash and pooled investments	\$ 3,980
Total Assets	\$ 3,980
Liabilities	
Accounts payable	\$ -
Net assets	
Reserved for scholarships	\$ 3,980

Jesup Community School District
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
Year Ended June 30, 2005

	Trust Scholarship
Additions:	
Local sources:	
Interest income	\$ 175
Deductions:	
Support services:	
Scholarships awarded	\$ -
Change in net assets	\$ 175
Net assets beginning of year	3,805
Net Assets End of Year	\$ 3,980

Jesup Community School District

Notes to Financial Statements

June 30, 2005

(1) Summary of Significant Accounting Policies

Jesup Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades kindergarten through twelve. 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 Jesup, Iowa and portions of the predominately agricultural territories in Buchanan and Black Hawk Counties. 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, Jesup 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. Jesup 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 County Assessor's Conference Board.

B. Basis of Presentation

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

The Statement of Net Assets presents the District's non-fiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories:

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

Restricted net assets result when constraints placed on net asset use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets consist of net assets that do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources 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 clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and (2) grants, contributions and interest restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

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 non-major governmental funds.

The District reports the following major governmental funds:

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

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

The District reports the following major proprietary fund:

The District's proprietary funds are the Enterprise, School Nutrition Fund, Day Care and Swimming Pool Fund. These funds are used to account for the food service, day care and swimming pool operations of the District.

The District also reports fiduciary funds which focus on net assets and changes in net assets. The District's fiduciary funds include the following:

The Trust Fund is used to account for assets held by the District under trust agreements which require 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.

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

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets 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.

The proprietary fund of the District applies all applicable GASB pronouncements, as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure.

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 Fund is 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, Liabilities and Fund Equity

The following accounting policies are followed in preparing the balance sheet:

Cash, Pooled Investments and Cash Equivalents – The cash balances of most District funds are pooled and invested. Investments are stated at fair value.

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 governmental funds is 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 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, 2003 assessed property valuations; is for the tax accrual period July 1, 2004 through June 30, 2005 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April 2004.

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

Inventories – Inventories are valued at cost using the first-in, first-out method for purchased items and government commodities. Inventories of proprietary funds are recorded as expenses when consumed rather than when purchased or 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 Assets. Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repair 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.

Asset Class	Amount
Land	\$ 2,000
Buildings	10,000
Improvements other than buildings	10,000
Furniture and equipment:	
School Nutrition Fund equipment	500
Other furniture and equipment	2,000

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives (In Years)
Buildings	50 years
Improvements other than buildings	20 – 50 years
Furniture and equipment	5 – 15 years

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.

Deferred Revenue – Although certain revenues are measurable, they are not available. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue in the governmental fund financial statements represents 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 period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred revenue consists of unspent grant proceeds as well as property tax receivable and other receivables not collected within sixty days after year-end.

Deferred revenue in the Statement of Net Assets consists of succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied.

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 Assets.

Fund Equity – In the governmental fund financial statements, reservations of fund balance are reported for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Restricted Net Assets – In the government-wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Required Supplementary Information.

(2) **Cash and Pooled Investments**

The District's deposits in banks at June 30, 2005 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

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

(3) **Inter-fund Transfers**

The detail of inter-fund transfers for the year ended June 30, 2005 is as follows:

Transfer to	Transfer from	Amount
Debt Service	Capital Projects	\$ 291,218

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

(4) **Capital Assets**

Capital assets activity for the year ended June 30, 2005 was as follows:

	Balance Beginning Of Year	Increases	Decreases	Balance End Of Year
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 33,500	\$ -	\$ -	\$ 33,500
Construction in progress	3,269,798	184,660	3,196,277	258,181
Total capital assets not being depreciated	\$ 3,303,298	\$ 184,660	\$ 3,196,277	\$ 291,681
Capital assets being depreciated:				
Buildings	\$ 2,903,965	\$ 6,029,444	\$ -	\$ 8,933,409
Improvements other than buildings	425,219	-	-	425,219
Furniture and equipment	1,530,996	296,396	-	1,827,392
Total capital assets being depreciated	\$ 4,860,180	\$ 6,325,840	\$ -	\$ 11,186,020
Less accumulated depreciation for:				
Buildings	\$ 2,306,467	\$ 77,773	\$ -	\$ 2,384,240
Improvements other than buildings	287,341	21,261	-	308,602
Furniture and equipment	1,277,492	126,135	-	1,403,627
Total accumulated depreciation	\$ 3,871,300	\$ 225,169	\$ -	\$ 4,096,469
Total capital assets being depreciated, net	\$ 988,880	\$ 6,100,671	\$ -	\$ 7,089,551
Governmental Activities Capital Assets, Net	\$ 4,292,178	\$ 6,285,331	\$ 3,196,277	\$ 7,381,232

	Balance Beginning Of Year	Increases	Decreases	Balance End Of Year
Business type activities:				
Furniture and equipment	\$ 61,781	\$ 14,327	\$ 12,645	\$ 63,463
Less accumulated depreciation	38,942	5,589	11,456	33,075
Business Type Activities Capital Assets, Net	\$ 22,839	\$ 8,738	\$ 1,189	\$ 30,388

Depreciation expense was charged to the following functions:

Governmental Activities:

Instruction:

Regular \$ 129,056

Special 436

Other 14,741

Support services:

Instructional staff 427

Administration 3,515

Operation and maintenance of plant 20,611

Transportation 56,383

Total Depreciation Expense – Governmental Activities \$ 225,169

Business Type Activities:

Food service operations \$ 5,589

(5) **Long-term Liabilities**

Changes in long-term liabilities for the year ended June 30, 2005 are summarized as follows:

	Balance Beginning Of Year	Additions	Reductions	Balance End Of Year	Due Within One Year
General obligation bonds	\$ 4,830,000	\$ -	\$ 175,000	\$ 4,655,000	\$ 185,000
Early retirement	17,153	-	17,153	-	-
Total	\$ 4,847,153	\$ -	\$ 192,153	\$ 4,655,000	\$ 185,000

Early Retirement

The District has offered a voluntary early retirement plan to its certified employees. At June 30, 2005, eligible employees had to be at least age fifty-five and must have completed fifteen years of continuous service to the District. Employees must complete an application, which is required to be approved by the Board of Education. Early retirement incentives are equal to a cash payment equal to 50% of the employee's annual salary. Early retirement expenditures for the year ended June 30, 2005 totaled \$17,153. This program ended June 30, 2005, and has not been reinstated for the fiscal year ended June 30, 2006.

General Obligation Bonds Payable

Details of the District's June 30, 2005 general obligation bonded indebtedness are as follows:

Year Ending June 30,	Issued May 2003			
	Interest Rates	Principal	Interest	Total
2006	3.75%	\$ 185,000	\$ 174,562	\$ 359,562
2007	3.75%	190,000	167,625	357,625
2008	3.25%	200,000	139,100	339,100
2009	3.375%	210,000	137,700	347,700
2010	3.50%	215,000	135,450	350,450
2011	3.60%	220,000	131,580	351,580
2012	3.75%	230,000	128,813	358,813
2013	3.80%	240,000	121,790	361,790
2014	4.00%	245,000	118,600	363,600
2015	4.00%	255,000	108,800	363,800
2016	4.00%	265,000	98,600	363,600
2017	4.00%	275,000	88,000	363,000
2018	4.10%	290,000	78,925	368,925
2019	4.20%	300,000	68,670	368,670
2020	4.25%	310,000	56,738	366,738
2021	4.35%	325,000	44,587	369,587
2022	4.45%	340,000	31,150	371,150
2023	4.50%	360,000	16,200	376,200
Total		\$ 4,655,000	\$ 1,846,890	\$ 6,501,890

During the year ended June 30, 2005, the District made principal and interest payments totaling \$367,435 under the agreement.

(6) Pension and Retirement Benefits

The District contributes to the Iowa Public Employees Retirement System (IPERS), which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits, which are established by state statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P. O. Box 9117, Des Moines, Iowa, 50306-9117.

Plan members are required to contribute 3.70% of their annual covered salary and the District is required to contribute 5.75% of annual covered payroll for the years ended June 30, 2005, 2004 and 2003. Contribution requirements are established by state statute. The District's contributions to IPERS for the years ended June 30, 2005, 2004 and 2003 were \$220,258, \$210,888, and \$207,353, respectively, equal to the required contributions for each year.

(7) Risk Management

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

(8) 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 \$246,686 for the year ended June 30, 2005 and is recorded in the General Fund by making a memorandum adjusting entry to the cash basis financial statements.

(9) Construction Commitment

The District entered into various contracts for \$6,000,000 for the construction of a new school building. The building was funded from the bond issued proceeds received in 2003 and a \$1,000,000 federal grant received in 2004. At June 30, 2005, the District has \$73,521 left on the contracts. The building was completed after June 30, 2005.

The District entered into various contracts for \$135,457 for the remodeling of the administration building, which is scheduled to be completed in November 2005.

The District also had \$49,203 in playground equipment construction in process at June 30, 2005.

Required Supplementary Information

Jesup Community School District

**Budgetary Comparison Schedule of Receipts, Disbursements and Changes in Balances –
Budget and Actual – All Governmental Funds and Proprietary Fund**

Required Supplementary Information

Year Ended June 30, 2005

	Governmental Funds Actual	Proprietary Fund Actual
Receipts:		
Local sources	\$ 2,947,804	\$ 215,520
Intermediate sources	-	-
State sources	3,141,551	4,322
Federal sources	675,829	93,342
Total Receipts	<u>\$ 6,765,184</u>	<u>\$ 313,184</u>
Disbursements:		
Instruction	\$ 3,937,231	\$ -
Support services	1,995,788	-
Non-instructional programs	-	312,220
Other expenditures	3,630,864	-
Total Disbursements	<u>\$ 9,563,883</u>	<u>\$ 312,220</u>
Excess (deficiency) of receipts over (under) disbursements	\$ -2,798,699	\$ 964
Balances beginning of year	<u>6,189,895</u>	<u>132,427</u>
Balances End of Year	<u>\$ 3,391,196</u>	<u>\$ 133,391</u>

See accompanying independent auditor's report.

	Total Actual	Budgeted Amounts Original	Variance
\$	3,163,324	\$ 2,919,057	\$ 244,267
	-	-	-
	3,145,873	3,338,867	-192,994
	769,171	637,000	132,171
\$	<u>7,078,368</u>	<u>\$ 6,894,924</u>	<u>\$ 183,444</u>
\$	3,937,231	\$ 4,179,058	\$ 241,827
	1,995,788	2,450,500	454,712
	312,220	445,500	133,280
	3,630,864	4,338,163	707,299
\$	<u>9,876,103</u>	<u>\$ 11,413,221</u>	<u>\$ 1,537,118</u>
\$	-2,797,735	\$ -4,518,297	\$ 1,720,562
	6,322,322	5,695,057	627,265
\$	<u>3,524,587</u>	<u>\$ 1,176,760</u>	<u>\$ 2,347,827</u>

Jesup Community School District

Notes to Required Supplementary Information – Budgetary Reporting

Year Ended June 30, 2005

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

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

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

Other Supplementary Information

Jesup Community School District
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2005

	Debt Service	Management Levy	Student Activity	Physical Plant and Equipment Levy	Total
Assets					
Cash and pooled investments	\$ 9,933	\$ 43,343	\$ 94,706	\$ 135,065	\$ 283,047
Receivables:					
Property Tax:					
Delinquent	759	930	-	603	2,292
Succeeding year	120,873	140,000	-	56,704	317,577
Total Assets	\$ 131,565	\$ 184,273	\$ 94,706	\$ 192,372	\$ 602,916
Liabilities & Fund Equity					
Liabilities:					
Accounts payable	-	-	528	-	528
Deferred revenue:					
Succeeding year property tax	120,873	140,000	-	56,704	317,577
Total Liabilities	\$ 120,873	\$ 140,000	\$ 528	\$ 56,704	\$ 318,105
Fund Equity:					
Unreserved fund balances	\$ 10,692	\$ 44,273	\$ 94,178	\$ 135,668	\$ 284,811
Total Liabilities & Fund Equity	\$ 131,565	\$ 184,273	\$ 94,706	\$ 192,372	\$ 602,916

Jesup Community School District
Combining Schedule of Revenues, Expenditures
and Changes in Fund Balances
Non-Major Special Revenue Funds

Year Ended June 30, 2005

	Debt Service	Management Levy	Student Activity	Physical Plant and Equipment Levy	Total
Revenues:					
Local Sources:					
Local tax	\$ 69,774	\$ 82,027	\$ -	\$ 55,930	\$ 207,731
Other	763	16,389	167,928	76,229	261,309
State sources	63	78	-	50	191
Total Revenues	\$ 70,600	\$ 98,494	\$ 167,928	\$ 132,209	\$ 469,231
Expenditures:					
Current:					
Instruction:					
Regular instruction	\$ -	\$ 28,813	\$ -	\$ -	\$ 28,813
Other instruction	-	-	172,614	-	172,614
Support Services:					
Student services	-	1,987	-	-	1,987
Instructional staff services	-	325	-	-	325
Administration services	-	52,413	-	-	52,413
Operation and maintenance of plant services	-	10,285	-	1,515	11,800
Transportation services	-	1,323	-	-	1,323
Other expenditures:					
Facilities acquisition	-	-	-	164,386	164,386
Principal	175,000	-	-	-	175,000
Interest and fiscal charges	192,435	-	-	-	192,435
Total Expenditures	\$ 367,435	\$ 95,146	\$ 172,614	\$ 165,901	\$ 801,096
Excess (deficiency) of revenues over (under) expenditures	\$ -296,835	\$ 3,348	\$ -4,686	\$ -33,692	\$ -331,865
Other Financing Sources (Uses):					
Operating transfers in	\$ 291,218	-	-	-	\$ 291,218
Excess (deficiency) of revenues & other financing sources over (under) expenditures & other financing uses	\$ -5,617	\$ 3,348	\$ -4,686	\$ -33,692	\$ -40,647
Fund balances beginning of year	16,309	40,925	98,864	169,360	325,458
Fund Balances End of Year	\$ 10,692	\$ 44,273	\$ 94,178	\$ 135,668	\$ 284,811

See accompanying independent auditor's report.

Jesup Community School District

Schedule of Changes in Special Revenue Fund, Student Activity Accounts

Year Ended June 30, 2005

Account	Balance Beginning Of Year	Revenues and Inter-fund Transfers	Expenditures	Intra- Fund Transfers	Balance End of Year
Choir robes	\$ 238	\$ 1,159	\$ -	\$ -	\$ 1,397
Activity books	1,736	8,552	-	-9,000	1,288
Athletics	32,399	65,355	90,515	6,750	13,989
Fine arts	3,359	2,352	4,421	2,250	3,540
Student Council	8,398	12,677	11,207	-250	9,618
Summer ball	9,350	4,017	3,623	-	9,744
FHA	1,293	1,512	2,133	-	672
High School Fine Arts Trip	6,829	16,539	10,316	-	13,052
Language Club	104	667	-	-	771
Miscellaneous	299	3,743	3,121	-88	833
Yearbook	2,363	8,032	8,475	88	2,008
National Honor Society	73	-	66	-	7
Class of 2004	315	-	315	-	-
Class of 2005	867	82	638	75	386
Class of 2006	615	12,831	10,230	100	3,316
Class of 2007	452	325	311	50	516
Class of 2008	-	6,652	3,787	25	2,890
Middle School	1,147	4,621	3,055	-	2,713
FFA	5,365	7,026	9,555	-	2,836
J-Stars	6,432	8,536	7,100	-	7,868
Tree Project	29	-	-	-	29
Interest account	10,731	1,553	-	-	12,284
Elementary	6,470	1,697	3,746	-	4,421
Total	\$ 98,864	\$ 167,928	\$ 172,614	\$ -	\$ 94,178

Jesup Community School District

Schedule of Revenues by Source and Expenditures by Function
All Governmental Funds

For the Last Four Years

	Modified Accrual Basis			
	2005	2004	2003	2002
Revenues:				
Local Sources:				
Local tax	\$ 1,815,802	\$ 1,858,831	\$ 1,765,370	\$ 1,820,128
Tuition	298,173	308,685	382,930	207,280
Other	833,829	737,297	414,276	453,467
Intermediate sources	-	-	-	-
State sources	3,141,551	3,291,040	3,375,254	3,220,542
Federal sources	675,829	1,337,382	451,598	442,637
Total	\$ 6,765,184	\$ 7,533,235	\$ 6,389,428	\$ 6,144,054
Expenditures:				
Instruction:				
Regular instruction	\$ 2,519,755	\$ 2,523,006	\$ 2,532,933	\$ 2,429,908
Special instruction	727,863	721,687	837,864	842,521
Other instruction	689,613	459,065	455,831	494,593
Support services:				
Student services	439,592	284,723	288,793	318,878
Instructional staff services	179,958	163,584	213,786	255,585
Administration services	718,590	763,110	906,221	599,421
Operation and maintenance of plant services	368,754	454,477	354,298	375,836
Transportation services	282,983	265,734	297,348	307,891
Central support services	-	-	-	505
Community services	5,911	4,332	9,308	5,184
Other expenditures:				
Facilities acquisition	3,016,743	2,767,935	-	4,000
Long-term debt:				
Principal	175,000	170,000	-	-
Interest and other charges	192,435	198,810	-	-
AEA flow-through	246,686	251,380	268,171	268,349
Total	\$ 9,563,883	\$ 9,027,843	\$ 6,164,553	\$ 5,902,671

Jesup Community School District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2005

Grantor/Program	CFDA Number	Grant Number	Expenditures
Indirect:			
U.S. Department of Agriculture:			
Iowa Department of Education:			
Food donation (non-cash)	10.550	FY05	\$ 14,536
School Nutrition Cluster Programs:			
School Breakfast Program	10.553	FY05	\$ 11,544
National School Lunch Program	10.555	FY05	68,085
			<u>\$ 79,629</u>
U.S. Department of Education:			
Iowa Department of Education:			
Title I Grants to Local Educational Agencies	84.010	FY05	\$ 173,713
Vocational Education-Basic Grants to States	84.048	FY05	\$ 10,276
Safe and Drug-Free Schools and Communities-State Grants	84.186	FY05	\$ 2,665
Innovative Education Program Strategies (Title V Program)	84.298	FY05	\$ 3,349
Title IIA-Federal Teacher Quality Program	84.367	FY05	\$ 39,656
21 st Century Learning Grant	84.287	FY05	\$ 399,730
Fire Safety Grant	84.215	FY05	\$ 18,615
U.S. Department of Health & Human Services:			
Iowa Department of Education:			
Medical Assistance Program	93.778	FY05	\$ 46,440
Total			<u>\$ 788,609</u>

Basis of Presentation – The Schedule of Expenditures of Federal Awards includes the federal grant activity of Jesup Community School District and is presented on the accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**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**

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
Jesup Community School District:

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Jesup Community School District as of and for the year ended June 30, 2005, which collectively comprise the District's basic financial statements listed in the table of contents, and have issued my report thereon dated August 23, 2005. I conducted my 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.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Jesup Community School District's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in Part II of the accompanying Schedule of Findings.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, I believe item II-A-05 is a material weakness.

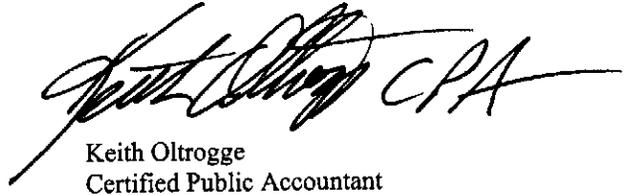
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Jesup Community School District's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of non-compliance that are required to be reported under Government Auditing Standards.

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2005 are based exclusively on knowledge obtained from procedures performed during my audit of the financial statements of the District. Since my 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.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of Jesup Community School District and other parties to whom Jesup Community School District may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

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



Keith Oltrogge
Certified Public Accountant

August 23, 2005

**Independent Auditor's Report on Compliance with Requirements Applicable
To Each Major Program and on Internal Control over Compliance
in Accordance with OMB Circular A-133**

Independent Auditor's Report on Compliance with Requirements Applicable
To Each Major Program and on Internal Control over Compliance
in Accordance with OMB Circular A-133

To the Board of Education of
Jesup Community School District

Compliance

I have audited the compliance of Jesup Community School District with the types of compliance requirements described in U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2005. Jesup Community School District's major federal programs are identified in Part I of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grant agreements applicable to each of its major federal programs is the responsibility of Jesup Community School District's management. My responsibility is to express an opinion on Jesup Community School District's compliance based on my audit.

I conducted my 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 OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that I 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 Jesup Community School District's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on Jesup Community School District's compliance with those requirements.

In my opinion, Jesup Community School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005.

Internal Control Over Compliance

The management of Jesup Community School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grant agreements applicable to federal programs. In planning and performing my audit, I considered Jesup Community School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

I noted a matter involving the internal control over compliance and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in my judgment, could adversely affect Jesup Community School District's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grant agreements. The reportable condition is described as item III-A-05 in the accompanying Schedule of Findings.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that non-compliance with applicable requirements of laws, regulations, contracts and grant agreements caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I believe item III-A-05 is a material weakness.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of Jesup Community School District and other parties to whom Jesup Community School District may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.



Keith Oltrogge
Certified Public Accountant

August 23, 2005

Jesup Community School District

Schedule of Findings

Year Ended June 30, 2005

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

- a) An unqualified opinion was issued on the financial statements.
- b) Reportable conditions in internal control over financial reporting were disclosed by the audit of the financial statements, including a material weakness.
- c) The audit did not disclose any non-compliance which is material to the financial statements.
- d) A reportable condition in internal control over major programs was disclosed by the audit of the financial statements, including a material weakness.
- e) An unqualified opinion was issued on compliance with requirements applicable to each major program.
- f) The audit disclosed an audit finding which is required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510 (a).
- g) Major programs were as follows:
 - CFDA Number 84.010 – Title I Grants to Local Educational Agencies
 - CFDA Number 84.287 – 21st Century Learning Grant
- h) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- i) Jesup Community School District did not qualify as a low-risk auditee.

Jesup Community School District

Schedule of Findings

Year Ended June 30, 2005

Part II – Findings Related to the Financial Statements:

INSTANCES OF NON-COMPLIANCE:

No matters were reported.

REPORTABLE CONDITIONS:

II-A-05 Segregation of Duties – One important aspect of internal control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. I noted that the bank deposits, the posting of the cash receipts to the cash receipts journal and the bank reconciliations were all done by the same person.

Recommendation – I realize that with a limited number of office employees, segregation of duties is difficult. However, the District should review its control procedures to obtain the maximum internal control possible under the circumstances.

Response - We will consider this.

Conclusion – Response accepted.

Jesup Community School District

Schedule of Findings

Year Ended June 30, 2005

Part III – Findings For Federal Awards:

INSTANCES OF NON-COMPLIANCE:

No matters were reported.

REPORTABLE CONDITIONS:

CFDA Number 84.010: Title I Grants to Local Educational Agencies

CFDA Number 84.287: 21st Century Learning Grant

III-A-05 Segregation of Duties – One important aspect of internal control is the segregation of duties among employees to prevent an individual employee from handling duties which are incompatible. I noted that the bank deposits, the posting of the cash receipts to the cash receipts journal and the bank reconciliations were all done by the same person.

Recommendation – I realize that with a limited number of office employees, segregation of duties is difficult. However, the District should review its control procedures to obtain the maximum internal control possible under the circumstances.

Response - We will consider this.

Conclusion – Response accepted.

Jesup Community School District

Schedule of Findings

Year Ended June 30, 2005

Part IV - Other Findings Related to Statutory Reporting:

- IV-A-05 Official Depositories - Official depositories have been approved by the District. The maximum deposit amounts approved were not exceeded during the year ended June 30, 2005.
- IV-B-05 Certified Budget - Disbursements for the year ended June 30, 2005 did not exceed the amounts budgeted.
- IV-C-05 Questionable Expenditures - No expenditures that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.
- IV-D-05 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-E-05 Business Transactions - No business transactions between the District and District officials or employees were noted.
- IV-F-05 Bond Coverage - Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to insure the coverage is adequate for current operations.
- IV-G-05 Board Minutes - No transactions requiring Board approval, which had not been approved by the Board, were noted.
- IV-H-05 Certified Enrollment - No variances in the basic enrollment data certified to the Department of Education were noted.
- IV-I-05 Deposits and Investments - No instances of non-compliance with the deposit and investment provisions of Chapter 12B and Chapter 12C of the Code of Iowa and the District's investment policy were noted.
- IV-J-05 Certified Annual Report - The Certified Annual Report was filed with the Iowa Department of Education timely and I noted no significant deficiencies in the amounts reported.